Biwabik rebuilds city’s infrastructure  
But future of municipal electric service hangs in the balance as pressures mount

by Steve Downer

With pressure to keep rates low and scrutiny over keeping “too much” money in the bank, many municipal utilities may be one severe storm away from a crisis.

The summer of 2016 saw a succession of severe storms roll across the state. If not blown down in one storm, weakened trees often broke in the next. And so it was in Biwabik, where a Labor Day severe thunderstorm left behind a ravaged landscape and even toppled tombstones.

The storm hit the city’s electrical distribution system. Biwabik for many years has relied on Minnesota Power (MP) for electrical distribution maintenance service. MP came in to repair the damage. Electric distribution assets are notoriously difficult to insure, and the city didn’t have hardy money. How would Biwabik pay for the replacement equipment and related expenses?

An MP buyout of the municipal system had been discussed several times over the years. Under dire circumstances, and with the city wanting to keep the municipal system, the parties hit on a unique solution: the Duluth-based investor-owned utility would buy the municipal system, and the city would lease it back over 10 years.

An MP buyout of the municipal system had been discussed several times over the years. Under dire circumstances, and with the city wanting to keep the municipal system, the parties hit on a unique solution: the Duluth-based investor-owned utility would buy the municipal system, and the city would lease it back over 10 years.

The agreement was signed in August 2017. Biwabik sold its electrical distribution infrastructure assets to MP for $903,725.

The city bought the money and put it in what amounts to a trust fund. A system depreciation schedule was set at 8-10 percent annually. Improvements are made annually that approximate the amount of depreciation—The city budgets and spends $70,000 to $90,000 annually for maintenance. Interest from investments helps pay down the monthly fee.

MP provides regular maintenance and reinvestment in the infrastructure over the

‘Offer on the table’ for Truman municipal utility

Cooperative balks at assuming wholesale contract

Federated Rural Electric Association has made an offer to purchase the Truman Public Utilities municipal electric system.

To address the issue, a public meeting of the Truman Public Utilities Commission and Truman City Council was held 5:30 p.m., Thursday, March 28 at the Truman Community Building. Federated General Manager Scott Reimer presented information on the cooperative and what it could do for Truman.

While “all the other pieces seem to be in place” for a sale of the municipal system, Reimer said, the cooperative board was unwilling to assume the municipal’s wholesale power supply contract.

To take over that contract would cause a rate increase for the rest of the cooperative rate base, Reimer said. It “might not be much” but it “would not be fair” to ask the other cooperative customers to pick up the cost.

The cooperative has several power suppliers, including the Western Area Power Administration (WAPA), Basin Electric and Great River Energy. Truman does not have a WAPA allocation and purchases at wholesale from Heartland Consumers Power District. Truman takes transmission service from a sole ITC line, under conditions that are generally considered uneconomic compared to other nearby utilities. The nearest alternative transmission line is several miles away.

Federated reportedly has three-phase distribution lines on three sides of the city.

The Truman Public Utilities headquarters building is west of city hall on the city’s main street. The building is not included in the purchase offer from Federated to the utility.

The peaked tower of Biwabik city hall (mid-picture) rises above Biwabik’s Main Street. The city is in the midst of rebuilding its streets, water and sewer systems and other infrastructure.

MMUA group treks to Colorado for Lineworkers Rodeo

Twelve teams and 13 individuals won awards at the American Public Power Association’s 18th annual Public Power Lineworkers Rodeo, held March 29-30, in Colorado Springs, Colo.

Eighty teams and 133 apprentices from not-for-profit, community-owned electric utilities across the nation participated. The “rodeo” is a series of competitive events demonstrating lineworker skills and safe work practices.

There are two levels of competition within the rodeo—journeyman and apprentice. Journeyman teams consist of three members: two climbers and a ground person—and can include an optional alternate.

Five Minnesota municipal electric utilities sent teams and/or apprentices to the event. They included:

• Marshall Municipal Utilities: Journeyman team of Trevor Morin, Nate Janssen, Tommy Flores and apprentice Nate Roeder.
• Shakopee Public Utilities fielded two journeyman teams:

The Busiest Guy in Bagley page 4

Around the State page 7

Window Opens for Board, Award Nominations page 9

Truman: see next page please

Rodeo: see page 5 please

Federated’s retail residential rate is reportedly 9.93 cents per kwh (said by one attendee to be substantially lower than the municipal rate). The cooperative bases much of its bill on electric demand, Reimer said, and it would need to evaluate the details of any particular customer’s bill before doing a comparison.

