



PRINCETON PUBLIC UTILITIES

Electricity — Water

907 FIRST STREET / PRINCETON, MN 55371-1559
TEL: 763-389-2252 / FAX: 763-389-2273

PRINCETON PUBLIC UTILITIES COMMISSION REGULAR MEETING AGENDA

Mille Lacs Historical Society Amdall Room
101 10th Avenue South
Princeton, MN 55371
April 1, 2026 at 1:00 PM

*A video of the proceedings will be available the next business day at
www.PrincetonUtilities.com/public-utilities-commission.*

1. **Call to Order / Roll Call**
2. **Welcome Commissioner Richard Schwartz**
3. **Approval of Agenda** *(No item of business shall be considered unless it appears on the agenda for the meeting. Commission members may add items prior to adoption of the agenda.)*
4. **Election of Officer**
 - a. **Vice-Chair**
5. **Public Comment** *(Individuals may address the Commission about any item not contained on the regular agenda. A maximum of three (3) minutes is allotted per person. If multiple people wish to speak on the same topic, they are to designate a spokesperson to speak on all their behalf. The Commission will take no official action on items discussed at the forum and will not speak to legal matters or issues that impact individual privacy rights. The Commission may refer to staff for a future report.)*
6. **Consent Agenda** *(Those items listed under Consent Agenda are considered to be routine by the Commission and will be acted upon by one motion. There will be no separate discussion of these items, unless a Commission Member so requests, in which event, the item will be removed from the consent agenda and considered immediately after the adoption of the consent agenda.)*
 - a. Public Utilities Commission Regular Meeting Minutes – February 25, 2026
 - b. Certification of Accounts Payable
 - c. Resolutions and Orders
7. **Reports**
 - a. General Manager Report
 - i. Office Manager Report
 - ii. Water/Power Plant Superintendent Report
 - iii. Electric Superintendent Report
 - b. Other Reports
 - i. SMMPA and EV Chargers
8. **Regular Agenda**
 - a. Financial Report Discussion (Ohman)
 - i. Memo 26-10: Financial Reports

*Agenda packets, minutes, and videos for this and past Commission meetings are available online
at www.PrincetonUtilities.com/public-utilities-commission.*



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- b. Winter Storm Fern Update (Butcher)
 - i. Memo 26-11: Winter Storm Fern Update
 - c. EV Charging Rates
 - i. Memo 26-12: EV Rate Changes (Butcher)
 - d. Commission Meeting
 - i. Possibly rescheduling the June 24 meeting for June 17
- 9. Adjournment**
- a. Picture of Commission

Agenda packets, minutes, and videos for this and past Commission meetings are available online at www.PrincetonUtilities.com/public-utilities-commission.

PUBLIC UTILITIES COMMISSION

REGULAR MEETING

February 25, 2026, 1:00 P.M.

Pursuant to due call and notice thereof, the Regular Meeting of the Public Utilities Commission, City of Princeton, was held at the Mille Lacs County Historical Society Depot Museum in the Amdall Room, 202 10th Avenue South, on February 25, 2026, at 1:00 p.m.

Meeting was called to order by Chair Edmonds at 1:00 p.m.

1. CALL TO ORDER / ROLL CALL

Commissioners: Jack Edmonds and Tom Jackson. Nick Nowak was present remotely.

Absent: None

PPU Staff: General Manager Keith Butcher, Electric Superintendent Jeremy Linden, Water/Power Plant Superintendent Scott Schmit, Office Manager Christina Cunningham, and Secretary/Treasurer Kathy Ohman.

Others: City Councilor Nick Taylor. Ed Yost, Kevin Kruger, WSB Engineer, and PUC Customer Ashley Hughes, Go Savvy.

2. APPROVAL OF AGENDA

Mr. Edmonds called for additions or deletions to the agenda. There were none.

Mr. Jackson made a motion to approve the agenda of the February 25, 2026, Regular PUC Meeting with additions. Mr. Nowak seconded. Motion carried.

3. PUBLIC COMMENTS:

PUC Customer Ashley Hughes, Go Savvy, commented on the amount required for a commercial meter deposit from customers when signing up for utilities. She asked for help with her meter deposit.

Discussion.

The consensus of the PUC Commission is to review the PUC Policy on meter deposits.

Ashley Hughes, Go Savvy left the meeting following her public comment.

4. CONSENT AGENDA:

- a. Public Utilities Commission Regular Meeting Minutes – January 28, 2026
- b. Certification of Accounts Payable

Mr. Jackson made a motion to approve the Consent Agenda of the February 25, 2026, Regular PUC Meeting. Mr. Nowak seconded. Motion carried.

5. REPORTS:

- a. General Manager Report
 - i. Office Manager Report
 - ii. Water/Power Plant Superintendent Report
 - iii. Electric Superintendent Report
- b. Financial Reports – Income Statement, Balance Sheet, Trial Balance, and Cash Reserves
- c. Other Reports
 - i. SMMPA and EV Reports

Office Manager Christina Cunningham left the meeting.

6. REGULAR AGENDA

a. **THIRD STREET BID PACKAGE**

General Manager Keith Butcher presented WSB memo regarding *Authorize Bidding for the 3rd Street Reconstruction Project, WSB Project No. 030895-000*. Included was a recommendation from WSB for improvements for North 3rd Street with an alternate option to include 14th Avenue from 2nd Street to 3rd Street.

Discussion.

Mr. Jackson made a motion to approve the bidding process presented by WSB Engineers which includes the alternate option. Mr. Nowak seconded. Motion carried.

b. **WINTER STORM FERN IMPACT**

General Manager Keith Butcher presented *Memo 26-07: Winter Storm Fern Impact* reporting on the potential financial impacts due to Winter Storm Fern.

Discussion.

Consent of the PUC Commission is to follow the PUC Policy.

c. **PFAS NEXT STEPS**

General Manager Keith Butcher presented *Memo 26-08: PFAS Update* along with Bolton & Menk Phase III Proposal.

Discussion.

Mr. Jackson made a motion to approve Bolton & Menk's Phase III Proposal. Mr. Nowak seconded. Motion carried.

d. 2025 YEAR IN REVIEW

General Manager Keith Butcher presented Princeton Public Utilities 2025 Year in Review.

Discussion.

e. CITY COUNCIL UPDATE

General Manager Keith Butcher presented *Memo 26-09: City Council 2/12 Meeting* regarding City Council discussions that would have a direct impact on PPU and its ratepayers.

Discussion

Commissioner Nick Nowak left the meeting.

f. MARCH COMMISSION MEETING CHANGE

General Manager Keith Butcher proposed postponing the March 18, 2026 Regular PUC Meeting to April 1, 2026 at 1:00 PM due to the MMUA Legislative Conference held during that time.

Discussion.

Mr. Jackson made a motion to reschedule the March 18, 2026 Regular PUC Meeting to April 1, 2026 at 1:00 PM. Mr. Edmonds seconded. Motion carried.

