

# TODAY

A NEWSLETTER OF



## MRES holds successful annual meeting

Missouri River Energy Services (MRES) held its 58th Annual Meeting May 10-11 at the Sioux Falls Convention Center in Sioux Falls, South Dakota.

MRES President and CEO Tom Heller opened Day 1 of the meeting by welcoming more than 160 attendees from 41 member communities to the event. The meeting would be the last at the helm for Heller, who led MRES for over 30 years and will transition to president emeritus role until his planned retirement on June 30.

MRES Board Chair Vernell Roberts, from Detroit Lakes, Minnesota, then introduced incoming MRES President and CEO Matt Schull, who took the reins May 12, the day after the Annual Meeting concluded. Schull provided those in attendance a brief account of his 30 years of experience in the electric utility field, most recently serving as the chief operating officer of Electricities of North Carolina. Schull's experience has prepared him to lead MRES, and he said he looks forward to meeting and continuing to build strong relationships with each of the members.

The event's keynote speaker was Robert Bryce, an author, podcaster and film producer who offered a candid perspective on energy security and the future of the electric grid. Bryce focused on what he called "energy realism," stating it was his belief that the political, economic and social demands being placed on the energy sector are not realistic. Relying on statistics, he explained how the current expectations for renewable energy sources cannot keep pace with clean energy demands now or in the future. Bryce also stated that nuclear energy will need to play a critical role in providing the U.S. with clean, reliable and affordable power moving forward.

The next speaker was MRES Vice President of Power Supply and Operations Terry Wolf, who provided a comparison of the two regional transmission organizations (RTOs), Southwest Power Pool and Midcontinent Independent System Operator (MISO), that operate and manage the region's grid to maintain a balanced supply of electricity. Wolf said reliability



Matt Schull



Robert Bryce

## MidAmerican, MRES discontinue development of Gregory County Pumped Storage Project

MidAmerican Energy and MRES recently announced their decision to terminate further development work on the Gregory County Pumped Storage Project (GCPS), primarily based on the financial and project risks in pumped storage at this site. The two companies evaluated the project as a way to store clean energy already being generated by MidAmerican's wind fleet and to supply energy to the grid when it's needed.

MRES staff has continued to assess the viability of this project at every step along the way. At the critical juncture of whether to proceed with Phase 3 of the project, then President and CEO Tom Heller and staff recommended to the MRES and Western Minnesota Municipal Power Agency Boards to discontinue development of the project due to the investment risks.

MRES will continue to evaluate all options — including pumped storage — for reliable, affordable, and resilient energy resources to serve its members.

For more information, contact MRES Vice President of Member Services and Communications Tim Blodgett at 605-338-4042 or send an email to [GregoryCountyInfo@mrenergy.com](mailto:GregoryCountyInfo@mrenergy.com).

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in each RTO is a concern and outlined short- and long-term actions MRES is taking toward ensuring reliability for its members.

As examples, Wolf highlighted the plan MRES implemented to help members manage energy emergency alerts, and he also touched on the integrated resource plan (IRP) MRES recently completed. The IRP recognizes member generation will be an important asset for grid reliability, and Wolf noted how MRES updated the reserved capacity agreement (RCA) contract it offers members to further incent municipal generation. He also gave a high-level view of significant investments MRES has made in a transmission project that will improve reliability, help reduce transmission congestion and increase access to renewable energy in the MISO footprint.

After the “Year in Review” video was shown, Heller presented his annual CEO report. In a normal year, Heller would update members on projects and programs MRES has planned for the coming year. However, this year Heller reflected on his 47-year career in public power, telling the story of how he was first hired at Moorhead (Minnesota) Public Service and marking significant achievements MRES made during his tenure. Heller then thanked all past and current employees, and he also thanked the board members who took a chance on hiring him, calling special attention to two people he considers mentors and friends, Past Board Chair Harold Schiebout and current Board Chair Roberts.

In closing, Heller said he will miss interacting with the board, members and staff, but he also said MRES is in great hands with Schull joining the experienced executive team MRES already has in place.

“This has been such a great ride, but it was never about me,” Heller said, pointing to the crowd. “It’s always been about you, the members. The best part of my job was visiting you.”

Day 1 of the meeting concluded with the reception and annual presentation of awards (story on Pg. 4). More than 240 people were on hand for the reception, which also recognized the career and achievements of Heller. Board members past and present shared memories and best wishes from the podium, and then Heller once again addressed the audience, thanking them for attending the reception, their support throughout the years, and restating his belief in the people and mission of MRES. As he left the podium, he was greeted by a rousing standing ovation, his second of the day.

