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Reasonable suspicion in the era of legal cannabis: what utilities need to know

By Joe Schmidt, MMUA Assistant Director of Workplace Safety Services, and Shelly Dau, MMUA Director of Organizational Development and Human Resources

This article is the second in a series about the importance of reasonable suspicion, drug and alcohol testing, and the role of the Designated Employer Representative (DER).

Minnesota's legalization of adult-use cannabis has brought a wave of questions to public employers—especially municipal utilities, where safety-sensitive work is a daily reality.

As laws evolve and societal norms shift, MMUA members find themselves navigating an increasingly complex landscape: protecting employee rights while preserving the uncompromising safety standards our industry demands.

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As Minnesota's cannabis laws evolve, municipal utilities are balancing employee rights with the demands of essential, safety-sensitive work.

Preparing for the worst is best done together

MMUA is pleased to announce a new initiative to strengthen Minnesota's electric grid through a series of Regional Utility Resiliency Tabletop Exercises.

Supported by funding from the Minnesota Department of Commerce (DOC) Grid Resiliency Grant, these exercises will be provided free of charge to MMUA member communities.

This in-person training will take place in six regions across the state and is open to representatives from invited communities, electric cooperatives, and investor-owned utilities. Space is limited.

MMUA's Director of Safety and Training, Mike Willetts, partnered with representatives from the Minnesota DOC to develop this training. Participants will have the opportunity to put their Emergency Action Plans (EAPs) into action while working through a realistic, electric utility-based emergency scenario affecting citywide services.

Each tabletop exercise will simulate large-scale events impacting both municipal operations and the regional electric grid. Scenarios may include wildfires, flooding, high wind storm damage, extended power supply interruptions, and other major emergencies. Through small group discussions, participants will explore the local impacts of these events and review the coordinated, long-range planning steps required to restore essential services.

The goal of each exercise is to provide practical, real-world insight that enhances regional mutual aid preparedness. Topics include city operations, utility functions, evacuation considerations, recovery, and system restoration.

Training locations and dates include:

- Thief River Falls: April 28
- Brainerd: April 29
- Grand Rapids: May 19

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MPUC changes require updates to municipal utilities' technical specifications

MMUA, in conjunction with STAR Energy, will be offering essential training in April 2026 that includes Technical Specifications Manuals (TSMs) to help utilities comply with recently revised regulations.

The TIIR (Technical Interconnection and Interoperability Requirements) adopted by the Minnesota Public Utilities Commission (MPUC) in 2020 establish uniform technical standards for how distributed energy resources (DER)—like solar and storage—must connect to Minnesota's electric grid. They are needed to ensure safety, reliability, and consistent performance across utilities as more customer-owned generation and advanced inverter technologies come online.

Since 2021, the TIIRs have referred solar installers to each electric utility's own TSM to answer questions on certain issues for which the answers depend upon the local utility's own requirements. Those issues include performance, metering, communications, safety, and others, making a TSM equally necessary operationally and legally for every municipal utility. Compiling a TSM that contains all the required elements is not a simple task for utility staff, and the task is expensive to contract out. This has made TSM adoption and regulatory compliance difficult for municipal utilities. Many still do not have a TSM customer to whom they can look, placing the utility in a precarious position should its absence be noted.

Further complicating the matter, the MPUC is poised to adopt changes to the TIIR in March. These modifications are intended to modernize the TIIR and tie them more closely to updated IEEE standards and DER performance expectations. As a result, utilities will need to revise their TSMs to remain compliant and to reflect the

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To unify, support and serve as a common voice for municipal utilities

MMUA welcomes feedback and questions from readers. Staff members listed in this publication can be contacted directly through MMUA's website at mmua.org/staff, or general inquiries may be sent to info@mmua.org

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Calling commissioners, council members, and mayors!

MMUA has an opening on its Board of Directors for an individual who is a mayor, city council member, or voting member of the municipal utilities commission or governing board in an MMUA member community.

The community does not need to own and operate a municipal electric utility, though it must be a regular member of MMUA.

The MMUA Board vacancy resulted from Bruce DeBlieck's term on the Willmar Utilities Commission expiring at the end of 2025. He was thus ineligible to continue serving on the MMUA Board, though his term ran until August 2026. The individual selected to fill the vacancy will be appointed to complete DeBlieck's term and then nominated for their own three-year term running from August 2026 to August 2029.

The 2025-26 MMUA Board of Directors includes: (Front row, left to right) Jeremy Carter, Hutchinson; Bruce DeBlieck; retired from Willmar; Cassie Heide, Fosston; Mark Hanson, Elk River; Pete Moulton, Saint Peter; Jay Lutz, Austin. (Back row, left to right) Roger Warehime, Owatonna; Keith Butcher, Princeton; Greg Drent, Shakopee; Kevin Lee, Marshall; Harold Langowski, Ely; Tim Stoner, Blue Earth.

For more information, please contact MMUA's CEO, Karleen Kos, at kkos@mmua.org by March 10, 2026.

Reasonable suspicion in the era of legal cannabis

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Last month in *The Resource,* we explored the vital role of the DER in maintaining a compliant, defensible drug and alcohol testing program. The DER remains central to coordinating testing, ensuring regulatory compliance, interpreting test results, and supporting supervisors. As we shift this month to reasonable suspicion in a post-legalization environment, the DER's expertise becomes even more essential. Their decisions and oversight directly influence how confidently and appropriately an organization responds when impairment concerns arise.

This article—the second installment in the series—dives deeper into what frontline supervisors, human resources (HR) professionals, and utility leaders need to understand about reasonable suspicion, impairment, and organizational responsibilities under Minnesota's new laws.

A changing legal landscape

For decades, employers could lean on a straightforward, zero-tolerance framework: cannabis was illegal, any detectable presence violated policy, and drug testing protocols were relatively clear-cut. Minnesota's legalization of cannabis in 2023 changed that framework.

Under current statute, cannabis and lower potency hemp products are considered lawful consumable products, and employees are protected from discipline for off-premises, off-duty use. Minnesota treats these products similarly to alcohol in this respect—legal to consume outside work, but prohibited during work hours, on employer property, or while operating vehicles or equipment. For safety-sensitive industries like ours, this shift raises new challenges—and raises the stakes for everyone involved.

The old model of simply "testing positive" is no longer enough to determine whether workplace safety was compromised. Instead, employers must now rely heavily on behavior-based observation, credible documentation, and trained supervisors who know what they are seeing.

Clearing up common misconceptions

Much of the confusion in workplaces stems from misunderstandings about the substances themselves. The distinctions among cannabis, marijuana, hemp, CBD, delta 8 THC, and delta 9 THC aren't academic—each has its own implications for impairment and testing.

Facts every supervisor should know:

- Both marijuana and hemp are types of cannabis.
- THC (tetrahydrocannabinol) and CBD (cannabidiol) are cannabinoids found within cannabis.
- Delta 9 THC produces the classic "high" associated with marijuana.
- Delta 8 THC, found in hemp or synthesized from hemp-derived CBD, is milder but still psychoactive.
- Both delta 8 and delta 9 THC impair judgment, coordination, reaction time, memory, and attention—the very skills utility employees rely on daily.

Compounding the challenge, many THC-infused hemp beverages and gummies are indistinguishable from ordinary consumer products. Employees may unintentionally consume more than intended or fail to recognize the delayed onset effects. As a result, Minnesota utilities should anticipate a broader range of products and potency levels showing up in the workplace than ever before.

The key takeaway: anything capable of causing impairment must be treated as a workplace safety risk—no matter how it is packaged, promoted, or perceived.

What hasn't changed: safety still comes first

While state law now protects off-duty use, it does not diminish an employer's responsibility to maintain a safe work environment. Minnesota law still empowers employers to prohibit use, possession, transfer, or impairment during work hours, on employer premises, or while operating vehicles or equipment.

Federally regulated positions—CDL drivers, pipeline workers, and others covered by DOT—remain subject to zero tolerance requirements that supersede state law. For utilities with mixed workforces, this dual legal environment requires consistent communication and strong policy alignment.

Impairment on the job remains unacceptable under any legal framework.

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Constructive candor: fostering a culture of speaking up

On January 28, 1986, I stood in the common room outside a college bookstore in Point Lookout, Missouri, watching the Challenger space shuttle lift off from Cape Canaveral.

Seventy-three seconds later, I was staring in disbelief as the shuttle broke apart over the Atlantic. Millions of others felt the same way.

We later learned that simple O-rings had failed in the unusually cold launch temperatures. The day before, several engineers warned this could happen, but they did not press the issue when managers were unreceptive. Roger Boisjoly, one of those engineers, later described how he and his colleagues stopped pushing their concerns after receiving cold, dismissive stares. "At that moment," he said, "I felt totally helpless and felt that further argument was fruitless."

Forty years later, the Challenger disaster remains a defining example of how groupthink—the false consensus that occurs when people prioritize cohesion over candor—can lead to catastrophic outcomes. And while most of us will never face decisions of shuttle launch magnitude, the same dynamics can affect any workplace, including municipal utilities.

Groupthink and constructive candor

Groupthink can occur when you have a great team that values unanimity—to a fault. It's when everyone wants to feel like one of the guys, so nobody speaks up. It's when everyone wants to please the boss or the customer so badly that delivering tough news doesn't happen. It also occurs when—as in the Challenger situation—there's a culture that punishes dissent or seems to prioritize timelines, budgets, or public relations over doing the more difficult thing.

Regardless of the reason, the result is the same. Bad stuff can happen when a team gets it wrong. And this is true for teams in the field repairing lines or flushing hydrants, in the office testing a new software package, or in a commission meeting deciding on rates. In all these cases, the risks of silence are real. The antidote is constructive candor: speaking honestly and promptly, especially when it's uncomfortable.

Constructive candor thrives in environments with psychological safety—a fancy term for work conditions where people believe they can speak up without fear of negative consequences. When psychological safety is high, organizations see better safety records, higher retention, and stronger job satisfaction. More than 80 percent of employees say the ability to speak up without repercussions is one of the most important characteristics they value in a workplace. When employees feel their opinions count, safety incidents drop, and near-miss reporting increases.

Psychological safety also improves leadership. Leaders become less defensive and more able to act in the organization's best interest. Boards with high psychological safety are more resilient and engaged. As one expert put it, "Psychological safety isn't just about feeling good—it's about performing better."

Some utility professionals may view these ideas as too "touchy-feely," but psychological safety is not about being nice. It is about creating the conditions for better decisions and safer operations. Drawing on a 2025 *Harvard Business Review* article by Amy Edmondson and Michaela Kerrissey, here are common misconceptions about what is needed to create an environment where psychological safety and constructive candor can thrive—and the realities behind the misunderstandings.

Misconception 1: Psychological safety means being "nice." Teams sometimes assume that if no one disagrees, they must be psychologically safe and functioning at a high level of consensus.

Reality 1: Psychological safety is permission for candor, not comfort. Good decision-making requires people to speak up even when it's uncomfortable. A focus on being nice avoids difficult conversations. Instead, emphasizing both candor and kindness supports honesty and respect. Teams that dodge hard truths may feel harmonious in the moment, but they are more likely to make poor decisions. In utilities, this can mean operational mistakes, safety risks, or costly oversights.

Misconception 2: Psychological safety means getting your way. Some believe that if they speak-up and their idea isn't adopted, psychological safety has been violated.

Reality 2: Psychological safety guarantees a hearing, not agreement. Leaders still must weigh competing inputs and make decisions. Psychological safety supports the process, not any individual outcome. It also does not excuse bad behavior. Accountability for disrespectful or harmful conduct remains essential, whether someone is sharing concerns or reacting to a decision.

Misconception 3: Psychological safety protects the status quo. Some employees interpret psychological safety as protection from reassignment or organizational change.

