



Chris Nelson, Chairman
Kristie Fiegen, Vice Chairperson
Gary Hanson, Commissioner

South Dakota
PUBLIC UTILITIES COMMISSION
500 East Capitol Avenue
Pierre, South Dakota 57501-5070
<https://puc.sd.gov>

(605) 773-3201

Email
puc@state.sd.us

September 1, 2026

Leah Mohr
Executive Director
South Dakota Public Utilities Commission
500 E. Capitol Ave.
Pierre, SD 57501

RE: EL24-027 - In the Matter of the Petition by Leola Data Center LLC to have Montana-Dakota Utilities Co., a Subsidiary of MDU Resources Group Inc., Assigned as its Electric Provider in the Service Area of FEM Electric Association Inc.

Ms. Mohr,

Commission staff (Staff) presents this brief Letter Regarding Settlement Stipulation for docket EL24-027. This Petition was filed on August 5, 2024. The requirements of SDCL 49-34A-56 as they relate to this Petition have been thoroughly fleshed out by the Applicant, the intervenors, and Staff (collectively, “the Parties”) through discovery and several motions hearings. The Parties have now settled and come up with a Stipulation which allows for MDU to serve the Leola Data Center (LDC) despite the proposed project being located in FEM’s service area. The Stipulation provides safeguards for FEM’s service territory while allowing LDC to choose its electricity provider, an option made possible to LDC by SDCL 49-34A-56.

Rather than reiterating information that is already available in the docket, Staff would simply point back to its filings in the docket, namely:

- 01/09/25 - Staff’s Brief in Response to Leola Data Center, LLC’s Motion for Summary Judgment
- 06/05/26 - Staff’s Supplemental Responsive Pleading on Leola Data Center, LLC’s Motion for Summary Judgment.

These filings include Staff’s analysis of SDCL 49-34A-56 as it relates to the particulars of LDC’s Petition.¹ Staff recommends the Commission grant the Joint Motion for Approval of the Stipulation and Settlement Agreement and approve the Stipulation and Settlement Agreement, and to grant LDC’s petition to have MDU assigned as its electric provider in the service area of FEM.

Respectfully,

Logan Schaeffbauer
Staff Attorney
South Dakota Public Utilities Commission

¹ Notably, these filings were written for (and tailored toward) a summary judgment motion made by LDC. Therefore, the legal sections of these filings are not directly applicable to the settlement matters at hand. However, the Commission may find the analysis section of Staff’s Brief helpful as it walks through the requirements and factors of SDCL 49-34A-56.

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CC – EL24-027 Service List