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# In your INTEREST

A POSITIVE, CREDIBLE AND INDEPENDENT VOICE FOR MINNESOTA UTILITY INVESTORS

## 2026 MINNESOTA LEGISLATIVE SESSION:

# A Closely Divided Legislature and Key Issues for Utility Investors

The 2026 legislative session is underway at the Minnesota Capitol and is shaping up to be a challenging and closely watched year for policymakers and stakeholders alike. With narrow political margins, limited budget flexibility the session is expected to focus on targeted issues rather than sweeping policy changes.

### Political Landscape

The political dynamics at the Capitol are particularly noteworthy this year. The Minnesota House is currently **evenly divided**, meaning bipartisan cooperation will be required to advance any legislation. Meanwhile, the Minnesota Senate is controlled by the DFL with a **one-vote majority**, creating a very slim margin that also requires careful coalition building.

Because of this balance, both chambers will likely proceed cautiously, and many policy proposals will need bipartisan support to move forward.

Adding another layer of complexity, **2026 is an election year**. Legislators are already looking ahead to the fall campaigns, which can make controversial or politically sensitive proposals more difficult to advance. Historically, election years tend to produce shorter agendas and more incremental policy changes as lawmakers remain mindful of their constituents and campaign considerations.

### Legislative Timeline

The session convened on **February 17, 2026**, and must adjourn by **May 18, 2026** (the legislature cannot pass any legislation on the 18th). As in previous sessions, committee deadlines will play a role in determining which proposals continue moving through the process.

The agreed-upon committee deadlines are:

- **March 27, 2026– First and Second Deadlines:** Committees must act favorably on bills in the house of origin and on companion bills in the other chamber. Most of the legislation being heard in Committee before this Deadline was “laid over for possible inclusion in the Committee’s omnibus bill” unless it needed to be referred to another Committee.
- **April 17, 2026– Third Deadline:** Committees must act on major appropriation and finance bills. Most committees (not Tax Committees) must develop their omnibus bills before this deadline.

### Increased Security at the State Capitol

A new weapons screening has taken effect at the Minnesota State Capitol for the legislative session. The screening process will closely resemble entering many other

**2026 Legislature** cont. on page 2

government buildings, as well as major sporting events or concerts, with modern equipment able to screen most individuals in just a few seconds, while bags and other large items will need to go through a scanner.

## Budget Outlook

Unlike the large budget surpluses that shaped policy discussions in recent years, the **current budget forecast leaves limited room for new spending initiatives**. As a result, lawmakers are expected to focus on a **relatively small supplemental budget bill** rather than a large expansion of programs.

However, 2026 is also typically a **bonding year**, meaning the legislature will consider a capital investment package to fund infrastructure projects across the state. Bonding bills typically include investments in transportation, higher education facilities, water infrastructure, and other public assets. As always, reaching agreement on the size and scope of the bonding bill will require negotiation between both parties and chambers and must pass by 2/3 majority vote...not a simple majority vote.

## Nuclear Energy and the Moratorium

Again this session the long-standing **moratorium on new nuclear power plants in Minnesota** will be an issue for MUI. While a full repeal of the moratorium may face political challenges, there is growing interest in examining nuclear energy as part of the state's long-term carbon-free energy strategy.

One proposal being discussed is the creation of a **study bill** that would examine the potential role of nuclear energy in Minnesota's future electric system. The study could include analysis of both **small modular reactors (SMRs)** and **large-scale nuclear facilities**, as well as potential economic and reliability impacts.

Importantly, the proposal could also include a **siting analysis to evaluate where nuclear facilities might make sense within Minnesota's energy infrastructure**. Under current discussions, the results of such a study would be reported back to the legislature in **January/February 2027**, providing policymakers with more detailed information.

For utilities and investors, this conversation signals continued legislative interest in maintaining reliable, carbon-free baseload generation as the state transitions its energy system. The Prairie Island Indian community is very involved in the development of the Study Bill.

## Thermal Energy Networks

Another emerging issue area is **Thermal Energy Networks (TENs)**. These systems use shared underground infrastructure to provide heating and cooling to multiple buildings, often utilizing ground-source geothermal technology.

