Windom Electric Department moving forward on many fronts

Editor's Note: The City of Windom's Electric Department has been busy, from rebuilding transmission lines to installing three new generator sets in 2024. MMUA talked with Electric Superintendent Jason Sykora to learn about the new things happening with the city's electrical infrastructure.

MMUA: Windom decommissioned an old, smaller combustion turbine recently. Tell me about your historical generation in Windom.

Jason: The jet turbine we recently retired was installed in 1978. It was a 3.5-megawatt (MW) unit. We have had lots of problems finding parts for it over the past 10 years; we were pulling parts from Bermuda and all over the place. We had to de-rate it in the summer because the turbine couldn't produce during that time of year due to heat. It could only give us about 2.7 MW. There were also concerns about



The new generation plant structure under construction.

the equipment used to step up the voltage, as the turbine generated at 2,400 volts.

In the early 2000s, capacity was cheap. As time has passed, that is no longer true, so we decided to retire it. We made that decision in June of 2021. We had to wait until June as it was still claimed in the capacity market for that year.

As far as the rest of our gener-

ation, we have three 1,825 kilowatt (kW) CATs. The Windom Electric Department installed them in 2000.

Continued on page 4

Twin Cities, MN

MMUA members lobby for public gas priorities in Washington

APGA Legislative Summit

Natural gas is an essential part of the energy picture in Minnesota. That is going to be true for years to come, even as the transition to carbon free sourcing moves ahead. To make sure gas issues are getting the right kind of attention, Mark Nibaur, General Manager at Austin Utilities, and Luke Peterson, General Manager at Hibbing Public Utilities, traveled to Washington, DC, for the American Public Gas Association's 2024 Legislative Summit, which was held January 28-31. MMUA sat down with Mark to learn about APGA's policy priorities, and the issues natural gas utilities are focused on at the federal

MMUA: You held several meetings in Washington. Who were they with?

Mark: We met with staff from the two Senator's offices, Amy Klobuchar and Tina Smith, and with staff from the offices of Representatives Fischbach and Craig. We also had a good meeting with Representative Brad Finstad and his staff in his office.

MMUA: How were Minnesota's interests conveyed?

Mark: MMUA's Washington consultant Michael Nolan assisted us in scheduling and refining our discussion points. Luke Peterson (General Manager, Hibbing Public Utilities) was in attendance as well. Luke first met with Representative Pete Stauber, and then he joined us for the meeting with staff from Senator Klobuchar's office. Luke has been named to a board seat with the American Public Gas Association representing the Midwest.

Continued on page 6

2024 APPA Legislative Rally

Recap

By Kent Sulem

The American Public Power Association (APPA) conducted its annual Legislative Rally in Washington, D.C., February 26-28, 2024.

Approximately 60 representatives of Minnesota's municipal utilities joined MMUA's CEO Karleen Kos, Director of Government Relations and Senior Counsel Kent Sulem, and Government Relations Attorney Bill Black, at the event. This year's group included a mix of general managers, commissioners and council members, and joint action agencies. It was good to see so many first-time attendees.

A handful of the Minnesota delegation attended pre-conference workshops held on Monday, February 26. One of the workshops focused on increasing influence and building board consensus, while the second provided an update on the Federal Energy Regulatory Commission (FERC). APPA business meetings kept

Karleen busy, while Kent and Bill prepared for MMUA's day on the hill. The full conference began Monday evening with a well-attended welcome reception.

Tuesday started early for many Minnesota attendees, with the annual Missouri River Energy Services (MRES) breakfast and issues briefing. In addition to tasty food and helpful information, the breakfast also provided an opportunity to interact with our counterparts from North Dakota, South Dakota, and Iowa.

The conference resumed with the Legislative and Resolution (L&R) committee meeting where voting delegates from across the country listened to, discussed, and ultimately approved 13 resolutions on a wide array of issues. Of particular interest to Minnesota are resolutions supporting the Low-Income Home Energy Assistance Program (LIHEAP), supporting risk-based grid security standards, maintaining a reliable and affordable supply

Continued on page 2

Inside Stories





14 **Xcel proposes new** clean energy plan for



16 After initial breakthrough, fusion continues to notch gains





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

Officers

President

Julie Kennedy, Grand Rapids

President-Elect

Scott Grabe, Staples

Secretary/Treasurer

Pete Moulton, St. Peter

Directors

Keith Butcher, Princeton Jeremy Carter, Hutchinson Bruce DeBlieck, Willmar Greg Drent, Shakopee Kevin Lee, Marshall Don Martodam, Hawley Dave Meyer, Glencoe Roger Warehime, Owatonna

Staff

Chief Executive Officer

Karleen Kos, kkos@mmua.org

 $Director\ of\ Administration$

Rita Kelly, rkelly@mmua.org

Director of Finance
Larry Pederson, lpederson@mmua.org

Director of Gov't Relations and Senior Counsel

Kent Sulem, ksulem@mmua.org

Director of Training and Safety

Mike Willetts, mwilletts@mmua.org

Government Relations Attorney

Bill Black, bblack@mmua.org

Grant Development and Technical Support

Coordinator

Warren Wortham, wwortham@mmua.org

Multimedia Journalist and Content Creator Reid Baumann, rbaumann@mmua.org

Marketing and Member Relations Manager

Christian Glanville, cglanville@mmua.org

Accounting Assistant

Karen Heiden, kheiden@mmua.org

Safety Services Coordinator

Theresa Neddermeyer, tneddermeyer@mmua.org

 $Ass't\ Director\ of\ Education\ and\ Outreach$

Cody Raveling, craveling@mmua.org

 $Assistant\ Director\ of\ Quality\ Assurance\ and\ On$

Demand Services

Dan Nath, dnath@mmua.org

Assistant Director of Regional Safety Group Services

Mike Sewell, msewell@mmua.org

Ass't Director of Technical Services

Jay Reading, jreading@mmua.org

Ass't Director of Workplace Safety Services

Joseph Schmidt, jschmidt@mmua.org

Regional Safety Group Coordinator

Jason Gorr, jgorr@mmua.org

 $Field\ Safety\ Services\ Coordinator$

Jake Kuntz, jkuntz @mmua.org

Regional Safety Coord/JT&S Instructors

Keith Byklum, kbyklum@mmua.org Travis Denison, tdenison@mmua.org

Mike Grabow, mgrabow@mmua.org

Brad Gunderson, bgunderson@mmua.org Rusty Kaderabek, rkaderabek@mmua.org

Apprenticeship/JT&S Instructor

Roger Avelsgard, ravelsgard@mmua.org

Generation Coordinator/JT&S Instructor

Paul Helling, phelling@mmua.org

Natural Gas Circuit Rider

Dennis Danielson, ddanielson@mmua.org

Regional Safety Coordinators

Jim Bruender, jbruender@mmua.org Adam Chesney, achesney@mmua.org

Brad Levasseur, blevasseur@mmua.org

Bernie Richards, brichards@mmua.org

MMUA *The Resource* USPS #009836. ISSN: 1080-3750 is published monthly; except combined July/August, by MMUA at 3131 Fernbrook Lane North, Suite 200, Plymouth, MN 55447-5337. Periodicals postage paid at St. Paul, MN. POSTMASTER: Send address changes to MMUA *The Resource*, 3131 Fernbrook Lane North, Suite 200, Plymouth, MN 55447-5337. Annual subscription rates: \$12 per subscription (included in dues), associate members, \$12 (included in dues). 3131 Fernbrook Lane North, Suite 200, Plymouth, MN 55447-5337. Phone 763-551-1230, (Minnesota only) 1-800-422-0119. Fax 763-551-0459.

Legislative Rally Recap

Continued from page 1

of natural gas, and supporting electric reliability.

The L&R meeting was followed by the L&R lunch where MMUA hosted a table intended to help first-time attendees feel comfortable at the Rally.

Wrapping up Tuesday afternoon, MMUA briefed our Minnesota members on the desired messages to our congressional delegation. The topics selected to focus Wednesday's dialogue with the congressional staff included ensuring reliable, affordable, and sustainable public power; alleviating the supply chain crisis; and modernizing public finance tools.

To expand on the need to ensure reliable, affordable, and sustainable power, MMUA asked members to discuss the negative impact of unfunded/underfunded mandates, the need for regulatory certainty, the need for flexibility, the desire for streamlined permitting processes, and protection of local control regarding pole attachments. On the supply chain crisis, members were asked to highlight their experiences with delays, lead times, and escalating costs. Finally, members were asked to seek completion of the modernization of financing tools started in the Inflation Reduction Act (IRA), especially

by restoring the authority to use advance refund bonds.

Even light rain couldn't dampen the enthusiasm of the group as it headed to Capitol Hill on Wednesday. MMUA thanks Senator Amy Klobuchar for once again securing a large meeting room for MMUA in the Capitol Visitor Center. While MMUA had originally secured a commitment from at least half of Minnesota's congressional delegation that the member would meet with our group personally, the more somber duty of attending memorial services for fallen police and EMT personnel dictated the entire delegation remained in Minnesota. However, their staffs more than adequately filled in, taking copious notes, and engaging in good dialogues with both the panel leaders and the audience at large.

The greatest achievement of all was the impactful way the panels MMUA had assembled for each congressional member, and the audience as a whole, told the stories of what it means to be a Minnesota municipal utility, the local issues they face, and what Congress can do to help. Watching and listening to Congressional staffers' responses as they learned about three- to five-year

wait times to get critical infrastructure such as transformers, and the doubling or even tripling of costs once the parts are delivered really made an impression, as did learning how a small rural community could have saved \$1 million or more if they had been allowed to refinance their public debt using advance refund bonds. This obvious impact provides MMUA staff with confidence that the messages will be relayed to the Senators and House members.

