

# WIND FARMING

## Locally Owned Energy Projects

### Conception to Completion

BY

DAVID KOLSRUD, PRESIDENT



PRIMING THE PUMP



IN RURAL AMERICA



The Kolsrud Farm

# BUSINESS INVOLVEMENT

Manager CORN-er Stone Farmers Co-op

Board Member Badger State Ethanol

Board Member Husker Ag Ethanol

Board Member MinWind

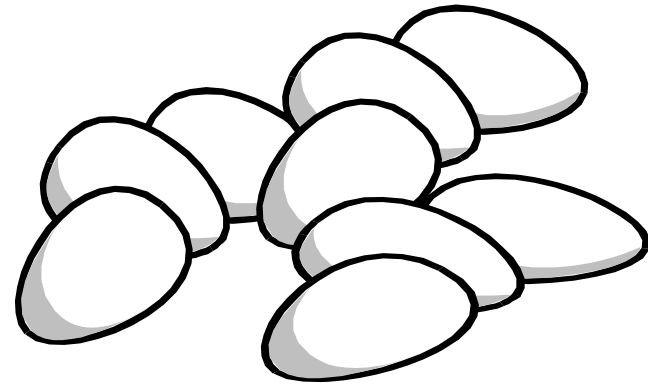
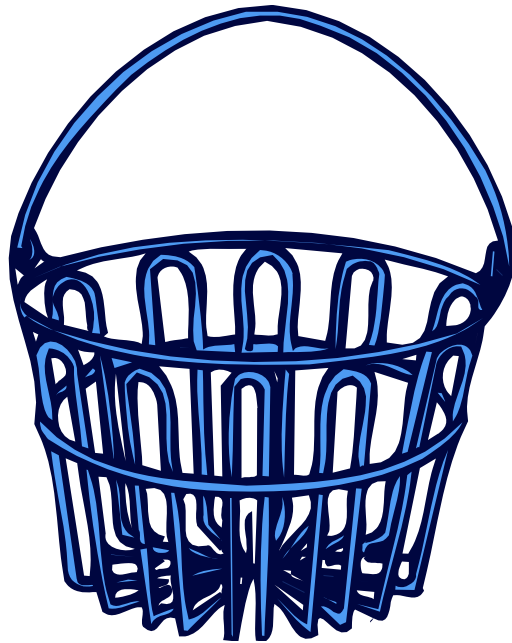
Chairman Valley Springs Farmers Co-op

