

Direct Testimony and Schedules
Allen D. Krug

Before the Minnesota Public Utilities Commission
State of Minnesota

In the Matter of the Petition of the City of Slayton for the Determination of
Compensation for City Acquisition of Xcel Energy Electric Service Territory

MPUC Docket No. E002, PT-7157/SA-25-129
CAH Docket No. 22-2500-40870

Direct Testimony of Allen D. Krug

November 21, 2025

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1 **I. INTRODUCTION**

2

3 Q. PLEASE STATE YOUR NAME AND OCCUPATION.

4 A. My name is Allen D. Krug. I am the Associate Vice President, State Regulatory
5 Policy for Northern States Power Company – Minnesota, d/b/a Xcel Energy
6 (Xcel Energy or the Company).

7

8 Q. PLEASE SUMMARIZE YOUR QUALIFICATIONS AND EXPERIENCE.

9 A. In my current role, I develop regulatory strategy for Xcel Energy across North
10 Dakota, South Dakota, and Minnesota. I have worked for Xcel Energy since
11 1998, initially as a Manager of Renewable Energy and Energy Contract
12 Coordinator. I then served as a Regulatory Consultant for a number of years
13 before becoming Regional Vice President, Regulatory Administration in 2008.
14 I began my current position in 2013. Prior to joining the Company, I worked
15 for over a decade at the Minnesota Department of Commerce (Department),
16 first as a Statistical Analyst and later as a Supervisor in the Electric Regulatory
17 Unit. My qualifications and experience are more fully described in
18 Exhibit___(ADK-1), Schedule 1.

19

20 Q. WHAT IS THIS CASE ABOUT?

21 A. The disagreement with the City of Slayton (Slayton or the City) is related to
22 Slayton's plan to form a municipal utility. While Slayton is permitted to form a
23 municipal utility if certain procedures are followed, the City is required to pay
24 "just compensation" to the Company. Xcel Energy and Slayton do not agree on
25 the amount of just compensation, and that is the primary issue before the
26 Minnesota Public Utilities Commission (Commission) in this case. Another

1 issue to be evaluated is whether Slayton's plan is consistent with the statutory
2 framework.

3
4 Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS PROCEEDING?

5 A. I am the Company's policy witness in this proceeding, and, in that role, I present
6 the Company's overall case and recommendation to the Commission.

7
8 Q. PLEASE PROVIDE A SUMMARY OF YOUR TESTIMONY.

9 A. My testimony explains the disagreement with the City of Slayton, describes the
10 framework of the issue, and summarizes the Company's overall
11 recommendation about how just compensation should be determined. I also
12 identify some concerns with the statutory framework and how it relates to this
13 case. As explained below, and in the testimony of other Company witnesses,
14 Xcel Energy recommends that the Commission should determine that just
15 compensation is \$44,640,878, or a different amount if lost revenues are paid
16 over time. This calculation is explained in detail by Company witness Lisa R.
17 Peterson.

18
19 Q. HOW IS YOUR TESTIMONY ORGANIZED?

20 A. I will begin by providing background information about the disagreement with
21 Slayton, including the framework and nature of the decision that is before the
22 Commission. I will also explain the unique role of public utilities in a just
23 compensation proceeding and our obligation to protect the interests of our
24 customers. I will then provide background information about Slayton's plans to
25 form a municipal utility and the Company's involvement in those plans. Then,
26 I will describe some concerns the Company has about how the statutory

1 framework applies to this case. Finally, I will introduce the other witnesses
2 presented by the Company.

3
4 **II. FRAMEWORK FOR JUST COMPENSATION**
5 **DETERMINATIONS**
6

7 Q. WHAT IS AN EXCLUSIVE SERVICE TERRITORY FOR AN ELECTRIC UTILITY?

8 A. In Minnesota, electric utilities have exclusive service territories. Inside this
9 territory, an electric utility has the exclusive right to provide service to
10 customers, and an obligation to do so at just and reasonable rates.

11
12 Q. HOW WERE THE EXCLUSIVE SERVICE TERRITORIES ESTABLISHED?

13 A. In 1974, the Minnesota Legislature passed the Public Utilities Act. One of the
14 provisions in the Public Utilities Act states:

15
16 It is hereby declared to be in the public interest that, in order to
17 encourage the development of coordinated statewide electric
18 service at retail, to eliminate or avoid unnecessary duplication of
19 electric utility facilities, and to promote economical, efficient,
20 and adequate electric service to the public, the State of
21 Minnesota shall be divided into geographic service areas within
22 which a specific electric utility shall provide electric service to
23 customers on an exclusive basis.¹

24
25 The Legislature also created the process by which the Commission would
26 establish the service territory boundaries and determine which electric utility

¹ Minn. Stat. § 216B.37.

1 would have the exclusive right to provide service in which parts of the state.²
2 Xcel Energy has the exclusive right to provide service in Slayton, the area
3 immediately around Slayton’s city limits, and several other nearby communities.
4

5 Q. HOW CAN SERVICE TERRITORY BOUNDARIES BE CHANGED?

6 A. While I am not an attorney, I understand that service territory boundaries can
7 be changed in a few ways. One way boundaries can be changed is when
8 municipalities that “own and operate an electric utility” expand their borders or
9 expand their service area within existing municipal boundaries.³ In this
10 situation, the municipality is permitted to purchase the facilities of the electric
11 utility providing electric service.⁴
12

13 A municipality is also permitted to form a new municipal utility and, effectively,
14 take over the exclusive service territory that is being served by another electric
15 utility. In that situation, the municipality is permitted to purchase the property
16 of the public utility for “just compensation.”⁵
17

18 Q. WHAT IS JUST COMPENSATION?

19 A. While I am not an attorney, I understand that just compensation is a concept
20 defined by law. Minnesota Statutes section 216B.45 provides that if a
21 municipality and an electric utility cannot agree on just compensation, the just
22 compensation will be set by the Commission. The law also provides that when
23 determining just compensation, the Commission must consider (1) “the original

² Minn. Stat. § 216B.39.

³ Minn. Stat. § 216B.44.

⁴ *Id.*

⁵ Minn. Stat. § 216B.45.

1 cost of the property less depreciation,” (2) “loss of revenue to the utility,” (3)
2 “expenses resulting from integration of facilities,” and (4) “other appropriate
3 factors.”⁶ As I noted above, the primary dispute with Slayton is about the
4 amount of just compensation.

5
6 Q. HAS THE COMMISSION MADE ANY PRIOR DECISIONS ABOUT HOW TO
7 DETERMINE JUST COMPENSATION?

8 A. No. While the Commission has made several decisions about how to determine
9 the “appropriate value”⁷ when municipal utilities expand their service territory,
10 the Commission has never made a determination of how to calculate “just
11 compensation”⁸ when a municipality that does not have an existing utility seeks
12 to purchase utility property. This is the first time that the Commission has been
13 asked to evaluate just compensation in this way.

14
15 **III. XCEL ENERGY’S ROLE IN JUST COMPENSATION**
16 **PROCEEDINGS**
17

18 Q. WHAT IS XCEL ENERGY’S ROLE IN A JUST COMPENSATION PROCEEDING?

19 A. The Company always works to balance the need of its customers to receive safe
20 and reliable service at affordable rates with the need of investors to earn a fair
21 return. In a just compensation proceeding, though, the Company has a unique
22 responsibility to make sure that it receives the full value of just compensation
23 in order to protect existing, continuing customers. In particular, the Company
24 must ensure that (1) our other, continuing customers are not harmed by

⁶ Minn. Stat. § 216B.45.

⁷ Minn. Stat. § 216B.44. While section 216B.44 and 216B.45 use different language (“appropriate value” versus “just compensation”), each includes the same four factors.

⁸ Minn. Stat. § 216B.45.

1 Slayton's decision to leave our system, and (2) that if harms are identified, our
2 continuing customers are made whole and not negatively impacted.

3
4 Q. HOW COULD OTHER CUSTOMERS BE HARMED BY SLAYTON'S DECISION TO EXIT?

5 A. Slayton's decision to leave our system could increase costs to our other
6 customers. Our rates are based on the cost to provide service, including the
7 infrastructure needed to provide service and the cost of doing so. This cost is
8 referred to as our revenue requirement, and it is determined by the Commission
9 in rate cases. Once a revenue requirement is determined, it is recovered from all
10 customers through rates.

11
12 Our customers in Slayton currently contribute to our revenue requirement. If
13 our customers in Slayton exit the system, we will no longer have the cost of
14 maintaining the lines in Slayton. We will, though, continue to incur other costs,
15 such as our investments in transmission and generation, which customers in
16 Slayton are contributing to. If the proposed purchase is completed, customers
17 in Slayton would no longer pay their share of these costs. Instead, Slayton's
18 share of the revenue requirement would be paid for by our other customers.

19
20 Q. HOW IS THIS REVENUE REQUIREMENT ISSUE RELATED TO JUST COMPENSATION?

21 A. One of the factors that the Commission must evaluate in just compensation is
22 "loss of revenue to the utility."⁹ Absent this factor, the lost revenue from
23 Slayton would increase costs to our other customers. Properly calculating lost
24 revenues should ensure that our other customers are not harmed by Slayton's
25 decision to exit our system.

⁹ Minn. Stat. § 216B.45.

1
2 Q. WHAT WILL THE COMPANY DO WITH THE JUST COMPENSATION IT RECEIVES
3 FROM SLAYTON?

4 A. While the specific details will be developed in the future, the just compensation
5 received from Slayton will be returned to our continuing customers, mitigating
6 cost impacts caused by Slayton's exit.

7
8 Q. HOW IS IT POSSIBLE THAT A SMALL COMMUNITY LIKE SLAYTON COULD HAVE A
9 MEANINGFUL IMPACT ON A LARGE UTILITY LIKE XCEL ENERGY?

10 A. While Slayton is a relatively small community in our system, the customers in
11 Slayton currently contribute to overall system costs. Losing that revenue would
12 have an impact on our other customers, and it is our responsibility to mitigate
13 that cost as much as possible even if it is small in comparison to our total system.

14
15 Q. IF THE JUST COMPENSATION METHODOLOGY IS NOT DESIGNED PROPERLY,
16 WHAT COULD HAPPEN?

17 A. In this proceeding, improper design will impact our customers, as an incorrect
18 amount of compensation will be credited to them. The just compensation
19 determination is also important because it is an issue of first impression for the
20 Commission. Regardless of Slayton's size, it is possible that the methodology
21 developed in this case could influence the decisions of other communities in
22 the future. The impact of more cities, or a larger city, deciding to exit our system,
23 could be very significant on our remaining customers. If the just compensation
24 methodology is set too low and additional communities exit our system, they
25 would effectively be free riders benefiting from lower costs at the expense of
26 our other customers. For this reason, it is critical that the just compensation
27 methodology be developed properly.

1
2 Q. WHY SHOULD SLAYTON'S CUSTOMERS HAVE TO CONTINUE TO PAY FOR LOST
3 REVENUES TO XCEL ENERGY WHEN THEY WILL ALSO HAVE TO PAY FOR
4 ELECTRICITY FROM THEIR NEW PROVIDER?

5 A. When a municipality exits our system to form a municipal utility, the
6 municipality is required by law to pay just compensation including lost revenues.
7 From a policy perspective, one purpose of this requirement is to protect the
8 continuing customers from any negative cost impacts. This is because the
9 revenues that the Company receives from Slayton, and all of its customers,
10 contribute to the overall costs of providing service. Many of these costs cannot
11 be reduced, at least not quickly, to account for Slayton leaving. As a result, if
12 Slayton, or any other municipality that wanted to leave, did not pay a sufficient
13 amount for these lost revenues, our other customers would be harmed by
14 needing to pay for these costs that were previously paid by Slayton (or whatever
15 city is leaving the system).

16
17 Another policy reason for this requirement is the Legislature's preference to
18 promote efficient electric service and discourage the duplication of facilities and
19 competition for customers.

20
21 **IV. SLAYTON'S PLAN AND STATUTORY FRAMEWORK**
22

23 Q. WHAT IS XCEL ENERGY'S CURRENT RELATIONSHIP WITH THE CUSTOMERS IN
24 SLAYTON?

25 A. Xcel Energy has provided service to the customers in Slayton for over 70 years.
26 Our relationship with Slayton and the service that we provide is described in
27 more detail by Company witness John Marshall. As Company witness Marshall

1 explains, Xcel Energy has continued to invest in the grid in and around Slayton
2 to ensure customers receive clean, safe, and reliable electric service at just and
3 reasonable rates.

4
5 Q. WHO WILL PROVIDE ELECTRIC SERVICE TO CUSTOMERS IN SLAYTON AFTER THE
6 PROPOSED PURCHASE?

7 A. Xcel Energy asked the City for information about how customers will receive
8 electric service after the proposed purchase. Based on the information received
9 from the City, it does not appear that Slayton has or intends to develop the
10 capability to operate a municipal utility. Instead, customers would receive
11 service from Nobles Electric Cooperative (Nobles) and Nobles would perform
12 most or all the functions that are normally performed by a utility.

13
14 The City and Nobles have drafted agreements through which Nobles would
15 provide electricity to the City.¹⁰ Nobles would operate and maintain the
16 distribution system in Slayton.¹¹ Nobles would read meters, send bills to
17 customers, and bills would be collected by Nobles.¹² Nobles also would handle
18 legally required disconnection notices and disconnections.¹³ The City does not
19 plan to hire any people to staff a municipal electric utility,¹⁴ and appears to be
20 planning for Nobles to handle every function that a utility is responsible for.

21
22 Q. WOULD SLAYTON BECOME A WHOLESALE CUSTOMER OF NOBLES?

¹⁰ Exhibit___(ADK-1), Schedule 2.

¹¹ Exhibit___(ADK-1), Schedule 3.

¹² Exhibit___(ADK-1), Schedule 4.

¹³ *Id.*

¹⁴ Exhibit___(ADK-1), Schedule 5.

1 A. It is not clear whether Slayton would be a wholesale customer of Nobles or
2 whether Nobles has authorization to provide wholesale electricity service. A
3 draft agreement between Slayton and Nobles states that the City would be a
4 member of Nobles.¹⁵

5
6 Q. WHAT DOES IT MEAN THAT SLAYTON WOULD BECOME A MEMBER OF NOBLES?

7 A. It is not entirely clear. The draft agreements between the City and Nobles
8 indicate that the retail customers within the City would be eligible for
9 conservation and energy management programs, rebates, incentives, and load
10 management provided by Nobles.¹⁶ It appears that these programs will be
11 designed and offered by Nobles, not the City.

