

Grand Rapids Public Utilities

February 11, 2026

Operational and Capital Updates

GRPU Management Team



**GRAND RAPIDS
PUBLIC UTILITIES**
Service is Our Nature



MISSION VISION VALUES

WHO WE ARE

Grand Rapids Public Utilities (GRPU) is a statutory municipal utility established by the city of Grand Rapids, Minnesota. The Grand Rapids Public Utilities Commission (GRPUC) provides full control, operation and management of the GRPU electric power distribution system, the water production, treatment and distribution systems, and the wastewater collection and treatment systems.



Our Vision

Our vision is to be a dynamic public asset for the thriving community of Grand Rapids, enhancing lives and fostering growth through excellence in the provision of essential utility services.



Our Mission

Our mission is to empower GRPU team members to deliver safe, reliable, affordable, sustainable, and customer-focused utility services for our community.



Our Values

- Safety** We hold paramount the well-being of our employees and the public in all operations.
- Integrity** We uphold ethical standards and foster trust with all stakeholders.
- Customer Focus** We prioritize customer needs and satisfaction in all our decisions and actions.
- Efficiency** We maximize resources to provide cost-effective services without compromising quality.
- Reliability** We consistently deliver high-quality utility services and strive for uninterrupted access.
- Sustainability** We employ environmentally responsible practices in our operations and services.
- Transparency** We openly share information and decision-making processes, promoting informed community involvement.



Uninterrupted, High-Quality Utility Services (US)

Operations: MMUA Legislative Update by Julie Kennedy

MMUA is pleased to share the first video in the 2026 legislative session update series.

Our new legislative priorities video is now available, highlighting the important issues that will shape MMUA's advocacy efforts during the 2026 legislative session. The session runs from February 17 through May 18.

The video and the accompanying one-page summary have been designed to assist you in educating utility commissioners, staff, and the general public about the issues important to municipal utilities in St. Paul. Feel free to include this information in your commission packets and staff communications.

Mark your calendars now for the 2026 MMUA Legislative Conference, scheduled for **March 24–25**.



[MMUA Video Link](#)

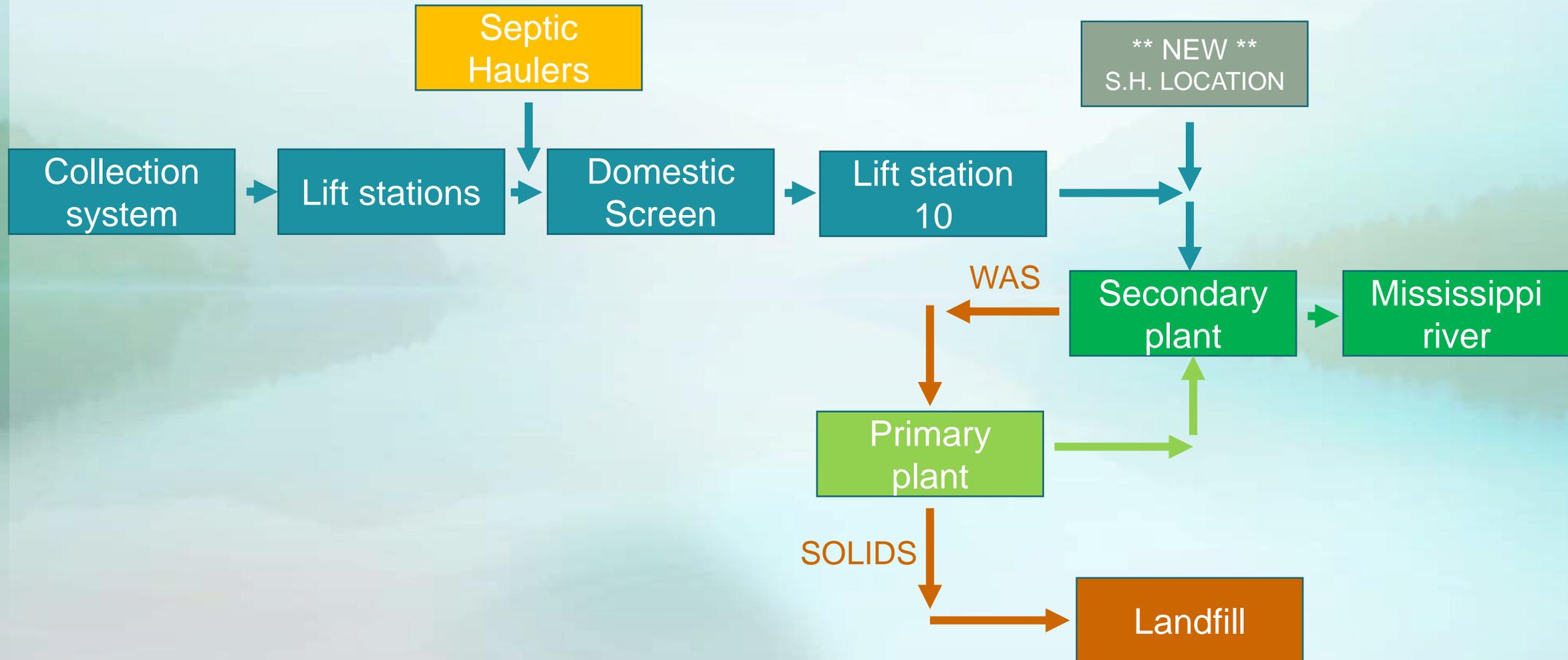
The one-page video summary is attached to the agenda item.



