

# Great River Energy Board Meeting Summary

## September 6-7, 2023

### Maple Grove, Minnesota

#### Topics of interest from the September board meeting

##### **CEO update**

President and CEO David Saggau provided the following report:

- ▶ The year-to-date margin is a positive variance of \$18.3M. The year-to-date power cost adjustment (PCA) is a \$20.4M credit to members.
- ▶ Year-to-date energy and demand sales are 0.7% and 0.3% lower than budget, respectively.
- ▶ GRE power resources performed well during the extreme heat in late August and early September with strong reliability and financial results.
- ▶ GRE filed the Northland Reliability Project route permit application with the Public Utilities Commission. The permit decision is expected next year and an in-service date in 2030 is projected.
- ▶ Mark Fagan has left GRE to be the CEO at Brazos Electric Power Cooperative. Lisa Orpen is GRE's new vice president and chief corporate and member services officer.

##### **Financial update**

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

- ▶ The July margin was \$19.2M compared to a budgeted margin of \$16.0M for a positive variance of \$3.2M. The July PCA was a \$6.0M credit to members.
- ▶ Member revenue year-to-date is \$(23.7)M below budget, non-member revenue under budget \$(41.6)M, other revenue over budget \$0.3M, and non-operating revenue over budget \$15.4M.
- ▶ Ownership expenses are over budget \$1.4M, fuel expenses below budget \$(10.7)M, purchased power under budget \$(55.9)M, O&M expenses under budget \$(2.7)M, and the year-to-date margin is a favorable variance of \$18.3M.
- ▶ July demand sales are on budget. July energy sales are 4.1% lower than budget.
- ▶ The 2024 budget education session will be held during the October board meetings.

##### **Business improvement**

Business Operations Director Sarah Anton and Building and Security Technician/Electrician Foreperson Mark Royseth presented a business improvement on upgrades to GRE security trailers that saved \$41,082 in equipment costs and resulted in annual subscription savings of \$22,320. Other realized benefits include improvements in reliability, performance and safety.

For more information about the August meeting of GRE's board of directors, contact Daniel Becchetti, communications and marketing manager, at 763-445-5706. The next meeting will be October 4-5.