While there is interest in exploring TENs as part of Minnesota's clean energy transition, utilities have emphasized the importance of **pilot projects and data collection before considering mandates or widespread deployment requirements**.

Given Minnesota's unique climate, soil conditions, and existing infrastructure, stakeholders are working to ensure that pilot projects generate sufficient data to evaluate the **cost, operational performance, and long-term effectiveness** of thermal networks in the state.

Utility investors and operators have expressed concern that **mandating these systems before pilot projects are completed could create operational and financial risks**, particularly if performance assumptions prove different under Minnesota conditions. As a result, the focus this session should be on demonstration projects and evaluation rather than broad mandates.

## Looking Ahead

With a tied House, a one-vote Senate majority, and the pressures of an election year, the 2026 legislative session will require careful negotiation and bipartisan cooperation.

For utility investors and stakeholders, engagement and monitoring will remain critical as lawmakers work through these issues and consider policies that could influence Minnesota's long-term energy infrastructure and investment landscape. ♦



# Mark your Calendar for the Summer Member Meeting Near You

All MUI Supporting Members are invited to join us for an informational program with industry speakers and a Meal. The meetings are FREE for you and a guest. Meeting topics may include utility company updates, Industry news, recap of the 2026 Legislative session and other trending energy topics...and MUI BINGO.

You MUST register for the meeting of your choice by going to the MUI website ([www.mnutilityinvestors.org](http://www.mnutilityinvestors.org))

call us at 651-227-7902 or send us a note at 3460 Washington Drive, Suite 210, Eagan MN 55122.

Below are the Dates, Times and Locations of the meeting. Each meeting is approximately 1.5 hours. Please pick the Meeting that works best for your schedule and let us know.

We look forward to seeing you this summer! ♦

## 2026 SUMMER MEMBER MEETINGS

Meeting	Event Date	Start Time	Event Location	Event Address	Notes
Alexandria	Thurs., June 18	4:30 PM	Hampton Inn & Suites	2705 S Broadway St	
Bloomington	Wed., June 24	11:30 AM	Bloomington Events Ctr Knights of Columbus	1114 American Blvd W	
Brainerd	Tues., June 23	5:00 PM	American Legion Post 255	708 Front St	<b>NEW LOCATION</b>
Duluth	Mon., June 8	11:30 AM	Hampton Inn Canal Park	310 Canal Park Dr	
Fergus Falls	Thurs., June 18	11:30 AM	AmericInn	526 Western Avenue	
Mankato	Thurs., June 25	5:00 PM	Holiday Inn Express & Suites Mankato East	2051 Adams Street	<b>NEW LOCATION</b>
NorthEast Metro	Thurs., May 28	11:30 AM	North Metro Event Center (Shoreview)	1000 Gramsie Rd	
Rochester	Tues., June 16	11:30 AM	Comfort Inn & Suites West	2005 Commerce Drive NW	<b>NEW LOCATION</b>
St. Cloud	Wed., May 27	11:30 AM	VFW Post 4847	104 Franklin Ave NE	<b>NEW LOCATION</b>
St. Paul	Tues., June 16	5:00 PM	Joseph's Grill	140 South Wabasha	
Woodbury	Wed., June 17	11:30 AM	La Quinta Inn & Suites	700 Bielenberg Drive	

**Members are welcome to bring a guest. Meetings last 1.5 hours.**

**Choose a meeting that best fits your schedule.**

**Reserve via phone, by website or by mailing back the form on the reverse side.**

**651-227-7902 / [www.mnutilityinvestors.org](http://www.mnutilityinvestors.org)**

## CenterPoint Energy advances networked geothermal pilot project

As part of the company's efforts to implement its innovation plan, CenterPoint Energy has selected the joint team of Resource Innovations and Salas O'Brien to help advance the company's networked geothermal pilot project, supporting site selection and the system feasibility study. The joint team brings expertise in developing utility thermal energy network strategies and networked geothermal and district energy systems, including in Minnesota.