Reality 3: Psychological safety is freedom from retaliation, not from consequences. People can still be reassigned, coached, or held accountable. What psychological safety ensures is that employees can raise concerns—even about leadership decisions—without fear of punishment. When employees speak up respectfully in open meetings rather than whispering in hallways, it's a sign of trust, not insubordination.

Misconception 4: Psychological safety undermines accountability. Some leaders fear that encouraging candor will lead to excuses, lower performance, or lax standards.

Reality 4: High performance requires both high standards and high psychological safety.

In complex environments like utility operations, teams must surface risks, learn quickly, and adapt. Without psychological safety, people hide mistakes or take chances. Low psychological safety can look like smooth operations—until a serious failure or injury occurs.

Misconception 5: Psychological safety can be created through policies. They think policies such as whistleblower protections, surveys, or tailgates inherently protect the right to speak your mind.

Reality 5: Psychological safety is built through everyday interactions. Policies are important, but trust and openness cannot be mandated. Leaders build psychological safety by:

- Explaining challenges ahead and why input matters
- Modeling curiosity and humility
- Teaching people how to invite and respond to feedback
- Closing the loop so employees understand why ideas were or were not acted upon

Misconception 6: Psychological safety is top-down only. Some assume only top leaders can fix psychological safety problems.

Reality 6: Psychological safety is local and collective. While leadership behavior matters greatly, psychological safety is ultimately everyone's responsibility. It can vary dramatically between teams in the same utility or city. People at all levels influence it through how they treat one another, ask questions, respond to ideas, and handle disagreements or differences in approach.

For example, I know a field crew made up of what they'd proudly call "manly men." Let's call one of them Jim. Jim had been on the crew for a couple of years. He did solid work and got along well enough with everyone, but he kept to himself, and no one really knew him.

One night after work, the crew went out together. When Jim repeatedly turned down drinks, a few coworkers razzed him. They assumed he just didn't want to join in the team fun. No one asked why, and Jim didn't explain that he'd recently started medication that made drinking a bad idea. The teasing wasn't meant to be cruel, but it wasn't checked either, and Jim felt singled out.

Not long after, Jim asked for a transfer. He said he wasn't sure anyone on the crew would have his back. From the crew's perspective, his leaving didn't feel like a big loss—Jim never opened up, didn't seem to fit in, and didn't push back in the moment, so nobody knew there was a problem.

Both sides played a role in this breakdown of psychological safety. The crew treated conformity as a measure of belonging and didn't slow down to notice how their behavior landed. Jim stayed silent and distant, which made it easy for others to misread him and hard for the group to adjust. Small moments added up, and trust never took hold.

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From My Desk to Yours

Karleen Kos
MMUA CEO

Federal oversight shaped gas prices during the deep freeze

As subzero temperatures spread across much of the United States and gripped Minnesota in January, natural gas and electricity prices surged across the Midwest with a speed and scale that recalled the 2021 polar vortex.

While weather and infrastructure failures triggered the immediate crisis, federal oversight—particularly the regulatory framework enforced by the Federal Energy Regulatory Commission (FERC)—played a decisive role in how prices formed, how shortages cascaded, and how utilities across the Midcontinent Independent System Operator (MISO) footprint managed risk.

FERC does not set commodity prices, but its jurisdiction over interstate pipelines, wholesale power markets, and reliability standards shapes how stress propagates through gas and electric systems. The winter event demonstrated how those regulatory structures, designed around market efficiency, can amplify price volatility during extreme cold.

A pipeline failure collides with market rules

On January 16, a rupture on the Northern Natural Gas system near Willow River, Minnesota, forced the operator to declare a "force majeure." The failure sharply reduced available northbound capacity, particularly supplies moving from Canada through Great Lakes Gas Transmission. Regional available capacity dropped from roughly 687,000 dekatherms per day (Dth/d) to about 225,000 Dth/d, creating an immediate supply choke point for Minnesota and surrounding states.

Under FERC-approved tariff rules, pipelines experiencing force majeure events must prioritize system integrity and safety while allocating remaining capacity, per contract terms. Those rules worked as written. They also concentrated scarcity in spot markets, where utilities and power generators scrambled for incremental supply at hubs tied to Northern's system. Northern's primary Midwest supply point surged above $70 per Dth before oscillating between $40 and $60 for several days.

The price spikes did not reflect a single utility failure or market manipulation. They reflected how FERC-regulated pipeline tariffs and capacity priorities interact with weather-driven scarcity.

Weather compounds regulatory exposure

At the same time, extreme cold in Texas and Oklahoma caused widespread natural gas production freeze-offs. Early industry estimates show more than 10 billion cubic feet of daily production went offline at the height of the cold. FERC-regulated interstate markets treated those losses as external supply shocks. With fewer molecules entering the system nationally, constrained Midwest pipelines faced even greater pressure.

Because FERC requires direct access and nondiscriminatory transportation, pipelines could not favor residential heating load over power generation beyond existing contractual arrangements. Gas-fired power plants across the MISO region, therefore, competed directly with local distribution companies serving homes and businesses. The result pushed prices higher across Chicago, Demarc, MichCon, and other Midwest hubs.

The regulatory takeaway remains clear. Market rules work efficiently during normal conditions, but instantly create insufficient conditions during extreme events.

Gas-electric interdependence under FERC's lens

FERC's authority spans both natural gas pipelines and wholesale electricity markets, but the two systems remain operationally separate. During the recent freeze, this separation mattered. Electricity demand surged as heating loads climbed, and gas-fired generation supplied much of the marginal power across MISO. Gas utilities, meanwhile, drew heavily on the same constrained supply network.

FERC has long acknowledged this gas-electric interdependence. The January freeze showed how deeply the two markets now intertwine. As gas prices spiked, wholesale electricity prices followed. Power generators saw fuel costs soar within hours, forcing them to bid directly into day-ahead and real-time markets.

Utilities managed reliability through emergency protocols, but the pricing outcomes followed FERC-approved market mechanics without intervention.

Limited buffers, extreme outcomes

The Midwest has made infrastructure investments since 2021, but this event revealed limited improvement in cold-weather price resilience. FERC has prioritized pipeline safety and market transparency over redundancy mandates. The Northern Natural Gas rupture illustrated the consequence of single-point infrastructure failures within the regulatory framework.

Once the rupture occurred, FERC rules did not allow for rapid reallocation of capacity beyond existing contracts. This rigidity preserved fairness but

intensified volatility. Prices reached levels comparable to 2021's Storm Uri, even though physical outages proved more localized.

Minnesota utilities navigate the rules

Utilities across Minnesota responded within the confines of FERC oversight. Investor-owned utilities and municipal systems activated contingency plans, secured incremental supply where possible, and absorbed extraordinary wholesale costs to maintain service. They coordinated closely with pipeline operators and grid managers while issuing conservation messages to customers.

From a regulatory perspective, the system functioned. Gas flowed where contracts allowed. Power remained largely reliable, but prices reflected the gas shortage with ruthless clarity.

What FERC may confront next?

The January winter event reinforces several regulatory questions already under discussion at FERC. Infrastructure bottlenecks magnify weather impacts. Gas-electric coordination gaps intensify stress during peak demand. Market volatility grows more extreme and less localized as weather events span multiple regions simultaneously.

FERC has the authority to revisit pipeline resilience standards, encourage infrastructure redundancy, and deepen coordination between gas and power markets. The January freeze suggests a need to fast-track those debates.

As utilities and regulators conduct post-event lessons-learned reviews, the warning across Minnesota and the broader MISO region is clear. Federal market rules shaped not only how gas prices rose, but how risk spread across the grid. When harsher winters and tighter margins take place, the balance between market efficiency and resilience becomes one of the most consequential regulatory questions facing the US energy system.

Reasonable suspicion in the era of legal cannabis

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Reasonable suspicion: the employer's best tool in a post-legalization world

Because THC cannot be measured at a universally recognized threshold (unlike the 0.08 BAC standard for alcohol), Minnesota places heavy emphasis on observable behavior as the basis for testing.

Employers may request or require drug, alcohol, or cannabis testing when they have reasonable suspicion that an employee:

1. Is under the influence of drugs or alcohol
2. Has violated written work rules on use or possession
3. Has sustained or caused a workplace injury
4. Has caused or was involved in a workplace accident involving machinery, vehicles, or equipment

This makes the role of the supervisor critically important.

Reasonable suspicion is not a hunch. It is a trained, structured, observable assessment based on documented facts, including but not limited to:

- Odor
- Slurred or slow speech
- Poor coordination
- Unsteady or erratic behavior
- Disorientation
- Difficulty performing routine tasks
- Unexpected emotional responses
- Physical signs such as pupil dilation or red eyes

Because THC impairment varies by individual and consumption method—and because it cannot be quantified reliably—the quality of supervisor training directly determines the quality of your reasonable suspicion determinations.

Supervisor training is essential

As legalization pushes employers toward impairment-based safety management, the demand for well-prepared supervisors has never been higher. Minnesota utilities must ensure supervisors can:

- Recognize signs of impairment
- Approach suspected employees appropriately
- Document observations accurately
- Follow consistent, legally compliant testing procedures

Documented observations—timed, specific, objective—are the backbone of reasonable suspicion. Without documentation, employers are vulnerable to both safety incidents and legal challenges. Utilities should treat supervisor training similarly to first aid, CPR, or confined space certification: if supervisors are responsible for safety, they must be trained to recognize impairment.

To support members in meeting these expectations, MMUA is offering webinars and training sessions designed specifically to help supervisors strengthen their reasonable suspicion skills. These sessions provide practical instruction, real-world examples, and clear guidance to help supervisors feel confident and prepared when impairment concerns arise.

MMUA's first reasonable suspicion training webinar, held on February 5, filled to capacity, underscoring the strong demand for guidance in this area. A second session is scheduled for April 2, 2026, and with limited space available.

Defining and documenting safety-sensitive positions

Minnesota Statutes 181.950, subd. 13, defines a safety-sensitive position as any job in which impairment caused by drugs, alcohol, or cannabis would threaten the health or safety of any person.

For utilities, this definition applies broadly:

- Lineworkers
- Water and wastewater operators
- Power plant staff
- Meter technicians
- Tree trimmers
- Heavy equipment operators
- Vehicle and fleet operators
- Supervisory roles responsible for directing field work

Minnesota utilities should assess all positions and clearly document which tasks are safety sensitive. This analysis should be included in your testing policy to ensure clarity, consistency, and defensibility. It also makes sense to note this on the job descriptions, and employees should sign off, ensuring they are aware of their role's safety sensitivity.

Why this issue matters now more than ever

Utilities are experiencing demographic shifts, rising rates of retirement, increased workloads, and greater technical complexity. Add legalized cannabis into the mix, and the operational environment becomes even more demanding.

Key risks include:

- Increased accidental impairment: THC beverages, gummies, and hemp-derived products do not always present themselves as intoxicants. Employees may consume them casually or socially, not realizing that delayed or lingering impairment may carry into their workday.
- Greater availability and experimentation: Legal markets increase exposure and reduce stigma. Supervisors should expect to encounter more variety in products and potency.
- Higher expectations for employer response: Employees expect fairness. Courts expect consistency. Regulators expect safety. Utilities must show that their testing decisions are grounded in policy, training, and documented evidence—not guesswork.

Strengthening policies and practices

To remain compliant and reduce risk, utilities should review and update their drug and alcohol testing policy with the following elements:

- Clear definitions of prohibited behaviors
- Identification of safety-sensitive roles
- A detailed reasonable suspicion process
- Supervisor training requirements
- Documentation templates
- Clear instructions for post-accident testing
- Strong language on impairment-based expectations
- Reference to both state and federal requirements

Your policy should communicate expectations, protect employee rights, and articulate the non negotiable nature of workplace safety.

