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STATE OF SOUTH DAKOTA
BEFORE THE
PUBLIC UTILITIES COMMISSION

In the matter of the Petition of Dakota) CERTIFICATE OF SERVICE
Renewable Hydrogen, LLC to have)
Kingsbury Electric Cooperative, Inc.) Docket No. EL24-025
Assigned as its Electric Provider in the)
Service Area of Otter Tail Power Company)

I hereby certify that true and correct copies of Dakota Renewable Hydrogen’s Answers
SDPUC Staff’s First Set of Data Requests were sent to the following parties on October 15, 2024:

Mr. Cary Stephenson
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Signed this 15th day of October 2024

/s/ Trudy Paulson
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Docket Number: EL24-025
Subject Matter: DRH Answers to SDPUC Staff’s First Set of Data Requests
Request to: Dakota Renewable Hydrogen
Request from: South Dakota Public Utilities Commission Staff
Date of Request: August 30, 2024
Responses Due: September 16, 2024

Dakota Renewable Hydrogen (“DRH”) submits the following answers and responses to PUC Staff’s First Data Request to DRH:

- 1-1) Please provide the expected electrical demand of each major component, arranged by system, in the ethanol plant and the ethanol to jet plant.

Answered by Clay Norrbom, Manager, Dakota Renewable Hydrogen, LLC based on information received from Gevo, Net-Zero 1. For this answer, I refer you to the answer provided by Net-Zero 1, LLC to data request no. 1-1 in Docket EL24-024.

- 1-2) On page 10 of the Petition, NZ1 states: “East River and KEC expect to invest approximately [Trade Secret Data Begins] ██████ [Trade Secret Data Ends] million in new transmission and related infrastructure to reliably serve the new NZ1 load (including DRH).”

- a) Does this amount include all the facilities identified in East River’s upgrade plan provided as Exhibit 5? In no, please identify which facilities the estimate applies to.

Answered by Clay Norrbom, Manager, Dakota Renewable Hydrogen, LLC: For this answer, I refer you to the answer provided by Net Zero 1, LLC to data request no. 1-2(a) in Docket EL24-024.

- b) Would any of East River’s proposed upgrades identified in Exhibit 5 - East River’s Transmission Upgrade Plan be required for system reliability should NZ1 not seek interconnection to Kingsbury Electric?

Answered by Clay Norrbom, Manager, Dakota Renewable Hydrogen, LLC: For this answer, I refer you to the answer provided by Net Zero 1, LLC to data request no. 1-2(b) in Docket EL24-024.

Non-Public Version – Trade Secret/Confidential Data Included

- c) Please explain how the proposed upgrades do not result in unnecessary duplication of facilities to serve load in Otter Tail Power Company's service territory.

Answered by Clay Norrbom, Manager, Dakota Renewable Hydrogen, LLC, based on information received from Mark Hoffman, East River Electric Power Cooperative, Inc.'s Chief Operations Officer: As reflected in the diagrams below both East River Electric Power Cooperative, Inc ("East River") and Otter Tail Power Company have transmission facilities in the area of Lake Preston, SD. East River's existing system is operated at 69 kV and Otter Tail Power Company's at 115 kV and 41.6 kV. Both systems are adequate to serve their respective loads today.

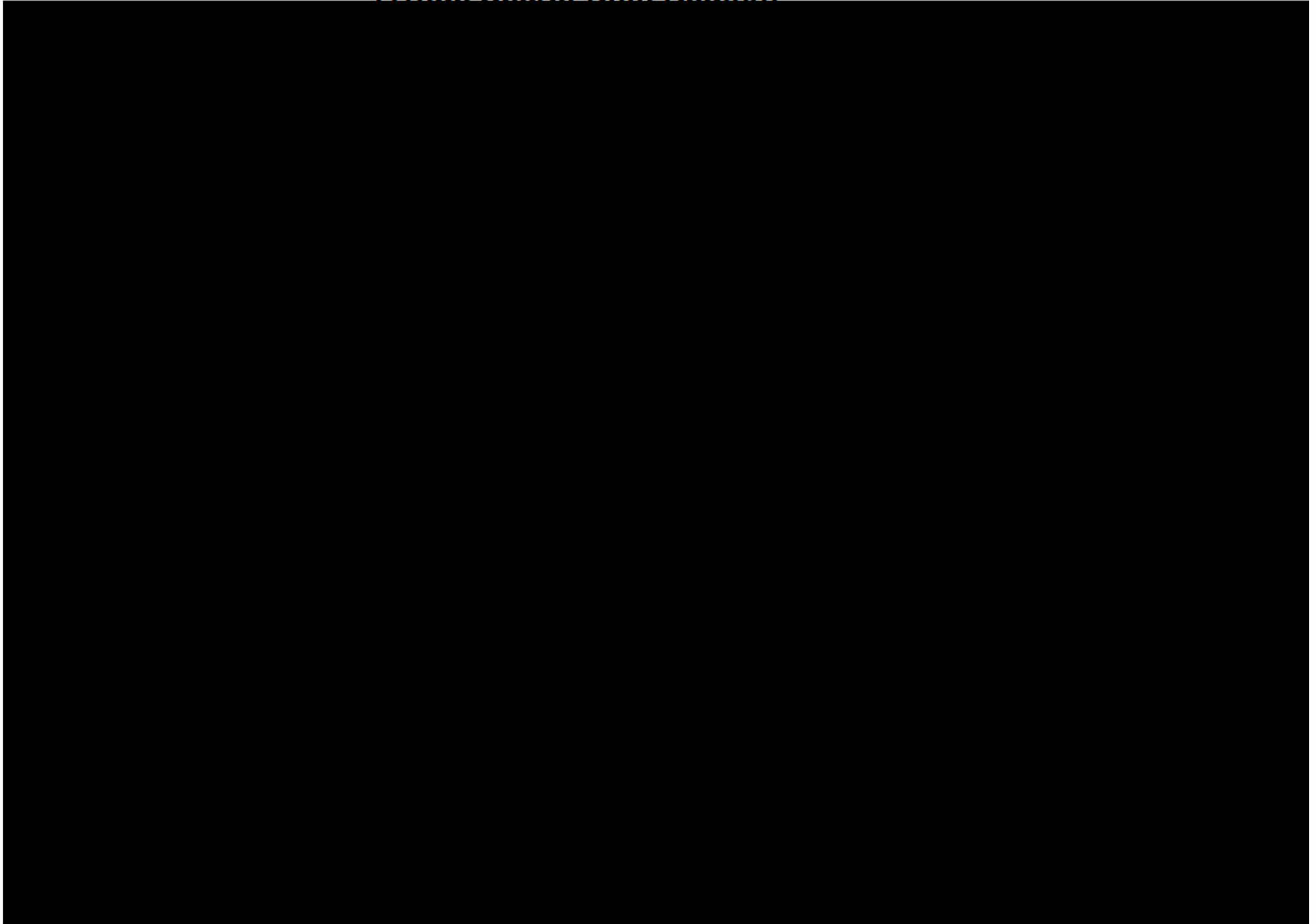
There is an emergency tie between the East River and Otter Tail Power Company systems located north of Lake Preston which can be used during unplanned outage and maintenance conditions. The tie provides mutual benefit, but East River's system is able to operate reliably without the emergency tie. With the proposed upgrades, East River would no longer need the emergency tie with Otter Tail Power Company. However, East River is willing to maintain the tie to support the Otter Tail system when needed.