There being no further business, Mr. Jackson made a motion to adjourn the meeting at 2:22 p.m. Mr. Edmonds seconded. Motion carried.

Chair

Secretary/Treasurer

Report Criteria:
 Summary report type printed

Vendor Number	Name	Invoice Number	Description	Invoice Date	Invoice Amount	Check Amount	Check Number	Check Issue Date
7	ADP, INC.	711370682	2025 Year End Payroll Processing	01/28/2026	189.95	189.95	2042026	02/04/2026
		713144824	2-6-26 Payroll Processing Fees	02/06/2026	197.62	197.62	2132026	02/13/2026
		714186445	2-20-26 Payroll Processing Fees	02/20/2026	197.62	197.62	2272026	02/27/2026
Total 7:					585.19	585.19		
29	AMARIL UNIFORM COMP	IV292235	Spiked Overboots T. Berg	02/06/2026	161.73	161.73	20260029	02/13/2026
Total 29:					161.73	161.73		
34	AMERICAN SOLUTIONS	INV0867687	#10 Gold Window Disconnect Envelopes (01/22/2026	603.90	603.90	45561	02/11/2026
		INV0896594	#10 Window Envelopes for Reminders/AP	01/22/2026	331.00	331.00	45561	02/11/2026
Total 34:					934.90	934.90		
60	AT&T MOBILITY	2873130172	Monthly Cell Phones	01/25/2026	382.32	382.32	45562	02/11/2026
Total 60:					382.32	382.32		
95	BOLTON & MENK, INC.	0385420	Engineer Fees PFAS Management/Reduct	01/26/2026	4,996.05	4,996.05	20260030	02/13/2026
Total 95:					4,996.05	4,996.05		
138	CARDMEMBER SERVICE	4844-012026	Heater WTP #2 Chemical Room	01/13/2026	1,000.70	1,000.70	45525	01/30/2026
		7274-012026	Meal MMUA T & O Conference	01/13/2026	302.92	302.92	45526	01/30/2026
Total 138:					1,303.62	1,303.62		
153	CENTERPOINT ENERGY	10856562-3-	1-26 Natural Gas 101 S 9th Ave.	01/23/2026	452.35	452.35	45563	02/11/2026
		5848750-5-2	1-26 Natural Gas Gen. Plant O&M	01/23/2026	2,667.99	2,667.99	45564	02/11/2026
		7559455-6-2	1-26 Natural Gas 1001 S Rum River Dr.	01/23/2026	826.07	826.07	45565	02/11/2026
		9481273-2-2	1-26 Natural Gas Shop	01/23/2026	668.80	668.80	45563	02/11/2026
Total 153:					4,615.21	4,615.21		
175	CITY OF PRINCETON	12116	1-26 Sewer Billing & Late Charges	02/27/2026	140,243.51	140,243.51	20260043	02/27/2026
Total 175:					140,243.51	140,243.51		
176	CITY OF PRINCETON	542	1-26 IT Support Services	02/12/2026	1,012.48	1,012.48	20260031	02/13/2026
Total 176:					1,012.48	1,012.48		
186	COMPLETE MERCHANT	5430930900	Monthly Credit Card Fees	01/31/2026	56.59	56.59	2022026	02/02/2026
Total 186:					56.59	56.59		
188	CONNEXUS ENERGY	444352-1796	Monthly Utilities 1100 Watertower Dr. S	01/14/2026	219.21	219.21	45528	01/30/2026
		444352-2972	Monthly Power for Pumping 1001 Rum Riv	01/14/2026	2,029.55	2,029.55	45528	01/30/2026
Total 188:					2,248.76	2,248.76		
228	DEHN OIL COMPANY	25254058	1 Load #2 Red Diesel Fuel O&M	01/24/2026	18,630.05	18,630.05	20260019	02/03/2026
		25254061	1 Load #2 Red Diesel Fuel O&M	01/24/2026	18,630.05	18,630.05	20260019	02/03/2026

Vendor Number	Name	Invoice Number	Description	Invoice Date	Invoice Amount	Check Amount	Check Number	Check Issue Date
		25254066	1 Load #2 Red Diesel Fuel O&M	01/25/2026	18,627.60	18,627.60	20260019	02/03/2026
		25254103	1 Load #2 Red Diesel Fuel O&M	01/26/2026	18,630.05	18,630.05	20260019	02/03/2026
		25254200	1 Load #2 Red Diesel Fuel O&M	01/28/2026	19,114.00	19,114.00	20260019	02/03/2026
		25254270	1 Load #2 Red Diesel Fuel O&M	01/29/2026	19,116.51	19,116.51	20260032	02/13/2026
	Total 228:				112,748.26	112,748.26		
240	DGR ENGINEERING	00281156	Engineer Fees CAP (Ph1) - Final Phase (T	01/13/2026	374.50	374.50	20260020	02/03/2026
		00281157	Engineer Fees CAP (Ph2) - Final Design &	01/13/2026	22,901.00	22,901.00	20260021	02/03/2026
		00281158	Engineer Fees CAP (Ph2) - Final Design	01/13/2026	3,818.00	3,818.00	20260022	02/03/2026
	Total 240:				27,093.50	27,093.50		
261	ECM PUBLISHERS, INC.	1512872	1-26 Advertising Down Through The Years	01/22/2026	75.00	75.00	45566	02/11/2026
	Total 261:				75.00	75.00		
304	FP MAILING SOLUTIONS	022326	Postage for Postage Machine	02/23/2026	900.00	900.00	2232026	02/23/2026
	Total 304:				900.00	900.00		
324	GOPHER STATE ONE CA	6011391	Monthly Locates	01/31/2026	64.85	64.85	20260035	02/13/2026
	Total 324:				64.85	64.85		
325	GRANITE COUNTRY UTIL	013026	Membership Dues for Annual Damage Pre	01/30/2026	300.00	300.00	45567	02/11/2026
	Total 325:				300.00	300.00		
329	GREAT AMERICA FINANC	41175280	Postage Meter Rental	02/02/2026	164.95	164.95	45568	02/11/2026
	Total 329:				164.95	164.95		
330	GREAT RIVER OFFICE P	002252-2026	Monthly Supplies	01/31/2026	333.47	333.47	20260036	02/13/2026
	Total 330:				333.47	333.47		
338	HAWKINS, INC.	7306061	Chemicals Chlorine & Fluoride	01/07/2026	3,148.83	3,148.83	45537	01/30/2026
	Total 338:				3,148.83	3,148.83		
339	HEALTHPARTNERS	0412826717	2-26 Employe Health Insurance	01/05/2026	27,434.04	27,434.04	7120091	02/02/2026
	Total 339:				27,434.04	27,434.04		
362	INSTRUMENTAL RESEAR	6920	Monthly Water Testing	02/03/2026	108.20	108.20	45569	02/11/2026
	Total 362:				108.20	108.20		
402	JIM'S MILLE LACS DISPO	3940154-202	Monthly Trash Service	01/31/2026	241.37	241.37	20260037	02/13/2026
	Total 402:				241.37	241.37		
462	KEITH BUTCHER	022726	Mileage. & Parking SMMPA Board Mtgs.	02/27/2026	170.11	170.11	20260048	02/27/2026
	Total 462:				170.11	170.11		

