

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

Montana-Dakota Utilities Co.
Wind Farm Station Service – Wishek, ND
Public Convenience & Necessity

Case No: PU-25-261

**MDU RESPONSES TO KEM ELECTRIC COOPERATIVE, INC.'S FIRST SET OF
DATA REQUESTS TO
MONTANA-DAKOTA UTILITIES CO.**

Montana-Dakota Utilities Co. (“MDU”) hereby provides the following objections and responses to KEM Electric Cooperative, Inc.’s First Set of Data Requests:

1. *Admit that station service is load? If MDU does not admit, please explain why MDU disagrees and provide citations to authorities to support MDU's position.*

MDU RESPONSE: MDU admits that the off-line station service at issue in this Case is “load” to the extent that the service at issue will be retail electric service provided by MDU.

2. *Admit the MDU substation from which service is being requested is a MISO “open access transmission tariff” (OATT) facility. If MDU does not admit, please explain why MDU disagrees and provide citations to authorities to support MDU's position.*

MDU RESPONSE: MDU admits that its high voltage transmission system including the Wishek Substation is under the functional control of MISO and subject to the MISO Open Access Transmission, Energy and Operating Reserve Markets Tariff (“MISO Tariff”).

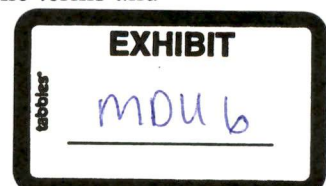
3. *Admit that MISO OATT facilities are meant to be shared to ensure fair and non-discriminatory access to the power grid by all eligible market participants. If MDU does not admit, please explain why MDU disagrees and provide citations to authorities to support MDU's position.*

MDU RESPONSE: See response to DR 2. The terms of MISO Tariff speak for themselves.

4. *Admit that a core principle underlying MISO OATT facilities is to allow for access to market to serve loads. If MDU does not admit, please explain why MDU disagrees and provide citations to authorities to support MDU's position.*

OBJECTION: MDU objects as this request calls for a legal conclusion.

MDU RESPONSE: Subject to the foregoing objection, MDU denies that “a core principle underlying MISO OATT facilities is to allow for access to market to serve load” as that phrase is imprecise and not sufficiently descriptive for MDU to opine on. MDU submits that the terms and



policy rationale for open access on the transmission system are complex and nuanced and cannot be reduced to a single sentence. For example, in establishing open access on the transmission system FERC made many accommodations to preference native load to third party uses.

5. *Admit that a core principle underlying MISO OATT facilities is to prevent a utility from favoring its own power generation when using its transmission lines. If MDU does not admit, please explain why MDU disagrees and provide citations to authorities to support MDU's position.*

OBJECTION: MDU objects as this request calls for a legal conclusion.

MDU RESPONSE: Subject to the foregoing objection, MDU responds that FERC regulations, rules, tariffs, and precedent regarding the principles of open access for electric transmission speak for themselves. Please also see the response to DR 4.

6. *Admit MDU is a member of MISO.*

MDU RESPONSE: MDU admits that it is a Transmission Owning Member of MISO.

7. *Admit MISO is a large independent, federally regulated entity known as a Regional Transmission Organization which operates its transmission system and energy markets. If MDU does not admit, please explain why MDU disagrees and provide citations to authorities to support MDU's position.*

OBJECTION: MDU objects as this request calls for a legal conclusion regarding the organizational status of MISO. MDU notes that MISO refers to itself as an Independent System Operator and not a Regional Transmission Organization.

8. *Admit the power needed for Badger Wind, LLC's requested backup service is "retail" power and is within KEM's service area.*

MDU RESPONSE: To the extent that the phrase "'retail' power" is intended to mean retail electric service, then, yes, MDU admits that the off-line station service that is at issue in this Case would be served at retail. MDU denies that KEM has a defined service area.

9. *Admit that all that would be required for either MDU or KEM to provide Badger Wind, LLC's requested backup electrical service would be the installation of a delivery point meter within MDU's shared facility to measure energy flow in and out.*

MDU RESPONSE: MDU denies that "all that would be required for either MDU or KEM to provide Badger Wind, LLC's requested backup electrical service would be the installation of a delivery point meter within MDU's shared facility to measure energy flow in and out."

