

Docket Number: EL24-025  
Subject Matter: First Data Request  
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] \$88 [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.***

- 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]**

*These Diagrams may be Confidential. As of now please treat them as such.*

**[Trade Secret Data Ends]**

- 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]** is contingent upon the execution and effectiveness of the Basin PPA by December 31, 2024 (Section 5 of ESA) **[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.