

OVERVIEW OF THE DISTRIBUTED WIND ENERGY ASSOCIATION AND ITS ACTIVITIES

November 3, 2011

Coordinator: Welcome and thank you for standing by. All participants will be on listen only until the question and answer session of today's conference.

As a reminder today's call is being recorded. If you have any objections please disconnect at this time. I would now like to turn the call over to our first speaker, Miss Karin Sinclair. Ma'am you may begin.

Karin Sinclair: Thank you. I wanted to welcome everybody to the last of the 2012 ASES Small Wind Division Webinar series. This webinar we have the pleasure of Mr. Mike Bergey to talk to us about the Distributed Wind Energy Association.

I also want to plant the seed that if you have any topics that you are interested in hearing in we are - hearing next year, we are putting together a series for 2013, we do these bimonthly. So feel free to send me an idea and we'll try to get that into the series for next year.

Let me introduce Mike. Mike is the co-Founder of Bergey Wind Company and he's been President since 1987. He's a Mechanical Engineer and he's internationally recognized as an expert in the field of small wind turbines, distributed generation and rural electrification. He's also authored many papers -- more than 70 technical papers and articles in this field.

He's provided testimony before Congress, he serves as a consultant to numerous government and international agencies, and he holds one patent in the wind energy field. He's the current President of DWEA and he chairs their Federal Policy Committee.

He's a past Chair of the AWEA Small Wind Turbine Committee. And he currently chairs the AWEA Small Wind Turbine Certification Committee. He serves on the Board of the Small Wind Certification Council, and he's twice served as President of the AWEA, which is American Wind Energy Association, and he's served on their Board of Directors from 1981 to 2007.

He's a past Chairman of the U.S. Export Council of Renewable Energy, a member of the U.S. Department of Commerce Environmental Technology Trade Advisory Committee, and he's President of the Oklahoma Renewable Energy Council.

So as you can see, Mike Bergey has a tremendous amount of experience. And he's also been recognized for what he's done in this area by receiving awards from AWEA. So I'd like to turn this over to Mike and have him give us an overview of the Distributed Wind Energy Association.

Mike Bergey: Well thank you very much Karin, that was very gracious. I'm very pleased to have the opportunity to present what DWEA is about and where we're - what we're doing and where we're headed to ASES and other guests so thanks so much for the opportunity.

DWEA is the new national trade association for the Distributed Wind industry. And by Distributed Wind we mean, "Behind the meter."

So it could be a 2 kilowatt sky stream in a residential backyard, or it could be a 1-1/2 megawatt GE turbine at a Budweiser brew plant like the one that was just installed in Fairview, California. So it's not a matter of scale, but it's all behind the meter so that's how we define it.

DWEA got started really out of a recognition that the American Wind Energy Association for all its many fine qualities and I've had - invested a lot of time in that association and believe strongly in its mission, I think it's great for the country.

But it really is not able to give a proper voice to the different policy needs and the agendas of the Distributed Wind industry. What we need and what the large wind farm operators and investors and insurance companies, that whole \$10 billion a year industry, what they need is quite a bit different.

And AWEA, because that group makes up the bulk by a wide margin, of their membership and their dues, rightfully concentrates on those needs. So the result is that for very good reasons, the voice of the distributed and small wind industry gets lost in the - has gotten lost in the shadow.

So last year in Wisconsin at the Small Wind Conference a number of people got together and we decided there was enough there -- Trudy Forsyth was a facilitator and we're thankful for that -- we decided to launch a trade association. And so we have been putting that together.

The mission is fairly simple; to promote and foster all aspects of the American Distributed Wind industry. Essentially, if we create business opportunities we're doing our job. We hope to have a dues structure and an agenda and a list of accomplishments that'll make us attractive to the full supply chain of manufacturers, distributors, developers, dealers, installers, vendors and advocates.

And one of the things we have to do to make it possible for smaller companies to participate is have a dues structure that was - is below what AWEA was charging. So we've done that.

