MRES® Municipal Power
LEARNING ACADEMY

MRES & Our Relationship with Your Utility

MISSOURI RIVER® ENERGY SERVICES

Welcome!

Matt Schull

President and Chief Executive Officer, MRES



About Us

- Wholesale power supplier and energy services provider
- Member-formed/member-owned
- 61 members in four states
- Not-for-profit
- Annual operating budget of ~$300 million

Value Through Joint Action

- Economies of scale
- Shared resources and opportunities
- Larger voice with legislators and regulators
- Mutually beneficial services and opt-in services
- Reduced risks of future challenges
- Stronger together

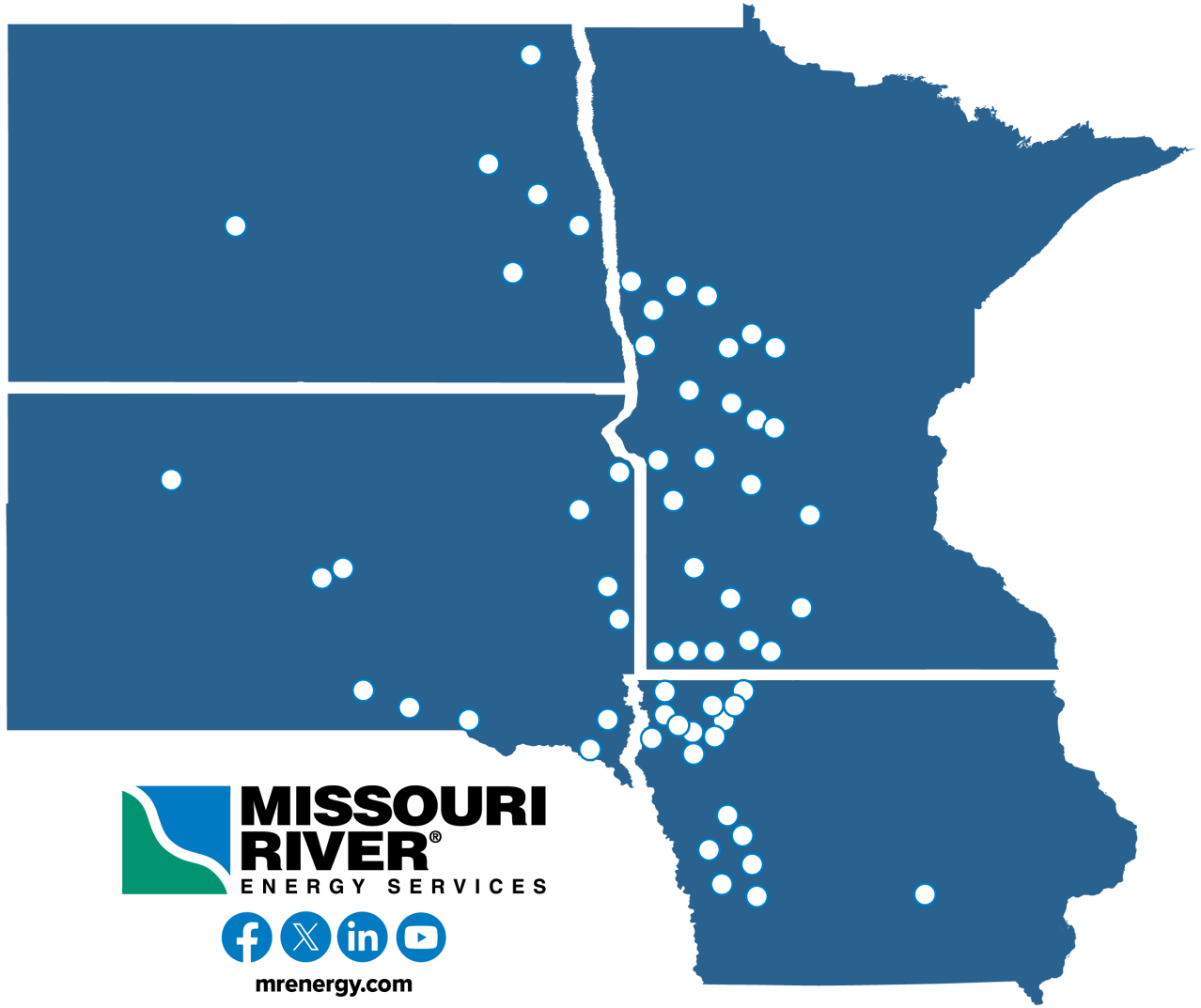


Our Mission

To enhance the value of member utilities to their communities by supplying reliable, cost-effective, long-term energy and energy services in a fiscally responsible and environmentally sensitive manner.



MRES Members



MISSOURI RIVER® ENERGY SERVICES

mrenergy.com

IOWA

Alton
Atlantic
Denison
Hartley
Hawarden
Kimballton
Lake Park
Manilla
Orange City
Paullina
Pella
Primghar
Remsen
Rock Rapids
Sanborn
Shelby
Sioux Center
Woodbine

MINNESOTA

Adrian
Alexandria
Barnesville
Benson
Breckenridge
Detroit Lakes
Elbow Lake
Henning
Hutchinson
Jackson
Lake Park
Lakefield
Luverne
Madison
Marshall
Melrose
Moorhead
Ortonville
Sauk Centre
St. James
Staples
Wadena
Westbrook
Willmar
Worthington

NORTH DAKOTA

Cavalier
Hillsboro
Lakota
Northwood
Riverdale
Valley City

SOUTH DAKOTA

Beresford
Big Stone City
Brookings
Burke
Faith
Flandreau
Fort Pierre
Pickstown
Pierre
Vermillion
Watertown
Winner

Value of Public Power

Municipal utilities working together for the common good, providing:

- Local ownership and control
- Local customer service
- Competitive rates
- High reliability
- Value-added energy services
- Not-for-profit



Your Voice at MRES

- Your representatives
  - Board of Directors- 13 members and 1 alternate
- Your MRES staff
  - 120 full- and part-time employees
  - Sioux Falls office/off-site employees
- Member Surveys – input to the Board's strategic planning
  - In-person Member Survey even years
  - Member Satisfaction Survey odd years



