



MOORHEAD PUBLIC SERVICE COMMISSION

MEETING AGENDA

Tuesday, April 14, 2026 - 4:30 PM

Hjemkomst Center
202 First Avenue North, Moorhead
Auditorium

Commissioners:

Matthew Leiseth, Chairperson

Paul Baker, Vice Chairperson

Lisa Borgen, Secretary

Amy Lammers

Steve Lindaas

Jason Ness

Travis L. Schmidt, General Manager

The Moorhead Public Service Commission welcomes and encourages customer input on issues listed on the agenda or of general water/electric utility interest—time and Commission permitting. Speakers are limited to 3-minute presentations. Customers wishing to address the Commission regarding a specific agenda item will be afforded an opportunity during the discussion of that item. Customers wishing to speak on matters not listed on the agenda will be given the opportunity to do so under the heading “Customers to Be Heard/Recognitions.” Each person requesting the opportunity to speak is asked to fill out a *Request to Speak Form* (located on the table in the back of the room) and present it to the Administrative Assistant in attendance at the meeting. Any follow-up or feedback will be done by e-mail on anything that cannot be resolved this evening.

1. Call to Order

2. Approve Agenda

3. Approve Consent Agenda

All agenda items listed with an asterisk (*) are on the consent agenda and are considered routine or non-controversial. These items may be enacted by the Commission in one motion, which is a motion to approve the consent agenda. No discussion is expected for the items on the consent agenda; however, prior to approving the consent agenda, the Commission may request specific items be removed from the consent agenda for discussion and separate action.

***4. Approve Minutes of March 17, 2026**

***5. Approve Bills for Payment**

6. Customers to Be Heard/Recognitions

7. Old Business

8. **Reports**
 - a. **City Council**
 - b. **Public Service Commission**
 - c. **General Manager's Report**
 - d. **Accept Report on MPS' Advanced Metering Infrastructure Project**
- *9. **Approve Amendment No. 1 to Contract No. 17-UGPR-45 with Western Area Power Administration**
- *10. **Approve Task Order No. 15 for Moorhead DOE Substation KV1A Transformer Replacement and Amendment No. 1 to Task Order No. 11 for Centennial Substation Differential Relays Upgrade with DGR Engineering**
- *11. **Approve Specifications and Authorize Advertisement for Bids for Furnishing 15 kV Indoor Metalclad Switchgear at MPS' Northeast and Southeast Substations**
- *12. **Accept Petitions for Installation of Water and Electric Services for Prairie Parkway 3rd Addition and Partridge Creek Addition**
13. **Award Bid for 8th Street South Watermain Replacement Project**
14. **Approve Amended Policy on Sponsorships and Marketing**
15. **Close Meeting for Executive Session (if needed)**
16. **Upcoming Meetings**
 - a. **Public Service Commission Meetings**
 - May 5, 2026 (if needed)**
 - May 19, 2026**
 - b. **Meeting Opportunities for Commissioners^(A)**
 - **MRES Annual Meeting**
May 6-7, 2026, Sioux Falls, SD
 - **AWWA Annual Conference**
June 21-24, 2026, Washington, DC
 - **APPA National Conference**
June 26-July 1, 2026, Boston, MA
17. **Adjourn**

How to obtain Public Service Commission agendas:

View on the Internet. Any attachments that are not available online may be viewed at the offices of Moorhead Public Service. E-mail subscription: mps@mpsutility.com
 Request a copy at MPS' Business Office located at 2901 S. Frontage Road, Suite 2, Moorhead, MN 56560. Upon request, accommodations for individuals with disabilities, language barriers, or other needs to allow participation in Commission meetings will be provided. To arrange assistance, call Moorhead Public Service at 218.477.8003 (voice) or 711 (TDD/TTY).**Moorhead Public Service Commission meetings are broadcast live on Channel 12-Moorhead Community Access Television in Moorhead and digital Channels 67 and 68 for the metro area.**

Some members of the Moorhead Public Service Commission may be attending today's meeting via interactive technology.

^(A) APPA = American Public Power Association - www.publicpower.org
 MMUA = Minnesota Municipal Utilities Association - www.mmua.org
 MRES = Missouri River Energy Services - www.mrenergy.com
 AWWA = American Water Works Association - www.awwa.org
 MN AWWA = American Water Works Association-Minnesota Section - www.mnawwa.org
 MRWA = Minnesota Rural Water Association - www.mrwa.com

Minutes of the Moorhead Public Service Commission
Hjemkomst Center, Auditorium
Tuesday, March 17, 2026 – 4:30 PM

MEMBERS PRESENT: Paul Baker (Interactive Technology—Personal), Lisa Borgen, Matthew Leiseth, Steve Lindaas, and Jason Ness

MEMBERS ABSENT: Amy Lammers

OTHERS PRESENT: Staff Members Adam Benhardt, Taylor Holte, Jake Long, Mark Moilanen, Susan Orth, Marc Pritchard, and James Sumba; MPS Attorney John Boulger; Assistant City Manager Mike Rietz

1. CALL TO ORDER.

Commissioner Leiseth called the meeting to order at 4:30 PM. A quorum of the following members was present: Baker, Borgen, Leiseth, Lindaas, and Ness.

Chairperson Leiseth appointed Commissioners Baker, Leiseth, and Ness to the Budget Working Group and Commissioners Borgen, Lammers, and Lindaas to the Human Resources Working Group.

2. APPROVE AGENDA.

Commissioner Borgen made a motion to approve the agenda. Commissioner Lindaas seconded the motion. The motion passed with a 5-0 vote. Voting Yes: Baker, Borgen, Leiseth, Lindaas, and Ness. Voting No: None.

3. APPROVE CONSENT AGENDA.

Commissioner Lindaas made a motion to approve the consent agenda. Commissioner Ness seconded the motion. The motion passed with a 5-0 vote. Voting Yes: Baker, Borgen, Leiseth, Lindaas, and Ness. Voting No: None.

[The consent agenda approved above includes all items shown herein with an asterisk (*). These items were considered routine or non-controversial by the Commission and were enacted by the Commission in one motion, which is the motion above to approve the consent agenda.]

***4. APPROVE MINUTES OF FEBRUARY 17, 2026.**

Commissioner Lindaas made a motion to approve the minutes of February 17, 2026. Commissioner Ness seconded the motion. The motion passed with a 5-0 vote. Voting Yes: Baker, Borgen, Leiseth, Lindaas, and Ness. Voting No: None.

***5. APPROVE BILLS FOR PAYMENT.**

Commissioner Lindaas made a motion to approve the bills for payment. Commissioner Ness seconded the motion. The motion passed with a 5-0 vote. Voting Yes: Baker, Borgen, Leiseth, Lindaas, and Ness. Voting No: None.

***6. APPROVE SPECIFICATIONS AND AUTHORIZE ADVERTISEMENT FOR BIDS FOR MPS' 8TH STREET SOUTH WATERMAIN REPLACEMENT PROJECT.**

Commissioner Lindaas made a motion to approve the specifications and authorize advertisement for bids for Moorhead Public Service's 8th Street South Watermain Replacement Project. Commissioner Ness seconded the motion. The motion passed with a 5-0 vote. Voting Yes: Baker, Borgen, Leiseth, Lindaas, and Ness. Voting No: None.

7. CUSTOMERS TO BE HEARD/RECOGNITIONS.

There were no customers to be heard.

8. OLD BUSINESS.

There was no old business to discuss.

9. REPORTS.

City Council

Commissioner Borgen provided an update on Moorhead Area Day at the Capitol, which the Legislative Work Group (Work Group), business leaders, and school staff attended in St. Paul, Minnesota, on March 11-12, 2026. The Work Group discussed several legislative priorities with legislators.

Public Service Commission.

Commissioner Leiseth reported on a variety of topics that were discussed at the American Public Power Association's Legislative Rally in Washington, DC, February 23-25, 2026, which he attended with General Manager Travis Schmidt.

Commissioner Borgen stated that she and MPS staff met with the Minnesota Department of Natural Resources' staff to discuss water appropriation levels for the Moorhead and Buffalo Aquifers, and ensure that MPS has plans and other measurement methods in place in case of a drought.

General Manager's Report.

Administration and Finance Manager Mark Moilanen provided an introduction to the General Manager's Report, which included an update on Missouri River Energy Services' (MRES') power factor assessment, the 2026 flood outlook, legislative newsletter from MRES, and a thank you note from Moorhead Legacy Education Foundation.

Electric Project Engineer Taylor Holte provided an update on the assessment completed by MRES to ensure that MPS has maintained an acceptable power factor.

Construction Manager Adam Benhardt provided an update on the 2026 flood outlook for the Fargo-Moorhead area.

10. APPROVE MPS' 2026 WATERMAIN REPLACEMENT PROJECTS.

Water Distribution Manager Jake Long provided background information on MPS' 2026 watermain replacement projects. Long responded to questions of the Commission. Discussion was held.

Commissioner Borgen made a motion to approve Moorhead Public Service's 2026 Watermain Replacement Projects. Commissioner Lindaas seconded the motion. The motion passed with a 5-0 vote. Voting Yes: Baker, Borgen, Leiseth, Lindaas, and Ness. Voting No: None.

11. CLOSE MEETING FOR EXECUTIVE SESSION.

The meeting was not closed for executive session.

12. UPCOMING MEETINGS.

Upcoming meetings of the Moorhead Public Service Commission are scheduled for April 7, 2026 (if needed), and April 14, 2026 (rescheduled from April 21, 2026).

13. ADJOURN.

The meeting adjourned at 5:03 PM.

The minutes herein are approved on this 14th day of April, 2026.

APPROVED BY:

ATTEST:

Matthew Leiseth
Chairpersonⁱ

Lisa Borgen
Secretaryⁱ

ⁱ Pursuant to the Bylaws of the Moorhead Public Service Commission adopted January 18, 2022, Article 3, Section 11, states, "The Chairperson and Secretary shall sign, execute, and acknowledge all instruments authorized by the Commission or as are incident to the office. If either the Chairperson or Secretary is unavailable to execute an instrument, the Vice Chairperson may execute the instrument in place of the unavailable officer. Execution of instruments by two officers is required."

General Manager's Report

1. **NERC Update.**

During the first quarter of 2026, Moorhead Public Service (MPS) completed its annual review of North American Electric Reliability Corporation (NERC) requirements and confirmed compliance with all applicable standards. While no new standards were implemented in 2025, several existing standards were revised as part of NERC's ongoing update process.

In the first quarter of 2026, MPS also submitted a request to the Midwest Reliability Organization to renew the NERC exemption for its 115 kV transmission line. The application is currently under review.

Two revised NERC standards are scheduled to take effect in April 2026, with an additional standard becoming effective on July 1, 2026, and another on October 1, 2026. MPS is currently in compliance with all updated standards.

2. **2026 AWWA Drinking Water Week (May 3-9).**

Each year, American Water Works Association and members like MPS promote Drinking Water Week as a unique opportunity for both water professionals and the communities they serve to recognize the vital role of water in our daily lives.

Water utilities, water organizations, government entities, environmental advocates, schools, and others throughout North America are encouraging consumers to learn more about where their water comes from and the importance of water services and water infrastructure in maintaining public health.

Recognizing Drinking Water Week is an ideal way to help educate the public, connect with your community, and promote employee morale. Too often, water utilities are in the spotlight only when something unfortunate happens—a main break in a busy street, water restrictions, boil orders, etc.

Drinking Water Week provides an opportunity to promote the benefits of our drinking water infrastructure and appreciate the hard work of water professionals in maintaining the world's most precious resource. Whether it is an engineer designing a project, an operator ensuring the safety and quality of drinking water as it flows through a treatment facility, or distribution crews repairing a watermain break, MPS' Water Division works 24/7 to ensure that Moorhead and Dilworth have the best quality water "on tap."

3. **MPS Received APPA's 2025 Safety Award of Excellence.**

On March 30, 2026, MPS received American Public Power Association's (APPA's) 2025 Safety Award of Excellence for safe operating practices. MPS earned the Diamond Award in the utilities category for 110,000-249,999 worker-hours of annual exposure. This achievement reflects every employee's commitment to following best practices and looking out for one another each day.

4. **MPS Participated in Essential Drive for Churches United.**

MPS held an Essential Drive for Churches United from March 16-27, 2026. MPS employees donated over 500 items, including hygiene products and everyday necessities, to support those in our community who are less fortunate.

5. **Federal and State Legislative Update.**

Attached are Missouri River Energy Services' (MRES') Federal Legislative Position Papers and Minnesota Municipal Utilities Association's (MMUA's) 2026 State Legislative Priorities. These materials were presented to federal and state legislative delegations during APPA's Legislative Rally and MMUA's Legislative Conference held in February and March 2026, respectively. These documents provide a comprehensive overview of key policy positions and priorities impacting public power utilities at both the federal and state levels, as well as water utilities at the state level. They also serve as a valuable resource for understanding current legislative efforts and advocacy initiatives on behalf of our industries.

Division/Response Person: Travis L. Schmidt, General Manager.

February 2026

Support FEMA Reform

Missouri River Energy Services (MRES) is comprised of 61-member municipal electric communities in four states: Iowa, Minnesota, North Dakota and South Dakota. As municipal-owned utilities, each exists to serve their customers with reliable and affordable power---the Federal Emergency Management Agency (FEMA) plays an important role in that, helping ensure municipally owned utilities can recover faster and better serve their communities following disasters.

