

**STATE OF NORTH DAKOTA**  
**PUBLIC SERVICE COMMISSION**

**Montana-Dakota Utilities Co.  
Electric Service Agreement – APLD Amendment  
Approval**

**Case No. PU-24-332**

**ORDER**

**February 5, 2025**

**Preliminary Statement**

On September 5, 2024, Montana-Dakota Utilities Co. (MDU) filed an amendment to an electric service agreement (ESA) that MDU entered into with Applied Digital Corporation d/b/a APLD-ELN-02 LLC (Applied) that was originally approved by the Commission on May 23, 2024, in Case No. PU-23-322. The amended agreement increased the amount of electric service that Applied can take from MDU from 225 MW to 350 MW, extended the expiration date to August 31, 2030, modified demand charges provision, and provided an updated service area coverage map.

On October 22, 2024, the Commission issued a Notice of Opportunity for Hearing, which provided until December 3, 2024, for receiving written comments or hearing requests. The notice identified the following as issues to be considered:

1. What is the value of MDU's property, used and useful, for the service and convenience of the public in North Dakota?
2. What is a just and reasonable rate of return on MDU's property, used and useful, for the service and convenience of the public in North Dakota?
3. What rates and charges are necessary to provide a just and reasonable rate of return on MDU's property, used and useful, for the service and convenience of the public in North Dakota?
4. Are MDU's rate schedules designed in such a manner that they result in a basis of charge to its customers that is just and reasonable without undue discrimination?
5. Whether the amendment to the electric service agreement should be approved.

No request for a hearing was received.

On December 6, 2024, MDU filed an updated data center load study with the Commission.

On January 14, 2025, an Informal Hearing with the Commission was held.

### Discussion

1. The amendment increases the amount of electric service that Applied can take from MDU from 225 MW to 350 MW, extends the expiration date of the ESA to August 31, 2030, modifies the demand charges provision, and provides an updated service area coverage map. Applied will be taking service from MDU within the location located within the service area agreement the Commission approved on March 27, 2024, and entered into by and between MDU and Dakota Valley Electric Cooperative in Case No. PU-23-272. The ESA's electric service will be extended to include the locations identified in public convenience and necessity certificate number 6006 as issued in Case No. PU-24-330.

2. MDU estimates the average residential customer using 800 kWh per month would save approximately \$196 to \$198 per year when Applied is operating at the full 350 MW capacity in addition to the full 180 MW capacity that Applied Digital Corporation can take from MDU in its other electric service agreement as approved by the Commission in Case No. PU-22-371.

3. Having considered this matter the Commission finds that the amendment results in a just and reasonable rate without undue discrimination for the customer that provides MDU with an opportunity to collect a just and reasonable rate of return on its property used and useful for the service and convenience of the public in North Dakota and should be approved.

### Order

The Commission Orders:

1. MDU's amendment to the Electric Service Agreement with APLD-ELN-02 LLC is APPROVED.

### PUBLIC SERVICE COMMISSION

  
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**Sheri Haugen-Hoffart**  
Commissioner

  
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**Randy Christmann**  
Chair

  
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**Jill Kringstad**  
Commissioner