

February 2020

MRES Today

A NEWSLETTER OF



Farm-in-a-box means fresh local greens year-round

MRES, the Electric Power Research Institute (EPRI), South Dakota State University (SDSU), and Children's Museum of South Dakota are collaborating on a high-tech "farm-in-a-box" built entirely inside a specialized 40-foot container.

The container was delivered and installed Jan. 10 on the campus of SDSU in Brookings, S.D. It will be operated by graduate students from SDSU's Department of Agronomy, Horticulture & Plant Science. Production is anticipated to start in the spring.

Unlike traditional farms, plants in the container are grown vertically indoors without soil, getting their nutrition from water and light energy from powerful LEDs. The result is a system that operates independently from land, climate, and season. That means fresh greens can be produced locally year-round.

The first crop to be grown in the container will be Red Rosie Romaine lettuce, a variety that is both disease-resistant and tasty. The container is expected to yield up to 110 pounds of produce a week.

Food produced in the container will be donated to the Children's Museum's Café Coteau, which focuses on serving locally sourced and healthy foods. Produce that is beyond the capacity of the café will be donated to local organizations with missions to reduce food insecurity in the region.

"Local indoor agriculture has the potential to significantly reduce emissions because less transportation is required," said Joni Livingston,

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The Food Pod is pictured being delivered to Brookings as it passes by the Campanile on the SDSU campus.



2020 state legislative sessions have begun

MRES, in addition to maintaining a presence at the federal government level, continuously monitors legislative and regulatory activity in the four states in which it has members as well as in Wyoming, where the organization's principal generating resource is located.

State legislative sessions for 2020 have begun or will begin soon. Here is a brief rundown of what might be expected in terms of legislative activity that could affect MRES and its members.

IOWA



Iowa Capitol

The Iowa General Assembly convened Jan. 13. The legislature is in full swing with the first funnel date, February 21, fast approaching. This is the day that bills must pass out of committees

in the house of origin. It does not apply to Appropriations, Government Oversight, or Ways and Means bills.

One of the key issues that MRES is monitoring is transmission investment rights. At this writing, HSB 540 has been introduced. This bill would give a Right of First Refusal to entities already owning transmission in Iowa. In short, for transmission projects planned and approved by a Regional Transmission Organization (e.g. MISO, SPP), current transmission owners who will be interconnected to the planned transmission project get the first opportunity at ownership. MRES is opposing the legislation unless it is amended to provide for municipal and joint action agency

investment rights.

MRES is also monitoring bills that would make it easier to sell a municipal utility, that would require government entities with lobbyists to make lobbyist contracts public and to provide over-burdensome reporting of lobbyist activities, and that would prohibit the removal of council members except for cause.

MINNESOTA



Minnesota Capitol

The Minnesota legislative session begins Feb. 11. There will be a push for climate change legislation. Last year's proposals for "Clean Energy First" (CEF) will be a primary

topic of energy discussion. During the 2019 session, various proposals sought to require the Minnesota Public Utilities Commission to focus on carbon-free resources within the Integrated Resource Planning process. Utilities needing to add or relicense generation would have to prove that the need could not be cost-effectively met with carbon-free resources before carbon-emitting resources could be considered. In the House, a push for a CEF will not likely include nuclear, and may also include a separate bill to increase the Renewable Energy Standard. There will also be a variety of other climate change bills requiring additional carbon emission reporting by utilities, regulating government building emissions, and promoting solar on schools and in state parks.

Additionally, attempts to revise the Conservation

CONTINUED: Farm-in-a-box

MRES vice president of Member Services and Communications. Leafy greens, like those that will be growing inside the container, currently travel an average

of 2,000 miles before reaching a store. Indoor food production also requires significantly less water and chemicals than traditional agriculture.



"As an agency serving public power utilities, we are excited to be a part of an emerging market that has so many potential benefits for local communities and for society as a whole," Livingston said.

The project is co-funded by MRES and a grant from the American Public Power Association's Demonstration of Energy Efficiency Developments program. It is part of a larger, collaborative EPRI effort involving several other indoor agriculture facilities across the country.



