



Your Touchstone Energy® Partner 

July 30, 2014

Dr. Burl Haar, Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, MN 55101-2147

***Subject: Revised Rate Increase Notice
Docket No. E-111/GR-14-482***

Dear Dr. Haar:

On July 29, 2014, the Minnesota Public Utilities Commission (MPUC or Commission) staff provided Dakota Electric Association (Dakota Electric) with revisions to the proposed rate increase notice (Notice) contained in our general rate case filing in Docket No. E-111/GR-14-482. Attached is the revised Notice, as modified by Commission staff, which Dakota Electric proposes to include as a bill insert with the first bills that include the proposed interim rate increase.

If you or your staff has any questions regarding this revised rate increase notice, please call me at (651) 463-6258.

Sincerely,

A handwritten signature in black ink that reads 'Douglas R. Larson'.

Douglas R. Larson
Vice President of Regulatory Services
Dakota Electric Association
4300 220th Street West
Farmington, MN 55024

Certificate of Service

I, Cherry Jordan, hereby certify that I have this day served copies of the attached document to those on the following service list by e-filing, personal service, or by causing to be placed in the U.S. mail at Farmington, Minnesota.

Docket No. E-111/GR-14-482

Dated this 30th day of July, 2014

/s/

Cherry Jordan

Proposed changes for base electricity rates

Dakota Electric Association has asked the Minnesota Public Utilities Commission (MPUC) for permission to increase electric utility rates and service charges. The proposed increase in total cooperative annual revenues will be about 2.1 percent.

Interim rates

State law allows us to collect higher rates on an interim (temporary) basis while our rate filing is reviewed. The interim rate increase is about 1.5 percent over current rates. The interim increase appears on your bill as "Interim Rate Adjustment." For Residential and Small General Service members, the interim adjustment applies to the monthly fixed charge, energy charge and resource and tax adjustment. For General Service members the interim adjustment also applies to the demand charge.

The interim increase will be in place until the MPUC determines final rates, likely in 2015. If final rates are lower than interim rates, we will refund members the difference with interest. If final rates are higher than interim rates, we will not charge members the difference.

What is increasing Dakota Electric's costs?

Since Dakota Electric's last request for a rate increase in 2009, costs for equipment, labor and materials have continued to increase. These factors, combined with minimal growth in electric sales in the last five years, contributed to the need for this filing.

How is Dakota Electric controlling costs?

- Using technology and process improvements to increase efficiency.
- Employees do things every day to reduce expenses. They may not produce large savings on their own but when added together, help lower expenses.
- Offering a variety of programs to help members save energy and money.

Impact on monthly bills

The proposed rate increase will affect individual monthly bills differently depending on electricity use and member classification. The charts below show the current and proposed rates for each member classification.

Proposed Change in Monthly Electricity Costs				
Member classification	Average monthly kWh use	Current monthly bill	Interim monthly bill	Proposed final monthly bill
Residential	820	\$104.87	\$106.45	\$107.66
Small General Service	1,000	\$127	\$128	\$133
General Service	16,000	\$1,693	\$1,719	\$1,694

Energy (per kWh) and Demand (per kW) Rates (including RTA)		
Member classification	Current	Proposed
Residential		
Energy: Summer (June - Aug)	12.864¢	12.96¢
Energy: Other (Sept - May)	11.464¢	11.56¢
Small General Service		
Energy: Summer (June - Aug)	12.673¢	12.9¢
Energy: Other	11.273¢	11.5¢
General Service		
Energy: First 200 kWh per kW	7.937¢	7.75¢
Energy: Next 200 kWh per kW	6.937¢	6.75¢
Energy: Over 400 kWh per kW	5.937¢	5.75¢
Demand: Summer (June - Aug)	\$11.75	\$12.25
Demand: Other (Sept - May)	\$8.65	\$9.15

Monthly Fixed Charges		
Member classification	Current	Proposed
Residential	\$8.00	\$10.00
Small General Service	\$10.00	\$14.00
General Service	\$28.00	\$34.00

Review process

The Minnesota Public Utilities Commission (MPUC), the Minnesota Department of Commerce (DOC), the Office of the Attorney General (OAG), public interest groups and consumers will investigate our proposal.

