

**State of Iowa
Iowa Energy Center Board
Meeting Minutes of August 6, 2020
Virtual Meeting Only**

Call to order 1:00 p.m.

Board Members Present

Timothy Whipple, Board Chairperson*
Stuart Anderson*
Jennifer Johnson*
Dan Nickey*
Joel Schmidt*
Geri Huser*
Gul Kremer*
Rick Olesen*
Nathan Young*
Jenae Jenison*
Debi Durham*

Board Members Absent

Valerie Newhouse

Iowa Economic Development Authority Staff Present

Brian Selinger*
Amber Buckingham*
Stephanie Weisenbach*
Ryan Young*
MK Anderson*
Kanan Kappelman*
Terry Roberson*
Lisa Connell*
Derek Folden*
Betty Hessing*
Vicky Clinkscales*

Others Present

Brenda Biddle, Iowa Utilities Board Staff*

*Participated virtually

Welcome & Introductions by Board Chairperson Timothy Whipple

Timothy Whipple thanked everyone for participating in this virtual IEC Board meeting. Mr. Whipple explained some changes that have been made from the MidAmerican side and Iowa Municipal Utilities (IAMU) side. Timothy Whipple was appointed statutorily by the Iowa Municipal Utilities to hold a seat on the Board. He resigned his position at IAMU and accepted a position at MidAmerican to replace Rob Berntsen, who resigned his seat on this Board. Timothy Whipple would like to move over to Rob Berntsen's seat on this Board and he has been appointed by the Iowa Utility Association to fill that seat. Also, we are optimistic that Troy DeJoode will officially be appointed soon to

represent IAMU. We will have a new board member to introduce at our next quarterly Board meeting.

Roll Call by Betty Hessing, Administrative Assistant

A quorum was established. All Board Members were present except Valerie Newhouse.

Consideration of May 21, 2020, Meeting Minutes

Motion by	Stuart Anderson
Motion	I move approval of the May 21, 2020, minutes.
Second	Dan Nickey
Voice Vote	All ayes in favor. Motion approved.

Public Comment Period – No comments.

Fiscal Update (Attachment A)

Presentation provided by Terry Roberson. Report is through June 30, 2020. We have just under \$11.5M available for grants and just over \$12.3M for loans. In the past week, about a \$1,375,000 of loans were sent out. Those are our first disbursements under the new program.

Alternate Energy Revolving Loan Program (AERLP)

Loan Program Update - Stephanie Weisenbach stated we do not have any loan projects on the agenda today. We did receive one application in the most recent cycle, but they decided to withdraw and pay with their own money upfront. We decided with the special board meeting next month, we would be able to accommodate an additional cycle for application submittals. Therefore, we have two upcoming deadlines we have publicized for applications—which is August 20th and October 1st—that precede the remaining scheduled IEC Board meetings for 2020.

Termination of AERLP Loan Agreement - Loree and David Miles – 51.5 kW Solar Project (Attachment B)

Motion by	Rick Olesen
Motion	Motion to approve IEDA’s Execution of a Termination Agreement with Loree and David Miles.
Second	Gul Kremer
Roll Call	Yes: 11 No: 0
	Motion approved.

Proposed Program Revisions to IEC Loan Program (Attachment C)

Stephanie Weisenbach stated the IEC Board appointed a subcommittee to evaluate the statutory basis of the Alternate Energy Revolving Loan Program and produce a set of recommendations. IEDA staff has met with the subcommittee and created a proposal for revisions to the program. The proposed revisions to the Iowa Energy Center Loan Program document is attached. Brian Selinger stated the subcommittee was comprised of Debi Durham, Timothy Whipple and Rick Olesen, who helped staff get it to this point.

Timothy Whipple asked if a bill draft would be available for the next quarterly

meeting, which is October 29. Debi Durham stated that anything we bring forward must go through the Governor's Office for approval, so Debi doubted that we would have a bill draft by October. We may have approval by October of whether we get to revise the IEC Loan Program. Stephanie Weisenbach stated we will provide the Board with pertinent updates at the October meeting and she thanked the Board members who helped with this.

