M I N N K O T A

MESSENGER

JULY - AUGUST **2023**

On the cover: Roseau Electric Cooperative lineworkers set sail in the early morning on The Evenson to bring supplies and equipment to the Northwest Angle's Oak Island.

Minnkota Messenger *is published six times a year by Minnkota Power Cooperative. Its mission is to communicate Minnkota's perspectives and concerns to its members, elected officials, employees and other business audiences. For editorial inquiries, call (701) 795-4282 or email bfladhammer@minnkota.com.*

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Minnkota Power Cooperative is a generation and transmission cooperative headquartered in Grand Forks, N.D. It supplies wholesale electricity to 11 member-owner distribution cooperatives, three in eastern North Dakota and eight in northwestern Minnesota. Minnkota also serves as operating agent for the Northern Municipal Power Agency, an association of 12 municipal utilities in the same service region. Together, the Joint System serves more than 162,500 consumers.

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The Milton R. Young Station is well-positioned for the implementation of cutting-edge carbon capture technologies.

PROJECT TUNDRA MOVES INTO FINAL DEVELOPMENT STAGE

New relationships with TC Energy, Mitsubishi Heavy Industries and Kiewit position the project for a final investment decision in early 2024

By **Ben Fladhammer** /// Photography **Michael Hoeft**

Minnkota Power Cooperative announced agreements on June 28 with TC Energy, Mitsubishi Heavy Industries America (MHIA), and Kiewit moving Project Tundra into its final stage of development. The joint effort combines decades of energy industry expertise and strengthens the strategic vision to build one of the world's largest carbon capture projects in North Dakota.

Under the arrangements, Minnkota will continue to lead project development activities at the Milton R. Young Station power plant, as well as coordination with landowners and community members in the project area near Center, N.D.

"If our organizations are successful in making this historic project a reality, Minnkota will be one of the fastest decarbonizing utilities in the country while maintaining stable electric rates and a reliable, resilient power supply," said Mac McLennan, Minnkota President and CEO. "By working together, we aim to advance carbon capture technology in a way that can serve as a blueprint for our state, nation and world to meet ambitious decarbonization goals."

TC Energy will lead commercialization activities, including qualifying for federal 45Q tax credits. Return on project construction and operation costs would be recouped through 45Q, which provides $85 per ton of carbon dioxide (CO_2) permanently stored underground.

In addition, the project participants submitted an application in May for a $350 million grant through the U.S. Department of Energy's Carbon Capture Demonstration Projects Program. The project also has $250 million in low-interest loans approved through the state of North Dakota's Clean Sustainable Energy Authority (CSEA).

"Today's announcement is a powerful example of private industry and cooperative utilities collaborating to bring scaled change to the energy transition," said Corey Hessen, Executive Vice President and President, Power and Energy Solutions, at TC Energy. "With Minnkota, Mitsubishi and Kiewit we will combine our respective capabilities to deliver a de-risked commercial and technical solution. This ambitious carbon capture and sequestration project will enable the Young Station to provide power for decades to come…safely, reliably and with a significantly lower emissions profile."

MHIA is the lead technology provider for the project and has successfully deployed more than a dozen commercial CO_2 capture projects globally since 1999. MHIA is committed to building an innovative solutions ecosystem to realize a carbon-neutral future and achieve its net-zero ambitions within its own operations by 2040. The project will adopt MHIA's CO_2 capture technology "Advanced KM CDR Process™" with new solvent "KS-21™." MHIA will collaborate on the CO_2 capture facility with Kiewit, who will construct the project.

"Project Tundra represents an important step in the scale up of carbon capture technology, which will play an important role in realizing a carbon neutral society," said Takajiro Ishikawa, President and CEO of Mitsubishi Heavy Industries America, Inc. "Partnerships between policy and business are critical to our success in decarbonizing and we are excited to be part of this group of energy leaders to bring Project Tundra to life."

"Six years ago, Kiewit and MHIA worked together on the first commercial-scale postcombustion carbon capture project in the U.S.; which was delivered on time and on budget. Today, we have the opportunity to build on that legacy and deliver one of the largest carbon capture projects in the world," said Dave Claggett, senior vice president at Kiewit Energy Group, Inc. "We are proud to be a part of Project Tundra and to support North Dakota's decarbonization efforts."

Project Tundra is designed to capture up to 4 million metric tons of CO_2 annually from the coal-based Young Station. The CO_2 will be safely and permanently stored more than a mile underground in deep geologic formations. Minnkota currently has the largest fully permitted CO_2 storage facility in the United States and is pursuing additional CO_2 storage opportunities near the Young Station.

"Our industry-leading team has guided this project through a global pandemic, record inflation and unprecedented supply chain constraints," McLennan said. "Through those challenges, we have received outstanding support from the community of Center, Oliver County, and the state of North Dakota. None of this would be possible without their commitment and vision."

Throughout the research and development phases of Project Tundra, both state and federal leaders have played a crucial role in supporting and guiding the project.

"Bringing together the considerable expertise and resources of these industry leaders is a huge momentum boost for the project and bodes well for its future," North Dakota Gov. Doug Burgum said. "The pursuit of innovation over regulation continues to be a catalyst for capital investment in North Dakota. This project is a shining example of how industries can reduce emissions while investing in baseload generation to preserve reliable, low-cost energy for consumers. It also supports our state's industries, which provide thousands of good-paying jobs and economic development that generates billions in tax revenue for our state and local governments."

