

# Great River Energy Board Meeting Summary

## March 13-14, 2024

### Maple Grove, Minnesota

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

##### **CEO update**

President and CEO David Saggau provided the following report:

- ▶ GRE continues to see the power supply portfolio float efficiently with the market, which is moderating the potential negative effects of mild weather and slow sales.
- ▶ GRE's year-to-date margin is \$(4.8)M compared to a budgeted margin of \$(3.2)M for a negative variance of \$(1.6)M. The year-to-date power cost adjustment (PCA) is a credit of \$0.1M.
- ▶ Demand and energy sales are 3.3% and 7.1% lower than budget, respectively.
- ▶ MISO released the preliminary map of the tranche 2 regional transmission projects, including 765-kV and 345-kV transmission lines in Minnesota. GRE is heavily involved in the MISO planning process, advocating for projects in the best interest of member-owners.
- ▶ The Minnesota Public Utilities Commission (PUC) unanimously accepted GRE's integrated resource plan (IRP), which details how GRE will meet member-owners' energy needs for the next 15 years.
- ▶ Meetings attended: GRE HERC Services board meeting; GRE leadership; Meeker Cooperative Light & Power Association board of directors meeting; Women in Energy; and senior staff strategy session.
- ▶ Upcoming meetings: Member manager group and GRE leadership.

##### **Financial update**

Vice President and Chief Financial Officer Michelle Strobel provided an overview of January financial results.

- ▶ The January margin was \$(2.1)M compared to a budgeted margin of \$(4.0)M for a positive variance of \$1.9M.
- ▶ Member revenue year-to-date is \$(0.1)M under budget, non-member revenue under budget \$(2.4)M, other revenue over budget \$0.1M, and non-operating revenue over budget \$0.4M.
- ▶ Ownership expenses are over budget \$0.1M, fuel expenses under budget \$(2.5)M, purchased power under budget \$(0.4)M, O&M expenses under budget \$(1.1)M, and margin is a favorable variance of \$1.9M.
- ▶ Demand sales for January were 2.5% higher than budget.
- ▶ Energy sales for January were 2.7% lower than budget.
- ▶ The January PCA was a \$0.7M charge to members.

##### **Business improvement**

Generation Engineering Manager Cole Funseth presented a business improvement to replace the control system and improve the workstations at the Arrowhead Emergency Generating Station. By performing the upgrades with in-house engineers and technicians, the upgrades were completed two weeks faster and at a cost savings of \$119,000 compared to a contractor proposal.

##### **Consent agenda**

A number of items were approved on the consent agenda, including the 2023 financial audit.

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