In addition to securing the room for MMUA's use, Senator Klobuchar also recorded a video that was played during the timeslot she had originally committed to spending with the Minnesota delegation to the APPA Rally. The Senator's office consented to MMUA hosting the video on our website, and MMUA encourages its members to watch the video.

Finally, MMUA encourages all Association members to discuss and develop plans to attend APPA's 2025 Legislative Rally scheduled for February 24–26, 2025, at the Mayflower Hotel in Washington, D.C. As it was this year, you will find it to be time and money well spent on the future of your utility.



Government Relations Advisory Group Chair Roger Warehime and other delegation members prepare to speak with



(L-R) Alexandria Mayor Bobbie Osterberg, Willmar Municipal Utilities General Manager John Harren, and Owatonna Public Utilities Director of Engineering and Operations Christian Fenstermacher speak with members of Senator Klobuchar's staff.

Let me sell you an idea

"When you come close to selling out, reconsider ..."

– LeeAnn Womack, "I Hope You Dance"

In Washington, DC, last month I attended another meeting of APPA's Buyout/Sellout Working Group.

There, several of my association peers and I discussed the trends: what cities are selling their utilities, what investor groups are trying to privatize publicly held assets, and where there are movements in favor of public power.

As one of the states with a lot of municipal utilities, Minnesota also has a lot of them to lose. You probably know in the past year or so, electric utilities have been sold in North Branch, Dunnell, and Bigelow. Each of those communities had its reasons and took the action they thought most favorable to their ratepayers. Still, I hate seeing things like this happen.

MMUA absolutely supports the right of every community to make the decision that is best for the people who live there. Yet I always wonder when I hear of municipal sales around the US, what were the factors that contributed to the decision? Could something have been done differently that would have made maintaining local ownership the preferred choice? What motivated ratepayers to sell? These questions keep me up at night.

Who sells? Since joining MMUA in 2021, I have been particularly interested in this question. I've been reading. I've sat in multiple buyout/sellout meetings with my peers from around the country, followed some of these decisions as they unfolded, and talked with anybody who was

willing on both sides of the decision. I know I am still very much the new kid on the block, and I have a lot to learn. Still, I have noticed some commonalities about many of the municipals that consider selling, regardless of where they may be located.

- · The utilities are often small, and local decision makers see selling as a solution. Sometimes the utilities have systems in need of repair, but doing that would drive rates up unacceptably high. Years of deferred maintenance leave current leaders backed into a corner. Other times the utility is having trouble finding staff or commissioners, and having one less thing to worry about is appealing. Sometimes there is infighting that will end if the utility ceases to exist. Sometimes selling the utility seems like a way to get cash for another badly needed project, and sometimes longheld philosophies close minds to ideas that could help solve an underlying problem.
- Someone takes the lead. Sales don't start with a large group of citizens storming the castle to demand their utility be sold. Usually, a small number of leaders first decides selling is an option. Sometimes it is a new person in town hired for an administrative or executive role. Sometimes it is a person elected to the council or commission who sees selling as the answer to a problem, real or perceived. They may tend to favor small government on principle, believe in private ownership, and/or have personal motives. Sometimes a group of people who have been involved with the utility

for years just don't know what else to do.

- · A willing buyer with an appealing offer appears. The buyer could be an investor- owned utility, a private equity firm, or a nearby cooperative. Sometimes, they were trying to be helpful, and sometimes they had an agenda that was advanced by the sale or takeover of the municipal. Either way, they showed up, discovered local folks in need of a solution, and offered one. Sometimes, the local folks actually started the ball rolling with outreach out to the potential buyer. That does happen, particularly if the potential buyer is someone with whom the utility already has a relationship. It could be they've been buying power from the company or contracting for line maintenance. It could be that "somebody knows somebody." These easy entrees mean things can move quickly, and ratepayers who question the wisdom of selling sometimes perceive they don't have time to slow the momentum. That's especially true if the buyer and community leaders have a head start in communicating about the upsides of the sale or the press coverage has skewed to give the merits of selling an edge.
- Entities that sell do not actively participate in their state association. Every rule has its exception, and I am sure somewhere out there is a municipal that has sold—or is considering a sale—that is active. Most of the time, though, they are not. Consequently, local decision makers are not aware of how those in similar

From My Desk to Yours

Karleen Kos MMUA CEO



situations have handled the financing for overdue system improvements, how they deal with staffing shortages, or work with firecracker personalities. These leaders have also unwittingly deprived their state association team of firsthand knowledge of what is really going on in utilities like theirs. I have met some very smart association CEOs, but none of them impress me as talented or psychic enough to know what is going on in utilities that don't engage with the association. They are just not that good. I know I'm not.

Safeguards aren't what they used to be. One of the ways to prevent precipitous sales of valuable public assets like utilities is to require that ratepayers have the chance to vote on whether the sale should occur. According to APPA research, only a handful of states have statutory safeguards like that. Until recently, we believed Minnesota was one of them. At present, we cannot say that is still true.

Historically, Minn. Stat. § 412.321, subd. 4, has been understood to mean a referendum of the ratepayers is necessary before the sale of any municipal utility can be finalized. However, the last several sales in Minnesota have been allowed without a ref-



erendum being held. In the last three cases, MMUA has raised concerns about this process issue with the Minnesota Public Utilities Commission (PUC). The PUC has responded that its role does not include enforcing procedural requirements for municipal utilities. The PUC has approved the sales based on duly authorized transaction participants having submitted the appropriate forms.

In light of the PUC's position, procedural concerns—such as ensuring ratepayers have a voice in the formation or sale of a municipal utility—must be addressed either in the courts or the legislature. MMUA, its Board, and its counsel have studied the options, and we will continue to look for a path that ensures the voice of the ratepayer is preserved. This will not be a fast fix, and there are risks with all the options. For now, we have created model resolutions your community can adopt that commit leaders to holding a referendum prior to a sale. Copies are available on our website.

But that's really not the point. The point is this: how can we reduce the likelihood of this issue coming up in the first place because everyone sees better options than a sale?

MMUA wants to be your partner.

In some associations—in the utilities industry and many others— the staff leader sees the role of the organization as a very hands-off affair. They advocate for desirable policies in the state legislature and offer services the members can take or leave. Often these associations have small staffs, and they essentially wait for their members to come to them.

I think MMUA needs to be a little more proactive than that. Municipal utility leaders are busy people. They have their noses to the grindstone, and they are dealing with a hundred things every day.

Sometimes they don't know what they don't know: that MMUA has a program or service that could help, that our government relations team can point you in the right direction, or that our safety resources are willing to work with you to solve a problem.

Sometimes they don't know what we don't know. The utility leaders wonder, "Why isn't MMUA doing anything about

Continued on page 5

Reduce Utility Rates Up to 5% - No Cost / No Risk

CIP Goal Savings

Reduce CIP kWh Goals

Cut CIP spending by 50% in 2023

Use Fuel Switching to increase kWh sales

Energy Management Solutions has been working with Municipal Electric Utilities for 18 years helping them to find ways to reduce costs.

CALL Gary Swanson, PE (612) 819-7975 gswanson@EMSenergy.com

McGRANN
SHEA
CARNIVAL
STRAUGHN
& LAMB
CHARTERED

T 111 11 11

■ Energy and Utility Matters

■ Electric Service Territory

Administrative Proceedings

■ Legislative Representation

■ Municipal Law

■ Litigation

Municipal Bonds

■ Economic Development

■ Real Estate Law

■ Environmental Law

Contact: Doug Carnival or Kaela Brennan

Providing Legal Counsel to Minnesota Municipalities in:

800 Nicollet Mall, Suite 2600, Minneapolis, MN 55402-7035 Telephone: 612-338-2525 ■ Facsimile: 612-339-2386

Windom Electric Department

Continued from page 1

MMUA: What older buildings/ generation do you still have in place?

Jason: The only remaining building from the original power plant was built in 1936. There was another building in the complex at one time that was five stories tall. We actually have footage (on VHS tape of course) of the demolition of that structure.

As late as the 1970s, Windom used coal to generate power and steam. Then the old plant was closed, and we moved toward natural gas. That happened around 1978 when the recently retired jet turbine was installed.

MMUA: Windom is adding two new 3100 kW CAT gen sets this spring to go along with the existing three. How did you decide to install this new generation?

Jason: After we retired the turbine [in 2021], we were planning to add another generator. It was something we were looking at down the road. When the capacity market took a spike just after we retired the turbine, we decided to move a little quicker. We got to talking and making plans, and through that process we decided to make an addition to the generation plant instead of putting the new generation where the old turbine was. We were already having trouble dissipating the heat from that building; it wasn't well ventilated.

Windom's pork plant was also expanding rapidly at the time. Unfortunately, after we ordered the engine in September 2022, the decision makers over there said they were going to sell the company or close it. Ultimately, the company declared bankruptcy and closed the plant in June of 2023.

The new engines aren't here yet, but the building is scheduled to be done this spring. It will be weather-tight by the first part of April, and then the generators will be set. After that they will be installing pipes and other equipment. We hope by October 2024, the generators will be up and running.

When you add all that generation together, Windom will have 11.6 MW of generation by nameplate capacity.

