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From Uri to Fern: Improved performance, ongoing cost challenges

Minnesota's municipal utilities responded effectively to Winter Storm Fern, reflecting improved preparation and operations since 2021's Winter Storm Uri.

Utilities nationwide are still feeling the ripple effects of Winter Storm Fern, during which natural gas prices soared unexpectedly. Hutchinson Utilities Commission depends on affordable baseload power from Missouri River Energy Services during incidents like these.

However, extreme fuel price spikes and supply constraints continue to require difficult decisions about whether to absorb costs or pass them on to customers.

On one of the coldest weekends of the year, as wind chills plunged below zero and furnaces strained to keep up, a quiet alert lit up smartphones across Minnesota: "Please conserve electricity."

Behind that simple plea was a high-stakes scramble across the Midcontinent Independent System Operator (MISO) region, from the northernmost point of Minnesota to the Texas border,

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Stitched with purpose: Rita Kelly's APPA Rodeo quilt legacy

Rita Kelly displays her last quilt created out of rodeo team T-shirts from the prior year, this one for the 2026 APPA Lineworkers Rodeo. Each year, Rita's hand-made quilt is donated as a raffle prize at the APPA Lineworkers Rodeo. Proceeds from the raffle support the Highline Heroes Foundation, an organization that supports injured lineworkers.

Each year after the American Public Power Association (APPA) Lineworkers Rodeo, MMUA's Rita Kelly receives a box full of T-shirts. She then carefully arranges and stitches them into a quilt honoring the skill and craftsmanship of lineworkers from across the country.

For 10 years, linemen at the rodeo have competed for ownership of Kelly's famous quilts. The quilt Kelly made for the 2026 APPA Lineworkers Rodeo may be her last.

The APPA Lineworkers Rodeo is an annual event where professionals from across the nation come together to battle it out in tests of skill. This year, the rodeo took place in Huntsville, Alabama, where 61 journeyman teams and 136 apprentices from

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A steady hand, a lasting legacy: Remembering Roger Warehime's impact on public power

The Minnesota municipal utility community lost a respected leader and trusted colleague on April 10 with the passing of Roger Warehime.

Roger Warehime

At the time of his passing, Roger was General Manager at Owatonna Public Utilities (OPU), and he was serving as Secretary/Treasurer of the Minnesota Municipal Utilities Association (MMUA) Board of Directors. Both roles reflected the trust his peers placed in his leadership and judgment. His loss is felt deeply across the public power community.

For more than two decades, Roger dedicated his career to public power, leaving a mark not only on the organizations he served but on the people who had the opportunity to work alongside him.

Roger joined OPU in 2004 and became its General Manager in December 2018. Over the course of his career, he built a reputation as a thoughtful, methodical leader—someone who understood both the technical demands of utility operations and the broader responsibility of serving the community.

Roger's path into public power began in energy conservation, where he helped customers implement projects and take advantage of efficiency programs. That early focus on practical, customer-centered outcomes became a defining feature of his leadership. Colleagues recall a

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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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Flush out the forever chemicals as Washington targets PFAS in wastewater

A bipartisan group of lawmakers has introduced legislation to address one of the most persistent environmental threats in the United States: per- and polyfluoroalkyl substances (PFAS) entering wastewater systems and persisting in rivers, soil, and drinking water.

The proposal addresses gaps in federal wastewater treatment standards and directs new funding and research toward technologies to capture or destroy chemicals before treated water is discharged. Supporters from both parties describe the bill as a pragmatic step, complementing earlier federal action on drinking water while acknowledging that existing treatment systems do not reliably remove PFAS.

PFAS, often called "forever chemicals," resist heat, water, and oil. Manufacturers have used them for decades in products ranging from nonstick cookware to firefighting foam. Those same chemical properties now complicate cleanup efforts, because PFAS do not easily break down in the environment or the human body.

The scale of contamination stresses the urgency behind the legislation. Researchers estimate over 200 million Americans live in areas where PFAS levels in tap water exceed federal health advisory thresholds. Investigators have identified roughly 26,000 contaminated sites nationwide, and studies show PFAS appear in a majority of urban waterways and a substantial percentage of rural ones.

Wastewater systems sit at the epicenter of the problem. Industrial facilities, landfills, and households discharge PFAS into sewer systems. Treatment plants can remove many conventional pollutants, but they often allow PFAS to pass through largely unaltered. In some cases, utilities concentrate the chemicals in sewage sludge, which farmers later spread on fields as fertilizer, creating a secondary pathway into soil and groundwater.

Lawmakers behind the new bill say the gap demands federal attention. The legislation calls for updated wastewater discharge standards under the Clean Water Act, increased monitoring requirements, and financial support for utilities to install advanced treatment systems such as granular activated carbon, ion exchange, or high-pressure membrane filtration.

Backers insist the measure avoids partisan flashpoints by focusing on infrastructure and public health rather than liability. Still, the broader PFAS debate remains politically charged. Some Republicans and industry groups have pushed to shield certain entities, including water utilities and landfills, from cleanup liability, arguing they did not produce the harmful chemicals. Environmental advocates counter, asserting such exemptions could shift costs onto taxpayers and weaken incentives to control pollution.

At the federal level, regulators have begun to tighten oversight. The Environmental Protection Agency has set the first national limits on several PFAS compounds in drinking water and has expanded its ability to detect dozens of PFAS variants across environmental media, including wastewater. Those rules primarily address finished drinking water, not the upstream wastewater systems feeding contamination cycles.

Minnesota offers a case study in both the scale of the problem and the complexity of solutions. The state has grappled with PFAS contamination for decades, most notably in the eastern Twin Cities metropolitan area, where disposal practices linked to 3M polluted groundwater affect more than 170,000 residents. The state secured an $850 million settlement from the company, funding long-term drinking water and natural resource restoration projects.

Today, Minnesota's PFAS Blueprint coordinates efforts across agencies, focusing on research, cleanup, drinking water protection, and prevention strategies. Regulators have adopted new reporting requirements to compel manufacturers to disclose products containing intentionally added PFAS, creating a more complete inventory of sources.

Local governments and Native American tribes have filed lawsuits against PFAS manufacturers, reflecting growing pressure to hold polluters accountable. Meanwhile, state policymakers weigh additional measures to limit PFAS use in consumer products and restrict industrial discharges.

Across the Midwest, bipartisan cooperation is building. Wisconsin lawmakers recently approved a $133 million package to address PFAS contamination in drinking water, private wells, and industrial sites, a move passed with near-unanimous support after years of political inertia.

The emerging federal bill aims to replicate the spirit of cooperation on a national scale. Its supporters argue that wastewater treatment represents a logical next step after drinking water standards. Without upstream controls, they caution that utilities will face an endless cycle of contamination and costly treatment upgrades.

Critics contend that advanced PFAS treatment technologies can require significant capital investment, and smaller or rural utilities may struggle to comply without sustained federal funding. Industry groups also question whether current science supports sweeping nationwide discharge limits, given the thousands of PFAS compounds and varying toxicity profiles.

Public health advocates argue delays carry their own price tag. Studies link PFAS exposure to cancer, immune system disruption, and developmental effects. Regulators now detect the chemicals in the blood of most Americans, fueling calls for more aggressive action.

The bipartisan bill does not promise a quick fix. PFAS contamination accumulated over decades, and cleanup will likely take several decades. Yet the measure signals a positive shift in federal policy toward addressing pollution at its source, rather than relying solely on downstream treatment.

For communities in Minnesota and across the country, this shift could mark a turning point. If Congress acts, wastewater systems—long overlooked in the PFAS fight—may become the next frontline in a nationwide effort to finally flush out the "forever chemicals" that refuse to disappear.

Simple gifts: Lessons in leadership and decency from Roger Warehime

From my desk to yours

Karleen Kos
MMUA CEO

'Tis the gift to be simple, 'tis the gift to be free,
'Tis the gift to come down where we ought to be …
Shaker hymn

When news of Roger Warehime's serious condition and eventual death began to make its way through the municipal utilities community in early April, most of us were stunned into silence.

Being shocked when a person of relative youth, good health, and vigor dies is normal. The depth of grief, the struggle to picture our world without Roger in it, and the lack of words to express that is—at least in my experience—something else entirely. It took time to process. We had to sit with it. Once it sank in and we found our voices, our community has not stopped talking about Roger and the far-reaching impact he had on municipal utilities—and on us as people.

If Roger were here, I suspect he'd be both pleased and mortified by all the nice things being said about him. He would say he was just a guy trying to do a good job. So, without turning our friend and colleague into a saint, I want to use this month's column to speak in the present—and to carry forward the lessons Roger taught us about leadership, decency, and keeping it simple.

- **Be an orchestra conductor, not a rock star.** Roger led with quiet strength, fostering collaboration among colleagues and encouraging everyone to contribute their unique talents. Whether he was running a staff meeting at Owatonna Public Utilities (OPU), chairing a committee meeting for MMUA, or encouraging friends to take a challenging bike ride, he didn't need to be the center of attention. Roger modeled effective leadership without concern for personal glory. He focused on elevating the group and encouraging everyone in it to be better.

- **Choose the right people.** Roger and I often talked about organizational culture. We shared a belief that great organizations are built by attracting and retaining people who want to be there—people committed to the mission, to each other, and to growth. Roger worked hard to create an environment at OPU where excellent professionals wanted to work, and he held himself accountable to be the kind of leader they wanted to work with.

- **Include people.** Roger knew that people do better when they feel a part of something. In my experience, he strove to draw people in. A couple of months ago, a member of the OPU team invited Shelly Dau and me to sit in on a meeting for all OPU staff. The pride was evident, and so were the merits of Roger's approach. All the departments were visible, recognized, and provided input. It showed up in morale, safety, and communication. Roger's openness and willingness to listen helped create a safe environment where ideas flourished.

- **Set people up to succeed.** Roger often talked about mentoring, training, and career development. He knew OPU's future was tied to his team members' success. He made sure staff had access to training, including MMUA's DUEL™ program, and understood their career paths were supported. At MMUA's Legislative Conference in late March, he described a succession plan that included three people he was mentoring to step into his role. That preparation mattered more than anyone could have known—just two weeks later.

- **Provide constructive feedback.** Because he was real, Roger told the truth. He offered opinions and suggestions directly. His gift was delivering feedback in a way that kept your focus on the idea, not the delivery. Simple—but not easy.

- **Show appreciation.** Roger took the time and made the effort to show appreciation to those who knew him. Whether it was a quiet compliment, a public thank you, or a handwritten note—something he still did frequently, and in long-hand—folks on the receiving end knew they had been "seen" by Roger.

- **Reach out, and go face-to-face if you can.** Many people have spoken since Roger's death about how he took the initiative and made them feel welcome. Whether it was a new general manager to whom he offered help and friendship, a new Board member who felt a little at sea, or the once-new MMUA CEO that he wanted to get to know, Roger made the call. He was busy, but never too busy to spend time with people—ideally, inviting them to OPU for lunch and a tour.