When asked if the power supply contract could be breached, Reimer said “there could be an agreement.”

Reimer said Federated “has been talking to Truman for a

The peak of the Tower of Biwabik city hall (mid-picture) rises above Biwabik’s Main Street. The city is in the midst of rebuilding its streets, water and sewer systems and other infrastructure.
Forty-eight of the nation’s more than 2,000 public power utilities earned the Reliable Public Power Provider (RP3) designation from the American Public Power Association for providing reliable and safe electric service. The awards were presented April 1 during the Association’s annual Engineering & Operations Technical Conference held in Colorado Springs, Colo.

The RP3 designation, which lasts for three years, recognizes public power utilities that demonstrate proficiency in four key disciplines: reliability, safety, workforce development and system improvement. Criteria include sound business practices and a utility-wide commitment to safe and reliable delivery of electricity.

This year, 48 utilities earned the designation and, in total, 275 of the more than 2,000 public power utilities nationwide hold the RP3 designation.

Minnesota utilities having earned RP3 designation over the last three years, include: Diamond Level Austin Utilities Blue Earth Light and Water Owatonna Public Utilities Rochester Public Utilities Shakopee PUC Willmar Municipal Utilities Platinum Level ALP Utilities (Alexandria) Hutchinson Utilities Com- mission

Levasseur joins MMUA as Regional Safety Coordinator

Brad Levasseur on April 29 will join MMUA as a Regional Safety Coordinator. A resident of Baudette, Levasseur will work with cities and municipal utilities in northwest Minnesota.

Levasseur is the Baudette fire chief. He was most recently employed as the city’s water/wastewater operator—a position he held from February 2004 until joining MMUA.

Along with his various city duties, Levasseur operated and maintained heavy equipment, performed troubleshooting using a variety of products and equipment, conducted laboratory and field tests to monitor water and investigate sources of pollution. He also recorded/report to the Minnesota Department of Health (MDH) and Pollution Control Agency (PCA) and performed Quality Assurance testing.

As fire chief, Levasseur spearheaded fire protection and prevention programs, providing teams with the training and resources to ensure timely and quality of efforts. He managed all aspects of staffing, recruitment, interviewing, and selection of potential team members in alignment with station needs, devised short and long-run action plans to address a wide variety of municipal needs, and handled a variety of other duties.

Levasseur is adept at managing hazardous chemicals, experienced in calibrating instruments, operating equipment and completing basic repairs to maintain performance. He is well-versed in updating records and following MDH, PCA and Occupational Safety and Health Administration guidelines.

Levasseur holds a Bachelor of Science degree in Chemistry with an emphasis in Environmental Studies from Bemidji State University. He has an Associate of Arts degree from Rainy River Community College where he tutored other students in both science and math.

He is CPR certified and holds a Class D Water Operator license along with various other certifications.

In his spare time, he works at a Baudette outdoors store.

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Minnesota Municipal Utilities Association
To unify, support and serve as a common voice for municipal utilities

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MMUA The Resources USP 809866. ISSN: 1098-3759 is published Monthly; Except combined July/August, by MMUA at 3025 Harbor Lane North, Suite 400, Plymouth, MN 55447. Periodical postage paid at St. Paul, MN. POSTMASTER: Send address changes to MMUA The Resources, 3025 Harbor Lane North, Suite 400, Plymouth, MN 55447. Annual subscription rate: $12 per subscription (included in dues), associate members, $32 (included in dues). 3025 Harbor Lane North, Suite 400, Plymouth, MN 55447. 763-551-1230, members 1-800-422-0119. FAX 763-551-0459.

Truman: continued from front page

while now.” The cooperative would “like to move in the right direction,” he said, but the “power supply contract needs to be settled.”

If everybody agreed to the purchase, it could be done quickly, Reimer said, perhaps six months.

Federated has performed a complete system inventory, to place a value on the municipal system. This number was not revealed.

Reimer’s presentation went into the cooperative’s history and its recent acquisition of five cities formerly served by Alliant. The cooperative also provides service to the municipal utilities in Dunro and Ceylon. Truman would have a local board representative “if this works out,” Reimer said.

Federated has advanced metering infrastructure, is a federal Rural Utilities Service borrower, sets a four-year work plan, offers payment options, a revolving loan fund, scholarships and a round-up program fund. The cooperative has five subsidiaries: CTV, a tree service, Karian Peterson contractor (an MMUA associate member) and Heartland Security Services.

Capital credits are returned annually, and Reimer said there would be “no rate increases for quite some time” until wholesale rates held steady. After the presentation, the floor was opened for questions from the audience.