The MPUC will hold public hearings about our rate request. Members and others may comment on our rate request at the public hearings. Dakota Electric will provide public hearing dates and locations in local newspapers, in a bill insert and at www.dakotaelectric.com.

More information

Dakota Electric's current and proposed rate schedules are available at:

Dakota Electric Association
Web: www.dakotaelectric.com
Phone: 651-463-6212
4300 220th Street West
Farmington, MN 55024

Minnesota Department of Commerce
Web: <https://www.edockets.state.mn.us/EFiling/search.jsp>
Select 14 in the year field, enter 482 in the number field, select Search and the list of documents will appear on the next page.
Phone: 651-539-1534
85 7th Place East, Suite 500
St. Paul, MN 55101

Submit Comments

Minnesota Public Utilities Commission
Web: mn.gov/puc, select *Comment on an Issue*, find this docket and add your comments to the discussion.
121 7th Place East, Suite 350
St. Paul, MN 55101
Phone: 651-296-0406 or 1-800-657-3782
Citizens with hearing or speech disabilities may call through their preferred Telecommunications Relay Service.

Written comments are most effective when the following items are included:

1. The Docket Number (E-111/GR-14-482) in the heading
2. Your name and your connection to the docket
3. The specific issues that concern you
4. Any knowledge you have about the issues
5. Your specific recommendation
6. The reason for your recommendation

Important

Comments will be made available to the public on the Commission's website, except in limited circumstances consistent with the Minnesota Government Data Practices Act. The MPUC does not edit or delete personally identifying information from submissions.

Dakota Electric seeks increase in electric rates

Interim rates effective with usage on and after Sept. 11, 2014 until final decision is made.



Your Touchstone Energy® Partner 



Dakota Electric Association
4300 220th Street West
Farmington, MN 55024
651-463-6212
www.dakotaelectric.com

4300 220th Street West, Farmington, MN 55024
651-463-6212 • 800-874-3409
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First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Christopher	Anderson	canderson@allete.com	Minnesota Power	30 W Superior St Duluth, MN 558022191	Electronic Service	No	SPL_SL_14-482_Potentially Interested Parties
Julia	Anderson	Julia.Anderson@ag.state.mn.us	Office of the Attorney General-DOC	1800 BRM Tower 445 Minnesota St St. Paul, MN 551012134	Electronic Service	Yes	SPL_SL_14-482_Potentially Interested Parties
Jon	Brekke	jbrekke@greenergy.com	Great River Energy	12300 Elm Creek Boulevard Maple Grove, MN 553694718	Electronic Service	No	SPL_SL_14-482_Potentially Interested Parties
John	Coffman	john@johncoffman.net	AARP	871 Tuxedo Blvd. St. Louis, MO 63119-2044	Electronic Service	No	SPL_SL_14-482_Potentially Interested Parties
Ian	Dobson	ian.dobson@ag.state.mn.us	Office of the Attorney General-RUD	Antitrust and Utilities Division 445 Minnesota Street, BRM Tower St. Paul, MN 55101	Electronic Service 1400	No	SPL_SL_14-482_Potentially Interested Parties
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 500 Saint Paul, MN 551012198	Electronic Service	Yes	SPL_SL_14-482_Potentially Interested Parties
Benjamin	Gerber	bgerber@mnchamber.com	Minnesota Chamber of Commerce	400 Robert Street North Suite 1500 St. Paul, Minnesota 55101	Electronic Service	No	SPL_SL_14-482_Potentially Interested Parties
Bruce	Gerhardson	bgerhardson@otpc.com	Otter Tail Power Company	PO Box 496 215 S Cascade St Fergus Falls, MN 565380496	Electronic Service	No	SPL_SL_14-482_Potentially Interested Parties
Elizabeth	Goodpaster	bgoodpaster@mncenter.org	MN Center for Environmental Advocacy	Suite 206 26 East Exchange Street St. Paul, MN 551011667	Electronic Service	No	SPL_SL_14-482_Potentially Interested Parties
Burl W.	Haar	burl.haar@state.mn.us	Public Utilities Commission	Suite 350 121 7th Place East St. Paul, MN 551012147	Electronic Service	Yes	SPL_SL_14-482_Potentially Interested Parties

