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When data centers come calling: Why four Minnesota municipal utility communities said yes

While proposed data centers have drawn resistance in communities such as Hermantown and Pine Island, several Minnesota cities have opened the door to the rapidly expanding industry.



In Blue Earth, an AAIM Data Center is sited on Highway 169 near the Blue Earth Light and Water substation. The facility is positioned to take advantage of low-cost energy and robust fiber connectivity. Photo by AAIM Data Centers.

For municipal utilities facing rising infrastructure costs, changing energy demands, and pressure to keep rates affordable, data centers can offer something valuable: load growth.

Each municipal utility community discussed in this article decided to host a data center for different reasons. Some saw an economic development opportunity; others saw a way to make better use of existing electric assets. All weighed those potential benefits against financial and operational uncertainty.

Data centers have become one

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The road to carbon-free gets a detour

For years, electric utilities plotted a fairly straight road toward carbon-free power.

Now, rising electricity demand, higher costs, shifting federal policy, and stubborn reliability needs have put more curves in the route.

Utilities and states across the country have recently delayed, revised, or reconsidered climate targets as data centers, manufacturing, electrification, and other large loads push power demand higher. The changes do not amount to a wholesale retreat from cleaner generation. Instead, many energy providers now say they need more time, more dispatchable generation, or a broader mix of resources to keep electricity reliable and affordable while pursuing long-term carbon reductions.

A September analysis from S&P Global found that a majority of the 30 largest US electric utilities had relaxed or withdrawn net-zero goals. Xcel Energy dropped its companywide goal of cutting emissions 80 percent by 2030, although it still aims to deliver carbon-free electricity by 2050. "The responsible pathway requires more time to get there," the company commented. "Our destination hasn't changed, but the pathway must evolve."

Xcel Energy reported a 58 percent reduction in carbon emissions from the electricity it supplied in 2025 compared with 2005. CEO Bob Frenzel said electrification continues to reshape the industry as Xcel Energy balances "reliability, affordability and sustainability."

Other companies have made larger changes. American Electric Power canceled its climate goals and adopted an "all-of-the-above approach," while saying it will continue meeting state clean-energy mandates. Public Service Enterprise Group moved its net-zero emissions target for utility operations from 2030 to 2050, citing affordability, growing demand, technology availability, and policy changes.

New York's official Climate Act Dashboard acknowledges

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Marshall generates a new layer of reliability



MMU General Manager Pete Wyffels and Electric Operations Manager Tony Mead have spearheaded the generation project in Marshall.

Marshall Municipal Utilities (MMU) expects to bring four new generators online by the end of 2026, adding another layer of protection against power interruptions while generating approximately $732,000 in annual capacity revenue.

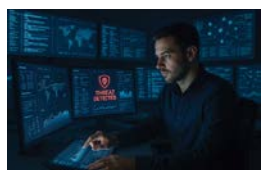
The Southwest Generation Station, originally budgeted at approximately $17 million, will provide roughly 11 megawatts (MW) of additional local generating capacity, complementing Marshall's existing 14.5-MW turbine and its regional power supply. Through a Reserved Capacity Agreement (RCA) with Missouri River Energy Services (MRES), the project also demonstrates how municipal utilities can strengthen reliability, maintain local ownership, and offset infrastructure costs through joint action partnerships.

"We're in the final stretch,"

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New Mexico lineworker dies restoring power following a storm

The death of a New Mexico lineworker while restoring power after severe flooding has drawn attention to the dangers utility crews face during storm recovery operations.



The Curry County Sheriff's Office reported that Ian Massey, a 33-year-old lineman with Farmers Electric Cooperative, died September 25 after being electrocuted while working on a utility pole near Clovis, New Mexico. According to authorities, the pole was leaning following heavy rainfall and flooding in the area. While Massey was attempting repairs, the pole unexpectedly fell into standing water where he was working, causing him to come into contact with electricity.

The incident occurred after a powerful storm dropped up to 10 inches of rain in parts of Curry County, flooding roads, stranding motorists, and damaging infrastructure. Emergency responders rescued Massey from several feet of standing water and transported him to a local hospital, where he later died from his injuries.

In statements following the accident, local officials and utility representatives emphasized the risks utility workers encounter while restoring service after severe weather events. The cooperative described Massey as a valued coworker who lost his life while responding to outages caused by the storm.

The tragedy prompted an outpouring of support from the community, according to local news sources. Residents organized fundraising efforts for Massey's wife and young daughter, while neighboring electric cooperatives honored him with a tribute involving raised bucket trucks outside the cooperative's office.

The accident serves as a reminder of the hazardous conditions lineworkers often face following storms. Flooded work sites, unstable infrastructure, damaged poles, and the presence of energized equipment can create dangerous environments even after the worst weather has passed. Utility crews across the country routinely work long hours in difficult conditions to restore service and support community recovery efforts.

As communities increasingly experience severe weather events, utility leaders should continue to emphasize that restoring power quickly must be balanced with ensuring workers return home safely.

Authorities said the incident remains under investigation.

The road to carbon-free gets a detour

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the state may miss its statutory goal of obtaining 70 percent of electricity from renewable sources by 2030. The state says operating and pipeline renewable projects currently represent about 62 percent of the renewable generation New York needs to meet the 2030 target. It attributes the likely delay to "global economic issues, supply chain disruptions, and geopolitical developments" affecting the energy industry.

The demand numbers explain the urgency. The Electric Power Research Institute projects data centers could consume between nine and 17 percent of US electricity by 2030, a major jump from today's four to five percent. The uncertainty of data center impact on demand forces planners to prepare while utilities prioritize their projects.

Those pressures shift the focus from whether utilities should cut carbon to how they can do so without outrunning the grid.

Maintaining reliability adds another complication. The US Energy Information Administration said power companies planned to retire 12.3 gigawatts of dispatchable generating capacity in 2025 but actually retired only 4.6 gigawatts, the lowest amount since 2008. Federal orders delayed several coal-plant retirements, while utilities also reassessed how quickly they could replace dispatchable generation.

Clean-energy advocates worry the energy transition slowdown could lock in fossil-fuel emissions and make long-term climate goals harder to reach. Others have not given up hope. Lily Bermel of Columbia University's Center on Global Energy Policy sees reaching net-zero by 2050 as currently "questionable," but not out of the question if permitting and transmission barriers are addressed. Supporters of a more flexible timetable counter that utilities cannot sacrifice reliability or impose unsustainable costs while demand climbs.

Minnesota has not abandoned its carbon-free mandate. State law still requires investor-owned utilities to reach 80 percent carbon-free electricity by 2030, other utilities to reach 60 percent, and all utilities to reach 100 percent by 2040.

For municipal utilities, the national recalibration carries a practical lesson. Public power systems must meet state requirements while answering directly to communities that expect reasonable rates and dependable service. Municipal utilities may increasingly need to combine renewables, storage, demand response, efficiency, nuclear or purchased power, and firm generation rather than rely on a single prescribed path.

Carbon-free electricity is still the objective. The industry increasingly debates how quickly—and at what cost—it can get there.

From public ownership to public protection: Becoming a utility worth defending (Part II of a series)

From my desk to yours

Karleen Kos
MMUA CEO



When I was a kid, we lived in Myrtle, Minnesota, a town so small and lacking in entertainment that one of the week's highlights was riding with my dad to the city dump to get rid of trash and yard waste.

It was a fascinating place. It also stank to high heaven in the warmer months and would have been a perpetual eyesore had it not been hidden at the end of a road and surrounded by brush. One day in the early 1970s someone somewhere decided that garbage heaps like this were no longer allowed. When that happened, I remember exactly zero people fighting to save the village rubbish pile. Sure, they wanted to know how they would now get rid of their trash, but there were no letter-writing campaigns, picket signs that said, "Save our Dump!" or impassioned speeches by politicians campaigning to preserve it. In short, it was a 65-year-old public asset nobody cared about.

I doubt any of Minnesota's municipal utilities are viewed with the same disinterested passivity the good citizens of Myrtle displayed towards the demise of that community-owned mound of refuse. But there's a long road between not caring at all and caring enough to defend a hometown utility—an institution that, in most cases, has existed for generations and has provided the services that made today's town possible.

I know this is a rather extreme example; please stay with me here. If someone proposed selling, privatizing, consolidating, or transferring your utility tomorrow, would your customers know what they were about to lose? Or—like the Myrtle dump—would they merely wonder what would come next?

Start by assessing whether your utility is viewed as an asset worth defending. I believe there's a relatively simple way to take your community's temperature on this, and it boils down to a couple of things.

- When asked, do people recognize and articulate the value of local ownership? Ideally, this means they can mention things like local decision-making, shared priorities, familiar employees, responsive service, and the benefits of investments that stay local.

- Do they give the utility the kind of deference and loyalty they probably also give to the local school, fire department, and other cherished parts of your town's history?

You can use this simple test as a practical way of measuring the "civic protection factor" that would be present if a true threat arose. If, when the utility comes up, people's first thought is about rates and reliability, that's not necessarily bad. But if they immediately tie these things to the possibility that a new provider might give the town a better deal, rather than to the value of having these decisions in the hands of people they know, there's work to be done.

Set a strategic objective to make your utility an institution worth defending. Last month I wrote about Dolly Parton and the nearly universal deference she earned over the course of her career. Dolly started out as a singer people often mocked. She evolved into someone so beloved that saying anything less than complimentary about her is simply not tolerated.

That evolution didn't happen overnight for Dolly. She spent a lifetime both *being good and being visible*. You may think there's little comparison between Dolly and your utility—after all, she didn't send people bills once a month—but like the story of the Myrtle dump, there's plenty we can apply from her story. In the ideal, your utility can become so valued that the community assumes it is worth preserving, even when circumstances are challenging.

I have every confidence that you and your team work hard every day to do good. You focus on reliability, providing good service, dealing with storms and rising costs and supply chain disruptions. You deal with power markets, labor markets, and getting services to the new supermarket. You handle whatever comes your way, and you mostly do it quietly.

This is very Minnesotan—but as a strategy that will earn your community's loyalty, it is lacking. Being *good* isn't enough. You also have to be *visible* in a strategic way. That is key to becoming an institution people care about.

If you don't tell your story so people know what to pay attention to, they'll focus on what they see: bills, outages, and trucks blocking the street. You have to give them another option. You have to raise the visibility of the work you do, the reasons behind how you do it, and the implications that matter from the customer's perspective.

Commit to a strategy and a series of activities that show the community what you are doing and why they should care. You can tell the story in a way that shows them you're on their side while maintaining the unassuming nature for which Minnesotans are known.

Transition the community's perception from one of legal ownership to psychological ownership of the utility. A utility can belong to the community legally without residents feeling it belongs to them. Psychological ownership exists when people believe:

- They understand what the utility is trying to accomplish.

- Its leaders listen before making consequential decisions—because they want to, not because they were pressured to do so.

- Residents can influence decisions while choices are still genuinely open.

- Community interests visibly receive priority.

- Risks and benefits are distributed fairly.

- The utility's people and work are part of community life.

When you and your colleagues visibly implement processes and procedures that foster psychological ownership over time, loyalty grows.

This process is neither fast nor "one and done." You have to be in it for the long haul. One outage, rate increase, or unpopular decision is seldom enough to destroy civic protection of the utility. The more serious damage comes when utility leaders behave in a way that contradicts what municipal ownership is supposed to mean.