In response to a question, Reimer said Federated would “like to purchase” the municipal power plant, but that depends on details of the wholesale contract. The plant “would probably remain in place.” The cooperative would not purchase any buildings.

The Truman distribution system would be maintained by a five-man line crew out of Welcome. There is another line crew in Jackson.

Some Truman Public Utilities staff, said Reimer, could find new employment with the cooperative.

Sewer and water service would still be up to the city. Those services are subsidized by the electric fund. Water and sewer duties are shared amongst three employees, who also maintain the electric system.
A situation best avoided

Govern your utility so it can withstand financial challenges and thrive for future generations

The sale and lease-back agreement between the city of Biwabik and Minnesota Power outlined elsewhere in this newsletter is certainly innovative and a success. However, the sale will have staved off the sale of the storm-damaged municipal system. It needs to be said, however, that including the story in this newsletter should not be taken as endorsement of the arrangement.

The reason for that is simple: it moves the municipal utility one step closer to an eventual sell-out.

It is a situation no municipal utility wants to find itself in (such as the Federal-Truman buy-out offer). Rather, the situation is highlighted to show just how slender is the situation of many cities in the municipal utility business, and to stimulate thought on how to best protect and promote the health of your utility.

It is a rare city administrator or clerk that doesn’t readily acknowledge the value of a city-owned electric utility. That doesn’t necessarily translate, however, into the political will to properly budget for and fund utility operations.

MMUA regularly holds meetings with speakers addressing the topics of utility rates and reserves. Maintaining adequate reserves improves the city/utility financial position and also serves as a cushion should that day when an electric system faces significant investment or suffers catastrophe from ice, wind or flood.

Realizing the value of a municipal electric or natural gas system, it should be one goal of the astute municipal policymaker to better ensure the future viability of that system, not to use the utility primarily as a ‘cash cow’ to fund today’s disparate endeavors.

Proper financial management is necessary, as is quantifying the various benefits provided by the utility. (If you would like a checklist to help you do this, please contact us.)

While taking no official position on the topic—which has raged as long as municipal utilities have existed—one benefit of placing the operation of the municipal utility under the governance of a utilities commission is that it creates one more hurdle, and level of scrutiny, should any proposal to sell a system arise.

While either form of governance can be successful depending on the people involved, statutes governing commissions mandate accounting which endeavors to eliminate cross-subsidy between the various enterprises entrusted to commission governance.

A commission, if conducting its business properly, also provides a level of attention to utility operations that a city council—its attention diverted to many different issues—is unlikely to provide. (The author distinctly recalls one city council meeting where a variance for a garage consumed 45 minutes of a meeting and a proposal for a $3.5 million substation improvement was unanimously approved in five minutes.)

The flip side of the council-commission debate is that issues occasionally divide a council from a commission and lead to local political turmoil. And, it is axiomatic for many municipal operations, that with limited resources available, everybody with the city has to ‘pitch in’ when a need arises.

A municipal utility must necessarily benefit the city and its citizens; but it is also true that times may arise when ratepayers will have to assume a temporary burden to improve and expand utility services.

Thus honest discussion conducted with goodwill and an overarching commitment to the good of the city, and the protection of its most valuable asset, is necessary to ensure efficient operation and future viability.

The topic brings to mind these words, from the 1933 Worthington city clerk to an interested party in Staples, in regards to the establishing of a municipal electric plant: “All we have said may be summarized in this one statement: We believe that a municipally-owned plant is an advisable undertaking if the citizens are wise in their handling of its affairs.”

Truer words were never spoken.

Both those utilities thrive today.

Are you doing your duty today to ensure the future viability of your utility?

The editor

APPAs calls for measures to rein in rising transmission costs

The American Public Power Association’s (APPA) members on Feb. 26 approved several new policy resolutions that highlight the Association’s concerns about rising transmission costs.

APPA President and CEO Sue Kelly said that especially in Regional Transmission Organization (RTO) regions, transmission rates have been rising rapidly in recent years. Some members have had their transmission rates more than double in seven years, when their loads have not risen that much at all, so this is starting to become very onerous and concerning to our members.”

The resolution asks FERC to: (1) enforce planning procedures for transmission investment, (2) to ensure that these facilities are needed and are cost effective, (3) to make sure that the rate of return on equity that is allowed for these facilities is reasonable; and (4) that any incentive rates are no more than what is necessary to get that transmission infrastructure funded.

APPA also called for “more transparency” in the transmission planning process, as “nearly half of the transmission projects in ISOs and RTOs are not subject to the full planning process.”

