



YEAR IN REVIEW
2025



CONNECTED TO PEOPLE



A Message from the General Manager

Connected. Committed. Growing. While reviewing our 2025 milestones for this Year in Review, these three words emerged as the theme. They reflect not only what matters to us and our customers, but also the progress ERMU made this year.

Connected to People - As always, connecting with the community remains a foundational aspect of our culture. In 2025, these connections took many forms: improving our customers' access to their utility information through our Advanced Metering Infrastructure (AMI) project; participating in various community events such as Touch-A-Truck, Downtown Trick-or-Treat, the Sherburne County Fair parade, Elk River High School Homecoming parade; attending ISD 728's job fairs, and more. Connecting with those we serve remains our greatest reward.

Committed to Excellence - As an organization, our commitment to excellence continues to inspire me. In 2025, ERMU staff supported mutual aid efforts, volunteered as speakers and subject matter experts at training events, participated in numerous training programs, and served on state-level trade association boards. Our staff is committed to improving our knowledge, skills, and abilities to better serve our customers.

We also focused on inspiring the future of our industry by updating our scholarship program to support students interested in utility careers, educating young people at career fairs about the opportunities available in the utility industry, and hiring five interns to assist in the IT, GIS Mapping, Water, and Electric departments.

Growing with our Community - Growing with our community has been the most exciting aspect of 2025. We started the construction of our sixth electric substation and the planning of our ninth drinking water well and seventh water treatment plant. These projects will help support the projected growth in our service territory to ensure our customers continue to receive the exceptional service they have come to know from Elk River Municipal Utilities.

The year 2025 has been a time of connection, commitment, and growth. As we look to the future, ERMU remains dedicated to serving our community with pride and purpose.

- Mark Hanson, P.E., General Manager



"From planning to performance, the AMI project shows what our team can achieve when

all departments are working together. By combining expertise across ERMU, we've delivered tools that give customers better insights and control over their energy and water use and raised the standard of service for our entire community."

- Sara Youngs,
Administrations Director,
ERMU



"This project modernized our entire metering system. By integrating this advanced

technology, ERMU can achieve better service through better information, allowing customers to make usage decisions with near real-time data. Operationally, the AMI system helps streamline staff efforts by eliminating the need to travel across the service territory every month to gather data."

- Mike Tietz,
Tech. Services Superintendent,
ERMU

Smarter Connections with Advanced Metering



In 2025, ERMU completed substantial work on the Advanced Metering Infrastructure project, upgrading electric and water meters across its service territory. Planning, coordinating, and delivering this project took the collective efforts of every department at ERMU, working to bring customers better account data and billing accuracy. Through ERMU's SmartHub portal, customers now have greater insight into their utility usage, better understanding of their habits, and an

enhanced ability to detect water leaks. This project aligns our community with the tools it needs to effectively manage consumption and conserve resources, and is a continuation of ERMU's focus on innovation, efficiency, and customer empowerment.

AMI in Numbers

From March 2024 to November 2025 ERMU and its contractors replaced:

13,283 Electric Meters
5,754 Water Meters

COMMITTED TO EXCELLENCE

Recognizing Leadership and Legacy at ERMU

ERMU demonstrates its commitment to excellence in the municipal utility field through the recognized efforts of its dedicated staff and leadership. At the 2025 Minnesota Municipal Utilities Association (MMUA) Annual Summer Conference, Scott Thoreson, recently retired Line Crew Foreperson, received the prestigious Honorary Lifetime Membership Award for his 32 years of service. Administrations Director Sara Youngs was honored with the Rising Star Award for her leadership, innovation, and dedication to continuous improvement.

Further reinforcing ERMU's impact in the industry, General Manager Mark Hanson was elected to the MMUA Board of Directors, where he will support reliable, affordable, and sustainable utility services across Minnesota. These recognitions reflect ERMU's ongoing pursuit of operational excellence, professional development, and industry-leading service.