There are several ways utilities can behave that will undermine loyalty or any messaging that claims to care about ratepayers. Again, think about what is *visible* to the community and how they will assess whether it is *good*. The utility's credibility as an institution worth defending is undermined when:

- Major decisions appear predetermined or driven by outside interests, leading people to feel "it's not really ours."

- Residents believe one customer, developer, neighborhood, or class of ratepayer is receiving preferential treatment, fostering a sense of "it's not fair to us."

- The utility provides technically accurate information but omits or fails to address the concerns people have, minimizes uncertainty, or discloses important facts only after commitments have been made, so that people think "they're not honest with us."

- Repeated failures, poor planning, implausible explanations, or an unwillingness to learn from customer feedback cause thoughts like "it's not competently run."

- Utility leaders seem to be more focused on things customers don't care about than the things they do care about, causing a sense of "they've forgotten who they serve."

Very few things are black and white. In my experience, the leaders of every Minnesota municipal utility care deeply about doing a good job and meeting ratepayer needs. The issue isn't usually that we intend to send negative messages. It's that we sometimes move forward with something but misjudge, or fail to consider, how the utility's work will be seen. Too late, we find that our actions have spoken louder than whatever words are being used. This can lead to frustration, defensiveness, or

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When data centers come calling

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of the fastest-growing sources of electric demand in the country, driven by artificial intelligence (AI), cloud computing, and digital services. Their large energy requirements have sparked debates across Minnesota over grid impacts, local control, environmental concerns, and community benefits.

The experiences of Blue Earth, Glencoe, Hutchinson, and Mountain Lake show how municipal utilities evaluated proposed large new loads, protected existing customers, and decided whether data center development fit their systems.

A new kind of economic development

Electric demand has risen sharply over the past five years as data center development has accelerated nationwide. In July, Bank of America semiconductor analysts reported that planned generation has not kept pace in many regions and that utilities have raised their demand forecasts in each of the past three years as AI-related electricity use materialized faster than expected.

Developers seeking affordable land and reliable electric service have increasingly considered rural communities. According to Pew Research Center, 67 percent of planned US data centers are in or near rural communities.

Minnesota currently has 81 data centers operating, mainly in the Twin Cities metro area. However, Minnesota's municipal utilities have been entering this market over the last five years. Blue Earth, Glencoe, Hutchinson, and Mountain Lake give a glimpse into why their communities said yes, and what that process looked like.

For these communities, the conversation began not around data centers themselves, but with the possibility of adding substantial new electric load.

Blue Earth: An enthusiastic embrace of growth

Blue Earth Light and Water's interest in serving data centers grew out of a broader, three-year effort to plan for aging infrastructure and the community's future energy needs. After losing three of its largest industrial customers over two years, the utility had some available capacity—and began weighing whether to plan for its usual 2 percent to 3 percent annual growth or expand more substantially to accommodate large new customers.

Tim Stoner, General Manager of Blue Earth Light and Water, said the utility begins conversations with developers by laying out its requirements. Blue Earth matched what one developer was seeking. "They were looking for available land, our access to capacity, and they appreciated our technology or our technically skilled staff," Stoner said.

This also created an opportunity to support local economic development while protecting existing customers. Stoner said it required new customers to cover their own service extensions, and the utility structured contracts to prevent their power-supply costs from being shifted onto the utility's existing ratepayers.

At the end of the day, Blue Earth residents are always the top priority. While working with the developer, Stoner emphasized the importance of that: "Never forget your native load as a municipal utility." The expected benefits extend beyond the utility. Stoner described data center activity as a potential source of tax base growth and shared franchise fee revenue for the city—resources that could help sustain municipal services and ease pressure on local budgets. He argued that revenue from large customers could help offset higher energy costs in the future and support the utility's ability to maintain comparatively low rates.

The utility also sees a way for new development to help fund infrastructure. Because many projects would be located near substations, the utility said its transmission ownership could allow it to recover some costs through transmission arrangements, keeping future development expenses from falling on existing customers. That cost recovery was part of the plan to expand service while managing financial risk.

Blue Earth has received inquiries about multiple prospective projects, but it took on only what it could handle. Stoner's advice to other communities is to engage developers early, verify their ability to meet financial requirements, understand infrastructure needs, and put community protections into contracts.

Glencoe: Expanding an existing relationship

Glencoe's data center expansion builds on an existing large-load operation: an approximately 18-megawatt (MW) cryptocurrency-mining facility first developed by Bit 49, now Revolve Labs. The company is moving to a site roughly 1,500 to 1,800 feet west of its original location, where it plans to replace the current operation with an approximately 45-MW AI data center. Glencoe Light and Power Commission General Manager Dave Meyer said the utility has also studied whether its transmission system could support up to 40 MW of additional load.

The project reflects how the meaning of "data center" has changed, Meyer said—from facilities associated with cloud storage, to cryptocurrency mining, and now AI. He acknowledged that early crypto operations drew criticism for heavy water use, describing some as facilities that "just plain ran water in, cooled stuff, and it dumped out." In his view, newer facilities are more attentive to water use, employing methods such as closed-loop systems and evaporative cooling to minimize impact.

Utility and city leaders were comfortable considering the expansion because they believed it could bring revenue and growth without shifting costs onto existing customers. "[The developer] paid for their buildout. They paid for all of it," Meyer said of the original project. He said some of the revenue from the facility has helped the utility slightly lower rates for its existing customers. The new development agreement, he added, similarly requires the developer to cover the project's buildout costs.

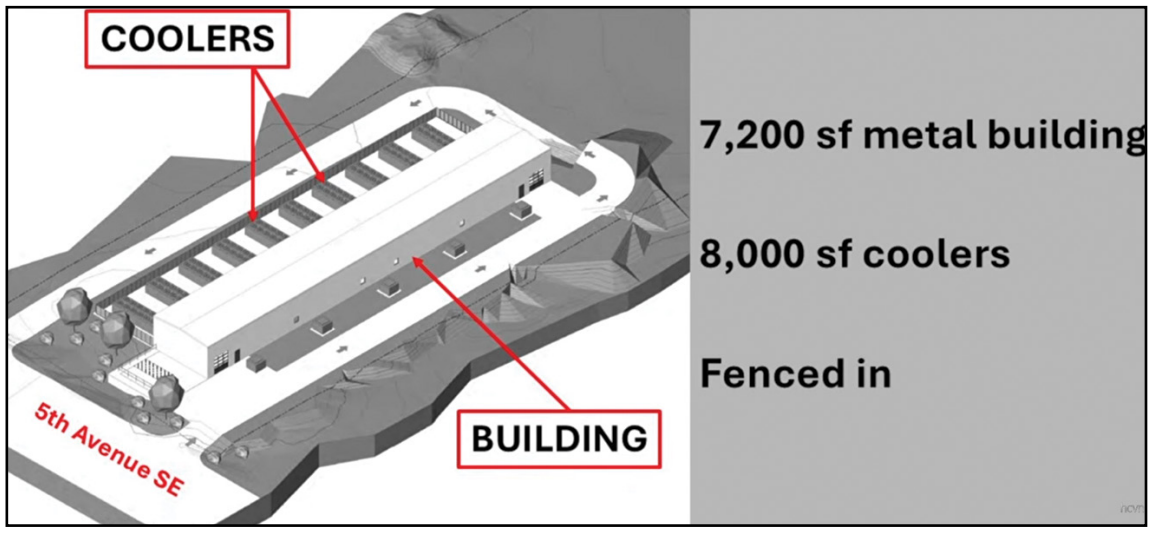
That infrastructure includes installing a utility-owned transformer, expanding the substation, adding switchgear, and building feeder lines to the site. The developer is paying for installation and connection costs, Meyer said, and the utility will ultimately own the infrastructure.

The company estimates the project could bring nine to 10 security jobs, 20 to 30 skilled technical jobs, and about 400 construction workers through next summer.

Community response has included questions and public meetings, as well as concerns about noise from the original facility, which is located near residential areas. Meyer said Revolve Labs worked to mitigate the sound. The proposed additional site is farther from residents and expected to be quieter.

He advised other communities

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The proposed site for the new Hutchinson data center is located at 1025 5th Avenue SE, within the industrial zoning district. The city conducted multiple reviews and extensive research to ensure that the development would be suitable for the community.



Glencoe is among the Minnesota communities welcoming the opportunities and challenges that come with adding a data center to its electric load. Not only is it expanding on its original development, but it is also using it as an opportunity to add to the utility's generation and load.



In Mountain Lake, the community is advocating for its concerns about the proposed data center by making yard signs. Communication in council meetings and with the community is vital to the planning process.



When data centers come calling

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to do careful due diligence: review a developer's financial records, protect existing ratepayers from project costs, and decide whether the company will be a reliable business partner.

Hutchinson: Opportunity balanced with due diligence

For Hutchinson Utilities Commission, the decision to move forward with a data center was never solely about economic development. According to General Manager Jeremy Carter, the project underwent years of evaluation focused on infrastructure, financial risk, and customer protection before receiving support.

Developers were attracted to Hutchinson's reliable electric system, competitive rates, available land, and existing utility infrastructure. Carter said a new large customer could also strengthen the utility's long-term financial position by diversifying its customer base. "The better that you can diversify your electrical load, the more stability they [see]," said Carter.

Before moving forward, utility leaders worked through questions about noise, water use, future expansion, and potential impacts on the community. Carter said many concerns stemmed from comparisons to the massive AI-driven facilities frequently featured in national media. "You can't compare us to the stuff that you're reading in the media. This is a small-scale building," said Carter.

The proposed facility, approximately 7,000 square feet and 20 MW, is far smaller than many large-scale data centers. Hutchinson also determined the project would have minimal water demands because it will rely on air-cooling technology.

Infrastructure capabilities played a major role in the review process. Carter noted that Hutchinson's existing system can support a project of this size, but transmission constraints effectively limit future expansion. "We have probably the max ability to put out 20 to 40 MW at the very most," said Carter.

Just as important as evaluating infrastructure was assessing risk. Carter said the utility spent nearly a year negotiating agreements designed to ensure existing customers would not be responsible for costs associated with serving the facility.

The utility also required collateral to cover potential billing lags and limit its exposure to changes in the power market. "We're not left holding the bag if something happens to the data center," Carter said.



Developers were drawn to Hutchinson's reliable electric system, competitive rates, available land, and existing utility infrastructure. As with many new data centers across the country, open rural land appears to be a defining factor, as the above image of Hutchinson illustrates.

Carter emphasized that protecting ratepayers remained a guiding principle throughout the process, saying "There won't be any subsidy by the residents or the current business community."

That message became a key part of outreach efforts as public interest grew. While the project represents an opportunity for new load growth and revenue, Hutchinson's approach was built around ensuring that any benefits come without shifting costs or risks onto existing customers.

For Carter, that balance between opportunity and due diligence has been essential to gaining community confidence and ensuring the project aligns with Hutchinson's long-term goals.

Mountain Lake: Balancing benefits and community questions

Like other Minnesota communities considering data center development, Mountain Lake found that public interest increased significantly once residents became aware of the project.

City Administrator Michael Mueller said the city approved a conditional use permit in 2025, but public engagement remained limited until discussion spread on social media. While roughly 20 people attended the initial planning and zoning meeting, attendance grew to more than 100 residents at a subsequent public meeting focused on answering questions about the project.

