Power plant closures come home to Minnesota
Workers as good as ever, but larger forces combine to force fossil-fueled plant shutdowns

by Steve Downer

The electric power generation sector, according to federal statistics, from January 2011 through June 2014 lost more than 5,800 jobs. Coal plant closures, particularly at smaller plants, were identified as the major factor in the decline.

There are local examples of this national trend. Rochester Public Utilities is retiring its 100-megawatt Silver Lake plant. Minnesota investor-owned utilities have closed or plan to close several small fossil-fueled plants. Most recently, the Austin Utilities Board of Commissioners in December decided to decommission its Northeast Power Plant, beginning June 2016.

Austin Utilities used to employ 32 people in two electric generation plants. Now there is one plant, and nine employees—five plant and system operators, two plant maintenance mechanics, one generation supervisor, and one power production director.

Factors leading to the demise include: economies of scale in electric generation, a changing wholesale electric market and regulatory regime, and greater access to the market through regional transmission connections were made that would not have otherwise been made.

Change is positive at MMUA Legislative Conference

Oftentimes change, even change imposed by unfortunate circumstances, can have a positive result. Such was the case with this year’s MMUA Legislative Conference.

The centerpiece of past rallies was our large group meeting with legislative leadership. But with the Capitol undergoing a three-year, $273 million restoration, all available group meeting rooms were off-limits.

That meant municipal utility representatives could still make visits to their senators and representatives, but the group meetings were out. Or were they?

Instead of a formal group meeting, MMUA decided instead to hold a reception for its members and their legislators. This reception was held from 4:45 p.m. at the Best Western Capitol Ridge (formerly the Kelly Inn). The event was, by all accounts, a big success. The room was filled to capacity and the air was filled with convivial conversation.

Legislators from both parties, including several with no municipal utilities in their districts, attended. Many connections were made that would not have otherwise been made.

Count on this feature of the meeting to return next year. The conference highlighted legislative issues and involvement, but the meeting program included economic development, hydro, rural linework rodeo, and other items.

Sale of IPL’s natural gas assets clears regulatory hurdle

Interstate Power and Light (IPL) has proposed to sell both its electric and natural gas assets in Minnesota. While the electric sale is pending, the proposed sale of the natural gas assets, to Minnesota Energy Resources Corp., (MERC) appears to have cleared its final regulatory hurdle. The Minnesota Public Utilities Commission Feb. 5 declined to reconsider a Dec. 2014 order approving the sale subject to conditions.

The Minnesota Office of Attorney General (OAG) argued that the Commission’s decision to allow
Minnesota municipal utilities reach milestone as new transmission owners

Blue Earth, MN, February 2, 2015 – Eleven public electric utilities in Minnesota and four in Iowa have passed a milestone as they received their first financial benefit as new transmission owners, with a payment from the Central Minnesota Municipal Power Agency (CMMPA). In an era of increasing transmission costs due to the regional build-out of the transmission grid to meet new government energy policies, these 15 municipal utilities partnered together through CMMPA to invest in transmission.

Representing their investment in the CapX Brookings Transmission Project, CMMPA distributed $385,000 to the 15 public power participants that included 13 first-time transmission owners. As owners, the utilities will continue to receive similar payments for the 40-year life of the CapX Brookings line.

“After determining that their costs can be reduced by joining forces that included 13 first-time transmission owners. As owners, the utilities will continue to receive similar payments for the 40-year life of the CapX Brookings line.”

The 250-mile line from Brookings, South Dakota to Hampton, Minnesota, marked CMMPA’s first venture into transmission ownership, half of the municipal electric utilities located in Minnesota and Iowa. Along with serving as an aggregator for utilities to pool their investment, CMMPA financed the project and handled the lengthy rate recovery approval process at the Federal Energy Regulatory Commission (FERC). CMMPA’s $30 million investment represents a 3.9 percent share of the CapX Brookings project. The municipal participants include the Minnesota municipal utilities of Blue Earth, Elk River, Fairfax, Granite Falls, Janesville, Kenyon, Mountain Lake, Sleepy Eye, Springfield, Windom, and Waseca and four Iowa cities.

CMMPA’s first financial benefit in Blue Earth is a milestone as they received payment that included 13 first-time transmission owners. As owners, the utilities will continue to receive similar payments for the 40-year life of the CapX Brookings line. CMMPA CEO Steve Thompson, left, presented the check.

CMMPA President and Mountain Lake City Administrator Wendy Meyer, right, received the city’s first monthly check representing its proportional share of the city’s investment in the CapX2020 Brookings line. CMMPA CEO Steve Thompson, left, presented the check.
Generation development, treatment of forward contacts key public power issues from APPA

The American Public Power Association recently weighed in on two key issues of importance to the public power sector — generation development and the treatment of forward contracts.