MMUA: Tell me a little bit about the shop addition that will house the new generation.

Jason: It will basically be a roof over the generation with an air-handling system. The history of it is kind of interesting. The generation addition is where the city's previous truck shop was located, which was built in 1978. A metal lean-to was put on the back of the generation plant. Today, we saw it as the best place

for the new generation because the substation was right there. It is next to the old generation, and our crew is there also. The proximity is helpful because we only have four linemen/generation operators.

Another fun fact: the shop addition is sitting right on top of where the old steam plant was!

MMUA: What percent of the city's power needs will you be able to meet when these five gen sets are in place?

Jason: With the pork plant shut down currently, we would have been able to cover the entire load during the winter. If things stay as they are, we can run the entire town. As it is, the pork plant is looking to reopen, so that will change things. Still, it will be a substantial portion of Windom's needs.

MMUA: In fall of 2023, Windom rebuilt the transmission line coming to town. Tell me a little bit about the planning and implementation of this project.

Jason: That stretches all the way back to 2019. We did a study with DGR Engineering to look

at the line, and we determined that most of it was at end of its life. We have two feeds, one from the north/east and one from the south. The south feed was installed in 1954, and the north feed was put in sometime in the early 1970s. After doing the study we got a new route for the north line, which goes right on Highway 60 by the pork plant. That way we can drop in a substation if need be. It is also closer to our north industrial park.

We got our lines, and then we got our easements. Previously they have been in railroad right of way, and we were able to get them out of there. Then COVID hit, and we had supply chain issues and problems getting bids. Finally, in 2022, we took it out for bid and awarded it to IES, a company out of Nebraska. We started on the actual construction in July, and the project was completed in October of 2023.

We still have the north and south transmission lines; they are just in different rights of way. Our south feed—that's our main feed—is protected by a breaker, and it runs within a couple of hundred feet of the old *Continued on page 5*



Working on the new transmission switch right outside the substation.

New & IMPROVED!

Tapered Race Rotary Reel Collars



Improve Efficiency & Safety

Reduce your Labor Costs

Works Great on Plows, Trailers & Trucks

Tapered Sleeves to Fit Various Size Reel Hubs

3pt. Bolt Safety Fastening System (Bolts will NOT fall out & Reel will NOT slide on Bar)

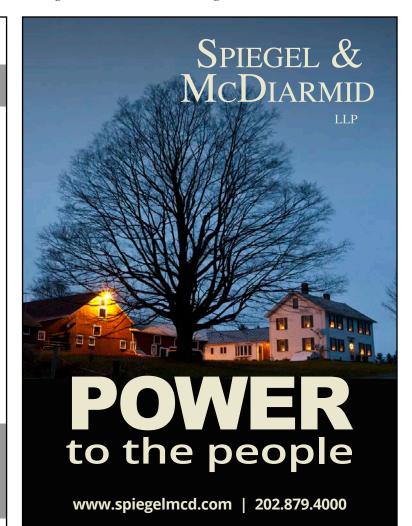
NOW AVAILABLE

for 2-1/4" and 2-1/2" Reel Bars

For more information call: 320.274.7223



9030 64th Street NW Annandale, MN 55302 WWW.FS3INC.BIZ





EXCEPTIONAL SOLUTIONS FOR

INDUSTRY-LEADING ENGINES AND POWER SYSTEMS

Fairbanks Morse Defense offers an extensive portfolio of services to optimize performance, ensure reliability, and extend your engine's life cycle — from the day it's commissioned and for the many years that follow.

Contact us today +1-800-356-6955 https://www.fairbanksmorse.com/contact

Windom Electric Department

Continued from page 4

one. Like I mentioned before, the north/east one changed quite a bit. It used to run more east. The new one runs along Highway 60, and then we cross the highway and tie back into ITC's line.

MMUA: You mentioned the HyLife Windom pork plant closed last year, and now is readying for reopening in the spring of 2024. What difference did their absence make in the city's electricity use? What are you hearing about the planned operations after the restart?

Jason: In the past, the plant drew close to a 4 MW load 24/7. They had all the coolers, so they had a good load factor for us, which was ideal. What is going to happen out there now, we have no idea. We are really hoping the cooler load comes back in some capacity. They made up about 30 percent of our load.

Together, the pork plant, the hospital, the school district, and

the Toro Company's manufacturing plant make up a good percentage of our load. Toro currently makes snowblowers and zero-turn mowers in Windom.

The removal of the old steam plant's footing was necessary to put in the foundation for the new generation plant building.

MMUA: What other interesting things are happening in Windom or with the Windom Electric Department?

Jason: Like many utilities, we are waiting for some Department of Energy grants to come through, and we have spent all the project money we have for the immediate future. Our next big project will be switching to AMI metering.

Before these recent projects, we put in a new substation in 2016 and added a whole new set of breakers while installing a new substation transformer. So, we have been busy for years.

We are also looking at a few new apartment buildings that will be coming to town. A total of 90 apartments might be on the way.

Something else we did recently was put in an above-ground fuel tank. We had a 50,000 gallon below-ground tank that was installed for the jet-turbine in

the 1970s. We ended up taking that out and replacing it with a 20,000 gallon above-ground tank. When we sized it, we sized it for some added generation.

Our fuel supplier is right across the street. So once again, Windom Electric's facilities are in a good spot!



The removal of the old steam plant's footing was necessary to put in the foundation for the new generation plant building.



The new 20,000-gallon fuel tank.



The outgoing 50,000-gallon underground fuel tank.



David A. Berg, PE - Principal 'Dedicated to providing personal service to consumer-owned utilities'

Cost of Service Studies
Utility Rate Design
Contract Negotiations
Utility Education
Expert Testimony
Feasibility Studies

dave@davebergconsulting.com

15213 Danbury Ave W Rosemount, MN 55068 (612)850-2305 www.davebergconsulting.com



220 South Sixth Street Suite 1300 Minneapolis, MN 55402

TEL 612.349.6868 FAX 612.349.6108 Info@AvantEnergy.com



For over 35 years, Avant Energy has supported municipal utilities and power agencies in their effort to deliver economic and reliable power. Avant works with its clients to develop innovative, yet practical solutions based on a simple, overarching belief that, "better is possible."

BETTER IS POSSIBLE

STRATEGIC PLANNING UTILITY CONSULTING ENERGY PROJECT DEVELOPMENT

......WWW.AVANTENERGY.COM.....

Let me sell you an idea

Continued from page 3

[my issue]?" They are unaware that we don't know about it or how it manifests itself in a certain town. Sometimes, we don't know about it at the appropriate level. For example, your safety coordinator may be aware that you are struggling to fill an opening. That doesn't mean I am aware that you would like our help with that problem. It also doesn't mean I have a short-run answer. Unfortunately, I don't have an inventory of lineworkers or water superintendents or engineers on a shelf here in Plymouth that I can quickly send out to you. It does mean that I'm willing to take a look at developing a programmatic answer to help you and other utilities in the same situation. That's our job: to help municipal utilities solve problems.

Sometimes there are disconnected expectations that discourage utilities from further outreach. Recently I heard of an MMUA member who was irritated because he'd called our government relations team for guidance. From MMUA's perspective, we provided it. From the member's perspective, "they just gave me some names and phone numbers to call." I don't know if that member will ask for help again, since he thinks he didn't get it this time. I wish he would have called me. Whenever there's a disconnected expectation, there is an opportunity.

So let me sell you an idea: let's not be strangers. When I stood in front of the MMUA membership for the first time in 2021, I said that I wanted to visit Minnesota's municipal utilities. I've been doing that, and I am still eager to visit more. I enjoy meeting the staff teams and visiting the physical plants.

I am especially interested in sitting in on local commission meetings. It is an honor to listen as the work is getting done. It gives me a window into what is "real" out there in a whole different way, and helps me understand how MMUA's services need to evolve so that we can partner with your community more effectively. I may even be able to offer a suggestion or two, if asked. Invite me, and I'll come.

As I mentioned earlier, utilities that seek or respond to an interested buyer are usually not working closely with their associations. I hope you will join us at MMUA events, and I'll join you in your community. Let's work together.

And please, if you think of selling out, reconsider.

Whenever one door closes I hope one more opens. Promise me that you'll give faith a fighting chance. And when you get the choice to sit it out or dance I hope you dance.

APGA Legislative Summit

Continued from page 1

MMUA: What were the priorities you were hoping to advance on the Hill?

Mark: APGA's legislative committee set the priorities before the summit, so I was in a couple of meetings before the summit occurred to be sure I was prepared. As we go through those meetings, we finalize our positions and the suggested materials to be used during our legislative meetings.

Two of the priorities we focused on this year were the Natural Gas Act and the reforming of Section 5.

The reauthorization of PHM-SA—that's the Pipeline Hazardous Material Safety Administration—was an important topic. The agency needs to be reauthorized by Congress every few years, and this is one of those years. The natural gas industry supports that. As gas utility members, we discussed the importance of PHMSA and sought the support of our legislators to reauthorize the administration.

We also support the direct use of natural gas. We believe it should be a resource for electric generation and it should also be available for use as fuel. That is all-encompassing, because it focuses on the availability of gas for use in cookstoves and conventional furnaces. We want to see it remain a fuel of choice.

Finally, we wanted to voice our support for the Low-Income Home Energy Assistance Program (LIHEAP) dollars for our communities. MMUA supports that too.

MMUA: You were a general member of the APGA board for several years. What responsibilities did that entail?

