

## SOUTHERN MINNESOTA MUNICIPAL POWER AGENCY CHIEF OPERATING OFFICER



Created by its members as a not-for-profit joint-action agency in 1977, Southern Minnesota Municipal Power Agency (SMMPA) utilizes a diverse energy mix including renewable energy, coal, and natural gas-fired generation to provide reliable electricity in an environmentally sustainable manner to its 17 member utilities and the more than 129,000 customers they serve. SMMPA is governed by a seven-member Board of Directors elected by and from the ranks of member utilities.

SMMPA seeks a Chief Operating Officer (COO) to direct and manage the Agency's Operations department. The COO assists the Executive Director & CEO in the development and implementation of policies, procedures, and programs to ensure SMMPA provides its members with adequate, safe, reliable, and financially viable power and transmission resources while ensuring the Agency meets its goal to produce at least 80% of annual energy sales from carbon-free resources by 2030, meets state legislation requirements of 100% carbon-free resources by 2040, and meets Midcontinent Independent System Operator (MISO) seasonal capacity and resource adequacy requirements.

The COO manages, develops, and mentors a team of 25, including the following direct reports: Manager of Generation, Resource Planning & Operations, Manager of Power Delivery, Manager of Member Generation & Permitting, and an on-site Consultant who represents the Agency's interest at the Sherco 3 coal-fired plant. Other primary responsibilities include:

### **Serve as a key adviser to the Executive Director & CEO.**

- Recommend, develop and implement policies, procedures and initiatives to fulfill the Agency's goals and objectives.
- Assure the Agency has adequate and reliable power resources by directing short-term and long-term studies and forecasts and utilize various operating, planning, contracting, and marketing techniques.
- Keep abreast of new developments in the region and nation that could have an impact on the Agency's power supply and transmission resources.
- Manage and direct Agency transmission and generation construction projects to assure timely completion of projects within budgeted guidelines.
- Oversee the Agency's role in meeting the State of Minnesota requirements for the submission of future transmission and power supply resource plans.

**Oversee activities related to the Agency's transmission assets and related agreements.**

- Direct transmission functions in accordance with regulatory requirements and industry standards.
- Develop and implement short-term and long-term transmission strategies that maximize the reliable and affordable delivery of power.
- Maintain good relations and strong Agency presence with transmission partners and industry groups.
- Negotiate and enforce agreements with other companies relative to transmission activities.
- Ensure the Agency is compliant with applicable environmental regulations, regulatory standards, and the requirements of regional reliability organizations and regional transmission organizations to which the Agency may belong, including MISO.

**Oversee activities related to the Agency's existing and future power supply resources and related agreements, as well as the Agency's system operations functions.**

- Direct power supply resource functions in accordance with regulatory requirements and industry standards.
- Develop and implement short-term and long-term power supply strategies that maximize reliable and affordable power supply resources and provide adequate fuel supply.
- Maintain good relations and strong Agency presence with power supply partners and industry groups.
- Negotiate and enforce agreements with other companies relative to power supply resources and fuel supply activities.
- Develop and implement long-term strategy for renewable resources (including generation, contracts and Renewable Energy Credits) in a manner consistent with the Agency's strategy.
- Responsible for the Agency's resource planning activities using the Agency's in-house production cost and financial model.

- Oversee activities related to the Agency's operations center/dispatch.
- Oversee activities related to the Agency's contracts for member-owned generation.
- Direct SCADA, metering, and operations functions in accordance with regulatory requirements and industry standards.

**Direct, develop, and implement strategies for the Agency's wholesale marketing activities.**

- Develop and implement short-term and long-term wholesale marketing strategies that maximize the reliable and affordable delivery of power.
- Coordinate the efforts of the Agency's third-party wholesale power marketing partner, The Energy Authority (TEA).
- Negotiate and enforce contracts for purchases and sales of power and energy to meet short-term and long-term strategies.
- Maximize the value of trading and power marketing activity by utilizing prudent risk management techniques.
- Continuously monitor and analyze short-term and long-term energy marketing risk exposures and recommend/improve policies, strategies and procedures to promote an optimal risk-reward ratio.

**Direct and manage strategies for developing and implementing renewable energy initiatives and resources for the Agency.**

- Oversee activities for the research, development, and implementation of renewable energy initiatives and resources.
- Develop and implement policies, strategies and procedures to protect the Agency's and its Members' interests in regards to threats and opportunities in the renewable energy industry.
- Direct interaction with renewable energy suppliers to represent the Agency's interests, ensuring contractual obligations are met and construction of projects stays on schedule.
- Direct the application process for Minnesota and Federal Renewable Energy Production Incentive (REPI) payments.
- Direct and manage renewable energy-related regulatory filings and information request responses.

