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Brainerd resolves utility labor dispute: mediated agreement ends lengthy negotiations

The City of Brainerd and the International Brotherhood of Electrical Workers (IBEW) Local 31 have accepted an arbitrator's decision concerning the labor contract for Brainerd Public Utilities (BPU) employees. The principles underpinning the decision may have implications for other municipal utilities in Minnesota.

In mid-2024, Brainerd Public Utilities (BPU) union members initiated two unfair labor practice complaints against the City of Brainerd, citing violations of state statutes related to labor negotiations. The complaints underscored significant disagreements between the union and city

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Allete faces opposition from multiple stakeholders over pending sale of Minnesota Power

Protesters took advantage of Minnesota Power's March 24 presentation to Duluth's city council to oppose a private acquisition of the utility ahead of planned public hearings.

Allete, the parent company of Minnesota Power, encountered strong opposition during a presentation to the Duluth City Council regarding its proposed sale to private investors. The transaction, which was announced in May 2023, involves New York-based Global Infrastructure Partners (GIP) acquiring a 60 percent stake in Allete, while Canada Pension Plan Investment Board (CPP) would own the remaining 40 percent. The deal, valued at approximately $6.2 billion, is currently under scrutiny by the Minnesota Public Utilities Commission (PUC) and faces significant public resistance.

Public concerns and city council debate

During the March 24 meeting,

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Legislature has a lot to do before May 19

The deadline for getting a bill out of relevant policy committees came and went on April 3, without the usual stress and fanfare.

As has become the norm, individual bills were lumped together into larger omnibus bills. Expanding on a newer practice, most omnibus policy bills also contained finance provisions this year. The deadline for getting bills out of relevant finance committees arrived at noon April 10, again without the usual frantic pace to get everything done. Then legislators went home for their 10-day spring break.

When they returned on April 21, each legislative body faced the challenge of passing its omnibus bills out of the Senate Finance or House Ways and Means Committee—two committees to which deadlines do not apply. From there, they must pass the bills off their respective chamber's floor so they can be sent to conference committee to resolve differences between the House and Senate versions of each bill.

While this is the usual practice, working through the differences has been made more challenging this year because of the 67–67 tie vote in the House. Under the power-sharing agreement reached between the Republicans and Democrats, all committees are made up of an equal number of members from each party. The committees are led by co-chairs who alternate holding the gavel. This means to pass a bill out of committee, at least one vote from the other side is required—just like a normal conference committee. Because of this structure, a lot of issues disappeared before reaching inclusion in their relevant omnibus bill.

Of course, a bill is never truly dead until the legislature adjourns sine die at the end of the session on May 19. In the meantime, an issue can come back as an amendment or as part of a deal to get agreement on a conference report. Because this is the first year of the legislative biennium, a bill not expressly adopted or rejected in 2025 remains in the

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A legacy of leadership: Harlan Schmeling reflects on 26 years at Moose Lake Power

After close to three decades of dedicated service, Harlan Schmeling is preparing to hang up his hard hat as Moose Lake Power's superintendent.

Moose Lake Power superintendent Harlan Schmeling poses with members of the Moose Lake staff before his retirement. Pictured left to right are office manager Dan Brown, line foreman Scott Nyber, lineworker Chad Davidson, incoming superintendent Jim Pederson, retiring superintendent Harlan Schmeling, administrative clerk Kate Coy, lineworker Tyler Envall, and lineworker Robby Moffett.

Since joining the utility in 1998, Schmeling has played a critical role in modernizing operations, improving reliability, and fostering a close-knit work environment. As he looks ahead to retirement, he reflects on his career journey, the evolution of the utility industry, and the legacy he leaves behind.

A career sparked by family influence

Schmeling's path to the utility industry began with a family connection. "My brother was working at a utility on the power side," Schmeling recalls. "He knew some of the things I did in the military, so I looked into being a line worker. That's what inspired me."

After completing a line worker program, Schmeling applied for an open position in Moose Lake and quickly found himself at the heart of the community's power operations. He started as a power plant operator, learning the intricacies of managing engines and utility systems. His steady leadership and technical expertise eventually led him to the role of acting superintendent in 2014. By May 2015, the title became official.

"I was thrown to the wolves at first," he says with a chuckle. "But I got a lot of help from Rich Maxfield, and over time, I grew into the position."

Powering progress: key projects and achievements

Over the years, Schmeling has overseen a series of significant projects that have strengthened the city's power infrastructure. One of the most impactful was negotiating a new power contract that secured lower rates for the community. "That kept our purchase power costs down, which led to big savings," he explains.

Another major milestone came early in his tenure as superintendent—replacing Moose Lake's control station. "I got thrown into that project right away," he says. Despite the steep learning curve, Schmeling approached each challenge with a meticulous eye for detail and a focus on staying within budget. "Most of my projects have come in under or right at budget," he notes. "One of my strengths is understanding the equipment and how to work within financial constraints."

Adapting to industry changes

During his 26 years in the industry, Schmeling has witnessed a dramatic shift toward automation. "When I started, we used old dial-read meters. Now, we have remote-read meters that automatically download into our billing system," he says.

While automation has improved efficiency, Schmeling laments the loss of personal connections. "The downside is you kind of lose touch with the people. In the past, reading meters was an opportunity to interact with the community and build bonds—that's faded with automation."

A steady leadership approach

When asked about his leadership philosophy, Schmeling describes a calm and measured approach. "I keep everything on an even keel," he says. "I try to keep the big waves as calm as possible and treat everyone with respect."

That steady hand was tested during one of the most difficult aspects of the job—personnel decisions. "The hardest part is when you have to let someone go," he reflects. "Relationships are important, and it's never easy to lose employees."

Despite the challenges, Schmeling takes pride in fostering a supportive, collaborative work environment. "You become a family, working together eight hours a day. We have a very good group that respects each other."

Serving the Moose Lake community

Beyond the technical aspects of his work, Schmeling values the relationships he has built with Moose Lake residents. "I like to talk with people and keep up personal relationships," he says. "Through that, you get rewarded—like the time I got invited to a barbecue. Those moments mean a lot in a small community."

His commitment to community engagement has helped maintain trust in the utility and ensured that residents feel heard.

Advice for the next generation

As he prepares to pass the baton, Schmeling offers some sage advice to his successor. "Listen to the people and always look at all your options—there are nine ways to skin a cat," he says. "When you do a project, be careful and meticulous. Review the blueprints thoroughly and work closely with engineers. Always have your ducks in a row."

Looking ahead: retirement and new adventures

Schmeling's retirement plans reflect his love of the outdoors and family. His eldest daughter will take over the family home, while he and his wife head to property near the Ash River Trail. "I'll do some fishing, pick up new hobbies—you gotta stay busy," he says. "When it gets too cold, we'll head down to the Gulf Coast and do some traveling."

As he reflects on his career, Schmeling remains humble. "Working with a lot of good people—the crews, contractors, and vendors—has meant a lot to me," he says. "There are so many great people out there."

When asked for any final thoughts, Schmeling offers a piece of wisdom that has guided him throughout his career: "There's always going to be a challenge. It's how you deal with those challenges that determine your success. Use common sense, and you'll be alright."

A lasting legacy

Harlan Schmeling's tenure as Moose Lake's power superintendent is defined by steady leadership, technical expertise, and a deep commitment to the community. As he steps into retirement, he leaves behind a stronger, more reliable utility and a team that works together like family—an enduring legacy that will power Moose Lake for years to come.

Tell your legislator: Minnesota is clinging to an outdated net metering system for solar

From My Desk to Yours

Karleen Kos
MMUA CEO

Note: On April 16, the Minnesota Star-Tribune *ran the following opinion piece that was co-authored by me and my counterpart at the Minnesota Rural Electric Association, Darrick Moe. This is a priority issue for MMUA and its members. Please contact your legislators and ask for their support for this issue.*

It's not fair to ratepayers, and it's no longer needed as an incentive.

Minnesota's energy future is transforming rapidly. Solar power is growing faster than any other type of generation, and the state's recent carbon-free electricity mandate for 2040 ensures continued expansion. However, outdated policies like net metering are raising costs, creating an inequitable burden on many households and slowing our progress toward a sustainable, carbon-free future.

Net metering was established in 1983 to support the solar industry when systems were expensive and adoption rates were low. The policy allows homeowners with solar panels to sell excess electricity back to the grid at retail rates — the same price utilities charge consumers. This high reimbursement policy was understandable when solar needed help to get off the ground, but today, with costs dropping and adoption rising, Minnesota has a robust solar market that no longer needs this subsidy, especially considering the inequitable effect it has on many of Minnesota's lower-income households.

At its core, net metering allows solar panel owners to use the electric grid like a savings account. When their panels produce more electricity than they use, the extra power flows back to the grid, earning them credits they can save for later. Then, when their panels aren't producing enough—like at night or on cloudy days—they spend those credits to offset their energy costs. The problem is that net metering forces cooperative and municipal utilities—nonprofit entities that serve their communities—to buy excess power from homeowners' overbuilt systems at retail rates, even though utilities could purchase power at a lower wholesale price. This cost difference is passed on to all consumers, raising electricity rates for everyone. The burden falls hardest on lower-income families who cannot afford solar installations, effectively subsidizing wealthier homeowners who can.

The inequity of net metering is further highlighted by abuses of the structure that continue to get worse as solar adoption grows. That is because our current law encourages owners to build a system much larger than necessary for their own needs in order to create passive income. Those installing solar assume they are making money from the "big utility," but in reality, at your not-for-profit cooperatives and municipals, the extra money comes from other ratepayers—consumers are making money off their neighbors.

Oversized systems create unnecessary strain and limitations on the grid. Cooperative and municipal utilities must still maintain power lines, substations and backup infrastructure to ensure reliable service—regardless of how much solar energy is being exported back.

Those fixed costs don't go away just because someone generates excess solar power. In fact, oversized systems can add complexity to the grid, and limit where other solar systems can be installed.

Other states are recognizing the unfairness of outdated net metering laws. The California Public Advocates Office estimated that in 2024, ratepayers spent $8.5 billion to support net metering—disproportionately benefiting wealthier homeowners at the expense of those who couldn't install solar. Minnesota is now the only state clinging to this outdated system for non-profit utilities, despite its proven financial burden on non-solar customers. Importantly, many states that have reformed net metering still have thriving rooftop solar markets, proving that solar growth can continue without unfair cost shifts.

Large-scale solar installations produce clean power at a much more affordable cost than rooftop solar and are strategically placed by utilities to provide stable, reliable energy.

Meanwhile, scattered rooftop solar installations add complexity to the grid, being installed in locations that were not selected by the utility and are not necessarily generating power when energy demand is highest. Utility-scale solar aligns better with Minnesota's energy goals, making our transition to 100 percent carbon-free power more efficient and affordable.

Cooperative and municipal utilities often work closely with solar companies to find solutions that benefit all consumers, balancing affordability with renewable energy growth. We fully support the right of individuals to self-generate their own load. Updating net metering ensures fairness. Under our proposed bipartisan reforms, homeowners will still receive retail credit for solar energy they use to offset their own consumption. Only excess power—beyond what they need—would be compensated at market rates, aligning with the original purpose of net metering.

This is not a partisan issue—it's a pocketbook issue. And it's a fairness issue. Electricity customers shouldn't have to pay more just so a wealthier neighbor can make a profit.

Minnesota has always been an energy innovation leader. Reforming net metering will keep us at the forefront of renewable energy policy while protecting lower-income families from unfair cost shifts. Modernizing this policy strengthens the grid, keeps electricity rates fair, and accelerates our transition to a cleaner energy future for all Minnesotans.

Assessing the impact of emerging US trade policies on energy and utilities

President Donald Trump's sweeping tariffs have dominated recent news headlines. While these measures aim to revitalize American manufacturing, they have sparked significant debate regarding their potential repercussions across various sectors. Notably, numerous sources speculate energy and utilities industries are poised to experience profound impacts, with implications for infrastructure costs, renewable energy projects, and overall market stability.

The administration stresses the tariffs will invigorate domestic manufacturing by encouraging companies to produce goods within the US, thereby creating jobs and stimulating economic growth. By imposing duties on imported goods, particularly those deemed vital to national security, the government aims to reduce dependency on foreign suppliers and ensure a more self-reliant industrial base. This strategy is intended to fortify the nation's infrastructure against external disruptions and enhance overall economic resilience.

Steel and aluminum tariffs: infrastructure cost implications

The imposition of a 25 percent tariff on steel and aluminum imports has a direct impact on the energy sector, which relies heavily on these materials for infrastructure development. Components such as pipelines, drilling equipment, and power transmission towers are predominantly constructed from steel and aluminum. Industry experts warn the increased costs of these essential materials could lead to higher overall project expenses. Utilities already face elevated capital expenditures, and additional costs from tariffs may lead some companies to postpone projects to manage cash flow deficits and protect their balance sheets.

Impact on renewable energy initiatives

The renewable energy sector is also bracing for the potential effects of the tariffs. Components such as solar panels and wind turbines often rely on imported materials. Increased costs due to tariffs could slow the adoption of renewable energy technologies and hinder progress toward cleaner energy sources. However, proponents argue that these measures could incentivize the development of domestic manufacturing capabilities for renewable energy components, ultimately leading to a more robust and self-sufficient industry.

