DAKOTA ELECTRIC ASSOCIATION
Your Touchstone Energy® Cooperative

A locally owned, nonprofit electric utility

An Affirmative Action/Equal Opportunity Employer

August 24, 2016

- Via Electronic Filing -

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

Re: Dakota Electric Association's
2016 Annual Reports Containing Power Cost Information and Data
(Minnesota Rules 7825.2800 - 7825.2840)
Docket No. G,E999/AA 16-523
PUBLIC DOCUMENT

Dear Mr. Wolf:

Enclosed is Dakota Electric Association's 2016 Annual Power Cost Report as required by the above-referenced Minnesota Rules. This annual report consists of the following exhibits:

Exhibit A - Dakota Electric's Fuel Procurement Policy
(Minn. Rule pt. 7825.2800),

Exhibit B - Dakota Electric's Annual Report of Automatic Adjustment Charges for the period July 2015 through June 2016
(Minn. Rule pt. 7825.2810),

Exhibit C - Annual Agreed Upon Procedures Report on Dakota Electric's Accounting for Automatic Adjustments during the period July 2015 through June 2016
(Minn. Rule pt. 7825.2820 and Minn. Rule pt. 7825.2810),

Exhibit D - Dakota Electric's Annual Five-Year Projection of Fuel Costs
(Minn. Rule pt. 7825.2830),

Exhibit E - Dakota Electric's Notice of Report Availability
(Minn. Rule pt. 7825.2840).

Exhibit D is clearly identified as containing TRADE SECRET INFORMATION. Specifically, this section includes competitive wholesale capacity and energy price information which is not available to the public. Disclosure of this information could be used by market participants to the disadvantage of our wholesale power supplier.

4300 220th Street West Farmington, MN 55024-9583 1-800-874-3409 general: 651-463-6212 fax: 651-463-6256 www.dakotaelectric.com

If you have any questions about the information in this report, please contact me at 651-463-6385.

/s/ *Randy Olson*

_____
Randy Olson
Financial Analyst

c: Service List

Certificate of Service

I, Randy Olson, 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. G,E999/AA 16-523

Dated this 24th day of August, 2016

/s/ *Randy Olson*

_____

Randy Olson

DAKOTA ELECTRIC ASSOCIATION

Your Touchstone Energy℠ Partner

2016 Annual Reports

Submitted in Compliance with

Minnesota Rules 7825.2800 - 7825.2840

Public Document
Trade Secret Data has been Excised

August 24, 2016

Exhibit A

Dakota Electric's Fuel Procurement Policy

(Minn. Rule pt. 7825.2800)

Dakota Electric Association

Fuel Procurement and Dispatching Policies
&
Summary of Actions Taken to Minimize Cost

Overview

This exhibit reviews fuel procurement, dispatching policies, and actions taken by both Dakota Electric Association and Great River Energy to minimize costs. Dakota Electric aggressively pursues load management and energy conservation efforts. Great River Energy continually seeks efficiency improvements in the operation of its power plants. GRE also continues to pursue organizational and financial strategies that help to minimize the cost of wholesale power and better prepare the organization for a more competitive future.

Dakota Electric Association

Background

Organization and Area Served

Dakota Electric Association was incorporated as a non-profit electric distribution cooperative in April 1937. As a member-owned electric cooperative, Dakota Electric strives to implement policies and rates that are in the best interest of all members.

With headquarters in Farmington, Minnesota, Dakota Electric serves consumers throughout 507 square miles in Dakota, Goodhue, Rice, and Scott Counties. The majority of Dakota Electric's members are located in the southern tier of municipalities in the Minneapolis - St. Paul metropolitan area. The largest of these municipalities include Burnsville, Eagan, Apple Valley, Lakeville, Rosemount, and Farmington.

Member Profile

Dakota Electric is a predominantly suburban cooperative with over 104,000 members. Dakota Electric's member base is 93 percent residential, with all other member classes accounting for the remaining 7 percent as shown below:

Member Class	Number of Members	Percent of Total
Residential	96,516	92.5%
Irrigation	391	0.4%
Small Comm.	4,639	4.4%
Large Comm.	2,834	2.7%
Total	104,380	100.0%

Energy Sales and System Demand

Dakota Electric experiences annual fluctuations in the number of members and energy sales, as these are correlated with demographic and economic trends as well as weather and other usage factors. Energy sales were 1.8 billion kWh and coincident peak demand was 409 MW in August 2015.

Wholesale Power Supply

Dakota Electric is one of 28 distribution cooperatives that own Great River Energy. Dakota Electric has a signed purchased power contract with Great River Energy to December 31, 2045. In 2015, Dakota Electric accounted for approximately 15.8 percent of Great River Energy's total energy sales to members.

Conservation

As part of Dakota Electric's conservation efforts, listed below are ongoing energy efficiency projects and capacity conservation projects:

Affordable Housing Project

Air Conditioning Tune-Up Program

Compressed Air Efficiency Assessment

Commercial Ground Source Heat Pump

Commercial & Industrial - Agricultural (C&I-A) Energy Grant

Commercial & Industrial Electrical Evaluation and Consultation

Commercial – Small Roof Top Units

Depreciation of DSM Plant

Distribution Automation

Electric Car

Electron Commutated Motor (ECM) Rebate Program

Energy Audits – Commercial

Energy Education

Energy Efficiency & Environmental Training

Energy Management Database

Energy Star – Freezer Rebate with Recycling

Energy Star – Lighting CFL & LED

Energy Star – Refrigerator Rebate with Recycling

Energy Wise New Home Construction

Fluorescent Bulb Recycling

Interruptible Air Conditioning

Interruptible Commercial & Industrial Loads

Interruptible Irrigation

Low Income Air Conditioner Tune-Up

Low Income Audit Program

Low Income Clothes Washer Program

Low Income Dehumidifier Program

Low Income Dishwasher Program

Low Income Freezer

Low Income Microwave Program

Low Income Refrigerator Replacement Program

Low Income Room Air Conditioner Program

Low Income Water Heater Program

Low Income Weatherization Program

Off-Peak Space Heating – Dual Fuel

Off-Peak Space Heating – Electric Thermal Storage

Off-Peak Water Heating – Electric Thermal Storage / Peak Shave Water Heating

Quality Installation of Central Air Conditioning

Quality Installation of Air Source Heat Pump

Renewable Energy - Wellspring

Residential Electrical Evaluation and Consultation

Residential Energy Saving Water Kits

Residential Ground Source Heat Pump

Vending Miser

Working Appliance Recycling Freezer

Working Appliance Recycling Refrigerator

Rate Design

Beyond conservation program efforts, Dakota Electric also pursues rate designs that will encourage members to conserve energy and capacity and receive lower rates that reflect Dakota Electric's system savings from such actions.

Dakota Electric offers the following targeted load control and time-of-day rates for residential members:

- Residential and Farm Demand Control Rate (Schedule 32)
- Residential Electric Vehicles (Schedule 33)
- Controlled Energy Storage (Schedule 51)
- Controlled Interruptible Service (Schedule 52)
- Residential and Farm Service Time-of-Day Rate (Schedule 53)
- Residential and Farm Service Time-of-Day Rate (Schedule 56)
- Controlled Air Conditioning Service (Schedule 80)

Dakota Electric offers the following targeted load control and time-of-day rates for general service members:

- Interruptible Irrigation Service (Schedule 36)
- Controlled Energy Storage (Schedule 51)
- Controlled Interruptible Service (Schedule 52)
- General Service Optional Time-of-Day Rate (Schedule 54)
- Interruptible Service (Full Interruptible Option) (Schedule 70)

- Interruptible Service (Partial Interruptible Option) (Schedule 71)
- Controlled Air Conditioning Service (Schedule 80)

Dakota Electric estimates that it is able to reduce its summer peak demand by 125 to 135 MW of diversified demand through capacity conservation and targeted rates. For a point of reference, the summer controlled peak demand in 2015 was 319 MW.

In addition to these specific load control and time-of-day rates, Dakota Electric utilizes a seasonal rate structure that reflects wholesale power costs which are higher in the summer. Under this seasonal rate structure, members receive price signals that encourage the efficient use of energy and contribute to conservation.

Great River Energy

Background

Great River Energy (GRE), based in Maple Grove, Minnesota, is a not-for-profit electric generation and transmission cooperative owned and governed by its 28 member distribution cooperatives. GRE supplies electricity through its members to approximately 665,000 member-consumers in Minnesota and a small portion of western Wisconsin. These member-consumers include residences, farms, commercial and industrial facilities representing about 1.7 million people.

The average member-consumer served by GRE member distribution cooperatives used nearly 18,000 kWh of energy in 2015, or about 1,500 kWh of energy per month. Based on 2015 system-wide energy sales, approximately 60 percent of GRE members' electric load may be characterized as residential (including seasonal) and about 40 percent as commercial and industrial.

Resources

Generation Assets

GRE's generation resource portfolio has approximately 3,351 MW of power generation capability with a diverse mix of fuel types including: coal, wind, hydro, solar, biomass, natural gas and oil.

GRE's baseload generation facilities include Coal Creek Station and Stanton Station in North Dakota and Elk River Energy Recovery Station in Minnesota. Great River Energy's newest baseload facility is Spiritwood Station located near Jamestown, North Dakota. Spiritwood Station is a combined heat and power plant designed to be an efficient and reliable source of both electric and thermal energy. It started commercial operation in November 2014 and can generate up to 99 MW of electricity.