The founders last year, who put together the funding and put in hundreds and hundreds of hours of volunteer time, are the companies listed here. And it's sort of a Who's Who of both manufacturers and dealers. And this is a - we only have one paid employee, and we have a very long list of people who've been very generous with their time.

Our goals are broad but they're focused on the needs of our industry; we want to develop policies that support the expansion of our business; we want to reduce and eliminate barriers; we want to provide a unified voice for our industry; and we want to develop best practices and policies for both safe and effective installation of Distributed Wind systems; and we want to be participating in public and consumer education.

Bear with me I'm having a little trouble advancing slides. The bottom line is that we want to be what has been missing; a voice for Distributed Wind. And so we're working hard to be the go to place where you learn about what's going on and you get things done. We intend to be at the table when policies and programs that affect our industry and our customers are under discussion.

We have a diverse membership base, we have members in over 20 states, I think we're up to in the neighborhood of 80 total members. And you can see here the logos of a number of well-known and respected companies.

We do have a code of ethics, and we are not going to be taking the bozos and shysters, I don't know how else to put it. But you will see in our membership some quality assurance that the people who review the membership applications feel that the products being offered, the services being offered, meet our relatively strict codes - code of ethics.

So we are exclusionary in that regard; we want the membership in DWEA to mean something to the consumers.

The people we have involved, I mentioned the one paid staff, that's Jennifer Jenkins. For those of you who don't know Jennifer, she was in the Marketing department at Southwest Windpower, was quite active there, knows the small wind industry inside and out, and now is an expert in mid-size turbines as well. But she's working very hard and we were darn lucky to get her.

The officers; I'm the President, I'll serve a one-year term. We decided recently to make the President's office a two-year term, but we did that after I was elected so I'll have one year.

Kevin Schulte, who's President-Elect, will have a two-year term, and the Secretary and Treasurer, currently Mick Sagrillo and Dave Blittersdorf respectively, will also have two-year terms. Well I'm not sure about that, we may - they may have to stand for election once more but - the next ones elected will have two year terms.

Our Board of Directors, which went through a formal election from the membership; Roy Butler, Four Winds, Lisa DiFrancisco of North Coast Energy Systems, Roger Dixon of Skylands Renewable Energy, Brennen McLean from Endurance Wind Power, (Tal Mammo) from TALCO, Brent Pingree from Northern Power, and Heather Rhoads-Weaver of eFormative.

The board meets four times a year and each of these people put in a lot of extra time on committees and other activities.

The main work of our organization though, really comes out of our committees. And so this - I'm going to spend a little time going into the detail

of each committee and in talking with the organizers of the webinar today, we decided that it would be best to open up for questions at the end of the discussion on each of these subcommittee areas.

So if you have questions on anything previous to the Federal Policy or on Federal Policy, when we open that up we'd welcome those questions. But we'll have questions at each - the end of each description.

Federal Policy is extremely important to the opportunities in our industry just like it is in the large wind business, just like it is in solar, so we're not for federal incentives, state incentives -- the package of incentives; customers just would not be able to afford the equipment, and then we've got lots of interconnection things to deal with.

So policy is extremely important and a lot of that is done in Washington D.C. AWEA is located in Washington, but what we found was that, as I mentioned before, our policy priorities, our top priority will always be Number 4 and Number 5 on AWEA's list, and so it never really got into the discussion as we went and met on Capitol Hill.

That has all changed. We now have an unalloyed representative of the priorities of the Distributed Wind industry in the person of Lloyd Ritter. Lloyd is with - has a consulting company called Green Capitol, but prior to that he was the Energy and Environmental Staffer for Senator Harkin from Iowa.

And in fact, Lloyd was the author of the energy title in the 2002 Farm Bill which created the 9006, now called 9007 Grant and Loan program which many of you have used and I'm sure all of you are aware of.

So he goes way back in supporting renewables. He also represents a number of biofuel organizations. He's very well - he's the representative of 25x'25 for example, so he's very well placed and very effective for us.