*Retired ERMU Line Crew Foreperson Scott Thoreson
ERMU Administrations Director Sara Youngs
ERMU General Manager Mark Hanson*

ERMU Invests in Future Utilities Leaders

Our organization is proud to commit to the next generation of utilities workers by providing hands-on learning experiences and financial support. By implementing an internship program and hosting job shadow days for high school students, ERMU offers real-world experience in electric, water, and communication fields. These opportunities are structured to inspire goals and foster career exploration for participants. Additionally in 2025, ERMU awarded two \$1,000 scholarships to students pursuing linework and electrical engineering. With updated scholarship opportunities and continued student engagement, ERMU remains committed to supporting young people on their journey toward excellence in utilities roles.



ERMU Job Shadow Participants with Communications, Water, and Electric Departments



ERMU Scholarship Recipients with Commission Members



ERMU Interns

GROWING WITH OUR COMMUNITY

A Future of Growth: ERMU's New East Substation

Elk River Municipal Utilities is investing in the future of our community with the construction of the new East substation, an initiative designed to allow the utilities to ensure the standard of service that customers expect. In 2019, staff recognized the need to add a substation to the system due to territory acquisitions and the projected rapid growth of residential and commercial development in the area. In October 2024, ERMU secured property from the City of Elk River to place the substation, setting the stage for this critical project to begin construction in 2025.

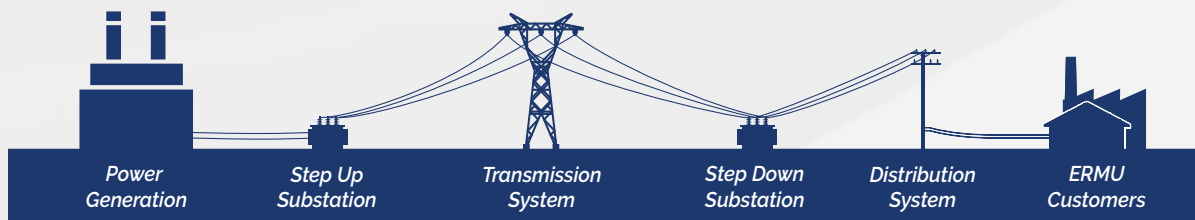
The new facility will strengthen voltage delivery, reduce energy losses, and improve service redundancies. For residents and businesses, this means even greater reliability, and the capacity to support new neighborhoods and commercial spaces.

Beyond capacity, the substation offers modern safety features, advanced equipment, and flexibility for future expansion with a double-ended design, allowing for the addition of a second transformer as demand grows.

This project benefits greatly from ERMU's Substation Apparatus Technician Jon Wadsworth. Jon was integral to the facility's design, and his presence on staff provides valuable expertise in daily operations. His experience in constructing substations directly contributed to approximately \$1 million in cost savings by reducing the need for contracted work. The substation is expected to be commissioned in September 2026, ensuring dependable service as our community continues to thrive.



*ERMU Substation Apparatus Technician
Jon Wadsworth*



The East substation is what is known as a step-down substation; it reduces the voltage at which electricity travels on the transmission system, usually 69 kV, to meet the voltage capacity of ERMU's distribution system, around 12 kV.

ERMU Studying Water System Expansion

ERMU's water system is also growing to keep pace with the new neighborhoods and businesses expected in the future. Having received approval from the Minnesota Department of Natural Resources to drill up to three new production wells, a feasibility study is helping to decide on timing, locations, costs, and infrastructure needs. These studies are driven by calculations from computer water modeling and daily operational oversight to make sustainable and cost-effective decisions. Each well is expected to provide up to 1,200 gallons of water per minute and average over 100 million gallons a year, ensuring clean, safe, reliable water for everyone as the city continues to grow.



"Expanding a water system isn't just about pumping more water, it's about creating an effective network that balances meeting the demand of daily usage and lifesaving efforts like firefighting, while conserving an essential resource. That level of planning takes considerable time and effort for staff, but it's necessary for keeping our community in service and safe."

- Dave Ninow, Water Superintendent, ERMU