Improvement Program (CIP) may be back. Like 2019, there may be attempts to optimize CIP programs by changing goals, changing fees, and including additional tracking of beneficial electrification. Finally, lawmakers will need to decide how to allocate the statewide budget surplus of \$1.3 billion.

NORTH DAKOTA



North Dakota Capitol

The North Dakota Legislative Assembly will have no session this year. It convenes only in odd-numbered years. There will be work in several interim committees.

SOUTH DAKOTA



South Dakota Capitol

In South Dakota, the legislative session began Jan. 14. Since the conclusion of a summer study, rural electric cooperatives, investor-owned utilities, and municipal electric utilities have

continued to meet to try to come to some sort of compromise on service territory issues. The municipal electric utilities have

shown that they have followed the current service territory law to the letter; are not using annexation to “cherry pick” service territory; and are not “squatting on land” to hamper development. In addition, municipal electric utilities maintain their legal right to serve electricity in areas that land owners seek to annex into the municipality. The IOUs, municipal electric utilities and the cooperatives have continued to meet, however, it appears that the cooperatives either want a freeze or to have a third party decide whether the annexing landowner must be served by a utility other than the one the city and its citizens own.

Other possible issues during the legislative session may include a bill on wind development siting and a bill on the allocation of wind tax revenue. MRES also will be on the lookout for bills on open meetings, public records, and net metering.

WYOMING



Wyoming Capitol

Wyoming legislative session begins Feb. 10. The key issue for the entire legislature will be the budget. Diminished revenue from traditional resources like coal and natural gas sales is

leading the state to seek new ways to save money and increase revenue from other sources.

Vermillion Mayor Jack Powell serves on APPA Policy Makers Council



Jack Powell

In the November 2019 issue of MRES Today, we included an article about officials from MRES member communities who serve on the American Public Power Association’s Policy Makers Council (PMC). We apologize for a glaring omission from that article.

John “Jack” Powell, mayor of Vermillion, S.D., is an at-large member of the PMC, a fact that was not acknowledged.

Mayor Powell has been a long-time supporter of MRES and public power and has served on the PMC since 2010.

As evidence of his support for MRES, in 2009, he earned the MRES Community Leader Award, and, in 2018, he received the Maurice A. Te Paske Public Official Award. He is the only individual ever to have been honored with both of these awards.

MRES offers incentives to members and their customers for EV chargers

As the use of electric vehicles (EVs) continues to increase, MRES is introducing a new program aimed at helping members and their customers take advantage of EV technology.

EVs can help reduce emissions and save consumers money. “The MRES EV Program can help position members as the trusted energy advisor for their customers by supporting EVs through education and financial incentives,” said MRES Vice President of Member Services and Communications Joni Livingston.

As part of the program, MRES is offering monetary incentives to residential and business customers who purchase EV charging systems, with preference given to ChargePoint® systems. The program’s goals are to implement an electric vehicle program that facilitates adoption of the technology in MRES communities with the objectives of:

- Increasing electric sales that are economically beneficial to MRES members and to MRES
- Enhancing utilization of the member electric system
- Educating customers and supporting their needs and preferences
- Positively impacting the environment through reduced emissions

Education and awareness

Awareness is a major obstacle to EV adoption. Through this initiative, MRES assists members in educating and promoting EVs to members and staff, customers, policy makers, and dealers. MRES will provide these tools:

Choose EV® customized website to educate customers and help them determine whether EVs are right for them, including:

- EV Benefits
- Gasoline/Electric Savings Calculator
- EV and PHEV Model Comparison Tool
- EV Carbon Reduction Calculator
- Incentive Stacker Tool (federal and state incentives)
- EV Promotions and Events Directory (local incentives and events)
- Frequently Asked Questions
- EV Public Charger Finder
- Ride and Drive events to educate customers and remove misconceptions about EVs

EV charging incentives

MRES offers incentives for Level 2 (L2) ChargePoint Home residential and business chargers. To qualify, each charger must be associated with one EV. MRES selected ChargePoint as the preferred provider due to its superior customer portal, utility portal with sub-metering, variable load-control capabilities, and Energy Star®

certification. MRES also offers a \$50 rebate to customers who purchase Level 1 chargers upon completion of a survey provided by the member.

