

STATE OF MINNESOTA
BEFORE THE PUBLIC UTILITIES COMMISSION

Katie Sieben	Chair
Joseph Sullivan	Vice-Chair
Hwikwon Ham	Commissioner
Audrey Partridge	Commissioner
John Tuma	Commissioner

In the Matter of the Petition by Dakota Electric
Association to Modify its Service Information
Tariffs

Docket No. E-111/M-25-442

**Initial Comments of the Citizens Utility Board of Minnesota,
the Legal Services Advocacy Project, and the Energy CENTS Coalition**

The Citizens Utility Board of Minnesota (“CUB”), the Legal Services Advocacy Project (“LSAP”), and the Energy CENTS Coalition (“ECC”) respectfully offer the following comments in response to the Notice of Extended Comment Period issued by the Minnesota Public Utilities Commission (“Commission”) on January 22, 2026 in the above-referenced matter.

I. Background

On September 6, 2022, the Dakota Electric Association (“Dakota Electric” or the “Cooperative”) filed a petition seeking a variance to Minnesota Rule 7820.2500 requiring an in-person visit by a representative of the utility prior to disconnecting residential service.¹ The scope of the requested variance was limited to instances of “known safety concerns” and was designed to mitigate risks to Cooperative employees, law enforcement, and the general public.² The Commission granted a temporary—and later, indefinite—variance permitting the Cooperative to deliver a final notice of disconnection by certified mail in lieu of in-person visits when safety concerns had been identified.³

Dakota Electric subsequently filed a general rate case on December 30, 2024.⁴ A Settlement Agreement resolving outstanding issues was entered into by Dakota Electric, the Minnesota Department of Commerce, and the Office of the Attorney General.⁵ As part of that Agreement, the Cooperative agreed to “work with interested parties to develop modifications to its current policy requiring Residential members to pay a deposit in addition to the reconnection fee before

¹ *In the Matter of Dakota Electric Association’s Petition to Modify its Member Service Information – Disconnection of Service Tariff and Request for Variance to Minnesota Rules*, Docket No. E-111/M-22-494, Dakota Electric Petition (Sep. 6, 2022).

² *Id.* at 3-5.

³ *In the Matter of Dakota Electric Association’s Petition to Modify its Member Service Information – Disconnection of Service Tariff and Request for Variance to Minnesota Rules*, Docket No. E-111/M-22-494, Commission Order (Dec. 16, 2022); Commission Order (Feb. 27, 2024).

⁴ *In the Matter of the Application of Dakota Electric Association for Authority to Increase Rates for Electric Service in Minnesota*, Docket No. E-111/GR-24-400, Summary of Rate Increase Petition (Dec. 30, 2024).

⁵ *In the Matter of the Application of Dakota Electric Association for Authority to Increase Rates for Electric Service in Minnesota*, Docket No. E-111/GR-24-400, Settlement Agreement (Jun. 6, 2025).

reconnecting a member who has been disconnected for nonpayment.”⁶ The Commission approved the Settlement Agreement on January 16, 2026.⁷

Prior to the issuance of the Commission’s Order, the Cooperative engaged with parties about the possibility of revising its process for conducting residential reconnections.⁸ CUB, LSAP, and ECC were not parties to these conversations. Dakota Electric thereafter filed a petition on December 31, 2025 seeking modifications to service deposit practices, an additional variance to Minn. R. 7820.2500, and approval for the remote reconnection of members during extreme heat and air quality events.⁹ CUB, LSAP, and ECC offer the following comments both supporting and opposing certain aspects of the Cooperative’s petition.

II. The Commission should remove the requirement that members pay a service deposit as a condition of service reconnection.

In response to concerns raised by the Office of the Attorney General (“OAG”) in its rate case proceeding, Dakota Electric agreed to “work with interested parties on modifications to [its] deposit policies.”¹⁰ Currently, the Cooperative does not reconnect service until the impacted member pays a service deposit of up to two months’ average bill, the entirety of the member’s arrearage balance, and a reconnection fee.¹¹

This practice undermines the foundational doctrine of utility regulation: fostering universal and continuous utility service. As the Commission has correctly noted, “[u]tilities provide essential services to captive ratepayers.”¹² Utility reconnection policies should foster accessibility to that essential service, not create obstacles—as Dakota Electric’s reconnection policies do—to it.

