The Office of
Minnesota Attorney General Keith Ellison
helping people afford their lives and live with dignity, safety, and respect • www.ag.state.mn.us

October 31, 2025

VIA EDOCKETS

Ms. Sasha Bergman
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, MN 55101

Re: ***In the Matter of the Application of Dakota Electric Association for Authority to Increase Rates for Electric Service in Minnesota***
CAH Docket No. 65-2500-40635; MPUC Docket No. E-111/GR-24-400

Dear Ms. Bergman:

On October 16, Administrative Law Judge Ann C. O'Reilly issued her report recommending the Commission review and approve the settlement agreement reached by the parties in the above-referenced matter. Under Minn. R. 7829.2700, parties have 15 days to file exceptions to an ALJ report subject to statutory deadlines.

The Minnesota Department of Commerce has no exceptions to Judge O'Reilly's report. The Commission should approve the settlement agreement achieved by the parties. As the Administrative Law Judge's report recognizes, the settlement is consistent with the public interest and supported by substantial evidence.

The settlement provides substantial value to Dakota Electric Association's members. The settlement limits the Association's overall revenue requirement increase to $20.881 million, representing an average 9.62% increase. This increase is smaller than the 11% increase requested in the Association's initial filing. The return on equity, overall cost of capital, and overall return on rate base reflect the Department's proposed adjustments to the calculation of the Association's capital structure. As part of settlement discussions, the Association provided the parties with additional support for its test year compensation expense. This additional information allowed the parties to reach agreement on more accurate test year compensation expense adjustments than would have been possible based on the initial filing.

The Department reviewed the Association's financial schedules as part of the settlement. The Commission should approve them. The Department does not believe there are any other issues that require the Commission's attention at this time.

The Department appreciates this opportunity to reiterate its support for the settlement agreement, and thanks Judge O'Reilly for her thorough review of the record and of the settlement.

The Department looks forward to answering any questions that Commissioners might have about the agreement at the appropriate time.

By copy of this letter, all parties have been served. A declaration of service also is enclosed. Thank you for your attention to this matter.

Sincerely,

/s/ **Katherine Arnold**

Katherine Arnold
Assistant Attorney General

(651) 300-7971 (Voice)
(651) 297-4348 (Fax)
katherine.arnold@ag.state.mn.us

Attorney for Minnesota Department of Commerce

Enclosure

cc: Attached Service List

DECLARATION OF SERVICE

Re: ***In the Matter of the Application of Dakota Electric Association for Authority to Increase Rates for Electric Service in Minnesota***
OAH Docket No. 65-2500-40635; MPUC Docket No. E-111/GR-24-400

STATE OF MINNESOTA)
) ss.
COUNTY OF RAMSEY)

I, LIZ SODERSTROM, hereby state that on October 31, 2025, I filed, by electronic eDockets, the attached **Minnesota Department of Commerce's letter in support of settlement** and eServed or sent by U.S. Mail, as noted, to all parties on the attached service list.

See attached service list.

I declare under penalty of perjury that everything I have stated in this document is true and correct.

/s/ Liz Soderstrom
LIZ SODERSTROM

#	First Name	Last Name	Email	Organization	Agency	Address	Delivery Method	Alternate Delivery Method	View Trade Secret	Service List Name
1	Katherine	Arnold	katherine.arnold@ag.state.mn.us		Office of the Attorney General - Department of Commerce	445 Minnesota Street Suite 1400 St. Paul MN, 55101 United States	Electronic Service		No	24-400 Official CC Service List
2	Sasha	Bergman	sasha.bergman@state.mn.us		Public Utilities Commission		Electronic Service		No	24-400 Official CC Service List
3	Mike	Bull	mike.bull@state.mn.us		Public Utilities Commission	121 7th Place East, Suite 350 St. Paul MN, 55101 United States	Electronic Service		No	24-400 Official CC Service List
4	Generic	Commerce Attorneys	commerce.attorneys@ag.state.mn.us		Office of the Attorney General - Department of Commerce	445 Minnesota Street Suite 1400 St. Paul MN, 55101 United States	Electronic Service		No	24-400 Official CC Service List
5	Eric	Fehlhaber	efehlhaber@dakotaelectric.com	Dakota Electric Association		4300 220th St W Farmington MN, 55024 United States	Electronic Service		No	24-400 Official CC Service List
6	Sharon	Ferguson	sharon.ferguson@state.mn.us		Department of Commerce	85 7th Place E Ste 280 Saint Paul MN, 55101-2198 United States	Electronic Service		No	24-400 Official CC Service List
7	Adam	Heinen	aheinen@dakotaelectric.com	Dakota Electric Association		4300 220th St W Farmington MN, 55024 United States	Electronic Service		No	24-400 Official CC Service List
8	Katherine	Hinderlie	katherine.hinderlie@ag.state.mn.us		Office of the Attorney General - Residential Utilities Division	445 Minnesota St Suite 1400 St. Paul MN, 55101-2134 United States	Electronic Service		No	24-400 Official CC Service List
9	Corey	Hintz	chintz@dakotaelectric.com	Dakota Electric Association		4300 220th Street Farmington MN, 55024-9583 United States	Electronic Service		No	24-400 Official CC Service List
10	Amrit	Hundal	amrit.hundal@ag.state.mn.us		Office of the Attorney General - Department of Commerce		Electronic Service		No	24-400 Official CC Service List
11	Ann	O'Reilly	ann.oreilly@state.mn.us		Office of Administrative Hearings	PO Box 64620 St. Paul MN, 55101 United States	Electronic Service		Yes	24-400 Official CC Service List
12	Wendy	Raymond	wendy.raymond@ag.state.mn.us		Office of the Attorney General - Residential Utilities Division	445 Minnesota Street Suite 600 St. Paul MN, 55101 United States	Electronic Service		No	24-400 Official CC Service List
13	Generic Notice	Residential Utilities Division	residential.utilities@ag.state.mn.us		Office of the Attorney General - Residential Utilities Division	1400 BRM Tower 445 Minnesota St St. Paul MN, 55101-2131 United States	Electronic Service		No	24-400 Official CC Service List
14	Janet	Shaddix Elling	jshaddix@janetshaddix.com	Shaddix And Associates		7400 Lyndale Ave S Ste 190 Richfield MN, 55423 United States	Electronic Service		Yes	24-400 Official CC Service List
15	Kristin	Stastny	kstastny@taftlaw.com	Taft Stettinius & Hollister LLP		2200 IDS Center 80 South 8th Street Minneapolis MN, 55402 United States	Electronic Service		No	24-400 Official CC Service List
16	Godwin	Ubani	godwin.ubani@state.mn.us		Public Utilities Commission	121 7th Place East, Suite 350 St. Paul MN, 55101 United States	Electronic Service		No	24-400 Official CC Service List