Great River Energy Board Meeting Summary
April 5-6, 2023
Maple Grove, Minnesota

Topics of interest from the April board meeting

**CEO update**
President and CEO David Saggau provided the following report:
- Congratulations to the directors re-elected to the GRE board and welcome to newly elected director Linda Laitala.
- The year-to-date margin is a positive variance of $0.6M. The year-to-date PCA is a $0.6M charge.
- Energy and demand sales for are 3.9% and 2.7% lower than budget, respectively.
- The $25M patronage capital returns were issued March 29. Statements were sent to each member cooperative in early March. This is the fifth consecutive year GRE has returned patronage capital.
- All 19 all-requirements members approved the RMR (renewable member resources) contract amendment. The next step is approval by the Rural Utilities Service (RUS).
- GRE's Integrated Resource Plan (IRP) was filed March 31. This plan is groundbreaking for GRE and for Minnesota as it is the first plan filed under the Minnesota carbon-free standard law and federal Inflation Reduction Act. The modeling described in the IRP picked only renewable and storage facilities for future resources and demonstrates how GRE is on track to meet or exceed all requirements currently in the state law.

**Financial update**
Vice President and Chief Financial Officer Michelle Strobel provided an overview of February financials.
- The February margin was $5.1M compared to a budgeted margin of $5.9M for an unfavorable variance of $(0.8)M.
- Year-to-date member revenue is $(5.9)M below budget, non-member revenue below budget $(19.5)M, other revenue under budget $(0.2)M, and non-operating revenue over budget $4.5M.
- Ownership expenses are over budget $0.4M, fuel expenses below budget $(6.9)M, purchased power under budget $(14.3)M, O&M expenses under budget $(0.9)M, and the margin is a favorable variance of $0.6M.
- The February PCA is a $1.9M charge to members.

**Business improvement**
Facilities Services Manager Sarah Anton, Building and Security Technician/Electrician Todd Beck and Building and Security Technician/Electrician Foreperson Mark Royseth presented a business improvement on the life extension of electric motor bearings that are critical to heating and cooling the Maple Grove building. The pumps run on variable frequency drives which can cause currents to develop in the rotor of the motor. When the voltage gets high enough, it can discharge through the bearings and cause pitting of the bearings. Technicians installed shaft grounding on the core loop pumps and increased the life expectancy of the bearing life from four years to 10 years. These were installed on 19 pumps throughout the Maple Grove building. The expected total savings on this business improvement is $7,000.

For more information about the April meeting of GRE’s board of directors, contact Daniel Becchetti, communications and marketing manager, at 763-445-5706. The next meeting will be May 3-4.