A networked geothermal system can provide heating and cooling to multiple residential, commercial and public buildings connected by underground water pipes and electric heat pumps, using the relatively constant temperature of the earth. This system will be designed to pull warmth into buildings in colder conditions and provide cooling by pumping heat into the ground during warmer weather.

"CenterPoint looks forward to developing our first networked geothermal system in Minnesota to demonstrate how this technology could support customers in both winter and summer while helping meet the state's decarbonization efforts," said Brad Steber, CenterPoint vice president, Minnesota Gas. "We remain committed to advancing innovation for Minnesota's energy future, while maintaining safe, reliable and resilient energy service for the customers and communities we're privileged to serve."

Since launching this pilot in late 2024, CenterPoint has been working with local governmental entities to garner interest in collaborating on this project.

## Minnesota Google Data Center Agreement Includes 300-MW Iron Air Battery System

Clean energy resources funded through a new agreement tied to a data center in Minnesota include a 300-megawatt iron-air battery system installation. Xcel Energy on Feb. 24 announced it will power a new Google data center in Pine Island, Minnesota.

The data center and associated Electric Service Agreement "will provide a significant contribution to the state's economy, including a large buildout of new clean energy projects that will contribute to Minnesota's clean energy goals while ensuring that Xcel Energy's current customers benefit as a result of this growth," it said.

Xcel Energy said it is committed to ensuring that new large loads do not increase costs for existing customers and that service remains reliable. Under the agreement, Google will pay all costs for its new service in line with its typical practices and Minnesota's regulatory and legislative requirements for large loads.

As part of the agreement, Xcel and Google are partnering to bring 1,900 megawatts of new clean energy to the grid. In addition, Google will cover any new grid infrastructure costs associated with the project and has planned carefully with Xcel Energy to ensure electricity in the area remains reliable and affordable for all of Xcel Energy's customers, Xcel said.

A Clean Energy Accelerator Charge (CEAC) will provide for 1,400 MW of wind, 200 MW of solar and 300 MW of long-duration energy storage, along with a \$50 million investment towards Xcel Energy's Capacity\*Connect Program, which will help drive reliability on the grid. The additional generation will help advance Xcel Energy beyond its current energy mix of 70% carbon-free electricity.

The clean energy resources funded through the agreement include a 300 megawatt (30 gigawatt-hour) Form Energy iron-air battery system installation, the largest battery project by gigawatt-hour energy capacity announced to date in the world. This 100-hour battery system will store energy during periods of high production and low demand and dispatch it to the grid during times of high demand, providing firm capacity and strengthening grid reliability when it is needed most, even over multiple days.

The Electric Service Agreement will be filed for review with the Minnesota Public Utilities Commission in the coming weeks. The MPUC must formally approve the agreement between Xcel Energy and Google to supply power to the site.

## Minnesota Power introduces "smart spheres"

DULUTH, Minn. (Northern News Now) - Friday, Minnesota Power launched a new technology that was installed on transmission lines in Duluth. They're called "smart spheres," sensors that monitor physical and electrical conditions like wire temperature, humidity, voltage and more to make it easier to find the damages from weather.

Minnesota power unveiled new technology Friday acting as a "smart watch" for electrical lines.

"Gives way more information about the condition of the line, weather, temperature, those types of things to allow us to better configure and manage operations of those lines," said Vice President of Transmission, Operations and Planning at MN Power Dan Gunderson.

Minnesota Power says they will be deploying smart spheres at 52 locations across six transmission lines that experience congestion, covering about 190 miles of power lines.

Gunderson stated, "these are directly on the line and tell you a whole bunch of information of exactly what's happening in the place they're installed. Really amazing

**News Briefs** cont. on page 5

# Exclusive MUI Summer Energy Tours

Last month, MUI Supporting Members received details about our highly anticipated Summer Energy Tours along with the opportunity to request their preferred tour experience. This year, we're offering six unique behind-the-scenes tours that showcase key facilities and innovations across Minnesota's energy sector.

If you have not yet submitted your tour preference, please contact the MUI office at 651-227-7902 by Friday, April 10. Member names will be entered into a drawing, and participants will be notified in mid-April if they have been selected for a tour.