In late December 2014, APPA and the National Rural Electric Cooperative Association told the Supreme Court that they support the authority of state utility commissions in Maryland and New Jersey to encourage the development of new generating plants through long-term contracts with developers. APPA and NRECA filed joint briefs with the Supreme Court, which must still decide whether it will review related lower court decisions.

Maryland and New Jersey utility regulators require new generating facilities to co-exist with the PJM capacity market, a voluntary market where generators can sell power to retail customers of investor-owned utilities. In the proposed interpretation, "will resolve some of the ambiguity in determining whether a transaction is a forward contract," said APPA and the other members of the coalition: the Large Public Power Council, Minnesota Electric Institute, NRECA and the Electric Power Supply Association. The CPTC’s proposed interpretation “is a good resolution of the ambiguity arising from the seven-element test,” said the coalition, but it encouraged the commission to consider some related issues that it has not addressed yet.

The five electricity associations noted that their members “enter into energy contracts with embedded volumetric optionality in the ordinary course of their daily commercial operations to facilitate physical delivery of commodities.”

Regulations that make such risk management options more expensive for commercial end users of swaps “will likely lead to higher energy prices if the cost associated with these regulations is passed through to retail energy consumers, commercial and industrial electricity and natural gas consumers, or will result in more volatile energy prices if commercial end users decide to hedge a smaller portion of their commercial risks,” they said. Members of APPA, LPPC, ERI, NRECA and EPDA “have a significant interest in the proposed interpretation,” the associations said.

Panel of experts approves construction work on Red Rock Hydroelectric Project

SIOUX FALLS, S.D. — A four-member panel of experts in dam and hydroelectric project design and construction has given its approval to construction work thus far at the Red Rock Hydroelectric Project, located on the Des Moines River near Pella, Iowa.

An Independent External Peer Review (IEPR) Panel was on site at the project Jan. 14-15 to review reports, tour the facilities, observe construction activities, and examine various construction elements. The IEPR Panel’s job is to meet the Safety Assurance Review (SAR) requirements of the Water Resource Development Act of 2007. SARs are conducted to ensure that good science, sound engineering, and public health, safety, and welfare.

Representatives of the U.S. Army Corps of Engineers’ Chief of Engineers, the project’s adequacy, appropriateness, and acceptability of the design and construction activities for the purpose of assuring public health, safety, and welfare.

The five electricity associations said.

The panel also said that, after examining test sections of pages of the project, work could proceed on remaining elements following the means, methods, and procedures used in the test sections.

Work on the project began in August 2014 and is expected to be completed by early 2018. When complete, the Red Rock Hydroelectric Project will produce 36.4 megawatts of electricity—enough to meet the needs of about 18,000 homes.

Minnesota law unconstitutional say municipal, co-op entities

A Minnesota law that seeks to restrict carbon dioxide emissions from electricity generated outside the state’s borders is unconstitutional, the American Public Power Association and two other electricity groups said Jan. 28. The three filed a joint “friends of the court” brief with a federal appeals court in a case that centers around the Minnesota Next Generation Energy Act of 2007, which prohibits importing power from new out-of-state power plants if the import would increase Minnesota’s statewide sector greenhouse gas emissions.

The Minnesota statute is unconstitutional under the Commerce Clause because it regulates the behavior of actors outside the state’s borders and unduly burdens interstate commerce, argued APPA, the National Rural Electric Cooperative Association (NRECA) and the Missouri Joint Municipal Electric Utility Commission (MJEUC) in their joint brief. They filed the brief in the U.S. Court of Appeals for the Eighth Circuit in the case, North Dakota v. Heyding, along with a motion asking the court to allow them to participate in the case as friends of the court, or amici.

North Dakota had challenged the Minnesota law in U.S. district court.

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MPUC reviews performance, sets investor-owned utility reliability standards

Minnesota law (statute §216B.029) sets standards for electric distribution utilities and stipulates that the Minnesota Public Utilities Commission (MPUC) adopt standards for safety, reliability, and service quality for state-regulated distribution utilities. Municipal electric utilities are required to make reports to their local governing boards.

The state’s investor-owned utilities recently filed their reports with the MPUC and the Commission on Dec. 4 established reliability goals. The reliability reports track service interruptions. An interruption is defined as an interruption of electricity service to a customer greater than five minutes in duration. A report on Xcel Energy’s report was carried in last month’s edition.

All of the investor-owned utilities report ‘storm normalized’ numbers, which means data that has been adjusted to neutralize the effects of outages due to storms or other unusual conditions.

Minnesota Power (MP)

MP’s storm normalization is based on the 2.5 beta method defined by the IEEE. MP stated that in 2013, there was one major event excluded based on this method.