Vendor Number	Name	Invoice Number	Description	Invoice Date	Invoice Amount	Check Amount	Check Number	Check Issue Date
476	KRISS PREMIUM PRODU	198713	Qrtly. Jacket Water Treatment & Maintena	01/08/2026	500.00	500.00	20260024	02/03/2026
Total 476:					500.00	500.00		
493	LINCOLN FINANCIAL GR	4926562137	2-26 Employee Disability Insurance	01/09/2026	460.74	460.74	20260025	02/03/2026
Total 493:					460.74	460.74		
523	MARV'S TRUE VALUE	2252-202601	Grab Hooks for Bore Rig	01/30/2026	44.84	44.84	45571	02/11/2026
Total 523:					44.84	44.84		
547	MENARDS - ELK RIVER	31037, 3124	Baseboard Heater Back Room Office & Fa	01/30/2026	199.70	199.70	45593	02/27/2026
Total 547:					199.70	199.70		
550	METRO SALES INCORPO	CW4957	1-26 Managed Technical Services	01/05/2026	3,097.06	3,097.06	45543	01/30/2026
Total 550:					3,097.06	3,097.06		
562	MIDCONTINENT COMMU	13072950115	Monthly Internet	02/01/2026	225.66	225.66	45574	02/11/2026
		13096360115	Monthly Telephone WTP #1	02/01/2026	53.96	53.96	45575	02/11/2026
Total 562:					279.62	279.62		
588	MN DEPT. OF REVENUE	8024684-122	12-25 State Sales Tax Billed	02/20/2026	29,291.00	29,291.00	13761801	02/20/2026
Total 588:					29,291.00	29,291.00		
590	MN DNR ECOLOGICAL &	1978-3256-2	2025 Annual Water Appropriations Fee	01/14/2026	3,020.12	3,020.12	45546	01/30/2026
Total 590:					3,020.12	3,020.12		
605	NAPA CENTRAL MN	2648-202601	Elec. Connectors Vac Truck #9	01/31/2026	325.86	325.86	20260038	02/13/2026
Total 605:					325.86	325.86		
610	NCPERS GROUP LIFE IN	7016020220	1-26 Employee Life Insurance	01/01/2026	64.00	64.00	45547	01/30/2026
Total 610:					64.00	64.00		
637	ONLINE INFORMATION S	1372529	Monthly Online Credit & ID Checks	01/31/2026	111.88	111.88	20260040	02/13/2026
Total 637:					111.88	111.88		
638	OPTUM	0001863842,	10-25 to 12-25 HSA Participant Fee	01/20/2026	56.25	56.25	45548	01/30/2026
		021126	2-6-26 Payroll Employee HSA Contribution	02/06/2006	2,894.25	2,894.25	2112026	02/11/2026
		022026	2-20-26 Payroll Employee HSA Contributio	02/20/2026	2,894.25	2,894.25	2242026	02/24/2026
Total 638:					5,844.75	5,844.75		
651	PERA	701602-2202	2-20-26 Payroll PERA	02/20/2026	6,620.07	6,620.07	838835	02/23/2026
		701602-2620	2-6-26 Payroll PERA	02/10/2026	6,764.89	6,764.89	837084	02/10/2026
Total 651:					13,384.96	13,384.96		
661	POSTMASTER	022626	Monthly Billing	02/26/2026	1,140.67	1,140.67	2262026	02/26/2026

Vendor Number	Name	Invoice Number	Description	Invoice Date	Invoice Amount	Check Amount	Check Number	Check Issue Date
Total 661:					1,140.67	1,140.67		
682	PUBLIC UTILITIES COMM	013026	Monthly Utilities	01/30/2026	2,829.15	2,829.15	45552	01/30/2026
Total 682:					2,829.15	2,829.15		
783	SMMMPA	INV2037	1-26 Purchased Power	01/31/2026	451,305.83	451,305.83	126	02/25/2026
Total 783:					451,305.83	451,305.83		
789	SPENCER FANE LLP	1481804	Legal Fees Electric Service Territory Conn	01/02/2026	572.00	572.00	20260015	01/13/2026
		1494132	Legal Fees Electric Service Territory Conn	02/09/2026	2,047.50	2,047.50	20260041	02/13/2026
Total 789:					2,619.50	2,619.50		
795	STINSON LLP	43687102	Legal Fees General Matters	01/27/2026	550.00	550.00	20260042	02/13/2026
Total 795:					550.00	550.00		
796	STUART C. IRBY CO.	115155-2026	Testing of Gloves	01/31/2026	259.39	259.39	45577	02/11/2026
Total 796:					259.39	259.39		
813	TASC	IN3681226	4-1-26 to 4-30-26 COBRA Admin Fees	02/15/2026	32.50	32.50	45597	02/27/2026
Total 813:					32.50	32.50		
858	U.S. BANK EQUIPMENT F	574514600	Monthly Ricoh IM4510 Color Copier Lease	02/01/2026	470.00	470.00	45579	02/11/2026
Total 858:					470.00	470.00		
863	USA BLUE BOOK	INV0093656	Water Testing Supplies AccuVacs, Alkaline	01/15/2026	1,228.37	1,228.37	20260027	02/03/2026
Total 863:					1,228.37	1,228.37		
864	UTILITY LOGIC	15970	Vivax-Metrotech vLoc3 Pro Locator	01/29/2026	5,720.00	5,720.00	45580	02/11/2026
Total 864:					5,720.00	5,720.00		
867	VERICHECK	013026	Monthly eCheck Charges	01/30/2026	282.00	282.00	2092026	02/09/2026
Total 867:					282.00	282.00		
868	VERIZON WIRELESS	6134966989	Remote Internet WTP #1 & WTP #2 Scad	02/01/2026	415.25	415.25	45581	02/11/2026
Total 868:					415.25	415.25		
869	VESTIS	220844240-2	Cleaning Supplies O&M	01/31/2026	645.81	645.81	45582	02/11/2026
Total 869:					645.81	645.81		
873	VOYANT COMMUNICATIO	010558-2026	Monthly Telephones	02/01/2026	424.52	424.52	45583	02/11/2026
Total 873:					424.52	424.52		
889	WEX BANK	110183196	Vehicle Fuel	01/25/2026	259.68	259.68	45584	02/11/2026

Vendor Number	Name	Invoice Number	Description	Invoice Date	Invoice Amount	Check Amount	Check Number	Check Issue Date
Total 889:					259.68	259.68		
906	LEO A DALY LLC	023-10729-1	Consultant Services Space Needs Evaluat	01/23/2026	164.12	164.12	45542	01/30/2026
Total 906:					164.12	164.12		
968	FIRST UNUM LIFE INSUR	0989161-001	2-26 Employee Life Insurance	01/14/2026	131.35	131.35	45536	01/30/2026
		0989162-001	1-26 MN PFML	01/19/2026	519.48	519.48	45536	01/30/2026
Total 968:					650.83	650.83		
971	MOOSE LAKE POWER	01-2026	2025 Vermeer D10X1511 Bore Rig with Lo	01/12/2026	165,000.00	165,000.00	45520	01/14/2026
Total 971:					165,000.00	165,000.00		
Grand Totals:					1,019,945.09	1,019,945.09		

Report Criteria:
 Summary report type printed

REPORT GM-26-03



TO: Princeton Public Utilities Commission
FROM: Keith R. Butcher, General Manager
SUBJECT: General Manager Report
DATE: April 1, 2026

I am pleased to present this monthly report to the Princeton Public Utilities Commission. It provides an overview of the significant activities and developments that took place since our last meeting that are not included in the proposed agenda. Also included are the Monthly Department Reports from each of PPU's Senior Leadership Team.