Founding Board Member MNSP

Coordinated Mid Missouri Ethanol Co-op

Partnering with Mid Atlantic Bio-Diesel

Consulting with numerous other projects



**Don't put all your eggs in one basket**

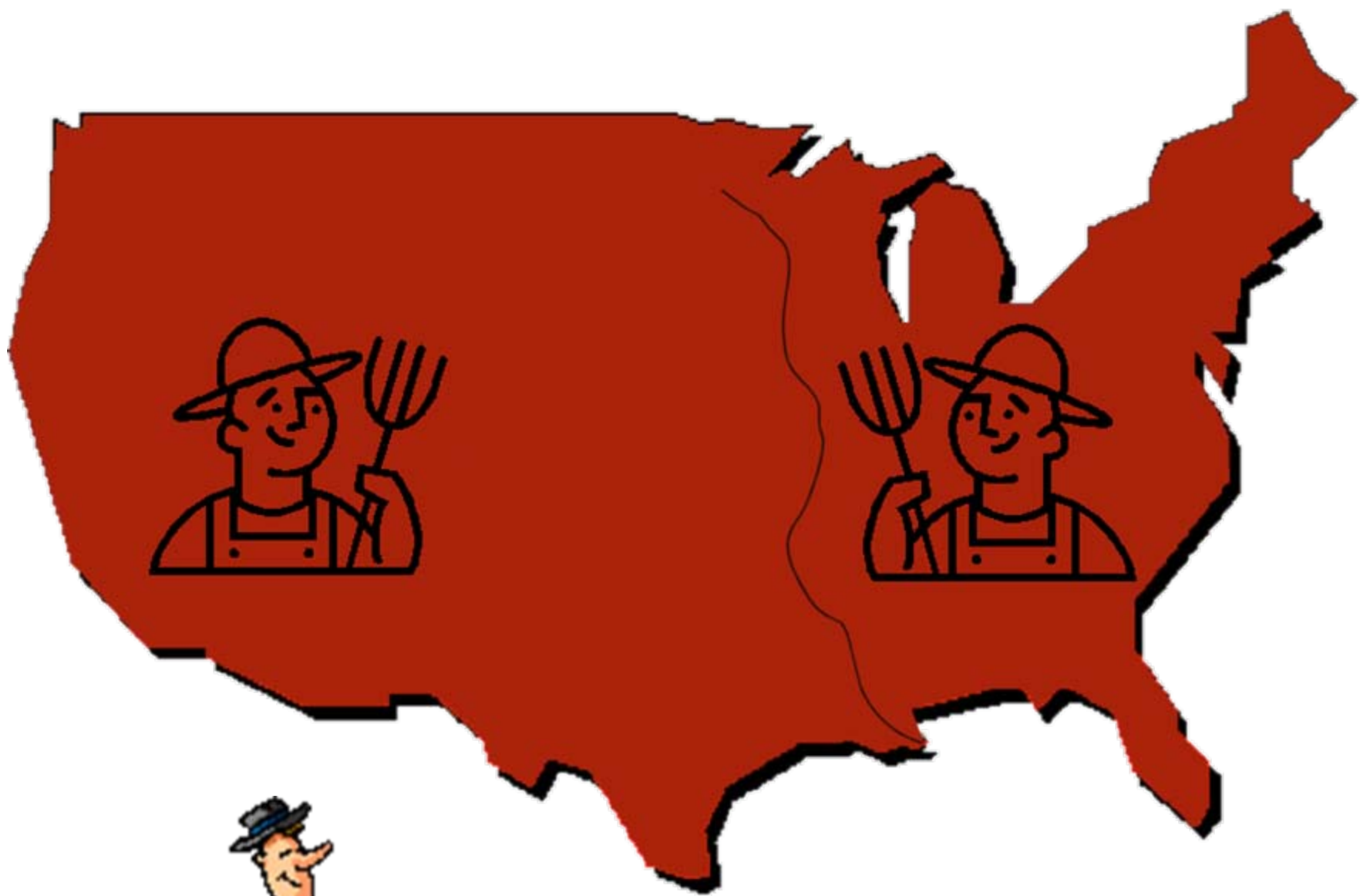


**Need to Specialize**



**Bigger is Better**





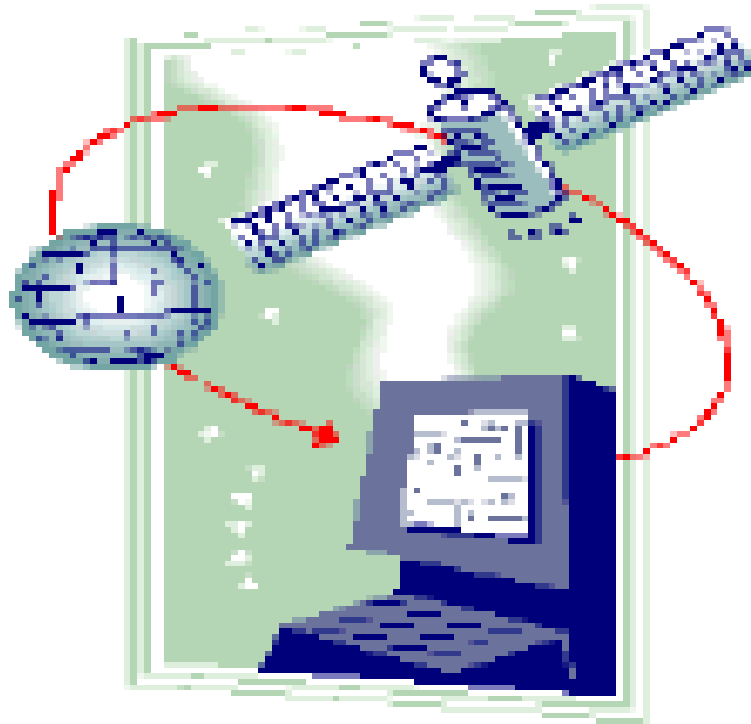