Moving forward with confidence

Legalization does not change the fact that utility work is dangerous on most days, but especially when performed by an impaired employee. What legalization does change is the way employers must detect and respond to impairment.

The path forward is clear: utilities must understand the new legal environment, invest in supervisor training, document consistently, base decisions on observable behavior, and maintain strong, clear, and up-to-date policies.

This moment of change offers utilities an opportunity to strengthen safety culture, improve communication, and ensure everyone on the team—from apprentices to the general manager—understands their role in maintaining a safe workplace.

MMUA recognizes first cohort of DUEL™ participants

The first DUEL cohort finished their capstone projects at the MMUA office in St. Louis Park on January 22. (From left to right) Joe Schmidt, MMUA; Mike Enright, Owatonna Public Utilities; Karleen Kos, MMUA instructor; Jason Karels, City of Waverly; Shelly Dau, MMUA instructor; Jamey David, East Grand Forks Water and Light Department; Jeron Smith, Willmar Municipal Utilities; Craig Evenson, City of Fargo; Randy Abelson, Hutchinson Utilities Commission; Tim Linders, Owatonna Public Utilities; Jamie VonBank, Shakopee Public Utilities; and Matt Griebel, Shakopee Public Utilities.

In January, the first group of participants in MMUA's DUEL program completed their capstone projects and finished their foundational courses.

MMUA launched the DUEL program—Developing Utility Expertise and Leadership—in January 2025 as part of its new Utilities U training initiative. Designed specifically for professionals working in community-owned, "hometown" utilities, DUEL aims to prepare emerging leaders while strengthening the capabilities of those already responsible for guiding their organizations into the future. The program responds to the growing need for structured leadership development within public power and municipal utility environments.

DUEL blends foundational leadership competencies with a selection of elective courses, allowing participants to tailor their learning experience to match individual career goals. Like required courses and electives in an academic setting, the structure ensures all participants build core skills while also pursuing specialized knowledge relevant to their roles. This flexible format supports a wide range of professionals, from those stepping into leadership for the first time to experienced staff expanding their expertise.

The program uses a hybrid delivery model, combining in-person cohort sessions with live online instruction to balance connection and convenience. Subject matter experts from throughout the municipal utilities industry serve as instructors. The first cohort began meeting in April 2025, with an additional group launching in October. Participants who complete six foundational in-person course days and eight elective courses earn a Utilities U DUEL certificate, signaling meaningful achievement and advanced expertise to colleagues, supervisors, and stakeholders.

DUEL was created to address leadership gaps and prepare utilities for the industry's increasing complexity, encompassing regulatory changes and infrastructure needs, as well as workforce transitions and evolving customer expectations. The program combines technical instruction, real-world case studies, and peer learning to build well-rounded leaders who can drive change within their organizations.

This first cohort has earned an MMUA utilities leadership certificate and gained access to ongoing peer networks and professional development opportunities. These connections are intended to support leaders well beyond the classroom, reinforcing collaboration across the municipal utility community. Registration for cohort three, which kicks off in April 2026, is now open.

Constructive candor: fostering a culture of speaking up

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The point is this: psychological safety isn't owned by one person or one role. Teams create or lose it in everyday interactions. It grows when people, from the general manager to the janitor, invite others in, check assumptions, respond constructively, and when individuals share context and speak up early to prevent avoidable misunderstandings.

Applying these ideas in municipal utilities. In close-knit workforces such as those in most municipal utilities—where our teams are long-tenured, and coworkers run into each other at church, school events, or the grocery store—creating and maintaining the psychological safety needed for constructive candor has unique challenges.

Challenge A: Familiarity can reduce candor, not increase it. When people have long relationships, the risk of "rocking the boat" feels higher, not lower. Employees may avoid speaking up to protect friendships, avoid awkwardness outside of work, or maintain social harmony. They may also adopt a helpless attitude along the lines of, "This place/person is never going to change, so what's the use of bringing it up?" This often produces niceness masquerading as safety.

What to do: Leaders should explicitly call out this dynamic. It helps to say: "Because we know each other so well, it can actually be harder to be honest here. That's exactly why we need to practice constructive candor." Normalizing disagreement as part of doing good work—not as a personal affront—is critical in tight communities. If you need help with this, MMUA's consulting services can work with your team to help everyone learn to build appropriate workplace trust and beneficial conflict.

Challenge B: Disagreement must be clearly separated from disrespect. In close relationships, feedback can feel personal very quickly, especially if the people involved have "history." Teams need shared language and norms that separate *challenging an idea* from *challenging a person*. In many of our utilities, there is often a very traditional understanding of hierarchy, and some employees view challenging the general manager or superintendent as extremely risky based on position rather than anything the leader has personally said or done.

What to do: Use structured questions ("What are we missing?" "What risks should we think about?") and role clarity to reduce personalization. Emphasize that speaking up is an obligation to the organization and the community, not an act of insubordination or disrespect, provided it is delivered in an appropriate manner.

Challenge C: Leaders must model speaking up and being overruled. In small organizations, leaders' reactions are magnified. If leaders only encourage speaking up when they already know what they plan to do, people will learn that candor is performative, not real.

What to do: Leaders should float ideas for feedback *before* making a decision. They should visibly invite dissent or "devil's advocate" positions, thank people for raising concerns, and demonstrate how to move forward even when ideas are not adopted. This is especially important when relationships extend beyond the workplace.

Challenge D: Behavioral norms matter more than formal programs. Psychological safety in close-knit teams is built in everyday moments—staff meetings, project check-ins, informal conversations—not in policies or one-time trainings. Most people cannot tell you what is in a policy a day after reading it, but they can tell you how they feel about the workplace anytime.

What to do: The work of fostering an environment where psychological safety promotes constructive candor happens every day in the simplest interactions and in the formal activities of getting the work done. Focus on improving the quality of conversations: slower meetings when needed, intentional reflection after mistakes, and clear progress check-ins.

Leaders must demonstrate humility. This is exhibited by being willing to listen, noticing and drawing out quieter team members, letting people know when you've changed your mind based on team input, and not tolerating behaviors that would silence anyone. Especially, leaders must mind their own biases so they are willing and able to hear all valuable input, no matter who the messenger is. Over time, these habits reduce fear and increase trust.

The bottom line

In workplaces like Minnesota's municipal utilities, where people know each other well and cultures may be ingrained, psychological safety is not about being nicer—it's about being braver together so that constructive candor is possible.

When teams learn to separate honesty from hostility, disagreement from disloyalty, and accountability from punishment, they create the conditions for better decisions, stronger performance, and healthier long-term relationships—both inside and outside of work. It is not easy, but your utility's future depends on it.

Municipal utilities: The winter water warriors

As winter grips much of the United States, municipal water utilities face a yearly test: keeping water flowing through days and nights of sub freezing temperatures.

Communities rely on uninterrupted water service for drinking, sanitation and fire protection, even as cold weather strains pipes, pumps and crews. Utilities meet the challenge through months of preparation, engineering controls and round-the-clock operations designed to protect public health.

Even as winter 2026 gives way to spring, water mains and underground service lines—where frost can freeze water and expand pipes—are at risk of breaking. When water freezes, it exerts enormous pressure, often rupturing pipes and cutting off service until crews locate and repair the damage. Utility managers say both utilities and customers should take proactive measures to reduce risk.

Preparing before the freeze

Water utilities begin winter readiness long before the first cold snap. Crews inspect pumps, valves, meters, and pipes; address known vulnerabilities; and test backup power systems to ensure critical equipment keeps running during outages. After the February 2021 winter storm disrupted water service for millions in Texas, utilities such as the San Antonio Water System committed to installing backup generators at key facilities to maintain pressure and flow even during grid failures.

Utilities also deploy targeted winterization strategies. Crews add insulation or heat trace systems — electric heating elements attached to pipes — to exposed mains and storage tanks. Engineers analyze historical weather and flow data to identify areas prone to freezing and focus monitoring and reinforcement efforts there.

Utilities that rely on surface water sources prepare for ice buildup that can restrict intake operations. In late January 2026, Pittsburgh Water crews responded after ice accumulated on the Allegheny River and temporarily reduced pumping capacity. Crews cleared the blockage and restored full service, protecting water quality for customers.

Working with customers

Clear communication plays a critical role in winter reliability. Utilities issue seasonal advisories urging customers to take preventive steps, such as maintaining indoor heat, insulating exposed pipes, and allowing a slow trickle of water from vulnerable faucets during prolonged cold spells. Local governments across Colorado and the Washington, DC, region publish similar guidance each winter to reduce freeze-related service calls.

In Minnesota, where weeks of sub-freezing temperatures are common, utilities face heightened risk. Cities such as Duluth monitor soil-frost depths, adjust pumping schedules, and deploy temporary insulation or heat tracing on exposed infrastructure. These steps help keep water moving even as cold penetrates deep underground.

Cities including Bloomington and Richfield reinforce those efforts by guiding homeowners on protecting private service lines. Advisories stress keeping basements above freezing, insulating exposed plumbing, and checking service lines regularly during deep cold.

Some communities issue real-time warnings. In Coon Rapids, officials told residents that discolored water or tap temperatures below about 35°F can signal an imminent freeze and advised running a pencil-thin stream of water to relieve pressure.

Crews on call, all winter

When breaks or freezes occur, utility crews respond immediately. Cold-weather repairs require specilized equipment and safety protocols, as workers excavate frozen ground and repair buried mains on icy streets. Utilities train year-round for these conditions, because a single major break can leave entire neighborhoods without water.

Despite extensive preparation, winter still tests water systems. Utilities balance the cost of preventive investments—such as insulated vaults, redundant pumps, and advanced monitoring—against the financial and public health impacts of service disruptions.

Through coordination among engineers, field crews, policymakers, and customers, municipal utilities keep water flowing through the coldest months. Their work often goes unnoticed —until it's needed most.

No Utility Too Small: Cybersecurity Takes Center Stage at MMUA Resiliency Workshop

In November 2023, a small municipal utility in Massachusetts delivered a stark warning to public power systems nationwide.

Hackers linked to China infiltrated the Littleton Electric Water and Light Department, known as LEWLD, and maintained intermittent access to its network for more than 300 days. The breach revealed how even modest-sized utilities can draw the attention of sophisticated foreign threats—and how easily they can slip inside the firewalls.

The attack set the tone for discussions at the Minnesota Municipal Utilities Association's (MMUA) first Utility Resiliency Workshop in January, where cybersecurity experts and utility leaders urged participants to abandon the notion that size offers protection.

Small system; sophisticated intrusion

Littleton, a town of about 10,000 residents, learned the reach of modern cyber threats the hard way. Attackers associated with VOLTZITE—a group identified by US-based cybersecurity experts at Dragos and linked to the state-backed Volt Typhoon campaign—entered LEWLD's systems and moved through them with little resistance.

Rather than planting malware, the hackers relied on "living off the land" tactics, which exploit legitimate tools already present on a network. This approach allowed them to come and go without triggering alarms or leaving obvious traces. LEWLD General Manager Nick Lawler told workshop attendees that the attackers never needed to remain continuously inside the system. They accessed it when they chose and disappeared just as easily.

The consequences extended far beyond data theft. Access to a public utility's systems creates pathways to disrupt water quality, electric reliability, and other essential services. LEWLD represented only one of roughly 200 targeted organizations. Other victims included gas pipeline operators, telecommunications companies, and the New York City Transit Authority.

"Everyone is at risk, no matter how big or small," Lawler said.

Lessons from the front lines

Speakers at the MMUA workshop stressed how the Littleton case reflected a broader and escalating threat.

Rob Denaburg, cybersecurity program senior manager at the American Public Power Association, outlined national attack patterns and the motives behind them. He described how foreign intelligence services, criminal networks, and hybrid actors increasingly target utilities to gather intelligence, test access, or position themselves for future disruption.