FINANCIAL UPDATE

Reporting

The state completed an audit of our process for utilizing the Minnesota Recapture Program for unpaid utility bill. They identified two areas to address.

- The utility had not removed two claims that were paid or satisfied in a timely manner. To correct the situation, we submitted a written control process for removal from collections that ensures we meet the necessary deadlines.
- The utility did not include a notice date on the notification letter. This has been added to our form.

The audit is closed and no further changes are required.

LEGAL AND REGULATORY

Regulatory

Due to regulatory changes the M-MIP (Minnesota Municipal Interconnection Process) and the associated TSM (Technical Services Manual) for customer owned distributed energy resources (DER), namely solar, needs to be updated to remain in compliance. To assist members, MMUA is offering a training in St. Peter on April 20. I will attend to ensure that our process remains compliant with state law.

ADMINISTRATION/STAFF

The transition of our billing to Caselle is complete although we are continuing to make minor tweaks and adjustments to improve the system. We expect to spend the next 6-12 months mastering the system and continually updating our process and procedures.

Per the discussion at the last Commission meeting, staff are working on a report on commercial account deposits. We are hoping to share the findings at the April 22 meeting and receive direction from the Commission at that time on next steps.

COMMUNITY INVOLVEMENT

We remain committed to being active members of the Princeton community and maintaining our industry partnerships.

Industry Partnerships

- We are proud to announce that Princeton was elected to the SMMPA Board of Directors at their March 11 meeting.
- We are submitting a joint proposal with Bolton & Menk to present our PFAS findings at the MMUA Annual Conference in August. We may also publish an article in the MMUA Resource.
- I attended the MMUA Legislative Conference March 24-25. I was able to meet with both Sen. Mathews and Rep. Lawrence to discuss issues affecting Princeton.

CONCLUSION

Let me know if you have any questions or require additional information on any of the topics mentioned in this report.

Thank you for your continued trust in our team and supporting our mission to serve the Princeton community.

Future Meetings and Special Events

April 22: Commission Meeting

May 27: Commission Meeting

June 24: Commission Meeting

REPORT OM-3



TO: Keith Butcher, General Manager
FROM: Christina Cunningham, Office Manager
SUBJECT: March Office Manager Report
DATE: March 25, 2026

I am pleased to present the monthly update report for the month of March. This report summarizes key activities and developments in various departments within our organization.

CUSTOMER SERVICE

Customer Satisfaction: Our team continues to prioritize customer satisfaction. During the past 30 days, 928 phone calls have been taken.

Current call volumes have increased this past month. We have been answering questions regarding: new account numbers, portal log in, new verbiage on the bill (late fee) and general billing questions. Connie has spent a lot of time working with customers who may have found an error and working through those with them. We have been receiving lots of support from our customers and understanding as they have experienced a complete software change.

We are continuing to work with customers during Cold Weather Rule. We follow strict disconnection guidelines set forth by the State of Minnesota and are working with customers who are struggling to make their utility payments.

BILLING

Payment Processing: Payments were processed as due date was 3/12/26. Penalties were applied and payments continue to be processed as they come in.

Bills were printed from Caselle and we converted our payment portal to the new account numbers. As we expected we have been finding/ tweaking small issues and working with customers. Some of the bills had missing names but this was fixed once discovered.

We had a calculation error on our commercial customers' water rate. The Billing Clerk was able to work with Caselle and get the calculation corrected quickly. She printed and mailed out a revised bill and notified them of the correction.

We are now working on making sure any reports that we need are created and in the new system. We are also cleaning up other non critical tasks that may have been set aside during the conversion.

Last month, 38% of our customers received their bills electronically. We have customers who have chosen to get bills both by mail and electronically.

MARKETING / PUBLIC RELATIONS

We do not have any public events planned for the next month but we are looking forward to working with the Mille Lacs County Historical Society on a joint event during Public Power Week in October. Our next event will be the Rum River Days Parade.

CONCLUSION

We are excited that our conversion is moving along. I estimate that we will see errors and issues arise over the next 6 months as is typical with software conversions. So far, we have seen our average process time for daily/monthly tasks drop and take less time. I am hopeful that over the next 6 – 12 months we will be able to go through our processes and clean up/eliminate/adjust tasks.

We remain committed to upholding our standards of excellence in customer service, billing accuracy, financial management, and marketing.

REPORT WPPS 3-26-2026



TO: Keith R. Butcher, General Manager
FROM: Scott Schmit, Water & Power Plant Superintendent
SUBJECT: Water & Power Plant Report
DATE: March 26, 2026

I am pleased to provide you with a monthly update. This report outlines key activities and developments.

WATER DEPARTMENT

Water quality testing

- The 6 Monthly Bacti/Total Chlorine residual testing samples were collected and submitted to MN Dept. of Health for testing.
- Staff performed daily iron, manganese, fluoride and chlorine testing and daily plant chemical usage logs.
- Staff performed monthly filter testing and well draw down logs.
- Monthly fluoridation report was completed and sent to the MN Dept. of Health.
- Received MDH quarterly PFOS sampling results.
- Followed up with the MN Dept. of Health on sanitary survey findings.

Other activities

- Shane and I attended the MRWA conference. I also assisted Meghan from Bolton & Menk, Inc. in her presentation on her case study on the utilities progress to date with PFOS.
- Continued work with WSB on upcoming project.
- Field staff with the help of the office have continued to monitor and contact customers that are flagged on the leak report.
- WTP 1 chemical room maintenance and new chemical pump project is making progress.
- Staff attended the MMUA safety training.
- I was able to located a super clean rust free used dump box for the truck conversion the used box will be a nice cost savings for that project.

POWER PLANT DEPARTMENT

- The rebuilt turbo for unit 3 is installed and the unit is back in service.
- Unit 6 oil change is complete and back in service.
- The rest of the units are all ready for service
- Substation monthly battery maintenance was completed.
- All monthly reporting was completed.