# Better Marketing



# Low Cost Producer





# Embracing New Technology

# RAT RACE





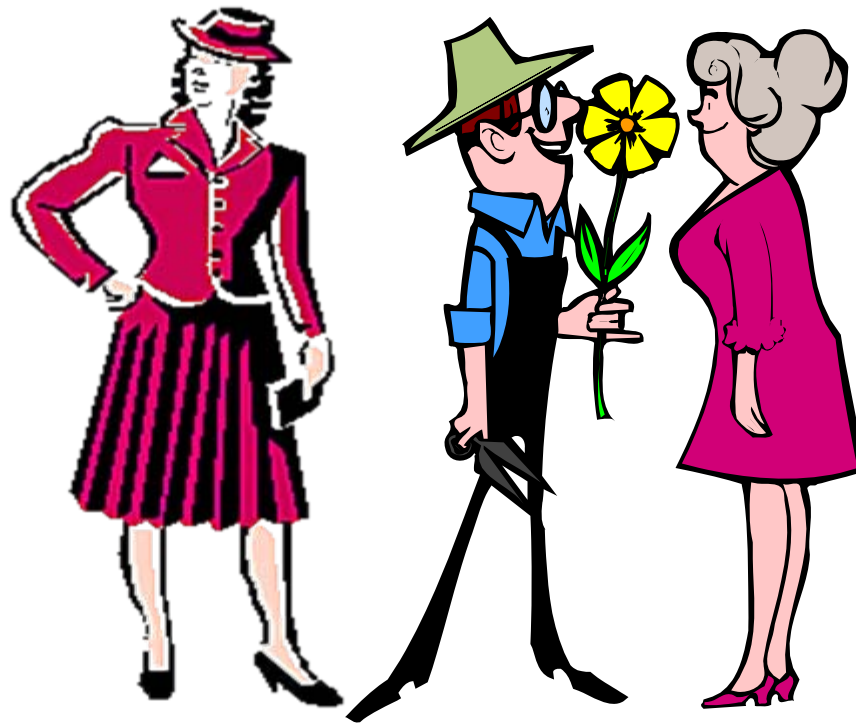


# Creative Thinking



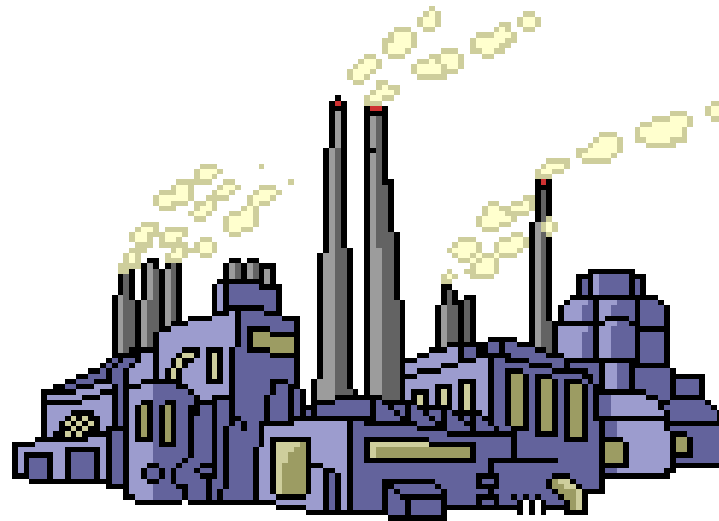
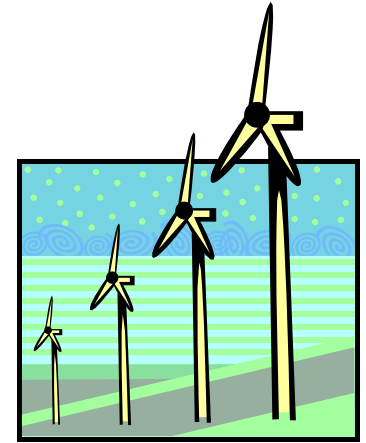
**Need to be  
Active  
Politically**







