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LPRW marks major milestone with new facility and fresh strategic vision

After decades of steady growth, Lincoln Pipestone Rural Water (LPRW) leaves its longtime home behind and prepares for the future with a bold new headquarters and a forward-looking strategic plan.

LPRW's new headquarters and main operational facilities.

In early October, the staff of LPRW had no time to look around at the empty rooms at 415 East Benton Street in Lake Benton as the last boxes and bundles went out the door. They were people on a mission: relocating everything it takes to run a modern, efficient rural water utility a mile or so up the road to a new headquarters and service center with minimal customer service disruption. Nostalgia would have to wait.

The move marks a turning point for the rural utility, which has supplied water to residents of Lincoln County and the surrounding areas since 1979. As a public water system established under Minnesota Statute 116A, LPRW serves approximately 4,800 rural customers and 36 bulk municipal customers in 10 counties in southwestern Minnesota. The LPRW system has expanded over the years to include more than 3,400 miles of pipeline, multiple water sources and interconnections, and considerable infrastructure for maintaining the system. All of this has become necessary as demand for reliable,

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CISA's exit from MS-ISAC puts municipal cybersecurity in flux

On September 30, 2025, the US Cybersecurity and Infrastructure Security Agency (CISA) officially ended its cooperative agreement with the Center for Internet Security (CIS), cutting its federal funding of the Multi-State Information Sharing and Analysis Center (MS-ISAC) and pivoting to a "new model" for supporting state, local, tribal, and territorial (SLTT) governments.

In its announcement, the agency framed the change as a strategic shift toward greater efficiency and more direct support.

Across municipal halls and county information technology (IT) offices, officials greeted the news with alarm and skepticism. For decades, MS-ISAC served as a backbone of collective defense: supplying real-time threat intelligence, coordinating incident responses, operating intrusion sensors (such as the Albert intrusion detection system), and disseminating alerts at little or no cost to SLTT partners. Now many local governments wonder who will pick up the slack, and at what price.

From cooperative partner to contract termination

MS-ISAC has operated under a CISA-administered cooperative agreement with CIS for nearly 20 years. Through that arrangement, SLTT entities—more than 17,000 in total—accessed vulnerability assessments, network monitoring, shared advisories, and incident response support.

In 2025, however, CISA first cut approximately $10 million annually in support, saying it would redeploy resources and eliminate redundant functions. In March, the agency confirmed that it would no longer fund several core MS-ISAC functions—among them threat intelligence, incident response, stakeholder engagement, and account onboarding.

CISA now asserts that it will replace those services via grant programs, free tools, regional advisers, vulnerability management,

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Minnesota project cancellations roil energy landscape

When the US Department of Energy (DOE) announced in early October that it would terminate $7.56 billion in funding for 321 energy projects nationwide, the shockwaves did not spare Minnesota.

Among the hardest hits: a $464 million transmission-line grant intended to bolster grid reliability across seven Midwestern states—including Minnesota—and a slate of smaller projects across the area.

A blow to Minnesota's energy plans

The canceled projects in Minnesota include not only the massive $464 million grant awarded through the Minnesota Department of Commerce, but also a $50 million transmission upgrade for Minnesota Power in Duluth and a $70 million battery-storage initiative for Xcel Energy's Becker facility. Analysts estimate that Minnesota stands to lose more than **$600 million in total federal energy funding.**

For state officials and clean-energy advocates, the cancellations are deeply destabilizing. Many of these projects have already advanced through planning, permitting, and early construction. "Businesses like certainty, and all these changes at the 11th hour are very difficult," **Beth Soholt,** executive director of the Clean Grid Alliance, told the *Minnesota Star-Tribune.* In the same article, State Sen. **Nick Frentz** (DFL-Mankato), chair of the Senate Energy Committee, warned that the disruption could mean job losses and delayed modernization, with costs ultimately passed on to ratepayers.

The Trump administration's DOE argues the terminated awards "failed to meet fiscal accountability standards" or lacked sufficient return on taxpayer investment. Supporters counter that the projects had

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Inside Stories

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CISA's exit from MS-ISAC

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phishing assessments, and collaborative coordination. The agency promises to "collaborate" with CIS on certain products and maintain SLTT posture through direct engagement.

Yet in leaving MS-ISAC's cooperative model, CISA breaks trust—some SLTT officials argue—that it would sustain continuity. The abruptness leaves many smaller governments scrambling.

Impact on local governments

Rural counties and smaller municipalities have long relied on MS-ISAC's no-cost offerings. Many lack full-time cybersecurity staff; losing shared services means they must either pay market rates or drop coverage altogether.

Some regions already absorb more than $1 million per month to temporarily prop up stripped services—but that model is unsustainable. CIS plans to transition to a membership or fee-for-service model scaled by budget size.

To worsen matters for local groups, the federal grants that local governments rely on—such as the State and Local Cybersecurity Grant Program (SLCGP)—explicitly bar use of funds to purchase MS-ISAC services. That leaves jurisdictions unable to apply federal aid toward subscription costs for core protections they once received free.

Officials in state Chief Information Officers (CIO) offices warn that central security functions—24/7 monitoring, intrusion detection, malware analysis, domain blocking—will become fragmented or vanish entirely. "We've diminished a resource that helps those with the most basic needs," said one state official.

In response, a coalition of state and local organizations—including the National Association of Counties, National League of Cities, US Conference of Mayors, and state CIOs—has urged Congress to restore funding and preserve shared cybersecurity capacity.

The impact on municipal utilities

For municipal utilities, the stakes are high. These utilities depend on timely warnings about malicious domains and phishing campaigns, services MS-ISAC previously provided at little or no cost. The center also coordinated incident response for entities under attack—support that could shrink as federal backing recedes. This reduced response capacity may slow recovery efforts for smaller utility providers.

The National Association of Counties warned the change could widen the cybersecurity gap between large and small public entities. "A tiered model may work for big players," the group said in a September release, "but rural and resource-constrained organizations will face difficult trade-offs."

Municipal utilities operate at the interconnection of critical infrastructure and public service, making them prime targets for ransomware and other cyberattacks. Many already run lean IT operations, with staff juggling multiple roles. A 2024 report by KnowBe4 found nearly 60 percent of municipal utilities lacked a full-time cybersecurity professional, a gap MS-ISAC had helped to fill.

To offset the impact, CISA points to new avenues of support. The agency says utilities can apply for federal cybersecurity grants, enroll in free vulnerability scanning, and leverage regional cyber coordinators. Still, questions remain about whether those measures will fully replace the breadth of intelligence and response once provided through MS-ISAC.

Industry analysts suggest several strategies. Municipal utilities may seek discounted MS-ISAC memberships, pool resources through regional consortia, or invest in building in-house security programs. But the shift may not be easy. "Fragmentation in access to threat intelligence will create inequalities in cyber defense," according to *The Cortex Protocol,* a cybersecurity trade publication.

For now, utilities must reassess their risk posture and budgets. Some may choose to prioritize grant applications, while others will weigh partnerships or third-party services. The outcome could mark a turning point in how the nation's smallest but most essential utilities defend against cyber threats.

CISA's defense: efficiency, redundancy reduction, and localization

CISA defends the shift as a prudent move. A spokesperson argued the defunded tasks "no-longer effectuated department priorities" and that eliminating redundant functions saves taxpayer dollars. The agency claims its new posture will deliver more targeted, mission-critical support.

In the announced model, CISA positions itself as the go-to for SLTT governments to obtain grants, technical tools, regional advisers, and direct incident coordination. The agency hopes to absorb many roles formerly handled by CIS-driven programs, though it concedes that some transition disruptions may occur.

CISA also suggests the transition may allow more scalable solutions and avoid overlap with private-sector services. Still, critics argue the trade-off lies in reduced capacity for cooperative intelligence sharing across jurisdictions.

Bracing for the unknown

Local governments and municipal utilities now face critical choices. They may pay subscription fees to CIS's new model (if they qualify), procure commercial cybersecurity services, or fall back on CISA's new tools, if those match their needs. Many counties say they lack clarity on how to budget for either path.

Some jurisdictions view the abrupt break as breaking faith with previous agreements. Others wonder whether CISA's internal capacity can scale so quickly to replace decades of outsourced collaborative infrastructure.

As ransomware attack incidents escalate along with supply chain intrusions, election threats, and growing critical-infrastructure vulnerabilities, the timing heightens risk. Without proactive funding solutions or legislative intervention, small and under-resourced communities may face days or weeks of diminished security protection.

Until local governments see consistent service delivery, many will regard this reform as a gamble rather than a gain.

Patience and programs for the people who taught us to use a spoon

From My Desk to Yours

Karleen Kos
MMUA CEO

If, by the time you read this, MMUA is looking for a new CEO because of the incumbent's mysterious disappearance, don't worry about me.

I've probably just temporarily gone round the bend in an effort to help the three senior citizens in my life navigate their frustrations with various service providers. Examples:

My dad is furious with his telecom because he gets spotty cable and crackling telephone reception. He does not understand why he has to call a number in Kansas City for help in Minnesota. By the time he navigates their labyrinthine telephone tree and informs them that no, he cannot use their website to get quicker answers because he doesn't have a computer, he is generally choosing words that would have acquainted his daughters with the taste of Lifebuoy.

My mom is fed up with her bank's website portal. They keep making her change her password, and two-factor authentication flummoxes her. She also has trouble navigating from her pdf credit card statement back to the payment page. It tends to time out while she's reviewing her charges and trying to remember why she spent $53.11 at Runnings two weeks ago.

My uncle recently broke his hip and lived in a rehab facility for a couple of months. He went in there taking three pills a day (including one vitamin), and he is now being fed a total of 38 pills a day. He does not know why. I spend enough time with him to know he's a little forgetful—but not *that* forgetful—and he writes stuff down. To his very active mind, nobody has sufficiently explained why they are turning his body into the newest location of Walgreens, yet they seem to blame him because he isn't willing to take them all.

What does this have to do with municipal utilities? Well, it just makes me think, "Let's not be like those other people."

One of the things Minnesota's hometown utilities do particularly well, I think, is respond to the needs of our communities. We personalize service. We know that getting too big for our britches and ignoring the concerns of our customers will be received about as well as cat hair in the tater tot hotdish. We are polite.

This means, for the most part, that we don't let our "systems" get in the way of our service … which is more than can be said for my dad's big telecom, my mom's bank, and my uncle's healthcare providers. I have always been impressed by the many ways our members bend over backwards to make things easy for their customers. We mostly do what we need to do to meet them where they are, and in a world that generally expects people to adapt to its "progress," that is a rare thing. We don't tell people, in effect, "tough luck" if they don't have a smart phone or computer. That's important for our communities, as the technology and systems that make things more efficient also make them more complex, especially for older customers.

