



400 North Fourth Street
Bismarck, ND 58501
701-222-7900
www.montana-dakota.com

July 17, 2026

North Dakota Public Service Commission
600 East Boulevard Ave., Dept. 408
Bismarck, ND 58505-0480

**RE: Application for Permanent Authority
Switch Yard Service – APLD BIS-01 – Center, ND
Public Convenience & Necessity
Case No. PU-26-236**

Montana-Dakota Utilities Co. submits for Commission approval an original and seven (7) copies of the Company's Application for Permanent Authority and supporting Testimony to provide electric service to APLD BIS-01 for switch yard service at a site located in Section 24, Township 142N, Range 85W in Oliver County, near Center, North Dakota. The Company hereby notifies the Commission that one check in the amount for \$40,000 was mailed Friday, July 17, 2026 as the filing fee in the above referenced case number.

Please contact me at 701.954.9072 or tyler.culbertson@mdu.com with any questions regarding this filing.

Sincerely,

A handwritten signature in black ink that reads 'T Culbertson'.

Tyler J Culbertson
Director of Regulatory Affairs

Cc: Jeremy Fischer

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

In the Matter of the Application	)	
of MONTANA-DAKOTA UTILITIES CO.	)	
for an Order and Certificate to Provide	)	Case No. PU-26-236
Service to APLD BIS-01 for	)	
Switch yard service in Oliver County	)	

APPLICATION FOR PERMANENT AUTHORITY

MONTANA-DAKOTA UTILITIES CO. for its Application to the Public Service Commission of North Dakota, respectfully alleges:

I.

The full name of Applicant is Montana-Dakota Utilities Co., and the post office address of its principal office is 400 North Fourth Street, Bismarck, North Dakota 58501. Applicant is a public utility subject to the jurisdiction of and regulation by the Public Service Commission of North Dakota, under Title 49, N.D.C.C.

II.

This Application is made pursuant to the provisions of Chapter 49-03, N.D.C.C., as amended, and the Rules of Practice and Procedure promulgated by the Commission.

III.

Applicant has been requested by APLD BIS-01, hereinafter referred to as "Customer," to provide electric service to them for switch yard service located in Section 24 Township 142N, Range 85W in Oliver County, near Center, North Dakota as shown on the map attached hereto, marked Exhibit A, and made a part hereof by reference. Customer will need electric service in July 2026.

Correspondence to the Customer should be directed to:

Applied Digital
411 SE 12th St
Madison, SD 57042

IV.

The service required by Customer at said location is overhead service, and the length of the extension will be approximately 1000 feet, as shown by Exhibit A. The location of the proposed service is within the economic service area of Applicant and service will be provided under the provisions of the rules and regulations applicable thereto. It is Applicant's public utility obligation to furnish the requested service, and the public convenience and necessity requires, and will be served by, Applicant furnishing the requested service to this Customer at said location. The Temporary Authority Permit is attached as Exhibit B.

V.

Submitted as Exhibit C with this Application is an Appearance by Customer herein, in which Customer states to the Commission that they desires electric service from Applicant as a public utility subject to the jurisdiction of, and regulation by, this Commission. In said Appearance, Customer also waives Notice of Opportunity for Hearing and Notice of Hearing upon this Application, or a hearing thereon, and requests the Commission to issue an Order and Certificate of Public Convenience and Necessity authorizing this requested and needed service.

VI.

Overhead extension of 1000 feet is required.

VII.

Submitted as Exhibit D with this Application is the supporting Testimony of Darcy J. Neigum, which is made a part hereof by reference.

WHEREFORE, Applicant requests the entry of an Order and Certificate of Public Convenience and Necessity authorizing Applicant to extend the requested and needed service to Customer.

MONTANA-DAKOTA UTILITIES CO.