**FARMER  
OWNED**



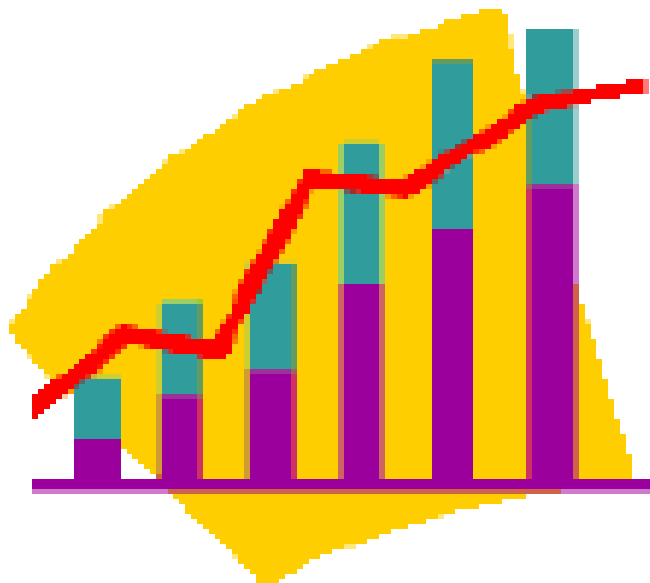
**FURTHER  
PROCESSING**

# ETHANOL PLANTS

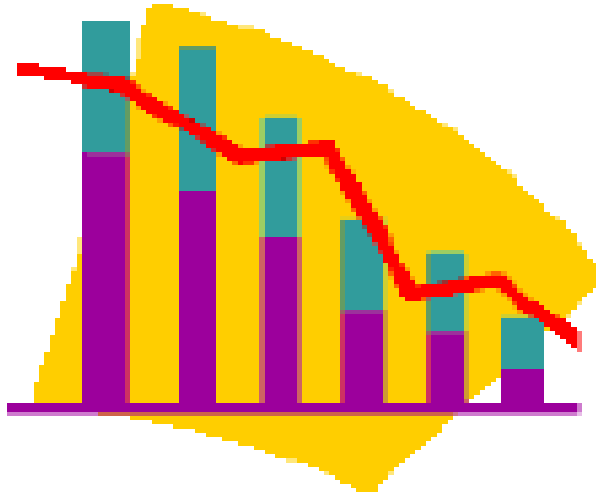
IN

MINNESOTA

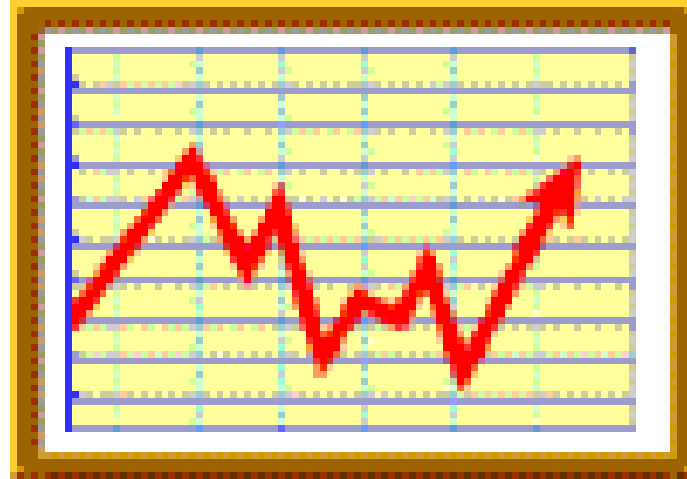




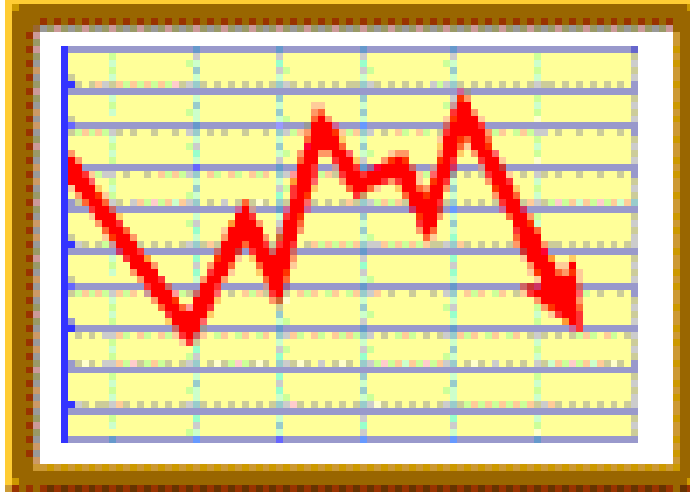
**HIGHER  
CORN PRICES**



**LOWER  
CORN PRICES**



**HIGHER  
GAS PRICES**



**LOWER  
GAS PRICES**

# ETHANOL BUSINESS CHANGES

COOPERATIVES

LLC'S

PRIVATE PLACEMENT

IPO'S

**WIND ENERGY**

**IS**

**UNIQUE**

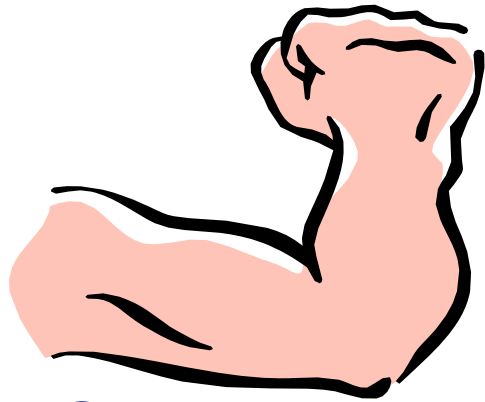


**CONTROL**

**MARKETS**

**MARKETS**

**FEASIBILITY**



&



Minus



equals





**EQUALS**



**LOCATION**

**STRUCTURE**

**STRUCTURE**  
**GOVERNANCE**

**EQUITY RAISED %**

**FINANCING**

**TAX ISSUES**

**DISTRIBUTIONS**

**TOWER ENVY**

**GOOD**

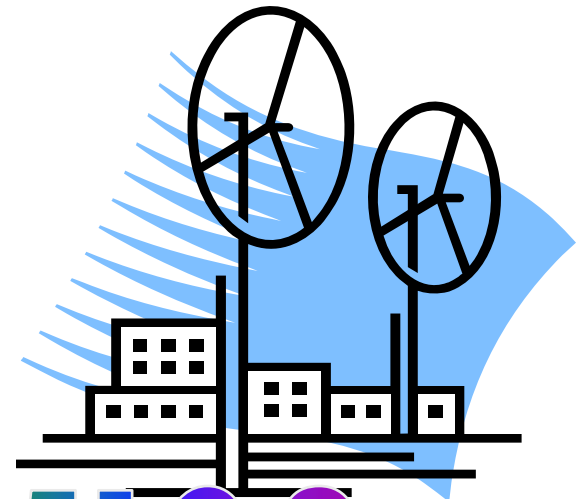
**OR**

**BAD**

# EMOTION



VS



# ECONOMICS

**WHAT ARE THE  
CHARACTERISTICS  
OF A  
SUCCESSFUL  
PROJECT?**



**VISION**

**COOPERATIVE**

**COMMITMENT**

**CONTRIBUTE TO  
VS  
PROFIT FROM**

**FOCUS  
ON THE  
GOAL**

# GOALS

- **1.** Local Ownership
- **2.** Maximize Profitability
- **3.** Create Economic Development in Rural Areas
- **4.** Provide Quality Jobs
- **5.** Research & Utilize available programs & incentives
- **6.** Be politically active to achieve our goals
- **7.** Develop a “cookie cutter” model
- **8.** Maintain Cooperative Principles

**CAUTION**

**Don't let the  
grants/incentives  
become the project**

# **SUMMARY OF 30 STEPS**

**“CONCEPTION TO COMPLETION”**











5116

2250

SAFETY  
WARNING  
Read the operator's manual  
before operating the machine.

SAFETY  
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Read the operator's manual  
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RELATIONSHIP  
OF  
OWNER/LENDER

**BALANCE!!!**

**COMMUNICATION!!!**

**COMMUNICATION!!!**  
**CONSISTENCY!!!**

**Myth**



**FARMERS DON'T HAVE  
THE MONEY**

# **SUMMARY**

## **MYTH --- Farmers Don't Have The Money**

**30 Farmers at \$6,500 (cash) each could own a  
1.8 Million Dollar Project**

### **HOW?**

- 1. Get Good Advice—Consultants**
- 2. Cooperate**
- 3. Utilize or Create Programs to your benefit**
- 4. Network with other groups**
- 5. Believe in Yourself (nobody's going to do it for you)**





# RENEWABLE ENERGY

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