### Promote an understanding of Agency goals and objectives through sound employee and Member relations practices.

- Attend all Board Meetings, regularly present at those meetings, and participate in board discussion.
- Participate in activities of the Federal Energy Regulatory Commission (FERC), North American Electric Reliability Corporation (NERC), Midcontinent Independent System Operator, Inc. (MISO) and other industry affiliates as necessary to represent and promote the Agency's interests.

### THE SUCCESSFUL CANDIDATE

SMMPA requires a seasoned and accomplished leader and manager who possesses the knowledge and ability to evaluate different power supply resources, which could include identifying and negotiating power purchase agreements for renewable energy resources, developing partnerships with others on power resource and transmission asset development, as well as, proposing, procuring, permitting, constructing, and/or operating natural-gas fired generation facilities. Ideal candidates will possess broad enough knowledge and acumen of generation, power system operations, project management, bulk power systems, planning and operations, finance, engineering, and contract negotiations to be seen as a credible and strategic leader.

Additional knowledge of asset/portfolio optimization and trading in organized energy markets is preferred, as is knowledge and understanding of NERC operating criteria and guidelines, FERC policies and orders, and MISO policies and procedures.

SMMPA requires a COO with outstanding communication skills who will maintain and foster a high level of integrity, trust, and credibility with all stakeholders. The COO must forge strong relationships and work collaboratively and transparently with the Board of Directors, employees, industry peers, and other critical industry partners.

He or she is also expected to be an accomplished manager who builds strong

teams and offers a track record of employee development.

SMMPA is targeting candidates with a Bachelor's degree in engineering or an equivalent combination of education and experience. In addition to having ten plus years of related utility experience, ideal candidates will possess five or more years of management experience. An advanced degree in a related field such as business administration or engineering is preferred.

### SMMPA

From the start, SMMPA's mission has been "to unite and support public power communities to safely provide economical and reliable wholesale energy and other services in an environmentally responsible manner." Currently, SMMPA generates 27% of its electricity from renewable energy sources. Existing resources include:

- 41% of the 900 MW, coal-fired, Sherco 3 generating unit. operated by Xcel Energy and one of the cleanest coal units in the state.
- Owatonna Energy Station, 38 MW of natural gas fired generation.
- Fairmont Energy Station, 25 MW of generation fueled by natural gas.
- 224 MW of renewable energy sources, including wind, solar, biogas, biodiesel, and waste-to-energy.
- 152 MW of intermediate and peaking units, fueled by natural gas and/or diesel/biodiesel, owned and operated by member utilities.

SMMPA owns over \$240 million of transmission and substation assets within MISO.

In 2020, SMMPA launched a strategic initiative labeled "SMMPA 2.0" with a goal to reshape the Agency's generation portfolio through the planned 2030 retirement of the Sherco 3 coal-fired power plant and replace it primarily with wind and solar generation. Natural gas and other non-coal fossil-fueled generation will continue to play an important role in maintaining reliability for SMMPA's members and meeting capacity and resource adequacy requirements related to participation in the MISO market. The Agency is looking to collaborate with others on the development of new resources and evaluating possible additions of new member-owned generation.

### SMMPA (continued)

In addition to evolving its generation portfolio, the Agency is working through Grid North Partners to invest in MISO's Tranche 1 transmission projects, evaluate transmission solutions that cost effectively address local challenges, and provide input into MISO's Tranche 2 studies. SMMPA is also creating an "Electric Vehicle (EV) Charging Network" connecting its member communities.

SMMPA has total assets over \$800 million, \$374.3 million in long-term debt, and annual revenues just under \$300 million. In 2021, Fitch Ratings affirmed SMMPA's rating of AA-. The Agency has maintained its strong AA- rating for several years.

SMMPA has an agreement with The Energy Authority (TEA) to handle power marketing and risk management services for the Agency.

More information can be found at: <https://smmpa.com/>

### ROCHESTER, MINNESOTA

Rochester is located in the Southeast corner of Minnesota with a population estimated at 121,500. It is perhaps best known as the home of the Mayo Clinic. The city is also home to the

University of Minnesota's Rochester campus and several other regional colleges and universities. The city has frequently been ranked on *Money* magazine's "Best Places to Live" index.

The cost-of-living in Rochester is estimated at only 92.5% of the national average. Please visit <https://www.experiencerochestermn.com/> for more information.

### COMPENSATION, BENEFITS AND RELOCATION

SMMPA offers a competitive compensation and benefits package, which will be commensurate with candidates' qualifications and experience. The benefits package includes participation in the state Public Employee Retirement Association pension program and a deferred compensation plan with an employer match. Relocation assistance will be negotiated.

### TO APPLY

Interested candidates should submit a cover letter and resume to [jgallo@mfpllc.us](mailto:jgallo@mfpllc.us) no later than **October 2, 2023**.

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SMMPA is an Equal Opportunity Employer

