



117 South First Street • Montevideo, MN 56265

July 29, 2025

Mike Bull
Acting Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, MN 55101

Re: In the Matter of the Petition of Dakota Electric Association to Modify Its Extension of Service Tariff; Docket No. E-111/M-25-178

Acting Executive Secretary Bull,

CURE submits the following comments in response to the Office of the Attorney General – Residential Utilities Division (OAG-RUD) and the Citizens Utility Board (CUB) in the above-captioned matter.

As Dakota Electric Association (Dakota Electric), OAG-RUD, and CUB all identified, interest in data center development in Minnesota is expanding exponentially, and utilities are rushing to determine whether and how they can meet the energy demands of such development.¹ Front of mind for residential customers and advocates is whether data center development will result in existing customers footing the bill for new generation, transmission upgrades, and associated costs.

Cooperatives are unique in that their objective is to provide member-owners with affordable and reliable electricity, not to provide shareholders with ever-growing profits. Cooperatives are guided in their work by the seven cooperative principles, including democratic member control, member economic participation, autonomy and independence, and concern for community.² This means that cooperatives have a distinct opportunity to demonstrate what responsible service for new, large customers could look like while protecting existing member-owners' interests in the reliability and affordability of their electricity. By proposing these modifications

¹ Walker Orenstein, *Mega Data Centers are Coming to Minnesota. Their Power Needs are Staggering*, Jan. 10, 2025, <https://www.startribune.com/mega-data-centers-are-coming-to-minnesota-their-power-needs-are-staggering/601204129>.

² Dakota Electric Association, *The Cooperative Difference*, <https://www.dakotaelectric.com/about-us/the-cooperative-difference/>. Notably, the cooperative principles state that members must contribute *equitably* to the capital of their cooperative, and that when a cooperative enters into an agreement with other organizations, “they do so on terms that ensure democratic control by their members and maintain their cooperative autonomy.” See Great River Energy, *Electric Cooperative Benefits*, <https://greatriverenergy.com/cooperative-benefits/>.



to its Extension of Service Tariff, Dakota Electric has shown that it is willing to be a leader in this space.

However, we share the concerns of OAG-RUD and CUB that Dakota Electric’s proposal lacks sufficient detail to adequately protect member-owners. The proposed Letter of Authorization (LOA) and Engineering and Construction (E&C) agreement allow for too much discretion to Dakota Electric and too much power to the large, well-resourced developers that are likely to be negotiating with Dakota Electric for service. And treating the LOA and E&C as entirely separate from the tariff goes against the definition of a “rate.”³ It also leaves the door open to subsequent changes of those terms—including the cost in aid of construction (CIAC)—without Commission approval, which means that those costs could be passed on to other member-owners with little opportunity for recourse.

For these reasons, CURE supports the recommendations put forward by OAG-RUD and CUB to modify Dakota Electric’s proposed changes to the Extension of Service Tariff so that it includes specific, enforceable requirements that will protect existing member-owners from the significant costs associated with new or upgraded generation and transmission infrastructure. Dakota Electric has an opportunity to lead the state in how utilities approach new data center development, but it must do so responsibly and with existing members’ interests as its highest priority.

Sincerely,
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³ Minn. Stat. § 216B.02, subd. 5 (“‘Rate’ means every compensation, charge, fare, toll, tariff, rental, and classification, or any of them, demanded, observed, charged, or collected by any public utility for any service and any rules practices, or contracts affecting such compensation, charge, fare, toll, rental, tariff, or classification.”).