Background

MRES and its members are accountable to the communities they serve and strive to ensure the continuity of resilient power delivery. When snowstorms, floods, or tornadoes strike, local municipal utilities are often first to respond—working around the clock to restore power, coordinate with emergency managers, and protect public safety. Each event not only strains local emergency resources but also creates financial burdens as cities and their utilities work to restore essential services.

Many of MRES' members have applied for numerous grants under FEMA. For example, Denison Municipal Utilities in Iowa was selected for a \$13.36 million project to improve its community safety and electric service reliability through the Building Resilient Infrastructure Communities (BRIC) program, but no funds have yet been distributed as FEMA distributions have been paused.

FEMA assistance is vital, yet the process has too often been burdened by administrative complexity, inconsistent interpretations, and long reimbursement delays. MRES continues to advocate for strong federal policies that would streamline the delivery of crucial disaster and relief funds.

Support for FEMA Act

Among the most recent proposals to modernize FEMA, MRES supports **H.R. 4669, the Fixing Emergency Management for Americans Act of 2025**, bipartisan legislation that strengthens FEMA's capacity to respond effectively to today's increasing frequency and severity of disasters.

Key provisions of the legislation:

- **Quicker reimbursements:** FEMA would be required to reimburse municipal utilities for emergency response work within 120 days of submitting a request and immediately approve 90% of eligible costs upfront.
- **Speedier project approvals:** FEMA must review major, long-term repair or rebuilding projects within 90 days and release funds within 30 days of approval—reducing the long delays that slow local recovery.
- **Building back stronger:** Municipal utilities would be allowed to use disaster recovery funds to upgrade and harden their systems—making them more resilient to future storms—instead of being forced to rebuild infrastructure “exactly as it was.”
- **Reimbursement for financing costs:** The bill would allow FEMA to reimburse municipal utilities for interest expenses on loans they take out while waiting for FEMA funding, easing the financial burden of delayed payments.

- **Better access to mitigation funding:** The legislation would make it easier for municipal utilities to tap FEMA’s hazard mitigation programs, helping communities strengthen reliability and reduce future disaster impacts.
- **Independent FEMA:** The bill would re-establish FEMA as a stand-alone agency reporting directly to the president, improving accountability and focus on disaster recovery missions.

The bill would improve transparency, accountability, and efficiency within FEMA’s disaster assistance programs—ensuring faster reimbursements, clearer eligibility guidance, and better coordination with state and local entities. Importantly, H.R. 4669 recognizes that municipal utilities and local governments are on the front lines of disaster response and must have timely access to federal assistance to restore essential services.

MRES urges its congressional delegation to support the bipartisan FEMA Reform Act (H.R. 4669), which will modernize FEMA’s structure and programs to improve disaster response, recovery, and mitigation across all sectors. These reforms will ensure that municipal utilities and the communities they serve can recover more swiftly and effectively, thereby strengthening local resilience and safeguarding public safety.

February 2026

Municipal Tax Issues

The generation, transmission, and distribution of electricity require significant capital investment, especially for not-for-profit public power providers like Missouri River Energy Services (MRES) and its financing partner, the Western Minnesota Municipal Power Agency (WMMPA). Tax-exempt bonds remain the foremost tool available to MRES and its member communities to finance the infrastructure needed to deliver reliable and affordable power.

MRES continues to strongly advocate for federal policies that support this municipal financing framework. Key priorities include preserving access to tax-exempt bonds, restoring the ability to advance refund (refinancing) existing bonds, and protecting Build America Bond (BABs) payments from sequestration. Equally important, MRES urges policymakers to ensure that municipal electric utilities receive equitable treatment when it comes to federal incentives for investing in renewable energy and emerging technologies. These efforts are central to supporting the long-term resilience and sustainability of municipal electric utility systems across the region.

Continued Access to Tax-Exempt Financing is Critical

Tax-exempt bonds are essential to all state and local governmental entities and to every citizen that depends on the infrastructure these bonds finance. Roads and bridges, water and wastewater plants, schools and hospitals, police and fire stations – all these public infrastructure projects are built and financed with tax-exempt bonds.

As units of local government, MRES and its municipal electric utility members have historically relied on tax-exempt bonds as the primary means of financing new generation and transmission. For example, if tax-exempt financing were not available, the cost to MRES to finance the Red Rock Hydroelectric Project would have been approximately \$8 million more per year, or \$240 million total over a 30-year bond. MRES was very pleased to see that the One Big Beautiful Bill Act (OBBBA) did not alter the treatment of municipal bonds.

Reinstating Advanced Refunding

In 2017, the Tax Cuts and Jobs Act regrettably eliminated the ability to issue advance refunding (or refinancing) of municipal bonds. Utilization of this tool provides substantial savings to the ratepayers and taxpayers alike by allowing state and local governments to refinance outstanding bonds at lower interest rates and thereby realize considerable savings on debt service. The elimination of the option for an advance refunding further strains tight budgets for state and local governments.

In 2016, the advance refunding of more than \$120 billion of municipal securities saved taxpayers and ratepayers at least \$3 billion. In the five years preceding the passage of the Tax Cut and Jobs Act, state and local governments issued \$392 billion in advance refunding bonds, generating at least \$12 billion in net present value savings. The issuance of advance refunding bonds to take advantage of market conditions would reduce the cost of financing worthy infrastructure projects.

For example, in October 2019, due to historically low interest rates, MRES was able to save \$52 million issuing taxable advance refunding bonds for approximately \$285 million of tax-exempt debt.

However, those savings would have been \$102 million had MRES been able to use tax-exempt advance refunding. That would have meant an extra \$2 million in savings each year for the next 26 years: savings benefiting ratepayers, Main Street, and the local economy.

Representative David Kustoff (R-TN) has introduced **H.R. 1255/Investing in Our Communities Act**, a bill to reinstate advance refunding of bonds. HR 1255 is currently pending in House Ways and Means Committee. MRES and its members urge the House delegation to support this bipartisan legislation. Additionally, MRES and its members urge the Senate to introduce and support a companion bill.

MRES and its members urge support of H.R. 1255, which restores the ability to issue advance refunding of municipal bonds.

Protecting Build America Bond Payments from Sequestration

MRES, through WMMPA, issued Build America Bonds (BABs) in 2010. In exchange for agreeing to help jump-start the economy with new projects, and jump-start markets by issuing taxable debt, the federal government agreed to pay a portion of the additional interest expense for the life of the bonds. However, that promise has been breached—and there is discussion of renegeing on that promise entirely if Pay-As-You-Go Act (Paygo) sequestration takes effect.

If BABs payments from the Department of Treasury were eliminated completely, it would cost WMMPA \$2.2 million per year, or over \$50 million over the term of outstanding bonds. WMMPA has endured an average reduction of over seven percent in BABs payments since 2013. The Government's breach has cost MRES approximately \$1.8 million to date and would cost MRES approximately \$4.4 million through the term of the BABs, assuming no additional sequestration increase. BABs were not intended to be subject to budget sequestration and there should be modifications to protect BAB payments from sequestration.

MRES and its members urge Congressional support to protect BAB payments from sequestration to restore the Government's promise. At the very least, Congress should act to prevent Paygo sequestration from eliminating BAB payments entirely.

Protecting Elective Pay

Elective pay, also known as "direct pay," enables tax-exempt entities like municipal electric utilities to qualify for federal clean energy tax credits that are then received as direct cash payments from the IRS. While federal tax credits for clean energy have been around for decades, they were largely unavailable to tax-exempt, not-for-profit entities like municipal utilities. Direct pay now places municipal electric utilities on a more even playing field with for-profit utilities and energy developers. For MRES specifically, the ability to use direct pay for the investment tax credit equates to about \$9 million. These savings, in turn, benefit the ratepayers.

While the OBBBA included the phaseout of certain clean energy tax credits, as Congress looks at other generation or transmission tax credits, those would need to be available to municipal electric utilities thru elective pay.

MRES and its members urge Congress to continue to recognize the importance of elective pay and continue framework which supports municipal investments.

February 2026

Preserving the Municipal Exemption from Pole Attachments

Public power utilities, including Missouri River Energy Services (MRES) members, want to bring the best technology and services to their communities. Federal overreach into safeguarding local utility poles would undermine local decision-making, increase costs for municipal customers, and do little to advance broadband deployment.

Background

Broadband deployment is critical towards bridging the digital divide, and municipalities are part of that solution. Many MRES communities are actively engaged with broadband providers to facilitate deployment to meet the needs of their communities and foster economic development, particularly in rural and underserved communities. However, MRES and its municipal utility members also have an obligation to ensure any telecommunication equipment is installed safely and located in appropriate locations. Additionally, municipalities work to ensure their pole attachment rates and agreements do not discriminate against other broadband providers and ensure that the community does not subsidize broadband providers and users. As a result of local government's cooperative efforts, broadband deployment is blossoming.

Pole attachments occur when broadband or telecommunications providers install their equipment on electric utility poles, reducing infrastructure duplication and costs for all users. Since 1978, municipal owned utilities and rural electric cooperatives have been explicitly exempted from federal pole attachment regulation under Section 224 of the Communications Act, allowing for local regulation and cooperation to optimize infrastructure use while maintaining electric reliability and utility/pole safety.

Congress reaffirmed this exemption through multiple updates to telecommunications law, recognizing that local governing boards already focus on setting fair, transparent rates and terms that reflect community needs. MRES' member communities work closely with broadband providers to support deployment. Municipal electric utilities' exercise of local control over pole attachments is not a barrier to broadband access. Rather, municipal utilities partner in broadband expansion through joint ventures, leasing fiber, or providing broadband directly.

Regulatory Action

Since 2010, the FCC has repeatedly recommended that Congress eliminate the longstanding exemption that municipal electric utilities and rural electric cooperatives have from FCC pole attachment regulation, claiming it would facilitate broadband deployment. Despite being barred from regulating municipal and cooperative utility poles under Section 224 of the Communications Act, the FCC has pursued this authority through multiple rulemakings and orders since 2016. In 2017 and 2018, the FCC issued several orders that excluded capital costs from pole attachment rates, imposed "shot clocks" on utilities' response times to attachment complaints, and exempted certain pole replacements from historic preservation rules. In its 2018 Small Cell Declaratory Ruling and Third Report and Order, the FCC went further—preempting state and local laws, including those governing small cell wireless attachments on public power poles, to remove what it called "regulatory barriers" to deployment. In 2023, the FCC adopted a Fourth Report and Order, Declaratory Ruling, and Third Further Notice of Proposed Rulemaking creating a "Rapid Broadband Assessment Team" to expedite broadband-related disputes, requiring utilities to share pole data with extraneous attachments, expanding rules on pole replacement cost allocation, and seeking further comment on make-ready timelines and "self-help" provisions. The FCC

finalized this 2023 rule in July 2024, establishing new information collection requirements for pole attachment regulation over the next three years.

Problematic Legislative Efforts

In 2021, there were unsuccessful attempts to include provisions in the Infrastructure Investment and Jobs Act (P.L. 117-58) that would have weakened public power utilities' long-standing exemption from federal pole attachment regulations by expanding Section 253 to let broadband developers challenge public power pole attachment rates, timelines, or legitimate denials under the misleading pretext of "eliminating barriers to broadband deployment." More recently, in January 2025, Representative Morgan Griffith (R-VA) introduced H.R. 278, the Barriers and Regulatory Obstacles Avoids Deployment of Broadband Access and Needs Deregulatory Leadership (BROADBAND Leadership) Act, which MRES strongly opposes because it would effectively strip public power utilities of their exemption from FCC oversight of pole attachments.

The legislative text of H.R. 278 was included in H.R. 2289, which passed the House Energy and Commerce Committee in December. This language would start a "shot clock" upon a request to a city for pole attachment approval. However, municipal electric utilities and city administrations are rarely one-in-the-same. This sets up a scenario in which a municipal electric utility—even if it finally receives notice of the attachment request—will not have sufficient time to fully evaluate safety and other risks that the proposed pole attachment may present towards the electric infrastructure and providing reliable power.

MRES urges Congress to preserve the municipal exemption from FCC pole attachment regulation – or provide full respect for local decision-making for those cities that are acting to provide nondiscriminatory access.

February 2026

Protecting the Federal Power Program

Every few years, misguided proposals surface to reduce the federal budget deficit by altering the ownership, structure, or rates of the federal Power Marketing Administrations (PMAs), or seeking to use the PMAs to advance policy objectives unrelated to the PMAs' core mission. These short-sighted proposals disrupt long-term contracts for federal hydropower, raise consumer rates for electricity, and threaten a partnership that provides irrigation, flood control, navigation, water supply, hydropower, fish and wildlife, and recreation. It is important that Congress rejects such proposals in favor of protecting customers and customer-owned power.

Background

The Western Area Power Administration (WAPA) has long-term contracts through 2050 with 59 of the 61 Missouri River Energy Services (MRES) municipal electric community members. On average, low-cost federal hydropower provides over 40 percent of the power purchased and distributed by members of MRES. In turn, MRES members and WAPA's other customers pay rates that cover all the costs (including infrastructure upgrades) of the federal power system – with interest. Each year, WAPA returns excess funds to the Treasury after it pays all other costs. There is no taxpayer subsidy – everything is paid for by WAPA customers. This system of cost-based rates has been in place for more than 50 years under the Eastern Pick-Sloan enabling legislation and related agreements. In addition, to ensure system reliability and ease the pressures of appropriating dollars for needed repairs, replacements, and upgrades, MRES and other WAPA customers directly fund numerous investments by WAPA, the U.S. Bureau of Reclamation (USBR), and the U.S. Army Corps of Engineers (USACE). Through Western States Power Corporation (WSPC), WAPA customers in the Eastern Pick-Sloan region have advanced over \$793 million, with MRES advancing \$209 million of the total amount, between FY 2001 through FY 2023. Also, while WAPA receives federal appropriations for operations and maintenance, these costs are repaid by WAPA customers within the same year.