Who are our "older customers?" They are a huge ratepayer group in municipal utility towns. As of 2025, about 18.25 percent of all Minnesotans are aged 65 or over, and around half of them live outside the metro area. This number is expected to grow in the coming years. By 2033, around 32 percent of residents in rural counties will be over age 65, compared with the metro, where approximately 19 percent of the population will be over 65.

These seniors are living longer than ever, with an average life expectancy of 79 years as of 2021. Minnesota Compass data shows that 90 percent of Minnesota's seniors live independently. Some have enough money—people over the age of 50 are responsible for 57 cents of every dollar spent in Minnesota—but many do not. Around 33 percent of Minnesota's senior women and 17 percent of senior men rely exclusively on Social Security benefits, so they are extremely sensitive to increases in their bills. Seniors are also highly engaged in their communities. Around 38.5 percent of Minnesota's seniors volunteer and 78 percent vote, among the highest in the nation on both counts.

With all this in mind, it just makes sense for hometown utilities to take pains to serve seniors well and adjust programs to meet their needs. They represent a large portion of our customers. They have been our customers the longest, they have supported the utility through thick and thin, and they are the ones who will show up to vote if the community decides to consider selling.

It's also simply the right thing to do.

Many municipal utilities already do a great job at considering the needs of the older generation. You may review the list of services in the table below and think, "Well, duh … we've been doing most of that for years." And if you do, kudos. You're the good guys. If not, please use this list as a sort of "suggestion box," and consider whether these ideas have merit for your community.

Challenge faced by seniors	Utility program or service to help
Mobility issues (can't easily get to utility office or bank)	Mail-in payments, autopay, online bill pay, door-to-door energy audits with technicians who come to the home
Balance problems and fall risk	In-home energy audits that also include basic safety checks (e.g., cords, lighting), weatherization programs that improve home comfort and reduce need to climb ladders for heating/cooling fixes
Vision loss	Large-print bills, live phone support that does not require complex navigation to reach
Hearing loss	Text alerts for outages, TTY/TDD customer service lines, email billing reminders, captioned video content for educational programs
Chronic health conditions, chronic pain, or reduced stamina	Levelized/budget billing to reduce stress of unpredictable bills, efficiency upgrades that lower the need for constant thermostat changes, delivery of space heaters or cooling devices for medical needs
Fine motor skill decline (trouble handling checks, small buttons)	Autopay enrollment assistance, simplified bill design, one-touch phone app with large buttons
Memory issues	Automatic bill pay, bill reminders by text/phone, staff check-ins for past-due balances before service disconnection
Difficulty learning new processes	Utility staff/community center workshops for seniors on "how to use your online account," simple printed how-to guides
Slower processing/decision making	Extended customer-service call times, clear plain-language bill explanations, senior-specific customer-service reps who are patient and allowed to take extra time
Judgment lapses/ vulnerability to scams	Utility education campaigns on scam prevention, proactive outreach (calls, newsletters), "official call-back number" policies to reassure seniors
Technology gap	Keep paper bills available, telephone service options that make it easy to get a live person, walk-in customer centers with staff who can help in person
Limited transportation access	Drop boxes for payments in multiple community locations, office hours that coincide with when community transportation options are available

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Tweaking the peak: demand management programs drive savings for consumers and grids

Utilities face escalating pressure: aging infrastructure, rising peaks in electricity demand, and the excessive cost of building new generation. Demand management programs — often known as demand response, demand-side management, or load-shifting initiatives — have emerged as a powerful solution.

Across Minnesota and the broader United States, recent examples show that these programs help households and businesses lower their bills, ease stress on the grid, and delay or avoid costly investments in capacity.

Saving money, one peak at a time

In Arizona, the Salt River Project's (SRP) Business Demand Response Program enables commercial, institutional, industrial, educational, and municipal customers to earn incentives by cutting electricity use during peak periods. Participants receive notices via email, phone, or text, then reduce nonessential lighting, adjust HVAC settings, or modify production schedules. The program helps to prevent outages in the summer heat, and it lowers operating costs for enrolled businesses.

In Texas, Austin Energy expanded its Commercial Demand Response Program to include nearly 200 city buildings. These facilities together can reduce demand by more than six megawatts (MW) during peak times. City-owned buildings receive alert notifications, take specific actions, and earn financial incentives. Officials estimate the program's expansion boosts grid reliability and cuts energy costs while helping the city meet its climate goals.

Google recently entered into demand-response agreements with Indiana Michigan Power and the Tennessee Power Authority. The company has committed to curbing power usage at its AI data centers during times of grid strain. This move stabilizes demand, helps prevent blackouts, and keeps costs lower for regular customers who rely on a stable power supply. Since building new capacity or transmission lines costs much more, curbing demand during peak periods offers an efficient shortcut.

Rebates, programs, and clean incentives in Minnesota

Minnesota has also embraced demand management and energy conservation through a suite of programs. Under its "Minnesota Solar for All" initiative, the state allocates more than $62 million toward projects helping low- and moderate-income households install solar. Officials estimate the program could save over 11,000 vulnerable households 20 percent or more on annual electric bills.

State rebate and incentive programs, such as the Home Efficiency Rebate Program (HOMES), the Home Electrification and Appliance Rebate Program (HEAR), and the Residential Heat Pump Rebate Program, encourage residents to install efficient electric appliances, improve insulation, and upgrade electrical panels. Though some programs await final approval, they represent growth in demand-management tools that reduce both demand and cost.

Benefitting all parties

Consumers receive direct financial benefits: lower electricity bills through reduced peak usage, credits or incentives for participation, and savings from improved appliance efficiency. In many programs, investing in efficient equipment such as heat pumps or insulation leads to payoffs over time by reducing billing cycles. Minnesota's rebate programs illustrate this benefit.

Businesses gain in two ways: by trimming energy costs during expensive peak periods and by receiving payments or incentives for reducing load at critical times. Demand response also helps some businesses avoid or reduce demand charges—the fees utilities impose based on the highest level of electricity drawn in short intervals. Programs like those in Arizona and Austin demonstrate the potential for substantial savings.

Energy providers and the grid benefit because reducing peak demand delays or avoids costly investments in new generation plants, transmission lines, or upgrades to substations. Fewer energy peaks mean fewer stress events on lines and transformers, which reduces maintenance and prolongs asset life. Additionally, demand management helps integrate more intermittent renewable power by smoothing demand curves and improving flexibility.

The future of demand management

Despite clear benefits, programs face obstacles: enrollment sometimes lags; customers may hesitate to participate due to concerns about comfort, disruption, or skepticism about savings. In Minnesota, demand response signups slowed at one point, prompting discussions about innovative approaches such as aggregators pooling customer load to make programs more attractive and accessible.

Regulatory approval and funding delays also slow some programs. Some Minnesota programs await final federal or state consent to release rebate funds. Efforts to streamline approval, provide upfront assistance, and educate consumers

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MISO error inflated capacity prices by $280 million

The Midcontinent Independent System Operator (MISO) has admitted a coding error in vendor software inflated electricity capacity prices by roughly $280 million over the past four years.

MISO uncovered a coding error in a third-party vendor's work that had gone unnoticed since 2017. The mistake involved using the wrong methodology for calculating the key reliability metric, loss of load expectation (LOLE). Instead of applying the tariff-defined "daily peak hour" method, the software employed an "all hours" approach.

This mistake caused MISO to overestimate the amount of electricity capacity needed for reliability, leading to more capacity being cleared than necessary in its annual Planning Resource Auctions (PRAs), including the recent PRA for 2025–26.

MISO's tariff describes LOLE as "the sum of the loss-of-load probability for the integrated daily peak hour for each day of the year." Under the current definition, a day with a loss-of-load event is included in MISO's LOLE calculations only if the event happens during the hour of the daily peak load.

This error likely contributed to higher prices and greater reserve margin requirements in MISO's auctions during the 2018–19 planning year. Over four years, the market was distorted, affecting price setting and leading to a $280 million impact on market participants.

MISO discovered the error in June while running simulations of LOLE in preparation for the very change the software induced. MISO wants to change the definition of LOLE from one that is expected only during the daily peak hour to one that could crop up at any hour of the day.

In August, MISO submitted a FERC filing to shift from the daily peak hour to the all-hours LOLE methodology. If approved, it intends to adopt this approach starting with the 2026–27 planning year.

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Texas steps up to shut off data centers during emergencies

In June of this year, Texas lawmakers passed legislation granting the Electric Reliability Council of Texas (ERCOT) authority to disconnect power to certain data centers and other large energy users during a grid emergency.

Governor Greg Abbott signed Senate Bill 6 into law, aiming to protect the state's power grid and prioritize electricity for residential customers during times of high demand. The law pairs mandatory curtailment with a voluntary demand response program under which loads of 75 megawatts (MW) or more could ramp down or switch to backup generation at the utility's request. This concept is now emerging across the 13-state mid-Atlantic grid and elsewhere as massive data centers are coming online faster than power plants can keep up.

Like many other states, Texas wants to attract data centers for economic purposes, but it faces the challenge to keep its grid reliable. As a state with an already erratic grid, Texas was quick to move on this law.

The law would, in theory, allow ERCOT to save enough electricity to avoid a blackout on the hottest or coldest days, when power consumption pushes grids beyond their limits.

One of the largest US regional power markets, PJM Interconnection, recently submitted a proposal impacting large new data center operations not using the energy they have developed or acquired. Under emergency situations, PJM operators would cut off power to these data centers first before ordering rolling blackouts or other extreme responses at utilities.

PJM serves 67 million customers in 13 states and the District of Columbia and hosts a "data center alley" in northern Virginia.

The proposal would keep PJM from increasing the system's capacity to meet the peak demand from new data centers. But data centers that have not acquired enough generation to run their operations would face a risk of unpredictable power cutoffs when the PJM grid is stressed.

The PJM plan, however, does not address the critical issue stemming from the data center boom: increased utility bills triggered by the power demands.

Earlier this year, the Midcontinent Independent Service Operator (MISO) announced the implementation of the Long-Term Regional Transmission Project (LRTP) Impact Analysis within the generator interconnection process. Future interconnection studies will integrate LRTP project assumptions, ensuring the new generation aligns with planned transmission expansions, such as data centers.

Similar efforts are happening in several states, including California, Georgia, Ohio, and South Carolina. Although no two regulatory systems are identical, some common patterns are emerging:

- High-volume users are increasingly asked to bear the full cost of grid connection.
- Energy reporting and transparency mandates have become standard.
- Special tariffs and billing structures tailored for data centers, sometimes linked to emissions, water use, or long-term contract obligations are being implemented.
- States are balancing economic incentives with structural guardrails, demanding more from the companies they attract.