State officials reinforced those warnings with local examples. Chris Watkins, energy security advisor with the Minnesota Department of Commerce, and Angela Hary, cyber navigator with Minnesota IT Services, walked participants through recent Minnesota incidents and outlined state-level tools available to municipal utilities.

Watkins, Hary, and MMUA Director of Safety and Training Mike Willets led two hands-on simulations. One exercise focused on mapping digital footprints across utility systems. The other forced participants to respond to a rapidly escalating cyber incident at a combined electric and water utility. The scenarios showed how quickly a minor anomaly can escalate to a crisis that demands coordination across departments and agencies.

A global threat with local consequences

Cyberattacks against utilities are no longer theoretical. In 2015, Ukraine experienced the first widely acknowledged cyberattack on an electric grid. Physical sabotage followed weeks later, leaving millions without power and exposing how digital and physical threats can reinforce one another.

Minnesota has faced its own tests. In late July, attackers struck the Minnesota State Capitol, disabling government systems and St. Paul's internet connectivity for more than five days. The breach led to data leaks from the Saint Paul Parks and Recreation Department and prompted Governor Tim Walz to activate the National Guard. For 17 days, the Guard's Cyber Protection Team worked to restore systems and strengthen defenses.

That response succeeded thanks to extensive preparation; a lesson workshop leaders repeated throughout the day.

VOLTZITE has continued to compromise industrial organizations across critical infrastructure sectors since early 2023. Its persistence underscores a simple reality for public power: attackers do not discriminate by size, budget, or geography.

For municipal utilities, cybersecurity now ranks alongside safety and reliability as a core responsibility. Firewalls, training, and planning no longer represent optional investments. They protect the systems communities depend on every hour of every day.

Minnesota public power to the rescue

In late January, Winter Storm Fern swept across more than half of the United States, causing widespread damage and power outages affecting more than one million customers.

In response, Minnesota's public power community mobilized quickly to support recovery efforts in the Southeast through the national mutual aid network.

On Saturday, January 24, a total of 44 professionals from Minnesota municipal utilities and MMUA were dispatched to North Carolina to assist public power entities with storm recovery efforts.

This mutual aid effort was organized and deployed in under 24 hours, with MMUA staff coordinating logistics, crew assignments, and communications as conditions continued to evolve.

Despite challenging travel conditions, including icy roads, equipment issues, and reduced visibility, crews safely made their way south to assist two communities in North Carolina. Along the route, teams addressed unexpected obstacles, such as damaged headlights, defrosting issues, and vehicle repairs, to keep the deployment moving.

The team deployed to High Point, North Carolina, was led by MMUA Assistant Director of Education and Outreach Cody Raveling. Participating utilities included:

- Brainerd Public Utilities
- City of Chaska–Electrical Department
- Detroit Lakes Public Utilities
- Elk River Municipal Utilities
- Hibbing Public Utilities Commission
- New Ulm Public Utilities
- Owatonna Public Utilities
- Shakopee Public Utilities

Crews assigned to Kings Mountain, North Carolina were guided by MMUA Assistant Director of Technical Services Jay Reading. Utilities represented included:

- ALP Utilities (Alexandria)
- Anoka Municipal Utility
- Austin Utilities
- Rochester Public Utilities
- Grand Rapids Public Utilities
- Hutchinson Public Utilities Commission
- Moorhead Public Service
- Marshall Municipal Utilities

As Fern wound down and assessments were completed in the assigned areas of North Carolina, it became clear that damage and outages were more limited than initially anticipated. The storm was colder than predicted and ultimately turned into snow rather than ice, reducing the need for mutual aid crews. Minnesota personnel offered to redeploy to harder-hit regions but were informed that sufficient assistance was already in place.

As a result, the Minnesota contingent began its return trip just two days after departing Rochester, proving the dynamic nature of mutual aid and the importance of flexible coordination.

Both Cody Raveling and Jay Reading shared feedback from host utilities, noting that Minnesota crews were professional, capable, and a pleasure to work with.

While North Carolina conditions stabilized quickly, Tennessee and Mississippi experienced some of the most severe impacts from the storm.

Tennessee

- Approximately 230,000 public power customers were without service at peak reporting.
- Nashville Electric Service (NES) still had roughly 106,000 outages a week later, and did not reach full restoration until February 7, a full two weeks after the storm.
- Hazardous conditions slowed restoration efforts.
- More than 900 lineworkers and 217 vegetation management crews were engaged in restoration.
- State emergency managers began gathering damage assessments in anticipation of a FEMA disaster declaration.

Mississippi

- Estimated outages totaled approximately 20,000 customers, though many public power utilities do not have online outage reporting.
- Affected communities included Oxford, Water Valley, Holly Springs, New Albany, and Yazoo City.
- Nearly 200 mutual aid resources were activated.
- Crews reported icy roads and extremely dangerous working conditions.
- Transmission damage remained significant, with multiple 161 kilovolt (kV), 69 kV, and 46 kV lines still out of service, indicating a long-term restoration effort.

Mutual aid crews from across Minnesota stand together before departing from Rochester Public Utilities for North Carolina to assist in restoration in the wake of Winter Storm Fern.

Bucket trucks from participating utilities line up in the bitter cold along the Rochester Public Utilities driveway, ready to deploy.

The mutual aid crews gather to hear the deployment plan before departing. In going out to assist with Winter Storm Fern, the Minnesota team was involved in the most extensive mutual aid operation ever documented.

At one point, the US Department of Energy classified this event as the largest mutual aid mobilization ever recorded, reflecting the unprecedented scale of the response.

Travel during the return trip remained challenging, with reduced speeds and additional vehicle issues, including a truck sustaining damage from debris on the interstate. Fortunately, no injuries were reported, and all crews returned home safely over the following day.

This deployment highlights the strength of public power's mutual aid network and the commitment of municipal utilities to support one another during times of crisis, regardless of state lines.

From rapid mobilization and professional execution to adaptability in changing conditions, Minnesota's public power crews once again demonstrated why community-owned utilities are a trusted and essential part of the nation's electric infrastructure.

Data centers drive natural gas into popularity

Recent data from Cleanview's data center trackers shows that natural gas turbines and engines dominate on-site power plans for US data centers by a wide margin.

Research links natural gas generation to greenhouse gas emissions, especially methane, which occurs both during combustion and upstream activities, such as leaks during drilling, processing, and transport. Methane is a potent greenhouse gas that significantly contributes to global warming and climate change.

According to the Cleanview market intelligence report, nearly 75 percent of the power equipment planned for on-site use at data centers relies on natural gas. The report draws on more than 35 permit documents, site plans, and equipment agreements, which Cleanview says often contradict public statements.

"Press releases for these projects say one thing. But the 35-plus permit documents, site plans, and equipment deals we found tell a much different story," the report states.

While developers frequently mention renewable energy, hydrogen, or nuclear power in public announcements, the equipment scheduled for installation this year and next remains almost entirely gas powered, according to Cleanview.

The firm identified 46 data centers planning to build their own on-site power plants, with a combined capacity of 56 gigawatts. That total represents roughly 30 percent of all planned US data center capacity, up from virtually zero natural gas generation a little more than a year ago.

Although wind, solar, and battery storage cost less in many regions, the accelerating race to build artificial intelligence infrastructure has pushed companies to prioritize immediate, reliable power over lower-cost options that may take longer to deploy. Grid connection delays, which can stretch for years, reinforce that trend.

Michael Thomas of Cleanview said renewable developers remain largely locked out of this market unless they construct generation projects directly adjacent to data centers.

Natural gas already serves as the primary source of electricity on US power grids and also dominates power supplies for grid-connected data centers, particularly in the Mid-Atlantic and Midwest, which have emerged as major AI hubs.

A decade ago, natural gas faced growing political resistance, with some activists and lawmakers calling for bans alongside coal. Today, as global climate ambitions lose momentum and AI drives unprecedented demand for power, natural gas is demonstrating increasing importance in both political and commercial spaces.

Municipal utility credibility threatened as Rocky Mount confronts billing breakdown

Officials in Rocky Mount, North Carolina, faced widespread criticism this winter after a utility billing error caused thousands of residents to receive what appeared to be two utility statements within a single month.

City administrators traced the problem to an expanding delay in meter-read dates and billing cycles that developed in early 2025. Instead of producing statements reflecting roughly 30 days of usage, the delay stretched some billing periods to 45 days or more. Because the lag grew incrementally, utility staff did not immediately detect the glitch.

City officials identified the discrepancy in mid-December 2025, when staff noticed the widening gap between actual meter reading dates and scheduled billing. Leadership later acknowledged multiple process failures, allowing the problem to grow over months without correction.

Once the issue came into focus, city administrators moved quickly to recalibrate the billing cycle to its normal cadence. Instead of phasing in adjustments, officials sent previously delayed bills at the same time they issued newly scheduled ones. For many customers, the result felt like two bills in rapid succession.

Residents expressed confusion and alarm, believing they had been charged twice for the same service. City officials reiterated that each statement reflected a distinct billing period and no customer was charged twice for the same usage. Still, officials did not notify customers before the corrected bills arrived by mail and through online accounts.

The billing problem occurred amid intense scrutiny of Rocky Mount's fiscal troubles, in which expenses exceeded revenue by tens of millions of dollars over two years. Although city leaders asserted the billing correction played no role in financial strategy, the confusion intensified distrust of city management and fueled accusations that officials hurried the correction to bolster cash flow.

Residents brought their concerns directly to the City Council. At a crowded meeting, dozens of speakers criticized leadership and demanded accountability.

"One resident called it a total fiasco," said a council member summarizing public comment, noting callers urged an independent audit of municipal finances and utility billing procedures.

Another resident said city reports over recent months raised "serious red flags" about internal

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Preparing for the worst

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- Rochester: July 14
- New Ulm: July 16
- Marshall: July 21

Why participate?

In addition to strengthening emergency preparedness, these exercises provide a valuable opportunity to build the relationships that are critical during a real emergency. When a major event occurs, collaboration is strongest when participants already know and trust one another.

Attendees will be able to test their existing EAPs, identify potential vulnerabilities within their organizations, and strengthen coordination across the region. Communities without an EAP will receive a sample template to support plan development.

Who should attend?

Invited communities are encouraged to send one or two key individuals. The most important participant is the person responsible for coordinating emergency operations, recovery, and restoration—such as a fire chief, city administrator, city manager, general manager, or other senior leader. A second attendee might include a utility operations manager or a lead for city or utility services.

Participation is not limited to communities with a municipal electric utility. A major emergency affects an entire region, making broad participation essential. The exercises will address coordinated response topics such as implementing an EAP, evacuation planning, identifying critical customers, staging staff, designating a public information lead, and managing long-duration emergency operations.

Event details

These events are designed for targeted communities, regional electric cooperatives, and investor-owned utilities relevant within each area. Lunch and refreshments will be provided. While there is no cost to attend, registration is required to support planning and logistics.

Attendance will be limited to approximately 60 participants per event, including one or two representatives from each community, along with staff from local electric cooperatives, investor-owned utilities, and invited partners from local and state government and other critical stakeholder organizations.

Next steps

For questions or additional information, please contact Mike Willetts at mwilletts@mmua.org.

Rocky Mount confronts billing breakdown

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operations and communication. Some speakers said the timing of the additional billing felt like a last-minute attempt to capture revenue. Others called for clearer, itemized billing so customers could easily trace how charges were computed.

City officials later conceded they should have communicated earlier and more clearly about both the underlying error and their corrective steps. They pledged updates to billing statements and customer service procedures in hopes of restoring public confidence.

Utility billing challenges are not unique to Rocky Mount. Across the United States, customers have raised complaints when billing systems produce inaccurate or confusing charges.