Impact of Privatization Proposal

Over the years, some have developed proposals to sell PMA assets to private investors. Any proposal to sell PMA assets would be detrimental for WAPA's Pick-Sloan power customers. Privatizing the PMAs would:

- **Raise costs.** Any purchaser of WAPA's assets will seek to maximize returns and a guaranteed profit – translating into higher rates to WAPA customers. Alternatively, WAPA customers – who have paid for these assets to be constructed and maintained – may be forced to find alternative power supply arrangements at higher costs.
- **Threaten historic relationships and equity.** WAPA's public power customers have paid for the construction and upkeep of the Pick-Sloan system. If sold to a private party, these payments – and the equity – would be lost.

Shift to Market-Based Rates will Harm Ratepayers and Taxpayers

By law, WAPA must set rates at the “lowest possible cost consistent with sound business principles.” Since the agency's inception, WAPA has used cost-based rates to recover the government's investment and provide the region with reliable, renewable electricity. In turn, taxpayers have received annual payments from WAPA that fully recover the investment in federal hydropower, with interest – as well as underwriting part of the federal investment in these multipurpose dams. Responding to past proposals, Congress barred the government from spending funds to study the idea. Any change in the rate-setting standard for WAPA would require changes in law.

At the time of construction, federal power in the Upper Plains States was more expensive than alternatives, but WAPA's public power customers entered into a partnership – and today that partnership has paid off. WAPA power helps keep rates in rural areas affordable and helps our communities attract and retain business. Abruptly changing

the pricing structure – like your banker suddenly and unilaterally deciding to switch you from a fixed-rate to adjustable mortgage – will force dramatic rate increases across the region.

It isn't just ratepayers that will lose under this proposal: Current rates provide a predictable stream of revenue and ensure that the entire taxpayer investment will be repaid – with interest. Switching to market-based rates puts this at risk. If WAPA power holds no economic benefit compared to other sources, federal power customers will secure alternative power supplies with reliable providers. Without long-term power sales, WAPA would likely be forced to sell power into short-term markets – which typically produce even less revenue. Taxpayers would be left holding the bag for unpaid bills and expensive refurbishments of these multipurpose projects.

Expanding the Mission of the PMAs to Advance Unrelated Goals

In the past, some have proposed expanding the role of WAPA and the other PMAs to meet policy objectives outside the statutory mission of these agencies – such as acquiring non-federal renewable resources or building transmission to deliver non-federal power to non-PMA customers. While these policy goals may be laudable, expanding the scope of the PMAs mission poses significant and unwarranted costs and risks on PMA customers:

- WAPA customers could bear the costs and risks of unneeded and uneconomic power;
- Limited capital could be diverted to unrelated projects; and
- WAPA resources, funded by its customers, may not be focused on the agency's core mission.

Given that WAPA customers repay all agency costs, including the cost of producing and delivering federal power, it is critical that WAPA remain focused on its important, but limited, mission of delivering federal hydropower to WAPA's consumer-owned utility customers.

Third Party Financing of Capital Projects

Consumer-owned utility customers of the Pick-Sloan Missouri Basin Program, through their membership in WSPC, provide WAPA, USACE, and USBR with significant funds to support operations and maintenance capital projects necessary to keep the dams and transmission system operating reliably. These customer-advanced funds are in addition to funding supplied through federal appropriations and are necessary because appropriations are insufficient to reliably maintain the power and transmission systems.

Third-party private funding is a solution in search of a problem. The current public-partnership system serves the region well. The WSPC requires WAPA, USACE, and USBR to develop business cases before approving any customer-advanced funding. Third-party private financing would cut out the customers who have paid (and continue to pay) for the federal hydropower system. Customer funding is focused on maintaining the long-term investment in the federal hydro program, as well as keeping rates low and power reliable. Private financing is focused only on payback to investors. The current customer-advanced funding works for WAPA, USACE, USBR and the consumer-owned utilities through the Upper Great Plains.

MRES is appreciative that these measures have not gained traction in the current budget process. MRES urges the delegation to continue to protect the value of WAPA by rejecting proposals to privatize WAPA federal hydropower assets, switch power sales to market-based rates, expand the mission of WAPA, or to allow third party private financing of projects.

February 2026

Permitting Reform

Electricity demand across MRES' four-state footprint continues to rise, driven by population growth, industrial expansion, and economic development and electrification. This increasing demand is straining an aging transmission network and underscores the urgent need for investment in modern, resilient grid infrastructure.

Rising transmission construction costs and lengthy permitting processes pose significant challenges for municipal electric utilities seeking to expand infrastructure efficiently while keeping rates affordable for consumers. Legislative and regulatory reforms are needed to streamline these processes and balance reliability, cost, and environmental considerations. In the Midwest, effective permitting reform should focus on two key areas: environmental review and transmission development.

Environmental Reforms

Measured Reforms to the National Environmental Policy Act (NEPA)

Measured and sensible reforms to the National Environmental Policy Act (NEPA) will help public power utilities make cost-effective investments in energy infrastructure while upholding environmental stewardship. MRES supports the following reforms:

- **Focus reviews on direct impacts:** Limit the scope of agency reviews to the specific effects directly caused by the proposed project or action, rather than reviewing potential or nebulous “downstream” impacts.
- **Clarify federal funding triggers:** Specify that the provision of federal funds—whether through grants, loans, or other assistance—does not automatically constitute a “major federal action” under NEPA.
- **Strengthen categorical exclusions:** Ensure categorical exclusions (actions determined not to have significant environmental impact) remain valid without requiring separate agency-specific rulemaking and limit legal challenges to their establishment.
- **Refine “reasonably foreseeable” impacts:** Define the term to include only projects under an agency’s control or jurisdiction that have a close causal relationship to the proposed action.
- **Reduce litigation costs and delays:** Streamline legal processes to prevent unnecessary project slowdowns.

Among the proposals that would advance these goals is **H.R. 4776, the *Standardizing Permitting for Efficient and Effective Deployment (SPEED) Act***, introduced by Reps. Bruce Westerman (R-AR) and Jared Golden (D-ME). HR 4776 passed the House (221-196) in December and is pending before the Senate Committee on Environment and Public Works. MRES and its members support this legislation.

Clean Water Act Reforms

MRES relies on water to cool generation facilities (such as the Laramie River Station) and ensure reliable operations that meet growing energy demand. Streamlining the Clean Water Act (CWA) permitting process is essential to prevent delays, provide regulatory certainty, and support the timely construction and maintenance of energy infrastructure—all while protecting water quality.

MRES supports the following reforms:

- **Narrow the scope of Section 401 reviews:** Limit State Water Quality Certification reviews under Section 401 to direct discharges into navigable waterways.
- **Codify WOTUS exclusions:** Permanently exclude waste treatment systems from the definition of “Waters of the United States” (WOTUS).
- **Expand and modernize the Nationwide Permit Program:** Allow the U.S. Army Corps of Engineers to continue authorizing activities with minimal environmental impacts—such as utility line crossings—without requiring individual permits for each project and extend the duration of Nationwide Permits from five to ten years.
- **Reduce litigation delays:** Limit legal challenges and appeals related to CWA permits to ensure timely project delivery.

To advance these goals, MRES supports **H.R. 3898, the *Promoting Efficient Review for Modern Infrastructure (PERMIT) Act***, introduced by Rep. Mike Collins (R-GA). The PERMIT Act passed the House (221-205) in December and is currently pending before the Senate Committee on Environment and Public Works.

Transmission Reforms

MRES continues to invest in transmission infrastructure to ensure reliable and affordable power delivery to the communities it serves. One key effort is the *Big Stone South–Alexandria–Big Oaks Project*, a high-voltage transmission line beginning in South Dakota and running through Minnesota, improving transmission access and reliability. This regional collaboration among MRES, Great River Energy, Minnesota Power, Otter Tail Power Company, and Xcel Energy will relieve congestion, improve grid efficiency, and strengthen system reliability across the Upper Midwest. The project highlights how streamlined permitting and strong interregional cooperation are essential to meeting growing energy demand and ensuring long-term grid resilience. Congress can help advance transmission development by reducing federal permitting roadblocks, including reforms to NEPA. Specifically:

- **Accelerate federal permitting:** Congress can expedite transmission projects by streamlining federal review and approval processes.
- **Preserve local authority:** Congress should maintain, but not expand, FERC’s jurisdiction over non-jurisdictional utilities, including public power utilities, electric cooperatives, and federal power marketing administrations, which have long managed their own rates and governance.

- **Respect regional differences:** Each region should determine whether interregional transmission improves reliability and cost-effectiveness, rather than adopting uniform national requirements.
- **Reaffirm the beneficiary-pays principle:** Transmission costs should be allocated to those who directly benefit from the projects, ensuring public power customers are not unfairly burdened.

MRES urges Congress to support measures that encourage development and coordination between transmission developers and municipal electric utilities in planning and investing in regional transmission projects. When municipal utilities can invest directly in transmission infrastructure, it strengthens local control and ensures ratepayer benefits rather than dependence on larger transmission-owning entities.



2026 State Legislative Priorities

The MMUA Board of Directors has approved a comprehensive agenda for the 2026 Regular Session of the Minnesota Legislature. The summaries below are for those issues considered top priorities for municipal utilities this year.

Issue	Requested Legislative Action
<p>No third-party sales</p>	<p>MMUA opposes efforts that would give unregulated third parties the authority to sell power to customers of a municipal utility. At least one solar developer has shared its desire to sell excess generation directly to consumers. MMUA respectfully requests that legislators not approve this or similar requests from non-utility third parties.</p>
<p>Right of first refusal</p>	<p>MMUA is open to an exploration of modifications to the right of first refusal laws governing ownership interests in new transmission. This issue is usually referred to by its acronym ROFR (pronounced ROFER). Hometown utility leaders have expressed a desire to find a more equitable basis for municipal utilities to invest in transmission expansion and enhancement. Current ROFR protections may not extend as far as originally thought, and alternatives need to be identified and vetted. MMUA is not advocating for the repeal of ROFR.</p>
<p>PFAS mitigation</p>	<p>MMUA supports PFAS mitigation efforts that help with expenses, and which—at most—treat utilities as conduits of PFAS rather than sources of these “forever chemicals.” PFAS is an ever-growing concern. Dealing with PFAS will be expensive, and a lot of finger-pointing can be expected. Municipal utilities will have a role to play in returning our waters to safe levels, but municipals should not be punished for having had to accept contaminated waste by-products from others.</p>
<p>Reform net metering statutes</p>	<p>MMUA supports reforming net metering laws to lower costs and eliminate the shifting of expenses to non-solar consumers. Solar development continues to grow in Minnesota, and many customers have added solar systems to their homes and businesses. Some do it for environmental reasons, and others do it to save or make money. The trouble is that Minnesota’s current law unfairly shifts the cost burden from some of these solar customers to customers who do not have solar systems, either because they cannot afford one or because their living situation does not allow them to install one. The current law also encourages over-built systems. MMUA hopes to build on efforts begun during the 2025 Regular Session to make the net metering law fairer for everyone.</p>

Issue	Requested Legislative Action
<p>Support for an “all of the above” approach to achieving carbon-free power by 2040</p>	<p>MMUA supports an “all-of-the above” approach to fuels that will assist compliance with renewable energy and carbon free standards. This includes repealing Minnesota’s nuclear moratorium so that utilities and their partners can explore options for future electrical generation. We also support biomass being recognized as carbon-free under a life-cycle analysis.</p>
<p>Advocate for a bonding bill that supports hometown utility projects</p>	<p>In order to maintain system infrastructure and keep costs down in the long run, hometown utilities must be able to finance large projects. MMUA supports a bonding measure that is sufficient to fund both the requests coming directly from municipalities and their utilities, as well as providing support for programs like the Public Facilities Authority (PFA). The PFA provides important grants that help fund utility projects in hometowns all over Minnesota.</p>

Not every proposal introduced at the Capitol will align with the interests of municipal utilities or the communities they serve. When that occurs, MMUA will engage constructively and transparently—working with legislators, stakeholders, and agency partners to share data, offer practical alternatives, and explain potential impacts on reliability, affordability, sustainability, and local control. Our goal is not simply to oppose, but to improve outcomes by helping shape policies that work in real communities. In St. Paul, that means both advancing ideas that strengthen hometown utilities and thoughtfully addressing proposals that could create unintended challenges.

Hometown services. Hometown strengths. Hometown solutions.



MRES Legislative Line

MRES Annual Meeting!

You are invited to attend the 61st MRES Annual Meeting: *Connected by Purpose*, May 6–7, at the Sioux Falls Convention Center in Sioux Falls, SD.

Featured speakers include Kent Meyers (CEO, Vision Leadership) and Michael Vigeant (CEO, GreatBlue Research), along with a variety of speakers and panelists from utilities and related industries.

Connect with leadership and representatives across our membership (composed of 61 municipal utilities across Minnesota, South Dakota, North Dakota, and Iowa). [Register online](#) by April 10 to secure your spot. We can't wait to see you there!

Iowa

Visit the [Iowa page](#) during the session to follow bills of interest to MRES Iowa members. The 2026 Iowa [Legislative Guide](#) is also available online.