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Marshall generates a new layer of reliability

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MMU General Manager Pete Wyffels and project lead Tony Mead said in a joint MMUA interview, "The new generator building is complete, and all four Cat C175-16 generators were delivered this summer, on schedule."

Crews are completing electrical and mechanical connections before testing and commissioning. The project remains on schedule despite "usual coordination challenges and a few change orders." Utility officials credited the contractors, DGR Engineering, and MMU staff for keeping the work on track.

The new plant will supplement, rather than replace, MMU's downtown turbine, which has served Marshall since 1968. Utility officials say the older unit remains in good condition, and MMU intends to operate it as long as continued service makes financial sense. It continues to provide 14.5 MW of capacity.

If severe weather or grid emergencies interrupt those connections, local generation can help maintain service. "Having more generation here at home gives us another layer of protection for events that are out of our control," Wyffels and Mead explained.

The additional capacity will also help MMU meet demand during extreme summer and winter temperatures, when the regional grid can be under pressure. Operating local generation during those periods supports both Marshall's customers and the broader grid.

A partnership that pays

MMU owns and operates the new plant and financed its construction through bonds. MRES will compensate Marshall for the plant's available capacity through its RCA program. MMU anticipates approximately $61,000 in monthly RCA revenue, although final payments will depend on the generators' tested capacity after commissioning.

The agreement also includes an upfront payment upon official commissioning. Together, that payment, ongoing monthly payments for the new plant, and reserved capacity payments from the existing turbine will cover a meaningful share of the new plant's cost.

The arrangement provides MRES and its 61 members with additional regional capacity that counts toward the agency's resource needs, while helping Marshall finance infrastructure to support local reliability.

"Our relationship with Missouri River Energy Services was a big part of making this project work," Wyffels and Mead said. "Having that support from our joint action agency made the project stronger and helped us get it across the finish line."

MRES Vice President and Chief Operating Officer Terry Wolf said Marshall's investment fits into a broader regional strategy. Willmar and Detroit Lakes are pursuing similar agreements, although their generating capacities may differ.

"It's part of our overall plan," Wolf said. "In our integrated resource process, we identified our need to meet our regional reliability obligations."

MRES introduced the initiative to its membership approximately four years ago. Marshall, Willmar, and Detroit Lakes represent the first three participating utilities installing new generation. Wolf said seven or eight members across Minnesota, South Dakota, and Iowa participate in the broader effort.

"We see value in adding generation capacity and local reliability benefits," Wolf said. "We also recognize the costs are climbing very quickly in this space."

Wolf emphasized the new generators primarily serve as emergency resources rather than everyday electricity sources. MRES also needs economical generating resources for routine operations.



One of four Cat C175-16 generators delivered to Marshall Municipal Utilities in July 2026 is shown at the utility's Southwest Generation Station. The units will provide emergency power for the city and reserve capacity for Missouri River Energy Services. Photo courtesy of Marshall Municipal Utilities.

"You want a little bit of everything because it mitigates risk, and this is one of the ways to mitigate risk," he added.

Different resources, one mission

Marshall's generating plant complements other community investments, including Marshall Solar Plus, a 10-MW solar facility with 5 MW of battery storage. The Western Minnesota Municipal Power Agency owns the facility, and MRES operates it.

Most of MMU's electricity comes through MRES and the Western Area Power Administration. Those relationships provide access to a diverse supply that includes hydropower, wind, solar, battery storage, nuclear power, and dispatchable resources such as natural gas, fuel oil, and coal. Utility officials said that mix is available at a cost Marshall

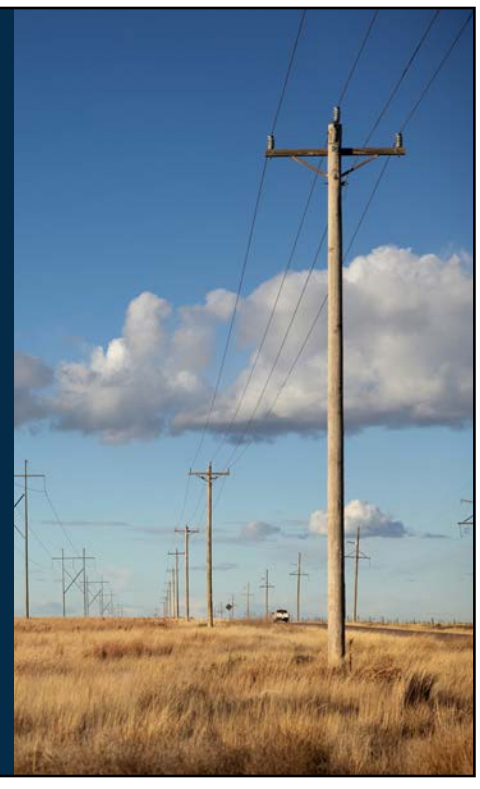
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The Glencoe community has raised questions, held public meetings, and expressed concerns about noise from the original facility. Developer Revolve Labs has collaborated with the city to mitigate the facility's noise impact on the nearby neighborhoods.

Many of those questions centered on transparency, utility impacts, and community benefits. Residents wanted to know whether electric rates would increase, how much water the facility would use, who would pay for infrastructure, whether permanent jobs would be created, and what impacts the project might have on noise and pollution.

For local leaders, the project represented both an economic development opportunity and a potential source of new utility revenue. Mueller said Mountain Lake already had the capacity to serve the proposed facility's initial 10-MW load without major system upgrades, allowing the city to accommodate the project without shifting costs to existing customers.

The additional load was particularly attractive because Mountain Lake recently invested in a new power plant, a project that contributed to higher electric rates. Mueller said community leaders viewed the data center as an opportunity to generate additional revenue and help stabilize future rates.

"We wanted to assure them that this additional load will make sure that our rates wouldn't go up any further," he said.

Those assurances became a central part of the city's public outreach effort. Mueller said officials emphasized that the developer would pay the costs associated with service and that the utility had enough existing capacity to serve the facility.

Despite those efforts, some residents remained skeptical, reflecting concerns that have surfaced in communities across the country. Mueller said local officials frequently found themselves addressing information that had circulated online and correcting misconceptions about the project.

"The problem that we had, too, was we would relay the information, show exactly the fact of whatever that question may be, and then somehow misinformation regarding a fact would then come up," Mueller said. "We noticed that on social media especially."

Looking back, Mueller said one of the biggest lessons was how quickly public perception can change once a project becomes a topic of online discussion. While the city sought to provide factual information and answer questions through public meetings and newspaper coverage, the debate demonstrated the importance of ongoing communication and transparency.

For communities evaluating similar projects, Mueller believes utility leaders should focus on providing objective information while allowing elected officials and planning authorities to guide broader development decisions.

"It's our job as a utility to provide electricity if it's requested," Mueller said, "and just try to make sure that you're objective and provide the facts."

Case studies provide important takeaways

While each municipal utility community that has accommodated a data center project has its own circumstances and processes, we found recurring themes in our conversations about their successful projects.

1. Growth at a time when utilities need it

For decades, many municipal utilities built and planned their systems around the expectation of steady, incremental growth. Today, those same utilities are facing aging infrastructure, rising costs, and little growth in electric sales. All four communities described these large-load customers as an opportunity to spread fixed costs across more users.

Rather than viewing data centers solely as economic development projects, or even as taboo, these communities embraced the development and saw them as customers capable of supporting future investments and generating new revenue streams.

Continued on page 8

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When data centers come calling

Continued from page 7

Stoner puts it simply: "If we have something to offset the higher energy costs going into the future, which is the revenue from these data centers, then we can maintain their rates in the same fashion that we do. We do that locally, right? With better reliability, better safety, and lower cost, we're still maintaining that. Even though these large loads are coming, it's making our lives easier to keep their rates low."

2. Take on what you can

These four communities give another consistent message: Only take on what you know you can accommodate. Local leaders repeatedly evaluated available electric capacity, transmission access, substations, and distribution infrastructure before moving forward. In some communities, existing infrastructure created an opportunity. In others, infrastructure limitations effectively capped how large a project could become.

On top of that, the data center industry is highly interconnected, and companies know exactly what they're looking for. They're just as careful about choosing sites as utilities have been when vetting developers.

"A lot of the site selectors used by data center developers are the same site selectors … [used all over] the data center world. For us, the biggest thing was that we have the capacity to serve someone with a smaller load. We're very reliable with our infrastructure because most of it's underground, and we can be competitive on our rates," said Carter.

3. Protecting the native load

One of the biggest questions from these communities' residents was, "Will this affect my utility bill?" The answer for all was always to protect the ratepayer.

Whether that meant the utility was asking for a two-month advance or paying for the entire build-out of new generation, these utility leaders strategically shaped their data center development to ensure their communities would not be financially affected.

Leaders in Hutchinson and Mountain Lake, in particular, found themselves hosting public meetings, sharing fact sheets, and correcting misinformation. Several said proactive communication became one of the most important parts of the process.

"Our utility commissioners and myself, when discussing bringing this load into town and serving this load, made it very clear to ourselves and anybody that asked that we will not bring in any entity and create a scenario where we financially adversely affect our native load customers," said Meyer.

4. No single model exists

Although all four communities ultimately chose to move forward with data center development, their reasons varied. Blue Earth saw an opportunity to grow load after losing major industrial customers. Glencoe expanded its relationship with an existing large-load customer. Hutchinson focused on diversification and financial stability. Mountain Lake viewed the new load as an opportunity to help offset costs associated with a recently constructed power plant. Communities are making decisions based on local circumstances rather than following a single statewide playbook.

The broader debate

The decisions made in Blue Earth, Glencoe, Hutchinson, and Mountain Lake stand in contrast to debates unfolding elsewhere in Minnesota and across the country.

Some Minnesota communities have responded cautiously, with residents and local officials questioning whether large new electric loads align with community priorities. Concerns often focus on whether projects will increase costs for existing customers, strain local infrastructure, or consume significant natural resources.

These four communities faced many of the same questions that have slowed or stopped projects elsewhere: water use, electric rates, environmental effects, future expansion, and transparency in the approval process. All of them emphasized the importance of conducting technical studies, holding public meetings, negotiating contracts, and communicating extensively to evaluate projects and explain decisions.

Still, data center development will remain a complicated issue for years to come.

The question was never simply whether to host a data center. The real question was whether a particular project fit the community's infrastructure, financial goals, and long-term vision.



The answer varied from community to community, but the process was remarkably similar. Utility leaders evaluated capacity, negotiated protections for existing customers, studied potential impacts, and engaged residents in public discussions. They weighed both opportunities and risks before deciding whether a project made sense locally.

As AI and digital services continue driving demand for new data centers, more Minnesota communities will likely face the same decisions. The experiences of Blue Earth, Glencoe, Hutchinson, and Mountain Lake show that saying yes does not require abandoning caution; it requires matching development to local capacity, protecting existing customers, and deciding whether the project supports the community's long-term needs.



New Colorado cyberattacks drive home cybersecurity seriousness

Two small Colorado water utilities were recently hacked, with attackers altering pump cycles, disabling alarms, and changing equipment settings before operators regained control.



While drinking water quality was not affected, the incidents are the latest in a growing wave of cyber attacks targeting US water systems.

