



# Continuing Resolutions of The Minnesota Rural Electric Association

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(S) = State Activity or Issue

(F) = Federal Activity or Issue

(F/S) = Federal & State Activity or Issue

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The use of the name “Minnesota Rural Electric Association” or its acronym “MREA” means the membership of the Minnesota Rural Electric Association.

# Business & Operations

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## Resolution 1: Focus on Energy (F/S)

The Minnesota Rural Electric Association (MREA) strongly urges both local and national staff to focus their time and resources on issues, which pertain to core electric energy issues. Other matters of *interest* to electric cooperatives should be monitored but not elevated to the detriment of the core agenda. All resolutions, both local and national, should reflect this priority.

## Resolution 2: Cooperation among States (S)

The MREA supports states sharing and developing energy resources and urges government and business leaders to develop and promote closer cooperation in commerce, industry, and energy that best serves the interests of electric cooperatives and their member-owner consumers.

## Resolution 3: Educational & Safety Programs – The Community (S)

The MREA is concerned with injuries and fatalities resulting from contact with energized electric lines. Therefore, a concerted effort should be made to enhance safety and to foster the cultural safety changes needed to achieve zero contacts.

The MREA shall make available to its member-systems, information and resources designed to educate the general public to the potential dangers and safety procedures involved in providing electricity.

## Resolution 4: Capper-Volstead Act (F)

The Capper-Volstead Act provides that agricultural producers may act together in collectively “processing, preparing for market, handling, and marketing” their products. This 1922 law provides anti-trust protection to electric cooperatives working in concert to market their products.

The MREA supports the act. The anti-trust provision is a mainstay for electric cooperative operations.

## Resolution 5: Support for Broadband & Telecommunications (F/S)

The MREA supports investments and additional funding for rural broadband internet infrastructure, including middle-mile, and telecommunications. This enables better connections between rural communities, local governments, farmers, businesses, and their customers. The MREA supports cooperatives having the ability and appropriate tools to provide broadband voluntarily, on their own or in partnership with others. This would include protecting statutory clarification that electric cooperatives can use their existing easements for the provision of broadband internet services.

The MREA opposes use by others of attachments to cooperative transmission/distribution systems if it is for non-electric operation and if it changes restoration of electrical services as the top priority, increases exposure of the transmission/distribution system to physical or cyber security risks, or results in additional costs to cooperatives' member-owners.

## Resolution 6: Diversified Services (F/S)

The MREA supports the right of electric cooperatives to participate in business activities that meet the interests of the electric cooperative membership.

### Resolution 7: Farm & Rural Economic Development (F/S)

Many parts of Minnesota suffer from stagnant or declining local economies and a decrease in population.

The MREA supports the efforts of the USDA Rural Business-Cooperative Service with its rural utility service and rural community development divisions. The MREA encourages the agency to work in partnership with electric cooperatives and state programs to stimulate economic development and retention of existing businesses and farms.

### Resolution 8: Support for International Cooperatives (F/S)

The MREA pledges to work with other cooperatives to raise awareness of the strength of our cooperative business model.

Cooperatives around the globe have empowered people to improve their lives through economic and social progress. Cooperatives are a major economic force in developed countries and a powerful business model in developing ones. Millions of cooperatives operate in every region of the world and are owned and controlled by more than one billion members.

### Resolution 9: Diversity, Equity and Inclusion (F/S)

The MREA supports the practices of diversity, equity, and inclusion, which benefit not only cooperatives but the community as a whole.

## Utility & Regulatory

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### Resolution 10: Stray Voltage (S)

Electric cooperatives, the Minnesota Public Utilities Commission (PUC), the Midwest Rural Energy Council, the US Department of Agriculture, and others have worked to address stray voltage issues through training, research, investigations, consumer education, and an inter-utility task force.

The MREA supports the use of the *Minnesota Stray Voltage Guide*, developed through broad stakeholder input, to facilitate common best practices to be used in addressing stray voltage concerns across the state. Collaborative efforts should continue, and further consideration should be given to constructive regulatory or legislative activities based on experience gained applying the *Minnesota Stray Voltage Guide*.

### Resolution 11: Federal Support to Electrify Rural America (F)

Congress has long embraced the principle of assisting electric cooperatives through loans and developing public water resources for the public benefit. Consumer-owned utilities have had preference rights for hydroelectric power generated by federal irrigation projects since at least 1906.

More than 30 federal statutes now require preferential treatment for public bodies and rural electric cooperatives.

There have been serious attempts to weaken the Preference Principle. More than 600 rural electric systems, including 27 Minnesota member systems, obtain part of their power supply from the federal power marketing agencies authorized by the principle provisions contained in federal law.