Oil industry: navigating market volatility

By slowing global trade, the tariffs may reduce overall demand for oil. This decrease in demand, coupled with increased production from OPEC+ nations, has led to a significant drop in oil prices. Brent crude oil prices fell nearly 15 percent shortly after the tariffs took hold to just over $64 per barrel, marking a 30 percent decrease from the previous year. This decline poses challenges for US energy growth and could impact the profitability of domestic oil producers.

Energy prices and consumer impact

President Trump has pledged to reduce energy costs for Americans. Some analysts suggest the tariffs may have the opposite effect. Increased costs for materials and potential disruptions in supply chains could lead to higher prices for gasoline and electricity. This scenario raises

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Fast track or fast trouble? Debating MISO's expedited interconnection proposal

The Midcontinent Independent System Operator (MISO) has ignited a contentious debate with its recent proposal to expedite the interconnection process for new power generation projects. Dubbed the Expedited Resource Addition Study (ERAS), the initiative aims to address reliability concerns by fast-tracking certain projects. While some utilities and state regulators champion the plan as a necessary measure, independent power producers (IPPs), renewable energy advocates, and former Federal Energy Regulatory Commission (FERC) commissioners argue it undermines fair competition and could lead to higher costs for consumers.

Is the ERAS proposal a swift solution to reliability woes?

MISO's ERAS proposal seeks to streamline the interconnection process by allowing projects that meet specific criteria to bypass the traditional, often lengthy, queue. The intent is to bring new generation resources online more rapidly to bolster grid reliability amid increasing demand and potential capacity shortfalls. Supporters contend this approach is both necessary and timely.

Ameren, DTE Energy, and Entergy, among other utilities, have voiced staunch support for ERAS. They argue the proposal addresses immediate reliability needs and facilitates the swift addition of essential resources to the grid. The Organization of MISO States (OMS), representing state utility regulators, echoed this sentiment, describing ERAS as a "narrowly tailored, necessary, and temporary solution to a specific, unprecedented challenge." They emphasize the rapid and unexpected influx of large loads, such as data centers and manufacturing facilities, has outpaced the timing of MISO's current generation interconnection queue.

Dissenting voices

Despite the support from some utilities and regulators, the ERAS proposal has encountered significant opposition. Critics contend it unfairly favors incumbent utilities and discriminates against IPPs, thereby threatening the principles of open access and fair competition.

IPPs such as NextEra Energy Resources, Clearway Energy Group, and EDF Renewables are sounding alarms. They argue ERAS allows transmission owners and favored developers to skip ahead of long-suffering projects in the queue—some of which have been waiting for years. Worse, critics say ERAS could become a de facto parallel queue, potentially larger and even more chaotic than the one it aims to relieve.

The American Clean Power Association (ACP) has been particularly vocal in its criticism. In a statement, the ACP asserted ERAS "lacks guardrails on timing, scope, and implementation," and does not address existing systemic issues causing interconnection delays. ACP argues the proposal could exacerbate current challenges rather than resolve them.

Independent power producers, including NextEra Energy Resources and Vistra, also expressed concerns. They believe ERAS allows certain entities to "jump the queue," granting them substantial advantages over others who have been waiting in MISO's delayed interconnection queue. This, they claim, undermines the principles of fairness and non-discrimination in the interconnection process.

IOUs back it begrudgingly

Investor-owned utilities such as Ameren, DTE Energy, and Entergy back ERAS. So do transmission-owning utilities like MidAmerican Energy, Wolverine Power Supply Cooperative, and Xcel Energy. These players argue the proposal enables necessary grid updates without unfairly discriminating between technologies or fuel types.

However, even some of these entities may have mixed feelings. "That's not to say that Xcel Energy and GRE [Great River Energy] necessarily want more IPP generators to come online," noted Minnesota Municipal Utilities Association (MMUA) government relations experts Bill Black and Kent Sulem. "They'd prefer to self-supply, especially Xcel Energy, so they can add more generating assets to their bottom line for purposes of recovering revenue through their rates."

In essence, while the big transmission players might support ERAS for the model's state-led prioritization and potential to relieve queue congestion, they are simultaneously wary of opening the door to more third-party competition that could undercut their capital strategies.

The municipal utility angle

For municipal utilities, the ERAS debate may be much ado about nothing—at least directly. MMUA notes that ERAS affects transmission-level interconnection only, not the state-required distribution-level interconnection process known as the Minnesota Municipal Interconnection Process (M-MIP). The M-MIP, adopted by MMUA members, was modeled in part on the broader MISO system but functions independently.

"Our members are not really affected by it," Sulem and Black said. "Only non-utility electric generators (IPPs) are affected and upset."

Still, there is an important nuance—by shifting interconnection discretion to state regulators, ERAS may give states like Minnesota more local control over which projects advance. That is something municipal utilities often welcome. "The effect of the MISO move is generally good for Minnesota utilities as far as having more local (state) control as opposed to regional (MISO) control," they explain.

Joe Sullivan, a commissioner on the Minnesota Public Utilities Commission, currently serves as president of the OMS Board, positioning Minnesota's regulatory community to influence this shift more significantly than others.

Former FERC commissioners express concerns

Perhaps most notably, eight former FERC commissioners—including former chairmen Richard Glick and Neil Chatterjee—warned FERC that adopting ERAS would signal a dangerous retreat from the agency's long-standing commitment to open access. "It has been nearly 30 years since FERC first planted the flag of open access when the Commission issued Order No. 888," they wrote. "We have come too far to reverse course now."

They noted that other fast-track programs, such as PJM's Reliability Resource Initiative and CAISO's energy-only framework, were more narrowly focused than MISO's proposal. These plans maintained broader oversight and incorporated tighter constraints to prevent favoritism or unnecessary queue jumping.

State utility regulators are divided on the issue. While OMS supports ERAS, individual commissions, such as the Michigan Public Service Commission (PSC), have voiced opposition. The Michigan PSC argues ERAS favors incumbent utilities and lacks safeguards to prevent preferential and discriminatory practices. They also contend the proposal's effective six-year online deadline is excessively long for a supposedly expedited process.

On the other hand, the Data Center Coalition backs ERAS, highlighting the need for timely and reliable power supplies to support data center projects in the MISO region. They argue without the accelerated process enabled by ERAS, some data center projects may not proceed due to power supply uncertainties.

Balancing reliability and fair competition

The debate over MISO's ERAS proposal underscores the complex challenge of balancing the urgent need for grid reliability with the imperative to maintain fair and open competition in the energy market. While the proposal aims to address immediate reliability concerns by expediting the interconnection of untapped resources, critics argue it does so at the expense of non-discrimination and market fairness.

As FERC deliberates the proposal, it must weigh these competing interests carefully. The decision will have far-reaching implications not only for MISO but also for the broader energy landscape, potentially setting precedents for how interconnection challenges are addressed in other regions.

Looking ahead

MISO's ERAS plan has exposed deep divisions among stakeholders. Investor-owned utilities support the measure for its potential to resolve pressing reliability concerns and relieve congested interconnection queues. State regulators, particularly in regulated markets like Minnesota, see promise in having more localized authority over queue prioritization.

Meanwhile, IPPs and renewable advocates see ERAS as an existential threat—one that institutionalizes queue-jumping, dilutes FERC oversight, and deters long-term clean energy investment.

Municipal utilities, while mostly unaffected in a technical sense, may find themselves indirectly influenced by the outcome. The proposal may enhance their state's regulatory leverage and further entrench distinctions between large transmission utilities, small public power entities, and IPPs.

Ultimately, FERC's ruling on ERAS won't just determine the fate of one region's interconnection queue—it could set the tone for how the country balances reliability, fairness, and state versus federal power in the evolving energy transition.

Legislature has a lot to do

Continued from page 1

hopper for the 2026 session.

While there is a long road to travel over a relatively short period of time, going into the break, MMUA felt fairly positive about where issues of importance to municipal utilities stood. What follows is a summary of the good, the bad, and the neutral impact of the relevant omnibus bills as they appeared at the April break.

Omnibus Energy Bill

The Senate version is SF 2393 and is carried by Sen. Nick Frentz (DFL–North Mankato). MMUA was pleased the framework for its net-metering bill was included, but this enthusiasm was tempered by two amendments successfully added to the bill by Sen. D. Scott Dibble (DFL–Minneapolis.) The first amendment would restrict the scope of the bill so that it applies only to applications for interconnection received after December 31, 2026. Both MMUA and the Minnesota Rural Electric Association (MREA) feel this is too long of a waiting period. The second amendment would mandate the aggregation of meters if requested by a customer. This is an issue both MMUA and MREA were willing to discuss, but the amendment placed on SF 2393 would allow aggregation for non-contiguous parcels, without a size limit, and without other limitations deemed important to MMUA and MREA. Sen. Frentz has pledged support for improving the amendment or seeking its removal, which could jeopardize the support of other senators for keeping net-metering reform in the bill.

On a positive but separate note, Sen. Dibble successfully offered an amendment that de-couples the use of state funds for low-income heat assistance (LIHEAP) from the use of federal funds. This is important in light of the termination of all LIHEAP staff at the federal level and the uncertainty of future federal expenditures on this program.

Another positive amendment was made by Sen. Jason Rarick (R–Pine City). This amendment provides woody biomass to be allowed as a carbon-free source of power. The amendment passed 6–4, and it was expected environmental special interest groups would try to amend the provision back out of the bill.

One issue somewhat surprisingly left out of the Senate's Omnibus Energy Bill was the repeal of the nuclear moratorium. Sen. Frentz announced that because

the Prairie Island Indian Tribe had been unable to reach an agreement with Xcel over issues such as disposal of future waste, the issue would not be part of the bill this year.

On the House side, their omnibus bill is HF 2442, technically authored by Rep. Patty Acomb (DFL–Minnetonka). The proposed bill language was only five pages long when it was introduced and was reduced to a single page by a delete-all amendment. HF 2442 contained no policy language and authorized only one expenditure to be made over each of the next two fiscal years. Whether any floor amendments would have the votes to go on was not known as of the publication of this issue of *The Resource.*

Omnibus Environment Bill

SF 2077 authored by Sen. Fuong Hawj (DFL–St. Paul), is the vehicle for the Senate's version of this session's bill related to the environment. It unfortunately contains language to grant the Pollution Control Agency expressed authority to require the use of air dispersion modeling in any number of situations. MMUA tried to have an amendment offered to remove this provision due to its harmful impact on back-up generators that are only used intermittently and for short durations, but the Senator who has agreed to author our amendment changed her mind too close to the hearing to secure a new author. Steps have been taken to try to have it removed on the floor. Also of importance in dealing with this development is the fact that the House did not include the language in its omnibus bill. Therefore, MMUA will encourage House members to vote to reject any and all attempts to insert the Senate language.

Omnibus Commerce Bill

Among many other things, the Senate version of the Commerce bill, SF 2216 authored by Sen. Matt Klein (DFL–Mendota Heights), discusses the sale of power for electric vehicle charging. MMUA was successful in adding language that clarifies this is a limited exception to the law that would otherwise prohibit the sale of electricity by a non-utility. If the provision survives the remainder of the legislative process, it will have accomplished an item that has been on MMUA's legislative priorities list for several years.

Budget is the priority

While it would be great to make progress on select policy issues, the primary focus for the remainder of the session has to be on establishing a new biennial budget. In theory, the adoption of conference reports for these and the other omnibus bills will result in a new balanced budget, with or without an omnibus tax bill, and with or without a bonding bill.

Both tax and bonding bills are important for individual utilities. As things stand, there is no guarantee either will pass this session. The tax and bonding bills are exempt from deadlines, so it is too soon to assume the worst. No drafts for either bill were available for summary at the time of this writing.

Brainerd resolves utility labor dispute

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officials concerning employment conditions for utility workers.

The first complaint centered on the city's alleged refusal to provide detailed information regarding a wage study that formed the basis of the city's wage proposal during contract negotiations. The union claimed despite requests, the city offered only "vague, ambiguous information" lacking substantive value or context pertinent to the wage study or the ongoing contract discussions. This withholding of information, the union contended, impeded transparent and fair negotiations.

The second complaint addressed the city's unilateral decision to disregard provisions of the existing collective bargaining agreement, particularly those granting certain employees predetermined wage step increases on specified calendar and employment anniversary dates. According to the union, state statute stipulates both parties must operate under the expired contract's terms until a successor agreement is reached or until employees cease work due to a strike. By unilaterally altering the wage provisions, the city was accused of violating established labor statutes.

A lengthy process

Negotiations between BPU union members and city officials on their new collective bargaining agreement (CBA) had begun in October 2023 but had yet to yield an agreement by mid-2024. In early July, the union filed its complaints alongside a notice of intent to strike, indicating its members' readiness to escalate action if a resolution was not achieved. The union's notification opened a strike window beginning at 12:01 am on July 13, 2024, following a mandatory 10-day cooling-off period, and extending until 11:59 pm on August 1, 2024.

