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September 22, 2009

Legislative Reference Library  
Attn: Acquisitions Department  
645 State Office Building  
St. Paul, Minnesota 55155-1050

**RE: Report on the Activities and Results of the Wind Energy Conversion System  
(WECS) Aggregation Program**

Dear Sir:

Pursuant to 2008 Minnesota Laws Chapter 296 Article 1 Section 19 Subd. 3 (Minn. Stat. 216F.09<sup>1</sup>), the Office of Energy Security (OES) is required to submit a report by February 1, 2009, and each year thereafter, to the chairs and ranking minority members of the senate and house of representatives committees with primary jurisdiction over energy policy on the activities and results of the Wind Energy Conversion System (WECS) Aggregation Program. The purpose of the program is to create a clearinghouse to coordinate and arrange umbrella sales arrangements for groups of individuals, farmstead property owners, farmers' cooperative associations, community-based energy project developers, school districts, and other political subdivisions to aggregate small-volume purchases, as a group, in order to place large orders for wind energy conversion systems with WECS manufacturers. No formal report was issued in 2009. However, during the 2009 legislative session, the OES orally communicated to Legislative Committee Chairs that according to our consultation with industry leaders, the allocated funds (\$100,000 per year) are not sufficient to initiate the proposed program.

If you have any questions about this report, please contact Jeremy DeFiebre at (651) 297-1221 or [JeremyDeFiebre@state.mn.us](mailto:JeremyDeFiebre@state.mn.us).

Sincerely,

Vincent Chavez  
Special Assistant to the Director  
Office of Energy Security  
Minnesota Department of Commerce

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<sup>1</sup> See Attachment 1

## 2009 Minnesota Statutes

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### 216F.09 WECS AGGREGATION PROGRAM.

Subdivision 1. **Program established.** The entity selected to provide rural wind development assistance under Laws 2007, chapter 57, article 2, section 3, subdivision 6, shall also establish a wind energy conversion system (WECS) aggregation program. The purpose of the program is to create a clearinghouse to coordinate and arrange umbrella sales arrangements for groups of individuals, farmstead property owners, farmers' cooperative associations, community-based energy project developers, school districts, and other political subdivisions to aggregate small-volume purchases, as a group, in order to place large orders for wind energy conversion systems with WECS manufacturers.

Subd. 2. **Responsibilities.** The entity shall:

(1) provide application procedures for participation in the program;

(2) set minimum standards for wind energy conversion systems to be considered for purchase through the program, which may include price, quality and installation standards, timely delivery schedules and arrangements, performance and reliability ratings, and any other factors considered necessary or desirable for participants;

(3) set eligibility considerations and requirements for purchasers, including availability to the applicant of land authorized for installation and use of WECS, likelihood of a permit being approved by the commission or a county under this chapter, documentation of adequate financing, and other necessary or usual financial or business practices or requirements;

(4) provide a minimal framework for soliciting or contacting manufacturers on behalf of participants; and

(5) coordinate purchase agreements between the manufacturer and participants.

Subd. 3. **Report.** By February 1, 2009, and each year thereafter, the commissioner of commerce shall submit a report to the chairs and ranking minority members of the senate and house of representatives committees with primary jurisdiction over energy policy on the activities and results of the program, including the number of participants and the number of purchases made.

Subd. 4. **Assessment; appropriation.** Annual costs of the program, up to \$100,000, must be assessed under section 216C.052, subdivision 2, paragraph (c), clause (1). The assessment is appropriated to the commissioner of commerce to be used by the director of the Office of Energy Security for a grant to the entity to carry out the purposes of this section.

**History:** 2008 c 296 art 1 s 19