GRE owns and operates natural gas-fired peaking plants across Minnesota including Pleasant Valley Station, Lakefield Junction Station, Cambridge Station and Elk River Peaking Station as well as several smaller oil-fired peaking plants. Peaking plants are critical to supporting electric reliability during times of peak demand or when non-dispatchable generation sources like wind power and solar power are unavailable. GRE's peaking plants have about 99 percent availability during the summer which enables GRE to meet resource adequacy requirements and supply members' demand for electricity.

GRE's maintenance of generation assets is vital to ensure availability of the units when needed. GRE proactively works with contractors to achieve high performance contractor work during planned outages. GRE has multi-year contracts with major equipment manufacturers and outage support contractors (i.e. General Electric & Siemens) to help ensure that planned outages meet scope, budget and schedule goals. A number of these contracts have performance-based incentives for meeting outage schedules and budgets. Also, GRE has multiple outage planning staff and tools to help ensure that appropriate contingency plans are in place to mitigate the risk of delays or performance for contractors working on planned outage activities. GRE's proactive planning with all stakeholders helps ensure that planned outages are completed in a timely and fiscally responsible manner.

GRE has added significant amounts of renewable energy to its resource portfolio with purchases from nine wind projects in Minnesota, North Dakota and Iowa totaling almost 470 MW. GRE receives wind energy from the following resources:

- Trimont Area Wind Farm (100 MW) in Southwestern Minnesota, Minnesota's first commercial-scale, landowner-developed wind farm – November, 2005;
- Prairie Star Wind Farm (101 MW) in Southeastern Minnesota – December, 2007;
- Elm Creek Wind Farm (99 MW) Southwestern Minnesota – November, 2008;
- Ashtabula II (51 MW) in Northeastern North Dakota – August 2010;
- Endeavor I (100 MW) in Northwestern Iowa – April 2011; and
- Four small wind projects (17 MW total) in Southern Minnesota – Chandler, Dodge Center, Jackson County and Rolling Green.

GRE completed construction on a 250 kW solar array at its headquarters site in June 2014. The project measures the performance of different panel technologies, assesses the benefits of a variety of inverters and documents lessons learned while designing, financing, permitting and installing the solar array. In 2015, GRE completed the installation of nineteen 20 kW solar arrays throughout its service area, including one near Dakota Electric's headquarters in Farmington, MN. In 2016, GRE completed construction of a 2.25 MW solar array, as a dedicated wholesale power supply resource for one of its members. In total, GRE expects to have nearly 2.9 MW of solar energy installations in service by the fall of 2016.

In addition, GRE receives biomass energy from:

- Elk River Energy Recovery Station Refuse Derived Fuel (33 MW)
- Elk River Landfill Gas (3 MW)
- Two Dairy Anaerobic Digesters (4 MW)

GRE's renewable energy resources are registered in the Midwest Renewable Energy Tracking System (M-RETS), which is used for tracking and regulatory compliance.

GRE is a participant in the wholesale energy and ancillary services markets operated by the Midcontinent Independent System Operator, Inc. (MISO). MISO's central dispatch and congestion management functions make the most efficient use of the region's electric generation and transmission resources. Beginning in May, 2009, GRE became a member of ACES Power Marketing (ACES), a portfolio management organization owned and governed by its members. GRE utilizes ACES' power market transactional and risk management services to help minimize costs associated with serving GRE's member load in the MISO market. ACES, as an agent for GRE, bids GRE's member load requirements and offers GRE's generation into the MISO markets on a daily and hourly basis. In addition, GRE and ACES work together to supplement GRE's owned generation resources with market purchases and sales agreements.

On July 15, 2016, GRE announced plans to retire Stanton Station by May 2017. Stanton Station is a 189 MW coal fired power plant located in Mercer County, North

Dakota. GRE is developing plans to decommission Stanton Station in a responsible matter that will safeguard the local environment and assure the safety and security of the local community.

GRE's most recent Integrated Resource Plan (IRP) was filed with the Minnesota Public Utilities Commission (MPUC) on October 31, 2014. The MPUC issued a written order on October 26, 2015 accepting the IRP. GRE plans to meet future load growth with conservation, energy efficiency, renewable energy, natural gas and market purchases. The IRP filing addresses load growth, conservation and energy efficiency, generation resources and state and federal environmental policies. GRE will file its next IRP on May 1, 2017.

Transmission Assets

GRE owns, in whole or in part, more than 5,400 miles of transmission line in Minnesota and North Dakota and 100 transmission substations to serve the entire load-serving transmission requirements of its 28 member cooperatives. GRE transmits its members' energy requirements to more than 550 member-owned distribution substations, distributed over 62 percent of Minnesota, geographically. GRE performs some of its transmission duties to its members under the MISO Open Access Transmission, Energy and Operating Reserve Markets Tariff, including wholesale transmission service and coordinated regional planning.

Great River Energy employs licensed engineering and design staff for substation engineering, relaying and protection, communications, line design and surveying. When internal resources are unavailable, or where specialized skills are required, Great River Energy augments internal staff by using external consultants and/or contractors. The primary system operations control center is located in Elk River, Minnesota, along with a backup control center in out-state Minnesota. GRE has nine service centers strategically located throughout Minnesota and North Dakota staffed with line, relay, apparatus and telecommunication technicians and the necessary equipment to assess and respond quickly to transmission interruptions. Through transmission planning and NERC regulatory compliance functions, GRE continually assesses, monitors and takes action as

needed to maintain compliance with applicable engineering, reliability and operating regulations. This includes compliance with NERC reliability standards, the IEEE National Electric Safety Code (NESC), as well as appropriate local, state and federal environmental regulations, and MISO market operating requirements.

Environmental Stewardship

GRE has a long history of supporting responsible environmental stewardship. Its commitment towards minimizing the environmental impacts of business activities is encapsulated in its 1999 board-approved Environment Policy. GRE strives to implement cost effective opportunities to comply with state and federal environmental regulations.

Conservation and Energy Efficiency

GRE, and its member cooperatives, work together to meet Minnesota's Conservation Improvement Program Goal to achieve energy savings equal to at least 1.5 percent of gross annual retail energy sales. This cooperative partnership reduced the need for over 124,276 MWh of electricity and reduced summer peak demand by 30 MW in 2015. GRE provides approximately $6 million in energy efficiency rebates to member-consumers each year through local, cooperative-sponsored energy conservation programs.

In June 2010, GRE dedicated the first installation of a technology developed and owned by GRE to make coal-fueled power plants cleaner and more efficient. Known as DryFining™, the system improves fuel quality by simultaneously drying and refining lignite coal. DryFining was designed to reduce fuel input into boilers, increase power plant efficiency, and reduce emissions. The DryFining facility at GRE's Coal Creek Station is reducing emissions of sulfur dioxide by more than 40 percent, mercury by as much as 40 percent, nitrogen oxides by more than 20 percent and carbon dioxide by 4 percent. DryFined coal is also used at GRE's Spiritwood Station.

GRE has actively pursued combined heat and power (CHP) generation as one of the most efficient means to generate electricity and supply process heat to other industrial processes. The Blue Flint Ethanol plant is co-located with Coal Creek Station and it uses waste steam as its primary source of process energy in lieu of operating its own fossil-fuel

fired boiler. Spiritwood Station is a CHP plant that also supplies process steam to an adjacent malt plant and the newly operating Dakota Spirit AgEnergy biorefinery. CHP plants are highly energy efficient because they use the energy in their steam cycle to both produce electricity and satisfy the thermal energy needs of nearby industrial operations.

GRE's headquarters facility, in Maple Grove, Minnesota, is one of the most energy-efficient buildings in the region and was constructed to the highest standard of Leadership in Energy and Environmental Design (LEED) certification from the U.S. Green Building Council. GRE designed the building to minimize long-term operating costs and has shared its technologies and experiences with over 14,000 visitors since the building was completed in 2008. GRE expanded certified facilities to include: three service centers, a maintenance facility, and an office building in Bismarck, North Dakota.

Renewable Energy

GRE's large portfolio of renewable energy resources and banking of renewable energy credits is expected to satisfy Minnesota's Renewable Energy Standard until approximately 2026, at which point GRE plans to add additional renewable resources.

GRE and its member cooperatives offer the Wellspring Renewable Energy® Program through which customers may choose to buy additional wind energy for a subscription price. At the close of 2015, nearly 5,600 member-consumers participated in the program. Beginning mid-2015, the Wellspring program was expanded to include a customer option to voluntarily purchase solar energy at a subscription price.

Environmental Compliance

With the exception of its most recent plant, Spiritwood Station, all of GRE's generation facilities and transmission system are ISO 14001 registered (GRE plans to register Spiritwood Station by 2018). ISO 14001 is a voluntary international standard of excellence in environmental practices that requires a company to continuously evaluate and improve its environmental performance. To benchmark its progress and improve its compliance systems, GRE annually audits portions of its environmental media compliance programs. Independent, third-party audits are conducted annually on specific

environmental media as well as on the ISO 14001 environmental management systems. All audit findings or observations are reviewed by top management and addressed as part of a continuous improvement process. This process of continuous improvement helps reduce operational risk and ensure compliance across the organization.