In Minnesota, consumer advocates have raised concerns about utility billing practices and service quality. The Citizens Utility Board of Minnesota noted that Xcel Energy faced an increasing number of customer complaints about billing accuracy and online account information, prompting calls for a broader review of the utility's systems by the Minnesota Public Utilities Commission. Customers reported unexplained charges and difficulties accessing correct usage data online.

Local utilities in Minnesota have also issued corrected bills when initial statements contained errors. In Coon Rapids, the city posted notices asking residents not to pay bills with misprints and assuring customers the corrected bills would follow.

State administrative rules set out how utilities must address billing errors, including refunding overcharges and limiting back-billing to defined time periods once an error is discovered. Those rules aim to ensure fairness and transparency when utilities adjust past statements.

These examples spotlight the broader challenge utilities face in maintaining accurate billing systems and clear communication with customers—and the blows to utility credibility when those systems fail.

For Rocky Mount, the immediate issue stemmed from a technical and procedural breakdown. The broader lesson for utilities nationwide remains the same: when customers doubt the accuracy of their bills, they risk losing trust in the utility itself and, by extension, in local government. Whether recent changes in Rocky Mount will restore confidence remains uncertain.

Non-wire alternatives transform municipal utilities' power systems

Municipal utilities have long thought of the power system in terms of poles and wires, generation plants and substations, or capacity auctions and fuel contracts.

But a transformation now underway across the power sector offers a dramatic alternative: when investments can reduce congestion, defer capital-intensive infrastructure, and improve reliability using solutions other than new wires or transformers, they change how municipal utilities plan, spend, and communicate with their communities.

The term "non-wires alternatives" (NWAs) refers to investment and operational strategies that achieve the same reliability or capacity goals as traditional transmission or distribution projects, without requiring the construction of costly infrastructure. NWAs rely on a toolbox that includes demand response, energy efficiency, distributed generation, battery storage, load management, and tariff design to reduce peak demand or postpone physical expansion of the grid.

NWAs offer municipal utilities cost control, reliability, community engagement, and strategic flexibility.

NWAs do not sacrifice reliability

Reliability is the top priority for both utility boards and their customers. Traditional upgrades, such as adding a new substation or transmission line, are designed to remove constraints that threaten reliability during peak conditions.

NWAs address the same performance challenges by reducing demand or shifting it to times when the grid is not stressed. For example, demand response programs temporarily reduce customer load during critical peaks. When these programs are well designed and well communicated, they can defer expensive upgrades by years, maintain voltage stability, and complement other reliability efforts.

NWAs provide utilities with investment options. A well-run NWA can serve high-peak periods while a capital project moves through permitting or funding. Municipal planners can model NWAs as part of resource adequacy studies and compare them to capital projects on a cost-benefit basis.

Cost control becomes predictable and transparent

Infrastructure costs are high. Transmission and distribution buildouts can stretch from millions to hundreds of millions of dollars, often triggering rate cases and long regulatory cycles. NWAs offer a less painful path because they emphasize the least-cost planning methods that quantify cost alongside expected benefits over time.

When a utility deploys demand response instead of building new feeders, the cost is incremental, scalable, and transparent. Savings appear in deferred capital expenditures and lower maintenance costs, not just in reduced energy purchases.

Utilities and regulators have already codified NWA programs in multiple jurisdictions, which showcase how these alternatives work in practice, from load-shifting programs to energy efficiency measures, which systematically reduce system demand when needed most.

For municipal utilities, which often answer directly to elected councils and governance boards, demonstrating how an NWA path can lower total system cost while meeting service metrics helps to build trust and withstand scrutiny.

Community engagement is bolstered

Municipal utilities already have stronger voice-to-consumer relationships than most investor-owned utilities. NWAs transform the relationship from information flows into collaboration.

In typical NWA programs, customers participate in demand response, allow smart thermostats or load controls, or enroll in battery and solar programs to deliver capacity when needed. But utility leaders cannot assume adoption will happen without education and transparency. Experience shows customers value reliability and resilience when the utility explains how and why it matters.

Educational campaigns become essential elements of NWA implementation. For instance, before a demand response event, utilities should communicate clearly about what will happen, why it matters, and what customers can expect. Post-event follow-up reinforces the value delivered and strengthens community trust.

This is not marketing; it is shared system stewardship. Municipal utilities gain a strategic advantage when they position customers not as passive recipients of electricity, but as active partners in system optimization.

Flexibility helps to navigate the energy transition

Municipal utilities' energy systems are evolving rapidly. Distributed energy resources (DERs) like rooftop solar, batteries, and EV charging introduce complexity into planning based on traditional load forecasts. NWAs naturally align with these DER trends because they value flexibility over static infrastructure.

Utilities using DERs purely as supplemental generation miss out on critical opportunities to optimize grid performance. Successful NWA strategies treat DERs as orchestrated capacity to serve multiple planning objectives simultaneously, including load management, reliability backup, peak shaving, and even local voltage support.

This shift in perspective positions municipal utilities to respond nimbly to market changes, grid conditions, and policy signals. Utilities with NWA experience can also capitalize on federal funding opportunities, including modernization grants prioritizing grid flexibility and resilience.

Non-wires alternatives are more than a trend. They represent a shift in how utilities think about service delivery, customer participation, and investment strategy. As municipal utilities confront rising demand, electrification pressures, and complex DER landscapes, NWAs offer a practical path to reliable, affordable, and resilient power systems without sacrificing service or financial discipline.

MPUC changes require updates

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updated technical and interoperability requirements under the statewide TIIR.

MMUA is taking action to help members meet the new TSM requirements. Rather than create its own TSM—a daunting and expensive task for any municipal—MMUA members can obtain a license to to use a TSM specifically designed for municipal utilities. MMUA has worked with experts at STAR Energy to develop this volume and make it available beginning in April 2026. The Association will also provide training for members on how to use the new TSM in compliance with the updated TIIR.

Two training sessions will be held in April. At these sessions, the new TSM that has become the industry standard for Minnesota's municipal and cooperative utilities will be introduced. STAR Energy's Kristi Robinson will show attendees how to adapt the manual to their utility and go over the basics of DER interconnection procedures. Most importantly, perhaps, through the group licensing program, STAR Energy and MMUA are able to offer the TSM and training for a fraction of what an individual utility TSM license costs.

Sessions will be held in Saint Peter on April 20 and Grand Rapids on April 27. Registration is open on mmua.org, and space is limited. Training will begin at 10:00 and end at 2:00 with a break and box lunch provided.

This training is intended for every municipal utility without a TSM as well as those using the prior TSM template made available by MMUA in 2021. The new STAR TSM template supersedes that version and complies with the updated TIIR that will be approved by the MPUC in March. Contact Bill Black (bblack@mmua.org) with any questions about your utility's needs or anything related to this article.

These two training opportunities will provide crucial education before the solar installation season for both new and experienced utility staff. The timing also coincides with 2026 revisions to the TIIR and to the Minnesota Municipal Interconnection Process (M-MIP), which the training will also address. Most of these revisions relate to the increasing number of advanced solar inverters and energy storage systems used in DERs installed by customers. Some of those changes include references to utility-specific requirements, requiring TSM revisions.

The TIIR updates to be adopted in March have been recommended by the MPUC's industry-member populated Distributed Generation Work Group (DGWG). Robinson helped lead the update effort as part of a DGWG technical sub-group, alongside engineers from Xcel and other utilities and representatives of the solar development industry. MMUA's Bill Black also took part in the group to represent municipal utilities through the regulation updating process. He will assist Robinson in the training to help guide participants through implementation and continue to aid MMUA members with DER interconnection questions and concerns thereafter.

Inaugural *Governance in Action* workshop earns high marks from participants

On Friday, January 23, 2026, municipal utility commissioners and community leaders gathered in St. Cloud for the first-ever *Governance in Action: The View from a Commissioner's Chair* workshop for a full day of learning, conversation, and practical insights designed to strengthen governance across Minnesota's hometown utilities.

Some 29 attendees, including mayors, commissioners, city, and utility representatives from 17 communities, gathered in St. Cloud on January 23, for the first-ever Governance in Action: The View from a Commissioner's Chair workshop. The full-day program included segments on the unique role of municipal utilities, laws governing utilities in Minnesota, MISO and the markets, fundamentals of rate setting, and how to be an excellent commissioner.

Dave Berg explains the fundamentals of rate design at the Governance in Action *workshop.*

The workshop featured a robust agenda covering essential topics, including the unique contributions of the municipal utility model, statutory responsibilities of commissioners, the relationship between commissions and city operations, the evolving energy marketplace, fundamentals of rate-setting, and more.

Guest speakers brought deep expertise and experience. Spencer Fane attorney Kaela Brennan, an expert in municipal utility law, offered clarity on Minnesota statutes and utility governance, helping attendees navigate key legal frameworks. Vernell Roberts, General Manager of Detroit Lakes Municipal Utilities and chair of the Missouri River Energy Services Board of Directors, shared insights on MISO and market operations, grounding attendees in the larger regional context of their decisions. In addition, Dave Berg of Dave Berg Consulting provided practical guidance on cost-of-service analysis and rate-setting, giving attendees the background they need to responsibly oversee their utilities revenue structure.

The day also featured sessions led by MMUA's CEO, Karleen Kos, whose extensive background in governance excellence provided attendees with a chance to view the uniqueness of the municipal model through a governance lens. She also led a session focusing on effective decision-making, governance vs. operations, and what it means to serve successfully as a commissioner.

Attendees left with greater confidence, new connections, and practical knowledge to apply in public power communities across Minnesota. One commissioner later remarked, "It was outstanding. The most relevant part was helping identify the separation between the roles of the council and the commission." Another said, "As a new commissioner, this course provides a great kick-start for those of us with limited previous experience in the utilities world."

Utility staff also found the content beneficial. A general manager later said, "I am well experienced in the utility industry and came along as an observer to see what our commissioners would experience. This was eye-opening for them. I wish you could have heard the excitement in their voice when they had to report on the conference to the commission! The value of this one gave them so much information, and from an outside source, which strengthens our utility and credibility even more."

MMUA will offer the full *Governance in Action* workshop annually in the first quarter of the year. The Association is also available to conduct more targeted training sessions for utility commissioners on a contract basis. Contact MMUA CEO Karleen Kos at kkos@mmua.org for more information.

Minnesota's GET law moves from idea to implementation

Minnesota's newest tool for easing transmission congestion now has a paper trail, a deadline cadence, and a growing national echo.

In May 2024, Gov. Tim Walz signed an energy law requiring Minnesota's largest transmission owners to evaluate grid-enhancing technologies (GETs) as part of transmission planning. The law targeted utilities owning more than 750 miles of lines, directing them to find tools like dynamic line ratings and topology optimization to increase capacity from existing wires.

The policy recognizes that large, costly transmission lines can take nearly a decade to permit and build. With rising load forecasts and shifting generation, Minnesota's grid faces congestion. GETs are seen as a short-term, lower-impact way to boost capacity, reduce curtailment, and transfer power across constrained areas. Critics say GETs should complement, not replace, new transmission infrastructure.

The status in Minnesota

Minnesota's GET requirement now sits inside the biennial transmission planning cycle rather than in a stand-alone pilot program.

Under Minnesota Statute 216B.2425, the state requires periodic transmission planning and directs the Public Utilities Commission (PUC) to maintain a list of certified high-voltage transmission and grid-enhancing technology projects. The statutory language gives regulators a formal home for GETs inside Minnesota's broader grid-planning architecture.

The compliance clock hit an early milestone in late 2025.

The Minnesota electric transmission planning process, called MISO Minnesota Utilities Transmission Planning, included a compliance chapter in its 2025 Biennial Report. The 2024 law requires transmission owners to submit a grid enhancing technologies (GET) report with their 2025 filing, placing the full GET report in an appendix.

