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MRES Today

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MISSOURI RIVER
ENERGY SERVICES

Bright Energy Solutions increases electrification incentives



Bright Energy Solutions® (BES) provides rebates encouraging members' utility customers to make wise use of electricity, which can help save money, increase production, improve comfort and protect the environment. The BES incentive program includes some updates to both business and residential rebates that took effect Jan. 1. Here's a quick look at some of the changes.

Notably, within the business program there were large increases in incentives for smart load growth, or beneficial electrification. For example, a custom beneficial electrification program was added to provide rebates for projects that use electricity instead of fossil fuels. The custom rebate will also provide incentives for replacing chemicals with electricity, such as using ultra-violet (UV) light to treat water instead of chlorine.

Incentives for businesses to use UV germicidal in-duct irradiation were also added, primarily in response to consumer demand related to COVID-19. This technology uses UV lights to inactivate airborne microorganisms as they move through heating, cooling and ventilation ducts.

As part of the residential program, rebates for air-source heat pumps now range from \$200 to \$1,200, depending on efficiency, and customers who use a certified Quality Install contractor can receive an additional \$100 rebate.

Rebates for refrigerators are no longer part of the program, but a \$25 rebate for air purifiers has been added. An ENERGY STAR® air purifier model that removes fine particles such as dust and pollen from indoor air could save about \$144 in energy costs over its lifetime.

Participating members are also encouraged to take advantage of the BES advertising and event cost-share program, where members can be reimbursed up to 50% for eligible expenses. BES offers cost-share opportunities for print or online advertising, home shows, expos, newsletters and promotional items.

Visit brightenergysolutions.com to see the full list of rebates or download rebate forms. For more information on the BES cost-share program, contact Director of Energy Services Shannon Murfield at shannon.murfield@mrenergy.com.

Wahle announces retirement plans

Senior Vice President of Power Supply and Operations Ray Wahle has announced he will retire from Missouri River Energy Services (MRES) on May 28, 2021. Wahle has played an integral role in the success of MRES for the past 42 years and will be greatly missed by fellow employees, MRES members, and the MRES and Western Minnesota Municipal Power Agency (WMPMA) boards.

Wahle was instrumental in the construction and acquisition of all power supply resources that serve MRES members, including Laramie River Station, Exira Station and our newest resource, Red Rock Hydroelectric Project. During his tenure he oversaw Missouri River's interests in major transmission projects, such as the CapX2020 project and Alexandria substation. He has been very involved in representing member interests in the MISO and SPP regional energy markets. And, he led MRES efforts on cybersecurity and distribution maintenance.

"It has been an honor and privilege to serve such a great organization and work with so many talented and wonderful people," Wahle said. "While it is with mixed emotions that I made the decision to retire, I am very much looking forward to passing the torch and watching MRES and its members continue to flourish."

"Ray's leadership and dedication to MRES is unsurpassed," said Tom Heller, MRES president and CEO. "His understanding of technical issues and the electric industry, and his vision for the future have helped guide the direction of MRES for these many years. It is with tremendous appreciation that we wish Ray and his wife, Linda, a happy and rewarding retirement."



Ray Wahle





MRES prepares federal position papers

Every year, MRES staff prepares several federal position papers that inform and educate federal congressional members and staff about public power issues. Here is a brief rundown of the five position papers the MRES board plans to review and finalize during its Feb. 11 meeting:

Regulatory Certainty Needed on Carbon Emissions

This position paper points out the need for regulatory certainty and the principles that Congress must consider to ensure reliability and affordability in energy and carbon-reduction legislation.

Infrastructure Initiative

As Congress looks to incentivize infrastructure investments, MRES is encouraging legislators to support transferable tax incentives and grants for municipal electric utilities, as well as providing municipal electric utilities with incentives that are comparable to those given to taxable utilities.

Municipal Tax Issues

This position paper reminds legislators that continued access to tax-exempt financing and reinstatement of advanced refunding is critical for municipal electric utilities.

Protecting the Federal Power Program

This document urges lawmakers to protect Western Area Power Administration (WAPA) and other power marketing administrations from proposals that would privatize their transmission systems or would otherwise undermine the customers who have continued to pay for the maintenance and reliability of federal dams.