"Minnkota's project is leading the nation and world in developing a major carbon capture and storage project on a traditional coal-fired power plant," said Sen. John Hoeven. "We've led the way in reducing SOx, NOx and mercury emissions, and now we're leading the technology development on carbon capture. We have put in place research and development funding, loan guarantees and the 45Q tax credit so the company can move forward and make sure the next generation of coal-fired power is here today and for future generations."

"Today's announcement from Minnkota on Project Tundra is another exciting step toward scaling up carbon capture in North Dakota," said Sen. Kevin Cramer. "Congratulations to Minnkota, TC Energy, Mitsubishi, Kiewit, and its affiliate team on their partnership and moving to the final stage of development. I look forward to North Dakota's historic and continued leadership in CCUS technology."

"North Dakota is at the forefront of carbon capture technology," said Rep. Kelly Armstrong. "It's hard to think of a project that's a better example of this than Project Tundra. I'm glad to see it move forward in our goal of making sure our state's abundant resources continue to be utilized for generations to come."

Closing on financing and the notice to move forward with construction of Project Tundra are anticipated in early 2024. The project remains subject to closing on financing and a final investment decision by each of the project entities in the consortium.

TC Energy

We're a team of 7,000+ energy problem solvers working to move, generate and store the energy North America relies on. Today, we're taking action to make that energy more sustainable and more secure. We're innovating and modernizing to reduce emissions from our business. And, we're delivering new energy solutions – from natural gas and renewables to carbon capture and hydrogen – to help other businesses and industries decarbonize, too. Along the way, we invest in communities and partner with our neighbors, customers and governments to build the energy system of the future. TC Energy's common shares trade on the Toronto (TSX) and New York (NYSE) stock exchanges under the symbol TRP. To learn more, visit us at **TCEnergy.com**.

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Mitsubishi Heavy Industries America (MHIA) is one of the world's leading industrial groups, spanning energy, smart infrastructure, industrial machinery, aerospace and defense. MHIA combines cutting-edge technology with deep experience to deliver innovative, integrated solutions that help to realize a carbon neutral world, improve the quality of life and ensure a safer world. For more information, please visit **www.mhi.com** or follow our insights and stories on **spectra.mhi.com**.

Kiewit

Kiewit is one of North America's largest and most respected construction and engineering organizations. With its roots dating back to 1884, the employee-owned organization operates through a network of subsidiaries in the United States, Canada and Mexico. Kiewit offers construction and engineering services in a variety of markets including transportation; oil, gas and chemical; power; building; water; industrial; and mining. Kiewit had 2022 revenues of $13.7 billion and employs 25,700 staff and craft employees.

REC lineworker Devyn Brandt steers The Evenson.

THE LINEWORKERS OF THE LAKE

Challenges of waterlocked Roseau Electric Cooperative territory overcome with grit, gratitude

By **Kaylee Cusack** /// Photography **Michael Hoeft**

When in Minnesota's Northwest Angle, visitors typically have two options. Go to Canada, or go fishing.

See, the Angle (lovingly called so by the locals) is the reason the state outline of Minnesota sports a small cowlick on top, a nubbin of American land that boasts world-class walleye and the northernmost point of the contiguous United States. You can only get there by grabbing a passport and driving 40 miles through Manitoba, Canada, or you can hope the winter has enough bite to allow for an ice road across the Lake of the Woods.

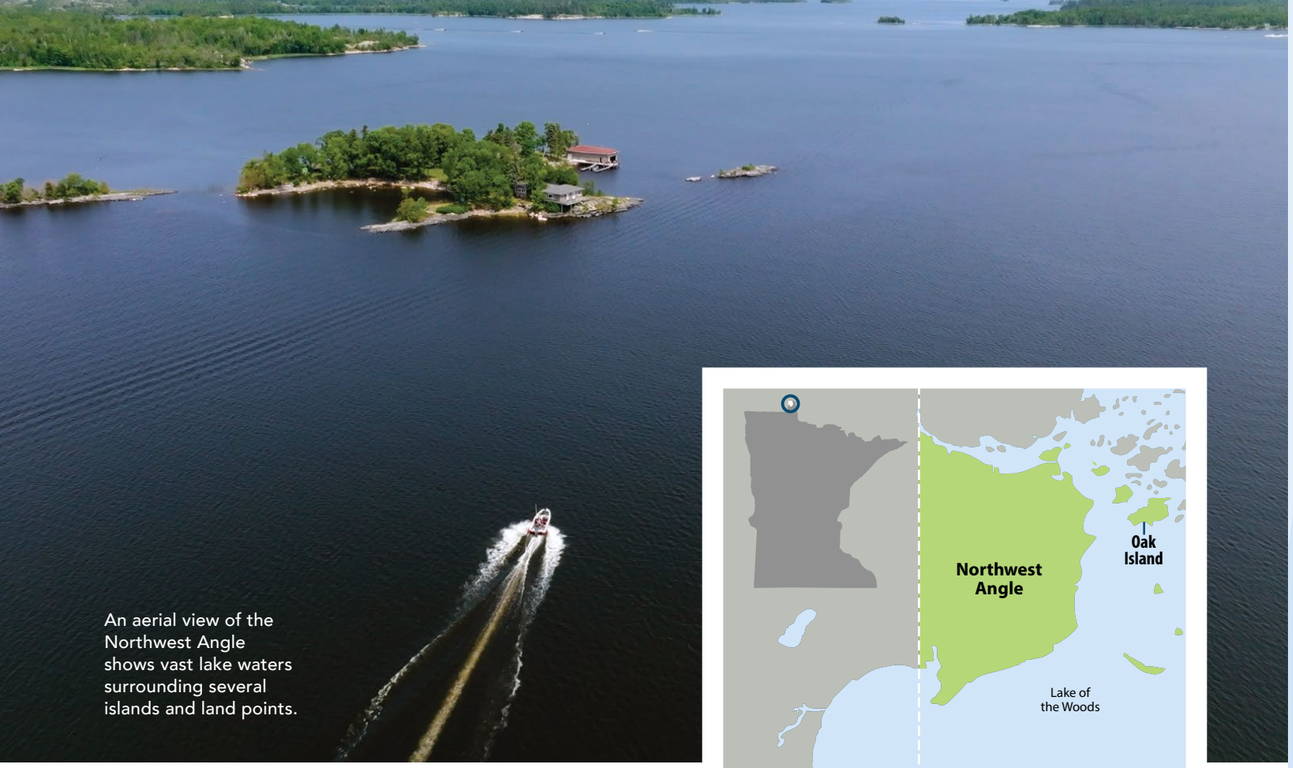
Jedd VonEnde has traveled to the Angle both ways. But as a veteran lineworker for Roseau Electric Cooperative (REC), his visits often require transportation beyond a utility truck, snowmobile or even a boat.