While MP’s system remained “characteristically static” throughout 2013, according to regulatory documents, there was also a substantial fluctuation in reliability statistics. Many of MP’s outages were caused by severe storms outside of the vegetation management clearances being blown down into lines.

Also, 2013 brought a large turnover in the company’s line personnel. While great efforts were made to keep a consistent staff of line workers, said the company, it was challenging to train line workers as quickly as turnover was occurring. Minnesota Power saw approximately a 20 percent turnover of the department personnel in 2013.

MP met 24 out of 33 performance metrics from 2003 to 2013, which represents a 72.7 percent success rate. The company noted this compares to 37 percent for IPL, 55 percent for OTP, 58 percent for NWEC, and 57 percent for Xcel.

The Commission has set performance standards at the company’s proposed levels since 2004. MP calculated its performance targets as an average of the previous five years of actual SAIDI and SAIFI performance.

IPL 2013

Interstate Power and Light (IPL)

In its January 2014 order, the Commission set IPL’s 2013 reliability standards. IPL stated it uses the IEEE 1366 standard for defining a major event. Some major storms were excluded and ongoing planned outages for maintenance contributed to the company missing several standards, it said.

Response time was hampered by “journeyman workers leaving IPL,” as well as one extended illness. The Division of Energy Resources (DER) noted that IPL met only 24 out of 66 performance metrics from 2003 to 2013, which represents a 36.4 percent success rate, and said, “IPL has not consistently met its targets over the 10 year period. In both work stations, IPL has not shown any significant improvement in SAIDI performance.” The data seems to show a generally declining trend in performance since 2004.

Staff, in MPUC briefing papers, said it shares the DER’s concern over IPL’s reliability performance since 2003 and that current strategies may not be sufficient to improve IPL’s overall performance. The Commission is currently considering IPL’s request for approval of the asset purchase and sale agreement between Interstate Power and Light Company and Southern Minnesota Energy Cooperative, noted regulatory documents.

The DER’s October 6, 2014 comments in that docket state that service quality

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Reliability: back page please

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ers had made in the plant. Every eight-hour shift, that was the object, he said, that’s why you were licensed, to protect that investment.

Kitzman has worked 23 years for Austin Utilities, including 16 years at the old Downtown Plant. That building still stands, but its equipment was auctioned off in June 2011.

When all was said and done at the Downtown Plant, Kitzman recalls walking over sheets of plywood, which covered holes in the floor where turbines and related equipment used to be.

“It just kind of hits you—I used to run it,” he said.

Bob Hyland relates that customers, including his dad, once took pride in the local plants providing power for the city. Some of that sentiment remains.

Both Austin plants were pressed into service following severe storms, which damaged multiple transmission feeders to the city, in 1968.

“This town would have been black,” Kitzman said. Such a scene is hard to fathom, particularly for people dedicated to “keeping the lights on.”

There may be resignation, but no bitterness.

“It’s still a good place to work,” Kitzman said.

Interesting place to work

“An interesting place to work,” said Steve Millan. “It is said to see it go by the wayside.”

Everybody working at the plant had a real sense of purpose during the days and nights it operated continuously. At that time, three people were employed around the clock—an operator, a fireman and a helper.

Jay Kohne remembers making three rounds per shift. Gauges and computerized sensors gave operators an indication of how things were working. But an experienced person could tell a lot by sound, said Kohne, or by touch. For example, an unusual sound and piece of equipment hotter than normal might indicate elevated bearing temperature and an impending failure.

There was always work to do, and some piece of information to pass along to the next shift.

The “tricks of the trade” got passed along down the years. Now, with prospects at the plant dim, the staff has dwindled. The older guys are mostly gone. A lot of the younger operators left, many to work in small combined heat and power plants.

Utility staff can be brought in occasionally when needed, depending on circumstances. If you do not operate regularly, however, the men note, you are not as proficient.

The plant is quiet now. And clean. But it always was clean, the men who work there are quick to point out, even when it operated around the clock. They saw to it.

Times of intense activity

It was also, at times, the scene of intense activity. Turbine overhauls were generally required every five to seven years.

During the 1999 scheduled maintenance, staff and outside contractors overhauled the turbine and electrostatic precipitator. The twenty-three staff members worked 10 hours each day, six days a week. A number of projects were completed to ensure an efficient, clean power plant, noted a utility history, including the installation of a new control system. The project also involved a welding firm and a local fabricating company.

In spring of 2006, the plant came off line for a major overhaul. Overhauls were usually scheduled over a period of six to eight weeks. The 2006 overhaul was scheduled for and completed in 14 days.

The reason for the accelerated schedule was the deadline to bring the Southern Minnesota Municipal Power Agency (SMMPA) control area into the MISO market (which has ironically contributed to the plant’s obsolescence). The Northeast plant performed the load-following and regulation functions for the Agency’s control area—That it be operational during the transition was critical.