Although a total of 11 issues were ultimately outlined as problematic, the core of the dispute revolved around proposed wage adjustments. Union leaders highlighted concerns over a suggested wage freeze for certain employees, based on a recent wage study conducted by the city. While city officials indicated wage increases were proposed for some employees, those earning above the new wage grid would maintain their current salaries and receive lump sum payments equivalent to the proposed increases for others. According to a city press release, all employees would have received additional money under its proposal. In its own press statement, the union held that "most employees would have their hourly wage frozen in 2024, with a significant number remaining frozen in 2025 and 2026."

In response to the union's strike notice, mandatory "cooling off" negotiations took place on July 12, 2024. These discussions aimed to bridge the gap between the parties and avert a potential strike. Subsequently, the union postponed the potential strike to July 17, 2024, allowing additional time for negotiations.

Mediation and arbitration efforts

By late July 2024, the city and the union agreed to pursue mediation and, if necessary, arbitration. When mediation was not successful, both parties requested "total package interest arbitration," a process by which an independent arbitrator reviews proposals from both sides and renders a binding decision. This approach was chosen to forestall potential strike actions and seek a fair resolution to the matters of disagreement. The process ultimately involved detailed presentations from both the city and the union, focusing on areas of dispute including wage structures and employment terms.

Heading into the arbitration process, eleven issues had been certified for arbitration by the Minnesota Bureau of Mediation Services (BMS). By the time of the hearing on December 18, 2024, the city had dropped one issue, and the parties had agreed on four others. This left six remaining issues for the arbitrator to decide. The issues included:

1. Whether language in the CBA pertaining to discrimination should be removed. The city favored removal, and the union wanted the language unchanged.

2. How to recognize Juneteenth. The city favored exchanging an existing floating holiday for Juneteenth, while the union wanted it added without reduction to the floating holidays.

3. Whether there should be only one wage grid for all city positions as favored by the city, or whether the utility should have its own wage grid as favored by the union.

4. The amount of wage adjustments in 2024.

5. The amount of wage adjustments in 2025.

6. The amount of wage adjustments in 2026.

Arbitrator's decision

On February 27, BMS issued its decision on the matter. In over 30 pages, arbitrator Patrick J. Kelly provided the background and rationale for his determination.

1. The arbitrator agreed with the city that existing CBA language on discrimination should be removed, holding that in removing the clause, "the employee does not lose any right to initiate legal recourse should the city engage in unlawful discrimination."

2. The arbitrator agreed with the union that Juneteenth should be added without reducing the floating holidays.

3. The arbitrator agreed with the city that there should be only one wage grid for all city positions, including the public utility. The decision was based on a number of factors including that control of BPU, employees terms and conditions of employment was moved from the BPU Commission to the city by a charter amendment, thus requiring internal comparison/pay equity to be a primary consideration to ensure compliance with the Minnesota Pay Equity Act, as well as the arbitrator's satisfaction with the data in the wage study the city had commissioned.

Issues four, five, and six were thus decided by the arbitrator in line with the city's positions on those matters, consistent with the city's wage grid for which it decided in issue three above. The full text of the arbitrator's decision is available at mn.gov/bms/arbitration/awards/summaries-index.jsp under BMS Case No. 24PN0860

Implications and moving forward

The arbitrator's ruling provided a definitive resolution to this long disagreement, establishing the framework for employee compensation moving forward. Both sides have expressed strong perspectives throughout the process, reflecting the high stakes involved for employees, city leadership, and the broader community. Both sides are now determining how they will move forward in light of the arbitrator's decision.

Meanwhile, negotiators for other Minnesota cities and municipal utilities will move forward as well, with this case and its findings to inform their approaches in similar labor negotiations. In particular, other communities can be informed by the arbitrator's rationale for removing discrimination language from the CBA, for adding Juneteenth as an additional paid holiday without removing a floating holiday, and for the consideration of internal pay scales/pay equity as primary when control of a utility's employees falls under the city rather than the utility commission.

In any community, continued communication and a willingness to engage constructively are essential for ensuring that both operational goals and employee interests are effectively balanced. Over the long term, maintaining open lines of dialogue between management and labor will always be essential to fostering mutual understanding, better CBAs, and long-term stability of the utility workforce. When those elements are present, the chances of issues being resolved positively from everyone's point of view go up significantly.

Marshall Municipal Utilities general manager to retire, search for successor begins

David Schelkoph, general manager of Marshall Municipal Utilities (MMU), has announced his plans to retire later this year, according to the *Marshall Independent*. The search for his successor is underway.

Schelkoph, who has led MMU since 2020, indicated his retirement aligns with the timeline he shared when he was hired. "I told the commissioners when I was hired, it would be five or six years," Schelkoph told the *Independent*. He added his tenure was designed to provide internal candidates with the opportunity to develop their skills and prepare for future leadership roles.

Schelkoph formally submitted his notice of retirement in February and has agreed to remain flexible on his departure date if additional time is needed to identify and transition to a new general manager. During Schelkoph's leadership, MMU successfully completed several major infrastructure projects.

According to the proposed hiring timeline, the search for a new general manager was scheduled to begin in March, with final candidate interviews anticipated in early June and a hiring decision expected by the end of June.

Before joining MMU, Schelkoph served as city administrator and utility manager in Valley City, North Dakota. He brought 26 years of experience in the electric utility industry and previously served in both the U.S. Air Force and the Air National Guard.

Ann Arbor charts course toward community-owned energy future

Ann Arbor, Michigan, is moving forward with an ambitious plan to establish a community-owned Sustainable Energy Utility (SEU) that promises to deliver 100 percent renewable energy while operating alongside the existing investor-owned provider's system. The initiative, overwhelmingly approved by voters in November 2024, reflects a growing movement toward local energy independence and sustainability.

A community-owned energy alternative

The SEU is designed as an opt-in, supplemental energy provider offering residents and businesses access to clean energy through locally generated solar power and battery storage systems. Unlike full municipalization efforts seen in other cities, the SEU will not seek to take over DTE Energy's infrastructure or replace the investor-owned utility in Ann Arbor. Instead, it will function as a parallel service, giving customers the choice to source their power from community-owned renewable systems.

City officials describe the SEU as a pioneering model that allows communities to control their energy sources without the legal and financial hurdles associated with acquiring an existing utility's assets. "This is a first-of-its-kind utility that gives our community the power to invest in a sustainable future while maintaining access to the traditional grid," says Missy Stults, Ann Arbor's Sustainability and Innovations Director.

A long road to a green future

Ann Arbor's path toward energy independence began years before the SEU vote. In 2022, the city council commissioned a feasibility study to explore acquiring DTE's electric infrastructure. While the study's first phase outlined the potential benefits and costs, implementation of a more detailed phase II assessment was postponed in 2023 amid concerns over legal complexities and financial uncertainties.

Rather than waiting for conditions to be favorable for a full municipal takeover, city leaders shifted focus to a more incremental approach through the SEU. "It became clear that we could start building local energy capacity right away while still leaving the door open for future municipalization," says Council Member Travis Radina.

What the SEU will offer

The SEU's initial offerings will focus on household-level energy solutions. Participants will be able to install rooftop solar panels combined with battery storage, enabling them to generate and store their own power. The utility will also offer energy efficiency programs and support for transitioning to electric appliances and heating systems.

Over the next five years, city officials plan to expand the SEU's services to include shared energy infrastructure, such as microgrids—localized grids that can operate independently during outages—and networked geothermal systems for sustainable heating and cooling.

Grassroots support and public mandate

The creation of the SEU has been buoyed by strong public support. In November 2024, nearly 80 per cent of voters approved the proposal to establish the new utility.

Local advocacy group Ann Arbor for Public Power has been a vocal champion of the initiative, arguing that public ownership is essential to achieving the city's goal of 100 percent renewable energy by 2030. "DTE has shown us time and again that investor profits come before community needs," said Mohey Mowafy, a spokesperson for the organization. "The SEU puts control back in the hands of the people."

The road ahead

The city is now in the planning and design phase of the SEU, with an official launch expected in 18 to 24 months. Key next steps include finalizing the utility's governance structure, securing financing, and rolling out pilot programs to test solar and battery technologies.

While challenges remain, including coordinating with DTE Energy and navigating regulatory approvals, city leaders remain optimistic. "We are building a model for the future," said Stults. "One where communities can take control of their energy destiny and provide clean, reliable power for everyone."

As cities across the nation grapple with rising energy costs and the impacts of climate change, Ann Arbor's SEU could serve as a blueprint for municipalities seeking a more sustainable and locally controlled energy future.

Nominations sought for MMUA awards, board of directors seats

MMUA's Nominations and Awards Committee is accepting nominations for MMUA's 2025 industry awards.

This is a great way to recognize a municipal utility colleague, a public official, or a municipal utility system for showing leadership, innovation, and an example for others to follow.

MMUA'S Awards Program

MMUA annually confers awards on members of the municipal utility community, and those who support us, for unique contributions to our industry. The awards include:

- **System Innovation Award**—Given to a utility that has demonstrated leadership and innovation in customer service, energy efficiency or renewables, technology, or other areas.
- **Public Service Award**—Given to a state or federal elected or appointed official who has been a strong supporter of MMUA and its members.
- **Distinguished Service Award**—Given to individuals who perform outstanding service in support of the association and its goals.
- **Community Service Award**—Given to an individual who has performed long and well in support of a municipal utility at the local level.
- **Rising Star 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**—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.

The deadline for 2025 submissions is June 20. The awards will be presented at the MMUA Summer Conference in Rochester on August 19.

Nomination forms for the various awards can be downloaded from the MMUA website beginning in early May. You may submit nominations in multiple categories; all nominations will be considered.

Nominations for the Board of Directors

Serving on MMUA's Board of Directors is an honor as well as a responsibility. It is also a great opportunity for professional growth. Two seats are open this year for regular members due to the regular rotation process and the addition of one Board seat as allowed by the bylaws. In addition, one seat that may only be filled by a mayor, city council member, or municipal utilities commission member will be open.

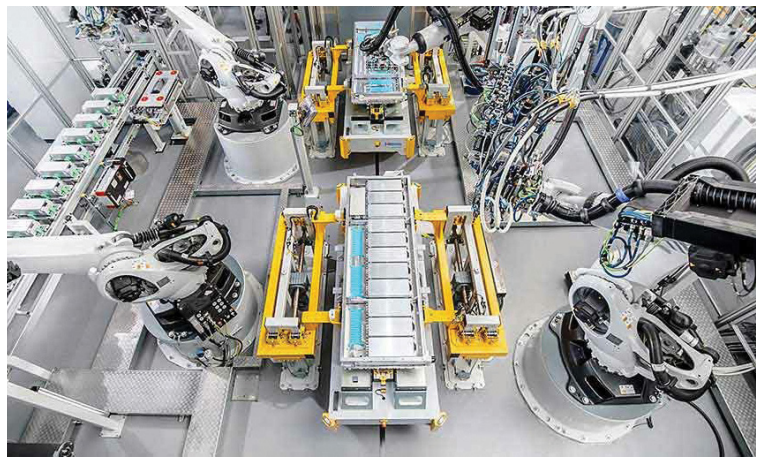
If you represent a regular MMUA member utility, are willing to accept responsibility for governance, and are available to actively participate as a Board member, please contact Karleen Kos to declare your interest and learn more about the nominations process.

Nomination forms should be submitted to Rita Kelly via email (rkelly@mmua.org) or regular mail (600 Highway 169 S, Ste 701, St. Louis Park, MN 55426). The deadline for nominations is June 20.

If you have any questions about the nominations process or what service on the Board involves, please contact MMUA CEO Karleen Kos. She will be happy to discuss the role of the Board members and the time commitment involved. Please email her at kkos@mmua.org or call her at 763.746.0701.

MMUA
Minnesota Municipal Utilities Association

The turbulent road for US battery gigafactories



In the early wake of the 2022 Inflation Reduction Act (IRA), the United States appeared energized for a battery manufacturing renaissance. Spurred by generous tax credits and a national push to onshore critical clean energy infrastructure, more than 1 terawatt-hour (TWh) of annual battery cell production capacity was announced by 2024, according to Clean Energy Associates (CEA). But in 2025, that ambitious outlook is running headlong into economic and political headwinds. Delays, project cancellations, and growing market uncertainty now cloud the once-optimistic outlook for US battery gigafactories.

A gigafactory is a large-scale manufacturing facility, particularly for electric vehicles (EV) and battery production, designed to achieve high volume and efficiency in the production of batteries and vehicle components. The political shift following the 2024 presidential election created an immediate ripple effect across the clean energy landscape. As President Donald Trump made good on campaign promises to freeze federal clean energy incentives, the disbursement of grants and loans that were central to many gigafactory business models halted, and companies in various stages of developing battery manufacturing facilities reassessed their paths forward.

New players pulling the plug

KORE Power, a prominent US-based startup, canceled its $1 billion battery cell project

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Minnesota's municipal utilities shine at APPA awards ceremony

Displaying their commitment to safety, a total of 202 utilities across the nation, including 10 representatives from Minnesota, have been honored with the American Public Power Association's (APPA) Safety Award of Excellence for their outstanding safety practices in 2024.

APPA has been presenting its Safety Awards for more than 65 years, underscoring a long-standing tradition of excellence in public power safety.