Uninterrupted, High-Quality Utility Services (US)

Operations: Dem-Con Leachate by Steve Mattson

WWTP Domestic Operations





Uninterrupted, High-Quality Utility Services (US)

Operations: Dem-Con Leachate by Steve Mattson

- Dem-Con starting a municipal landfill in Keewatin
- Landfills are required to treat leachate generated
- GRPU WWTP has ample available capacity, operating at only about 37% of design load
- New revenue source, septic hauler rate \$27/1000 gal estimated \$35,000 annually
- Potential risks: Future liability with PFAS
 - * Currently receive PFAS from Blandin, domestic and haulers
 - * PFAS will increase over time (more waste)
 - * WWTP good at removing TSS, BOD, nutrients not PFAS (short chain PFAS pass-thru, long chain stick with biosolids)
 - * Dem-con working on PFAS removal (grant)
- Pretreatment permit – 1 year, will require lab testing to further understand flow and analytes





Uninterrupted, High-Quality Utility Services (US)

Capital: Tioga Substation Expansion by Chad Troumbly

Contents

- History
- Current Project Overview
- Estimated Costs/Material Timing
- Funding Possibilities
- Alternatives
- Facility Study Summary & Next Steps





Uninterrupted, High-Quality Utility Services (US)

Historical – 2017 Tioga Substation Decision Matrix

	<u>Option 1</u> Do nothing	<u>Option 2</u> Purchase back-up generators for ~20 properties	<u>Option 3</u> Collaborate with IEDC & MP on a new substation
Opportunity: Part A ----- GRPU Main Substation	No power until fully restored Lost sales at businesses Major businesses and large facilities have backup generators for lights and critical load only Eventual loss of UPM due to loss of WWTP	Purchase backup generators for major loads on our system \$50,000 to \$150,000 per installation, 20 total installations Total of \$1,500,000 Eventual loss of UPM due to loss of WWTP	Backup substation to main substation Available to power any additional loads in GRPU service area as needed
Opportunity: Part B ----- JML Site IEDC Sites MP 115kV line	Minnesota Power 115 kV easement expires	Minnesota Power 115 kV easement expires	JML – allow for large customer IEDC – reliable power source for additional commercial loads MP – maintain existing 115 kV line, new loads/customers



Uninterrupted, High-Quality Utility Services (US)

History of Tioga Substation

- Project with Minnesota Power
 - Minnesota Power 115 kV easement that fed Ainsworth
- Build Complete 2018
- Originally designed for easy expansion
- New MP plan requires additional land to meet current design standards.
 - Additional equipment, drive lanes, and building.
 - Expansion to the west
- Tioga substation feeds far western side of GRPU territory





Uninterrupted, High-Quality Utility Services (US)