12
13 Q. WOULD CUSTOMERS STILL BE ELIGIBLE FOR XCEL ENERGY'S PROGRAMS?

14 A. No. Customers would lose access to Xcel Energy's programs, including its
15 conservation programs, rebates, and low-income discounts. In addition,
16 customers in Slayton would lose access to Xcel Energy's community solar
17 garden program, rooftop solar programs, and any bill credits they are currently
18 receiving, an issue that is discussed in more detail by Company witness
19 Peterson.

20
21 Q. ARE THERE OTHER DIFFERENCES BETWEEN RECEIVING SERVICE FROM XCEL
22 ENERGY AND SLAYTON OR NOBLES?

23 A. Yes. Under state law, Xcel Energy is required to obtain 80 percent of its energy
24 from carbon free sources by 2030. Slayton and Nobles are required to obtain

¹⁵ Exhibit___(ADK-1), Schedule 2 at 6.

¹⁶ Exhibit___(ADK-1), Schedule 2 at 4.

1 only 60 percent of their energy from carbon free sources by 2030. The impact
2 of Xcel Energy's wind and solar resources on rates has been a topic of
3 discussion between Slayton and Nobles.¹⁷

4
5 Q. WHAT IS THE FINANCIAL RELATIONSHIP BETWEEN THE TWO ORGANIZATIONS?

6 A. Based on information obtained in discovery, Slayton and Nobles have discussed
7 the possibility of Nobles purchasing the bond that Slayton will use to finance
8 its purchase of Xcel Energy's property.¹⁸ If this were to take place, the money
9 used to purchase Xcel Energy's property would come from Nobles.

10
11 Q. DOES MINNESOTA STATUTES § 216B.45 ALLOW COOPERATIVES TO PURCHASE
12 THE PROPERTY OF A PUBLIC UTILITY, DIRECTLY OR INDIRECTLY?

13 A. No. Pursuant to Minnesota Statutes § 216B.45, only municipalities have the
14 right to force a public utility to sell its property.

15
16 Q. HOW WOULD CUSTOMERS IN SLAYTON ACTUALLY RECEIVE ELECTRICITY?

17 A. Customers in Slayton currently receive electricity from an Xcel Energy
18 transmission line running along the southern border of the City, which is
19 connected to the regional transmission system. Xcel Energy owns a distribution
20 substation just outside City limits and the distribution feeders in Slayton are
21 connected to this substation.

22
23 After the proposed purchase, the City has indicated that it will no longer take
24 service from Xcel Energy's transmission line or substation.¹⁹ Instead, the City

¹⁷ Exhibit___(ADK-1), Schedule 6.

¹⁸ Exhibit___(ADK-1), Schedule 7.

¹⁹ Exhibit___(ADK-1), Schedule 8.

1 indicates that Nobles will construct a new substation for Slayton, which would
2 be connected to the regional grid by a Great River Energy transmission line
3 extension, apparently bypassing the existing Xcel Energy 69 kV line that goes
4 through town.²⁰

5
6 Q. PLEASE EXPLAIN THE CONCEPT OF DUPLICATION OF FACILITIES.

7 A. While I am not an attorney, I understand that one reason the Minnesota
8 Legislature has established exclusive service territories in Minnesota is to avoid
9 the duplication of utility infrastructure.²¹

10
11 Q. DOES SLAYTON'S PLAN RESULT IN THE DUPLICATION OF FACILITIES?

12 A. Yes. Slayton is currently served by an Xcel Energy transmission line and
13 distribution substation, and it appears that the City intends to duplicate these
14 facilities from Great River Energy and Nobles, respectively.

15
16 Q. WAS THE COMPANY PREVIOUSLY AWARE OF THE RELATIONSHIP BETWEEN
17 SLAYTON AND NOBLES?

18 A. The Company was aware that Nobles was involved in some of the public
19 meetings about the proposed purchase, but the extent of its involvement both
20 during this process and in the future were not clear until we obtained more
21 information during the discovery process.²²

22

²⁰ *Id.*

²¹ Minn. Stat. § 216B.37 ("It is hereby declared to be in the public interest . . . to eliminate or avoid unnecessary duplication of electric utility facilities . . .").

²² Exhibit ____ (ADK-1), Schedule 9.

1 Q. DO YOU HAVE CONCERNS ABOUT SLAYTON'S PLANS TO PROVIDE SERVICE TO
2 XCEL ENERGY CUSTOMERS AFTER THE PROPOSED PURCHASE?

3 A. Yes. Xcel Energy does not dispute that municipalities have the statutory right
4 to force a sale of Xcel Energy's property within city boundaries in order to form
5 a municipal utility.

6
7 Based on the information provided by the City, though, that does not appear to
8 be what is happening here. Instead, it appears that Xcel Energy's customers
9 would be receiving service from Nobles and that Nobles would be performing
10 all of the functions of an electric utility for those customers. While Xcel Energy
11 is required to sell its property to Slayton if Slayton is forming a municipal utility,
12 it is not required to sell its property to Nobles so that Nobles can expand its
13 service territory. These facts should be further developed in this contested case,
14 and Xcel Energy requests that the Commission determine whether Xcel Energy
15 is required to move forward with the proposed purchase.

16
17 **V. IMPACTS OF SLAYTON'S PLAN TO THIRD PARTIES**

18
19 Q. WILL SLAYTON'S PLANNED PURCHASE OF XCEL ENERGY'S DISTRIBUTION
20 PROPERTY IN SLAYTON IMPACT THE PROPERTY OF THIRD PARTIES?

21 A. Yes. Telecommunications providers have equipment attached to approximately
22 200 of the Company's poles located within the City's boundaries. Xcel Energy
23 has equipment attached to approximately 35 poles of a telecommunications
24 provider located within the City's boundaries. If Xcel Energy's distribution
25 property is purchased by the City of Slayton, the City will be responsible for
26 negotiating new agreements with these telecommunications providers.

1 Q. HOW ARE POLE ATTACHMENT AGREEMENTS REGULATED?

2 A. As mentioned above, I am not an attorney. However, I am aware that the
3 Federal Communications Commission plays a large role in regulating pole
4 attachment agreements between telecommunications providers and cities.

5
6 **VI. INTRODUCTION OF WITNESSES**
7

8 Q. ARE ANY OTHER WITNESSES TESTIFYING FOR THE COMPANY?

9 A. Yes. Three other witnesses are testifying in support of the Company's
10 recommendation.

11
12 John Marshall provides testimony about our long-standing relationship with our
13 customers in Slayton and the City itself, the reliable service we provide, and our
14 continuing investments made to ensure that customers in Slayton have reliable
15 service.

16
17 Lisa Peterson provides testimony about how we calculate the just compensation
18 amount for Slayton, including each of the four factors.

19
20 Bixuan Sun provides testimony in support of Company witness Peterson on
21 issues related to system planning and the markets operated by the Midcontinent
22 Independent System Operator (MISO).

23
24 **VII. CONCLUSION**
25

26 Q. PLEASE SUMMARIZE YOUR TESTIMONY AND RECOMMENDATIONS.

1 A. My testimony provides background information about the just compensation
2 determination, the Company's role in proceedings like this, and why it is
3 important that just compensation be determined appropriately. I also describe
4 our current understanding of what will happen to our customers after the
5 proposed transaction.

6
7 Xcel Energy recommends that the Commission determine that the just
8 compensation amount for Slayton to purchase our distribution system in
9 Slayton should be \$44,640,878 as a lump sum payment, and a different amount
10 if lost revenues are paid over time. Because some of the just compensation costs
11 may change over time, the Company requests approval of the methodology for
12 determining the costs with the understanding that they will be updated in the
13 future. Xcel Energy also requests that the Commission evaluate whether the
14 proposed purchase is permitted pursuant to Minn. Stat. § 216B.45, given that
15 Nobles, rather than Slayton, would be providing service to customers.

16
17 Q. DOES THIS CONCLUDE YOUR TESTIMONY?

18 A. Yes, it does.

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EDUCATION

1980	University of California, Los Angeles MA, Economics
1978	Queens College, City University of New York BA, Economics

WORK EXPERIENCE

2013-Present	Xcel Energy Services, Inc., Minneapolis MN <i>Associate Vice President, State Regulatory Policy</i> • Develop regulatory strategy for NSPM.
2008-2013	Xcel Energy Services, Inc., Minneapolis MN <i>Regional Vice President, Regulatory Administration</i> • Coordinate regulatory compliance and strategy for NSPM.
2003-2008	Xcel Energy Services, Inc., Denver, Colorado <i>Regulatory Consultant</i> • Develop regulatory strategy for Commercial Operations. • Coordinate compliance activity. • Coordinate internal and external audits of trading activity.
1998-2003	Xcel Energy Services, Inc., Minneapolis, MN <i>Manager Renewable Energy/Regulatory Contract Coordinator</i> • Develop corporate strategies for renewable energy development. • Represent Company at state regulatory and legislative proceedings regarding renewable energy issues. • Negotiate purchased power contracts for renewable energy. • Manage Energy Market's regulatory interactions with internal and external stakeholders

1994-1998

**Minnesota Department of Commerce, St. Paul, MN
Supervisor, Electric Regulatory Unit**

- Manage regulatory staff to participate in state regulatory proceedings before the Minnesota Public Utilities Commission.
- Submit expert testimony in regulatory proceedings.
- Represent the Department of Commerce before the Minnesota legislature.

1982-1994

**Minnesota Department of Commerce, St. Paul, MN
*Principal Statistical Analyst***

- Submit expert testimony in regulatory proceedings.
- Perform economic and statistical analysis to support regulatory and energy policy initiatives.

NOBLES COOPERATIVE ELECTRIC
and
CITY OF SLAYTON, MINNESOTA

ELECTRIC SERVICE AGREEMENT

THIS ELECTRIC SERVICE AGREEMENT (the “Agreement”) is made and entered into this ____ day of _____, 20____ by and between the City of Slayton, a Minnesota Municipal Corporation, Slayton, Minnesota 56172, hereinafter called “City,” and Nobles Cooperative Electric, a Minnesota cooperative, P.O. Box 788, 22636 U.S. Highway 59, Worthington, Minnesota 56187, hereinafter called “Cooperative.”

WHEREAS, the City owns and operates a municipal electric distribution system and desires to secure assistance with the Services (as that term is defined herein) related to the City’s electric distribution system, and

WHEREAS, the Cooperative is in the business of, among other things, providing billing and collections for electric distribution systems such as the City owns; and,

WHEREAS, the Cooperative has the equipment, personnel, and knowledge to provide the Services (as that term is defined herein) desired by the City pursuant to this Agreement, and desires to enter into this Agreement.

NOW THEREFORE, in consideration of the mutual promises, covenants, and conditions contained here, the Cooperative and the City agree as follows:

1.0 Definitions

1.1 Capacity. Capacity is the ability of an electric system to provide and deliver electric power expressed in kilowatts (kW).

1.2 Energy. Energy is a quantity of energy being delivered from one party to the other quantified for electric utility purposes in kilowatt hours (kWh).

1.3 Demand. Demand is the rate at which electric energy is delivered to or by a system expressed in kilowatts (kW) averaged over a 60-minute period.

1.4 Metering Point. The metering point for energy deliveries shall be on the load side of the substation transformer with adjustments made for transformer losses.

1.5 Point of Connection. The point in the substation or interconnection at which the transfer of energy and responsibility takes place from the Cooperative to the City shall be on the high side of the City transformer.

1.6 Rate. “Rate” means any price, rate, charge, or classification made, demanded, observed or received with respect to the sale or purchase of electric energy or capacity, or any rule, regulation, or practice respecting any such rate, charge, or classification, and any contract pertaining to the sale or purchase of electric energy or capacity.

2.0 **Service Arrangements**

2.1 Agreement to Sell and Purchase. The Cooperative will supply and sell, and the City agrees to take and purchase, all electric energy and capacity required by the City for its own use and for resale to its retail customers during the term of this Agreement.

The City shall not charge the Cooperative a franchise fee or any other time of fee, license, cost, and/or expense for the Cooperative providing energy to the City and the City’s retail customers.

2.2 Interconnection. Exhibit A One Line Diagram, attached hereto and made a part of this Agreement, shows the substation facilities required solely for delivery of capacity and energy to the City by the Cooperative as provided in Section 2.1. Also shown are the voltage and ownership responsibility thereof. Exhibit A shall be amended as necessary to reflect any substation or distribution facilities constructed by the Cooperative after the Effective Date of this Agreement for the purpose of serving the City, and the Parties shall enter into a separate agreement or an amendment or supplement hereto to govern the price and terms of any such addition.

2.3 Land Ownership and Permits. The City shall furnish easement and other property rights to the Cooperative for facilities at locations reasonably deemed necessary by the Cooperative for the sole purpose of enabling the Cooperative to supply capacity and energy to the City and the City’s retail customers under this Agreement. The City shall grant to the Cooperative such permits as are required for the repair, construction, and placement of electric facilities, poles, wires and other appurtenances upon or along public highways, bridges and grounds within City’s corporate limits and along routes and at places reasonably selected and designated by the Cooperative for the sole purpose of enabling the Cooperative to supply capacity and energy to the City and the City’s retail customers under this Agreement. It is understood and acknowledged by both Parties that City’s furnishing of property rights and permits under this paragraph is subject to City’s consent and to such restrictions as may be required under applicable City rules and regulations. The City shall not charge the Cooperative for any easement, property rights, and/or permits related to the Cooperative providing energy to the City and the City’s retail customers.

2.4 Service Characteristics. The service voltage at the metering point in Exhibit A shall be 13,800Y/7960 volts three-phase or such other voltage mutually agreed upon by both Parties.

2.5 Cogeneration and Small Power Production. The City shall not be deemed to have violated the requirement that it purchase its full energy requirements under this Agreement from the Cooperative if the City purchases capacity and/or energy from a co-generation facility, as required and specified by Federal law (PURPA 18 CFR Part 292) or Minnesota Statute 216B.164 and Minnesota Administrative Rules Chapter 7835, as these laws and regulations may be amended from time-to-time (“Qualified Facility”).

The interconnecting and installation required as a result of City’s purchase of capacity and/or energy from such Qualified Facility shall be coordinated with the Cooperative to ensure that it does not affect the operation of the Cooperative’s electric system or the safety of the Cooperative personnel and shall meet the requirements of the IEEE standards, the Cooperative’s adopted interconnection process, and any and all other applicable requirements.

3.0 **Metering**

3.1 Equipment Responsibility. All substation interconnection meters shall be furnished, installed and maintained by Great River Energy (GRE). City serving load from the Cooperative’s distribution system shall be metered by the Cooperative with the monthly meter readings being supplied by the Cooperative to GRE for monthly billing purposes.