Minnesota's safety champions

Announced during the April 2025 APPA Engineering & Operations Conference, the following Minnesota utilities earned 2024 APPA Safety Awards:

- **Princeton Public Utilities**
  Gold Award
- **ALP Utilities**
  Diamond Award
- **Detroit Lakes Public Utilities**
  Diamond Award
- **Hutchinson Utilities Commission**
  Diamond Award
- **Marshall Municipal Utilities**
  Diamond Award
- **Owatonna Public Utilities**
  Diamond Award
- **Rochester Public Utilities**
  Diamond Award
- **St. Peter Municipal Utilities**
  Diamond Award
- **Willmar Municipal Utilities**
  Diamond Award
- **Southern Minnesota Municipal Power Agency**
  Platinum Award

These honors not only reflect the dedication of the utilities involved but also highlight the critical importance of maintaining a strong safety culture in the public power sector.

The evaluation process for these awards categorized participants by the number of worker hours and ranked them on their incident-free records, as well as the strength of their overall safety programs and cultures. The incident rate for each utility was calculated based on the number of work-related injuries or illnesses reported relative to the total worker hours logged, following the standards set by the Occupational Safety and Health Administration (OSHA).

Jon Beasley, chair of APPA's Safety Committee and vice president of Electric Cities of Georgia, emphasized the importance of prioritizing safety in this vital industry. "Harnessing electricity to keep our communities powered is essential work that can pose significant risks if proper safety practices are not adhered to," he stated. "This award recognizes those utilities that remain steadfast in their commitment to safety, ensuring the well-being of their employees and customers alike."

Joe Schmidt, MMUA assistant director of workplace safety services, presented the safety awards for the Minnesota winners at the 2025 APPA Engineering & Operations Conference held last month in California in conjunction with the annual Public Power Lineworkers' Rodeo.

Dave Geschwind

SMMPA CEO opines on the Platinum Award

Among this year's top honorees, the Southern Minnesota Municipal Power Agency (SMMPA) earned a Platinum Award—an affirmation, according to CEO Dave Geschwind, of the agency's everyday focus on doing things the right way. "It's a nice confirmation for the safety culture we're trying to maintain around here, regardless of whether you win any awards for it," said Geschwind. "You don't make a safety culture to win awards; you want to do something right."

SMMPA relies on the Minnesota Municipal Utilities Association (MMUA) safety training program to ensure that staff across its diverse facilities—from office roles to power plant crews—are professionally trained and always safety-aware. "We have some training scheduled on-site this week. It's just awareness and a culture of reinforcing that it's better to do the job the right way—or the safe way," Geschwind noted. "The risks we're exposed to here are different from those in the field or in the plants, but that attention to detail has to be there for everyone."

A key test, he added, is the transition occurring as experienced workers retire, and new team members come on board. "The challenge across the organization is dealing with retirements and training new folks. The Baby Boomers are retiring, and new employees need to be trained on both how to do their jobs and how to do them safely."

To maintain a unified culture of safety, SMMPA ensures its members also have access to consistent training and resources. "The majority of our members participate in the MMUA training. We make sure our folks have the proper training regardless of what facility they're going into," said Geschwind.

Receiving the Platinum Award, he added, aligns with SMMPA's broader vision. "The award is an affirmation that we're doing some things right. We want to qualify for safety awards because we want to maintain a solid track record."

These honors not only reflect the dedication of Minnesota's utilities but also underscore the critical importance of maintaining a strong, proactive safety culture in the public power sector.

Allete faces opposition

Continued from page 1

several Duluth residents and stakeholders voiced concerns about the privatization of the utility. Protesters fear the acquisition could lead to job cuts, higher energy rates, and a lack of commitment to sustainable energy. *The Minnesota Star Tribune* quoted Duluth resident Justin Dean, who emphasized that private equity firms prioritize profits over community welfare. "They don't care about Minnesotans," Dean said. "They don't care about providing affordable power or clean energy."

Beth Tamminen, a small-time Allete shareholder, acknowledged she might personally benefit from the sale but warned that GIP typically holds investments for fewer than 10 years. "That means that when they say, 'yes, our headquarters will stay in Duluth as long as we own it,' there's a very good chance that in five to seven years, they will no longer own it," Tamminen explained. "And who knows who will buy it?"

The case for privatization

Minnesota Power contends going private will help the company meet Minnesota's carbon-free energy mandate by 2040. They plan to invest more than $4 billion in new infrastructure, including wind farms and transmission lines, to transition away from coal. Raising such capital in public markets poses challenges, according to Jennifer Cady, Minnesota Power's vice president of regulatory affairs. "Public markets are a volatile place for us to be," she said, citing recent industrial layoffs as an example of market instability.

GIP has positioned itself as a provider of "patient capital," a term used by Joshua Taran, Allete's financial planning manager, in testimony to the PUC. GIP's business model relies on recouping investments through regulated public utility rates, which, according to founding partner Jonathan Bram, ensures a "fair and reasonable return" on investment.

State and industrial opposition

Despite assurances from Allete and its potential buyers, opposition remains strong. The Minnesota Department of Commerce has argued privatization would offer little benefit to consumers and could drive up electricity rates. Craig Addonizio, a public utilities analyst, testified Allete's reliance on private investors could increase financing costs, resulting in higher rates for customers. He further noted GIP and CPP could prioritize returns on their broader investment portfolios over Minnesota Power's stability.

In addition, a coalition of Minnesota Power's largest industrial customers, including paper mills and taconite mines, has urged regulators to reject the acquisition. Christopher Walters, a consultant representing large power consumers, warned the proposed investment plan would result in "staggering levels of investment, unsustainably large rate increases in the near term,

and a general loss of control over investment decisions."

BlackRock's involvement raises further questions

Further complicating the deal is GIP's ownership by BlackRock, the world's largest asset management firm. The Minnesota Department of Commerce has expressed concern that BlackRock's acquisition of GIP could increase the risk of self-dealing within Allete's investment portfolio. Additionally, as a private company, Allete would be subject to fewer public disclosure requirements, potentially reducing transparency in financial decision-making.

Community engagement and public hearings

Several public hearings occurred across northeast Minnesota in early April to gather community feedback before the PUC makes a final decision. Duluth City Council member Wendy Durrwachter expressed skepticism about the ability of regulators to hold large corporations accountable. "BlackRock has all the money in the world," she said. "Billionaires are taking over our country. I would like to know of an example where [state] regulations were actually honored by a company of this size."

While the Duluth City Council lacks direct authority over the sale, community members are encouraged to participate in upcoming hearings and submit public comments to the PUC. As the debate continues, the future of Minnesota Power—and the economic landscape of northeastern Minnesota—remains uncertain.

Salary survey success: your input makes a difference

By Shelly Dau, MMUA Director of Organizational Development and Human Resources

The 2025 municipal utilities salary survey is live!

For municipal utilities across Minnesota, the completion of MMUA's annual salary and benefits survey is not just a routine task, it is an essential part of ensuring public utilities remain competitive and responsive to both the needs of their workforce and the communities they serve. By participating in the survey, utilities contribute to a comprehensive dataset that will guide important decisions regarding compensation, staffing, and future planning at utilities across the state. The data is also helpful as MMUA advocates for utility workers, and as our workforce development efforts grow.

MMUA's salary and benefits survey serves as an important benchmark for utility leaders in determining fair and competitive wages throughout municipal utilities in Minnesota. For utilities, understanding where their compensation packages stand relative to others in the region helps ensure that they can attract and retain qualified professionals. In an era where skilled workers are highly sought-after and often scarce, providing competitive pay and benefits packages is critical for maintaining service excellence and operational efficiency.

The data collected from this survey provides MMUA members with a valuable comparison across various departments, including electric, water, wastewater, gas services, office administration, and city staff. The data will help municipal utilities leaders assess their staffing levels and salary structures, and identify trends that could signal potential challenges or areas for improvement.

Expanded data based on member feedback

As a result of MMUA's triennial member survey at the end of 2024, this year's survey has been expanded to gather more comprehensive data, particularly by incorporating information about employee benefits. As benefits packages have grown to become a larger part of total compensation, it is essential to consider not just salaries, but the full range of benefits offered by other utilities when you recruit and retain employees. The benefits to consider include health insurance, retirement plans, paid time off, and other forms of compensation such as continuing education

allowances or employee assistance programs.

Completing the survey is a win-win

Employees who feel that they are receiving fair and competitive benefits are more likely to stay with their employer, reducing turnover rates and the associated costs of hiring and training new staff. By including this crucial information in the survey, municipalities can create a more comprehensive approach to compensation, which in turn fosters employee satisfaction and retention.

So why take the time to complete the survey? There are two big reasons.

1. More data is better data. In order for the survey results to be meaningful, your colleagues in Minnesota need a good data set. If only a few utilities take the time to fill out the survey, the data will be less representative and, therefore, more likely to raise questions about its usefulness. So think of completing the survey as a sort of mutual aid project. We all have to pitch in and demonstrate that we can rely on one another for the greater good.

2. Results are free for those who participate. One of the key benefits for those who take the time to complete MMUA's salary and benefits survey is automatically receiving the report with the results. By submitting data, participants will gain timely access to a comprehensive report of the compiled salary and benefits data. This information will allow municipal utilities to compare their own compensation practices against those of their peers, ensuring that they are staying competitive and addressing potential gaps in their offerings. This year, the report will contain the new data on benefits and will be laid out in a more readable format.

For utilities that choose not to complete the survey, there is still an option to obtain the results for a fee. However, this should be considered a last resort. The more robust the dataset, the more valuable the information becomes, benefiting all participants. If everyone were to assume they'd just buy the report, there would be nothing in it.

Participating in the MMUA salary/benefits survey is an investment in your utility's workforce. By sharing data and collaborating with other utilities, everyone can benefit from a more competitive and sustainable compensation landscape that helps ensure that our hometown utilities continue to thrive.

For more information about the survey and how to participate, watch for informational emails containing the survey link or contact me at sdau@mmua.org for access information. I am always glad to help.

Minnesota shines at APPA's annual Lineworkers Rodeo

The 2025 Public Power Lineworkers Rodeo was held in Roseville, California, at the end of March.

This annual event is a unique competition where lineworkers from across the US showcase their technical skills, safety practices, and teamwork through challenging events. Sixty-one journeyman teams and 115 apprentices competed overall. This year, Minnesota fielded 22 participants from six teams, and four MMUA staff had leadership roles in the event.

The public power town of Roseville, California, hosted this year's rodeo. Here, a portion of the large event field is visible while dozens of teams await the action.

Members of the Owatonna Public Utilities team place the cover up in preparation for changing out the crossarm under energized conditions.

Lineworkers from Rochester Public Utilities gear up for the hurtman rescue event.

Elk River Municipal Utilities personnel—current and future—had a moment to smile for the camera as they moved equipment between events.

Marshall Municipal Utilities were represented by apprentice lineworkers Bryson Whyte, Jonathon Bell, and Logan Lamote.

Rodeo participants from Shakopee Public Utilities prepare for the three-phase conductor tie-in event.

The Chaska team took a moment to form a kick line—or maybe, just humor the photographer—on the day of the event. Pictured left to right are Pete Wyffels, Nate Ebert, Trent Anderson, Jacob Schrupp, Brandon Heitz, Tyler Conway, and Craig Schmeig. Ebert, Heitz, and Schmeig are all journeymen lineworkers, while Anderson, Schrupp, and Conway are apprentices. Wyffels is the electrical director at the Chaska Electric Utility Department.

For the past several years, MMUA's Rita Kelly has offered her personal time to make a quilt from donated team shirts created for the previous year's rodeo. MMUA provides the quilt as the prize in a raffle whose proceeds go to a fund to assist injured lineworkers. This year the proceeds totaled $2,830, and the lucky winner was Jeff Bertram from Owatonna. Congratulations, Jeff, and thank you to Rita for all her time and hard work creating the quilt each year!

Utility leaders convene and develop "six big ideas" for avoiding a national electricity crisis

As the US braces for a surge in electricity demand, leaders from across the energy spectrum gathered at Stanford University in February with one goal: keep the power on. The occasion, hosted by Stanford's Doerr School of Sustainability's Precourt Institute for Energy, culminated in a new report outlining a half dozen ambitious concepts for avoiding a national electricity crisis. Though consensus was not the aim, urgency certainly was.

After two decades of relatively flat growth, US electricity use is set to skyrocket—rising 15 to 20 percent in the next 10 years, and possibly doubling by 2050, according to the US Department of Energy. This upward trend is being fueled by the expansion of AI computing, electrified transportation, and a renewed focus on domestic manufacturing. Unfortunately, our aging grid was not built for this kind of pressure.

"It's a pivotal moment," says Arun Majumdar, dean of the Doerr School of Sustainability. "We must act now to secure America's energy future."

From crisis to catalyst

The Stanford roundtable, which brought together more than 80 experts from academia, government, the private sector, and non-profits, did not aim to solve every challenge. Instead, the resulting report—"Six Big Ideas to Help Avoid a U.S. Electricity Crisis"—offers focused starting points for policymakers looking to get ahead of a mounting problem.

At the heart of each recommendation is the recognition that the US grid must evolve—and quickly.

