



Your Touchstone Energy® Cooperative 

April 2, 2021

Will Seuffert, Executive Secretary  
Minnesota Public Utilities Commission  
121 7th Place East, Suite 350  
St. Paul, Minnesota 55101

**Re: Dakota Electric Association Reply Comments  
In the Matter of a Petition to Implement a  
Pilot Multi-Family Residential Electric Vehicle Service and  
Pilot Non-Residential Electric Vehicle Service  
Docket No. E-111/M-21-127**

Dear Mr. Seuffert:

On February 12, 2021, Dakota Electric Association® (Dakota Electric® or Cooperative) filed a Petition requesting approval to implement a pilot multi-family residential electric vehicle service and a pilot non-residential electric vehicle service in the above-referenced docket.

On March 15, Comments were submitted by the Minnesota Department of Commerce (Department or DOC) and a coalition of organizations including Fresh Energy, Minnesota Center for Environmental Advocacy, Natural Resources Defense Council, Sierra Club, Union of Concerned Scientists, and Plug In America (identified as Clean Energy Groups or CEGs).

Following are Dakota Electric's Reply Comments to questions, requests for additional information, and recommendations made in these initial comments.

**Dakota Electric Reply Comments**

*Department of Commerce*

The Department requested that Dakota Electric submit the following information in Reply Comments:

- **The Department requests that Dakota clarify in utility reply comments whether participants in the Non-Residential EV Service pilot would be able to offer EV charging services to third parties and, if so, how Dakota plans to track whether participants are offering the default rate design as proposed or are offering an alternative pricing paradigm. (Department Request 1)**

Yes, participants in the Non-residential EV Service will likely be offering charging services to third parties. We anticipate that participants in the Non-residential EV Service could facilitate EV charging for situations including company fleet vehicles, employee charging, and consumers at retail locations to name a few scenarios. Dakota Electric submitted this pilot rate to help facilitate such electric vehicle charging through a rate design that does not include demand charges, but instead relies on time-of-use energy charges. Given the variety of possible charging solutions, Dakota Electric does not plan to track or monitor whether participants are offering the default rate design as proposed or are offering an alternative pricing paradigm. We believe this is up to the participants to decide how that will implement the service for their situation. Dakota Electric's interest will be in the charging behavior. That is, what is the load profile for vehicles being charged.

- **The Department requests that Dakota provide in utility reply comments an expanded rationale for its Load Factor and Coincidence Factor assumptions and to explain whether Dakota used data from its Schedule EV-1 or other tariffs to inform these assumptions. (Department Request 2)**

The analysis for these two proposed services relies on the same analysis approach as that used to develop our present EV-1 residential service. In this regard, the timing and coincidence with wholesale power costs is reflected in the proposed energy periods and costs. That is, the off-peak energy rate recovers class distribution costs and off-peak wholesale energy costs. The intermediate energy period generally recovers class distribution costs and class average wholesale power costs. The on-peak energy rate recovers class distribution costs and on-peak wholesale power costs. We believe that coincidence is fairly well reflected in the cost analysis assumptions but will be confirmed and refined based on actual usage under each schedule.

As for load factor, we believe that the assumed load factor for the multi-family EV pilot is generally reasonable and consistent with load factor observed for the residential EV-1 schedule. That is, for residential EV charging we anticipate that a single vehicle is being charged and the average load factor is about 5.7 percent. For the non-residential EV rate, we are assuming that depending on the setting/scenario, there could potentially be twice as much charging per connected EV charger. That is, we are assuming a load factor of 10 percent.

- **The Department requests that Dakota provide in utility reply comments a discussion of whether the separate metered circuit requirement will serve as a**

**barrier to EV charging and determine whether this potential barrier can be addressed through mechanisms such as rebates or other measures aimed at incentivizing multi-family building owner participation. (Department Request 3)**

The installation of a separate metered service for multi-family locations may cost more than a sub metered installation. However, the service and meter configurations at multi-family locations can vary. With this in mind, we do not anticipate that the cost differential would be significant. To the extent that such installations qualify for rebates, as provided by Great River Energy to the member distribution systems, Dakota Electric would certainly provide such incentives.

- **The Department requests that Dakota provide in reply comments a broader discussion of the capabilities of Dakota's AGi effort as it relates to enabling submetering and the potential to use such capabilities to defray the costs of installing EV chargers at multifamily residences. (Department Request 4)**

Dakota Electric's AGi effort and the installation of automated metering will facilitate the collection of detailed consumption information. This load data will help refine the costs and future rates for these services. However, the AMI metering does not solve the challenges with submetering these loads rather than requiring a new service. The challenge with submetering either the proposed multi-family or non-residential EV services is in the administrative/billing process of matching time-stamped meter data for the EV and main service, isolating respective EV demand impacts, and then adjusting demand billing units to the base rate schedule.