- **Ask for and offer help.** One of the things municipal utilities often have to do is ask for and offer help. Roger was good at both. Whether he wanted my thoughts on the writing of his book, *A Century of Progress,* or needed mutual aid after last summer's storms, he had no trouble asking. When MMUA needed a place to host events, he offered OPU. When MMUA needed someone to speak at an event, he suggested a name. When he had an idea for a project or a column, he'd send it. I know he did this throughout the muni world, not just for MMUA. In short, Roger embraced mutual accountability and humility in how he conducted his professional life, and he showed others how it's done.

- **Take chances.** I didn't know Roger for a long time, but, in those years, I came to know a man who wasn't afraid to take chances. Not reckless chances—he valued safety and built a strong safety culture—but worthwhile ones. They were things that were worth doing, whether they "succeeded" or not. Roger tried things in the theater. He helped start a brewery—and saw it close. He trained as a facilitator to reduce political polarization. In certain circles, folks might categorize some of what he did as "failure," but Roger always learned and grew as a result of his efforts. That's success in my book.

- **Say yes, but set limits.** Roger was generous with his time and support. When MMUA needed help, he stepped in. His obituary contained a list of things he contributed to his community, all taking time and energy, and Owatonna was better for it. Yet Roger understood the importance of boundaries. If he couldn't squeeze something in, he'd say so. When the MMUA Board asked him to serve as an officer, he agreed, but made clear that he could not offer more time than he had. By setting clear limits, he prevented burnout and maintained focus on what mattered most.

- **Don't sweat the small stuff.** Roger certainly cared about getting things right and not making mistakes, but he didn't take small stuff too seriously. Whether he was wrestling with a computer that wasn't working right or doing a facepalm because he forgot an agenda item, he always had a path to fixing the problem, and he rolled with the inconvenience—and maybe rolled his eyes.

- **Respect the past, don't replicate it.** Roger enjoyed talking about history, particularly Owatonna's history and the story of OPU. It grounded him, but didn't trap him. If you haven't visited, OPU's main building is both a museum honoring the utility's past—with exhibits and architecture dating back to its early days—and a place where the future is unfolding before you. There's AMI and GIS technology that would make any modern utility proud, a public meeting space that draws the community together, and a gym and a walking track where employees focus on their wellness. Perhaps most importantly, if you talk to the commission and the staff leaders, you will soon learn there's a forward-thinking, shared vision for leading OPU in the decades to come. It's not dependent on Roger, but it is thanks to him that OPU is positioned for strength and growth.

- **Grow constantly.** This one really sums up all of the other lessons Roger gave us. He was constantly learning, constantly eager to challenge himself, constantly looking to do better. In my experience, it wasn't an obsessive thing that grew from insecurity. It was born

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as utilities fought to keep the lights on and homes warm.

A combination of system failures and fierce demand across the natural gas system triggered the alert. A pipeline rupture in northern Minnesota and weather-driven production losses in southern Minnesota sharply constrained supplies as heating and power generation needs surged. The resulting price spikes placed Minnesota utilities in a familiar bind: absorb soaring fuel costs by drawing down reserves or pass them on to customers through higher bills. The crisis exposed a persistent vulnerability in cold-weather states, where a single disruption can cascade quickly from reliability concerns into affordability shocks.

For many utilities, the moment echoed hard lessons learned during Winter Storm Uri in 2021 when sudden gas price spikes left utilities scrambling for cash, struggling to communicate with customers, and debating how to spread massive costs without causing financial harm.

Fern tightens the system

Winter Storm Fern, which occurred January 22–27, 2026, was vast, stretching from the southern plains into the Northeast, bringing heavy snow and prolonged Arctic cold across much of the country. More than a million customers lost power nationwide as grid operators activated emergency procedures to prevent larger outages.

Across the MISO region, capacity margins narrowed to roughly three percent during peak hours. That is a razor-thin buffer, meaning that the loss of just a few large power plants could have triggered rolling blackouts. The stress grew severe enough that the US Department of Energy issued emergency orders allowing grid operators to deploy backup generators and other reserve resources.

In Minnesota, those emergency measures were very real.

At Rochester Public Utilities (RPU), crews flipped generators from natural gas to fuel oil and ran them nearly nonstop for two and a half days. Tanker trucks arrived every two hours overnight to replenish supplies as workers coordinated emergency contracts and inventory just to stay ahead of demand.

"A normal natural gas price in our region is probably about $4 a unit," said RPU General Manager Tim McCullough in a radio interview shortly after the storm. "During this event, prices were running closer to $80. When fuel supplies are constrained, the economics drive prices up, and that affects heating costs, generation costs, and everything in between."

Why did prices skyrocket?

The Midwest's price shocks were not driven by cold alone.

Earlier in January, Northern Natural Gas declared a force majeure event after a pipeline rupture near Willow River, Minnesota, cutting regional gas delivery capacity by more than half. With less gas flowing from Canada and the Upper Midwest, the system relied more heavily on constrained southern supply routes.

Extreme cold in Texas and Oklahoma triggered widespread freeze-offs, shutting in an estimated 10 billion cubic feet of natural gas production in just two days, and removing critical supply from the market precisely as demand peaked.

As homes, businesses, and power plants competed for the same limited supply, prices surged across the Midwest. Ventura, Northern Natural Gas's primary supply point, jumped above $70 per dekatherm. Chicago, Demarc, and MichCon hubs followed close behind.

This instability reveals a continuing vulnerability in cold-weather gas markets. Limited infrastructure capacity and rising electric generation needs can easily transform weather conditions into affordability crises, emphasizing the importance of addressing these issues proactively.

The pressure utilities felt during Winter Storm Fern was not unique to the Upper Midwest. Across the country, the winter of 2025–26 functioned as a real-time stress test for America's energy system, as extreme weather, tightening fuel supplies, and rising electricity demand collided over multiple months. While the grid largely held, several events revealed how little margin remains when cold snaps strike a system already stretched by growing power needs.

During the most intense hours of the January cold snap, the grid's margin for error narrowed dramatically, forcing operators to rely on whatever generation could run continuously through the storm. Weather-dependent resources faded just as demand peaked, leaving dispatchable power to shoulder nearly the entire load during peak hours.

Grid operators note how renewable resources still play a significant role over the full year, even if extreme cold events expose short-term limitations.

"During that weekend, at times, there was zero percent solar output. At times, there was effectively zero percent wind output," said McCullough. "And the entire state of Minnesota was running on nuclear, coal, natural gas, and oil, with no support from renewables during certain periods."

Winter storms are familiar to Minnesota utilities, but managing sudden price surges amid aging infrastructure and an overstretched grid remains a challenge they are still learning to navigate.

Providers like New Ulm Public Utilities must respond instantly to surging demand for heating and constrained fuel supplies.

The conditions, McCullough said, were not unusual for extreme cold, but they were consequential. When renewable output dropped, and heating demand surged, natural gas-fired power plants competed directly with homes and businesses for a

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shrinking fuel supply, intensifying both reliability concerns and price volatility.

Utility managers identify a critical pressure point at the increasingly significant intersection between natural gas and electric systems, an interdependence exposed during Winter Storm Uri in 2021 and reinforced again during Fern.

"Improving the communication and coordination between natural gas suppliers and electric grid operations will be vital, as gas production often drops during the same extreme cold events that spike electricity demand," says Derek Nelson, Energy Services Representative at New Ulm Public Utilities.

Without tighter coordination, utilities say even short-lived disruptions can cascade quickly, driving wholesale fuel prices higher and forcing complex decisions about cost recovery that ultimately determine whether utilities draw down reserves, spread costs over time, or pass them directly on to customers.

The ghost of Uri

For Minnesota utilities, Winter Storm Fern was never just about the week it happened. It reopened unresolved questions first raised during Winter Storm Uri in February 2021, when natural gas prices exploded so quickly that some utilities worried they wouldn't have enough cash on hand to pay their wholesale gas bills.

In a post-Uri debrief convened by the Minnesota Municipal Gas Agency, utility leaders described financial impacts ranging from hundreds of thousands to tens of millions of dollars. The costs were driven not by long-term planning failures, but by a handful of extreme days when market prices blew past historical norms.

Several Minnesota municipal utilities reported per-household cost impacts initially exceeding $700 before accounting adjustments and hedging offsets. Others debated how to spread costs over months or even years, knowing that billing systems and customer tolerance had real limits.

What emerged from the meeting was a shared understanding: price spikes do not just test infrastructure, they test reserves, communication, and public trust.

How utilities softened—or passed on—the costs of Winter Storm Fern

Not all utilities experienced the storm the same way.

Some municipal utilities were able to shield customers through hedging, surplus purchases, or fuel flexibility. New Ulm Public Utilities, for example, entered January with more gas than it ultimately needed during early warm weeks. The surplus helped to cover the most expensive days later in the month.

Elsewhere, fuel diversity made a difference. Hibbing Public Utilities (HPU) relies on a mix of coal, biomass, and natural gas, allowing it to avoid purchasing the most expensive gas during peak prices.

"When suppliers can only guarantee half your fuel, we're not shutting off customers when it's 30 below," says HPU General Manager Luke Peterson. "We have to buy more gas at market prices. Prices we work hard to avoid."

When you get to southern Minnesota, some utilities use financial risk management and price hedging to handle real-time price spikes. Hutchinson Utilities Commission (HUC) will often rely on cost-effective baseload power from Missouri River Energy Services.

HUC also uses behind-the-meter generation assets, enabling it to either avoid high market costs in real time through local generation or produce power for market sales. The revenue from these sales directly helps reduce the monthly power supply costs. HUC regularly employs both strategies at the same time.

For natural gas, HUC uses layered procurement and hedging, locking in 70–80 percent of annual needs via fixed-price and prepay contracts. It keeps 20–30 percent exposed to the spot market to avoid over-subscribing, and employs additional hedging strategies during price surges to minimize volatility.

Investor-owned utilities, however, often have fewer options.

Minnesota Energy Resources, which serves 179 communities statewide, is required to pass higher fuel costs through to customers. The company has warned ratepayers they may see the impacts spread over upcoming bills.

"It may not show up immediately," spokesperson Alison Trouy says. "But customers could start noticing higher costs in the months ahead."

Analysts say one reason winter price spikes have become more severe is a structural shift in electricity markets. After years of flat demand, US power consumption is climbing again, driven by electrification and energy-intensive data centers. During cold weather, that growth forces power plants and home heating customers to compete for the same constrained natural gas supply, intensifying both price volatility and reliability risks.

Many of the strategies utilities deployed during Winter Storm Fern, like hedging a majority of gas supply, drawing on stabilization funds, interrupting large commercial customers, or spreading recovery costs over multiple billing cycles, were adopted or expanded after Winter Storm Uri exposed how quickly market volatility could overwhelm municipal systems.

