

MINUTES OF THE
SHAKOPEE PUBLIC UTILITIES COMMISSION

March 2, 2026
Regular Meeting

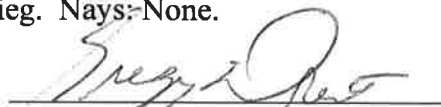
1. Call to Order. President Letourneau called the March 2, 2026 meeting of the Shakopee Public Utilities Commission to order at 5:00 P.M. President Letourneau, Vice President Mocol, Commissioner DuLaney, Commissioner Fox, and Commissioner Krieg were present.
2. Agenda Approval. Vice President Mocol moved, seconded by Commissioner Fox, to approve the agenda. Ayes: Letourneau, Mocol, DuLaney, Fox, and Krieg. Nays: None.
3. Communications. Sharon Walsh, Director of Marketing/Key Accounts/Special Projects, described a recent customer letter concerning the monthly manual meter reading. She noted that the failure to pay this fee resulted in a shortage for multiple services and, if unpaid, would result in disconnection.
4. Public Comment Period. No public comments were presented.
5. Consent Agenda. Commissioner DuLaney moved, seconded by Commissioner Krieg, to approve the consent agenda as presented:
 - (5a) February 2, 2026 Minutes;
 - (5b) March 2, 2026 Warrant List;
 - (5c) Monthly Water Dashboard for January 2026;
 - (5d) Highview Park 4th Addition Trunk Watermain Oversizing Resolutions #2026-05, -06;
 - (5e) Res #2026-07 Resolution Approving Shakopee Public Utilities Commission's Cogeneration and Small Power Production Tariff;
 - (5f) Adams Street Watermain Extension – Construction Cooperative Agreement needed with the City of Shakopee;
 - (5g) MMPA February 2026 meeting Update;
 - (5h) Res #2026-08 Resolution Approving Purchase of Property; and
 - (5i) Updates from last Commission Meeting: Cold Weather Rule, LIHEAP, and DisconnectsAyes: Letourneau, Mocol, DuLaney, Fox, and Krieg. Nays: None.
6. Liaison Report. Commissioner DuLaney noted the City of Farmington situation on large power users. He also explained that the City of Shakopee conducted a survey in 2025 that included SPU utility service. He noted that of the 400 responses, 80% rated electric service as excellent or good and 59% for water, and highly rated community engagement.
7. Revised Billing, Credit & Collections Policy. Kelley Willemsen, Director of Finance and Administration, provided an overview of the revised Billing, Credit, and Collection Policy, explaining the primary revisions. She discussed account receivables status, noting that 89.42% of electric accounts and 89.97% of water accounts were current as of February 28. She also summarized SPU's disconnect process. Vice President Mocol moved to approve the Billing, Credit, and Collection Policy as presented. Commissioner Fox seconded the motion. Ayes: Letourneau, Mocol, DuLaney, Fox, and Krieg. Nays: None.

8. Potential Large Power User Considerations. Greg Drent, General Manager, noted that because SPU receives inquiries from potential large power users, including preliminary discussions with one developer currently, he wanted to have a Commission-level discussion. He explained that large users spread operations costs over more customers, and increased load factor may optimize system use, but they typically involve significant capital costs and increased wholesale power bills. He noted that a large user could potentially double the size of SPU's load in five years, along with annexations and growth. He discussed a hybrid approach of asking a large user to take on a significant portion of the initial capital costs. Mr. Drent noted that SPU would prohibit water use for cooling purposes. Commissioner Fox noted SPU's general philosophy of having development paying for itself. The discussion also included MMPA's role, ensuring sufficient capacity for future growth, renewable energy requirements, the payback period for SPU for any expenditures, and the potential for a business to not continue. Commissioner Krieg noted that SPU does not need to consider large power users, as the City enjoys on-going growth. Mr. Drent noted that no decisions are required tonight. Staff will continue to work with the potential development and that any contracts must return for Commission approval.

9. Operations Report. Brad Carlson, Director of Field Operations, presented a water update, noting that SEH is evaluating water vulnerabilities and an emergency action plan. The changeout for both water and electric meters for AMI is down to only three remaining. Mr. Carlson reported that Wells 12 and 17 have been reinstalled, that SPU received approval from the DNR to begin operations for Well 23, and that SPU received a \$15,000 grant for water source protection. He noted that for residential customers not in compliance with Backflow Prevention testing, SPU has completed system lockouts for 275 of the 672 properties. For electric, Mr. Carlson reported on multifamily residential development and other projects. He noted that SPU crews will compete in the APPA Rodeo in Huntsville, Alabama. He reported four outages since the last Commission meeting: a boring crew hit a line, affecting 89 customers, a car hit a transformer in a snowstorm, affecting 83 customers, and an eagle hit an overhead line.

10. General Manager Report. Mr. Drent discussed attending a Chamber Legislative Priority meeting with legislators and City staff and the APPA legislative meeting in Washington D.C. where he was a lead presenter on affordability. He noted that Xcel Energy responded on service territory and work continues. Mr. Drent noted electric system planning and potential impacts with large users. He also noted that staff will meet with Minnesota Valley Electric staff to discuss the past agreement and potential future service territory. The agenda for the joint meeting with the City Council includes the year in review; City annexation, and an amendment to the PILOT agreement for large power users over 10 MW. Mr. Drent thanked Commissioner Fox for his six years of service as a Commissioner and his dedication.

11. Adjourn. Motion by Commissioner DuLaney, seconded by Vice President Mocol, to adjourn. Ayes: Letourneau, Mocol, DuLaney, Fox, and Krieg. Nays: None.


Greg Drent, Commission Secretary