This signals a shift from theoretical to system-specific screening. The law demands utilities document current line ratings, identify congestion, and show where GETs can provide relief.

Which companies have complied?

Minnesota's planning process does not describe GET compliance as voluntary. The biennial report states GET is mandatory for entities with over 750 miles of transmission lines in Minnesota, and these entities submitted the required GET report for the 2025 Biennial Report.

Major utilities likely in this category include Xcel Energy and Minnesota Power, plus other key owners in joint transmission planning. The filing confirms compliance but utilities and regulators must determine which projects to prioritize, compare options, and decide funding.

What the law does and does not do

Minnesota's GET law pushes utilities to analyze and disclose. It does not automatically force installation on every congested corridor, and it does not guarantee cost recovery for every device.

This nuance explains why the most important phase now sits with regulators. The reports can identify opportunities, but the PUC and regional planners still decide whether GETs make economic sense, whether they improve reliability, and how they integrate with projects already in the queue.

Similar laws across the United States

By mid-2025, at least 18 states introduced legislation supporting GETs, with nine passing new laws, according to the WATT Coalition, a grid modernization advocacy group tracking policy activity nationwide. Some states use planning requirements rather than mandates to deploy hardware.

California, for example, signed SB 1006 in 2024, requiring utilities to evaluate advanced conductors and GETs for deployment by 2026 and use results to inform CAISO transmission planning.

Other states embed GETs in distribution planning, storage rules, or non-wires frameworks rather than in specific statutes. A 2025 survey noted widespread efforts to integrate grid-enhancing technologies as policymakers

seek faster solutions to capacity constraints.

What comes next for Minnesota

Minnesota has now crossed the first real test: utilities filed GET evaluations on schedule, and the state's transmission planning process formally logged their compliance.

The next test will look tougher and more consequential. Regulators and grid operators must decide whether GETs can move from planning appendices into deployed assets, and whether they deliver measurable congestion relief without creating new operational headaches. If Minnesota can translate its requirement into targeted deployments, the state could strengthen its reputation as a pragmatic grid policy testing ground, which attempts to build faster without pretending speed comes for free.

Minnesota oil lawsuit clears a key legal hurdle, broader stakes ahead

After nearly six years of procedural battles, the State of Minnesota's lawsuit against major oil interests moved closer to trial in February, although a final resolution still may take years.

A three-judge panel of the Minnesota Court of Appeals rejected arguments from Exxon Mobil, the American Petroleum Institute, and three Koch Industries entities claiming the case lacked jurisdiction, violated the US Constitution's Commerce Clause, or ran afoul of Minnesota's anti-SLAPP statute (Strategic Lawsuit Against Public Participation). The ruling allows the state's claims to proceed in Minnesota courts.

The State of Minnesota filed the lawsuit in 2020, alleging the defendants misled consumers and policymakers for decades about the climate impacts of fossil fuels. The state contends internal industry research confirmed the risks of greenhouse gas emissions long before the public received the information, yet company leaders continued to promote fossil fuel use while casting doubt on climate science. According to the complaint, the conduct delayed mitigation efforts and imposed long-term costs on Minnesota's infrastructure, public health systems, and natural resources.

The oil companies deny the allegations and argue that the lawsuit infringes on constitutionally protected speech. They also maintain that federal law preempts state-level attempts to regulate climate policy through litigation.

If Minnesota ultimately prevails, the case could carry significant financial and regulatory consequences. The state seeks monetary damages, potential funding for climate-related remediation, and injunctive relief that could mandate warnings about climate impacts. Minnesota has also asked the court to compel disclosure of industry climate research and to require public education campaigns funded by the defendants.

Legal observers compare the case to state lawsuits against tobacco companies in the 1990s. Those actions resulted in large settlement payments and federally mandated warning labels. Courts have not yet decided whether similar legal theories will succeed when applied to climate change, a global issue shaped by decades of regulatory and legislative decisions.

A shifting national backdrop

The appellate ruling arrives amid a changing national climate policy environment. The US has withdrawn from the Paris Climate Agreement for a second time, becoming the only nation to exit the international accord aimed at limiting global temperature increases.

The Minnesota decision also follows Michigan's recent lawsuit against BP, Chevron, Exxon Mobil, Shell, and the American Petroleum Institute. The Michigan case relies less on consumer protection statutes and more on federal antitrust law, alleging the oil companies coordinated to restrain competition from renewable energy and electric vehicles. The case frames the industry's conduct as cartel-like behavior to raise energy costs and restrict cleaner alternatives.

Minnesota's approach relies on its own consumer protection and fraud statutes, while aligning its claims with Minnesota's statutory goal of achieving a carbon-free electric grid by 2040. The lawsuit positions state courts as enforcers of existing law rather than architects of new climate policy.

Even so, major legal questions remain unresolved. Oil companies

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2026 Legislative Session Underway: Key Energy and Utility Issues to Watch

The 2026 Regular Session of the State Legislature will be about three weeks old when this edition of *The Resource* is delivered to you.

This means the next few editions will see this column filled with updates on MMUA's legislative priorities as described in the February edition of *The Resource*. In addition to these, MMUA's Government Relations Team believes there are additional issues municipal utilities stakeholders should be watching.

At its January 15, 2026, meeting, the Minnesota Public Utilities Commission (MPUC) officially adopted a Fuel Life-Cycle Analysis (LCA) approach for dealing with items like municipal solid waste, renewable natural gas, and biomass when they are used as a fuel source to generate electricity while still complying with the carbon-free standard that takes full effect in 2040. MMUA supported efforts to recognize that burning certain types of carbon-based fuels, such as woody biomass, can reduce greenhouse gas emissions over the lifespan of the fuel source.

The MPUC agreed that considering the total amount of greenhouse gas emissions avoided by burning biomass or by methane capture at a landfill satisfies the broader objectives of the underlying state statutes. LCA analysis will be overseen by the Minnesota Pollution Control Agency and the Department of Commerce, but the MPUC will be the decision-maker on whether a proposed fuel source satisfies the carbon-free standard. One immediate limitation is that an entity burning wood cannot grow trees solely to use them as a fuel source for generating electricity.

MMUA thanks the MPUC for taking a big-picture view of the overall goal of the carbon-free standard and other applicable laws, particularly given the strong opposition seen at the January hearing, when protesters interrupted the Commission twice with loud chants and partially blocked the aisles. There was no sign of violence at the hearing, but loud opposition to the MPUC taking the LCA approach was unmistakable.

As the legislative session drew nearer, MMUA was asked to both share its own 2026 priorities and to review and comment on the interests of groups that frequently engage on energy-related issues. One such group is the Citizens Utility Board (CUB). CUB is a nonprofit advocate for Minnesota's utility consumers, and it aims to "champion affordable, reliable, safe, and clean home energy for all Minnesotans." CUB recently shared its legislative priorities with MMUA. These include:

- Extending the cold weather rule provision prohibiting the charging of a deposit or delinquency fee to more customers, not just those below 50 percent of the state median income. The proposal also prohibits charging a reconnection fee to residential customers who were disconnected for nonpayment.
- Limiting when a late payment charge can be imposed, and imposing strict limits on the amount of a non-payment charge. For example, under the CUB proposal, a non-payment charge could not be imposed until the amount of non-payment exceeds $100. The fee could not exceed a reasonable approximation of the utility's actual cost of carrying the unpaid amount, and in no case could it exceed $50 every 12 months. It could not be imposed on low-income customers nor on any customer who is reasonably current on a payment plan.
- Granting the MPUC the ability to impose any measure it sees fit regarding service quality standards to which municipal utilities are subject.

If these CUB measures gain any traction when the legislative session convenes, MMUA would stand in opposition, at least as the proposals are currently drafted.

MMUA also received a request from the Association of General Contractors (AGC) to review one of their likely legislative efforts. The proposal creates a new web-based system that would allow excavators to determine whether all operators contacted under a ticket have responded in a manner that satisfies modified statutory requirements. The new system would be known as "Electronic Positive Response" (EPR). The system would be overseen by the notification center. A similar system would be used to track the required responses of notified owners. Excavators could use EPR to request additional assistance from operators or locators to identify unmarked utilities. Prior to the end of a locate period, operators would be required to use EPR to provide the notification center with the status of all facilities in the ticket area. The response would need to indicate that the operator marked the facilities, confirmed that no facilities exist, or provided such other update as appropriate. The proposal creates a new process when a utility cannot be located, using EPR.

When the legislature convenes this year, there should be no vacancies, and a repeat of last year's boycott is not expected. After a record-setting number of special elections to fill the rolling vacancies, the legislature will have the same makeup as it ultimately had in 2025. The Senate will have a one-seat 34–33 DFL majority, and the House remains at a 37–37 tie. With the budget balanced for the current fiscal year, the legislature is not mandated to do anything other than adjourn no later than May 18. Combined with the upcoming 2026 regular election, most folks are not betting on major pieces of legislation ultimately passing, but it will likely be a busy session anyway.

Minnesota oil lawsuit

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argue the climate litigation asks courts to set national environmental policy, a role they say belongs to Congress and federal agencies. This argument now sits before the US Supreme Court, which was slated to decide in February whether to hear a similar case brought by Boulder, Colorado, against Suncor and other oil firms.

A Supreme Court ruling in favor of the oil companies could undermine Minnesota's case. Conversely, a refusal to hear the appeal, or a ruling favoring Boulder, could strengthen the Gopher State's position while still triggering years of further appeals.

Why utilities are watching closely

For Minnesota utilities, the lawsuit represents more than a courtroom dispute. The case builds a formal evidentiary record attributing measurable state-level costs to fossil fuel use and alleges the oil industry understood the impacts in advance.

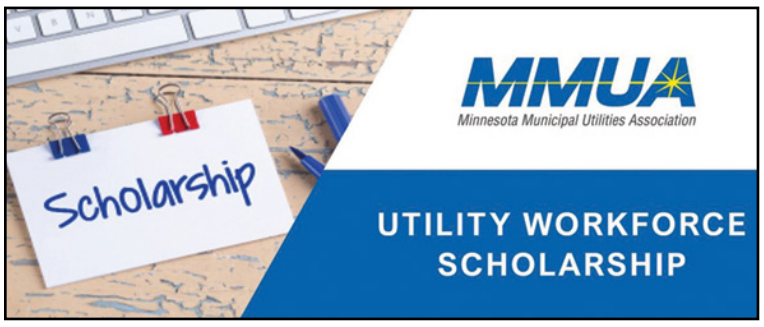
The eventual ruling could influence:

- Agency rulemaking
- Public Utilities Commission dockets
- Legislative debates
- Utility rate cases

Utilities operate at the intersection of all four. As regulators and lawmakers scrutinize energy investments more closely, the lawsuit claims that continued reliance on fossil fuels may no longer be promoted as risk-free. Utilities increasingly must justify long-term fuel choices in the same way they must now explain cost pressures tied to unrelated forces such as data-center growth and artificial intelligence demand.

The case may not set climate policy on its own, but it could reshape the legal and regulatory context in which Minnesota utilities plan for the future.

MMUA Utility Workforce Scholarship Program launches 2026 application period



Minnesota's municipal utilities continue to play a vital role in keeping our communities strong—delivering safe, reliable, and affordable electric, gas, water, and wastewater services.

As customer expectations evolve, technology advances, and many long-term employees approach retirement, the need to recruit and prepare the next generation of utility professionals has never been greater.

To help meet this challenge, the MMUA Utility Workforce Scholarship provides financial support for individuals pursuing high-demand careers in the utility sector, including:

- Lineworker programs
- Gas operations
- Water and wastewater operations
- Power plant technology
- Other specialized utility training programs

By reducing financial barriers and strengthening career pathways, this scholarship helps ensure a diverse, well-prepared workforce ready to serve Minnesota's municipal utilities for decades to come.