Natural gas distribution lines like these are under the greatest strain during prolonged cold snaps, when volatile fuel prices force utilities to decide whether to draw down reserves or pass higher costs on to customers.

In 2021, some utilities warned they might need to issue emergency debt or drain reserves to stay solvent. Others struggled to explain why customer bills varied so dramatically from city to city, a communications challenge that utilities acknowledged still needed refining years later.

A familiar lesson, and an unfinished one

Winter Storm Fern in 2026 revived memories of Winter Storm Uri in 2021.

This time, better preparation, stronger coordination, and increased reliance on coal and natural gas generators helped prevent catastrophic failures in the Midwest. During the coldest week, coal-fired generation jumped more than 30 percent, while natural gas generation rose roughly 14 percent, an uncomfortable but essential reminder of the grid's ongoing dependence on traditional fuels during extreme weather.

Still, energy experts and utility leaders say the system remains fragile. In the aftermath of Winter Storm Uri, municipal utilities warned that without changes to market rules, infrastructure investment, and fuel coordination, extreme cold events would continue to cascade into financial emergencies.

Electric demand is growing faster than expected, driven by electrification, data centers, and digital infrastructure. At the same time, extreme weather events are becoming more frequent and less predictable, stressing aging pipelines, generation plants, and transmission lines.

HPU's Peterson met with Federal Energy Regulatory Commission officials to discuss northern Minnesota's supply challenges as part of a broader national debate over how to balance decarbonization goals with the realities of reliability and affordability.

"The grid held," Peterson says. "But it did so by using every resource available."

Winter Storm Fern showed how much utilities have learned since Uri, but also how little margin remains when extreme cold turns energy markets into financial stress tests for communities.

Next winter, utilities know, will bring another test.

Simple gifts

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of curiosity, of energy, and of service. Roger wanted to know more, to do better, and to do right by everybody. It wasn't because he wanted to be remembered. It was because he never forgot that he was not alone. Whether as a general manager, as a community member, a friend, a family guy, or a human, Roger's gift was making growth look easy, natural, and desirable. It was simple, it was free, and we are all better for it.

Remembering Roger Warehime

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Roger loved Owatonna and OPU. At the utility's 100th anniversary celebration in October 2024, these passions came together when he accepted recognition of the utility milestone on behalf of the organization and the hundreds of staff, commissioners, and community members who made it possible. Roger (center, in a gray sport coat) shakes hands with Brad Meier, President/CEO of the Owatonna Area Chamber of Commerce and Tourism, while an eager community member snaps a photo and a Chamber member (right) holds a copy of the book Roger researched and wrote for the occasion, A Century of Progress.

professional driven not by recognition, but by a genuine desire to serve others and improve the communities around him.

Those roots carried through his tenure at OPU, where he led the organization through a period of both growth and challenge. Under Roger's leadership, OPU maintained exceptional reliability and below- average rates while investing in the replacement of aging infrastructure and navigating extreme weather events. His decisions consistently reflected a clear priority: doing what was best for customers and the community over the long term.

At the same time, Roger demonstrated a forward-looking mindset that positioned OPU for the future. He guided the utility through a five-year transition to advanced metering infrastructure (AMI), recognizing early on the value of data and analytics—not just for operational efficiency, but for delivering better service. His vision extended beyond technology itself; he saw how information could shape smarter decisions and better outcomes for customers.

He also led OPU through its 100th anniversary milestone, helping the organization honor its history while preparing for what comes next. Through it all, he maintained a steady focus on reliability, affordability, and community trust—core principles of public power.

Yet, for those who knew him, Roger's legacy is not defined solely by projects or milestones. It is defined by the culture he built and the relationships he fostered.

"One of Roger's greatest accomplishments was the team he built and the culture he leaves behind," OPU shared in its official statement. "He believed that a strong organization starts with its people, and he worked every day to build a workplace where employees felt valued, supported, and proud of the work they do."

That emphasis on people was evident across every level of his work. Whether mentoring a new general manager, welcoming a new board member, or engaging with staff, Roger approached leadership as a relational responsibility.

Tom Dankert of Austin Utilities reflects this experience: "As a newly appointed General Manager … Roger was a mentor that I could always turn to for advice and leadership direction. Roger will be missed by all."

Similarly, Harold Langowski of the City of Ely recalls how Roger reached out early in his MMUA Board service: "Roger was one of the first Board members to welcome me and get to know both me and the community I serve. Roger's insights as a General Manager of a larger community on the Board were valuable, and his loss will be difficult to replace."

Mentorship, in Roger's case, was not formalized; it was simply how he operated. He listened, asked questions, and shared perspectives in a way that helped others grow. Many describe him as someone who made time for people, even amid the demands of leading a complex utility.

That approach extended into his work across the broader public power community. Roger was appointed to fill an opening on the MMUA Board of Directors beginning in May 2023. Later, he was elected by the general membership to represent them and was named Secretary/Treasurer in August 2025. Though his tenure in that role was relatively short, his impact was immediate.

Mike Willetts of MMUA describes him as "an exceptional person and a true leader who fully believed in the culture and future of public power." Willetts adds, "Roger was a mentor to many, and his impact will be felt for years to come."

Colleagues consistently point to Roger's thoughtful, deliberate style. He was not one to dominate a conversation, but when he spoke, his contributions carried weight.

Keith Butcher of Princeton Public Utilities says, "I first met Roger in 2004 while we were working together to provide Owatonna customers with cost-effective energy efficiency programs. I came to know him as a versatile leader who consistently offered thoughtful perspectives and asked engaging questions. … [He was] a respected voice in our industry whose commitment to public power made a lasting impact."

Shelly Dau of MMUA reflects, "He didn't speak often, but, when he did, it mattered. Always prepared, I will remember him as a steady and respected presence in the Minnesota municipal utility community."

That steadiness was particularly valuable in an industry that requires careful navigation of complex issues. Jeremy Carter of Hutchinson Utilities Commission notes Roger's ability to work through difficult challenges: "He was incredibly methodical, yet he never lost that subtle sense of humor that made working with him such a pleasure."

Carter also highlights Roger's broader commitment to the public power mission, saying his "impact on public power was profound because of his civic-minded approach and commitment to community stewardship." He goes on to say that Roger's "work extended beyond his own community, focusing on improving the broader public power sector."

Roger's involvement with organizations like the Southern Minnesota Municipal Power Agency (SMMPA) further reflects that commitment. There, he was known as a thoughtful contributor who brought both insight and curiosity to the table.

Dave Geschwind of SMMPA describes him as "a valued board member who consistently provided thoughtful insight on the wide range of issues facing our Agency," noting also that Roger "never stopped challenging himself—to learn, to grow, and to see issues through different lenses."

That willingness to keep learning stood out to many. Jeremy Sutton of SMMPA notes that Roger "was always quick to dive in and learn more by asking questions. He was open to learning new things and made time to share his experiences with others."

Beth Fondell of SMMPA remembers Roger as someone "driven by a genuine passion for serving others... He actively contributed to the community and industry organizations, impacting many people both personally and professionally."

Even with decades of experience, Roger remained curious—an important trait in a field that continues to evolve rapidly.

For those who worked most closely with him at OPU, Roger's leadership was felt every day. He fostered a culture of safety, accountability, and mutual respect—one that continues to define the organization.

"Roger didn't just manage a utility—he built a team, earned the trust of this community, and made all of us better at what we do," says OPU Board President Kent Rossi. "This is a tremendous loss, and he will be deeply missed by everyone at Owatonna Public Utilities."

That sentiment is echoed across the state. Kevin Lee of Marshall Municipal Utilities remembers Roger as "always easy to talk to," while Scott Stillwell of MMUA notes that he "was the type of man who made you want to be a better person."

For some, the connection went back decades. Pete Moulton, of the City of Saint Peter and MMUA's current Board President, reflects, "Roger was one of the brighter stars in our industry and helped his community through many difficult situations. I was proud to have worked with Roger, and he helped me

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Remembering Roger Warehime

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personally with his openness and understanding."

Taken together, these reflections paint a consistent picture: a leader who combined intelligence with humility, discipline with empathy, and professionalism with genuine care for others.

In public power, success is often measured in system reliability, affordability, and sustainability. Roger delivered on all of those fronts. But his colleagues make clear that his greatest contributions may have been less tangible—and more enduring.

He built trust. He developed people. He strengthened the culture of the organizations he served. And he did so in a way that never drew attention to himself, but always elevated those around him.

His passing leaves a void that will not be easily filled. But his influence remains—in the teams he built, the leaders he mentored, and the standards he set.

Roger Warehime was, in every sense, a public power leader. And while he will be deeply missed, his legacy will continue to shape Minnesota's municipal utilities for years to come.

Roger Warehime, right, enjoys a chat with Wes Hompe, former General Manager at Willmar Municipal Utilities, during a legislative rally circa 2016. At the time of his passing, Roger had served as the chair of MMUA's Government Relations Advisory Council for several years, leading weekly information and strategy meetings with peer utility leaders and MMUA staff during the legislative session.

Stitched with purpose

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nonprofit, community-owned electric utilities across the country competed for trophies and bragging rights.

Kelly began her quilt journey in 2016, when the rodeo was hosted in Minnesota. Quilts had been made before, but the previous maker had retired. That first year, Kelly's quilt was part of a raffle that included other donated items from Minnesota rodeo participants, including woodwork from the former general manager of Willmar Municipal Utilities.

Each of Kelly's quilts features T-shirts from the previous year's rodeo, representing municipal utilities from Florida to Minnesota to California. It's a true celebration of the craft.

Since 2016, Kelly has made nine quilts. The pandemic years were skipped, and there was a special case when she made two quilts in one year after the winner donated the quilt he won to a deserving lineworker. Kelly felt he still deserved one of his own.

According to Kelly, the process of designing and laying out the quilts takes longer than the actual sewing. One year, she tracked the total hours spent, which amounted to more than 45. It's a true dedication to lineworkers and to the Highline Heroes Foundation, the cause that receives all of the quilt raffle proceeds.

Rita Kelly (left) holds the first quilt she made and donated, which was for the 2016 APPA Lineworkers Rodeo hosted in Minnesota. That year's winner, Joe Howard from Jacksonville, Florida, holds the other side.

Tracy Moore, who created the Highline Heroes Foundation, gives back to the lineman community in a profound way beyond financial support. The foundation was formed after Moore tragically lost her husband to a work-related accident. She now dedicates her time to educating others about the dangers inherent in linework and raising money to support families affected by life-altering injuries.

Throughout the 10 years, Kelly's quilts have raised more than $30,000 for the Highline Heroes Foundation.

Not only do Kelly's quilts support a meaningful cause, but they have also become one of the most sought-after prizes at the rodeo, second only to winning first place in competition.

As the quilt was presented to this year's winner, it was announced that it would be Kelly's last. The room responded with a standing ovation.