3.2 Meter Testing. Either Party shall have the right to request that a special test of metering equipment be made any time. If any test, made at a Party’s request, discloses that the metering equipment tested is registering within two percent (2%) of normal, the Party requesting the test shall bear the expense thereof. The expense of all other tests shall be borne by the owner of installed metering. The Party performing any testing or having any testing performed on its behalf, shall notify the other Party of the results of any test.

3.3 Testing Procedure. If any test discloses the inaccuracy of said meters to the extent of more than two percent (2%) fast or slow, an adjustment in billing according to the percentage of inaccuracy found shall be made for all the capacity and energy delivered in the period elapsed subsequent to the date of the last preceding test.

3.4 Meter Failure. Should the metering equipment at any time fail to register proper amounts or should the registration thereof be so erratic as to be meaningless, the capacity and energy delivered shall be determined from the best information available.

4.0 **Rates and Payment**

The City shall pay the Cooperative for service rendered hereunder at the rates and upon the terms and conditions as set forth in Exhibit B attached to and made part of this Agreement and any revisions thereto adopted by the Cooperative’s Board of Directors and approved by any regulatory agency having jurisdiction (not including the City or its agencies or instrumentalities).

4.1 Additional Unanticipated Costs. Upon ten (10) days written notice to City, the Cooperative may pass through to the City its pro rata share of any increase in costs incurred by the Cooperative due to changes in tax laws, changes in assessments or fees charged by the MISO or any successor or assign or organization serving similar transmission-related functions. Those costs include, but are not limited to, taxes, fees, charges or assessments including applicable federal, Indian, provincial, state, local, gross receipts, sales, use, excise, value-added, public benefit fees, transmission fees or other similar taxes, fees, charges or assessments. The Cooperative shall not bill the City for additional costs as provided in this section unless the aggregate increase, since the date of first service hereunder, is greater than \$0.0005/kWh on an annual basis.

5.0 **Term of Agreement**

5.1 This Agreement shall become effective as of the Effective Date designated above and shall remain in effect until _____, 2025 ("Initial Term"), and for successive one (1) year terms thereafter unless terminated by either Party by written notice given to the other at least six (6) months prior to the expiration of the Initial Term or any subsequent one (1) year term thereafter.

5.2 This Agreement may be amended or terminated by a written agreement executed by the Cooperative and the City. No amendment or termination to this Agreement shall be effective unless the amendment if required, is approved by the GRE, and any governing body, or regulatory agency having jurisdiction over either party or the subject matter of this Agreement.

6.0 **Patronage Capital Credits**

Service under the Rates provided for in this Agreement is subject to a special allocation of capital credits to the City by the Cooperative. This allocation will take into account the specific cost allocation to the City for the Rate paid by the City and any margins as a result of that Rate. The Cooperative retains the right to retire capital credits allocated to the City, if any, in its sole discretion. Allocation of capital credits will give effect to relevant factors such as the cost of rendering service and the margins produced specific to the Rate paid by the City.

7.0 **Support Services**

The City, and its retail customers, shall have the assistance of the Cooperative's support services. These services include the programs and services provided by the Cooperative to its membership and include, but are not limited to: conservation and energy management programs, energy assessments, energy efficiency rebates, commercial lighting incentives, load management receivers, access to economic development resources, power quality assessments, and after-hours Emergency call response.

8.0 **Continuity of Service, Disclaimer of Warranty, Limitation of Liability, Insurance and Indemnification**

8.1 Continuity of Service. The Cooperative shall exercise reasonable diligence in providing a constant and uninterrupted supply of electric energy hereunder. If the supply of electric energy shall fail or be interrupted or become defective through acts of God, governmental authority, war, action of the elements, public unrest, public enemy, accident, strikes, labor trouble, labor shortages, material shortages, failure to receive timely ordered equipment and supplies, operation of protective devices or any other cause beyond the reasonable control of the Cooperative, the Cooperative shall not be liable therefor or for any damages caused thereby.

8.2 DISCLAIMER OF WARRANTY. IN PROVIDING ELECTRIC SERVICE UNDER THIS AGREEMENT, THE COOPERATIVE DISCLAIMS ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF THE ELECTRIC POWER AND ENERGY SUPPLIED HEREUNDER.

8.3 Limitation of Liability, Insurance and Indemnification. The Cooperative and the City agree that each shall be responsible for the transmission and sale of energy on its respective side of the point of connection, and each of the Parties shall indemnify, defend, and hold harmless the other Party against any and all claims, demands, costs, or expenses for any loss, damage, injury to persons or property, including death, in any manner whatsoever, directly or indirectly arising from, connected with or related to the presence of or use of electricity, or the transmission of or failure to transmit electricity owned by each of the Parties, their agents, or suppliers, saving only such loss, damage, or injury as may be caused by a willful or intentional act. Each of the Parties hereto shall maintain, during the term of this Agreement, such liability insurance as it determines necessary to properly insure themselves against all claims for property damage and for personal injury or death arising out of, resulting from or in any manner connected with the installation, operation and maintenance of any facilities contemplated by this Agreement and for the indemnification undertakings herein. The City specifically agrees that the Cooperative shall not be responsible to any retail customer or any individual or entity who is located on or near electric facilities the City utilizes for the distribution of energy for any and all claims, demands, costs, or expenses for any loss, damage, injury to persons or property, including death, and the City agrees to indemnify, defend, and hold the Cooperative harmless from and against any and all claims, demands, costs, or expenses for any loss, damage, injury to persons or property, including death to any retail customer or to any individual or entity who is located on or near electric facilities the City utilizes for the distribution of energy.

This Agreement is solely for the benefit of the Parties hereto. Nothing in this Agreement shall be construed to or shall in fact create any third party benefits or rights of any character whatsoever in any retail customers, members or other persons dealing with either Party (excepting only those provisions relating to GRE).

NOTWITHSTANDING ANYTHING CONTAINED HEREIN TO THE CONTRARY, THE COOPERATIVE'S' ENTIRE LIABILITY TO THE CITY OF WHATEVER NATURE ARISING OUT OF, RELATING TO, ARISING FROM, AND/OR IN CONNECTION WITH THIS AGREEMENT SHALL NOT EXCEED AN AMOUNT EQUAL TO ANY AMOUNTS PAID TO THE COOPERATIVE DURING THE 6 MONTH PERIOD PRIOR TO THE EVENT OR ACTION GIVING RISE TO A CLAIM OCCURS. IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR ANY SPECIAL, INCIDENTAL,

CONSEQUENTIAL, INDIRECT, PUNITIVE, OR DAMAGES RELATED TO LOST TIME, SAVINGS, PROPERTY, DATA, PROFITS, OR GOODWILL, WHICH MAY ARISE OUT OF, RELATE TO, ARISE FROM, AND/OR IN CONNECTION WITH THIS AGREEMENT, REGARDLESS OF WHETHER EITHER PARTY HAS BEEN ADVISED OF THE POSSIBILITY OR LIKELIHOOD OF SUCH DAMAGE OCCURRING OR WHETHER CLAIMS ARE BASED OR REMEDIES ARE SOUGHT IN CONTRACT, NEGLIGENCE, STRICT LIABILITY, TORT, PRODUCTS LIABILITY OR OTHERWISE.

9.0 Miscellaneous

9.1 Approval. To the extent required by applicable law, this Agreement shall be subject to the approval of any governing body or regulatory agency having jurisdiction over either party or the subject matter of this Agreement. Each Party shall notify the other Party in writing upon failure to secure any approval required by this paragraph. The Rate is not valid until approved by GRE's Board of Directors. Once the rate is approved by the GRE's Board of Directors, it shall be valid and binding on the Parties.

9.2 Governing Law and Venue. The validity, interpretation, and performance of this Agreement shall be governed by the laws of the State of Minnesota. Any disputes, claims, demands, lawsuits, and/or controversies arising out of or relating to this Agreement shall be venued in Nobles County District Court. Both Parties hereby irrevocably consent and submit to the jurisdiction of Nobles County District Court and waive any and all defenses related to the venue of Nobles County District Court.

9.3 Severability. If any provision of this Agreement is held invalid under any applicable laws, that invalidity shall not affect any other provision of this Agreement that can be given an effect without the invalid provision, and, to this end, the provisions are severable. If any term or condition of this Agreement is unenforceable under applicable law, such term or condition shall nevertheless be deemed enforceable to the fullest extent permissible and the tribunal with jurisdiction over the matter is requested to reform the offending term or condition.

9.4 Membership. The City shall be a member of the Cooperative and shall be bound by the provisions of the Articles of Incorporation and By-Laws of the Cooperative except that the allocation and retirement of capital credits are as set forth in this Agreement.

9.5 Ownership. Electric service equipment furnished, installed, operated and maintained by the Cooperative on the property of the City shall remain the property of the Cooperative and may be removed upon termination of this Agreement, or, if requested by City, purchased by City at net book value.

9.6 Service Territory. Nothing in this Agreement shall affect the Cooperative's right to compensation and rights under Minnesota law related to an annexation or consolidation by the City outside of its designated service territory and/or outside of the City limits.

It is understood and acknowledged that this Agreement does not impact any prior service territory agreements that have been executed by the Parties to this Agreement or their predecessors in interest. Both Parties reserve their rights under such agreements to construct such facilities as may be required to ensure their ability to serve retail customers located in the respective service territories reflected in those agreements.

9.7 Successors and Assigns

A. This Agreement shall be executed by the legally authorized representatives of the Parties hereto shall have full force and effect and shall be binding upon and inure to the benefit of successors, legal representatives and assigns of the respective Parties.

B. Any assignment of this Agreement shall not relieve either Party of any of its obligations hereunder, and provided further that such assignment shall not result in any power and energy usage in excess of that required by the City for its own use and for resale to its retail customers.

9.8 Non-Disclosure. The City agrees not to share the pricing-related terms of this Agreement with any other person or entity, other than with the Cooperative's and GRE's express written consent or as is mandated by state or federal law. If disclosure is requested, the Parties agree to cooperate in an effort to generate a version of the document that may be disclosed. In the event any disclosure of pricing terms is mandated by law, the City shall give the Cooperative prior notice of the nature and content of the disclosure that is proposed to be made at least fifteen (15) business days prior to the disclosure.

9.9 Notices and Representatives of the Parties. Any payment, notice, demand or request required or authorized by this Agreement to be given by one Party to the other Party shall be in writing. It shall either be personally delivered or mailed, postage prepaid, to the representative of the other Party designated in this Section. Any such notice, demand or request so delivered shall be deemed to be given when so delivered or mailed.

Notices and other communications by the City to the Cooperative shall be addressed to:

GM/CEO
Nobles Cooperative Electric
P.O. Box 788
Worthington, MN 56187

Notices and other communications by the Cooperative to the City shall be addressed to:

City Administrator
City of Slayton
2424 26th Street
Slayton, MN 56172

Either Party may change its representative by written notice to the other. The Parties' representative designated above shall have full authority to act for their respective principals in all

technical matters relating to the performance of this Agreement. However, they shall not have authority to amend, modify or waive any provision of this Agreement.

9.10 Authority. The Parties executing this Agreement hereby represent to each other that they have all proper authority to execute this Agreement and bind their respective entity to the terms and conditions herein. The Cooperative hereby states that it has legal authority to enter into this Agreement, and that its Board of Directors has reviewed and approved this Agreement at a duly called meeting. The City hereby states that it has the authority to enter into this Agreement, and this Agreement has been approved by the City Council at a duly noticed meeting. Each of the Parties hereto states to the other that they are relying on the representations in this paragraph and each Party represents that it has conducted its affairs in a manner that will comply with all applicable legal requirements.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed.

NOBLES COOPERATIVE ELECTRIC

BY _____
Chair

ATTEST:

Secretary

DATE _____

**THE CITY OF SLAYTON,
MINNESOTA**

BY _____
Mayor

ATTEST:

Clerk

DATE _____

EXHIBIT A – One Line Diagram

NOBLES COOPERATIVE ELECTRIC
and
CITY OF SLAYTON, MINNESOTA

OPERATIONS & MAINTENANCE AGREEMENT

THIS OPERATIONS & MAINTENANCE AGREEMENT (the “Agreement”) is made and entered into this ____ day of _____, 20____ by and between the City of Slayton, a Minnesota Municipal Corporation, Slayton, Minnesota 56172, hereinafter called “City,” and Nobles Cooperative Electric, a Minnesota cooperative, P.O. Box 788, 22636 U.S. Highway 59, Worthington, Minnesota 56187, hereinafter called “Cooperative.”

WHEREAS, the City owns and operates a municipal electric distribution system and desires to secure assistance with the operations and maintenance of the City’s electric distribution system, and

WHEREAS, the Cooperative is in the business of, among other things, providing maintenance for electric distribution systems such as the City owns; and,

WHEREAS, the Cooperative has the equipment, personnel, and knowledge to provide the operations and maintenance desired by the City pursuant to this Agreement, and desires to enter into this Agreement.

NOW THEREFORE, in consideration of the mutual promises, covenants and conditions contained here, the Cooperative and City agree as follows:

1.0 Agreement Supervision

1.1 The City has designated _____ as the contact person for the City.

1.2 The Cooperative’s contact person will be the Line Superintendent.

2.0 Services To Be Provided

2.1 Preventive Maintenance and Repair. The City shall identify preventative maintenance and repairs needed by the City and provide a list of the preventative maintenance and repairs to the Cooperative. At the reasonable request of the City, the Cooperative shall assist the City in identifying preventative maintenance and repairs needed by the City. Repairs and maintenance included in this Agreement will be the ones listed in Schedule A and such others as

the parties agree upon in writing. The Cooperative has the right to not perform any preventative maintenance and/or repair requested by the City. Upon the Cooperative's approval of the City's requested preventative maintenance and/or repair, the Cooperative will schedule and complete the preventative maintenance and repairs.

2.2 Operations Assistance. At the written request of the City, the Cooperative may provide the necessary labor and materials or obtain contract services for one or more activities that are included in Schedule B or any other services the two parties may agree to in writing. The Cooperative has the right to not perform any of the activities included in Schedule B. To the extent possible, the Cooperative will identify the work needed and provide an estimated cost to the City. Upon authorization by the City to proceed, the Cooperative will schedule and complete the project. The Cooperative shall not be liable or responsible for the consequences of any failure to identify any repair, maintenance, replacement, and/or operations matter. Emergency operations may be done as necessary without prior authorization. Emergency is defined as a power outage affecting one or more meters to which the City provides electric service or any situation that poses an immediate safety risk to persons or damage to property.