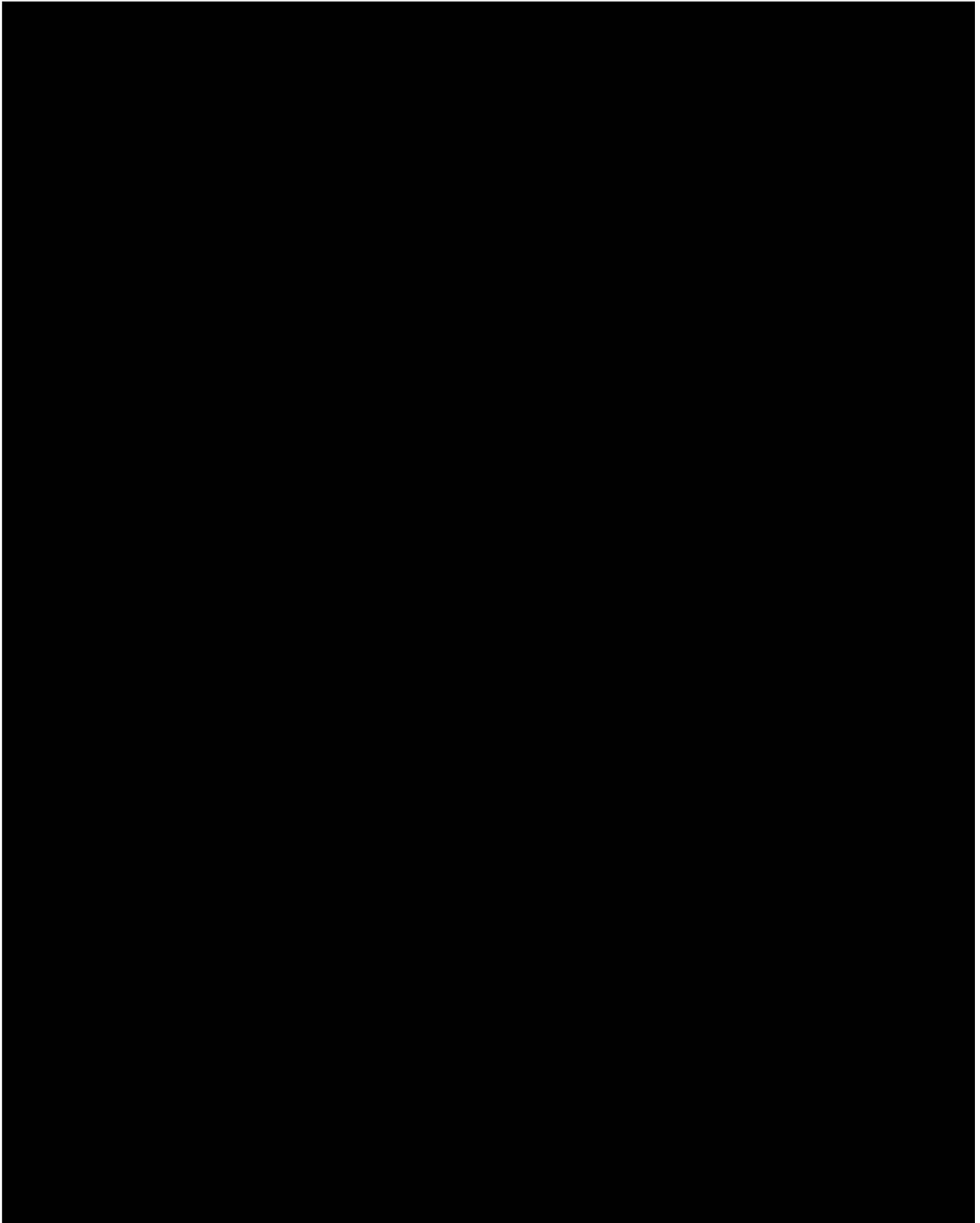
The proposed transmission plan by East River to serve the new NZ1 load along with other load growth in the area is a rebuild of the existing 69 kV system and upgrade of the system to 115 kV. This proposal is a prudent plan to upgrade a portion of the transmission system experiencing load growth, and age and condition concerns in the heart of East River's system. As noted above, the transmission plan includes the upgrade of three sections of East River's system that would have been completed irrespective of the NZ1 load addition.

Otter Tail Power Company would need to complete similar upgrades to their system if NZ1 would seek interconnection to their system.

The distribution facilities KEC would develop for the project are limited and specific to the NZ1 load. No unnecessary duplication of distribution facilities will occur.

[Trade Secret Data Begins]





[Trade Secret Data Ends]

Non-Public Version – Trade Secret/Confidential Data Included

- d) Will there be any rate impacts to other customers on the system in order for East River and Kingsbury to build out the facilities needed to serve the NZ1 load? If yes, please quantify those impacts.

Answered by Clay Norrbom, Manager, Dakota Renewable Hydrogen, LLC: For this answer, I refer you to the answer provided by Net Zero 1, LLC to data request no. 1-3 in Docket EL24-024.