Kelly plans to retire from her role as MMUA's Director of Administration in November after more than 40 years with the Association. When asked if she is truly done making the rodeo quilts, Kelly offered a knowing smile. "We'll see," she said. "I've got the shirts."

Clean energy just won't cut it: How AI is gaining traction among the skeptics

Artificial intelligence is forcing an unlikely rethink in climate policy: the Natural Resources Defense Council (NRDC), one of the nation's most vocal opponents of nuclear power, is now backing an early step toward restarting Iowa's Duane Arnold nuclear plant as soaring AI electricity demand strains the grid.

This notable move by a prominent US environmental organization suggests a shift in climate strategy.

The demand for AI is rising quickly, causing increased energy use and stressing the grid after years of little change. As a result, there's a renewed shift toward nuclear power to compensate for reduced fossil fuel generation in the clean energy era. Wind and solar energy alone are insufficient for the energy needs of large AI models.

Last year in the US, AI energy use was comparable to supplying over 7.2 million homes. This figure is expected to rise—and by 2030, AI power demand is forecasted to double. Data centers could then account for 9–17 percent of the entire US electricity consumption, as noted by the International Energy Agency.

The NRDC is a nationally recognized environmental organization with more than three million members. The group has long held strong opposition to nuclear power and often advocates for plants to cease operation.

In October last year, NextEra Energy and Google announced plans to restart the Iowa nuclear plant to strengthen the grid. They stated in a press release that the plant aims to be fully operational by 2029. Google also signed a 25-year deal for Duane Arnold's energy and an agreement to explore nuclear deployment nationwide.

The NRDC clarifies that this should not be taken as a general stance on nuclear energy. Rather, it highlights a specific principle: data centers ought to be powered by privately funded, carbon-free energy sources, with oversight and safeguards, all without added costs to consumers, as explained in a blog by Kit Kennedy, Managing Director of Power, Climate & Energy, and Dr. Matthew McKinzie, Senior Director of Data & Policy Analysis at NRDC's Science Office.

Former Vice President and environmentalist Al Gore says the energy source warrants renewed consideration. "The surge in demand for electricity is causing some reanalysis of what role nuclear might play when you have large, wealthy, consumer-facing businesses that need enormous amounts of new power."

John Kerry, former Secretary of State and special envoy for climate under the Biden administration, now supports nuclear power, stating "the shifting fundamentals of power demand have made it necessary."

The current administration is also advocating for nuclear power, and, at the Minnesota state capitol, more legislators are considering lifting the nuclear moratorium, though it is still an uphill battle in the state.

Kevin Kamps, radioactive waste specialist with Beyond Nuclear, based in Michigan, is still actively fighting the restart of the Palisades nuclear plant along Lake Michigan. He says renewed nuclear power just brings old dangers back.

Whether this shift signals a lasting realignment or a temporary response to surging demand remains an open question for policymakers and utilities alike.

The grid at the breaking point, as AI power surges collide with reality

By Theodore G. Huntington, MMUA correspondent

The artificial intelligence boom has triggered a modern industrial race—one measured not in steel or oil, but in megawatts.

Developers have announced an estimated $600 billion in new hyperscale data center investments across North America, a buildout now colliding with a less visible but more fragile system—the electric grid.

A growing body of evidence suggests the AI-driven electricity surge may outpace the grid's ability to respond, raising the risk of localized failures and, in extreme scenarios, cascading outages rippling across regions.

A new kind of grid shock

The North American Electric Reliability Corporation (NERC), the continent's reliability watchdog, has issued one of its most urgent warnings to date. In a recent white paper, the organization described the risk posed by large-scale AI data centers as "high likelihood, high impact," citing the unique and volatile power consumption patterns tied to machine learning workloads.

Unlike traditional industrial users, AI data centers do not draw electricity at steady, predictable levels. Training large language models requires tens of thousands of specialized chips operating simultaneously. When those training cycles launch, demand spikes sharply. When they ebb, demand can collapse just as quickly.

Julia Matevosyan, a leading grid expert at the Energy Systems Integration Group, described the effect in stark terms. Matevosyan claims that when multiple facilities reduce load simultaneously, the grid experiences the equivalent of several large power plants or industrial users vanishing at once.

Why is the instability a major concern?

Grid operators design systems around stability. Sudden imbalances between supply and demand can trigger automatic protection mechanisms, including equipment shutdowns intended to prevent damage.

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AI power surges collide with reality

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In adverse conditions, those safeguards can cascade, turning a localized disruption into a broader outage.

The massive scale changes the math

The scale of AI infrastructure now under development marks a departure from anything the grid has previously absorbed. According to the Electric Power Research Institute, data centers could account for between nine and 17 percent of total US electricity consumption by 2030. This wide range reflects uncertainty, but even the lower estimate represents a dramatic increase from today's levels.

The concentration of these facilities compounds the risk. Northern Virginia, served by the PJM Interconnection, has emerged as the global epicenter of data center development. Similar clusters have begun forming in Texas, the Midwest, and parts of the Mountain West.

When large loads cluster geographically, they place intense strain on local transmission networks. Grid planners must not only supply sufficient energy but also maintain voltage stability and frequency control within narrow tolerances. Rapid load swings from multiple AI facilities in the same region can undermine both.

Coordination gaps sound the alarm

Despite the magnitude of the buildout, coordination among stakeholders remains vague. Utilities, data center developers, and regional grid operators often operate on different timelines and incentives.

NERC's report spotlights a "lack of collaboration and coordination" as a central vulnerability. Developers race to secure land, water, and interconnection rights. Utilities scramble to upgrade infrastructure. Grid operators attempt to model future demand with incomplete data.

The result creates blind spots. Without real-time visibility into how and when large AI facilities ramp up or down, operators cannot fully anticipate system stress. The ambiguity complicates everything, from dispatch decisions to long-term planning.

Federal regulators have begun to take notice. The Federal Energy Regulatory Commission has shown interest in developing new standards governing large, flexible loads. Those rules could require data centers to provide more transparency or even curtail consumption during grid emergencies.

Not everyone sees a crisis

While reliability concerns dominate headlines, some analysts doubt whether the ominous projections will materialize.

A recent analysis from Wood Mackenzie suggests the data center boom may be entering a more measured phase. The firm reports new project announcements declined sharply in late 2025, with pipeline additions falling to half the level of the previous quarter.

Several factors appear to be slowing momentum. Developers face rising construction costs, limited transmission capacity, and growing community opposition in high-density regions. In parts of the PJM territory, available grid capacity has tightened to the point where new projects face extensive delays.

Wood Mackenzie characterizes the shift not as a collapse but as a "maturation" of the market. Developers now focus on completing existing projects rather than announcing new ones. Capital spending could decline for the first time in several years.

This pause in the data center explosion could temporarily ease pressure on the grid.

The reliability tightrope

Even with a slower buildout, the fundamental challenge remains: AI workloads introduce volatility into a system designed for predictability.

Grid operators rely on a delicate balance. Power plants must match demand in real time, and deviations must remain within strict thresholds. Traditional large customers, such as factories, offer relatively stable demand profiles. Renewable energy sources introduce variability on the supply side. AI data centers now inject volatility into demand-side management, which complicates grid management in unique ways.

In extreme scenarios, a sudden drop in demand from multiple facilities could force generators offline. If supply falls too quickly or unevenly, frequency can drift outside safe limits. Protective systems then engage, disconnecting equipment to prevent damage. Each disconnection increases stress elsewhere, creating the potential for cascading failures.

The industry has faced similar dynamics before, most notably during major storms or heat waves. The difference lies in frequency. AI-driven fluctuations could occur daily, not just during weather emergencies.

Potential resolutions take shape

Utilities, regulators, and developers have begun exploring strategies to manage the potential AI power outage risk.

One approach centers on "demand response," where large users agree to adjust consumption in response to grid conditions. Data centers could pause or stagger training workloads during peak periods, smoothing demand curves.

Another strategy involves co-locating data centers with dedicated generation resources, such as natural gas plants, nuclear facilities, or renewable energy paired with battery storage. This model reduces reliance on shared transmission networks and limits the impact of sudden load shifts.

Advanced forecasting tools also play a role. By integrating real-time data from data centers into grid operations, operators can anticipate swings and respond more effectively.

Each solution contains trade-offs. Demand response may conflict with performance requirements for AI developers. On-site generation raises cost and environmental considerations. Enhanced coordination requires new regulatory frameworks and data-sharing agreements.

A system under rapid transformation

The debate over AI's impact on the grid reflects a broader transformation in how electricity systems operate. Electrification, renewable energy, and digital infrastructure all push the grid toward greater complexity.

AI data centers represent both an opportunity and a stress test. They promise economic growth, technological leadership, and new capabilities across industries. Conversely, they expose structural weaknesses in aging infrastructure and fragmented planning processes.

The outcome will depend on how quickly institutions adapt.

If utilities, regulators, and developers align their efforts, the grid could evolve to support the next generation of digital infrastructure. If coordination lags, the risk of disruptions will grow across interconnected regions.

A high-stakes game

The US has navigated major energy transitions before, from rural electrification to the rise of nuclear power. Each shift required new rules, modern technologies, and new forms of cooperation.

The AI era presents a similar inflection point. The difference lies in speed. Data center development now moves at a pace challenging traditional planning cycles.

For consumers, the implications remain largely invisible—for now. A stable grid rarely draws attention. A failing one instantly demands prioritization.

As billions flow into AI infrastructure, the question no longer centers on whether the grid can keep pace, but on whether it can keep pace swiftly enough.

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Sub school

MMUA's Substation School took place in New Ulm, where attendees learned from industry experts and reviewed real-world case studies involving system failures and response strategies. Representatives from Fairmont Public Utilities shared insights into a bus fire that affected their substation last year, prompting engaged discussion, questions, and note-taking among participants.

The school included a field visit to the New Ulm Public Utilities Power Plant, where Glem Hillesheim, Chief Engineer, guided participants through the facility's 6-megawatt (MW) and 15-MW generators. The cogeneration units produce electricity while supplying high- and low-pressure steam to district energy customers. Participants also toured the 3M plant in New Ulm to see how field equipment is manufactured. No photos were permitted inside the facility.

Attendees representing 15 utilities stepped away from their day-to-day operations to gain insight into how New Ulm's utility system functions. Observing different approaches and infrastructure provided valuable perspective participants could take back to their own utilities.

The next stop on the tour was the New Ulm Substation, located near the power plant. Participants toured the active substation, observing equipment layouts and discussing safety practices in a guided, controlled field setting.

Through a combination of classroom instruction and guided substation walkthroughs, MMUA's Substation School helps utility professionals build the knowledge and skills needed to safely operate and maintain electrical substations. Classroom concepts were reinforced through hands-on, real-world application.

New Ulm Public Utilities' Gary Beranek leads participants through the substation control room, examining equipment and system functions while reinforcing hands-on learning through discussion and observation.