The MREA supports the Preference Principle and cost-based pricing of federally generated power and encourages the development of broad public understanding and congressional support for the Preference Principle clause. The MREA opposes the privatization of federally owned hydroelectric generating and transmission facilities, supports the proper allocation of costs associated with addressing infrastructure safety under the Safety of Dams program, and supports federal appropriations, which are repaid with interest, to repair and upgrade federal hydro and transmission facilities.

The MREA supports continued access to an appropriately funded RUS loan program to meet the needs of the cooperatives. The MREA supports statutorily defining all hydroelectricity as a renewable resource.

#### Resolution 12: Local Democracy (S)

The MREA supports the continuation of electric cooperatives in Minnesota being member regulated and opposes any provision, which would result in burdensome procedures or would unnecessarily intrude on cooperative self-governance.

Duplicative regulation by the Minnesota PUC and/or other state regulatory agencies imposes unnecessary costs, burdens, and erodes cooperative board authority to balance member interests.

#### Resolution 13: Service Territory Integrity (S)

Minnesota Statute, Sections 216B.37 through 216B.47, provides for assigned service areas, large load extensions, and municipal service territory extensions and compensation.

These service areas were assigned to ensure stability and predictability in the industry and to avoid uneconomical duplication of expensive capital facilities. The integrity of service territory is the foundation of our longstanding regulatory framework and is essential to ensuring power grid stability.

Electric cooperatives should have the right and responsibility to continue serving those areas in which they initiated service. The loss of service territory, or loss of load due to third parties, results in adverse economic impact on the cooperative, and the membership.

As long as state law continues to allow for service territory acquisition absent mutual consent, the MREA supports preservation of cooperatives' service territories and full and fair compensation to cooperatives in those instances where the applicable state law permits any acquisition of cooperative territory, facilities, or service rights by other utilities. The MREA will actively support appropriate efforts to protect the interest and investment of electric cooperative members.

#### Resolution 14: Nuclear Energy (S)

The MREA supports nuclear energy and calls on the State Legislature to rescind the moratorium on the building of nuclear plants in Minnesota. All forms of nuclear energy, a source of carbon free electricity, should be considered an energy resource within the constraints of Minnesota energy policy to give power producers another option in reducing carbon emissions.

#### Resolution 15: Electric Power Reliability & the Environment (S/F)

The MREA believes it is imperative that generation, transmission, and distribution facilities be built in a timely fashion to meet the needs of members.

The MREA realizes the need for an adequate supply of reliable electric power as well as the need to protect and enhance our environment. Except for licenses to cross unnamed waters, the MREA

does not object to filing for permits and approvals, but strongly feels prolonged and extensive delays are unnecessary, costly, and can be avoided.

The MREA supports legislation that will streamline the handling, in a timely fashion and reduce the cost, of permits and licenses, including land and water crossings, which are required for the construction of generation, transmission, and distribution facilities.

The MREA further supports legislation that positions generation and transmission electric cooperatives for future growth and investment rights on potential Regional Transmission Organizations (RTOs) transmission siting routes.

#### Resolution 16: Permitting Reform (F/S)

The MREA supports permitting reform for Transmission and Generation Infrastructure construction. Electric cooperatives support efficient reviews to protect the environment. However, the existing process is lengthy, expensive and is an impediment to meeting the future energy needs of consumers and communities. The MREA supports reasonably agreed upon timelines and avoiding unprecedented expansion of state and federal jurisdiction. The MREA supports an efficient and predictable process for reviews, including National Environmental Policy Act (NEPA) reviews, in order to develop reliable infrastructure.

#### Resolution 17: Rail Transportation (F)

Bulk commodity shippers such as coal-burning electric utilities and grain producers are very often captive to railroads because of their lack of economic transport alternatives.

The MREA urges the Administration, the Congress, and the Surface Transportation Board (STB) to consider the captive nature of utility coal and other rail movements, and to protect those with no economic transport alternatives from monopolistic pricing practices. We further recommend Congress repeal the railroads' anti-trust exemption, direct the STB to promote rail competition, require railroads to quote rates to shippers upon request, facilitate a shipper's access to a competing railroad, remove the unnecessary market dominance showing in captive rail cases at the STB and require the STB to review all rules covering rate complaints by small shippers.

The MREA supports the expansion and upgrade of new and existing rail infrastructure that leads to lower rates, enhanced service, and increased competition.

#### Resolution 18: Rail Crossings (S)

The MREA supports legislative and regulatory action leading to fair and consistent costs associated with utility lines crossing rail facilities.

#### Resolution 19: Economy & Rate Impacts (F/S)

The MREA opposes state and federal legislation or regulations that would increase electric rates and put Minnesota at an economic disadvantage compared to other states. The MREA requests NRECA work to ensure the economy is not disadvantaged by actions taken by Congress or Federal agencies (i.e., EPA) which could impact the cost of electric service to our members.