1. Powering national security

Electricity is no longer just a commodity; it is a cornerstone of national security. From AI-assisted defense systems to critical infrastructure protection, a reliable power supply is essential. The report recommends strengthening global partnerships, especially around emerging technologies like nuclear energy, and bolstering grid defenses against both cyber and physical attacks.

2. A real "all-of-the-above" strategy

While many leaders endorse an "all-of-the-above" energy policy, too often that means "everything except what we disagree with." The report encourages genuine portfolio diversity—supporting renewables, nuclear, natural gas with carbon capture, and energy storage. This pragmatic blend, it argues, will help stabilize costs and ensure consistent power.

The authors recommend maintaining tax credits that reward energy production rather than picking winners and losers by technology type.

3. A national grid investment fund

The US grid is fractured into six loosely connected regions. Better interconnection would allow energy to flow more freely where it is needed—especially when renewable sources dip in performance. A national investment fund, backed by both public and private capital, could jumpstart this transformation. Alongside funding, the report proposes granting new authority to federal regulators to fast-track critical transmission projects.

4. Fixing the permitting puzzle

One of the biggest bottlenecks in energy infrastructure is permitting. New power lines, storage facilities, and generation projects often face years of regulatory delays. Stanford's report suggests modernizing the process with permitting "shot clocks," prioritizing the most impactful projects, and using AI to streamline environmental reviews.

5. Flexible grid policies

Too many promising energy projects stall during the connection process. Rigid interconnection rules and planning processes slow the pace of progress. The report recommends a "connect and manage" approach already in use internationally, allowing projects to link to the grid more quickly while long-term solutions catch up. This could also encourage more distributed energy sources, like residential solar paired with home battery systems.

6. Rethinking utility models

According to the Stanford report, current utility incentives often favor large, capital-heavy investments, even when cheaper and more efficient solutions are available. The report calls for a shift to performance-based regulation, which rewards utilities for delivering results—such as lower outages, better resilience, and cleaner energy—not just for building more. Burying power lines, investing in smart grid tech, and boosting transmission capacity could all play a role.

The grid's make-or-break moment

Panelists were clear the US cannot afford to wait. They noted failure to modernize the grid could stall economic growth, threaten global competitiveness, and increase the risks of widespread outages. Former Secretary of Energy Jennifer Granholm and former Secretary of State Condoleezza Rice joined Majumdar in urging action that transcends partisanship.

"This is not a red or blue issue," said William Chueh, director of the Precourt Institute. "It's an American issue."

While many of the policy levers lie at the federal level, the report emphasizes states, utilities, and the private sector all have roles to play. Karen Skelton, a senior advisor on the project and co-author of a related op-ed, explained: "America's energy future isn't some far-off challenge—it's already begun."

A call to lead

The report also presents an opportunity for the presidential administration and Congress to lead. With voices from both Republican and Democratic administrations contributing to the report and reviewing its content, Stanford's work signals a potential area of bipartisan agreement.

"None of these fixes are technically difficult," says Pat Wood III, former chair of the Federal Energy Regulatory Commission. "But they require leadership. If we don't act now, we risk making today's manageable challenges into tomorrow's full-blown crisis."

Stanford's report is a reminder that American ingenuity, when focused, can still light the way forward. The report is available on Stanford's website at Stanford.edu.

US battery gigafactories

Continued from page 7

in Buckeye, Arizona, after the Department of Energy (DOE) failed to finalize an $850 million loan it conditionally approved in 2023. The facility, dubbed "KOREPlex," was expected to produce 12 gigawatt-hours (GWh) annually. Its demise underscores the fragile balance between private capital and public subsidies, negatively impacting startups that expected to rely on the subsidies at the beginning of their work.

FREYR Battery, a Norwegian firm, also pulled the plug on its 34GWh Giga America project in Georgia. Citing declining battery prices and rising interest rates, the company re-evaluated its US operations in light of shifting policy landscapes and mounting financial pressure. These are not isolated incidents but part of a broader retrenchment among second-tier battery manufacturers.

"Smaller battery manufacturers were already facing mounting challenges before the election," wrote Anjali Joshi, a market intelligence analyst with CEA. "The freeze on DOE funds is likely to be the final nail in the coffin for many of them."

Multiple startups—among them Kontrolmatik, Microvast, and iM3NY—have delayed operations, issued layoffs, or filed for bankruptcy. iM3NY's Chapter 11 filing in 2024 exemplifies the existential threat faced by smaller vendors unable to scale quickly or secure government support.

The contraction is especially troubling for the energy storage systems (ESS) market. While electric vehicles (EVs) garner more public and political attention, it is stationary storage—essential to grid reliability and renewable integration—that faces the greatest risk. According to CEA, only 4 percent of projected 2026 battery cell capacity is dedicated to ESS applications. Of that 4 percent, more than half was expected to come from smaller manufacturers now facing uncertainty or collapse.

Startups like KORE Power and FREYR pledged significant investment into lithium iron phosphate (LFP) batteries tailored for ESS. With their exits, ESS market growth could slow, leaving utilities and developers scrambling to find viable alternatives, particularly in light of increased tariffs on Chinese imports. For many, that means relying on a smaller number of international powerhouses.

Asian markets dominating the battery landscape

Korean and Japanese suppliers—LG Energy Solution, Panasonic, Samsung SDI, and SK On—are projected to represent 54 percent of all US battery cell capacity by 2026. These giants, bolstered by strong balance sheets and diversified revenue streams, are adapting to the new landscape by shifting focus. LG Energy Solution, for example, plans to begin LFP battery production in Holland, Michigan, while temporarily pausing its Arizona ESS-specific plant.

Similarly, Envision AESC is planning LFP production at its Tennessee facility, following a similar pivot toward more economically viable models. With fewer competitors, these companies are now positioned to potentially dominate both EV and stationary storage markets. This concentration also creates a vulnerability. Fewer suppliers mean reduced resilience and increased risk for supply chain bottlenecks.

The changing dynamics also raises critical questions about industrial policy. Was the IRA too dependent on temporary incentives? Could the US have done more to foster long-term competitiveness among domestic startups? And how should the federal government support innovation amid changing political winds?

A 2023 report by the International Energy Agency (IEA) warned the US was still lagging behind China in battery manufacturing scale, cost competitiveness, and raw material access. Without consistent federal backing, many industry observers now fear the US could cede its tentative lead in reshoring battery production.

"It's a capital-intensive industry," said Joshi in a recent interview. "Without policy consistency, it's incredibly difficult for newer entrants to survive—let alone compete with China."

The impact on renewables

The current disruption is not just about manufacturing plants and market share. It has wider implications for the energy transition. Battery storage is critical to managing renewable energy intermittency, decarbonizing the grid, and providing backup during extreme weather events. A slowdown in battery capacity growth could hamper these efforts, making it harder to meet state and federal decarbonization goals.

While larger firms are stepping up, they are also selective. The majority of their US production capacity remains focused on EV batteries, not stationary storage. This imbalance could limit innovation and diversification in ESS technology.

The crystal ball outlook is unclear

For now, the fate of US gigafactories remains uncertain.

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Data centers reshape the energy landscape

Artificial intelligence (AI) is fueling a seismic shift in energy demand, with data centers at the epicenter. According to a report from Goldman Sachs, AI-driven workloads will contribute to a 165 percent increase in data center electricity demand by 2030. This surge presents both challenges and opportunities for utilities, policymakers, and technology companies as they strive to balance reliability, sustainability, and cost.

The growing energy appetite of data centers

Data centers have long been known for their massive power consumption, but the rise of AI has supercharged the trend. A Southwest Energy Efficiency Project (SWEEP) report reveals utilities across the Southwest are requesting thousands of megawatts (MW) of new capacity as IT companies expand their operations. The facilities require constant, high-density computing power, far exceeding traditional data processing needs.

The increasing reliance on AI-driven technologies—from machine learning to autonomous systems—means the demand for uninterrupted, high-capacity power will only intensify. West Monroe's 2025 Energy & Utilities Industry Outlook notes that utilities must adopt innovative solutions to meet these demands without compromising grid stability.

Currently, 40 percent of US data center employees are situated in five states: California, Texas, Florida, New York, and Georgia. AI accounts for a relatively minor share of the overall data center energy consumption, with streaming services, data storage, and payment processing gobbling up the lion's share of data center energy. But AI's influence is growing exponentially. A recent International Energy Agency (IEA) report projects that data centers will account for nearly half of US electricity demand growth through 2030.

The IEA analysis of AI's environmental impact

The IEA report also suggests fears regarding artificial intelligence exacerbating climate change may be exaggerated. While data centers rely on fossil fuels for energy, the findings highlight a more nuanced view of AI's role in the energy landscape.

The analysis examined the relationship between AI, energy consumption, and climate impact. Notably, data centers accounted for approximately 1.5 percent of global electricity use last year, with projections indicating this figure could more than double by 2030, outpacing Japan's current total consumption. Renewable energy sources are expected to play a significant role in meeting this demand, particularly through 2035.

The IEA report also indicates a typical AI-driven data center uses as much electricity as 100,000 homes, while the largest facilities under development may consume up to 20 times that amount. Despite these figures, the IEA does not label AI as either a villain or a savior regarding climate change. Instead, it points to AI's potential to enhance renewable energy integration and improve efficiency, estimating that AI applications could reduce energy-related emissions by about 5 percent by 2035. However, there remains uncertainty about the future energy landscape, making predictions challenging.

The utility perspective: struggling to keep pace

Utilities are grappling with a key question: How can they meet the growing energy demands of data centers without burdening residential and business customers with rising costs? Expanding infrastructure to accommodate massive energy needs requires significant investment, and in many cases, traditional generation sources such as natural gas are being reconsidered despite clean energy goals.

"There are growing concerns about how utilities will meet these electricity needs," states SWEEP. "Will utilities add new gas-fired generation, potentially compromising state or utility clean energy targets?"

Some utilities are taking proactive steps to prevent this. For instance, NV Energy in Nevada introduced a tariff specifically designed for data center customers who wish to source 100 percent of their power from renewable energy. The initiative, initially proposed by Google for its planned facility in northern Nevada, suggests allowing large energy users to pay a premium—a tariff—for clean energy from new resources such as geothermal or nuclear sources. This arrangement would allow energy users to make up the difference between the cost of these capital-intensive resources and low-cost, dispatchable options like natural gas. The goal is to ensure that hyperscale data centers do not increase the state's reliance on fossil fuels or harm smaller customers.

However, not all policies favor everyday ratepayers. A recent investigation by *The Harvard Crimson* found that some utilities, including those serving Harvard University, offer deeply discounted electricity rates to major tech companies to attract their business. These discounts, while lucrative for Big Tech, often shift financial burdens onto residential and small business customers who end up covering the shortfall through higher rates.

Municipal utilities vs. investor-owned utilities (IOUs)

The energy needs of data centers—and the fairness of who pays—are being approached differently depending on the type of utility involved.

Because IOUs are for-profit and often regulated by state public utilities commissions, they are more likely to offer tailored deals to attract hyperscale data centers to their territories. These

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Data centers reshape the energy landscape

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deals often involve discounted electricity rates, expedited interconnection timelines, and custom tariffs—strategies aimed at capturing tax-base growth and economic development benefits. However, because IOUs serve shareholders, there is increasing scrutiny on how costs are allocated—and whether customers are subsidizing big tech expansion.

On the other hand, municipal utilities are publicly owned and governed by local commissions or city councils. Municipal utilities are generally more conservative when it comes to offering incentives, because they are directly accountable to the communities they serve. Because municipal utilities often operate on thinner margins and prioritize long-term rate stability for residents and local businesses, they may be more selective about data center proposals that do not clearly benefit the community.

The bottom line: where IOUs may see a data center as a growth opportunity, municipal utilities are more likely to ask, 'What's the true cost—and who really benefits?'

Is renewable energy sufficient?

With major corporations such as Amazon, Google, and Meta pledging to power their operations with clean energy, the pressure is on utilities to provide scalable renewable solutions. Goldman Sachs' analysis suggests that while the adoption of solar and wind energy will grow, the intermittent nature of these sources presents challenges in meeting all operational demands.

To bridge this gap, the industry is looking toward small modular nuclear reactors (SMRs) and grid-scale battery storage. These emerging technologies offer the potential for stable, long-term power solutions without the emissions associated with fossil fuels.

West Monroe's report highlights the adoption of hybrid energy models—combining renewable energy, advanced storage solutions, and localized microgrids—which will be key to ensuring reliability as data center expansion accelerates.

Who pays for the data center power boom?

Another pressing concern is who bears the financial burden of new power infrastructure. SWEEP emphasizes that utilities must develop new tariffs and interconnection contracts ensuring large data centers, rather than ratepayers, cover the full cost of the generation and transmission infrastructure needed to support them.

"This issue is about fairness," SWEEP states. "Without proper cost allocation, residential and small business customers could see higher electricity rates as a result of infrastructure built for hyperscale data centers."

Reports like *The Harvard Crimson's* suggest that in some regions, big tech companies are securing below-market electricity rates through agreements with utilities, potentially increasing costs for other consumers. Harvard Law School researchers argue these deals highlight the need for more equitable energy policies that prevent cost-shifting to everyday customers.