Building a strong foundation

In 2025, MMUA awarded five $1,000 scholarships to students entering utility-related training programs across the state. The volume and quality of applicants underscored both the critical need for workforce development and the strong interest among students who see public power and municipal utilities as meaningful, community-centered career paths.

Recipient Garret White shared his appreciation, noting that the scholarship will support his training at Minnesota State as he begins his journey toward becoming a lineworker. Another 2025 recipient, Isaac Lazaro, reflected on the inspiration behind his career choice: "I remember thinking how cool it was that they were out there helping people, no matter how bad the weather was. Ever since then, I've always wanted to do that. It just feels like the right job for me."

MMUA looks forward to building on that momentum as the 2026 scholarship cycle opens, continuing to broaden awareness and access to rewarding careers in municipal utilities.

About the 2026 scholarship

Scholarship applications are now open, and interested candidates are encouraged to apply before the April 30, 2026, deadline. The process is designed to be straightforward and user-friendly, ensuring applicants can complete the requirements with ease and confidence.

Applicants must:

- Be enrolled, or preparing to enroll, in a utility-related program at an accredited institution
- Complete the online application form
- Respond to two open-ended questions describing their interest in utility careers
- Provide two letters of recommendation from a mentor, teacher, or employer

The scholarship is open to Minnesota applicants pursuing training in any utility field, regardless of utility type or ownership structure. Information and access to the online application can be found at mmua.org/scholarship-program-mmua.

Supporting the future of Minnesota's utilities

Workforce development remains one of MMUA's top organizational priorities. The MMUA Utility Workforce Scholarship is one of several initiatives designed to help members address staffing shortages, strengthen local talent pipelines, and build long-term workforce sustainability.

By supporting the next generation of learners and leaders, MMUA is helping ensure that Minnesota's municipal utilities remain innovative, resilient, and ready to meet the needs of the communities they serve.

Sulfate, stormwater, and the new utility battlefield in northern Minnesota

Many Minnesota municipal utilities have reached a boiling point over water regulation and mining activity, dragging city systems into debates stretching far beyond city limits.

In northern Minnesota, utilities and local governments increasingly monitor environmental permitting decisions with the same intensity they typically reserve for bond markets and fuel contracts.

The Minnesota Pollution Control Agency (MPCA) has placed itself at the center of the debate through its work on sulfate, wild rice waters, and permitting decisions tied to mining. In December 2025, the agency announced a new effort to analyze naturally occurring sulfate levels across Minnesota and to revisit peer-reviewed science on sulfate's impacts on wild rice. The agency expects the work to finish in late 2026, and it is expected that the findings could shape how the MPCA implements the state's sulfate standard moving forward.

The announcement came amid increased scrutiny over mining permits, with reports highlighting how the agency's timeline intersects with pending decisions on permits linked to iron ore. Outcomes could be influenced by legislative pressure and public expectations.

This matters for municipal utilities because cities operate wastewater treatment plants with strict discharge conditions and provide power to industries, affecting revenue and rates. When sulfate becomes an issue, it impacts budgets and planning, as tighter discharge limits may require costly upgrades, leading communities to cover expenses through higher sewer rates, taxes, or both.

Keeping water contaminants at bay

The MPCA's own guidance on water permitting makes the structure clear. Water permits set limits on discharges, and wastewater and industrial facilities must keep contaminants below required levels. This permitting guideline functions as both environmental protection and as a cost driver, particularly in small cities where systems already run near capacity.

The mining battlefield

Mining creates its own set of regulatory demands. The MPCA requires mining projects to obtain multiple air and water permits or certifications, and projects face environmental review before approvals. The process can take years, and uncertainty can stifle investment decisions that would otherwise support jobs and tax base for communities in need of both.

Old rules versus new rules

Supporters of stricter standards argue Minnesota must protect sensitive waters and uphold long-standing environmental rules. They often point to cultural and ecological value, especially for wild rice and the waters supporting it. They also warn against permitting shortcuts that could shift long-term cleanup costs onto the public.

Mining advocates and industry-aligned voices argue the older standards require modern calibration. They contend the rigid limits can ignore naturally occurring background conditions and impose restrictive costs, blocking projects even when companies deploy improved technology and monitoring.

Outlook for 2026

In 2026, the balancing act will likely intensify as Minnesota continues shaping climate and environmental priorities. The MPCA has also promoted grant and planning programs aimed at helping small communities prepare for climate impacts, which may influence municipal planning discussions and capital projects.

Policy fights sometimes sound abstract in St. Paul. In northern Minnesota, they sound like invoices. Utilities face customer calls when a sewer project raises their bills. City councils face backlash when a new mandate forces a rate increase. Local leaders then must translate complex permitting, science disputes, and legislative pressure into understandable choices.

Minnesota's upcoming decisions on sulfate, mining permits, and water regulation won't resolve the state's resource debates. Instead, they'll set the framework of the ongoing debate and determine which communities will bear the costs of uncertainty.

Around the state

Sunray Glacial Waters, a municipal water system just north of **Willmar,** experienced a water main break in January. During repairs, the system lost pressure, prompting a boil-water advisory. Sunray Glacial Waters serves a community of 90 people and relies on groundwater for its supply. After restoring pressure and flushing the system, the advisory remained in place until tests confirmed that no coliform bacteria were present. Bacteriological samples taken a day after the pressure loss showed no coliform bacteria, according to the Minnesota Health Department.

Two large-scale solar developments in southeastern Minnesota are poised to influence the region's energy landscape in 2026, though both face key hurdles before construction can move forward. In **Byron,** a permitted 200-megawatt solar project proposed by EDF Renewables has been delayed as the developer works to secure remaining power purchase agreements necessary to move ahead. Company officials indicate they hope to finalize those agreements and begin construction later this year. Meanwhile, the 180-megawatt Lemon Hill Solar project east of **Rochester** remains in the regulatory review process before the Minnesota Public Utilities Commission. An environmental assessment is expected this spring, followed by additional public hearings. The project has drawn vocal local opposition, with concerns raised about groundwater, soil health, wildlife habitat, and visual impacts. If approved and constructed, the two projects combined would generate enough electricity to power tens of thousands of homes, underscoring Minnesota's continued push toward expanding renewable energy resources.

Carba, a Minnesota-based climate technology company, has installed a first-of-its-kind biochar reactor at its **Burnsville** facility, aiming to expand the state's role in carbon removal and waste management. The reactor uses molten salt to heat wood waste without burning it, a process known as pyrolysis, that locks carbon into biochar instead of releasing it into the atmosphere. Operating at lower temperatures than most biochar systems, the technology produces a highly porous material and maintains more consistent heat, improving efficiency and reliability. Carba sources most of its feedstock from utility line clearing and trees killed by emerald ash borer infestations. The reactor can process about 10,000 tons of material annually, and the company plans to add three more units at the Burnsville site. Unlike many biochar producers, Carba focuses on industrial uses, including landfill cover and remediation. The company's primary revenue comes from selling carbon credits to buyers such as Microsoft.

Cold weather in recent weeks has caused havoc on all fronts of the utility world in northern Minnesota. The bitter cold drove up power demand, prompting **Lake Country Power** to ask customers to conserve electricity and **Hibbing** to transmit excess power generated by its biomass boiler onto the MISO grid, which was in need of extra power. Several Iron Range communities reported minor infrastructure impacts during the extreme cold. **Hibbing** and Mountain Iron both experienced two water main breaks during the late January cold snap. **Virginia** officials said no city water lines had failed, though several residential natural gas regulators froze and were repaired. **Chisholm** reported no major city system issues, but the utility assisted residents with issues in their homes, while **Gilbert** monitored minor water line leaks. **Ely** has seen three city water main breaks so far this winter as well.

CITY OF NORTH BRANCH EST. 1881

In January, the **North Branch** fire department responded to a call at a familiar location—one of the city's public works buildings housing several electrical generators. These generators, which likely caused the fire, also sustained most of the damage, though investigations are ongoing. During the cold snap, the city operated these generators to support the power grid, partly because other generators on the SMMPA grid had been damaged in recent winter storms. The high energy demand is the probable cause of overwhelming the system, according to City Administrator Matthew Hill. "They estimate that the ceiling caught fire from the exhaust system," Hill says. He added that the fire and its suppression caused extensive damage; two generators are now non-operational after being submerged in water and foam. Witnesses saw smoke emanating through the mortar, possibly indicating internal pressure damage to the building, which may also need replacing. Fortunately, the fire department responded swiftly to contain the fire, and insurance will cover the losses, Hill says. The city can still fulfill its power generation needs with three other generators attached to the main public works building.

The city of **Anoka** has officially opened Minnesota's first municipally owned cannabis dispensary. Construction began in May 2025, and it was completed more quickly than most municipal buildings, according to officials. The dispensary aims to provide a safe, controlled space for cannabis sales, foster community, and keep taxes low. The facility includes security measures like a secure sally port, reinforced glass, and more than 35 cameras. It is also 80 percent powered by solar panels.

Bits & pieces

The fight in **Ann Arbor, Michigan,** continues as citizens push for a municipal electric utility. An advocacy group is launching a ballot campaign to begin the process of creating a public power provider. The group is collecting signatures for a proposed city charter amendment that would require the city to establish a structure for a municipal electric utility if approved by voters. The group aims to collect 6,500 signatures to place the measure on the November ballot. Elections for a utility governing board would be held in 2028. Ann Arbor currently receives electric service from DTE Energy. The group criticizes DTE's continued investment in fossil fuel generation despite Michigan's 2040 clean energy mandate.

Paul Lau, CEO of the **Sacramento Municipal Utility District (SMUD),** announced his retirement for late this year after 45 years of service. Lau started as a student intern and climbed through various utility roles before assuming the top job five years ago. Under his leadership, SMUD's rates have consistently ranked among the lowest in California, averaging 50 percent or more below those of neighboring investor-owned utilities, saving customers more than $1.9 billion annually. During his tenure, SMUD improved grid reliability and resiliency through strategic investments and achieved top customer satisfaction among California utilities. Lau also led SMUD to become the first publicly owned utility in California to join the Energy Imbalance Market, providing early access to regional energy shifts and saving more than $350 million. He is recognized nationwide for his efforts to implement carbon-reduction goals.

In late December 2025, Xcel Energy implemented planned power shutoffs across Colorado's Front Range to reduce wildfire risk during extreme wind conditions, leaving many residents without electricity for up to four days. The outages affected thousands, including low-income households in **Boulder, Colorado,** where spoiled food and disruptions to health care underscored the human cost of the utility's actions. Business owners also reported significant financial losses from the prolonged outages. The utility's use of Public Safety Power Shutoffs (PSPS)—sanctioned by the state's utility regulators—has drawn widespread criticism for poor communication and coordination with local officials and emergency responders. At recent hearings, residents, business leaders, and city officials demanded greater transparency, infrastructure investment, and customer protections, with some urging compensation for losses. Regulators are now considering new rules on shutoff practices, including improved notification and prioritization of critical facilities. Xcel says it is working to enhance its wildfire mitigation protocols and customer outreach ahead of future events. Boulder abandoned its effort to start a municipal utility in 2020 after gaining concessions from Xcel through a partnership agreement. The city would need to exit that agreement in order to consider a municipal option in the future.

The largest geothermal plant complex in the world and the **Sacramento Municipal Utility District (SMUD)** have reached a long-term extension and expansion of their existing power purchase agreement for geothermal energy from The Geysers, strengthening SMUD's strategy to provide reliable, clean electricity. The new deal increases SMUD's geothermal purchase from 100 megawatts to 150 megawatts and extends the contract to 2042. This expanded renewable energy supports SMUD's 2030 Zero Carbon Plan and commitment to reliability, affordability, and environmental stewardship. Located north of San Francisco, The Geysers is the world's largest geothermal complex, providing highly reliable renewable power daily, aiding SMUD's transition to clean energy.