The Colorado attacks come just months after attacks affected more than 30 community water systems in Minnesota. Officials have not determined whether the attacks are connected, but they continue to raise concerns about utility cybersecurity.

Drinking water in the two Colorado utility systems remained safe, and state officials responded quickly. The systems serve about 400 people. Local news outlets reported that Colorado officials declined to identify the affected utilities.

In early August, following reports of hacking attempts in several states, former intelligence officials and cybersecurity experts told *The New York Times* that the hackers were likely acting opportunistically rather than targeting specific local governments. This potentially placed any facility using vulnerable, internet-connected operational systems at risk.

The Times reported that federal cybersecurity officials urged water utilities to disconnect internet-connected controllers that could make them targets.

Ally Sullivan, a spokeswoman for Gov. Jared Polis, said the state was monitoring national trends and state officials "are communicating with Colorado providers, encouraging them to double-check their security measures and make any necessary security updates."

In comments to state lawmakers, Colorado Chief Information Officer Sarah Tuneberg said the state had, "over the last few months, had an uptick in external international actors attempting to attack our infrastructure."

Minnesota utilities have faced similar threats

The Colorado incidents mirror cybersecurity challenges that surfaced in Minnesota earlier this year. As previously reported in *The Resource*, cyberattacks targeted dozens of Minnesota community water systems, prompting some utilities to shift to manual operations and activate backup procedures while system operators worked to secure their networks. While water quality was not compromised, the attacks highlighted how cyber incidents can affect the operational technology that controls pumps, valves, and other critical infrastructure.

Minnesota utility leaders and cybersecurity experts have emphasized that these attacks are not solely an information technology issue. Because modern water and electric utilities increasingly rely on remote monitoring and internet-connected control systems, cyber intrusions can have real-world operational consequences. The incidents prompted renewed attention to cybersecurity planning, employee training, access controls, and emergency response procedures among municipal utilities across the state.

The recent Colorado breaches serve as another reminder that utilities of all sizes remain potential targets. Although the affected Colorado systems serve only a few hundred customers, the attacks show how adversaries continue to probe smaller community utilities that may have limited cybersecurity resources but provide essential public services.

Outage reimbursement proposal gains bipartisan support in Ohio

A bipartisan group of Ohio lawmakers has introduced legislation that would require electric utilities to compensate customers for lengthy or repeated power outages, including bill credits and reimbursement for spoiled food and medications.

The proposal, called the Ohio Power Outage Relief Act, comes after a series of high-profile outages in Northeast Ohio and ongoing scrutiny of utility reliability. If enacted, the bill would establish automatic customer compensation standards tied to outage size, duration, and frequency.

As reported by Kaylee Remington on *cleveland.com*, the proposal follows investigations into outages caused by FirstEnergy in Lakewood and surrounding communities. State regulators have considered penalizing FirstEnergy for failing to comply with regulations requiring it to maintain up-to-date generation equipment and distribution systems.

The bill has specific thresholds a customer needs to meet before receiving credit, according to an article by Anna Stave on *cleveland.com*. Customers would receive compensation when outages exceed these points:

- 16 hours for outages affecting 1% or fewer customers
- 36 hours for outages affecting 1% to 10% of customers
- 72 hours for major outages affecting more than 10% of customers or during declared emergencies

Customers would also qualify after six sustained outages within a 12-month period.

If the outage qualifies for a credit, the customer would receive either $50 or the amount of their monthly electric bill, whichever is greater. An additional credit would be issued for each 24-hour period the power remains out.

Reimbursements can also cover food and medication losses, with up to $250 for self-reported losses and up to $600 with receipts or supporting documentation.

Utilities could not recover reimbursement costs through higher customer rates.

Sponsors of the bill say customers deserve direct compensation when service interruptions are prolonged, particularly because electric utility customers generally have limited alternatives within a utility's service territory.



They also argue that penalties paid to regulators do not directly help affected customers, while bill credits and reimbursements would provide relief to households that experience losses during an outage.

At the same time, the proposal raises questions about how utilities would balance reliability investments, storm-response costs, and customer compensation requirements. Utilities may contend that widespread weather events can cause outages beyond their direct control, complicating how responsibility and reimbursement are determined.

More broadly, customer compensation programs could shape how state regulators evaluate reliability performance and how utilities plan for future service standards.

Most US states do not require outage compensation, and customers often must file a claim, demonstrate utility negligence, or seek reimbursement through insurance.

The Ohio proposal highlights a broader national conversation about reliability, customer service, and utility accountability. Whether the legislation advances or not, it signals increasing interest among policymakers in linking outage performance directly to customer compensation.



2026 Minnesota Lineworkers Rodeo and Overhead School



The Minnesota Lineworkers Rodeo opened with its traditional judges' dinner, recognizing the dedicated volunteer auditors, judges, and chief judges whose careful work helps the competition run smoothly and fairly.



Lineworker students from Minnesota West Community and Technical College watched experienced professionals in their future trade put their training, precision, and safety skills to the test in a high-level competition.



Competitors completed three events designed to test speed, accuracy, and safe work practices: hurtman rescue, single-phase equipotential grounding, and the rope toss, shown above.



During the fast-paced hurtman rescue event, competitors climbed the pole and carefully lowered a simulated injured worker to the ground. The exercise showcased the technical skill and close attention to safety of Minnesota's public utility lineworkers.



MMUA's Overhead School followed the rodeo with another day of intensive, hands-on training. This year, participants worked in coordinated groups through a realistic simulated mutual aid response. Here, crews assess and respond to a transformer knocked to the ground after a fallen tree brought down the line.



Participants were divided into field crews and a leadership team to recreate the coordinated structure of a large mutual aid response. The crews completed detailed, hands-on restoration work while practicing safe operations, teamwork, and clear communication with their leaders.



Inside the MMUA Training Center, the leadership team practiced the complex work of managing system operations during a large-scale mutual aid response, including coordinating field crews, tracking changing conditions, and maintaining clear communication.



More than 30 Minnesota municipal utilities brought skilled crews and specialized trucks to Marshall for this collaborative, hands-on mutual aid training that strengthened emergency response skills and connections.

The rising heat beneath our feet

By Theodore Huntington, Correspondent to The Resource

The energy industry has spent decades looking skyward for its next breakthrough.

Utilities chased stronger winds, sunnier deserts, and better battery chemistry.

Yet one of the most promising energy resources has waited beneath everyone's feet.

Now geothermal developers have fresh evidence to support their ambitions. In an October 1 announcement, Fervo Energy reported its first generating unit at its Cape Station development in Utah has produced 33 megawatts (MW) of net power and has begun earning revenue under a power purchase agreement.

Advances borrowed from oil and gas drilling, demand from technology companies, and new equipment investments have strengthened geothermal's prospects. For municipal utilities, the developments raise a practical question: Can underground heat provide an affordable, dependable addition to their power portfolios? Recent research documents growth, but developers still must demonstrate lasting performance and manage financial, environmental, and construction risks.

According to the National Laboratory of the Rockies' 2025 US Geothermal Market Report, US geothermal nameplate generating capacity reached 3,969 MW in 2024, an 8 percent increase from 2020. Developers signed 26 geothermal power purchase agreements between 2021 and 2024, compared with nine between 2015 and 2019. Those contracts represent more than 1,000 MW of capacity commitments under development, rather than electricity already available to customers.

In a January 15 summary of the report, the National Laboratory's Kelly MacGregor noted several agreements serve artificial intelligence (AI) data centers. The findings show how geothermal's customer base now extends beyond traditional utility procurement.

Geothermal's rapid evolution

Conventional geothermal development depends on a favorable underground combination. The US Department of Energy (DOE) explains in its enhanced geothermal systems overview that a natural hydrothermal reservoir needs heat, fluid, and rock permeability, which allows fluid to move through the formation.

Enhanced geothermal systems seek to create productive reservoirs where nature provides heat but not sufficient fluid or permeability. According to DOE, operators inject fluid under controlled conditions to create or reopen fractures, circulate water through hot rock, and bring heated water to the surface for electricity generation.

Fervo describes its approach as an adaptation of modern oil and gas technology. On its technology website, the company explains how directional drilling creates horizontal wells and how fiber-optic cables collect underground temperature, flow, and performance data. Those measurements help engineers understand the reservoir and manage heat recovery.

These improvements do not make every formation commercially attractive. DOE's overview notes geothermal wells require materials and evaluation methods capable of handling temperatures beyond the usual demands of oil and gas operations. Casing and cementing alone can account for roughly 30 to 40 percent or more of overall well costs, according to the agency.

Other technologies follow different paths. DOE describes closed-loop systems as underground pipes, circulating working fluids without relying on a fracture network. Superhot systems target resources above 707°F (375°C) to capture more heat per unit of fluid. The technologies offer different opportunities and challenges; progress in one does not establish commercial readiness for all.

The growing AI factor

DOE's geothermal overview identifies a central attraction for electricity buyers: Geothermal can supply firm power around the clock and complement variable wind and solar output. However, utility planners still must examine each plant's operating characteristics before assigning it a role in meeting demand.

Technology companies have begun making substantial commitments. In a September 1 announcement, Fervo reported a 396-MW agreement with Google for an expansion to the Cape Station generation that began October 1; Fervo expects to bring the additional generation online in 2028. The company described the power as a foundation for a potential Utah data center and cautioned the final data center plans depend on engineering feasibility, approvals, and commercial conditions.

"This project will drive meaningful economic benefit to the local community," Google's Director of Advanced Energy Technologies, Lucia Tian, said in Fervo's announcement.

Such commitments help explain the industry's momentum, but a signed contract and an operating plant represent different milestones. Buyers need developers to deliver the promised output, and developers need financing and construction schedules which support their obligations.

Equipment suppliers prepare for growth

In reporting for Latitude Media, Bianca Giacobone found international turbine suppliers expanding their US presence as geothermal demand grows. Her August 6 article described Turboden's Italian manufacturing operations and the company's work supplying equipment for Cape Station.

Giacobone reported that Turboden's framework agreement with Fervo covers up to 1.75 gigawatts (GW) of equipment over three years. She also found little domestic manufacturing of the specialized turbines, with major suppliers operating production facilities across Europe, the Middle East, and Asia.

"We're expanding and investing in new production machinery," Turboden executive Andrea LaGioia told Giacobone.

Her reporting also identified limits to the optimism. Ryan McGraw, Chief Development Officer at geothermal developer Zanskar, cited shortages of transformers, circuit breakers, and high-voltage equipment, along with tight turbine supplies. Geothermal developers therefore face some of the same procurement pressures as other power projects.

Remaining obstacles

Fervo's October 1 announcement acknowledged risks involving capital availability, interest rates, materials costs, permitting, and the accuracy of underground resource estimates. Commercial operation of the first Cape Station unit establishes a milestone; it does not eliminate uncertainty for later phases or other sites.

DOE's subsurface research guidance emphasizes the need to understand how reservoirs change during development and operation. Long-term output depends on more than a successful initial well. Engineers need reliable information about fluid movement, heat recovery, and reservoir response throughout a project's life.

Water use requires a separate review. According to DOE's environmental analysis, a plant's technology and cooling system influence its water requirements. Utility buyers should evaluate actual withdrawals and consumption for a proposed project rather than assume every geothermal design uses the same amount.

