

February 17, 2017

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

Re: Dakota Electric Association Reply Comments in Docket No. E-111/M-16-1028

Dear Mr. Wolf:

On December 9, 2016, Dakota Electric Association (Dakota Electric or Cooperative) submitted a Petition in the above-referenced docket requesting Minnesota Public Utilities Commission (Commission or MPUC) approval to update security and street lighting rate schedules. These updates include closing most of the high pressure sodium (HPS) lighting options to new consumers and updating the rates for light-emitting diode (LED) lighting services.

On February 8, 2017, the Minnesota Department of Commerce (Department or DOC) submitted comments recommending Commission approval of the updated security and street lighting rate schedules with a modification.

Dakota Electric Reply Comments

Following are Dakota Electric's Reply Comments to a concern, conclusions, and recommendation in the Department's February 8 Comments regarding the Cooperative's proposed updated security and street lighting rate schedules.

The Department raised a concern regarding the 50-Watt HPS light stating "If the 50-Watt HPS is the equivalent of the LED Acorn light, Department is concerned that customers desiring low-wattage lamps may be required to pay significantly more than under the current 50-Watt HPS rate." In response, Dakota Electric notes that the 50-Watt HPS option is a rate for custom lights that were only installed by one city. These fixtures are no longer being installed and they are slowly being replaced with other member (city)

owned and operated fixtures. Dakota Electric is not planning to offer this unique style of lighting as part of our standard street light options. Dakota Electric instead encourages a city that wants to install a custom LED light, to do so and then take a metered service for that system.

The Department provided several conclusions on Page 7 of the February 8 Comments as follows:

The Department concludes that DEA's proposal to close all but one HPS rate to new customers is reasonable, as it would reduce the Cooperative's inventory and improve the efficiency of the Cooperative's lighting fleet. Additionally, closing these rates would not preclude all new customers entirely from choosing HPS options in the future, as these would be available both through the 100 Watt Light option in Schedule 44-3 and through Member-Owned rates.

The Department also reviewed the Cooperative's LED Lighting Cost Analysis and concludes that the tables, assumptions, and resulting rates are correctly calculated based on the Cooperative's data. The Department also reviewed the details of all affected schedules and concludes that they are generally reasonable.

Dakota Electric concurs with these Department conclusions.

On Page 7 the Department recommended that "Dakota Electric incorporate wattage or wattage range information with each LED option in Schedules." While Dakota Electric concurs with the concept of providing information about lighting output, the continuing efficiency improvement in wattage compared to LED light output makes wattage information for LED lights less meaningful. In addition, if the wattage of the LED was entered as part of the rate schedule, this would then require Dakota Electric to make new filings to update that information as LED fixture efficiency increases. If the Commission believes such information is helpful in the context of a LED lighting rate schedule, then Dakota Electric instead suggests that adding minimum lumen ratings for each of the LED rates would provide a more useful piece of information. We anticipate that the lumen levels will remain fairly stable for a specific style of LED fixture and is an important element for street lighting design. If the Commission decides that providing lumen information on the LED Security Lighting Service (Schedule 44-4) and LED Street Lighting tariff (Schedule 44-6) is desirable, then Dakota Electric suggests that the following minimum lumen levels for each light option would be applicable:

Security – minimum of 4,500 lumens

Coach – minimum of 5,200 lumens

Acorn – minimum of 5,200 lumens

Cobra – minimum of 7,000 lumens

Shoebox – minimum of 11.500 lumens

Conclusion

Based on the above Reply Comments Dakota Electric recommends that the Commission accept the conclusions offered on Page 7 of the Department's February 8 Comments in this matter. Dakota Electric recommends that the Commission not require the addition of

wattage information to the LED lighting Schedule 44-4 and Schedule 44-6. If the Commission decides that additional information is needed, then Dakota Electric recommends that minimum lumen amounts be provided for each of the lighting options on these schedules as noted above.

If you or your staff have any questions regarding these Reply Comments, please contact me at (651) 463-6258.

Sincerely,

/s/ Douglas R. Larson

Douglas R. Larson Vice President of Regulatory Services Dakota Electric Association 4300 220th Street West Farmington, MN 55024 651-463-6258 dlarson@dakotaelectric.com

Certificate of Service

I, Cherry Jordan, 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. E-111/M-16-1028

Dated this 17th day of February, 2017
/s/ Cherry Jordan
Cherry Jordan

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Sharon	Ferguson	sharon.ferguson@state.mn .us	Department of Commerce	85 7th Place E Ste 500 Saint Paul, MN 551012198	Electronic Service	No	GEN_SL_Dakota Electric Association_General Service List
Corey	Hintz	chintz@dakotaelectric.com	Dakota Electric Association	4300 220th Street Farmington, MN 550249583	Electronic Service	No	GEN_SL_Dakota Electric Association_General Service List
Douglas	Larson	dlarson@dakotaelectric.co m	Dakota Electric Association	4300 220th St W Farmington, MN 55024	Electronic Service	No	GEN_SL_Dakota Electric Association_General Service List
John	Lindell	agorud.ecf@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012130	Electronic Service	No	GEN_SL_Dakota Electric Association_General Service List
Pam	Marshall	pam@energycents.org	Energy CENTS Coalition	823 7th St E St. Paul, MN 55106	Electronic Service	No	GEN_SL_Dakota Electric Association_General Service List
David	Moeller	dmoeller@allete.com	Minnesota Power	30 W Superior St Duluth, MN 558022093	Electronic Service	No	GEN_SL_Dakota Electric Association_General Service List
Ron	Spangler, Jr.	rlspangler@otpco.com	Otter Tail Power Company	215 So. Cascade St. PO Box 496 Fergus Falls, MN 565380496	Electronic Service	No	GEN_SL_Dakota Electric Association_General Service List
Eric	Swanson	eswanson@winthrop.com	Winthrop Weinstine	225 S 6th St Ste 3500 Capella Tower Minneapolis, MN 554024629	Electronic Service	No	GEN_SL_Dakota Electric Association_General Service List
Daniel P	Wolf	dan.wolf@state.mn.us	Public Utilities Commission	121 7th Place East Suite 350 St. Paul, MN 551012147	Electronic Service	No	GEN_SL_Dakota Electric Association_General Service List