Crews worked around the clock. The work was completed on time and on budget.

SMMPA staff was quoted as saying, “The real credit goes to the power plant staff at Austin. It was their creative scheduling and supervision over the extensive work that kept this project on schedule. The unit was back in service and performed flawlessly during the April 1 transition to MISO.”

Writing on the wall

The plant has been in the crosshairs of environmental advocates for some time.

As the Star Tribune put it in a Dec. 13, 2011 article, “many of Minnesota’s old, coal-burning power plants could be headed for retirement, as long-awaited environmental regulations force utilities and regulators to decide whether costly pollution-control upgrades are worth doing. Many may not be worth the major disruption the array of environmental standards.

The locally-elected Austin Utilities board first started publicly pondering the plant’s future in 2009 when SMMPA provided notice

Austin Utilities staff and compressed operators, in 1963, were getting concerned over growing electric demand. Existing local resource appeared inadequate to meet the growth. The decision was made to build the Northeast Power Plant, on 64-acres northeast of Austin.

The plant was opened in 1971. Main equipment installed was a General Electric steam turbine generator and a Riley boiler rated at 270,000 pounds of steam per hour. The combination gave the plant the capacity to produce 32,350 kilowatts. The project included a $2.9 million substation, and two 161 kV transmission lines coming into the site from substations owned by other utilities.

Total project cost was approximately $7.3 million. Construction began in March 1969. The first kilowatt was produced little more than two years later, on April 25, 1971.

During the next few years, oil prices started to increase with the Arab oil embargo of 1967, and spiked with another embargo in 1973-74. The decision was made for municipal electric utilities, many with local oil-fired reciprocating engine generation, to begin planning discussions of municipal joint action intensified in 1974 and 1975 (MMUA hired its first staff at this time) and state law was adopted to allow it in 1976.

In June 1977, the Southern Minnesota Municipal Power Agency (SMMPA) was incorporated. Austin was a founding member and has a permanent seat on the SMMPA board. The agency signed an agreement with NSP in March 1982 for 41 percent, or 328 megawatts, of Sherco 3.

Austin Utilities will continue focusing efforts on its regional range power supply, resource planning, as well as keeping dialogue and options open for the Northeast Plant’s future.

Capacity and energy from the Plant will continue to be sold into the MISO electric market until June 1, 2016, as market conditions permit. Austin Utilities currently obtains all of its electric needs from SMMPA, through an agreement that expires in 2030.

“It’s incredibly difficult to shut the doors to a facility that has been such an asset to the community of Austin, and the livelihood of so many Austin Utilities employees,” said Alex Bumgardner, Austin Utilities power production director. “We have to act on the facts we have today while considering what is best for the utility and our customers’ tomorrow, and prepare for that.”

History of Northeast Power Plant highlights changes in electric industry over half century

Jobs: continued from front page
The Princeton City Council Jan. 5 authorized city staff and consulting engineer to negotiate a land control and lease agreement with SolarStone Partners, LLC. The agreements would allow the company to lease a 40-acre parcel, which formerly served as the city’s wastewater lagoon.

Princeton Public Utilities is supplied at wholesale by the Southern Minnesota Municipal Power Agency (SMMPA). SMMPA recently sold one of its purchase power agreements, which allows the company to lease a control and lease agreement engineer to negotiate a land use agreement.

Jan. 5 authorized the city staff and consulting engineer to negotiate a land use agreement.

The New Ulm Public Utilities Commission has declined a proposed interconnection agreement from its transmission supplier and is seeking an agreement based on a different template.

The current agreement is set to expire at the end of the year.

Northland Power has also set up a program for pump inspection. City regulations prohibit connection of pump pumps to the sanitary sewer system—improper connections can cause sewage backup into neighboring basements and lead to increased treatment costs.

Summer interns will likely be hired to help with the inspections, and go door-to-door to confirm proper connection.

Jim Zarling, retired Fairmont city administrator, has switched seats at the council table, now serving as a ward representative.

One of his first actions was to take part in approval of a public hearing in regards to a proposed two percent electric rate increase. The proposal follows a cost-of-service study received by the city last year.

The Sauk Centre Public Utilities Commission has approved six percent increases in electric and wastewater charges and a three percent increase in water rates and the wastewater base charge.

The electric increase is driven by higher wholesale power costs. Along with paying for a new hydroelectric plant being built in Iowa, the increased costs reflect increased transmission costs. Sauk Centre paid $160,000 in transmission costs in 2010 and now pays $725,000.

The wastewater increase reflects the need to pay for a $7 million wastewater plant built three years ago.

The utility projects little or no increase the next two years.

The Minnesota Public Broadband Alliance (MPBA) is researching and reviewing the benefits of creating a technology partnership to improve delivery of broadband with support of a $10,000 Blandin Foundation grant.