Minnesota lawmakers moved quickly in 2025 to add a regulatory framework for large data

centers focusing on oversight, local impacts, and reliability, rather than an explicit emergency authority. The Legislature passed HF16, which directs the Minnesota Public Utilities Commission (PUC) to create a new customer class for qualified large-scale data centers; review and approve electric-service agreements; collect annual peak-demand fees; and impose environmental and energy requirements (including scrutiny of backup generators through the state's certificate-of-need process).

The law also requires large data centers to contribute annually to programs assisting low-income Minnesotans to weatherize homes and participate in state clean-energy and capacity planning.

While these measures increase regulatory control over how data centers connect to and draw from the grid, the statute stops short of giving utilities an expressed, Texas-style authority to unilaterally shut off data centers during a power emergency. Instead, Minnesota's tools rely on permitting, contracting, tariffs, and demand-management expectations enforced by the Public Utilities Commission.

As the digital economy grows, so too must the energy strategies that support it, balancing innovation with resilience and economic growth with environmental responsibility. States and utilities need to rethink how they manage energy demand, reliability, and infrastructure costs.

LPRW marks major milestone with new facility

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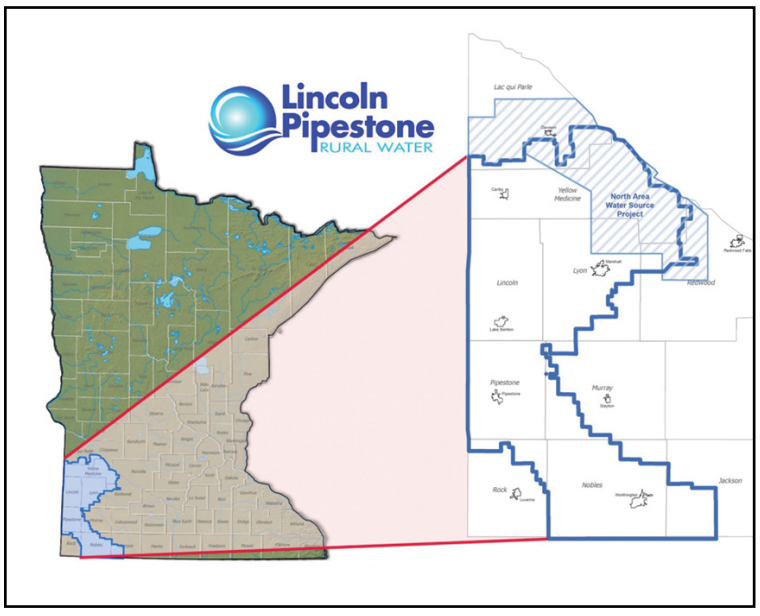


LPRW's old headquarters in a modified home at 415 East Benton Street in Lake Benton.

affordable, potable water has grown.

LPRW draws its water from three well fields near Verdi, Holland, and Burr. For decades, staff coordinated operations from a converted house in Lake Benton, always finding ways to make things work in the limited facility even as the organization's service territory expanded steadily over the years. That setup worked until 2020, when mounting concerns over outdated systems made it clear the building no longer fit the utility's needs.

"About the time of COVID, we realized the deficiencies that this building had, whether it was the HVAC system, the technology, or even the security side of things," says General Manager Jason Overby.

Jason Overby

Current and future space requirements and the need to consolidate operations were important considerations when thinking about a new facility. LPRW contemplated whether to rehab the existing building or to start fresh in a new location and build from the ground up. The Lake Benton community quickly rallied once they learned that the local water utility was exploring options.

Eager to retain LPRW locally, the community engaged with the utility, presenting land options that were both suitable for their current needs and able to accommodate potential future growth. Additionally, the new site's proximity to one of LPRW's shop and storage facilities will support the utility's efforts to streamline its command operations.

The city of Lake Benton was instrumental in aiding this process. "They essentially became a partner with us, you know, determining what our needs were and what size area we needed," Overby says.

MMUA consulted on certain aspects of the project too. Dan Nath, the MMUA safety coordinator serving LPRW, has also been of assistance as the project developed. He has gone to the new building site multiple times with staff to ensure safety needs are being met at the new building. "That's been a huge advantage for us, having our safety coordinator work with us as a partner to ensure that this new facility is done right," Overby says.

Nath helped LPRW conduct a facility audit of the old locations to verify that the new building would fulfill all the essential requirements for the rural water system. After the new building was completed, Nath and the LPRW team conducted another audit to ensure that no details were missed.

One fix, according to Nath, was improving access to the mezzanine, which was previously blocked by its placement next to a door. It is now positioned where a forklift can easily access it. With support from MMUA, Nath hopes LPRW can expand its area of service if the southwestern region seeks its services. He also notes that the new facility will enhance the site used for LPRW's vehicle and equipment maintenance, which was lacking in the older building, and will now meet current standards.

"It was a good, coordinated effort between MMUA and LPRW to review features and see if anything was overlooked," Nath says.

Features of the new facility prepare LPRW for the future. As with any growing business, expansion will address many problems, such as accommodating all inventory and large equipment. Overby is excited about the new technology in the building that provides LPRW with better security and management systems.

Nath explains that consolidating LPRW's headquarters and main operational facilities into a single location will allow it to house all its inventory, simplifying operational management. Currently, the three separate sites make managing the large service region challenging. By moving everything into one building, LPRW expects to improve efficiency and simplify logistics.

The new facility was taken from concept to reality by designArc Group, an architecture and engineering firm based in Sioux Falls, with a wide range of needs and upgrades in mind.

On the office side, employees now enjoy better environmental conditions due to upgraded heating and cooling systems. A notable technological improvement is the installation of geothermal heating, which reduces costs and enhances building efficiency.

The board of commissioners, which includes 11 members, can now meet comfortably in a larger boardroom designed with dormers to bring in abundant natural light. Enhanced security systems and modern management technology add another layer of efficiency to the operations.

A new strategic plan and new treatment facilities will sustain LPRW's momentum and prepare it for what's next. Currently, LPRW is in the process of strategic planning with the help of MMUA. Overby is happy with the process, which has included gathering information from a wide array of stakeholders, analyzing data, and working with the board and staff to chart a future direction. "I think we've had really good interaction with the board, and I think that's going to lead to some positive results," says Overby. The strategic plan will be adopted in Q4 of 2025, and the staff will use it to guide their operational planning and budgeting for 2026.

Meanwhile, LPRW continues to build out its system for long-term demand. In September, the organization broke ground on the construction of a new water treatment plant in Lac qui Parle County, part of a three-year, $43.2 million project to expand water sources, treatment capacity, and infrastructure. Plans call for new treatment facilities, storage tanks, pipelines, and pumping stations in the northern part of LPRW's service area. By building closer to the communities served, LPRW can enhance reliability and efficiency rather than relying on water piped long distances from its Burr plant near the South Dakota border.

The new plant will use a lime treatment process to soften water and will treat up to 1.8 million gallons daily. To support the expansion, LPRW recently drilled two production wells west of Burr in western Yellow Medicine County. Each delivers 750 gallons per minute from an underground source expected to sustain the system for decades.

There's a lot to look forward to at LPRW. With its new headquarters up and running, a fresh strategic plan taking shape, and major infrastructure projects on the horizon, LPRW is stepping confidently into its next chapter. The changes reflect more than growth—they show a commitment to innovation, efficiency, and the communities that have fueled its success for more than four decades. From its humble beginnings to today's future-oriented focus, LPRW's story is one of steady progress, shared purpose, and optimism for the future.

California likely to join western states in pioneering regional energy market

Golden State lawmakers approved AB 825, a landmark bill clearing the way for the state to participate in a regional electricity market spanning the western United States.

Public power agencies and a broad coalition of stakeholders praised the decision as a breakthrough for grid reliability, lower costs, and renewable energy expansion.

The bill enables California to enter the Pathways Initiative, which establishes an independent organization to oversee the Western Energy Imbalance Market and the upcoming Extended Day-Ahead Market (EDAM). The initiative aims to integrate western states into a voluntary market while reducing costs and strengthening reliability across the grid.

The Brattle Group, in an analysis for the California Energy Commission, projected EDAM could save Californians more than $1 billion annually and slash greenhouse gas emissions in the state by 58 percent.

The Northern California Power Agency (NCPA), a longtime advocate for regional energy collaboration, urged California Governor Gavin Newsom to sign AB 825 into law.

"This transition toward a regional energy market with neighboring states is a necessary and common-sense solution that will bring down electricity costs, encourage further development of renewables in California, and improve reliability," said NCPA General Manager Randy Howard, who served on the Pathways Launch Committee. "This legislation moves us in the right direction—helping to keep the lights on and bring down electricity costs for millions of Californians."

Leaders of California's municipal utilities also applauded the measure.

"California's publicly owned electric utilities strive to provide clean, reliable, and affordable

energy to our customers," said Danielle Blacet-Hyden, executive director of the California Municipal Utilities Association. "One of the best and proven ways to effectively lower the cost of electricity and increase reliability is to create a viable Western regional energy market. California has the opportunity this year to take a major step toward achieving this by passing AB 825. Public utilities strongly support efforts that will save our customers money and provide additional reliability for the grid. AB 825 will do both of those things."

CenterPoint Energy's geothermal pilot trails Minnesota municipal utilities

CenterPoint Energy is moving forward with its first networked geothermal energy pilot in Minnesota, but the utility is years behind several municipalities already embracing this technology.

In September, CenterPoint selected Resource Innovations and Salas O'Brien to support site selection and a feasibility study for the project. The initiative is part of the company's Innovation Plan, developed under Minnesota's Natural Gas Innovation Act (NGIA). Over the coming months, CenterPoint plans to conduct siting and modeling work to identify a preferred location, stressing the importance of securing an "anchor customer" to guide the pilot's design and performance.

This geothermal pilot is one of 17 development efforts CenterPoint is pursuing, alongside projects focused on renewable natural gas, green hydrogen, and hybrid gas-electric heating systems.

A networked geothermal system, or a thermal energy network, uses Earth's stable underground temperature to heat and cool multiple buildings through a system of water pipes and heat pumps. When powered by renewable electricity, these systems offer a promising path to decarbonizing building climate control.

While CenterPoint is beginning its geothermal journey, municipal utilities across Minnesota have already made significant strides in this arena:

- Rochester Public Utilities (RPU) installed two geothermal heat exchange wells near City Hall in 2024, part of its goal to achieving 100 percent clean energy by 2030. The system, developed by Minnesota-based Darcy Solutions, shares heat between buildings using aquifer-based wells.

- Saint Paul's "The Heights" redevelopment project, led by the Saint Paul Port Authority and District Energy St. Paul, will feature Minnesota's first aquifer thermal energy storage system, serving affordable housing and commercial buildings.