Minnesota lawmakers differ in their approaches to data center energy needs

The Minnesota legislature is attempting to tackle the data center energy quandary. A bill sponsored by Rep. Patty Acomb (DFL-Minnetonka), HF 2928, would establish regulatory requirements for the siting and operation of large-scale data centers, ensuring that their significant water and energy needs are balanced with environmental concerns. That bill currently appears to be dead.

According to MMUA's Director of Government Relations and Senior Counsel Kent Sulem, "If any data center legislation moves [this year], it will be in the tax bill." Committees in both chambers have heard sales tax provisions related to data centers that may have some legs. Sulem says Republicans have also offered bills (HF 28/SF 393) that require far less environmental consideration for data centers. These bills grant an exemption from the requirement for a Certificate of Need for back-up generation. HF 28 was tabled and can be brought back at any time. SF 393 ran out of time for committee consideration and did not advance.

Theoretically, it is possible for any of these ideas to be added to a bill as an amendment as the session progresses or to be revived next year. If a compromise is to be found, there are no signs of it at this time.

Energy efficiency and demand response solutions

While expanding power generation is one approach, energy efficiency measures and demand response programs are equally critical in managing grid strain. West Monroe's report notes that leading data center operators are investing heavily in AI-driven efficiency optimizations, improving cooling systems, and utilizing liquid immersion cooling technologies to reduce energy waste. Moreover, demand response agreements—where data centers temporarily reduce power consumption during peak demand periods—could provide much-needed flexibility for the grid. Such initiatives, if widely adopted, could significantly reduce the need for new power plants while maintaining reliability.

The road ahead

With AI-powered data centers set to drive exponential electricity demand growth, policymakers face a crucial challenge: how to enable rapid technological progress without jeopardizing energy security or environmental goals.

Potential policy solutions include:

- Mandating large data centers source all new energy needs from renewables.
- Requiring IT companies to fund infrastructure expansions rather than passing costs to general ratepayers.
- Expanding incentives for energy-efficient computing technologies.
- Encouraging nuclear and grid-scale battery investments to provide stable baseload power.

A defining moment for the energy sector

The rapid expansion of AI-driven data centers is fundamentally reshaping the energy landscape. While the challenges are formidable, they also present a unique opportunity for utilities, regulators, and IT companies to innovate, collaborate, and rethink the future of power generation.

However, growing scrutiny of discounted electricity deals for big tech raises serious equity concerns. Ensuring that utilities distribute costs fairly—without unfairly burdening residential and small-business customers—will be essential to building a sustainable energy future.

By balancing energy demands with sustainability, cost fairness, and technological advancements, stakeholders can ensure the AI revolution drives progress—without overwhelming the grid.

LADWP under scrutiny in wake of devastating Palisades Fire

The Los Angeles Department of Water and Power (LADWP) has come under intense scrutiny following the catastrophic Palisades Fire, which erupted on January 7, 2025. Despite allegations, the municipal utility asserts there is no evidence linking its energized power line to the origin of the blaze. This statement comes amid ongoing investigations and legal challenges.

The Palisades Fire, which ravaged the hills of the Pacific Palisades, is poised to be one of the most destructive natural disasters in US history. While an energized above-ground power line was present near the initial fire site, LADWP maintains that its infrastructure did not contribute to starting the inferno. The utility reported that the transmission line was manually de-energized at 2:30 pm on the day of the fire, several hours before allegations of spot fires emerged.

Despite these assertions, a new complaint filed against LADWP accuses the utility's electrical system of igniting spot fires, which purportedly fueled the larger blaze. These spot fires allegedly began around 10:30 pm, approximately 12 hours after the first flames were reported.

LADWP also faces lawsuits concerning its water management during the fire. The allegations suggest mismanagement hindered firefighting efforts, exacerbating the disaster's impact. In addition, Southern California Edison, a major investor-owned utility, is confronted with litigation claiming its equipment sparked another significant fire, the Eaton Blaze.

As investigations proceed, including those led by the US Bureau of Alcohol, Tobacco, Firearms and Explosives, the pressure mounts on LADWP to prove its equipment was not the fire's catalyst. The outcomes of these investigations and legal challenges could have profound implications for utility management and wildfire prevention strategies across the region.

Bringing free training to your community: a roadmap for success

By Blaine Chaulkin, MMUA Grant Development and Technical Support Coordinator

As our regular readers know, the Minnesota Municipal Utilities Association (MMUA) has been a proud recipient of the Susan Harwood Grant to bring training on chemical hazards safety in English and Spanish to workers in the upper Midwest

As a Harwood grantee, MMUA is crucial in delivering high-quality safety training on behalf of OSHA through its dedicated safety coordinators. These coordinators are eager to work closely with local communities to ensure the training programs are tailored to meet the specific needs of the participants.

All communities in Minnesota and the surrounding states are eligible to participate and offer the training as a value-add from the utility to employers and workers in your towns. So far, around a dozen trainings have occurred. The communities that have hosted the training sessions have found innovative ways to market the events, engage local small businesses, and use community buildings effectively.

Market the event

Effective marketing is crucial to ensuring the success of any training program. Minnesota communities have employed various strategies to promote the Susan Harwood training sessions.

- **Social media campaigns.** By leveraging platforms like Facebook, Twitter, and LinkedIn to create event pages, and share updates, communities have reached potential attendees and sent the message, "our utility cares about you." These campaigns often include eye-catching graphics and informative posts that highlight the benefits of the training.

- **Engaging local media.** Utilities have partnered with local newspapers, radio stations, and TV channels to advertise their training event. Press releases and interviews with organizers help spread the word and generate interest. Your local Chamber of Commerce may have a QCTV informational offering with news and events, and some Minnesota towns have community access channels. These are great ways to reach your potential audience.

- **Flyers and posters.** Distributing flyers and posters in high-traffic areas such as community centers, libraries, and local businesses is sure to catch people's eyes. These materials provide essential details about the event and encourage community members to participate.

Garner interest from local small businesses

Engaging local businesses is essential for the success of the training program. Here are some strategies that communities have used:

- **Business networks.** Leveraging local business networks and chambers of commerce to spread the word helps you notify people you may not otherwise reach. These organizations can help connect with small business owners whose employees might benefit from the training. The target audience for the training is workers and supervisors from small businesses, so this is an important avenue to explore.

- **Personal invitations.** Send individual invitations or make some calls to local businesses, highlighting how the training can improve workplace safety and compliance. This approach adds a personal touch and shows businesses that their participation is valued.

Host the event in a community building

Choosing the right venue is crucial for the success of the training program. Community buildings are ideal for hosting these events due to their accessibility and familiarity for residents. Here's how communities have successfully utilized these spaces:

- **Accessibility.** The venue should be easily accessible by public transport and have adequate parking facilities. This will make it convenient for attendees to reach the location.

- **Facilities.** Community buildings should have necessary facilities such as audio-visual equipment and seating arrangements. This ensures a smooth and professional training experience.

- **Community Involvement.** Engage local volunteers to assist with event logistics, such as registration, setup, and providing refreshments. This fosters a sense of community and shared responsibility.

What does MMUA gain?

Since the rollout of this opportunity, MMUA has received inquiries about what MMUA gets out of this training. In a word: nothing. That's right. The Susan Harwood grant program is intended to help carry information about important safety topics to workers who might not otherwise hear it.

Because MMUA has safety professionals on staff, and we are already working in the sorts of communities that have been identified as potentially benefiting from safety outreach, we raised our hands and said, "We'll help." The grant funds we receive are being spent only to bring the training to your town. MMUA cannot use this grant for profit or to promote our other services. Instead, our primary goal is to use the Susan Harwood grant to deliver significant community benefits to our members and their ratepayers.

Through this grant, we aim to:

- **Provide valuable training.** We are offering essential safety training to our members' community members, enhancing work-place safety and health standards across various industries.

- **Foster community engagement.** MMUA hopes to strengthen our members' ties with their communities by hosting the training sessions in local venues, making them accessible and beneficial to participants close to their homes and jobs.

- **Promote local control and the value of public utilities.** Before the training begins, our safety team takes the opportunity to highlight the advantages of local control and of hometown utilities in general.

By focusing on these objectives, MMUA ensures the Susan Harwood grant serves as a tool for community enrichment and empowerment, rather than a means for financial gain.

You can do it, we can help!

The Susan Harwood Training Grant provides communities with a valuable opportunity to enhance workplace safety and health. By implementing effective marketing strategies, engaging local small businesses, and utilizing community buildings, utilities like yours can ensure the success of these training programs in communities all over the upper Midwest. These efforts improve safety standards, strengthen community bonds, and support local economic growth.

The ideas above have been road-tested by the early participants in these training programs. We are sharing them to help utility leaders get their arms around what they may want to do to make the most of this opportunity. You're not in this alone, though. If you agree to host a training, MMUA and its team will be with you every step of the way. When you succeed, we succeed!

For more information on the Susan Harwood Training Grant, visit our website or contact Blaine Chaulklin at bchaulklin@mmua.org.

Emerging US trade policies

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concerns about the affordability of energy for consumers and the overall economic impact of the tariffs.

Utilities sector addressing increased demand

US electric utilities are currently grappling with unprecedented power demand from major tech companies planning new AI-driven data centers. A survey of 13 major utilities revealed nearly half have received data center inquiries exceeding their current peak usage or generation capacity. This surge in demand is driving utilities to significantly increase capital spending. However, the increased costs of materials due to tariffs may complicate these expansion efforts, potentially leading to higher costs for consumers.

Despite the intended benefits, the energy and utilities sector may face additional tariff-related challenges. A significant concern is the increased cost of materials essential for infrastructure development and maintenance. For instance, the US imports approximately 80 percent of its electric transformers, with Mexico being the largest supplier. The newly imposed tariffs could

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Major corporations unite to advocate for nuclear expansion

For the first time, a coalition of major global corporations from diverse industries has joined forces to champion nuclear energy as an essential pillar of energy security, resilience, and sustainability. During CERAWeek 2025 in Houston, companies including Google, Amazon, Meta, and Dow publicly committed to supporting a global initiative aimed at tripling nuclear energy capacity by 2050. Their pledge underscores a growing consensus that nuclear power must play a vital role in meeting the increasing demand for clean and reliable electricity.

The initiative, led by the World Nuclear Association (WNA), brings together 14 major banks, 140 nuclear industry companies, and representatives from 31 nations. It also marks a significant shift as corporations outside the nuclear sector align themselves with a vision of an expanded nuclear future.

A cross-sector commitment to nuclear growth

Historically, utilities and policymakers have driven nuclear energy advocacy, but this announcement represents a broadening of that support. Participants of the pledge include a diverse array of companies spanning technology, manufacturing, and energy sectors. Their unified message is clear: a robust nuclear energy infrastructure is critical to global economic growth and decarbonization.

Google, a pioneer in clean energy investments, emphasized nuclear power's potential to provide stable, around-the-clock electricity. Lucia Tian, the company's head of clean energy and decarbonization technologies, reinforced this vision, stating, "We are proud to sign a pledge in support of tripling nuclear capacity by 2050, as nuclear power will be pivotal in building a reliable, secure, and sustainable energy future. Google will continue to work alongside our partners to accelerate the commercialization of advanced nuclear technologies that can provide the around-the-clock clean energy necessary to meet growing electricity demand around the world."

Amazon, which has invested over $1 billion in nuclear energy projects over the past year, echoed these sentiments. Brandon Oyer, head of Americas Water and Power for Amazon Web Services, highlighted the broader implications of nuclear expansion: "Accelerating nuclear energy development will be critical to strengthening our nation's security, meeting future energy demands, and addressing climate change. Amazon supports the World Nuclear Association's pledge, and we are proud to invest in nuclear technologies as part of our broader climate pledge commitment to be net-zero carbon by 2040."

Meta, another signatory, pointed to nuclear energy's role in ensuring a stable energy supply amid expanding global economies. "As global economies expand, the need for a reliable, clean, and resilient energy supply is paramount," said Urvi Parekh, Meta's chief of global energy. "Nuclear energy, with its ability to provide continuous power, can help meet this rising demand. We're excited to join this multi-organizational effort to reaffirm our commitment to nuclear energy."

Beyond the grid: nuclear's expanding role

The initiative's scope extends beyond traditional electricity generation. Nuclear energy is increasingly seen as a viable solution for industrial applications, process heat, and even potential synergies with oil and gas industries. The pledge reflects this growing awareness, as companies in maritime, aviation, and other sectors recognize nuclear's capacity to provide abundant, cost-effective energy.

Edward Stones, business vice president of Dow Energy & Climate, underscored nuclear power's potential to transform industrial manufacturing. "Energy is the lifeblood of global manufacturing, and investing in clean, reliable, cost-competitive nuclear energy is critical to industrial progress," Stones noted. "Dow considers nuclear energy, especially the promising technology of advanced small modular nuclear, to be a long-term, competitive source of safe, firm, and clean energy."