Public power would like to be able to participate as stakeholders in what are referred to as supplemental transmission projects to at least “understand what the rationale is behind most of these projects.”

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April 2019 The Resource/3
Varied duties mean never a dull day in the office for Bagley’s Bill Masterson

Bill Masterson must be the busiest guy in Bagley.

Masterson is the general manager of Bagley Public Utilities. The utility provides electricity, natural gas, water, sewer, refuse collection, cable TV and internet service. He is also the street superintendent and, with a background in construction, he has assumed the duties of zoning commissioner.

That’s a lot, even in an industry known for people wearing many hats.

“The only thing we don’t have is phone,” said Masterson, taking a brief break from his duties.

Masterson isn’t the only one wearing many hats. The utility employs four field staff. Each employee has an area of expertise, but most hold multiple licenses and qualifications and are skilled at helping each other out on the various utilities. One summer helper is also employed. Inside, Office Manager Vicky Fletcher has been with the utility for nearly 32 years, and oversees one full-time and one part-time office staff.

The city buys its power at wholesale from the Northern Municipal Power Agency. Masterson has been with Municipal Power Agency, wholesale from the Northern Municipal Power Agency, for nearly 32 years.

Masterson is originally from Bemidji. Like a surprising number of municipal utility people in Greater Minnesota, he also farms 30 miles north of Bagley. He is a former Navy Seabee with a construction background and came to the city from a national general contractor/construction company.

The dead of winter hasn’t provided any rest for the city crew. The end of January (and early March) brought record-breaking cold. Those months sandwiched February, which broke the snowfall record. The elementary school roof buckled Feb. 25, under the weight of snow. You might not think that would involve the city, but the next day, to reduce weight in the roof, the building manager decided to empty the fire suppression system. Water wouldn’t run down an inside drain, however—it would spill outside and drain into a storm-sewer drain on Hwy. 92. With temperatures below zero, city crews had to scramble to make sure the drain was open.

All which goes with the territory at a municipal utility serving approximately 800 electric and 525 gas customers. Despite competition, the city is gaining internet customers, and the cable TV system is holding steady.

Approaching Bagley on Hwy. 92 from the south, you wind through beautiful countryside around Itasca State Park. Cross the Clearwater River and city hall soon appears, on the east side of the highway and just south of U.S. Hwy. 2.

Bagley Public Utilities was founded in 1907. It has more than 750 electric and approximately 525 gas customers. The Clearwater County seat, Bagley has enjoyed modest population recently, growing to 1,392 in the 2010 census.

The city is also looking at a busy upcoming construction season. Dollar General is coming to the city, and wants to start building in March. Team Industries, with approximately 300 employees, is expanding its 110,000 square foot headquarters/drivetrain manufacturing plant in the industrial park. The city is also planning for a four-inch gas main system expansion, which will provide a loop feed to its largest industrial customer.

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Rodeo: 
continued from front page
One team included Matt Griebel, Brad Carlson and Greg Drent; another included Jamie VonBank, Mike Enright and Justin Rotert. Also competing were Shakopee apprentices Jordan Schuettpelz, Tyler Hanson and Matt Kahle.

Brainerd Public Utilities sent a journeyman team of Clark Backstrom, Tyler Malloy, and Mitch Lachelt. Elk River Municipal Utilities sent a journeyman team of Zac Johnson, Jake Koehler and Matt Schwartz.

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Rochester Public Utilities sent a journeyman team of Tyler Meiners, Chad Peterson and Mitch Dunbaer, along with apprentice Hunter Gleason.

(A qualified journeyman has more than four years of experience within the electric utility trade. An apprentice lineman has four or fewer years of experience.)

Cody Raveling of MMUA along with Tony Mead and Larry Lamote with Marshall Municipal Utilities teamed to judge one event.

Mike Willetts of MMUA, Mark Fuchs with Elk River Municipal Utilities, Jim Griebel with Delano Municipal Utilities and Jeff Beethold with Missouri River Energy Services also served as judges for various events.

James Monroe of MMUA was an event auditor.

The event honors lineworkers’ expertise, and the events were judged based upon safety, work practices, neatness, ability, equipment handling, and timely event completion. All safety rules established by the Occupational Safety and Health Administration and the American Public Power Association’s Safety Manual were observed during events.

“This event is all about safety, camaraderie, and pride in the craft of linework,” said Mike Hyland, senior vice president of engineering services at the American Public Power Association.

The Rodeo was held in conjunction with the APPA Engineering and Operations (E&O) Conference, held March 31-April 3 in Colorado Springs.