- Metro Transit's North Loop Garage in Minneapolis and several St. Paul Public Schools have also adopted geothermal systems to reduce emissions and improve energy efficiency.

Minnesota is one of at least eight states to enact policies supporting thermal energy network development. The NGIA, passed in 2021, created a regulatory framework for natural gas utilities to invest in renewable and innovative technologies.

CenterPoint has not yet finalized a site for its geothermal pilot, but the company views the project as a learning opportunity. The Innovation Plan was approved by the Minnesota Public Utilities Commission last year, and the geothermal system is expected to be operational by the end of the five-year plan.

Based in Houston, Texas, CenterPoint serves customer in eight states, including Minnesota, Arkansas, Indiana, Louisiana, Minnesota, Mississippi, Ohio, Oklahoma, and Texas.

Underground surge: geothermal startups tap into a greener future in Minnesota and beyond

Geothermal startups mushroom across the United States as investors and policymakers pursue clean, around-the-clock energy.

Established energy firms and Big Tech back fledgling enterprises. Meanwhile, Minnesota firms and lawmakers bring unique momentum to the geothermal movement, especially in cold-weather communities.

The national geothermal expansion

Startups such as Fervo Energy and Sage Geosystems are garnering headlines by partnering with industrial giants. Recently, Fervo selected Baker Hughes to supply key equipment for its 500-megawatt Cape Station project in Utah, with an expected launch in 2028. Baker Hughes will design and deliver five generating units totaling 300 MW. Likewise, Sage Geosystems struck an agreement with Ormat Technologies to deploy its next-generation geothermal tech at Ormat's sites in Nevada or Utah, advancing Sage's first commercial facility by about two years, targeting 2026 or 2027 completion.

Fervo and Sage exemplify a national resurgence in geothermal innovation. Investors poured capital into "next-generation" geothermal firms that apply oil-field drilling techniques, such as fracking and horizontal drilling, to tap heat sources outside traditional geothermal hotspots. This approach could reshape the industry's landscape.

The US Department of Energy supports this shift, allocating $74 million to pilot projects, and plans to invest $250 billion to scale enhanced geothermal systems nationwide. Experts estimate such technologies could expand geothermal's share of US electricity twentyfold by 2050.

Geothermal companies fill critical gaps in clean-energy portfolios. Their systems provide constant, dispatchable power, unlike intermittent wind or solar, making them especially attractive to data-center operators, including Big Tech clients like Google (aligned with Fervo) and Meta (Sage's partner).

Geothermal's growth in Minnesota

Minnesota's geothermal startup scene shows innovative leadership, especially indoors. Darcy Solutions, a University of Minnesota offshoot, revolutionizes building HVAC by drawing thermal energy from groundwater through a custom heat-exchanger system. That innovation helped St. Paul Public Schools install aquifer-based geothermal systems at several schools. Darcy's approach required just five wells at one campus, compared to more than 150 required by conventional systems, saving board members from extended playground disruptions and reducing installation costs.

Minnesota legislators also embrace geothermal. The state favors networked geothermal systems, centralized ground-source heat-pump field systems serving multiple buildings including Rochester City Hall, a library, civic center, Carleton College, and a mixed-use development on St. Paul's East Side. Legislators introduced bills offering planning grants, rebates, and pilot-project workgroups; utilities like Xcel Energy and CenterPoint Energy included geothermal pilots under the Natural Gas Innovation Act. The Climate Innovation Finance Authority provided $4.7 million to plan a geothermal network for The Heights development.

Minnesota's startup infrastructure stands ready. Darcy Solutions moved from four employees in 2019 to 19 in 2024 and completed more than 20 projects. The growth reflected support from the Department of Energy, the National Science Foundation, the US Department of Agriculture, and Minnesota's Discovery Launchpad, MNSBIR, and Launch Minnesota.

At the national level, Quaise Energy is a new player exploring extreme drilling to tap super-deep heat, using gyrotron technology to vaporize rock and drill miles underground. Quaise plans first field tests soon and aims for five-gigawatt capacity by mid-next decade.

The US hosts around 3,900 megawatts of installed geothermal capacity (2023), making it a global leader, but that figure represents only a fraction of its full potential. Next-generation technologies could unlock significantly more capacity.

The money is flowing

A surge of venture funding has emerged, even if geothermal remains under-capitalized compared to wind or solar. Fervo raised over $400 million in equity and grants; Quaise and others rapidly attract capital for their high-temperature and closed-loop designs.

As geothermal startups access the US's untapped thermal energy, they attract alliances with oil-industry partners, secure billion-dollar governmental funding, and help carbon-heavy states envision a clean-energy future. In Minnesota, innovators like Darcy Solutions, with their urban, aquifer-based systems, and state legislators are crafting practical blueprints for a low-carbon HVAC revolution.

Minnesota PUC approves $6.2 billion sale of Minnesota Power

On October 3, the Minnesota Public Utilities Commission (PUC) issued its final decision approving the $6.2 billion sale of ALLETE, the parent company of Minnesota Power, to Global Infrastructure Partners (GIP), a subsidiary of BlackRock, the world's largest asset management firm.

Under the deal, BlackRock will own 60 percent of Minnesota Power, while the remaining 40 percent will be held by the Canada Pension Plan Investment Board.

The five-member Commission voted unanimously to approve the controversial sale, concluding that it was in the public interest despite opposition from environmental and consumer groups, Minnesota Attorney General Keith Ellison, and an independent administrative law judge who reviewed the proposal.

This vote marked the final regulatory hurdle for the transaction, which had already received approval from federal regulators and the state of Wisconsin.

Concerns and conditions

Opponents of the sale argued that allowing a profit-driven private equity firm to control a public utility could lead to higher electricity bills for Minnesota Power customers. They also raised concerns about the broader implications of private equity ownership in the energy sector.

Several commissioners acknowledged initial skepticism but ultimately supported the sale after Minnesota Power and its buyers agreed to a set of new conditions described by the PUC as "unprecedented." These include:

- A rate freeze until November 2026
- $50 million in bill credits for customers
- $50 million for a carbon-free technology fund
- Substantial reductions in past-due bills
- Commitments to transparency, independent governance, and workforce protections

Additional measures include a $10 million fund to help reduce space heating and cooling costs and a five-year cap on a profit metric to help limit future rate increases.

The buyers also promised to keep Minnesota Power's headquarters in Duluth, retain the company's leadership team, and refrain from requiring customers to cover the costs of the transactions.

Criticism of the sale has focused on the reputation of private equity firms. However, one of GIP's founding partners emphasized that their investors prioritize low-risk, diversified portfolios and inflation protection through infrastructure investments like Minnesota Power.

GIP argues that private ownership offers greater stability during the energy transition, shielding the company from the volatility of public markets and positioning Minnesota Power as a more valuable enterprise.

ALLETE has stated that the sale is necessary to secure funding for compliance with Minnesota's carbon-free energy legislation. The company plans to invest more than $4 billion in the next five years, primarily in transmission infrastructure, solar, wind, and large-scale battery storage, as it prepares to close a major coal plant in Cohasset.

Utility companies nationwide are preparing for increased electricity demand driven by the rapid expansion of data centers. While Minnesota Power has not announced plans to serve large data centers, the *Star Tribune* identified a potential development near Hermantown that could fall within its service area. Minnesota Power's large infrastructure needs are driven in part by the shift away from fossil fuels to carbon-free energy.

Public turns private

The sale of Minnesota Power marks a significant shift in the state's energy landscape, raising questions about the role of private equity in public utilities and the future of energy governance in Minnesota. While the PUC's approval comes with strong conditions aimed at protecting ratepayers and ensuring transparency, critics remain concerned about long-term accountability and affordability. As Minnesota Power transitions to new ownership and prepares for major investments in clean energy, the debate over public versus private control of essential infrastructure is likely to continue.

2025 lineworkers rodeo

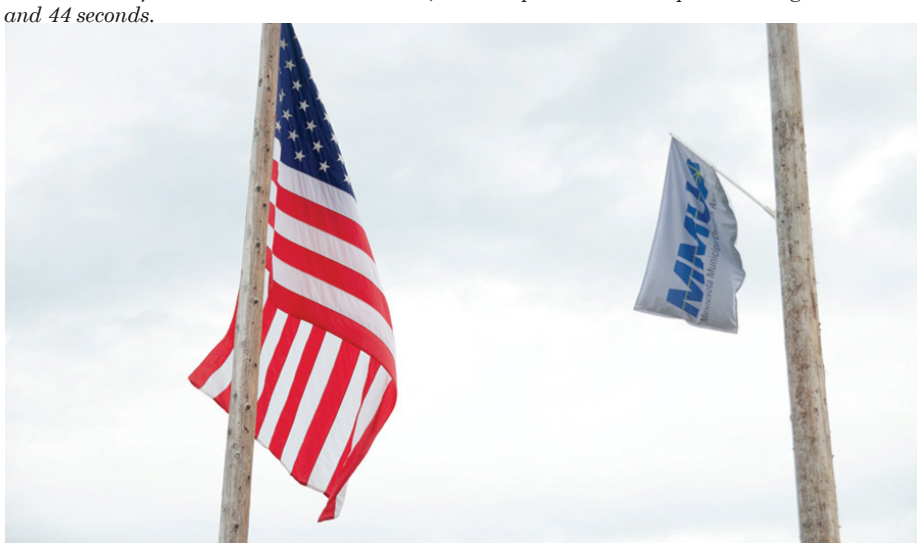
The 2025 Minnesota Municipal Utilities Association's Lineworkers Rodeo kicked off at the MMUA Training Center with the annual flag-raising ceremony. Together, workers climbed the flagpole and placed the Minnesota state flag and an MMUA flag, which flew together with the US flag throughout the event.

Marshall Municipal Utilities' new General Manager, Pete Wyffles, led the participants in a prayer, wishing the competitors good luck and a safe climbing day.

The obstacle course event involved the skills required to quickly and safely bring down a fuse, ascend the pole and perform a series of tasks including a crossarm relocation, and then reinstall the fuse from the ground. The best time in the event came from Samuel Bahl from Owatonna Public Utilities, who accomplished the task in seven minutes and nine seconds.

The arrester change-out event tested competitors' ability to safely and efficiently replace a surge arrester—critical equipment that protects power systems from lightning strikes and voltage spikes. The task required technical precision, methodical work aloft on a utility pole, and strict adherence to safety protocols, all while racing the clock. The best time was accomplished by Landon Meier from Rochester Public Utilities, who completed the entire process in eight minutes and 44 seconds.

The hurtman rescue event challenged competitors to demonstrate speed, skill, and composure in a simulated emergency where a fellow lineworker is incapacitated at the top of a utility pole and requires assistance. Samuel Bahl accomplished the fastest time from Owatonna Public Utilities, completed in one minute and 46 seconds.