GRE has taken substantial steps to mitigate the impact of its operations on the environment. Efforts to enhance GRE's environmental stewardship include continued conservation and energy efficiency efforts, purchasing energy from renewable resources, operating facilities in accordance with registered environmental management systems, investing in emissions controls and developing commercial uses for its facilities' byproducts. More information on GRE's environmental compliance can be found in GRE's 2014 Resource Plan, Docket No ET2/RP-14-813, beginning on page 37 of the initial filing.

Exhibit B

Dakota Electric's Annual Report of Automatic Adjustment Charges
for the period
July 2015 through June 2016

(Minn. Rule pt. 7825.2810)

DAKOTA ELECTRIC ASSOCIATION

Power Cost Adjustment
Procedure and Summary

Reference

See Exhibit C-II for financial analysis references made as part of this discussion.

Background

Resource and Tax Adjustment (RTA)

Dakota Electric Association (DEA) has a "Resource and Tax Adjustment" (RTA) that includes three (3) components:

1. Power Cost Adjustment (PCA);
2. Conservation Tracker Account Recovery Adjustment (TRA); and
3. Property Tax Adjustment (PTA).

For purposes of this filing, the PCA is shown separately from the TRA and PTA components of the RTA on the attached Exhibit C-II. Each component can be either a credit or a charge, and the components are then summed in the Resource and Tax Adjustment which will be either a net credit or charge. The RTA is calculated annually in January with a mid-year true up allowed in July if needed.

This report is a summary filing due each year on September 1st which is used to disclose and review the PCA. A summary of the annual TRA and PTA expenses and recovery are included with the January RTA filing.

Power Cost Adjustment

PCA Components

Dakota Electric Association (DEA) includes both capacity costs and energy costs in its Power Cost Adjustment (PCA). Inclusion of both components is a result of DEA purchasing 100% of its power from Great River Energy (GRE). The recovery mechanism, Docket No. E-111/M-99-1396, is also included.

Bi-Annual PCA Calculations

Each January, DEA calculates its PCAs based on its power supplier's annual change in energy and capacity charges. In addition, each July DEA has been allowed to review its PCA balance and true-up any over- or under-recovery of power costs. This procedure results in a recurring, recalculation of PCAs which includes carrying forward over- or under-recovery aggregate amounts to be included in future period PCAs.

The standard PCA clause that combines energy and capacity costs (along with charges set annually by GRE) has a predictable effect on our recovery of purchased power. Since energy costs are a straight pass-through based on kWh sales, energy revenue will match energy costs. However, since the capacity portion of the adjustment must be derived based on a sales forecast, the capacity revenue will, most likely, never match capacity costs. Sales usually are either greater than or less than forecast, resulting in a corresponding over- or under-recovery of capacity costs. In addition, GRE may apply a wholesale PCA to each month's billing. Since this adjustment to purchased power costs cannot be immediately incorporated into our recovery, it contributes to the over- or under- recovery of total power costs.

2009 Rate Case

On May 24, 2010, DEA received approval to incorporate a base cost of power of 73.9 mills/kWh on the majority of its rate classes to become effective for electric usage on and after July 17, 2010. This rate filing identified a 14.0 mill differential between the cost of power in the summer months of June, July, and August and the cost of power in all other months. Utilizing this differential and the average cost of power for summer and other months, base power costs of 83.8 and 69.8 mills per kWh were applied in Exhibit II Statement of Electric Power Automatic Resource Adjustment Charges (Credits) by Class of Service. The approved base power costs for the remainder of the rates are as follows:

Energy Cost Adjustment (Rates 37, 70, and 71) is 40.8 mills per kWh
Controlled Energy Storage (Rate 51) is 18.0 mills per kWh
Controlled Interruptible (Rate 52) is 26.1 mills per kWh
Geothermal (Rate 49) is 47.5 mills per kWh

2012 Petition to Revise its Power Cost Adjustment and Energy Cost Adjustment Base Rates

On May 4, 2012, DEA received approval to incorporate a base cost of power of 78.1 mills/kWh on the majority of its rate classes to become effective retroactive for electric usage on and after January 1, 2012. This filing identified a 14.0 mill differential between the cost of power in the summer months of June, July, and August and the cost of power in all other months. Utilizing this differential and the average cost of power for summer and other months, base power costs of 88.0 and 74.0 mills per kWh were applied in Exhibit II Statement of Electric Power Automatic Resource Adjustment Charges (Credits) by Class of Service. The approved base power costs for the remainder of the rates are as follows:

Energy Cost Adjustment (Rates 37, 70, and 71) is 43.1 mills per kWh
Controlled Energy Storage (Rate 51) is 18.0 mills per kWh
Controlled Interruptible (Rate 52) is 26.1 mills per kWh
Geothermal (Rate 49) is 47.5 mills per kWh

2014 Rate Case

On June 8, 2015, DEA received approval to incorporate a base cost of power of 90.3 mills/kWh on the majority of its rate classes to become effective for electric usage on and after November 12, 2015. This filing used a 14.0 mill differential between the cost of power in the summer months of June, July, and August and the cost of power in all other months. Utilizing this differential and the average cost of power for summer and other months, base power costs of 100.5 and 86.5 mills per kWh were applied in Exhibit II Statement of Electric Power Automatic Resource Adjustment Charges (Credits) by Class of Service. The approved base power costs for the remainder of the rates are as follows:

Energy Cost Adjustment (Rates 37, 70, and 71) is 49.7 mills per kWh
Controlled Energy Storage (Rate 51) is 20.0 mills per kWh
Controlled Interruptible (Rate 52) is 30.5 mills per kWh
Geothermal (Rate 49) is 77.5 mills per kWh

Report Summary

Power Cost -- Actual + Recovery Mechanism	$144,364,540
Power Cost -- Billed to Consumers	$146,436,020
Over- or (Under-) Recovery of Power Cost	$ 2,071,480[1]
Percent Over- or (Under-) Recovered	1.43%[2]

Note: See comments under Exhibit C-I Item E for explanation regarding the over recovery of power costs above.

[1] Exhibit C-II

[2] 2,071,480 ÷ 144,364,540 = 1.43%

Exhibit C

Annual Agreed Upon Procedures Report
on
Dakota Electric's
Accounting for Automatic Adjustments
during the period
July 2015 through June 2016

(Minn. Rule pt. 7825.2820 and Minn. Rule pt. 7825.2810)

CliftonLarsonAllen LLP
CLAconnect.com

INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Specified Users of the Report:

Dakota Electric Association
Minnesota Public Utilities Commission

We have performed the procedures enumerated below, which were agreed to by Dakota Electric Association (Association) and Minnesota Public Utilities Commission (the specified parties), solely to assist you with the compliance of Rule 7825.2820 of the Rules of the Minnesota Public Utilities Commission Governing Automatic Adjustment of Charges (Credits). Dakota Electric Association's management is responsible for the compliance with those requirements. This agreed-upon procedures engagement was performed in accordance with the attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

a. We confirmed with the power supplier the cost of purchased power for the period July 1, 2015 through June 30, 2016. We compared the documentation supporting payments and invoices received from the utility supplying energy and found them to be in agreement.

b. We obtained the Minnesota Public Utilities Commission – Approved Base Costs of Power, Docket No. E-111/GR-14-482 and compared the base costs of power to the bases in use and found them to be in agreement.

c. We recalculated the billing adjustment charge (credit) per kWh charged to customers for purchased power for the period July 1, 2015 through June 30, 2016, as set forth in Exhibit C-II – Statement of Electric Power Automatic Resource Adjustment Charges (Credits) by Class of Service and found them to be computed in accordance with Docket No. E-111/M-15-40 and Docket No. E-111/M-16-42.

d. We obtained the accounting records for the revenues billed to customers for energy delivered for the period July 1, 2015 through June 30, 2016. We compared the total sales of electric energy in kWh to the Association's billing register and found them to be in agreement. We also, on a test basis, examined individual billings for each class of service, recalculated the automatic adjustment charges and credits used by Dakota Electric Association and traced these amounts to the individual customers' subsidiary records to ensure that the calculated credit or charge was recorded and found them to be in agreement.

e. We obtained the Minnesota Public Utilities Commission – Order Approving Conservation Adjustment and Granting Variance, Docket No. E-111/M-94-227. We have agreed the amounts of conservation cost recovery expenses included in the conservation tracker recovery account to the accounting records.

f. We obtained the Minnesota Public Utilities Commission – Order Approving Proposal for Mechanism to Correct the Power Cost Adjustment, Docket No. E-111/M-99-1396. We recalculated the amounts of costs added to the power cost adjustment.

g. We obtained Minnesota Public Utilities Commission – Order Approving Property Tax Adjustment Rider as Modified and Granting Variance, Docket No. E-111/M-95-1395. We have recalculated the projected under recovered property tax and examined, on a test basis, property tax billings. We agreed the amounts included in the property tax tracker recovery account to the accounting records.

h. We have reconciled the total revenue and the cost of power to Dakota Electric Association's general ledger and found them to be in agreement with the information in Exhibit C-II.

i. We have recalculated the true-up calculation and have traced the related revenue and expense amounts to Dakota Electric Association's accounting records and found them to be in agreement with the amounts used in the true-up calculation.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of Dakota Electric Association and Minnesota Public Utilities Commission and is not intended to be and should not be used by anyone other than these specified parties.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Austin, Minnesota
August 11, 2016

Exhibit C-I

DAKOTA ELECTRIC ASSOCIATION
RULE 7825.2810
ANNUAL REPORT - AUTOMATIC RESOURCE ADJUSTMENT CHARGES (CREDITS)
FOR THE TWELVE MONTHS ENDED JUNE 30, 2016

A. The Minnesota Public Utilities Commission approved the 2014 rate case on June 8, 2015, Docket No. E-111/GR-14-482. This approval allowed DEA to incorporate a base cost of power of 90.3 mills/kWh on the majority of its rate classes effective for electric usage on and after November 12, 2015. This filing used a 14.0 mill differential between the cost of power in the summer months of June, July, and August and the cost of power in all other months. Utilizing this differential and the average cost of power for summer and other months, base power costs of 100.5 and 86.5 mills per kWh were applied in Exhibit II Statement of Electric Power Automatic Resource Adjustment Charges (Credits) by Class of Service. The approved base power costs for the remainder of the rates are as follows:

Energy Cost Adjustment (Rates 37, 70, and 71) is 49.1 mills per kWh
Controlled Energy Storage (Rate 51) is 20.0 mills per kWh
Controlled Interruptible (Rate 52) is 30.5 mills per kWh
Geothermal (Rate 49) is 77.5 mills per kWh

B. The power cost adjustment amount and kWh for each class of service is shown in Exhibit II - Statement of Electric Power Automatic Resource Adjustment Charges (Credits) by Class of Service.

