

The Kenmare News

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Hartland Wind Farm leases 46,000 acres

By Caroline Downs

Progress on the Hartland Wind Farm project, which proposes up to 1,000 megawatts of energy produced by wind turbines constructed in two phases along the Missouri Coteau between Berthold and Columbus, has revised a few attitudes about North Dakota's legendary, incessant wind.

"For so many years, we've said it'd be really nice if the wind weren't blowing," said Berthold resident Susan Haaland, "but this will change that!"

Susan and her husband Roger were among the nearly 70 landowners who have already signed on with Denali Energy of Baxter, Minnesota, the company developing the wind farm. On Saturday, several of those landowners attended an appreciation picnic held in Berthold to celebrate the project's first milestone of easement agreements covering 46,000 acres of prime ground for wind energy development.

Curt Johnson, a principal with Denali Energy, has his own ties to the area through his mother Carolyn and late father Curt Sr. and uncle Glen Johnson, who collectively own over 800 acres, collectively, near the old townsite of Hartland. Curt addressed Saturday's gathering with enthusiasm and gratitude for the landowners' assistance in meeting the first threshold.

"We got started in January on the ground out here, doing a site assessment," he said, adding that by April, monitoring towers were erected on land owned by Glen Johnson and by Howard Gustavson. "The data that we're getting is exactly what we anticipated, and the wind strength and potential is greater than anticipated."

Along with promising data, however, came the warm response from landowners when Denali Energy started holding meetings in June in the Berthold, Donnybrook and Carpio areas. "At those first meetings, we had a couple of people each time," Johnson said. "By mid-June, we had 50 to 60 people. We were overwhelmed and pleased to get the response we were getting."

While the landowners learned about the potential benefits of signing option easement/agreements with Denali Energy for their property at those meetings, the project leaders experienced the hospitality of the northern plains and, somewhat unexpectedly, became friends with their clients.

Jon Dostal, one of three project managers who met with landowners, talked about how the project changed his perspective. "When we first started coming out here, it was about

the project and moving forward with the process," he said, "but it's become more than that for us." He mentioned the influence of Bill Feickert, one of the first landowners to attend the first meeting, who welcomed Dostal to Berthold as a friend and set the tone for their future work together.

Johnson maintained that a key element in the project was the relationship of trust established between Denali Energy and the landowners. "We recognize the commitment you've made to us," he said, "and that commitment is as strong as we can make it back to you."

Further evidence of the commitment will be seen as Denali Energy opens an office in Kenmare in November and operates a development division to organize workforce housing in Kenmare, Stanley and Tioga. "It's a service we can bring to the area, in addition to the wind farm," said Johnson.

Another step forward involves the engineering work behind the project being performed by Kadrmas Lee & Jackson of Bismarck in conjunction with Westwood Engineering of Minneapolis, each with extensive wind farm development expertise. The two firms are addressing the project collectively with the oversight and experience of Michels Wind Energy, a subsidiary of Michels Corporation based in Brownsville, Wisconsin, and an international engineering and construction contractor distinguished as one of the top ten utility contractors in the country. Mark Hutter, a manager with Michels Wind Energy who first visited the proposed site for the Hartland Wind Farm in August, talked about Michels with the audience in Berthold.

He believed the company's employees would relate to the concerns of landowners involved with the Hartland Wind Farm because Michels remains a family-owned business headquartered in a town of 342 people. "Our employees either work on farms or their families have," he said. "They understand the importance of laying cable and restoring the site quickly, so the landowner can get back to work."

First option payments made

While landowners mingled with the Denali Energy staff and picked up their first option payments, they talked about the benefits of participating in the project.

"They seem to have it together as far as their plan," said Susan Halden, Stanley.

She and her husband Doug farm outside of Berthold. "We can see the town of Hartland from our farm. My husband went to grade school in Hartland!" she said about their initial interest in the project. "This is a very cohesive group and they take time to visit and answer your questions."

Gary Knudtson, who farms southwest of Donnybrook, has been familiar with wind energy since his father attached a 6-volt windcharger to his home in the early 1940s. "It was the first wind tower out here," said Knudtson. "It would rumble away on the top of

the house and charge batteries. We had three or four dim lights in the house. Later, he put up a 32-volt system."

Knudtson still has the old 6-volt charger stashed at home, and Johnson is trying to work out an agreement to display the unit. "I guess that would be a good use for it," said Knudtson. "My dad would be proud."

Along with neighbors Roger Johnson and Darrell Workman, Knudtson has been considering his options with Hartland Wind Farm. "There's no guarantee you're going to get a tower," he said, "but when you get up on the hill, there's all kinds of wind."

Landowner Joyce (Haaland) Giles lives in Williston, and the letter she received from Denali Energy last May raised her curiosity. "I think it's great," said Joyce. "I was skeptical at first, but my brothers attended a meeting, then we came over and attended a meeting. My nephew (who farms the property) told me it was a no-brainer."

"This was an easy decision," said her husband Virgil. "It's wind, it's non-polluting. [Denali Energy] is straight. I have yet to hear one thing that hasn't happened. That makes you feel kind of comfortable."