The man needs a barge. A big one.

"We always have projects up here, like replacements and fix-ups and new services as people are building," VonEnde said as he stood near the shore of Oak Island, one of the several Lake of the Woods islands served by REC.

Earlier that morning, he and his four-man crew had filled their 44-foot steel barge – named The Evenson – with the conduit, transformers and heavy machinery needed to work on the island, launching seven miles away from the Angle mainland. The five lineworkers would be among multiple REC crews spending their summer repairing and replacing flood-damaged transformers, junction boxes and underground cable, hopping from one island to another, and another, and another.

The Roseau line crew delivers equipment to an island worksite by barge. Pictured left to right: Dillion Thompson, Justin Olson, Jedd VonEnde and Connor Eidsmoe.



An aerial view of the Northwest Angle shows vast lake waters surrounding several islands and land points.

"The barge is amazing compared to what we used to have," VonEnde said, referring to a 30-foot pontoon the co-op used prior to 2005. "I took the maiden voyage, from Warroad to here."

The Evenson was custom-built by Jerry Solom, a Wannaska, Minn., welder with a shipbuilding hobby who happened to be the brother of an REC employee. Other co-op crew members, including VonEnde, assisted with welding and construction. Together, they ensured the barge would meet all of their Northwest Angle needs, like maintaining nearly 89 miles of underwater primary wire and holding freight of more than 40,000 pounds; bucket trucks aren't light.

The machine was christened The Evenson in memory of longtime lineworker Bob Evenson, who was taken by cancer in 1999.

"He had worked at Roseau Electric for his entire career, and he worked up in the Angle a lot," said REC Member Services Director Jeremy Lindemann, who has also long served the Angle as an REC electrician. "He was one of the first linemen who brought power up to the Angle."

Reliability after high waters

Lindemann docked his boat at Walsh's Bay Store Camp, near the Oak Island worksite of the REC line crew. Before his boots even hit the shore, he was greeted as an old friend by camp owner Frank Walsh. Moments later, he ran into Frank's wife, Laura.

"So, what are you guys doing out here?" she asked, gesturing with curiosity to the hard hat-clad men staging work equipment in the resort's backyard.

"It will make your power more reliable," Lindemann assured her.

The summer of 2022 brought destructive flooding to the islands of the Angle, with the lake rising 6-8 feet higher than normal. Most docks were underwater, if they didn't already float away. Many of REC's transformers and junction boxes are along the shore, so they too were underwater. Wind and erosion subsequently exposed much of the REC electric cable that rises from the lakebed up onto the islands. Since the equipment was energized during this time, it suffered electrolysis from the minerals in the water.

"Once the water goes away, your transformers will rust out in a year. Because of all that, you have to replace all of these transformers and junction boxes," Lindemann explained. "A lot of those are being relocated, so at that time it makes sense to also refeed a lot of that, which is what they are doing on Oak Island."

Roseau Electric was approved for funding from the Federal Emergency Management Agency (FEMA) to replace 27 pad-mounted transformers, 13 single-phase junction boxes and nearly 10 miles of underground cable, a project that crews plan to complete before the cold season. "We're going island to island. So we have another two weeks on Oak Island here, and then we'll have American Point, and then we'll have some crossings from island to island," VonEnde said, adding that five separate islands will receive a co-op visit.

On that day in June, VonEnde took his seat behind the controls of a large directional boring machine as lineworker Devyn Brandt walked far ahead, using a handheld locating device to precisely guide the drill head around obstructions to a transformer nearly 100 yards away. Once the drill made it to the designated dig-out by a transformer, the crew used the underground path to feed new, more efficient primary cable.