Statewide meetings emphasize safe digging practices

Each spring, Minnesota's excavation and utility community convenes for damage prevention meetings held across the state.

In March and April, 27 sessions provided a forum for reinforcing safe digging practices and sharing information among industry participants to maximize safety and collaboration as the 2026 digging season commences.

One of the largest gatherings took place at the Hutchinson Fairgrounds, where more than 300 attendees participated. The event featured vendor exhibits, prize giveaways, and on-site participation by Gopher State One Call (GSOC), which shared updates on white-lining practices and emerging technologies.

Speakers represented a wide range of organizations, including the Minnesota Department of Transportation (MnDOT), Minnesota Office of Pipeline Safety (MNOPS), Minnesota Common Ground Alliance, and GSOC. MnDOT presented impactful videos illustrating the consequences of failing to call 811 before digging, reinforcing the importance of following the one call process.

The meetings coincided with National Safe Digging Month in April, making the timing especially relevant.

Data from the Common Ground Alliance highlights ongoing challenges. Nearly three in four US homeowners (74 percent) plan to take on a digging project within the next year, representing an estimated 60 million households. However, approximately 10 million of those plan to skip contacting 811, increasing the risk of utility damage, service disruptions, and personal injury.

Josh Prokopec, Operations Manager of Gas, Water, Engineering, and Facilities at Owatonna Public Utilities, has attended Minnesota damage prevention meetings for more than 20 years. He notes that both attendance and value have continued to grow.

"These meetings are essential for maintaining and improving Minnesota's damage prevention culture," Prokopec says. "We want to be proactive rather than reactive, especially as technology and industry practices continue to evolve. Keeping safety at the forefront is critical."

Prokopec emphasized that the meetings go beyond regulatory requirements by explaining the purpose behind the rules.

"These damage prevention meetings cover the importance of the one call process and critical safety measures," he said. "These practices exist to protect workers, infrastructure, and the public."

The comprehensive scope of the meetings makes them valuable for a wide audience. In addition to contractors, locators, and facility operators, attendees include municipal officials, emergency responders, and project managers. Participants gain a better understanding of how the one call system works, what utility damage can look like, and how different roles contribute to prevention.

Prokopec also highlighted the importance of in-person interaction.

"As a facility operator, I value the opportunity to have meaningful, face to face conversations with contractors," he said. "These discussions often address questions that are difficult to resolve by phone or email."

Attendees can engage directly with all 811 stakeholders, including GSOC and the MNOPS, which oversees 811 enforcement in the state.

Damage prevention meetings were held in communities across Minnesota, including Alexandria, Andover, Austin, Bemidji, Brainerd, Brooklyn Park, Chisholm, Duluth, Grand Rapids, International Falls, Lakeville, Mankato, Marshall, New Ulm, New York Mills,
Owatonna, Park Rapids, Pine City, Rochester, Shakopee, Spicer, St. Cloud, Thief River Falls, Vadnais Heights, Winona, and Worthington, ensuring broad access to safe digging education statewide.

The Hutchinson Damage Prevention meeting took place on March 12, just ahead of National Safe Digging Month. Minnesota's excavation and utility community comes together annually to share information about upcoming projects and reinforce safe digging practices.

Ladder duty ratings, colors, and OSHA requirements:
What every worker should know

Safety corner

Did you know that the color of a ladder may indicate its duty rating? While colors aren't mandated by the Occupational Safety and Health Administration (OSHA) or the American National Standards Institute (ANSI), many manufacturers use them to help workers quickly identify a ladder's load capacity.

Understanding what these ratings mean—and how they connect to OSHA requirements—is critical for preventing ladder-related injuries.

What is a ladder duty rating?

A ladder's duty rating identifies the maximum load it can safely support, including:

- The user
- Tools and equipment
- Materials being carried

Duty ratings apply specifically to portable ladders, and they are established by ANSI.

ANSI ladder duty ratings

ANSI categorizes portable ladders as follows:

- Type III (200 lbs): Household/light duty
- Type II (225 lbs): Trades and farm use
- Type I (250 lbs): Heavy duty, construction and industrial use
- Type IA (300 lbs): Extra heavy duty, industrial use
- Type IAA (375 lbs): Extra heavy duty, high capacity use

Ladder colors and duty ratings

Although ANSI does not assign official colors, many manufacturers follow common industry color conventions for their ladders.

- Type III: Light blue
- Type II: Green
- Type I: Blue
- Type IA: Orange
- Type IAA: Red

Observing these colors can help users quickly select the appropriate ladder. However, it is important to remember that the manufacturer's label and duty rating always supersede any assumptions a user might make based on the observed color of a ladder. It is important to read through any materials or labels provided by the manufacturer before selecting a ladder for the purpose at hand.

OSHA requirements: Load limits and safe use

OSHA regulation 29 CFR 1926.1053(b) states:

"Ladders shall not be loaded beyond the maximum intended load for which they were built, nor beyond the manufacturer's rated capacity."

In addition, Section 506.8 of the APPA Safety Manual reinforces several foundational ladder safety principles. Ladders must be:

- Capable of supporting their intended load
- Free from defects
- Inspected before use
- Used only for their designed purpose

Why ladder safety matters

Ladders are essential tools used throughout workplaces, yet they are consistently among the leading causes of fall-related injuries. Their simple design can create a false sense of security. Thousands of injuries occur each year due to improper ladder selection, overloading, poor placement, or unsafe behavior. All of this makes regular ladder safety training essential.

Types of ladders

Ladders generally fall into two primary categories: portable and fixed. Both types share similarities, but there are also important differences that users must be aware of to use them safely.

Portable ladders

The most common portable ladders include extension (straight) ladders and step ladders.

Extension (straight) ladders introduce user risks due to height, angle, and stability considerations. OSHA requirements for extension (straight) ladders include:

- Following the 4:1 angle rule. For every four feet of ladder height, the base must be one foot away from the supporting structure.
- Adhering to the 3 foot extension rule. Ladders must extend at least three feet above the landing surface.
- Securing the ladder. When possible, extension ladders must be tied off or stabilized to prevent movement or shifting.
- Slip resistant feet. Non-slip bases are required on ladders to reduce sliding or "kick out" hazards.
- Load capacity. A ladder must be rated to support both the worker and all carried equipment. Overloading is a common cause of extension ladder failure.

Step ladders are among the most widely used—and frequently misused—portable ladders. OSHA requires:

- Self supporting use only. Step ladders were not designed for use as straight ladders, and, to be safe, users must never use them that way.
- Structural integrity. Materials used in ladder construction must safely support rated loads. Any damaged ladder

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CERAWeek signals a more complex operating environment for public power

Energy leaders arrived at CERAWeek 2026 in Houston expecting a forward-looking conversation about transition, technology, and investment. Instead, the dominant theme was instability—across geopolitics, electricity demand, and capital decision-making.

For Minnesota's municipal utilities, the takeaway is more than theoretical. Planning assumptions are shifting, and the margin for error is narrowing.

Volatility is no longer episodic

Geopolitics set the tone. Conflict involving Iran and uncertainty around Venezuelan oil production contributed to market instability, with ripple effects across pricing and planning. Industry leaders repeatedly described conditions as unstable—not as a short-term disruption but as a baseline situation.

For municipal utilities, this reinforces a familiar but intensifying challenge: resource planning must now account for sustained volatility in fuel costs and wholesale markets. Joint action agencies and power suppliers may face more frequent price swings, complicating long-term contracts, rate design, and financial forecasting.

AI-driven load growth is no longer theoretical

While oil markets drew concern, the most consequential shift may be the rapid emergence of artificial intelligence as a driver of electricity demand.

Data centers, operating continuously and at high intensity, are expected to require significant new generation and grid infrastructure. Estimates suggest US data centers could consume up to 12 percent of national electricity by the end of the decade, largely due to AI applications.

For Minnesota municipal utilities, this raises practical questions:

- Where will this new load be located?
- Will smaller utilities see spillover demand?
- How will transmission and generation keep pace?
- What role, if any, will municipal systems play in hosting or sup porting large users?

Even utilities that do not directly serve data centers will feel system-wide effects through MISO markets, transmission constraints, and changes in the generation mix.

Infrastructure constraints are becoming the bottleneck

A consistent theme at CERAWeek was the widening gap between demand growth and the pace of infrastructure development. Systems are not being built quickly enough to meet emerging needs, whether they are driven by AI, electrification, or broader economic growth.

Constraints include permitting delays, supply chain limitations, and the complexity of integrating new resources into existing grids. For municipal utilities, this aligns with ongoing concerns about interconnection timelines, transmission availability, and regulatory processes.

In practical terms, utilities may need to engage more actively in regional planning, advocate for permitting and infrastructure reform, and build greater flexibility into capital and resource plans.

Energy transition discussions are shifting tone

Climate change remained part of the conversation but carried less emphasis than in prior years. The focus shifted toward reliability, affordability, and energy security.

Executives broadly supported a diversified approach: continued investment in oil and gas alongside nuclear, carbon capture, and renewables. At the same time, renewable deployment targets remain ambitious, requiring significant scaling to meet long-term goals.

For municipal utilities, this reflects a more pragmatic environment. The transition is continuing, but timelines, costs, and system reliability are shaping decisions more directly.

Capital decisions are more complicated—and more consequential

Investment discussions underscored how difficult capital allocation has become. Each option carries trade-offs:

- Fossil fuel-based generation offers returns but faces regulatory and reputational pressure
- Renewables offer growth but carry supply chain and policy uncertainty
- Emerging technologies attract interest but lack proven economics at scale

For public power, these dynamics often play out through power supply partners and joint action agencies. Still, the underlying challenge is the same: decisions made today must balance near-term reliability with long-term positioning in an uncertain policy and market environment.

No single narrative—only competing pressures

Perhaps the most important takeaway is the absence of a unifying direction. Oil executives emphasized supply security. Technology leaders pushed for rapid infrastructure expansion. Renewable advocates called for acceleration. Policymakers sought balance.

For municipal utilities, this fragmentation reinforces the need for disciplined governance and clear local priorities. There is no single "right" path. There are only trade-offs that must be evaluated in the context of each utility's community, resources, and risk tolerance.

What this means for Minnesota's municipal utilities

The environment described at CERAWeek points to a near-term reality where:

- Load forecasts may increase faster and less predictably than expected
- Supply portfolios must remain flexible and diversified
- Infrastructure constraints could limit options or increase costs
- Long-term planning must account for more frequent disruption

The core obligation remains unchanged: deliver reliable, affordable service. But the path to delivering on this mission is becoming more complex—and that complexity is likely to define the operating environment for the next decade.

Princeton Public Utilities tackles PFAS

Princeton Public Utilities (PPU) presented its work addressing per- and polyfluoroalkyl substances (PFAS) in its drinking water system at the Minnesota Rural Water Association's Technical Conference, held March 3–5 in St. Paul.