### Resolution 20: Customer Energy Usage Data (CEUD) (S)

Electric cooperatives throughout Minnesota have deployed innovative metering solutions that collect energy usage data for the purpose of creating a more efficient electric grid, and readily provide that data to members. The member can then provide the data to whomever they wish. The current method of sharing information ensures both physical and cyber security, and still allows members access to their own data.

The MREA respects the privacy and security of our member-owners, and opposes legislation or regulations that would require electric cooperatives to provide Customer Energy Usage Data (CEUD) to third parties without member consent.

## Energy & Environment

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### Resolution 21: Fossil Fuel Energy (F/S)

The MREA supports the use of fossil-fuel-based electricity as part of a responsible, sustainable, all-of-the-above energy policy to ensure reliable, affordable and increasingly clean electricity for all electric cooperative members. The MREA supports carbon capture and sequestration and other technologies that lead to more efficient combustion of fossil fuels with reduced emissions.

### Resolution 22: Renewable Energy (F/S)

The MREA supports continued research, development, and the use of cost-effective renewable energy sources where practical. The use of renewable energy sources is dependent upon their reliability, cost, availability, technical feasibility, and environmental effects.

The MREA supports local economic development through renewable energy development, but programs must be balanced with other factors and should not singly determine statewide energy policy.

The MREA supports legislative policy allowing market forces to determine which technologies are adopted to meet any clean or renewable energy standard (RES).

The MREA supports policymakers working through the process in a collaborative and systematic fashion and including cooperative utility subject matter experts in their decisions.

The MREA opposes mandates, goals, carve-outs, feed-in tariffs, expansion of the RES and other regulatory and legislative mechanisms, which require adding new resources that raise electricity costs and requires members to subsidize non-competitively priced electric projects. The MREA opposes mandates that prematurely rely on unproven technologies, and policies that result in premature closure of existing generation resources including baseload resources, and thereby erode reliability.

The MREA's renewable energy support also includes other resources, including conservation, efficiency, coal, nuclear, natural gas, and others. Diversity and flexibility of resources is paramount in providing the reliability, safety, affordability, and environmental stewardship our members expect.



The MREA urges Congress, the Administration and States to take action to classify hydroelectric power from projects large and small, existing and future, as a renewable resource.

### Resolution 23: Average Retail Rate Payments & Net Metering (S)

State law and regulations currently provide the average retail energy rate of each electric utility be paid on a net metering basis to small power producers under 40 kW capacity. The MREA supports flexibility for its members. The current grid access fee is an effective policy for some systems while others need additional or different tools to ensure rate equity and fairness across its membership. The MREA supports the move to an avoided cost structure to eliminate the cross subsidization resulting from the average retail energy rate concept. The MREA supports distributed energy resources (DER) being sized appropriately to offset the member's electric load.

The MREA strongly opposes an Increase in the 40-kW level for applying the average retail energy rate and net metering and opposes a state renewable energy payment through a special assessment on all electric utilities.

The MREA supports that the following principles be included in any legislative and/or regulatory changes to the State's net metering laws and policies:

- Net metering and distributed generation should be cost-neutral for our members.
- The purpose of net metering needs to be clarified in statute and/or regulation. The purpose of net metering is to allow electric members to offset their individual loads, not become independent power producers.
- Payments for excess generation should be eliminated and replaced with rolled-over credits or paid out at an avoided cost that expire after a year.
- Utilities should have the option to require generation be properly sized to a member's load.
- Net-metered members have a responsibility to pay for the services they use.

### Resolution 24: Regional Haze (F)

States are charged under the Clean Air Act with developing State Implementation Plans (SIPs) to address regional haze that impairs visibility in Class 1 areas. The MREA asks the Environmental Protection Agency (EPA) to recognize states' broad discretion in developing SIPs. The MREA believes that EPA's review of SIPs must reflect the purpose of the Regional Haze Program – that is, to improve and protect visibility in Class 1 areas.

### Resolution 25: Ethanol, Biodiesel, & Renewable Fuels (F/S)

The MREA supports programs for ethanol, biodiesel, and renewable transportation fuels. The MREA also encourages all members and affiliated associations to consider the use of biofuels in their fleets. Much of the state's rural economy relies on robust renewable fuel standards, and policies to advance those standards should be advanced.

### Resolution 26: Electric & Magnetic Fields (F/S)

Generation and transmission electric cooperatives are committed to generating and transmitting electricity in a way that protects the health and safety of the public.

The MREA encourages ongoing field research supported by the Electric Power Research Institute (EPRI) and supports the development and distribution of educational and communication material to provide factual information about the potential health effects of electric and magnetic fields (EMF).