By: /s/ *Travis R. Jacobson*
Travis R. Jacobson
Vice President of Regulatory Affairs



MDU 345 KV
Line (Red)

New 345 KV Line

New 345 KV
Switch Yard

Site Location:
Yellow Box

MDU 115 KV
Line (Green)

City Limits of Center
Approximately 3.5 Miles

The Distance to
Roughriders Nearest
Line that could serve
the load is unknown



TEMPORARY AUTHORITY PERMIT
NORTH DAKOTA PUBLIC SERVICE COMMISSION
PUBLIC UTILITIES
SFN 50560 (6-96)

Exhibit B
PU-26-236
Page 1 of 1

PSC Case No. PU-26-236

Date 6/29/2026	Time ☐ a.m. ☐ p.m.	Name of Utility Montana-Dakota Utilities Co.	Telephone Number 701-222-7984
Name of Person Calling Jeremy Fischer		Name of Coop Serving Roughrider Electric Cooperative	
Name of Customer APLD BIS-01 LLC		Location Sec 24 Twp 142N R 85W	
Address		County Oliver	
City		State	Zip Code
Name of Nearest City Center		Distance to the City ~3.5 Miles	
When will service be extended? July 2026		Type of Service ☐ Residence ☐ Storage ☐ Grain Bin ☒ Other <u>Data Center</u>	
Extension Length to Most Economical Point of Service Utility: ~1,000 ft Coop: Unknown		Extension ☒ Overhead ☐ Underground	
Has customer signed request for service? ☒ Yes ☐ No		Will cooperative protest application? ☒ Yes ☐ No <u>Cooperative will Protest this request</u>	
Name of Person Contacted (PSC Use) <u>Jason Bentz Co-Gen. Mgr/CEO Roughrider Electric via email on July 10, 2026 at 8:22 a.m.</u>		Date of Contact (PSC Use)	Time (PSC Use) ☐ a.m. ☐ p.m.
Estimated Cost of Extension ~\$110,000,000		Estimated Revenue ~\$160,000,000	
Under what rate filed with the Public Service Commission will customer be served? Rate 45			
Will extension cross over coop lines? ☐ Yes ☒ No		Will extension cross over railroad tracks? ☐ Yes ☒ No	
Temporary Authority Authorized By ☐ Telephone ☒ Letter		Date Authorized <u>July 10, 2026</u>	
Authorized By (Name of Commissioner) <u>Theri Haugen-Hoffart</u>			

Extension must be made from most economical point of service.

Comments:

The extension will serve the Data Center for APDL BIS-01 LLC west of Center, ND. Montana-Dakota has a 345 KV line along the north side of the site. Montana-Dakota will construct a 345 KV line approximately 1,000 feet to a new 345 kV switch yard within the site. Montana-Dakota anticipates for redundancy it will also be constructing approximately 15 miles of 345 kV transmission line from an additional breaker bay within Minnesota Power Nelson Lake Substation to the 345 kV switch-yard. The customer will take service out of the switch yard. It's unknown where Roughrider would need to extend service from to serve the customer. The attached map shows the 345 kV switch-yard which will be the point of service to the customer but does not show the 345 kV line connection to the the Nelson Lake Substation that is required for redundancy.

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF NORTH DAKOTA

Exhibit C
PU-26-236
Page 1 of 1

In the Matter of the Application of
Montana-Dakota Utilities Co.

Case No. _____

APPEARANCE BY CUSTOMER

APLD BIS-01 LLC

hereinafter referred to as "Customer", hereby makes a voluntary appearance in this matter and states the following to the Commission:

I.

That he (it) desires electric service from Montana-Dakota Utilities Co. as a public utility subject to the jurisdiction of, and regulation by, this Commission, and has requested said public utility to provide him (it) with immediate electric service at the point located as stated in the Application herein.

That customer further states that he (it) is in need of and has demanded immediate service at said location for the reasons set forth in the Application herein. Customer waives notice of opportunity for hearing and notice of hearing upon said Application, or a hearing thereon, and requests the Commission to issue an Order and Certificate of Public Convenience and Necessity authorizing this requested and needed service, and that provisions be made therein authorizing extension of immediate service.

II.

That all the allegations of the Application herein are true and correct.

WHEREFORE, the undersigned, being the Customer involved herein, prays for the entry of an Order and Certificate of Public Convenience and Necessity by the Commission, authorizing the Applicant to immediately extend the requested and needed service to Customer at said location, subject to such appropriate and proper conditions to be appended to and made a part of such Temporary Order and Certificate as the Commission may determine, said Temporary Order and Certificate to become final as may be set forth in the conditions appended thereto; and for such other and further relief as may be proper in the premises.

