

September 12, 2022

Energy prices have been at near-record levels this summer. This includes gasoline, oil, natural gas, and electricity.

Electric prices are based on the cost of natural gas. Natural gas prices have been high in recent months because of Russian interruptions of gas supply to Europe and high natural gas use to make electricity.

MMPA has a diverse portfolio of power supply resources that help us manage energy price risk. Our renewable energy resources, such as wind and solar, help us mitigate the higher cost of electric production from natural gas, as these resources do not have any fuel cost.

Walleye Wind Farm, our newest renewable resource, is a 108 MW wind farm expected to come online before the end of the year, further increasing MMPA's renewable resources. With the addition of Walleye, more than 40% of MMPA's energy will be from renewable resources.

Even in this period of higher electric prices, MMPA's rate to members has remained well below that of our competitive benchmark.

We expect electric prices to be somewhat lower in the fall unless natural gas prices rise again.