During the reception, Roberts took time to recognize Vice President of Member Services and Communications Joni Livingston, who is retiring in early June after a 24-year career at MRES. Roberts listed a number of Livingston’s accomplishments, thanking her for the dedication and service she tirelessly provided to MRES and its members. The crowd then gave Livingston an extended standing ovation.

Roberts also called attention to the transition of Jeff Peters, who served as vice president of federal and distributed power



Retiring MRES President and CEO Tom Heller is shown preparing for his annual CEO Report (top), during which he reflected (right) on his 30-plus years at the helm of MRES.

programs for a number of years. Peters joined MRES in 1991, and he recently changed status from an MRES employee to a contractor.

The second day of the program kicked off with an update from Tracey LeBeau, administrator and CEO of Western Area Power Administration (WAPA). LeBeau covered WAPA’s “Power Forward 2030” strategic plan, highlighting examples of WAPA collaborating with customers and partners to maintain the reliability, safety and resilience of the transmission system. LeBeau also reviewed updates for the Upper Great Plains region and WAPA’s plans to provide renewable energy certificates for each customer’s 2020, 2021 and 2022 hydropower allocation. She also commented on how drought continues to be the most significant issue across the WAPA



Joni Livingston (seated), received a standing ovation for her tireless dedication to MRES and its members. Livingston will retire in early June after a 24-year career at MRES. She will be missed by the members and the Board, but especially by her co-workers.

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footprint. LeBeau said hydro can no longer be the fallback option for power, as WAPA's current hydropower status is at 66% of average due to ongoing drought conditions.

Marty Kanner, president of Kanner & Associates, and Missouri River's lead federal lobbyist introduced Samantha McDonald. McDonald will replace Kanner, who is retiring at the end of 2023 and represented MRES at the federal level for more than 30 years.

McDonald's legislative update highlighted the partisan gridlock that has an impact on a majority, if not all, decisions being made by the 118th Congress. Despite the partisanship in Washington, D.C., she explained that MRES has cultivated strong relationships with several members of its federal delegation, citing examples of how Congress members from each of the four member states have advocated on behalf of MRES and public power at the federal level.

Next, a workforce development panel discussion offered insight as to how small, medium and larger utilities are paving the way for workforce development in their communities. Representatives from Woodbine and Denison, Iowa, as well as Hutchinson, Minnesota, shared their struggles and successes in developing meaningful curricula and real-life experiences for high school students in their communities.

The first session of the inaugural MRES® Supervisor Essentials course was held May 3-4 at the headquarters location in Sioux Falls, South Dakota. In total, 22 individuals signed up for the course — 18 people from nine different communities and four MRES staff members.

This is the first time MRES has offered the year-long, four-session course, which is geared specifically toward frontline staff either as field crews (electric, water, wastewater, street) or front office customer service staff. It is designed for supervisors, managers or those aspiring to move up to a position as a crew leader or supervisor.

The course is facilitated by staff from the Tennessee Valley Public Power Authority's education department. The first day of the May session covered fundamental supervisory skills, while the second day focused on the skills needed when taking over a team and transitioning from being a crew member to becoming that crew's supervisor.

The remaining sessions of this year's course will be held at the MRES office in June, August and October. For more information on next year's Supervisor Essentials course and Missouri River's other leadership development programs and services, go to [mrenergy.com](http://mrenergy.com) or contact Leadership Development and Strategic Planning Manager Marcy Douglas at 605-338-4042 or [info@mrenergy.com](mailto:info@mrenergy.com).

### Mark your calendars for the annual Municipal Power Leadership Academy

MRES will be hosting its 9th annual Municipal Power Leadership Academy on Sept. 6-7 at the ClubHouse Hotel and Suites in Sioux Falls, South Dakota. The course is designed for new or recently hired utility managers, city managers, mid-level managers, utility board members and city council members. This course is the same as the one offered in previous years.

A postcard with the workshop's topics and registration information was recently mailed to members. The maximum number of attendees for the event is 25, and the registration deadline is Aug. 11. For more information or to register online, go to [mrenergy.com/events](http://mrenergy.com/events).



Woodbine Municipal Light & Power Utility Manager Jim Reisz (left) teamed up with Justin Mills (center) and Justin Wagner (right) from the local school district to talk about Woodbine's IGNITE Pathways program as part of the workforce development panel discussion.