Meghan Brockman, Bolton & Menk, and Scott Schmidt, Princeton Public Utilities Water/ Power Plant Superintendent, presented their approach to PFAS in drinking water at the Minnesota Rural Water Conference held in March.

Representatives from water systems across the state appreciated the opportunity to learn how PPU has managed these challenging chemicals after detecting perfluorooctanesulfonic acid (PFOS) in its drinking water wells.

PFAS is a group of synthetic chemicals used in a wide range of consumer products. Often nicknamed "the forever chemicals," PFAS present the unique challenge of resisting traditional forms of treatment as well as natural attenuation. With toxicological concerns as low as 4 parts per million—an amount roughly equivalent to a drop of water in an Olympic-sized swimming pool—PFAS have become a high-priority topic for water systems across the country.

PPU sampled for PFAS in its drinking water system in 2023, when the Minnesota Department of Health offered free sampling to systems that volunteered. System staff wanted to address the emerging issue head-on and completed multiple rounds of sampling at all water supply wells and at both treatment plants.

Unfortunately, PPU found PFOS levels above the proposed drinking water standard in two of its three drinking water wells. Rather than moving directly to the $20+ million treatment plant upgrades needed to remove the compound, PPU enlisted the help of Bolton & Menk to study the contamination and review possible alternatives. After a detailed and thorough investigation, it was determined that another solution was available, with a much lower price tag and reduced burden on ratepayers.

PPU and Bolton & Menk presented these results at the conference, providing advice and practical approaches for systems dealing with similar issues. PPU continues to be aggressive in addressing challenges with both its water and power systems and remains dedicated to providing safe and affordable services to its customers.

Expenditures with public funds: How can you be sure they are lawful?

MMUA has recently fielded questions about whether certain activities or purchases are appropriate uses of utility funds.

This article outlines the key issues to consider and summarizes relevant legal interpretations and guidance that have been issued by the courts, the Minnesota Attorney General, and the Office of the State Auditor to help inform those decisions. Because MMUA cannot provide legal advice to members, utilities should consult their own legal counsel when evaluating specific situations.

At the most basic level, to be a lawful public expenditure, the purpose must be for the benefit of the public and not just one person or a select few. The Auditor's office has said that no matter how desirable the issue may be, if the primary beneficiary is a private citizen or a private group, it is not appropriate to use public funds for the expenditure. So, while a birthday cake may improve office morale, it would likely be viewed as a personal gift to the celebrant and thus not a proper use of public funds.

There must also be express or clearly implied authority, which means there must be a clear statute or rule governing the expenditure of public funds. For example, while spending public funds on an office party may sound like a good idea, there is no statute authorizing office parties. There are, however, statutes that authorize the promotion of the city and the recognition of historical events. Thus, recognizing Public Power Week would likely be viewed as a proper use of public funds.

Because misuse of public funds can result in personal liability for those who approve or authorize the expenditure, it is important to proceed with caution. If there is any uncertainty about whether an expense is allowable, consult your attorney. You may also review guidance from the Minnesota Office of the State Auditor at www.osa.state.mn.us/.

Gainesville municipal utility governance dispute continues as courts, lawmakers weigh future of GRU

A yearslong dispute over who should govern Gainesville Regional Utilities is moving closer to resolution after the Florida Legislature approved a bill reinforcing state oversight of the city-owned utility, though final authority now rests with the governor.

The legislation, passed in March 2026, would solidify control of GRU under a governor-appointed authority first created in 2023. If signed into law, the measure would effectively end ongoing efforts by Gainesville voters and city officials to restore local governance, marking a significant shift in the balance between state authority and municipal control.

While the bill has cleared both chambers, it has not yet taken effect. The governor has up to 15 days to sign or veto the measure. If no action is taken, it will become law automatically.

State action shifted governance in 2023

The current conflict began when Florida lawmakers approved legislation in 2023 removing oversight of GRU from the Gainesville City Commission and transferring it to a newly created, governor-appointed board known as the GRU Authority.

Supporters of that move cited concerns about the utility's financial condition, including long-term debt and its impact on customer rates. A 2022 state audit found GRU carried approximately $1.7 billion in debt, intensifying scrutiny from state officials.

Proponents argued that an independent authority could provide more consistent financial oversight and insulate decision-making from local political pressures.

Opponents, including Gainesville city leaders and many residents, said the change undermined local control by placing governance of a community-owned utility in the hands of officials not elected by local voters.

Financial issues at the center of the debate

Much of the dispute surrounding GRU's governance stems from longstanding financial questions.

The utility's debt is largely tied to major capital investments, including a biomass energy facility developed more than a decade ago. While such borrowing is common in the utility sector, the scale of GRU's obligations has been a persistent source of concern.

Another point of contention has been GRU's transfer of revenue to the city's general fund. Such transfers are common among municipal utilities nationwide, but critics argued the practice contributed to higher rates and blurred financial accountability between the utility and city government.

These financial issues became central to the state's rationale for intervening in the utility's governance.

Voters and courts entered the conflict

Following the 2023 governance shift, Gainesville residents sought to restore local control through ballot initiatives.

Voters twice approved referendums to return oversight of GRU to the city commission, reflecting strong local support for municipal governance. However, those efforts became entangled in litigation.

A judge voided the 2024 referendum, ruling that ballot language could have misled voters. Subsequent legal challenges have continued to delay implementation of voter-approved changes, leaving the authority in place as courts consider the broader legal questions.

The dispute has raised fundamental issues about how municipal home rule powers interact with state legislation.

Legislature reinforces state authority

The newly passed bill represents the Legislature's most direct effort to resolve the dispute in favor of continued state oversight.

Supporters say the measure protects customers who live outside Gainesville city limits but rely on GRU services. Because those customers cannot vote in city elections or referendums, lawmakers backing the bill argue that state governance provides broader representation.

Critics, including Gainesville officials, argue the legislation overrides the will of local voters and removes accountability from the community. They contend that decisions about a municipally owned utility should remain with locally elected leaders.

The legislation follows earlier votes in both the House and Senate advancing similar provisions, reflecting sustained legislative support for maintaining the authority structure.

Broader implications for municipal utilities

The GRU dispute has drawn attention beyond Gainesville because it highlights the balance between local governance and state authority.

Municipal utilities across the United States are typically governed by locally elected officials or boards, reflecting the principle that communities should control essential services such as electricity, water, and wastewater systems.

At the same time, municipalities operate under state law, and legislatures have the authority to establish or modify governance structures. The Gainesville case illustrates how that authority can be exercised when concerns arise about financial management or policy direction.

Industry observers note that similar tensions can emerge when utilities face rising infrastructure costs, evolving energy policies, and increased scrutiny over rates and long-term planning.

Outcome closer, but not fully settled

With legislative approval secured, the future governance of GRU may be nearing resolution, but it is not yet final.

The governor's decision will determine whether the bill becomes law, and legal proceedings already underway could still influence aspects of how governance changes are implemented.

Regardless of the final outcome, the conflict has become a high-profile example of how financial concerns, voter action, and state policymaking can converge in the governance of public utilities.

It also underscores a broader reality: even long-established systems of local control can be reshaped when political, legal, and financial pressures align.

Wildfires ignite a legal pivot redefining utility accountability

South Dakota has given utilities a new legal shield in wildfire cases, and the move deserves close attention in Minnesota's public-power world.

The new South Dakota law, Senate Bill 36, provides electric utilities with litigation advantages if they file and maintain wildfire mitigation plans. It bars courts from applying strict liability to qualified utilities in wildfire cases, creates the presumption that a valid plan reflects reasonable and prudent preparation, narrows noneconomic damages, limits punitive damages, and shortens the window for filing suit to three years post-ignition. The law also lets regulated utilities seek rate recovery for prudently incurred wildfire-mitigation costs.

This combination of provisions delivers powerful protections for utilities. Legislatures in the Western US have also been examining how utilities can reduce their open-ended financial exposure when wildfires occur. Pacific Northwest National Laboratory (PNNL), which tracks wildfire mitigation plan laws, reported in January 2026 that California and Nevada set the trend for these modern wildfire plans in 2019. Ten additional states later enacted similar laws, and six states passed new legislation in 2025 alone to mandate wildfire mitigation plans or clarify their benefits. PNNL also tracked seven other states now requiring a wildfire mitigation plan as a condition for reduced risk or reduced damages, while other states limit utilities' liability or damages by statute without tying those protections to a mitigation plan.

South Dakota's law also reveals who benefits first and who may carry the extra burden. Under SB 36, private utilities file plans with the Public Utilities Commission, while municipal utilities and cooperatives may submit plans to their own approval authorities (city councils, city commissions, or co-op boards). Those entities also must publish approved plans and annual compliance reports. Yet the bill's explicit rate-recovery language applies to public utilities under state commission jurisdiction, not to municipal utilities or cooperatives. Therefore, the statute offers munis and co-ops a route to liability protection and local control, but it gives investor-owned utilities (IOUs) the clearest state-level mechanism to recover mitigation spending through rates.

This split carries real implications for the municipal utility arena. A municipal system in South Dakota can opt into the planning-and-reporting structure and gain some legal benefit, but it may have to absorb the administrative work through its own staffing and local ratemaking, rather than through a dedicated state cost-recovery pathway. For larger IOUs, the statute reads more like a full policy package: file a plan, report compliance, gain litigation advantages, and ask regulators to recover prudent costs from customers. For smaller public-power systems, the legal upside may exist, but the compliance load may become a significant burden.

Supporters did not hide the bill's purpose. *South Dakota Searchlight* reported that sponsor Sen. Steve Kolbeck, a Republican from Brandon who works as a director of business affairs at Xcel Energy, said the state should make people whole without letting recoveries spiral beyond reason. Supporters included utility groups, firefighters, business groups, and the South Dakota Public Utilities Commission. They argued wildfire insurance has become difficult to obtain, liability uncertainty can destabilize utilities, and insolvency risk can spike customer costs. Opponents, including insurance representatives and trial lawyers, argued that the law gives utilities special treatment, weakens prevention efforts, and shifts more wildfire losses onto property owners and insurers.

It is easy to see why utility lobbyists are devoting so many resources to these legislative proposals. The *Oregon Capital Chronicle* reported last year that PacifiCorp had contributed to similar bills in multiple states and to Utah's earlier law. The article said the model bills generally offer utilities protections against litigation if regulators approve wildfire mitigation plans. Reuters reported in February 2026 that PacifiCorp faces roughly $55 billion in wildfire-related claims, with about $52 billion tied to private litigation from Oregon homeowners and businesses. Those numbers explain why utilities and their trade groups continue to press lawmakers for new liability safeguards.