The flags flew high over the MMUA Training Center on the cloudy rodeo day.

The top three competitors in the 2025 Apprentice category are (left to right): Jake Schrupp, City of Chaska Electrical Department, third place; Trent Anderson, City of Chaska Electrical Department, second place; and Spencer DeFeng, Rochester Public Utilities, first place.

The top three competitors in the 2025 Journeymen overall category are (left to right): Mike Enright, Owatonna Public Utilities, third place; Isaac Callens, Marshall Municipal Utilities, second place; and Hunter Gleason, Rochester Public Utilities, first place.

The 2026 legislative session: objects in mirror are closer than they appear

In comparison to the final weeks of the 2025 regular legislative session, the halls of the Minnesota State Capitol are nearly empty this time of year.

Yes, there was one special session back in June to adopt a State budget and avoid a State shutdown, but because the outcome was pre-determined, there wasn't a big public turnout for it. Less than two weeks later, there was the lying-in-state honor granted to Speaker Emerita Melissa Hortman that saw thousands pay their respects. But since then, only a handful of press conferences have reverberated through the empty corridors, and only a few special committees and taskforces have met in the St. Paul Capitol building.

If Governor Tim Walz sticks to the comments he made following the tragic Annunciation School shooting in August and calls a second special session to deal with guns and public safety issues, one can expect to see a fairly good turnout of protesters and counter-protesters gather. While MMUA would track such a session to watch for any attempt to bring up other matters that would be of interest to municipal utilities, the Association does not intend to take an active role in the gun debate.

Despite the relative quiet inside the Capitol right now, a lot of action is already occurring outside its doors to prepare for the 2026 regular session, which is scheduled to convene at noon, February 17, 2026. MMUA is in the middle of these preparations.

The most visible action over the past few months may be all the fundraisers being held so that candidates can build their campaign accounts ahead of next year's elections. MMUA has a political action fund (PAF) known as MUAF, which stands for Municipal Utility Action Fund. MUAF is used to make donations to candidates that generally support MMUA positions or who serve on key committees. As a non-partisan entity focused wholly on the best interests of municipal utilities, MMUA divides its limited donations equally between the parties and the chambers.

Participation in political fundraisers for candidates and incumbents who support MMUA's priorities allows the MMUA Government Relations (GR) team to build and strengthen working relationships with legislators and their staff, as well as with fellow energy lobbyists. It also helps MMUA develop and refine position statements on behalf of municipal utilities. The informal atmosphere at fundraisers is often more conducive to learning about relevant considerations and lines of thought as well as hearing legislators' less guarded responses to issues that are raised than the more formal environment of the Capitol allows. If you are interested in donating to MUAF, please use the QR code at the end of this article, or send a check made out to MUAF in care of Bill Black at the MMUA offices, 600 Highway 169 S, Suite 701, St. Louis Park, MN 55426. Please remember that only personal funds can be accepted by MUAF.

With the next regular session coming closer every day, compiling a list of both new and continuing legislative issues is already underway. For example, repealing the moratorium on new nuclear power and seeking reform to the state's net-metering laws are two issues that were on MMUA's 2025 legislative agenda, and they will likely be on our 2026 list as well. This is because the changes MMUA sought were not adopted by the 2025 legislature and their importance to municipal utilities remains high.

Another step in the process of preparing for the session is reviewing and discussing issues and concerns raised by MMUA members. The GR team will review all legislative changes requested by members that have not yet become law and make recommendations to the Government Relations Advisory Group, or GRAG. The GRAG is composed of a group of volunteer municipal utility staff ranging from line workers to senior management, joint action agency (JAA) staff and management, and other lobbyists who work on behalf of municipal utilities. The GRAG counsels the MMUA Board of Directors and the GR team regarding the merits of continuing to carry the issues forward.

Each year, the legislature passes laws that municipal utilities then have to implement. The GR team is always interested in how that process is going, and we evaluate whether the impact of new laws suggests that MMUA should pursue new legislative requests to amend or repeal them. Similarly, we are paying attention to whether new facts have emerged since the prior session that will justify trying to amend or repeal a long-standing statute that municipal utilities find onerous or unhelpful. It is always possible, too, that a court or the Minnesota Public Utilities Commission (MPUC) interprets a statute in a manner that is not in the best interests of municipal utilities, triggering a need for legislative correction.

While MMUA does its best to track such issues, hearing directly from members about both proposed and desired legislative changes and the facts that support each request, is the best way for MMUA to know it is serving the needs of member utilities at the Capitol. We encourage you to contact Kent (ksulem@mmua.org) or Bill (bblack@mmua.org) at the MMUA offices to share the your utility's ideas, needs, and recommendations.

Another source of issues that will be considered as part of setting MMUA's 2026 legislative agenda is the input of JAAs. Each fall, MMUA hosts a day for the JAAs to come in and debate items to be considered for inclusion in MMUA's legislative agenda. This year's meeting occurred October 10, 2025. Now, Kent and Bill are assembling a list of JAA-raised issues for possible inclusion in MMUA's 2026 legislative agenda for review by the GRAG.

By early November, the GRAG will review the list of proposed legislative actions that the GR team has assembled from all its stakeholders. At a virtual meeting in November, the GRAG will discuss the issues and make its recommendations for consideration by the MMUA Board of Directors. When this is done, the GR team then creates a final document of proposed legislative priorities that each Board member reviews. To prepare for the Board's discussion, each individual director is asked to assign a weighted score to the proposed issues, indicating the level of support or opposition that director has towards each item on the list. These scores are then compiled, and a report is given to the Board. A final discussion occurs at the December Board meeting annually, at which a vote is taken that sets MMUA's official legislative agenda for the upcoming legislative session.

As the session draws nearer, there are changes afoot in the makeup of the Minnesota legislature. Xp Lee (DFL–Brooklyn Park) won the special election to fill Rep. Hortman's vacant seat. For those keeping score, the House has now been restored to a full 67–67 tie between the two major parties. Up next are the November 4 special elections to fill two vacant Senate seats. The late Senator Bruce Anderson's seat will very likely stay with the Republicans. Former Senator Nicole Mitchell's seat will probably stay with the DFL, but there is an outside chance it could flip. That district is less solidly DFL than many, and the circumstances of Sen. Mitchell's resignation mean some voters may be inclined to punish the party. A DFL victory for Sen. Mitchell's seat would mean the Senate remains at 34–33 in favor of the DFL. However, if that occurs, it will trigger yet another special election in the House since the DFL Senate candidate is currently a House member and a vacancy would be created when they move to the Senate.

Consequently, nothing will be settled until it is settled. If the Republican wins the Senate race, the Senate will flip to Republican control. If the DFLer wins the Senate race, the DFL retains control of the Senate, but the delicate 67–67 House balance will then be up for grabs until that special election occurs in early 2026. It is possible 2026 will find Minnesotans in déjà vu, being led by a tied House and a one seat DFL-majority Senate as occurred in 2025. It is also possible either the Senate or the House could flip, which would create a different calculation for getting legislation passed. DFL Governor Walz will still have to sign any law that is passed, and his calculations there will be consequential in light of his run for a third term as governor. It's going to be an interesting year.

MISO error

Continued from page 4

The exact number of additional megawatts (MW) that MISO ultimately cleared is not specified, but it is estimated that the all-hours approach caused approximately 1 to 2 percent over-procurement of resources in the 2025–26 auction.

Despite recognizing the error, MISO will not adjust the prices for 2025–26 capacity clearing, even though the error led to inflated prices. Likewise, it will not reopen the auction or accept any new bids.

To make amends with market participants, MISO announced that the $280 million financial impact will affect companies that participated in the auctions with either long or short MW positions. This implies that if a market participant received payments based on auction results, they are now required to return part of those earnings to MISO. Conversely, market participants who were charged will be eligible for a refund from MISO.

MISO will only implement paper adjustments that do not affect financial outcomes for market participants who have netted out their generation and load in the auctions.

MISO has not disclosed the vendor's identity. The company confirmed its software had never applied the correct LOLE method since its rollout in 2018. MISO declined to say whether it would continue to use the vendor.

Tweaking the peak

Continued from page 4

about benefits will weigh heavily on those decisions.

Conclusion

Demand management programs deliver a powerful triple win. For consumers, they cut bills. For businesses, they reduce operating costs and create new revenue streams. For utilities and grids, they smooth peaks, avoid expensive upgrades, and support decarbonization goals. States like Minnesota, cities like Austin, utilities like SRP, and tech firms such as Google prove smart demand response works, and savings scale when programs reach critical mass.

As electricity demand grows from electrification of transport, AI-driven infrastructure, and climate pressures, states and utilities building robust, well-designed demand management programs will find themselves ahead of the game by saving money, enhancing reliability, and helping to meet clean energy goals.

Minnesota project cancellations

Continued from page 1

already cleared multiple rounds of technical review under the 2021 Infrastructure Investment and Jobs Act.

Why the grants mattered

Minnesota's canceled projects were not inconsequential—they were central to the state's long-term grid and reliability strategy. The cancelled projects include:

- **A $464 million multi-state transmission grant:** Designed to strengthen power flows between the Midwest Independent System Operator (MISO) and the Southwest Power Pool (SPP), completion of the project would have relieved congestion and allowed new renewable generation to reach the market.
- **A grant for $50 million to accomplish a Duluth line rebuild:** This project was aimed at modernizing 1970s-era infrastructure, improving reliability and reducing maintenance costs.
- **A $70 million Becker battery-storage pilot:** The grant would have funded pilot tests of long-duration storage that would help integrate intermittent wind and solar resources.

In short, these projects were linchpins in Minnesota's future energy mix. Their abrupt cancellation will slow progress toward cleaner, more resilient power and complicate regional coordination across the Midwest grid.

Who pays, and who loses

The ripple effects of the cancellations extend broadly. Utilities may face higher borrowing costs or delay capital projects, while state regulators warn of upward pressure on rates. Communities expecting job creation and tax revenue from the infrastructure work are now left waiting.

"Transmission and storage projects don't just move electrons—they move economies," **Julie Pierce,** a former assistant commissioner at the Department of Commerce, told the *Star-Tribune.* "When those investments stall, local contractors, manufacturers, and engineering firms feel it first."

The politics behind the cuts

Critics see political motives behind the cancellations, noting that many affected states—including Minnesota—backed Democratic candidates in recent elections. The DOE, however, insists the review process was apolitical and fiscally necessary. Projects deemed "non-compliant" were given 30 days to appeal.

Regardless of motive, the optics are difficult: programs promoting grid modernization and climate resilience are being wound down just as rising demand from electric vehicles, data centers, and industrial loads strains transmission capacity.