C. The billing amounts by gas supplier is not applicable as the company does not sell gas.

D. The total power cost of kWh delivered to members for the reporting period was $144,196,294. In addition, $168,246 was recovered through the mechanism to eliminate the double crediting of demand side programs in the PCA. The PCA calculation was changed in August 2010 (based on the rate case) to calculate the cost/kWh relating to the cost of power for each rate class based on the actual rates used by GRE. The net amount of $144,364,540 is set forth in Exhibit II - Statement of Electric Power Automatic Resource Adjustment Charges (Credits) by Class of Service.

E. The revenue billed to members for the cost of power delivered for the reporting period was $146,436,020 as set forth in Exhibit II- Statement of Electric Power Automatic Resource Adjustment Charges (Credits) by Class of Service. Our PCA is set on a calendar basis to recover the prior years over/under billed amount as well as the current year's projected power costs. Since the reporting period covered by this filing is not a calendar year, the total over/under billed amount does not reflect the actual status of our recovery.

F. No supplier refunds were received during the reporting period.

G. No refunds were received; therefore none were distributed to members.

Exhibit C-I (continued)

DAKOTA ELECTRIC ASSOCIATION
RULE 7825.2810
ANNUAL REPORT - AUTOMATIC RESOURCE ADJUSTMENT CHARGES (CREDITS)
FOR THE TWELVE MONTHS ENDED JUNE 30, 2016

The Association received permission from the Public Utilities Commission on May 10, 1994, Docket No. E-lll/M-94-227, to change from a power cost adjustment to a resource adjustment. The resource adjustment consists of the prior power cost adjustment combined with an adjustment as a surcharge to recover lost revenues and margins due to conservation and load management and conservation cost recovery. The resource adjustment replaced the power cost adjustment in billing periods starting in May 1994.

The Association received permission from the Public Utilities Commission on April 22, 1996, Docket No. E-lll/M-95-1395, to change from a resource adjustment to a resource and property tax adjustment. The resource and tax adjustment consists of the prior resource adjustment and an adjustment for property taxes charged to the Association above the cost in the previous rate case. The resource and property tax adjustment replaced the resource adjustment in billing periods starting in May 1996.

The Association received permission from the Public Utilities Commission on January 7, 2000, Docket No. E-111/M-99-1396, to implement a mechanism to correct the power cost adjustment needed to eliminate double crediting through the Company's demand-side management program and its Resource and Tax Adjustment.

The amount in Exhibit II, shown as DSM & Tax Recovery, includes ($191,687) from July 1, 2015 to June 30, 2016 for property tax recovery.

Dakota Electric Association

Statement of Electric Power Automatic Resource Adjustment Charges (Credits) by Rate Class

For the Twelve Months Ended June 30, 2016

All Rates

(A)	(B)	(C)	(D)	(E)	(F)	
			Cost of Power and Recovery Mechanism			
Month	kWh Sales		Billed	Incurred	Over-billed (Under-billed)	
Jul-15	170,713,493		15,189,141	17,058,425	(1,869,284)	
Aug-15	185,881,575		16,596,020	16,448,476	147,544	
Sep-15	173,002,813		13,740,092	11,889,790	1,850,302	
Oct-15	144,808,238		11,489,247	8,882,758	2,606,489	
Nov-15	127,908,747		10,106,314	9,311,456	794,858	
Dec-15	138,137,584		10,900,415	12,083,878	(1,183,463)	
Jan-16	154,655,670		12,162,832	12,296,819	(133,987)	
Feb-16	151,886,583		11,953,276	11,005,502	947,774	
Mar-16	139,580,905		10,842,321	9,649,900	1,192,421	
Apr-16	128,371,516		9,916,498	8,505,170	1,411,328	
May-16	131,258,619		10,058,385	10,496,123	(437,738)	
Jun-16	154,378,043		13,481,479	16,736,243	(3,254,764)	
	1,800,583,786		146,436,020	144,364,540	2,071,480	1.43%

(G)	(H)	(I)	(J)	(K)
Month	Electric Rate Revenue	Power Cost Adjustment	DSM & Tax Recovery	Total Billed Revenue
Jul-15	17,075,294	2,349,749	45,294	19,470,337
Aug-15	18,737,330	2,565,149	51,436	21,353,915
Sep-15	16,894,467	2,397,553	46,328	19,338,348
Oct-15	13,763,333	2,002,325	37,934	15,803,592
Nov-15	12,155,744	1,758,185	32,784	13,946,713
Dec-15	14,610,986	380,961	177	14,992,124
Jan-16	16,248,236	299,238	(3,739)	16,543,735
Feb-16	15,997,098	298,713	(3,544)	16,292,267
Mar-16	14,690,191	255,464	(3,688)	14,941,967
Apr-16	13,711,034	226,373	(3,579)	13,933,828
May-16	13,948,110	219,838	(3,876)	14,164,072
Jun-16	16,646,532	270,824	(3,840)	16,913,516
	184,478,355	13,024,372	191,687	197,694,414

Dakota Electric Association

Statement of Electric Power Automatic Resource Adjustment Charges (Credits) by Rate Class

For the Twelve Months Ended June 30, 2016

Reconciliation with Financial Statements

	Total kWh	Total Revenue	Cost of Power [1]
Total Electric kWh, Revenue & Power Cost Billed for the Twelve Months Ended June 30, 2016	1,800,583,786	$ 197,694,414	$ 144,196,294
Other Electric Revenue - Fees & Charges		2,020,469	
Wellspring	[Included above]	34,926	34,854
Standby Reservation Fee		62,913	23,630
Rate 55 - Residential Co Generation		(30,279)	
Accruals and Adjustments			
Reverse DSM & Tax Recovery		(191,687)	
Accrued PCA		(3,158,867)	
Accrued Balance June 30, 2015	(23,050,640)	(2,963,501)	
Accrued Balance June 30, 2016	26,885,368	3,436,896	
Other Adjustments		21,181	
Total Electric kWh, Revenue & Power Cost for the Twelve Months Ended June 30, 2016	1,804,418,514	$ 196,926,465	$ 144,254,778

[1] Cost of Power Billed by GRE to DEA.

Dakota Electric Association

Statement of Electric Power Automatic Resource Adjustment Charges (Credits) by Rate Class

For the Twelve Months Ended June 30, 2016

Rate 31

Residential & Farm Service

(A)	(B)	(C)	(D)	(E)	(F)
		Rates			
Month	kWh Sales	Base Cost of Power	Power Cost Adjustment	DSM Tracker Account Recovery	Tax Tracker Account Recovery
Jul-15	79,540,982	0.0880	0.0152	0.0000	0.0004
Aug-15	91,800,050	0.0880	0.0152	0.0000	0.0004
Sep-15	83,228,635	0.0740	0.0152	0.0000	0.0004
Oct-15	67,647,795	0.0740	0.0152	0.0000	0.0004
Nov-15	56,762,151	0.0740	0.0152	0.0000	0.0004
Dec-15	63,127,106	0.0865	0.0028	0.0000	0.0000
Jan-16	73,222,809	0.0865	0.0030	0.0000	0.0000
Feb-16	72,241,118	0.0865	0.0030	0.0000	0.0000
Mar-16	62,588,054	0.0865	0.0030	0.0000	0.0000
Apr-16	55,824,126	0.0865	0.0030	0.0000	0.0000
May-16	55,549,549	0.0865	0.0030	0.0000	0.0000
Jun-16	65,751,947	0.1005	0.0030	0.0000	0.0000
	827,284,322				