Grant Program

Grant Program Update — Presentation provided (Attachment D)

Amber Buckingham gave an update on the Grant Program and an overview of the grant pre-application process. A special Board meeting will be held on September 17, 2020, to approve Grant Committee recommendations for awards. There were no questions for Amber Buckingham.

Grant Modification – Smart Peak Power Avoidance for Reducing Grid Demand in Poultry Facilities (20-IEC-006) (Attachment E)

Amber Buckingham stated our grant modification is from Iowa State University. One of their Co-Investigator's has taken a new position with Millersville University of Pennsylvania. Iowa State University is requesting a budget modification that would allow them to create a subaward for the Co-Investigator who has moved institutions so we would move \$12,292 from salaries and wages to subrecipients. It is over the \$10,000 threshold, and therefore is considered a substantial change. We are requesting Board approval for this request and our staff recommendation would be to approve this grant modification and allow the funds to move from the salaries and wages category to subrecipient.

Motion by	Stuart Anderson
Motion	I move to approve the amendment to 20-IEC-006.
Second	Dan Nickey
Discussion	Dan Nickey asked Amber for clarification on whether this was not an increase of the award but is just a matter of moving funds from one line item to another. Amber replied that was correct—the total award stays the same.
Roll Call	Yes: 11 No: 0 Motion approved.

Legal Update

Lisa Connell stated she wanted to preview something that she expects will be on the agenda for the next meeting. The Administrative Rules say that Committee appointments and election of officers are to occur annually. That has not been done in the last year so want to do that, even if we are not making changes. Anyone who is on a committee and wants off or anyone who is not on a committee and wants on, let Lisa Connell or Brian Selinger know so they can prepare that for the next meeting.

Energy Office Updates

Brian Selinger reported we have a consulting firm producing the Economic Assessment of Energy Storage Potential in Iowa. We just received a draft copy of that document; Brian Selinger and staff will review it. We are also sending a draft copy to the Energy Storage Committee, which most of the organizations on our Energy Center Board have a member on that Committee. They will also get

to review and weigh-in on the draft. It will be released publicly in September. We will also have the consulting firm give a high-level presentation to the Board either at the September or October Board meeting. We are excited to get this report reviewed, released and try to see what action items can come from that.

Brian Selinger stated we recently released the Utility Bill Assistance Program. We will be accepting applications through Friday, August 21. We are monitoring what the various utility bill needs look like currently—we are looking at small businesses, non-profits, residential and water and wastewater sides. We are factoring and information gathering currently. We will then present to Debi Durham for her consideration and Debi taking it on to the Governor's Office. We will keep that program going and see if there needs to be revisions to it in the near term. The IEC Board discussed this program.

Special IEC Board Meeting September 17, 2020, at 1:00 p.m. via Virtual only.

4th Quarterly Board Meeting for 2020 October 29, 2020, at 1:00 p.m. via Virtual only.

Chairperson Whipple asked for a motion to adjourn.

Motion by	Rick Olesen
Motion	I move to adjourn.
Second	Dan Nickey

Adjourn 1:35 p.m.

Respectfully Submitted,
Betty Hessing, Administrative Assistant

Attachment A

IEDA										
Financial Report										
Iowa Energy Center										
Fiscal Year 2020										
June 30, 2020										
		IEC MAIN ACCT				IEC/AEL LOAN ACCT				
				Total				Total		
		Admin	Projects	Fund		Admin	Projects	Fund		
									OCT 1 2017	
									NOTES REC	
<u>Revenue</u>										
Cash Balance Forward		400,000	11,148,535	11,548,535		0	11,110,230	11,110,230	Notes Rec Bal 7-1-19	6,199,668
FY20 IUB Transfer		0	3,410,497	3,410,497		0	0	0		0
Principal Repayments YTD		0	0	0		0	2,714,629	2,714,629		(2,714,629)
Interest Revenue		0	198,344	198,344		94,476	94,476	188,952		0
Other Revenue YTD		0	0	0		0	0	0		0
Deappropriations		0	0	0		0	0	0		0
Transfers		0	0	0		0	0	0	Notes Rec	0
Total Revenue YTD		400,000	14,757,376	15,157,376		94,476	13,919,335	14,013,811	Balance	3,485,039
<u>Expenses</u>										
Administration YTD		(251,092)	0	(251,092)		(22,379)	0	(22,379)		
Project Payouts YTD		0	(183,378)	(183,378)		0	0	0		
Leg Auth Transfers (18 Acts Ch 1172 Sec 91)				0				0		
Total Expense YTD		(251,092)	(183,378)	(434,470)		(22,379)	0	(22,379)		
<u>Obligations</u>										
Obligations C/F		0	641,037	641,037		0	0	0		
Current Year Obligations		0	2,661,763	2,661,763		0	1,600,091	1,600,091		
Current Year Rescissions				0				0		
Current Year Payouts		0	(183,378)	(183,378)		0	0	0		
Balance of Current Year Admin		148,908	0	148,908		72,097	0	72,097		
Net Obligations YTD		148,908	3,119,422	3,268,330		72,097	1,600,091	1,672,188		
Balance Available		0	11,454,576	11,454,576		0	12,319,244	12,319,244		