2.3 System Improvement Projects. Upon a written request from the City, the Cooperative may at its sole option provide labor and materials or obtain contract services for making system improvements to the City's distribution system. The City shall identify these needs and approve a budget for this construction work.

2.4 Service Extensions. The City may request, in writing, the Cooperative to provide service extensions. The Cooperative shall have the option to accept this work, but it is not obligated to do so.

2.5 Service Warranties. The Cooperative agrees to use commercially reasonable efforts to complete all actions required by this Agreement. The parties agree, however, that the Cooperative is not a guarantor of the system, and that while it will use commercially reasonable efforts to determine and assist the City in determining what services and maintenance need to be completed, the Cooperative shall not be responsible or liable for the failure to identify any repair, maintenance, replacement, and/or operations matters and complete service requirements that have not been identified by the City in writing and agreed to by the Cooperative.

2.6 City Policies. The Cooperative shall comply with all applicable written policies of the City while performing the Services.

3.0 **Scheduling**

3.1 Preventative Maintenance and Repair. The Cooperative shall be responsible for scheduling the authorized maintenance and repair activities as directed by the City in writing and accepted by the Cooperative, in its sole discretion.

3.2 Operations Assistance. The Cooperative shall be responsible for scheduling authorized operations projects as directed by the City in writing and agreed to by the Cooperative, in its sole discretion. Emergency assistance for outages, service problems, safety and other similar situations will be given immediate attention and will receive priority over all other projects then in existence.

3.3 System Improvements. The Cooperative shall be responsible for scheduling authorized system improvements as agreed to by the City. Reasonable effort shall be made to avoid extended system outages for those projects.

3.4 Service Extension. When a request for service extension is accepted by the Cooperative, the Cooperative will complete the work as soon as scheduling permits.

3.5 Scheduling Commitments. The City agrees that it will not commit to any new or added scheduling or completion of work involving the Cooperative without prior notice and agreement by the Cooperative.

4.0 Compensation

Schedule C sets forth the hourly rates of the Cooperative staff likely to charge time to activities provided for hereunder, plus a schedule of costs for the use of any vehicles and equipment that may be used for services rendered hereunder, plus inventory and handling costs of materials. Any contract utilized by the Cooperative in providing services hereunder will be coordinated with the City and billed at cost plus other direct expenses related to the administration of the contract. Schedule C will be updated annually. The schedule of other direct expenses shall be approved by the City prior to the time any contracts will be entered into by the Cooperative to fulfill the requirements of any project.

5.0 Payment

5.1 Procedure.

A. The City will pay the Cooperative for any authorized service rendered hereunder in accordance with invoices presented to the City after the services have been performed.

B. The Cooperative shall submit invoices to the City for any work done during any particular period.

C. The City shall review each invoice submitted to the City, and the City shall notify the Cooperative of any errors or disputes not later than 10 days after the bill was received by the City. The City agrees to waive any claims, disputes, and/or charges to any bill if the Cooperative is not notified of any errors or disputes within the 10-day period as set forth in this section.

D. Any undisputed charges approved by the City shall be paid to the Cooperative not later than 20 days after the day the bill was received by the City, with such payment to be mailed to the Cooperative at their address as shown above.

E. Notice of any incorrect invoices shall be forwarded to the Cooperative immediately upon determination of the error. As soon as a corrected billing is received, it shall be processed at the next meeting of the City and follow the timelines as set forth in Paragraphs B and C above. If an invoice is disputed and a corrected invoice is not received from the Cooperative, or if there is a dispute between the City and the Cooperative as to the proper bill, it shall be handled as described in Paragraph 9.2 hereafter.

5.2 Late Payment Charge. Any obligations owed to the Cooperative that are not paid as described above will bear interest at the rate of one and a half percent (1.5%) per month or any part thereof during which the amount due and owing to the Cooperative has not been paid after the due date of such payment. No late charge shall be charged on any disputed item until the invoice is corrected or the dispute has been settled as hereinafter provided.

5.3 Subcontractor Payment. In accordance with the requirements of Minnesota Statute Section 471.425 Subd. 4a, the Cooperative agrees that it will pay any subcontractors it hires within 10 days of the date the Cooperative is paid by the City for undisputed services provided by the subcontractor. In the event the Cooperative does not pay the subcontractor as required herein, the Cooperative will pay interest of one and half percent (1.5%) per month for any part of a month to the subcontractor on any undisputed amount not paid on time by the Cooperative. The minimum monthly interest penalty for an unpaid balance of \$100.00 or more is \$10.00. For an unpaid balance of less than \$100.00, the Cooperative shall pay the actual penalty due to the subcontractor. A subcontractor who prevails in a civil action to collect interest penalties from the Cooperative must be awarded its costs and disbursements, including attorney's fees incurred in bringing the action.

6.0 Prudent Utility Practices

The Cooperative agrees to provide services hereunder in accordance with Prudent Utility Practices. Prudent Utility Practices are those practices, methods, and equipment which, at any particular time, are commonly used in prudent electrical engineering and utility operations to operate electric equipment lawfully and with safety, dependability, and efficiency, and are in accordance with the National Electric Safety Code, the National Electric Code, or any other applicable government code in effect. Prudent Utility Practices are not intended to be limited to the industry accepted practices or act to the exclusion of all others, but rather include a spectrum of possible practices, methods or acts which could have been expected to accomplish the desired result consistent with reliability, safety, and expediency. Prudent Utility Practices include due regard for manufacturers' warranties and the requirements of governmental agencies which have jurisdiction.

7.0 Agreement Term and Termination

7.1 Term and Renewal. This Agreement shall be in effect beginning on the date it is executed above and shall continue thereafter for a period of two (2) years. This Agreement is contingent upon the City obtaining all necessary approvals and/or consents related to running and operating its own municipal electric utility.

7.2 Termination. This Agreement may be terminated by the Cooperative if wholesale electric service is no longer provided by Great River Energy or their successors in interest.

7.3 Survival of Obligations. Upon termination of this Agreement in accordance with its terms, all rights and obligations of the parties shall cease without further liability, effective as of the date of termination, except that this Agreement shall remain in effect as to any prior obligation still owed by either party.

8.0 Limitation of Liability and Indemnification

8.1 Limitations. Each party shall be responsible for its own facilities and personnel provided or used in the performance of this Agreement. Neither the Cooperative nor the City shall be responsible to the other party for damage to or loss of any property, wherever located, unless the damage or loss is caused by its intentional conduct or intentional conduct of that party's officers, employees, or agents, in which case the damage or loss shall be borne by the responsible party. The entire liability of the Cooperative of whatever nature arising out of, relating to, arising from, and/or in connection with this agreement shall not exceed an amount equal to any amounts paid to the Cooperative during the three (3) month period prior to which the event or action giving rise to a claim occurs. In no event shall the Cooperative be liable to the city for any special, incidental, consequential, indirect, or punitive damages related to lost power, time, property, data, profits, or goodwill which may arise out of, relate to, arise from, and/or in connection with this Agreement, regardless of whether the City is advised of the possibility or likelihood of such damage occurring or whether claims are based or remedies are sought in contract, negligence, strict liability, tort, products liability, or otherwise.

8.2 Indemnification. Each party agrees to protect, indemnify, defend, and hold harmless the other party and its officers, members, directors, agents, and employees from any and all claims, demands, suits, liability, and expense (including attorneys fees) directly or indirectly arising from negligent acts or omissions of the indemnifying party, its employees, or agents. Each party shall be responsible for its own facilities and personnel used in the performance of this Agreement and neither party shall be responsible to the other for damage to or loss of property wherever located, unless such damage or loss is occasioned by its own negligence (or by the negligence of its employees or agents), in which event the associated costs and expenses shall be borne by the negligent party.

9.0 Default

9.1 Force Majeure. Neither party shall be responsible for delay or failure to perform when such delay or failure is due to fire, flood, epidemic, strikes, wars, acts of God, unusually severe weather, acts of public authorities, or delays or defaults caused by public carriers, providing the defaulting party gives notice to the other party immediately upon their inability to perform and itemizing the reasons therefor.

9.2 Disputes. Any disagreement between the parties hereto shall be reviewed by the representative of the City and the representative of the Cooperative having a meeting at which time any dispute shall be discussed and resolved, if possible. If the dispute is unable to be resolved by the two parties, the Cooperative will meet with the City Council to determine whether the dispute can be resolved. If a meeting of all parties fails to resolve any dispute between the parties, the dispute shall be submitted to arbitration by a neutral arbitrator not employed by or connected to either party. An example of a neutral arbitrator would be a retired District Court Judge in the State of Minnesota or some other party knowledgeable in the law and in the settlement of disputes. Costs of such arbitration shall be shared equally between the parties hereto, with the party requesting arbitration to give written notice to the other party setting forth in writing the dispute to be resolved, the resolution sought, the date at which time the arbitration shall take place, and a suggested name of an arbitrator. The other party shall respond within 10 days after receiving such notice in writing as to whether or not it agrees to the named arbitrator. If it does not agree, it shall submit an alternate name. If the parties do not agree on an arbitrator, each party shall submit up to three (3) names for suggested arbitrators. Each name of the suggested arbitrator shall be written on a piece of paper and placed in a bowl or other container. The mayor of the City shall draw a name, and that person shall be the arbitrator. The arbitration hearing and the decision of the arbitrator shall be completed within 30 days after the date the arbitrator's name is determined. The findings of the arbitrator shall be final and binding on all parties hereto. Judgment upon any award rendered by the arbitrator against any party may be entered in any court having jurisdiction. The parties hereby waive any and all rights to trial by jury in connection with any claim and/or action brought or maintained under this Agreement.

9.3 Duty to Mitigate. Both the City and the Cooperative shall use their best efforts to mitigate any damages which might be suffered by reason of any event giving rise to a remedy hereunder.

9.4 Failure to Perform. If the Cooperative fails to perform as required by this Agreement, the City may give written notice to the Cooperative of their determination of non-compliance, specifying what default has occurred. The Cooperative shall, thereafter, have 45 days to either complete and cure the default or make arrangements with the City for such that are satisfactory to the City. A failure to either cure the defect or make satisfactory arrangements with the City to cure the default shall entitle the City to give notice that this Agreement is terminated immediately. Such Notice of Termination shall be personally delivered to the Cooperative or mailed by certified mail to the address shown above. The Notice of Termination is deemed effective on receipt of the certified mail or upon personal delivery. The termination of this Agreement according to this paragraph shall not discharge any liability, responsibility, or right of

any party which arises from the performance of or failure to adequately perform the terms of this Agreement prior to the effective date of termination.

10.0 **Independent Contractor**

The Cooperative is acting as an independent contractor. This is not a joint venture or partnership.

11.0 **General**

11.1 Annual Review. The City and the Cooperative will meet at least once per year to review performance hereunder and develop changes in procedures that might be appropriate and mutually agreed upon. More frequent meetings to facilitate the beneficial implementation of this agreement can be instigated by either party.

11.2 After Hours Calls. The City and the Cooperative will work together to establish procedures and databases for after-hours call routines.

11.3 Warranty Transfers. The Cooperative will transfer any warranties to the City on any equipment or devices installed on the City's electric system by the Cooperative.

11.4 Hazardous Materials. The Cooperative will be responsible for the legal disposal of any hazardous materials removed from the City's electric system by the Cooperative. The Cooperative will coordinate all hazardous material disposal with the City prior to disposal. The City shall pay all actual costs associated with this disposal.

11.5 System Map. The City agrees to provide the Cooperative with an electric system map of their municipal utility in an acceptable electronic format. The City will be responsible for maintaining and updating the system map.

11.6 Entire Agreement/Amendment. This Agreement represents the entire Agreement between the parties with respect to the matters addressed in this Agreement. This Agreement may be changed, modified, amended, waived, or terminated only by written agreement signed by both parties as set forth herein.

11.7 Assignment of Agreement. Neither party to this Agreement may assign its interest in this Agreement without the prior written consent of the other party hereto, which consent shall not be unreasonably withheld upon a showing of financial capabilities and expertise sufficient to comply with the terms and conditions of this Agreement.

11.8 Direction of Work. The representative of the City that will give direction to the Cooperative shall be the _____ or as designated in writing by the City.

11.9 Nondiscrimination. During the performance of the Agreement, the Cooperative agrees to the following: No person shall, on the grounds of race, color, religion, age, sex,

disability, marital status, public assistance status, criminal record, creed, or national origin, be excluded from full employment rights in, participation in, be denied the benefits of, or be otherwise subjected to discrimination under any and all applicable federal and state laws against discrimination.

11.10 Binding Effect. The individuals signing this Agreement hereby represent and warrant that they are authorized to execute this Agreement on behalf of their respective organizations. This Agreement shall bind and inure to the benefit of the parties and their respective successors, representatives, and permitted assigns.

11.11 No Waiver; Severability. The failure by any party to enforce, at any time, any of the provisions of this Agreement shall not constitute a waiver of such provision and shall not in any way affect the validity of this Agreement or any part thereof or the right of any of the parties thereafter to enforce the provisions hereof. The provisions of this Agreement are severable, and any provision of this Agreement that is determined to be void or unenforceable shall not affect the enforceability of the remaining provisions herein, and the remaining provisions shall be enforced as if the Agreement was originally written without the invalid provision.

11.12 No Third-Party Beneficiaries. This Agreement benefits solely the parties to this Agreement and their respective successors and permitted assigns, and nothing in this Agreement, express or implied, confers on any other person or entity any legal or equitable right, benefit, or remedy of any nature whatsoever or by reason of this Agreement.

(REMAINDER OF PAGE INTENTIONALLY LEFT BLANK)

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives all as of the day and year first written above.

