Great River Energy Board Meeting Summary  
Oct. 6-7, 2021  
Maple Grove, Minnesota

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

**CEO update**  
President and CEO David Saggau provided the following report:  
- The year-to-date margin is $78.7M compared to a budgeted $38.9M for a positive variance of $39.8M.  
- The PCA year-to-date is a $27.2M charge to members. In accordance with the PCA relief board resolution GRE has issued $11.3M in PCA relief refunds in 2021.  
- Year-to-date energy and demand sales are 3.4% and 6.2% higher than budget, respectively.  
- GRE’s share of Midwest AgEnergy’s net income is $5.2M year-to-date.  
- GRE is awaiting Minnesota Public Utilities Commission approval for the transfer of the HVDC system permit to Nexus Line, LLC. Nexus must provide more financial information as well as a decommissioning plan for the HVDC system.  
- GRE is currently tracking 16 employee cases of COVID-19 and continues to mandate masking and social distancing at all GRE locations.  
- Meetings attended include: member manager group leadership; Lignite Energy Council CEO Jason Bohrer; Lignite Energy Council management committee; GRE leadership; Lignite Energy Council board; and Arrowhead Cooperative board.  
- Upcoming meetings include: member manager group; employee communication meeting; MAG compensation committee; and MAG board.

**Financial update**  
Vice President and Chief Financial Officer Michelle Strobel provided an overview of financials through August.  
- The August margin was $32.5M compared to a budgeted $22.0M for a favorable variance of $10.5M.  
- Member revenue is $55.7M above budget, non-member revenue under budget ($9.7M), and non-operating revenue over budget $6.9M.  
- Ownership expenses are under budget ($3.1M), fuel expenses over budget $0.2M, purchased power over budget $26.1M, and O&M expenses under budget ($9.3M).  
- The August PCA is a $1.9M charge to members. GRE issued member-owners a $2.1M refund deducted from the August margin.  
- Construction work in progress includes 1,357 projects totaling $53.6M. The five largest projects include: SHN line – rebuild 230kV (16.29 mi); Frazee substation rebuild 115kV; FE-RH line - rebuild 69kV (23.8 mi); BE-WCT line – relocate structures 69kV; and Wing River – 230kV ring bus.

**Business improvement**  
Minnesota Generation Manager Tye Stuart detailed damper modifications and control system process changes at Pleasant Valley Station that will prevent future operation issues related to extreme cold weather events.

**Motions**  
A number of items were approved on the consent agenda.

For more information about the October meeting of GRE’s board of directors, please contact Daniel Becchetti, communications leader, at 763-445-5706. The next meeting will be held Nov. 3-4 in Maple Grove, Minnesota.