DOE also explains how fluid movement into or out of wells can trigger seismic activity. The agency identifies event magnitude, proximity to people and property, and other site conditions as risk factors. Its guidance calls for monitoring and mitigation; developers cannot dismiss community concerns simply because they expect only small events.

Permitting and delivery also matter. DOE identifies environmental review and regulatory requirements as part of geothermal development. For municipal utilities considering a distant resource, procurement analysis should also address transmission access, interconnection, and the total cost of delivering power to customers.

Minnesota's thermal opportunity

Minnesota already offers an example of geothermal serving a different purpose. In a June 4 announcement, Rochester described its $25.5 million thermal energy network, connecting the public library, Mayo Civic Center, Rochester Art Center, and Rochester Civic Theatre. The city said the project reached completion in December 2025 and projected annual energy savings of $600,000.

The network uses heat exchangers and electric heat pumps to provide heating and cooling. It does not generate electricity. This distinction is important for municipal leaders evaluating geothermal's potential applications.

Separately, Rochester City Hall's geothermal contractor, Darcy Solutions, reports Rochester expects a 65 percent reduction in the building's energy use upon full completion. The contractor presents the figure as an expectation, rather than a verified operating result.

For municipal utilities, monitoring performance and industry announcements is the next step. DOE identifies potential for at least 90 GW of geothermal generating capacity by 2050, expanding beyond the western half of the US where current generation is focused. Potential, however, does not guarantee affordable local supply.

Geothermal's value will depend on the same questions municipal utilities ask of any investment: Will it deliver reliably, at an acceptable cost, while meeting the community's needs? The industry's progress warrants attention. Its operating record will determine how much confidence follows.



Small utilities find big ways to reward efficiency

When a homeowner replaces a furnace, air conditioner, or heat pump, the sticker price tells only part of the story.



Utilities increasingly shape this decision, too, offering everything from equipment rebates and smart thermostats to time-of-use rates, energy audits, and programs to reward customers for reducing demand.

Minnesota's investor-owned utilities (IOUs) and municipal utilities both use a growing toolbox to steer customers toward efficient heating and cooling while managing pressure on the electric grid. IOUs can deploy rebates, bonus incentives, demand-side management programs, smart thermostats, and rate structures across large customer bases. Municipal utilities use many of the same approaches, but often tailor them to local needs through rebates, special rates, load-management programs, energy-efficiency services, and partnerships. The result is not simply a competition over who writes the biggest rebate check, but a broader contest over which combination of incentives can save customers money, reduce energy use, and help utilities manage demand.

The programs vary, but they share a common purpose: reduce the upfront cost of efficiency while producing measurable energy savings. Minnesota's Energy Conservation and Optimization (ECO) Programs provide much of the framework. Ratepayers fund ECO, utilities administer the programs, and the Minnesota Department of Commerce oversees them. The state gives consumer-owned utilities more flexibility than investor-owned utilities, allowing municipal providers to tailor programs to local customers and budgets.

This flexibility shows up in communities throughout Minnesota.

Rochester Public Utilities (RPU) offers residential rebates for air-source heat pumps starting at $100, ground-source heat pumps starting at $200, and heat-pump water heaters up to $400. Customers can also receive rebates for smart thermostats, duct sealing, and air-source heat-pump tune-ups. RPU's Smart Thermostat Program gives eligible customers a $50 enrollment bill credit and a $25 annual, year-end bill credit for allowing the utility to make limited thermostat adjustments during peak-demand periods. Reduced peaks can lower the utility's overall energy costs.

Owatonna Public Utilities and Austin Utilities offer similar menus. Both provide incentives for air-source and geothermal heat pumps, air conditioners, smart thermostats, and heat-pump water heaters. They also offer rebates for home improvements such as insulation and duct sealing, which can improve heating and cooling equipment performance.

Other municipal utilities can tap regional partnerships.

Willmar Municipal Utilities, for example, partners with Missouri River Energy Services through its Bright Energy Solutions program. Participating municipal utilities can offer standardized efficiency incentives without developing every program from scratch. In 2026, Bright Energy Solutions rebates range from $150 to $350 for air-source heat pumps with electric backup and $600 to $1,050 for qualifying systems with gas or propane backup. Customers can receive an additional $100 when an approved quality-installation contractor installs the system.

Those amounts illustrate how municipal programs can compete on more than the size of one rebate check. Utilities can reward better equipment, proper installation, reduced peak demand, and long-term energy savings through several incentives.

IOUs use the same strategy, sometimes with larger incentives. Xcel Energy's current Minnesota ECO plan increased heat-pump rebates because the company identified upfront cost as a barrier to adoption. The IOU also created a $600 bonus for customers who complete qualifying insulation and air-sealing work before installing an eligible heat pump within two years. The approach encourages customers to improve the building envelope before sizing new heating equipment.

Ratepayers ultimately fund the ECO incentives. Minnesota's Department of Commerce (DOC) says customers fund ECO programs, while utilities administer them under state oversight. The DOC evaluates energy savings and provides technical guidance for calculating results. Consumer-owned utilities subject to ECO must pursue state energy-savings goals, but state law gives them flexibility in how they design and deliver qualifying programs.

More incentives could eventually enter the mix. Minnesota plans to launch Save Energy Minnesota, which combines state and federal programs, including income-qualified Home Electrification and Appliance Rebates (HEAR). Eligible households could eventually receive up to $8,000 through HEAR for a cold-climate heat pump, while Minnesota's separate residential heat-pump program could provide up to $4,000 more. As of June 12, however, the DOC said the programs remained on hold while Minnesota awaited federal approval under revised federal requirements.

For municipal utilities, competing for efficiency investment does not necessarily require matching an IOU dollar for dollar. A locally designed mix of rebates, installation incentives, demand management, audits, and customer assistance can accomplish the same larger objective: helping customers use less energy while helping the utility manage its system more efficiently.

Commissions and councils: Working together for stronger communities

Municipal utility commissions and city councils have distinct responsibilities, but they ultimately serve the same community.

When the relationship works well, each body contributes its perspective and authority to decisions that support reliable utility service, responsible city operations, and the community's long-term interests.

That cooperation does not happen automatically. It requires commissioners, council members, and staff to build relationships, exchange information, and address points of tension before they become public disputes.

At MMUA's 2026 Summer Conference, a panel with extensive experience on both sides of the council/commission relationship tackled tough questions about how to make things work. The group included Kathleen "Kaela" Brennan, Counsel with Spencer Fane; Steve Downer, Mayor and Utility Commissioner from Buffalo; Jay Lutz, Utility Commissioner from Austin; Mary Stewart, Utility Commissioner from Elk River; and Madalyn Sukke, former Council Member and current Utility Commissioner from Detroit Lakes. Here is a summary of the ideas they shared.

Understand the legal framework

Minnesota law gives public utilities commissions substantial independent authority over utility operations, including setting rates, staffing, supplies, facilities, and service rules. City councils appoint commissioners and retain authority in areas such as franchises, rights-of-way, zoning, and permits. The two bodies may also enter agreements concerning shared resources, payments, and transfers. Local charters and agreements may further shape the relationship. See Minnesota Statutes sections 412.321 through 412.391 for the exact language, and keep this information handy in case you need to refer to it.

Legal authority provides the foundation, but it does not answer every practical question. A dispute that sounds like a disagreement over jurisdiction may actually stem from inadequate information, different policy priorities, an unexamined local custom, or a strained personal relationship. Identifying the real source of disagreement is often the first step toward resolving it.

Think of the utility as a city partner

A municipal utility is not an outside organization that happens to operate within city limits. It is a community-owned enterprise and an important part of the city's ability to serve residents and businesses.

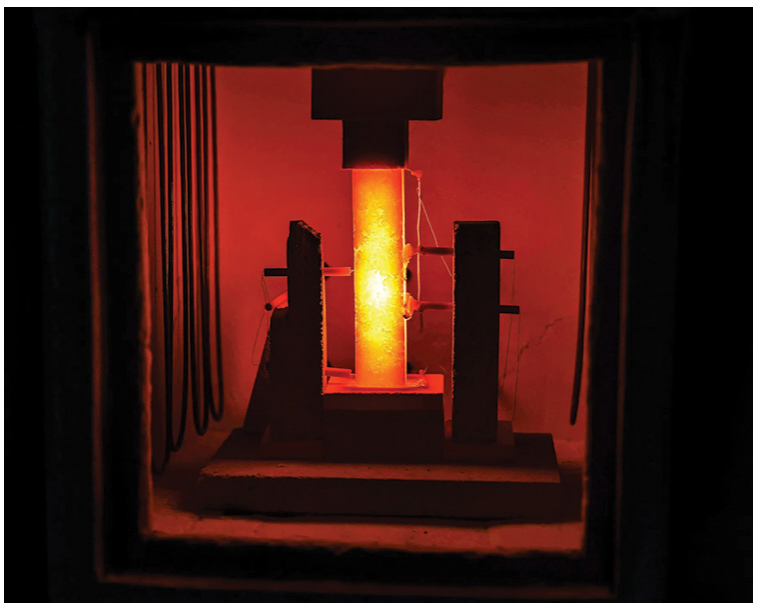
One useful goal is for the utility to become the city's "best friend": a trusted partner that brings expertise, infrastructure, personnel, and problem-solving capacity to shared community needs. That does not require either the commission or the council to surrender its authority. It does require both to resist an "us versus them" mindset.

Utility and city staff can support this partnership by keeping both bodies appropriately informed. Their role is not to act as a referee between elected and appointed officials. It is to provide accurate information, explain operational consequences, identify areas where responsibilities intersect, and help decision-makers understand the available options.

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Bricks can bring the heat



For more than a century, heavy industry has relied on fire to reach the temperatures needed to make cement, steel, chemicals, and glass.

A stack of electrically conductive bricks could give manufacturers another option.

Electrified Thermal Solutions (ETS) announced September 15 that building-materials producer Holcim plans to deploy two of the company's Joule Hive Thermal Battery units as part of Holcim's industrial electrification program, according to PRNewswire. The initial 20-megawatt-hour (MWh) installation will store electricity as heat and deliver temperatures up to 3,275°F (1,800°C), according to ETS. The project represents a potentially significant step for thermal storage technology as manufacturers explore ways to replace some fossil fuel combustion with electricity while taking advantage of lower-cost power when the grid has it available.

Industrial heat represents a large target. The International Energy Agency (IEA) reports that industries relying primarily on low-temperature heat and steam account for roughly 70 percent of global industrial energy consumption. Those sectors produced nearly 3 gigatons of direct energy-related carbon dioxide emissions in 2023. High-temperature operations present an even tougher challenge because cement kilns, steelmaking, and other processes require temperatures that conventional electric systems have struggled to provide economically.

Thermal batteries approach the problem differently. Rather than requiring a factory to consume electricity precisely when it needs heat, the systems can draw power when electricity costs less, convert it into heat, store the energy, and release the heat later.

ETS uses electrically conductive firebricks functioning as heating elements, storage material, and heat exchangers. The company says its system converts and stores electricity as heat at greater than 98 percent efficiency, according to a *pv magazine* article by Lior Kahana. In January, ETS commissioned its first commercial-scale Joule Hive at Southwest Research Institute (SwRI) in San Antonio. The system stores 20 MWh of heat and can supply hot gas to furnaces, boilers, and kilns.