CUB, LSAP, and ECC agree with the OAG that this practice is “extremely punitive and could cause the energy burden faced by some residential customers to spike.”¹³ Although the Cooperative has agreed to modify these practices, the proposed changes do not go far enough.

A. Both the current and proposed service deposit practices are financially onerous.

Under Dakota Electric’s new proposal, no service deposit will be charged the first time a member is disconnected for nonpayment in a 12-month period. As required by Minn. Stat. § 216B.098, the Cooperative will offer a payment arrangement for the payment of arrears—inclusive of any reconnection fee—that considers the extenuating and financial circumstances of the household.¹⁴ If a member is disconnected a second time, a service deposit of up to two months’ bill would be charged

⁶ *Id.* at 20.

⁷ *In the Matter of the Application of Dakota Electric Association for Authority to Increase Rates for Electric Service in Minnesota*, Docket No. E-111/GR-24-400, Order Approving Settlement Agreement (Jan. 16, 2026).

⁸ *In the Matter of the Petition of Dakota Electric Association to Modify its Member Service Information Tariffs*, Docket No. E-111/M-25-442, Petition of Dakota Electric Association at 8 (Dec. 31, 2025) (hereinafter “Dakota Electric Petition”).

⁹ *Id.*

¹⁰ *Id.* at 8-9.

¹¹ *Id.* at 9.

¹² *In Re N. States Power Co.*, No. E-002, 1994 WL 118352 (Jan. 14, 1994).

¹³ *In the Matter of the Application of Dakota Electric Association for Authority to Increase Rates for Electric Service in Minnesota*, Docket No. E-111/GR-24-400, Stevenson Direct at 97 (Apr. 30, 2025).

¹⁴ Dakota Electric Petition at 10.

and, if applicable, be added to the payment plan between the member and the Cooperative.¹⁵ Lastly, a customer that is disconnected three or more times would be required to pay any outstanding portion of the previously assessed service deposit prior to being reconnected, and would not be able to include those charges in a payment plan.¹⁶ Dakota Electric indicates members facing multiple disconnections “may” be offered a payment plan pursuant to Minn. Stat. § 216B.098.

There are several overarching, problematic issues CUB, LSAP, and ECC have identified with the Cooperative’s proposal. First and foremost, the continued assessment of a service deposit creates an unreasonable barrier to the resumption of service. This is especially so here, where the deposit is in addition to any arrears or fees otherwise assessed against the member. In 2025, average service deposits ranged from \$107.14 in April to \$268.25 in June.¹⁷ Average arrears were even greater, reaching a high of \$363.93 in October. Under current policy, this means the “average” Dakota Electric member had to pay anywhere between \$320 and \$602—plus any reconnection fees—to resume service in 2025.

Figure 1: Dakota Electric Average Service Deposits and Arrearage Amounts, 2025

	Average Service Deposit	Average Past Due	Combined Total
January	\$143.59	\$197.20	\$340.79
February	\$158.57	\$210.02	\$368.59
March	\$137.45	\$211.17	\$348.62
April	\$107.14	\$212.48	\$319.62
May	\$228.10	\$147.54	\$375.64
June	\$268.25	\$290.99	\$559.24
July	\$254.82	\$346.89	\$601.71
August	\$225.16	\$282.83	\$507.99
September	\$149.47	\$176.95	\$326.42
October	\$161.82	\$363.93	\$525.75
November	\$170.69	\$234.00	\$404.69
December	\$172.50	\$201.38	\$373.88

The Cooperative’s proposal to no longer require upfront payment of arrearage balances and forgo service deposits the first time a member is involuntarily disconnected would temporarily alleviate these financial pressures. However, Dakota Electric’s insistence upon requiring a service deposit for any future reconnections perpetuates a practice that disadvantages members and makes it more likely they will face continued challenges paying their utility bills. The loss of and inability to regain

¹⁵ Dakota Electric Petition at 10-11.

¹⁶ *Id.* at 11.

¹⁷ *In the Matter of Utility Cold Weather Rule and Residential Customer Status Data*, Docket No. E,G-999/PR-25-2, Dakota Electric December 2025 Residential Customer Status Report, Tabs 1 and 5 (Jan. 5, 2026).

utility service “adversely impact...families from both a financial and health-related perspective.”¹⁸ Reconnection policies should promote restoration of service, not make it difficult or impossible.

