CURE

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August 21, 2025

Mike Bull
Acting Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, MN 55101

Re: *In the Matter of the Petition of Dakota Electric Association to Modify Its Extension of Service Tariff; Docket No. E-111/M-25-178*

Acting Executive Secretary Bull,

CURE submits the following supplemental comments as requested by the Public Utilities Commission (Commission) in response to Dakota Electric Association's (Dakota Electric) reply comments which included proposed modifications to its original tariff proposal.

CURE greatly appreciates Dakota Electric's thoughtful response to the concerns raised by the Citizen's Utility Board (CUB) and the Office of the Attorney General – Residential Utilities Division (OAG-RUD). While Dakota Electric did not have the opportunity to respond to CURE's reply comments, we believe the proposed changes address several, but not all, of our concerns.

Specifically, CURE supports Dakota Electric's proposed changes clarifying that the tariff applies to *both* large commercial and industrial members that require service delivery at a voltage other than the standard 12.5kV *and* those that are system intensive members taking service from the 12.5kV distribution system. Dakota Electric's explanation of its intent and the proposed language changes are helpful clarifications that address the concerns raised by CUB and OAG-RUD and echoed by CURE.

However, CURE believes a minor change in the subsequent paragraphs in the updated tariff proposal is warranted. Dakota Electric's proposed changes now refer to "members deemed subject to *this section*." To avoid confusion as to which potential members that phrase might apply to, CURE recommends the following or similar language:

For members deemed subject to this section under 1) or 2) above, the CIAC will represent the estimated total costs….

For members deemed subject to this section under 1) or 2) above, the CIAC shall be paid to the Association under the following schedule:

Additionally, we remain concerned that the ultimate decision as to whether a potential member is "system intensive" lies solely with Dakota Electric. We understand Dakota Electric's arguments about the importance of having discretion but would prefer a middle ground that allows for some flexibility while ensuring that existing member-owners are not on the hook for future costs should service to the new member become more intensive or complex than anticipated.

For example, it is not uncommon for data centers to expand operations once the initial phase of development is complete.[1] If a data center approached Dakota Electric and its initial energy demand could be met by existing available capacity, the cooperative might choose not to classify the data center as a system intensive member. But if the data center later expanded and increased its demand, it might require Dakota Electric to build additional infrastructure. At that point, the data center would already be a member of Dakota Electric, and those upgrade costs would likely be borne by all other member-owners unless other protections were in place. The assessment of whether something is "system intensive" should be made transparently so that other member-owners are aware of the process, and if there is an upgrade that would have been "system intensive" but for the incremental increases in demand over time that change should be re-assessed on the cumulative impact of all demand, not just the incremental addition.

[1] *See, e.g.*, Tim Keenan, DBusiness Magazine, *Hyperscale Data Planning Major Expansion of Michigan AI Data Center by 2029*, July 21, 2025, https://www.dbusiness.com/daily-news/hyperscale-data-planning-major-expansion-of-michigan-ai-data-center-by-2029/ ("The company currently operates approximately 30 MW of power at the facility, and expects to increase the power capacity to 70 MW over the next 20 months. The full 340 MW buildout is anticipated within 44 months from execution of an agreement with the local utility provider and securing appropriate funding.").

Finally, as argued previously, CURE agrees with CUB and OAG-RUD that the Letter of Authorization (LOA) and Engineering and Construction (E&C) Agreement are closely tied to and should be included in the tariff. Dakota Electric's proposal to seek formal approval of its LOA and E&C Agreement and notify the Commission of any substantive modifications at least 30 days prior to their effective date would seem to sufficiently address this concern. CURE therefore recommends the Commission include such requirements if it approves Dakota Electric's modified proposal.

CURE appreciates and is encouraged by Dakota Electric's interest in addressing the potential influx of very large members to the system. CURE supports the modifications proposed by Dakota Electric, with the changes suggested above.

Sincerely,
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