Minnesotans among the E&O speakers included: MMUA Director of Training & Safety Mike Willetts, who participated on a panel titled Self-Care for Disaster Responders; and Elk River Municipal Utilities General Manager joined two others in presenting on The Train Reaction: How to Keep Your Employees, a session on how to train and retain staff.

In addition, MMUA’s Marc Machacek presented at a pre-Rodeo training session.

This quilt, created by MMUA’s Rita Kelly, was raffled off at the Rodeo Banquet for $4,835, which was then donated to the Highline Hero Foundation.

Let’s show the world what we can do together.
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Biwabik: City has the option of taking back the electric system after 10 years

continued from front page

term of the agreement. The city continues to provide service through the electric distribution infrastructure and sets retail rates and regulations. City staff manage customer interactions and billing, MP works closely with the city on infrastructure improvement plans. The agreement is in effect through at least June 2027. Either party can give a year’s notice of cancellation.

After 10 years, the city can take the system back. The Biwabik Public Utilities Commission and city council face some “serious discussions” in 2026, said City Administrator Jeff Jacobson. “We don’t want to sell out, but our sphere of control is shrinking.”

An increasing regulatory burden is one of his concerns. Barely manageable now, Jacobson said a few legislative changes over next 10 years and operating an electric utility could become “just too onerous.”

Another concern is that, though the city has a good council and Public Utilities Commission, a loss of institutional memory could complicate the decision of whether or not to retain the municipal electric distribution system.

Or, Biwabik could continue down its current path, which Jacobson notes is “moving closer to being a muni in name only.”

Under a separate agreement, Minnesota Power will supply electric power to the City until June 30, 2027, with either party having the right to terminate the agreement upon three years written notice.

Working together

There may be other solutions to the city’s dilemma. There are a number of cities and municipal electric utilities on the Iron Range, and Biwabik has an impressive list of shared service agreements with other local governments. Each Iron Range community is proud of its history and heritage, but with median incomes below the state average, older populations, and water and wastewater plants in varying conditions, local governments are working together.

The Biwabik Public Utilities Commission in 2013 entered into an agreement with the City of Aurora, to provide management, operation and maintenance of the Biwabik Public Utilities water treatment plant and wastewater facilities. Gilbert has an inter-municipal water agreement with the City of McKinley. Eveleth and Gilbert provide their own water services, but have interconnected water systems, to be used in case of various emergencies. There is plenty of water in the area, but it often is hard, with a high concentration of iron and manganese. Mining operations can also complicate water supply. Biwabik and Aurora, which lie 13 miles apart with lakes in between, have undertaken a joint water plant study, which would draw in White Township, which distributes Aurora water. Biwabik and Gilbert have a joint powers agreement and board for police services. There are other agreements between various local governments in the area for police, ambulance and fire service, with more under discussion.

Jacobson said governments in the area are willing to see what works, without being risky.

The history of working together paid off on April 24, 2018, when water from an iron ore ‘pit lake’ broke an embankment, leaving a ravine up to 50 feet wide and 20-25 feet deep, which severed Biwabik utility lines to Giant’s Ridge, and blocked the Embarrass River.

Within 48 hours, Biwabik linked water lines with Aurora and White Township. That water supply valve is now turned ‘off,’ but with the right agreements in place, it could easily be turned on. (The $704,000 reconstruction of the Biwabik water and sewer lines was covered by Iron Range Resources and Rehabilitation Board grants.)

Biwabik city hall shares a building with a local grocery store.

Utilities Clerk Sherry Maki and City Administrator Jeff Jacobson work diligently to keep Biwabik Public Utilities a going concern.

With most of its water and wastewater infrastructure dating back to the early 1900’s, inflow of storm water into the sewer system threatened to overwhelm the wastewater treatment plant, which led to a host of issues.

The city, with help, has stepped up to rebuild its streets, alleys, sidewalks, sanitary sewer collection and storm water drainage systems. The old high school building was also demolished.

In 2017, the City issued temporary utility revenue bonds in the amount of $8.7 million to provide temporary financing for a portion of the construction costs, in anticipation of permanent obligations to be issued by the City to finance the improvements. The permanent funding came through with a 40-year, $5.8 million United States Department of Agriculture (USDA) loan and grant, Iron Range Resources and Rehabilitation Board public infrastructure grant, tax forfeit mineral lease, a storm water fee and special assessments.

Jacobson said the city was grateful for the USDA financing. “It would have broke us,” Jacobson said, if Biwabik would have had to foot the bill itself.