- 1-3) Please provide financial projections to support the following statement on page 1 of the Petition: “[t]hrough not regulated by the Commission as a public utility, the Commission can be assured that the rates KEC will charge NZ1 and DRH are sufficient to recover its costs associated with serving the load.”

Answered by Clay Norrbom, Manager, Dakota Renewable Hydrogen, LLC: For this answer, I refer you to the answer provided by Net Zero 1, LLC to data request no. 1-4 in Docket EL24-024.

- 1-4) Did NZ1 receive a project scope and cost estimate from Otter Tail Power Company to serve its load? If yes, please provide that information.

Answered by Clay Norrbom, Manager, Dakota Renewable Hydrogen, LLC: For this answer, I refer you to the answer provided by Net Zero 1, LLC to data request no. 1-5 in Docket EL24-024.

- 1-5) Please provide an explanation as to why Otter Tail Power Company was unable to meet the needs of NZ1.

Answered by Clay Norrbom, Manager, Dakota Renewable Hydrogen, LLC: For this answer, I refer you to the answer provided by Net Zero 1, LLC to data request no. 1-6 in Docket EL24-024.

- 1-6) Since the ESA [Trade Secret Data Begins] [REDACTED] [Trade Secret Data Ends] , please explain why the Commission should not wait to make its determination on this matter until after that contingency is resolved.

Answered by Clay Norrbom, Manager, Dakota Renewables Hydrogen, LLC: As an initial matter, we are pleased to inform the Commission that the Kingsbury County Wind Fuel and Basin Electric power purchase agreement is all but finalized and we expect the Basin Electric board to approve the agreement at its October board meeting. Thus as a practical matter, this question will essentially be moot in a month or so. That said, from a business perspective, unnecessary delays in all forms are almost always

bad for project financing and momentum and the same can be said for any undue delay here. Dakota Renewable Hydrogen does not object to the Commission making its approval of Dakota Renewable Hydrogen's request in this docket contingent on the KCWF and Basin Electric power purchase agreement being approved, but there is no need for the Commission to delay its decision on that basis.

- 1-7) Why doesn't East River Electric Cooperative, Inc. need to sign the ESA given that some of the terms with the ESA are applicable to East River?

Answered by Clay Norrbom, Manager, Dakota Renewable Hydrogen, LLC: For this answer, I refer you to the answer provided by Net Zero 1, LLC to data request no. 1-8 in Docket EL24-024.

Dated this 16th day September 2024.

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**STATE OF SOUTH DAKOTA
BEFORE THE
PUBLIC UTILITIES COMMISSION**

**In the matter of the Petition of Dakota
Renewable Hydrogen, LLC to have
Kingsbury Electric Cooperative, Inc.
Assigned as its Electric Provider in the
Service Area of Otter Tail Power Company**) **CERTIFICATE OF SERVICE**
) **Docket No. EL24-025**
)

I hereby certify that true and correct copies of Dakota Renewable Hydrogen's Answers SDPUC Staff's Second Set of Data Requests were sent to the following parties on October 17, 2024:

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Signed this 17th day of October 2024

/s/ Trudy Paulson

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BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA

**IN THE MATTER OF THE PETITION
OF DAKOTA RENEWABLE
HYDROGEN, LLC TO HAVE
KINGSBURY ELECTRIC
COOPERATIVE, INC. ASSIGNED AS
ITS ELECTRIC PROVIDER IN THE
SERVICE AREA OF OTTER TAIL
POWER COMPANY**

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**DAKOTA RENEWABLE
HYDROGEN, LLC’S ANSWERS
TO STAFF’S SECOND SET OF
DATA REQUESTS

DOCKET NO. EL24-025**

Dakota Renewable Hydrogen, LLC (“DRH”) submits the following answers and responses to PUC Staff’s Second Set of Data Requests to DRH:

- 2-1. Please provide a copy of all data requests DRH received from any party and DRH’s responses to the data requests.

Answered by Clay Norrbom, Manager, Dakota Renewable Hydrogen, LLC.

We’ve previously provided Staff with NZ1’s Answers to Otter Tail Power Company’s First Set of Data Requests. We understand this is an ongoing request.

- 2-2. Please identify DRH’s contracted minimum demand and provide the document that sets forth the contracted minimum demand.

Answered by Clay Norrbom, Manager, Dakota Renewable Hydrogen, LLC:

The DRH hydrogen facility is expected to have a 20-25 MW load. Dakota Renewable Hydrogen is in the process of negotiating an Electric Service Agreement between Kingsbury Electric which will be substantially similar to the Electric Service Agreement executed by Net Zero 1, LLC and Kingsbury Electric, including a provision that would provide that the demand for billing purposes shall be not less than 2,000 kW for any billing period. DRH will provide a copy of the ESA as soon as it is executed, which we expect will be within one week.

- 2-3. Referring to Exhibits 1, 2-1, and 2-2 of the Petition, please confirm that DRH’s facilities will be located outside of Lake Preston’s municipal boundaries as the boundaries thereof existed on March 21, 1975.

Answered by Clay Norrbom, Manager, Dakota Renewable Hydrogen, LLC:

Confirmed.

- 2-4. Is DRH's request for Kingsbury Electric Cooperative to be its energy supplier limited to the DRH load specified in the ESA. Or does DRH request that the Commission grant Kingsbury Electric Cooperative the right to serve any load on the property specified in Exhibits 1, 2-1, and 2-2. Please explain.

Answered by Clay Norrbom, Manager, Dakota Renewable Hydrogen, LLC:

DRH's request is limited to its hydron production facility and any appurtenant or related electric load.

- 2-5. Please provide the CIAC Agreement referenced in Exhibit 3 – Electric Service Agreement. Please explain how DRH's contribution amount was determined.

Answered by Clay Norrbom, Manager, Dakota Renewable Hydrogen, LLC:

Attached is a Non-Public Version of the CIAC.¹ The contribution amount was determined by East River Electric and Kingsbury Electric.

- 2-6. Please provide the expected electrical demand of each major component, arranged by system, of DRH's Hydrogen Facility.

Answered by Clay Norrbom, Manager, Dakota Renewables Hydrogen, LLC:

The DRH hydrogen facility is comprised of four Cummins Hylyzer 1000 electrolyzers which each have an electrical demand of 5MW at full power (4 x 5MW = 20MW). The combination of other auxiliary loads for cooling, compression and water treatment amount to an additional approximately 5MW of electrical demand.