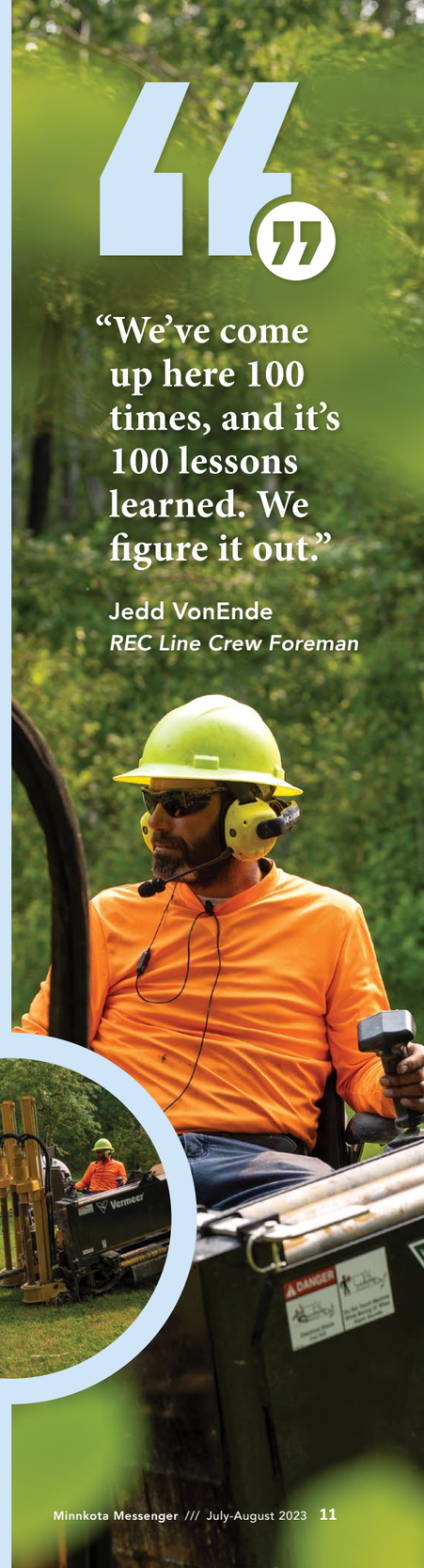
As the work turned to the wooded, rockier core of the island (rocks deposited by the glacier that formed the Angle islands eons ago), the boring machine was swapped for a trenching plow. This method allows for faster underground line placement and the ability to call in a digging machine when bounties of boulders are unavoidable.

"There are always challenges up here, but the challenges are fun," VonEnde said.

"Now when you're working on the beach, stringing wire across the water – that's the most relaxing," lineworker Brandt added, in placid retrospection of his years working the Angle.

Mutual energy

On the other side of the island, Chi Chi Lundsten has co-owned the Sportsman's Oak Island Lodge for 20 years. She worked there even before that. She's long witnessed the service provided by REC and often plays the role of "Angle electricity educator" to first-time resort visitors.



REC lineworkers complete the barge unloading process on Oak Island.

"I get some guests who ask, 'Are you running on a generator?' and I say, 'Nope! We have our local REC,'" she laughed. "And then they ask, 'How?' So I tell them – cable underwater, laid back in the '70s."

In 1973, REC took on the gargantuan task of electrifying the Angle. At that time, they weren't equipped with barges, directional boring machines or anything close to the technology available to co-ops today.

"A lot of those linemen are retired now, but it used to be just one big celebration when they would bring power somewhere," Lindemann said. "People would invite them in and they'd have a big party. It was crazy. They were just so thankful."

The locals' appreciation for reliable electricity continues today. When REC crews encounter challenges, the Angle's residents and business owners step in to assist. Two years ago, on the day before Thanksgiving, Lundsten lost power at the resort during wicked weather. REC was unable to get to Oak Island that day because of the conditions. But on Thanksgiving, they made it to the Angle mainland. The lake was freezing over and rough, so they called in some help from an island neighbor.

"Frank [Walsh] went and got them on his airboat, and they came over and got my power back," Lundsten said. "I was teasing them. I said, 'So are they saving dinner for you at home?'"

The give and take of service and appreciation is ever-present. In the first couple of weeks of the summer, a resident cooked the line crew a lunch of fresh walleye, potatoes and onions as they replaced line on his property.

Other locals have offered spare tools if the crew is in an unexpected pinch – they understand their remoteness precludes a quick jaunt back to the shop.