(G)	(H)	(I)	(J)	(K)	(L)
Month	Electric Rate Revenue	Power Cost Adjustment	DSM & Tax Recovery	Total Billed Revenue	COP Billed
Jul-15	9,771,780	1,209,023	31,816	11,012,619	8,208,629
Aug-15	11,265,454	1,395,361	36,720	12,697,535	9,473,765
Sep-15	10,059,282	1,265,075	33,291	11,357,648	7,423,994
Oct-15	7,810,744	1,028,246	27,059	8,866,049	6,034,183
Nov-15	6,632,189	862,785	22,705	7,517,679	5,063,184
Dec-15	8,234,913	176,756	0	8,411,669	5,637,251
Jan-16	9,413,975	219,668	0	9,633,643	6,553,441
Feb-16	9,299,894	216,723	0	9,516,617	6,465,580
Mar-16	8,176,783	187,764	0	8,364,547	5,601,631
Apr-16	7,386,965	167,472	0	7,554,437	4,996,259
May-16	7,379,368	166,649	0	7,546,017	4,971,685
Jun-16	8,629,608	197,256	0	8,826,864	6,805,327
	104,060,955	7,092,778	151,591	111,305,324	77,234,929

Dakota Electric Association

Statement of Electric Power Automatic Resource Adjustment Charges (Credits) by Rate Class

For the Twelve Months Ended June 30, 2016

Rate 32

Residential and Farm Demand Control Rate

(A)	(B)	(C)	(D)	(E)	(F)
		Rates			
Month	kWh Sales	Base Cost of Power	Power Cost Adjustment	DSM Tracker Account Recovery	Tax Tracker Account Recovery
Jul-15	16,414	0.0880	0.0152	0.0000	0.0004
Aug-15	17,928	0.0880	0.0152	0.0000	0.0004
Sep-15	17,958	0.0740	0.0152	0.0000	0.0004
Oct-15	15,875	0.0740	0.0152	0.0000	0.0004
Nov-15	22,691	0.0740	0.0152	0.0000	0.0004
Dec-15	36,156	0.0865	0.0028	0.0000	0.0000
Jan-16	49,466	0.0865	0.0030	0.0000	0.0000
Feb-16	62,787	0.0865	0.0030	0.0000	0.0000
Mar-16	46,361	0.0865	0.0030	0.0000	0.0000
Apr-16	32,845	0.0865	0.0030	0.0000	0.0000
May-16	27,252	0.0865	0.0030	0.0000	0.0000
Jun-16	19,387	0.1005	0.0030	0.0000	0.0000
	365,120				

(G)	(H)	(I)	(J)	(K)	(L)
Month	Electric Rate Revenue	Power Cost Adjustment	DSM & Tax Recovery	Total Billed Revenue	COP Billed
Jul-15	2,043	249	7	2,299	1,694
Aug-15	2,221	273	7	2,501	1,850
Sep-15	2,029	273	7	2,309	1,602
Oct-15	1,689	241	6	1,936	1,416
Nov-15	2,223	345	9	2,577	2,024
Dec-15	3,757	101	0	3,858	3,229
Jan-16	5,075	148	0	5,223	4,427
Feb-16	6,180	188	0	6,368	5,619
Mar-16	5,033	139	0	5,172	4,149
Apr-16	3,660	99	0	3,759	2,940
May-16	2,869	82	0	2,951	2,439
Jun-16	2,357	58	0	2,415	2,007
	39,136	2,196	36	41,368	33,396

Dakota Electric Association

Statement of Electric Power Automatic Resource Adjustment Charges (Credits) by Rate Class

For the Twelve Months Ended June 30, 2016

Rate 33

Residential Electric Vehicle Rate

(A)	(B)	(C)	(D)	(E)	(F)
			Rates		
Month	kWh Sales	Base Cost of Power	Power Cost Adjustment	DSM Tracker Account Recovery	Tax Tracker Account Recovery
Jul-15	5,991	0.0880	0.0152	0.0000	0.0004
Aug-15	6,400	0.0880	0.0152	0.0000	0.0004
Sep-15	6,255	0.0740	0.0152	0.0000	0.0004
Oct-15	7,069	0.0740	0.0152	0.0000	0.0004
Nov-15	6,345	0.0740	0.0152	0.0000	0.0004
Dec-15	7,274	0.0865	0.0028	0.0000	0.0000
Jan-16	8,385	0.0865	0.0030	0.0000	0.0000
Feb-16	9,371	0.0865	0.0030	0.0000	0.0000
Mar-16	8,464	0.0865	0.0030	0.0000	0.0000
Apr-16	6,955	0.0865	0.0030	0.0000	0.0000
May-16	6,824	0.0865	0.0030	0.0000	0.0000
Jun-16	6,840	0.1005	0.0030	0.0000	0.0000
	86,173				

(G)	(H)	(I)	(J)	(K)	(L)
Month	Electric Rate Revenue	Power Cost Adjustment	DSM & Tax Recovery	Total Billed Revenue	COP Billed
Jul-15	418	91	2	511	618
Aug-15	453	97	3	553	660
Sep-15	443	95	3	541	558
Oct-15	532	107	3	642	631
Nov-15	458	96	3	557	566
Dec-15	603	20	0	623	650
Jan-16	723	25	0	748	750
Feb-16	754	28	0	782	839
Mar-16	703	25	0	728	758
Apr-16	561	21	0	582	622
May-16	565	20	0	585	611
Jun-16	541	21	0	562	708
	6,754	646	14	7,414	7,971

Dakota Electric Association

Statement of Electric Power Automatic Resource Adjustment Charges (Credits) by Rate Class

For the Twelve Months Ended June 30, 2016

Rate 36

Irrigation - Firm Service

(A)	(B)	(C)	(D)	(E)	(F)
		Rates			
Month	kWh Sales	Base Cost of Power	Power Cost Adjustment	DSM Tracker Account Recovery	Tax Tracker Account Recovery
Jul-15	48,359	0.0880	0.0152	0.0000	0.0005
Aug-15	63,041	0.0880	0.0152	0.0000	0.0005
Sep-15	45,917	0.0740	0.0152	0.0000	0.0005
Oct-15	34,093	0.0740	0.0152	0.0000	0.0005
Nov-15	8,207	0.0740	0.0152	0.0000	0.0005
Dec-15	1,875	0.0865	0.0028	0.0000	0.0002
Jan-16	326	0.0865	0.0030	0.0000	0.0002
Feb-16	830	0.0865	0.0030	0.0000	0.0002
Mar-16	757	0.0865	0.0030	0.0000	0.0002
Apr-16	10,812	0.0865	0.0030	0.0000	0.0002
May-16	41,926	0.0865	0.0030	0.0000	0.0002
Jun-16	62,427	0.1005	0.0030	0.0000	0.0002
	318,570				

(G)	(H)	(I)	(J)	(K)	(L)
Month	Electric Rate Revenue	Power Cost Adjustment	DSM & Tax Recovery	Total Billed Revenue	COP Billed
Jul-15	15,620	735	24	16,379	4,991
Aug-15	16,500	958	32	17,490	6,506
Sep-15	9,411	698	23	10,132	4,096
Oct-15	6,584	518	17	7,119	3,041
Nov-15	3,986	125	4	4,115	732
Dec-15	1,826	5	0	1,831	167
Jan-16	419	1	0	420	29
Feb-16	2,228	2	0	2,230	74
Mar-16	654	2	0	656	68
Apr-16	4,974	32	2	5,008	968
May-16	9,295	126	8	9,429	3,752
Jun-16	17,982	187	12	18,181	6,461
	89,479	3,389	122	92,990	30,885

Dakota Electric Association

Statement of Electric Power Automatic Resource Adjustment Charges (Credits) by Rate Class

For the Twelve Months Ended June 30, 2016

Rate 37

Irrigation - Interruptible Service

(A)	(B)	(C)	(D)	(E)	(F)
			Rates		
Month	kWh Sales	Base Cost of Power	Power Cost Adjustment	DSM Tracker Account Recovery	Tax Tracker Account Recovery
Jul-15	1,646,149	0.0431	0.0103	0.0000	0.0005
Aug-15	2,849,222	0.0431	0.0103	0.0000	0.0005
Sep-15	792,217	0.0431	0.0103	0.0000	0.0005
Oct-15	78,027	0.0431	0.0103	0.0000	0.0005
Nov-15	16,228	0.0431	0.0103	0.0000	0.0005
Dec-15	7,024	0.0497	0.0029	0.0000	0.0002
Jan-16	8,509	0.0497	(0.0017)	0.0000	0.0002
Feb-16	22,097	0.0497	(0.0017)	0.0000	0.0002
Mar-16	14,131	0.0497	(0.0017)	0.0000	0.0002
Apr-16	59,824	0.0497	(0.0017)	0.0000	0.0002
May-16	186,740	0.0497	(0.0017)	0.0000	0.0002
Jun-16	1,671,838	0.0497	(0.0017)	0.0000	0.0002
	7,352,006				

(G)	(H)	(I)	(J)	(K)	(L)
Month	Electric Rate Revenue	Power Cost Adjustment	DSM & Tax Recovery	Total Billed Revenue	COP Billed
Jul-15	171,862	16,955	823	189,640	87,904
Aug-15	242,270	29,347	1,425	273,042	152,148
Sep-15	118,800	8,160	396	127,356	42,304
Oct-15	22,703	804	39	23,546	4,167
Nov-15	13,365	167	8	13,540	867
Dec-15	11,848	20	1	11,869	369
Jan-16	11,669	(14)	2	11,657	408
Feb-16	12,697	(38)	4	12,663	1,061
Mar-16	13,167	(24)	3	13,146	678
Apr-16	23,021	(102)	12	22,931	2,872
May-16	49,386	(317)	37	49,106	8,964
Jun-16	191,303	(2,842)	334	188,795	80,248
	882,091	52,116	3,084	937,291	381,990