10. *Admit the cost to install a delivery point meter within MDU's shared facility to measure energy flow in and out should be roughly the same for either MDU or KEM and the reliability of the service provided would be the same by either MDU or KEM.*

MDU RESPONSE: MDU neither admits nor denies that “the cost to install a delivery point meter within MDU’s shared facility to measure energy flow in and out should be roughly the same for either MDU or KEM.” MDU has no basis to know KEM’s costs for doing so. MDU further denies that the Wishek substation can be characterized as “shared,” please see the response to DR 2.

Further, MDU neither admits nor denies that “the reliability of the service provided would be the same by either MDU or KEM.” MDU has no basis to assess the reliability of KEM’s provision of retail electric service.

11. Admit the provision of the service requested by Badger Wind, LLC will not result in any duplication of service nor unreasonably interfere with the service or system of either MDU or KEM.

MDU RESPONSE: MDU denies that “the provision of the service requested by Badger Wind, LLC will not result in any duplication of service nor unreasonably interfere with the service or system of either MDU or KEM.” MDU submits that this is a question of law and fact to be determined by the North Dakota Public Service Commission. MDU further submits that MDU’s provision of retail electric service to the load at issue in this Case will be provided by existing facilities owned by MDU and that, to the extent any additional facilities are required by KEM to serve the load at issue in this Case, such additional facilities would result in duplication of facilities for such service. MDU further submits that to the extent service to the load at issue in this Case requires KEM to enter and occupy land or otherwise utilize facilities owned and operated by MDU, that such occupation and/or utilization by KEM would interfere with the service and system of MDU.

12. Admit the proposed delivery point is located just over one mile from the corporate limits of the municipality of Wishek, North Dakota.

MDU RESPONSE: MDU admits that the Wishek substation is located just over one mile from the corporate limits of the municipality of Wishek, N.D.

13. Admit it is improbable this proposed delivery point will be included within the corporate limits of Wishek in the foreseeable future based upon historical declining population trends within the City of Wishek.

OBJECTION: MDU objects as this data request calls for speculation. MDU further objects as this data request is vague with respect to the word “improbable.” MDU further objects as this data request relies on facts not in evidence, namely, that there are “historical declining population trends within the City of Wishek.”

14. Admit KEM has a history of providing electric service lines in this same location as the Badger Wind Farm and MDU Substation at issue.

MDU RESPONSE: See response to DRs 16 and 24.

15. Admit that within the last ten (10) years, all new electric service within a 6,000 foot radius of the requested delivery point has been serviced by KEM.

MDU RESPONSE: See response to DRs 16 and 24.

16. Admit KEM has fifteen electric services within a 6,000 foot radius of the requested delivery point as depicted in Exhibit A to the Declaration of Dale T. Nagel on file in this proceeding.

MDU RESPONSE: MDU has no basis to admit or deny any facts surrounding KEM's service to retail customers in the area of the Wishek Substation. MDU admits that this information was provided in the Declaration of Mr. Nagel, under oath, and takes Mr. Nagel at his word. See response to DR 24.

17. Admit that KEM built three new services within 3,000 feet of the delivery point – two for the Badger wind farm and one for the wind farm contractors, comprised of the following:

NSI BLATTNER ENERGY LLC 087 120 07 41 04

NEW TEMPORARY SERVICE FOR WIND TOWER LAY DOWN YARD.

MEMBER OWNED 1Ø CT SOCKET

NSI BADGER WIND LLC 087 121 08 32 13

NEW SERVICE FOR WIND FARM NEAR WISHEK. SUBSTATION POWER

NSI BADGER WIND LLC 087 122 08 32 13

NEW SERVICE FOR WIND FARM NEAR WISHEK. O&M BUILDING

MDU RESPONSE: See response to DRs 16 and 24.

18. Admit MDU did not object to or attempt to provide electrical service for the locations described in No. 17 above.

MDU RESPONSE: MDU does not agree with the premise of the data request. (1) no customer made a request to MDU for service to the locations described in No. 17 above; and (2) MDU would have no forum in which to object to or attempt to provide electrical service to the locations described in No. 17 above without a request from the customer to provide such service.

19. Admit KEM has built two new residential services within 1,000 feet of the delivery point in the last eight years.

MDU RESPONSE: See response to DRs 16 and 24.

20. *Admit MDU did not object to or attempt to provide electrical service for the two new residential service locations described in No. 19.*

MDU RESPONSE: See response to DRs 18 and 24.