Iowa Fast Facts:

- **Legislative per diem ends April 21**
- **Property taxes, eminent domain, and the state budget are among the remaining issues to be addressed.**

Session Update

It was a light week for the legislature in terms of debate. In addition to legislative debate, the budget process continues to advance. The Senate has released its fiscal year 2027 budget target of \$9.623 billion, approximately \$43 million less than the governor's proposed budget earlier this year. The

House is expected to release its budget numbers early this week.

In addition, both chambers and the governor have been negotiating on their property tax proposals. Property taxes, eminent domain, and the budget are expected to be among the final items the legislature considers before adjourning for the year.

The following issues may also still be addressed by the legislature in the limited days they have left before going home for the year.

Load Forecasting Report

[SF 2301](#) and [HSB 755](#), the Iowa Economic Development Authority's (IEDA) departmental bill, would require a load-forecasting report every two years. Both bills are in their respective Ways and Means Committees, which are exempt from the funnel deadlines. Utilities could be compelled to provide information for the report, and the data provided could be used in proceedings before the Iowa Utilities Commission (IUC). The bill also requires utilities to fund this work. Utilities have noted that the proposal duplicates work already performed by utilities and regional transmission organizations (RTOs). Other divisions of the bill unrelated to utilities have also drawn opposition from other groups.

Based on feedback from House leadership, the utilities have provided an amendment to the IUC, IEDA, and ISU that would still allow the exchange of information without the duplicative and costly process currently proposed.

Statewide Siting Preemption

[HF 2580](#) and [SF 376](#) are similar bills that would preempt local authorities from regulating the siting and operation of solar and wind generation facilities by establishing consistent statewide standards. Statewide siting standards have become a priority for many legislators.

Eminent Domain

Another week with no movement on the eminent domain issue. Both the House and Senate made their opening moves on eminent domain early in the session. [HF 2104](#) is funnel-proof, and this will likely be one of the last issues resolved before legislators go home for the year.

IUC Initiates Rulemaking on Transmission Lines

In response to the 765-kV transmission line projects approved by the Midcontinent Independent System Operator, the Iowa Utilities Commission (IUC) opened a rulemaking proceeding to propose rules governing the electric transmission franchise process and to set safety standards for these new projects. The IUC is holding a public hearing on the proposed amendments on April 27, 2026.

Minnesota

Visit the [Minnesota pages](#) to follow Minnesota bills of interest to MRES members. The MRES Minnesota [Legislative Guide for 2026](#) is available for download.

Minnesota Fast Facts:

- We are watching the NDA bills closely
- Omnibus bills are imminent
- Finance Bill Deadline: April 17

The legislators were on Easter Break last week and will return on Tuesday, April 7. Now, they will be busy moving bills to meet the April 17 financial deadline, by which major appropriation and finance bills must be heard in committees in both houses. Even if a bill misses the finance deadline, language can always be added in a later amendment.

Session Overview

At this point in the session, legislators are not only hearing bills to meet the April 17 appropriations

deadline, but committee chairs are also beginning to cobble together omnibus bills. Meanwhile, some priority issues have emerged for MRES for the remainder of the session:

1. Data Centers and NDAs: There has been testimony in a variety of committees about abuse of non-disclosure agreements (NDAs) for data centers. Citizens gave examples in which cities granted a rezoning or similar request for a data center, without publicly disclosing that the rezoning was for a data center.

Right now, only a couple of bills are still “alive” on this issue. [HF 4077](#) and [SF 4379](#) are both pending on their respective floors. The House version was amended in committee to ban all political subdivisions from entering into any NDAs. This obviously is detrimental to MRES, which often must enter into NDAs with developers and contractors for generation and transmission projects. While there is a distinct possibility that HF 4077 does not have the votes to pass on the floor, MRES and others are considering amendment options that would narrow the bill and exempt municipal power agencies from its provisions. Meanwhile, SF 4379 was amended in committee to exempt municipal power agencies before being sent to the Senate floor.

2. Plug-in Solar: [HF 3555](#) and [SF 3873](#) were both laid over in House and Senate Energy committees for possible inclusion in omnibus bills. The bills would allow customers to use plug-in solar devices of 1,200 watts or less for on-site energy storage. Many questions were raised in committee regarding the electrical code and safety concerns surrounding these devices.
3. Nuclear Study: [HF 4703](#) and [SF 4900](#) would use renewable development account (RDA) funding for an interim study on nuclear generation in Minnesota. The Senate committee laid the bill over after a hearing with very little opposition. In the House Energy Finance & Policy committee, there was a motion to move the bill forward to another committee. The vote

failed. Despite the vote, the bill could still end up moving in an omnibus bill.

4. Affordability: Several bills have been heard on affordability. They include requiring the PUC to consider affordability in IOU rate cases, limiting late fees, eliminating reconnection fees, limiting IOU executive pay, eliminating lobbying fees from IOU rates, sunsetting the separate IOU solar mandate, sunsetting RDA payments for Xcel customers, and repealing the renewable energy and carbon-free standards. Each of these ideas is falling along party lines and has only been heard in the House. As a result, none are likely to advance, but they are certainly worth watching for the 2027 session.

House Energy Finance and Policy

The House Energy Finance and Policy Committee meets on Tuesdays and Thursdays at 1 p.m. in Capitol 123.

On Tuesday, April 7, the House Energy Committee will take up several bills:

- [HF4560](#) is a noncontroversial bill that makes technical and clarifying changes to statutes governing the Public Utilities Commission.
- [HF4559](#) would expand the Department of Commerce's (DOC) ability to enter energy research partnerships or compacts, allow the DOC to reinstate its energy security planning authority, and extend some energy grant programs. The Senate version was heard earlier and was laid over.
- [HF2317](#) would provide funding for a pilot program to capture waste heat from a wastewater treatment facility.
- [HF3179](#) would require the DOC to establish a building energy performance standards program for large buildings. It would establish Energy Use Intensity (EUI) standards, along with timelines and enforcement provisions, for building owners. It also appropriates funds for the program and for grants to meet the standards.

Senate Energy, Utilities, Environment & Climate

The Senate Energy, Utilities, Environment & Climate committee meets on Mondays and Wednesdays from 12:30 p.m. to 2:30 p.m. in room 1150 of the Minnesota Senate Building.

The committee only meets on Wednesday this week. At this point, they have two bills on the docket. One is [SF 4920](#), a bill to provide funding out of the RDA for an anaerobic digester or biomass thermal generation facility in the city of Becker. The other bill is [SF 4505](#), which clarifies the deposit of funds under the Minnesota Climate Innovation Finance Authority (the state Green Bank). This will be the vehicle for an omnibus bill; so far, it looks like it will be centered on funding certain projects rather than making policy changes.

Session Update

This list does not include all the bills tracked by MRES (please see the MRES Minnesota webpages), but here are some key bills being tracked.

- [HF 2986 / SF 3209](#): Requires investor-owned utilities (IOUs) to model virtual power plants (VPPs) in their resource plans and to implement a VPP tariff. The House version was heard in committee and was held over for possible inclusion in an omnibus bill. It was not heard in the Senate committee.
- [HF 3458 / SF 3732](#): Exempting tribal lands from state laws governing electric service territory. The House version failed to advance on a 7-8 vote in committee. It was not heard in the Senate committee.
- [HF 3555 / SF 3873](#): These bills would allow for plug-in solar devices of 1200 watts or less to be used for on-site energy storage for customer use. The units would be exempted from interconnection requirements and net metering requirements. Both the House and Senate versions have been heard in committee and were laid over for possible inclusion in an omnibus bill.
- [HF 2928 / SF 3968](#): Setting permitting and compliance requirements for data centers for water use, energy conservation, and electric energy use. The House version was heard in committee in 2025 and laid over. The Senate version has not been scheduled for a hearing.

- [HF 3556](#) / [SF 3800](#): Naming the community solar garden program after Melissa Hortman. The House version passed the House on March 12 on a unanimous vote. The Senate version has passed out of committee and is pending on the Senate floor.
- [HF 3733](#) / [SF 3792](#): This bill prohibits campground owners from charging additional fees over and above basic electric use. The House version was heard in the House Consumer Finance and Policy Committee on March 10. After much back-and-forth, a motion was made to refer the bill to the Ways and Means Committee. The motion failed on a 10-10 vote, so the bill was laid over. The Senate version has not been heard.
- [HF 3777](#) / [SF 3992](#): Requiring the PUC to consider promoting affordable service and customers' ability to pay in setting IOU rates. This was heard and laid over in the House municipal electric utilities; MRES staff is closely monitoring it. The Senate version has not been heard.
- [HF 3802](#) / [SF 3760](#): Exempting certain transmission lines from the certificate of need process when upgrading or upgrading. Great River Energy is supporting this bill. HF 3802 passed the House (133-1) and is pending on the Senate floor.
- [HF 3912](#) / [SF 3991](#): This bill would apply to municipal electric utilities and would limit late fees and reconnection fees charged. It was heard in the House Energy Committee on March 10 and laid over for more work. The Senate version has not been heard.
- [HF 3945](#) / [SF 4126](#): These bills would set up a strict liability standard for businesses that extract or refine oil or other fossil fuels. It would allow the state to seek cost-recovery payments from these businesses for climate-change-related damage. These bills have been assigned to the House State Government Finance and Policy and the Senate Environment, Climate, and Legacy committees. Although the bill authors have stated it would not apply to utilities, we will monitor it closely.
- [HF 4023](#)/ [SF 1924](#): The "A+ Energy Act" would require reliability to be a priority under the carbon-free and renewable energy standards, and would also remove the moratorium on nuclear power. It has not been heard in committee.
- [HF 4153](#)/ [SF 4681](#): Setting criteria for evaluations for data center water and electric use before permitting.
- [HF 4512](#)/ [SF 4296](#): Requiring public hearings and local zoning or approval for data center development. The Senate version is pending on the Senate floor.
- [HF 4308](#)/ [SF 4835](#): Largely aimed at the IOUs and their customers, this bill would have phased out several provisions, including paying into the Renewable Development Account. It was heard in the House, where the bill failed. The Senate version has not been heard.
- [HF 4703](#)/ [SF 4900](#): These bills would use renewable development funding to fund an interim study on nuclear generation in Minnesota. The Senate committee laid the bill over after a hearing with very little opposition. The bill failed to advance in the House Energy, Finance & Policy committee, but it still could advance.

North Dakota

The next North Dakota regular legislative session convenes in January 2027. The 2025/26 legislative guide is available [online](#) on the MRES North Dakota pages.

State Revenue Projections

Current projections show the state will have around \$400 million at the end of the biennium. Office of Management and Budget director Joe Morrissette said that while that's a healthy ending fund balance, it won't match what North Dakota has seen for several years. State agencies have not yet received their formal budget guidelines; however, they have been told to prepare for reductions.

Meanwhile, the state is looking at some streamlining. Of the more than 170 state boards and commissions overseen by the Governor's Office, dozens could be dissolved or merged to streamline government. The North Dakota Boards and Commissions Task Force has been meeting with boards and commissions since October, following the passage of SB 2308 during the 2025 legislative

session. This task force is empowered to identify inefficiencies and overlapping responsibilities and will prepare a report with recommendations for Legislative Management by October 1.

Elections

The North Dakota Republican Party held its 2026 state convention on March 28-29 in Minot. Only two statewide endorsements were considered at the Convention. One was for the U.S. House seat, currently held by former Public Service Commission (PSC) member Julie Fedorchak. With Fedorchak absent, veteran Alex Balazs claimed the state Republican Party's endorsement. He also received the endorsement two years ago and lost the primary to Fedorchak. Therefore, there will be a GOP primary in June for this seat. Meanwhile, Deven Styczynski received the endorsement for one of the PSC seats currently held by incumbents Sheri Haugen-Hoffart and Jill Kringstad, again setting up a GOP primary election for these seats.

The primary election will be held on Tuesday, June 9. Absentee voting begins as early as April 30.

Advanced Nuclear Energy Committee

The legislative Advanced Nuclear Energy Committee will meet April 21-22 at the Idaho National Laboratory in Idaho Falls, Idaho.

South Dakota

Visit the [South Dakota](#) pages to track bills of interest to MRES members. The 2026 MRES [South Dakota Legislative Guide](#) is also available online.

South Dakota Fast Facts:

- S.D. adjourned *sine die* on March 30
- Save the date Feb. 2-3, 2027, for municipal days
In Pierre; it is not too early to book hotel rooms

The South Dakota legislature adjourned *sine die* on March 30, 2026.

For many, attention now turns to the June primary elections, where all 105 legislators are up for re-

election, and there is a four-way race for the Republican gubernatorial nomination.

Save the Date – 2027 Power Lunch

MRES will host the annual legislative power lunch at the Capitol in Pierre on Wednesday, February 3. The annual Municipal League rib dinner will be on the evening of February 2, and the S.D. Municipal Electric Association (SDMEA) will serve breakfast at the Capitol on the morning of February 3. It will be a muni palooza! Pro tip: It is never too early to make hotel reservations in Pierre if you plan to be there during the legislative session.

Accept Report on MPS' Advanced Metering Infrastructure Project

RECOMMENDATION:

The General Manager respectfully requests the Commission accept a report on Moorhead Public Service's Advanced Metering Infrastructure Project.

BACKGROUND:

Moorhead Public Service (MPS) maintains and operates the electric and water utility within the city of Moorhead and is in the process of upgrading MPS' existing metering system from Automated Meter Reading to Advanced Metering Infrastructure (AMI).