Although we want to differentiate why we split off or why we're different from AWEA, I don't want anyone to come away from this webinar with the idea that we don't work closely with AWEA. We support their agenda, and they support ours, and we just - we often find ourselves working toward similar purposes.

Many of you know Larry Flowers, who has taken over as the Small and Community Wind representative at AWEA. And you know, he goes back a long, long ways and we have a deep respect for him. So we work closely with AWEA on a number of things.

The initiatives we have, let me start with the third one down, the one that I've highlighted in red because it's really the fire drill that's taken a hold of our agenda recently.

As some of you may know the U.S. Fish and Wildlife Service has been working for about three years in a consultative process with what's called a Federal Advisory Committee made up of wind farm people, academicians, government people, and they've developed a set of guidelines for land based wind turbines.

And everything would be fine if they said, "This is only for wind farm turbines," it's - the guidelines are really written for them. But unfortunately what they have said, and we'll see what the final version that should be out any day now says, but what they have said in editions that have come out this

year is that the, "procedures and guidelines here within apply generally to wind turbines of all sizes and projects of all sizes."

The approach for wind farms is a tiered approach, starting with desktop wildlife surveys and going up through post-installation monitoring. The cost of meeting all of the guidelines is somewhere in the \$1/2 million range, so as you can see that got - that would have a very serious detrimental effect on residential wind systems, and really projects up to a megawatt or so at least.

So we've been working with the Fish and Wildlife Service, environmental groups, Capitol Hill, to try to limit the exposure of the Distributed Wind projects under these guidelines.

The - you know when you really think about it, the Fish and Wildlife Service should be encouraging low-impact applications of wind energy over higher impact implementations, and so they should be encouraging distributed generation. But we found that that was not reflected in the guidelines.

So we have, as you'll see in a minute, we've pulled together materials to support our case and we've been up on Capitol Hill, we've got - we've had high-level meetings at the Department of the Interior and with the Fish and Wildlife Service and we're hopeful that we can limit the damage of - potential damage of these guidelines.

We're also working heavily on the USDA REAP Program -- Rural Energy for America -- which provides grant funding for rural farm and rural business projects using small wind systems and medium sized wind systems.

The - we've been trying to streamline the application process for the smallest projects, and more recently we've been working hard to try to improve the

funding situation. This is typically a \$100 million a year program, \$75 to \$100 million. The House has appropriated \$2.3 million for next year, the Senate, \$38.5 million, so we're headed towards a drastic reduction.

But more of greater concern in the deficit reduction - or the Supercommittee, the agricultural committee leaders look like they're going to put something before that committee which is sort of a workout plan for agriculture and it would take away the - as near as we can tell, take away the mandatory funding requirement and make it an annual appropriations each year.

So we're concerned about that. Lloyd is working on it. We're asking our members to contact their Congressional representatives and we're hopeful that energy for rural areas will emerge as a continuing priority.

We're working to get greater DOE support for research development and demonstration for Distributed Wind. Those programs have really atrophied. They're - the amount of support, there's a little bit for paper studies on mid-scale turbines. They're - we are pleased that they're supporting the Small Wind Certification Council.

There are some things we can point to that some of the testing facilities support. But if you compare it to where it's been in the past or where it should be, there's a lot of room for growth and so we're lobbying to raise the priority of Distributed Wind at the Department of Energy.

We're working on financing programs, and particularly the FHA Title I Power Saver program, which is a residential loan program that looks like it could work quite well for small wind systems.

There are actually already an improved use of those government guaranteed loans, but you still require a simple lien on the House, not a second mortgage but a simple lien, and what we're trying to do is get the FHA to recognize the wind equipment as the collateral. So we're working on that and we have some meetings setup for next week actually.

We're supporting the new bill that would provide an investment tax credit for wind turbines above 100kw up to 20 megawatts I believe is the proposal. And we you know, we support investment tax credits for mid-scale wind turbines.

We're working on federal markets and facilities, particularly military and foreign assistance, and we're trying to work with some new Congressional caucuses that have been setup to promote that.

