

May 16, 2017

Daniel P. Wolf
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, Minnesota 55101-2147

RE: Response Comments of the Minnesota Department of Commerce, Division of Energy Resources
Docket No. E015/M-16-1028

Dear Mr. Wolf:

On December 9, 2016, Dakota Electric Association (Dakota Electric, DEA, or the Cooperative) filed with the Minnesota Public Utilities Commission (Commission) its *Petition to Update Lighting Rate Schedules* (Petition). The Petition included a proposal to close most of the Cooperative's high pressure sodium (HPS) lighting options and update the rates for its light-emitting diode (LED) options. On February 8, 2017, the Department submitted Comments expressing concern that customers using the 50-Watt HPS light may experience a significant cost increase with the equivalent LED lamp. The Department also recommended that Dakota Electric incorporate wattage or wattage range information with each LED lamp option in the proposed Schedules.

On February 17, 2017, DEA submitted Reply Comments. In response to the Department's concern about the 50-Watt HPS light, the Cooperative noted that the 50-Watt HPS light rate was a custom rate for one city, that those fixtures are no longer being installed, and that the existing lights are slowly being replaced with other city-owned and -operated fixtures. Dakota Electric further clarified that rather than providing these types of custom lamps in the future, the Cooperative now encourages cities interested in installing custom lights to do so, then take service under a metered rate. The Department concludes that this is reasonable.

In response to the Department's suggestion regarding incorporating wattage or wattage ranges into the LED rate offerings, DEA suggested that a more useful alternative would be to list the minimum lumen ratings of each lamp. This would have the benefit of ensuring that any changes to wattage due to efficiency increases would not require a tariff update. Lumen levels, by contrast, are more likely to remain stable. The Department continues to support the addition of providing more information about the lighting output in the LED rate offerings, but agrees with the Cooperative's assessment that providing minimum lumen levels is likely to be less administratively burdensome.

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Therefore, the Department recommends that the Commission approve the Company's Petition, as modified to include minimum lumen information, and require that DEA implement the proposed rates as soon as practicable following the Commission's Order. The Department is available to answer any questions the Minnesota Public Utilities Commission may have.

Sincerely,

/s/ DANIELLE WINNER
Rates Analyst

DW/ja

CERTIFICATE OF SERVICE

I, Sharon Ferguson, hereby certify that I have this day, served copies of the following document on the attached list of persons by electronic filing, certified mail, e-mail, or by depositing a true and correct copy thereof properly enveloped with postage paid in the United States Mail at St. Paul, Minnesota.

**Minnesota Department of Commerce
Response Comments**

Docket No. E015/M-16-1028

Dated this 16th day of May 2017

/s/Sharon Ferguson

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