Attachment B

ACTION

**REPORT
IOWA ENERGY CENTER BOARD
AUGUST 2020**

From: Iowa Energy Center

Subject: Loree and David Miles – Request for Termination

Agreement Number: 20-AEL-008

Project Type: 51.5 kW solar project

Award Date: May 21, 2020

Loan Amount: \$64,375

Loan Term: 60 months

Agreement Executed Date: June 19, 2020

Loree and David Miles request to terminate the loan agreement with IEDA and the Iowa Energy Center. Their pledged collateral was a dedicated CD. The recipient stated that the interest rate is so low that there was little advantage to tying up their money in a CD in comparison to paying for the project outright. Collateral has not been provided and funds have not been disbursed.

Proposed Motion:	Approve IEDA Execution of a Termination Agreement with Loree and David Miles
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Submitted By: Stephanie Weisenbach

Attachments: Letter from Loree Miles

Loree Miles

19548 T Ave Dallas Center, IA 50063

515-490-7145 loree@thewhitehousefarm.com

July 27, 2020

RE: Alternate Energy Revolving Loan

Stephanie Weisenbach, Program Manager

Iowa Energy Office

Dear Stephanie,

We have decided not to take advantage of the AERL that we applied for. We regret any inconvenience this has caused you or your committee.

Sincerely,

A handwritten signature in cursive script, appearing to read "Loree Miles". There is a small mark above the signature.

Loree Miles

Attachment C

INFORMATION

**REPORT
IOWA ENERGY CENTER BOARD
AUGUST 2020**

From: Stephanie Weisenbach, Program Manager

Subject: Proposed Revisions to IEC Loan Program

The Iowa Energy Center Board appointed a subcommittee to evaluate the statutory basis of the Alternate Energy Revolving Loan Program (AERLP) and produce a set of recommendations.

IEDA staff has met with the subcommittee and created a proposal for revisions to the program. This proposal is being presented to the IEC Board at its August 6 meeting and the Board can provide any feedback, questions, or discussion.

Proposed Motion: **“No Action Required”**

Submitted By: Stephanie Weisenbach

Attachments: Proposed Revisions to IEC Loan Program

Proposed Revisions to the Iowa Energy Center Loan Program

Background

The Iowa Legislature transferred the Iowa Energy Center to the Iowa Economic Development Authority (IEDA) in 2017, which resulted in the inheritance of the Alternate Energy Revolving Loan Program (AERLP) as well. The Iowa Energy Center operates with the mission of the Iowa Energy Plan and its seven key focus areas that encourage collaboration and growth for Iowa's energy economy.

The AERLP's statutory language remains largely unchanged since its inception in the late 1990s. The program provides zero interest loans for the development of alternate energy production projects, including but not limited to solar, wind, biomass and combined heat and power.

Proposed Framework

IEDA intends to propose legislation in the 2021 session to revise the AERLP. The purpose of revising the AERLP is to better align it with the Iowa Energy Plan and to modernize it by making it adaptable to the state's evolving energy infrastructure marketplace. The proposed new name is the Energy Infrastructure Revolving Loan Program (EIRLP). The next step is to engage stakeholders to review the proposed legislative framework and provide input.