The current member communities include: Monticello, Windom, Jackson, Lakefield, Round Lake, Bingham Lake, Browster, Wilder, Heron Lake, St. Cloud, Scott County and Okabena. The city of Monticello will continue to serve as the alliance’s fiscal agent in 2015, and the Alliance has hired long-time telecom industry advocate JoAnne Johnson as executive director.

“Joining of communities to help pursue the goal of broadband service to all of Minnesota is a natural evolution,” said Dan Olsen, general manager of Winonnet. “The wealth of knowledge amongst the communities that can be shared and leveraged is astounding.”

The Willmar Municipal Utilities Commission Feb. 9 held a public hearing on a proposed overall average electric increase of 4.5 percent and overall average water rate increase of 20 percent for 2015.

The increases were recommended in a cost of service study, and future increases will likely be considered.

The increase is planned to help ensure the utilities would have continued financial strength and adequate revenues to undertake major electric and water infrastructure improvements.

After a vehicle hit a power pole and caused a widespread power outage, Hibbing Public Utilities was able to quickly let people know it was aware of the outage and working on a solution, though how long it would take to restore service was unknown. The message was sent using the city’s CodeRed mass notification program.

The fire department pursued and implemented the program last year. CodeRed is free for message recipients. Lifelines receive the message automatically. Cell phone users have to sign up for the service. Emails and text messages are also sent.

Approximately half the city was without power during the incident. Power was restored after little more than two hours.
Minnesota has established a significant presence at national lineworker rodeos. That effort (and ultimately the quality of Minnesota municipal lineworkers) is being taken to another level.

MMUA held its first Rodeo Team Training Clinic Jan. 27-28 at the MMUA Training Center in Marshall. Approximately 40 people attended. The purpose of the clinic was to better prepare those planning to compete in the APPA Public Power Lineworkers Rodeo, May 15-16, in Sacramento.

Each of the clinic instructors have competed in the rodeo. MMUA Training Center Coordinator Pete Wyffels served as main instructor. Also instructing were: Jared Quandt and Jeff Wagner of Rochester Public Utilities, Cody Raveling, Tony Moed and Nate Janssen of Marshall Municipal Utilities.

“The clinic was good opportunity to go over some of the challenges that we had competing in those rodeos,” said MMUA Training Center Coordinator Pete Wyffels. “There is no better way to prepare yourself than to work with linemen that have competed at the rodeos in the past. We had some really talented guys that offered to help mentor the clinic. Rochester and Marshall have been very successful at past rodeos. They helped with instructing at each of the stations. We also navigated through the APPA web site to get to where questions can be submitted on line. This is a very important part of preparing for the rodeo. The rodeo teams can submit questions on line. The chief judge takes a look at them and post them back shortly thereafter with clarification.

“Minnesota to host in 2016”

While those attending the Sacramento event will concentrate on the task at hand, there is another thought in the back of everybody’s minds: This competition will be held in Minnesota, April 2, 2016. MMUA and Shakopee Public Utilities are acting as hosts of the 2016 event, which will be held at Canterbury Park in Shakopee. Established in 2001 by the American Public Power Association (APPA), the Public Power Lineworkers Rodeo is where public power line-workers come together from all over the United States and some U.S. territories to demonstrate their skill and knowledge in the craft of linework.

At the rodeo, journeyman and apprentice lineworkers compete for professional recognition, attend training courses and practice essential skills in a safe environment. Attendees will have a unique opportunity to connect with and learn from the nationwide community of lineworker professionals.

The end goal, of course, is for contestants to return to their utility as better lineworkers. To help in that process, training courses are offered along with the rodeo. These courses offer an excellent opportunity for apprentice and journeyman lineworkers to boost their knowledge and encourage success in the field through working safer and smarter.

MMUA will likely hold another event clinic around this time next year. The clinics help to make the rodeo less of an unknown for contestants, while facilitating information sharing.

“We want to work as a state,” Willetts said.

Last year, Minnesota sent around 50 people to the rodeo in Oklahoma City. “We’re looking for more in Sacramento,” Willetts said. He urged anybody thinking of going to contact him, even if they are not planning in participating in the rodeo. He can help make various arrangements that might make for a better trip.
Conference: continued from front page

topics. Sessions were held at the Crowne Plaza Hotel and Suites in Bloomington, a short drive from the Capitol.

The conference started the afternoon of Wednesday, Feb. 4 with four presentations. Chad Weinstein of Ethical Leaders in Action started the event the right way, with a talk on Leading With Purpose in Municipal Utilities. That was followed with an eye-opening look at Minnesota Energy Policy in an Era of Divided Government, which featured brief presentations and a question and answer session with Sens. John Marty (DFL) and David Osmek (R).

