

July 21, 2026

ITEM: New Business – Resolution 07.26.11: Approving Missouri Basin Municipal Power Agency Sale Agreement (S-1)

BACKGROUND: The attached resolution approves revisions proposed by Missouri River Energy Services (MRES) to the S-1 Power Sale Agreement.

MRES is requesting member municipalities approve an amendment to the S-1 Power Sale Agreement. The primary purpose of the amendment is to extend the term of the agreement by ten (10) years, from January 1, 2057, to January 1, 2067. This extension will allow Western Minnesota Municipal Power Agency (WMMPA) to continue issuing tax-exempt bonds on favorable terms and will support long-term power supply planning, helping maintain reliable and cost-effective electric service for member communities.

In addition to the term extension, the proposed revisions include:

- Updating provisions related to renewable energy and environmental attributes to reflect current state and federal energy requirements.
- Extending the initial Maximum Rate of Delivery (MROD) election date from 2027 to 2037.
- Adding language to help protect the tax-exempt status of WMMPA financing by addressing certain power sale arrangements with private entities.
- Making several non-substantive clarifications and terminology updates throughout the agreement.

MRES has indicated that these changes are intended to strengthen the long-term financial stability of the organization while preserving reliable electric service and maintaining the existing rights and obligations of member communities. The proposed revisions are limited in scope, with the agreement's overall framework remaining unchanged.

STAFF RECOMMENDATION: Approve/Deny Resolution.