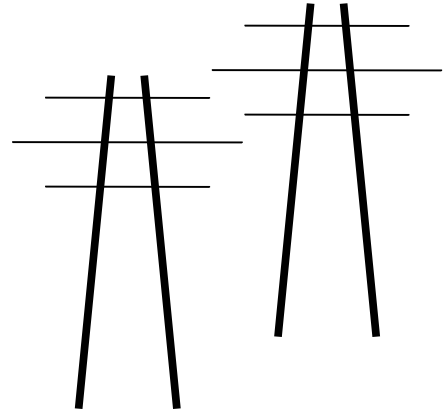


Legalelectric, Inc.

Carol Overland Attorney at Law, MN #254617
Energy Consultant—Transmission, Power Plants, Nuclear Waste
overland@legalelectric.org

P. O. Box 176
Red Wing, Minnesota 55066
612.227.8638

P.O. Box 69
Port Penn, Delaware 19731
302.834.3466



January 19, 2010

Dr. Burl Haar
Public Utilities Commission
121 – 7th Place East, Suite 300
St. Paul, MN 55101

RE: Goodhue Wind Power Purchase Agreements and C-BED Status
PUC Dockets 09-1186; 09-1349; 09-1350

Dear Dr. Haar:

I represent Goodhue Wind Truth in matters regarding the Goodhue Wind Project. Thank you for the opportunity to Comment on Goodhue Wind and the Xcel Energy Power Purchase Agreements, particularly with respect to the claimed C-BED status of this project.

A review of the Power Purchase Agreement does not provide any information pertaining to REALIZATION of C-BED status – the project apparently is not yet qualified – this is Goodhue Wind Truth's primary concern in this PPA docket.

At the outset, the PPA notes that:

Seller intends to qualify as a C-BED Project as that term is defined herein and Seller has requested that NSP enter into this PPA on the basis that Seller and the Facility qualify for C-BED Eligibility...

PPA, p. 1. Thus, C-BED status is a material term in this agreement.

The PPA defines "C-BED Eligibility" and "C-BED Project" as:

"C-BED Eligibility" means the satisfaction of the applicable requirements set forth in Minnesota Statutes Section 216B.1612, Subd. 2(f), necessary for the Facility to qualify as a C-BED Project.

"C-BED Project" is a project that satisfies all of the requirements for a community-based wind energy development project set forth in Minnesota Statutes Section 216B.1612.

PPA, p. 4.

Pulling the relevant language from the statute, Minn. Stat. 216B.1612 defines “qualifying owner” as “a limited liability company that is organized under chapter 322B and that is made up of members who are Minnesota residents...” Minn. Stat. §216B.1612, Subd. 2(c)(2).

Is Goodhue Wind a qualifying owner? From the prospectus, p. 30¹ as of 11/17/08:

UNIT OWNERSHIP

The following table sets forth information concerning the beneficial ownership of our Units as of November 17, 2008. The information is provided for Members holding five percent (5%) or greater Units.

<u>Beneficial Owner</u>	<u>Before Offering</u>		<u>After Sale of</u> <u>Minimum Amount*</u>		<u>After Sale of</u> <u>Maximum Amount**</u>	
	<u>Units</u>	<u>Percent</u>	<u>Units</u>	<u>Percent</u>	<u>Units</u>	<u>Percent</u>
National Wind, LLC	50,000	65.67%	50,000	53.87%	50,000	45.67%
Barry Rogne	5,181	6.80%	5,181	5.58%	5,181	4.73%
Kevin Greene	4,000	5.25%	4,000	4.31%	4,000	3.65%

On the other hand, August 18, 2008, the Goodhue Wind, LLC organizational filing with the Secretary of State, and included in the prospectus shows the following membership and shares:

EXHIBIT B

SCHEDULE A

<u>Name of Member</u>	<u>Units</u>
National Wind, LLC	50,000
Kevin Greene	4,000
Barry Rogne	5,851
Minor Buckingham	1,851
Alan and Nancy Gadiant	800 ✓
Dennis Gadiant	1,297 ✓
Wayne Gadiant	800
Richard Gorman	740
Martin Kehren	1,000
Terrance and Barbara Lacanne	750
Gary and Judy Luebke	1,111
Nicholas O'Connor	1,200 ✓
Kevin and Peggy O'Connor	750 ✓
Roderick and Debra O'Connor	750 ✓
Dave and Dan Schwartau	1,111
Michael and Denise Stehr	740 ✓
James Stehr	740 ✓
Stehr Farms, Inc.	1,850 ✓
Charles Strum	800
Total	76,141

National Wind retains control of over two-thirds of the memberships, and National Wind is not a Minnesota corporation. What does the membership chart look like today? It's unclear, and that is information not yet available in any documents on file with the PUC at this point.

