

## Local Democracy Legislation – The ability to govern ourselves

During the 2017 Legislative Session, the Minnesota Legislature passed and Gov. Dayton signed a provision that reduces duplicative regulation on your electric cooperative. This local democracy legislation returns some balance to the regulatory process, ensuring decisions that impact Steele-Waseca Cooperative Electric are made locally by your elected board of directors.

The legislation impacts the distributed generation section of the statute and brings it in line with the rest of Minnesota Statute as it applies to rates, fees, and charges of electric cooperatives. Electric cooperatives still must follow the law as laid out by the legislature in this section. The provision that the legislature recently passed and the governor signed allows for cooperatives to adopt the authority implementing this section of the statute (Minnesota Statute 216B.164). To do so, a cooperative has to pass a resolution adopting this authority and adopt rules implementing this section of the statute.

The municipal utilities in Minnesota have had similar authority in Minnesota for over 30 years. With the passage of the provision, the legislature affirmed the value of local decision making for rural electric cooperatives across Minnesota. As your locally owned cooperative, we know that local decision making can result in rates and services that reflect our community's needs while assisting in keeping administrative costs down.

Soon, the Steele-Waseca Cooperative Electric board will begin reviewing the provision on whether to opt-in and assume authority as addressed in Minnesota Statute 216B.164, Subd 11. The main focus and purpose of this change is to secure local decision making, not to substantively change the way your cooperative interacts with distributed generation.

It is important to note, if the Steele-Waseca Cooperative Electric board votes to assume authority, Steele-Waseca Cooperative Electric will continue to follow state law by having rules in place, as well as a dispute resolution process, and a means for mediation per the Minnesota State Statute.

Before the Steele-Waseca Cooperative Electric board moves on the issue on whether to opt-in or not, the board would like to provide you with the opportunity to voice your comments or concerns you as a member may have. If you are interested in this change, please contact us with your comments on or before Aug. 23, 2017. You may call our office at 507-451-7340 or 800-526-3514.

The draft resolution and rules (in their initial form) are posted on our website, [www.swce.coop](http://www.swce.coop), for member review. The resolution and rules will be reposted with any changes that may result upon completing our research and incorporating feedback from members and the board. We have also included a link to [Minnesota Statute 216B.164](#).

During the August meeting of your electric cooperative board of directors, the adoption of this authority will be addressed and any concerns or comments will be reviewed at that time.

Steele-Waseca Cooperative Electric has worked with and has commissioned more distributed generation projects per capita than any other electric cooperative in the state of Minnesota with great success. Steele-Waseca Cooperative Electric plans on continuing that tradition.