

## July Board Meeting

### **Dakota Electric is a member-owned electric cooperative**

Dakota Electric is a member-owned cooperative. Our board includes current Dakota Electric members who were elected to represent the interests of 111,000 fellow members and ensure that safe, reliable, environmentally friendly and affordable electricity is available to all.

Dakota Electric's next scheduled board meeting is Thursday, July 29, 2021 at 8:30 a.m. CST. Due to continuing COVID-19 safety protocols, the meeting will take place virtually via Microsoft Teams. There will be no in-person attendance by directors, staff or guests. We welcome our members to attend this meeting. To ensure a productive and successful meeting that allows for both member input and board discussion, **PRIOR** to the meeting we ask you to note the following:

- Please review the background information and educational materials that have been posted on Dakota Electric's website. Click on the home page banner referencing "Great River Energy power supply transformation," visit the "newsroom" page or follow this link: <https://www.dakotaelectric.com/2021/06/30/power-supply-in-transition/>
- **Per Dakota Electric policies and bylaws, you must be a member to attend board meetings. Verification of membership will be required to attend.** If you are interested in attending and have not already requested to attend contact Melissa Cherney at 651-463-6252 or [mcherney@dakotaelectric.com](mailto:mcherney@dakotaelectric.com)
- Ability to access Microsoft Teams software will also be required to attend.
- A clickable Microsoft Teams meeting link will be provided by email. A separate clickable link will also be sent by email to allow for a compatibility test and practice session utilizing the software on Wednesday, July 28. This practice session will be available to join anytime between 2:00 – 4:00 p.m. CST. If you have any technical issues during the practice session or the day of the meeting please contact Melissa Cherney at [mcherney@dakotaelectric.com](mailto:mcherney@dakotaelectric.com).
- A representative from Great River Energy (GRE) will provide a brief overview followed by a question and answer session where questions **submitted in advance** will be addressed. Members are encouraged to send **up to three** questions **related to the sale of Coal Creek** by email to [info@dakotaelectric.com](mailto:info@dakotaelectric.com). It is possible additional questions may be addressed the day of the meeting, only if time allows.
- Following this section of the meeting, we will resume our regular board meeting agenda, including guest and member comments. Members will have **up to five minutes** each to make a **statement** to the board.
- The board wants to hear from all interested members, so we encourage you to make your comments direct and concise.

## **Regarding the sale of Coal Creek**

GRE's Vice President of Power Supply, Jon Brekke will join the July 29 meeting to present and address questions. He has led the efforts related to the proposed sale of Coal Creek Station. We thank Jon Brekke from Great River Energy for attending another meeting of our board to provide the opportunity to share and discuss information related to the sale of Coal Creek Station.

GRE is also a member-owned cooperative, with the responsibility of providing reliable generation and transmission services. Dakota Electric, along with 27 other distribution cooperatives, is an owner of GRE, and we have two members who serve on the GRE board.

As part of its power supply transition, GRE announced in 2020 that it intended to sell the Coal Creek Station power plant or close the plant if a sale wasn't forthcoming. GRE anticipates achieving a 95 percent carbon reduction by 2031.

- This transition also required decisions about the continued operation of a transmission line that is an important part of regional reliability plans.
- Rainbow Energy Center has made a fair proposal to purchase the power plant and begin to invest in carbon capture technology. Some details of the proposal remain confidential at this time and will not be discussed at the Dakota Electric meeting.
- Following the sale, GRE will have a contract to receive energy from Rainbow Energy Center, purchasing 1,050MW for approximately two years and 300MW for the next eight years. GRE has options to exit the contract if clean energy goals are not achieved.
- In addition, the transmission line will continue to operate under a new ownership structure. Nexus Line will continue to utilize the experienced transmission employees of Great River Energy under a contract for services for the next ten years.

## **The role of Dakota Electric's Board**

Dakota Electric's board of directors is evaluating the sale based on its responsibility to our members. Some important considerations include:

- Transitioning our power supply over the next ten years to reduce our portfolio purchases from coal by 75 percent and increase our renewables by an additional 900MW. This will allow GRE and its member cooperatives time to build out transmission, investigate new technologies, and pilot a long duration, utility scale storage battery.
- Reliability of energy supply, including the ability to avoid the supply losses and price spikes that occurred in Texas last winter.
- Saving members money and reducing risk compared to the cost of closing and decommissioning the plant.
- Retaining hundreds of jobs of valued employees in North Dakota.
- Wholesale rate stability with long-term contracts for capacity and energy.
- Meeting the requirements of state and regional regulators, and
- A continued reduction in the use of carbon-based energy, achieving benchmarks more quickly than required in current Minnesota law.