Some trade groups have grown more overt. The Edison Electric Institute, for example, says wildfire risk now requires "societal-level solutions," and is working with regulators, policymakers, ratings agencies, and investors to position electric companies to continue financing the grid while addressing wildfire risk. This language signals a broad national strategy, not simply a one-off state fight. Utilities want room to invest in covered conductors, undergrounding, vegetation management, shutoff protocols, sensors, and cameras without leaving the company exposed to a verdict threatening its balance sheet.

The Minnesota legislature has not yet proposed a public clone of South Dakota's law, at least not in any bill language to date. Still, the issue has clearly moved onto the state's radar. Minnesota's energy omnibus bill language, SF 2393, would let natural gas utilities issue "extraordinary event bonds" for damage tied to incidents including wildfires. The bill also defines "wildfire" as one type of "storm event." The proposal does not create a tort shield, and it applies to natural gas utilities, not municipal electric systems. But it does show how Minnesota lawmakers are already beginning to consider how extraordinary event costs should move through utility finance and customer bills.

The Minnesota investor-owned utility most likely to push for tougher legislative wildfire litigation protections is Xcel Energy.

Xcel Energy's recent wildfire exposure underscores the financial stakes driving liability reform efforts across the utility sector. In Colorado, the company agreed in 2025 to pay $640 million to resolve claims tied to the 2021 Marshall Fire—an event that caused roughly $2 billion in damage—while continuing to deny legal fault. In Texas, Xcel Energy faces a more uncertain and

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Legislative conference

Blois Olson opens MMUA's 2026 Legislative Conference with an overview of Minnesota's current legislative landscape. Olson, who leads Fluence Media, is a political analyst at WCCO radio and publisher of Minnesota-focused tip sheets covering politics, business, philanthropy, health care, and agriculture.

A panel of subject-matter experts addresses attendees on issues related to election security. From left to right: Philip Heimel, Criminal Intelligence Analyst, Minnesota Bureau of Criminal Apprehension; Barbara Conti, Community Energy Resilience Planner, Minnesota Department of Commerce; Chris Watkins, Energy Security Advisor, Minnesota Department of Commerce, and Kyle Jenner, Election Physical Security Navigator, Minnesota Office of the Secretary of State. Not pictured: Grace Doyle, Election Security Cyber Navigator, Minnesota Office of the Secretary of State.

MMUA Government Relations Attorney Bill Black (center) and Director of Government Relations Kent Sulem (front foreground) pause in the tunnel linking legislative office buildings with the Capitol with (left to right) Joe Bagnoli, Winthrop & Weinstine, Joe Hoffman, SMMPA, and Dave Geschwind, SMMPA, to confer on talking points for upcoming meetings with lawmakers.

Greg Johnson, Blooming Prairie Public Utilities Commissioner, and Jerry Mausbach, Blooming Prairie Public Utilities General Manager, pause in the Capitol rotunda during MMUA's Legislative Conference. The annual event offers members opportunities to meet with legislators and connect with peers from utilities across the state.

Elliot Dixon (center), Communications and Programs Director at Hibbing Public Utilities, meets with Sen. Glenn Gruenhagen (left) to discuss issues affecting municipal utilities, including legislation currently under consideration during the session. MMUA's Bill Black seized the moment to invite the senator to the evening's legislative reception, an annual event that allows more informal discussion between municipal utilities personnel and their lawmakers.

Cassie Heidie, Fosston City Administrator, and Dalene Monsebroten, Chief Financial Officer of Northern Municipal Power Agency, chat with Rep. Jim Joy, District 4B, during the conference reception.

Around the state

On March 26, the Minnesota Pollution Control Agency announced that Central Bi-Products in **Long Prairie** had been fined $3 million for exceeding hydrogen sulfide emission limits in their rendering plant. Local residents had complained about the odors in their community. The MPCA discovered that Central Bi-Products did not properly maintain and operate its wastewater pretreatment systems, leading to pond treatment system overloads and hydrogen sulfide levels that exceeded legal limits. The violations occurred in 2023 and 2024.

The Crow Wing County Board has offered its support to **Brainerd Public Utilities'** (BPU) effort to seek a $10 million grant to upgrade the local wastewater treatment plant. During its March 24 meeting, Commissioner Steve Barrows discussed BPU's plan to pursue the grant to modernize the plant. Barrows noted the plant is nearing the end of its life and must meet new Minnesota Pollution Control Agency requirements to ensure future readiness. Commissioner Paul Koering highlighted that Brainerd and Baxter residents, about 25–30 percent of the county, benefit from the facility.

The **St. Cloud** Fire Department (SCFD) responded to a natural gas leak report in March on the 2100 block of Eighth Avenue North. Around 5:30 pm on March 30, firefighters identified a significant gas leak venting continuously through a relief valve near the roadway, according to SCFD. Firefighters closed nearby roads, and 10 homes and five businesses were evacuated for safety reasons. The Department's Hazardous Materials Team monitored nearby residences for elevated gas levels, the SCFD reported. Xcel Energy shut off the valve and stayed on site to address the issue.

No injuries occurred, and Xcel is investigating the event.

Agri-Energy plans to reopen its **Luverne** ethanol facility, originally established by local farmers in 1998, which was closed three years ago by its operator, Gevo. When it comes back online, the plant will produce ethanol, corn livestock feed, and green methanol from its residual byproducts. A group of 115 local farmers worked together to buy the building back for $7 million in November 2025. The facility will source corn from farmers across Minnesota, Iowa, and South Dakota. When operating at full capacity, Agri-Energy can produce up to 18 million gallons of ethanol annually, making it one of the smaller ethanol plants, according to co-founder David Kolsrud. It is expected to use approximately six million bushels of corn each year.

Duluth city councilors paused the city's plan to buy eight vehicles, asking staff to consider electric options instead of fossil-fuel ones. Two resolutions for three pickups and five vans were sent back for review. Aiming for carbon neutrality by 2050, the city has a $1.8 million sustainability fund, with half allocated for projects by parks and facilities. Currently, only six electric vehicles (EVs) are in the fleet. Councilor Diane Desotelle argued that concerns about electric vehicle range and cold-weather performance are exaggerated, citing all-wheel-drive models that handle Duluth's terrain. She highlighted benefits like fuel savings, lower maintenance, and reduced emissions, emphasizing the importance of transitioning to EVs or hybrids as vehicles turn over every 10 years. City staff voiced concerns, warning that Duluth currently lacks the necessary charging infrastructure to support additional EVs in its fleet. City staff has been directed to report back to the council on its request at an upcoming meeting.

A new solar power hybrid energy plant is to be built this spring in **Mankato**. The Mankato Hydrogen Energy Plant's proposed green hydrogen project will feature a 1-megawatt solar array on Mankato's north side. Electricity generated by solar panels will power an adjacent electrolyzer that splits water into hydrogen and oxygen. The hydrogen produced will be blended into natural gas distributed to local homes and businesses, marking Minnesota's first use of solar power to produce clean-burning hydrogen to partially replace carbon-dioxide-emitting natural gas. The initial plan is to mix about five percent hydrogen into the natural gas blend, a figure that could increase if the technology remains cost-effective. Mankato's involvement will help CenterPoint Energy explore innovative solutions to reduce greenhouse gases. According to Joshua Solis, a CenterPoint Energy spokesperson, the project's lifelong greenhouse gas savings would be equivalent to removing 6,000 vehicles from the road for a year.

Two **Renville County** brothers are locked in a legal and regulatory dispute with Renville Sibley Cooperative Power Association over whether their elevated solar project—a 37 kW system spread across 80 panels mounted on 10 towers in a farm field—qualifies the brothers for compensation at the retail rate under Minnesota's net metering law. The cooperative has refused to interconnect the system or pay the retail rate for excess power it produces, arguing the project does not serve an existing electric load and would unfairly burden other cooperative members. The case could test how Minnesota's net metering law applies to small scale, on-farm solar research projects and the authority of rural electric cooperatives vis-à-vis the Minnesota Public Utilities Commission.

Bits & pieces

In **Washington DC,** a January sewer line failure resulted in nearly 243 million gallons of raw sewage entering the Potomac River. This incident led to a class action lawsuit against DC Water, the utility responsible for the line's maintenance. The lawsuit alleges negligence as the cause of the spill because the utility had previously acknowledged that the line showed signs of corrosion before the incident. Short-term repairs have been made, but the utility estimates it will take nine to 10 months to complete the work.

Pennsylvania lawmakers have advanced a bill that would require data center developers to report expected water use before beginning operations. The reports must detail how much water will be used, its source, and the temperature of water entering and leaving the facility, along with evidence the project won't harm water quality or supply. The Department of Environmental Protection could reject projects with negative impacts on waterways or other water users. Supporters say the bill adds needed guardrails as the industry grows, while some Republicans raised concerns about increased state oversight and allowing regulators to set fees.

In **North Dakota,** Xcel Energy's gas rates have increased due to essential investments made since 2023, including peaking plants, pipeline maintenance, and natural gas meters. Many families in North Dakota are already financially stretched, and this rise adds about $8.41 to their monthly bills. If the full increase is approved by the public utilities commission, the cost could exceed $10 per month. Xcel Energy emphasizes that even with this increase, North Dakota's rates will remain below the national average.

NextEra Energy Resources plans to develop 9.5 gigawatts (GW) of natural gas generation across two projects: a 4.3 GW hub in southwest **Pennsylvania** and a 5.2 GW hub in **Texas**. The projects are part of a broader $550 billion U.S.-Japan trade agreement that also includes additional gas and nuclear development in **Tennessee** and **Alabama**. NextEra will build and operate the facilities, while ownership will be shared between US and Japanese entities. The Pennsylvania project will connect to regional gas pipelines and the PJM grid, while the Texas project will leverage local gas supply and transmission infrastructure. Federal agencies have not clarified whether the projects will be located on federal land.

The American Public Power Association (APPA) submitted comments on the US Environmental Protection Agency's reconsideration of its Phase I Good Neighbor Plan, supporting EPA's proposed approach to evaluating state air quality plans. APPA backed the use of the same modeling states relied on in developing their State Implementation Plans along with a 1 parts per billion (ppb) threshold for determining significance. APPA emphasized that this approach provides predictability and respects the role of states—an important consideration for public power utilities, including those in **Minnesota**, that depend on clear and consistent federal guidance. The Association also noted that many states operate with limited technical resources. While supportive overall, APPA encouraged EPA to more clearly explain the technical basis for the 1 ppb threshold.

The Trump administration has agreed to pay $1 billion to have a French company, TotalEnergies, end its investment in two wind farms off the coasts of **New York** and **North Carolina**. Instead, the company will redirect its capital to natural gas projects, including a Rio Grande liquefied natural gas plant and oil development in the Gulf of America (formerly the Gulf of Mexico). TotalEnergies has committed not to develop new offshore wind projects in the US. The current administration has strongly opposed offshore wind farms, particularly in the northeast, citing concerns about their reliability and potential harm to local wildlife.