21. *Admit Badger Wind, LLC initially completed a New Load/Delivery Point Initiation Application Form ("New Load Application w/KEM") for the backup service at issue with KEM, with both parties executing same on July 23, 2025, attached as Exhibit B to the Declaration of Dale T. Nagel on file in this proceeding.*

MDU RESPONSE: MDU acknowledges this information was provided in the Declaration of Mr. Nagel, under oath, and takes Mr. Nagel at his word. MDU notes that prior to MDU's purchase of a 49 percent undivided interest in the Badger Wind Farm facilities, it was not aware nor was it involved in any discussions between Badger Wind, LLC and KEM.

22. *Admit the New Load Application with KEM described in No. 21 was then delivered to Basin, which in turn submitted the application to MISO for approval on August 12, 2025.*

MDU Response: To the extent this information was provided in the Declaration of Mr. Nagel, under oath, MDU takes Mr. Nagel at his word. To the extent this information was not provided in the Declaration of Mr. Nagel, MDU has no basis to either admit or deny this statement.

23. *Admit that on or about September 24, 2025, MDU submitted its TAP application to the PSC for provision of the backup service to Badger Wind, LLC.*

MDU RESPONSE: Admit.

24. *Admit that historically, the only time MDU has provided electrical service to a customer who would be within KEM's service area is where MDU had much closer electrical services available than KEM.*

MDU RESPONSE: MDU believes in the orderly development of retail electric service facilities in the State of North Dakota. Generally, when determining if it would be appropriate for MDU to serve any new load in question outside of the municipal boundaries of areas where MDU has a franchise to serve that municipality, MDU will assess the new load using the Commission's ten-factor test. Based on that assessment, MDU has extended service to several retail customers outside of the municipal boundaries of Wishek as the ten-factor test would generally weigh in favor of MDU providing such service.

25. *Admit it has not been MDU's practice to go after or attempt to provide electrical service in KEM's service area otherwise than as identified in No. 24.*

MDU RESPONSE: Please see response to DR 24.

26. *Admit that it has not been MDU's practice to go after or attempt to provide electrical service in KEM's service area otherwise. (a) Has MDU identified the specific location at which to place the delivery point meter? (b) Does MDU require any third-party approvals for the placement of the delivery point meter? If so, has MDU requested such third-party approvals? If so, what is the status of such third-party approvals? (c) What arrangements are necessary for MDU to deliver power to the load at retail? (d) What equipment does MDU require to provide service and what is the estimated cost of providing this service? [e] Does this service require any duplication of facilities to service the customer?*

MDU RESPONSE: With respect to the requested admission, please see response to DRs 24 and 25.

- (a) MDU does not require a new delivery point meter to be installed to provide service. MDU plans on using the existing wind generation revenue meter in the Wishek substation to meter retail electric service.
- (b) No. See response to (a), MDU does not need to install any equipment at the Wishek substation to provide retail electric service to the load at issue.
- (c) None. The Wishek substation is a preexisting substation and already established delivery point on the MDU transmission system.
- (d) See response to (b).
- (e) Since no new equipment is required for MDU to provide retail electric service, there are no duplicative facilities required.

27. *How much annual revenue does MDU expect to receive from servicing the load at issue?*

MDU RESPONSE: Approximately \$300,000 per annum.

28. *How much in annual expenditures on transmission service does MDU expect to incur to serve the load at issue?*

MDU RESPONSE: The load would be served under MDU's retail load Rate 30 General Electric Service Tariff which is a bundled rate approved by the Commission. Due to the bundled rate, there are no separate expenditures on transmission service that would be directly attributable to serve the load at issue.

29. *What other costs and revenues not previously identified would also be included in MDU's service of the load at issue?*

MDU RESPONSE: Please see response to DR 30.

30. *What existing rate would MDU charge the load? Identify the appropriate rate schedule for service to the load at issue. Please provide a copy of such rate schedule or a link to where it is available electronically.*

MDU RESPONSE: Primary Rate 30 tariff. [ND_Electric30.pdf](#)

31. *Does MDU have any other wind farm back up loads on its system? If so, how does it provide service to them?*

MDU RESPONSE: Yes. MDU serves all of its owned wind facilities (Thunder Spirit and Cedar Falls) in North Dakota. Additionally, MDU serves NextEra's Eamons Logan Wind Farm, which is interconnected to MDU's transmission system and is in an area which also has customers served by KEM. MDU does not believe KEM sought to serve this load. These wind facilities are served at transmission voltage through the interconnecting substation owned by MDU.