Mark: I just wrapped up a sixyear term on the board, and as I mentioned earlier, another Minnesotan, Luke Peterson, has been accepted on the board. Minnesota has had a presence on that board for 20 years. I served two three-year terms. At that point, you have to drop off. Around that time, Luke showed some interest, and he submitted his name.

On the APGA board, you also need to participate on a committee so I also chaired and co. chaired the Legislative Relations committee for two years. I also participated with the gas supply committee and the operations and safety subcommittee for six vears.

MMUA: What is the terrain like on gas issues with the current divided government in Washington?

Mark: I have been doing this for several years, and this was one of the better years to meet with the legislators. They were open,

earnestly took the information, and they were fairly supportive of our positions. We need to have natural gas as one of those fuels to carry us into the carbon-free world. I felt positive about the meetings and that they were well received.

MMUA: What future priorities for gas policy did APGA identify at the Summit?

Mark: The legislative committee meets year-round, so we will do a post-meeting wrap up of the Summit. We will also talk about priorities and legislative policy all year round. The Summit is usually in January or February.

APGA has a legislative focus, so they monitor legislative policy and stay very connected to all of that throughout the year. APGA does not currently contract with external lobbyists. The team manages all their legislative advocacy internally, and staff are registered as appropriate. APGA's staff gets a lot of guidance from the legislative committee. They spend many hours on the Hill to get the mood of legislators and stay in touch on our issues.



(L-R) Thomas Liepold from Senator Klobuchar's office met with Mark Nibaur, Luke Peterson, and Michael Nolan. (Photo courtesy of Mark Nibaur).

MMUA: How many major gas groups are lobbying on the Hill?

Mark: The American Gas Association, APGA, and there are a couple of others out there too.

MMUA: Are other Minnesota gas utilities involved?

Mark: There are at total of 33 gas municipals in Minnesota, and they are always welcome to work and participate with the association. We welcome them to join American Public Gas Association in their efforts and be supportive.

People might say, why go to D.C.? If we go, we can make change. If you don't try, nothing will happen. Our legislators do like to see us, and our presence makes a difference.

dgr.com



- · Commitment to integrity
- · Creative solutions to complex issues
- Engaged team approach
- · Customized financial planning models
- · Staff with depth and experience
- Competitive Bond Sales
- · Debt Refinancing
- · Property Tax Impact Analysis
- Tax Increment Financing
- Financial Management Plans

HELPING MUNICIPAL **E**NTITIES **PLAN FOR THEIR FINANCIAL FUTURE** IN CHANGING TIMES

- · Bond Underwriting
- · Bank Private Placement
- · Referendum Assistance
- · Capital Improvement Plans
- · Equipment Financing

PROVIDING DIRECTION **PRODUCING RESULTS**

OUR COMMITMENT IS IN THE **MIDWEST**: We are thankful to be a Sponsor with Minnesota Municipal **Utilities Association, and look** forward to helping with your financing needs this year!



150 S. Fith Street, Suite 3300 | Minneapolis, MN 55402 612-851-5900 | 800-851-2920 www.northlandsecurities.com/public-finance Division of Northland Securities, Inc. | Member FINRA/SIPC | Registered with SEC and MSRB Trusted. **Professional** Solutions. Substations Distribution Transmission Generation Long-Range Plans Relaying & SCADA Rate Studies Mapping & GIS Construction Staking Sectionalizing Studies & Coordination Arc Flash Studies Distributed Generation Studies Rock Rapids, IA Sioux Falls, SD 712-472-2531 605-339-4157 Sioux City, IA 712-266-1554



FULL SERVICE CONSULTANTS 866-825-8895

Visit our website and find your expert today! www.powersystem.org

We welcome the opportunity to work with you

Forward-Thinking Professionals Helping Clients Achieve Their Goals

- · Economics, Rates, & Business Planning
- Energy Resources

ENGINEERING

- Utility Engineering & Operations
- · Technology, Communications, & Automation
- Industrial Engineering

Wisconsin bill on transmission lines creates strange alliances

A bill that passed the Wisconsin State Assembly on February 15 would give current owners of transmission lines in Wisconsin the right of first refusal to build new transmission lines that become part of their system.

The legislation moved after the Midcontinent Independent System Operator (MISO) approved \$10 billion in new transmission lines in late 2023.

Most of the state's utilities, current transmission owners, utility-affiliated labor unions, and economic development organizations are in favor of the bill, including the state association Municipal Electric Utilities of Wisconsin (MEUW). On the other side of the issue is an array of consumer advocates like

the Citizens Utility Board and free-market groups like Americans for Prosperity and Koch Government Affairs.

Opponents of the bill see it as either reducing consumer choice or limiting their ability to do business in the state. Proponents see the bill as a way to speed transmission buildouts by utilities that are already experienced in the region at a time when they are desperately needed. The bill allows competitive bidding for the inputs of transmission projects, including construction contractors and equipment.

Colorado to study state's potential for geothermal

On February 12, the company Teverra, which conducts energy research and consults on clean energy matters, was chosen by Colorado's Energy and Carbon Management Commission (ECMC) to analyze Colorado's statewide geothermal resources.

By understanding the state's geothermal resources and the size of the market, Colorado

can move forward in developing these resources. Teverra will work with the Colorado Geological Survey to do the analysis.

Colorado's geothermal resource potential will be examined for use in electricity production, geothermal heat pumps, and direct use heating buildings and assisting in agricultural applications.

On February 7, Connexus Energy announced they had chosen their next leader

Connexus Energy

chooses new CEO

Sidney Jackson will be the next CEO, succeeding Greg Ridderbusch, who recently announced his retirement.

Jackson previously worked as General Manager of Pasadena Water and Power. He also has past experience working for Austin Energy, Rochester Public Utilities, the Midcontinent Independent System Operator, and Xcel Energy.

Jackson earned a bachelor's degree in electrical engineering from Kansas State University and a master's in business administration from the University of Missouri.

Connexus Energy, based in Ramsey, Minnesota, is Minnesota's largest electric cooperative and provides power to 145,000 members in the northern and eastern Twin Cities suburbs.

Unit 4 at Georgia's Vogtle Nuclear Power Plant starts nuclear fission

On February 14, Georgia Power announced that Unit 4 at its Vogtle Nuclear Power Plant near Augusta, Georgia, had begun the process of self-sustaining nuclear fission.

The reactor is expected to begin commercial operation in mid-2024.

Unit 3 at the plant entered commercial operation in the Summer of 2023. The cost of the two reactors is expected to total about \$35 billion.



FRENTIER energy Matt Haley Vice President

Vice President Frontier Energy, Inc. mhaley@frontierenergy.com 612.598.8743

7935 Stone Creek Dr. Suite 140 Chanhassen MN 55317 FrontierEnergy.com

RESHAPING THE FUTURE OF UTILITY TECHNOLOGY











An Integrated Technology Cooperative.

CSA/PCS is an industry leader in utility software solutions. As a member-owned cooperative, we strive to provide best-in-class integrated solutions for: billing, financials, engineering, operations, analytics, and customer empowerment - in a secure, hosted environment.

We provide a true enterprise experience.



Winnipeg sewage pipe leak causes frustration

A sewage pipe that broke in Winnipeg, Manitoba, has caused problems as recovery efforts continue in the city.

It all started when a pipe that crosses under the Red River near the Fort Garry Bridge started leaking on February 7. The pipe leaked 60 million gallons of untreated wastewater over two weeks.

Initial signs of a problem were first detected in November 2023. A pipe was taken out of service, but a second pipe ultimately failed following temporary repairs.

City officials struggled to fully abate the leak. A bypass system put into place on February 17 has not been able to keep up with the wastewater load due to



the failure of one of two pumps on a bypass system. The leak was finally contained the evening of February 21, though a risk of intermittent spills existed for several more days while crews worked to stabilize the

Although work to fully repair the system is underway, local officials estimate it will not be completed until 2025.

Willie Phillips announced as FERC chairman

On February 9, President Joe Biden announced Willie Phillips would become Chair of the Federal Energy Regulatory Commission (FERC).

Phillips has served as Acting Chair since January 3, 2023.

Phillips has worked for more than 20 years in roles as Chairman with the Public Service Commission of the District of Columbia, as Assistant General Counsel for the North American Electric Reliability Corporation (NERC), as well as positions in law firms dealing with energy matters.



Phillips' appointment will conclude in 2026.

DOE announces \$1.2 billion funding round to accelerate development of new transmission

On February 6, the United States Department of Energy (DOE) announced a request for proposals (RFP) for the second round of funding for the Transmission Facilitation Program, which is designed to accelerate the development of transmission lines.

Much of the funding will come in the form of capacity contracts, which will reduce risk and allow for speedier transmission buildouts. The RFP allows DOE to purchase up to 50 percent of the maximum capacity of a transmission line in order to

provide security to investors. These capacity contracts will eventually be sold by DOE to other customers.

The program is being administered by the Grid Deployment Office.



Biden administration, EPA widen program providing community assistance with waste-

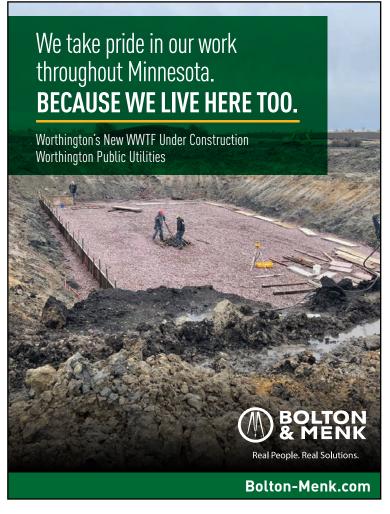
water funding

On February 13, the Biden administration, through the United States Environmental Protection Agency (EPA), announced the "Closing America's Wastewater Access Gap Community Initiative" will expand to an additional 150 communities from an initial group of 11 communities.