¹ Filed 12/17/09 [200912-45145-02](#) by Goodhue Wind Truth, PUC Docket 09-1186.

Let's look at the status of Goodhue Wind as a "C-BED project" defined by the statute is:

(g) "Community-based energy development project" or "C-BED project" means a new renewable energy project that either as a stand-alone project or part of a partnership under subdivision 8:

(1) has no single qualifying owner owning more than 15 percent of a C-BED wind energy project unless: (i) the C-BED wind energy project consists of only one or two turbines; or (ii) the qualifying owner is a public entity listed under paragraph (c), clause (5), that is not a municipal utility;

(2) demonstrates that at least 51 percent of the gross revenues from a power purchase agreement over the life of the project will flow to qualifying owners and other local entities; and

(3) has a resolution of support adopted by the county board of each county in which the project is to be located, or in the case of a project located within the boundaries of a reservation, the tribal council for that reservation.

Minn. Stat. §216B.1612, Subd. 2(g).

Is Goodhue Wind a C-BED project? It does not qualify under Minn. Stat. §216B.1612, Subd. 2(g)(1) as National Wind is not a qualifying owner, and it owns roughly two-thirds of the project. There is no way of knowing whether it qualifies under Minn. Stat. §216B.1612, Subd. 2(g)(2).

Goodhue Wind has received a resolution of support from Goodhue County, listed, but not found in Exhibit E to the PPA. It is, however, in Exhibit H, "C-BED Eligibility Documentation." There is nothing else in Exhibit H. There was no documentation provided demonstrating C-BED status and the County does not require such documentation:

I reviewed the Board information packets and discussed the contents of the oral presentations which the Board has heard. It appears that you are correct that the Goodhue Wind folks do not yet have a list of investors for the final phase development of their project. I do not think Goodhue Wind could successfully sign-up investors for this phase prior to having the results from the meteorological tower for which they just received permits. I believe that the Board's support for C-BED was based on the company's assertions that they will structure the final project to meet the C-BED requirements.

Statement of Steve Betcher, Goodhue Co. Attorney, 1/8/09. It is the County's position that verification of C-BED status is within the jurisdiction of the state's MOES, and that this is only a preliminary statement of support, not verification of whether the project is or is not a C-BED project.²

The C-BED Letter of qualifications from Office of Energy Security is not attached to Exhibit E, nor does it state that such a letter is "Trade Secret Data." Presumably, this determination has not yet been made and is the basis for MOES reasonable questions regarding C-BED status.

² Subsequent conversation with Steve Betcher, Goodhue County Attorney, 1/12/10.

Please note that C-BED projects enjoy a presumptive approval, but this project has already not met the criteria for “Negative Checkoff Approval” as defined in the PPA as Goodhue Wind Truth and apparently the Office of Energy Security have objected to the PPA within the 30 day time period:

"Negative Checkoff Approval" means this PPA has been approved in conformance with Minn. Stat. § 216B.1612 as follows: (i) NSP has submitted this PPA to the MPUC under such statute; (ii) no Person objects to this PPA within thirty (30) Days after submission of this PPA to the MPUC, or an objection is raised but is resolved, withdrawn or otherwise determined not to prevent approval of this PPA within such thirty (30) days; and (iii) the MPUC fails to disapprove this PPA within such thirty (30) Days after submission, then this PPA shall be deemed approved pursuant to Minnesota Statutes Section 216B.1612, and no further MPUC approval shall be required.

PPA, p. 10.

From review of the filings in the Certificate of Need docket and the PPA dockets, this project does not qualify as a C-BED project. Goodhue Wind, LLC and/or National Wind must provide documentation of the C-BED status that it claims.

Further, for the record, the PPA refers to a site map, and the map identification of proposed turbine locations is incorrect in material ways – turbines are noted on land where there is no agreement to host a turbine. A copy of this map showing the misrepresentations has been entered in the Certificate of Need docket and is attached here as Exhibit A for entry into the PPA dockets, 09-1349 and 09-1350. Attached as Exhibit B, also entered into the Certificate of Need docket, are a number of Affidavits of landowners stating that land included on the map is not part of the Goodhue Wind project, for entry into the PPA dockets, 09-1349 and 09-1350.

Finally, Goodhue Wind Truth supports the Commission staff’s recommendation that the Certificate of Need docket be suspended pending resolution of the C-BED status issue.

Thank you for your kind consideration.