REPORT ES-26-03



TO: Keith R. Butcher, General Manager
FROM: Jeremy Linden, Electric Superintendent
SUBJECT: March Electric Superintendent Report
DATE: March 24, 2026

I am pleased to present the monthly update report for March 2026, highlighting the activities and developments for the Electric Department.

ELECTRIC CAPITAL IMPROVEMENTS PLAN (CAP PLAN) UPDATE

- We are having a pre-con meeting with Castrejon and DGR on March 31st, with anticipated start time of early April for Phase 2.
- All 3 phase transformers are here and some of the single phase transformers are starting to arrive.
- Other materials and supplies for Phase 2 are showing up regularly. We have enough to begin when our contractor starts.
- Working through the permit processes (DOT, DNR, etc) for the start of Phase 2.
- We still are working with property owners on the acquisition of an easement for UG feeder lines in Phase 2.
- The meter cut over process (planning/design) of Phase 2 continues to move forward.
- We continue to pull old poles and retire OH lines on Phase 1.

PROJECTS

- Upgraded our Yukon software to the newest version to facilitate the new 3 phase meters that are on order.
- Met with a vendor dealing with New Christmas Decorations.
- Sent out the second notice/list of pole abandonments to affected Tel-Coms.
- Installing cable/phasing identification tags on UG Primary in our dist. System.
- Daily service orders for lights and miscellaneous repairs.
- Monthly safety training with Safe Assure
- Quarterly Training with MMUA (JT&S)

OUTAGE REPORT

Outage Response: Since the last meeting, we have had no outages.

CONCLUSION

In summary, the Electric Department continues to make strides in enhancing our infrastructure, ensuring dependable service, and expanding service coverage to new customers. Our dedication to safety, customer service, and infrastructure development remains steadfast.

Looking forward, our focus remains on improving reliability metrics, advancing projects within the Capital Improvements Plan, and investing in staff training to maintain our high standards.

SOUTHERN MINNESOTA MUNICIPAL POWER AGENCY
Minutes of the Board of Directors' Meeting
February 11, 2026

President Moulton called the meeting to order at 9:00 a.m. at the Spring Valley Ambulance Service Building in Spring Valley, Minnesota.

Mr. Rolli, Spring Valley Public Utilities Superintendent, welcomed the members to Spring Valley and introduced Mr. Tim Howard, Spring Valley Public Utilities Utility Supervisor, and Ms. Kristin Howard, Spring Valley Public Utilities Office Manager.

Board Members Present:

President Peter T. Moulton, Saint Peter; Vice President Roger E. Warehime, Owatonna; Secretary James R. Bakken, Preston; Treasurer Bruce A. Reimers, New Prague; Thomas J. Dankert, Austin; and Timothy M. McCollough, Rochester.

Others Present:

David P. Geschwind, Executive Director & CEO; Alex Bumgardner, Austin; Keith Butcher, Princeton; Chris Rolli, Spring Valley; Craig Anderson, Wells; Dirk E. Bierbaum, Beth A. Fondell, Naomi A. Goll, Joseph A. Hoffman, and Jeremy B. Sutton of the Agency staff.

Others Present Via Conference Call:

Jerry Mausbach, Blooming Prairie; Miles Heide, Julie Zarling, Fairmont; Mike Roth, Shane Steele, Grand Marais; Mike Geers, Litchfield; Joe Kohlgraf, Mora; Christian Fenstermacher, Tim Linders, Owatonna; Jason Halvorson, Redwood Falls; Todd Prafke, Saint Peter; and Carl Sonnenberg, Waseca.

#1 Agenda Approval:

Mr. Bakken moved to approve the agenda, seconded by Mr. McCollough, passed upon a unanimous vote of the board members present.

#2 Consent Agenda:

Mr. Dankert moved to approve the consent agenda, seconded by Mr. Warehime, passed upon a unanimous vote of the board members present.

APPROVED the January 15, 2026 board meeting minutes.

APPROVED the Fairmont Energy Station Security Camera System Replacement. (Attachment A.)

APPROVED the Owatonna Energy Station Security Camera System Replacement. (Attachment B.)

APPROVED the Rutland to Fox Lake 161 kV Protection System Upgrade. (Attachment C.)

#3 Winter Storm Fern Impact-Sutton/Fondell:

Mr. Geschwind reported that Sherco 3 experienced challenges during the coldest days of Winter Storm Fern, resulting in financial impacts that affect net energy costs and the Energy Cost Adjustment.

Mr. Sutton reported on the Winter Storm Fern impact.

Much of the United States experienced a significant cold weather event January 22-27, 2026 resulting in extremely cold temperatures and ice and snow to a broader area of the United States. Member generation was called to run by MISO during this weather event. Sherco 3 experienced an unplanned outage from January 22-25, 2026, possibly caused by nearby lines that iced up and faulted when the winds picked up. After the initial outage, the unit was derated due to a steam pressure relief valve issue.

Emergency Operations Procedures

Mr. Geschwind reported that MISO issued an Energy Emergency Alert 2 for voluntary load shedding.

Mr. McCollough reported that the SMMPA Preparis notification worked but there were some challenges. Recommend having protocols in place that are clearly understood.

Discussion.

Members suggested SMMPA explore group communications via social media (Facebook), radio stations, and newspapers for alerting the member communities. Could SMMPA have a public notification system to go out to the members and customers? Could SMMPA create a simple Facebook post to share with the members?

Mr. Hoffman reported that SMMPA explored radio stations in the recent past, but the broadcast was in wide-reaching areas and many stations are not staffed 24/7. SMMPA could provide messaging to the members and custom graphics.

Members prefer SMMPA provide alerts to the members and test the alert system on an annual basis to ensure efficiency. If MISO requests a regional alert, the alert message should make it clear that the regional grid and not a member is having issues.

Mr. Geschwind stated that SMMPA could provide sample alert language, indicating it is a regional issue. SMMPA will continue to evaluate this topic.

Member Generation Failures

Mr. Sutton reported that during the cold weather event, certain members had a variety of generation-related equipment failures.

Mr. Sutton thanked the members for their efforts.

Financial Impact

Ms. Fondell reported there was an estimated \$10 million financial impact due to the Winter Storm Fern event, stemming from Sherco 3 being offline and not providing generation revenues to act as a hedge against market prices.

Unplanned Outage Self-Insurance

The unplanned Sherco 3 outage was a qualifying event under SMMPA's self-insurance program. The self-insurance program follows a process similar to the insurance policy. Friday, January 23, 2026 qualified as the program covers on-peak hours only. January 24-25, 2026 were off-peak hours and not factored into the calculation. The claim amount was \$577,606.17, which reduces the January ECA charge. The 2025 and 2026 budgets included \$500,000 for outage self-insurance and any unspent balance at year-end rolls forward to the following year. After this claim, \$422,393.83 will remain in the self-insurance program for future unplanned outages.

Discussion

A suggestion was made to review the self-insurance program to possibly cover Saturdays for load events.