- 2-7. Is DRH aware that having KEC as its electric service provider is permanent and cannot be reversed back to Otter Tail in the future?

Answered by Clay Norrbom, Manager, Dakota Renewable Hydrogen, LLC:

Yes, it is aware.

¹ DRH will provide Otter Tail with a Public Version of these answers with trade secret/confidential information redacted.

Non-Public Version – Trade Secret/Confidential Data Included

- 2-8. Is DRH aware that the Public Utilities Commission has no regulatory authority over the rates charged by KEC should rates in the Electric Service Agreement change?

Answered by Clay Norrbom, Manager, Dakota Renewable Hydrogen, LLC:

Yes, it is aware.

- 2-9. Referring to page 7 of DRH’s Petition, it is stated “DRH is expected to have a full-requirements load of 20-25 MW with a 90% load factor.” Also referring to “East River Kingsbury County Substation – Oneline” in confidential Exhibit 5-4.

- a) At what meter is the 90% load factor identified in the Petition reported at?

Answered by Clay Norrbom, Manager, Dakota Renewable Hydrogen, LLC:

Meters 4 and 5.

- b) Does the windfarm interconnecting behind meters 2A and 2B change the NZ1 load factor that Kingsbury Electric Cooperative/East River’s transmission system will encounter? Please explain why the wind farm does or does not impact the load factor.

Answered by Clay Norrbom, Manager, Dakota Renewable Hydrogen, LLC:

No. The load factor is in reference to the total energy purchased by DRH from KEC. Regardless of the source of energy, DRH will purchase all its energy and demand from KEC.

- c) Will any other breakers be operated as normally open in addition to the breaker attached to meter 5 and labeled as such? If yes, please identify which breakers will be operated as normally open.

Answered by Clay Norrbom, Manager, Dakota Renewable Hydrogen, LLC:

Operation of system breakers is not yet fully determined and is under review by East River Electric and Kingsbury Electric engineering teams.

- d) What meter, or meters, will be used for the wind farm’s settlements in the SPP market? If multiple meters will be used, please provide the calculation that will be made.

Answered by Clay Norrbom, Manager, Dakota Renewable Hydrogen, LLC:

It is anticipated that Meter 1 will be utilized for settlements in the SPP market.

2-10. Please provide DRH's expected annual energy usage.

Answered by Clay Norrbom, Manager, Dakota Renewable Hydrogen, LLC:

Approximately 160,000 MWH under normal operating conditions.

Dated this 17th day October 2024.

CONTRIBUTION IN AID OF CONSTRUCTION AGREEMENT

This Contribution in Aid of Construction Agreement (“Agreement”) is entered into and effective as of the 26th day of March, 2024 (“Effective Date”) by and between Kingsbury Electric Cooperative Inc., a South Dakota electric cooperative corporation (“Kingsbury”), located at 511 US-14, De Smet, South Dakota 57231, East River Electric Power Cooperative, Inc., a cooperative corporation (“East River”) whose address is 211 South Harth Avenue, Madison, South Dakota 57042, and Dakota Renewable Hydrogen, LLC a South Dakota limited liability company with its principal place of business located at 470 West 78th Street, Suite 250, Chanhassen, Minnesota 55317 (“DRH”). Each of Kingsbury, East River and DRH may individually be referred to herein as “Party” and collectively as “Parties”.

WHEREAS, DRH plans to construct a facility near Lake Preston, South Dakota which will produce hydrogen gas through the electrolysis of processed water to be utilized by Gevo Net-Zero 1, LLC (“Gevo”), to produce low carbon ethanol and sustainable aviation fuel (the “Facility”) on a portion of land (the “Facility Site”) at:

44396 US Hwy 14 Lake Preston, SD 57249, Lat: 44.361323, Lon: -97.331313 County: Kingsbury; Township: 110N; Range: 54, Section: 4 and known and platted as “Tract 1, Tract 2, and Tract 3 of Gevo Addition in the North Half (N1/2) of Section 5 and the Northwest Quarter (NW 1/4) of Section 4, Township 110 North, Range 54 West of the 5th P.M, Kingsbury County, South Dakota”

and an addition of approximately 3.44 acres to be platted as “Tract 1A of Gevo Addition” and described as follows:

“An addition in the Northeast Quarter of Section 6, and North Half of Section 5, Township 110 North, Range 54 West of the 5th P.M., Kingsbury County, South Dakota”, which property,

which addition, as of the date of this Agreement, is subject to an option agreement in favor of Gevo and currently described, in the option agreement as a parcel “that is 75’ in width, adjacent to and laying south of the railroad Right of Way and that extends 2000’ in length, west from the edge of Tract 1 of the Gevo Addition located in the NW ¼ of Section 5-T110N-R54W through both Tract 4 of the Gevo Addition located in NW ¼ of Section 5-T110N-R54W and part of NE ¼ of Section 6-T110N-R54W”.

WHEREAS, DRH has requested that Kingsbury and East River provide electric service to the Facility (“Service”);

WHEREAS, East River, as the utility providing transmission service to Kingsbury’s retail electric service customers, has an existing transmission system providing service to Kingsbury; and

WHEREAS, DRH has provided information about the Facility’s electric service requirements to Kingsbury and East River upon which Kingsbury and East River have made plans and established preliminary cost estimates.