B. Continuing to assess service deposits is not a reasonable or effective means of addressing bad debt risks.

Dakota Electric claims the continued assessment of service deposits is meant to strike a balance between the interests of disconnected members in regaining service and the interests of its remaining membership in reducing bad debt and write-offs.¹⁹ Mitigating bad debt is a reasonable goal, but requiring financially onerous service deposits is an inappropriate and ineffective means of realizing that outcome. Recently, the Public Service Commission of Kentucky (“KPSC”) evaluated similar fee assessments and found they “make[] it less likely customers who have already failed to timely pay will be able to do so at all.”²⁰ This is the case even if the service deposit payment is spread out over the length of the member’s payment arrangement. Any additional deposit increases the cost of service for members who have already demonstrated an inability to pay. Under the terms of the Cooperative’s proposal, a member that has been disconnected twice would have to pay their current bill, a percentage of their arrears, *and* a portion of the service deposit charge to avoid having their electricity disconnected again. If a member was facing difficulties affording their regular bill without these additional charges, then the assessment of the service deposit makes it less likely they will be able to maintain their payment arrangement and buy down arrears. Instead, it may accelerate subsequent disconnections, after which the entire deposit amount would be due as a condition of reconnection.

This policy not only likely undermines Dakota Electric’s efforts to address bad debt accumulation, but also runs counter to “the foundational concepts of U.S. utility law [that] support the use of policies to minimize disconnections and promote universal service.”²¹ When members are enrolled in a payment arrangement, they are actively paying down their past-due balances, thereby reducing bad-debt pressure. If they are disconnected and removed from the payment arrangement, then they are no longer making those contributions. As KPSC explained, “[c]ustomers being unable to pay at all increases the utility’s bad debt expense, reduces the utility’s income and cash flow in that period, and ultimately increases the cost of service for the remainder of customers.”²²

Rather than assessing a service deposit, the Cooperative should work with its members to establish payment arrangement terms that are consistent with households’ financial and extenuating circumstances. Establishing reasonable agreements that the member can maintain will allow for the continued, if gradual, repayment of arrears, thereby reducing bad debt risk.

¹⁸ Emma F. Hand, et. al., *Utility Disconnections and Shutoffs*, 46 ENERGY L. J. (2025).

¹⁹ Dakota Electric Petition at 10.

²⁰ *In the Matter of the Electronic Application of N. McLean Cnty. Water Dist. for an Alternative Rate Adjustment*, Case No. 2020-00238, Kentucky Public Service Commission Order at 7 (Jan. 27, 2021).

²¹ Gabriel Pacyniak, *Keeping All the Lights on: A Roadmap to Affordable, Universal Electricity Service in the Clean Energy Transition*, 50 ECOLOGY L.Q. 93, 107 (2023).

²² *In the Matter of the Electronic Application of N. McLean Cnty. Water Dist. for an Alternative Rate Adjustment*, Case No. 2020-00238, Kentucky Public Service Commission Order at 7 (Jan. 27, 2021).

C. The Cooperative has not explained or identified how it will meet regulatory requirements associated with service deposits.

In addition to the financial concerns associated with service deposits, Dakota Electric has not explained how it will follow regulatory accounting requirements under its new proposal. Pursuant to Minn. R. 7820.4500, service deposits are treated separately from other payments provided by members, as interest must be paid on any deposit exceeding \$20. If utility bills are promptly paid for 12 consecutive months, the deposit, plus interest, must be refunded back to the member.²³

Dakota Electric's policy framework involves commingling service deposit funds with arrearage payments from the customer. This approach complicates the calculation of interest and makes it difficult to isolate service deposit contributions. For example, it is unclear whether a partial payment from the member would become part of the service deposit or be allocated to arrearage payments. Furthermore, the Cooperative has not explained how it will calculate the 12-month refund period in light of members being allowed to contribute to a service deposit over the life of a payment arrangement. That period could either run concurrently with the payment arrangement or begin after such arrangement has already been completed. If the latter approach is utilized by the Cooperative, it would prolong the amount of time before a refund is provided, even though the customer has already paid off their arrears and demonstrated their ability to timely pay.

III. The Commission should approve the Cooperative's proposal to protect customers during periods of extreme heat and unhealthy air quality, subject to minor modifications.