Dakota Electric Association

Statement of Electric Power Automatic Resource Adjustment Charges (Credits) by Rate Class

For the Twelve Months Ended June 30, 2016

Rate 41

Small General Service

(A)	(B)	(C)	(D)	(E)	(F)
			Rates		
Month	kWh Sales	Base Cost of Power	Power Cost Adjustment	DSM Tracker Account Recovery	Tax Tracker Account Recovery
Jul-15	3,593,011	0.0880	0.0152	0.0000	0.0004
Aug-15	3,681,947	0.0880	0.0152	0.0000	0.0004
Sep-15	3,656,994	0.0740	0.0152	0.0000	0.0004
Oct-15	3,256,879	0.0740	0.0152	0.0000	0.0004
Nov-15	3,215,175	0.0740	0.0152	0.0000	0.0004
Dec-15	3,547,450	0.0865	0.0028	0.0000	0.0000
Jan-16	4,111,832	0.0865	0.0030	0.0000	(0.0001)
Feb-16	4,262,028	0.0865	0.0030	0.0000	(0.0001)
Mar-16	3,758,591	0.0865	0.0030	0.0000	(0.0001)
Apr-16	3,325,301	0.0865	0.0030	0.0000	(0.0001)
May-16	3,090,105	0.0865	0.0030	0.0000	(0.0001)
Jun-16	3,413,652	0.1005	0.0030	0.0000	(0.0001)
	42,912,965				

(G)	(H)	(I)	(J)	(K)	(L)
Month	Electric Rate Revenue	Power Cost Adjustment	DSM & Tax Recovery	Total Billed Revenue	COP Billed
Jul-15	457,505	54,614	1,437	513,556	370,799
Aug-15	467,495	55,966	1,473	524,934	379,977
Sep-15	421,614	55,586	1,463	478,663	326,204
Oct-15	372,571	49,505	1,303	423,379	290,514
Nov-15	368,585	48,871	1,286	418,742	286,794
Dec-15	459,704	9,933	0	469,637	316,787
Jan-16	523,689	12,335	(411)	535,613	368,009
Feb-16	540,611	12,786	(426)	552,971	381,452
Mar-16	483,542	11,276	(376)	494,442	336,394
Apr-16	434,531	9,976	(333)	444,174	297,614
May-16	407,790	9,270	(309)	416,751	276,564
Jun-16	485,466	10,241	(341)	495,366	353,313
	5,423,103	340,359	4,766	5,768,228	3,984,421

Dakota Electric Association

Statement of Electric Power Automatic Resource Adjustment Charges (Credits) by Rate Class

For the Twelve Months Ended June 30, 2016

Rate 44

Street & Security Lighting Service

(A)	(B)	(C)	(D)	(E)	(F)
		Rates			
Month	kWh Sales	Base Cost of Power	Power Cost Adjustment	DSM Tracker Account Recovery	Tax Tracker Account Recovery
Jul-15	867,898	0.0880	0.0152	0.0000	0.0013
Aug-15	873,093	0.0880	0.0152	0.0000	0.0013
Sep-15	875,404	0.0740	0.0152	0.0000	0.0013
Oct-15	876,201	0.0740	0.0152	0.0000	0.0013
Nov-15	877,208	0.0740	0.0152	0.0000	0.0013
Dec-15	878,655	0.0865	0.0028	0.0000	0.0002
Jan-16	971,750	0.0865	0.0030	0.0000	(0.0001)
Feb-16	934,061	0.0865	0.0030	0.0000	(0.0001)
Mar-16	933,816	0.0865	0.0030	0.0000	(0.0001)
Apr-16	933,512	0.0865	0.0030	0.0000	(0.0001)
May-16	933,086	0.0865	0.0030	0.0000	(0.0001)
Jun-16	931,124	0.1005	0.0030	0.0000	(0.0001)
	10,885,808				

(G)	(H)	(I)	(J)	(K)	(L)
Month	Electric Rate Revenue	Power Cost Adjustment	DSM & Tax Recovery	Total Billed Revenue	COP Billed
Jul-15	156,746	13,192	1,128	171,066	89,567
Aug-15	157,668	13,271	1,135	172,074	90,103
Sep-15	158,075	13,306	1,138	172,519	78,086
Oct-15	157,920	13,318	1,139	172,377	78,157
Nov-15	158,077	13,334	1,140	172,551	78,247
Dec-15	169,933	2,460	176	172,569	78,464
Jan-16	168,318	2,915	(97)	171,136	86,972
Feb-16	168,280	2,802	(93)	170,989	83,598
Mar-16	168,622	2,801	(93)	171,330	83,577
Apr-16	168,569	2,801	(93)	171,277	83,549
May-16	168,493	2,799	(93)	171,199	83,511
Jun-16	168,302	2,793	(93)	171,002	96,371
	1,969,003	85,792	5,294	2,060,089	1,010,202

Dakota Electric Association

Statement of Electric Power Automatic Resource Adjustment Charges (Credits) by Rate Class

For the Twelve Months Ended June 30, 2016

Rate 46

General Service

(A)	(B)	(C)	(D)	(E)	(F)
			Rates		
Month	kWh Sales	Base Cost of Power	Power Cost Adjustment	DSM Tracker Account Recovery	Tax Tracker Account Recovery
Jul-15	40,590,076	0.0880	0.0152	0.0000	0.0001
Aug-15	40,974,825	0.0880	0.0152	0.0000	0.0001
Sep-15	41,654,949	0.0740	0.0152	0.0000	0.0001
Oct-15	35,545,837	0.0740	0.0152	0.0000	0.0001
Nov-15	32,594,481	0.0740	0.0152	0.0000	0.0001
Dec-15	34,042,546	0.0865	0.0028	0.0000	0.0000
Jan-16	38,181,147	0.0865	0.0030	0.0000	0.0000
Feb-16	37,534,608	0.0865	0.0030	0.0000	0.0000
Mar-16	34,666,976	0.0865	0.0030	0.0000	0.0000
Apr-16	32,145,898	0.0865	0.0030	0.0000	0.0000
May-16	32,582,437	0.0865	0.0030	0.0000	0.0000
Jun-16	40,780,691	0.1005	0.0030	0.0000	0.0000
	441,294,471				

(G)	(H)	(I)	(J)	(K)	(L)
Month	Electric Rate Revenue	Power Cost Adjustment	DSM & Tax Recovery	Total Billed Revenue	COP Billed
Jul-15	4,121,363	616,969	4,059	4,742,391	4,188,896
Aug-15	4,219,691	622,817	4,097	4,846,605	4,228,602
Sep-15	3,857,264	633,155	4,165	4,494,584	3,715,621
Oct-15	3,366,319	540,297	3,555	3,910,171	3,170,689
Nov-15	3,057,435	495,436	3,259	3,556,130	2,907,428
Dec-15	3,514,440	95,319	0	3,609,759	3,039,999
Jan-16	3,828,908	114,543	0	3,943,451	3,417,213
Feb-16	3,730,875	112,604	0	3,843,479	3,359,347
Mar-16	3,557,782	104,001	0	3,661,783	3,102,694
Apr-16	3,462,019	96,438	0	3,558,457	2,877,058
May-16	3,542,859	97,747	0	3,640,606	2,916,128
Jun-16	4,601,771	122,342	0	4,724,113	4,220,802
	44,860,726	3,651,668	19,135	48,531,529	41,144,477

Dakota Electric Association

Statement of Electric Power Automatic Resource Adjustment Charges (Credits) by Rate Class

For the Twelve Months Ended June 30, 2016

Rate 45 & 47

Low Wattage Unmetered and Municipal Civil Defense Sirens

(A)	(B)	(C)	(D)	(E)	(F)
		Rates			
Month	kWh Sales	Base Cost of Power	Power Cost Adjustment	DSM Tracker Account Recovery	Tax Tracker Account Recovery
Jul-15	0	0.0000	0.0000	0.0000	0.0000
Aug-15	0	0.0000	0.0000	0.0000	0.0000
Sep-15	0	0.0000	0.0000	0.0000	0.0000
Oct-15	0	0.0000	0.0000	0.0000	0.0000
Nov-15	0	0.0000	0.0000	0.0000	0.0000
Dec-15	0	0.0000	0.0000	0.0000	0.0000
Jan-16	0	0.0000	0.0000	0.0000	0.0000
Feb-16	0	0.0000	0.0000	0.0000	0.0000
Mar-16	0	0.0000	0.0000	0.0000	0.0000
Apr-16	0	0.0000	0.0000	0.0000	0.0000
May-16	0	0.0000	0.0000	0.0000	0.0000
Jun-16	0	0.0000	0.0000	0.0000	0.0000
	0				

(G)	(H)	(I)	(J)	(K)	(L)
Month	Electric Rate Revenue	Power Cost Adjustment	DSM & Tax Recovery	Total Billed Revenue	COP Billed
Jul-15	757	0	0	757	0
Aug-15	757	0	0	757	0
Sep-15	759	0	0	759	0
Oct-15	757	0	0	757	0
Nov-15	757	0	0	757	0
Dec-15	865	0	0	865	0
Jan-16	865	0	0	865	0
Feb-16	865	0	0	865	0
Mar-16	865	0	0	865	0
Apr-16	875	0	0	875	0
May-16	875	0	0	875	0
Jun-16	875	0	0	875	0
	9,872	0	0	9,872	0