32. *Did MDU submit a New Load/Delivery Point Initiation Application Form with MISO in relation to the service at issue? If not, explain in detail why not. If so, please produce a copy of the application and any documentation evidencing any response from MISO thereto.*

MDU RESPONSE: Please see response to DR 26(c).

33. *Admit MDU did not object to any of the services installed by KEM very near the service location at issue as depicted in Exhibit D to the Declaration of Dale T. Nagel dated November 18, 2025 on file in this proceeding. If not admitted, produce any documentation evidencing any such objection.*

MDU RESPONSE: Please see response to DRs 16 and 24. MDU believes that based on the Commission's ten-factor test, KEM would be in a better position to provide this service.

34. *Explain why MDU didn't object to any of the services installed by KEM very near the service location at issue as depicted in Exhibit D to the Declaration of Dale T. Nagel dated November 18, 2025 on file in this proceeding?*

MDU RESPONSE: See response to DR 33.

35. *Admit it would not be cheaper for MDU to serve the load at issue than it would be for KEM to serve the same load. If you do not admit, explain why it be cheaper for MDU to serve a load on a MISO tariff facility then it would be for KEM to serve that same load.*

MDU RESPONSE: MDU neither admits no denies as MDU has no basis to know what the costs of KEM providing retail electric service to the load at issue will be. There are myriad factors that go into the cost of service including demand charges, cost of fuel, cost of transmission, cost of distribution service, etc. Further, MDU is not aware as to if KEM will serve the load at issue in this proceeding as MISO load or SPP load (MDU understands that KEM and Basin pseudo-tie their ND load in MISO into SPP) and therefore what transmission charges would be applicable. With that said, MDU does not pay a MISO transmission charge to use its own facilities; rather, such transmission facilities are in its retail rate base and recovered through Commission approved rates. Consequently, MDU believes that the actual cost to MDU's North Dakota retail electric customers to utilize the MDU transmission system that is under the functional control of MISO is less than for third party users.

36. *Admit the load at issue would be served on a MISO tariff facility. If MDU does not admit, explain in detail why and provide citations to authorities to support MDU's position.*

MDU RESPONSE: Please see response to DR 2, to the extent that KEM would utilize MDU's transmission system to serve the load at issue in this Case. MDU submits that KEM has not yet established how it will obtain access to serve such load on MDU's facilities with respect to metering. To the extent that KEM would serve the load at issue in this Case through other facilities to be owned and operated by KEM, MDU denies.

37. *Explain how the service at issue would fall into the economic service area of MDU.*

OBJECTION: MDU objects to this data request as vague with respect to the term "economic service area." MDU is not aware of how this term is defined and should be interpreted.

38. *Identify by name and address all customers currently served by MDU within a two-mile radius of the location to be served.*

OBJECTION: MDU objects to this request to the extent it would require the disclosure of confidential customer information.

MDU RESPONSE: Subject to the foregoing objection, MDU currently serves 394 customers within a two mile radius of the Wishek Substation.

39. *Identify by name and address all customers currently served by MDU within a 6,000 foot radius of the location to be served.*

OBJECTION: MDU objects to this request to the extent it would require the disclosure of confidential customer information.

MDU RESPONSE: MDU currently serves 8 customers within a 6,000 foot radius of the Wishek Substation.

40. *Admit KEM's provision of the requested service would not result in wasteful duplication of investment or service. If MDU does not admit, please explain in detail why.*

MDU RESPONSE: Deny. Please see responses to DRs 11 and 26

41. *Admit it is not probable the requested service location will be included within the corporate limits of a municipality within the foreseeable future. If MDU does not admit, please explain why MDU believes otherwise and provide any authority relied upon.*

OBJECTION: MDU objects to this request as it calls for speculation regarding what may or may not happen in the future. MDU further objects to this request as vague with respect to the term "foreseeable."

42. *Admit KEM's provision of the requested service will not unreasonably interfere with the service or system of MDU. If MDU does not admit, please explain why?*

MDU RESPONSE: Please see responses to DRs 11 and 26.

Dated: July 8, 2026

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