Customers may purchase chargers directly from ChargePoint or through any other vendor. Participating customers will be required to allow the ChargePoint Utility Web Portal to acquire and share data with the local MRES member utility and with MRES.

ChargePoint provides tools for drivers through a customer portal and mobile app, including a charger finder with photos, driver tips, payment options, and seamless integration with maps.

Types of EV chargers

- LEVEL 1 – Charges at 4 range miles per hour using a 110-volt charger
- LEVEL 2 – Charges at 25 range miles per hour using a 220-volt charger
- DC FAST CHARGER – Charges at 250 range miles per hour at specific public charging stations

The chart below outlines the MRES incentives. For more information, please contact Joni Livingston at MRES, 800-678-4042, or email: joni.livingston@mrenergy.com

MRES EV Charging Incentives 2020

	Charger Incentives for EV Owners		Member Incentives for Public Chargers	
	Residential*	Commercial*	Level 2 Service	DC Fast Charger
Charger Type	ChargePoint Home L2	ChargePoint Home L2	ChargePoint CT 4000	50 kW or larger
Incentive	\$500 if L2 purchased; \$50 if other model	\$500 if L2 purchased; \$50 if other model	\$3,000	50% of cost up to \$15,000 (quantities may be limited)
Limit	One rebate per EV	One rebate per EV	One per utility with 3-year agreement	One per utility
EV Required	Yes	Yes	No	No
Connectivity	Wi-Fi	Wi-Fi	Cellular	Cellular

*New or existing EV may receive rebate for previously purchased qualifying charger.



MRES develops five federal position papers

MRES members will present five position papers to federal lawmakers during the American Public Power Association's Legislative Rally Feb. 24-26 in Washington, D.C. The papers address:

1. Consideration of a Federal Clean Energy Standard and the principles that must be considered and addressed to assure reliability and affordability as Congress considers a variety of clean energy and carbon reduction bills;
2. The importance of maintaining access to tax-exempt financing for municipalities, restoring the ability to issue tax-exempt advance-refunding bonds, reinstating governmental promises relating to payments on Build America Bonds, and the need for incentives for public power utilities that are comparable to those available to others for energy-related investments;
3. Preserving the rights of state and local governments to make decisions regarding Broadband Pole Attachments;
4. Protecting the Federal Power Program, specifically Western Area Power Administration (WAPA), from proposals that would privatize WAPA's transmission system and switch power sales to market-based rates; and
5. Encouraging Congress to support the existing federal regulatory oversight of the electric industry on cyber security issues and to avoid undercutting the current reliability regime.

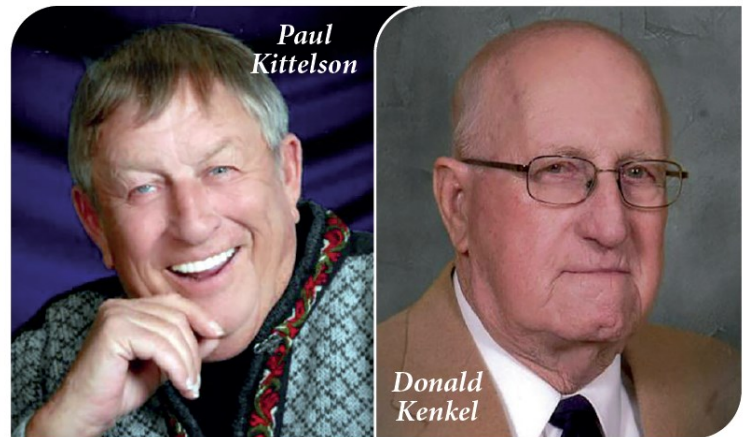
Four employees earn POWER awards



Four MRES employees were honored with POWER awards for their outstanding achievements during 2019. They

are, in the top photo, from left, Exira Station Plant Manager Ed Jackson, for his work that let to Exira Station being named as one of 12 plants receiving the "Best Practices Award for Aeroderivative Plants" for 2019 by *Combined Cycle Journal*, and Director of Risk Kristina Sipma and Director of Investment & Credit Jan Schmitz for their work on the 2019 refinancing. Distribution Maintenance Superintendent Jeff Becthold, pictured in inset, earned his award for helping Lakefield, Minn., pursue a Minnesota DEED grant for electrical distribution infrastructure.