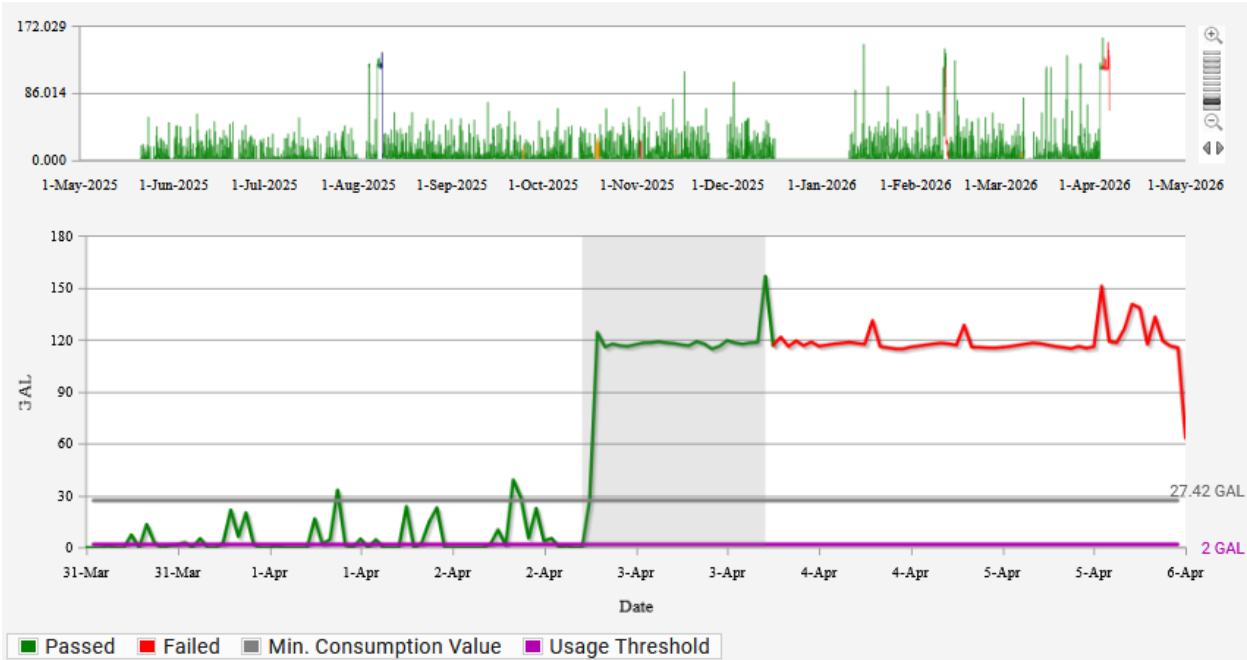
Currently, MPS has completed 80 percent of all electric meter installations and 35 percent of all water meter installations. MPS expects to complete all electric meter installations this summer, except for a limited number of remaining electric meter exchanges—referred to as “Return to Utility” accounts. These are meter exchanges returned to MPS by the installation contractor due to scheduling or other operational issues. MPS expects that the remaining water meter installations will continue into 2027. Wesco plans to increase the amount of daily water meter exchanges as we transition from winter to spring.

Over the past several months, MPS and Katama Technologies, Inc. (Katama), have been completing the final sections of the System Acceptance Test (SAT) document. The SAT is a test of the process, equipment, software, and all other applicable contract equipment and supplies. This test is used to demonstrate and determine whether the systems and the scope of work are compliant with the functional and performance requirements set forth in the SAT protocol, as stated in the contract with Wesco. Most of the functional and performance requirements listed in the SAT document are compliant and approved. However, MPS is actively working with Honeywell and Wesco to complete the load management program requirements before approving the overall SAT.

MPS staff has recently completed training sessions on the new AMI system and continues to build proficiency in using the technology to enhance utility operations and customer service. Throughout this process, MPS has been actively working with the Wesco team to refine the AMI system and meter data management software to align with MPS' operational needs. The AMI system provides a range of features that benefit MPS, including outage listings and graphs, meter events and alarms, mapping and dashboard tools, voltage analysis data, and continuous usage reporting.

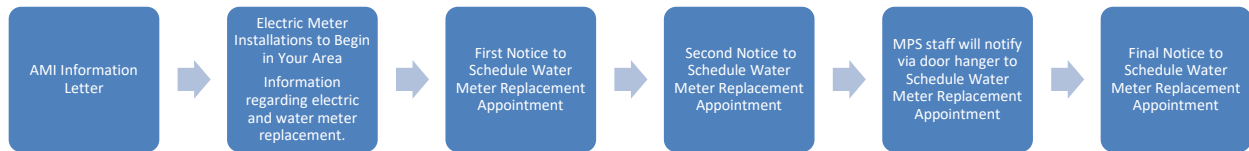
The Continuous Water Usage Graph on the following page was generated from the meter data management software. This specific report shows a water meter with continuous water usage for a 24-hour time period. The continuous usage report can be used to notify customers of unexpected water leaks, thereby improving water resource management. This is one example of how the AMI system can enhance customer service by reducing customers' water and wastewater utility bills.

Continuous Water Usage Graph



MPS will continue to ensure a smooth transition and keep the remaining customers informed throughout the AMI Project. Customers who have not yet had their water or electric meter exchanged can expect to receive at least three letters by mail regarding the AMI Project. Due to the unique features of each type of meter, the electric and water meters will be installed by two different contractors on different dates. The first letter will inform customers about the project and the assistance MPS will require from them to complete it. The second letter will notify customers when electric meter replacement is about to begin in their area and provide additional information on what to expect during both water and electric meter replacements. Because most electric meters are located outside the home or building, no appointment is required. Since most water meters are located inside a home or building, the third letter will include instructions for scheduling an appointment for water meter replacement.

Below is a flowchart detailing the communication process and appointment scheduling that will occur throughout the project:



Customers who do not schedule an appointment will receive two additional letters by mail, and MPS staff will place a door hanger notice on the customer’s door. If, approximately 10 days following the third and final letter is mailed, access to the meter has not been granted or an appointment has not been scheduled, the customer may be subject to suspension of their service in accordance with MPS’ Water Service Rules and Regulations. Timely customer cooperation in scheduling meter appointments is critical to future utility operations, ensuring that the project is completed efficiently and cost-effectively.

The costs associated with the AMI Project were included in MPS’ 2023 budget, and future years, due to this being a multi-year project.

KEY ISSUES:

- Currently, MPS has completed 80 percent of all electric meter installations and 35 percent of all water meter installations.
- MPS staff has recently completed training sessions on the new AMI system and continues to build proficiency in using the technology to enhance utility operations and customer service.
- MPS will continue to ensure a smooth transition and keep the remaining customers informed throughout the AMI Project.
- Timely customer cooperation in scheduling meter appointments is critical to future utility operations, ensuring that the project is completed efficiently and cost-effectively.

FINANCIAL CONSIDERATIONS:

- The costs associated with the AMI project were included in MPS' 2023 budget, and future years, due to this being a multi-year project.

Respectfully submitted,



Travis L. Schmidt
General Manager

Division/Response Person: Jake Long, Water Distribution Manager.

Attachments: None.

**Approve Amendment No. 1 to Contract No. 17-UGPR-45
with Western Area Power Administration**

RECOMMENDATION:

The General Manager respectfully requests the Commission approve Amendment No. 1 to Contract No. 17-UGPR-45 with Western Area Power Administration for roles and duties related to transmission operator services, contingent upon final legal approval.

BACKGROUND:

Western Area Power Administration (WAPA) is proposing an amendment to Contract No. 17-UGPR-45 (Contract) (available upon request), under which WAPA provides transmission operator services to Moorhead Public Service. The Contract with WAPA references WAPA's General Interconnection Contract Provisions (GICP). The Commission approved a revised GICP in September 2025. This amendment updates the date referenced in the Transmission Operator Procedure Contract to reflect when the revised GICP became effective, changing it from September 26, 2013, to July 17, 2025.

KEY ISSUES:

- WAPA is proposing an amendment to Contract No. 17-UGPR-45, under which WAPA provides transmission operator services to Moorhead Public Service.

FINANCIAL CONSIDERATIONS: None.

Respectfully submitted,



Travis L. Schmidt
General Manager

Division/Response Person: Taylor Holte, Electric Project Engineer.

Attachments: Available upon request.

Approve Task Order No. 15 for Moorhead DOE Substation KV1A Transformer Replacement and Amendment No. 1 to Task Order No. 11 for Centennial Substation Differential Relays Upgrade with DGR Engineering

RECOMMENDATION:

The General Manager respectfully requests the Commission approve Task Order No. 15 for replacing the KV1A transformer at the Moorhead DOE Substation and Amendment No. 1 to Task Order No. 11 for upgrading the differential relays at the Centennial Substation with DGR Engineering, contingent upon final legal approval.

BACKGROUND:

In December 2024, Moorhead Public Service (MPS) entered into a Task Order Agreement for Professional Services with DGR Engineering (DGR). On December 3, 2024, the Commission approved Task Order No. 11 with DGR to assist MPS with upgrading the existing electro-mechanical relays with digital relays at MPS' Centennial Substation.

Task Order No. 15 (available upon request) involves upgrading the KV1A transformer at the Moorhead DOE Substation (Moorhead Substation) located south of Moorhead. The KV1A transformer is electrical equipment that reduces high-voltage (230 kV) transmission power to lower voltage (115 kV) before it is delivered through MPS' transmission system and distributed to customers. The existing KV1A transformer has reached the end of its service life, and is identified in MPS' Capacity Improvement Plan as a required upgrade. Due to long lead times for major project materials, MPS requires DGR's assistance and expertise to develop the transformer specifications. The initial phase of Task Order No. 15 will include preliminary engineering services for the proposed layout and modifications needed for this upgrade. The total cost for services associated with Task Order No. 15 is \$103,000.

Amendment No. 1 to Task Order No. 11 (available upon request) will update the record drawing set for the Centennial Substation. Over time, MPS has completed several projects at the substation, during which the record drawings were compiled and revised multiple times, increasing the risk of errors. Upon completion of this amendment, MPS will have confidence that the drawings accurately reflect field conditions. This will improve both efficiency and safety during operations and troubleshooting at the Centennial Substation. The estimated cost for Amendment No. 1 to Task Order No. 11 is \$12,000.

KEY ISSUES:

- Task Order No. 15 involves upgrading the KV1A transformer at the Moorhead Substation located south of Moorhead.
- Amendment No. 1 to Task Order No. 11 will update the record drawing set for the Centennial Substation.

FINANCIAL CONSIDERATIONS:

- The total cost for services associated with the initial phase of Task Order No. 15 is \$103,000.
- The estimated cost for Amendment No. 1 to Task Order No. 11 is \$12,000.

Respectfully submitted,



Travis L. Schmidt
General Manager

Division/Response Person: Taylor Holte, Electric Project Engineer.

Attachments: Available upon request.

Approve Specifications and Authorize Advertisement for Bids for Furnishing 15 kV Indoor Metalclad Switchgear at MPS' Northeast and Southeast Substations

RECOMMENDATION:

The General Manager respectfully requests the Commission approve the specifications and authorize advertisement for bids for furnishing 15 kV indoor metalclad switchgear at Moorhead Public Service's Northeast and Southeast Substations, contingent upon final legal approval.

BACKGROUND:

In December 2024, Moorhead Public Service (MPS) entered into a Task Order Agreement for Professional Services with DGR Engineering (DGR). Task Order No. 12, approved by the Commission on January 21, 2025, is for engineering services for the Northeast Substation (NE Substation) Project and consists of building a new substation to replace and relocate the existing NE Substation. Task Order No. 13, approved by the Commission on April 22, 2025, pertains to engineering services for the Southeast Substation (SE Substation) Project, which involves the construction of a new control building and the installation of a capacitor bank.

DGR has prepared specifications for furnishing 15 kV indoor metalclad switchgear for the new control buildings that will be located at the NE Substation and the SE Substation in Moorhead. Switchgear acts as the primary control and protection system that manages the electric flow from the substation to the distribution feeders throughout MPS' service territory. The bid opening is scheduled for June 2, 2026. Because of extended lead times and the construction schedule, the requested delivery window for both sets of switchgear is June through August 2028. The 15 kV indoor metalclad switchgear is included in MPS' annual budget.

The specifications are available upon request and will be posted on QuestCDN upon approval by the Commission.

KEY ISSUES:

- DGR has prepared specifications for furnishing 15 kV indoor metalclad switchgear for the new control buildings that will be located at the NE Substation and the SE Substation in Moorhead.
- Because of extended lead times and the construction schedule, the requested delivery window for both sets of switchgear is June through August 2028.

FINANCIAL CONSIDERATIONS:

- The 15 kV indoor metalclad switchgear is included in MPS' annual budget.

Respectfully submitted,



Travis L. Schmidt
General Manager

Division/Response Person: Taylor Holte, Electric Project Engineer.

Attachments: Available upon request.

**Accept Petitions for Installation of Water and Electric Services
for Prairie Parkway 3rd Addition and Partridge Creek Addition**

RECOMMENDATION:

The General Manager respectfully requests the Commission accept the petitions for installation of water and electric services for All of Prairie Parkway 3rd Addition and Partridge Creek Addition, Less Lot 26, Block 1, in the city of Moorhead in accordance with Minnesota Statute §429.031, Subdivision 2.

BACKGROUND:

Minnesota Statute §429.031, Subdivision 2, states that, “A resolution ordering an improvement of the water, sewer, steam heating, street lighting, or other facility over which a utilities commission has jurisdiction shall also be approved by the utilities commission.”

The owner of the properties has signed the attached petitions for water and electric services and the petitions are on file in the office of Moorhead Public Service.

Respectfully submitted,



Travis L. Schmidt
General Manager

Division/Response Person: Taylor Holte, Project Engineer, and Jake Long, Water Distribution Manager.