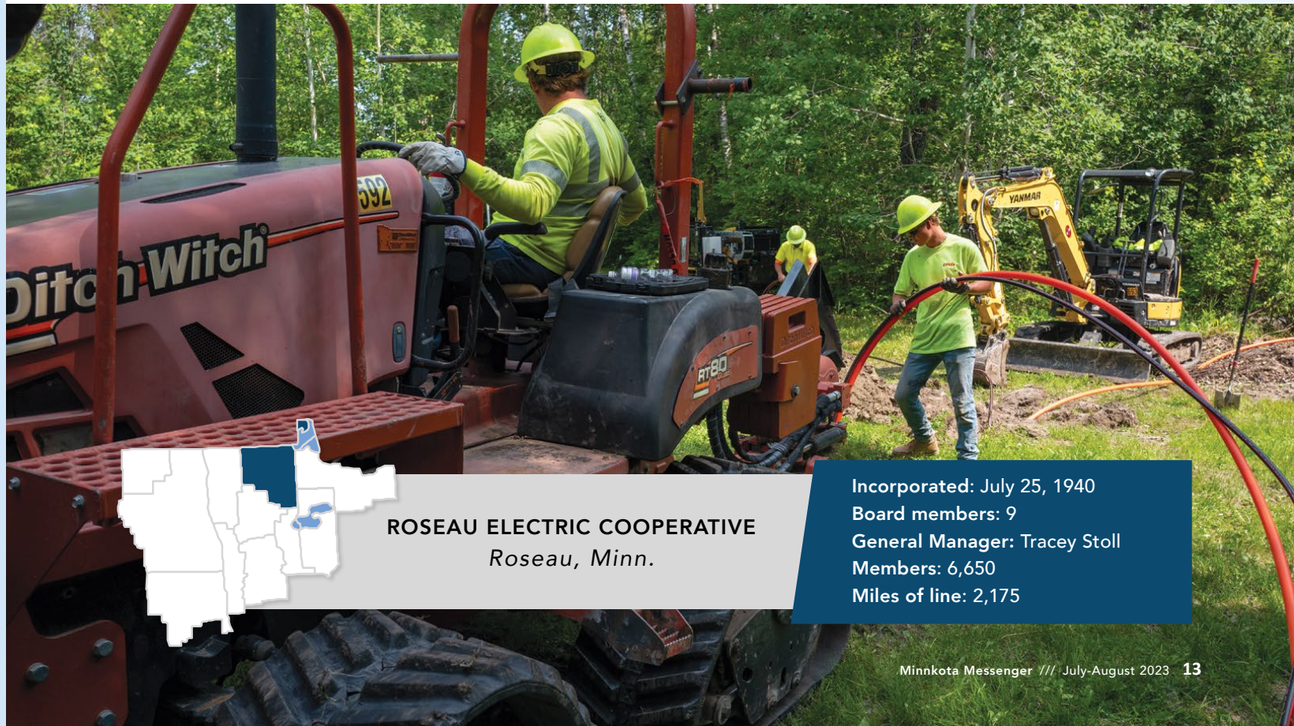
Roseau Electric Cooperative lineworkers energize the Angle. But the Angle energizes them right back.

"A guy told us the other night, 'How the hell we even have power on an island is something,'" VonEnde recalled, his tone that of humility. "He said, 'If it ever goes out, we should be happy it was even here to start with.'"

Teamwork comes into play when threading hundreds of feet of cable underground.

Lineworker Devyn Brandt uses a locating device to guide the directional boring machine underground.

REC's Jedd VonEnde finishes up the precision scoop work on Oak Island.



ROSEAU ELECTRIC COOPERATIVE
Roseau, Minn.

Incorporated: July 25, 1940
Board members: 9
General Manager: Tracey Stoll
Members: 6,650
Miles of line: 2,175

STRONGER TOGETHER

Minnkota, member-owners extend wholesale power contracts

By **Ben Fladhammer**
Photography **Michael Hoeft**

Minnkota Board Chair Mark Habedank and Secretary-Treasurer Colette Kujava complete the signing of member wholesale power contracts.

After more than 83 years of operation, the bond between Minnkota Power Cooperative and its members is growing stronger.

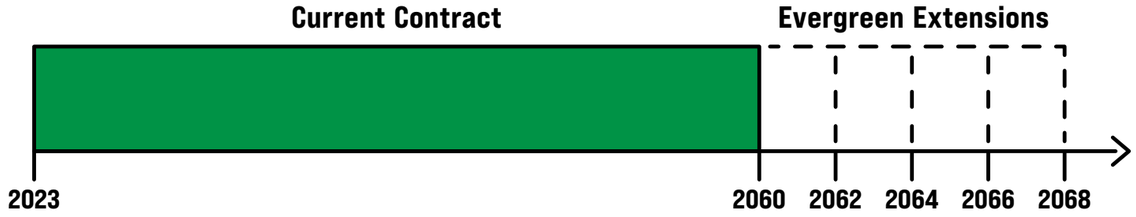
In May, the 11 Class A member-owners signed new wholesale power contracts with Minnkota that extend through 2060. These foundational agreements create a framework for the organizations to continue working together toward their common goal of reliable, affordable and sustainable electricity.

While signing the documents is a major accomplishment, Minnkota Board Chair Mark Habedank said he is just as proud of the thorough 18-month process taken before putting pen to paper.

"We worked through the process by simply taking one step at a time," Habedank said. "We held membership meetings, listening sessions, educational presentations and provided ample time for review and feedback. We wanted to take our time and be as transparent and collaborative as possible. In a cooperative, every voice gets heard and that was our focus from the beginning."

One of the key changes in the new contracts is the implementation of an evergreen renewal structure. Starting in 2026, the contracts will be automatically extended by two years each even-numbered year. That schedule will continue unless either Minnkota or the member cooperative formally requests a change. Additionally, Minnkota has a board of directors policy in place to review the contracts every five years.

The evergreen structure helps provide stability and certainty for Minnkota and the members without the need for a multi-decade extension, which has historically been used in the electric cooperative industry. Maintaining a contract length of more than 35 years ensures that optimal financing can be secured for current and future projects. In addition, the contracts help demonstrate financial health to potential lenders and rating agencies.



While the membership is united through Minnkota's role as the wholesale power provider, there is recognition that a fast-changing industry requires electric cooperatives to be flexible and adaptable. Within the new contracts, each member cooperative may receive up to 5% of its highest historical monthly uncontrolled demand from a source other than Minnkota. This amendment comes with added protections against inequitable cost-shifting amongst members.

Member-led effort

With the COVID pandemic in the rearview mirror, much of the contract education and development meetings were conducted with Minnkota and member cooperative boards and staff working side by side.

