

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

IN THE MATTER OF THE PETITION FOR
SWEETMAN CONST. CO. D/B/A KNIFE
RIVER, TO HAVE XCEL ENERGY
ASSIGNED AS ITS ELECTRIC
PROVIDER IN THE SERVICE AREA OF
SIOUX VALLEY ELECTRIC

EL-25-032

**SIOUX VALLEY ELECTRIC'S
RESPONSES TO SWEETMAN
CONSTRUCTION COMPANY D/B/A
KNIFE RIVER'S FIRST SET OF DATA
REQUEST**

Docket Number: EL25-032
Subject Matter: First Data Request
Request to: Sioux Valley – Southwestern Electric Cooperative, Inc.
Request from: Sweetman Construction Company d/b/a Knife River's First Set of Data Request
Date of Request: 11/04/2025
Responses Due: 12/04/2025

- 1-1. Please provide a copy of all data requests Sioux Valley received from any party and Sioux Valley's responses to the data requests. This should be considered a continuing request.

Response: The only data requests SVE has received from any party has been that from the Public Utilities Commission Staff, the redacted responses of which have been filed publicly in the docket. SVE respectfully asserts that the redacted approximate dollar amounts constitute the proprietary financial information and/or trade secrets of SVE and/or East River. This assertion of confidentiality is based upon ARSD 20:10:01:39(4) and (5), SDCL 1-27-28(4) and (5), SDCL 1-27-30, and SDCL 15-6- 26(c)(7). SVE is willing to disclose cost estimates upon the execution by all parties of a Non-Disclosure Agreement and Confidentiality Agreement.

- 1-2. Sioux Valley Energy met with Knife River in late 2024 and early 2025 to discuss serving the required electrical load of Knife River's proposed new Rock Crushing Facility ("Facility") located East of Corson. From that meeting:
- a. Did Sioux Valley Energy submit a proposal for it to serve the electrical service needs of Facility?

Response: Yes. Sioux Valley Energy (“SVE”) submitted a proposed solution (“proposal”) to Knife River’s on January 29, 2025. SVE’s proposal followed an onsite meeting in the Fall of 2024 and several subsequent discussions, as well as a phone conference on January 16, 2025, involving Knife River, SVE, and East River personnel.

- b. Did any such proposal include the estimated costs of Sioux Valley Electric which would be payable by Knife River to serve the Facility?

Response: SVE provided proposal slides (“proposal”) to Knife River on January 29, 2025. The proposal included a breakdown of all transmission, substation, and distribution costs. As part of the proposal, SVE indicated all such costs would be attributed to Knife River. SVE is willing to disclose cost estimates upon the execution by all parties of a Non-Disclosure Agreement and Confidentiality Agreement.

- c. Did any such proposal include costs elements that were obtained from East River Electric. Were those costs shared with Knife River? Were those cost to be payable by Knife River to have Sioux Valley service its Facility?

Response: Yes. The transmission costs and substation costs proposed by East River Electric were included in the costs submitted to Knife River. The portion of the costs for the facilities attributed to Knife River were outlined as being payable by Knife River for SVE to serve the Facility. In a follow up billing estimate transmitted to Knife River on March 18, 2025, SVE also requested that Knife River indicate how it intended to satisfy the Contribution in Aid of Construction component (“CIAC”) so that SVE could provide an accurate monthly service charge that accounted for either the CIAC to be paid through a monthly charge over time or the CIAC to be paid up front and in full.

- 1-3. Please provide any bids or costs estimates provided or shared between Knife River, Sioux Valley Electric or East River Electric concerning the Facility.

Response: Objection. Knife River is already in possession of cost estimates provided by SVE to Knife River. As to any bids or cost estimates provided or shared between SVE and East River, SVE respectfully asserts that such information constitutes the proprietary financial information and/or trade secrets of SVE and/or East River. SVE and East River treat such information as highly confidential information and not to be released publicly. This assertion of confidentiality is

based upon ARSD 20:10:01:39(4) and (5), SDCL 1-27-28(4) and (5), SDCL 1-27-30, and SDCL 15-6- 26(c)(7). SVE is willing to disclose cost estimates upon the execution by all parties of a Non-Disclosure Agreement and Confidentiality Agreement.

- 1-4. Please describe what was required from a facilities perspective by Sioux Valley or East River in any bid or cost estimates provided to Knife River by Sioux Valley to serve the Facility.

Response: The preferred solution presented to Knife River to serve the initial 8,105.5 HP of motor load consisted of transmission line switch, 1.25 miles of 115 kV transmission line to a new substation facility, a new 10 MVA base capacity distribution substation, two new 7.2/12.47 kV distribution circuits. These distribution circuits included all substation overcurrent protection, 7.2/12.47 kV distribution line, appropriate switchgear on site, and several distribution transformers to provide service to the facility at either 277/480V or 2,400/4,160V. Knife River would take service from the load bushings of the distribution transformers at the requested service voltage. In SVE's proposal, a third distribution feeder was outlined as being needed in the long term to serve the additional 2,861.5 HP of load identified as a future expansion by Knife River.

- 1-5. Was it necessary for a new substation to be built by East River Electric to serve the electrical service requirements of Knife River at the Facility? If so, why?

Response: No. However, from the perspectives of East River and SVE, a new distribution substation provided the most effective and reliable solution to serve the Facility. Existing substations in the area lacked sufficient available transformer capacity to serve the entire Facility without upgrades to the substation, in addition to requiring longer distribution feeders. A new substation located on or close to the Facility would provide a robust service to the Facility while also limiting distribution feeder lengths and best positioning the Facility for any potential future expansion.

- 1-6. If a new substation was not built, how would Sioux Valley serve the Facility with Sioux Valley's existing facilities and infrastructure?

Response: Without the new distribution substation, Sioux Valley and East River would have to perform upgrades at the existing Corson substation facility located southwest of the Facility. Generally, the work would consist of upgrading the transformer and doing two feeder additions. This type of work is not uncommon.

This would require a substation transformer upgrade, substation voltage regulator upgrade, substation bus upgrade, and feeder additions to serve the full 8,105.5 HP of initial load and 2,861.5 HP of future load. New feeder additions would also be required, as with a new substation. SVE would propose two new 7.2/12.47 kV distribution circuits to serve the initial 8,105.5 HP of load. The new feeder lengths would be between 1.0 and 2.25 miles in length each, depending on the desired service locations from Knife River. These distribution circuits included all substation overcurrent protection, 7.2/12.47 kV distribution line, appropriate switchgear on site, and several distribution transformers to provide service to the Facility at either 277/480V or 2,400/4,160V. Knife River would take service from the load bushings of the distribution transformers at the requested service voltage. SVE would also propose a third distribution feeder in the long term to serve the additional 2,861.5 HP of load identified as a future expansion by Knife River.

This proposal would be significantly less than the original proposal. It's estimated this proposal would be less than ½ the cost of the original proposal and could be financed through the rate.

Dated this 4th day of December, 2025.

/s/ Mike Nadolski

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