And then we're working with the Federal Energy Regulatory Commission to try to reduce and eliminate some anti-competitive utility practices that we see out there such as abusive use of demand charges to undervalue energy production, things like that -- so not necessarily net metering on a national basis, but some of the anti-competitive practices.

Now I mentioned our one-pagers. I pulled two of them together. In Washington you really can't expect people to read more than about one or two pages, so we've become quite adept at putting - getting it all down to one page.

The official long-life one is actually four pages because we've - cite - we're citing scientific studies that support our claim that small wind turbines are diminimus risk to wildlife. But most of them like - are like the DOE which are one page. And if you have a particular interest in any of these let me or Jennifer Jenkins know we'll be happy to send those to you.

The Federal Policy Program is involved in a number of trips to Washington. I think I've been back four times this year. Kevin Schulte's been there a number of times; in fact I think he's done one more than I have.

And during those meetings, because of Lloyd's credentials and experience, and just how well known he is, we're able to get meetings at the White House with senior staff members and on committees and the House and the Senate, with Congressmen, with Senators, with senior staff in those offices and senior agency staff.

So we've been very pleased with the entrée that Lloyd has been able to give us, and therefore allows us to deliver our message to real decision makers.

We've been able to compile letters from the Senate with multiple signatures and the House with multiple signatures, to the department of energy on funding for Distributed Wind R&D, to the USDA on the REAP program, and to Interior, I think that letter hasn't gone out yet but it's pending, on the Fish and Wildlife Guidelines.

We are now planning an industry meeting sometime next spring, maybe late spring, to be a combination fly-in lobbying event and a business meeting for DWEA members. So we're putting that - plans for that together now. But we hope to have a Distributed Wind day on the Hill sometime next year.

The Federal Policy Committee meets by telephone every two weeks and the minutes are available to all members. So we try to get the word out on that.

And that covers the Federal Policy Committee. And Karin, do you want to open it up for questions now?

Karin Sinclair: Yes, certainly. I hope the operator is still there to help us.

Coordinator: Thank you. At this time we are ready for the question and answer session, if you'd like to ask a question please press star 1. You will be prompted to pre-record your first and last name.

To withdraw your question please press star 2. One moment, there are no questions.

Mike Bergey: Okay, very good. Let's move on then to the State Policy Program. Early in the formation of DWEA we polled the members to determine what their priorities were.

And the lists that came out were five states in the first tier and then a number of states sort of as a second priority; California, New York, Ohio, Nevada and Texas rose to the top. So DWEA has went out and found, or already knew of, lobbyists that we wanted to work with. And so we've been at the table, in the game in those states.

In California, the work has really revolved around the rebate programs -- both the CEC Emerging Renewables Program and the California Public Utilities Commission Small Generation Incentive Program -- both of which were under some stress, both from the regular program and from the underlying funding.

So at the CEC, the program was actually put on hold in March because of a, well a very large scam involving the over-rating of a wind turbine, which essentially resulted -- because the ERP program has a rebate based upon capacity -- that the rebate was more than 100% of the installed cost of the system.

So people were running around selling wind systems for \$1 and signing up hundreds, ended up well over 1000, applications that would have totaled about \$50 million. So the CEC rightfully slammed the door shut and has been dealing with it. And I'm happy to say that they finalized dealing with it yesterday in their business meeting and we can move forward with that program.

But we've been engaged with that from the very beginning. The CEC program's funding was also up for reauthorization. It expires, the tax on retail electricity sales that underwrites the rebate program, the peer research program, I believe the solar program as well - no the solar's been pulled out, I'm sorry.

The renewals program CEC was up for reauthorization, it actually failed in the legislature and the governor is now working to figure out a way to go forward with that. We've been active with that all the way along, and it wasn't due to a lack of lobbying on our part, it's just California's in a very difficult budget situation.

On the SGIP Program side, which is the Over 30 kilowatt program for - incentive program for California, a couple of fuel cell companies had drained the pot of money, and so there was an effort to rewrite the rules so that there would be a little more competition in that.