"The process by which Minnkota engaged its members to revise and extend the wholesale power contract should be held up as a gold standard," said Jared Echternach, CEO at Bemidji, Minn.-based Beltrami Electric Cooperative. "Member feedback was crucial to the process and Minnkota was accepting of member input without sacrificing the integrity of their contractual needs. The level of communication and transparency was key to this process. While no wholesale power contract is perfect, the process used to review and extend the contract was nearly that, and the end-product is a contract that provides certainty, security and flexibility for Minnkota and its members."

Marshal Albright, CEO at Cass County Electric Cooperative based in Fargo, echoed Echternach's praise for the cooperative leadership displayed by the entire membership.

"This is a major accomplishment for our organizations and shows how strong we can be when we work together cooperatively," Albright said. "While each of the member cooperatives has its own set of unique needs, we were able to find common ground and better position all members for a future that will be driven by rapid change. Our relationships with Minnkota and the other member-owner systems help ensure we are equipped to meet this change head on."

Wholesale power contracts have a long history with electric cooperatives dating back to their formation. Minnkota's original contracts were signed in 1956 and have been renewed several times throughout the years. While Minnkota looks much different than when it was formed in 1940, the electric cooperative business model and wholesale power contract structure continue to show resiliency in an evolving industry.

"This milestone is a testament to our membership's determination and steadfast belief that their collective ownership of Minnkota provides value to homes, farms, schools and businesses across the region," Habedank said. "With these contracts serving as a solid foundation, let us continue to embrace opportunities to enhance the quality of life in our region through reliable, affordable and sustainable electricity."

THE QUEST FOR CONTINUOUS IMPROVEMENT

Minnkota hosts first industry peer review, welcoming energy experts from across North America

By **Kaylee Cusack** /// Photography **Michael Hoeft**

Minnkota Power Cooperative's Prairie substation doesn't see many visitors outside of the co-op's employees in Grand Forks, N.D. Exceptions were made, however, during the week of June 19-22, when utility professionals from around the nation were treated to an up-close-and-personal look at the transmission hub while staff ensured all safety and security protocols were followed.

"We have a mix of breakers in this substation," Minnkota Senior Manager of Power Delivery Engineering Kasey Borboa told the 16 people in his site visit group, listing some of the original and updated features of the equipment. "Everything in this sub shows how we've evolved."

The visitors were participants in Minnkota's first-ever North American Transmission Forum (NATF) Peer Review. The four-day session would bring together nearly 50 peer reviewers and NATF staff facilitators to take an in-depth look at Minnkota and its processes, spanning nine areas including cybersecurity, transmission substations and lines, system protection, supply chain risk management, vegetation management and beyond.

After the week of group breakouts with Minnkota's subject matter experts (SMEs) and excursions to regional infrastructure, the reviewers would present their findings on where Minnkota could improve, where its strengths lie, and the noteworthy things that make the co-op an industry leader.

Minnkota's Kasey Borboa describes the features of the Prairie substation to NATF Peer Review visitors before leading them inside the control house.

"This will help Minnkota improve our best practices across the board," Minnkota Chief Information Security Officer Dan Inman said to a room of staff and visitors on the first morning of the review. "Have open and honest conversations with your peer reviewers. Lay it all out."

"We want open dialogue here – back and forth between the peer teams and Minnkota," NATF Program Manager John Loftis added moments later. "Minnkota will lead that discussion of course, to tell us what you're doing, but the peer teams will hopefully share what you're doing as well, and you'll all learn from each other at the end of the week."

Network of power peers

Minnkota became a member of the NATF in 2015, joining dozens of North American utilities who believed in the organization's mission of promoting excellence and continuous improvement in the safe, reliable, secure and resilient operation of the electric transmission system. The NATF was spurred after the historic Northeast blackout of 2003, a large-scale power outage that impacted more than 50 million people across eight states and Canada. At that time, utility compliance standards from the North American Electric Reliability Corporation (NERC) were still voluntary.

That changed just two years later with the Energy Policy Act of 2005.

"People stopped talking to each other because they were afraid that if they talked about things, about reliability, they would be found noncompliant," Loftis explained. "So, they kind of clammed up and stopped talking."

A group of large utilities knew that stopping industry discourse would stop industry improvement. They formed an organization to allow utilities to share problem points and best practices confidentially without fear – an organization now known as NATF. The Peer Review program quickly became its most popular offering, focusing on specific performance attributes called NATF Principles of Operating Excellence. Minnkota was approved in 2019 for an NATF Peer Review that would happen in 2023. Even though it was four years away, the planning team began preparing immediately.

NATF lead host coordinator Theresa Allard (who regularly serves as Minnkota's Compliance Manager) joined with Minnkota's NATF executive sponsors, Inman and Vice President of Power Delivery Brendan Kennelly, to make sure Minnkota was ready for some electric show-and-tell.

"We knew the more that people knew about the NATF, the more success we would have during this peer review," Allard said. "We started to do some

Minnkota CEO Mac McLennan addresses employees, NATF staff and peer reviewers.

training for the Minnkota staff encouraging people to get involved in other peer reviews, trying to get people more involved in the Principles of Operating Excellence, all with the idea that we had this peer review coming up."

Support for the peer review process came from the top down, including the Minnkota board of directors. Nearly 40 Minnkota SMEs and additional staff members prepared for months for the big visit, documenting processes and meeting virtually with the NATF review team. Their work paid off.

"The culture is so great," said peer reviewer Jesus Flores-Olivas, a Substation and Lines Engineering Manager from PNM Resources in New Mexico. "The attention that you give to the 'what' you do and the 'why' you do it – I think it's great. For example, you are all together and you are in line on what you do and what is your purpose."