Purpose of the Energy Infrastructure Revolving Loan Program

- Provide financial assistance in the form of loans to projects that advance the seven key focus areas of the Iowa Energy Plan and mission of Iowa Energy Center
- Prioritize activities that will finance energy infrastructure and capital improvements to help grow Iowa businesses and implement newer technology to Iowa's energy marketplace
- Produce outcomes that will advance innovative projects and approaches, improve resiliency, reduce costs for Iowa's ratepayers and expand economic growth

Eligible Project Types

The following project types could be eligible under the EIRLP. Other projects could be considered if they align with the purpose of the program and Iowa Energy Center Board objectives.

- Anaerobic digesters for biogas production
- Battery energy storage
- Cybersecurity
- Electric vehicle charging stations
- Grid modernization
- Industry eco-system development (including supply chain businesses, entrepreneurs)
- Innovative technologies, such as renewable hydrogen
- Natural gas expansion
- Resilience of critical facilities: hospitals, water and wastewater treatment plants
- Rural transmission/small utility infrastructure

Funding Mechanisms

The EIRLP will be a loan program. Some projects may qualify for a partially forgivable loan, which will depend on the financial viability of the project type and whether it will have a feasible return on investment.

Attachment D

Iowa Energy Center Board Meeting

August 6, 2020

Amber Buckingham, Program Manager

IOWA
economic development

Iowa Energy Center Grant Pre-Applications

- **February 20, 2020:** Opened pre-applications in IowaGrants.
- **March 19, 2020:** Original submission deadline.
 - Received 63 pre-applications.
- **March 23, 2020:** COVID-19 temporarily halted review process.
- **April 20, 2020:** Reopened pre-applications in IowaGrants.
- **May 1, 2020:** New submission deadline.
 - Received two additional pre-applications.

Iowa Energy Center Grant Pre-Applications

- Total number of pre-applications: 65
- Total funding requests: \$18,662,529
- Total funding available: \$4,000,000
- Applicant Type
 - Business: 16
 - Nonprofit: 7
 - University/College: 42



Iowa Energy Center Grant Program Timeline

- **June 11, 2020:** Grant committee met to discuss pre-applications.
 - 23 pre-applications selected for full submissions.
 - 16 from Colleges/Universities
 - 5 from private industry
 - 2 from non-profits
- **July 24, 2020:** Full application submission window closed.
- **July 27, 2020:** IEDA staff started the review process.
- **September 17, 2020:** Special Board meeting to approve Grant Committee recommendations for awards.

Attachment E

ACTION

REPORT
IOWA ENERGY CENTER BOARD
August 2020

From: Iowa Energy Center

Subject: Amendment to 20-IEC-006

Background: Iowa State University (ISU) has requested a budget modification amendment for award 20-IEC-006-*Smart Peak Power Avoidance for Reducing Grid Demand in Poultry Facilities*. The Co-Investigator, Dr. John Haughery, has taken a position with Millersville University of Pennsylvania (MUP). The budget modification would allow the Recipient to create a subaward for Dr Haughery to continue his work on the project while at MUP. He will also serve as the sub-award project director.

ISU is requesting the value of his budgeted year 2 summer salary (0.5-month salary + fringe = \$12,292) be used to provide the subaward for Dr. Haughery at his new institution. This relatively small subaward will ensure that Project Goal 2 and its associated deliverables are completed efficiently. This modification will require moving funds that were originally allocated to salaries and wages to the subrecipient category. This request is considered substantive (over \$10,000) and therefore requires Board approval.

Recommendation: Staff recommends approving the amendment to 20-IEC-006; moving the requested funds from salaries and wages to the subrecipient category.

Proposed Motion: **Approve the Amendment to 20-IEC-006**

Submitted By: Amber Buckingham, Program Manager

Attachments: Rebudget Request from Iowa State University

IOWA STATE UNIVERSITY
OF SCIENCE AND TECHNOLOGY

Office of Sponsored
Programs Administration
1138 Pearson Hall
505 Morrill Road
Ames, Iowa 50011-2103
Phone: 515 294-5225
Fax: 515 294-8000

July 28, 2020

Iowa Energy Center
1963 Bell Ave
Des Moines, IA 50315

Dear Iowa Energy Center:

This letter is a formal request for rebudget of Grant 20-IEC-006 submitted in conjunction with a request and justification for issuing a new small subcontract to Millersville University of Pennsylvania.