Capital: Tioga Substation Expansion by Chad Troumbly

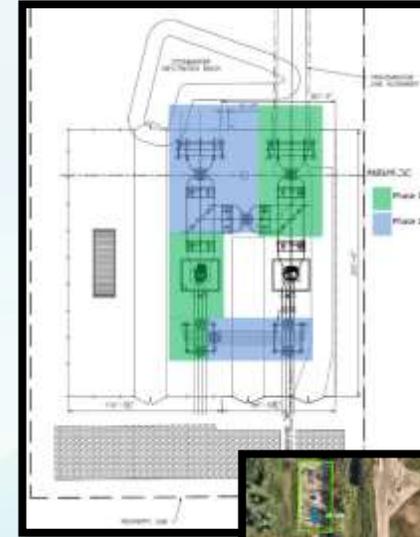
Description: Add additional capacity to Tioga Substation. Located by old Ainsworth Site, now HWY 35. Increases capacity from 18.6 to 30 MW (Current Load 2.5 MW)

Purpose:

- Provide a backup source of electrical power in the event the main substation fails. City load around 30 MW
- Provide the primary source of electrical power for a growth in industrial site. Cannabis facility estimated load 7 MW

Schedule: Decision in 2026, 3+ year build process

Picture of Success: Capacity ready for growth or emergency



Concept Phase: Estimated Budget (± 20-30%)

Dept	Project #	Strategic Goal	Materials / Inventory	Consultant / Contractor	Vehicle Usage	Internal Labor	Total Project	Funding Sources
100	ELCP5038	US-3	\$3,482,000	\$10,859,000	\$5,000	\$50,000	\$14,396,000	Grant, Debt



Uninterrupted, High-Quality Utility Services (US)

Estimated Costs/Timing Breakdown

- Using Mid Range Estimate \$14.4 million
 - MP Ownership Subtotal is paid by GRPU
- Material Timing
 - 115 kV Breakers 3-3.5 years
 - 115/23 Transformer 2-3 years
 - Electrical Equipment Enclosure (EEE) Building 1 year
- In-Service July 2029

Tioga 115/23 kV Expansion Phase 1	Planning Level Cost Estimate
115 kV Circuit Breakers	\$225,598
115 kV Switches	\$158,299
115/23 kV 18.6 MVA Transformer	\$1,487,162
23 kV Circuit Breakers	\$186,727
23 kV Switches	\$131,144
Remaining Substation Equipment	\$1,292,614
EEE and Control Work	\$2,757,748
Engineering and Project Management	\$3,788,117
Civil/Structural Work	\$3,080,276
Testing, Commissioning, Mobilization, etc.	\$1,223,030
Mid Range Total:	\$14,330,716
MP Ownership Subtotal:	\$3,421,447
GRPU Ownership Subtotal:	\$10,909,269
Contingency:	\$2,108,520
High Range Total:	\$16,439,236

Table 3: Tioga 115/23kV Phase 1 Detailed Cost Estimate



Uninterrupted, High-Quality Utility Services (US)

Funding Possibilities

- Grants
 - IRRRB
 - They are doing a similar project with Great River Energy, Lake Country Power, and Cohasset
- Debt
- Possible Power Provider Support