The initiative provides technical assistance on receiving federal wastewater funds to underserved communities.

The EPA estimates 2 million people in the US live without adequate wastewater services and safe drinking water at home. The initiative has already connected seven of the communities with funding awards. The program's goal is to achieve similar results with the expanded program so more communities offer modern wastewater service to their hometowns.





Mainers overpay by millions on electricity; regulators argue for phaseout of state's competitive market

On January 29, a report from the Maine Public Advocate disclosed that Mainers paid \$80.4 million more than the standard offer rate from 2016 to 2022 on their electricity bills.

The standard offer rate is the rate approved by the Maine Public Utilities Commission and used by most households that don't contract with competitive electricity companies.

Public Advocate William Harwood has said the use of a competitive market for electricity in the state hasn't worked out for consumers. He argues that the market should be phased out. Promotional offers used by providers in the market allow consumers to access short-term promotional rates while paying higher rates over time. The Public Advocate's role is to represent Maine's utility consumers in matters related to the Public Utilities Commission, agencies, and the courts.

Advocates in Maine had pushed for a new, statewide public power utility to buy out the state's two largest investorowned utilities. Voters voted down a public power referendum on the November 2023 ballot



that would have established Pine Tree Power Company. choosing to keep their investorowned utilities by a margin of 70 percent to 30 percent. Fears over the cost and uncertainty of the buyout appear to have trumped the possibility of lower rates.

Water uses important, in varying ways, to Minnesotans of different backgrounds

Research published in the journal Society & Natural Resources on November 23 analyzed how Minnesotans looked at water in the state through a variety of given lenses.

Through two studies, researchers examined Minnesotans' water priorities in light of key demographic differences.

The research found that safe and clean drinking water was something everyone agreed on; it was valued highest by Minnesotans of all backgrounds.

Looking at other aspects of

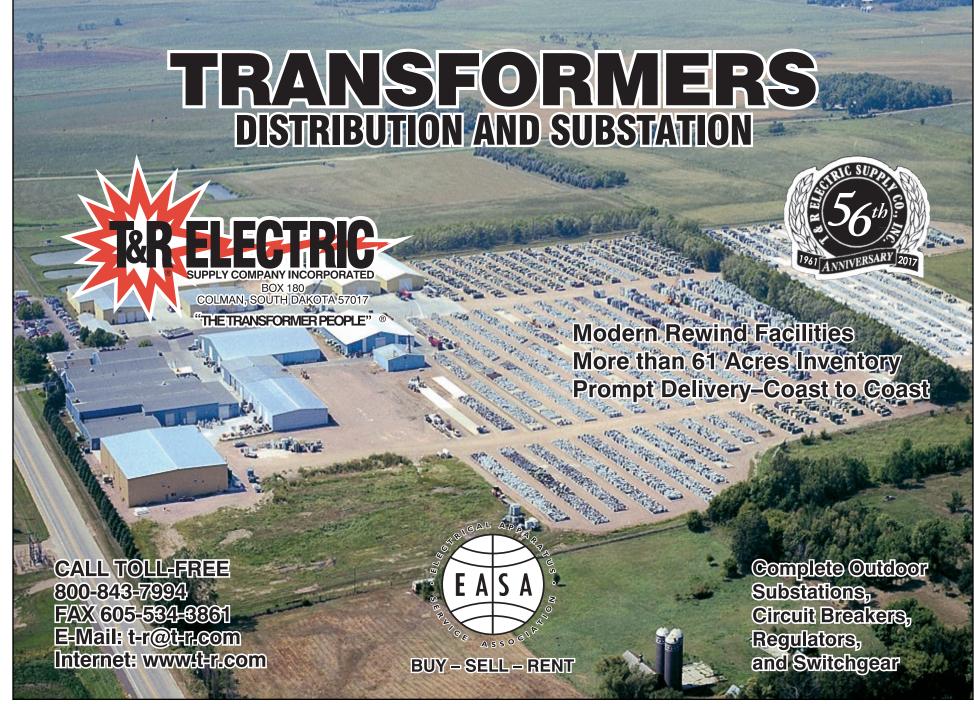
water and how it is valued, including items such as use of water for recreation, fishing, and religious practices, people of color placed more importance on water on average than white respondents. Females also placed a higher value on water for different uses than males.

This project was funded by the Minnesota Stormwater Research Council, the Minnesota Environment and Natural Resources Trust Fund, and Clean Water Funds instituted by the Minnesota Legacy Amendment.

Houston experiences 600,000-gallon wastewater spill

On February 13, about 600,000 gallons of domestic sludge spilled in Houston, Texas, when a holding tank failed at the Almeda Sims Wastewater Treatment Plant in southwest Houston.

Wastewater sludge was released in the incident. After the event, officials contacted the Texas Commission on Environmental Quality. The Commission then sent notifications to citizens with wells within a half-mile radius of the spill, but they did not issue a boil order. Houston Public Works began the cleanup process shortly after the spill happened.



Emergency Preparedness and Restoration Conference uses interactive tabletop, information sessions to create solutions

Staff from MMUA's member utilities met in St. Cloud on February 21 and 22 for the Emergency Preparedness and Restoration Conference.

This compelling educational conference provided information about emergency preparedness and allowed attendees to share their mutual aid experiences, observations, and questions with each other.

The conference started with observations about past mutual aid events from MMUA's Cody Raveling. Cody emphasized the importance of being able to adjust to changing conditions on the ground. During Hurricane Ian in 2022, MMUA's team was originally dispatched to Kissimmee, Florida. As the storm track moved, the team moved to Bartow, Florida. With that event, Cody emphasized the importance of responding quickly not only to mutual aid notifications, but to events on the ground. Things move fast, requiring an ability to adapt and necessitating a continuous focus

The conference then moved into a well-received, interactive tabletop planning exercise led by MMUA's Mike Willetts. This session allowed attendees to "live through" the scenario of reacting to the March 29, 1998, St. Peter tornado event as if it were happening today. Through vintage news clips, data printouts, and group discussions, the events of 1998 came alive in an exciting way for attendees.

St. Peter, with a population of approximately 9,700, was the largest city affected by the storms. More than 500 homes

and buildings were severely damaged, and 17,000 trees were lost that day. Down the road 60 miles, Comfrey, Minnesota, with a population of around 367, was hit by an F4 tornado that damaged or destroyed about 75 percent of the structures in the town. What would you do at your utility if a storm like that was developing or beginning to spawn tornados nearby? Coming out with answers was the point of the exercise.

If there was lead time prior to the event, participants decided they would line up staff, check on equipment, and reach out to MMUA or take the Association's call if they reached out first. City staff would be contacted to prepare. MMUA would start to look at close-proximity utilities that could provide mutual aid.

Other plans included fueling up equipment, providing for alternate ways of communicating, and working with other city departments.

After the storm had passed and caused damage, post-storm plans would be implemented. Utility staff would reach out to one another, making sure that things were safe at home before beginning to repair the community. The utility's emergency plan would be implemented, with a priority list of locations to repair in order, if possible. The chain of command would also be implemented, in order to smooth communications and make sure all staff were accounted for.

Day two of the conference brought a visit from Joe Neuberger from the Homeland Security and Emergency Management (HSEM) division of the Minnesota Department of Public Safety. His discussion on taking steps to secure and protect critical infrastructure was particularly timely given the news that AT&T had experienced a nationwide cell phone outage that day. Joe spoke about the different actors that could be involved in damage to critical infrastructure. These include common risks like weather or climate, and less common causes like lone wolves or state actors who wish to harm infrastructure. He noted that there are four critical infrastructure functions that must be protected at all costs: energy, water, communications, and transportation.

Joe noted that "Minnesota Nice" sometimes makes us want to hold the door open to secure areas, or not check or vet credentials. It is critical to take these measures in order to keep our facilities secure, no matter how nice we are about it. He also gave attendees several tools for moving their communities forward in protecting critical infrastructure. These include information about a variety of free trainings sponsored by federal agencies and universities.

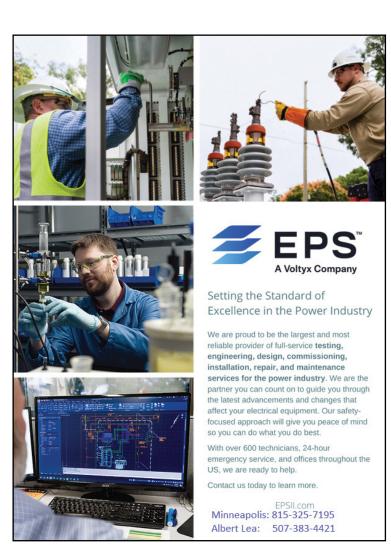
Neuberger was followed by Brian Olson, who also works for HSEM. Brian focused his talk on mitigation, and the power it has to make things safer and also save us all money. For every dollar spent on mitigation activities, it can save four to seven dollars. Brian discussed federal mitigation grants that become available after presidentially declared disasters. The entire state can become eligible for these grants, but the county where a utility is based does need a

mitigation plan in place, signed off by the utility, in order for the utility to access these funds.