NOW THEREFORE, in consideration of the premises and mutual covenants set forth herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree:

1. Purpose. The purpose of this Agreement is to set forth agreements reached to date by the Parties and to set forth a basic process for further discussions and actions between the Parties with respect to the construction and installation of facilities owned by Kingsbury and East River. Kingsbury will provide retail electric service to the Facility.
2. Binding Provisions. By signing this Agreement, the Parties agree that this Agreement shall constitute a legally binding and enforceable contract between the Parties.
3. Electric Service Agreement. The Parties agree to negotiate in good faith to execute a definitive electric service agreement (“Electric Service Agreement”) covering the terms, covenants, conditions, and provisions of Service, together with appropriate exhibits and easements, all of which must be, as to form and substance, mutually satisfactory and acceptable to the Parties. The Service shall not be provided to the Facility until the Electric Service Agreement has been fully executed by the Parties and the South Dakota Public Utility Commission (“SDPUC”) has assigned Kingsbury as the supplier of electric service to the Facility.
4. Project Scope. Kingsbury and East River, based upon the electric service requirements represented by DRH, have prepared plans to provide electric service to the Facility from a new East River substation located at or near the Facility Site. East River will use commercially reasonable efforts in good faith to acquire the real estate interest necessary for the new substation contemplated herein. DRH shall provide a drawing and GPS coordinates to Kingsbury and East River with the points of attachment set out for Kingsbury and East River to interconnect with DRH’s facilities at the Facility.
5. Facilities. Kingsbury and East River will design, construct and install, or cause to be designed, constructed and installed, all Service delivery facilities to a demarcation point of interconnection with DRH at a switch on the 34.5 kV bus reasonably necessary to provide Service to the Facility (“Facilities”) and East River will add and upgrade its transmission system to the extent reasonably necessary to meet the initial peak capacity requirements of 65 MW for the Facility and the adjacent low carbon ethanol and aviation fuel refinery owned by Gevo, as shown on Exhibit A”, attached hereto and incorporated herein by reference (collectively referred to herein as the “Project”). Kingsbury and/or East River will own, operate and maintain the Facilities once installed. Kingsbury and East River will endeavor to execute the

Project in accordance with the Project Schedule as shown on Exhibit C, attached hereto and incorporated herein by reference. On the first Wednesday after the date of this Agreement and on every other Wednesday thereafter, Kingsbury and East River will provide DRH with a written summary of the design, construction, and installation of the Facilities and a comparison against the Project Schedule and the Project Cost Estimate, including East River's identification and acquisition of any real property rights necessary for the Facilities. The Parties agree to meet and discuss any actual or potential delays in the execution of the work or changes in the Estimated Project Cost Estimate as reflected in the written summary and the potential steps to mitigate such actual or potential delays or changes to the Project Cost Estimate. The Project Schedule is an estimated timeline.

6. Service. Kingsbury and East River will provide Service by interconnecting the Facility with East River's existing 115 kV system with three separate transmission lines to a substation that includes a 115 kV ring with seven positions, two 45/56/75 MVA transformers and a capacitor bank. Transformation will be from 115 kV to 34.5 kV to provide for Service to the Facility.
 - a. East River. East River will be responsible for the installation of the 115 kV Facilities through the transformation to 34.5 kV to a demarcation point of interconnection with DRH at a switch on the 34.5 kV bus.
 - b. Easement. As part of the Electric Service Agreement, DRH shall execute and convey an electrical line easement, substation easement for the Kingsbury County Substation, and right of way easement to Kingsbury and East River at the Facility Site. The respective easements shall (i) be surveyed and conveyed at the sole cost and expense of DRH, with assistance from Kingsbury and East River staff, and (ii) contain terms mutually acceptable to the Parties.
 - c. DRH Facilities. DRH will be responsible for the installation of a 34.5 kV and subsequent distribution facilities from the demarcation point of interconnection at a switch on the 34.5 kV bus to the Facility.
7. Project Cost.
 - a. Project Cost Estimate. The total estimated Actual Costs (as defined below) and the estimated spending curve (both substantially set forth in Exhibit B) for completion of the Project is Ten Million, Eight Hundred Fifty Thousand Dollars (\$10,850,000) (the "Project Cost Estimate"). DRH shall be responsible for thirty-five (35%) of the Actual Costs and Gevo Net-Zero 1, LLC, pursuant to a Contribution in Aid of Construction with East River and Kingsbury, shall be responsible for sixty-five percent (65%) of the Actual Costs. Notwithstanding the foregoing, in the event that neither Gevo Net-Zero 1, LLC satisfies its payment obligation due and owing in respect of Actual Costs under its Contribution in Aid of Construction nor Gevo, Inc.

satisfies its guaranty obligation in respect of Gevo Net-Zero 1, LLC's payment under the Contribution in Aid of Construction, DRH, its successors and assigns shall be responsible to pay any unpaid amounts due and owing. DRH, its successors and assigns shall benefit from any defenses then available to either Gevo Net-Zero 1, LLC and Gevo, Inc. Exhibit B is attached hereto and incorporated herein by reference.

- b. Actual Costs. It is understood that many variables, known and unknown, may impact the Actual Costs. As soon as it becomes evident to Kingsbury or East River that the Actual Costs will or are reasonably likely to exceed the Project Cost Estimate by more than 10%, Kingsbury or East River shall promptly notify DRH in writing within 10 business days of such determination, together with a detailed explanation of the basis therefor. The Parties agree to meet and discuss any potential cost increase and opportunities to mitigate such cost increase. However, irrespective of a change in the Project Cost Estimate, DRH agrees, subject to Section 10, that all such actual, reasonable and necessary costs expended by Kingsbury and East River in fulfilling their obligations pursuant to this Agreement shall be considered "Actual Costs" and the payment of the Actual Costs shall be the responsibility of DRH, including, but not limited to, all reasonable costs incurred by Kingsbury and East River or on behalf of Kingsbury and East River, for the design, engineering, acquiring real property rights, permitting, procurement, construction and all related project costs reasonably necessary to complete the Project. Kingsbury and East River will not be entitled to commence or be required to perform any Project work at the Facility Site, including ordering materials and/or equipment until DRH gives notice to Kingsbury and East River that DRH has obtained all requisite permits and real property rights to allow Kingsbury and East River to enter onto the Facility Site and perform such work thereon.

8. Payment.

- a. Project Cost Estimate. DRH shall pay Kingsbury and East River as Kingsbury and East River incur costs in respect of the Project Cost Estimate allocated to DRH in Section 7.a. In the event the Project Cost Estimate increases by 10% or more, upon notice of the same pursuant to Section 7, Kingsbury and East River shall, subject to Section 7.b., retain the right, to increase the relevant amounts set forth in Exhibit B and to invoice DRH consistent with the increase in the Project Cost Estimate. Kingsbury and East River shall retain the right, but not the obligation, to invoice DRH lesser amounts (but in additional invoices) than contemplated in Exhibit B for the remaining Contribution in Aid Construction ("CIAC") balance. Kingsbury and East River shall invoice DRH monthly for Actual Costs incurred. Each such invoice shall include a reasonably detailed description of such Actual Costs. All invoices shall be due and payable by the date set forth therein but no later than 30 days from the date of issuance.