A solar housing company is constructing homes in **Cleveland, Ohio,** for the Luther Metropolitan Ministry's affordable housing project. PadSmart designs and builds smart homes featuring solar panel roofs and walls, helping to keep utility costs low. These homes generate more energy than they consume and are built to be low-maintenance.

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The initiative aims to support people transitioning out of homelessness. Additionally, PadSmart provided job training opportunities for community members through this program. The project combines clean energy with community care.

The Mojave Desert, often seen as barren, supports a wide range of plant and animal life, including the rare threecorner milkvetch, a desert plant under consideration for protection under the Endangered Species Act. New research shows the species not only survived construction of the **Gemini Solar Project outside Las Vegas** but appears to be thriving. Before development, researchers documented 12 threecorner milkvetch plants on the site. In 2024, they counted 93, indicating seeds stored in the soil survived construction. Unlike traditional solar development methods that remove vegetation and level soil, the Gemini project used a low disturbance approach designed to preserve native ecosystems. Plants growing beneath and between solar panels were larger and produced more flowers and fruit than those in nearby undisturbed areas. Researchers suggest the panels' shade reduced soil evaporation, increasing water availability.

Dozens of residents gathered outside NIPSCO's **Hammond, Indiana,** office in early February to protest rising utility bills, citing affordability concerns amid higher winter heating costs. Organized by local advocates, the demonstration called on the utility and state regulators to reconsider recent rate increases and provide additional customer protections. Protesters said some households are struggling to keep up with gas and electric payments, particularly seniors and low-income families. NIPSCO representatives said rates reflect investments in system reliability, infrastructure upgrades, and compliance with environmental requirements, and noted that assistance programs are available for qualifying customers. The utility also emphasized that rate changes must be approved by state regulators. Advocates urged expanded bill relief, greater transparency in rate cases, and stronger oversight of utility spending, framing the issue as part of a broader affordability challenge facing energy customers across the region.

Tesla is re-entering the solar market nearly a decade after acquiring SolarCity, the sector leader. While Tesla has sold rooftop solar for years, it hasn't reached the same prominence as its Powerwall for home storage or Megapack for grid-scale batteries. Now, Tesla is creating its own solar panels, featuring a sleek design with a low-profile, all-black look and no visible bus ribbon for electrical contact, which the company says offers "superior aesthetics." The company also used data from 500,000 solar installations made by its internal teams to simplify the mounting process, eliminating the traditional rail system used to fasten panels. Like Tesla's vehicle sales, the rooftop solar sector faces challenges, with California's recent policy overhaul severely impacting sales and the federal tax credit for self-installed systems ending, though a tax credit remains for third-party lease systems. Tesla introduced a lease option last year to help monetize remaining tax credits, allowing customers to buy out their systems after five years.

Dump Duke, a public power advocate group in **St. Petersburg, Florida,** held a press conference in support of a municipal takeover of the city's electric grid. The group argued that even among investor-owned utilities, Duke Energy's rates are excessively high, and they claim investors are less responsive to customers than local officials are to voters. St. Petersburg's contract with Duke Energy is set for renewal in 2026 for the first time in three decades. The city is considering purchasing local power lines from Duke, then buying electricity wholesale and selling it to residents via a city-operated electric utility. Other Florida cities that have made similar switches report lower costs and fewer service disruptions, according to Dump Duke.

Safety corner

By Joe Schmidt, Assistant Director of Workplace Safety Services

Safety Corner: Safety Is More Than a Checkbox

In the December/January edition of *Safety Corner,* we discussed the importance of conducting job briefings and the requirements associated with them. The underlying purpose of a job briefing is straightforward: to identify and control the hazards associated with the work being performed.

If you type the word "safety" into an internet image search, you will almost invariably see a worker wearing a hard hat and a high-visibility vest. Completing a job briefing form simply to comply with a requirement can be just as routine. This raises an important question: does completing a required form automatically result in safety?

Many are familiar with the hierarchy of hazard control—a visual representation of proven safety principles that ranks hazard control methods from most to least effective. At the top of the hierarchy is elimination, which involves physically removing the hazard. At the bottom is personal protective equipment (PPE), which relies on the workers to protect themselves from harm.

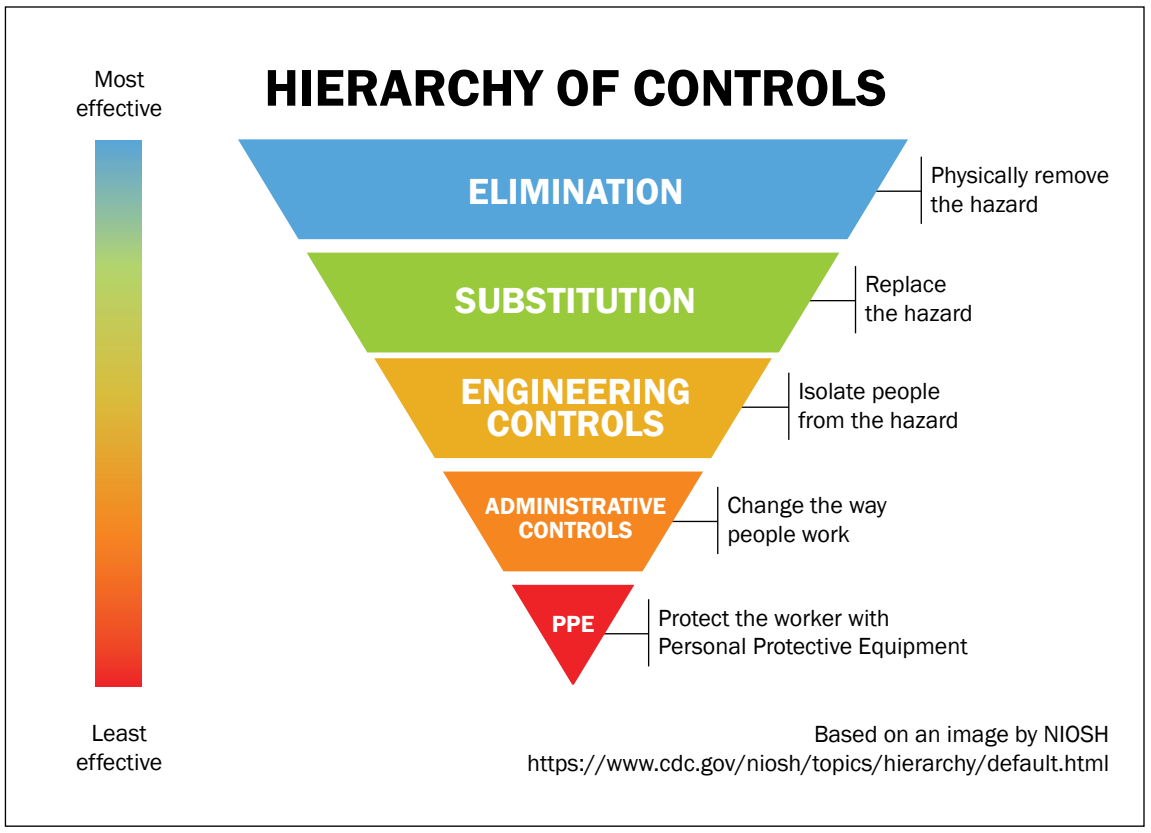
Employees are trained, policies and procedures are written and followed, and PPE is issued. Too often, however, safety becomes reliant on the least effective controls in the hierarchy. While these measures are important, they alone do not create a safe workplace.

Safety programs exist for one fundamental reason: to ensure employees go home unharmed at the end of the day. Simply handing out hard hats, high-visibility vests, earplugs, rubber gloves, and safety glasses is not enough.

In last month's *Safety Corner,* we introduced the value of discussing near misses. Near-miss reports are an example of leading indicators. Leading indicators focus on the future—what could lead to an injury and what can be done to prevent it. Emphasizing leading indicators, such as near-miss reporting and meaningful job briefings, draws attention to the conditions that precede an incident before injury or damage occurs.

By contrast, every year on February 1, employers are required to post their OSHA 300 Log. This document summarizes an employer's recordable injuries and illnesses from the previous year and serves as an example of a lagging indicator. Lagging indicators measure events that have already occurred—someone has been injured, or damage has been done to equipment or property.

While lagging indicators can be useful in identifying trends, evaluating past performance, and identifying compliance gaps, relying on them alone can be counterproductive to injury prevention. By the time a lagging indicator exists, harm has already occurred.



Several years ago, a supervisor and I were discussing the costs related to PPE. He was concerned that budget figures would be questioned and hoped the safety program could help reduce the need for certain PPE purchases. We began reviewing job tasks one by one, conducting basic hazard assessments for each.

What consistently surfaced in the discussion was the "likelihood" of an injury or the absence of past incidents involving certain tasks. The supervisor's focus was largely on lagging indicators—reasoning that if nothing had happened before, it likely never would.

Eventually, we reached a different conclusion. Some PPE costs could be reduced by eliminating or reducing hazards through task redesign and engineering improvements. Just as importantly, many of these job tasks were evaluated not only by management or safety staff, but by the employees performing the work. These employees understood the hazards firsthand and offered practical ideas that significantly reduced the risk of injury.

Personal protective equipment is a necessity in our workplaces—this is a given. The complexity and variety of the hazards we face may never allow us to eliminate all risks. Providing PPE is often the easiest and most immediate control method.

However, acknowledging this reality should not prevent us from engaging employees in hazard identification and control strategies. Safety must begin before work starts, with hazard recognition, thoughtful planning, and ensuring that appropriate PPE is available when hazards cannot be otherwise eliminated.

MMUA's Safety Management Program values the relationship between leading and lagging indicators and uses both to drive continuous improvement in workplace safety and health. True safety is not achieved by checking a box—it is built through planning, participation, and prevention.

Upcoming events

Building a strategic utility budget: managing resources for sustainable growth

March 26, 2026
Virtual

This course will equip leaders with a comprehensive overview of how to create and manage a utility budget. We will cover the building blocks of budgeting, including important background work such as rate studies, salary surveys, and other benchmarking. The course will also cover estimating revenues and expenditures, the importance of financial policies, forecasting, and capital planning.

This is an elective course for those enrolled in the DUEL™ program and counts for one DUEL credit. Not in DUEL? No problem. You can register for this stand-alone course. For more information, visit mmua.org/events.

Legislative Conference

March 24–25, 2026
Drury Plaza Hotel, Saint Paul

MMUA's Legislative Conference is an essential opportunity for community leaders to inform and influence state lawmakers on issues of importance to municipal utilities. The 2026 conference will take place approximately one month into the legislative session, just before lawmakers take their annual Easter/Passover break. This will make it a perfect time to make sure our representatives understand the importance of the issues on MMUA's legislative agenda.

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

Generation School and Pre-conference Workshop

April 7–9, 2026
Best Western Event Center, Fairmont

MMUA is pleased to offer the Pre-conference Workshop as a supplemental learning opportunity, held in conjunction with its annual Generation School. This workshop will delve into standard operating procedures that turn complex equipment into reliable, safe power solutions. Separate registration is required.

With a mix of classroom and hands-on learning, Generation School appeals to all learning styles and all levels of experience. In the classroom, attendees will learn about operations, inspection, testing, maintenance best practices, reporting, and more.

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

Underground School

May 5–8, 2026
MMUA Training Center

The Underground School features a hands-on learning environment where participants rotate through sessions covering a variety of topics and activities to develop new skills and enhance proficiency.

We hope you can take advantage of this opportunity to engage in training activities that safely simulate real-world scenarios. Participants may choose to take either a multi-session class or an advanced class.

Register by April 6, 2026, for the best rate. Advance registration ends April 16, 2026. Visit mmua.org/events for more information or to register.

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