Dakota Electric Association

Statement of Electric Power Automatic Resource Adjustment Charges (Credits) by Rate Class

For the Twelve Months Ended June 30, 2016

Rate 49

Geothermal Heat Pump

(A)	(B)	(C)	(D)	(E)	(F)
		Rates			
Month	kWh Sales	Base Cost of Power	Power Cost Adjustment	DSM Tracker Account Recovery	Tax Tracker Account Recovery
Jul-15	13,725	0.0475	0.0196	0.0000	0.0001
Aug-15	15,233	0.0475	0.0196	0.0000	0.0001
Sep-15	13,251	0.0475	0.0196	0.0000	0.0001
Oct-15	13,543	0.0475	0.0196	0.0000	0.0001
Nov-15	12,386	0.0475	0.0196	0.0000	0.0001
Dec-15	15,623	0.0775	0.0048	0.0000	0.0000
Jan-16	20,432	0.0775	0.0014	0.0000	0.0000
Feb-16	25,451	0.0775	0.0014	0.0000	0.0000
Mar-16	18,255	0.0775	0.0014	0.0000	0.0000
Apr-16	13,065	0.0775	0.0014	0.0000	0.0000
May-16	11,213	0.0775	0.0014	0.0000	0.0000
Jun-16	10,508	0.0775	0.0014	0.0000	0.0000
	182,685				

(G)	(H)	(I)	(J)	(K)	(L)
Month	Electric Rate Revenue	Power Cost Adjustment	DSM & Tax Recovery	Total Billed Revenue	COP Billed
Jul-15	840	269	1	1,110	921
Aug-15	931	299	2	1,232	1,022
Sep-15	811	260	1	1,072	889
Oct-15	829	265	1	1,095	909
Nov-15	758	243	1	1,002	831
Dec-15	1,458	75	0	1,533	1,286
Jan-16	1,920	29	0	1,949	1,612
Feb-16	2,392	36	0	2,428	2,008
Mar-16	1,716	26	0	1,742	1,440
Apr-16	1,228	18	0	1,246	1,031
May-16	1,054	16	0	1,070	885
Jun-16	987	15	0	1,002	829
	14,924	1,551	6	16,481	13,663

Dakota Electric Association

Statement of Electric Power Automatic Resource Adjustment Charges (Credits) by Rate Class

For the Twelve Months Ended June 30, 2016

Rate 51

Controlled Energy Storage

(A)	(B)	(C)	(D)	(E)	(F)
		Rates			
Month	kWh Sales	Base Cost of Power	Power Cost Adjustment	DSM Tracker Account Recovery	Tax Tracker Account Recovery
Jul-15	753,945	0.0180	0.0020	0.0000	0.0004
Aug-15	896,846	0.0180	0.0020	0.0000	0.0004
Sep-15	746,079	0.0180	0.0020	0.0000	0.0004
Oct-15	550,421	0.0180	0.0020	0.0000	0.0004
Nov-15	510,038	0.0180	0.0020	0.0000	0.0004
Dec-15	736,514	0.0200	0.0003	0.0000	0.0000
Jan-16	949,118	0.0200	0.0014	0.0000	0.0000
Feb-16	1,060,707	0.0200	0.0014	0.0000	0.0000
Mar-16	893,334	0.0200	0.0014	0.0000	0.0000
Apr-16	762,944	0.0200	0.0014	0.0000	0.0000
May-16	640,469	0.0200	0.0014	0.0000	0.0000
Jun-16	690,869	0.0200	0.0014	0.0000	0.0000
	9,191,284				

(G)	(H)	(I)	(J)	(K)	(L)
Month	Electric Rate Revenue	Power Cost Adjustment	DSM & Tax Recovery	Total Billed Revenue	COP Billed
Jul-15	30,636	1,508	302	32,446	15,079
Aug-15	36,443	1,794	359	38,596	17,937
Sep-15	30,318	1,492	298	32,108	14,922
Oct-15	22,367	1,101	220	23,688	11,008
Nov-15	20,725	1,020	204	21,949	10,201
Dec-15	32,136	221	0	32,357	14,951
Jan-16	41,762	1,329	0	43,091	20,311
Feb-16	46,672	1,485	0	48,157	22,699
Mar-16	39,307	1,251	0	40,558	19,117
Apr-16	33,570	1,068	0	34,638	16,327
May-16	28,117	897	0	29,014	13,706
Jun-16	29,831	967	0	30,798	14,785
	391,884	14,133	1,383	407,400	191,043

Dakota Electric Association

Statement of Electric Power Automatic Resource Adjustment Charges (Credits) by Rate Class

For the Twelve Months Ended June 30, 2016

Rate 52

Controlled Interruptible Service

(A)	(B)	(C)	(D)	(E)	(F)
		Rates			
Month	kWh Sales	Base Cost of Power	Power Cost Adjustment	DSM Tracker Account Recovery	Tax Tracker Account Recovery
Jul-15	3,413,169	0.0261	0.0048	0.0000	0.0004
Aug-15	4,238,763	0.0261	0.0048	0.0000	0.0004
Sep-15	3,438,367	0.0261	0.0048	0.0000	0.0004
Oct-15	2,560,555	0.0261	0.0048	0.0000	0.0004
Nov-15	2,544,394	0.0261	0.0048	0.0000	0.0004
Dec-15	3,607,294	0.0305	0.0008	0.0000	0.0000
Jan-16	4,654,175	0.0305	0.0006	0.0000	0.0000
Feb-16	5,309,671	0.0305	0.0006	0.0000	0.0000
Mar-16	4,307,746	0.0305	0.0006	0.0000	0.0000
Apr-16	3,491,887	0.0305	0.0006	0.0000	0.0000
May-16	2,763,367	0.0305	0.0006	0.0000	0.0000
Jun-16	2,912,556	0.0305	0.0006	0.0000	0.0000
	43,241,944				

(G)	(H)	(I)	(J)	(K)	(L)
Month	Electric Rate Revenue	Power Cost Adjustment	DSM & Tax Recovery	Total Billed Revenue	COP Billed
Jul-15	166,535	16,383	1,365	184,283	105,467
Aug-15	206,867	20,346	1,696	228,909	130,978
Sep-15	167,812	16,504	1,375	185,691	106,246
Oct-15	125,054	12,291	1,024	138,369	79,121
Nov-15	124,269	12,213	1,018	137,500	78,622
Dec-15	198,418	2,886	0	201,304	112,908
Jan-16	256,000	2,793	0	258,793	144,745
Feb-16	291,903	3,186	0	295,089	165,131
Mar-16	236,941	2,585	0	239,526	133,971
Apr-16	190,566	2,095	0	192,661	108,598
May-16	151,997	1,658	0	153,655	85,941
Jun-16	160,202	1,748	0	161,950	90,580
	2,276,564	94,688	6,478	2,377,730	1,342,308

Dakota Electric Association

Statement of Electric Power Automatic Resource Adjustment Charges (Credits) by Rate Class

For the Twelve Months Ended June 30, 2016

Rate 53

Residential & Farm Service Time-of-Day

(A)	(B)	(C)	(D)	(E)	(F)
		Rates			
Month	kWh Sales	Base Cost of Power	Power Cost Adjustment	DSM Tracker Account Recovery	Tax Tracker Account Recovery
Jul-15	14,513	0.0880	0.0152	0.0000	0.0004
Aug-15	15,841	0.0880	0.0152	0.0000	0.0004
Sep-15	15,345	0.0740	0.0152	0.0000	0.0004
Oct-15	12,831	0.0740	0.0152	0.0000	0.0004
Nov-15	13,694	0.0740	0.0152	0.0000	0.0004
Dec-15	17,485	0.0865	0.0028	0.0000	0.0000
Jan-16	20,462	0.0865	0.0030	0.0000	0.0000
Feb-16	21,668	0.0865	0.0030	0.0000	0.0000
Mar-16	16,449	0.0865	0.0030	0.0000	0.0000
Apr-16	14,843	0.0865	0.0030	0.0000	0.0000
May-16	12,725	0.0865	0.0030	0.0000	0.0000
Jun-16	12,748	0.1005	0.0030	0.0000	0.0000
	188,604				

(G)	(H)	(I)	(J)	(K)	(L)
Month	Electric Rate Revenue	Power Cost Adjustment	DSM & Tax Recovery	Total Billed Revenue	COP Billed
Jul-15	1,670	221	6	1,897	1,498
Aug-15	1,830	241	6	2,077	1,635
Sep-15	1,716	233	6	1,955	1,369
Oct-15	1,458	195	5	1,658	1,145
Nov-15	1,524	208	5	1,737	1,222
Dec-15	2,152	49	0	2,201	1,561
Jan-16	2,483	61	0	2,544	1,831
Feb-16	2,633	65	0	2,698	1,939
Mar-16	2,041	49	0	2,090	1,472
Apr-16	1,858	45	0	1,903	1,328
May-16	1,632	38	0	1,670	1,139
Jun-16	1,686	38	0	1,724	1,319
	22,683	1,443	28	24,154	17,458

Dakota Electric Association

Statement of Electric Power Automatic Resource Adjustment Charges (Credits) by Rate Class