These tours provide a rare opportunity to see how energy is generated, managed, and innovated across our region while connecting with fellow members and industry leaders. ♦

**Thank you to our Supporting Members for your continued partnership and engagement!**

## News Briefs cont. from page 4

system, really low cost, and the optimal thing we were looking for as a company.”

So, how does this thing work? The sphere opens like a pac-man and seals around the line, gaining the energy it needs from the line to transfer energy, see if the line needs fixing and if it's damaged from weather. The sphere itself will not need maintenance for up to a decade.

“At the end of the day, this is great for the consumer, because the more we can get out of our assets, the better for everybody because when we can't get more out of our assets, we have to build more lines, we have to do more things, and that inevitably costs the consumer..you and me, really.” said Chief Product Officer of Heimdall Power Brian Berry.

The sphere can communicate with cellular and satellite; so remote locations, such as the wilderness, and rural farms can operate with more electricity faster.

“It allows utilities like Minnesota Power to really get an understanding...it's like an advanced parking sensor on your car; you can just drive a lot better, right? So, same as that. We now have a lot more intelligent powerlines and we can do more with them,” Berry explained.

Minnesota Power hopes to increase reliability and reduce costs for customers. Something they said will be useful during construction on power lines in the next 3 to 5 years.

SOURCE: Northern News Now; February 27, 2026 ♦

## 2026 Tour Opportunities

Xcel Energy Prairie Island Nuclear Generating Plant Tour

Midwest Independent System Operator (MISO) Control Center Tour — Eagan, MN

Dem Con Materials Recovery Facility Tour

CenterPoint Energy Green Hydrogen Pilot Project & Peak Shaving Facility — Minneapolis, MN

Xcel Energy Monticello Nuclear Generating Plant Tour

Minnesota Power Camp Ripley Solar Farm Tour & Environmental Presentation by Camp Staff

## Did You Know?

### US electricity generation hit an all-time record in 2025

**4.43 TWh, up 2.8% from 2024—breaking a nearly two-decade pattern of flat generation. (EIA)**

Retail sales rose across every sector: Residential increased 10%, commercial (including data centers) 4%, and industrial 1%. The EIA expects generation to keep climbing through 2026 and 2027.

#### Shares of U.S. electricity generation (percentage)

Energy source	2024	2025	2026	2027
Natural gas	42	40	40	39
Coal	16	17	16	15
Nuclear	19	18	18	18
Conventional hydropower	6	6	6	6
Wind	11	11	11	12
Solar	5	7	8	9
Other energy sources	1	1	1	1

According to the US Energy Information Administration

# Countries Across the World Consider Nuclear Energy

## Switzerland reconsiders nuclear exit

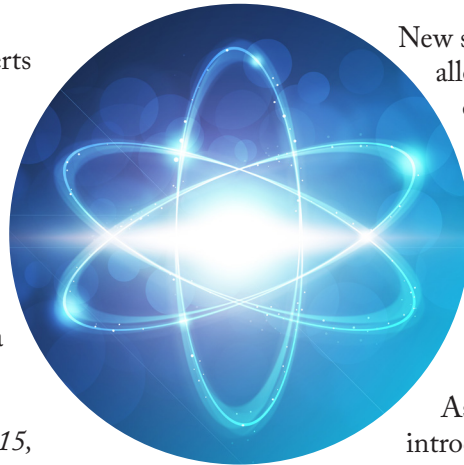
Switzerland's Council of States has voted to back amendments to the country's Nuclear Energy Act that would allow general licenses for new nuclear plants, sending the proposal to the National Council.

*Source: Nuclear Engineering International, March 16, 2026*

## Italy might give nuclear power a second chance

The Italian government is consulting experts and reviewing large and small reactor technologies from Canada, South Korea and the US as it considers a return to nuclear power nearly 40 years after shutting down its last reactor.

Officials plan to issue a national nuclear strategy by 2027 to lay the groundwork for a potential revival, while the Nuclitalia consortium is evaluating the economic feasibility of new nuclear projects. *Source: Financial Post (Canada)/Bloomberg; March 15, 2026*



## Why California is Reconsidering Nuclear Energy After 50-Year Ban

The state is one of several looking into allowing new nuclear reactors to meet climate goals as AI power demand surges.