"The amount of thought power in those conference rooms was just amazing," Inman said. "And they had fun. They enjoyed having that conversation, open collaboration, sharing thoughts and ideas, while we took away a whole lot of information and will benefit from it. I know quite a few commented, 'Oh, you guys do that? That's great! I'm going to take that back.' It was a bidirectional exchange of information."

By week's end, the peer reviewers were prepared to present the results of their deep dive into

Peer reviewers and NATF staff introduce themselves at the start of peer review week.

Minnkota. They developed a thorough list of strengths and areas for improvement for each of the nine review categories, along with their recommendations for next steps. Minnkota also received seven "Noteworthy" observations of above-and-beyond practices, which are typically given sparingly.

"I am very thankful for all of the work that you guys have done in a week," Minnkota President and CEO Mac McLennan told participants following the feedback presentations. "Clearly, there are a lot of things to be proud of. For the staff in this room, you guys do a lot of really good work. That's what it said. It also said there's a lot of opportunity for us. There are a whole host of recommendations on how we can improve."

As the NATF staff and peer reviewers gathered their things to catch flights to their respective home states, many exhibited one of the techniques they had learned that week – the Midwest Goodbye. Conversations between new colleagues continued, speckled with compliments and last-minute advice.

"I hope that they feel now that Minnkota is somebody that is a friend of theirs as well. We feel as though we made friends, so I would also like them to think that Minnkota can be a resource," Allard said. "It's a humbling experience for us. We take the facility, we take the people, we take what we do for granted. So, to have all of these people come in and give you feedback with a fresh set of eyes … it definitely was nice to bring it back to this is who we are and this is why we should be proud to be a part of this organization."

Pictured left to right: Minnkota's Theresa Allard, Harold Narlock and Travis Jacobson present their respective expertise during meetings and site visits throughout the week.

A NEW HOME IN HALSTAD

Red River Valley Co-op Power replaces 73-year-old building with modern facility

By **Emily Windjue** /// Photography **Michael Hoeft**

Red and blue accents are weaved throughout the interior and exterior of the building to tie in the cooperative's logo colors.

Rich Whitcomb, CEO of Red River Valley Power Co-op Power, is thrilled to have a space in which his employees are proud to work every day.

"Modern" and "enjoyable" are just some of the words Red River Valley Co-op Power employees used to describe their new headquarters located in Halstad, Minn. Three years ago, the Minnkota member cooperative began looking at constructing a new building to better suit the needs of its membership and its employees. After 14 months working offsite to complete the renovations – July 2023 was officially move-in time.

Red River Valley Co-op Power CEO Rich Whitcomb explained how the original 1949 headquarters had poor insulation, old windows and other aging characteristics that made a simple cosmetic renovation an inefficient solution.

"The building had run its course and it was no longer fitting the needs of the cooperative," Whitcomb said. "Changes were needed to ensure our employees are safe, our infrastructure is secure and we're protecting the investments made in vehicles and equipment."

The Red River Valley Co-op board decided the better long-term solution was to invest in a $4.9 million project that involved tearing down the original headquarters and building a brand-new facility right on top of the existing lot. They also decided to keep a small portion of the building that was added in 1987 and renovate the interior to match the "modern vibe" of the new building.

Besides the polished concrete floors and the fresh paint job, another major addition to the new home of Red River employees is the attached, heated shop. The large storage space can now house service vehicles, bucket trucks and other field equipment. Of course, the co-op used off-peak electric floor heat and air-source heat pumps to provide comfort and energy efficiency.

"We have never had a place to keep our large bucket trucks in heated storage," Whitcomb said. "On the coldest days of the year, crew members shouldn't have to worry about equipment starting in harsh temperatures – increasing the reliability, safety and speed of work necessary to keep the lights on for the co-operative's entire membership. The shop will also help preserve the longevity of equipment used every day by Red River's crew."

A few other modern touches are sprinkled throughout the new headquarters, including real-time outage maps for the crews and engineers to see what is happening in the field and an upgraded security system to better protect sensitive information and grant employees more peace of mind when they enter work.

"We are all ready to just settle in and make the space our own," an eager Red River employee said.

The local difference

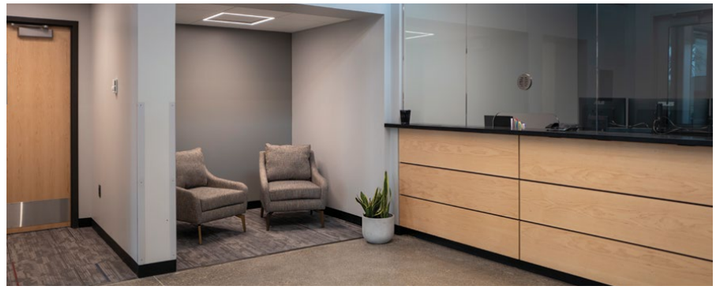
One of the most rewarding parts of this new building project, according to Whitcomb, was the local companies and people involved throughout the entire process. With supply chain challenges and inflation issues looming, the cooperative found support from Red River co-op members who were crucial in getting this construction project across the finish line.

Taracon Precast is a Red River member located in Hawley, Minn., which specializes in large concrete projects. They supplied the precast concrete panels used to construct the new building and garage. Visser Trenching is also a member out of Ada, Minn., and they were essential in the demolition and removal of the original building. Even some electricians who were contracted to work on the new headquarters are residential members of Red River Valley Co-op Power.