Attachments:

Petitions for Installation of Water and Electric Services
General Location Maps

**PETITION TO THE MOORHEAD PUBLIC SERVICE COMMISSION
AND THE CITY OF MOORHEAD
PURSUANT TO M.S.A. 429.031, SUBD. 2
FOR INSTALLATION OF WATER AND ELECTRIC SERVICES**

The signator(s) shown on Exhibit A, which Exhibit is attached hereto and incorporated herein by reference, being Owner(s) of 100 percent of the property described as: All of Prairie Parkway 3rd Addition.

Hereby petition the City of Moorhead for installation and construction of local improvements consisting of electric and water systems to serve the abovedescribed property.

I/We request that the City of Moorhead, subject to the approval of the Moorhead Public Service Commission and Moorhead Public Service as to design, location, installation, and estimated cost, authorize the installation of a water system to the abovedescribed property.

The undersigned Owner(s) agrees/agree to the following:


1. That the watermain may be looped to the Owner's property;
2. To provide all easements required for utility placement, installation, and servicing;
3. That 100 percent of the cost of the petitionedfor improvements shall be proportionately assessed against the property of each owner; and

4. _____

Petitioner(s) further requests/request that the Moorhead Public Service Commission authorize installation of an electric system to serve the abovereferenced property. Said electric system to be installed by Moorhead Public Service. Owner(s) agrees/agree to provide all easements required for utility placement, installation, or servicing.

EXHIBIT A


Signature of Owner (Property owned jointly must be signed by all owners)	Legal Description or Clay County Auditor/Treasurer Property Description and Parcel No.	Date
---	---	------

1.  All of Prairie Parkway 3rd Add 2/19/26
Justin Berg, Owner
Prairie Parkway LLC
2. _____
3. _____
4. _____

Subscribed and sworn to before me this 19 day of February, 20 26, in the State of Minnesota, County of Clay.



(SEAL)  
Notary Public

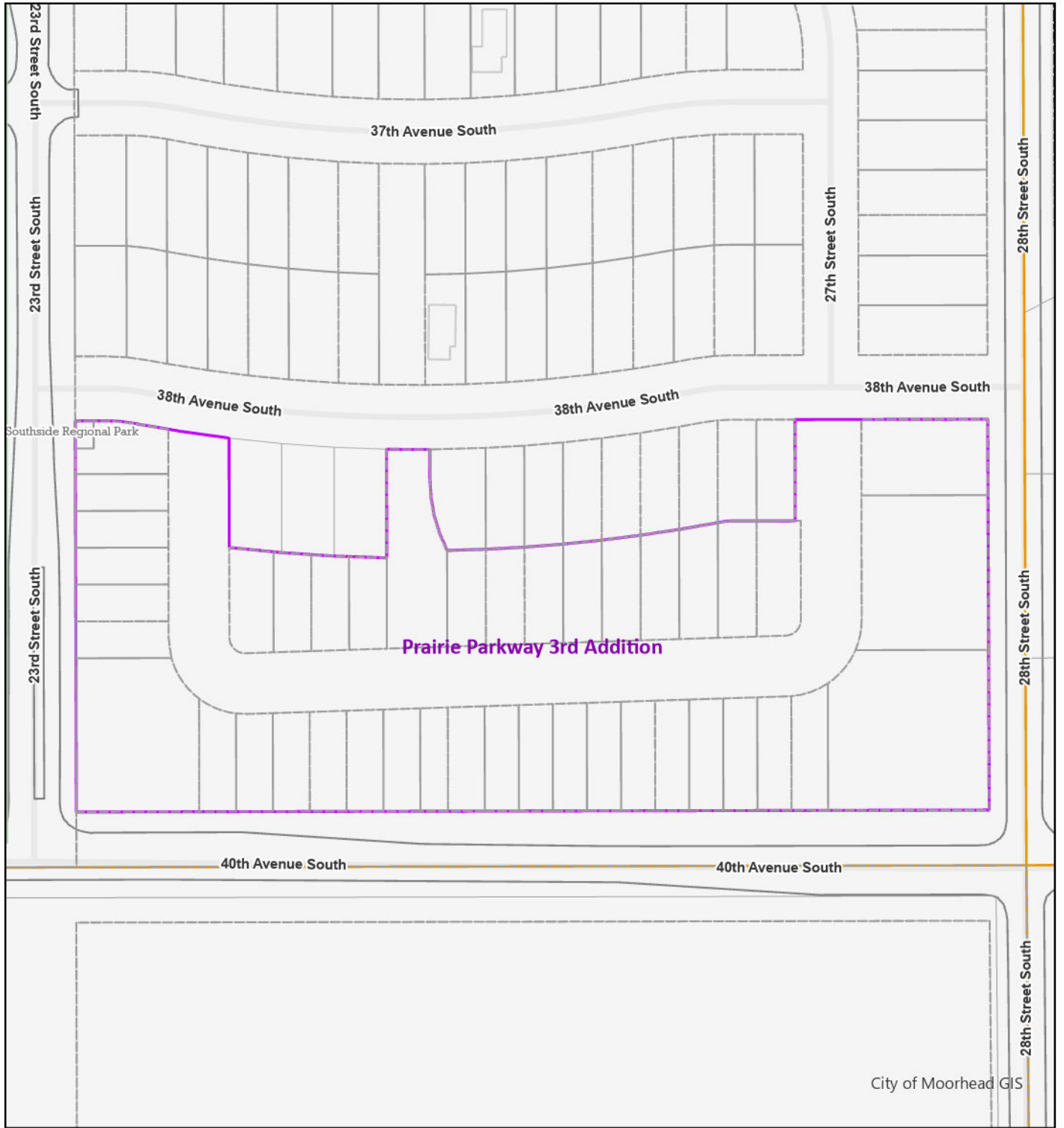
I HEREBY CERTIFY that I have examined the foregoing Petition and appropriate real estate records and find that said Petition is in proper form and is signed by all the owners of property abutting said improvement.

Dated this 2nd day of March, 2026.

City Clerk
City of Moorhead

(blanks:waterpet)

General Location Map Prairie Parkway 3rd Addition

-  Subdivisions
-  Moorhead Parcels



Date: **3/27/2026**

Author: **MTC**

Map No.
1/1

The information provided is for reference purposes only and may contain non-public data. Moorhead Public Service is not responsible for any inaccuracies herein contained. No responsibility is assumed for damages or other liabilities due to the accuracy, availability, use or misuse of the information herein provided. This map is for internal use only and may not be copied or distributed without written permission. Citation of sources is appreciated.

**PETITION TO THE MOORHEAD PUBLIC SERVICE COMMISSION
AND THE CITY OF MOORHEAD
PURSUANT TO M.S.A. 429.031, SUBD. 2
FOR INSTALLATION OF WATER AND ELECTRIC SERVICES**

The signator(s) shown on Exhibit A, which Exhibit is attached hereto and incorporated herein by reference, being Owner(s) of 100 percent of the property described as:
Partridge Creek Addition Less Lot 26, Block 1.

Hereby petition the City of Moorhead for installation and construction of local improvements consisting of electric and water systems to serve the above-described property.

I/We request that the City of Moorhead, subject to the approval of the Moorhead Public Service Commission and Moorhead Public Service as to design, location, installation, and estimated cost, authorize the installation of a water system to the above-described property.

The undersigned Owner(s) agrees/agree to the following:


1. That the watermain may be looped to the Owner's property;
2. To provide all easements required for utility placement, installation, and servicing;
3. That 100 percent of the cost of the petitioned-for improvements shall be proportionately assessed against the property of each owner; and

4. _____

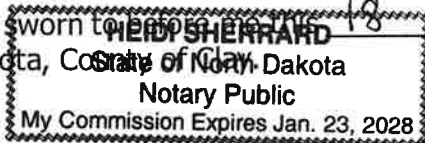
Petitioner(s) further requests/request that the Moorhead Public Service Commission authorize installation of an electric system to serve the above-referenced property. Said electric system to be installed by Moorhead Public Service. Owner(s) agrees/agree to provide all easements required for utility placement, installation, or servicing.

EXHIBIT A

Signature of Owner (Property owned jointly must be signed by all owners)	Legal Description or Clay County Auditor/Treasurer Property Description and Parcel No.	Date
---	--	------

- | | | |
|---|--|----------------------|
| 1. 
Rob Jordahl
Meridian Mortgage, LLC | <u>Partridge Creek Addition</u>
<u>Less Lot 26, Block 1</u> | <u>March/18/2026</u> |
| 2. _____ | _____ | _____ |
| 3. _____ | _____ | _____ |
| 4. _____ | _____ | _____ |

Subscribed and sworn to 18 day of March, 2026, in the State of Minnesota, County of Clay, Dakota



Heidi Sherrard
 Notary Public

(SEAL)



I HEREBY CERTIFY that I have examined the foregoing Petition and appropriate real estate records and find that said Petition is in proper form and is signed by all the owners of property abutting said improvement.

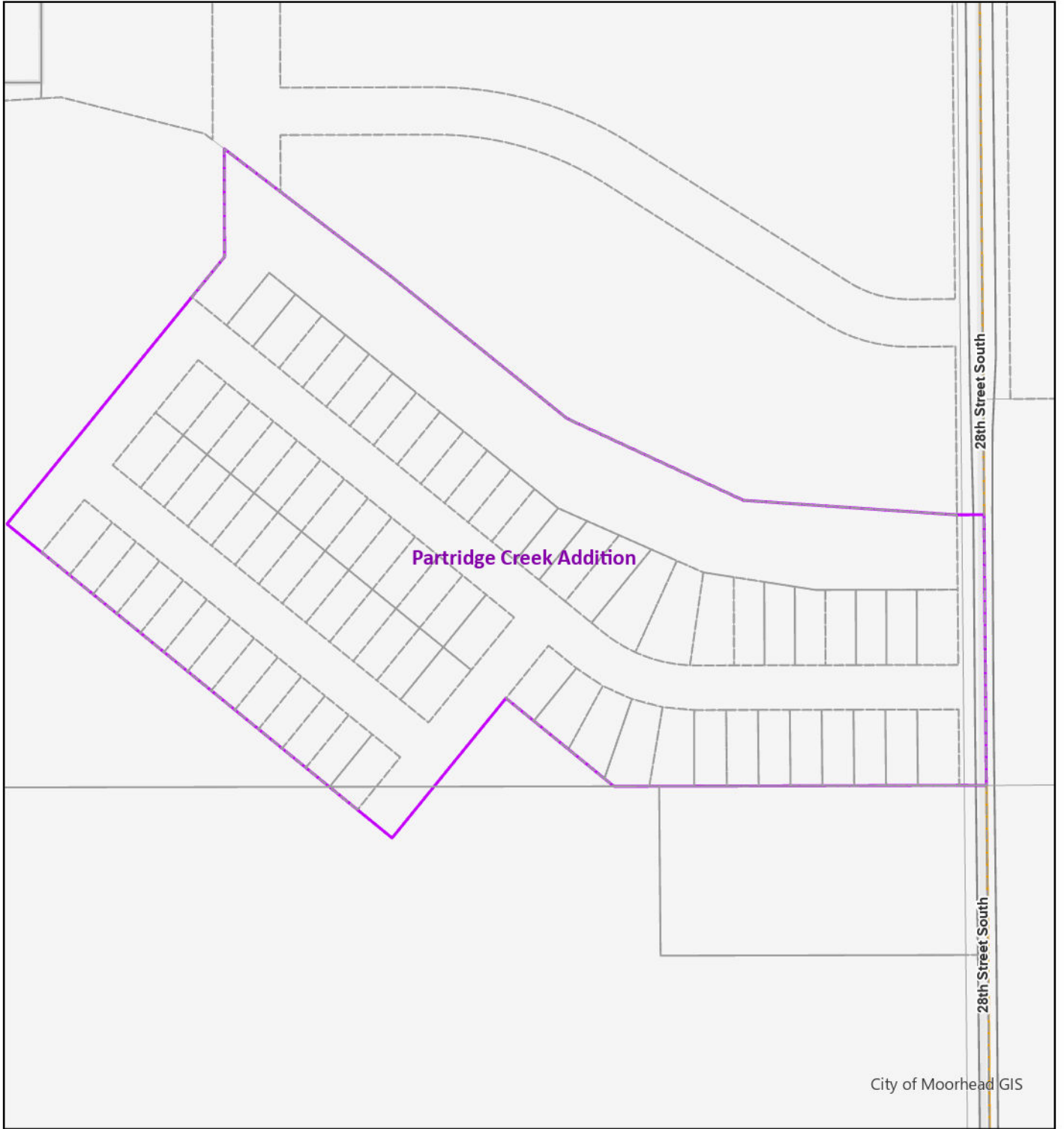
Dated this 19th day of March, 2026

Christina Rust
 City Clerk
 City of Moorhead

(blanks:waterpet)

General Location Map Partridge Creek Addition

-  Subdivisions
-  Moorhead Parcels



City of Moorhead GIS



Date: **3/27/2026**

Author: **MTC**

Map No.
1/1

The information provided is for reference purposes only and may contain non-public data. Moorhead Public Service is not responsible for any inaccuracies herein contained. No responsibility is assumed for damages or other liabilities due to the accuracy, availability, use or misuse of the information herein provided. This map is for internal use only and may not be copied or distributed without written permission. Citation of sources is appreciated.