- b. True-Up. Kingsbury and East River will provide a true-up to DRH for the Project once the construction of the Project is complete, and only after such construction is complete, which includes the closing of all outstanding work orders between the Parties. The CIAC pre-funded by DRH will be compared to the Actual Costs incurred by Kingsbury and East River and a refund or an additional payment will be issued to the proper Party as required. Any such refund or additional payment will be due and payable as provided in Section 8.a.
9. Financial Assurance. This Agreement is contingent upon the delivery to East River by Gevo of a guaranty from Gevo's parent company, Gevo, Inc., a Delaware corporation. The guaranty shall secure DRH's obligation to pay East River thirty-five percent (35%) of the Actual Costs (and Gevo's obligation under its respective Contribution in Aid of Construction to pay sixty-five percent (65%) of the Actual Costs). East River shall release Gevo, Inc. from the guaranty upon commercial operation of the Facility.
10. Project Cancellation, Termination or Suspension. DRH shall have the right to cancel, terminate or suspend the work performed by Kingsbury and East River under this Agreement at any time. Cancellation, termination or suspension shall be effective forty-eight (48) hours' following receipt by Kingsbury or East River of written notification from DRH. In the event of cancellation, termination or suspension of this Agreement, DRH shall, except to the extent such cancellation or termination is caused by a breach by Kingsbury and East River of this Agreement, be responsible for all Actual Costs incurred by Kingsbury and East River or on behalf of Kingsbury and East River, including reasonable costs for planning, design, engineering, acquiring real property rights, procurement, construction and removal of any constructed Facilities through the effective date of cancellation, termination or suspension. In addition, DRH shall be responsible for any additional charges incurred following the effective date of cancellation, termination or suspension, including but not limited to, restocking charges of ordered materials and equipment for the Project, demobilization charges, irrespective of cancellation, termination or suspension. Kingsbury and East River reserves the right to cancel or suspend the work performed for construction of the Project under this Agreement for any one of the following reasons: (1) the SDPUC or any other governmental entity having jurisdiction thereof takes any action that, following any applicable appeal period, in the reasonable opinion of Kingsbury and East River materially adversely modifies, alters or amends any of the terms and conditions of this Agreement or materially adversely affects the intent of this Agreement that Kingsbury and East River fully recover all costs associated with the construction of the Project; (2) DRH fails to comply with any material terms of this Agreement and fails to cure or demonstrate a good-faith effort to cure such failure within fifteen (15) business days of having received written notice by Kingsbury or East River to do so; (3) the Parties fail to fully execute an Electric Service Agreement within three hundred sixty-five (365) days from the Effective Date of this Agreement; (4) East River is unable to obtain a

real property interest for the location of the new substation referenced in Section 4; or (5) the SDPUC does not assign Kingsbury as the supplier of electric service to the Facility.

- a. Refund. Kingsbury and East River will return to DRH all CIAC amounts paid by DRH to Kingsbury and East River not reasonably expended for purposes consistent with this Agreement. Any equipment purchased for the Project that is unused shall be returned to the manufacturer or reused by Kingsbury for other projects and all funds related to the return or reuse of the equipment shall be reimbursed to DRH minus Actual Costs incurred. Kingsbury and East River will notify DRH of any refund. Any refund will be made within 30 days of such notice.
 - b. Ownership. In the event the equipment purchased, as referenced in the preceding paragraph, cannot be returned to the manufacturer for full purchase credit or reused for another East River and/or Kingsbury project or if DRH elects to take possession of the equipment, East River and Kingsbury agree that DRH shall own such equipment and East River and Kingsbury shall provide such equipment to DRH upon payment by DRH of all costs of delivery to a site identified by DRH.
11. Force Majeure. If the Project should fail or be interrupted, or become defective, as a result of (a) compliance by DRH, Kingsbury, or East River with any law, ruling, order, regulation, requirement or instruction of any federal, state or municipal governmental department including the Federal Energy Regulatory Commission (FERC); North American Electric Reliability Corporation (NERC); Midwest Reliability Organization (MRO); the Western Area Power Administration (WAPA), or any regional transmission organization, including the Southwest Power Pool (SPP); or any court of competent jurisdiction; (b) any DRH acts or omissions; or (c) acts or occurrences beyond the reasonable control of Kingsbury and/or East River, including acts of God, fires, strikes, embargoes, wars, terrorism, insurrection, riot, vandalism, accidents, equipment failures, operation of protective devices, pandemics, supply-chain delays, delays by DRH to timely provide notice to proceed, or other similar events beyond the reasonable control of Kingsbury and/or East River, neither Kingsbury nor East River shall be liable for any loss or damages incurred by DRH or be deemed to be in breach of this Agreement. At DRH's expense it shall indemnify, defend and hold Kingsbury and East River harmless from and against all liabilities, damages, injuries, losses, costs and expenses (including reasonable attorney's fees) arising out of or relating to any third-party claim, suit or proceeding brought against Kingsbury or East River subject to (a), (b) or (c) listed above.
12. Confidentiality. Each Party shall protect and maintain all information provided by the other Party as strictly confidential and/or proprietary to the disclosing party and shall not share any information with any third party, including but not limited to, payment amount(s) agreed upon by the Parties and any and all terms and conditions

of this Agreement, unless otherwise stated herein, agreed to in writing, required or mandated to do so under applicable law, rule, or regulation imposed by a governmental or judicial body asserting jurisdiction over the matter. Certain information excluding payment amounts concerning the Project may be disclosed to Gevo Net-Zero 1, LLC. The Parties acknowledge they are subject to and agree to be bound by the terms and conditions of the Multi-Party Mutual Non-Disclosure Agreement dated June 28, 2023, by East River, Kingsbury, Basin Electric Power Cooperative, Zero6 Energy, Inc., and Gevo, Inc., as amended September 5, 2023.