Very truly yours,



Carol A. Overland
Attorney at Law

cc: Goodhue Wind Truth

Enclosure

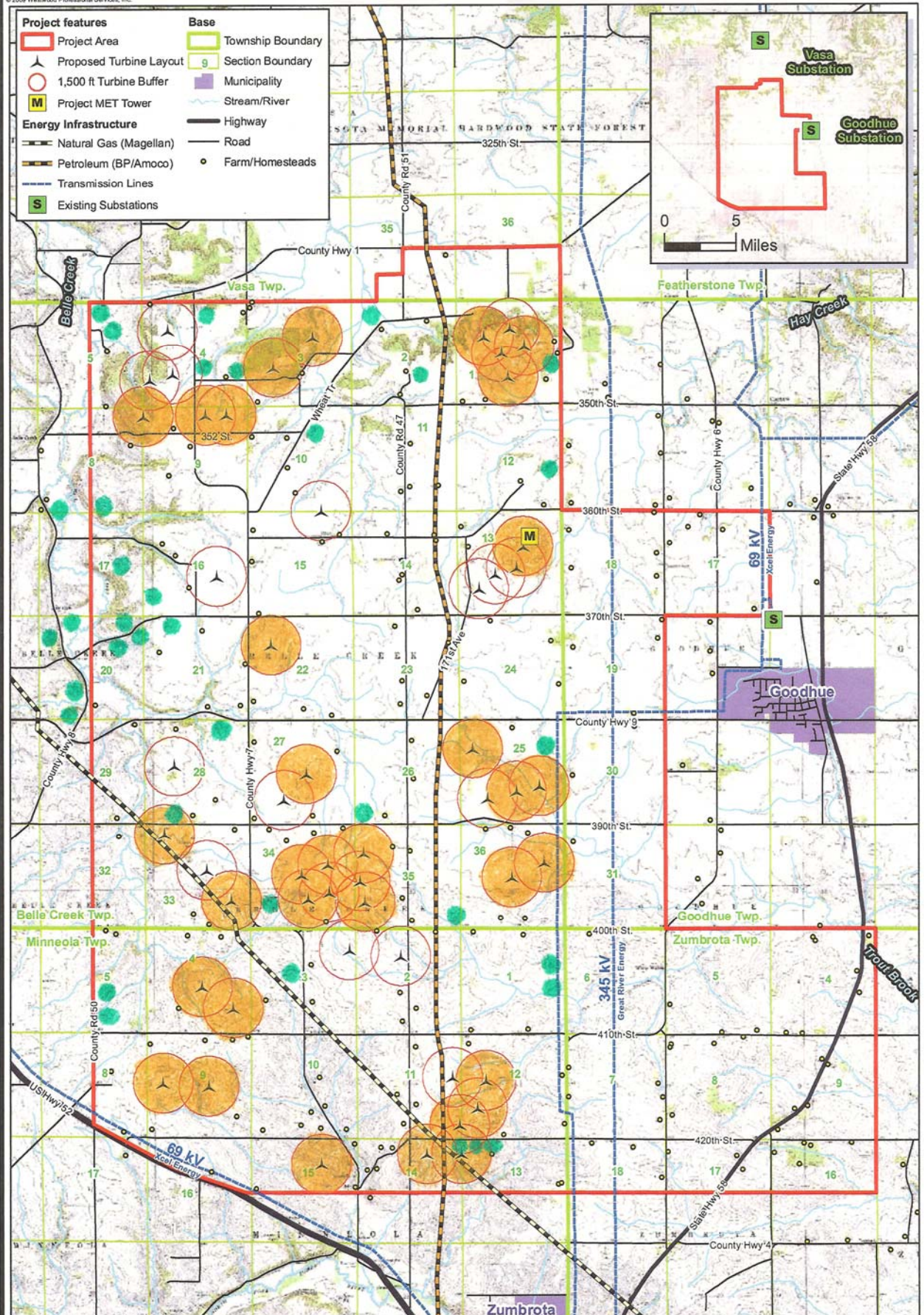
EXHIBIT A

11/19/09

Map Document: P:\2008\1147\GIS\Map\SPAs\Exhibit\20081147\0910_03.mxd
10/16/2009 11:37:01 AM

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Second Map Submission - Missing Homes



Data Sources: USGS 1:50,000 Topographic; County Maps (2002); MNDNR PLSS (1980); MNDOT Base Map (2008); MNDNR (2008); USGS NHD (2008); USFWS NWI (1997); ESRI Political Boundaries (2006); PHMSA NPS Pipeline Data (2008); Westwood (2009)