Wastewater regulatory concerns remain. A portion of the city’s treated wastewater eventually enters a bog, then the St. Louis River and Lake Superior, resulting in stringent permit requirements. The city’s drinking water, if flushed down the drain, may violate the MPCA’s wild rice sulfate standard, and it has long awaited a definitive answer on the question.

A positive sign came in the 2010 census, when the city’s population was counted at 995, up 4 percent from 2000. While there are plenty of challenges ahead, the City of Biwabik is taking steps to lay the groundwork for future growth and prosperity.

Rebuilding Biwabik

The city is in the midst of a multi-year effort to rebuild itself.
**Jim Maras** has retired after 29 years with Madelia Municipal Light & Power. Maras was the utility’s general manager. He has been replaced by Chris Trembley.

The utility held an open house in honor of Maras and his service the afternoon of Friday, March 29.

**Steve Moses** worked his last day with public power on March 29, retiring as customer relations and marketing manager for Heartland Consumers Power District (HCPOD). Moses went to HCPOD following 35 years as utilities manager with Madelia Municipal Light & Power.

**Kelly Dybdahl** is the new HCPOD customer relations manager. Dybdahl brings with him 12 years of experience working in the utility industry. A native of Tyler, Dybdahl previously worked as an electrical engineer for Lyon-Lincoln Electric Cooperative. He worked in a variety of roles in that position including safety, rate design, strategic planning, metering and more.

Dybdahl earned his electrical engineering degree from the Milwaukee School of Engineering in 2006 and became a Certified Energy Manager in 2011.

A natural gas meter was struck by a payloader Sunday, Feb. 24, near American Crystal Sugar in East Grand Forks. The resulting gas leak disrupted service. The PUC then brought in crews to restore gas supply 45 minutes later.

Due to the short timeframe to complete structural inspections and an $100,000 unbudgeted cost to do it, it was agreed that the garlands would be hung this year as they were in the past. Early next year, a long-term maintenance, structural inspections and cost and potential additional buildings for garland will be revisited.

Anoka Municipal Utilities has scheduled a unique outreach event for April 19: Build-A-Birdhouse With A Lineman.

The idea started when the utility considered what to do with old meter covers that it didn’t want to just throw in a landfill. A number of ideas were explored. Utilities director Greg Geiger took one home and constructed a birdhouse, which everybody agreed was a fine idea. Wood for the projects will come from re-purposed wire spools.

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**A DOOR TO THE STATE**

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The Southern Minnesota Energy Cooperative (SMEC) filed its 2019 Reliability Report on March 5, in compliance with a Minnesota Public Utilities Commission order.

SMEC, in July 2013, took over ownership of the Minnesota distribution assets, service territory and electric accounts from Interstate Power and Light. As part of regulatory approvals, SMEC agreed to file reliability reports for five years. The recent report covers January through December 2018, for the 12 cooperatives that comprise SMEC.

"Many external events occurred in 2018 that resulted in an extraordinary amount of major events days at individual SMEC cooperatives," said the report. One notable event, which included ice and straight-line winds, broke 59 transmission poles and affected many customers in southeastern Minnesota. Wind and tornadoes on Sept. 20 also caused notable damage.

SMEC said it would have difficulty defining a major event (which are excluded from the calculation) during the five years of its required reliability reporting.

The report noted that various cooperatives suffered multiple transmission outages, mainly in the Albert Lea area. A number of other incidents contributed to high SAIDI indices for some SMEC members.

SMEC noted that the reliability indices for the former IPL service territory remained approximately the same as 2017, and noted that the indices are similar to the expectations set by the entire cooperative membership for 2018. The board found the report acceptable and consistent with prior reliability history at the individual SMEC cooperatives.

Outage is defined as a service interruption of five minutes or longer.

Gov. Walz proposes move to 100 percent clean energy

Gov. Tim Walz on March 4, citing the "existential threat of climate change," announced a set of policy proposals leading Minnesota to 100 percent clean energy in the state’s electricity sector by 2050. The move, it was said, would allow Minnesota to "pioneer the green energy economy—creating jobs while protecting our planet for generations to come."

In December, Xcel Energy said it would deliver carbon-free electricity by 2050.
MMUA’s Nominations and Awards Committee is accepting nominations for MMUA awards. The deadline to submit a nomination is June 14. This is a great way to recognize a municipal utility colleague, a public official, or a municipal utility system for showing leadership and innovation and providing an example for others to follow.

