

Minutes of the
RENEWABLE ENERGY COUNCIL
Thursday, March 24, 2011 – 12:00 pm (CST)
Dept. of Commerce, Century Center – Icelandic Room
1600 East Century Avenue, Bismarck

CALL TO ORDER

Paul Govig, Chairman, called the Renewable Energy Council meeting to order at 12:05 pm.

Members Present: Paul Govig, Rod Holth, Al Christianson (phone), Mark Nisbet (phone), and Eric Mack (phone).

Members Absent: Randy Schneider and Terry Goerger.

Others Present:

Andrea Pfennig, Department of Commerce
Karlene Fine, Industrial Commission
Joleen Leier, Department of Commerce
Zac Weis, Department of Commerce
Jon Nietfeld, NDSU
Neena Ravindran, Tecton Products
Chad Ulven, NDSU
Dennis Wiesenborn, NDSU
Robert Plagemann, Tecton Products
Jason Laumb, UND/EERC
Nick Lentz, UND/EERC
John Pavlish, UND/EERC

APPROVAL OF MINUTES

December 16, 2010 meeting minutes were reviewed.

Al Christianson moved to approve the minutes as presented. Rod Holth seconded the motion. Motion passed.

PRESENTATION OF FINANCIAL SUMMARIES

Fine gave a financial update. There is \$989,754.44 available for funding. Fine received an email yesterday that indicated that the project we had set aside \$500,000 for has been withdrawn. These funds are available immediately and will carry over to the next biennium.

WELCOME

Govig started introductions.

**CONSIDERATION OF GRANT
ROUND 11 APPLICATIONS**

R011-E: “Biobased Non-Isocyanate Urethane Hybrid Resins for Pultrusion Composites”;
Submitted by North Dakota State University; Principal Investigator: Chad Ulven; Project Duration: 24 months; Total Project Costs: \$400,000; Request for: \$200,000.

Pfennig gave an overview of the project. The overall reviewers’ recommendations follow: Funding May Be Considered (173) and (183). Average Weighted Score was 178 out of 250. Commerce’s recommendation is that funding may be considered for this project. Proposed Contingencies: Award a portion of funding for the feasibility study with remaining funds contingent upon favorable findings. Note that a feasibility study wasn’t built into the budget.

Chad Ulven and associates presented.

Govig asked how much of the new siding product goes to Marvin. Response: The majority right now (90-95%). Govig asked if they are considering other vendors? Response: No, will be going with APEX.

Holth asked where does the product stack up in cost? Response: Competing primarily with fiber cement.

Discussion: Christianson felt they need to do a feasibility report up front.

Contingency to be included is that a feasibility study would be done prior to funding. Use part of the funds to do the feasibility study prior to moving on to the next phase.

Discussion was held as to whether a third-party verification would be necessary.

Christianson withdrew his proposal for a contingency.

R011-B: “Pilot-Scale Testing to Evaluate the Effects of Biomass Cofiring Combustion on CMMs at Low Mercury Concentrations”; Submitted by EERC; Principal Investigator: John Pavlish; Project Duration: 12 months; Total Project Costs: \$494,000; Request for: \$247,000.

Pfennig gave an overview of the project. The overall reviewers’ recommendations follow: Funding May Be Considered (181), Do Not Fund (167), and Fund (195). Average Weighted Score was 181 out of 250. Commerce’s recommendation is that funding may be considered for this project. Proposed Contingencies: Plan for industry involvement is provided prior to contract and approved by the Council.

John Pavlish presented.

Christianson stated that the ND regulations may be less stringent than other states. Why aren’t the monitoring companies trying to sell me the equipment? Response: The monitoring companies have never stepped up to the plate.

Mack asked what others are using to measure their mercury. Response: They are not measuring. There aren’t any requirements at this time.

Mack asked if there is anyone else around the country doing this kind of work. Response: Not that I’m aware of (i.e., quad trains, 301, defensible data).

Fine noted that the Industrial Commission in conjunction with the Lignite Research Program is a party of the affiliates and does have a membership on the board (Mike Jones).

A contingency needs to be added requiring industry involvement from ND firms prior to contract.

R011-C: “Trace Element Measurements During Biomass Gasification”; Submitted by EERC; Principal Investigator: Nicholas Lentz; Project Duration: 12 months; Total Project Costs: \$500,000; Request for: \$250,000.

Pfennig gave an overview of the project. The overall reviewers’ recommendations follow: Funding May Be Considered (184 and 188), and Do Not Fund (168). Average Weighted Score was 180 out of 250. Commerce’s recommendation is that funding may be considered for this project.

Nicholas Lentz presented.