- **The Department requests that Dakota explain in utility reply comments why this incentive was not proposed to be available for participants in both pilot programs and whether Dakota would consider providing this option to incentivize participation in both pilot programs. (Department Request 5)**

The Revolt program, offered through Great River Energy, is designed for individual EV owners to receive renewable energy at no charge with their participation in a Cooperative EV rate. In the case of both the proposed multi-family and non-residential EV rates, these services are not tied to any particular electric vehicle. The non-residential rate could have any number of participants including fleet vehicles, employees, and retail locations. The Revolt program is not designed or offered for these situations. Similarly, the multi-family rate could have any number of EV participants and chargers at a location. Dakota Electric would not know what chargers in fact were being used on any regular basis.

The Department recommended the following modification to the design of the pilot programs:

- **The Department requests that Dakota propose a clear pilot duration and a reasonable limit on the number of participants allowed to enroll in both pilot programs. (Department Recommendation 1)**

This recommendation poses some challenges. Dakota Electric desires to gain consumption and load data to help refine these initial pilot rates. If we specify a duration for the pilot and don't have enough participants, we won't have enough data to analyze. We also don't know the number of EV chargers that could be installed at each participant site, which makes selecting a participation limit challenging. To address the DOC recommendation, Dakota Electric proposes that the pilot designations for these two services remain in place until at least the Cooperative's filing of the next general rate case. Such a filing could happen sometime in 2024. Dakota Electric could then determine whether sufficient information is available to refine the rates and remove the pilot designation.

The Department also referenced specific elements of EV pilot programs contained in the Commission's February 1, 2019 Order in Docket No. E-999/CI-17-879. While the Commission excluded Dakota Electric from EV filing requirements that were applied to investor-owned electric utilities in this docket, and the present filing is for EV rates and not a program, Dakota Electric will nonetheless address the items as applicable.

**6. Content of EV-Related Proposals/Investments: The Commission finds that the following should be included at a minimum in any EV- related utility proposals:**

...

- b. In the case of a proposed pilot, the utility filing should include specific evaluation metrics for the pilot and identify what the utility expects to learn from the pilot. An extensive cost-benefit analysis may not be needed for a pilot, depending on the scope and cost of the pilot.**

...

Dakota Electric's focus for these two proposed pilot rates is to determine the relative wholesale power costs for each service. Our hope is that there will be a variety of non-residential charging scenarios along with multi-family offerings. This variety will provide consumption data to evaluate wholesale power costs, which are the predominant cost of providing service.

**16. In any future pilot proposal, utilities should include a discussion of the following topics to the extent relevant:**

- a. Environmental justice, with a focus on communities disproportionately disadvantaged by traditional fossil fuel use;**

The proposed rates should lead to the availability of EV chargers at more locations in our service territory.

**b. Low-income access and equitable access to vehicles and charging infrastructure, which can include all-electric public transit and EV ride-sharing options;**

Dakota Electric is proposing retail electric rates for EV charging. This filing is not for a program or investment in EV infrastructure.

**c. Environmental benefits, including but not limited to carbon and other emission reductions;**

Depending on various assumptions, an EV charged on Dakota Electric's system presently has less than half the carbon emissions of a conventional gasoline powered vehicle. We note that as Great River Energy implements announced generation portfolio changes, these carbon reduction benefits will be greater.

**d. Potential economic development and employment benefits in Minnesota;**

Dakota Electric is proposing retail electric rates for EV charging. This filing is not for a program or investment in EV infrastructure.

**e. Interoperability and open charging standards;**

Dakota Electric is proposing retail electric rates for EV charging. This filing is not for a program or investment in EV infrastructure.

**f. Load management capabilities, including the use of demand response in charging equipment or vehicles;**

These services are for a time-of-use rate structure. This will encourage charging at off-peak times but are not tied to load management.

**g. Energy and capacity requirements;**

The TOU rate structure will potentially encourage charging at non-peak times which could hold down system capacity requirements.

**h. Pilot expansion and/or transition to permanent status at a greater scale;**

The pilot designation would be removed after review of consumption and load data, with possible refinements in rates and terms of service.

**i. Education and outreach;**

Dakota Electric will add these rate options to the outreach on our website as well as communication with commercial accounts.

**j. Market competitiveness/ownership structures;**

NA

**k. Distribution system impacts;**

Dakota Electric has not observed distribution system impacts from the present residential rate offerings. We will monitor distribution impacts at participant locations in these proposed pilot rates.

**l. Cost and benefits of the proposal;**

Dakota Electric is proposing retail electric rates for EV charging based on cost of service. This filing is not for a program or investment in EV infrastructure.

**m. Customer data privacy and security; and**

No individual customer data will be shared.

**n. Evaluation metrics and reporting schedule**

Dakota Electric's focus for these two proposed pilot rates is to determine the relative wholesale power costs for each service. Our hope is that there will be a variety of non-residential charging scenarios along with multi-family offerings. This variety will provide consumption data to evaluate wholesale power costs, which are the predominant cost of providing service.