The underlying funding scheme for that was also up for reauthorization and it did pass so that program will continue. There's enough money in the pot for the CEC program, it'll coast for a year or two, so it's not about to end but clearly DWEA has to continue lobbying to get the underlying funding continued.

We had hoped to be working on permitting this year, but these other programs sort of kept us from doing that. We are or we're lining up some permitting legislation for next year.

In New York we worked closely with ACE New York on making sure that the NYSERDA program continued along the path of effectiveness, wasn't radically changed, and did - and had the funding that we thought it deserved. And so I'm pleased to say that that NYSERDA program ended up being extended and funded in a way that the industry feels will be very effective for the markets in California.

There was also a group net metering bill, or a Farm Net Metering Bill, that we supported and helped pass. And we are looking at some permitting legislation. We didn't get to that this year.

In Ohio we've been working to resurrect rebates that the new governor allowed to - and the legislature allowed to expire. We were able to find some money to support that at I think \$8 million a year level. And we're looking forward to that program restarting sometime next year, hopefully early next year.

In Nevada, we've been working to get the rebate program restarted. There was an issue with draining the pot on - with a bunch of Chinese turbines that then had field failures and now they've gone on to use used turbines.

And so that introduced the whole issue of whether used turbines should have equal access or any access to rebate funds. And so we've been engaged with those discussions, with both the utility and the energy and with the public utility commission out in Nevada.

In Texas there was legislation to provide a robust solar rebate. We engaged effective lobbyists there in the hopes of piggybacking onto that. We had done similar things as individual companies in Texas two years previously, but it turned out because of the budget situation in Texas that the solar and Distributed Wind rebate program did not go through.

I would say that was one place where we showed the solar industry that we could be factors in legislation which was I think an important lesson - achievement.

We've been involved in legislation initiatives, regulatory things in a number of other states. Probably the one that's most familiar to you would be the New Jersey program which was shut down over safety concerns. And we have been working to encourage restart of that program.

Throughout all of our lobbying in the states, we've been pushing for turbine certification. We really think that there is a serious bozos and shysters problem out there. The (Diacore) system which is shown on the lower left is the turbine that shut down the California program. And these guys just keep coming out of the woodwork.

We feel that the remedy for that is the requirement for certification of the turbines to the AWEA standard and for, if they're above the 200 square meter rotor size to call for, for now, a turbine performance certification. And then when we have a mid-size turbine standard, we'll promote its requirement as well.

And if you think that the bozos and shysters issue has gone away, in the lower right hand corner I've got Exhibit A which is New Millennium Wind Energy

and they've used drawings like this to put together a \$17 million incentive package from the State of Kansas to build a factory in Newton, Kansas.

And this is a contra-rotating, shielded, vertical axis, drag, savonius type wind turbine. When you run the numbers they - this thing is 31 feet in diameter, they claim 200 kilowatts, and that puts them at about 25 times the total kinetic energy in the wind. So this is my poster child for why we need - my latest poster child for why we need certification.

I'm sorry I've got a - the - I should have taken away the upper part of this. Our focus for - they're redundant. Our focus for 2011 has been on saving or resurrecting rebate programs. I mentioned California and New Jersey. We've really had to put a lot of effort on that Ohio, trying to save programs. But we hope to be able to focus on permitting next year.

The committee meets every two weeks, again by phone, and the minutes are available. So here's another stopping point. Let's see if we've got any questions this time. Any questions on the State Policy Program?

Coordinator: Once again if you'd like to ask a question please press star 1. One moment; we do have a question. (M Jonski), your line is open.

(M Jonski): Basically on the financing the connection to the grid, is it possible in the United States to receive any donations or subsidies to connect to the grid?

Mike Bergey: The question was, "Are there any subsidies available for connection to the grid?" Not directly; the subsidies are for the purchase and installation of qualifying wind systems, in the case of the wind incentive programs, whether they're tax credits or rebates. And those would cover the cost of interconnection.

So typically you know, there's a hardware cost with some switch gear. There may be, particularly as you get up into the mid-scale and the larger distributed systems, there may be studies, and there may be upgrades that would be required. Those are generally taken to be part of the installation cost. So yes, they are indirectly subsidized.