A contingency needs to be added requiring industry involvement from ND firms prior to contract.

R011-D: “Biomass Gasification in Entrained-Flow Systems”; Submitted by EERC; Principal Investigator: Jason Laumb; Project Duration: 10 months; Total Project Costs: \$693,100; Request for: \$325,000.

Pfennig gave an overview of the project. The overall reviewers’ recommendations follow: Funding May Be Considered (172) and Fund (209 and 205). Average Weighted Score was 195 out of 250. Commerce’s recommendation is that funding may be considered for this project. Proposed Contingencies: Gas chromatography is required.

Jason Laumb presented.

Council doesn’t feel they need to add contingency.

Fine commented that this is all contingent upon receiving DOE approval.

Christianson commented that we have limited funds and we need to ensure the council is doing what is best for those funds.

CONFLICT OF INTEREST

R011-B: “Pilot-Scale Testing to Evaluate the Effects of Biomass Cofiring Combustion on CMMs at Low Mercury Concentrations”

- None

R011-C: “Trace Element Measurements During Biomass Gasification”

- None

R011-D: “Biomass Gasification in Entrained-Flow Systems”

- None

R011-E: “Biobased Non-Isocyanate Urethane Hybrid Resins for Pultrusion Composites”

- None

COMPLETION OF BALLOTS**R011-B: “Pilot-Scale Testing to Evaluate the Effects of Biomass Cofiring Combustion on CMMs at Low Mercury Concentrations”;
Submitted by EERC.**

Fund: 1 Do Not Fund: 4

R011-C: “Trace Element Measurements During Biomass Gasification”; Submitted by EERC.

Fund: 0 Do Not Fund: 5

R011-D: “Biomass Gasification in Entrained-Flow Systems”; Submitted by EERC.

Fund: 3 Do Not Fund: 2

**R011-E: “Biobased Non-Isocyanate Urethane Hybrid Resins for Pultrusion Composites”;
Submitted by North Dakota State University.**

Fund: 5 Do Not Fund: 0

**UPDATES AND POSSIBLE ACTION
ON PROPOSED REVISIONS TO
ONGOING PROJECTS**

Christianson gave an update on the Dakota Spirit Ag Energy grant which will help with the feed study etc. They came to the conclusion that they are unable to build a 20 million gallon cellulosic ethanol plant right now. Instead, they have decided to build a 50 million gallon corn based ethanol plant now and add an 8 to 12 million gallon cellulosic ethanol plant with Inbicon in 2013. The front end engineering and design work still needs to be done. The conventional ethanol plant will pay for a significant portion of the infrastructure. The goals of the project are the same but the timelines have shifted.

Holth asked, on the corn based traditional ethanol plant with the usage of the steam, can you get your rins value up or reduce the green house gases close to advanced biofuel? Response: We’ve already done this at Blue Flint. We’ll get the \$1 rin.

Fine commented that Carolyn Nyberg called regarding the five feedstocks. They have three now and need two more. Fine requested to deal with that via email.

Fine spoke about the electrolytic project approved in 2009. Asked for revisions but hasn’t seen anything yet. She will deal with that via email unless significant which would require another board meeting.

ADMINISTRATIVE BUSINESS**Legislative Update**

Currently the House has acted on the Industrial Commission’s budget and approved \$1 million. Executive budget had \$3 million. Have been in discussions with the Senate Appropriations subcommittees to reinstate the \$2 million. They have been given a directive from leadership to cut back on their funding. Anticipate Senate cutting back funding to \$2-2.5 million.

Will have a little bit of carryover since the Tesoro plant project was pulled. With their expansion they will not have room for their proposed building. This proposal has been withdrawn. EERC will have to resubmit the application if they decide to move forward. Fine will make these funds available immediately.

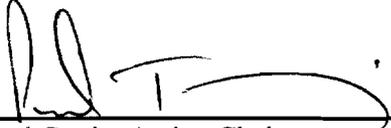
Christianson stated the Loan Guarantee for bio refineries is still alive and kicking, but is in the House presently. We also have had the Lignite Council go to the subcommittee that Karlene talked about to ask for the full \$3 million for the Renewable Energy Council. Several other utility people have gone in and talked to the conference committee about the \$3 million for the energy council.

Other Business

End of next round is May 1. Next meeting would be in July.

ADJOURNMENT

It was moved by Rod Holth to adjourn the meeting. The motion was seconded by Mark Nisbet. Motion passed. The meeting was adjourned at 3:15 pm.



Paul Govig, Acting Chairman Date
on behalf of Shane Goettle, Chairman 4/25/11



Joleen Leier Date
Acting Recorder 4-22-11