For the Twelve Months Ended June 30, 2016

Rate 54

General Service Optional Time-of-Day

(A)	(B)	(C)	(D)	(E)	(F)
		Rates			
Month	kWh Sales	Base Cost of Power	Power Cost Adjustment	DSM Tracker Account Recovery	Tax Tracker Account Recovery
Jul-15	89,568	0.0880	0.0152	0.0000	0.0001
Aug-15	129,504	0.0880	0.0152	0.0000	0.0001
Sep-15	200,544	0.0740	0.0152	0.0000	0.0001
Oct-15	155,904	0.0740	0.0152	0.0000	0.0001
Nov-15	110,160	0.0740	0.0152	0.0000	0.0001
Dec-15	100,128	0.0865	0.0028	0.0000	0.0000
Jan-16	123,840	0.0865	0.0030	0.0000	0.0000
Feb-16	111,984	0.0865	0.0030	0.0000	0.0000
Mar-16	111,744	0.0865	0.0030	0.0000	0.0000
Apr-16	81,264	0.0865	0.0030	0.0000	0.0000
May-16	38,592	0.0865	0.0030	0.0000	0.0000
Jun-16	59,952	0.1005	0.0030	0.0000	0.0000
	1,313,184				

(G)	(H)	(I)	(J)	(K)	(L)
Month	Electric Rate Revenue	Power Cost Adjustment	DSM & Tax Recovery	Total Billed Revenue	COP Billed
Jul-15	10,594	1,361	9	11,964	9,243
Aug-15	15,274	1,968	13	17,255	13,365
Sep-15	13,551	3,048	20	16,619	17,889
Oct-15	10,717	2,370	16	13,103	13,907
Nov-15	8,691	1,674	11	10,376	9,826
Dec-15	9,636	280	0	9,916	8,941
Jan-16	12,967	372	0	13,339	11,084
Feb-16	14,807	336	0	15,143	10,023
Mar-16	11,439	335	0	11,774	10,001
Apr-16	8,384	244	0	8,628	7,273
May-16	5,296	116	0	5,412	3,454
Jun-16	6,314	180	0	6,494	6,205
	127,670	12,284	69	140,023	121,211

Dakota Electric Association

Statement of Electric Power Automatic Resource Adjustment Charges (Credits) by Rate Class

For the Twelve Months Ended June 30, 2016

Rate 70/71

Interruptible Service (Full and Partial Options)

(A)	(B)	(C)	(D)	(E)	(F)
		Rates			
Month	kWh Sales	Base Cost of Power	Power Cost Adjustment	DSM Tracker Account Recovery	Tax Tracker Account Recovery
Jul-15	39,110,361	0.0431	0.0103	0.0000	0.0001
Aug-15	38,864,535	0.0431	0.0103	0.0000	0.0001
Sep-15	37,277,113	0.0431	0.0103	0.0000	0.0001
Oct-15	33,579,846	0.0431	0.0103	0.0000	0.0001
Nov-15	31,185,680	0.0431	0.0103	0.0000	0.0001
Dec-15	32,012,397	0.0497	0.0029	0.0000	0.0000
Jan-16	32,333,324	0.0497	(0.0017)	0.0000	(0.0001)
Feb-16	30,289,670	0.0497	(0.0017)	0.0000	(0.0001)
Mar-16	32,216,032	0.0497	(0.0017)	0.0000	(0.0001)
Apr-16	31,667,881	0.0497	(0.0017)	0.0000	(0.0001)
May-16	35,188,514	0.0497	(0.0017)	0.0000	(0.0001)
Jun-16	37,519,180	0.0497	(0.0017)	0.0000	(0.0001)
	411,244,533				

(G)	(H)	(I)	(J)	(K)	(L)
Month	Electric Rate Revenue	Power Cost Adjustment	DSM & Tax Recovery	Total Billed Revenue	COP Billed
Jul-15	2,213,404	402,837	3,911	2,620,152	2,088,493
Aug-15	2,170,448	400,305	3,886	2,574,639	2,075,366
Sep-15	2,100,189	383,954	3,728	2,487,871	1,990,598
Oct-15	1,884,887	345,872	3,358	2,234,117	1,793,164
Nov-15	1,764,079	321,213	3,119	2,088,411	1,665,315
Dec-15	1,969,299	92,836	0	2,062,135	1,683,852
Jan-16	1,979,466	(54,967)	(3,233)	1,921,266	1,552,000
Feb-16	1,876,326	(51,492)	(3,029)	1,821,805	1,453,904
Mar-16	1,991,603	(54,767)	(3,222)	1,933,614	1,546,370
Apr-16	1,990,265	(53,835)	(3,167)	1,933,263	1,520,058
May-16	2,205,017	(59,820)	(3,519)	2,141,678	1,689,049
Jun-16	2,368,009	(63,783)	(3,752)	2,300,474	1,800,921
	24,512,992	1,608,353	(1,920)	26,119,425	20,859,090

Dakota Electric Association

Statement of Electric Power Automatic Resource Adjustment Charges (Credits) by Rate Class

For the Twelve Months Ended June 30, 2016

Rate 81

Residential Cycled Air Metered

(A)	(B)	(C)	(D)	(E)	(F)
		Rates			
Month	kWh Sales	Base Cost of Power	Power Cost Adjustment	DSM Tracker Account Recovery	Tax Tracker Account Recovery
Jul-15	1,009,332	0.0000	0.0152	0.0000	0.0004
Aug-15	1,454,347	0.0000	0.0152	0.0000	0.0004
Sep-15	1,033,785	0.0000	0.0152	0.0000	0.0004
Oct-15	473,362	0.0000	0.0152	0.0000	0.0004
Nov-15	29,909	0.0000	0.0152	0.0000	0.0004
Dec-15	57	0.0000	0.0028	0.0000	0.0000
Jan-16	95	0.0000	0.0030	0.0000	0.0000
Feb-16	532	0.0000	0.0030	0.0000	0.0000
Mar-16	195	0.0000	0.0030	0.0000	0.0000
Apr-16	359	0.0000	0.0030	0.0000	0.0000
May-16	185,820	0.0000	0.0030	0.0000	0.0000
Jun-16	534,324	0.0000	0.0030	0.0000	0.0000
	4,722,117				

(G)	(H)	(I)	(J)	(K)	(L)
Month	Electric Rate Revenue	Power Cost Adjustment	DSM & Tax Recovery	Total Billed Revenue	COP Billed
Jul-15	(46,479)	15,342	404	(30,733)	15,342
Aug-15	(66,972)	22,106	582	(44,284)	22,106
Sep-15	(47,607)	15,714	414	(31,479)	15,714
Oct-15	(21,798)	7,195	189	(14,414)	7,195
Nov-15	(1,377)	455	12	(910)	455
Dec-15	(2)	0	0	(2)	0
Jan-16	(3)	0	0	(3)	0
Feb-16	(19)	2	0	(17)	2
Mar-16	(7)	1	0	(6)	1
Apr-16	(12)	1	0	(11)	1
May-16	(6,503)	557	0	(5,946)	557
Jun-16	(18,702)	1,603	0	(17,099)	1,603
	(209,481)	62,976	1,601	(144,904)	62,976

Exhibit D

Dakota Electric's
Annual Five-Year Projection of Fuel Costs

(Minn. Rule pt. 7825.2830)

CONTAINS TRADE SECRET INFORMATION

DAKOTA ELECTRIC ASSOCIATION

Five-Year Projection of Fuel Costs (Purchased Power)

Fiscal Years Ending June 30, 2017 through 2021

Dakota Electric's projection of purchased power cost for the next five years is based on information from Great River Energy covering the fiscal years ending in 2017 through 2021. Great River Energy is a generation and transmission cooperative, and supplies all of Dakota Electric's wholesale power. Additionally, this data was updated to reflect current sales forecasts.

The information received from Great River Energy reflects yearly increases in average power rates as follows:

TRADE SECRET DATA HAS BEEN EXCISED

DAKOTA ELECTRIC ASSOCIATION
5-YEAR COST OF POWER FORECAST
JULY 1, 2016 THROUGH JUNE 30, 2021

YEAR #	MONTH & YEAR	kWh PURCHASES	TOTAL POWER COSTS	COST PER kWh PURCHASED

TRADE SECRET DATA HAS BEEN EXCISED

Exhibit E

Dakota Electric's
Notice of Report Availability

(Minn. Rule pt. 7825.2840)

Notice of Availability of Reports

To: All Intervenors in Dakota Electric Association's
General Rate Proceedings in Docket Nos.
E111/GR-09-175 and E111/GR-14-482

The Minnesota Public Utilities Commission requires Dakota Electric Association and other regulated public utilities to file various annual reports concerning utility operations with the Commission as specified in Minnesota Rules 7825.2800 through 7825.2830. The subject matter of the reports filed generally include the following:

a) Procurement policies for selecting fuel and energy purchased,

b) Charges made under automatic fuel adjustment clauses,

c) Independent auditor's report with regard to fuel adjustments, and

d) Five-year projection of fuel costs.

Minnesota Rule 7825.2840 requires Dakota Electric to provide this notice of availability of such reports to all intervenors in the previous two general rate cases.

Certificate of Service

It is hereby certified that the foregoing Notice of Availability of Reports, along with a copy of the report, was delivered to the Minnesota Department of Commerce and the Office of the Attorney General, the only intervenors in Dakota Electric's previous two general rate cases.

Dated this 24th day of August, 2016

/s/ *Randy Olson*

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Randy Olson
Financial Analyst