Dated: 6/19/2026

Signed by:

1FA161A6CC8D4DA...

(Customer)

MONTANA-DAKOTA UTILITIES CO.

Before the Public Service Commission of North Dakota

Case No. PU-26-236

Direct Testimony

Of

Darcy J. Neigum

1 **Q. Please state your name and business address.**

2 A. My name is Darcy J. Neigum and my business address is 400
3 North Fourth Street, Bismarck, North Dakota 58501.

4 **Q. By whom are you employed and in what capacity?**

5 A. I am the Vice President of Energy Supply for Montana-Dakota
6 Utilities Co. (Montana-Dakota).

7 **Q. Please describe your duties and responsibilities with Montana-**
8 **Dakota.**

9 A. I have executive responsibility for electric generation and delivery
10 arrangements for our electric customers across Montana-Dakota's four-
11 state electric utility.

12 **Q. Please outline your educational and professional background.**

13 A. I hold a Bachelor of Science Degree in Electrical and Electronics
14 Engineering from North Dakota State University as well as a Master of
15 Business Administration from the University of Mary. I have been
16 employed with Montana-Dakota and the MDU Resources family of
17 companies for thirty-one years, with most of that time spent working in

1 Montana-Dakota's power production and system operation and planning
2 departments.

3 **Q. What is the purpose of your testimony in this proceeding?**

4 A. The purpose of my testimony is to provide information and support
5 for the Company's request for approval of the Certificate of Public
6 Convenience and Necessity (CPCN) to allow Montana-Dakota to serve
7 APLD BIS-01 LLC for the operation of their 640 acre AI Factory (APLD will
8 refer to this customer and the AI Factory in future references) complex
9 near Center, ND. Because Roughrider Cooperative has stated its intent to
10 protest this Application, Montana-Dakota is providing this testimony to
11 help ensure the Commission has a complete record upon which to base
12 its decision.

13 **Q. How is Montana-Dakota proposing to serve the permanent power**
14 **requirements for APLD BIS-01?**

15 A. Montana-Dakota owns a 345 kV transmission line on the north side
16 of the APLD BIS-01 property that runs from Coyote Station to Center
17 (Coyote to Center 345 kV Line). The proposal includes a new tap that will
18 be constructed and will connect to a new 345 kV switching substation to
19 provide electric service the APLD AI Factory near Center, ND. Please see
20 Figure 1 which illustrates how Montana-Dakota intends to serve the
21 customer.