The urgency of nuclear expansion was further emphasized by Sama Bilbao y León, director general of the WNA. She described the pledge as a turning point for nuclear energy's role in the future energy landscape. "The unprecedented support announced today by some of the world's most influential companies to at least triple global nuclear capacity by 2050 sends a clear signal to accelerate policy, finance, and regulatory changes that enable the rapid expansion of nuclear power," she commented. "The global shift toward more nuclear highlights that this is the only way we'll deliver the abundant, firm, clean energy required to power growth and innovation in technology, a host of other industries, and the entire economy."

A call for policy and financial support

While corporate backing adds momentum to nuclear expansion efforts, industry leaders stress government action and financial mechanisms are key to success. Nuclear projects often require significant upfront capital, and equitable access to financing remains a major barrier to growth.

Laurent Odeh, chief commercial officer for Urenco, which supplies enriched uranium for reactors, emphasized governmental support is necessary to realize nuclear energy's full potential. "It will be a lot harder to address environmental concerns while facilitating economic development in the world without the reliable, 24/7 baseload power nuclear energy provides," Odeh noted. "This support from large energy users is another sign for governments to enable new nuclear projects so we can accelerate construction and meet the energy needs of both industry and the public."

Looking ahead

The "Tripling Nuclear Pledge" is expected to gain further support in the coming months as more industries recognize the value of nuclear energy. The initiative reflects a shift in how businesses view their energy needs, with an increasing emphasis on reliability, sustainability, and long-term resilience.

Industry leaders, policymakers, and investors will no doubt watch closely to gauge whether the pledge translates into actionable projects and regulatory changes. If successful, the initiative could signal the beginning of a new era for nuclear energy—one that extends far beyond traditional utilities and into the broader corporate landscape.

For more information, visit the World Nuclear Association's website at world-nuclear.org.

Utilities are spending big on the future of energy

As America's energy needs continue to evolve, electric, gas, and water utilities are preparing to spend more than $1 trillion on infrastructure upgrades between 2025 and 2029. That staggering sum reflects a nationwide push to modernize aging systems, expand clean energy, and meet a growing appetite for electricity—especially from data centers and emerging technologies.

Though these capital expenditures may not make front-page headlines, the scale and purpose of the investment carry weighty implications for consumers, regulators, and the future reliability of the US power grid.

Rebuilding the backbone of energy

At the heart of this massive spending spree is a fundamental truth: much of the country's utility infrastructure is outdated. Aging pipes, poles, wires, and power plants—many of them built decades ago—can no longer meet today's expectations for energy reliability, sustainability, or cybersecurity.

In 2025 alone, 47 publicly traded electric and gas utilities are expected to invest more than $212 billion into capital projects. That represents a 22 percent increase over 2024 and nearly 50 percent more than was spent in 2022, according to data from Regulatory Research Associates. These investments include building new natural gas, nuclear, wind, and solar facilities, as well as upgrading transmission lines and digitizing grid operations through smart technologies.

Utilities are also adopting modern tools like smart meters, battery storage, and advanced control systems that can respond to real-time conditions on the grid. These improvements are not just technical luxuries—they are essential to managing a future in which energy is increasingly decentralized and variable, thanks to rooftop solar, electric vehicles, and energy-efficient appliances.

The green mandate: renewables gain momentum

Another driving force behind this investment surge is the nationwide shift toward low-carbon energy sources. Federal legislation, such as the 2022 Inflation Reduction Act (IRA), offers tax credits and other incentives that support the development of wind and solar power. Many states, meanwhile, have set clean energy mandates requiring utilities to cut emissions and source more of their electricity from renewables.

Utilities have responded in kind. In 2025, investment in renewable energy across the sample group is expected to exceed $25 billion and rise to more than $31 billion by 2027. And that may understate the true figure—many utilities report only lump-sum capital plans rather than breaking out spending by category.

But building renewable power is not just about putting solar panels in sunny places. Because many of these resources are located far from major cities, they require significant investment in new transmission lines to carry energy where it is needed. That is a costly and time-consuming process, but one utilities are tackling head-on.

Data centers and AI are changing the game

A major new player in the utility investment story is artificial intelligence (AI). The explosive growth of AI and cloud computing is creating an insatiable demand for data center electricity—one that the traditional infrastructure was not designed to support.

To keep pace, utilities are investing heavily in both generation and delivery. In some regions, data centers are expected to double the local electricity demand in just a few years. That means more power plants, stronger transmission lines, and smarter distribution systems—fast.

Natural gas will likely remain a key part of the energy mix to address this challenge. Its ability to ramp up quickly and provide consistent output makes it an ideal backup for intermittent renewable sources like solar and wind. Despite calls to move away from fossil fuels, gas is still seen as a necessary bridge to a more sustainable future.

Water utilities join the spending surge

While most attention focuses on electric and gas utilities, the country's water infrastructure is also receiving a significant financial boost. Investor-owned water utilities plan to spend about $6.2 billion in 2025, up from $5.4 billion in 2024. Though smaller in scale, the water sector's capital plans reflect the same themes: replacing aging systems, meeting environmental standards, and incorporating digital tools to monitor and manage water quality and usage.

Political winds may shift, but projects continue

Some have raised concerns that the change in presidential administration could threaten the policy supports underpinning this capital investment boom, particularly the clean energy incentives created by the Inflation Reduction Act. But most experts believe the financial foundation is secure.

Much of the IRA's support comes in the form of tax credits, which are harder to reverse than traditional appropriations. Additionally, many Republican lawmakers have signaled that they are reluctant to unravel incentives that are already creating jobs, stimulating private-sector investment, and reducing utility costs in their districts.

As one industry analyst put it, "Even if the political conversation changes, the economic case for these projects remains strong." In other words, the momentum behind infrastructure investment is likely to outlast the election cycle.

Profit motive meets public good

It is worth noting that these investments also support utility profits in investor-owned companies. Under current regulations,

utilities earn a return on the capital they spend on approved infrastructure projects. That gives them a financial incentive to keep building—even as they argue that these upgrades are necessary for safety, reliability, and environmental compliance.

Still, regulators are tasked with ensuring those returns remain fair and customers are not overburdened. Balancing the needs of shareholders with those of the public is a central challenge as spending continues to rise. Municipals, of course, don't have a profit motive in the first place. Their motivation for capital improvements tends to be more focused on upgrading and modernizing their systems to ensure reliability, affordability, and sustainability.

Predicting the next few years

Capital investment by US utilities is expected to peak in 2027 before dipping slightly in 2028 and 2029. But that dip may be temporary. Many utilities have not yet finalized their long-term plans, and with growing demand and tightening environmental rules, new projects are likely to emerge.

Whether it is replacing 70-year-old pipes or preparing for an AI-powered economy, utilities are making long-term bets on the future of American infrastructure. These investments will shape how—and how much—customers pay for energy and water in the years to come.

For now, one thing is clear: the next generation of the US energy grid is under construction, and the blueprint is being written in billions.

Around the State

St. Cloud has been named the "Top Minnesota City to Start a Business In" by WalletHub. Of more than 1,300 towns that were ranked, St. Cloud came in at #254 overall, and it cracked the top 50 in the "Access to Resources" category. Moorhead was the next highest-ranked Minnesota city at #323, and Fridley came in at #392.

Minnesota's lakes are thawing sooner than ever, according to a report by the *West Central Tribune*. Though the Minnesota Department of Natural Resources (DNR) has yet to release an official report, a DNR spokesperson confirmed Green Lake, the largest lake in the **Willmar Lakes Area**, reached ice-out on March 31, more than two weeks ahead of the lake's historical median thaw date of April 16. Earlier thaws have implications for fish habitats, recreational tourism, and the overall balance of the ecosystem.

The wife of a longtime Stearns County Board member has filed for guardianship over her husband because his recent cognitive decline is affecting his ability to act as an elected commissioner, she says. Alice Lenzmeier of **St. Cloud** was granted emergency guardianship over Leigh Lenzmeier, 77, on April 7. The temporary guardianship is in effect for 60 days, and it is the first step in a process that could lead to longer-term guardianship. Mr. Lenzmeier has been residing in an assisted living facility in Buffalo for about a year. He told *The Minnesota Star* Tribune on April 14 that he has some health "concerns," but that he plans to serve out his term. It ends in 2026.

For residents of **Eden Prairie**, a wide array of sustainability information is available to promote environmental stewardship and sustainable living. These resources offer practical tools to reduce waste, conserve energy, and protect natural ecosystems. "The Eden Prairie Climate Action Plan" outlines the city's goal to achieve carbon neutrality by 2050. This ambitious initiative focuses on reducing greenhouse gas emissions and encouraging community participation in sustainable practices.

Minnesota's first statewide building benchmarking mandate is set to take effect, with a critical deadline approaching for large property owners. By June 1, commercial and multifamily buildings exceeding 100,000 square feet must submit energy usage data to the Minnesota Department of Commerce. This new requirement applies to buildings in the **seven-county metro area** and cities with populations over 50,000, including **Duluth**, **Rochester**, and **St. Cloud**. By 2026, the mandate will extend to buildings over 50,000 square feet. Manufacturing facilities are largely exempt.

Xcel Energy dispatched more than 100 employees to assist with power restoration efforts in Georgia. Workers from **Minnesota**, South Dakota, Wisconsin, Colorado, New Mexico, and Texas began their journey on Wednesday, March 19, joining a nationwide effort to help communities still recovering from Hurricane Helene, which swept through several southeastern US states last September.

The **maximum speed limit for farm equipment on Minnesota roads** changed on April 10. The new law is intended to standardize the speed limit at 35 miles per hour. It replaces a law in which some agricultural and livestock equipment had a speed limit of 30 miles per hour and others had a limit of 35 mph. The new law is intended to make law enforcement and compliance easier without compromising safety.

The uphill struggle to form a municipal electric utility

In theory, municipal electric utilities offer communities the promise of lower rates, more reliable service, and local control. In reality, forming one is often an epic political and legal battle. The deck is often stacked against small towns by investor-owned utilities (IOUs) with deep pockets, entrenched interests, and a proven playbook for stopping municipalization in its tracks.

As communities like Slayton, Minnesota, push forward to form new municipals—in Slayton's case, the first in Minnesota in decades—other communities are reckoning with failed municipalization efforts. Decorah, Iowa, for example, remains without a municipal utility after a hard-fought but ultimately unsuccessful campaign to sever ties with its IOU. The moral of both stories? Once a town loses control of its electric service, getting it back is incredibly difficult.

The Slayton saga

As covered in previous issues of *The Resource*, the 2,000-resident town of Slayton voted overwhelmingly in May 2024 to explore municipalization. The referendum passed with 73 percent in favor. At issue was frustration over rising rates, service outages, and a perceived lack of accountability from Xcel Energy, the IOU currently serving the area.

"People felt that their concerns weren't being heard," said Josh Malchow, Slayton City clerk/administrator. "They wanted to take back control of their energy future."

Slayton's plan was ambitious but structured. The city hired veteran consultant Dave Berg and engaged legal counsel to negotiate the acquisition of Xcel Energy's distribution assets. With voters authorizing up to $7 million in startup costs, the city appeared poised to make history.

In February 2025, the process hit a wall. Negotiations reached an impasse, forcing Slayton to petition the Minnesota Public Utilities Commission (PUC) for a contested hearing under Section 216B.45 of the state statute. Coverage on this process can be found on page 18 of this issue of *The Resource*. The legal mechanism of a contested hearing is designed to determine "just compensation" for IOU assets when parties cannot agree on price.

Slayton's proposal argues the current formula for lost revenue—10 years of projected earnings for the utility—is outdated and unfair, citing a 2005 PUC order (E-243,106/SA-03-896), which clarified compensation decisions must be based on the unique circumstances of each case.

Slayton's is the first such contested case in Minnesota since the 1970s, marking a historic moment in the state's utility history.

The Decorah disappointment

If Slayton is a case study in modern municipal ambition, Decorah is a cautionary tale. The city of 8,000 in northeastern Iowa launched a campaign to municipalize in 2017, citing rate concerns and clean energy goals. Advocates argued a local utility could deliver greener, cheaper, and more responsive service.

Despite broad community engagement and a detailed feasibility study that showed economic promise, the movement fell short. The 2018 referendum failed by just three votes—940 to 937.

Opponents of municipalization, backed by IOU Alliant Energy, outspent proponents by nearly four to one, according to reports from the Iowa Policy Project. Tactics included direct mail campaigns, TV ads, and door-to-door canvassing designed to raise doubt about the benefits and highlight the risks of municipalization.

"This was classic fear-based messaging," said John Farrell, co-director of the Institute for Local Self-Reliance (ILSR). "IOUs want to retain their customer base, and they know how to win these fights."

The result—Decorah remains locked into its existing utility relationship. The momentum behind municipalization has essentially been stopped in its tracks following a second failed vote in March 2025. The second time around, Alliant Energy again used its tried-and-true playbook, outspending and outgunning community organizing efforts in favor of the measure. The recent special election resulted in 1,351 votes against the city's municipalization proposal and 1,169 in support of it.

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Slayton, Xcel, and DOC request OAH hearing

On April 7, the City of Slayton, Xcel Energy, and the Minnesota Department of Commerce (DOC) filed comments in response to the Minnesota Public Utilities Commission's (MPUC's) first notice of comment period related to the city's plans for municipalizing the portion of Xcel's system that serves Slayton.