Award Bid for 8th Street South Watermain Replacement

RECOMMENDATION:

The General Manager respectfully requests the Commission award the Base Bid for the 8th Street South Watermain Replacement Project to Border States Paving, Inc., in the amount of \$1,622,322.80, and authorize the General Manager to approve all change orders up to a cumulative maximum of 5 percent of the contract amount, not-to-exceed 5 percent of the approved construction contract.

BACKGROUND:

The proposed 8th Street South Watermain Replacement Project (Project) will replace 3,500 feet of failure-prone cast iron (CI) watermain in various locations along Moorhead's 8th Street South corridor between 3rd Avenue and 10th Avenue South (see map attached). The majority of the watermain will be installed using horizontal directional drilling, with limited sections constructed using open trench methods. The Project also includes replacing all water service lines from the watermain to the curb stop. Any lead service lines (LSLs) discovered during the Project will be replaced from the watermain to inside the customer's home. This Project is scheduled to be completed prior to a future Minnesota Department of Transportation street improvement project.

On April 1, 2026, MPS received three qualified bids for the Project, ranging from \$2,360,164.55 to \$3,194,841.92 (Base Bid plus Additive Alternative). The engineer's estimate was \$2,018,375.00. Border States Paving, Inc. (Border States), was the lowest, qualified bidder, as shown in the attached Bid Tabulation. The bid submitted by Border States included all the necessary documentation required in the specifications. The bid package includes an Additive Alternate that includes additional watermain replacement on 10th Street and 10th Avenue South to complete the 12-inch watermain loop and remove the existing 12-inch CI from Prairie Home Cemetery, which is adjacent to the Project. Since the total bid for the Project exceeded the engineer's estimate, MPS recommends not awarding the Additive Alternate and, instead, self-performing this portion of the Project. Due to MPS completing the Additive Alternate, a current MPS self-performed project planned for 2026 will be completed in 2027.

The total Base Bid includes approximately \$250,000.00 in reimbursable costs to MPS through LSL grant funding, as this Project includes LSL replacements. MPS' total share of the construction cost for this Project, after applying LSL grant funding, is \$1,372,322.

MPS' 2026 Water Division budget includes \$1.7 million for watermain replacement projects in 2026, with an additional \$1.45 million available annually for watermain replacement projects. Upon receiving bids for the Project, MPS expects the total share of the construction cost for all 2026 watermain replacement projects (both bid and self-performed) to be \$2.5 million. MPS and City of Moorhead staff have held ongoing discussions regarding coordinated projects for 2027 and 2028 coordinated projects and have determined that multiple projects will be deferred to future years. Based on an evaluation of project costs for 2027 and 2028, MPS has identified approximately \$750,000.00 that can be reallocated to fund the 2026 watermain replacement projects. In addition, MPS expects to self-perform a significant portion of the 2027 watermain replacements, which will substantially reduce overall costs.

8th Street South Watermain Replacement Project Timeline

Approve Specifications and Authorize Advertisement for Bids	March 17, 2026
Bid Opening	April 1, 2026
Bid Award	April 14, 2026 (Commission); April 27, 2026 (City Council)
Construction	May-October 2026 (Substantial Completion)

KEY ISSUES:

- The proposed Project will replace 3,500 feet of failure-prone cast iron (CI) watermain in various locations along Moorhead’s 8th Street South corridor between 3rd Avenue and 10th Avenue South.
- On April 1, 2026, MPS received three qualified bids for the Project, ranging from \$2,360,164.55 to \$3,194,841.92 (Base Bid plus Additive Alternate), and Border States was the lowest, qualified bidder.
- The engineer’s estimate for this Project was \$2,018,375.00.
- Since the total bid for the Project exceeded the engineer’s estimate, MPS recommends not awarding the Additive Alternate and, instead, self-performing this portion of the Project.

FINANCIAL CONSIDERATIONS:

- MPS’ total share of the construction cost for this Project, after applying LSL grant funding, is \$1,372,322.00.
- MPS’ 2026 Water Division budget include \$1.7 million for watermain replacement projects in 2026, with an additional \$1.45 million available annually for watermain replacement projects.
- Based on an evaluation of project costs for 2027 and 2028, MPS has identified approximately \$750,000.00 that can be reallocated to fund the 2026 watermain replacement projects.

Respectfully submitted,



Travis L. Schmidt
 General Manager

Division/Response Person: Jake Long, Water Distribution Manager.

Attachments:

- Bid Tabulation and Recommendation Letter
- Map of Project Area

April 6, 2026

Mr. Jake Long
Water Distribution Manager
500 Center Avenue; P.O. Box 779
Moorhead, MN 56561-0779

via email: jlong@mpsutility.com

RE: Eighth Street South Watermain Replacement
Moorhead Public Service Project 26-03
Moorhead, Minnesota
Apex Project No. 25.109.0252

Dear Mr. Long:

Bids for the above referenced project were received and opened on Wednesday, April 1, 2026, at 2:00 PM. Three (3) bids were received for the proposed watermain improvements. The bids received were from the contractors listed below:

- Border States Paving, Inc.
- Geislinger & Sons
- R&R Excavating, Inc.

The bids received have been outlined in the table below:

Bidder	Base Bid	Additive Alternate	Base Bid + Additive Alt.
Border States Paving, Inc.	\$1,622,332.80	\$739,935.75	\$2,360,164.55
Geislinger & Sons	\$2,164,834.00	\$811,817.00	\$2,976,651.00
R&R Excavating, Inc.	\$2,348,681.62	\$846,160.30	\$3,194,841.92

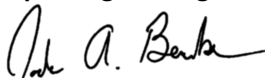
Due to the unique nature of the project and constraints for construction activities the range of estimated bidding was expected with the work proposed to be completed.

Staff from Border States Paving and their listed subconsultants have successfully completed work with Moorhead Public Service in the past and has demonstrated they have the ability to complete this project as specified. The Public Service Commission and City Council can consider award of this contract to Border States Paving, Inc. if they wish to proceed with the proposed work.

Please feel free to contact me with any questions.

Sincerely,

Apex Engineering Group, Inc.


Jade A. Berube, PE

Enc: Bid Tabulation



Water | Transportation | Municipal | Facilities

Bid Tabulation

Eighth Street South Watermain Replacement

City of Moorhead, Minnesota

April 1, 2026 | 2:00 PM | Conference Room at MPS Dispatch Operations Center, Second Floor, located at 215 Highway 75 North Moorhead, MN 56560

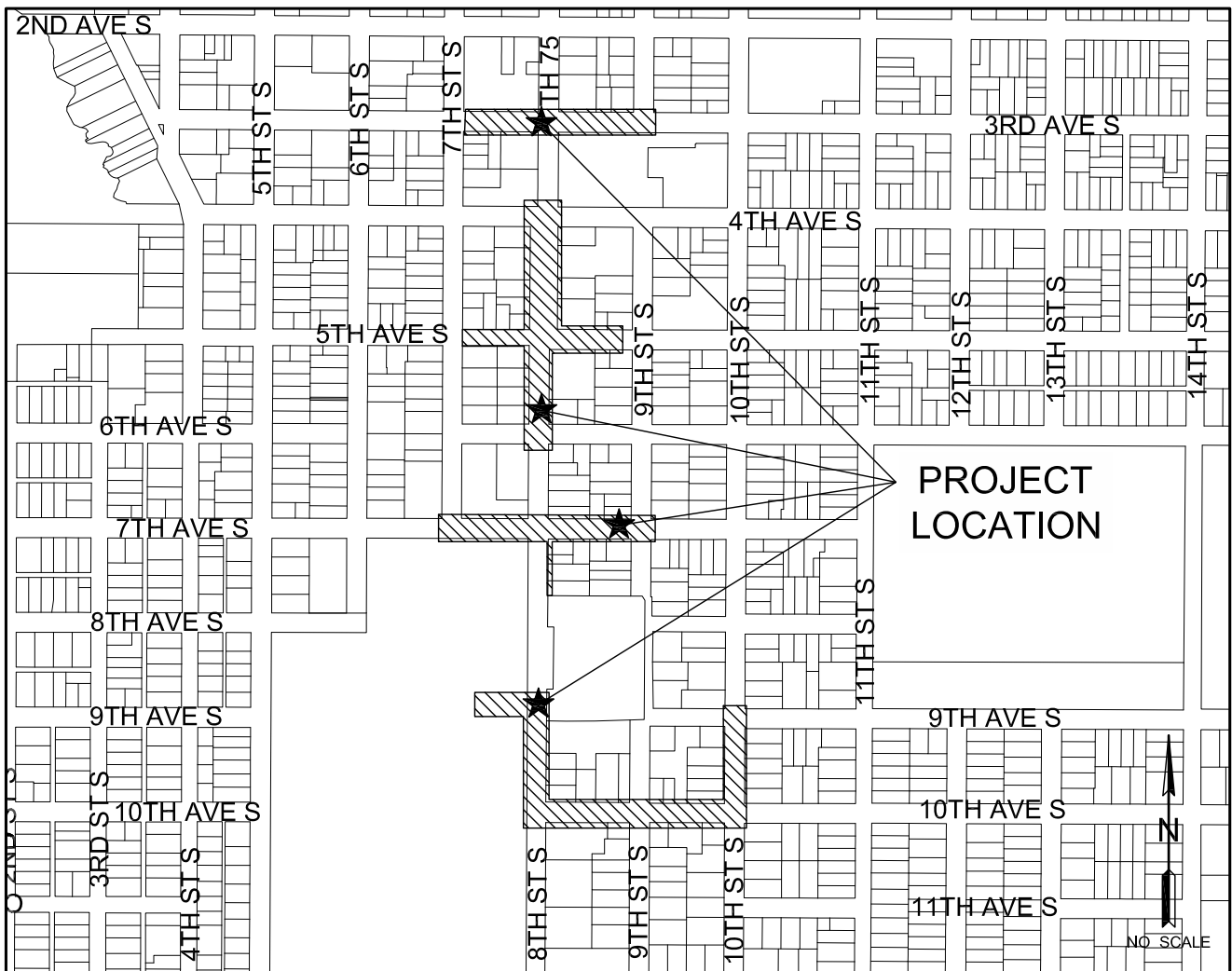
Apex Project No. 25.109.0252

Planholder	Bid Bond	Acknowledged Addendum(s)	Base Bid	Additive Alternate	Total Base Bid + Add Alt
Border States Paving, Inc.	X	Yes	\$1,622,332.80	\$739,935.75	\$2,360,164.50
Geislinger & Sons	X	Yes	\$2,164,834.00	\$811,817.00	\$2,976,651.00
R&R Excavating, Inc.	X	Yes	\$2,348,681.62	\$846,160.30	\$3,194,841.92

I certify that these bids were received on 4/1/2026, 2:00 PM, Conference Room at MPS Dispatch Operations Center, Second Floor



Jake Long



LOCATION MAP

Approve Amended Policy on Sponsorships and Marketing

RECOMMENDATION:

The General Manager respectfully requests the Commission approve the amended Policy on Sponsorships and Marketing.

BACKGROUND:

The Commission and Moorhead Public Service (MPS) value the ability to provide sponsorships and marketing that benefit the community of Moorhead. The Commission approved a new Policy on Sponsorships on March 15, 2022, and amended it on November 21, 2023. At that time, the sponsorships and marketing policies were merged into one policy based on further review by Flaherty & Hood, PA (F&H), MPS' legal counsel.

After a recent review and discussion regarding the current policy, MPS staff is recommending that the policy include additional language requiring that any sponsorship event not directly related to the electric or water industry be held within the city limits of Moorhead. The amended language in the attached Policy on Sponsorships and Marketing is shown in a strike-and-underline version and a clean version for the Commission's review. F&H reviewed and approved the amended language.

As part of the amended Policy on Sponsorships and Marketing, additional language was provided to F&H for review and approval of Administrative Policy No. 37.0 – Sponsorship and Marketing Approval (Administrative Policy), which is attached for your information. The amended Administrative Policy will help staff verify sponsorship requests prior to Commission approval and support the General Manager in reviewing and approving all marketing requests.

KEY ISSUES:

- The Commission approved a new Policy on Sponsorships on March 15, 2022, and amended it on November 21, 2023.
- After a recent review and discussion regarding the current policy, MPS is recommending that the policy include additional language requiring that any sponsorship event not directly related to the electric or water industry be held within the city limits of Moorhead.
- As part of the amended Policy on Sponsorships and Marketing, additional language was provided to F&H for review and approval of Administrative Policy No. 37.0 – Sponsorship and Marketing Approval.

FINANCIAL CONSIDERATIONS: None.

Respectfully submitted,



Travis L. Schmidt
General Manager

Division/Response Person: Travis L. Schmidt, General Manager.

Attachments:

Commission Policy on Sponsorships and Marketing (strike-and-underline and clean versions)
Administrative Policy No. 37.0 - Sponsorship and Marketing Approval

MOORHEAD PUBLIC SERVICE COMMISSION POLICY

Category: Administrative/General	Policy Title: Sponsorships and Marketing
Explanation: Establishes sponsorship and marketing requirements.	
Date of Adoption: 3/15/2022	Amended: 11/21/2023, <u>4/14/2026</u>

Policy:

Sponsorships and marketing are beneficial to both Moorhead Public Service and the community when conducted in a manner consistent with ~~Moorhead Public Service's~~ mission. Moorhead Public Service may solicit sponsorships and marketing for a variety of reasons that support its mission.

Definitions:

~~A~~Sponsorship is a payment made by Moorhead Public Service to an entity where there is no arrangement or expectation of any return benefit other than the use or acknowledgment of the name, logo, or services of Moorhead Public Service.

Marketing is a paid message, or material, solely controlled by Moorhead Public Service that promotes or markets Moorhead Public Service and ~~or~~ its services.