61 Members

MISSOURI RIVER ENERGY SERVICES BOARD OF DIRECTORS



Chair
Vernell Roberts
Detroit Lakes, MN



1st Vice Chair
Steve Meyer
Brookings, SD



2nd Vice Chair
Scott Hain
Worthington, MN



3rd Vice Chair
Murray Hulstein
Sioux Center, IA



4th Vice Chair
Gwen Crawford
Valley City, ND



Secretary-Treasurer
Steve Lehner
Watertown, SD



Director
Ted Cash
Alexandria, MN



Director
Kevin Georgius
Denison, IA



Director
Kristi Honeywell
Pierre, SD



Director
John Prescott
Vermillion, SD



Director
Travis Schmidt
Moorhead, MN

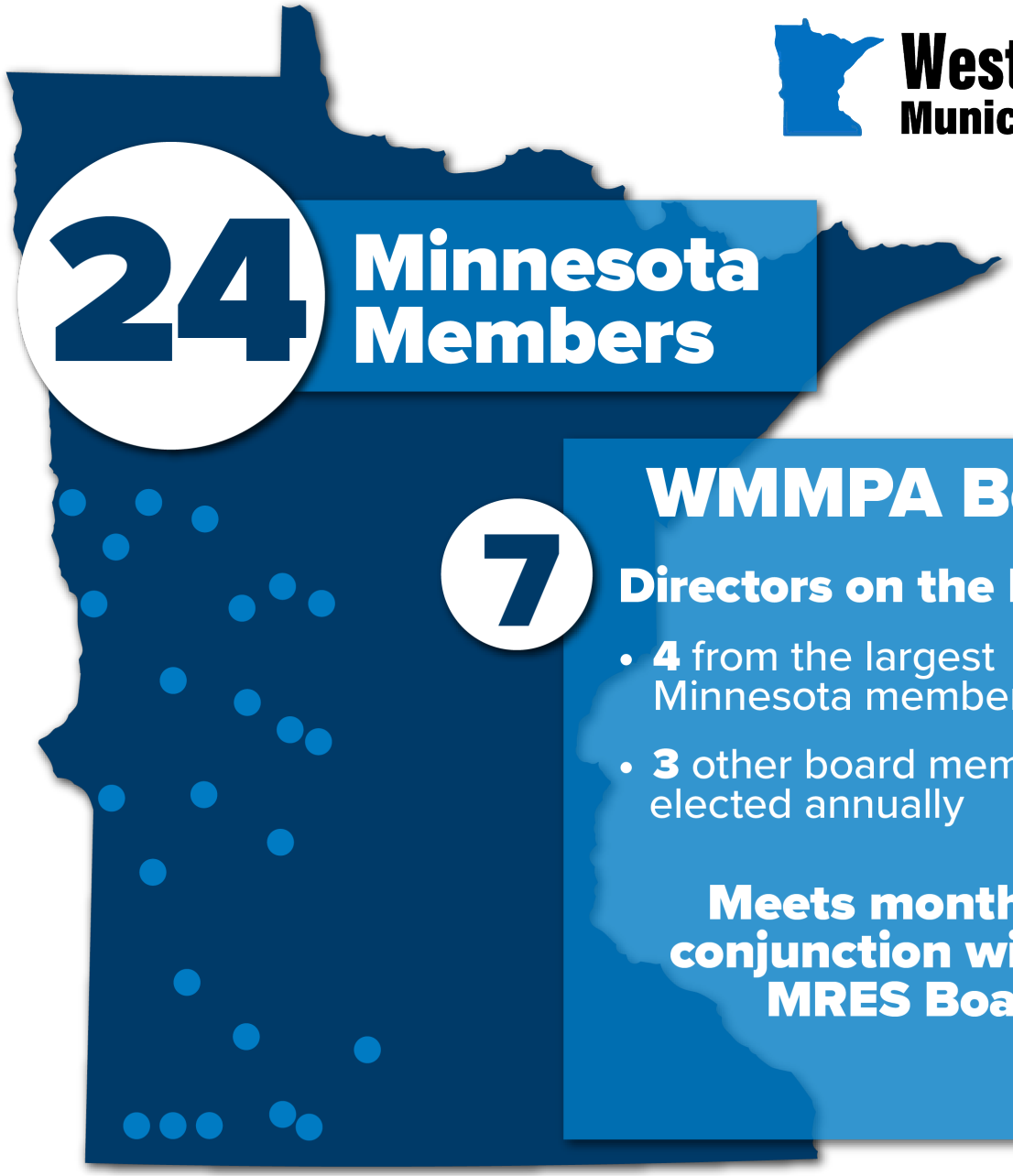


Director
Matt Van Schouwen
Orange City, IA



Director
Rob Wolfington
Benson, MN

Western Minnesota Municipal Power Agency



24 Minnesota Members

7 WMMPA Board Directors on the Board

- **4** from the largest Minnesota members
- **3** other board members elected annually

Meets monthly in conjunction with the MRES Board

Incorporated in 1976

WMMPA finances the **CONSTRUCTION & ACQUISITION** of **GENERATION & TRANSMISSION** facilities for MRES