NOBLES COOPERATIVE ELECTRIC

Dated: _____, 20__

By: _____

Its _____

CITY OF SLAYTON

Dated: _____, 20__

By: _____

Its _____

SCHEDULE A

PREVENTATIVE MAINTENANCE

- Pole Testing and Treatment
- Oil Circuit Recloser (OCR) Testing and Repair
- Meter Testing and Repair
- Line Inspection
- Load Management Repair
- Contractor Supervision
- Other Advice and Assistance

SCHEDULE B

OPERATIONS ASSISTANCE

- Outage Restoration
- Cable Fault Finding
- Meter Programming
- Field Engineering
- Power Quality Assistance
- Subcontractor Agreement Supervision
- Repairs and Improvements as deemed necessary and agreed upon by Cooperative

SCHEDULE C

CONTACTS AND COMPENSATION SCHEDULE

Contacts

Operations <i>First person listed is primary contact</i>	Name:	Cody Hansen
	Title:	Line Superintendent
	Cell Phone:	507-227-8449
	Work Phone:	507-666-6064
	Email:	chansen@noblesce.com
	Name:	Rick Leebens
	Title:	Foreman
	Cell Phone:	507-360-0754
	Work Phone:	507-372-7331
	Email:	rleebens@noblesce.com
	Name:	Jeff Ahlschlager
	Title:	Foreman
Finance	Cell Phone:	507-360-1176
	Work Phone:	507-372-7331
	Email:	jahlschlager@noblesce.com
	Name:	Michael Reemtsma
	Title:	CFO
CEO/GM	Cell Phone:	712-720-0333
	Work Phone:	507-666-6063
	Email:	mreemtsma@noblesce.com
	Name:	Adam Tromblay
	Title:	CEO/GM
Other	Cell Phone:	507-220-3531
	Work Phone:	507-666-6059
	Email:	atromblay@noblesce.com
	Name:	Tracey Haberman
	Title:	Member Services Manager
	Work Phone:	507-372-7331
	Email:	thaberman@noblesce.com

SCHEDULE C

CONTACTS AND COMPENSATION SCHEDULE (PAGE 2)

Personnel

Personnel	Union Y/N	Regular Hourly Rate*	OT Rate 1.5	DT Rate 2.0	Number of employees in group
Engineer	N	180.00	-	-	1
Line Staker	Y	96.98	137.97	183.96	2
Line Superintendent	N	96.76	-	-	1
Member Svcs Manager	N	94.23	-	-	1
Foreman	Y	91.98	137.97	183.96	2
Journeyman Lineworker	Y	87.55	131.33	175.10	5
Electrician	N	80.00	120.00	-	1
Apprentice Lineworker	Y	70.44	105.66	140.88	2
Metering/Mapping Coor	N	48.36	72.54	96.72	1
1000 hr Lineworker	N	35.00	52.50	70.00	2

*Note - Overheads are included in ALL rates reported below.

Will work during a regular work day hours be paid at the Regular Hour Rate? - Y/N Y

If the answer to the question is No, then what rate will be paid?

Per union contract:

All work outside of regular work day on the **weekdays** shall be paid at OT Rate of 1.5

All work on **Saturdays** shall be paid at OT Rate of 1.5

All work on **Sundays** shall be paid at OT Rate of 2.0

All work on **Holidays** shall be paid at OT rate of 2.0

After-Hours Outages: Paid at least 2 hours at corresponding rates above

Equipment and Materials

Equipment and Materials	Hourly Rate	If not hourly, rate per mile	Number of units	Rates include charges for fuel/oil - Check yes or no	
				Y	N
Bucket truck (material handling)	65.00		4	x	
Digger derrick	70.00		2	x	
Pole trailer	25.00		2		
Flat bed/material truck		1.10	2	x	
Cable plow with trailer	300.00		2	x	
Backhoe with trailer	75.00		2	x	
Dump/rock truck		1.10	2	x	
Pickup truck		1.10	3	x	
Vacuum Excavator	50.00		1		
Skid Loader	100.00		2	x	
Wire Trailer	25.00		2		
Fault Locator	150.00	0.60	2	x	

Range of pole size typically on hand	35'-40' and 45'-50'
--------------------------------------	---------------------

Confidential Material – please share wisely

**NOBLES COOPERATIVE ELECTRIC
and
CITY OF SLAYTON, MINNESOTA**

BILLING AND COLLECTIONS AGREEMENT

THIS BILLING AND COLLECTIONS AGREEMENT (the "Agreement") is made and entered into this ____ day of _____, 20____ by and between the City of Slayton, a Minnesota Municipal Corporation, Slayton, Minnesota 56172, hereinafter called "City," and Nobles Cooperative Electric, a Minnesota cooperative, P.O. Box 788, 22636 U.S. Highway 59, Worthington, Minnesota 56187, hereinafter called "Cooperative."

WHEREAS, the City owns and operates a municipal electric distribution system and desires to secure assistance with the Services (as that term is defined herein) related to the City's electric distribution system, and

WHEREAS, the Cooperative is in the business of, among other things, providing billing and collections for electric distribution systems such as the City owns; and,

WHEREAS, the Cooperative has the equipment, personnel, and knowledge to provide the Services (as that term is defined herein) desired by the City pursuant to this Agreement, and desires to enter into this Agreement.

NOW THEREFORE, in consideration of the mutual promises, covenants, and conditions contained here, the Cooperative and City agree as follows:

1.0 Agreement Supervision

1.1 The City's contact person for this Agreement will be _____.

1.2 The Cooperative's contact person for this Agreement will be _____.

2.0 Services To Be Provided

2.1 Billing and Collections. The Cooperative shall perform the following services (the "Services") as part of this Agreement: (a) reading meters; (b) inputting meter data into the Cooperative's system; (c) bill calculation; (d) sending data to process bills; (e) answering questions regarding billing related matters, including but not limited to: general billing inquiries, complaints

and/or billing concerns; (f) collections; and (g) sending disconnection notices and handling disconnection related matters.

The City shall provide the Cooperative with any and all information necessary for the Cooperative to perform the Services, including disconnection and reconnection information. The Cooperative must be given two (2) days' notice of disconnection/reconnection requests. The Cooperative shall comply with all applicable laws and the City's written policies while performing the Services.

2.2 Warranties. The Cooperative agrees to use commercially reasonable efforts to perform the Services. The parties agree, however, that the Cooperative is not a guarantor of collection of any bills and is not responsible or liable for starting/stopping any electric service. The parties agree that the Cooperative shall not be responsible or liable for any information provided by the City in providing the Services under this Agreement.

3.0 **Compensation**

Schedule A sets forth the compensation to be paid by the City to the Cooperative for performing the Services.

4.0 **Payment**

4.1 Procedure.

A. The City will pay the Cooperative for all time and expense incurred by the Cooperative in performing the Services pursuant to this Agreement.

B. The Cooperative shall submit monthly invoices to the City for any work done during a given month.

C. The City shall review each invoice submitted to the City, and the City shall notify the Cooperative of any errors or disputes no later than 10 days after the bill was received by the City. The City agrees to waive any claims, disputes, and/or charges to any bill if the Cooperative is not notified of any errors or disputes within the 10-day period as set forth in this section.

D. Any undisputed charges approved by the City shall be paid to the Cooperative no later than 20 days after the day the bill was received by the City, with such payment to be mailed to the Cooperative at their address as shown above.

E. Notice of any incorrect invoices shall be forwarded to the Cooperative immediately upon determination of the error. As soon as a corrected billing is received, it shall be processed at the next meeting of the City and follow the timelines as set forth in Paragraphs B and C above. If an invoice is disputed and a corrected invoice is not received from the Cooperative,

or if there is a dispute between the City and the Cooperative as to the proper bill, it shall be handled as described in Paragraph 7.2.

4.2 Late Payment Charge. Any obligations owed to the Cooperative that are not paid as described above will bear interest at the rate of one and a half percent (1.5%) per month or any part thereof during which the amount due and owing to the Cooperative has not been paid after the due date of such payment. No late charge shall be charged on any disputed item until the invoice is corrected or the dispute has been settled as hereinafter provided.

5.0 **Agreement Term and Termination**

5.1 Term and Renewal. This Agreement shall be in effect beginning on the date it is executed above and shall continue thereafter for a period of two (2) years. This Agreement is contingent upon the City obtaining all necessary approvals and/or consents related to entering into this Agreement. The agreement may be terminated at any time by mutual written agreement of the parties.

5.2 Survival of Obligations. Upon termination of this Agreement in accordance with its terms, all rights and obligations of the parties shall cease without further liability, effective as of the date of termination, except that this Agreement shall remain in effect as to any prior obligation still owed by either party.

6.0 **Limitation of Liability and Indemnification**

6.1 Limitations. Each party shall be responsible for its own acts and omissions with regard to its employees and the performance of this Agreement. Neither the Cooperative nor the City shall be responsible to the other party for damage to or loss of any property, wherever located, unless the damage or loss is caused by its intentional conduct or intentional conduct of that party's officers, employees, or agents, in which case the damage or loss shall be borne by the responsible party. The entire liability of the Cooperative of whatever nature arising out of, relating to, arising from, and/or in connection with this agreement shall not exceed an amount equal to any amounts paid to the Cooperative during the three (3) month period prior to which the event or action giving rise to a claim occurs. In no event shall the Cooperative be liable to the city for any special, incidental, consequential, indirect, or punitive damages related to lost power, lost time, savings, property, data, profits, or goodwill which may arise out of, relate to, arise from, and/or in connection with this Agreement, regardless of whether the City is advised of the possibility or likelihood of such damage occurring or whether claims are based or remedies are sought in contract, negligence, strict liability, tort, products liability, or otherwise.

6.2 Indemnification. Each party agrees to protect, indemnify, defend, and hold harmless the other party and its officers, members, directors, agents, and employees from any and all claims, demands, suits, liability, and expense (including attorneys' fees) directly or indirectly arising from negligent acts or omissions of the indemnifying party, its employees, or agents. Each party shall be responsible for its own facilities and personnel used in the performance of this

Agreement and neither party shall be responsible to the other for damage to or loss of property wherever located, unless such damage or loss is occasioned by its own negligence (or by the negligence of its employees or agents), in which event the associated costs and expenses shall be borne by the negligent party.

7.0 Default

7.1 Force Majeure. Neither party shall be responsible for delay or failure to perform when such delay or failure is due to fire, flood, epidemic, strikes, wars, acts of God, unusually severe weather, acts of public authorities, or delays or defaults caused by public carriers, providing the defaulting party gives notice to the other party immediately upon their inability to perform and itemizing the reasons therefor.

7.2 Disputes. Any disagreement between the parties hereto shall be reviewed by the representative of the City and the representative of the Cooperative having a meeting at which time any dispute shall be discussed and resolved, if possible. If the dispute is unable to be resolved by the two parties, the Cooperative will meet with the City Council to determine whether the dispute can be resolved. If a meeting of all parties fails to resolve any dispute between the parties, the dispute shall be submitted to arbitration by a neutral arbitrator not employed by or connected to either party. An example of a neutral arbitrator would be a retired District Court Judge in the State of Minnesota or some other party knowledgeable in the law and in the settlement of disputes. Costs of such arbitration shall be shared equally between the parties hereto, with the party requesting arbitration to give written notice to the other party setting forth in writing the dispute to be resolved, the resolution sought, the date at which time the arbitration shall take place, and a suggested name of an arbitrator. The other party shall respond within 10 days after receiving such notice in writing as to whether or not it agrees to the named arbitrator. If it does not agree, it shall submit an alternate name. If the parties do not agree on an arbitrator, each party shall submit up to three (3) names for suggested arbitrators. Each name of the suggested arbitrator shall be written on a piece of paper and placed in a bowl or other container. The mayor of the City shall draw a name, and that person shall be the arbitrator. The arbitration hearing and the decision of the arbitrator shall be completed within 30 days after the date the arbitrator's name is determined. The findings of the arbitrator shall be final and binding on all parties hereto. Judgment upon any award rendered by the arbitrator against any party may be entered in any court having jurisdiction. The parties hereby waive any and all rights to trial by jury in connection with any claim and/or action brought or maintained under this Agreement.

7.3 Duty to Mitigate. Both the City and the Cooperative shall use their best efforts to mitigate any damages which might be suffered by reason of any event giving rise to a remedy hereunder.

7.4 Failure to Perform. If the Cooperative fails to perform as required by this Agreement, the City may give written notice to the Cooperative of their determination of non-compliance, specifying what default has occurred. The Cooperative shall, thereafter, have 45 days to either complete and cure the default or make arrangements with the City for such that are

satisfactory to the City. A failure to either cure the defect or make satisfactory arrangements with the City to cure the default shall entitle the City to give notice that this Agreement is terminated immediately. Such Notice of Termination shall be personally delivered to the Cooperative or mailed by certified mail to the address shown above. The Notice of Termination is deemed effective on receipt of the certified mail or upon personal delivery. The termination of this Agreement according to this paragraph shall not discharge any liability, responsibility, or right of any party which arises from the performance of or failure to adequately perform the terms of this Agreement prior to the effective date of termination.

8.0 Independent Contractor

The Cooperative is acting as an independent contractor. This is not a joint venture or partnership.

9.0 General

9.1 Annual Review. The City and the Cooperative will meet at least once per year to review performance hereunder and develop changes in procedures that might be appropriate and mutually agreed upon. More frequent meetings to facilitate the beneficial implementation of this agreement can be instigated by either party.

9.2 System Map. The City agrees to provide the Cooperative with an electric system map of their municipal utility in an acceptable electronic format. The City will be responsible for maintaining and updating the system map.

9.3 Entire Agreement/Amendment. This Agreement represents the entire Agreement between the parties with respect to the matters addressed in this Agreement. This Agreement may be changed, modified, amended, waived, or terminated only by written agreement signed by both parties as set forth herein.

9.4 Assignment of Agreement. Neither party to this Agreement may assign its interest in this Agreement without the prior written consent of the other party hereto, which consent shall not be unreasonably withheld upon a showing of financial capabilities and expertise sufficient to comply with the terms and conditions of this Agreement.

9.5 Nondiscrimination. During the performance of the Agreement, the Cooperative agrees to the following: No person shall, on the grounds of race, color, religion, age, sex, disability, marital status, public assistance status, criminal record, creed, or national origin, be excluded from full employment rights in, participation in, be denied the benefits of, or be otherwise subjected to discrimination under any and all applicable federal and state laws against discrimination.

9.6 Binding Effect. The individuals signing this Agreement hereby represent and warrant that they are authorized to execute this Agreement on behalf of their respective

organizations. This Agreement shall bind and inure to the benefit of the parties and their respective successors, representatives, and permitted assigns.

9.7 No Waiver: Severability. The failure by any party to enforce, at any time, any of the provisions of this Agreement shall not constitute a waiver of such provision and shall not in any way affect the validity of this Agreement or any part thereof or the right of any of the parties thereafter to enforce the provisions hereof. The provisions of this Agreement are severable, and any provision of this Agreement that is determined to be void or unenforceable shall not affect the enforceability of the remaining provisions herein, and the remaining provisions shall be enforced as if the Agreement was originally written without the invalid provision.

9.8 No Third-Party Beneficiaries. This Agreement benefits solely the parties to this Agreement and their respective successors and permitted assigns, and nothing in this Agreement, express or implied, confers on any other person or entity any legal or equitable right, benefit, or remedy of any nature whatsoever or by reason of this Agreement.

9.9 Counterparts. This Agreement may be executed in counterparts and by electronic signature.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives all as of the day and year first written above.