Amid a worldwide resurgence of interest in nuclear energy, cracks are showing in California's 50-year-old moratorium on the technology as artificial intelligence spikes electricity demand and the state struggles to meet its climate goals.

New state legislation introduced last month would allow California to approve the deployment of next-generation nuclear technologies that have been licensed by the federal government since 2005.

"With California having energy goals such as having 90% clean electricity by 2035, and 100% clean energy by 2045, nuclear energy is a source that must be considered," Democratic state

Assemblymember Lisa Calderon, who introduced the bill with Republican support, said in a statement.

## Roles well defined for US, Japan collab

US and Japanese officials have agreed in principle on how the two governments would divide responsibilities in a potential joint nuclear power project featuring Westinghouse technology, according to Westinghouse executive Dan Lipman. The collaboration covers supply chain arrangements within Japan and could involve investments of up to \$100 billion in pressurized water and small modular reactors. *Source: US News & World Report/Reuters; March 14, 2026*

## UK presses reset on nuclear regulation

The UK plans to implement 47 regulatory reforms by 2027 to accelerate nuclear project approvals, reduce costs and streamline oversight of new reactor construction. Separately, officials granted regulatory justification for the 470-megawatt Rolls-Royce small modular reactor, clearing an early licensing hurdle to deploying the design. *Source: World Nuclear News; March 13 & 16, 2026*

The legislation comes as the Trump administration has aggressively promoted nuclear power, committing \$80 billion to the industry. Investors, meanwhile, have poured billions into companies developing small, modular reactors on the promise they can be built more cheaply and faster than conventional nuclear. But it could be at least a decade or more before costly nuclear technologies are deployed at any scale.

Charles Oppenheimer, founder of the Oppenheimer Project, a San Francisco nonprofit that promotes nuclear energy to address the climate crisis, said the legislative move in the US's largest and one of its most anti-nuclear states sends a signal that atomic power is needed to lower carbon emissions.

"California's late to the party but symbols count and as California goes, so goes the world," said Oppenheimer, the grandson of the father of the atomic bomb, J. Robert Oppenheimer. *Source: Bloomberg, March 2, 2026; Todd Woody and Will Wade* ♦

# Accolades to recent MUI Supporting Members

Thank you to our MUI Supporting Members for their continued support! Those listed below represent members who have RENEWED their membership between November 18, 2025 – March 12, 2026. The list is organized by state and then alphabetized by FIRST name. Members that are italicized have renewed for three years – the rest for one year.

**IOWA:** *James and Patricia Henkel*; **MINNESOTA:** Al and Barbara Paulson, *Allen Vis*, Annie Handford and David Rosenbloom, *Barb and Jerry Reinhardt*, Bill and Judith Ashbeck, Bill Swenson, *Bonnie Denzel*, *Brian and Linda McManimon*, *Bruce and Patsy Lillehei*, *Carol Porter*, *Charles Eidem*, *Cheryl Ellefson*, *Dave and Mary Robinson*, David Osthus, *Dayle Darst-Olsen*, *Dennis and Diane Larson*, *Donald Verbick*, Doris E. Johnson, *Eloise Layman*, Gary Soule, Gene and Deb Danneman, *Gloria Johnson*, Harland Kuhlman, Ione Waller, *James and Vivian Ayres*, Jerome and Bernie Dolinsky, John and Marlene Kjera, *John and Mary Dacey*, *Jon and Martha Heisel*, *Kathy Mulligan-Widell* and *Dan Widell*, *Laurie*

*and Jim Arndt*, *LaVonne and Roger Robole*, *LeRoy Loehlein*, *Marilyn and Roger Harma*, *Marlys and Steven Balfany*, *Merlin and Alfrieda Dornbush*, *Merrill Busch*, *Michael Borkan*, *Patricia and Richard Loehlein*, *Paula and Larry Kaiser*, *Raymond and Shirley Theobald*, *Rolland and Colleen Eck*, *Ron and Mary Sholl*, *Ronald and Lois Tow*, *Roy Luukkonen*, *Sherman H and Gisela Otto*, *Steve and Juli Hudak*, *Steve Norgaard*, *Susan Turbes*, *Terre McCue*, *Tom Brandl*, *William Krings*, **TEXAS:** *Jason Ryan*, *Stephen Bezecny*; **WISCONSIN:** *Charles Clarke*, *Jim and Ellen Laird*, *Roland Wold*.