Sponsorship and Marketing Requirements:

For an expenditure of public funds, such as ~~for~~ sponsorship or marketing, to ~~qualify as~~ a lawful, ~~expenditure, thereit~~ must ~~beserve~~ a public purpose. This means ~~that~~ the expenditure should be for an item or activity that ~~serves as a~~ benefits ~~to~~ the community, as a ~~bodywhole~~, and, ~~at the same time~~, is directly related to the functions of Moorhead Public Service. All events that are not directly related to the electric or water industry must be held within the city limits of Moorhead to be eligible for sponsorship.

Expenditures of public funds in the form of sponsorships and marketing by Moorhead Public Service must meet the following criteria:

1. The sponsorship and marketing will benefit the community as a whole.
2. The sponsorship and marketing directly relate to the functions of Moorhead Public Service.
3. The sponsorship and marketing do not have, as the primary objective, the benefit of a private interest.
4. The sponsorship and marketing are based on the Moorhead Public Service Commission's Bylaws or policies.
- 4.5. The sponsorship or marketing event, if not directly related to the electric or water industry, is located within the city limits of Moorhead.

Sponsorship and Marketing Requests and Approval:

Sponsorship and marketing requests can be made using Moorhead Public Service's Sponsorship ~~and Marketing~~ Submission Form or Marketing Submission Form. Moorhead Public Service will review sponsorship and marketing requests ~~based on~~ in accordance with the requirements



detailed in this policy. Moorhead Public Service's General Manager has the authority to review and provide a recommendation to the Moorhead Public Service Commission for approval of a sponsorship request, or unilaterally approve a marketing request. The General Manager also has the authority to deny a sponsorship and marketing request if the criteria set forth in this Policy on Sponsorships and Marketing and corresponding Administrative Policy No. 37 - Sponsorship and Marketing Approval are not met.

Right to Refuse Sponsorship and Marketing:

Moorhead Public Service has the right to, and will, refuse sponsorship and marketing requests from unacceptable sources, or requests with an unacceptable message. Moorhead Public Service must decline sponsorship and marketing requests that, (1) is in conflict with Moorhead Public Service's policies, (2) adversely affects Moorhead Public Service's reputation, (3) appears to create an endorsement by Moorhead Public Service of a particular company, product, political candidate, or position regarding public policies, (4) is considered to contain obscene, indecent, or profane material, or (5) ridicules, exploits, or demeans persons on the basis of their ability; faith; race, ethnicity, and cultural identity/language; sexual orientation, gender identity and expression; and socio-economic status.

**AMENDED BY THE MOORHEAD PUBLIC SERVICE COMMISSION ON ~~NOVEMBER 21,~~
~~2023~~APRIL 14, 2026.**

~~Kristine Thompson~~Matthew Leiseth, Chairperson
Moorhead Public Service Commission

Travis L. Schmidt, General Manager
Moorhead Public Service

MOORHEAD PUBLIC SERVICE COMMISSION POLICY

Category: Administrative/General	Policy Title: Sponsorships and Marketing
Explanation: Establishes sponsorship and marketing requirements.	
Date of Adoption: 3/15/2022	Amended: 11/21/2023, 4/14/2026

Policy:

Sponsorships and marketing are beneficial to both Moorhead Public Service and the community when conducted in a manner consistent with its mission. Moorhead Public Service may solicit sponsorships and marketing for a variety of reasons that support its mission.

Definitions:

Sponsorship is a payment made by Moorhead Public Service to an entity where there is no arrangement or expectation of any return benefit other than the use or acknowledgment of the name, logo, or services of Moorhead Public Service.

Marketing is a paid message, or material, solely controlled by Moorhead Public Service that promotes or markets Moorhead Public Service and its services.

Sponsorship and Marketing Requirements:

For an expenditure of public funds, such as sponsorship or marketing, to be lawful, it must serve a public purpose. This means the expenditure should be for an item or activity that benefits the community as a whole and is directly related to the functions of Moorhead Public Service. All events that are not directly related to the electric or water industry must be held within the city limits of Moorhead to be eligible for sponsorship.

Expenditures of public funds in the form of sponsorships and marketing by Moorhead Public Service must meet the following criteria:

1. The sponsorship and marketing will benefit the community as a whole.
2. The sponsorship and marketing directly relate to the functions of Moorhead Public Service.
3. The sponsorship and marketing do not have, as the primary objective, the benefit of a private interest.
4. The sponsorship and marketing are based on the Moorhead Public Service Commission's Bylaws or policies.
5. The sponsorship or marketing event, if not directly related to the electric or water industry, is located within the city limits of Moorhead.

Sponsorship and Marketing Requests and Approval:

Sponsorship and marketing requests can be made using Moorhead Public Service's Sponsorship Submission Form or Marketing Submission Form. Moorhead Public Service will review sponsorship and marketing requests in accordance with the requirements detailed in this policy. Moorhead Public Service's General Manager has the authority to review and provide a recommendation to the Moorhead Public Service Commission for approval of a sponsorship request, or unilaterally approve a marketing request. The General Manager also has the authority to deny a sponsorship and marketing request if the criteria set forth in this Policy on



Sponsorships and Marketing

April 14, 2026

Page 2

Sponsorships and Marketing and corresponding Administrative Policy No. 37 - Sponsorship and Marketing Approval are not met.

Right to Refuse Sponsorship and Marketing:

Moorhead Public Service has the right to, and will, refuse sponsorship and marketing requests from unacceptable sources or requests with an unacceptable message. Moorhead Public Service must decline sponsorship and marketing requests that, (1) is in conflict with Moorhead Public Service's policies, (2) adversely affects Moorhead Public Service's reputation, (3) appears to create an endorsement by Moorhead Public Service of a particular company, product, political candidate, or position regarding public policies, (4) is considered to contain obscene, indecent, or profane material, or (5) ridicules, exploits, or demeans persons on the basis of their ability; faith; race, ethnicity, and cultural identity/language; sexual orientation, gender identity and expression; and socio-economic status.

AMENDED BY THE MOORHEAD PUBLIC SERVICE COMMISSION ON APRIL 14, 2026.

Matthew Leiseth, Chairperson
Moorhead Public Service Commission

Travis L. Schmidt, General Manager
Moorhead Public Service



ADMINISTRATIVE POLICY

Policy No.: 37.0	Policy Title: Sponsorship and Marketing Approval
Policy Purpose: Establishes sponsorship and marketing approval process.	
Policy Effective Date: March 15, 2022 November 22, 2023 April 8, 2026	Reviewed By:  <hr/> Approved By:  <hr/>

Policy:

Sponsorships and marketing are beneficial to both Moorhead Public Service and the community when conducted in a manner consistent with its mission. Moorhead Public Service may solicit sponsorships and marketing for a variety of reasons that support its mission.

This Administrative Policy establishes standards, guidelines, and approval criteria for the solicitation, consideration, and approval of sponsorships and marketing. This Administrative Policy is designed to protect the mission, image, and values of Moorhead Public Service; to protect the image and value of its facilities and services; to protect Moorhead Public Service from risk; and to uphold Moorhead Public Service’s stewardship role to safeguard its assets and interests. No sponsorship or marketing shall be approved that will compromise or damage the public trust, or conflict with or compromise Moorhead Public Service’s reputation, mission, image, or values. This Administrative Policy is also designed to:

- Provide the Moorhead Public Service Commission (Commission) with full and final decision-making authority on any sponsorship opportunity, thus protecting its integrity and the integrity of its facilities and services; and
- Provide the General Manager with initial decision-making authority on any sponsorship or marketing opportunity, and, if the request is denied, the requester may ask that the sponsorship request be provided to the Commission for final review and decision, thus protecting its integrity and the integrity of its facilities and services; and
- Assist the Commission, Moorhead Public Service staff, and the public to better understand the requirements and procedures for sponsorship and marketing approval.

Definitions:

A sponsorship is a payment made by Moorhead Public Service to an entity where there is no arrangement or expectation of any return benefit other than the use or acknowledgment of the name, logo, or services of Moorhead Public Service.

Marketing is a paid message, or material, solely controlled by Moorhead Public Service that promotes or markets Moorhead Public Service and its services.



Administrative Policy No. 37.0
Sponsorship and Marketing Approval
April 8, 2026

Authority Levels to Approve Sponsorships and Marketing:

Moorhead Public Service possesses sole and final decision-making authority over the appropriateness of sponsorship and marketing. Moorhead Public Service has the right to refuse any sponsorship or marketing request. All sponsorship and marketing requests will be reviewed in accordance with this Administrative Policy, and as follows:

1. Sponsorship and marketing requests can be made by interested parties using Moorhead Public Service's Sponsorship Submission Form or Marketing Submission Form (Submission Forms) pursuant to the Commission's Policy on Sponsorships and Marketing and consistent with the minimum criteria for approval set forth therein. The Submission Form(s) shall be provided to Moorhead Public Service's General Manager once completed.
2. The General Manager shall receive all Submission Forms and determine that the request is complete and meets the minimum criteria according to the Commission's Policy on Sponsorships and Marketing. The General Manager also has the authority to deny a request for sponsorship or marketing if the minimum criteria within this Administrative Policy and the Commission's Policy on Sponsorships and Marketing is not met.
3. Once the General Manager has reviewed the Sponsorship Form(s) and has deemed that the request is complete and meets the minimum criteria according to the Commission's Policy on Sponsorships and Marketing, the General Manager may:
 - a. provide a recommendation to the Commission for approval of such sponsorship request, or
 - b. unilaterally approve such marketing requests.
4. The Commission shall review all sponsorship requests recommended to the Commission by the General Manager. The Commission shall retain final decision-making authority over all sponsorship requests, including previously denied requests by the General Manager, if the requester asks that the sponsorship request be provided to the Commission for final review and decision.

Sponsorship and Marketing Approval Criteria:

Public expenditures in the form of sponsorships and marketing by Moorhead Public Service shall meet the following criteria:

1. The sponsorship or marketing will benefit the community as a whole (Criteria 1).
2. The sponsorship or marketing directly relates to the functions of Moorhead Public Service (Criteria 2).
3. The sponsorship or marketing does not have, as the primary objective, the benefit of a private interest (Criteria 3).
4. The sponsorship or marketing is based on statute or the Moorhead Public Service Commission's Bylaws and policies (Criteria 4).
5. The sponsorship or marketing event, if not directly related to the electric or water industry, must be held within the city limits of Moorhead. (Criteria 5).



Administrative Policy No. 37.0
Sponsorship and Marketing Approval
April 8, 2026

The General Manager and the Commission shall use the foregoing criteria when approving sponsorships or marketing. In addition to such criteria, the General Manager and the Commission shall use the following guidelines to clarify and expound on such criteria:

- A “benefit” to the community under Criteria 1 shall include an activity that supports the following topics:
 - Public health
 - Safety
 - General welfare
 - Security
 - Prosperity
 - Contentment¹
- The sponsorship or marketing directly relates to the functions of Moorhead Public Service under Criteria 2 when it:
 - Promotes the effective and high-quality control, management, and operation of the public utility.
 - Promotes innovative, efficient, reliable, and environmentally responsible municipal services in a manner that maximizes our community’s current and future success.
 - Facilitates valuable connections with community stakeholders—providing Moorhead Public Service the opportunity to better understand the needs of the community and, ultimately, provide a better service to the Moorhead community.
 - Facilitates valuable connections with Moorhead Public Service’s diversified pool of customers to provide better control, management, and operation of the utility for the Moorhead community.
- In deciphering whether a sponsorship or marketing serves a “private” versus “public” interest under Criteria 3, the Commission should consider that “The mere fact that some private interest may derive an incidental benefit from the activity does not deprive the activity of its public nature if its primary purpose is public.”² It should further consider the following:
 - ...if the primary object of an expenditure of municipal funds is to subserve a public purpose, the expenditure is legal, although it may also involve as an incident an expenditure which, standing alone, would not be lawful...if the primary object is to promote some private end, the expenditure is illegal, although it may incidentally serve some public purpose also.³
- The Commission’s Policy on Sponsorships and Marketing provides sufficient authority under Criteria 4 for a public expenditure to be made to any incorporated development society or organization that is connected to the community for sponsorships and marketing.
- To ensure the sponsorship or marketing serves a public purpose by promoting or marketing Moorhead Public Service and its services, Criteria 5 requires that events not directly related to the electric or water industry be held within the city limits of Moorhead.

¹ The Minnesota Supreme Court has clarified that activities that promote the following objectives *for the benefit of all the city’s residents* further a public purpose: Public health; Safety; General welfare; Security; Prosperity; and Contentment. City of Pipestone v. Madsen 178 NW 2d 594 (Minn. 1970)

² *Visina v. Freeman*, 89 N.W.2d 635 (Minn. 1958).

³ *Burns v. Essling*, 194 N.W. 404, 405 (Minn. 1923).



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Right to Refuse Sponsorship and Marketing:

Moorhead Public Service has the right to, and will, refuse sponsorship and marketing requests from unacceptable sources or requests with an unacceptable message. Moorhead Public Service must decline a sponsorship or marketing request that, (1) is in conflict with Moorhead Public Service policies; (2) adversely affects Moorhead Public Service's reputation; (3) appears to create an endorsement by Moorhead Public Service of a particular company, product, political candidate or position regarding public policies; (4) is considered to contain obscene, indecent, or profane material; or (5) ridicules, exploits, or demeans persons on the basis of their ability; faith; race, ethnicity, and cultural identity/language; sexual orientation, gender identity and expression; and socio-economic status.