

RESOLUTION NO. GRE R13-8-1

GREAT RIVER ENERGY (“GRE”) PLAN TO REDUCE EXPOSURE TO GREENHOUSE GAS REGULATION

WHEREAS, President Obama outlined his Climate Action Plan (“the Plan”) on June 25, 2013, and

WHEREAS, the Plan focuses on reducing carbon emissions from the use of fossil fuels, and

WHEREAS, the President directed the Environmental Protection Agency (“EPA”) to work closely with states, industry, and other stakeholders to establish carbon pollution standards for both new and existing power plants, and

WHEREAS the President has set a goal to reduce carbon pollution by at least three billion metric tons cumulatively by 2030, and

WHEREAS these actions may affect GRE and its mission to “provide members with reliable energy at affordable rates in harmony with a sustainable environment,” and,

WHEREAS, the GRE board of directors has determined that it is in the best interest of GRE and its members to adopt and implement a plan to reduce GRE’s exposure to greenhouse gas regulations that is measured, responsible, minimizes rate impacts, and ensures reliable service.

NOW, THEREFORE, BE IT RESOLVED, the GRE board of directors hereby adopts the following plan:

1. Address potential base load stranded costs through the accelerated depreciation of Coal Creek Station and Stanton Station over the next fifteen (15) years beginning in July, 2013.
2. Manage CO₂ emissions to 2006 levels or lower.
3. Although GRE does not anticipate significant load growth, we will meet any future growth with conservation, energy efficiency, renewable energy, natural gas, and market purchases.
4. Implement cost effective opportunities to reduce CO₂ now and develop and implement a plan by 2028 that will substantially reduce GRE dependence on coal as a fuel source from the current level of 70%.
5. Operate Spiritwood Station beginning in November 2014 as a regional best practice example of a combined heat and power plant consistent with President Obama’s August 2012 Executive Order.
6. Support community solar projects developed by our member cooperatives and create a solar energy rebate fund for use by our member cooperatives.

7. Ensure municipal solid waste is diverted to our waste-to-energy plant rather than landfills, as is required by Minnesota law, as the EPA has determined that for every ton of garbage burned in a waste-to-energy power plant, a ton of greenhouse gas emissions is avoided.

BE IT FURTHER RESOLVED, that GRE management and staff are hereby: (i) authorized and directed take such reasonable actions as are necessary or proper to implement the foregoing plan in a way that minimizes the rate impact and ensures reliable service, subject to board approval of specific actions as necessary; and (ii) directed to periodically report to the board regarding GRE's progress in executing the plan.

CERTIFICATE OF SECRETARY

I, Gary Wilson, do hereby certify that: I am Secretary of Great River Energy (hereinafter "GRE"); the above is a true and correct copy of a resolution duly adopted by the board of directors of GRE at the regular meeting held August 8, 2013 and entered into the minute book of GRE; the meeting was duly and regularly held in accordance with the Bylaws of GRE and the resolution has not been rescinded or modified.

IN WITNESS WHEREOF, I have set my hand as Secretary of this Corporation this 8th day of August, 2013.

GREAT RIVER ENERGY

Gary Wilson, Secretary