(M Jonski): Cool.

Coordinator: There are no further questions.

Mike Bergey: All right. Our next committee is Permitting and Zoning. And this is a very important committee as well because the industry has recognized as - recognized that permitting barriers are really the biggest barrier to our industry now that we have a Federal Tax Credit that will run through 2016.

And so the economics work in a number of places, we still get hit with difficulty in getting permission to put towers up to the heights that we need to be effective and to have reasonable setbacks and noise requirements and that sort of thing.

The committee meets every two weeks and is working on a number of materials. We've created a number of one-pagers, which we'll cover in just a minute, that are posted on the DWEA Web site. We have some Frequently Asked Questions, and we're working on a Model Ordinance.

So we hope to be a significant resource for people who are trying to get a permit at their local zoning board who are trying to write ordinances or legislation that would be permissive for small and distributed wind systems. And we want to help those people out.

We have a project of installation mapping where we've asked the manufacturers and the dealers to provide the locations of their distributed wind installations. We're compiling those on a single map with, you know, basic information.

And the idea there is that you'll be able to say, "I'm - I want to put this wind system in but you know there are dozens within this area." And be able to, you know, have some good statistics on that. So that's an effort underway. This is all done by volunteers, again no - we have no contracts with agencies, we have only one full-time person.

WE want to setup a zoning hotline with assistance and training. We're seeking funding for that. That's a little beyond what we can do as completely a voluntary initiative. But we have that goal and we're working on it.

And we've had discussions and the proper situation hasn't presented itself, but we're prepared to at least consider a legal intervention that might set precedence or something that's - address a particularly egregious barrier that we might encounter out there. Essentially, we want to make permitting less of a barrier.

One of the things that I think has been important is to consolidate sort of the best messaging on the major issues that face us in the permitting arena. So you know, there's some issues that keep coming back as being contentious -- tower height set-backs, property values, birds and bats, sound and acoustics, aesthetics, NIMBYs, and et cetera.

And in each of these areas, DWEA has attempted to put together a one-pager that outlines the problem, puts it in perspective or provides, you know, the

most cogent and effective answer or messaging that we've come across, and then provides recommendations.

So we - these are already being used as resources by customers and dealers and this is something that we think, you know, really sort of responding to some of the crazy, crazy myths and hysteria that are out there.

Let me go ahead and cover the Installer Committee and then we'll open up - or actually, let me run through the next three committees since we've had light questions, and then we'll open it up.

The Installer Committee is a forum for - for the installers, for the dealers. There's a venue in - at the small wind conference in Wisconsin where a lot of similar discussions go on. So it's a lot of the same people; I think this committee is co-chaired by Mick Sagrillo and Roy Butler, if memory serves.

And so you know they, separate from manufacturers, are able to identify the issues that are most important to them. And so they're - they plan to get together with the manufacturers, put on webinars, they have an annual meeting at the small wind conference in Wisconsin, and they want to work on tools, mentorship and a newsletter.

It's a relatively new committee, but it's one that I have high hopes for and the members are very enthusiastic. So we want to nurture best business practices, safety practices, and just provide a forum for sharing information amongst the installers -- separate from the manufacturers.

The Education Committee is - we used to call it the Communications Committee; it put together the Web site and did some other - a number - some of our early documents. We've now broadened the scope, call it the Education

Committee, and so it works with the other committees, puts together some of the documents, but it's more importantly getting us into social media.

So we've got Facebook and Twitter. I don't understand this stuff very well, but Jennifer does and the members of the committee do. And so they're also working on the Web site and on newsletters, and hope to put together some webinars for the membership in the future. They are compiling case studies and success stories, and those will be up on the Web site soon.

And finally we've got the Mid-Sized Committee, and that is for those members whose business really revolves around 50 kilowatt or larger turbines that don't come under the scope of the AWEA standard and really have sort of somewhat different needs.