NOBLES COOPERATIVE ELECTRIC

Dated: _____, 2023

By: _____

Its _____

CITY OF SLAYTON

Dated: _____, 2023

By: _____

Its _____

SCHEDULE A

Compensation Schedule

Initial software set-up charge will be assessed at the member services representative hourly rate listed on Schedule B. Any additional programming needed from the Cooperative's software vendor will be charged to the City at the vendor's hourly rate.

The following will be billed on a per meter charge of \$ 4.54 per meter: (a) reading the meter; (b) inputting meter data into the Cooperative's system; (c) bill calculation; and (d) sending data to process bills.

Any questions regarding billing related matters, including but not limited to: general billing inquiries, complaints and/or billing concerns will be billed on a per hour basis for the member services representative of the Cooperative performing these activities.

Any collection activities for any bills will be billed on a per hour basis for the employee of the Cooperative performing the collection activities.

Any disconnection notices and related disconnection activities will be billed on a per hour basis for the employee of the Cooperative performing the disconnection activities. Also, mileage will be billed based on the pickup truck expense listed on Schedule B of this agreement.

SCHEDULE B

CONTACTS AND COMPENSATION SCHEDULE

Contacts

Billing <i>First person listed is primary contact</i>	Name:	Kathy Johnson
	Title:	Member Services Representative
	Work Phone:	507-372-7331
	Email:	kjohnson@noblesce.com
	Name:	Beverly Fowler
	Title:	Member Services Representative
	Work Phone:	507-372-7331
	Email:	bfowler@noblesce.com
	Name:	Brenda Schroeder
	Title:	Member Services Representative
	Work Phone:	507-372-7331
	Email:	bschroeder@noblesce.com
Finance	Name:	Michael Reemtsma
	Title:	CFO
	Cell Phone:	712-720-0333
	Work Phone:	507-372-7331
	Email:	mreemtsma@noblesce.com
Accounting	Name:	Daniel Fauskee
	Title:	Sr. Accountant
	Work Phone:	507-372-7331
	Email:	dfauskee@noblesce.com
	Name:	Pamela Clarke
	Title:	Accountant
	Work Phone:	507-372-7331
	Email:	pclarke@noblesce.com
CEO/GM	Name:	Adam Tromblay
	Title:	CEO/GM
	Cell Phone:	507-220-3531
	Work Phone:	507-666-6059
	Email:	atromblay@noblesce.com
Member Relations/ Communications	Name:	Tracey Haberman
	Title:	Member Services Manager
	Work Phone:	507-666-6062, 507-360-8523 (cell)
	Email:	thaberman@noblesce.com

SCHEDULE B

CONTACTS AND COMPENSATION SCHEDULE (PAGE 2)

Personnel

Personnel	Regular Hourly Rate
Finance	110.56
Member Services Manager	94.23
Lineworker	91.98
Accounting	80.18
Member Services Representative	55.00
Collections	55.00
Meter Reader (outside of the normal monthly reading window)	55.00

Equipment and Materials

Equipment and Materials	Hourly Rate	If not hourly, rate per mile	Number of units	Rates include charges for fuel/oil - Check yes or no	
				Y	N
Bucket Truck	65.00		4	x	
Pickup truck (collections & disconnect)		1.10	3	x	

Information Request No. 29

Docket No.: E002, PT7157/SA-25-129
Response To: City of Slayton
Requestor: Xcel Energy
Date Received: October 21, 2025

Question:

Does Slayton intend to hire any additional employees following the proposed purchase who will have job responsibilities related to operating an electric utility or providing electric service to retail customers? If so, describe the number and relevant job titles and duties.

Response: The City of Slayton objects to this request because the information sought has no bearing on the value of or just compensation for Xcel's assets and is therefore not relevant to any party's claim or defense in this case; overly broad, unduly burdensome, and not proportional to the needs of the case; and beyond the scope of proceedings for determining just compensation as specified by Minn. Stat. § 216B.45 and the Notice of and Order for Hearing of the Public Utilities Commission dated June 2, 2025. The City further reserves the right to state additional objections at such time as they may be identified.

Subject to and without waiving the foregoing objections, the City answers as follows:

The City does not currently plan to hire additional employees who will have job responsibilities related to operating an electric utility or providing electric service to retail customers, but plans to negotiate with Nobles Cooperative Electric to provide operations and maintenance on a contractual basis. See the City's Supplemental Response to IRs No. 2 and 6.

Preparer: Joshua Malchow
Title: City Administrator
Department: City of Slayton
Telephone: Contact through Counsel
Date: October 31, 2025

As to Objections:

Joshua P. Weir
Attorney
Kennedy & Graven, Chartered
(612) 337-9212
October 31, 2025

From: [Adam Tromblay](#)
To: cityadmin@slayton.govoffice.com
Subject: Page
Date: Wednesday, November 29, 2023 3:05:57 PM

This has some great charts using data from xcel rate cases.

<https://www.americanexperiment.org/five-graphs-that-show-how-the-high-cost-wind-and-solar-are-driving-up-xcel-energy-costs-for-minnesotans/>



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Information Request No. 32

Docket No.: E002, PT7157/SA-25-129
Response To: City of Slayton
Requestor: Xcel Energy
Date Received: October 21, 2025

Question:

Please provide the following information:

- Has the City discussed with either Nobles or GRE the provision of financing, loans, funding, or any form of monetary support to the City for the proposed purchase of Xcel Energy's property? If so, describe the communications and provide copies of any such written communications.
- Have Nobles or GRE offered financing, loans, funding, or any form of monetary support to the City for the proposed purchase of Xcel Energy's property? If so, describe the offer and whether the City has agreed.

Response: The City of Slayton objects to this request because the information sought has no bearing on the value of or just compensation for Xcel's assets and is therefore not relevant to any party's claim or defense in this case; overly broad, unduly burdensome, and not proportional to the needs of the case; and beyond the scope of proceedings for determining just compensation as specified by Minn. Stat. § 216B.45 and the Notice of and Order for Hearing of the Public Utilities Commission dated June 2, 2025. The City further objects that the term "any form of monetary support" is vague. The City further reserves the right to state additional objections at such time as they may be identified.

Subject to and without waiving the foregoing objections, the City answers as follows:

The City has discussed with Nobles Cooperative Electric (NCE) whether NCE could potentially hold the City's bond related to the purchase and startup costs concerning the formation of the City's municipal electric utility. See documents previously produced at Slayton 0000408 to 0000419. The City has not discussed any other NCE provision of "financing, loans, funding, or any form of monetary support" to the City for the proposed purchase of Xcel Energy's property.

The City has not had any discussions with Great River Energy (GRE) about GRE providing "financing, loans, funding, or any form of monetary support" to the City for the proposed purchase of Xcel Energy's property.

Information Request No. 32 (continued)

Preparer: Joshua Malchow
Title: City Administrator
Department: City of Slayton
Telephone: Contact through Counsel
Date: October 31, 2025

As to Objections:

Joshua P. Weir
Attorney
Kennedy & Graven, Chartered
(612) 337-9212
October 31, 2025

Information Request No. 8

Docket No.: E002, PT7157/SA-25-129
Response To: City of Slayton
Requestor: Xcel Energy
Date Received: September 3, 2025

Question:

Identify any additional infrastructure the City would need to construct to provide service to Xcel Energy's current customers if the purchase is completed.

Response: The City of Slayton objects to this request as beyond the scope of proceedings for determining just compensation as specified by Minn. Stat. § 216B.45 and the Notice of and Order for Hearing of the Public Utilities Commission dated June 2, 2025; not relevant to any party's claim or defense in this case; overly broad, unduly burdensome, and not proportional to the needs of the case; and further reserves the right to state additional objections at such time as they may be identified. Subject to and without waiving the foregoing objections, the City answers as follows:

The City intends to receive transmission and substation services from Great River Energy and Nobles Cooperative Electric via a new substation designed and constructed by Nobles south of the City of Slayton on property located at or about 851 15th Avenue, Slayton, MN, 56172 (Murray County Tax Parcel ID 20-021-0012), which will be served by a Great River Energy transmission line extension.

It is planned that the City will construct or cause to be constructed a line from the meter in the new substation to connect to the current distribution facilities within the City to be acquired from Xcel as part of this municipalization undertaking. Additional future infrastructure to be constructed may be based on such current and long-term needs as may be identified.

Preparers:	Josh Malchow	David A. Berg
Title:	City Clerk / Administrator	Principal, Consultant
Department:	Administration	Dave Berg Consulting LLC
Telephone:	Contact through Counsel	Contact through Counsel
Supplemented:	September 26, 2025	September 26, 2025

As to Objections:

Preparer: Joshua P. Weir
Title: Attorney
Department: Kennedy & Graven, Chartered
Telephone: (612) 337-9212
Supplemented: September 26, 2025

From: [Adam Tromblay](#)
To: cityadmin@slayton.govoffice.com
Subject: Article
Date: Wednesday, March 2, 2022 2:13:05 PM
Attachments: [image003.png](#)

Hi Josh,

Haven't been bugging you lately but hope you got the questions answered you were looking for from Xcel. Looking forward to going over them when you guys are ready. Found this article pretty fascinating and maybe the timing for what you want to do is perfect with Xcel stating they may be wanting to sell off some rural assets.

<https://www.mmua.org/news/breaking-news/reliability-report-leads-to-suggestion-of-xcel-territory-sale>

Take care,



Adam Tromblay | CEO/GM
P: 507.666.6059 C: 507.220.3531

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www.avg.com

From: [Adam Tromblay](#)
To: cityadmin@slayton.govoffice.com
Subject: FW: MMUA article re: recent Xcel Energy customer acquisition fees
Date: Friday, March 22, 2024 8:36:58 AM

From: Fagan, Mark GRE-MG <MFagan@GREnergy.com>
Sent: Monday, October 17, 2022 1:35 PM
To: Tromblay, Adam COOP-NBE <atromblay@noblesce.com>
Cc: Overgard, Todd GRE-MG <TOvergard@GREnergy.com>
Subject: MMUA article re: recent Xcel Energy customer acquisition fees

<https://www.mmua.org/news/breaking-news/municipals-xcel-ink-electric-service-territory-agreements>

Mark

Mark Fagan

Corporate & Member Services

763-445-5301 / cell: 254-715-3815

mfagan@greenergy.com

NOTICE TO RECIPIENT: The information contained in this message from Great River Energy and any attachments are confidential and intended only for the named recipient(s). If you have received this message in error, you are prohibited from copying, distributing or using the information. Please contact the sender immediately by return email and delete the original message.



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From: [Amy Rucker](#)
To: [Josh Malchow](#)
Cc: [Adam Tromblay](#)
Subject: FW: Slayton
Date: Monday, November 20, 2023 12:18:26 PM
Attachments: [image001.png](#)
[Potential Questions at Public Meeting.pdf](#)

Hi Josh,

Please see below regarding Xcel's reporting of reliability, including in Slayton.

Also – attached is a list of questions we thought of that may be asked at the public meeting on the 30th.

Would you like to meet with us Monday or Tuesday next week to discuss the potential questions, etc.?



Amy Rucker | Executive Assistant
Direct: 507.666.6061 **P:** 800.776.0517 ext. 223
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[WEBSITE](#) | [FACEBOOK](#)
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From: Adam Tromblay <atromblay@noblesce.com>
Sent: Thursday, November 16, 2023 1:18 PM
To: 'Tracey Haberman' <thaberman@noblesce.com>; criley@noblesce.com; 'Amy Rucker' <arucker@noblesce.com>
Subject: FW: Slayton

From: Tricia Elite <tricia@mrea.org>
Sent: Thursday, November 16, 2023 1:08 PM
To: Adam Tromblay <atromblay@noblesce.com>; Jenny Glumack <Jenny@mrea.org>
Cc: Dan Lipschultz <lipschultzconsulting@gmail.com>; Darrick Moe <darrick@mrea.org>
Subject: RE: Slayton

Hi Adam,

Jenny mentioned to me that she was able to find 2018, 2020, and 2022 numbers for Slayton but not the others. I went through Xcel's submissions and found the same thing. Slayton is reported only in even numbered years. I could not find any explanation for this but it appears as a pattern rather than random. I included the link to each year's submission by Xcel below as well as the page number for the reliability chart and whether Slayton was on it or not.

[2018 Data \(PUC Docket #19-261\)](#)

Outage Data table for Southeast: Page 64
Slayton Data is listed.

[2019 Data \(PUC Docket #20-406\)](#)

Outage Data table for Southeast: Page 125
Slayton Data is not listed.

[2020 Data \(PUC Docket #21-237\)](#)

Outage Data table for Southeast: Page 52
Slayton Data is listed.

[2021 Data \(PUC Docket #22-162\)](#)

Outage Data table for Southeast: Page 102
Slayton Data is not listed.

[2022 Data \(PUC Docket #23-73\)](#)

Outage Data table for Southeast: Page 101
Slayton Data is listed.

I know you were hoping to find this information out without making inquiries so we can stop here if you want. Otherwise, I think the next steps for finding out if this data is available somewhere would be to inquire with the PUC about why Slayton is only included every other year. If there is an explanation, such as varied reporting requirements, the PUC should be able to tell us that without alerting Xcel to the inquiry (assuming you want to avoid that). If instead, we find the data was erroneously omitted, we could ask the PUC to inquire with Xcel about the missing data

at that time (or not depending on your goals).

One last thing I wanted to point out that may be useful to the committee you are forming is to skim the reports for useful information in the written portions. Some of these narratives, written by Xcel themselves, could help you build a narrative for your campaign that they don't serve rural communities well.

One such example I came across is in the 2019 report where Xcel writes that the PUC requested Xcel to look at the cause of outages in the Southeast Center specifically, whereas they typically only report for the state as whole, making it hard to parse out issues in certain areas (pg. 108). They found that vegetation and overhead equipment were the biggest drivers of customer outage time, in part due to delayed maintenance. Here is the blurb in the report:

"Review of our Vegetation program found that the Southeast Work Center has drifted off its on-cycle vegetation management programming, achieving 100 percent on-cycle in 2015, but only achieving around 92 percent on-cycle at the end of 2019. It is likely that this departure from on-cycle vegetation management practices had a meaningful impact on reliability metrics, especially because of the high percentage of overhead lines in the Southeast Work Center."

The report also notes that Xcel's process for investigating whether outages caused by vegetation were preventable is triggered by outages that impact 100 people or more. In a sparsely populated, rural area, a metric of 100 affected customers is going to catch a lot fewer issues than using that metric in densely populated urban areas.

If Xcel isn't disaggregating its data by region or differentiating its practices based on the characteristics of the service area, then of course all these metro-centric practices won't serve rural areas well. That's definitely a message that resonates with people and it can be backed up by this kind of report narrative.