He was especially pleased with the consideration Denali Energy showed toward farmers. "They understand farmers want to go in straight lines," he said. "They've looked at plot maps, looked at the roads and what they have to build for roads, and they'll site stuff so there's limited maneuvering [for the farmer]."

For Susan Haaland, the opportunity made good sense. "It seems like a nice use of the land and it's not overly invasive," she said. "And it's nice to be in on something that's renewable and clean. Just to picture all of [the turbines], the logistics seem incredible!"

Agnes (Burke) Larcombe, Minot, still owns a few acres once homesteaded by her father south of Hartland. She said she heard about the proposed wind farm last winter and was surprised at the news. She was even more shocked when she received a letter from Denali Energy. "I thought, 'What? There's going to be life out there?'" she said.

Carl Bye of Bismarck was impressed by Denali Energy's approach toward landowners. "The fact that they're not here soliciting says something," he said. "It seems like it's a lot of fun for everybody, and there's a need for energy right now."

His wife, Wanda, is the daughter of Harold and Emily Haaland, and the family farm sits between Berthold and Carpio. "I wish my parents were here," she said. "It's amazing to think of what can happen. This is a direction you want to go, I think."

Making it happen

Craig Swenson, another principal with Denali Energy, explained the group started meeting with landowners at the southern end of the project in order to get the project organized. "We just had to pick some place," he said.

The group has been contacting other property owners farther north and west in the proposed project area and has held initial meetings with some Kenmare-area landowners.

Swenson, who grew up with experience on farms in Minnesota and is excited about working in a rural economy again, became interested in the prospect of a wind project after attending a renewable energy conference held in Bismarck last fall. "We were blown away," he said. "We thought, how could we bring our talents into this industry and make this thing happen?"

He and his colleagues shared their enthusiasm and materials from the conference with Curt Johnson back in Denali's offices. According to Swenson, when Johnson saw the color-coded wind potential map for North Dakota, with its purple streak representing the highest wind speeds across the Missouri Coteau, he said, "That's where I'm from!" The project was set in motion with a phone call to his uncle Glen.

Swenson focused on the importance of the trust issue with the landowners. "When I graduated, my grandmother shook her finger at me and told me to do business right and to do business honestly," he said. "We're coming in and partnering with the landowners because without them, we couldn't do it. We are so excited with where we're at this point because the cooperation is just incredible!"

Milestone reached

Saturday marked a significant point in the Hartland Wind Farm project for Johnson, and he's looking forward to the next steps. "We're still in the process," he said. "46,000 acres is a milestone, certainly not an end. We want to continue to solidify our site area."

Johnson also spoke on behalf of project partner Montgomery Energy, based in Houston, Texas. Frank Giacalone of Montgomery had planned to attend the event, but was unable to come because of the impact of Hurricane Ike. However, Giacalone expressed sincere appreciation for the level of commitment shown by local landowners and confirmed that he and other representatives of Montgomery intend to visit the site in North Dakota yet this fall.

Nearly 70 landowners have signed on for the project to date, with about 100 owners contacted and more than 500 total visits made. Johnson has been grateful to hear from only a handful of individuals with major concerns about the project. "We've had confidence we'd get to this day based on the attitude of the landowners," he said.

Landowners committed to the project have signed options for easements describing specific acreages for 40-year terms, with \$15 paid per acre annually for land without a turbine located on it.

After the planning phases are completed and all the necessary permits and approvals are obtained, landowners will receive a certificate of survey with a map of the proposed locations for turbines and underground cables. Owners can discuss those suggested

improvements with the project managers and come to an agreement on the plan before authorizing the improvement with their signature.

Landowners with turbines on their property that are not operational will be paid \$2,000 per year until the turbine is running again. Landowners with operational turbines will be paid 2 percent of the gross operating revenue. "Because it's not fixed, as rates go up over the 40-year term, their payments will increase," Johnson said.

He repeated the company's commitment to leaving a minimal footprint on the land itself. "Each landowner will have their own plan for their own parcel," he said, adding that decisions would be made by consulting the landowners as well as the producers actually farming the ground. "We're sensitive to any impact. Our number one priority for this property is agricultural production. The project will be a collection of all these pieces put together."

Phase 1 cost \$1.15 billion,
transmission \$1.3 billion

As the project managers continue to contact more landowners, work has started on the pre-development engineering stages, including wetland delineation, environmental and avian studies, and GIS studies to determine the topography and characteristics of the landscape.

Construction of the turbines could begin within 18 months.

Finances for the project remain secure, according to Johnson, despite recent downward activity in the markets. "We're in a strong position with our equity interests," he said. Cost estimates for Phase I of the project, with over 300 turbines generating up to 500 megawatts of electricity, stand at approximately \$1.5 billion, while costs for a proposed transmission line (see accompanying story) are estimated at \$1.3 billion. A second phase would produce another 500 megawatts of power.

Discussions with the landowners have added another dimension to the project, in the form of consumer turbines. "Some of the landowners were asking if they can access some of the power produced," Johnson explained, adding that several requests related to pumping water for livestock or drying grain.