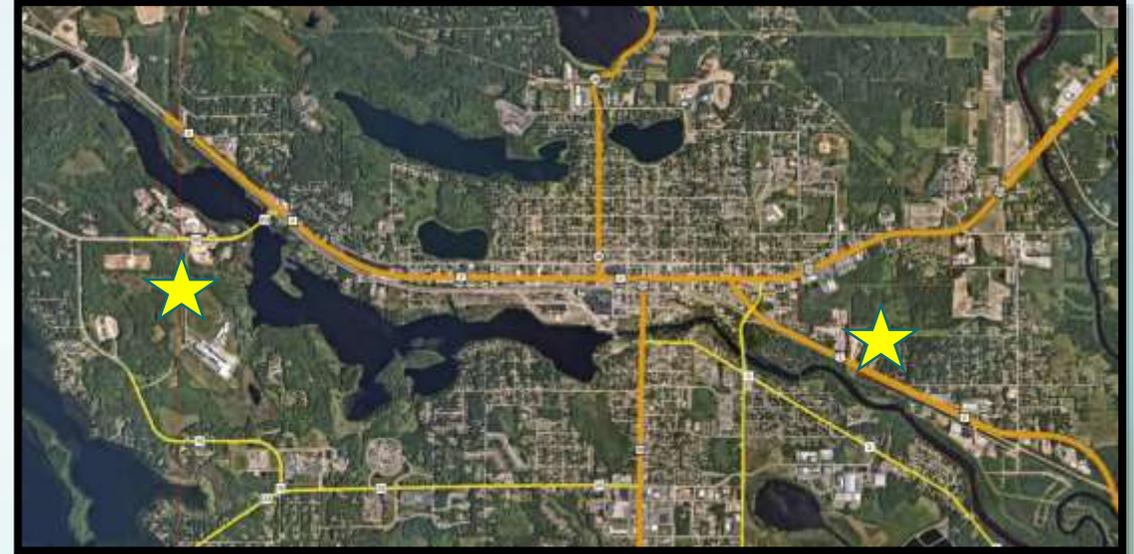




Uninterrupted, High-Quality Utility Services (US)

Some Alternative Solutions

- Create a high-capacity path between main substations
 - Planning Phase Started in 2026
 - Estimate \$1 million for 8 MW Tie
- Reduce Project Scope
 - Buy the transformer
 - Put on site for emergency
 - Estimate \$1.5 million
- Review with consultant for addition savings





Uninterrupted, High-Quality Utility Services (US)

Facility Study Summary & Next Steps

- Requires site expansion (more land)
 - Property owned by Itasca Econ Development Corp
- With the completion of the Facility Study, please let MP know by **March 3rd** if like to continue the process into a Facility Construction Agreement.
- This Facility Study will be valid until **July 15th**, 2026, at the end of which a Facilities Construction Agreement will need to be executed or filed.
- Design allows for 2nd phase that adds additional 115 kV line and more capacity. This is not part of the current project.



AN ALLETE COMPANY

Project GRPUC Interconnection Request

Facility Study Report

01/16/2026

Prepared by

Jessie Marshik

Garett Henriksen

For Internal Use



Use and Stewardship of the Natural Environment (NE)

Operations: WWTP BOD Permit Exceedance by Steve Mattson

- NPDES permit has BOD limit for final effluent for maximum weekly average and monthly average
- For January 2026, we exceeded both limits
- WW bacteria need food, oxygen, nutrients, environment (temp and pH) to thrive
- Desired nutrients -----> C:N:P Ratio 100:5:1
- Septic haulers provide nutrients in summer months, winter months we need to add them
- We didn't add enough (see trend in next slide)
- Proactively notified MPCA compliance personnel
- Working on safeguards for future