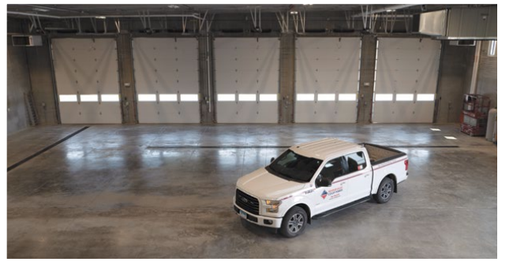
The co-op utilized the former Norman County West School in Hendrum, Minn., as a home base during the construction period. The timing was perfect as the school, which closed in 2021, is in the process of being repurposed as a business/community facility and is recruiting new tenants.

Now, thanks to the membership, the stewardship of its board and the dedication of its employees, Red River Valley Co-op Power's building gives this small-town co-op a new, modern feel.

"At the end of the day, this is all about better serving our membership," Whitcomb said. "This facility helps ensure we'll be able to do that now and well into the future."



The new building and the renovated addition feature new windows, new LED lighting and additional storage space.



Taracon Precast, the project's precast concrete supplier, is a part of the Spring Prairie Hutterite Colony in Hawley, Minn.

Minnkota Cares raises $3,947 for local causes

On June 22, Minnkota's Grand Forks employees proved that ice cream can bring out the sweet side of people, with more than 60 donors making annual pledges to the Minnkota Cares fund during the Ice Cream for Local Dreams event. In all, employees donated $3,947 to the employee giving fund, which will be distributed to local charities and causes throughout the year.

Those who participated in the Ice Cream for Local Dreams fundraiser simply filled out a pledge card with their donation to receive a free frozen treat from the ice cream truck parked just outside the door. The event was a great opportunity to chat with employees of all departments as they gave back – and sugared up!

The Minnkota Cares committee would like to thank all of the employees who stopped by and donated. Your contributions will help support the charitable organizations that mean the most to you, while living out Minnkota's core cooperative principle of Concern for Community.

Minnkota receives $150 million CSEA loan for Project Tundra

Minnkota received approval of a $150 million loan to help advance its Project Tundra carbon capture initiative at the Milton R. Young Station.

The loan was authorized by the North Dakota Industrial Commission on July 28 and will be an important component of the project's capital financing strategy. The funding is made available through the state's Clean Sustainable Energy Authority (CSEA) and will be furnished by the Bank of North Dakota. The $150 million loan is in addition to a similar $100 CSEA loan approved in 2022.

"On behalf of Minnkota, I would like to thank the state of North Dakota for its strong support of Project Tundra and its visionary leadership in developing programs to help us advance transformational energy technologies," said Mac McLennan, Minnkota president and CEO. "Securing this loan shows the investment community that we have the close partnerships in place to make this project a reality."

Minnkota anticipates making a decision on whether to move forward with construction of Project Tundra in early 2024.

Minnkota hosts Project Tundra landowner meeting

Minnkota CEO Mac McLennan (center) updates area landowners on Project Tundra milestones and the schedule for the rest of 2023.

Minnkota Power Cooperative made a major announcement in June that TC Energy, Mitsubishi Heavy Industries and Kiewit are joining the Project Tundra team. On July 20, the cooperative had a chance to update area landowners on the new joint development effort and recap other milestones as the project nears a final investment decision in early 2024.

"It takes a lot of people working together to make Project Tundra possible," said Minnkota CEO Mac McLennan, who opened the meeting at Square Butte Creek Golf Course near Center, N.D. "Our landowner group is at the top of this list. We remain appreciative of your commitment to helping us find solutions that ensure the Milton R. Young Station can operate in a carbon-managed future."

Minnkota secured the largest fully permitted carbon dioxide (CO_2) storage facility in the United States in 2022 near the Young Station – the site for Project Tundra. More than 95% of landowners have voluntarily consented to allowing the storage of CO_2 in the pore space approximately one mile underground.

Shannon Mikula, Minnkota Environmental Manager – Special Projects Counsel, presents to area landowners about Project Tundra.

A second CO_2 storage facility southwest of Center is being pursued and will provide Project Tundra with redundancy and future opportunities. A public permit hearing was held on June 30 for that facility, which currently has more than 80% voluntary landowner consent.

To date, more than $2 million has been paid to landowners who have signed leases to store CO_2 in the pore space approximately one mile underground. Combined, the two CO_2 storage facilities are able to store 222 million metric tons of CO_2 over 20 years.

Minnkota has held several Project Tundra landowner meetings each year since 2020 to provide an opportunity for two-way communication between the landowners and project leaders. Minnkota presenters at the meeting included McLennan; Craig Bleth, Vice President of Project Development; Shannon Mikula, Environmental Manager; and Andrew Sorbo, Vice President of Strategic Initiatives.

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MINNKOTA ENJOYS BUSY TOUR SEASON

Summer is tour season at Minnkota as the doors open to member cooperative consumers, university students, teachers and even the young energy leaders of tomorrow. Hundreds of people visited the headquarters facility and the Milton R. Young Station this year to learn more about how reliable, affordable and sustainable electricity is delivered throughout the region. Energy facility tours not only educate individuals on the complexities of the industry, but also help strengthen the bond between Minnkota personnel and the communities they serve.

Wild Rice Electric Cooperative


Hopeful Beginnings
Preschool & Childcare


Energy &
Environmental
Research Center
Energy Hawks

Red Lake Electric
Cooperative