13. Governing Law. This Agreement shall be interpreted in accordance with and governed by the laws of the State of South Dakota, without regard to conflict of law principles. Any legal action arising out of and/or related to this Agreement shall be commenced and heard exclusively in the courts of Lake County, South Dakota, and the Parties consent and submit to the exclusive jurisdiction and venue of said courts.
14. Termination. DRH, Kingsbury, and East River shall each have the right to terminate the Project and cancel this Agreement in accordance with Section 10. Upon termination by any Party of this Agreement, the terminating Party shall have no liability or obligation to the other Party, except as provided in Section 10 (Project Cancellation, Termination or Suspension), Section 12 (Confidentiality), Section 15 (Indemnification and Hold Harmless) and any other provision that by its nature survives termination of this Agreement.
15. Indemnification and Hold Harmless. Each Party (“Indemnifying Party”) agrees to defend, indemnify, and hold harmless each other Party, including its affiliates, and all of their respective officers, directors, agents and employees (“Indemnified Party”), as the case may be against third party claims, liability, losses, damages, judgments costs or expenses, including reasonable attorney’s fees (“Claims”) to the extent such Claims were caused by or resulted from the willful misconduct or negligent acts or omissions of the Indemnifying Party, its employees or agents arising out of or related to this Agreement. A Party shall promptly notify the other Party, as the case may be, of the assertion of any Claim against such Party which is potentially indemnifiable by the other Party. An Indemnified Party shall tender defense of such Claim to the Indemnifying Party. No Claim shall be settled without the express written approval of the Indemnified Party, which approval shall not be unreasonably denied.
16. Limitation of Liability. IN NO EVENT SHALL ANY PARTY BE LIABLE FOR, OR ENTITLED TO RECOVER, SPECIAL, PUNITIVE, EXEMPLARY, INCIDENTAL, OR CONSEQUENTIAL DAMAGES, OR ANY LOSS OF PROFITS OR REVENUES, LOSS OF USE OF ANY PROPERTY, PARTS OR ANY ASSOCIATED EQUIPMENT, COST OF CAPITAL, COST OF PURCHASED POWER OR REPLACEMENT POWER, DOWNTIME, AND/OR OTHER INDIRECT COSTS.

17. Warranty. Each Party warrants that it will perform the obligations under this Agreement in accordance with Good Utility Practice. WITH THE EXCEPTION OF THE FOREGOING WARRANTY, KINGSBURY AND EAST RIVER DISCLAIM ANY AND ALL WARRANTIES OR REPRESENTATIONS PERTAINING TO THE WORK THAT ARE NOT EXPRESSLY SET FORTH IN THIS AGREEMENT INCLUDING, BUT NOT LIMITED TO, EXPRESS OR IMPLIED WARRANTIES AS TO FITNESS OR DESIGN AND ALL EQUIPMENT PROVIDED HEREUNDER WILL BE PROVIDED AS-IS. “Good Utility Practice” shall mean any of the practices, methods, and acts engaged in or approved by a significant portion of the electric industry during the relevant time period, or any of the practices, methods, and acts which, in the exercise of reasonable judgment in light of the facts known to the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be acceptable practices, methods, or acts generally accepted in the region.
18. Entire Agreement. The terms and conditions of this Agreement contain the entire agreement between the Parties with respect to the subject matter hereof and supersede any prior and contemporaneous oral or in writing agreements and all subsequent oral agreements between the Parties.
19. Modifications. This Agreement shall not be amended, modified, or supplemented without written agreement executed by both Parties.
20. Assignment. Each Party shall have the right to assign, in whole or in part, this Agreement to an affiliate or third party participating in the Project upon obtaining the prior written consent of the other Party, which consent shall not be unreasonably withheld, conditioned or delayed. Upon written notice to the other Parties, DRH may assign its rights and obligations under this Agreement in conjunction with the sale of DRH or of all or substantially all of the assets of DRH related to the subject matter of this Agreement, provided the assignee assumes and agrees to undertake all of DRH’s right, title and interest in, to, and under the Agreement and further agrees to be bound by, comply with, and perform all the terms of the Agreement. Notwithstanding the foregoing, DRH may assign this Agreement to its lenders as collateral security for any financing obtained by DRH in connection with all or part of the Facility and Kingsbury and East River agree to reasonably cooperate with DRH and its lenders in respect of such assignment.
21. Notice. Notice for purposes of fulfilling this Agreement and further negotiations pursuant thereto shall be provided to the following contacts:

Kingsbury Electric Cooperative, Inc.
ATTN: General Manager
PO Box 126
511 US-14

De Smet, South Dakota 57321

East River Electric Power Cooperative, Inc.
ATTN: Chief Operations Officer
P.O. Box 227
Madison, South Dakota 57042

Dakota Renewable Hydrogen, LLC
ATTN: John Brand
470 West 78th Street, Suite 250
Chanhassen, Minnesota 55317
Telephone: (952) 923-1187
Email: jb@zero6energy.com

22. Term. The term of this Agreement shall begin on the Effective Date and shall terminate, if not terminated earlier by the Parties as set forth herein, at the completion of the Project whereby Service can be fully rendered through a complete electric path to the Facility through the Facilities. Notwithstanding the availability of the Service to the Facility, the delivery of Service to the Facility shall not be provided until the Electric Service Agreement has been fully executed by the Parties, including all necessary easements.
23. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.
24. Waiver. Failure to exercise any right hereunder or to insist on strict performance of any obligation hereunder shall not be considered a waiver of such right or rights in the future.
25. Severability. In the event one or more of the provisions of this Agreement or any application thereof shall be declared or made invalid, void, unenforceable, or illegal, the remaining provisions and any application thereof shall remain in full force and effect, and if possible, the Parties will attempt to reasonably modify the Agreement to reflect the Parties' original intention.
26. Exhibits. All exhibits attached hereto and referred to herein are hereby incorporated by reference herein for all purposes.
27. No Third-Party Beneficiaries. This Agreement is for the sole benefit of the Parties and its respective successors and permitted assigns and shall not inure to the benefit of any other person or entity whomsoever or whatsoever, it being the intention of the Parties that no third person shall be deemed a third-party beneficiary of this Agreement.

28. Authority to Bind. Each Party and signatory hereto represent that he, she, or it, as the case may be, is authorized to enter into this Agreement or has signed this Agreement through its authorized representative.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by the Parties' duly authorized representatives as of the Effective Date.