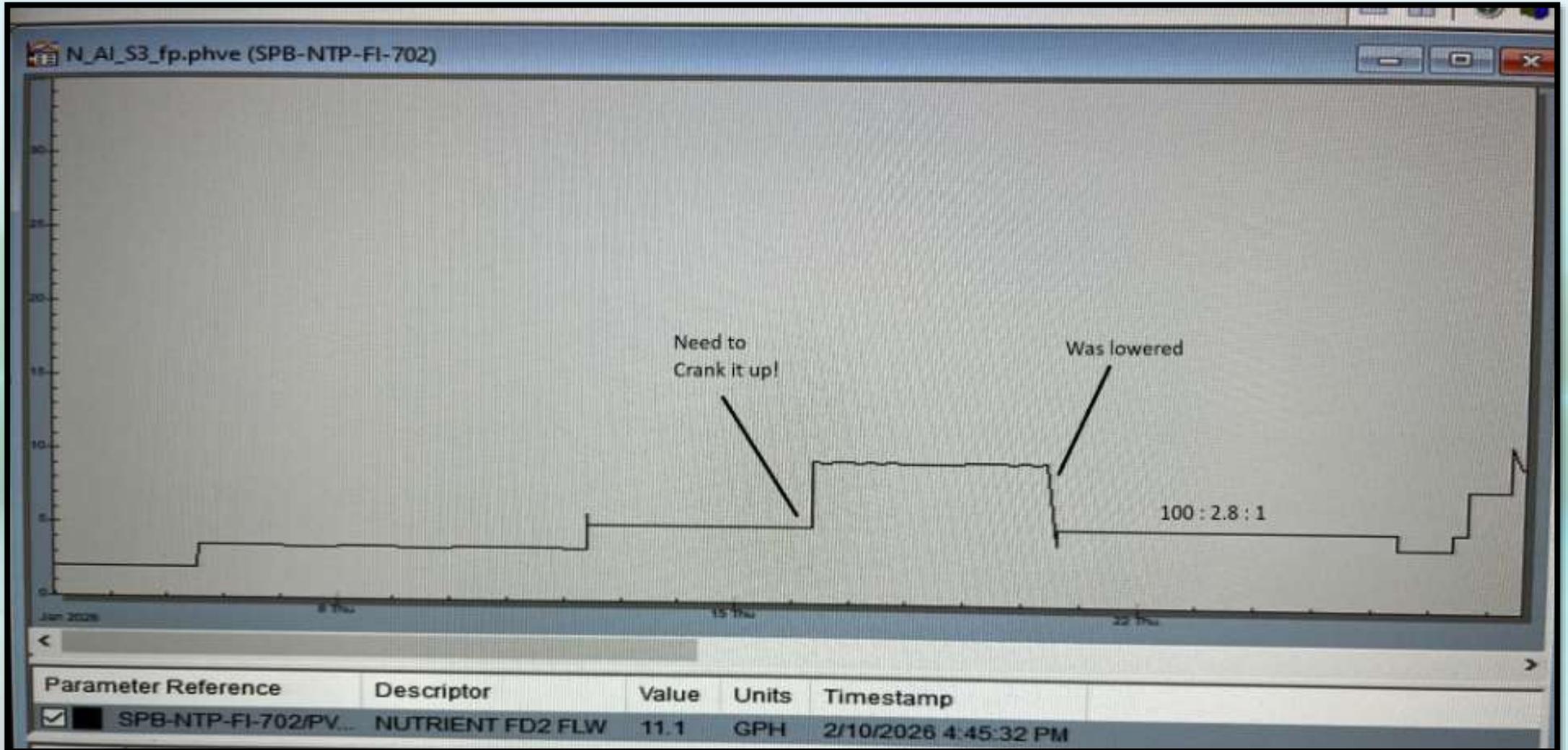
BOD	NPDES Limit	Result
Max Week AVG	40	42.6
Month AVG	25	28.6





Use and Stewardship of the Natural Environment (NE)

Operations: WWTP BOD Permit Exceedance by Steve Mattson





Operational Excellence (OE)

Operations: Updating the Commission Bylaws discussion by Julie Kennedy

- Updates to general items such as employee and customer counts
- Align terms with relevant City ordinances
- Consider designating committees
 - Personnel
 - Audit and Finance
 - City / GRPUC
- Review Commissioner remuneration
- Review Commissioner attendance

Bylaws of the Grand Rapids Public Utilities Commission

Background

The Public Utilities Commission (the "PUC") was established in 1910 with the mandate to operate the electrical, water and waste water treatment systems for the City of Grand Rapids. As of 2006, the PUC has approximately 45 employees and serves 6880 electrical customers, 3322 water customers and 3270 wastewater treatment customers.

By-Laws (revised December 13, 2023)

These By-Laws apply to the conduct of the Board of Commissioners which governs the PUC. Extensive rules, regulations, rate schedules and procedures govern the PUC service delivery. Employee rights and responsibilities are documented in the Personnel Policy Manual and elsewhere.

Article I - Name

The name of the organization is the Grand Rapids Public Utilities Commission.

Article II - Purpose

The PUC was established in 1910 under Minnesota Statutes Chapter 412 and is charged with the responsibility to operate and manage the electrical distribution system, the water supply system and the wastewater collection and treatment system for the City



Operational Excellence (OE)

Operations: Updating the Commission Bylaws discussion by Julie Kennedy

Attendance – Virtual Attendance

- At least one member must be physically present at the regular meeting location
- All members must be able to hear and see each other and all discussion and testimony presented at any location at which at least one council member is present
- All members of the public at the regular meeting location must be able to hear and see all discussion, testimony, and votes of all council members
- All votes are conducted by roll call so each member's vote on each issue can be identified and recorded.
- When conducting meetings via interactive technology, the public body shall, to the extent practical, allow a person to monitor the meeting electronically from a remote location
- The minutes for a meeting that included members appearing via interactive technology must reflect the names of any members appearing by interactive technology and state the reason or reasons for the appearance by interactive technology

Grand Rapids Public Utilities

Upcoming Commission Meetings

Regular Meeting: February 25, 2026

Work Session: March 11, 2026



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