Please let us know if you'd like us to inquire with the PUC about the missing data.

Cooperatively yours,
Tricia

Tricia Elite
Government Relations Representative
Minnesota Rural Electric Association
tricia@mrea.org
763.424.7239

From: Adam Tromblay <atromblay@noblesce.com>
Sent: Wednesday, November 15, 2023 9:09 PM
To: Jenny Glumack <jenny@mrea.org>
Cc: Dan Lipschultz <lipschultzconsulting@gmail.com>; Tricia Elite <tricia@mrea.org>; Darrick Moe <darrick@mrea.org>
Subject: Re: Slayton

Thanks Jenny,

I have found many of the past years filings but none other than 2022 give specific data for Slayton and wondering if you had a path to find that info? I doubt they would just have Slayton data for one year.

Thanks,
Adam

Sent from my iPad

On Nov 15, 2023, at 8:58 PM, Jenny Glumack <jenny@mrea.org> wrote:

Adam,

Let us know if this is what your looking for. Here is 2020-on PUC E-Docs, Page 52. Tricia, can you see if you can find the other years- should go back to 2019. I can walk you through if needed.
Would be under Annual Quality Service Report for Xcel.

Here are the docket numbers:

Slayton 0000363

Docket Numbers

Docket Number by Year Data Were Filed					
Electric Utility	2023	2022	2021	2020	2019
Xcel Energy	23-73	22-162	21-237	20-406	19-261

Thank you!

Jenny Glumack
Director of Government Affairs

<image002.jpg>

Minnesota Rural Electric Association

11640 73rd Ave. N.
Maple Grove, MN 55369
c: 651.395.1731 | d: MailScanner has detected a possible fraud attempt from "763.424.7231" claiming to be 763.424.7238
| o: 763.424.1020

MailScanner has detected a possible fraud attempt from "urldefense.proofpoint.com" claiming to be MailScanner has detected a possible fraud attempt from "urldefense.proofpoint.com" claiming to be www.mrea.org

STAY CONNECTED

<image005.jpg>

<image006.jpg>

<image007.jpg>

<image008.jpg>

<image009.png>

From: Adam Tromblay <atromblay@noblesce.com>
Sent: Wednesday, November 15, 2023 4:09 PM
To: Dan Lipschultz <lipschultzconsulting@gmail.com>; Jenny Glumack <Jenny@mrea.org>
Cc: Darrick Moe <darrick@mrea.org>
Subject: Slayton

Hi Guys,

Jill from GRE pointed us in a direction that helps paint Xcel in a horrible light for the Southern part of MN and I bet the PUC would love to know a couple non truths in some of the reports. One really interesting chart is the one below that has Slayton and it's numbers. We have gone back through past reports and none have Slayton by itself like this one. Can you help to find or point us in a direction to where this may be found or use inside resources to get for us?

Thanks,
Adam

From: Eide, Jill GRE-MG <JEide@GREnergy.com>
Sent: Wednesday, November 15, 2023 10:42 AM
To: Tromblay, Adam COOP-NBE <atromblay@noblesce.com>
Cc: Overgard, Todd GRE-MG <TOvergard@GREnergy.com>
Subject: FW: Sadi

Hi Adam,

Todd sent this request along as he's out of the office this week. Here's what I found: PUC Docket# 23-73

There are publicly available outage metrics specific to Slayton for 2022. The Slayton specific metrics will go away moving forward unless the PUC extends quarterly reporting for Xcel's "Southeast" region (which is unlikely). However there are also ongoing outage metrics for the Southeast region, representing rural southern MN. The attached document includes the 2022 Annual Report and 2022 Southeast Work Center Q4 Update. The Q4 Update has some good insights into the Xcel southern rural MN service area.

Slayton metrics: pdf p. 101 (2022 Southeast Work Center Q4 Update)
<image001.jpg>
<image003.jpg>

Southeast regional metrics: starting pdf p. 46 (document page label 54, 2022 Annual Report)
<image004.png>
(more trend charts in attached report)

A couple notable docket comments:

1. The Department of Commerce ranks meter reading, involuntary disconnections, and customer complaints as the three most important service quality concerns.
2. The City of Minneapolis commented on the docket regarding Xcel's poor reliability in relation to neighboring metro utilities. Further, the city brought up the issues of equitable locational reliability and service.
 1. Xcel's response: the Company continues to meet industry IEEE reliability standards as well as comply with state reliability standards from the Department of Commerce.

Other metrics available in the report: meter reading, call center service data, JD Power customer satisfaction scores.

Let us know what questions come up or other data you might be looking for.

Jill

Jill Eide, CEM | Manager, Business Growth and Development
G R E A T R I V E R E N E R G Y
12300 Elm Creek Blvd N | Maple Grove, MN 55369
O: 763.445.6111 | C:651-279-2735
jeide@greenergy.com | www.greatriverenergy.com

From: Overgard, Todd GRE-MG <TOvergard@GREnergy.com>
Sent: Tuesday, November 14, 2023 8:55 AM
To: Eide, Jill GRE-MG <JEide@GREnergy.com>
Subject: Fwd: Sadi

Hi Jill,

Is this something you could investigate for Adam?

Get [Outlook for iOS](#)

From: Adam Tromblay <atromblay@noblesce.com>
Sent: Monday, November 13, 2023 4:57:08 PM
To: Overgard, Todd GRE-MG <TOvergard@GREnergy.com>
Subject: Sadi

This email was sent by an external sender. Opening attachments or clicking links from untrusted sources may cause damage to you and Great River Energy.

Hi Todd,

Are the Xcel outage numbers public and specific to Slayton and something we could get?

Thanks,
Adam

Sent from my iPhone

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Slayton 0000365

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<Nobles 20214-172530-03.pdf>

Potential Questions at the 11/30 Public Meeting

1. Why doesn't NCE just buy it? *If Xcel wants to sell it to NCE, we can buy it. Right now, our role is to help the city set-up their own electric utility.*
2. Is NCE interested in buying it?
3. Where will the power come from?
4. Why municipalize and buy power from NCE? Why don't we just buy it from Xcel? Have you looked at other options?
5. Are our rates going to increase?
6. Will our taxes increase?
7. Is the whole city council and mayor in favor of municipalization?
8. What happens when we have outages?
9. Why does the city think they have the capability to be an electric utility?
10. What does the city think they can do better than Xcel?
11. Who would be affected by this? Just City of Slayton residents?
12. How will the municipal utility be run?
13. Why do you think you'll have better reliability than Xcel?
14. What does Xcel say about the proposed municipalization?
15. How much is this going to cost?
16. Does NCE have the capability to take on the City of Slayton?
17. Do we get the benefits of being the member of a cooperative?
18. Who owns NCE?
19. How does the city benefit?
20. What are the downsides?
21. Who do I call when I have an outage?
22. Who do I call when I have a billing question?
23. Will there be a "live person" in the Slayton office? *Yes*
24. It looks like Xcel is putting a lot of money into the system. Aren't they fixing it up?

From: [Adam Tromblay](#)
To: cityadmin@slayton.govoffice.com
Subject: FW: Xcel and community solar
Date: Thursday, February 22, 2024 2:15:45 PM
Attachments: [image001.png](#)

This is good news for the cities buyout. Adam

From: Tracey Haberman <thaberman@noblesce.com>
Sent: Thursday, February 22, 2024 1:44 PM
To: 'Adam Tromblay' <atromblay@noblesce.com>
Subject: Xcel and community solar

<https://www.mrea.org/wp-content/uploads/2024/02/Minnesota-regulators-cut-community-solar-bill-credits-to-save-money-for-Xcel-customers-1.pdf>



Tracey Haberman | Member Services Manager
P: 800.776.0517 C: 507.360.8523

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- Set an energy saving goal

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 **MyMeter**

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From: [Adam Tromblay](#)
To: ["Tracey Haberman "](#); ["Amy Rucker"](#); ["Mike Reemtsma"](#); ["Cody Hansen "](#); ["Christy Riley"](#);
cityadmin@slayton.govoffice.com
Subject: Link to muni article
Date: Friday, December 8, 2023 1:29:49 PM

https://www.democratandchronicle.com/story/news/2023/12/04/rochester-public-power-metro-justice-ny-utilities-coned-rge-nyseg-central-hudson-national-grid/71397531007/?utm_source=Sailthru&utm_medium=email&utm_campaign=Issue:%202023-12-04%20Utility%20Dive%20Newsletter%20%5Bissue:56991%5D&utm_term=Utility%20Dive



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From: [Adam Tromblay](#)
To: ["Josh Malchow"](#); ["Blake Heronimus"](#)
Subject: RE: Fire Calls
Date: Tuesday, April 25, 2023 1:29:33 PM

Thanks Josh

I inquired about possible financing and CoBank has the ability to loan to Municipals for a possible avenue.

From: Josh Malchow <cityadmin@slayton.govoffice.com>
Sent: Monday, April 24, 2023 11:26 AM
To: Tromblay, Adam <atromblay@noblesce.com>; Blake Heronimus <blake.heronimus@gmail.com>
Subject: Fire Calls

I'm attaching the "summary" that Chief Chris typed up (addresses redacted), I'm not going to pass along the actual dispatch logs and run sheets as those have confidential data on them.

Josh Malchow
City Clerk/Administrator
City of Slayton
507-836-8534

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From: [Adam Tromblay](#)
To: cityadmin@slayton.govoffice.com; dave@davebergconsulting.com
Subject: RE: Meter Changeouts in Slayton/Surrounding Area
Date: Thursday, December 19, 2024 3:25:30 PM

That's not good. Especially if they are going to charge you for them. They will not work with our system and there is really no way to get them to work as buying the software for metering systems is more expensive than the meters. None of the metering companies work together so you are correct they won't play nice. This would really interfere with any long term plans if the meters were charged to you.

It may be time to play the PUC intervention card and do what you can to stop this and to also get the conversation started.

Thanks for the update, we can talk about it or any other questions you have.

Take care,
Adam

From: cityadmin@slayton.govoffice.com <cityadmin@slayton.govoffice.com>
Sent: Thursday, December 19, 2024 2:59 PM
To: Berg, Dave <dave@davebergconsulting.com> <dave@davebergconsulting.com>; Adam Tromblay <atromblay@nobles.coop>
Subject: Fw: Meter Changeouts in Slayton/Surrounding Area

Adam,

Everyone in Slayton recently was sent a letter from that stated their meter was going to be swapped out sometime in the near future. I reached out to Xcel to see if this was good idea considering that we are acquiring the system and maybe we don't want that kind of meter. They responded that they are going to swap them out anyway as they are moving systemwide to AMI meters in 2025 (see that email below). I then asked specifically what kind of meters are going to be installed and that response is also below from Eric. Probably not what we want to hear since I'm pretty sure you guys use Sensus meters if I remember correctly but at least we know now. Maybe we can hope that our meter reading software/interface has the ability to read more than one brand of meter? I doubt it.

Josh

From: Pauli, Eric M <eric.pauli@xcelenergy.com>
Sent: Thursday, December 19, 2024 2:32 PM
To: Josh Malchow <cityadmin@slayton.govoffice.com>
Cc: Marshall, John I <John.I.Marshall@xcelenergy.com>
Subject: RE: Meter Changeouts in Slayton/Surrounding Area

Good Afternoon Josh-

Here is the information that you requested in association with the meters that will be installed.

Itron, RIVA, Gen 5

Eric Pauli

Xcel Energy | You. Us. Together.

Community Relations Manager

500 West Russell Street, Sioux Falls, SD 57104

P: 605-339-8303 C: 605-321-6006

E: eric.pauli@xcelenergy.com

[Message me on Teams](#)

[Call me on Teams](#)

XCELENERGY.COM

Please consider the environment before printing this email

From: Josh Malchow <cityadmin@slayton.govoffice.com>

Sent: Wednesday, December 18, 2024 8:27 AM

To: Pauli, Eric M <eric.pauli@xcelenergy.com>

Cc: Marshall, John I <John.I.Marshall@xcelenergy.com>

Subject: Re: Meter Changeouts in Slayton/Surrounding Area

EXTERNAL - STOP & THINK before opening links and attachments.

Thank you for the response. Can you tell me specifically what type of meters (manufacturer/model #) are going to be installed in Slayton. Just trying to do some due diligence regarding compatibility for the future. Thank you.

Josh

----- Original Message -----

From: "Pauli, Eric M" <eric.pauli@xcelenergy.com>

Sent: 12/13/2024 2:25:07 PM

To: "Josh Malchow" <cityadmin@slayton.govoffice.com>

Cc: "Marshall, John I" <John.I.Marshall@xcelenergy.com>

Subject: Meter Changeouts in Slayton/Surrounding Area

Good Afternoon Josh-

I conversed with our internal folks regarding your question about the new meter changeouts in Slayton. Xcel Energy plans to continue to move forward with the installations in Slayton and the surrounding communities served in the first quarter of 2025. The company is approaching the end of its transition to the new meters which operate with different technology than the ones that exist today. In a nutshell, we must change the meters out otherwise we will not be able to read usage as the old system is being retired in 2025.

Any further questions regarding the meters just give a shout. Have a great weekend!

Sincerely,

Slayton 0000449

Eric Pauli

Xcel Energy | You. Us. Together.

Community Relations Manager

500 West Russell Street, Sioux Falls, SD 57104

P: 605-339-8303 C: 605-321-6006

E: eric.pauli@xcelenergy.com

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[Call me on Teams](#)

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From: [Adam Tromblay](#)
To: "Josh Malchow"; blake.heronimus@gmail.com
Subject: RE: Slayton Member Info
Date: Tuesday, November 2, 2021 9:21:54 AM
Attachments: [image002.png](#)

Hi Josh,

I can make today after 1:30 work, and can make most anytime Wednesday or Thursday work. Friday is definitely out with the big game in Marshall.

Thanks,
Adam

From: Josh Malchow <cityadmin@slayton.govoffice.com>
Sent: Tuesday, November 2, 2021 9:07 AM
To: Adam Tromblay <atromblay@noblesce.com>; blake.heronimus@gmail.com
Subject: Re: Slayton Member Info

Adam,

Blake and I would love to meet with you and discuss what our thoughts/next steps are? Do you have any availability this week? The only time that doesn't work for me is Friday afternoon.

Josh Malchow, ICMA-CM
City Clerk/Administrator
City of Slayton
507-836-8534

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----- Original Message -----

From: "Adam Tromblay" <atromblay@noblesce.com>
Sent: 10/29/2021 8:24:34 AM
To: blake.heronimus@gmail.com, cityadmin@slayton.govoffice.com
Subject: Slayton Member Info

Blake and Josh,

Here is a list of informational items that will make the transition much easier from our end. We realize it would be a huge win to get these and there are chances we would not get a single item answered, but if the chance arises we could get this information for each member (customer) it would be very beneficial.