$532 million

in outstanding debt

BOND RATINGS

Moody's Aa2 and Fitch AA-

both with stable outlook

REV 7/2026

WESTERN MINNESOTA MUNICIPAL POWER AGENCY BOARD OF DIRECTORS



President
Scott Hain
Worthington, MN



Vice President
Ted Cash
Alexandria, MN



Secretary
Travis Schmidt
Moorhead, MN



Treasurer
Rob Wolfington
Benson, MN



Director
Scott Grabe
Staples, MN



Director
Vernell Roberts
Detroit Lakes, MN

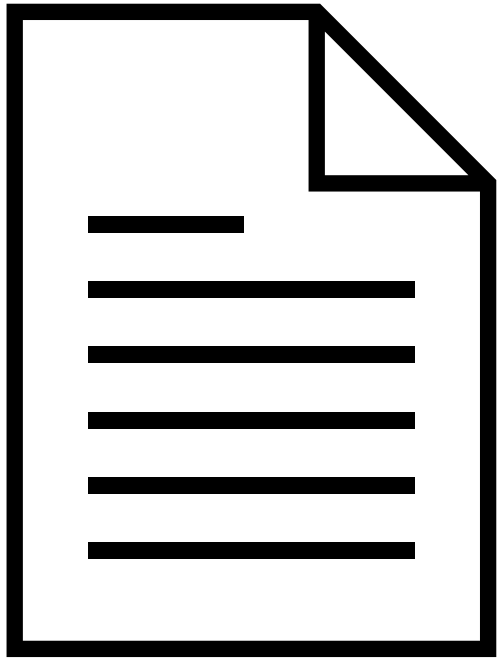


Director
Pete Wyffels
Marshall, MN



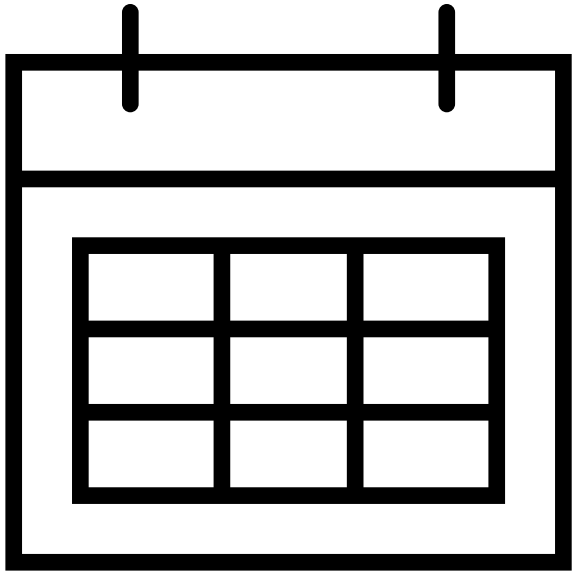
Dave McLaughlin
WMMPA General Counsel
Fluegel, Anderson, McLaughlin & Brutlag, Chartered
Ortonville, MN

MRES Power Supply Agreements



- MRES is a supplemental supplier for 59 “S-1” members
- Full-requirements supplier for Pella, IA
- Hutchinson, Minnesota – fixed amount contract
- Willmar, Minnesota, is newest S-1 member as of April 2018

