



March 30, 2020

Will Seuffert, Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
Saint Paul, MN 55101-2147

Subject: *Dakota Electric Association Reply to
March 25, 2020 PUC/DOC COVID-19 Letter
Docket No. E,G-999/CI-20-375*

Dear Mr. Seuffert:

On March 25, 2020 the Chair of the Minnesota Public Utilities Commission (Commission or MPUC) and the Commissioner of the Minnesota Department of Commerce (Department or DOC) sent a letter to all Minnesota electric and gas utilities regarding responsive measures to the outbreak of the novel coronavirus disease 2019 (COVID-19). This letter stated in part:

The Department of Commerce and Public Utilities Commission are requesting your commitment that Minnesotans will not have to worry about their utility service during this time. Therefore, we request all utility providers to commit to work with affected customers and communities by undertaking -- at minimum – the following voluntary actions for the duration of the national security or peacetime emergency:

- *Extend the protections of Minnesota’s Cold Weather Rule provided under Minnesota Statutes sections 216B.096 (public utilities), 216B.097 (electric cooperatives and municipal utilities) and 216B.16, subdivisions 12 and 12a (small gas utility and small electric utility, respectively) by restricting disconnection of residential customers for non- payment of utility bills and reconnecting customers who have been disconnected for the duration of the national security or state peacetime emergency. This request shall not affect*

the utility's ability to disconnect a customer's service for public safety concerns unrelated to non-payment of services;

- *Waive late fees that any residential or small business customer incurs because of the economic circumstances related to the coronavirus pandemic.*
- *Arrange payment plans for customers requesting help during this time that is based on the financial resources and circumstances of the customer.*

This letter asks that utilities respond by April 3 (in Docket No. E,G-999/CI-20-375) with information on the steps being taken during this emergency.

Dakota Electric Reply

Dakota Electric Association® (Dakota Electric® or Cooperative) submits this reply with information on the steps being taken by the Cooperative during this COVID-19 pandemic and the peacetime emergency declared by Governor Walz on March 13, 2020. As COVID-19 began appearing in this country, Dakota Electric was taking actions to help ensure continued reliable electric service to our members, while considering ways to help consumers and communities. Our response will describe actions on the three specific steps identified in the March 25 letter and other actions being taken by Dakota Electric to assist the consumers and communities we serve.

Measures Identified in March 25 Letter

- I. *Disconnections / Reconnections* - On March 19th, Dakota Electric made the decision to suspend disconnections for the foreseeable future. Dakota Electric also implemented an offer to reconnect those residential consumers who were disconnected under the terms of the Cold Weather Rule (CWR) with no fees or payments or deposits. Because we follow the cold weather rules and ceased disconnects last October, we estimate that there were 5 or fewer disconnected services for non-payment. Dakota Electric recognizes that this suspension of future disconnections could exaggerate the impact on non-payment for electric service and subsequent bad debt exposure for the Cooperative. Dakota Electric provides distribution service on relatively thin operating margins. Wholesale power costs account for about 75% of our overall cost of providing electric service. When our

members use electricity, we receive bills from Great River Energy (GRE) for the wholesale power and transmission services associated with that consumption. We must pay our bills to GRE. If too many of our members do not pay for electric service, but continue to receive such service, it could jeopardize the financial standing of Dakota Electric. While we voluntarily took this action – and will now continue the practice as requested in the March 25 letter – we simply ask that any future financial impacts and consequences on the Cooperative be accommodated.

- II. *Late Fees* - Earlier this month, Dakota Electric also began exploring the possibility of waiving late fees for residential consumers on a go forward basis. The Dakota Electric Board of Directors has authorized us to waive future late fees for residential, irrigation, small general, and general service members. This waiver goes beyond the action requested in the March 25 letter and reflects the administrative grouping of rate schedules on our billing system. This will benefit our residential, farm, irrigation, small local business, and mid-size commercial members. As mentioned above, depending on the length of the pandemic, Dakota Electric asks that future financial impacts and consequences on the Cooperative be accommodated.
- III. *Payment Plans* – Dakota Electric always strives to make payment arrangements that work for our members. We are a cooperative, owned by those we serve. We will continue to work with our members as we make flexible payment arrangements, recognizing changing financial resources and circumstances of our members due to the COVID-19 pandemic.

Other Cooperative Actions

Dakota Electric recognizes that help due to COVID-19 impacts may be needed immediately and months from now. Dakota Electric staff and management, in consultation with our Board of Directors, have also developed a list of other actions that we can take to assist the consumers and communities we serve. Examples of immediate actions we are taking include:

- Increasing our donations (beyond amounts budgeted) to local organizations that provide food shelves, housing, and other assistance for basic living needs.
- Expanding the availability of energy assistance.

As circumstances warrant, we will continue to pursue other initiatives.

Conclusion

If you or your staff have any questions about Dakota Electric's response in this matter, or any other matters related to our COVID-19 actions, please contact me at 651-463-6258 or dlarson@dakotaelectric.com.

Sincerely,

/s/ Douglas R. Larson

Douglas R. Larson
Vice President of Regulatory Services
Dakota Electric Association
4300 220th Street West
Farmington, MN 55024

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,G-999/CI-20-375*

Dated this 30th day of March 2020

/s/ Cherry Jordan

Cherry Jordan

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Generic Notice	Commerce Attorneys	commerce.attorneys@ag.state.mn.us	Office of the Attorney General-DOC	445 Minnesota Street Suite 1400 St. Paul, MN 55101	Electronic Service	Yes	OFF_SL_20-375_Official
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 280 Saint Paul, MN 551012198	Electronic Service	No	OFF_SL_20-375_Official
Generic Notice	Residential Utilities Division	residential.utilities@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012131	Electronic Service	Yes	OFF_SL_20-375_Official
Will	Seuffert	Will.Seuffert@state.mn.us	Public Utilities Commission	121 7th PI E Ste 350 Saint Paul, MN 55101	Electronic Service	Yes	OFF_SL_20-375_Official