Nomination forms can be downloaded from MMUA.org at the Awards and Recognition page on the ‘About’ menu. All nominations will be considered by MMUA’s Nominations and Awards Committee and the awards will be presented at the MMUA Summer Conference in August.

Here is a brief summary of the awards for which we are accepting nominations. Please consider recognizing the accomplishments of a member of our community by submitting a nomination.

• System Innovation Award. This award is given to a utility that has demonstrated leadership and innovation in customer service, energy efficiency or renewables, technology, or other areas.
• Public Service Award. This award is given to a state or federal elected or appointed official who has been a strong supporter of MMUA and its members.
• Distinguished Service Award. This award is given to individuals who perform outstanding service in support of the association and its goals.
• Community Service Award. This award is given to an individual who has performed long and well in support of a municipal utility at the local level.
• Rising Star Award. This award recognizes a future leader who has demonstrated a dedication to the goals and principles of municipal utilities through problem solving, creativity, and job knowledge.
• Honorary Lifetime Membership Award. This prestigious award symbolizes a long professional life dedicated not only to the advancement of municipal utilities locally, but also for the betterment of our industry on a statewide basis.

Nominations sought for two board seats
Two board nominations are also being sought, as Greg French and Bob Elston will be completing their second, three-year terms.

Don Martodam was appointed to fill the seat of a departing board member, and that seat stands for re-election this year.

Please return completed nomination forms, by June 14 to Theresa Neddermeyer via email (tneddermeyer@mmua.org), fax (763.551.0459) or mail to 3025 Harbor Lane N., Suite 400, Plymouth, MN 55447.
Bits & Pieces

The Minnesota Public Utilities Commission March 26 reaffirmed a June 2018 decision permitting the Enbridge Line 3 oil pipeline. The line would replace a 50-year-old Enbridge line.

The PUC’s earlier decision was appealed by various groups and the state Department of Commerce. The decision also faces a court challenge, started under the Dayton administration, reviewed and continued under Gov. Walz.

The project still needs technical regulatory approvals from the Minnesota Pollution Control Agency and Department of Natural Resources, and a water-crossing permit from the Army Corps of Engineers.

Xcel Energy is closing two smaller, older units at its Sherburn County (Sherco) electric generating station. (The newer, larger Sherco 3 will remain in service.) Sherco provides about 300 jobs and 75 percent of the City of Becker’s tax revenue.

As part of an effort to soften that blow, Google has proposed a $600 million data center for Becker. The company has requested the county and city (but not the school district) exempt it from property taxes for 20 years, saving it some $15 million.

The proposal also contains an agreement between Google and Xcel, to provide electricity to the data center from two new dedicated wind farms.

The county had planned public hearings for mid-March. City officials have expressed support.

Minnesota Power recently received approval in Minnesota to build a $700 million natural gas-fueled power plant in Superior, Wis. But according to published reports, the company, citing a roughly 30-year timeframe, has few qualms about transitioning to a carbon-free electric supply mix by 2050.

A 2-megawatt wind turbine installation sharing an inverter and grid connection with a 500-kilowatt solar array was set to go into service about 30 miles north of Fergus Falls. The energy will be purchased by Lake Region Electric Cooperative.

Project developer is Juhl Energy. The company pre-
dicts several other similar installations to be developed in the Midwest this year. A similar project, proposed by a different company to feed into the Otter Tail system, is enmeshed in the regulatory process before the Minnesota Public Utilities Commission.

U.S. net electricity generation increased by 4 percent in 2018, reaching a record high of 4,178 million megawatt hours (MWh), according to the Energy Information Administration’s (EIA) March 6 Electric Power Monthly. According to EIA, 2018 was the first time that total utility-scale generation surpassed the pre-recession peak of 4,157 million MWh, set in 2007.

The increased demand for electricity was largely attributable to a cold winter and a hot summer. In the long term, EIA projected that electricity consumption will continue to grow but at a slower pace than in recent decades, with economic and population growth the primary drivers of rising demand.

The Minnesota Public Utilities Commission (MPUC) on March 5 took action on two wind plant development proposals. The MPUC amended the site permit as requested for the Dodge County Wind Farm, an up to 200-megawatt project in Lincoln County. Xcel Energy will pursue public outreach efforts in regards to the amendment.

The Commission also issued a draft site permit and proposed more routes for an up to 345-kV transmission in Dodge, Steele and Olmsted counties, including a 345-kV transmission line in Dodge and Olmsted counties.

Minnesota’s U.S. Senators—Amy Klobuchar and Tina Smith—March 29 called on the Federal Communications Commission to launch an investigation into Frontier Communications business affairs. It was also suggested that of Commerce (DOC) report Minnesota Department of Transportation Commission to launch an investigation into Frontier Communications business practices.