Paths forward: resilience amid uncertainty

Minnesota officials are mobilizing on multiple fronts. The Department of Commerce has initiated formal appeals, and lawmakers are exploring whether bonding, state funds, or private partnerships could help bridge the gap. Some utilities may also re-propose scaled-down versions of their projects to qualify under future federal opportunities.

Despite the setback, Minnesota's energy sector retains strong momentum. State clean-energy standards, long-established regional coordination through MISO, and a robust engineering workforce provide a solid foundation for moving forward despite the disappointing change in federal funding.

A moment of reckoning, but not defeat

The cancellations are a blow to Minnesota's clean energy momentum, but it is hardly time to throw in the towel. Minnesota's utility community has weathered political and economic reversals before. This one may prove to be another turning point, sharpening the state's resolve to plan and invest on its own terms and opening doors to collaboration that would not have otherwise occurred.

In a moment when the federal landscape is shifting, **Minnesota's greatest asset may be its local determination**—its cooperative utilities, forward-looking leaders, and pragmatic regulators who continue to believe that reliable, affordable, and increasingly clean energy is essential to the region's future.

What Minnesota lost

Project	Original Funding	Purpose
Midwest Transmission Expansion	$464 million	Multi-state line connecting MISO and SPP regions
Duluth Line Rebuild (Minnesota Power)	$50 million	Upgrade aging line to improve reliability
Becker Battery Storage (Xcel Energy)	$70 million	Pilot long-duration storage for renewables
Solar for All–Low-Income Program	$62 million*	Solar access for income-qualified households (*appeal pending)

Total estimated loss: more than $600 million in federal support.

What happens next

Appeals process: DOE has given states and project sponsors 30 days to contest cancellations.

State action: The Minnesota Department of Commerce is preparing a formal appeal and legislative brief.

Possible re-funding: Projects could reapply if Congress reinstates funding or if DOE creates new rounds under restructured criteria.

Local impacts: Expect construction slowdowns, deferred hiring, and potential utility cost adjustments through 2026.

Long-term outlook: Energy planners predict 6- to 12-month delays on regional reliability upgrades unless alternative financing emerges.

Cold comfort, hot trend: the heat pump boom

Minnesota winters once made homeowners skeptical of electric heat pumps.

Frost, subzero nights, and old technology made the idea seem risky. Over the past few years, dramatic efficiency improvements, supportive new policies, and creative utility rate structures have made heat pumps a rapidly growing fixture in the US, including in the Gopher State.

From novel to necessity

Across the United States, heat pumps have quietly passed a tipping point. Reports have shown heat pump sales now consistently exceed those of gas furnaces. Technological advances, particularly in cold-climate air-source heat pumps, have ensured heat generation despite below-freezing temperatures, maintaining performance in conditions once considered prohibitive.

Federal policy under the Inflation Reduction Act (IRA) created tax credits, rebates, and grant programs to lower the upfront costs of both purchasing and installing heat pumps. Emerging rate designs that recognize the unique load patterns of heat pumps, especially dual-fuel systems combining heat pumps with backup heating, give homeowners the opportunity to reduce operating costs significantly.

Minnesota's rapid shift

In Minnesota, the change has already begun. Utilities in the state reported a surge of air-source heat pump (ASHP) installations from 2023 to 2024. The state's Efficient Technology Accelerator (ETA) supports wider deployment of emerging and efficient technologies, including cold-climate ASHPs.

One residential story illustrates both the challenges and benefits. In Minneapolis, homeowner Kathy Palmer replaced much of her old gas-boiler system with a Daikin cold-climate heat pump. The system delivers strong heat even at 5°F, with some reduced capacity at extremely low temperatures. She estimates annual savings of $500 to $800, after rebates and reduced gas usage.

The innovative technology

Several technological shifts have lowered the barrier to heat pump adoption in cold climates:

- **Cold-climate ASHP models.** These newer generations maintain the capacity to heat efficiently at much lower outdoor temperatures (often -10°F or lower) than older units.
- **Variable-speed compressors and inverter technology.** These allow heat pumps to modulate output, improving both performance and energy efficiency over a wide range of conditions.
- **Better rate designs.** Utilities like Xcel Energy have won approval for rate structures, making electric space heating more competitive by reducing winter electricity tariffs for heat pump customers, especially those with dual-fuel systems.

On the affordability front, Minnesota combines state rebates, federal tax credits, and utility programs to bring down upfront costs. The federal Home Energy Rebate programs (HOMES, HEAR) promise substantial rebates, especially for low- and moderate-income households. Minnesota's pending state Residential Heat Pump Rebate Program is expected to allow up to $4,000 off purchase and installation costs (less other rebates), for qualifying cold-climate ASHPs.

Challenges ahead

Even with rapid progress, Minnesota faces growing pains. Supply chain constraints and contractor familiarity remain issues—residential and multifamily sectors still report hesitancy on sizing, choosing the correct system, and understanding how units perform in sustained cold. There are also concerns about winter peak electrical loads: a recent modeling study projects that if Minnesota pursues full electrification,

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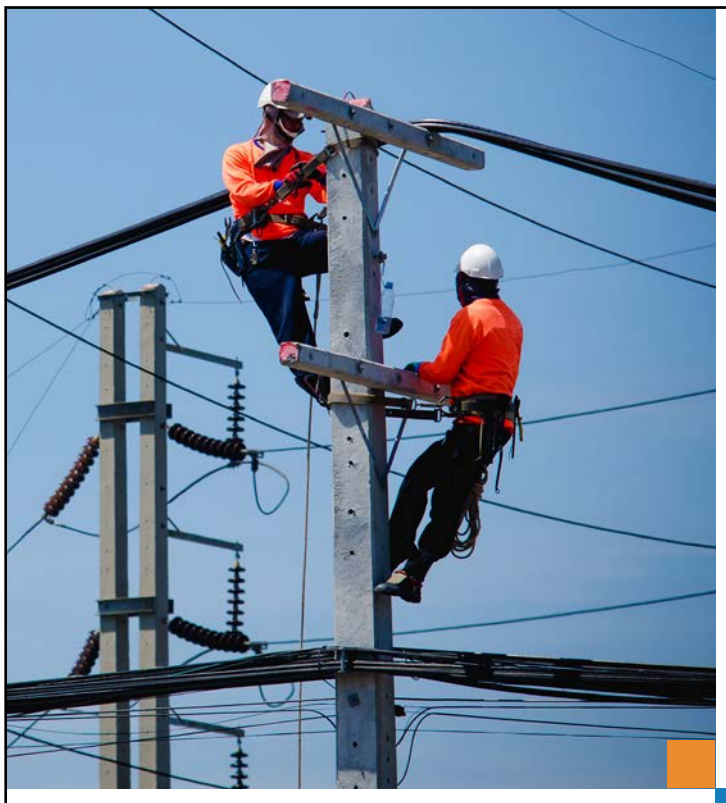

Energy-related CO2 emissions have decreased for the first time since 2005

The Energy Information Administration (EIA) reported that per-capita CO2 emissions from energy use fell in every state from 2005 to 2023.

Despite the US population growing by 14 percent during that period, per capita emissions dropped by 30 percent, according to the EIA. This decline is mainly attributed to reduced coal use in electricity generation, increased production from natural gas, and the rise of wind and solar power, which do not emit CO2. Maryland experienced the largest decrease at 49 percent, while Minnesota saw a 29 percent reduction, close to the national average.

The data on fuels is collected from petroleum and natural gas. The EIA projects a one percent rise in total US energy-related emissions this year due to increased fossil fuel consumption in crude oil production and electricity generation. In 2023, the transportation sector accounted for the largest share of energy-related emissions across 28 states. Since 2016, transportation has surpassed electricity as the top source of CO2 emissions, driven by growth in carbon-free energy and the retirement of coal plants.

Is it a trend? Minnesota businesses ditch gas, embrace clean energy

A wave of Minnesota businesses, driven by state policy and rising fuel costs, have begun swapping gas-powered systems for sustainable energy solutions.

Leaders across industries have installed heat pumps, thermal energy systems, and all-electric boilers, claiming savings on utility bills, reduced greenhouse gas emissions, and solid progress toward Minnesota's carbon-free goals.

The McKnight Foundation led one of the state's most dramatic transitions. In mid-2025, the foundation revealed that its newly retrofitted, 45,000-square-foot headquarters in downtown Minneapolis operates without natural gas. The organization replaced gas heating with electric boilers, heat pumps, and geothermal technology. It installed massive thermal energy tanks behind its building that generate ice at night, when electricity demand dips, and release stored cooling during the day. In winter, the same tanks capture and reuse excess heat. McKnight leveraged $1.5 million in tax credits under the Inflation Reduction Act to help finance the enhancements.

Rural businesses and farms are reaping similar benefits. In many parts of Minnesota, entrepreneurs replaced propane or electric resistance heat—or failing boilers—with cold-climate heat pumps. One retailer in Askov did just that after a propane boiler failed, installing a heat pump system. The replacement costs dropped dramatically compared with ongoing propane expenses, and energy bills fell accordingly.

Researchers released a study through the Clean Heat Minnesota coalition revealing transitioning buildings off natural gas will lower overall costs and emissions. The analysis compared two scenarios: full electrification of heating, cooking, water heating, and drying versus one heavily reliant on renewable natural gas (RNG). The fully electrified model delivered cost savings of about 25 percent—roughly $13–$15 billion less in long-term fuel, equipment, and system costs—along with health benefits tied to lower air pollution.

This move by Minnesota businesses is likely fueled by the 2023 mandate to achieve carbon neutrality by 2040. Utility providers must reach 80 percent carbon-free energy by 2030, and 90 percent by 2035, with all utilities hitting the 100 percent target by 2040.

Earlier state programs such as the ECO (Energy Conservation and Optimization) Program at the Minnesota Department of Commerce have also helped households and businesses cut natural gas and electricity use. From 2020 through 2021, ECO saved enough energy to heat, cool, and power more than 147,000 Minnesota homes for a year. It also cut carbon emissions by 1.46 million tons and saved Minnesota businesses and residents more than $287 million.

Many businesses investing in clean heat report multiple advantages: lower fuel bills; reduced maintenance costs because electric heat systems require fewer service calls than internal-combustion or gas boiler systems; increased appeal to customers and employees interested in sustainability; and avoidance of future regulatory risks tied to carbon pricing or emissions caps.

Still, challenges remain. The upfront cost of electric heating systems and thermal storage remains high. Some businesses, particularly small ones, struggle to access incentives or understand how to retrofit older infrastructure. Utilities must manage increasing peak demand as more buildings switch from gas to electricity. Policymakers stress that careful planning, financing tools, rebates, and customer education are all essential.

Minnesota appears to be moving past the tipping point. Businesses like McKnight proving even older buildings can go gas-free without sacrificing function or breaking the budget, and others appear ready to follow McKnight's lead. By accelerating the transition away from natural gas, Minnesota strengthens its path toward carbon-neutral power, cleaner air, and healthier communities.