Dakota Electric has stated it is willing to forgo disconnections of residential customers when the localized Air Quality Index ("AQI") reaches a score of 150 or higher, indicating an "unhealthy" level of air pollution.²⁴ The Cooperative has also proposed utilizing its Advanced Grid Infrastructure ("AGI") meters to remotely reconnect customers during extreme heat and unhealthy air quality events.²⁵ CUB, LSAP, and ECC were deeply involved in the development of extreme heat and AQI protections for Northern States Power Company d/b/a Xcel Energy's ("Xcel Energy" or "Xcel") customers and appreciate Dakota Electric's proactive efforts to adopt similar provisions.

As recognized in the Xcel proceeding, "extreme heat and unhealthy air quality pose significant risks to the health and well-being of Minnesotans."²⁶ Both environmental stressors exacerbate existing cardiovascular and respiratory conditions, contributing to increased hospitalizations and death.²⁷ Reconnecting electricity during these events can substantially mitigate negative impacts by enabling

²³ Minn. R. 7820.4500, Subp. 1.

²⁴ Dakota Electric Petition at 13.

²⁵ *Id.* at 14-16.

²⁶ *In the Matter of Northern States Power Company d/b/a Xcel Energy's Electric 2024 Annual Safety, Reliability, and Service Quality Report*, Docket No. E-002/M-25-27, Reply Comments of the Citizens Utility Board of Minnesota, the Legal Services Advocacy Project, and the Energy CENTS Coalition at 1 (Jun. 3, 2025).

²⁷ *See, e.g., In the Matter of Northern States Power Company d/b/a Xcel Energy's Electric 2024 Annual Safety, Reliability, and Service Quality Report*, Comments of the Citizens Utility Board of Minnesota, the Legal Services Advocacy Project, and the Energy CENTS Coalition at 2-3 (May 9, 2025); World Health Organization, *Heat and Health*, <https://www.who.int/news-room/fact-sheets/detail/climate-change-heat-and-health> (May 28, 2024).

access to air conditioning, fans, and filtration systems, making it possible for households to close their windows and take necessary precautions to reduce exposure to heat and/or pollutants.

For these reasons, CUB, LSAP, and ECC support Dakota Electric's extreme heat and AQI event proposal. However, we recommend the Commission require two minor modifications to ensure the effectiveness of these protections. First, the Commission should establish a minimum event duration of eight hours, rather than the twenty-four hours suggested by the Cooperative.²⁸ This threshold determines how long an event would need to last before remote service reconnection would be offered to impacted members. AQI events "due to elevated ozone levels typically have a minimum duration of eight hours," while events related to particulate matter or extreme heat generally have a duration of twenty-four hours or more.²⁹ Employing a minimum event duration of eight hours would align with Xcel's framework, provide ozone-related protections, and provide enough time for Dakota Electric to communicate with customers and carry out reconnections.³⁰

Second, the Commission should prohibit Dakota Electric from charging reconnection fees, service deposits, or any similar charges as a condition of temporarily reconnecting members during extreme heat or AQI events. As we stated in Xcel's proceeding, the "most vulnerable and cost-burdened households—for whom temporary reconnection would provide the greatest benefits—are the very customers most likely to decline protections if a fee is assessed."³¹ CUB, LSAP, and ECC therefore view the waiver of these fees as essential to fostering participation in these programs.

IV. The Commission should not grant the Cooperative's requested variance to Minn. R. 7820.2500.

Dakota Electric has requested a variance to Minn. R. 7820.2500, which requires utility disconnections to be carried out in conjunction with a personal visit by a representative of the utility. Although the Cooperative is currently allowed to conduct remote disconnections in the event of a "known safety concern" that presents an undue risk to "employees, law enforcement, [or] the general public," the immediate request would extend that variance to all instances of utility disconnection.³² Before granting a variance to established rules, the Commission must find the following conditions are met:

²⁸ Dakota Electric Petition at 14.

²⁹ *In the Matter of Northern States Power Company d/b/a Xcel Energy's Electric 2024 Annual Safety, Reliability, and Service Quality Report*, Docket No. E-002/M-25-27, Proposed Tariff Modifications for Protections During Extreme Heat and High Air Quality Index Events at 6 (Dec. 31, 2025); *see also In the Matter of Northern States Power Company d/b/a Xcel Energy's Electric 2024 Annual Safety, Reliability, and Service Quality Report*, Docket No. E-002/M-25-27, Reply Comments of the Citizens Utility Board of Minnesota, the Legal Services Advocacy Project, and the Energy CENTS Coalition at 4 (Jun. 3, 2025).