Among the factors involved in discussion of an increased Minnesota renewable energy standard is the state’s Renewable Energy Integration and Transmission Study. Bringing firsthand knowledge of the study were Matthew Schuerger of Energy Systems Consulting Services and Jared Alholinna of Great River Energy.

The 800-pound gorilla in the energy policy room is the federal EPA’s Clean Power Plan. MMUA’s Bob Jagusch discussed the plan and how the state of Minnesota would hope to develop and implement the state plan.

Thursday morning sessions started with discussion of a proposal that would fundamentally alter the utility regulatory landscape in Minnesota—the e21 Initiative. The Great Plains Institute has convened those discussing this transformative idea and the Institute’s President and CEO, Rolf Nordstrom, discussed the initiative, along with Mike Bull of the Center for Energy and Environment.

Along with a Rally Briefing by MMUA staff, the morning was rounded out with a heads-up on the Women’s Economic Security Act by Kyle Fogt of Faegre Baker Daniels. MMUA’s Mike Willets discussed compliance of another sort, with a look at the revamped OSHA 269 standard.

From there, buses carried members to the state office building and to the reception. Following the reception, buses again ferried attendees back to conference headquarters.

Meeting attendees had a good feeling about the conference as it concluded on Friday. The morning started with Jessica Burdette of the Minnesota Department of Commerce discussing developments in regards to utility Conservation Improvement Program.

Broadband remains an issue for many communities and Diane Wells of the Minnesota Office of Broadband Development discussed the State’s Broadband Efforts.

Few recent developments have drawn as much interest lately as the proposal by the Southern Minnesota Energy Cooperative (SMEC) to buy Interstate Power and Light’s (IPL) Minnesota assets. The proposal is currently being considered by state regulators. Kathleen Brennan of the McGrann Shea firm spoke with members in regards to the proceeding.

MMUA staff concluded the meeting with an issues round-up and rally recap. MMUA thanks all those who attended, and the utilities that sent them.
The proposed 500-acre Marshall Solar Energy Project is drawing fire from nearby residents. One rural resident said the prospect of being surrounded on three sides by solar panels is “just too much of an assault on what had been a quiet country setting,” according to the Fergus Falls Daily Journal. The formerly rural area is fast becoming an industrial area, he lamented.

Area residents, including township board members, have banded together and are taking their concerns to the project developer. It is a proposed 60 megawatt development. The ability of local governments to affect renewable developments of greater than 50 megawatts is unclear.

Barbara M. Cederberg has been appointed Chief Operations Officer of Gopher State One Call (GSOC). She assumes primary responsibility over GSOC’s duties pertaining to public safety as the notification center under Minnesota Statutes Chapter 216D.

Cederberg replaces Loren Fritz who is retiring as interim president. Fritz was also a long time Board member of GSOC. Fritz has previously hired the firm to help outfit a renewable energy center with a reverse-osmosis filtering system.

A Christmas Eve electric outage affected approximately 6,000 customers in rural areas outside of Princeton. The municipal utility received calls in regards to the outage, but does not serve the area. Some customers reported flickering lights and dimming, while approximately 2,100 were without power for nearly two hours.

The outage was not weather related. Engineers examining a substation could find nothing wrong on Dec. 26.

A large multi-state utility gave ample warning to customers in the city of Pipestone of planned late December power outages, planned for four different days in different parts of the city. What wasn’t planned were appliances that blew up once power was restored. Approximately 30 residences reported lost furnaces, computers and stoves.

The outages coincided with a substation upgrade and a voltage conversion.

Allete Inc., the parent company of Minnesota Power, has agreed to purchase U.S. Water Services, Inc. Allete had previously hired the firm to help outfit a renewable energy center with a reverse-osmosis filtering system.

A public meeting to review the feasibility of extending natural gas service to the city of Balaton was held Jan. 21 at the Balaton community center. The meeting was for informational purposes only. There is currently no natural gas service in the city.

The MPUC last year ordered Xcel to negotiate a power purchase agreement with Aurora, but the company said that decision should be revisited due to softening demand for electricity. A final decision is expected in April.

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PUBLIC HEARINGS HELD ON IPL-SMEC PROPOSED SALE

Public hearings held in regards to the proposed sale of Interstate Power and Light equipment and customers in Minnesota to the Southern Minnesota Energy Cooperative, a group of 12 electric cooperatives, were held Jan. 15 in Storden, Jan. 21 in Stewartville and in Albert Lea.

Mayo and Cargill submitted identical letters. While noting they do not “oppose the transaction per se,” the organizations urged conditions, including denial of a $16.9 million increase over depreciated costs SMEC will pay IPL; a limited rate of return IPL may charge for generation infrastructure; refusal to allow IPL to recover costs through federal regulatory processes; and a requirement to limit cooperatives with respect to merging rates going forward to increases of one-two percent annually.