In March, **Cuba's** energy system suffered three nationwide grid failures, leaving millions without power. The country struggles with aging infrastructure and rising oil and gas prices. Local power microsystems served as the only backup during national blackouts, especially for key centers. This isn't a new issue, as Cuba has been dealing with its aging grid in recent years. The Cuban Electric Union, under the Ministry of Energy and Mines, stated that the national grid's complete disconnection was caused by an unexpected shutdown at the Nuevitas thermoelectric plant in Camaguey, though no specific cause was given. Blackouts

in Cuba are becoming more frequent and recovery now often takes several days.

Wheat Belt Public Power District in Sydney, **Nebraska**, announced on March 31 that the Board of Directors has decided to withdraw from Tri-State Generation and Transmission Association and to terminate its Wholesale Electric Service Contract. CEO Joseph Michalwicz explained that the aim is to explore alternative power sources. The move shows customers that the directors are exploring different power options to benefit irrigators, large commercial users, and residents. This decision follows a thorough review of Wheat Belt's long-term power needs and the District's commitment to delivering reliable, affordable, and sustainable electricity. It was also motivated by the desire to maintain long-term rate stability and better control costs for customers. Wheat Belt will start transitioning its power supply and operations, following all contractual and regulatory procedures. The District strives to manage this change responsibly with minimal impact on customers.

The **Bonneville Power Administration** (BPA) is seeking a new leader after John Hairston announced his departure to head the Eugene Water & Electric Board. The agency, which controls about 75 percent of the Northwest's high-voltage system, faces significant challenges. Puget Sound Energy and other utilities, including Avista, Idaho Power, NorthWestern Energy, PacifiCorp, and Portland General Electric, signed a letter to US Secretary of Energy Chris Wright in February. They emphasized BPA's mission to benefit all customers, not just specific regions or utilities. A study predicts that load growth and retiring power plants will create a resource gap of about 1.3 gigawatts (GW) in 2026, expanding to nearly 9 GW by 2030, roughly Oregon's total load. With unprecedented load growth, utilities call for a bold BPA leader who will prioritize transmission investments, market benefits for all, and foster public-private partnerships to expedite projects. They warned that without new leadership, critical projects risk delays.

Wildfires

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potentially larger liability stemming from the 2024 Smokehouse Creek Fire, where investigators linked the IOU's equipment to the ignition. The company has already recorded about $290 million in estimated claims and settlements, but ongoing litigation—including a lawsuit from the Texas attorney general seeking more than $1 billion—could push total exposure significantly higher. Collectively, the Colorado settlement and unresolved Texas claims illustrate how a single wildfire can generate losses depleting annual utility earnings, amplifying pressure on lawmakers and regulators to redefine liability frameworks.

Colorado regulators approved Xcel Energy's 2025–2027 Wildfire Mitigation Plan, with about $1.9 billion in investment over three years. The company's investor materials also flag the impact of Colorado wildfire mitigation on future capital spending, and SEC disclosures show Minnesota regulators have already dealt with wildfire-mitigation cost recovery questions in Xcel Energy's regulatory proceedings. In January, the Minnesota Public Utilities Commission newsletter recommended Xcel begin implementing wildfire mitigation programs, including larger efforts in higher-risk areas.

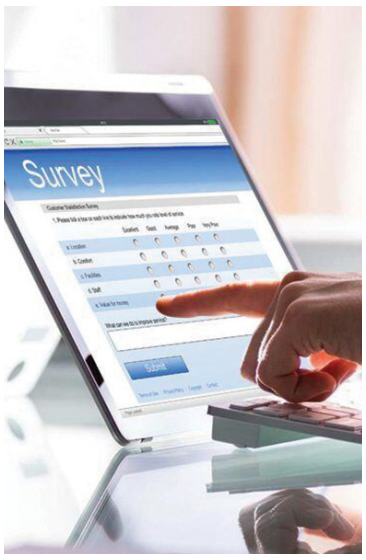
For Minnesota municipal utilities, the key takeaway is that the policy architecture already exists for a South Dakota-style bill. Western states are building a template linking utility-filed mitigation plans to narrower liability, capped damages, or special financing tools. If such a template reaches Minnesota, public-power leaders will need to ask the tough questions early. Would a proposal cover only investor-owned utilities, or would it blanket municipal systems and cooperatives? Would it demand new planning and reporting duties from munis without giving them comparable financial tools? Would it shift fire losses away from utilities and toward homeowners, local governments, and insurers? And would it strengthen prevention, or mostly reprice legal risk after the fact?

MMUA has already been working with the Department of Commerce and other utility stakeholders through bi-annual utility/state wildland fire coordination meetings. The Association is paying attention to suggested approaches to managing risk and liability in our state. As it stands, MMUA and other Minnesota stakeholders still have time to study the fine print before a bill similar to the South Dakota law reaches the Capitol. Now is a good time for all of us to educate ourselves on the issues and prepare to actively participate in any debate that may come.

2026 salary survey:

Stronger data starts with member participation

For Minnesota's municipal utilities, the annual MMUA Salary and Benefits Survey is more than a data collection exercise—it is a critical tool for maintaining competitive, sustainable, and community-focused utilities.



The 2026 survey has been launched, and member participation is more important than ever.

Following last year's survey, MMUA took a close look at the data and feedback provided by members. We worked through identified anomalies and refined data definitions to ensure the results are accurate, consistent, and meaningful. The 2026 survey reflects those improvements, providing members with a more reliable benchmarking tool to support compensation, staffing, and long-term workforce planning.

The survey continues to serve as a vital benchmark for evaluating salary and total compensation across utility functions, including electric, water, wastewater, gas, and administrative roles. In a competitive labor market—where utilities are vying for skilled, experienced professionals—having current, credible data is essential. Utilities rely on this information to assess market competitiveness, plan for succession, and make informed compensation decisions that support recruitment and retention.

Participation directly impacts the quality of the results. The more members who complete the survey, the stronger and more representative the data becomes. A robust dataset allows MMUA to provide insights that truly reflect the diversity of utility sizes, service areas, and operational structures across the state. This shared commitment strengthens the value of the survey for everyone.

As in previous years, utilities that complete the survey receive access to the full results at no cost. The published salary survey report offers practical, peer-based comparisons that can be used in budget development, commission discussions, labor negotiations, and strategic planning.

Utilities are encouraged to complete the 2026 Salary and Benefits Survey by May 29 to ensure their data is included in the final results. Completing the survey is an investment in your workforce—and in the collective strength of Minnesota's municipal utilities. Together, accurate data and broad participation ensure better information, better decisions, and stronger hometown utilities.

Ladder duty ratings

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must be removed from service immediately.
- Safe climbing practices. Users must face the ladder and maintain three points of contact while climbing on the ladder.
- Prohibited practices. Standing on the top cap or top step of a step ladder is strictly prohibited.

Step ladders must also meet rung and step spacing requirements under 29 CFR 1910.23(b) to ensure safe and predictable footing.

Fixed ladders: Permanent access, permanent responsibility

Fixed ladders—those permanently attached to structures—are governed primarily by 29 CFR 1910.23, and they come with strict design and maintenance requirements.

Key OSHA requirements for fixed ladders include:

- Rung spacing. Uniform spacing of rungs must be no greater than 14 inches apart (with limited exceptions for specific applications).
- Clear width. A minimum of 16 inches of clear climbing width is required.
- Fall protection systems. Fixed ladders of more than 24 feet must be equipped with a ladder safety system or a personal fall arrest system. Cages alone are no longer considered adequate fall protection.
- Condition and maintenance. Fixed ladders must be free from corrosion, sharp edges, and structural deterioration.

Because they are permanently installed, fixed ladders are often overlooked, but employers remain responsible for their inspection, maintenance, and safe condition.

Training, inspection, and documentation: OSHA's non negotiables

OSHA requires employers to ensure workers are trained on:

- Selecting the correct ladder and duty rating
- Understanding load limits and overreach hazards
- Proper climbing techniques
- Ladder inspection and defect recognition
- Suitable placement and surface conditions

Inspections are mandatory.

- Portable ladders must be inspected before first use each work shift
- Fixed ladders require routine, documented inspections

OSHA may request inspection and training records during compliance audits.

Failure to comply with ladder safety requirements can result in significant fines, increased liability, and civil litigation, especially when ladder-related injuries involve fractures, head trauma, or internal injuries.

The bottom line

Ladder safety in 2026 requires more than basic familiarity—it demands intentional compliance. With OSHA increasing its enforcement activities and employers facing greater liability exposure, understanding ladder duty ratings, classifications, and regulatory requirements is essential.

Whether a worker is using a small step ladder, an extension ladder, or a multi-story fixed ladder, the core principles remain unchanged:

- Choose the correct ladder
- Inspect it before use
- Maintain it properly
- Use it only as designed

Ladders can help us reach new heights—but only when used with knowledge, caution, and respect for the regulations that protect workers.

Upcoming events

Locating workshop

May 19–20, 2026
MMUA Training Center
Marshall, MN

Locating is an essential skill that municipal workers from all utilities are often responsible for or called upon to do. This workshop can benefit individuals from any utility department—electric, water, wastewater, natural gas, and cable.

The Locating Workshop will cover a variety of topics, including:

- Locating theory and the science behind how locating equipment works
- Hazards and safety precautions
- Proper personal protective equipment
- Locating procedures

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

Critical thinking for effective decision making

May 21, 2026
10:00 am–12:00 pm
Virtual

This course will help enhance your decision-making skills in both personal and professional contexts. Learn various decision-making techniques, improve critical-thinking skills, and develop tools to navigate complex decisions with greater confidence.

This is an elective course for those enrolled in the DUEL™ program and counts for one DUEL credit. Not a DUEL participant? No problem. You can register for this stand-alone course to gain knowledge and skills specific to this topic.

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

Bonding and financial tools for municipal utilities

July 16, 2026
10:00 am–12:00 pm
Virtual

This course will provide utility leaders with a comprehensive understanding of the financial tools and strategies available for funding infrastructure projects, managing debt, and ensuring long-term fiscal health. Explore the intricacies of municipal bonds, funding mechanisms, and financial management critical to the sustainability and growth of utility operations.

This is an elective course for those enrolled in the DUEL™ program and counts for one DUEL credit. Not a DUEL participant? No problem. You can register for this stand-alone course to gain knowledge and skills specific to this topic.

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

Tree trimming workshop

August 4–6, 2026
Elk River, MN

This workshop is intended for any city/utility employee responsible for any type of tree work—not just for lineworkers. Training topics will include a review of OSHA and ANSI safety standards, chainsaw safety and maintenance, an overview of tree species and the best time of year to cut them, best practices to prevent the spread of disease, the proper way to trim a tree, basic rigging for dropping limbs safely, tree cuts and proper felling techniques, and how to be an effective team to work safely on the ground and in the bucket.

Please note that training will take place from Tuesday through Thursday this year.

For more information or to register, visit mmua.org/events.