Gregory County Pumped Storage (GCPS) Project

This paper lets federal legislators know that MRES is planning to file for an extension of a preliminary permit to study a closed-loop pumped-storage project near the Missouri River in Gregory County, South Dakota. The position paper also provides legislators a summary of what pumped hydro storage entails.

Once they are approved by the board, the position papers will be available in the members-only section of mrenergy.com. For more information on the position papers, please contact Deb Birgen, vice president of legislative and governmental relations, at 605-338-4042 or deb.birgen@mrenergy.com.

GCPS Project Site



Lake Francis Case



SD Hwy 44



MRES holds a preliminary permit to study the feasibility of a pumped storage project in Gregory County, South Dakota. The project site is located next to the Missouri River on a bluff overlooking Lake Francis Case.

MRES committee members named, WMMPA elects new vice president

Newly elected board chair Vernell Roberts, from Detroit Lakes, Minnesota, called to order the MRES January board meeting. Roberts started the meeting by introducing Murray Hulstein, a new director from Sioux Center, Iowa, and John Prescott, a new director from Vermillion, South Dakota.

Because of the changes to the makeup of the board, updated committee assignments were necessary. The new committee assignments are as follows:

Murray Hulstein will serve on the Finance Committee. Jim Hoyer was appointed chair of the Member Technology Committee, and Leon Schochenmaier will serve on that committee, as well. Scott Hain was appointed chair of the Personnel Committee, and John Prescott will also serve on the Personnel Committee. Steve Lehner was appointed chair of the Nominating Committee, and Guy Swenson will also serve on that committee.

Additionally, the WMMPA board elected Guy Swenson from Barnesville, Minnesota, as its vice president to replace Roberts, who stepped down due to his election as Missouri River board chair. Roberts will remain a member of the Western Minnesota board.

Here are the boards and committees as of January 2021.

MRES Board of Directors

- Chair: Vernell Roberts, Detroit Lakes, Minnesota
- First Vice Chair: James Hoyer, Rock Rapids, Iowa
- Second Vice Chair: Steve Meyer, Brookings, South Dakota
- Third Vice Chair: Scott Hain, Worthington, Minnesota
- Fourth Vice Chair: Dave Carlsrud, Valley City, North Dakota
- Secretary/Treasurer: Steve Lehner, Watertown, South Dakota
- Director: Ted Cash, Alexandria, Minnesota
- Director: Murray Hulstein, Sioux Center, Iowa
- Director: John Prescott, Vermillion, South Dakota
- Director: Leon Schochenmaier, Pierre, South Dakota
- Director: Guy Swenson, Barnesville, Minnesota
- Director: Rory Weis, Denison, Iowa
- Director: Rob Wolfington, Benson, Minnesota

WMMPA Board of Directors

- President: Scott Hain
- Vice President: Guy Swenson
- Secretary: Ted Cash
- Treasurer: Rob Wolfington
- Director: Vernell Roberts
- Director: David Schelkoph, Marshall, Minnesota
- Director: Travis Schmidt, Moorhead, Minnesota

MRES Finance Committee

- Steve Meyer, Chair
- Steve Lehner
- Murray Hulstein
- Rory Weis
- Rob Wolfington
- Vernell Roberts, Ex-officio

Member Technology Committee

- James Hoyer, Chair
- Steve Lehner
- Leon Schochenmaier
- Guy Swenson
- Rory Weis
- David Schelkoph, WMMPA Member
- Travis Schmidt, WMMPA Member
- Vernell Roberts, Ex-officio

Personnel Committee

- Scott Hain, Chair
- Dave Carlsrud
- Ted Cash
- John Prescott
- Leon Schochenmaier
- Vernell Roberts, Ex-officio

Nominating Committee

- Steve Lehner, Chair
- Dave Carlsrud
- Guy Swenson
- Rory Weis
- Vernell Roberts, Ex-officio

2021 Committees

APPA Legislative Rally goes virtual

American Public Power Association (APPA) holds a legislative rally each year to make members aware of decisions happening at the federal level, to prepare resolutions, and to plan outreach activities to federal legislators and federal agencies.

This year, the APPA Legislative Rally has gone virtual and is scheduled for March 1-2. Registration is free and available on the APPA website, publicpower.org.