To conclude Day 2, MRES Board Chair Roberts presided over the annual business meeting, during which five members of the 13-member MRES board were unanimously reelected to three-year terms. They are:

- Scott Hain — Worthington, Minnesota
- Murray Hulstein — Sioux Center, Iowa
- Steve Meyer — Brookings, South Dakota
- Vernell Roberts, Detroit Lakes, Minnesota
- Guy Swenson, Barnesville, Minnesota

Links to each speaker's presentation and the 2022 Year in Review video can be found in the members-only section of [mrenergy.com](http://mrenergy.com). The 2022 MRES Annual Report can also be found at [mrenergy.com/news](http://mrenergy.com/news).



# MRES honors three community leaders for outstanding service

During an awards presentation and reception held May 10 during the MRES Annual Meeting, MRES presented the Community Leader Award to three individuals from member communities for their outstanding service. The award was established in 2003 to recognize individuals who have dedicated many years of service to their communities, locally owned utilities, MRES and public power.

## Mayor Dave Carlsrud - Valley City, North Dakota

Carlsrud was nominated by Valley City Public Works utility staff in recognition of his outstanding service and leadership as Valley City's mayor since 2016.

During the awards presentation, MRES Board Chair Vernell Roberts noted that Carlsrud is a member of many boards and committees in Valley City and the surrounding area, where he often provides the public power perspective.

"Dave is also quick to emphasize the critical importance of providing affordable and reliable power supply to support economic development," Roberts said. "As one example, he resurrected community meetings involving the heads of Valley City State University, Valley City Public Schools, Barnes County, and the city in order to keep everyone informed and working together for the good of all."

In addition to his role as mayor, Carlsrud joined the MRES Board in January 2020 and serves as fourth vice chair. He advocates for public power at the state and federal levels, and he also actively promotes public power, Valley City and MRES through a weekly column at NewsDakota.com.



Dave Carlsrud

## George Schneidermann - Rock Rapids, Iowa

Schneidermann has been on the Rock Rapids Board of Trustees since 2009, serving as board chair since 2021. He was nominated for the award by Rock Rapids Municipal Utilities General Manager Jim Hoye, who is also the first vice chair of the MRES Board.

Schneidermann is very active in advocating for public power and has been able to use his 50 years of experience in the banking industry to directly benefit the local utility.

"Over the years, George has played an integral part in obtaining and implementing USDA loans to make investments in the electric infrastructure of Rock Rapids



George Schneidermann

Municipal Utilities," Roberts said while presenting the award. "These efforts have helped ensure high electric reliability for the residents and businesses in Rock Rapids."

Schneidermann also volunteers his time as an MRES Ambassador, proactively raising awareness of public power and the value of joint action through MRES in his community.

"It's important to recognize that there are many people like Dave, Bruce and George who serve in community leadership positions throughout the MRES membership," Roberts continued. "They each do it for the benefit of the communities in which they live, and their selfless contributions are very deserving of this award."

## Bruce DeBleck - Willmar, Minnesota

DeBleck is currently president of the Willmar Municipal Utilities (WMU) Commission. It is his second stint on the commission, first serving from 1981 to 1986. From 1995 through 2014, DeBleck served on the Willmar City Council and was the liaison to the commission. He also has taken advantage of every opportunity to learn more about MRES and share that information about the value of membership in a joint action agency with his board and community.



Bruce DeBleck

In addition, DeBleck participates in local and national legislative meetings to advocate for public power, and he currently serves on the board of directors for the Minnesota Municipal Utilities Association.

## Events Calendar

### June 2-4

#### Buffalo Days

Luverne, Minnesota  
luvernechamber.com  
507-283-4062

### June 14

#### Pioneerland Band Festival

Benson, Minnesota  
marching.com/events/benson

### June 12-18

#### Summerfest

Lakefield, Minnesota  
lakefieldsummerfest.com

### June 15-18

#### Heritage Days

Rock Rapids, Iowa  
rockrapids.com  
712-472-3456

To have your event listed, send the event's date, name, location and contact information to [info@mrenergy.com](mailto:info@mrenergy.com). To be considered for print, information must be submitted at least eight weeks prior to the event. Visit [mrenergy.com/events](https://mrenergy.com/events) to see a full listing of calendar events for MRES and its members.



## Marshall Municipal Utilities gets a positive bump in S&P bond rating

S&P Global Ratings raised its rating to A+ from A on the combined utility revenue bonds held by the City of Marshall, Minnesota. S&P Global Ratings is an American credit rating agency that publishes financial research and analysis on stocks, bonds and commodities.

The A+ rating includes a stable outlook, which reflects S&P's view of the established track record of Marshall Municipal Utilities (MMU), including MMU's healthy fixed-charge coverage that is expected to improve modestly due to declining debt service payments and highly competitive rates

that provide the utility with financial flexibility.