In the public hearing notice, SMEC said it expects typical customer bills to increase six to seven percent the first year, three to four percent the second year and seven to eight percent the third year.
Facilities Project Manager
RPU, a division of the City of Rochester, Minnesota (pop. 106,000), is the largest municipal utility in the State of Minnesota and is accepting applications for the position Facilities Project Manager. Under general supervision, the Facilities Project Manager assists in maintaining RPU’s facilities and building systems by providing oversight and management of assigned new construction and capital improvement projects. This individual serves as the primary interface between internal customers and external contractors/vendors in ensuring that all completed projects meet the highest quality and safety standards. This position requires a Bachelor’s degree in Engineering, Architecture, Industrial Technology, Construction Management, Facilities Management or closely related field from an accredited four-year college or university and three (3) years of full-time employment experience managing new construction and capital improvement projects for a large commercial/industrial facility. Starting salary of $87,483 to $79,391 per year, depending on qualifications, with advancement to $99,240. APPLICATIONS WILL BE ACCEPTED UNTIL THE POSITION IS FILLED. APPLICATIONS RECEIVED BY FEBRUARY 22, 2015, WILL BE GIVEN PRIORITY CONSIDERATION. For more information and to apply online, go to: www.rochestermn.gov “First-Class City, First-Class Service” EOE.

Journeymen Electric/Substation Technician
The Detroit Lakes Public Utilities Department is accepting applications for the position of Journeymen Electric/Substation Technician. Duties include skilled electrical wiring, metering and substation operations and maintenance, as well as various other work related to the City’s electric utility operations. Applicants required to be Minnesota licensed Journeymen Electricians. Application forms and complete job description are available at the Public Utility Office in the City Administration Building, 1025 Roosevelt Avenue, P.O. Box 647, Detroit Lakes, MN 56502-0647; by calling 218-847-7609; by emailing at dlunzel@cityofdl.org; or visiting our website at www.ci.detroit-lakes.mn.us. Applications are to be submitted by 5:00 p.m., February 27, 2015. Equal Opportunity Employer.

Electrical Engineer
Marshall Municipal Utilities (MMU) located in Marshall, Minnesota is seeking qualified candidates for the position of Electrical Engineer. MMU serves approximately 6,500 electric...
customers and 4,500 water customers within the City of Marshall and currently has a peak demand of 85MW. MMU’s electrical system consists of six (6) substations, 15 miles of 11kV transmission, and 139 miles of 13.8kV underground distribution. MMU currently employs 39 people with annual revenues of approximately $52.6 million. Under the general supervision of the Electric Operations Manager, the Electrical Engineer will be responsible for design support and the operation and maintenance of substations, transmission, SCADA equipment, distribution automation equipment, electric metering systems, relay settings, and other physical systems of the utility.

Required qualifications include:

- Four-year degree in electrical engineering
- A valid State of Minnesota driver’s license
- Must be proficient with use of personal computer and programs such as Microsoft Word, Excel, and Access; AutoCAD; Milsoft; ArcGIS; etc.
- Skill in operating various electrical test equipment
- Knowledge of professional engineering code of conduct and ethics guidelines
- Knowledge of IEEE standards regarding generation, transmission, distribution systems, and substation design
- Knowledge of NESC standards for the safe operation of the transmission and distribution systems
- Knowledge of NEC standards for the interior wiring and electrical practices

Preferred qualifications include:

- Have or be able to obtain Engineering Technician Certificate within one year of hire
- Have or be able to make progressive steps toward obtaining Professional Engineering license in the State of Minnesota within five years of hire
- One year of electric utility experience with knowledge of administration, or the equivalent of five years of related experience
- Experience with SCADA and load management control systems.

Graduating Electrical Engineering students are encouraged to apply. A full and detailed job description can be downloaded from MMU’s website at www.marshallutilities.com under career opportunities. Deadline for receipt of applications is Friday, March 20, 2015. Position shall remain open until filled. Tenure starting date is June 1, 2015. Marshall Municipal Utilities is an Equal Opportunity Employer.

Electric Superintendent

The City of Two Harbors is seeking qualified applicants for the position of Electric Superintendent. Under the general direction of the City Administrator, the Electrical Superintendent is responsible for supervisory, administrative, skilled, technical and maintenance work in the planning, construction, operation, repair, maintenance and replacement of City electric facilities and systems. Minimum qualifications include:

- Graduation from high school or GED equivalent and b) seven (7) years of experience relating to the construction, repair and maintenance of electrical distribution systems including the operation of related maintenance equipment, or c) any equivalent combination of education and experience.