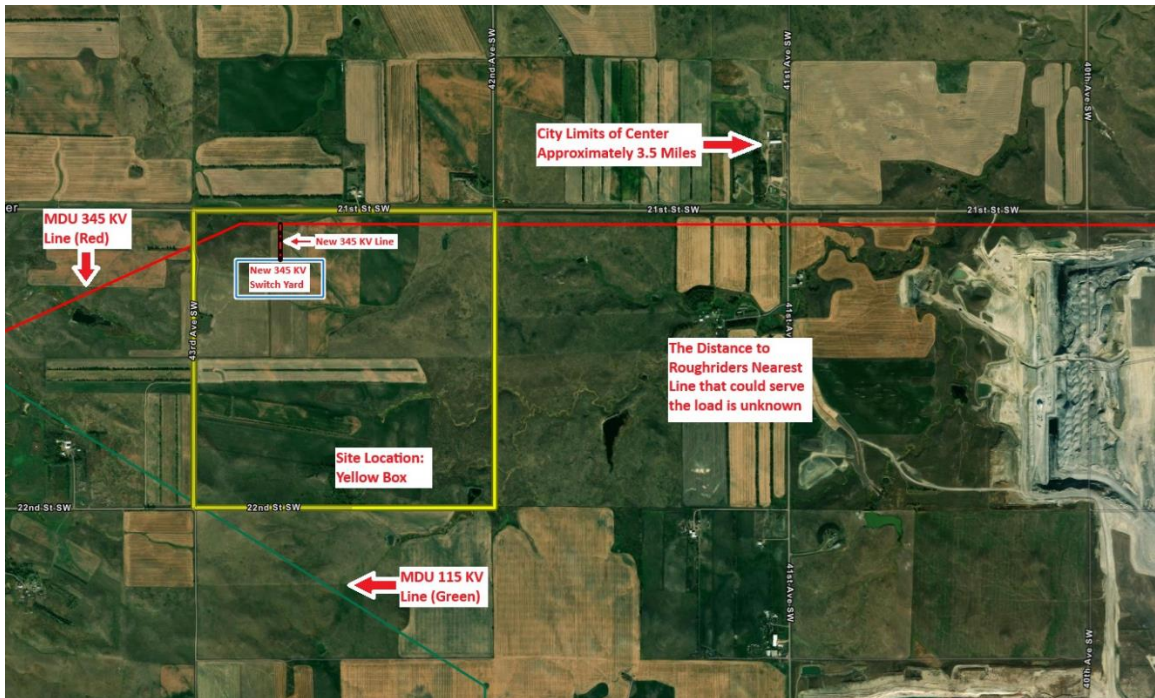


Figure 1 – Montana-Dakota Transmission Lines

Q. What are APLD’s power requirements?

A. APLD has requested up to 430 MW of retail electric service to serve the two buildings comprising its AI Factory. APLD and Montana-Dakota have entered into an Electric Service Agreement setting forth the rates, terms, and conditions of such retail electric service which was filed with the Commission on June 26, 2026 in Case No. PU-26-235. Retail electric service will be provided at transmission voltage (345 kV), consistent with the ESA.

Q. The Commission considers 10 factors in the determination of granting electric service. Please provide more information on each of the 10 factors.

A. Montana-Dakota’s analysis of each of the 10 factors is described fully below.

1 **Factor 1: From whom does the customer prefer electric service?**

2 **Q. From whom does APLD prefer to receive electric service?**

3 A. I believe APLD prefers electric service from Montana-Dakota.

4 **Q. Did APLD specifically request electric service from Montana-Dakota?**

5 A. Yes, APLD did request Montana-Dakota provide electric service
6 under its High Density Contracted Demand Response Rate 45 tariff.

7 **Q. When did APLD make that request?**

8 A. APLD made the electric service request during their project
9 development and the Appearance by Customer form was included in
10 Montana-Dakota's June 26, 2026 Application for Temporary Authority
11 Permit as part of the CPCN application.

12 **Q. Does such service require special rates, terms, and conditions?**

13 A. Yes. As I stated earlier, Montana-Dakota and APLD have entered
14 into an ESA to provide such rates, terms, and conditions and that ESA is
15 currently before the Commission for approval.

16 **Q. Are you aware of whether APLD made any inquiries to Roughrider to
17 provide this service?**

18 A. No.

19 **Q. Can Rough Rider provide service to the AI Factory on similar rates,
20 terms, and conditions as Montana-Dakota?**

21 A. I do not know for certain, but I believe they cannot.

22 **Q. Does Montana-Dakota seek to serve every customer who requests
23 service?**

24 A. No. Montana-Dakota evaluates the Commission's 10 factor test to
25 make a determination as to which supplier it believes is best suited to
26 provide any requested service in areas where more than one utility
27 provides retail electric service. In this instance, given APLD's size, service

requirements, need for special rates, terms, and conditions, and significant supporting infrastructure, Montana-Dakota determined that the Commission's 10 factors weigh in favor of Montana-Dakota providing retail electric service to the AI Factory. Further, there will be no unreasonable duplication of facilities should Montana-Dakota serve APLD.

Factor 2: What electric suppliers are operating in the general area?

Q. Who are the electric service providers within the area of APLD?

A. Both Montana-Dakota and Roughrider provide electric service in the general area. Montana-Dakota's facilities include 115 kV and 345 kV transmission lines on the APLD property.

Factor 3: What electric supply lines exist within at least a two-mile radius of the location to be served, and when were they constructed?

Q. What Montana-Dakota electric supply lines exist within at least a two-mile radius of the location to be served, and when were they constructed?