And I'll give you an example; the larger-scale projects can use a feed-in tariff more effectively than the smaller scale projects. Residential customers don't do well under feed-in tariffs unless there's a ready source of financing but the large-scale turbines do work well that way because of the commercial customers that they have.

The - there's no standard for the mid-sized turbines. So they're working together on that. So they're identifying their barriers and doing fact sheets and identifying target states and working on financing. So that's an active committee and one that is very important to the organization.

So the current activities of DWEA, I've mentioned the Fish and Wildlife's issues, the USDA and DOE -- those are all live wires, we're working on them almost on a daily basis. We get meetings, we get opportunities to present our message, we get questions -- we're working on those things continuously.

We're trying to recruit more members, particularly dealers, installers and suppliers, and we're having good success in that area. We have a partnership with the National Association of Counties under their Green Government Initiative.

And we're using that, we're working closely with them to get our messaging out on permitting for example, and best practices. And we've found a real receptivity amongst county governments when they're approached from a group that they trust, like the National Association of County Officials. So that's a very good partnership -- very valuable to us.

We're working with AWEA on a joint conference in 2013. Our general plan right now is to have that fly-in, small business meeting with no exhibits, in Washington D.C. in the spring, and then to have a major conference, like the one we just jointly did in Des Moines two months ago, and have that in the first quarter of 2013.

And that is because we expect the industry to be quite busy installing turbines in the last half of 2012 and so we want to try to catch people when they've got time to attend a conference and without costing them too much of their business.

We have - I mentioned the draft zoning ordinance, that is I think at its first review draft in the committee and will eventually will get out to the full membership for review before it's published. But my hope is we'll have something on the Street within four to six weeks on that.

And then finally, we're working on a Myths one-pager to address the bozos and shysters issue. We'd like people to be able to get a independent opinion on rooftop and short-tower and some of the wild claims of bird friendliness, and

the other things that are common to the bozos and shysters, we want to get that out there to counterbalance some of the hype that we see out there and try to reduce the amount of money that they're able to shake out of the general public.

If you have any questions about DWEA I encourage you to give Jennifer Jenkins, our Executive Director a call. She's actually out in Arizona so either Arizona Standard Time or Mountain Standard, I'm not sure exactly what time zone it is out there, but it's out towards the West. But Jennifer can be reached anytime on email.

We have our - a Web site with a lot of information. And you know, I just encourage you to plug-in to DWEA. We have a lot of places where you can get involved in the committee work that I discussed, we have people who are on multiple committees.

And it really is a good group, we enjoy working together. We have a few disagreements, we work those out. And we're making a difference. And I think everybody really feels that we're providing a strong voice for the distributed wind industry and that we're making a difference.

And my final, final request or the request that I would have for you is, "Let us know if there's something you think we should be doing that we're not doing or something that we're doing that you disagree with; we'd love to hear your opinions on how to make DWEA better and more effective."

With that I want to thank again ASES for giving me the opportunity. I'd be happy to answer any questions.

Coordinator: Once again if you'd like to ask a question please press star 1. One moment.

Our first question; (Jason Gettes), your line is open.

(Jason Gettes): Thank you Mike. I - this is (Jason Gettes) in Reno and I know you mentioned bozos and shysters several times there; how do we out the difference? And I'm going back to your opening slides with having (Provin) on there.

And we install the (Provin) here and it's one of my favorite turbines and I thought it's great, but I'm currently in lockdown mode and have no idea what I'm going to do with it. How do you address that?

Mike Bergey: Well we wouldn't - good question. We wouldn't put - I wouldn't put (Provin) in with the bozos and the shysters, that was a - you know, they sort of fell victim to venture capital and over-expansion, and you know, there's a, you know, business school case-study to be had there.

But the bozos and shysters are those that promise things that they cannot deliver. They, you know, they're going to promote putting something on your roof. It might only be six feet in diameter but they'll tell you it's going to power your whole house. It violates the laws of physics, in terms of energy capture and available energy.

You know, when you've got - when you're spending a lot more on Web sites and hype and press releases than you are on engineering, and you go-to-market with no field-test data, you know, let alone third-party field-test data, if all it is is renderings, that's a pretty good sign that it's, a you know, a bozo or a shyster.