Westwood Professional Services, Inc.
7699 Anagram Drive
Eden Prairie, MN 55344

PHONE 952-937-5150
FAX 952-937-5822
TOLL FREE 1-888-937-5150
www.westwoodps.com

N
0 4,500 Feet

ORANGE =
No wind contracts signed
or improper setbacks

Goodhue Wind Project

Goodhue County, Minnesota

Preliminary Site Layout Map

EXHIBIT A-3

97 Homes within 1/2 mile of turbines sited.

EXHIBIT B

**LANDOWNERS AND RESIDENTS IN THE GOODHUE WIND PROJECT AREA
MISREPRESENTED IN THE GOODHUE WIND CERTIFICATE OF NEED
APPLICATION TO THE PUBLIC UTILITIES COMMISSION**

[illegible]

I, Larry Gruenberg, after being duly sworn on oath, state and depose as follows:

1. Attached as Exhibit A is a true and correct copy of the site map accompanying the Goodhue Wind site permit (08-1233) and certificate of need (09-1186) applications with the Public Utilities Commission. It clearly shows the proposed wind turbine sites that will allow the Goodhue Wind project to be viable.
2. Attached as Exhibit B is a true and correct map, from the official plat book of Goodhue County, of residences in Belle Creek Township, Goodhue County, Minnesota.
3. No less than 40 homes have been omitted from the Project Area and therefore consideration on the site map. Among these is:
8. Larry Gruenberg, 39722, County 7 Blvd, located on the southwestern quarter of Belle Creek township section 34.

Further your affiant sayeth naught.

Dated:

Signed and sworn to before me this
day of November, 2009.

Nancy K. Ja
Notary Public



**LANDOWNERS AND RESIDENTS IN THE GOODHUE WIND PROJECT AREA
MISREPRESENTED IN THE GOODHUE WIND CERTIFICATE OF NEED
APPLICATION TO THE PUBLIC UTILITIES COMMISSION**

[illegible]

I, Willis Scharpen, after being duly sworn on oath, state and depose as follows:

1. Attached as Exhibit A is a true and correct copy of the site map accompanying the Goodhue Wind site permit (08-1233) and certificate of need (09-1186) applications with the Public Utilities Commission. It clearly shows the proposed wind turbine sites that will allow the Goodhue Wind project to be viable.
2. Attached as Exhibit B, is a true and correct map, from the official plat book of Goodhue County, of landowners in Belle Creek Township, Goodhue County, Minnesota.
4. The southwestern quarter of Belle Creek township section 36 is owned by Reuben Scharpen, the southeastern quarter of Belle Creek township section 36 is owned by Willis Scharpen, the southeastern quarter of the northwestern quarter and the southwestern quarter of the northeastern quarter of Belle Creek township section 36 are owned by Charles McNamara, all of which have not entered into any agreement with Goodhue Wind or National Wind. The site map shows a turbine located on or near the intersection of these parcels.

Further your affiant sayeth naught.

Willis Scheyda

Dated: 11-11-09
Signed and sworn to before me this 11TH
day of November, 2009.

Nancy R Lee
Notary Public



[illegible]

1. Attached as Exhibit A is a true and correct copy of the site map accompanying the Goodhue Wind site permit (08-1233) and certificate of need (09-1186) applications with the Public Utilities Commission. It clearly shows the proposed wind turbine sites that will allow the Goodhue Wind project to be viable.
2. Attached as Exhibit B, is a true and correct map, from the official plat book of Goodhue County, of landowners in Belle Creek Township, Goodhue County, Minnesota.
4. The southwestern quarter of Belle Creek township section 36 is owned by Reuben Scharpen; the southeastern quarter of Belle Creek township section 36 is owned by Matt Scharpen, Sam Scharpen, & Scott Scharpen; the southeastern quarter of the northwestern quarter and the southwestern quarter of the northeastern quarter of Belle Creek township section 36 are owned by Charles McNamara, all of which have not entered into any agreement with Goodhue Wind or National Wind. The site map shows a turbine located on or near the intersection of these parcels.

Dated: Scott Schaper 11-11-09
Signed and sworn to before me this 11TH
day of November, 2009.

Nancy K. Lee
Notary Public



[illegible]

1. Attached as Exhibit A is a true and correct copy of the site map accompanying the Goodhue Wind site permit (08-1233) and certificate of need (09-1186) applications with the Public Utilities Commission. It clearly shows the proposed wind turbine sites that will allow the Goodhue Wind project to be viable.
2. Attached as Exhibit B is a true and correct map, from the official plat book of Goodhue County, of landowners in Minneola Township, Goodhue County, Minnesota.
3. The eastern half of the southeastern quarter of Minneola township section 4 is owned by Roger Scheffler who has not entered into any agreement with Goodhue Wind or National Wind. The site map shows a turbine located on this parcel.

Dated: Rogin Shaffer 11-11-09
Signed and sworn to before me this 11TH
day of November, 2009.

Nancy K. Lee
Notary Public