Board Member Profile – Guy Swenson, Barnesville, Minnesota

Guy Swenson started as the TEC (telephone, electric and cable) manager for the City of Barnesville in 2005. Over the years his responsibilities have evolved, as he now oversees the utility's internet service, as well.

Swenson has served on the WMMPA board since 2015, and during the most recent board meeting in January, he was elected as Western Minnesota's vice president. This past month also marked the end of his first year of service on the MRES board.

In 2015 Swenson received APPA's Larry Hobart Seven Hats Award, which recognizes a manager who performs a variety of duties in a community of 2,500 or fewer electric meters.

"Around here, the joke was it should be the 21-hat award, because a lot happens in a small city like ours where you just do what you're asked to do," he said. "You don't think of it as another hat. It's just part of how you evolve in your position, because what you start doing and what you end up doing years later are often quite different."

Swenson was born and raised in the Barnesville area, and out of high school he went into the Marine Corps, serving four years active duty and two years reserve.

"That was where I received my introduction to generation and distribution," he said. "I was in aviation electronics, and I somehow got elected to oversee our mobile van complex. So, I did that the last few years I was in the Marine Corps, and when I got out I went to work for Farmland Industries in the nitrogen division for 25 years. When they closed their doors, I took the job at the city."

Swenson said he has always had an inquisitive mind, and while he was in the Marine Corps he vowed to accomplish three things.

"I wanted to sky dive, scuba dive and get my private pilot's license. I wanted to get as much out of my time in the service as I could, and a lot of that was driven by a curiosity to find out how things work. I did the first two, but at the time — now, keep in mind this is the late 70s — I just could not part with the \$600 fee to pay the flying club to get my pilot's license," he laughed.

Later in life Swenson was able to acquire his pilot's license, though he admits it cost considerably more than \$600, and he even built his own plane.

"I grew up wanting to be a commercial pilot, and building the plane was really an experimental project," he said. "I wanted to see what made the plane work and how it worked. I wanted to know the backstory on it."

While he doesn't fly as much as he'd like, Swenson said he and his wife, Jodi, are both active scuba divers who have explored the underwater world in places such as the Red Sea and the Socorro Islands, which are south of the Baja Peninsula in the Pacific Ocean. In fact, Swenson has been a certified dive instructor for the past 15 years.

"The dive shop that I work through, we teach at all three colleges in the Fargo-Moorhead area," he said.

"Prior to the pandemic, I was teaching three to four nights a week, so for a landlocked person from western Minnesota, I've actually helped certify a lot of people in scuba."

Swenson said he has grown to love the respite scuba diving provides from everyday life.

"There are no phones, no people talking. It's just peaceful and pulls your focus away from reality just long enough to let your brain reset and recharge," he said. "Everybody needs some kind of disconnect like that to be able to unplug, recharge and go again, and I think it makes us all better when we can find or identify our passions like that."

Swenson said the view from below the surface is one he carries into everyday life, as well, be it in personal relationships or running a business.

"I often subscribe to the iceberg theory, where what you see is just the tip of the iceberg and there's actually a lot happening under the surface that goes unnoticed," he said. "I feel the utility industry, especially public power, is a good example of this, as there's a lot that goes in to providing public power that people really don't know or don't understand."

Swenson said he looks forward to when restrictions on in-person meetings and travel ease up a bit. He said he and his wife feel extremely fortunate they traveled as much as they did prior to the pandemic, and if all goes well, they hope to take a scuba diving trip this spring to Bonaire, an island about 50 miles north of the Venezuelan coast. They also have plans to go diving in the Philippines next spring.



Guy Swenson

MRES offers strategic planning services for members

Regardless of size, successful public power utilities need to establish long-term plans, strategies and guidelines on which to base budgets and priorities, and MRES encourages members to take advantage of the organization's strategic planning services.

The idea took shape in 2019 during a pilot project when MRES staff conducted preliminary strategic planning services in nine member communities. The positive feedback from the pilot project was overwhelming and led MRES to add strategic planning facilitation as a permanent service option for its members.