³⁰ *In the Matter of Northern States Power Company d/b/a Xcel Energy's Electric 2024 Annual Safety, Reliability, and Service Quality Report*, Docket No. E-002/M-25-27, Proposed Tariff Modifications for Protections During Extreme Heat and High Air Quality Index Events at 7 (Dec. 31, 2025).

³¹ *In the Matter of Northern States Power Company d/b/a Xcel Energy's Electric 2024 Annual Safety, Reliability, and Service Quality Report*, Docket No. E-002/M-25-27, Initial Comments of the Citizens Utility Board of Minnesota, the Minnesota Department of Commerce, the Office of the Attorney General, the Energy CENTS Coalition, and the Legal Services Advocacy Project at 3 (Jan. 15, 2026).

³² *In the Matter of Dakota Electric Association's Petition to Modify its Member Service Information – Disconnection of Service Tariff and Request for Variance to Minnesota Rules*, Docket No. E-111/M-22-494, Dakota Electric Petition at 3, 6 (Sep. 6, 2022); Commission Order (Dec. 16, 2022); Commission Order (Feb. 27, 2024).

- A. Enforcement of the rule would impose an excessive burden upon the applicant or others affected by the rule;
- B. Granting the variance would not adversely affect the public interest; and
- C. Granting the variance would not conflict with standards imposed by law.

CUB, LSAP, and ECC respectfully recommend the Commission deny Dakota Electric’s variance request. While enforcing the rule would not impose an excessive burden on the Cooperative, the proposal for a variance is in direct conflict with the public interest.

A. Maintaining current disconnection practices would not impose an excessive burden on the Cooperative or its employees.

Dakota Electric suggests the “physical risks to [its] employees and the general public have become too great to continue the personal contact requirement . . . before disconnection can occur for non-payment.”³³ This request to completely forgo in-person visits to members’ residences is disproportionate to the concerns raised. As acknowledged by the Cooperative, a total of two disconnections were carried out remotely since 2022 due to safety concerns, and one other incident involving a dog bite occurred at the beginning of 2025.³⁴ Apart from these events, Dakota Electric attempts to justify its transition to remote disconnections by pointing to “negative [] or erratic []” interactions with a small subset of members and by citing safety-related events that occurred outside the Cooperative’s service territory.³⁵ CUB, LSAP, and ECC recognize and appreciate Dakota Electric’s concerns about the safety of its employees and members, but we believe these issues can be adequately addressed through the existing framework without creating an excessive burden or risk.

Under its current variance to Minn. R. 7820.2500, the Cooperative is permitted to forgo in-person visits if the place of service requires a police escort, has a potential problem dog, or requires advance permission from the member prior to entry.³⁶ These parameters provide Dakota Electric and its employees reasonable discretion to determine when direct contact with a member could give rise to a safety concern.³⁷ maintaining the existing scope of the variance would not impose an excessive burden; each of the territory-specific safety concerns raised by the Cooperative could be mitigated by utilizing the same variance that has already been granted.

B. Granting the Cooperative’s proposed variance would adversely affect the public interest.

In addition to considering how rule enforcement might impact the utility, the Commission must also consider whether the requested variance would adversely affect the public interest. At its core, Minn. R. 7820.2500 is designed to protect Minnesotans’ access to utility services and avoid preventable

³³ Dakota Electric Petition at 12.

³⁴ *Id.* at 7, 12.

³⁵ *Id.* at 12.

³⁶ *In the Matter of Dakota Electric Association’s Petition to Modify its Member Service Information – Disconnection of Service Tariff and Request for Variance to Minnesota Rules*, Docket No. E-111/M-22-494, Commission Order at 1-2 (Dec. 16, 2022).

³⁷ For example, remote disconnection may be appropriate if a member responds “negatively or erratically to interactions with Dakota Electric [or its] staff,” such that a police escort may be warranted. *See* Dakota Electric Petition at 12.

disconnections. The on-site visit requirement is meant to exhaust all reasonable efforts to contact the member and resolve the reason for disconnection. It is well documented that the loss of essential utility service “correlate[s] with physical and mental harms,” including “depression and anxiety, physical discomfort, including increased rates of asthma and respiratory infection, and, in more extreme but certainly not rare situations, lower life expectancies or premature death.”³⁸

Permitting a variance for reasons that infringe on these protections or encourage the expedient termination of service is in direct conflict with the public interest. Minimizing harm from the loss of utility service is the impetus behind this rule that requires every effort be made to avoid loss of or quickly restore service. The potential harm to members is especially acute here, where the Cooperative has not presented alternatives that would make up for the removal of these protections.