Mike Willetts closed the conference by talking about reimbursement for mutual aid and things that needed to be added to the Association's mutual aid paperwork. One thing added to the list was having a protocol in place if utility crews find injured or deceased individuals during mutual aid events. Lists of machinery owned by utilities, as well as four-wheel-drive trucks, were seen as important

additions to the information stockpile. Mike emphasized keeping records throughout the day so that the important work being done can be documented, preserved, and learned from.

This exciting, interactive conference concluded, leaving attendees more ready and prepared to help protect their communities from emergencies, as well as in a position to help other communities in their time of need.





Emergency Preparedness and Restoration Conference



 $Attendees\ were\ ready\ for\ the\ event\ to\ begin\ on\ February\ 21.$



The tabletop exercise put everyone right on the spot as a news report watched the tornado event of March 29, 1998 unfold.



Damage from the 1998 storm event is displayed as attendees talked about what they would do in the aftermath of such a storm.



 $Brian\ Olson\ from\ HSEM\ spoke\ about\ mitigation\ and\ how\ it\ can\ save\ money\ and\ make\ communities\ safer.$



 $Attendees\ discussed\ their\ current\ emergency\ preparedness\ planning.$





Joe Neuberger from Homeland Security and Emergency Management (HSEM) spoke about protecting and securing critical infrastructure.



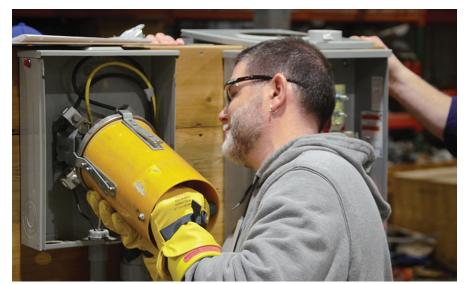
There were a lot of things to think about and ideas to bring home as the conference drew to a close.

Meter School

Meter School took place February 7–9, with the Meter School Preconference Workshop occurring February 6 and 7. Learners worked hands-on with a variety of meter types while also receiving classroom instruction.



 $Attendees\ work\ to\ resolve\ issues\ presented\ on\ training\ equipment.$



A participant puts a meter in place.



Jessie Lloyd smiles with a group of learners.



 $Tommy\ Flores\ grabbed\ a\ photo\ with\ Larry\ Chapman.$



 $Instructor\ Larry\ Chapman\ talks\ to\ a\ learner.$



 $Bruce\ We stergaard\ provides\ guidance\ on\ trouble shooting\ meters.$



 $Participants\ sized\ up\ a\ variety\ of\ scenarios\ and\ meters\ at\ the\ school.$



Attendees made sure the wiring was exactly right.

Interconnection Corner—Initial Review Screening

By Bill Black



A critical step for customers who wish to add interconnected solar panels to their home or business is the completion and submission of a Simplified Interconnection Application.

Utilities have 20 days from the receipt date of a completed interconnection application to complete an initial review screening. The utility must then let the customer know if certain kinds of upgrades to the utility's system will be required to accommodate the customer's proposed Distributed Energy Resources—commonly abbreviated as DER—installation. The customer would be responsible for the costs of any such upgrades and, so, would need to know about them up front.

Screening factors include line section capacity, the circuit's

maximum fault current, short circuit interrupting capability, and transformer capacity. If a Simplified Interconnection Application passes the initial screen phase, it moves into subsequent phases of the Simplified Process. Many applications do proceed, and they ultimately receive the utility's final permission to operate. The utility may also allow interconnection to proceed despite failing initial screening if it determines the interconnection can be done consistently with safety, reliability, and service quality standards.

If that is not possible, the utility must inform the customer that their application has been moved to the Fast Track process, provide them with the data used to determine the screening failure(s) and, within 10 business days, offer to schedule

a customer options meeting. In this session, the applicant can choose to proceed under the Fast Track process or drop their application. At the customer options meeting, the utility will give a good faith estimate of necessary upgrade costs, and the customer will have 15 business days to decide whether to make a deposit in that amount toward the upgrades.

This information comes from the M-MIP Booklet #2 —Simplified Process, section 3 Application Review, subpart 3.2 Initial Review Screens and Booklet #3—Fast Track Process, section 3, subpart 3.5 Customer Options Meeting. The full M-MIP guide is available free at mmua.org under Public Policy—Energy Efficiency/Renewables.

Study details renewable natural gas potential to replace one-sixth of gas demand

A new study from Deloitte points toward the potential to harness gas from landfills to make up about four percent of US fossil fuel use and up to 17 percent of core gas customer demand.

There is room for growth in the use of landfill gas as renewable natural gas (RNG). Of 1,641 municipal landfills, only 28 are producing RNG. For municipal wastewater treatment plants,

only two percent are capturing biogas and converting it to RNG.

The report suggests this resource is not only critical to reducing greenhouse gas emissions, but it is also a local financial asset that can be used in municipalities. Available federal tax credits make the case even stronger for municipalities to pursue systems to reclaim RNG in their communities.

Yellowstone ski resort begins using treated wastewater to make snow



The Yellowstone Club, a private residential, ski, and golf resort located in Big Sky, Montana, has begun using treated wastewater from Big Sky to make snow for its ski resort.

Snowmaking using this process has been in force for the entire 2023-2024 ski season.

The treated wastewater comes mostly from Big Sky's municipal supply, with about 20 percent coming directly from the Yellowstone Club's wastewater treatment plant. The resort can use 25 million gallons of treated wastewater annually to make snow.

Most environmental groups and local governments have supported the project and its goal of decreasing water use at the resort, although some have been concerned about the wastewater's impact on local waterways after the spring melt.

IEA report notes continued oversupply of solar panels

Research from the International Energy Agency (IEA) has found that strong international solar panel manufacturing will leave **American and European ware**houses with about twice the solar panels needed in 2024.

This number does not include additional stockpiles that will accumulate this year.

The IEA said that this oversupply caused solar panel prices to drop 50 percent in 2023, with further decreases likely on the way. China's production of solar

panels has been a large part of this equation, with output originating from the US, Europe, and southeast Asia further contributing to an oversupply of solar in the near to medium-term.



California to consider statewide wastewater drug testing

A bill before the California Assembly would mandate statewide wastewater drug testing to help address drug abuse problems among residents.

If passed, the new law would be the first such mandate in a US

The bill, AB 3073, would give the State Water Board and the

California Department of Health the authority to sample wastewater for drugs such as opiates, methamphetamine, and cocaine.

The legislation would amplify state efforts to track drug use at a local level. Using the data, officials can be assisted in making public health interventions in communities.

Xcel proposes new clean energy plan for the

Midwest

On February 1, Xcel Energy proposed a comprehensive clean energy plan for the Upper Midwest with the goal of reducing carbon emissions by 80 percent by the year 2030.

The plans will cover Xcel's electric customers in Minnesota, Wisconsin, North Dakota, South Dakota, and Michigan.

Among the proposals in the plan are the creation of 3,600 megawatts (MW) of new wind and solar projects by 2030, operating Xcel's Monticello and Prairie Island Nuclear Power Plants through the early 2050s, and the addition of 600 MW of battery storage. Prairie Island



would run until 2053 and 2054 for its two reactors, and Monticello would run until 2050.

Xcel also plans to add around 2,200 MW of "always ready" generation resources that will only be run when needed for

baseload. The company says this will help minimize their impact on carbon emissions, while still being available when needed.

The new plans need to be approved by regulators.

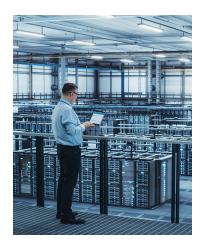
Microsoft completes purchase of Becker land from Xcel

On February 12, Microsoft completed its purchase of 300 acres of land in Becker, Minnesota, from Xcel Energy.

The purchase price was \$17.7 million. Microsoft plans to develop a data center near the former Sherco coal plant, which is in the process of being transformed into a massive solar generation facility.

Two other data center projects have had conceptual plans featuring Xcel's Sherco land. Google was interested in building a data center there but decided against it in 2022. Elk River Technologies has continued to work on its plans to build a data center near

Sherco. The company paid \$7.7 million for 348 acres on the site, which was approved by the Minnesota Public Utilities Commission in March of 2023.



Largest solar and storage project in the US opens

In mid-January, the Edwards & Sanborn Solar + Energy Storage project was completed.

The project, located in Kern County, California, covers 4,600 acres and consists of 1.9 million solar panels. Its capacity is 875 megawatts direct current solar, and 3.3 gigawatt-hours of storage. The storage component consists of 120,720 batteries.

The solar and storage plant will produce enough power for 238,00 Pacific Gas & Electric and Southern California Edison customer homes annually.

The new solar and storage plant will eliminate 320,000 tons of annual carbon dioxide emissions, according to estimates.

ENERGY is your BUSINESS Our energy is focused on your supply chain. For more than 60 years, our employee-owners have supported you by providing the products you need and the services you've come to expect. Your success is our priority. Contact us today. BSE BORDER STATES Supply Chain Solutions ** borderstates.com | 800.676.5834



Overlay of southern Minnesota's 507 area code begins

On January 30, an "all-services distributed overlay" of southern Minnesota's 507 area code began.

Customers who currently have the 507 prefix will not see any changes. An added 924 area code will be assigned to new customers in the current 507 area starting on August 30, 2024, hence the term "overlay."

With this change, all customers in the region will now need to dial the area code even when they call another customer in the 507 area code. That change will take effect on July 30, 2024.