SwRI designed support systems and oversaw construction of the San Antonio project, which received US Department of Energy funding. In a March 2026 press release, SwRI project leader Josh Schmitt said, "The technology SwRI will help to demonstrate is a purely electric system that could use renewable energy to generate and store heat up to 1,800 degrees Celsius."
He noted, "This would eliminate the need for fossil fuels and cut gas bills." Thermal storage could give industrial customers greater flexibility when natural gas prices rise or gas supplies become unavailable.

The economics depend heavily on local electricity and fuel prices. ETS Chief Executive Officer and co-founder Daniel Stack told *pv magazine* that electricity price dominates the levelized cost of heat from the system. He said the company can compete without subsidies in markets where delivered natural gas costs more than $35 per MWh. This calculation will vary by location, utility rate structure, operating schedule, and the amount of inexpensive electricity available.

The technology could create both opportunities and challenges for electric utilities. Industrial thermal batteries could add sizable new loads to distribution or transmission systems, requiring utilities and customers to examine interconnection capacity and infrastructure costs. At the same time, operators can schedule charging around periods of lower demand or abundant generation rather than drawing power continuously. The IEA identifies thermal storage as a technology to connect variable renewable generation with round-the-clock industrial heat demand.

Holcim sees the deployment as a test rather than a foregone conclusion. "Electrifying high-temperature industrial heat is one of the advanced technologies we are incorporating in our decarbonization strategy, and this deployment allows us to evaluate its potential," Ram Muthu, Holcim's Head of Operational Excellence, said in the September 15 announcement.

Thermal batteries still must prove their economics, durability, and scalability across different industries and power markets, yet commercial activity continues to grow. The IEA reported another developer, Rondo, began operating a 100-MWh solid-state industrial heat battery in 2025.

For utilities, the emerging technology raises a question reaching beyond industrial emissions: If manufacturers can shift energy-intensive heating from fuel combustion to dispatchable electric demand, thermal batteries could turn some of industry's hottest processes into a new kind of flexible electric load.



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From public ownership to public protection

Continued from page 3

the unproductive but natural tendency to communicate even less.

Practical actions you can take to make your utility worth defending and avoid undermining loyalty. The process of evolving your utility from something that is publicly owned—as even the long-gone Myrtle dump was—to something that is valued and defended—like the school, fire department, library, and parks—will take time and commitment. Here are some tips for getting (or keeping) the ball rolling.

1. **Build a culture focused on community partnership.** A culture focused on community partnership requires conversation and work to clarify values, attitudes, beliefs, and behaviors related to community engagement. Take time to have these discussions, write them down, and build systems that foster and reward doing things right at the individual, group, and organizational levels.

2. **Make ownership meaningful.** Don't merely tell ratepayers that they own the utility. Show them where the decisions are made, how they can participate, what local control allows, and where utility revenues and investments go.

3. **Make people visible.** Introduce employees and leaders before a time of crisis or high pressure. Be present at community events, schools, civic organizations, and ordinary gathering places. Build relationships beyond the circle of elected or appointed officials and established influencers. If things get tough, you'll need all of those relationships in all of those places.

4. **Translate utility work into community outcomes.** Connect projects and investments to things people already value. Safe water for families, reliable service for the hospital, protection during severe weather, the value of local jobs, and a legacy for the next generation all matter more to people than "utility services." Translate technical accomplishments into human meaning.

5. **Communicate while choices remain open.** Engagement after the major decisions have been made feels like salesmanship and a lack of transparency. Explain alternatives, tradeoffs, uncertainties, and constraints early enough for public input to matter.

6. **Demonstrate fairness.** Explain who pays, who benefits, who bears the risk, and what protections prevent one customer or outside interests from shifting costs to others.

7. **State under what conditions the utility would say "no."** This is particularly important with data centers and other controversial developments. A utility establishes credibility when residents feel the utility is actually evaluating a proposal, not merely promoting it.

8. **Admit mistakes and repair trust.** Nobody expects you to get everything right all the time—not even Dolly Parton did that. Credibility and loyalty depend on being willing to recognize a problem or a misstep and repair it. It's important to be willing to acknowledge what didn't work, explain what has been learned, and show what will change.

Public protection is an operating strategy, not a communications campaign. In the end, your utility's ability to either achieve or maintain protected status in the eyes of the community depends on how you walk the walk.

Looking back, even if the Myrtle dump had a crackerjack marketing team, it was ultimately doomed because its operations, quite literally, stank. Municipal utilities are in a much better position, but no communications effort can overcome a story where operations, governance, rates, and customer service contradict one another.

Good communication makes authentic value visible. It cannot permanently conceal misalignment between the utility's stated values of being community-focused and people's feelings about their actual experience.

The strongest municipal story is not the one in your brochure or on your website. It is in the spontaneous, unscripted explanation residents give to another when someone asks why the town still owns its own utility. If they see the value and care enough to defend it, you are probably in little danger of being dumped.

Public views shift as data center development accelerates

Americans' views of data centers grew more negative between January and August, with rising concern about their effects on energy costs, the environment, and nearby residents.

The shift matters for Minnesota's municipal utilities and communities as proposed projects raise questions about electric demand, infrastructure costs, economic development, and local oversight.

The July-August 2026 survey by Pew Research Center asked more than 10,000 US adults about data centers' effects on the environment, local jobs, local tax revenue, home energy costs, and quality of life for nearby residents.

Pew reported that 4 percent of Americans think data centers have a mostly good impact on the environment, home energy costs, and quality of life. Regarding impact on local tax revenue and jobs, 22 percent said data centers are mostly good, and a similar share responded mostly bad (21 and 24 percent, respectively). The finding comes as protests against proposed data centers have spread nationwide.

Minnesota communities are also confronting questions about data center development. While some have said "yes" to hosting these facilities as reflected in our page one story, that is not true for everyone. In Hermantown, a rural community of about 11,000 near Duluth, residents have raised concerns about nondisclosure agreements and secrecy surrounding the project, as well as its potential local and environmental effects. Their response has placed heightened attention on how projects are planned.

Like Hermantown, rural Americans have become more likely to view data centers

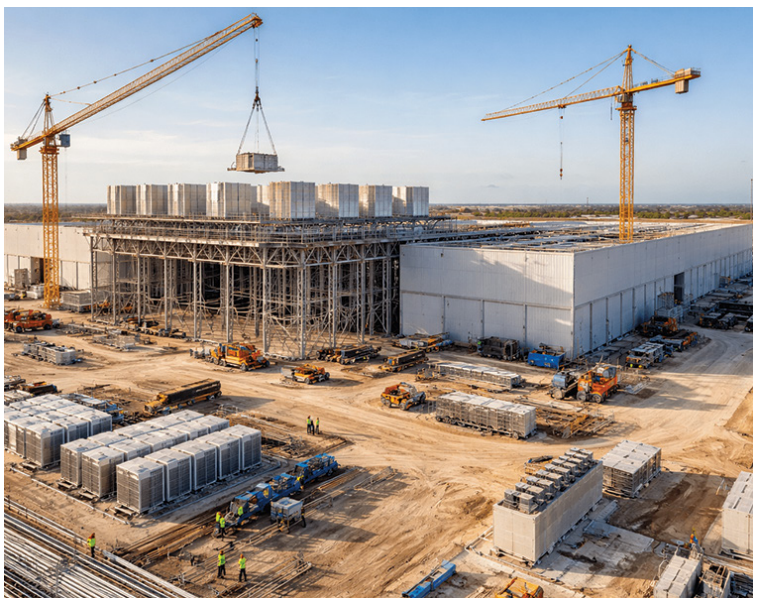
Continued on page 15





Data center development

Continued from page 14



negatively. From January to August, the share saying the facilities are mostly bad for the environment increased from 32 percent to 50 percent. The share citing negative effects on home energy costs rose from 32 percent to 46 percent, while the share citing concerns about the quality of life for nearby residents increased from 28 percent to 45 percent. Currently, most data centers are planned for development in rural areas. However, Americans in urban and suburban areas also increasingly rated data centers negatively on these measures.

Living near a data center does not appear to have much effect on public opinion about the facilities, according to the January Pew survey. Americans who live near an existing or planned data center are about as likely as those who do not to say they have heard or read at least a little about them. The two groups also hold similar views of data centers' effects on the environment, home energy costs, and local jobs.

As of February 2026, 38 percent of Americans lived within 5 miles of at least one operational data center, making proximity to the facilities a common experience even though it does not appear to substantially change public opinion.

The US has more than 3,000 operational data centers, and that total is expected to grow substantially. More than 1,500 additional data centers are in various stages of development nationwide, according to a Pew Research Center analysis of Data Center Map information.

- About 67 percent of planned data centers are in rural areas, compared with 13 percent of existing data centers.

- About 39 percent of planned data centers are in counties that currently have none.

The South and Midwest lead planned data center development

Three-quarters of planned US data centers are expected to be built in the South and Midwest, with the South alone accounting for nearly half, or 48 percent.

The August survey found that 60 percent of Americans would be either "not too comfortable" or "not at all comfortable" with a new data center operating in their area, reflecting the public questions that communities may face as development expands.

Commissions and councils

Continued from page 12

Plan together before major decisions arise

Joint planning is one of the most effective ways to prevent conflict. The commission and council do not need to combine every planning process, but they should have regular opportunities to discuss matters that affect the entire community.

Those conversations may include growth, capital projects, land use, workforce needs, emergency preparedness, economic development, and infrastructure coordination. Early discussion helps each body understand the other's priorities and reduces surprises.

Shared planning also changes the tone of difficult decisions. Instead of competing for limited money, land, personnel, or public support, the participants can begin with a common question: What outcome best serves the community?

Good information is essential. Commissioners may bring detailed knowledge of utility operations, system reliability, rate impacts, and long-term infrastructure needs. Council members may have a broader view of city finances, development priorities, competing public needs, and constituent concerns. Neither perspective is complete by itself.

Data gives participants something more productive to discuss than assumptions. Financial projections, engineering assessments, customer impacts, and alternative scenarios can clarify choices and expose trade-offs. Providing information early and in an understandable form allows decision-makers to ask better questions.

Build trust before it is needed

Relationships are easiest to build when no immediate controversy is demanding attention. Commissioners and council members benefit from understanding one another's roles, pressures, and expectations before they must work through a high-stakes decision.

Regular contact can be simple. Joint work sessions, periodic leadership meetings, shared tours of utility facilities, and concise operational updates can all build familiarity. New council members and commissioners should receive orientation not only about their own responsibilities, but also about the authority and work of the other body.

Information should be shared through dependable processes rather than personal alliances or channels available only to a few people. When everyone receives timely, accurate information, there is less room for suspicion that one group is being bypassed.

Trust also requires candor. Surface concerns early and discuss them directly with the appropriate people. Avoiding a difficult conversation may preserve short-term comfort, but it can allow frustration and competing narratives to grow.

Communicate routinely and avoid surprises

A healthy relationship depends on more than sending information when a vote is approaching. Councils and commissions need routine communication about developments that may affect the other body or attract public attention.

Surprises are especially damaging when one body learns about an important matter during a public meeting, through the news media, or from an unhappy constituent. Even when the responsible body has clear authority to act, advance notice can preserve trust and allow others to answer questions accurately.