S-1 Agreements



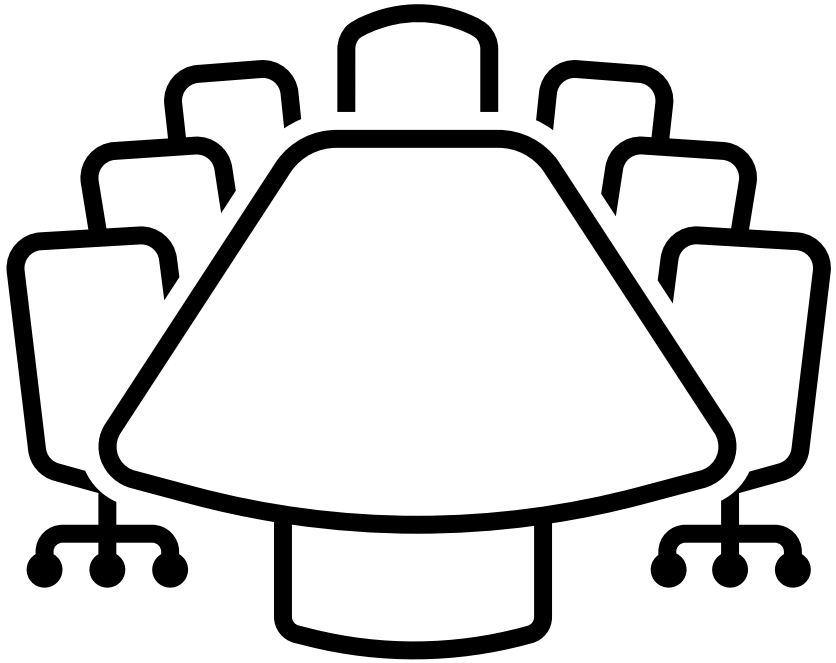
- Security for bonds to build all generation and transmission resources
- Most recent projects include Red Rock Hydroelectric Project and Marshall Solar Plus
- Five amendments approved by 100% of members
- In 2016, members extended commitments through Jan. 1, 2057

Key Terms in S-1 Agreements



- Members purchase all supplemental power (in excess of Western Area Power Administration (WAPA) allocation)
- Members may generate up to 5% of MRES purchases with their own renewable resources
- MRES is responsible for energy marketing and scheduling for WAPA and MRES power supply
- Members may cap purchases from MRES in 2027 and every five years thereafter

Membership Agreement



- Separate and distinct from S-1 agreement
- Establishes representation of members and voting
- Establishes the composition and powers of the Board of Directors
- Establishes the delegation of powers to MRES and restrictions on powers

MRES Strategic Planning

- Board strategic planning sessions
- Input from member surveys
- SWOT analysis
- Strategic goals
- Strategic priorities
- Five-year operations plan
- Operating and capital budgets
- Long-range financial planning model



Strategic Plan Overview

- Eight foundational strategic goals
- Focus: keep members in business and keep MRES in business

2026-2027 Strategic Priorities:

- Retaining and attracting people
- Maintaining financial stability
- Creating a reliable and clean energy future
- Leveraging new technology
- Engaging MRES membership and policymakers

