

# Great River Energy Board Meeting Summary

## April 3-4, 2024

### Maple Grove, Minnesota

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

##### **CEO update**

President and CEO David Saggau provided the following report:

- The 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.
- Year-to-date demand and energy sales are 3.3% and 7.1% lower than budget, respectively.
- GRE returned \$15M of patronage capital to member-owners on March 27. This is the sixth consecutive year GRE has returned patronage capital.
- Crews were well-prepared to deal with last week's winter storms. There were only two momentary outages impacting members.
- GRE plans to increase its annual Operation Round Up contributions to member-owners beginning in 2024.
- Meetings attended include member manager group and GRE leadership.
- Upcoming meetings include GRE leadership; member manager group; employee communication; rating agency meetings; and ACES board meeting and strategy session.

##### **Reliability**

Operations and Transmission Services Director Dick Pursley discussed the 2023 transmission reliability report and future reliability initiatives planned for the transmission grid. Reliability in 2023 was excellent, with momentary and sustained outages down by 28%.

##### **Financial update**

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

- The February margin was \$(2.7)M compared to a budgeted \$0.8M for an unfavorable variance of \$(3.5)M.
- Member revenue is \$(9.2)M below budget, non-member revenue under budget \$(9.3)M, other revenue over budget \$0.1M, and non-operating revenue over budget \$0.9M.
- Ownership expenses are over budget \$0.3M, fuel expenses under budget \$(4.9)M, purchased power under budget \$(10.8)M, O&M expenses under budget \$(0.5)M, and the margin is an unfavorable variance of \$(1.6)M.
- February demand and energy sales were 9.3% and 11.8% lower than budget, respectively.
- The PCA for February is a \$0.8M credit to members.
- The 2023 annual report is available on the GRE website.

##### **Business improvement**

Field Telecommunication and Networks Supervising Manager David Jimenez presented a business improvement on outrigger deployment alarms on bucket trucks. The team retrofitted six bucket trucks over three weeks with the alarms, producing a tangible and rapid safety improvement. In addition to improving safety, the project reassured the field services team that safety is a top priority at GRE and with GRE leadership.

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 1-2.