January ECA Impact

- Expect the January ECA to be capped at \$0.02/kWh as specified in the Schedule B base rates. Any energy cost adjustment charge or credit in excess of \$0.02/kWh is deferred to subsequent months.
- All net energy costs impacting the January ECA won't be finalized until around February 24th.

Recommendation

- Allow January ECA to pass through to members as designed.
- Discuss at the March board meeting the possibility of some or all the deferred January ECA being absorbed by Agency cash reserves.
 - The future rate forecast may be impacted.
 - December results were near budget despite the approximate \$2.5 million cash distribution.

Next Steps

- January ECA will be emailed as usual from SMMPA Accounting Department on February 24, 2026.
- SMMPA will email members a narrative regarding the final impact results.
- March board meeting agenda action item to decide on any SMMPA funding of deferred January ECA.

#4 2026/2027 Planning Year Capacity Position-Bierbaum:

Mr. Geschwind introduced Mr. Bierbaum, SMMPA Manager of MISO Markets and Power System Operations, to provide the Agency's capacity position.

Mr. Bierbaum reported on the Agency's capacity position for the 2026-2027 planning year.

The Agency is expected to be short of capacity in the summer and spring seasons and to have adequate capacity in the fall and excess capacity in the winter season. Options for addressing the capacity shortfall were reviewed and possible transactions are:

- Possible purchase for the spring from Rochester Public Utilities.
- Possible purchase for the summer from Missouri River Energy Services (30 MW), and Rochester Public Utilities (5 MW). Still shortfall of 12.9 MW.

Discussion.

Next Steps

- Continue working on the spring shortfall prior to April 1 planning resource auction.
- Use initial seasonal accredited capacity now, recognizing the final seasonal accredited capacity values will not be known until February 15, 2026.
- Sell excess capacity.

After a short break, the board reconvened at 10:53 a.m.

#5 2025 Economic Development Review-Hoffman:

Mr. Hoffman reported on the annual economic development review.

The Economic Development Program provides incentives to attract new business customers to SMMPA member communities. The program includes two rates: Economic Development Credit Program and Load Acquisition Credit Program.

Economic Development Credit Program

The credit program is available to new or expanding businesses with a load of 250 kW or greater, or with a load that exceeds the demand of the member's tenth largest current retail customer. There is a 5-year credit on energy charges (40% in year 1, 20% in year 2, 10% in year 3, 5% in year 4, and 2.5% in year 5) and the credit is paid by SMMPA to the member.

Load Acquisition Credit Program

The program provides credit to members who are making lost revenue payments for service territory acquisitions. In 2025, six members participated in the Load Acquisition Credit Program. The acquired load was equivalent to approximately 14.5 megawatts.

Small Business Development Centers

In 2024, SMMPA began a funding partnership with the Small Business Development Centers (SBDC) to support entrepreneurs and small businesses in member communities. SBDC provides assistance to small businesses with business plans, financial projections, accounting, marketing, and loan packaging.

Other Economic Development Initiatives

- The Agency developed customized economic development brochures for member communities.

Economic Development Credit Program Cap

At the November 2025 SMMPA Board Retreat, the board suggested setting a maximum load size eligible for economic development credits and bringing the topic to the February board meeting for member feedback. The impact of adding a large load, such as a data center, was discussed. Setting a cap of 5 MW on portion of a qualifying retail customer's load eligible for economic development credit was an option.

Discussion.

One option discussed is to sunset the economic development program and retain the load acquisition credit program. It was suggested that members discuss this option with their local economic development staff to provide feedback for continued discussion at a future board meeting.

#6 Austin Energy Station Lease Option-Sutton:

Mr. Sutton reported on the Austin Energy Station lease option.

SMMPA would lease the city-owned site at the former Austin Northeast Power Plant.

Terms of the Proposed Lease:

- A 50-year initial term.
- A nominal lease fee of \$1 to 2050.
 - In the event Austin Utilities is not a member after 2050, fair market value will be determined.
- Time for SMMPA to conduct necessary due diligence on the site to make sure it is suitable for the proposed Austin Energy Station plant.
- SMMPA would be responsible for any hazardous materials at the site resulting from operation of AES.
- Austin Utilities retain responsibility for any hazardous materials at the site that existed prior to the effective date of the lease.
- SMMPA will have 24 months after the term of the lease ends to decommission the site.

The Austin City Council and Mower County approved supporting the new plant via a property tax exemption to be pursued through state legislation.

Discussion.

Action Item

Authorize SMMPA to enter into the ground lease contract with Austin Utilities in substantially the form as presented.

Mr. Reimers moved to authorize SMMPA to enter into the ground lease with Austin Utilities in substantially the form as presented, seconded by Mr. Bakken, passed upon a unanimous vote of the board members present. Abstained: Mr. Dankert.

Mr. Sutton thanked Mr. Dankert and Mr. Bumgardner for their efforts.

#7 EDF Wapsi Wind Contract Extension-Sutton:

Mr. Sutton reported on the EDF Wapsi Wind Contract Extension.

The 100.5 MW (67 wind turbines) Wapsi Wind Project is located near Dexter, Minnesota. SMMPA received an offer from EDF to extend the purchase contract, which is scheduled to expire in 2029.

Renewable Energy Credit Balance

The Agency's current renewable energy credit (REC) balance and the expected balance based on production and retirements were discussed.

Discussion.

Mr. McCollough indicated that to the extent the extended agreement would produce additional RECs prior to the end of the Rochester power sales contract in 2030, Rochester requests a share of those RECs.

Next Steps

- Bring back to March board meeting for action.

#8 Confidential Board Report Summary-Sutton:

Mr. Sutton summarized the confidential board report.

Government Affairs/Member Services Report-Hoffman:

Mr. Hoffman summarized the government affairs/member services report detailed in the board book.

APPA Legislative Rally

Members were reminded the APPA Legislative Rally is February 23-25, 2026 in Washington, D.C.

Distributed Generation Workshop

MMUA is partnering with Star Energy to hold a Distributed Generation Workshop geared toward utilities that have not yet adopted a technical specifications manual (TSM). When additional workshop information is available, an email will be sent to the members who have not adopted the TSM.

Electric Vehicle Charging Network Usage

The 2025 electric vehicle charging network usage data reflects a decrease among members. Rochester, Grand Marais, Saint Peter, and Lake City were the top charging session locations. Level 2 charging has grown in 2025. On-peak kWh charging was 55% and off-peak kWh charging was 45% kWh.

Electric Vehicle Charger Services Provider Alternative

Based on feedback, some members may switch from ZEF Energy to another electric vehicle

charger service provider.

Cybersecurity Board Security Brief

The Cybersecurity and Infrastructure Security Agency recommends passwords of at least 16 characters. Passphrases have become popular and are more secure using 20 to 30 characters. Consider password managers to store passwords and sensitive data in a digital vault, creating the need to only remember one master password.