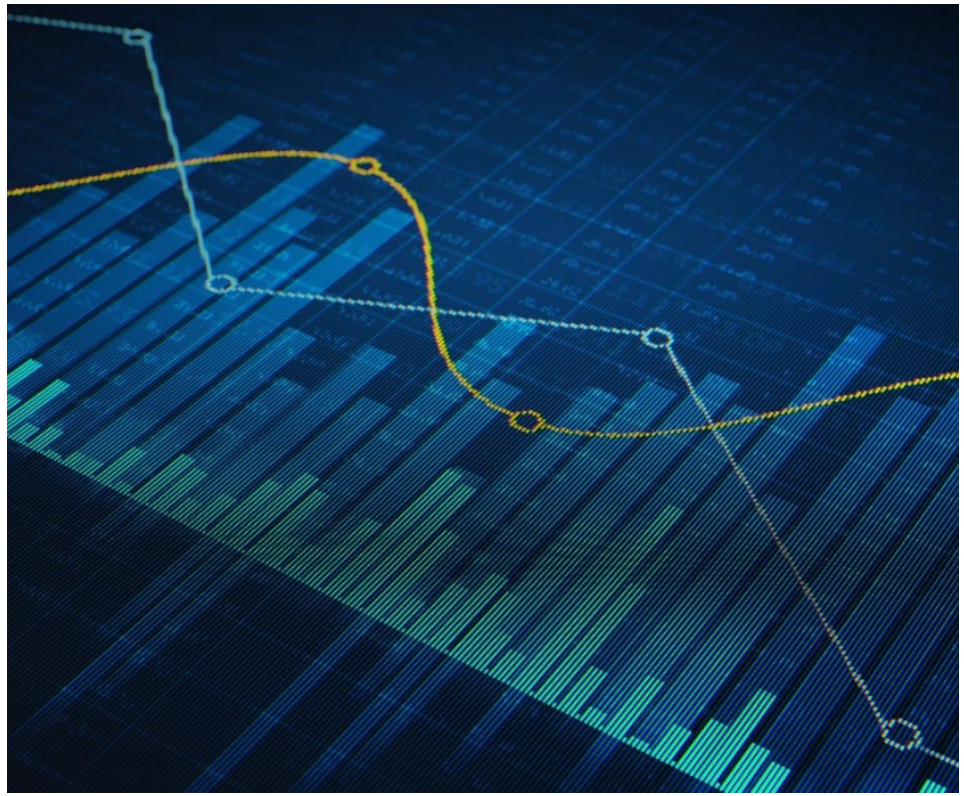


Retaining and Attracting People

- **Employee engagement**
  - Communication
  - Surveys and input opportunities
  - Working groups to develop solutions
  - Recognition
- **Workforce development**
  - Training and empowerment
- **Assist members with staffing needs**
  - Provide HR templates to members (members-only section of website)
  - Ability to post open positions on MRES website
  - Promote careers in public power
  - Leadership training for supervisors

Maintaining Financial Stability

- Beneficial transmission opportunities