The new area code is necessary because the 507 area code area was running out of numbers to assign. Without the addition of the 924 area code, southern Minnesota phone customers would have run out of numbers in early 2025.





DOE, White House initiate funding for restart of Michigan's Palisades Nuclear Power Plant



In late February, the Department of Energy (DOE) with support from the Biden administration, announced that \$1.5 billion would be made available to start the two-year process of restarting the Palisades Nuclear Power Plant in southwest Michigan.

The plant was decommissioned on May 22, 2022. Shortly after the closure, the plant was sold by Entergy Corporation to Holtec International. Holtec is now working with the government to reopen the 800-megawatt plant.

Funding is being provided through the Civil Nuclear Credit Program, which was passed into law in 2021 as part of the Infrastructure Investment and Jobs Act.

Palisades originally opened on December 29, 1971.

Microsoft to pursue nuclear for business operations; creates nuclear policy brief

The American tech firm Microsoft is looking to pursue nuclear power by using its technologies to serve nuclear customers, as well as a physical tool for the company.

Microsoft created a policy brief regarding nuclear power that it shared at the recent COP28 Conference in the United Arab Emirates. In the brief, Microsoft endorsed nuclear as part of an "all-of-the-above" approach to carbon-free power. The company also praised advanced nuclear power and its role in the carbon-free transition.

The brief made clear that Microsoft is ardently pursuing nuclear operators whose work can be improved by Microsoft technologies such as artificial intelligence (AI) and digital platforms. Microsoft plans to use its talents to support the work of the nuclear industry, including the burgeoning small modular reactor (SMR) area. As AI can speed up many processes, it shows promise in accelerating the nuclear permitting process and

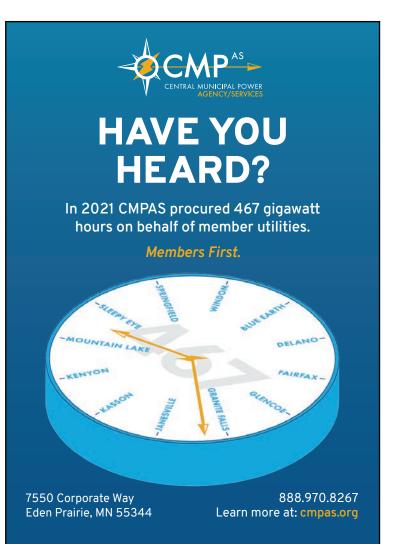


in helping to operate or monitor nuclear power plants.

In this regard, Microsoft also has plans to start using SMRs to power company operations. To this end, the company recently hired Erin Henderson, who previously worked as General Manager of Transmission Projects for the Tennessee Valley Authority. Henderson's hire as Director of Nuclear Development Acceleration will help Microsoft develop a strategy for the implementation of SMRs and microreactors to power some of its data centers.

Microsoft's interest in nuclear may be a telling sign as different carbon-free technologies jockey for a place in the future energy mix





COMMITTED TO MAKING YOUR JOBSITE SAFER!!! ANNANDALE, MN 320-274-7223 WWW. FS3INC.BIZ



EXCAVATION VERIFICATION KIT Includes:

- (1) Tri-Fold Ruler
- (3) Foldable "MARK" Markers
- (1) Foldable "HIT" Marker
- (1) Whiteboard
- (1) 6 pc. Marker Set
- (1) Eraser

All items compact neatly into a 13" x 17" drawstring backpack.

EPA makes nearly \$6 billion in drinking water and water infrastructure funds available



On February 20, the Environmental Protection Agency (EPA) made \$5.8 billion in wastewater, drinking water, and stormwater grants and loans available through the Clean Water and Drinking Water State Revolving Funds.

Minnesota's allotment of the funds is \$34,769,000. About half of the funds will be made available as low-interest loans or grants. The funds will allow underserved communities to benefit from improved water infrastructure, including the removal of lead pipes; improved stormwater systems; and new wastewater treatment facilities.

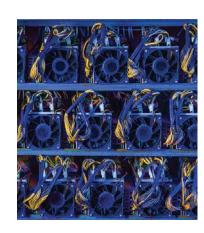
The funds were provided through the Infrastructure Investment and Jobs Act.

Crypto mining comes under increased scrutiny

On January 31, the United States Energy Information Administration (EIA) announced it will begin more closely recording the amount of electricity consumed by cryptocurrency mining operations in the United States.

An EIA survey will be issued to cryptocurrency miners so the EIA can better understand their electricity use. All commercial cryptocurrency mining facilities in the US doing cryptocurrency mining with a proof-of-work consensus mechanism must complete out the survey. Proof of work, commonly referred to as PoW, is the method in which cryptocurrency transactions are confirmed and recorded.

This requirement comes on the heels of news from the EIA



that cryptocurrency miners in the US use up to 2.3 percent of the nation's electricity. Regulators and government officials are becoming increasingly concerned that rising cryptocurrency prices may create an even greater use of electricity by miners in the future.

After initial breakthrough, **fusion continues to notch gains**

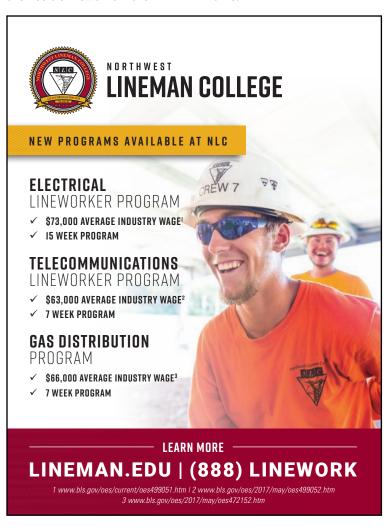
Just over a year ago on December 5, 2022, scientists at Lawrence Livermore National Laboratory's National Ignition Facility achieved a scientific energy breakthrough when they achieved a net energy gain in a fusion experiment.

For the first time since scientists began chasing this goal nearly a century ago, a fusion reaction produced more energy than it took to create it. The 2022 process yielded 1.5 times the energy that was put in. Now, further experiments have continued to increase the energy yield of the reaction.

On September 4, 2023, new experiments yielded a top output of 1.9 times the source energy. Scientists are confident that with advancing technology, it



will not be impossible to attain gains of 10 times the energy that is put in. The US government is aiming to have a working commercial fusion reactor by 2035, and is supporting this goal with funding, including a \$46 million award in the funding round announced May 31.





Companies plan 2027 orbital solar power demonstration

On February 1, the companies Orbital Composites of California and Virtus Solis Technologies of Michigan announced they would conduct a space mission in 2027 to demonstrate the abilities of orbital solar power installations.

The mission in which the solar array will be unfurled in Earth's orbit will include crucial technological steps including assembling solar panels in orbit and transmitting electricity from the panels to Earth. The companies plan to build a commercial-scale solar installation in orbit by 2030.



RELIABLE POWER WHEN YOU NEED IT

SALES AND RENTAL

- Diesel and natural gas generators
- UPS, switchgear, circuit breakers, protective relays, and Automatic Transfer Switches
- Portable temperature control units
- Solar panels and battery energy storage

24/7 EMERGENCY SERVICE AVAILABLE: **888.320.4292**









CONSTRUCTION



The City of Aitkin's city council made an offer on February 20 to Colter Riedel to serve as Aitkin police chief. Riedel has been with the Aitkin Police Department since 2016. The current police chief, Paul Ryan, will retire on June 13.

Ground will be broken on a new \$30 million public works facility in Blue Earth County south of Mankato this year.



Brainerd Public Utilities Commission is considering automation of the city's water plant.

In early February, Elk River Municipal Utilities (ERMU) approved a zero percent rate increase for electric service in 2024 and a two percent increase in water rates. Mark Hanson, Elk River General Manager, thanked the staff of ERMU, the ERMU Commission, and the Minnesota Municipal Power Agency for helping to keep electrical rate increases at zero percent.



On February 12, the Minnesota Department of Health announced that 14 cases of Legionnaire's Disease found in the **Grand Rapids** area since April 2023 are associated with the city's municipal water supply. Grand Rapids does not currently chlorinate their water supply but is considering chlorination among other options for managing the municipal water supply. Community sentiments are mixed regarding taking that step. There have been no deaths associated with these cases of Legionnaire's Disease and the city's water remains safe to drink.

The City of **Hawley** experienced a severe fire on the morning of February 26 that destroyed a large grain elevator and challenged the limits of the city's water supply. Some 1,200 gallons a minute were being put on the fire, while the city's water tower can only produce 600 gallons a

minute. Seventeen departments responded to the fire.

The first solar snow fence in the United States has been installed east of Moorhead along US Highway 10. The test fence, which is 100 feet long, acts as a snow fence and generates electricity with its solar panels. The fence is a collaboration between North Dakota State University and the Minnesota Department of Transportation.

Moorhead firefighters rescued a dog from the waters of the Red River on February 9. The dog



went into the water near the dam near River Oaks Park.

In mid-February, the United

States Postal Service announced that **New Prague** would be receiving a new post office. The existing post office is small and lacks adequate parking at its current location.

On January 17, the Pierz City Council held a special meeting where they swore in new city clerk Sarah Fyten and voted to hire Laura Wacker as the new city administrator.

Rochester Public Utilities held a solar class on February 24 to help citizens learn about solar for their home or business.

Wastewater was in the news in a good way on February 25. KTTC-TV did a 2:15-minute piece to educate the public on the process of cleaning wastewater and the work Rochester's Water Reclamation Plant. Rochester Public Utilities team members got some positive airtime during the feature.