MRES strategic planning services focus primarily on municipal electric utilities, but can be extended to include all utility services, such as water, wastewater, gas, etc. If the utility is under the direction of a city administrator or council, strategic planning can include city-governed services, such as streets, parks, police, fire, etc. With that type of collaborative mindset in place, strategic planning helps all stakeholders understand and be able to communicate the utility's and/or city's value and strategic direction.



The community involvement found in Cavalier, North Dakota, during the pilot project illustrates the inclusive nature of MRES strategic planning services, which can include water, gas or other utility services offered by a public power utility.

MRES strategic planning services provide:

- Solid understanding of key issues and priorities
- Alignment, focus and continuity for decision-makers and staff
- Foundation for strategic decisions in a constantly changing environment
- Ability to identify and respond to opportunities or threats
- Continuous system improvement
- Basis for communication with, and education of, customers and public
- Community support
- Employee pride and empowerment

An MRES facilitator will work with the utility board or city council and staff to develop a strategic plan or to update or fine-tune the utility's existing strategic plan. The planning process will be customized to fit the needs of each individual utility and may include some or all of the following components:

- Define focus areas and desired outcomes
- Define practical visioning
- Determine underlying contradictions
- Develop strategic priorities or directions
- Develop a focused implementation plan
- Include resources needed and established timeline
- Identify accountabilities for plan

To learn more about how strategic planning can benefit your utility or community, please contact Strategic Planning Specialist Marcy Douglas at marcy.douglas@mrenergy.com or 218-791-2963. Or, download the brochure that's available online at mrenergy.com/news/strategic-planning.

Five employees earn POWER awards

Five employees were recognized by the MRES board and their co-workers with Peer Ovation With Earned Recognition (POWER) awards.

Director of Operations Austin Hoekman received the award for his effort to negotiate and close on a set of long-term capacity purchases with substantial savings.

Facility Services Coordinator Deven Houselog was recognized for his work on the MRES office building remodel project.

Director of Human Resources Tammie Krumm received the award for her work related to COVID-19.

Senior Transmission Engineer John Weber and Director of



Hoekman



Houselog



Krumm



Weber



Wolf

Transmission and Distribution Services Terry Wolf received the award for their work on a settlement that was reached with Corn Belt Power Cooperative and Northwest Iowa Power Cooperative.

The POWER Award is Missouri River's highest form of employee recognition. The awards are typically given out once each year in January during a board-employee luncheon. However, due to COVID restrictions the awards were presented to the recipients during a joint meeting held via webinar Dec. 18.

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Member profile — Pierre, South Dakota

According to the National Park Service, the MRES member community of Pierre was officially founded in 1880 where the western line of the Chicago and North Western Railway terminated on the western bank of the Missouri River, just across from Fort Pierre.

At the time, Deadwood was booming, and the arrival of the railroad meant that a majority of the freight destined for Black Hills mining towns and camps started arriving by railway instead of by steamboat up the Missouri River. As a result, Pierre grew quickly and was selected as the temporary South Dakota state capital in 1889 when Congress passed the Enabling Act, which divided what was then called Dakota



Territory into two separate states. Pierre's location in the center of the state is a primary reason it was named the state's permanent capital during an election in 1904.

Pierre's public utility was established three years later in 1907 and joined MRES in 1975. Today, Pierre Municipal Utilities provides electric, water and wastewater services to more than 13,000 residents. Additionally, the utility serves more than 1,180 commercial and industrial meters. Leon Schochenmaier is Pierre's representative to MRES, while Utilities Director Brad Palmer is the alternate.

Pierre sits a few miles downstream from Oahe Dam, which was authorized by the Pick-Sloan Flood Control Act of 1944. The word Oahe is a Sioux Indian word meaning "a foundation," or "a place to stand on," according to South Dakota Missouri River Tourism.

Oahe Dam first started producing hydroelectric power in 1962, and the U.S. Army Corps of Engineers (USACE) upgraded all of Oahe's seven generators in the 1980s. USACE states Oahe is the largest power producer on the Missouri River, producing 2.8 billion kilowatts annually, which is enough electricity to meet the annual needs of 259,000 homes. Fifty-nine of the 61 MRES members receive power from the dams on the Missouri River, including Oahe.



Courtesy photo by Chad Coppess, SD Tourism