Comments made in public by commissioners, council members, and staff deserve particular care because a casual remark may be interpreted as an official position. Before speaking about a disagreement, participants should verify the facts, distinguish personal views from official actions, and characterize the other body's position accurately.

Learn together from community events

Collaboration should be reviewed after it is tested. Following a major storm, service disruption, public celebration, construction project, or other shared undertaking, utility and city representatives should examine what worked, what caused confusion, and what should change next time.

These discussions do not need to assign blame. A practical review can consider how information moved, whether responsibilities were understood, how resources were coordinated, and what residents or customers experienced. Capturing the lessons while events are fresh allows the city and utility to improve plans, clarify contacts, and prepare for the next shared challenge.

Keep the shared purpose in view

A productive commission-council relationship is not measured by the absence of disagreement. The two bodies may view risk, cost, timing, or public expectations differently, and those differences can improve a decision when they are handled constructively.

The stronger measure is whether people can raise concerns without damaging relationships, distinguish authority from preference, and continue working together after a difficult decision. Clear roles, mutual respect, and a willingness to see the issue from another vantage point all matter.

Municipal utilities and cities are most effective when they approach each other as parts of the same community enterprise. Shared planning, reliable information, routine communication, and deliberate relationship-building give both commissions and councils a better chance to fulfill their responsibilities - and give the community better results.

Want to learn more?

Each year MMUA offers a day-long session for commissioners, council members, and staff. *Governance in Action: The View from the Commissioner's Chair* provides education and dialogue around these and other critical topics for success. The next session will be held in St. Cloud on March 12, 2027. Registration will open in December. MMUA also offers consulting services to assist councils and commissions with strategic planning and other governance issues. Contact Karleen Kos for more information.



Xcel billing investigation offers lessons for all utilities

Billing and customer service problems at Xcel Energy are drawing increased scrutiny from Minnesota cities, customers, and state regulators. How the situation is unfolding offers useful operational lessons for all utilities.

Advocates allege widespread billing problems. The Minnesota Public Utilities Commission (PUC) opened an investigation in 2025 after its Consumer Affairs Office documented a sharp increase in billing complaints involving Xcel Energy. The proceeding, Docket E, G-002/CI-25-341, initially focused on residential customers, but it has expanded to include commercial and industrial accounts and questions about Xcel's broader customer service performance.

According to the Citizens Utility Board of Minnesota (CUB), residential billing complaints involving Xcel rose from 210 in 2019 to 1,191 in 2024. The PUC is considering what corrective action may be warranted and whether an independent third-party investigation is needed.

More recent filings indicate that the problems have affected municipal accounts as well. According to September 30 coverage in the *Minnesota Reformer*, the City of Roseville reported that one municipal property went without an electric bill or solar-production credits for eight months in 2024 and 2025. The City subsequently received a bill for approximately $15,000. Roseville also described delayed and duplicate bills that required additional staff monitoring and complicated the city's energy-use reporting.

The City of St. Louis Park reported more than $6,500 in late charges during a recent 12-month period, along with billing for a demolished property and an invoice that apparently belonged to a private business. The City also said it lost approximately $16,000 in 2023 after it was not informed of its eligibility for a lower-priced renewable-energy program before enrollment closed.

It's not just the bill. Other filings describe missing or delayed payments for customer-owned solar generation, misapplied payments, inaccurate usage information, and repeated difficulty resolving problems through customer service channels.

The filings represent customer accounts and allegations within an active regulatory proceeding. The Commission has not made final findings on the full scope or causes of the problems.

Xcel has acknowledged that work remains but says its performance is improving. A company spokesperson told the *Minnesota Reformer* that Xcel has increased billing staff, reduced backlogs, and addressed underlying process problems. The company reported that residential invoices canceled because of controllable billing problems declined from 7,098 in July to 4,812 in August; it was the lowest monthly total in more than two years.

Xcel disputes the need for an independent investigation and says some reported solar payment problems involve customer eligibility, vacant properties, or other factors outside the company's control.

The Minnesota Attorney General's Office and consumer advocates contend that Xcel may be defining billing errors too narrowly and that recurring problems warrant a broader review. CUB and the Legal Services Advocacy Project have asked the Commission to order an independent third-party investigation.

Municipals are not involved, but they can learn from Xcel's experience. The docket concerns Xcel and does not establish that municipal utilities are experiencing comparable problems. The negative press and repercussions Xcel is facing from frustrated customers, however, remind us that billing is among a utility's most visible and consequential customer interactions.

A reliable billing system must do more than calculate charges correctly. It must identify accounts that have not been billed; unpaid credits; unexpected usage changes; duplicate invoices; and properties that have been sold, transferred, or demolished. Utilities offering distributed-generation credits, special rates, or customer-assistance programs also need controls to confirm that eligible customers are enrolled and compensated on time.

Consider these safeguards. Municipal utilities may want to review several practical precautions:

- Run exception reports identifying missing, delayed, or duplicate bills each cycle.
- Run aging reports for unpaid distributed-generation credits and unresolved adjustments.
- Review or implement reconciliation procedures for closed, transferred, and demolished properties.
- Make sure you have controls verifying that payments and credits are applied to the correct account.
- Conduct testing following billing software, meter data, or customer-information-system changes.
- Ensure you have implemented clear escalation procedures when frontline employees cannot resolve a problem.
- Track repeat contacts and the time required to close customer complaints.
- Use a periodic review of customer eligibility for special rates, assistance programs, and credits.

Customer communication is equally important. When a problem cannot be corrected immediately, customers should receive a clear explanation, a responsible point of contact, and realistic expectations for resolution. Disconnection warnings, late charges, or collection activity caused by a utility's own unresolved error can quickly turn a technical problem into a matter of public trust.

For hometown utilities, the commission or city council may also benefit from periodic reporting on billing accuracy, unresolved complaints, and the results of significant system changes. Local control works best when decision-makers can see and act on emerging problems before individual cases become part of a broader pattern that undermines the utility's credibility.



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Attorney Kaela Brennan and her Spencer Fane colleagues are proud to be long-time supporters of MMUA.

As General Counsel to MMUA, Kaela advises multiple municipal utilities and government entities in key areas:

- Utility transactions
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- Regulatory issues
- Dispute resolution

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Around the state



Great River Energy announced August 13 that crews had begun setting structures for the **Northland Reliability Project**, a roughly 180-mile transmission line between Central and Northern Minnesota. Crews set the first structure July 17 near St. Cloud and began stringing the first transmission lines in early August. Great River Energy and Minnesota Power plan the double-circuit, 345-kilovolt project to strengthen regional reliability as electricity demand and the generation mix change. Construction will continue along several work fronts, with the utilities targeting 2030 for the line to enter service.

The Minnesota Public Utilities Commission voted July 30 to establish a **common wildfire mitigation planning framework** for four utilities. Dakota Electric Association, Minnesota Power, Otter Tail Power Company, and Xcel Energy must submit wildfire mitigation plans by February 2027. The Commission based the new framework partly on a June technical memorandum from Lawrence Berkeley National Laboratory that addressed distribution planning and design standards. Utility representatives did not oppose the February deadline but cautioned that some requested information may not yet exist. The requirement brings wildfire preparation into Minnesota utilities' formal distribution-planning process.



Google's proposed Pine Island data center will remain before Minnesota regulators this fall as Xcel Energy seeks approval for infrastructure needed to serve the project. The utility proposes a 1.2-mile, double-circuit 345-kilovolt transmission line connecting its North Rochester Substation with the data center site. The Minnesota Public Utilities Commission scheduled public meetings for September 14 and 15 before making a route decision, which Xcel Energy expects in late 2026 or early 2027. Construction could begin in 2027, with completion targeted for late 2028 if regulators approve the project.

Minnesota communities will receive **$88.6 million in loans and grants for 12 drinking water and wastewater projects,** the Minnesota Public Facilities Authority announced September 3. Nine cities will use the money for projects ranging from treatment upgrades and sewer rehabilitation to water-main improvements. St. Paul, Duluth, and South Saint Paul will replace nearly 4,000 lead service lines. Other recipients include Amboy, East Grand Forks, Elbow Lake, Marble, Ortonville, Sacred Heart, and Scandia. The Authority primarily draws funding from state revolving funds and other state water programs. Since 1987, it has provided nearly $7.7 billion for public infrastructure projects across Minnesota.

Otter Tail Power Company is advancing two Minnesota battery projects as it evaluates energy storage for reliability and cost management. The utility plans a battery energy storage system near its Hoot Lake Solar site in Fergus Falls, where batteries will store lower-cost electricity and return it to the grid during periods of higher demand. **Otter Tail Power Company also plans a collaborative storage project with the University of Minnesota Morris**. The utility says both projects will help it evaluate how batteries can complement existing generation and provide greater operational flexibility. The projects reflect growing interest in storage as Minnesota utilities add renewable resources while maintaining reliable electric service.



Rapid growth is pushing Otsego to expand its municipal water system. The city has averaged nearly 300 new homes annually over the past five years, while its population nearly doubled from 2018 to 2025. Otsego now plans several projects to improve water quality, reliability, and capacity as the population approaches a projected 35,000 by 2040. The city is upgrading two wellhouse sites, studying future water sources, and planning another water treatment facility in south-central Otsego. City officials say the combined projects will help the municipal system keep pace with development while maintaining dependable drinking water service.

In Nobles County, Bloom and Elk townships, along with the county board, have passed **resolutions opposing the proposed 765-kilovolt transmission** project linking eastern South Dakota and southern Minnesota. Xcel Energy's Randy Fordice said the lines are intended to support long-term reliability as electricity demand grows and generation resources change. He said the county's annual electric load is projected to rise nearly 30 percent, and each mile of line could generate about $30,000 annually in property taxes. Commissioners and township officials raised concerns about routing, landowner compensation, livestock, stray voltage, and whether the project would primarily serve data centers. The certificate of need remains under review, with public hearings expected in November and a route permit application anticipated in February.

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Bits & pieces

On September 11, the US Commerce Department finalized **steep tariffs on solar cells and panels** from India, Indonesia, and Laos after investigations found producers sold products below fair value or benefited from government subsidies, Reuters reported. The tariffs vary widely by company and country and could reshape solar supply chains as developers seek equipment for planned US projects. Reuters reported domestic manufacturers argue trade enforcement creates fairer competition for American factories, while solar developers and importers say higher equipment costs and tighter supplies could slow projects and raise costs. The US International Trade Commission must make its final injury determination before the duties take full effect.

US solar developers installed 11.4 gigawatts of capacity during the second quarter of 2026, a 45 percent increase from a year earlier, according to the Solar Energy Industries Association and Wood Mackenzie. They attributed some of the surge to developers accelerating projects ahead of changes to federal tax incentives, while permitting and policy uncertainty could restrain longer-term growth. Globally, Rhodium Group and Massachusetts Institute of Technology researchers reported clean-technology investment fell 17 percent during the first half of 2026 compared with the same period in 2025. China accounted for most of the decline following rapid earlier expansion, policy changes, and manufacturing overcapacity. Rhodium reported that global investment recovered 5 percent in the second quarter.