And a bozo is someone who doesn't understand what they don't understand, and a shyster is someone who knows that they're misleading people and they don't care. So I wouldn't put (Provin) in with the bozos and shysters.

Coordinator: Our next question; (John Rob), your line is open.

(John Rob): Hi, this is (John) from the (Renaissance Group) in Ohio. (Aaron) wasn't able to attend the meeting. Are these slides available after the show?

Mike Bergey: Yes, they will be.

Karin Sinclair: Yes, this is Karin at NREL, and so these, the slides as well as a recording of this presentation will be posted.

(John Rob): Thank you.

Coordinator: Are we ready for our next question?

Karin Sinclair: Yes.

Coordinator: (Mason Thornton), your line is open.

(Mason Thornton): HI Mike, this is (Mason) from (Nordic Wind Power). I have two questions for you.

One, back to the bozos and shyster comment - personally in the mid-size turbine area run into more of the bozos and shysters in - on the developer side or financing side than on the technical side, which you clearly explain the technical turbine side very well. Any thoughts on that side of things?

And then second, any comments or predictions on the likelihood of the Franken-Tester Community Wind Bill moving forward?

Mike Bergey: Two good questions. (Mason), I'm not a very good source of guidance on bozos and shysters in mid-scale or things having to do with development or finance. I just don't have much experience in that area.

My assumption has been that, you know, the cost of entry into the very small wind turbine business is low enough that we get these hucksters. But that when you start getting up into the 5000 - several hundred kilowatt turbines, the cost of entry into the business is high enough that it sort of self-polices.

And so I'm - this is the first I've heard that that's not true and I don't - I find that disturbing. I'd encourage you to work with our mid-size committee to let them know the problem, and you know, help us figure out how we can respond to it. That's exactly what DWEA is meant to do. So please help us help you.

On the Franken-Tester Legislation, that's the bill that I alluded to under the federal policy. We're not in the driver seat on that, that was the community wind committee at AWEA with some of the leadership there is really responsible for getting that legislation introduced. We're fully supportive and we'll work on that every week we - or all the time we can.

I think all tax measures have a real hill to climb given the budget situation. So you know, (Salendra) doesn't help, the - you know, I think the fossil fuel guys are coming after us in the renewals area, that doesn't help. And so I think it's difficult, but not impossible. And we just have - we have to make the effort because we know the competition that's coming from China.

There - we know that this is a core manufacturing industry. In the U.S. last year 83% of the distributed wind systems -- small wind systems -- that were installed in the U.S. were built here.

So we just have to get our message out and get the Congress to do what it should do in addressing that gap between the existing 100kw limit on the investment tax credit, and the production tax credit for the large wind farms. So I have my fingers crossed.

Coordinator: We do have another question. Please state your name. Please un-mute your line and state your name. Your line is open, please state your name.

Once again, if you'd like to ask a question please press star 1; one moment. There are no further questions.

Karin Sinclair: This is Karin Sinclair again. Well if there are no further questions, I would just really like to thank Mike for providing us with this really great presentation. Looks like there's really no shortage of work for DWEA to work on for the near future in representing its members.

And I think that there's so much going on I would put in a plug for perhaps coming back and giving us a follow-up presentation, maybe sometime late next year, on the progress and - of a lot of the activities that you mentioned today. I think our members, the ASES Small Wind Division, would be interested in that. But I'm not twisting your arm, just putting it out there.

Mike Bergey: We'd be honored to have that opportunity.

Karin Sinclair: Yes. So I guess I would just say that the next ASES Small Wind Division Webinar is scheduled for the first week in January of next year, but we haven't

finalized it. So there will be an announcement sent out on - if we have that and what the topic will be. And again, if you have any specific topics that you're interested in us spearheading for you, we'd be happy to consider those.

And with that, unless there are any other questions, I think great presentation. Thank you.

Mike Bergey: You're very welcome. Thanks to everyone.

Coordinator: That concludes today's conference.

END