Operations Report-Sutton:

Mr. Sutton reported:

SES Update

As proposed, the plant nominal output is 45 MW during standard temperature conditions. During colder weather, the potential output could exceed 50 MW. SMMPA met with Minnesota Public Utilities Commission and MPCA staff to discuss whether a certificate of need would be required if the output could exceed 50 MW under certain temperature conditions. SMMPA could install software to limit output to 49.9 MW. Process is being reviewed by the MN PUC.

Fairmont Wind Turbine

One Agency-owned Fairmont wind turbine experienced a bearing failure at an estimated replacement cost of \$250k. SMMPA staff is evaluating options and will provide a recommendation at the next board meeting.

Quarterly Wind and Solar Update

Information on the performance of the Agency's wind and solar resources, including capacity factor and costs relative to market energy prices and net margins, was reviewed.

Market Update

A graph of recent natural gas and on-peak electricity prices was discussed.

Financial Report December 2025-Fondell:

Ms. Fondell summarized Agency financial results through December as provided in the board book materials. December's financial results are preliminary, as the 2025 books are held open until the annual audit is completed.

Deferred Depreciation

The deferred depreciation concept is used to make sure the Agency generates enough revenue and cash to pay the debt service. It accounts for the difference between long-term debt principal payments and depreciation expense. In the early years of a bond issuance, principal payments are less than depreciation expense on the financed assets. During the later years, the additional expense is recorded to make sure the entity is recovering cash to pay large principal payments. The intent is to defer depreciation and amortization in early years, record depreciation and amortization in later years, and the balance zeros out over the term of the bonds. The balance in deferred depreciation hit its highest balance of \$232,637,750 in 2011. Since then, with some large principal payments for the 1994A bonds, the entire previously deferred balance was recognized as expense and zeroed out in 2024. The deferred depreciation approach doesn't serve

a purpose going forward. SMMPA's outside auditor, Baker Tilly, recommends discontinuing using deferred depreciation within financial statements beginning in 2025.

2025 Investment Results

The 2025 year-end investment results were reviewed. The investment portfolio balance at the end of 2025 was approximately \$247 million. Interest rates improved from the prior year with some lower-yielding investment maturing during the year.

Short-Term & Long-Term Debt Review

The 2025 Revolving Credit Agreement short-term borrowing program activity was reviewed along with an amortization schedule, paydown plan, and summary. The long-term debt payment schedule for 2025 through 2046 was reviewed.

SMMPA Budget & Rates Workshop Date

The SMMPA Budget & Rates Workshop will be scheduled in late September 2026.

Annual Review of Financial

Ms. Fondell will email materials to the members explaining the financial and operation reports provided in monthly board books.

Rate Changes

February 1, 2026 marks the end of transitioning transmission rates from 100% ratchet to monthly metered coincident peak. Also, an overall ten percent rate decrease will be applied as a 10.812% rate decrease to the power supply demand and energy base rates.

ECA Monthly Base Rate

Effective January 2026, the Energy Cost Adjustment base rate will be adjusted monthly based on the monthly budgeted net energy costs.

President's Report:

Mr. Moulton reported:

- SMMPA Staff Recognition: SMMPA staff members were recognized for their outstanding presentations today and also thanked Ms. Deb Donahue for supplying information to the board for Mr. Geschwind's annual performance evaluation.

Executive Director & CEO's Report:

Mr. Geschwind reported:

- SMMPA Board Seat: Lake City resigned their SMMPA Board seat, and the term of that seat expires in October 2026. A Member Representatives meeting will be scheduled next month for election to fill the vacant board seat to serve the remainder of the term.
- Sherco 3 Tours: During the Sherco 3 planned major overhaul from March to May 2026, tours will be scheduled for interested members including commissioners/council members. SMMPA will send an email to the members with further details.

- Email Impersonation Attempt: A member received an email that appeared to be from the SMMPA Board President, but it was a phishing attempt. Thanks were expressed for being alert to email phishing attempts.
- TAPS and APPA Committee Meetings: During this week's TAPS and APPA Committee conference calls, artificial intelligence (AI) notetaking was discussed. TAPS will be adopting a policy prohibiting AI notetaking, unless prior approval is given. Concerns with AI notetaking software includes losing attorney-client privilege and data practices act issues.

Member Forum:

None.

Other Business:

There was no other business.

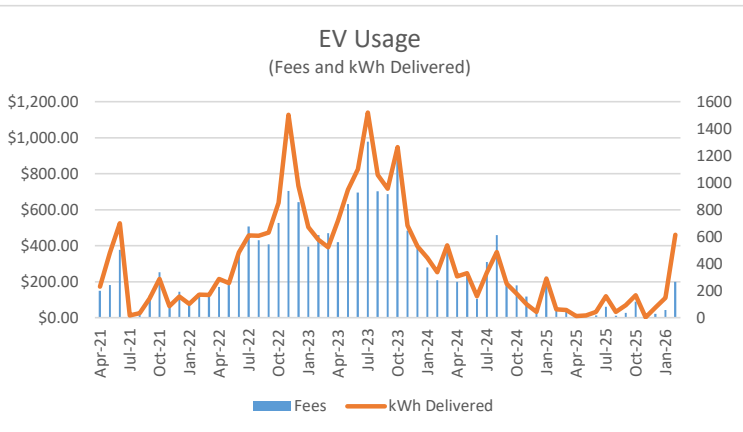
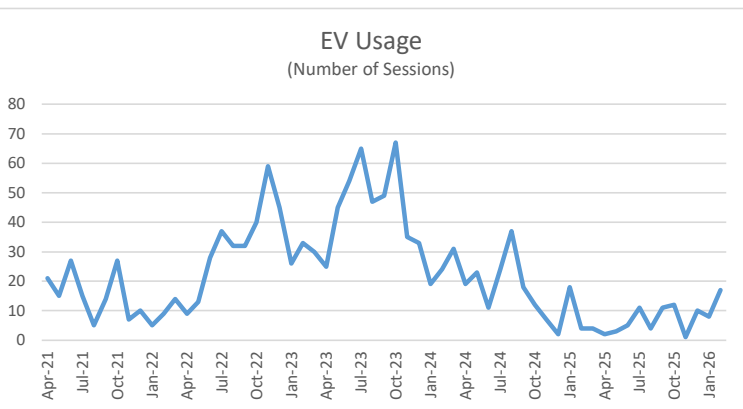
Adjourn:

A motion to adjourn the meeting was made by Mr. Warehime, seconded by Mr. McCollough, passed upon a unanimous vote of the board members present.

The meeting was adjourned at 12:22 p.m.