Higher oil prices and expanding access to overseas markets have strengthened Canada's oil industry, but **producers remain cautious about committing billions to new oil-sands projects.** Reuters reported that Canadian production should surpass its 2025 record of 5.3 million barrels per day this year, while the expanded Trans Mountain pipeline has opened greater access to Asian buyers. The Canadian government also supports additional west-coast pipeline capacity. Reuters reported the proposed pipeline expansions would require oil-sands production to grow substantially faster than its recent pace. Producers continue to weigh high development costs, long construction timelines, future oil demand, environmental requirements, and regulatory uncertainty before approving major new projects.

The **JH Campbell coal plant in West Olive, Michigan,** was scheduled to close last year but has remained open under an emergency order from the Department of Energy, which invoked short-term federal emergency authority. According to Mara Hoplamazian of *The Washington Sun*, the federal circuit court rejected the move, ruling that the use of "emergency" authority exceeded its limits and could lead to frequent federal interventions that threaten energy market stability. The current administration strongly supports funding coal, which the commissions also said could discourage the development of new resources.

The City Council in Rapid City, South Dakota, voted unanimously to hire outside legal counsel to pursue collection lawsuits against property management company Tzadik Management over hundreds of thousands of dollars in overdue water and sewer bills. The company responded that it has made consistent payments since last year, according to a KOTA news story. The city has threatened to sue, but its legal options are limited under South Dakota law. The state does not allow municipalities to place lines on properties or initiate foreclosures over delinquent utility accounts. One council member noted that the only other option is to shut off water service, which the city cannot realistically do. Approximately $390,000 in overdue charges is tied to a portfolio currently in bankruptcy

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proceedings, making a separate collection lawsuit duplicative, the company argued. It also noted that Tzadik recently complied with city orders by spending more than $150,000 to demolish 40 condemned garage structures at Star Village before the city's deadline.

Spokane, Washington, has just introduced a program to help lower utility rates for micro-sized living units. Apartments of 350 square feet or less with a bathroom and cooking area will pay 60 percent of standard multi-family rates for sewer service and water-wastewater infrastructure, resulting in savings of about $28 per month per unit. City officials said the change reflects lower utility usage in micro-units and is intended to support affordable housing development. The new customer classification was approved by the Spokane City Council as part of a broader utility rate update for 2027 and 2028. Existing property owners must register qualifying units to receive the reduced rates.

Maryland electric utility customers could see relief on future bills after Exelon pledged to return approximately $160 million in tax refunds to ratepayers, according to WYPR News. The refund stems from a Maryland Supreme Court ruling that utilities owning transmission infrastructure qualify for a sales tax exemption on certain equipment purchases. The decision requires the state to refund nearly $280 million in taxes and interest paid by utilities. Exelon, parent company of BGE, Delmarva Power, and Pepco, said it intends to return the funds to customers after filing plans with state regulators. State officials argued the refunds ultimately belong to ratepayers because utilities recovered those tax costs through customer rates. Utility regulators will determine how and when customers receive the credits.

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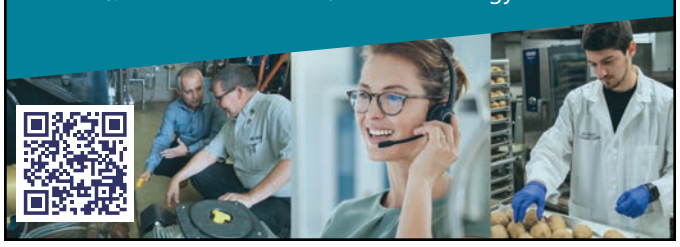
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Marshall generates a new layer of reliability

Continued from page 6

could not achieve on its own.

"Our approach is simple," Wyffels and Mead said. "We want a mix of resources that gives Marshall reliable, affordable power, and no single resource can do that alone."

Marshall Solar Plus provides local renewable energy, and its batteries allow energy to be used when it is needed most. Solar production depends on the weather, however, and battery storage has a limited operating duration.

The generators can start quickly when renewable production declines, demand increases, or transmission interruptions threaten service. They can operate day or night, in any season, with the downtown turbine continuing to provide another local resource.

MMU also plans continued investment in substations, its distribution system, and other infrastructure to support Marshall's growth. Utility officials view each investment as part of a broader effort to strengthen the system.

Planning for the next generation

For Wyffels, one of the project's lessons has been the importance of planning and involving partners early. Infrastructure decisions take years to develop and can serve a community for decades. He credited the utility commission, MMU staff, the city, MRES, and other partners, emphasizing the importance of keeping everyone informed along the way.

The downtown turbine is a reminder of that responsibility. An investment made in 1968 continues to serve Marshall today, and utility leaders want the decisions they make now to provide similar lasting value.

For Wyffels, a Marshall native who began his utility career in MMU's electric department, the investment also carries personal significance.

"I've seen firsthand the work it takes to keep the power on, and I know how much our customers depend on it," he said. "This is my hometown, and it's a privilege to serve it."

The project offers other municipal utilities a practical lesson in long-term planning.

"Own your local generation, finance it responsibly, and work with your joint action agency where it makes sense," Wyffels and Mead advised. "That's the value of public power and joint action working together."

While each community's needs differ, MMU officials believe other Minnesota municipal utilities could use a similar approach. They are willing to share what they have learned with utilities considering comparable investments.

A safety manual is a guidebook, not a how-to book

Safety corner

Understanding the distinction among requirements, procedures, and training can strengthen a utility's safety program.

In the utility industry, a safety manual is one of an organization's most important documents. It sets expectations, communicates requirements, and gives employees and supervisors a common framework for working safely.

It is also one of the most misunderstood.

A safety manual should be treated primarily as a regulatory and organizational guidebook—not a step-by-step how-to book. It explains what must be done to meet safety requirements and protect employees. Detailed instructions for individual tasks belong in procedures, program manuals, manufacturer instructions, job briefings, switching orders, and other task-specific resources.

That distinction is more than semantics. It is fundamental to building an effective safety culture.

The manual establishes the rules

Think of a safety manual like the rules of the road.

Traffic laws establish speed limits, right-of-way requirements, and the meaning of traffic signals. They tell drivers what they must and must not do. But traffic laws do not tell a driver exactly how much pressure to apply to the brake pedal or provide step-by-step instructions for maneuvering through every intersection.

A safety manual serves a purpose similar to a rules-of-the-road booklet.

It establishes expectations concerning such issues as workplace safety, personal protective equipment, hazardous-energy control, grounding, fall protection, and other workplace hazards. It answers important questions: What is required? When does the requirement apply? Who is responsible? What safety practices must be maintained?

What it generally should not attempt to answer is proper procedure. "Exactly how do I perform every step of this particular job?" is a question you should not expect to answer in a safety manual.

That answer requires another layer of information.

Procedures explain the "how"

Consider lockout/tagout. A safety manual can establish that hazardous energy must be controlled before employees perform applicable work. That requirement tells employees what must happen.

But it cannot reasonably provide shutdown and isolation instructions for every piece of equipment at every utility. Equipment, energy sources, isolation points, and operating sequences vary by system.

Those details belong in equipment-specific procedures and training.

The same principle applies throughout utility operations. Policy establishes the requirement, procedures establish the method, and training develops an employee's ability to apply both correctly.

OSHA's training requirements demonstrate why the distinction matters. Employees exposed to certain hazards must receive training in the safety-related work practices applicable to their job assignments. Qualified employees require additional skills and knowledge appropriate to the hazards they face. Simply including a requirement in a manual does not ensure employees have the knowledge, skills, and competency needed to perform specialized work safely.

Avoid the "everything manual"

When revising a safety manual, there is a natural temptation to address every question by adding more instructions.

A field situation prompts another paragraph. A successful local procedure gets proposed for inclusion. Over time, the manual can become a regulatory guide, operating standard, procedure, training textbook, and equipment manual all at once.

More information does not automatically produce better safety.

Equipment changes. Systems are modified. Manufacturers update instructions. New technologies emerge. Individual organizations also have different system configurations and operating practices. Embedding task-level directions into a broad safety manual can make the document harder to use and more difficult to keep current.

It can also blur an important line between establishing a safety requirement and prescribing exactly how it must be accomplished.

A useful question to ask when reviewing a safety manual is:

Is this language establishing a safety requirement, or teaching a specific method for performing the work?

If the language establishes a necessary safety boundary or requirement, it likely belongs in the safety manual.

If it explains exactly how a crew should complete a task or use a particular piece of equipment, it may be better suited to an operating procedure, standard operating procedure, training program, or manufacturer instruction.

One manual can only teach so much

Recognizing this distinction does not diminish the importance of the safety manual. Quite the opposite.

A strong manual forms the backbone of a safety system by defining expectations and creating consistency. But owning a comprehensive manual should never be mistaken for having a trained workforce.

An effective safety system instead works in layers:

- The safety manual establishes the rules and requirements.
- Standard operating procedures define how specific work is performed.
- Training develops employee knowledge and skills.
- Job briefings apply requirements to today's work and hazards.
- Supervision and demonstrated competency help translate those principles into safe actions in the field.

Each serves a distinct purpose, and none should be expected to replace the others.

That distinction is particularly important when safety manuals are revised. The goal should not necessarily be to create the biggest or most detailed manual. The goal should be to create the clearest and most effective safety framework.

A manual cannot anticipate every movement an employee will make, every piece of equipment an organization will purchase, or every condition a crew will encounter.

Nor should it try.

MMUA supports the adoption and use of the APPA Safety Manual. Like any safety manual, it should be viewed as a guide to regulatory standards rather than a task-specific how-to book. Members participating in MMUA's safety management program also receive program manuals designed to support compliance and help utilities develop standard operating procedures. Together, these resources strengthen day-to-day safety practices.

The safety manual sets the guardrails. Procedures and program manuals provide direction. Training develops skills. Employees bring all three together where safety matters most: in the field.

Upcoming events

2026 Technical & Operations Conference

December 8–10, 2026
Holiday Inn & Suites
St. Cloud, Minnesota

The Technical & Operations Conference (or "T&O") is a not-to-be-missed event for managers, crew leads, lineworkers, and others. This is the perfect venue to join fellow public power professionals to hear speakers on timely topics, participate in discussions, share ideas, and connect with friends old and new.

Come and listen to a great lineup of speakers, presentations, and topics that will be covered during this year's T&O Conference! Plus, learn about new products and services and speak with supplier representatives during the trade show.

Visit mmua.org/events for more information or to register. The hotel block closes on November 7, 2026.

Transformer School

December 14–15
MMUA Training Center
Marshall, Minnesota

Transformer School will focus on three-phase transformer connections. Scott Meinecke, our highly qualified instructor, has decades of experience working with and providing training on all manner of topics related to transformers. Participants will appreciate Scott's unique ability to explain complicated subjects in an easy-to-understand way.

This course includes classroom and hands-on instruction. Participants can expect to learn about the basics of transformers, including turns ratios, polarities, calculations, and connections. Working with miniature transformers, participants will put their troubleshooting skills to the test.

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

2027 Legislative Conference

January 26-27, 2027
Drury Plaza Hotel
St. Paul, Minnesota

MMUA's Legislative Conference is an essential opportunity for municipal utilities to inform and influence state lawmakers on issues of importance to municipal utilities. The 2027 conference will occur about one month into the session, as lawmakers formulate bills. This timing makes it an ideal moment to push hard for MMUA's legislative agenda.

The first afternoon, attendees will visit the Capitol and nearby offices and are encouraged to meet with their legislators. Day one ends with a social reception at the Drury Hotel, ideally with legislators in tow.

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