

R009-B: "Spirit Lake Nation Wind Farm"
Submitted by Spirit Lake Tribal Nation
Principal Investigator: Baker Tilly Virchow Krause, LLP
Request for \$120,000; Total Project Costs \$240,000

Technical Advisor Comments

- 2 reviewers recommended funding may be considered, 1 recommended fund.
- Applicant will provide a 50% cash match.
- The applicant mentioned an educational component as an objective and measure of success. Reviewers commented that the applicant should consider corroborating with a college that already has a training program in place. Applicant has since had discussions with local colleges.
 - Although mentioned, this is not part of the scope of work. None of the proposed costs are associated with education.
- 2 reviewers commented that there is no proposed new technology associated with this proposal. One reviewer felt that the fact that it would be tribally-owned added uniqueness.
 - The applicant has indicated that there is a potential to become a 2.5 mW test facility for GE. However, there is no letter of support stating this. It is also not really part of the scope of work for this proposal.
- 1 reviewer felt the statement that if the MISO study indicated a transmission constraint, the project would be set back a year was overly optimistic. Another felt the timeline was very tight and noted, "...It is unclear if Spirit Lake Nation is exempt from the ND PSC's application processes. Also the project is located within 95% of Whooping Crane Central Flyway Confirmed Sightings...and this could also have the potential for additional consultation with the US Fish & Wildlife Service."
 - The applicants have stated that the timeline success depends on receiving funding. It is based on previous wind farm developments. MISO results should be available after 7/26/10, and a more definitive timeline will be available after that. Perhaps they will bring this information to the Council meeting.
- 1 reviewer felt the management plan provided a bare minimum of details. Another felt the communication plan was weak.
 - Applicant is willing to provide a communication plan.
- All 3 reviewers feel the project would bring economic benefits to the community.
 - According to the proposal's project description, it is estimated that 18 long-term jobs would be created. Later the proposal states 32 jobs will be maintained. It is unclear how they arrived at this number.
- 1 reviewer commented, "...The intention is that the up-front studies, reviews, negotiations, etc. will lead to development of a 100 MW wind farm and that a Power Purchase Agreement will be entered into with, presumably, a utility company. The application doesn't make a strong case that the power from the proposed project is easily marketable."

Technical Advisor Recommendations

Funding may be considered. This is a straight forward proposal for the initial stages of a wind farm. It is not bringing new technology to ND. The contribution of this project, if successful, will be to create renewable energy jobs in the state. Like most projects, success is not guaranteed. Ultimate success will rely on a Power Purchase Agreement. The reviewer's concern regarding this was not addressed. More information would strengthen the proposal.

Available grant funds are limited. There may be higher priority projects the Council will wish to fund in subsequent rounds. A concern with this proposal is whether funding the project will create a precedent. Because the proposal is so straight forward, it may be difficult to refuse any future proposals for wind farm development.

Suggested contingencies if funded:

- Applicants provide a more detailed budget prior to contract. It is understood that NDIC is only funding a portion of the scope of work. However, a clear delineation of exactly which eligible activities will be funded by NDIC and which will be funded by the applicant is needed.
- A detailed management plan is provided, including communications prior to contract.