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Alan	Jenkins	aj@jenkinsatlaw.com	Jenkins at Law	2265 Roswell Road Suite 100 Marietta, GA 30062	Electronic Service	No	SPL_SL_14-482_Potentially Interested Parties
Douglas	Larson	dlarson@dakotaelectric.com	Dakota Electric Association	4300 220th St W Farmington, MN 55024	Electronic Service	No	SPL_SL_14-482_Potentially Interested Parties
Harold	LeVander, Jr.	hlevander@felhaber.com	Felhaber, Larson, Fenton & Vogt, P.A.	Suite 2100 444 Cedar Street St. Paul, MN 551012136	Electronic Service	No	SPL_SL_14-482_Potentially Interested Parties
John	Lindell	agorud.ecf@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012130	Electronic Service	Yes	SPL_SL_14-482_Potentially Interested Parties
Peter	Madsen	peter.madsen@ag.state.mn.us	Office of the Attorney General-DOC	Bremer Tower, Suite 1800 445 Minnesota Street St. Paul, Minnesota 55101	Electronic Service	No	SPL_SL_14-482_Potentially Interested Parties
Pam	Marshall	pam@energycents.org	Energy CENTS Coalition	823 7th St E St. Paul, MN 55106	Electronic Service	No	SPL_SL_14-482_Potentially Interested Parties
Gregory C.	Miller	gmiller@dakotaelectric.com	Dakota Electric Association	4300 220th Street West Farmington, MN 55024	Electronic Service	No	SPL_SL_14-482_Potentially Interested Parties
David	Moeller	dmoeller@allete.com	Minnesota Power	30 W Superior St Duluth, MN 558022093	Electronic Service	No	SPL_SL_14-482_Potentially Interested Parties
Andrew	Moratzka	apmoratzka@stoel.com	Stoel Rives LLP	33 South Sixth Street Suite 4200 Minneapolis, MN 55402	Electronic Service	No	SPL_SL_14-482_Potentially Interested Parties
Gwenda	Pangerl			13880 Mississippi Trail Hastings, MN 55033	Paper Service	No	SPL_SL_14-482_Potentially Interested Parties

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
William	Phillips	wphillips@aarp.org	AARP	30 E. 7th St Suite 1200 St. Paul, MN 55101	Electronic Service	No	SPL_SL_14-482_Potentially Interested Parties
Kevin	Reuther	kreuther@mncenter.org	MN Center for Environmental Advocacy	26 E Exchange St, Ste 206 St. Paul, MN 551011667	Electronic Service	No	SPL_SL_14-482_Potentially Interested Parties
Richard	Savelkoul	rsavelkoul@martinsquires.com	Martin & Squires, P.A.	332 Minnesota Street Ste W2750 St. Paul, MN 55101	Electronic Service	No	SPL_SL_14-482_Potentially Interested Parties
James M.	Strommen	jstrommen@kennedy-graven.com	Kennedy & Graven, Chartered	470 U.S. Bank Plaza 200 South Sixth Street Minneapolis, MN 55402	Electronic Service	No	SPL_SL_14-482_Potentially Interested Parties
Eric	Swanson	eswanson@winthrop.com	Winthrop Weinstine	225 S 6th St Ste 3500 Capella Tower Minneapolis, MN 554024629	Electronic Service	No	SPL_SL_14-482_Potentially Interested Parties
Kathy	Thacher	kthacher@dakotaelectric.com	Dakota Electric Association	4300 220th Street Farmington, MN 550249583	Electronic Service	No	SPL_SL_14-482_Potentially Interested Parties
SaGonna	Thompson	Regulatory.Records@xcelenergy.com	Xcel Energy	414 Nicollet Mall FL 7 Minneapolis, MN 554011993	Electronic Service	No	SPL_SL_14-482_Potentially Interested Parties
Lou Ann	Weflen	lweflen@dakotaelectric.com	Dakota Electric Association	4300 220th Street West Farmington, MN 55024	Electronic Service	No	SPL_SL_14-482_Potentially Interested Parties