A. Montana-Dakota's facilities include a 115 kV transmission line on the southwest corner of the APLD property and a 345 kV transmission line on the north side of the APLD property. These lines were initially placed in service in 1963 and 1980, respectively. See Figure 1 for Montana-Dakota's transmission lines in the area.

Q Does Roughrider or Basin Electric have existing supply lines within a two-mile radius?

A. Montana-Dakota believes Roughrider has distribution lines (below 100 kV) in the two-mile area. Montana-Dakota does not believe those distribution lines are of sufficient voltage nor do they have sufficient capacity to serve a load of this size. Montana-Dakota believes the closest supply other than Montana-Dakota's 345 kV line that could serve a portion of the load is Basin Electric's 115 kV line, approximately 16,000 feet from

1 the APLD property. However, that line would not be large enough to serve
2 the entire APLD load.

3 **Factor 4: What customers are served by electric suppliers within at least a**
4 **two-mile radius of the location to be served?**

5 **Q. Does Montana-Dakota serve any customers within a two-mile radius?**

6 A. No

7 **Q. Does Roughrider serve any customers within a two-mile radius?**

8 A: Montana-Dakota believes they do; however, Montana-Dakota
9 believes that none of those customers are particularly large and none of
10 these customers are served from a transmission line large enough to
11 serve the APLD load.

12 **Factor 5: What are the differences, if any, between the electric suppliers**
13 **available to serve the area with respect to reliability of service?**

14 **Q. Is there any difference in terms of reliability if Montana-Dakota or**
15 **Roughrider provides service?**

16 A. Montana-Dakota is unsure of Roughrider or Basin Electric's
17 reliability metrics in the area.

18 **Factor 6: Which of the available electric suppliers will be able to serve the**
19 **location in question more economically and still earn an adequate return**
20 **on its investment?**

21 **Q. Will Montana-Dakota be able to more economically serve the**
22 **customer?**

23 A. Yes. Montana-Dakota is the only utility in the area with supply lines
24 of sufficient voltage with sufficient capacity to serve the AI Factory.
25 Further, all costs of any additional infrastructure necessary to serve the AI
26 Factory will be paid by APLD.

1 **Q. How did Montana-Dakota determine what costs will be necessary to**
2 **serve APLD?**

3 A. For loads of this size, significant study work is necessary to
4 determine how best to provide electric service. Further, loads of this size
5 need to be coordinated with the Midcontinent Independent System
6 Operator, Inc. (MISO). To that end, Montana-Dakota conducted and
7 submitted an Expedited Project Review (EPR) study to MISO for approval.

8 **Q. What facilities will Montana-Dakota need to construct to provide**
9 **permanent power to APLD?**

10 A. The results of the EPR study identified the following network
11 upgrades to Montana-Dakota's existing transmission system, including the
12 existing 345 kV transmission line in the area, to provide the permanent
13 service: (1) new 345 kV switching substation located on or near the APLD
14 property; (2) approximately fifteen miles of 345 kV transmission to be built
15 from the 345 kV switching station to the Nelson Lake Substation; (3)
16 facility additions at the Nelson Lake Substation to terminate the 345 kV
17 transmission line; (4) upgrades to the existing 345 kV transmission line
18 from Coyote Station to Center; and (5) upgrades to the existing remedial
19 action scheme (RAS) on the Coyote Station to Center 345 kV
20 transmission line. See Figure 2 for location of the new 345 kV substation,
21 new 345 kV transmission line to Nelson Lake and the Nelson Lake
22 Substation.



Figure 2 – Planned Transmission System Network Upgrades

1 MISO did approve Montana-Dakota's EPR study and shared the
2 results with stakeholders on July 7, 2026¹. The study facilities will be
3 included in Appendix A in MISO's MTEP26.

4 The only facilities required to provide the initial permanent service
5 to APLD are the new 345kV switching substation and the modifications to
6 the Coyote to Center RAS. The remaining facilities will be completed in
7 2029.

8 **Q. What costs will APLD be assessed for these network upgrades if it**
9 **receives electric service from Montana-Dakota?**

10 A. All costs associated with the network upgrades identified in the EPR
11 study will be charged to APLD through a facility service agreement (FSA).
12 The revenue received through the FSA will allow Montana-Dakota to earn
13 an adequate return on its investment with no adverse cost impact to
14 Montana-Dakota's other customers. Total costs associated with the
15 network upgrades are estimated to be \$110 million.

