

STATE OF SOUTH DAKOTA
BEFORE THE
PUBLIC UTILITIES COMMISSION

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)
)

Docket No. EL25-32

REBUTTAL TESTIMONY
OF MARK HOFFMAN
ON BEHALF OF EAST RIVER ELECTRIC POWER COOPERATIVE, INC.

1 **Q: Please state your name and business address for the record.**

2 **A:** Mark Hoffman. My business address 211 South Harth Ave., Madison, SD 57042.

3 **Q: Have you previously submitted testimony in this proceeding?**

4 **A:** Yes. I submitted direct testimony dated February 17, 2026.

5 **Q: To whose testimony are you responding in rebuttal?**

6 **A:** I am responding to the testimony of Joseph Rezac, Bradley L. Sylliaasen, Steven T.
7 Kolbeck, and Clark Meyer.

8 **Q. Does Knife River satisfy the “new customer” requirement to be eligible for large**
9 **load status?**

10 **A.** No. Clark Meyer of Knife River, on page 3, lines 25-28 of his testimony, confirmed that
11 Knife River is an existing customer of Xcel and Sioux Valley Electric. Therefore, Knife River
12 cannot be considered a “new customer.”

13 **Q. Do you agree with Joseph Rezac’s (“Mr. Rezac”) testimony that Knife River will**
14 **meet the requirement that they have a contracted minimum demand of two thousand**
15 **kilowatts or more to be eligible for the large load status?**

16 **A.** No. I do not. Steven T. Kolbeck of Xcel Energy (“ Mr. Kolbeck”) testified on page 4,
17 lines 3–6, “The Company does not currently have a contract with Knife River to provide service
18 to the rock crushing plant, and the Company will not enter into such a contract unless the
19 Commission grants Knife River’s Petition.” State law clearly requires a contracted minimum
20 demand to qualify for large-load status. Mr. Kolbeck’s testimony confirms that no such contract
21 exists. Without a contract identifying equipment demonstrating a coincident demand of at least 2
22 MW, there is further uncertainty that the load will reach that threshold. For this reason and
23 others, Knife River is not eligible for large load status.

24 **Q. Do you believe Xcel Energy has an adequate power supply available to serve Knife**
25 **River?**

26 **A.** No. This opinion is based on the testimony of Mr. Rezac, Mr. Kolbeck, and Bradley L.
27 Sylliaasen of Xcel Energy (“Mr. Sylliaasen”). Xcel Energy has not provided any testimony
28 supporting the position that they have the generation capacity available and/or resource adequacy
29 to serve an 11 MW load. Xcel Energy’s ability to meet the capacity requirements of an 11 MW
30 load appears to be contingent upon Knife River curtailing its usage when called upon. This leads
31 me to believe Xcel Energy has capacity constraints, unlike Basin Electric. Basin Electric,
32 through East River, provides electrical service to Sioux Valley Energy. Basin Electric has
33 provided testimony that they had a 355 MW surplus in 2025 and are building future generation to
34 meet forecasted load.

35 **Q: Does this conclude your rebuttal testimony?**

36 A: Yes.

37 Dated this 2nd day of March 2026

38

A handwritten signature in black ink, appearing to read "Mark Hoffman", written over a horizontal line.

39
40 Mark Hoffman