Consumer Energy Groups

The Consumer Energy Groups requested that Dakota Electric submit the following information in Reply Comments and future voluntary annual EV filings, along with a recommendation:

**Dakota Electric clarify in reply comments whether participants in the proposed pilot rates would also be eligible for the Revolt program, which provides wind energy to EV drivers at no additional cost, if they enroll in one of those rates by the program deadline.**

The Revolt program, offered through Great River Energy, is designed for individual EV owners to receive renewable energy at no charge with their participation in a Cooperative EV rate. In the case of both the proposed multi-family and non-residential EV rates, these services are not tied to any particular electric vehicle. The non-residential rate could have any number of participants including fleet vehicles, employees, and retail locations. The Revolt program is not designed or offered for these situations. Similarly, the multi-family rate could have any number of EV participants and chargers at a location. Dakota Electric would not know what chargers in fact were being used on any regular basis.

**We recommend that Dakota Electric track participant enrollment in applicable renewable energy rate option(s) and report on number of participants and any electricity cost difference between the groups as part of its voluntary annual EV filing.**

Dakota Electric can report the relative percentage of residential members participating in the present EV-1 rate and the storage rate who have enrolled in the Revolt program. We can also report the relative percentage of multi-family and non-residential EV participants that have signed up for Wellspring. As for cost differences, that is simply the difference between the free Revolt program and the cost of the selected Wellspring option.

**We also request that Dakota Electric share aggregated daily and annual load profiles for the two pilot rates in the annual EV filing so that stakeholders can better understand how participants' charging behaviors align with TOU price signals as well as the degree of seasonal variation in behavior.**

Dakota Electric suggests that we can provide the relative amount of energy that is purchased in each energy pricing component for both proposed rates in our annual voluntary EV update letter.

**In addition, we recommend that participants in the multi-family and non-residential pilot EV rates be eligible and prioritized for the residential or commercial EV charger rebates offered by Dakota Electric, according to which charger type is appropriate for each participant's location.**

Dakota Electric will pass through EV charger rebates according to the qualifying criteria for such rebates as are established by GRE. As a member-owned cooperative, we strive to provide fair and balanced service to all members and object to prioritizing one group of members over another.

### **Conclusion**

Based on the information contained in this filing, Dakota Electric respectfully requests that the Commission approve the implementation of a pilot non-residential electric vehicle service and a pilot multi-family residential electric vehicle service as filed by the Cooperative on February 12, 2021. If you or your staff has any questions regarding Dakota Electric's petition or these Reply Comments, please contact me any time at (651) 463-6258 or [dlarson@dakotaelectric.com](mailto:dlarson@dakotaelectric.com).

Dated: April 2, 2021

Respectfully Submitted,

*/s/ Douglas R. Larson*

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Douglas R. Larson  
Vice President of Regulatory Services  
Dakota Electric Association  
4300 220<sup>th</sup> Street West  
Farmington, MN 55024  
651-463-6258  
dlarson@dakotaelectric.com

## **Certificate of Service**

I, Melissa Cherney, 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/M-21-127**

Dated this 2nd day of April 2021

*/s/ Melissa Cherney*

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Melissa Cherney



First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Ryan	Barlow	ryan.barlow@state.mn.us	Public Utilities Commission	121 7th Place East Suite 350  St. Paul, MN 55101214	Electronic Service	No	GEN_SL_Dakota Electric Association_General Service List
Eric	Fehlhaber	efehlhaber@dakotaelectric.com	Dakota Electric Association	4300 220th St W  Farmington, MN 55024	Electronic Service	No	GEN_SL_Dakota Electric Association_General Service List
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 280  Saint Paul, MN 551012198	Electronic Service	No	GEN_SL_Dakota Electric Association_General Service List
Corey	Hintz	chintz@dakotaelectric.com	Dakota Electric Association	4300 220th Street  Farmington, MN 550249583	Electronic Service	No	GEN_SL_Dakota Electric Association_General Service List
Douglas	Larson	dlarson@dakotaelectric.com	Dakota Electric Association	4300 220th St W  Farmington, MN 55024	Electronic Service	Yes	GEN_SL_Dakota Electric Association_General Service List
Pam	Marshall	pam@energycents.org	Energy CENTS Coalition	823 7th St E  St. Paul, MN 55106	Electronic Service	No	GEN_SL_Dakota Electric Association_General Service List
David	Moeller	dmoeller@allete.com	Minnesota Power	30 W Superior St  Duluth, MN 558022093	Electronic Service	No	GEN_SL_Dakota Electric Association_General Service List
Generic Notice	Residential Utilities Division	residential.utilities@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012131	Electronic Service	No	GEN_SL_Dakota Electric Association_General Service List
Eric	Swanson	eswanson@winthrop.com	Winthrop & Weinstine	225 S 6th St Ste 3500 Capella Tower Minneapolis, MN 554024629	Electronic Service	No	GEN_SL_Dakota Electric Association_General Service List