In this instance, waiving the requirements of Minn. R. 7820.2500 could increase the speed at which members are involuntarily disconnected from service. In addition, Dakota Electric’s proposed method for contacting members would provide inadequate notice of potential disconnection and deprive members of an opportunity to remedy the cause for service termination.

1. The Cooperative’s request to forgo in-person visits could sharply increase the number of involuntary disconnections carried out.

Dakota Electric’s requested variance would expand the Cooperative’s remote disconnection capabilities to all residential utility customers with an AGi meter. This goes well beyond the parameters of the existing variance permitting remote disconnection for “known safety concerns” and is most akin to the process currently employed by Xcel Energy.³⁹ Notably, since the Commission approved Xcel’s use of remote metering capabilities—and granted a temporary variance to Minn. R. 7820.2500—the number of involuntary disconnections carried out by the company has increased precipitously. CUB, LSAP, and ECC are concerned with this trend and are wary about the impact a similar variance could have on the Cooperative’s membership.

Xcel acknowledges that the “number of overall disconnections has increased” with the capability to remotely terminate customers’ service.⁴⁰ This is due, at least in part, to the elimination of resource and time constraints that artificially limited the company’s ability to conduct wide-ranging disconnection operations throughout its service territory.⁴¹ By pairing remote metering with its variance to Minn. R. 7820.2500, Xcel was able to commence disconnections for a “larger eligible group

³⁸ Pacyniak, *supra* note 21, at 105-106 (citing Michelle Graff et al., *Which Households are Energy Insecure? An Empirical Analysis of Race, Housing Conditions, and Energy Burdens in the United States*, 79 ENERGY RSCH. & SOC. SCI. 102,144, (2021)).

³⁹ See generally *In the Matter of a Petition by Northern States Power Company Requesting Approval of Changes to its Tariff and an Indefinite Variance to Commission Rules Regarding Disconnection of Service*, Docket No. E-002/M-22-233, Order Approving Petition as Modified and Requiring Filings (Mar. 22, 2023).

⁴⁰ *In the Matter of an Investigation and Audit of Northern States Power Company’s Service Quality Reporting*, Docket No. E,G-002/CI-02-2034, 2023 Annual Report at 4 (May 1, 2024); see also *In the Matter of Xcel Energy’s 2023 Annual Safety, Reliability, and Service Quality Report*, Docket No. E-002/M-24-27, Annual Report and Petition, Part I at 8 (Apr. 1, 2024) (stating that the “deployment of [advanced metering infrastructure] technology allows more eligible customers to be disconnected”).

⁴¹ *In the Matter of Xcel Energy’s 2023 Annual Safety, Reliability, and Service Quality Report*, Docket No. E-002/M-24-27, Annual Report and Petition, Part I at 8-9 (Apr. 1, 2024)

of customers that may otherwise not have been disconnected before.”⁴² In 2019, Xcel disconnected fewer than 17,000 residential households.⁴³ In 2025, the company carried out nearly 57,000 disconnections, ninety-four percent of which were conducted remotely.⁴⁴

Against this background, CUB, LSAP, and ECC are extremely concerned that granting Dakota Electric’s proposed variance could result in a similar increase in service disconnections throughout the Cooperative’s service territory. As detailed below, these worries are further amplified by Dakota Electric’s insistence on eliminating all in-person visits regardless of whether contact has been made with the member in question.

2. The Cooperative’s variance request would not ensure members are provided with adequate notice prior to disconnection.

Dakota Electric has indicated its intent to remotely disconnect members from utility service even if contact is not made with the household in question. The Cooperative acknowledges that—as a condition of remotely disconnecting customers—Xcel Energy must conduct an on-site visit if the customer cannot be contacted by telephone.⁴⁵ However, Dakota Electric argues that such provision should not apply in this instance, because requiring *any* on-site visits would “not eliminate the ongoing safety concerns for [its] employees and the general public.”⁴⁶ The Cooperative further suggests it should not be required to send certified mail to members as a condition of conducting remote disconnections because doing so would be impractical from a staffing and cost perspective.⁴⁷ These arguments are unpersuasive, and granting a variance under the proposed conditions would not provide members with adequate notice or an opportunity to remedy the causes of disconnection.