### Resolution 27: Beneficial Electrification (F/S)

The MREA supports Beneficial Electrification. Beneficial Electrification, or the smart use of electricity, is the application of electricity to end uses that would otherwise use fossil fuels, where doing so satisfies at least one of these conditions without adversely affecting the other two:

- 1) Benefit the environment and reduce greenhouse gas emissions.
- 2) Save members money over time.
- 3) Foster a more robust and resilient grid.

### Resolution 28: Energy Efficiency (F/S)

The MREA supports regulatory and/or legislative reform alternatives that would improve the practicality and productivity of the Conservation Improvement Program (CIP) for its members, as amended by the Energy Conservation and Optimization (ECO) Act. Beneficial Electrification efforts should be further supported to ensure that ECO delivers the anticipated benefits to MREA's members and allow for the more robust application of Beneficial Electrification concepts within the program.

Cooperatives have deployed effective load management systems with multiple benefits including reducing costs, enhancing reliability, and reducing carbon. The MREA should work to protect the effectiveness of these programs from being impacted by unnecessary state regulatory hurdles.

### Resolution 29: Disposal of Spent Nuclear Fuel (F)

The federal government's failure to formulate and implement specific programs for the processing of spent nuclear fuels and for the permanent storage of nuclear wastes is inconsistent with policies in place when rural electric cooperative nuclear generating facilities were built. This failure has burdened utilities, such as Dairyland Power Cooperative, with substantial unexpected costs of prolonged storage of high-level radioactive waste and spent nuclear fuel. Dairyland currently incurs millions of dollars of annual expenses to safeguard the spent fuel.

The MREA urges the Department of Energy, Congress, and the President to fulfill their obligation under federal law to open a federal repository in a timely fashion and work on creating a reprocessing option. Until a permanent storage facility or reprocessing option is available, our federal elected officials should work with utilities to develop alternatives, including public or private centralized interim storage for spent nuclear fuel – giving special consideration to those nuclear facilities that are shut down, particularly nuclear power demonstration facilities such as Dairyland Power Cooperative's La Crosse Boiling Water Reactor (LACBWR).

### Resolution 30: Electric Vehicles (F/S)

Electric miles produce lower carbon dioxide emissions than gasoline miles, even when the electricity is produced from a resource mix including fossil fuels.

The MREA supports the thoughtful development and deployment of plug-in hybrids and all electric vehicles and policies that encourage off-peak charging but opposes mandates associated with electric vehicle deployment. The MREA supports funding the development of rural charging infrastructure in coordination with electric cooperatives to enable electric vehicle penetration.

### Resolution 31: Pending & Current Environmental Regulations (F)

The MREA supports an adequate review of the economic impacts of any environmental regulations, considering both their individual and cumulative costs. Short time frames for implementing controls could result in the installation of costly controls on existing power generation facilities that could negatively impact members' rates.

The MREA supports a more measured approach to environmental regulations that will not jeopardize electric reliability or impose burdensome costs on members.

The MREA strongly supports the position that any legislation or regulation addressing the issue of climate change must be fair, affordable and achievable within a reasonable time frame.

The MREA supports responsible carbon dioxide regulations that protects the reliability of the energy supply to cooperative-members and businesses; minimizes undue economic impact for cooperative-members; maximizes substantial plant investment and provides electric cooperatives with more long-term regulatory clarity and certainty. An approach that focuses on flexibility to pursue a diverse fuel mix for power generation will allow cooperatives to respond to local and regional factors and member preferences while ensuring affordable and reliable power.

#### Resolution 32: Combined Heat Power (CHP) (F/S)

The MREA supports the inclusion of CHP where it is cost effective in any future carbon related legislation and regulation:

- The inclusion of all CHP derived power in state and federal carbon compliance plans.
- Ongoing programs to encourage the usage of CHP in any future power plant projects.
- Encourage the EPA to include any energy savings/efficiency options (CHP) in future EPA rulings.
- Discourage the "singling out" of any fuel source in regard to CHP production.
- Oppose any mandates or goals that would require the construction of CHP.

## Finances, Taxes & Fees

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#### Resolution 33: Low Income Energy Assistance and Weatherization (S)

Low-income energy assistance and weatherization programs, like other human service programs, should be funded through general tax revenues, not by any tax or fee on electricity.

#### Resolution 34: Utility Taxes (F/S)

The MREA will continue to engage or oppose in the development of any tax legislation and regulatory actions which would impact the membership. The MREA requests NRECA ensure the tax status of our not-for-profit members are not adversely impacted by actions taken by Congress or federal agencies. We urge NRECA to continue to support direct-pay federal payments for electric cooperatives to develop new energy resources and technologies, including renewable energy, battery storage projects, nuclear energy facility, electric vehicle infrastructure, and carbon capture.

## History of Changes to Resolutions

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Original versions of Resolutions from 2000 – 2021 are stored on MREA's internal network at: Y:\WP\CMTS\RES

# File Storage & Access

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