Tapping energy from the Hartland Wind Farm towers is not possible, but smaller, stand-alone consumer turbines would allow landowners, businesses or individuals to generate electricity for their own use and sell excess electricity back into the grid. Leo Christiansen of Bowbells erected a similar wind tower last summer and sells power to Burke-Divide Electric while also providing the electricity he needs on his farm. "We're pursuing this based on the demand from the landowners," Johnson said.

Other future plans include constructing a facility at the project's namesake, the old townsite of Hartland. "We want to put that back on the map," Johnson said. "We would offload material there, and hope to someday build a visitors center." A visitors center

would include Gary Knudtson's vintage windcharger, featured front and center among the exhibits.

Hartland Wind Farm remains a work-in-progress, and Swenson invited interested landowners to contact Denali Energy to learn more about the project. "Come in," he said. "Find out what it's about."

A website for the project is still in development, but Johnson or Swenson can be reached at the Denali Energy offices by calling, toll-free, 1-877-557-1031.

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Wind Farm workers will want more than a camper for housing

By Caroline Downs

A second element of the Hartland Wind Farm is housing for employees, which is in short supply in Kenmare and the surrounding communities.

Russ Gilson, a principal with Denali Development of Baxter, Minnesota, is already working on that problem. He learned from officials at Hess Corporation about their housing problems for oilfield workers. "I can't see having somebody sleeping in a tent trailer in the middle of the winter," he said. "We're looking at Stanley, Tioga, Kenmare and Minot. We need to get a critical mass going. We want to get the cities involved and employers involved."

Gilson, whose background is in architecture and development, has been asking, "What do you need?" wherever he's gone. Right now, apartments and communal facilities, with separate bedrooms and shared kitchen and living areas, are under consideration, as well as storage buildings.

He anticipated Phase 1 of the Hartland Wind Farm project requiring the services of 50 high-end technicians. "That's roughly one person for each ten turbines," he said. "So with families, we're looking at a minimum of 150 people. That's why we want to house them, to get them here."

Like his colleagues, Gilson praised the quality of life he's discovered in northwestern North Dakota, and he believes the workforce needed for the wind project will come to appreciate those same qualities. "I don't think it's going to be a tough sell, once we get them here," he said. "We're just trying to do what we can to get people here to work."

Gilson has met with interested parties in Tioga and Stanley and talked with Mayor Curt Zimbelman in Minot, who raised the possibility of renovations in the city's downtown area.

He had one session with Kenmare Community Development Corporation executive director Kari Bies and has a second meeting planned for mid-October. "We'll get a business plan together," he said.

His own plans include relocating to Kenmare by November, to coincide with the opening of a Hartland Wind Farm office in the city.

Gilson was firm in his commitment to offering something better than a tent camper city for Hartland Wind Farm employees, and he wants to work with other people who have the same goal. "We'll see what the reception is," he said, "and see who wants to come forward."

Persons interested in more information about housing development opportunities with the Hartland Wind Farm project should contact Gilson at Denali Development, 1-877-577-1031.

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\$1.3 billion transmission line planned for wind energy

By Caroline Downs

A thousand megawatts of electricity produced by the Hartland Wind Farm under development in northwestern North Dakota needs somewhere to go.

That's why Curt Johnson--one of the project developers together with Denali principal Craig Fink of Denali Energy in Baxter, Minnesota, and project partner Montgomery Energy, based in Houston, Texas--spends so much time focused on the transmission component.

"This is a national issue," he said. "The grid for our country is older than most of our two-lane highways. Our grid is at capacity. The system needs to be updated."

He pointed out that talk about transmission has conveniently surfaced among the national candidates during this election year. However, Denali Energy has been among the entities discussing the problem behind the scenes for months before the issue was included in televised debates.

"There is a movement among utility companies and operators to upgrade the national system," he said. "We're going to get that attention in the Midwest."

Wind projects typically develop faster than coal and nuclear energy projects in terms of the permitting process. "Socially, we're probably the most acceptable," he said. "And we're addressing transmission on a private basis."

The proposed Hartland Wind Farm would generate up to 1,000 megawatts of electricity from more than 650 wind turbines, with much of that energy destined for metropolitan marketplaces east of North Dakota. "Such a large project is a size that would warrant a transmission project," Johnson said. "The first two phases of our project will justify the transmission investment."

Estimated costs for the transmission project stand at \$1.3 billion under Denali Energy's current plans.

North Dakota is considered a favorable business environment for renewable energy projects, and Johnson believes construction of a transmission line in this region would hold its value for generations.

"This is potentially a 200-year asset," he said. "Once the infrastructure is in place, with the turbines, the substations and the peaking facilities, that allows for the improvements of technology in the future."

He explained that wind could generate electricity over the transmission line for decades, but the line would be in place to also accept power generated by other sources, such as solar and technologies not yet perfected or even designed.

"We recognize the favorable attitude in North Dakota," Johnson said, adding that Hartland Wind Farm and the related transmission project could help the state achieve its goal of becoming the top wind energy export state in the nation.