Secretary

EV Usage Tracking			
	Sessions	Fees	kWh Delivered
Apr-21	21	\$148.80	230
May-21	15	\$180.40	481
Jun-21	27	\$377.66	699
Jul-21	15	\$9.30	15
Aug-21	5	\$16.85	32
Sep-21	14	\$122.59	141
Oct-21	27	\$251.58	286
Nov-21	7	\$69.69	84
Dec-21	10	\$143.28	157
Jan-22	5	\$76.49	101
Feb-22	9	\$129.90	171
Mar-22	14	\$127.30	167
Apr-22	9	\$170.06	286
May-22	13	\$179.85	256
Jun-22	28	\$360.46	482
Jul-22	37	\$505.76	610
Aug-22	32	\$429.69	605
Sep-22	32	\$406.48	630
Oct-22	40	\$527.07	852
Nov-22	59	\$705.45	1502
Dec-22	45	\$642.63	976
Jan-23	26	\$394.62	669
Feb-23	33	\$458.20	578
Mar-23	30	\$470.00	520
Apr-23	25	\$419.86	720
May-23	45	\$630.76	948
Jun-23	54	\$694.77	1099
Jul-23	65	\$977.76	1519
Aug-23	47	\$702.59	1057
Sep-23	49	\$686.59	956
Oct-23	67	\$919.29	1264
Nov-23	35	\$483.85	684
Dec-23	33	\$411.24	528
Jan-24	19	\$278.67	443
Feb-24	24	\$207.51	338
Mar-24	31	\$395.59	534
Apr-24	19	\$198.00	305
May-24	23	\$226.64	328
Jun-24	11	\$105.11	159
Jul-24	24	\$309.34	333
Aug-24	37	\$457.72	487
Sep-24	18	\$204.57	251
Oct-24	12	\$179.30	176
Nov-24	7	\$117.15	99
Dec-24	2	\$47.30	42
Jan-25	18	\$226.78	289
Feb-25	4	\$55.50	60
Mar-25	4	\$46.77	57
Apr-25	2	\$2.48	11
May-25	3	\$4.80	17
Jun-25	5	\$12.59	42
Jul-25	11	\$59.41	159
Aug-25	4	\$10.36	41
Sep-25	11	\$25.34	93
Oct-25	12	\$89.52	165
Nov-25	1	\$1.27	2
Dec-25	10	\$20.74	76
Jan-26	8	\$42.79	147
Feb-26	17	\$198.82	614



MEMORANDUM 26-10



TO: Princeton Public Utilities Commission
FROM: Kathy Ohman, Commission Treasurer
SUBJECT: Financial Reports
DATE: April 1, 2026

ITEM SUMMARY

A discussion on the ongoing financial reporting needs of the Commission

BACKGROUND

Reports previously generated through our former software are no longer available and are therefore not in the packets this month. On a positive note, this transition provides the Commission an opportunity to reassess current reporting practices and ensure that they are transparent, accurate, and provide meaningful financial insight for Commission decision-making.

Currently, staff are working with Caselle to compile and understand the available financial documents. This has taken a little bit longer than expected. Fortunately, Caselle offers a very flexible interface that allows staff to tailor reports (within certain parameters) to fit the utility's specific needs. Staff are exploring these different options and evaluating the results.

Staff have also been in communication with peers, including but not limited to New Prague Municipal Utilities and Mora Municipal Utilities, both of which are Caselle users. It is helping staff to better understand the system's capabilities as well as how others are using it. This review is offering some guidance on reporting best practices and industry standards within the Minnesota municipal utility industry. Based on these findings, staff anticipate providing draft report templates for Commission review at the next meeting.

Additionally, the Commission may want to consider adopting a formal Financial Report Policy to institutionalize this effort and ensure that current and future Commissions consistently receive the information necessary for proper fiscal oversight and good governance practices. If adopted, the Financial Report Policy should be reviewed annually and reports added or removed based on the needs of the Commission at that time as well as reflective of the type and scope of projects in process.

The initial draft of potential reports along with the timing of their presentation are given in the following table.

Table 1: Potential Reports

REPORT:	PERIOD:
Accounts Payable Report	Monthly
Statement of Revenues and Expenses (formerly "Income Statement")	Monthly
Cash Flow Statement – New Report	Monthly
Balance Sheet	Quarterly (April, July, October, January)
Fund Balances (formerly "Cash Reserves")	Quarterly (April, July, October, January)
Budget vs Actual Updates	Quarterly (April, July, October, January)
Financial Audit (from the Auditor)	Annually (June)
Review of the Financial Reporting Policy	Annually (August)

Action Needed:

Staff are requesting feedback.

MEMORANDUM 26-11



TO: Princeton Public Utilities Commission
FROM: Keith Butcher, General Manager
SUBJECT: Winter Storm Fern Update
DATE: April 1, 2026

ITEM SUMMARY

This is a follow-up to Memo 26-07: Winter Storm Fern Impacts

IMPACT

SMMPA implemented a \$0.02 / kWh ECA for February. This resulted in a higher SMMPA invoice in the amount of \$101,575.28 resulting in a Rate Stabilization balance at the end of February in the amount of \$1,101,653.33.

SMMPA's ACTIONS

SMMPA's ECA program is capped at \$0.02 / kWh to prevent extreme price shocks to members. This resulted in an ECA collection of approximately \$4.9 million dollars leaving a deferred amount of \$4.4 million.

At the March 11 SMMPA Board meeting, it was decided that SMMPA would absorb the deferred amount given the Agency's current surplus in General Operating Reserves. This is expected to result in a slightly higher wholesale rate increase in 2028 (by an additional 2%). Even with this action, the March ECA was \$0.005091.

UTILITY STATUS

At the last meeting, the Commission decided to continue to follow current policy and absorb the ECA cost with the existing Rate Stabilization Fund. Staff will continue to monitor the fund balance to ensure that it conforms with the Commission's Policy.

RECOMMENDATION

No recommended action.

MEMORANDUM 26-12



TO: Princeton Public Utilities Commission
FROM: Keith Butcher, General Manager
SUBJECT: EV Charging Rate Changes
DATE: April 1, 2026

ITEM SUMMARY

An update to the EV Charging Rates as required under state statute.

BACKGROUND

On March 13, SMMPA informed us that in 2025 Minnesota adopted a new law requiring operators of EV chargers to charge based on energy delivered (kWh). When the SMMPA EV charging network was launched, they were billed on the time used rather than energy delivered.

The current rates are:

DCFC = \$0.56/minute

L2 = \$2.05 / hour

SMMPA's Recommendation

SMMPA worked with ZEF Energy and reviewed pricing around the region. They came up with the following recommendation: DCFC at \$0.40 / kWh and L2 at \$0.25 / kWh. It should be noted that some members have already developed their own pricing structure that is different from SMMPA's recommendation above.

SMMPA will be updating the chargers to this rate on or about April 1 unless they hear otherwise.

In addition to the rate change, new signage needs to be installed to communicate the pricing structure as well as charger technical specifications. SMMPA will prepare and distribute signage to all the members.

OTHER OPTIONS (IDLE FEE)

With the move away from time-based pricing, some EV charger owners are adding an 'idle charge' fee to encourage drivers to leave the charger when the battery is full. SMMPA is not adding an idling fee at this time but can add it for any community that wants it.

POSSIBLE MOTION

"Update the Fee Schedule to a DCFC rate of \$0.40 / kWh and an L2 rate of \$0.25 / kWh"