The stability provided by MMU's power supply contract with MRES contributed to the rating upgrade, as did the power supply contract MMU and MRES have with ADM, a large industrial customer in Marshall. The contract was recently extended through December 2029.

"The upgraded rating is beneficial for MMU because it means better interest rates for financing future capital projects," said MMU General Manager Dave Schelkoph. "For example, we are looking at replacing our 54-year-old generator now that MRES has

implemented a new RCA with higher reimbursement rates for member generation. That means we're looking at a \$10 to \$15 million bond for the generation facility, and this rating will make it easier to obtain a better interest rate."

Schelkoph said the rating upgrade is all about MMU employees providing efficient, reliable service to customers in the Marshall community.

"I couldn't be more proud of our staff," he said. "This doesn't happen very often, and it's a testament to the hard work of our team here at MMU."

## MRES receives APPA's top award for safety

MRES was awarded first place in Group C of the American Public Power Association's (APPA) 2022 Safety Awards of Excellence for safe operating practices in 2022.

There were 283 utilities from across the country that entered the annual Safety Awards, which recognize utilities with the lowest safety incidence rate within their groups. In 2022 MRES had zero work-related fatalities and no lost-time accidents.

Groups are determined by worker-hours of exposure, and Group C consists of utilities with 30,000 to 59,999 hours. APPA recognized award winners with a plaque at the 2023 Engineering and Operations Technical Conference in Pasadena, California, on May 2.

"MRES cares deeply about sending our employees home to their families safely every single day," said MRES President and CEO Matt Schull. "We are proud to be honored for all the work that goes into standing behind this commitment. Congratulations to all our employees and especially the distribution maintenance and power plant crews for their commitment to safety."

## Member tours scheduled at RRHP this summer

For the past two years, MRES has hosted member tours at the Red Rock Hydroelectric Project (RRHP), and MRES is once again inviting members to tour the plant.

An invitation was emailed to members earlier in May to register for any one of the tours offered at the following dates and times:

- Wednesday, June 28, at 10 a.m., 1 p.m. or 3 p.m.
- Thursday, August 3, at 10 a.m., 1 p.m. or 3 p.m.
- Thursday, August 17, at 10 a.m., 1 p.m. or 3 p.m.

MRES invites members to bring interested staff, local policymakers and legislators on the tour. Each tour time slot will be limited to a maximum of 30 people.

To register, please contact Member Services Representative Jody Peck at 605-338-4042 or [info@mrenergy.com](mailto:info@mrenergy.com).

Red Rock Hydroelectric Project  
Pella, Iowa





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## Member Profile — Lakefield, Minnesota

The small town of Lakefield sits in the center of Jackson County, roughly 85 miles east of Sioux Falls, South Dakota, and a few miles north of I-90. Like many small towns in the area, Lakefield took shape as homesteaders heeded the call of the rich farmland found in southern Minnesota.

One man in particular, Anders Kilen, was instrumental in founding Lakefield, as he believed the site where Lakefield now sits would be perfect for a town because it was higher in elevation than the surrounding area and the land was well drained on all sides. In fact, according to Lakefield's official website, the earliest trappers who passed through these parts knew this location as "The First Mound," a moniker the Sioux Indians had long used to describe the area.

After walking to Jackson and then all the way to Windom to find out who owned the 80-acre tract, Kilen eventually took a train to St. Paul and came home with the deed in his pocket, having purchased the site for \$420 from the St. Paul and Sioux City Railroad Company. Kilen then met with officials from the Southern Minnesota Railroad and reached an agreement for the railroad to put a sidetrack on the land, and the new prairie town was then surveyed and platted in 1879.

Today, the same farmland that first drew settlers to the area still drives the economy, as Lakefield remains dependent upon its area agriculture. At the same time, plenty of small

businesses call Lakefield home, and there are also health care options available from a clinic to long-term care facilities.

Lakefield also has several recreational opportunities available, with numerous campgrounds and state parks nearby for people to enjoy. In town, North City Park is a popular place to hang out — the Lakefield Public Library even hosts events like family movie nights there on occasion. The Lakefield Aquatic Center is another place that has fun for all ages.

This year Lakefield Public Utilities (LPU) celebrates its 125th year as a utility, as it was first established in 1898 and joined MRES in 1966. LPU provides electric and water services to the town's 780 residents.

LPU has received full services through the MRES® Distribution Maintenance (DM) Program since 2019, and the line crew supporting Lakefield also provides full DM services to the nearby member community of Jackson. Deputy Clerk Holly Rademacher is the official representative to MRES, while Mayor Steve Condon serves as the alternate.

Main Street  
Lakefield, Minnesota