Two member communities lose long-time leaders and advocates



Two long-time leaders of MRES member communities and their utilities have passed away. We at MRES express our sympathy to the families and friends of Donald "Red" Kenkel of Woodbine, Iowa, and Paul Kittelson of Benson, Minn.

Kenkel, 92, died January 5. He was a member of the Woodbine Municipal Light and Power Board of Trustees for more than 33 years, including 28 years as the Board's chairman. Prior to that, he served on the Woodbine City Council.

Paul D. Kittelson, 83, died Jan. 11. He served as Benson's mayor for 20 years, beginning in 1994. In addition to being very active in his community, he served a term as president of the Greater Minnesota Cities and held positions on the Minnesota Mayors' Association Board.

Both Kittelson and Kenkel were strong supporters of MRES and public power and both were honored with the MRES Community Leader Award – Kittelson in 2011, and Kenkel in 2016.

Bright Energy Choices promotes use and development of renewable energy

On Jan. 1, MRES members could begin offering their business and residential customers a new program aimed at supporting the use and development of renewable energy resources. The program is called Bright Energy Choices.

Under the program, MRES purchases Renewable Energy Certificates, or RECs, on behalf of participating customers. (RECs are proof that electricity was generated by qualifying renewable facilities – such as wind and solar farms – and fed into the electric grid.) When customers enroll, REC purchases will offset the non-renewable portion of their energy consumption.

MRES members have always received a substantial percentage of their electrical needs from renewable resources, thanks in large part to their purchases of hydroelectricity produced at federally owned facilities along the Missouri River. Over the years, MRES has added a good deal of wind generation and even a small amount of solar to its generation mix. Some members also have added renewable resources in their communities.

Customers interested in participating should contact their local utilities or check their utility's website to learn more or to register online for Bright Energy Choices.



Valley City's Schelkoph and Moorhead Public Service's Schwandt step down

Two members of the MRES Board of Directors have resigned from their positions with their cities/utilities.

David Schelkoph left his position as city manager for Valley City, N.D., Jan. 17. He also has stepped down from the MRES Board.

Bill Schwandt resigned as general manager of Moorhead (Minn.) Public Service effective Jan. 27.

Payton honored by MRES for WSPC leadership

The MRES Board, at its December meeting, adopted a resolution honoring Dan Payton for his leadership of the Western States Power Corporation (WSPC) since 2007. Payton retired at the end of 2019 as general manager of WSPC.

WSPC was created for the purpose of advancing funds to three federal agencies involved in providing hydroelectricity and transmission services to regional consumer-owned utilities, including MRES members. Those federal agencies are the Western Area Power Administration (WAPA), the Bureau of Reclamation, and the U.S. Army Corps of Engineers.

The advances help the agencies pay for replacements and repairs to power generation and transmission facilities. The advances are repaid to WSPC member utilities through credits on their bills from WAPA.

MRES is the largest member of WSPC in the Upper Great Plains Region representing about 27 percent of the total membership. Since 2001, MRES members have accounted for advance funding totaling about \$156 million.



Dan Payton, center, is presented with a plaque honoring his service to Western States. At left is MRES Vice President of Federal & Distributed Power Programs Jeff Peters. At right is MRES Board Chair Harold Schiebout.

Joy Ditto takes leadership position with APPA



Joy Ditto

Joy Ditto is the new president and CEO of the American Public Power Association (APPA). She succeeds Sue Kelly who retired in December after five years in the position.