The procedural petition asks the Commission to refer the two utilities to the Office of Administrative Hearings (OAH) for contested case proceedings toward determining what compensation will be owed to Xcel when Slayton acquires the utility's assets, as well as for a limited amount of Xcel's future revenue loss.

In their comments, Slayton, Xcel, and the DOC all recommended referral to OAH. The MPUC will very likely approve the petition, which will allow an administrative law judge at the OAH to read written testimony and possibly take oral argument from the utilities as they make their cases for what compensation would be appropriate. DOC may also offer recommendations, something it often does in proceedings before the MPUC. The judge will then deliver the case record and their findings to the MPUC for a final determination or further record development. The MPUC docket number assigned to the case is 25-129.

US battery gigafactories

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Some believe a course correction could still revive canceled or delayed projects if political conditions shift. Others argue the industry will need to rely more on private investment and vertical integration to reduce dependence on public funding.

The US battery sector is entering a period of consolidation, where only the most well-capitalized and strategically agile players are likely to survive. As startups fall away and international giants take the reins, the original vision of a diverse, resilient domestic battery ecosystem seems more distant.

The battery boom is far from over—but its next chapter may look vastly different than the one written in the immediate aftermath of the IRA. As the US reconsiders its energy future, the gigafactory dream remains alive—but its shape is evolving with every political and economic turn.

Bits & pieces

Baton Rouge-based Bernhard Capital Partners (BCP), through its portfolio entity **Delta Utilities**, has successfully acquired **CenterPoint Energy's natural gas assets** in Louisiana and Mississippi. This strategic acquisition, finalized on April 1, 2025, marks a significant milestone for Delta Utilities as it expands its footprint in the energy sector. CenterPoint's divested assets include three regulated natural gas local distribution companies that collectively serve around 380,000 residential and commercial customers. Additionally, the acquisition encompasses approximately 12,000 miles of main pipeline infrastructure.

A controversial, utility-backed **solar power initiative in Florida** has met the petition threshold to qualify for the November 2025 ballot, according to Consumers for Smart Solar, the group behind the proposal. The proposal aims to embed consumer rights regarding solar energy use into the state constitution while preserving the current regulatory framework

The Tennessee Valley Authority (TVA), the nation's largest public utility, has named Don Moul as its new president and chief executive officer, effective immediately. This strategic move comes at a time when the federal utility is under renewed scrutiny by President Donald Trump, who recently dismissed a TVA board member. Moul steps into the role following the announcement of current CEO Jeff Lyash's retirement, which is set for no later than September. Moul, previously a senior executive within TVA, brings a wealth of experience to the top position at a critical juncture for the utility.

The ambitious **Ten Mile Creek solar initiative** is gaining momentum. Spearheaded by Xcel Energy, planners aim to establish a utility-scale solar energy system covering approximately 5,000 acres of farmland in central St. Croix County, Wisconsin. With the expected approval from the Public Service Commission (PSC), the project may be operational within the next couple of years.

The Kansas Corporation Commission (KCC) is closely monitoring the Missouri Public Service Commission's (MPSC) investigation into **Liberty Utilities**, a utility provider facing numerous complaints regarding its billing practices. This scrutiny comes in the wake of a growing number of allegations from customers claiming their bills were inaccurately high or disputed. The MPSC initiated its investigation in late February 2025 following a barrage of complaints from customers.

Pacific Gas and Electric Company (PG&E) is requesting another rate hike from the California Public Utilities Commission (CPUC), marking its seventh increase in just over a year. The utility giant is asking regulators to approve a higher rate of return for its shareholders, citing increased business risks and the need to attract investment capital. If approved, the hike would increase customer bills by an estimated $5 to $5.50 per month.

The uphill struggle

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IOUs are fighting with firepower

Investor-owned utilities enjoy several key advantages in these battles:

- **Legal muscle**: IOUs can leverage seasoned legal teams and deep institutional knowledge to delay or derail municipal efforts through litigation and regulatory maneuvering.
- **Financial power:** As private companies, IOUs can spend liberally on public relations campaigns, lobbyists, and legal fees to sway public opinion and influence regulatory rulings.
- **Franchise leverage**: Franchise agreements often include provisions that limit a city's ability to exit easily, even when those agreements expire.
- **Loss of revenue claims:** IOUs routinely argue for compensation based on decades of lost revenue, significantly inflating the cost of buyouts and making municipalization economically daunting.

The American Public Power Association (APPA) tracks these trends closely. According to Ursula Schryver, APPA's vice president of strategic member engagement and education, "Municipalization is a right that communities have under law, but IOUs often turn it into an expensive and complex legal quagmire."

Economic hurdles and political headwinds

Even with public support, the cost of starting a municipal utility is often prohibitive. Pueblo, Colorado, for example, recently explored a municipalization option and found it economically infeasible, largely due to spiking power costs.

"Power costs are more than two times higher than they were in 2019," said Pueblo Public Works Director Andrew Hayes during an April 2025 City Council meeting. The feasibility study confirmed creating a new utility would result in significantly higher rates, at least in the short term.

In other communities, local politics have also slowed or stopped efforts. City councils may lack the political will to challenge powerful IOUs, or citizens may simply be risk-averse, especially if the utility paints municipalization as a gamble.

The success stories

Still, some communities have succeeded. Winter Park, Florida, managed to break from Progress Energy in 2005 and form its own utility after years of negotiation and litigation. Since then, it has reported improved reliability and competitive rates.

Longmont, Colorado, won a legal battle with Xcel Energy to form a municipal broadband utility, which later enhanced its electric utility services. These examples show that success is possible—but not easy.

Why it matters

Once a community gives up local control of its electric utility, getting it back is a herculean task. The bureaucratic, financial, and legal obstacles are substantial. That is why communities currently served by municipals should tread carefully when evaluating offers to sell.

The broader implications go beyond electric rates. Municipal utilities have been key players in clean energy transitions, grid resilience, and local economic development. Without them,

communities often lack the flexibility to innovate or respond to local needs. It is also true that utilities often provide significant support to their communities that would not occur if an IOU took over. In addition to financial support usually provided by utilities in the form of payments in lieu of taxes (PILOT), municipal utilities provide communities with valuable services ranging from hanging Christmas decorations to watering plants hung from power poles. IOUs will often claim they will do the same, but the experience of communities that have sold their utility suggests otherwise.

The road ahead: the Slayton litmus test

As the Slayton case moves forward, all eyes are on the Minnesota PUC. Its ruling could set a precedent for how future municipalization efforts are evaluated and whether outdated compensation formulas should be revised.

MMUA's government relations team is closely monitoring the proceedings and will file comments when necessary.

Whatever the outcome, the Slayton saga underscores a stark truth: the decision to form or sell a municipal utility is one of the most consequential a community can make. The stakes are high, the odds are long, and the consequences are enduring.

But for communities that value local control, community investment, and public accountability, the struggle may just be worth it.

Minnesota's regulated electric utilities report 2024 reliability data

New data shows that Minnesota customers served by investor-owned utilities generally saw their service reliability suffer in 2024 as compared to the prior year.

The single electric cooperative that is regulated by the Minnesota Public Utilities Commission (MPUC) provided slightly more reliable service to its customers during the same period according to each provider's safety, reliability, and service quality reports for 2024.

By April 1 each year, Minnesota's four state-regulated electric utilities are required to file their prior year's outage data with the Minnesota Public Utilities Commission (MPUC). They submit "normalized" figures that exclude days with major events, such as severe storms as well as "non-normalized" figures. To the right are their normalized figures for 2024.

The system average interruption duration index (SAIDI) represents the total number of minutes of interruption the average customer experienced that year. The system average interruption frequency index (SAIFI) represents how often the average customer experienced a service interruption, and the customer average interruption duration index (CAIDI) represents the average service restoration time in minutes. In all cases, lower numbers compared to the prior year indicate an improvement (shown in green in the table), and higher numbers indicate service that took longer than the prior year (shown in red in the table).

In the third quarter of every year, the Institute of Electrical and Electronics Engineers (IEEE) publishes its benchmarking results based on the submissions of utilities across the country. Within 30 days, each utility listed then re-files with the MPUC its own results alongside its relevant IEEE benchmark and accounts for unfavorable differences. Those filings will also be available through the MPUC's eDockets website in late summer or early fall.

For more information on each utility's results, visit eDockets and enter the docket numbers from the table in the docket numbers search box.

2023-24 Reliability Comparison

	Xcel	Dakota Electric	Minnesota Power	Ottertail Power
Docket	**25-27**	**25-28**	**25-29**	**25-30**
SAIDI 2023	86.40	19.20	103.60	96.28
SAIDI 2024	110.04	17.40	119.90	141.55
Change	**+23.64**	**- 1.80**	**+16.30**	**+45.27**
SAIFI 2023	0.85	0.28	1.16	1.38
SAIFI 2024	1.08	0.27	1.30	1.16
Change	**+0.23**	**- 0.01**	**+0.14**	**- 0.22**
CAIDI 2023	101.56	68.70	89.33	69.89
CAIDI 2024	101.95	63.54	92.41	122.22
Change	**+0.39**	**- 5.16**	**+3.08**	**+52.33**

Emerging US trade policies

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lead to higher prices for these critical components, potentially delaying projects and increasing costs for consumers.

Global trade relations and retaliatory measures

The implementation of tariffs has also strained international trade relations. The European Union announced retaliatory measures, imposing tariffs on American products. Such actions could further disrupt global markets and impact the US energy sector, which is intricately linked to international supply chains and export markets.

Balancing national security and economic implications

The administration emphasizes the tariffs are crucial for protecting national security interests by ensuring the reliability and security of critical infrastructure. By reducing reliance on foreign suppliers, particularly for essential components like transformers and other electrical equipment, the US aims to mitigate risks associated with supply chain disruptions and geopolitical tensions. However, industry stakeholders express concerns that the immediate economic implications, such as increased project costs and potential delays, may outweigh the long-term security benefits.

Conclusion

The implementation of tariffs as part of the national emergency declaration represents a strategic effort to bolster domestic industries and enhance national security. While these measures have the potential to stimulate domestic manufacturing and reduce foreign dependency, they also pose challenges for the energy and utilities sector, including increased costs and potential project delays. In addition, the situation is very fluid, with new announcements almost daily regarding responses from, and possible agreements with, the country's trade partners. As the situation evolves, it will be imperative for policymakers and industry leaders to collaborate on strategies that balance economic growth, infrastructure development, and national security objectives. At Minnesota's municipal utilities, the best strategy is to pay attention and factor in considerable uncertainty to any planning decisions.

Upcoming events

Competent Person and Excavation Safety Workshop

May 20–21
MMUA Training Center
Marshall, MN

This course is intended for public works personnel, water/wastewater personnel, lineworkers, engineering personnel, contract workers, and others involved with underground utility or infrastructure work.

The OSHA Construction Standard (29 CFR 1926.32) defines a "competent person" as someone who is:

- Capable of identifying existing and predicable hazards in the surroundings, or
- Working conditions which are unsanitary, hazardous, or dangerous to employees, and
- Who has authorization to take prompt corrective measures to eliminate them.

In this workshop, participants engage in classroom discussion and hands-on activity to:

- Increase your understanding of the "competent person" role on the job site
- Demonstrate correct soil-testing procedures
- Identify hazards associated with trenching and excavating
- Increase knowledge of different types of protective systems
- Further develop proper "pot holing" practices for gas and powerline excavation

Advance registration ends May 9. Visit mmua.org/events for more information or to register.

Minnesota Public Power Walleye Tournament

Saturday, May 31
Bladow Beach Resort & Campground
Ottertail, MN

This annual event brings together employees, retirees, suppliers, and friends of Minnesota's municipal utilities and electric cooperatives—many of whom return year after year to enjoy the friendly competition and the camaraderie.

All proceeds are donated to the three post-secondary electrical line work programs in Minnesota.

- The event kicks off with an informal social gathering and fish fry the evening of Friday, May 30, for those able to attend.
- Cash prizes and tournament plaques are awarded to the six top-placing teams, as well as to the individual with the largest walleye.
- There is a limit of 50 teams and two people per team/boat.

Tournament sponsors: Bell Lumber & Pole Company, Border States Electric Supply Company, Irby Company, The Okonite Company, Primus Marketing Group, RESCO

Deadline to register is May 15. Visit mmua.org/events for more information or to register.

Utility Leaders' Legislative Debrief: Interacting on the Issues

June 12: Owatonna
June 17: Halstad
June 18: Grand Rapids
June 26: Glencoe

The Minnesota legislature gavels down on May 19. What impact will their decisions this year have on municipal utilities? Join the MMUA government relations team to learn about the legislative session, dive deeper into the sound bites you hear on the news, and gain insight into the little-noticed provisions that will affect your utility. These free sessions for MMUA members and their ratepayers are especially geared toward utility commissioners, city council members, utility leaders, and city administrators.

At the session you will also have the chance to grab a snack while you explore important utility issues and network with others committed to protecting, promoting, and strengthening hometown utilities in the coming years. We hope to see you there! Each session begins at 5:00 pm and concludes by 7:00 pm. Visit mmua.org/events for more information or to register.

For more information, see the Events Calendar at www.mmua.org or call MMUA at 763-551-1230.