As discussed above, a total of only two disconnections were carried out remotely due to “known safety concerns” since the Commission approved Dakota Electric’s variance to Minn. R. 7820.2500 in 2022.⁴⁸ In both instances, the Cooperative was required to provide notice to the member via certified mail. These communications did not replace the notice mandates of Minn. R. 7820.1000 and 7820.2400, which require utilities to inform customers of potential disconnection. Nor did they replace the on-site visit requirement for the majority of the Cooperative’s members. Instead, the secondary notice was meant to operate “in lieu of the in-person visit requirement” and provide a “definitive statement . . . that the member received the disconnection notice” when they could not be safely contacted through normal means.⁴⁹ In other words, the use of certified mail was not meant to be broadly

⁴² *In the Matter of Xcel Energy’s 2023 Annual Safety, Reliability, and Service Quality Report*, Docket No. E-002/M-24-27, Annual Report and Petition, Part I at 9 (Apr. 1, 2024)

⁴³ *In the Matter of Utility Cold Weather Rule and Residential Customer Status Data*, Docket No. E,G-999/PR-25-2, Xcel December 2025 Residential Customer Status Report, Tab 4, “Annual” (Jan. 20, 2026).

⁴⁴ *Id.* at Tabs 1, 4.

⁴⁵ Dakota Electric Petition at 13.

⁴⁶ *Id.*

⁴⁷ *Id.* at 16.

⁴⁸ *Id.* at 7.

⁴⁹ *In the Matter of Dakota Electric Association’s Petition to Modify its Member Service Information – Disconnection of Service Tariff and Request for Variance to Minnesota Rules*, Docket No. E-111/M-22-494, Dakota Electric Reply Comments at 10 (Oct. 26, 2022).

expanded to the entirety of the Cooperative's membership. Sending a letter by certified mail does not entail the same sort of direct communication as on-site visits, and therefore cannot be said to exhaust all available remedies in the manner envisioned by Minnesota Rules.

In addition to informing members of potential disconnection, Minn. R. 7820.2500 is designed to provide an opportunity to resolve the underlying cause of service termination. Utility representatives conducting personal visits are required "at all times" to be "capable of receiving payment . . . [or] certify[ing] that the cause of disconnection has been remedied by the customer."⁵⁰ As Xcel has acknowledged, the combination of remote metering and no longer conducting on-site visits increased the speed and scope of service terminations, with more disconnections being carried out than would have been possible otherwise.⁵¹ Many of the impacted customers were likely "unused to . . . the final step of actual disconnection"⁵² and would have benefited from an in-person visit and the chance to speak with a representative of the utility about remedying the underlying cause of service termination, entering into a payment arrangement, or accessing potential assistance resources. Eliminating this fundamental step would deprive members of this opportunity and would not be in the public interest.

V. Conclusion

CUB, ECC, and LSAP appreciate the opportunity to provide comments on the Cooperative's petition to modify its disconnection and reconnection processes. We respectfully recommend the Commission take the following actions to protect the public interest:

1. Deny Dakota Electric's revised proposal for charging its members a service deposit as a condition of service reconnection.
2. Require Dakota Electric to remove service deposits and the upfront payment of arrears as a condition of reconnecting residential utility service.
3. Approve Dakota Electric's proposal to reconnect members during periods of extreme heat and unhealthy air quality subject to the following modifications:
 - a. Dakota Electric shall set the minimum duration for extreme heat and unhealthy air quality events at 8 hours.
 - b. Dakota Electric shall not charge members a reconnection fee for the temporary resumption of service during extreme heat and unhealthy air quality events.
4. Deny Dakota Electric's petition for a variance to Minn. R. 7820. 2500.

⁵⁰ Minn. R. 7820.2500.

⁵¹ *In the Matter of Xcel Energy's 2023 Annual Safety, Reliability, and Service Quality Report*, Docket No. E-002/M-24-27, Annual Report and Petition, Part I at 9 (Apr. 1, 2024)

⁵² *In the Matter of an Investigation and Audit of Northern States Power Company's Service Quality Reporting*, Docket No. E,G-002/CI-02-2034, 2023 Annual Report at 4-5 (May 1, 2024).

Sincerely,

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