RD8200® and RD7200®









Your partner in damage prevention

For more information call: 320.274.7223



9030 64th ST NW Annandale, MN 55302 WWW.FS3INC.BIZ



Competitive Pricing, Reliable Inventory

From the transmission line to the home, RESCO stands ready with the supplies you need. Get competitive pricing and benefits from one of the Midwest's largest full-line distributors of high-voltage electrical products.



Office & Warehouse 4100 30th Ave. S., Moorhead, MN 800.346.3330 info@resco1.com resco1.com

STORM RESPONSE 866.273.5030



A PROVEN PROVIDER of innovative electrical solutions. AN INDUSTRY LEADER leading a changing industry. A SUPPLY CHAIN PARTNER who'll be there for you.









- Supporting Utility Systems since 1935
- Full-line Supplier of Utility Products Most Extensive Offering of Utility
- **Technical Support Services**
- Superior Emergency Support Staff Tool Supply and Repair
- Rubber Insulating Equipment • Certified Dielectric Testing Services
- On-Site Testing
- Arc Flash and FR Clothing Systems
- Custom Grounds and Jumpers
- Broadband Communication Services

Eagan, MN 763.588.0545 Fargo, ND 800.742.8054

CUSTOMERS. FIRST. ALWAYS.

irby.com



Reuters reported on February 1 that even though US oil and gas drilling has slowed down in the last year and a half, production levels have not suffered due to new efficiencies in the industry. Strategic adjustments in site selection, accelerated drilling times, and updated drilling techniques were all cited as factors in maintaining production levels while drilling slowed overall. This has stymied the Organization of Petroleum Exporting Countries (OPEC) as they seek to cut their output and drive up worldwide oil prices.



CleanTechnica reported on February 2 that 1.2 million electric vehicles were added to the US grid in 2023, and that electricity generation was down 1.1 percent year-over-year from 2022.

The German government plans to subsidize the construction of gas power plants to the tune of \$17 billion. Officials expect the plants will provide a reliable bridge form of energy, and they can later be converted to hydrogen production plants.

MIAMI-DADE COUNTY

Miami-Dade County broke ground February 1 on a \$216 million upgrade to the wastewater treatment plant on Virginia Key. The upgrades will make the plant stronger, help it better resist sea level rise, and stop pumping its treated wastewater into the Atlantic Ocean.

The University of Wisconsin-Madison has announced that it will get all of its electricity from renewable sources by 2030 and achieve net-zero emissions by 2048.

According to the Energy Information Administration, Texas is poised to add more than 6.4 gigawatts (GW) of new grid battery capacity in 2024. This will make it the nation's leader in adding grid battery capacity, with California estimated in second place with 5.2 GW coming online in 2024.

Professional Services Directory

Attorneys



Proudly representing municipal clients

800 Nicollet Mall, Suite 2600 Minneapolis, MN 55402 (t) 612-338-2525 (f) 612-339-2386 www.mcgrannshea.com

Spiegel & McDiarmid

1875 Eye Street, NW Suite 700 Washington, DC 20006

Washington, DC 20006 www.spiegelmcd.com

Phone: 202.879.4000 Fax: 202.393.2866 info@spiegelmcd.com

Computer and Software



Professional Computer Solutions

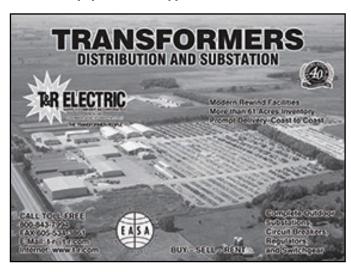


IT solutions for the smart utility

Professional Computer Solutions, LLC www.pcs-csa.com / Toll free 888.843.3106

Central Service Association
Toll free 877.842.5962 / www.csal.com

Electrical Equipment and Suppliers



Engineers and Engineering Firms



Providing water engineering and related services to help clients achieve success.

Maple Grove | Moorhead | Lake of the Woods www.ae2s.com

Engineers and Engineering Firms









Equipment manufacturers, Suppliers, Service





Professional Services Directory

Equipment and Supplies







Financial Services



FINDING MUNICIPAL FINANCE SOLUTIONS FOR **20** YEARS

The Public Finance Group of Northland Securities, Inc. (515) 657-4677 | (800) 851-2920

Member FINRA/SIPC | Registered with SEC/MSRB

Visit us at <u>www.northlandsecurities.com</u>

RC 22-273, Muni 22-235

Generation Services and Equipment







Management and Professional Consultants



Meter Services and Systems



Power Suppliers



Training & Education



On February 21, a bill was introduced in the Minnesota Senate that would allocate \$350,000 for water and wastewater operator training programs in the state. The courses would be offered at Riverland Community College at campuses in Austin, Albert Lea, and Owatonna.

A non-profit in central Florida called "Ideas For Us" announced on February 25 that they would be giving away more than 5,000 used solar panels in the Orange County area. The initiative aims to reuse the panels, keeping them out of local landfills.

THE WALL STREET JOURNAL

The Wall Street Journal reported on February 25 that natural gas had reached its lowest inflationadjusted price in 34 years.

Scientists are exploring the idea of making wastewater less acidic in order to remove carbon dioxide from the environment. However, early tests of adding chemicals to reduce acidic levels are currently raising environmental concerns of their own.



The Associated Press reported on February 27 that the Kentucky Senate has voted to establish the Kentucky Nuclear Energy Development Authority. The new entity will act as a nonregulatory agency on issues related to nuclear energy and its development in the state. Kentucky is attempting to diversify its energy landscape as the marketplace moves away from coal, the state's traditional economic foundation.



In late February, the Federal Energy Regulatory Commission put a new policy in place that will allow American Indian tribes greater ability to block hydropower projects that are proposed for their lands.

America's 2024 new power capacity will be 96 percent carbon-free

A forecast released by the United States Energy Information Administration (EIA) on February 15 projected 96 percent of America's 2024 new power capacity will be carbon-free.

The remaining four percent will come from natural gas.

Of the new renewable sources, solar energy will provide 58 percent of the total, battery storage accounts for 23 percent, and wind will come in around 13 percent. Nuclear power will provide an estimated two percent of the new energy total.



The report also noted that solar construction in the United States set a record last year,

with 33 gigawatts installed. Construction in 2024 is anticipated to double that amount.

US government may sue PacifiCorp for 2020 California/Oregon wildfire liability

PacifiCorp, a regulated electric utility with operations in California, Oregon, and Washington State, may be the target of lawsuits by the US government, according to filings made on February 26.

The government is trying to recover the cost of damages caused by 2020 fires the government says were caused by PacifiCorp.

The filings accuse PacifiCorp of neglecting to shut off power to 600,000 customers over Labor Day weekend 2020. The power lines then sparked multiple fires, leading to costly damage and displacement. The government is seeking \$356 million for costs incurred for the 2020 Slater wildfire in southern Oregon and northern California. They are also seeking \$625 million in



costs and damages to federal lands from the 2020 Archie Creek and Susan Creek wildfires in southern Oregon.

PacifiCorp, which is controlled

by Warren Buffett's Berkshire Hathaway holding company, will most likely attempt to settle these suits before they reach trial.

Biden administration LNG export freeze illustrates the balancing act of navigating world energy markets

In January 2024, the Biden administration took the step of freezing new approvals for the export of liquified natural gas (LNG) to countries that do not have a free-trade agreement with the US.

The US seeks to insulate America's strong natural gas supply from the whims of international markets and preserve low domestic prices for heating and industrial use.

The US is the world's number one exporter of natural gas, and the administration calculates global gas supplies can withstand this freeze of new exports. Gas developers, exporters, and energy companies hold a more nuanced view, often arguing that keeping natural gas off the world market will diminish investment in gas fields and prevent gas from reaching friendly countries in need of LNG.

The Biden administration believes the move to freeze new exports will provide greater stability both in the global gas markets and in US domestic supply. By retaining more LNG for domestic use, the administration predicts the US will never experience the home heating or industrial LNG supply issues that have affected various parts of the world in the wake of Russia's 2022 invasion of Ukraine.

Summit Pipeline ordinance questions clarified by North Dakota's Public Service Commission

On February 7, the North Dakota Public Service Commission (PSC) determined the restrictive ordinances passed by local governments to address their concerns with the Summit Pipeline project are not allowed if they are more restrictive than existing state law allows.



The pipeline will move carbon dioxide from ethanol plants to

sequestration locations in Mercer County, North Dakota.

Upcoming Events

Legislative Conference

March 26–27 Double Tree Hotel, St. Paul

MMUA's Legislative Conference is the primary opportunity for municipal utilities to inform and influence state lawmakers. A strong turnout ensures our message is heard. Register online at mmua.org/legislative-conference-2024.

Generation School

April 16-18 Owatonna, MN

This school offers hands-on training on Fairbanks Morse, Cooper/Enterprise, and Caterpillar engine sets. The training is appropriate for well-seasoned operators or for those just starting in the power plant. Please visit mmua. org/event/generation-2024 to learn more.

Underground **School**

May 7–10 MMUA Training Center Marshall, MN

Whether you are a seasoned journeyman looking to stay current or an apprentice just starting out, this school offers something for you. Individuals will rotate through six sessions covering a variety of topics that can enhance safety and improve efficiency. To learn more, visit mmua.org/event/underground-2024. Rates increase after April 5.

For more information, see the Events Calendar at www.mmua.org or call MMUA at 763.551.1230.