The justification for the new subcontract is attached hereto as a letter from ISU Principal Investigator, Dr. Brett Ramirez.

Per the Energy Grant Program Policies and Procedures, I also attach a worksheet representing the original Grant Exhibit A Budget and the requested revisions along with an updated Budget Narrative. These have also been provided electronically to Amber Buckingham along with this letter.

To summarize, the value of salary and benefits that was originally intended to be used by Co-PI Dr. John Haughery at ISU would now be directed to his salary, benefits, and any associated indirect costs in his new position at Millersville University of Pennsylvania. Further, the cost share that was committed by Dr. Haughery at ISU will now be committed by Co-PI Dr. Tim Shepherd at ISU. There is no change in the total cost share committed by ISU.

Iowa State University looks forward to a favorable review by the Iowa Energy Center and its Board. Should you require any additional information, please do not hesitate to contact me at kkutz@iastate.edu or at 515-294-0986.

Sincerely,



Keith B. Kutz
Senior Award Administrator

June 15th, 2020

Iowa Energy Center Grant: 20-IEC-006
RE: Justification for Subaward to Millersville University

Dear Iowa Energy Center,

I am writing to request a subaward be provided to Millersville University of Pennsylvania, with Dr. John Haughery as the sub-award project director for \$12,292. I am the principle investigator of IEC Grant: 20-IEC-006, titled, "Smart Peak Power Avoidance for Reducing Grid Demand in Poultry Facilities" and our co-investigator, Dr. John Haughery (currently an assistant professor at Iowa State University) has accepted a position as an assistant professor in the Department of Applied Engineering, Safety, and Technology at Millersville University of Pennsylvania.

The goal of our project to create an optimized and integrated management systems for targeting energy efficiency and peak demand avoidance for poultry facilities to benefit Iowa ratepayers and rural energy cooperatives. A critical component of this project is the survey of existing barn manure dry strategies and tabulating current rural energy cooperatives electric rate structures to predict impact and model best management practices. Dr. Haughery is an expert in this field and his effort is vitally needed to achieve the goals of this project component. This subaward will support this effort and ensure that the value of this grant is delivered to Iowa ratepayers and the poultry industry.

This grant began April 1, 2020 and Dr. Haughery is departing Iowa State University (ISU) on July 15, 2020. A portion of his summer salary for year 2 was allocated on this grant and when he departs ISU; hence, I am requesting the value of his budgeted year 2 summer salary (0.5 month salary + fringe = \$12,292) be used to provide the subaward for Dr. Haughery at his new institution. This relatively small subaward will ensure that Project Goal 2 and its associated deliverables are completed efficiently.

Dr. Haughery is currently the major professor (I am the co-major professor) for the graduate research assistant funded by this grant and he will continue to oversee his obligation this project as he transitions to his new institution. This subaward will support his efforts on managing survey distribution and analysis and continued supervision of the graduate student.

I strongly believe a subaward to Millersville University will benefit the successful completion of this project and bring benefit the Iowa ratepayers – thank you for your consideration.

Sincerely,



Brett C. Ramirez, PhD

Assistant Professor ▪ *Animal Productions Systems Engineering*
Agricultural & Biosystems Engineering ▪ Iowa State University