Pulsar Helium is making moves in the Iron Range

Pulsar Helium, a Canadian exploration company, began drilling in February 2025 to test whether part of Minnesota's Iron Range holds commercially viable helium reserves.

Early results suggest the site could yield more than three times the amount needed to support profitable production.

Helium first surfaced in northern Minnesota in 2011, when crews drilled near Babbitt in search of copper and nickel. Instead of minerals, they struck a pressurized gas pocket setting off methane alarms. Duluth Metals, then a partial owner of the Twin Metals copper-nickel project near Ely, sealed the hole and abandoned the find. The surprise discovery lay dormant for more than a decade.

The "Topaz Project"

Helium cannot be manufactured artificially, making every new reserve potentially significant. Pulsar calls its Iron Range effort the "Topaz Project," and company leaders believe it could put Minnesota on the map as a major helium source.

The element's properties make it indispensable to modern technology. Helium super cools the magnets inside MRI machines and plays a crucial role in producing semiconductor chips powering electronics.

Pulsar CEO Tom Abraham-James notes that most helium is recovered as a byproduct of natural gas extraction, but drillers rarely search for it deliberately. Abraham-James previously scouted prospects in Tanzania before shifting his focus to Minnesota. He also oversees the "Tanu Project" in Greenland, where Pulsar plans to begin drilling after finishing geophysical surveys and thermal spring sampling.

Why Minnesota?

Helium accumulates over millions of years as uranium and thorium in the Earth's crust decay. Minnesota's midcontinental rift, a billion-year-old geologic scar, fractured ancient rock formations and allowed helium to collect underground. The same rift produced the Duluth Complex, one of the world's largest copper-nickel deposits.

Pulsar now drills just 50 feet from the site of the 2011 discovery to confirm helium concentrations and flow rates. The company plans as many as 10 wells, each designed to produce enough liquid helium to fill a 40-foot shipping container daily. Alongside helium, the wells also contain large volumes of carbon dioxide, which Pulsar intends to capture and market to beverage companies.

Next steps

The path forward remains uncertain. The Minnesota Department of Health regulates borehole safety to safeguard groundwater, while the Department of Natural Resources oversees mining operations. Yet no clear regulatory framework exists for helium exploration.

Pulsar expects to release detailed drilling results by February 2026. Those findings will determine whether Minnesota moves closer to hosting a new industry built around one of the world's most valuable and irreplaceable elements.

Early this fall, Pulsar announced that its testing revealed an ultra-rare isotope of helium-3. Concentrations reached up to 14.5 parts per billion in gas from its Jetstream 1 well. The company states that the Topaz discovery ranks among the highest natural helium-3 concentrations ever reported publicly.

Helium-3 is one of Earth's rarest isotopes, with market values around $2,500 per liter or approximately $18.7 million per kilogram - about 100,000 times more expensive than helium-4, according to Pulsar. Laboratory analyses by Smart Gas Sciences, independently verified by Woods Hole Oceanographic Institution, showed consistent isotopic ratios across all samples, indicating a single, stable helium source.

"To encounter helium-3 concentrations of this magnitude at our Topaz Project in Minnesota is nothing short of extraordinary," says Abraham-James.

The company highlights helium-3's uses in neutron detection for nuclear security, ultra-low temperature cooling in quantum computing, and as a potential nuclear fusion fuel.

These results mark a promising beginning for Pulsar's efforts, although much remains before operations commence. Stay tuned for further updates as the story unfolds.

Minnesota to overhaul groundwater rules after nitrate pollution lawsuit

A Ramsey County judge ordered Minnesota regulators to reevaluate how the state protects groundwater from nitrate pollution, a move sparked by a lawsuit from environmental advocates who say outdated rules have failed to safeguard residents in southeast Minnesota.

District Judge Mark Ireland approved an agreement between the Minnesota Center for Environmental Advocacy (MCEA), the Minnesota Pollution Control Agency (MPCA), and the Department of Agriculture requiring the agencies to review feedlot and groundwater protection standards. The ruling pauses further legal action from the advocates until regulators complete the reviews.

The MCEA, joined by a coalition of groups, argues the decades-old regulations have left families exposed to unsafe nitrate levels in drinking water. A 2013 MPCA study attributed 90 percent of nitrate contamination in southeast Minnesota to fertilizer use on cropland. The region's porous karst geology allows contaminants to seep into aquifers more quickly than in other parts of the state.

Nitrates, which largely come from fertilizer and livestock manure, carry serious health risks when consumed at elevated levels. Advocates say current state rules ignore advances in science and fail to account for regional vulnerabilities.

"The state can't rely on voluntary guidelines when communities face dangerous nitrate levels," says Paul Wotzka of the Minnesota Well Owners Organization. "We have to recognize nitrogen loss as intolerable."

Under the agreement, the MPCA will continue its feedlot rule review while the Department of Agriculture studies groundwater protections. Both agencies have one year to analyze the effectiveness of current rules, hold public hearings, and evaluate proposed changes. The MPCA has already collected public comments and will weigh them in its review.

If regulators determine the rules fall short, they could impose stricter nitrate standards. Water utilities might then face new obligations for monitoring, treatment, and compliance. Supporters say utilities would likely need state or federal funding to upgrade infrastructure and train staff.

The MCEA has reserved the right to challenge the state's findings in court if they lack evidence. Still, advocates say they prefer a transparent and collaborative process that includes public input and leads to meaningful reform.

Environmental groups see this review as a critical first step toward modernizing Minnesota's approach to nitrate pollution. They argue strong, science-based rules will protect drinking water and public health while forcing agriculture to confront the environmental costs of fertilizer use.

Xcel Energy agrees to pay $640 million to settle a lawsuit over Colorado fire

On the eve of the trial, there were more than 4,000 people and companies suing Xcel Energy and two telecommunications firms in the wake of the 2021 wildfire that caused the most damage Colorado has ever seen.

Xcel Energy agreed to a settlement before the trial started.

The Marshall fire in 2021 forced 37,500 people to evacuate, resulted in two deaths, and destroyed more than 1,100 homes, making it the most destructive fire in Colorado history. The Boulder County Sheriff's Office says the massive wildfire started as two separate fires.

The first conflagration began in Boulder six days before the Marshall fire, and the second began south of the Marshall Mesa Trailhead when hot particles were discharged from an Xcel Energy power line.

Xcel Energy asserted that the telecommunication equipment was not malfunctioning and that the previous open burn caused the wildfire. In the defendant's trial brief, Xcel Energy argued the fire ignited over an hour before the trailhead ignition and had already started damaging homes by that point.

Colorado's insurance commissioner reported the fire caused more than $2 billion in property losses. By 2023, more than 150 insurance companies had joined lawsuits against Xcel Energy, citing negligence and responsibility for the devastation. The lawsuits followed an investigation into the cause of the fires, during which the sheriff's office announced to the public that a power line from Xcel Energy had caused the reignition of the second fire.

Many claims state that Xcel Energy was negligent as a utility and is responsible for the victims' property losses.

The settlement terms will remain confidential. An Xcel Energy news release states that the utility will not recover its losses from customers, and the two co-defendant telecommunications companies, Teleport Communications America and Qwest Corporation, will make undisclosed contributions toward the settlement.

Despite paying the settlement, Xcel Energy remains convinced

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Around the state

The Willmar Municipal Utilities Commission recently discussed a proposed joint work session with the Willmar City Council and approved creating a scope of work for this meeting. A new ad hoc group called the Advantages of Public Power Committee was tasked with developing the draft scope. The Committee was formed recently following meetings involving city officials, utilities staff, and Kandiyohi Power Cooperative representatives. These meetings focused on exploring annexation options, improving operations, enhancing service, and increasing the utility's value. City Administrator Leslie Valiant clarified that the meetings were not about selling the utility, though some commissioners and staff remain concerned. Utilities General Manager Jeron Smith and Commission Chair Shawn Mueske stressed transparency and collaboration, with Mueske noting a positive shift in perspective from viewing the meeting as a threat to seeing it as an opportunity. Commissioners voiced concerns about the lack of formal discussions and the effects of side meetings, including delayed plans for building a new utilities facility. The joint session aims to discuss emergency planning, annexation priorities, service cooperation with Kandiyohi Power Cooperative, and shared agreements.

In northern Minnesota, **Minnesota Power** revealed plans for 16 new Direct Current Fast Charger locations, which the company will own and operate. These stations will fast-charge vehicles in about 30 minutes, allowing drivers to quickly resume their journeys. The chargers will be strategically positioned near travel centers and key routes, such as Bricks Travel Center in Motley. The project is expected to be completed before year's end. When the project is complete, Minnesota Power officials say no Minnesota Power customer will be more than 30 miles from a public fast

charger. Four stations will be located in the Duluth area, while the other 12 will be distributed from International Falls to Silver Bay, down to Hinkley, and Park Rapids.

In September, 15 Minnesota cities participated in a water tasting contest during the American Water Works Association's Minnesota Chapter conference in Duluth. **Minneapolis** emerged victorious, with 117 attendees sampling their water. A panel of five water industry experts judged the final taste test. Minneapolis earned the "Best in Glass" award, surpassing Chaska, which won the water tasting content at the 2025 Minnesota State Fair. City of Minneapolis Public Works Director Tim Sexton credited the public water works team for this achievement, stating, "Clean, safe, affordable, and delicious drinking water doesn't happen by accident." Minneapolis will represent Minnesota at the international "Best in Glass" competition organized by the American Water Works Association in Washington, D.C., in June 2026.

Faribault County will soon host a 150-megawatt (MW) solar power project, including 50 MW of grid-connected battery storage. Primergy's Northern Crescent project will link to MISO, providing clean, dispatchable energy to the grid. The facility will take up around 1,200 acres of private land just north of the Iowa border, marking Primergy's first development in Minnesota. Based in California, the company specializes in solar and battery storage solutions. The project aims to start delivering electricity to Southern Minnesota by 2028. Although it still needs a buyer, Primergy remains optimistic, citing the well-developed plan and permits as low risk. This project is another step toward Minnesota's climate goals.

Moorhead recently received a significant grant from the US Environmental Protection Agency and the Minnesota Public Facilities Authority Drinking Water State Revolving Fund. The $467,000 federal grant will support Moorhead Public Service's Lead Line Replacement Project that began in 2022. When Moorhead receives funding, they will continue to work through replacement. These new funds will be used to replace 30 lead service lines. Mayor Shelly Carlson shared on Facebook about the grant saying, "I never thought I'd be this excited about pipe replacement – but here I am …?!!"