16 **Q. Has Roughrider conducted any EPR study for service to APLD?**

17 A. Montana-Dakota is not aware of any study work that Roughrider (or
18 Basin) has completed to serve the APLD load.

19 **Q. Would Roughrider be able to use the EPR study and results that**
20 **Montana-Dakota conducted?**

21 A. No. Roughrider would have to conduct their own study work as the
22 EPR study was conducted and submitted by Montana-Dakota for service
23 to Montana-Dakota native load, based on Montana-Dakota's existing
24 transmission system.

25 **Q. Does the fact that the EPR study was submitted to MISO impact this**
26 **analysis?**

¹ MISO Expedited Project Review Technical Study Task Force (EPR-TSTF) – July 7, 2026.
[20260707 EPR-TSTF Item 02 EPR Results and MISO Recommendation766826.pdf](#). Pages 22-
23

1 A. Yes. Because this is a MISO study, Montana-Dakota would also
2 have the ability to use its study results at another point on the Coyote to
3 Center 345 kV transmission line and, importantly, its study request would
4 have a higher priority in the MISO transmission service queue than any
5 study performed later in time.

6 **Factor 7: Which supplier's extended electric service would best serve**
7 **orderly and economic development of electric service in the general area?**

8 **Q. Will the Commission granting a CPCN in this Case best serve the**
9 **orderly and economic development of the electric service in the**
10 **area?**

11 A. Yes. As I noted, Montana-Dakota has the only supply lines at
12 appropriate voltage with sufficient capacity to serve APLD. Further, the
13 APLD load, as a large AI Factory, is somewhat unique in its size and
14 service requirements, and Montana-Dakota is well placed to provide such
15 service. Significant infrastructure improvements in the region are
16 necessary no matter who serves the load, however, Montana-Dakota's
17 use of existing local supply lines of sufficient capacity and size helps to
18 mitigate that infrastructure build-out and results in the most efficient way to
19 serve the load. Montana-Dakota is unaware how Roughrider would
20 service the APLD load as neither Roughrider nor Basis Electric have any
21 facilities of sufficient voltage or with enough available capacity in the area
22 to serve the APLD load.

23 **Q. If Montana-Dakota's request is granted, how will it impact the**
24 **development of future electric service in the area?**

25 A. There will be no material impact. APLD is a unique load and this
26 request will not impact the determination as to what utility is best situated
27 to provide electric supply of future customers. Both Roughrider and
28 Montana-Dakota serve the Center, ND area today. As more development
29 occurs in the area, Montana-Dakota will continue to assess serving any
30 load that requests service from it using the Commission's 10 factor test.

Factor 8: Would approval of the application result in wasteful duplication of investment or service?

Q. Would there be any duplication of service if the Commission grants Montana-Dakota's CPCN request?

A. No. Montana-Dakota has a 345 kV transmission line that runs on the north end of the APLD property. Roughrider and Basin Electric do not have any facilities large enough in the area to serve the APLD load.

Factor 9: Is it probable that the location in question will be included within the corporate limits of a municipality within the foreseeable future?

Q. Will this facility be within the corporate limits of any municipality in the foreseeable future?

A. Not likely.

Factor 10: Will service by either of the electric suppliers in the area unreasonably interfere with the service or system of the other?

Q. If Montana-Dakota serves APLD, will Montana-Dakota interfere with any of Roughrider's systems in the area?

A. No. As noted previously, Montana-Dakota proposes to serve APLD from its existing 345 kV transmission line on the north end of the APLD property. Roughrider and Basin Electric do not have any facilities of sufficient voltage or with enough available capacity in the area to serve the APLD load.

Q. If the CPCN is not granted, will there be any impact to the APLD load?

A. It is difficult to say. However, it is unclear to Montana-Dakota how Roughrider would serve this load without significantly upgrading the Basin Electric transmission system in the area or otherwise interfering with Montana-Dakota's transmission system.

Q. Does this conclude your direct testimony?

1 A. Yes, it does.