## New Supporting members

**MINNESOTA:** Tom Weaver, Anoka

## Associate Members

Poul Haas Government Relations  
Winthrop & Weinstine, P.A.

Thank you MUI members for referring new members!! ♦

## Did You Know?

# More electricity needed faster to further national energy security, says S&P Global report

The International Energy Agency's executive director has called hydropower a "forgotten giant," and has urged governments to do more to remember it. U.S. President Donald Trump has said hydropower is "fantastic," a sharp contrast to his disdain for wind and solar.

But federal energy data shows that U.S. hydropower output has been nearly flat while other sources are growing.

Last year, electricity generation from hydroelectric dams was up 1.7 percent from the prior year, according to the Energy Information Administration. The plants use the force of water to spin turbines and produce electricity.

Hydropower was long the country's leading source of renewable energy, but it was passed in 2019 by wind and in 2025 by utility-scale solar. It's still significant, though, with 5.6 percent of U.S. electricity generation. It's the top electricity source in Washington state and Oregon and an important part of the mix in many other states.

Most U.S. hydroelectric dams are more than 50 years old and some are more than a century old. The last time more than 1,000 megawatts of new hydropower capacity went online in a year was in 1985.

The United States has 79,892 megawatts of hydropower capacity and 23,156 megawatts of pumped hydro storage capacity. For comparison, there are nearly 300,000 megawatts of combined cycle natural gas plants, the country's leading electricity source.

Most of the projected growth is in pumped hydro storage, which is a form of long-duration energy storage. The plants pump water to a high elevation and store it in a reservoir for later use when the water is released and flows through a turbine to produce electricity.

Long-Duration Energy Storage Had a Growth Spurt in 2025: Long-duration energy storage capacity grew 49 percent last year compared to the prior year, as Brian Martucci reports for Utility Dive, summarizing data from Wood Mackenzie. In this case, Wood Mackenzie defines long-duration storage as a system that can discharge at its full capacity for more than four hours. While this segment of the market is growing in response to evolving needs from grid operators, it's still just 6 percent of the energy storage market. The leading source of long-duration storage in 2025 was compressed air energy storage, which stores compressed air underground and then releases it to turn a turbine. Most of the development activity was in China—a recurring theme in the energy transition. ♦

In Your Interest is a publication of Minnesota Utility Investors, and is published throughout each year.

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## Help your family and friends become energy insiders! Pass along this application.

### 2026 Opportunities for Supporting Members

Join now to take advantage of the following:

- FREE Meeting attendance to ALL of our meetings for your household (*valued well above the cost of an annual membership!*)
- Opportunities to go on EXCLUSIVE MUI Member Energy Plant Tours
- Print newsletter delivered to your home
- Print invitations for all MUI events and opportunities

### How to Join

Complete this form and return with a check (*make payable to MUI*) or call us to pay with a credit card at 651-227-7902.

#### Please Mail to:

Minnesota Utility Investors  
3460 Washington Drive #210  
Eagan, MN 55122

**TO JOIN** simply complete this form and return with payment.  
Or call MUI at 651-227-7902.

NAME

SPOUSE'S NAME (IF APPLICABLE)

ADDRESS

CITY

STATE

ZIP

PHONE

EMAIL

### Member Dues

Two people per household included per membership. (*Select one*)

Annual Membership (\$20)

3-year Membership (\$50)

### Membership Qualification

I have investments in the one or more of these Minnesota Investor-Owned Energy Utilities: (*Check all that apply*)

CenterPoint Energy

WEC Energy Group

MDU Resources Group

Xcel Energy

Otter Tail Corporation

**Our Supporting Members are Informed, Involved, and Engaged Investors.**