- Retain appropriate reserve levels
- Carbon-intensity reduction for retail load
- Ensure influential WAPA and Mid-West Electric Consumers Association (MECA) engagement
- Extend S-1 and other long-term power sale agreements
- Innovative rate and program design



Creating a Reliable & Clean Energy Future

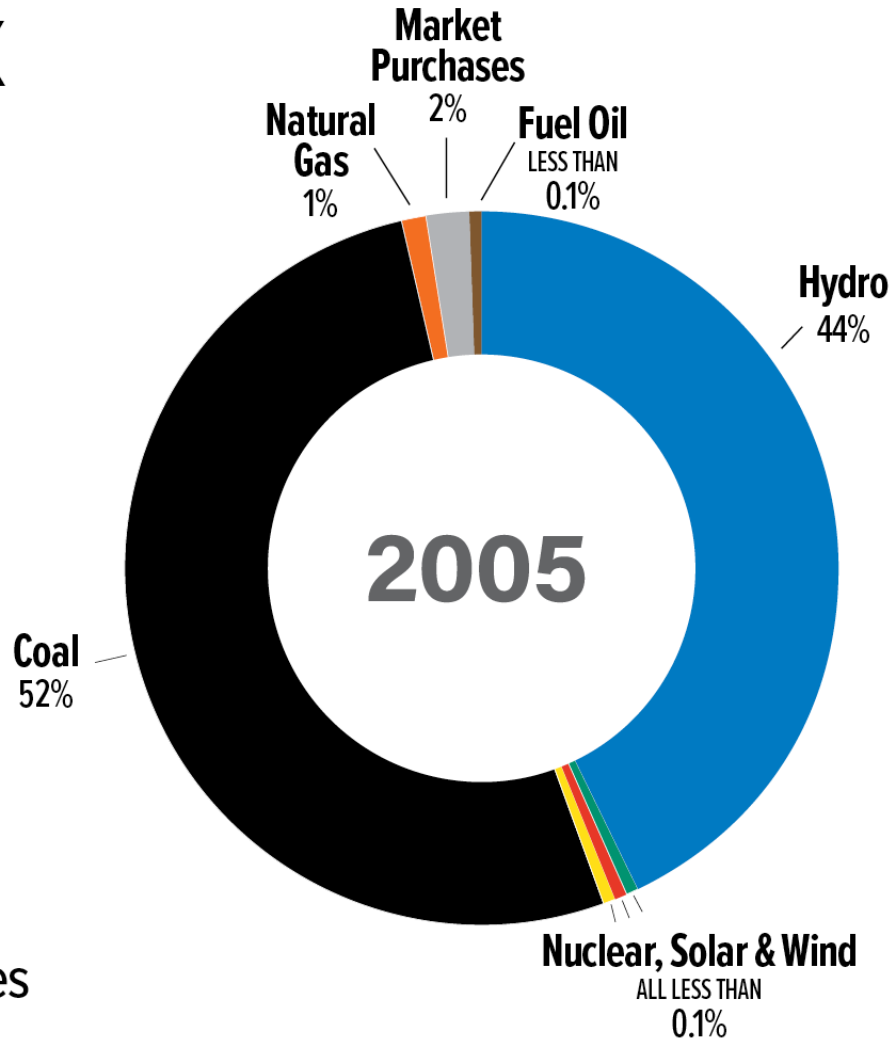
- Promoting local/regional reliability with member generation
- Increased importance of integrated resource planning
- *Comply with MN clean energy standards: 55% renewable by 2035 and 100% carbon-free by 2040*

