

**Great River Energy Board Meeting Summary**  
**May 5-6, 2021**  
**Meeting conducted virtually**

**Topics of interest from the May board meeting**

**CEO update**

President and CEO David Saggau provided the following report:

- ▶ Year-to-date margin is \$0.9M above budget. Year-to-date PCA is an \$11.4M charge to members. Energy and demand sales are 1.1% and 0.6% lower than budget.
- ▶ GRE continues to strictly follow all pandemic safety protocols. As of the end of April GRE had over 200 fully vaccinated employees.
- ▶ CFC has promoted Chief Financial Officer Andrew Don to CEO. GRE has a strong working relationship with Don.
- ▶ Coal Creek Station employees continue to work remarkably hard through the uncertainty of the North Dakota possible transactions.
- ▶ Meetings attended include: Greater MSP board meeting; GRE member manager meeting; Lignite Energy Council board meeting; Midwest AgEnergy annual meeting and board meeting; Lake Country Power board meeting; GRE employee communication meeting; three rating agencies calls (S&P, Fitch, and Moody's); and the G&T National Managers Association and NRECA virtual meeting.
- ▶ Upcoming meetings include: ACES board meeting and GRE member manager group meeting.

**Financial update**

Vice President and Chief Financial Officer Michelle Strobel provided an overview of March financials.

- ▶ The March margin was (\$6.9M) compared to a budgeted (\$8.2M), a favorable variance of \$1.3M.
- ▶ Member revenue is \$10.5M above budget, non-member revenue under budget (\$8.0M), other revenue over budget \$0.2M, and non-operating revenue under budget (\$3.0M).
- ▶ Ownership costs are under budget (\$0.7M), fuel under budget (\$1.5M), purchased power above budget \$4.8M, O&M under budget (\$3.8M), and margin over budget \$0.9M.
- ▶ The March power cost adjustment is a \$2.9M charge.
- ▶ Construction work in progress includes 1,358 projects totaling \$57.1M. The five largest projects include: NI-SCT line – Scenic 69kV (14 mi); SHN line – rebuild 230kV (16.29 mi); IM-EP line 34.5kV (12 mi); Two Inlets to Elisha 115kV line (5.5 mi); and Elisha – 115kV/34.5kV substation

**Business improvement**

Senior Financial Analyst Lori Dietrich presented six business improvements from the finance division. These six improvements provide a one-time savings of \$14,850 and an annual savings of \$26,100.

**Motions**

A motion was made, seconded, and carried approving actions for the GRE revolving credit facility.

For more information about the May meeting of GRE's board of directors, please contact Daniel Becchetti, communications leader, at 763-445-5706. The next meeting will be held virtually June 2-3.