Expense Type	Description	Original Requested Amount	Original Matching Contribution Amount	Original Total Project Budget	Revised Requested Amount	Revised Matching Contribution Amount	Revised Total Project Budget
Salaries and Wages	Key personnel, grad, and undergrad asst	\$ 77,961.00	\$ 26,967.00	\$ 104,928.00	\$ 68,320.00	\$ 26,967.00	\$ 95,287.00
Fringe Benefits	Key personnel, grad, and undergrad asst	\$ 12,495.00	\$ 7,416.00	\$ 19,911.00	\$ 9,844.00	\$ 7,416.00	\$ 17,260.00
Other Direct Costs	Publication Costs	\$ 1,500.00	\$ -	\$ 1,500.00	\$ 1,500.00	\$ -	\$ 1,500.00
Subcontracted Partners	Digital Agronomy LLC	\$ 74,000.00	\$ -	\$ 74,000.00	\$ 74,000.00	\$ -	\$ 74,000.00
	Millersville University of Pennsylvania	\$ -	\$ -	\$ -	\$ 12,292.00	\$ -	\$ 12,292.00
Supplies and Materials	VFDs, timers, electronics, T/RH sensors, installation	\$ 40,000.00	\$ -	\$ 40,000.00	\$ 40,000.00	\$ -	\$ 40,000.00
Domestic Travel	to research sites and to attend conferences	\$ 4,500.00	\$ -	\$ 4,500.00	\$ 4,500.00	\$ -	\$ 4,500.00
Tuition	Per ISU policy, tuition for grand asst is required	\$ -	\$ 8,696.00	\$ 8,696.00	\$ -	\$ 8,696.00	\$ 8,696.00
Indirect Costs		\$ 52,614.00	\$ 10,770.00	\$ 63,384.00	\$ 52,614.00	\$ 10,770.00	\$ 63,384.00
Totals		\$ 263,070.00	\$ 53,849.00	\$ 316,919.00	\$ 263,070.00	\$ 53,849.00	\$ 316,919.00

Budget Justification

A. Senior Personnel

Funds are requested to support PI Dr. Brett Ramirez for 0.25 months each year of the project. He will be responsible for organization of project deliverables, dissemination of project objectives, impact, and results to stakeholders.

Funds are requested to support Co-PI Mr. Tim Shepherd for 1.25 months each year of the project. He will be responsible for management of producer survey, equipment monitoring installation, auditing of data collection/analysis, development of project impact projections.

B. Other Personnel

Graduate Students

Funds are requested for 1 Master student for 12 months in the 1st year and 5 months in the 2nd year of the project. The graduate student will be responsible for development, dissemination, analysis of the REC survey and impact projections.

Undergraduate Students

Funds are requested to support 1 undergraduate student hourly employees to assist with project installation, survey development and analysis, data verification.

A 3% increase is included in each subsequent fiscal year.

C. Fringe Benefits

At Iowa State University, fringe benefits are specifically identified to each employee and are charged individually as direct costs. Current rates for applicable labor categories are listed below.

Faculty	27.5%
Graduate Students	7.8%
Undergraduate Students	0.6%

E. Travel

Funds are requested to support project installation efforts and dissemination of project impact to stakeholders at state/regional meetings.

G. Other Direct Costs

Materials and Supplies

Funds are requested for the purchase of research and laboratory supplies that are necessary and essential for completion of tasks as proposed. These include VFD's, Timers, Power Meters, electrical system installation costs, general supplies.

Publications/Documentation/Dissemination

These costs are requested to support publication costs of scientific articles in various peer-reviewed journals resulting from this research.

Subrecipients

Funds are requested for two subcontractors.

Digital Agronomy LLC. The subcontractor will do installation of monitoring equipment, sample collection, data analysis of system performance (environmental, electrical, manure moisture) and development of project impact projections over project period.

Millersville University of Pennsylvania. Funds are requested to support Co-PI Dr. John Haughery for each year of the project. Total funding will not exceed the amount previously budgeted for salary and benefits when Co-PI was at Iowa State University. Dr. Haughery will remain responsible for management of the rural electric coop survey and analysis, auditing of data collection/analysis, development of project impact projections.

Tuition

Per University policy, tuition remission is being requested for each graduate student, commensurate with his or her time on the project.

H. Indirect costs

Sponsor will allow 20% of total project cost as indirect cost as per the 2nd page of solicitation.

Cost Share Details: 20% of total project cost

<i>Salary+FB</i>	Year 1	Year 2	Dollar amount
Brett Ramirez	0.7 months	0.7months	\$17,173
Tim Shepherd	0.86 months	0.86 months	\$17,210
<i>Tuition for 1 Master student</i>	1 year	1 semester	\$8,696
<i>Indirect cost</i>			\$10,770
Total Costshare amount:			\$53,849