D) Possession of a State of Minnesota Professional Engineer license or higher, master license preferred. Applications and a position description, which includes a list of duties and responsibilities are available at City Hall, 522 First Avenue, Two Harbors, MN 55616. Tele- phone: (218) 834-5631. Please send resume to Sandra Feehan (sk.feehan@smmpa.org) at Southern Minnesota Municipal Power Agency, 500 First Ave SW, Rochester, MN 55902 by February 20, 2015. Salary range: $83k to $124k. Please send resume to Sandra Feehan (sk.feehan@smmpa.org). Salary is $25.52 per hour at full scale. Excellent benefits. Position requires: a City application and resume by February 20, 2015 to: City of Two Harbors, 522 First Avenue, Two Harbors, MN 55616. Telephone: (218) 834-5631.

Energy Services Representative

Responsible for assisting Member utilities with delivery, implementation, and marketing of Demand-Side Management (DSM) Programs of the Agency and its Members. Provides DSM and energy efficiency technical support and assistance to Member utility personnel and their customers to coordinate and promote their commercial/industrial and residential DSM Programs. Travel is assigned to Members and their customers on a daily basis required, possibly requiring overnight stays. Effective performance in this position requires a positive, self-motivated team player with a minimum of a four year degree in engineering, marketing, economics, business, public administration, or the equivalent combination of education and experience. A minimum of four years of applicable utility experience in delivering energy-efficiency programs with a balance of technical, program management, customer service and marketing skills required. Solid background in high-efficiency technologies (i.e., motors, lighting, HVACR, etc.) required. Excellent benefits. Salary range: $83k to $124k. Please send resume to Sandra Feehan (sk.feehan@smmpa.org) at Southern Minnesota Municipal Power Agency, 500 First Ave SW, Rochester, MN 55902 by February 20, 2015.

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Digger Derrick truck

Mountain Lake Municipal Utilities is looking for a late model Digger Derrick truck, with a lifting capacity of 10,000-12,000 lbs. at the 10’ reach. If you have one for sale, call Superintendant Ron Melsen at 507-427-2999, ext. 6, or 507-822-9212.

For a complete and up-to-date listing, see www.mmua.org

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Sale: continued from front page

customers to MERC’s rates and rate design was unlawful and unreasonable for several reasons. The OAG stated that first by increasing rates outside a rate case, the MPUC decision exceeded the Commission’s statutory authority. Second, argued the OAG, the decision was unreasonable because its conclusion was not supported by substantial evidence. Finally, argued the OAG, the decision did not follow procedures required by Minnesota law.

The sale is expected to result in rate increases of more than 22 percent for IPL’s residential customers. Rate increases will vary depending on customer class. Minnesota law does not allow the MPUC authority to change a state-regulated utility’s rates in the course of a property transfer, said the OAG.

Further, said the OAG, material facts were in dispute, which required a contested case hearing. Because material facts were in dispute, and because state law regarding Restrictions on Property Transfer and Merger require a contested case hearing, such a hearing should be held, said the OAG.

The companies involved in the sale said that, since customers are transitioning from the Commission-approved rates of one public utility to the approved rates of another public utility, the property transfer requests do not apply, because no MERC or IPL rates are being changed as a result of the decision and order.

The companies also disagreed with the rate impact analysis, and said no customer class will experience a rate increase of more than 7.1 percent.

Reliability: continued from page 4

may improve as a result of the sale. In the event the Commission wants to require service quality compliance filings sometime after the sale to determine if service quality has improved, that decision can be made as part of the record in the sale docket.

It appears that, since the sale of electric assets to SMEC was not approved by the Commission by December 31, 2014, that, at a minimum, IPL would file an informational report by April 1, 2015 containing 2014 safety, reliability, and service quality data, in order to ensure reliability, and service quality compliance.

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MMUA and our partners, Minnesota Rural Electric Association and American Public Power Association, are pleased to offer the 2015 Meter School and Basic Metering Pre-Conference.

New this year is the ability to select basic or advanced training. Students needing to learn the basics are encouraged to attend the pre-conference and then continue on into the Basic Meter School with more hands-on training.

Instructors

Larry Chapman of Chapman Metering will be on hand with his staff to partner with the instruction. Larry is a highly-qualified metering professional, working in the metering business his entire career! Larry has been instructing at the MMUA Meter School for a number of years.

John Pollard of Southeastern Electric Cooperative will also be on hand to partner with the instruction. John spent 25 years at May Engineering and is now Metering Coordinator for Southeastern Electric Cooperative.

Additional instructors to be announced.

Basic Meter Pre-Conference

The Basic Meter Pre-Conference will use a combination of interactive classroom and hands-on training to present and reinforce the instruction of the pre-conference. Pre-Conference will cover such topics as:

• Blondel’s Theorem
• Definitions of common abbreviations
• Common metering formulas
• Self-contained metering and troubleshooting

This class will create a good foundation in which to continue right into the Basic Meter School.

March 10-13

MMUA Training Center
Marshall, Minnesota