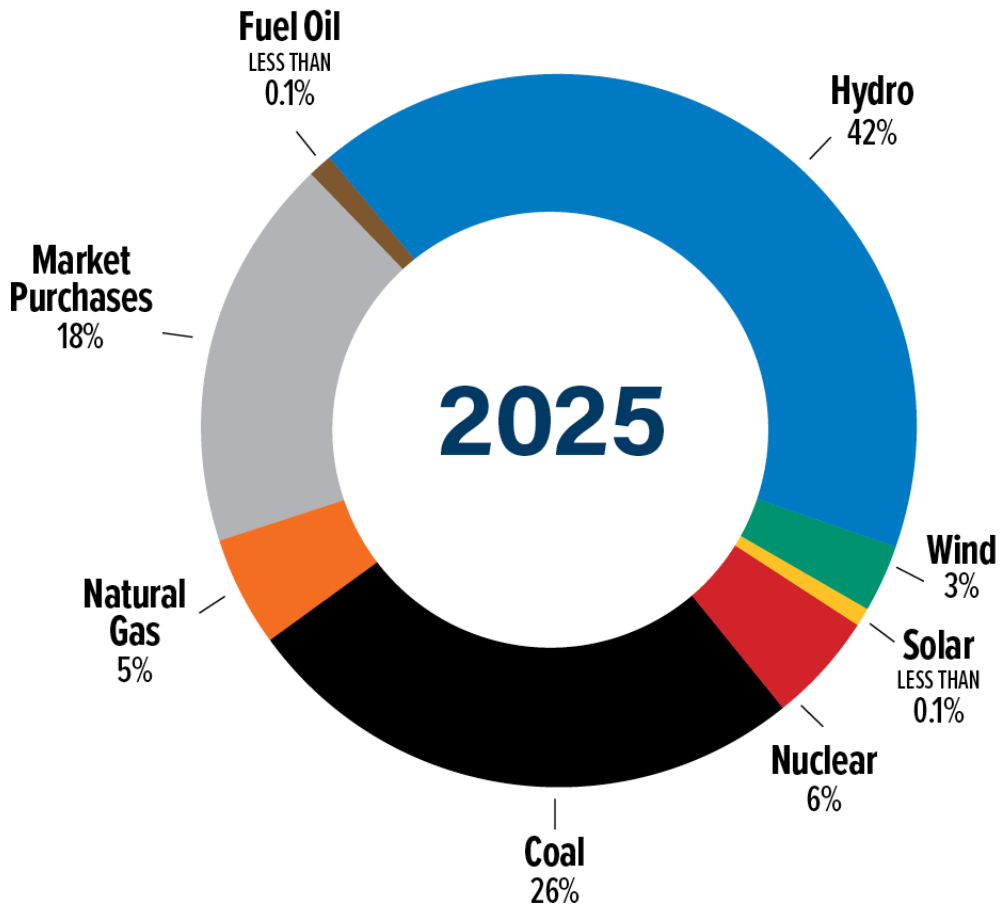


MRES POWER

SUPPLY MIX

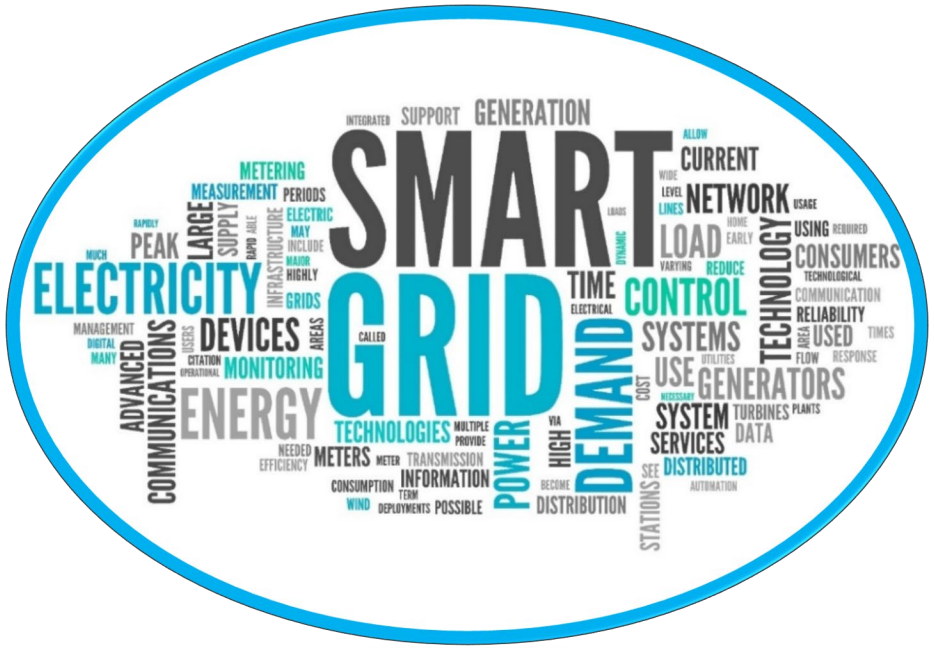
- Hydro
- Wind
- Solar
- Nuclear
- Coal
- Natural Gas
- Diesel/Fuel Oil
- Market Purchases





Leveraging New Technology

- Advancing member technology solutions
  - Coordinated Demand Response (CDR)
  - Advanced Metering Infrastructure (AMI) and installation
  - Outage management “lite”
  - Electric system analytics
  - Member CIS/billing system
  - Cybersecurity program for members
- Modernization of business technology



Engaging MRES Membership and Policymakers

- Communicate the value of public power/members and joint action
  - Messaging on community-owned, locally controlled, reliable, affordable, environmentally friendly, trusted energy advisor
  - Quarterly package of educational materials and monthly social media
  - Municipal Power Advantage program
  - Ambassador program
  - Understanding our contracts, power supply and services
- Engage membership and understand member customer needs
- Educate lawmakers, regulators and policymakers

Legislative & Regulatory Advocacy

- Advocate for MRES members and public power
- Active in Iowa, Minnesota, North Dakota, South Dakota, Wyoming and Washington, D.C.
- Participate in federal and state regulatory proceedings
- Regular communication with lawmakers and regulators, including face-to-face visits and forums
- Goal to be the trusted source of information



Opportunities to Connect

- Annual meeting
- Area meetings – one in each state
- MRES Today newsletter
- Council/Board presentations – MRES Essentials
- Educational workshops
  - Supervisor Essentials Course
  - LEAD Course
  - Technology Days
  - Legal Seminar



Our Vision

To be the preferred provider of energy and energy services that adds value to member organizations.

MRES® Municipal Power
LEARNING ACADEMY

Questions?

Matt Schull

President & CEO

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