Kingsbury Electric Cooperative, Inc.

By: _____
Evan Buckmiller
General Manager

Dakota Renewable Hydrogen, LLC

By: _____
Clay Norrbom
Manager

East River Electric Power Cooperative, Inc.

By: Mark Hoffman
Mark Hoffman
Chief Operations Officer

Exhibit "A"

Facilities

Parties agree to make available drawings and critical design information for the purposes of this Exhibit A to the other Party within 30 days from the Effective Date of this Agreement and such drawings, renderings and critical information shall be deemed to have effect as of the Effective Date.

ONE LINE DIAGRAM – FOR DISCUSSION

115 kV Windfarm Interconnect

Preliminary concepts - subject to change

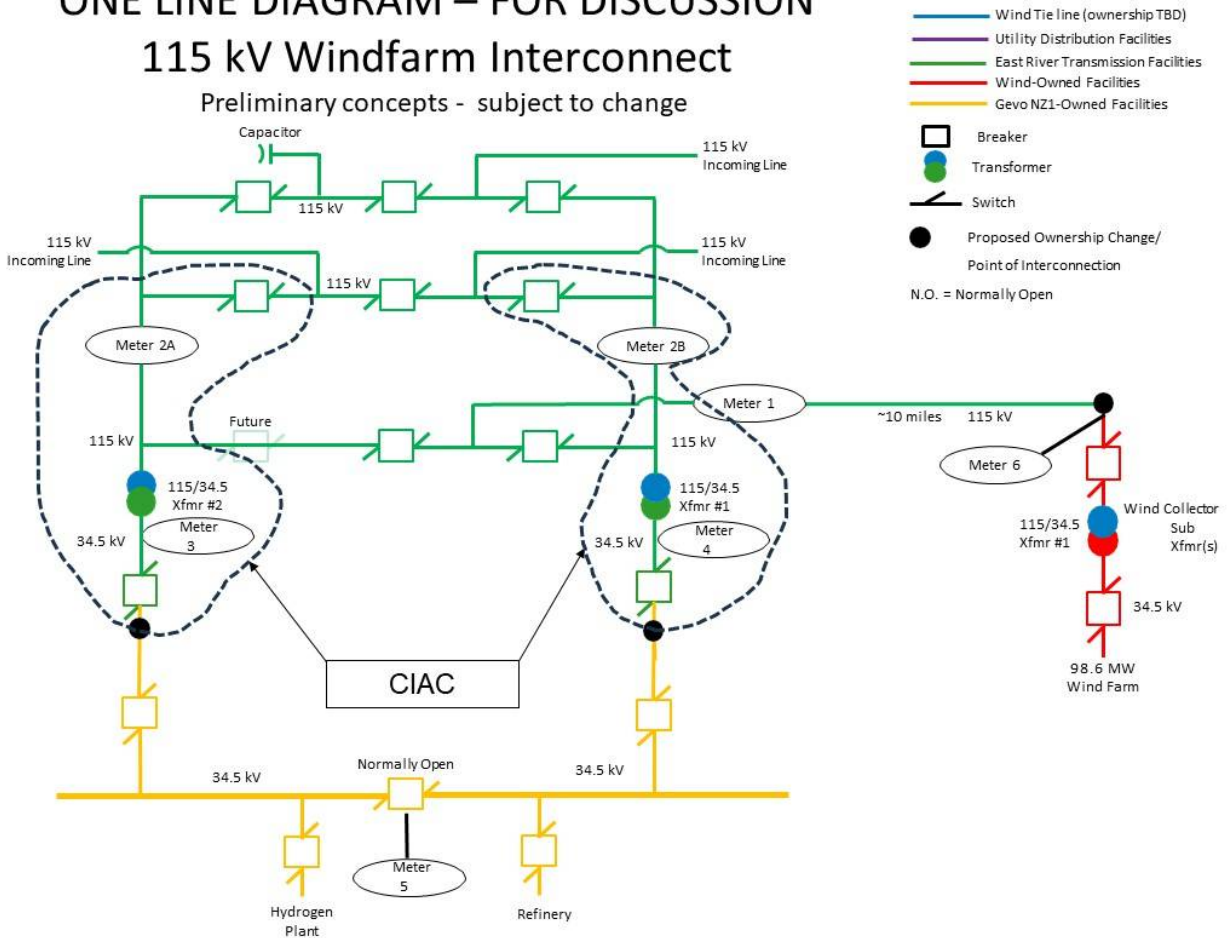


Exhibit “B”

Project Cost Estimate

Facility	Costs	Description
New Substation	\$10,850,000	115 kV ring, seven positions, two 45/56/75 MVA transformers, cap bank. The CIAC cost reflects payment of Gevo to pay for the two transformers, the two breaker positions protecting those transformers, and an allocated portion of common facilities within the new substation.
Total	\$10,850,000	

Gevo

CIAC Payment Estimate

Gevo shall make CIAC payments to East River according to the schedule below. The schedule represents weeks from the Effective Date.

Gevo – Estimated Spending Curve (65%)

	4 weeks	15 weeks	30 weeks	56 weeks	64 weeks	80 weeks	96 weeks
Engineering	\$16,250	\$97,500	\$81,250				
Material						\$325,000	\$4,550,000
Construction				\$341,250	\$650,000	\$650,000	\$341,250

Dakota Renewable Hydrogen, LLC

CIAC Payment Estimate

Dakota Renewable Hydrogen, LLC shall make CIAC payments to East River according to the schedule below. The schedule represents weeks from the Effective Date

Dakota Renewable Hydrogen LLC – Estimated Spending Curve (35%)

	4 weeks	15 weeks	30 weeks	56 weeks	64 weeks	80 weeks	96 weeks
Engineering	\$8,750	#\$52,500	\$43,750				
Material						\$175,000	\$2,450,000
Construction				\$183,750	\$350,000	\$350,000	\$183,750

Exhibit “C”**Project Schedule**

The schedule represents weeks from the Effective Date.

<u>Date</u>	<u>Milestone</u>
2 weeks	Commence design of the new substation.
4 weeks	East River to identify and acquire real estate interest for new substation
4 weeks	Notice to order major equipment
56 weeks	Commence construction and installation of the new substation
96 weeks	Substation “ready to be placed into service”