“The board chose Joy Ditto to continue the legacy of outstanding leadership at the American Public Power Association because she recognizes the value of public power, understands the energy industry, and is poised to make us a stronger voice than ever in Washington DC,” said Decosta Jenkins, chair of the Association’s board of directors and president and CEO of Nashville Electric Service, Tennessee.

Ditto previously served as president and CEO of the Utilities Technology Council (UTC), a Washington, D.C.-based global trade association that creates a favorable business, regulatory and technological environment for electric, gas, and water utilities of all ownership types, including a number of APPA members, that own, manage or provide critical utility telecommunications systems.

Before joining UTC, Ditto worked in advocacy for APPA for 15 years and, from 2014 through 2016, was the senior vice president for legislative and political affairs. She led APPA’s advocacy efforts on a range of issues and played a critical role in advocating for public power in the lead up to the Energy Policy Act of 2005. She also was a key contributor to APPA’s three-year strategic plan.

Prior to her time with APPA, Ditto spent seven years on Capitol Hill, as legislative assistant to two former U.S. representatives – Joe McDade (R-Penn.), and Don Sherwood (R-Penn.), and for former U.S. Senator Chuck Hagel (R-Neb.). She also was a staff assistant to the late Sen. John McCain (R-Ariz.).

SPP Board names Barbara Sugg as new president and CEO

The Southwest Power Pool (SPP) Board of Directors announced Jan. 15 that it has unanimously selected Barbara Sugg to serve as the organization’s new president and CEO effective later this year. Sugg is currently SPP’s senior vice president of information technology and chief security officer.

Sugg will replace Nick Brown, who joined SPP in 1985 and has served as president and CEO since 2003. Brown announced plans last July to retire in 2020.

As SPP’s senior vice president of IT and chief security officer, Sugg directs the development, architecture, implementation, monitoring, support, security and telecommunications services provided by SPP to its members and customers. She is responsible for establishing IT strategy and policies and developing the IT leadership team.

Sugg has 30 years of IT experience in the electric utility industry. She joined SPP in 1997.

SPP is a regional transmission organization that manages the electric grid across 17 central and western U.S. states and provides energy services on a contract basis to customers in both the Eastern and Western Interconnections. It is headquartered in Little Rock, Ark.

MRES joined SPP in October 2015 and 33 of its members lie in the SPP footprint.



Barbara Sugg



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Member profile – Pickstown, S.D.

Pickstown, S.D., has its roots in what was the impetus behind creating the organization that is today Missouri River Energy Services. That impetus was the series of dams along the Missouri River that would provide hydroelectricity to cities, towns, and rural electric cooperatives throughout the region.

Pickstown was developed in the beginning in 1948 when the Fort Randall Dam was being constructed. The U.S. Army Corps of Engineers built the town on a plateau that overlooks the former site of Fort Randall and the Missouri River. At that time, it served as the home for workers who were building the dam.

With infrastructure in place, once the dam was completed in 1956, the town became home to personnel from the nearby Air Force radar station. Air Force personnel left in the 1970s after the base was closed. The town was incorporated as an independent community in 1986. Currently, the abandoned Air Force base is home to the Fort Randall Casino and Hotel, which is owned and operated by the Yankton Sioux Tribe.

With 201 residents as of the 2010 U.S. Census, Pickstown ranks as the smallest member of MRES in terms of population. It once was the childhood home of NBC newsmen Tom Brokaw, whose father was a construction worker with the Corps of Engineers.

Pickstown is located a little more than 120 miles



southwest of Sioux Falls and a little more than 170 miles southeast of Pierre.

Pickstown is named for Lieutenant General Lewis Pick, who served as the Missouri River Division Engineer at the time and, along with William Sloan from the U.S. Bureau of Reclamation, authored the Pick-Sloan Missouri Basin Plan.

Pickstown's utilities supply electric, water, and wastewater services. The town and utilities are governed by a five-member Board of Trustees. Trustee Dennis Nielsen is the official MRES representative, while Trustee Brenton Fuchs is the alternate. The town's finance officer, Carol Berndt serves as Pickstown's BES champion. The community lies in the Southwest Power Pool market.