The board of directors for **Rochester Public Utilities (RPU)** recently passed a resolution reaffirming its commitment to achieve 100 percent net renewable electricity by 2030. The resolution comes at a time of reevaluations of priorities for RPU staff, directing them to prioritize renewable energy options while balancing system reliability, affordable rates, and environmental responsibility. RPU General Manager Tim McCollough says, "We are investing wisely to make sure our community enjoys reliable, affordable, and sustainable energy for years to come." RPU has taken significant steps toward this goal by planning rate adjustments to improve its utility services and authorizing the development of Mount Simon Station. It will add 245 MW of wind resources that will come online in 2030. Community members will have additional opportunities to provide feedback at public meetings this fall before the Rochester City Council makes a final decision in December. Separately, RPU secured approval for a long-term wind energy contract covering 5 percent of annual electric use, supporting its goal of 100 percent renewable energy. The project, located in Adams, Minnesota, will be re-powered with new turbines and benefit from federal tax incentives. Two additional wind projects are expected to be reviewed soon, further advancing RPU's clean energy strategy.

Bits & pieces

In the **Red Sea off the coast of Yemen,** undersea cable cuts interrupted internet access in parts of Asia and the Middle East in early September. These fiber-optic cables laid along the seabed are one of the backbones of the internet, along with satellite connections and land-based cables. During this incident, internet traffic was significantly degraded in Pakistan, Kuwait, and the United Arab Emirates, among others. The reason for the cut is not clear, however. Anchors dropped from ships can disrupt undersea cables, and in the past the cables have been targeted in rebel attacks. It can take weeks for the cables to be repaired.

The calculus to cut carbon has become more complex due to federal policy moving away from support for clean energy and reducing emissions. **Cleveland Works' Blast Furnace #6,** a large steel-making facility, is nearing the end of its lining lifespan, and Cleveland-Cliffs, one of Ohio's major employers, faces a decision. To keep the plant operational, they might reline the furnace as they did with furnace #5 in 2022. This option offers slight efficiency improvements but could increase overall emissions if production increases. Alternatively, Cleveland Works could invest in cleaner technology such as direct emissions reduction with natural gas or green hydrogen. These options could potentially reduce emissions by 30 percent to 47 percent, especially if combined with an electric arc furnace powered by renewable energy. Until recently, this decision would not have been difficult since the cleaner option aligns with Cleveland's climate targets and federal programs would have supported the change—something that would have been welcomed by Cleveland's asthma sufferers since the city ranks as the fifth-worst in the US for those with asthma. However, the current administration is less supportive of clean energy initiatives than the previous one, and funding to help with the transition is no longer assured. Consequently, the company must choose between the less financially risky solution of relining #6, despite the climate impacts, or investing in newer technology which will also make the firm more competitive with other low-carbon steel producers.

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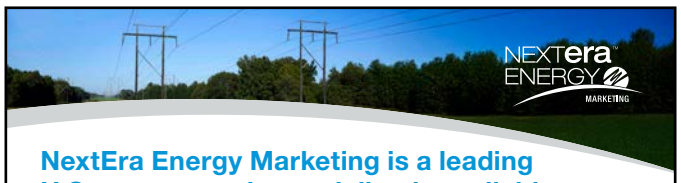

Training and Education

San Antonio-based CPS Energy, the nation's third-largest public power utility, has reached an agreement with PROENERGY to purchase four natural gas power plants with a combined capacity of 1,632 Megawatts (MW) for $1.3 billion. PROENERGY is based in Sedalia, Missouri, and it specializes in fast-start and dispatchable power generation. These newly built, advanced natural gas plants are dual-fuel capable, allowing CPS Energy to potentially switch to a hydrogen blend that would lower carbon emissions. PROENERGY will continue to operate and maintain these facilities. According to CPS Energy's CEO, Rudy Garza, incorporating the new assets into ERCOT offers a cost-effective and lower supply chain risk alternative to constructing new power plants. This move aligns with the public power provider's long-term objectives of delivering reliable, affordable, and cleaner energy to customers and the community.

New York Governor Kathy Hochul recently announced a set of actions aimed at speeding up the process of getting New York to meet its clean energy goals and stabilizing energy prices in the state. Hochul recognizes the increasing electricity demand in New York and the need to adapt to shifting federal policies. Hochul is launching a new solicitation for renewable energy and directing state agencies to work together to responsibly advance shovel-ready, renewable energy projects as quickly as possible. The projects scheduled for New York involve more than five billion dollars in clean energy investments and will generate more than 2,500 family-sustaining jobs in the state's energy sector. These initiatives aim to support advanced, large-scale renewable energy projects that are ready for construction in New York. They incorporate best practices and lessons learned from previous procurements, including provisions on component cost indexing, labor standards, stakeholder engagement, commitments to disadvantaged communities, and land preservation for agriculture.

Wisconsin has approved its first new wind farm in over 14 years. The Public Service Commission decided to proceed with the Badger Hollow Wind Energy Center, an 118 MW wind project in Iowa and Grant Counties managed by Illinois-based developer Invenergy that will power 30,000 homes. The project includes 19 turbines and is expected to deliver long-term environmental, economic, and health advantages. It will also benefit local farmers and communities financially. Additionally, the Commission approved Whitewater Solar, a 180 MW solar farm located on the border of Walworth and Jefferson counties.

Patience and programs

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Challenge faced by seniors	Utility program or service to help
Energy and utility knowledge gaps	Free home energy workshops, printed senior-friendly energy-saving tip sheets, utility hotline for quick questions
Financial management challenges	Senior discounts, low-income energy assistance programs (LIHEAP), round-up community funds, flexible due dates
Home maintenance difficulties	Weatherization programs (insulation, caulking, appliance upgrades), safety check programs
Emergency preparedness gaps	Priority restoration list for medically vulnerable customers, wellness check programs, storm-preparedness kits delivered with senior newsletters or provided in partnership with the local senior center
Social isolation	Partner with churches or senior centers for community events, check-in calls to vulnerable seniors during outages, round-up funds supporting senior community services

In the end, it's all about customer service. I know I am not alone in having a grandchild that is teaching me how amazing the world is going to be at the same time the older adults in my life are begging the world to stop being quite so amazing right now. It's the lot of the "sandwich generation," and many days I am sure many of us wish we could skip the baloney.

The reality is this: as the stewards of hometown utilities and the bridge between the young and the old, it is our responsibility to find ways of investing in emerging technologies—AI-driven systems for load forecasting and advanced metering infrastructure are just two examples—while also adopting maturing tools the public increasingly demands, like leak detection warning systems, outage notifications, and online bill pay—while simultaneously attending to the needs of our oldest and most loyal customers by dialing down the complexity of doing business with us.

It might seem like we need to be able to walk, chew gum, and sing the Star-Spangled Banner all at the same time to keep everybody happy. In fact, it's not that complicated, especially with the older folks. They just want to be seen, heard, and taken care of. They don't want to be put on hold, forced to use a computer, or to otherwise have their needs and limitations ignored. They will give us a lot of grace if we do the same for them.

Most hometown utilities in Minnesota are already knocking this stuff out of the park. As things continue to change, we need to remember to continue to reach out, take care, and do whatever we can to make sure we aren't leaving seniors behind.

And why not? These people taught us to use a spoon. Maybe, in these increasingly technology-driven and complex times, they still have things to teach us. At a minimum, meeting their needs will remind us how to stay human, personal, and caring as we guide our utilities toward operational innovations our grandchildren will take for granted. Patience with both groups will serve us all well.

Heat pump boom

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residential space heating demand could add several gigawatts of winter peak load by 2050.

Why it matters

Heat pumps have become a linchpin for both climate policy and cost savings. For Minnesota, satisfying goals such as 100 percent clean electricity by 2040 and net-zero carbon emissions by 2050 will require large increases in heat pump uptake—on the order of more than 100,000 installations per year by 2030 under one estimation. Households adopting heat pumps save on energy bills, reduce emissions, and improve comfort. Utility customers benefit when peak demand grows less steeply and energy systems balance load more smoothly—especially when rate structures reflect these dynamics.

Minnesota no longer sits on the sidelines when it comes to heat pumps. Advances in cold-climate technology, combined with smart policies and incentives, make heat pumps not just viable but increasingly attractive. For thousands of Minnesotans, the era of freezing basements, clunky window AC units, and challenging gas bills may finally be giving way to a new source of warmth on a winter's evening.

Xcel Energy

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that its equipment was not the cause of the destructive fire.

"Despite our conviction that PSCo equipment did not cause the Marshall Fire or plaintiffs' damages, we have always been open to a resolution that properly accounts for the strong defenses we have to these claims. In resolving all liability from the claims, this settlement reinforces our longstanding commitment to supporting the communities we serve," said Bob Frenzel, chairman, president and CEO of Xcel Energy. "We recognize that the fire and its aftermath have been difficult and painful for many, and we hope that our and the telecom defendants' contributions in today's settlement can bring some closure for the community."

Residents of Superior and Louisville continue to rebuild after three years of loss and upheaval. Superior Mayor Mark Lacis called the settlement "a bittersweet end to this chapter of the recovery process."

Upcoming events

Technical & Operations Conference

December 9–11, 2025
St. Cloud, MN

The Technical & Operations Conference (T&O) is a must-attend event for managers, crew leads, lineworkers, and other professionals. This is the perfect venue to join fellow public power and water utility professionals to hear expert speakers on timely topics, participate in discussions, share ideas, and connect with friends old and new. Plus, you can learn about new products and services and speak with supplier representatives during the trade show.

Explore the impressive lineup of speakers, presentations, and topics that will be covered at this year's conference and register now at mmua.org/events/tech-oper-conf-2025.

Visit mmua.org/events for more information or to register.

Transformer School and Pre-conference Workshop

December 15–18
MMUA Training Center
Marshall, MN

Lineworkers of all levels of experience and other electric utility personnel involved with transformer installation and operation can benefit from this well-rounded program.

Transformer School 2025 will cover three-phase transformer connections. In addition to classroom instruction, participants will troubleshoot and make repairs on miniature transformer banks.

Our trainer, Scott Meinecke, is a former lineworker who has instructed on this topic for more than 25 years. He is an expert at breaking down this complicated subject so it is easier to grasp.

Please note that training will take place Monday through Thursday this year. For more information or to register for this valuable training course, go to mmua.org/events.

Negotiation skills for utility leaders: collaboration and stakeholder engagement

November 18, 10:00–11:00 am
Live instruction online

This course will acquaint you with the basic negotiation skills needed to drive strategic outcomes, foster collaboration, and maintain positive relationships across all levels of utility engagement.

This is an elective course for those enrolled in the DUEL™ program and counts for one DUEL credit.

Not in DUEL? No problem. You can register for this standalone course. For more information, visit mmua.org/events.

The hotel cutoff date is November 8, 2025.

For more information, see the Events Calendar at www.mmua.org or call MMUA at 763-551-1230.