That call followed a 529-page Minnesota Department of Commerce (DOC) report issued in January, that detailed complaints against the company. DOC investigators have recommended the company submit a report detailing various pieces of information. It was also suggested to start by focusing on one exchange—that of MMUA member Ely.

Journey or 3rd Year Apprentice Line Worker Missouri River Energy Services (MRES) is an organization of 61 member municipalities that own and operate their own electrical distribution systems. Inspired by the company’s mission to supply its members with reliable, cost-effective, long-term energy and energy services in a fiscally responsible and environmentally sensitive manner, members of the MRES team embrace the challenge of understanding and solving the evolving energy needs of all customers today, and for years to come. We are looking for a highly motivated individual to begin our journey with the electric distribution maintenance services to the City of Olivia. In this role, you will be responsible for operating and maintaining the municipal electric utility distribution systems in a safe and efficient manner. You will play an active role in the operation, construction, reconstruction, maintenance and repair of the City of Olivia’s electrical distribution system and associated equipment, and, as the customer energy needs continue to evolve, so too will your role.

Journey and Apprentice Line Worker Requirements:

• Ability to Obtain a MN Class A CDL Endorsement Within 6 Months
• CPR Certified
• Beside within 20 minutes of Olivia, MN

Additional Journey Line Worker Requirements:

• Journey Line Worker from an accepted apprenticeship program
• 4 years of experience in the operation, construction, reconstruction, and maintenance of electrical distribution systems and associated equipment.

We provide very competitive wages, a comprehensive/low-cost benefit package, and an outstanding work environment that promotes a long-lasting career.
2019 Minnesota Public Power Walleye Tournament

Saturday, June 1, 2019 - RAIN OR SHINE
7:00 AM to 3:00 PM
Rush Lake, Ottertail, MN

Join us the night before, Friday, May 31 for our annual FISH FRY at the tournament resort.

Tournament Headquarters:
Bladow Beach Resort & Campground
36052 Rush Lake Loop, Ottertail, MN

Entry Fee: (2 people per team/boat)
Electric Utility Employees - $50.00/boat
Non-Utility Registrant (i.e. vendor) - $150.00/boat

Proceeds from this event have been donated to Line Work training programs in Minnesota since it began in 2002!

Registration limited to the first 50 teams. Space is not guaranteed; register early for best availability.

Register online or complete the following Registration Form. NOTE: Full payment must accompany registration. No registration accepted without payment.

Registration Deadline: May 10.

Online: You can find a link to the event through the MMUA website on the Events > Calendar > June page, or to go https://tinyurl.com/fishing-2019

For more information, you may also email: tneddermeyer@mmua.org

Minnesota Municipal Utilities Association and our partners—Minnesota Rural Electric Association (MREA) and American Public Power Association (APPA)—are pleased to bring you the 2019 Underground School.

The Underground School offers a hands-on training track with a variety of training sessions and an advanced technical course.

General Sessions held on the first and last day of the School include:

Customer De-escalation Strategies
Learn about pre-assault behaviors and methods to calm a verbally aggressive or potentially disruptive individual.

DOT/Worksite Traffic Control
This session provides an understanding of the most basic aspects of safety in a work zone and will cover important DOT regulations.

Multi-Session Classes
Registrants will rotate through each of the following six sessions. This class is intended for lineworkers of all experience levels.

• Session 1: Locating URD Cables
  Work with various brands of locators and learn different techniques.

• Session 2: Table-top Splicing and Terminations
  Including hands-on work, led by 3M manufacturer’s representative.

• Session 3: Secondary Troubleshooting
  Work through scenarios including back feed, open neutral and partial power.

• Session 4: Infrared Technology
  How it works, doing it well and ways to apply the information.

• Session 5: Exposing Live Underground Cables
  Do the work safely with a variety of equipment and tools, and proper backfilling.

• Session 6: Accident Investigation
  An actual accident will be analyzed and thoroughly discussed. Best practices, PPE, job briefings, etc.

Advanced Class - Maintaining Your Underground System
This two-day session will be packed with intense training and will move quickly. This class is designed for seasoned lineworkers, managers, engineers and others who can benefit from the information.

Topics to be covered include:
  • Power factor
  • Transformer specs
  • Cable specs
  • Proper construction specs
  • Financial considerations
  • System losses
  • Cable replacement plans

See the Events/Calendar section at www.mmua.org for more information

Note: Underground School deadline to register is April 22!