Let me know if you have any questions.

Thanks,



Adam Tromblay | CEO/GM
P: 507.666.6059 C: 507.220.3531

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From: [Adam Tromblay](#)
To: "Josh Malchow"; blake.heronimus@gmail.com
Subject: RE: Slayton Member Info
Date: Tuesday, November 2, 2021 10:08:58 AM
Attachments: [image002.png](#)

That works for me. See you then.

From: Josh Malchow <cityadmin@slayton.govoffice.com>
Sent: Tuesday, November 2, 2021 9:48 AM
To: Adam Tromblay <atromblay@noblesce.com>; blake.heronimus@gmail.com
Subject: Re: Slayton Member Info

Blake and I can do 2:00pm today. My office across from Minnwest Bank in Slayton?

Josh Malchow, ICMA-CM
City Clerk/Administrator
City of Slayton
507-836-8534

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----- Original Message -----

From: "Adam Tromblay" <atromblay@noblesce.com>
Sent: 11/2/2021 9:21:58 AM
To: "Josh Malchow" <cityadmin@slayton.govoffice.com>, blake.heronimus@gmail.com
Subject: RE: Slayton Member Info

Hi Josh,

I can make today after 1:30 work, and can make most anytime Wednesday or Thursday work. Friday is definitely out with the big game in Marshall.

Thanks,
Adam

From: Josh Malchow <cityadmin@slayton.govoffice.com>
Sent: Tuesday, November 2, 2021 9:07 AM
To: Adam Tromblay <atromblay@noblesce.com>; blake.heronimus@gmail.com
Subject: Re: Slayton Member Info

Adam,

Blake and I would love to meet with you and discuss what our thoughts/next steps are? Do you have any availability this week? The only time that doesn't work for me is Friday afternoon.

Josh Malchow, ICMA-CM
City Clerk/Administrator
City of Slayton
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----- Original Message -----

From: "Adam Tromblay" <atromblay@noblesce.com>
Sent: 10/29/2021 8:24:34 AM
To: blake.heronimus@gmail.com, cityadmin@slayton.govoffice.com
Subject: Slayton Member Info

Blake and Josh,

Here is a list of informational items that will make the transition much easier from our end. We realize it would be a huge win to get these and there are chances we would not get a single item answered, but if the chance arises we could get this information for each member (customer) it would be very beneficial.

Let me know if you have any questions.

Thanks,



Adam Tromblay | CEO/GM
P: 507.666.6059 C: 507.220.3531

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From: [Christy Riley](#)
To: [Josh Malchow](#); "[Adam Tromblay](#)"; "[Amy Rucker](#)"; "[Tracey Haberman](#)"; "[Mike Reemtsma](#)"
Subject: Re: website - update
Date: Friday, December 1, 2023 2:43:34 PM

Can we go for 130pm again?

Get [Outlook for iOS](#)

From: Josh Malchow <cityadmin@slayton.govoffice.com>
Sent: Friday, December 1, 2023 2:39 PM
To: Christy Riley <criley@noblesce.com>; 'Adam Tromblay' <atromblay@noblesce.com>; 'Amy Rucker' <arucker@noblesce.com>; 'Tracey Haberman' <thaberman@noblesce.com>; 'Mike Reemtsma' <mreemtsma@noblesce.com>
Subject: Re: website - update

v\:* {behavior:url(#default#VML);} o\:* {behavior:url(#default#VML);} w\:* {behavior:url(#default#VML);} shape {behavior:url(#default#VML);}

I'm free anytime on Monday the 4th to meet.

Josh

----- Original Message -----

From: "Christy Riley" <criley@noblesce.com>
Sent: 11/29/2023 3:58:22 PM
To: "'Adam Tromblay'" <atromblay@noblesce.com>, "'Amy Rucker'" <arucker@noblesce.com>, cityadmin@slayton.govoffice.com, "'Tracey Haberman'" <thaberman@noblesce.com>, "'Mike Reemtsma'" <mreemtsma@noblesce.com>
Subject: website - update

I've made quite a few changes to the website today.

I added a few "coming soon" items and I think we could be close to launching officially... even with the coming soon items listed as they are. We can always add or subtract more as well as we go.

Thoughts?

www.slaytonpower.com



Christy Riley | Marketing and Communications Contractor

Slayton 0000890

507-227-0791

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From: [Blake Heronimus](#)
To: [Josh Malchow](#)
Subject: Re: website ?
Date: Wednesday, November 29, 2023 8:23:22 AM

that looks really good

On Tue, Nov 28, 2023 at 4:26 PM Josh Malchow <cityadmin@slayton.govoffice.com> wrote:

Josh Malchow
City Clerk/Administrator
City of Slayton
507-836-8534

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----- Original Message -----

From: "Christy Riley" <criley@noblesce.com>
Sent: 11/28/2023 4:17:47 PM
To: "'Adam Tromblay'" <atromblay@noblesce.com>, cityadmin@slayton.govoffice.com,
"'Tracey Haberman'" <thaberman@noblesce.com>, "'Amy Rucker'"
<arucker@noblesce.com>
Subject: website ?

Here is a first look at the Slayton Power website. www.slaytonpower.com

It isn't on a platform that I love, but it is free software, so not as many opportunities for fun formatting, but...it is free!

Points to Ponder:

- Can add a few more FAQ either now or after the meeting.
- Have any other useful links or information that you think would be helpful? We can link to PDFs or other documents as well.

I can't seem to get the audio to work on the video at the top – it is just background music – if I can't get it to work, I can just make it plain video or a static photo.

I will figure out a form for people to fill out or a place for people to go to ask

questions. I could probably start an email something like admin@slayton.power.com or something if you think that would be useful. Phone number? List the committee members? We probably should.

Thoughts? Suggestions? Changes?



Christy Riley | Marketing and Communications Contractor
507-227-0791

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From: [Amy Rucker](#)
To: ["Christy Riley"](#)
Cc: [Josh Malchow](#); [Adam Tromblay](#); [Tracey Haberman](#); [Mike Reemtsma](#)
Subject: RE: website ?
Date: Wednesday, November 29, 2023 7:54:45 AM
Attachments: [image.png](#)

My opinions:

- I really like it!
- I don't think we need music.
- We can add more FAQs after the meeting – we'll know then what people are wondering about.
- A form would be great.
- I don't think we need a phone number.
- I don't think we should list the committee members. On the other hand, will it look bad if we don't?



Amy Rucker | Executive Assistant

Direct: 507.666.6061 **P:** 800.776.0517 ext. 223

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From: Christy Riley <criley@noblesce.com>

Sent: Tuesday, November 28, 2023 4:18 PM

To: 'Adam Tromblay' <atromblay@noblesce.com>; cityadmin@slayton.govoffice.com; 'Tracey Haberman' <thaberman@noblesce.com>; 'Amy Rucker' <arucker@noblesce.com>

Subject: website ?

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members? We probably should.

Thoughts? Suggestions? Changes?



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Electric**

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Christy Riley | Marketing and Communications Contractor
507-227-0791

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From: [Tracey Haberman](#)
To: "Josh Malchow"
Cc: "Tromblay, Adam"
Subject: RE: City of Slayton informational brochure and postcard invite
Date: Friday, October 27, 2023 11:53:39 AM
Attachments: [image001.png](#)

Thank you!



Tracey Haberman | Member Services Manager
P: 800.776.0517 C: 507.360.8523

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- View and report outages
- Set an energy saving goal



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From: Josh Malchow <cityadmin@slayton.govoffice.com>
Sent: Friday, October 27, 2023 11:53 AM
To: Tracey Haberman <thaberman@noblesce.com>
Cc: Tromblay, Adam <atromblay@noblesce.com>
Subject: Re: City of Slayton informational brochure and postcard invite

----- Original Message -----

From: "Tracey Haberman" <thaberman@noblesce.com>
Sent: 10/25/2023 2:21:31 PM
To: "Josh Malchow" <cityadmin@slayton.govoffice.com>
Subject: City of Slayton informational brochure and postcard invite

Good afternoon Josh,

I attached a couple of first draft options for you to consider for the informational brochure and the postcard invite. Please let me know what your thoughts are. Do not hesitate to pick away at each of them.

The cooperative could have them produced and mailed. We use Dairyland out of Wisconsin and they are very reasonable in price. Would you like to split the cost?

Talk to you soon!

Thank you!

Tracey Haberman | Member Services Manager
P: 800.776.0517 C: 507.360.8523



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November 30, 2023

City of Slayton Informational Meeting





The City of Slayton is Exploring the Opportunity to Create a Municipal Electric Utility



Discussion



- What is the history?
- What are we looking at doing?
- What do we have to do?
- How do we do it?
- What is going to happen next?

What's next?

Important dates:

- **November 30 - Informational Meeting**
- **January 15 - Public Hearing**
- **March 1 - Public Hearing**
- **May 14 - Vote for MEU**

Additional informational meetings are forthcoming, but the dates have not yet been determined.



THANK YOU

CONTACT: JOSH MALCHOW



507-836-8534



cityadmin@slayton.govoffice.com



The City of Slayton invites you to an

INFORMATIONAL MEETING

Are you concerned about Slayton's electric power, infrastructure, operations and maintenance, outage response times, customer service and rates?

The city is exploring the opportunity to create a municipal electric utility. Join us to learn more. City representatives will be on hand to answer all of your questions.

November 30, 2023

Murray County Central Auditorium at 7 p.m.
2420 28th Street, Slayton, MN 56172

Questions?

Contact Josh Malchow at 507-836-8534
email cityadmin@slayton.govoffice.com



slayton 000078

Northern States Power Company
Correspondence with Nobles Elec Coop

Docket No. E002, PT-7157/SA-25-129
CAH Docket No. 25-2500-40870
Exhibit____(ADK-1), Schedule 9
Page 34 of 39

*The City of Slayton invites
you to learn more about the
opportunity for the city to
create a municipal
electric utility and discuss
all of your questions.*



City Administrator
2424 26th Street
Slayton, MN 56172



**City of Slayton
Informational
Meeting**

November 30, 2023
Murray County Central
2420 28th Street,
Slayton, MN 56172
Auditorium at 7 p.m.

Slayton 0000733

The City of Slayton invites you to an

INFORMATIONAL MEETING

Are you concerned about Slayton's electric power, infrastructure, operations and maintenance, outage response times, customer service and rates?

The city is exploring the opportunity to create a municipal electric utility. Join us to learn more. City representatives will be on hand to answer all of your questions.

November 30, 2023

Murray County Central Auditorium at 7 p.m.
2420 28th Street, Slayton, MN 56172

Questions?

Contact Josh Malchow at 507-836-8534
email cityadmin@slayton.govoffice.com



Slayton 0000734

From: [Tracey Haberman](#)
To: ["Josh Malchow"](#)
Subject: RE: City of Slayton informational brochure and postcard invite
Date: Wednesday, November 8, 2023 3:10:16 PM
Attachments: [image.png](#)

Thank you Josh! We got it.



Tracey Haberman | Member Services Manager
P: 800.776.0517 C: 507.360.8523

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From: Josh Malchow <cityadmin@slayton.govoffice.com>
Sent: Wednesday, November 8, 2023 3:08 PM
To: Tracey Haberman <thaberman@noblesce.com>
Cc: Tromblay, Adam <atromblay@noblesce.com>
Subject: Re: City of Slayton informational brochure and postcard invite

The edits to the invite are attached.

As for the brochure and presentation, my main thought about the current drafts are that it's more suited for the next round of meetings and a bit "cart before the horse" for this first meeting. The content of your drafts is a lot of why are we doing what we want to do and I'd like the first meeting to be what's the history, what are we looking at doing, what do we have to do, how do we do it, and what's going to happen next with a little bit of why sprinkled in so that they can start to formulate an opinion on the matter.

Kindly respond that this came through correctly please.

Josh

----- Original Message -----

From: "Tracey Haberman" <thaberman@noblesce.com>

Sent: 11/8/2023 1:18:05 PM

To: "Josh Malchow" <cityadmin@slayton.govoffice.com>

Subject: RE: City of Slayton informational brochure and postcard invite

Good afternoon Josh!

We just received an email that looked like it was from you but we were unable to open it. Please see a copy of what we saw below.

Thank you!

SPAM



cityadmin@slayton.govoffice.com
To



1:15 PM



Tracey Haberman | Member Services Manager

P: 800.776.0517 **C:** 507.360.8523

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From: Josh Malchow <cityadmin@slayton.govoffice.com>

Sent: Thursday, November 2, 2023 2:22 PM

To: Tracey Haberman <thaberman@noblesce.com>

Cc: 'Tromblay, Adam' <atromblay@noblesce.com>

Subject: Re: City of Slayton informational brochure and postcard invite

Tracey and Adam

Just letting you know that I'm diving deep into what you've sent me so far early next week. I'm out today and tomorrow at a conference. Thank you for your patience.

Josh

Josh Malchow, Clerk/Administrator

From: [Blake Heronimus](#)
To: [Josh Malchow](#)
Subject: Re: website ?
Date: Wednesday, November 29, 2023 8:23:22 AM

that looks really good

On Tue, Nov 28, 2023 at 4:26 PM Josh Malchow <cityadmin@slayton.govoffice.com> wrote:

Josh Malchow
City Clerk/Administrator
City of Slayton
507-836-8534

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----- Original Message -----

From: "Christy Riley" <criley@noblesce.com>
Sent: 11/28/2023 4:17:47 PM
To: "Adam Tromblay" <atromblay@noblesce.com>, cityadmin@slayton.govoffice.com,
"Tracey Haberman" <thaberman@noblesce.com>, "Amy Rucker"
<arucker@noblesce.com>
Subject: website ?

Here is a first look at the Slayton Power website. www.slaytonpower.com

It isn't on a platform that I love, but it is free software, so not as many opportunities for fun formatting, but...it is free!

Points to Ponder:

- Can add a few more FAQ either now or after the meeting.
- Have any other useful links or information that you think would be helpful? We can link to PDFs or other documents as well.

I can't seem to get the audio to work on the video at the top – it is just background music – if I can't get it to work, I can just make it plain video or a static photo.

I will figure out a form for people to fill out or a place for people to go to ask

questions. I could probably start an email something like
admin@slayton.power.com or something if you think that would be useful. Phone
number? List the committee members? We probably should.

Thoughts? Suggestions? Changes?



Christy Riley | Marketing and Communications Contractor
507-227-0791

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