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STATE OF SOUTH DAKOTA  
BEFORE THE  
SOUTH DAKOTA 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. EL25-032  
  
**XCEL ENERGY'S PETITION TO  
INTERVENE**

**INTRODUCTION**

Northern States Power Company, doing business as Xcel Energy, ("Xcel Energy") hereby petitions to intervene as a party to this matter pursuant to SDCL § 1-26-17.1 and ARSD §§ 20:10:01:15:02 and 20:10:01:15:03 and provides comments regarding the petition of Sweetman Construction Company, d/b/a Knife River ("Knife River"). In support of this Petition to Intervene, Xcel Energy states that (i) the proposed location of Knife River's rock mining facility is within Sioux Valley Electric's assigned service territory; (ii) Sioux Valley Electric is not currently able to serve the **[PROTECTED DATA BEGINS PROTECTED DATA ENDS]** load at Knife River's forthcoming new rock mining plant; (iii) Xcel Energy can and is willing to furnish adequate and reliable electric supply to Knife River's rock mining plant with minimum upgrades to Xcel Energy's existing facilities; (iv) neither Knife River nor other existing customers will incur any additional costs; and (v) Knife River prefers that Xcel Energy serve its new load. As described more fully herein, Xcel Energy seeks to intervene to support and assist the Commission in evaluating Knife River's petition.

**I. BACKGROUND**

**A. Proposed Project**

Petitioner Knife River is an aggregate company. Knife River currently has a sand mining plant (the "Sand Plant") located at 25944 482<sup>nd</sup> Ave, Brandon, SD 57005. Knife River is decommissioning this plant. Sioux Valley Electric ("Sioux Valley") currently services this sand plant.

It is Xcel Energy's understanding that Knife River is building a new rock crushing plant (the "Plant") near the northwest corner of the intersection of 260<sup>th</sup> Street and 483<sup>rd</sup> Avenue, Brandon, South Dakota (the "Location"), which is in Sioux Valley's service

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territory. The Location is approximately half a mile from the Sand Plant. As shown in Attachment A to this Petition, the Location is approximately 1.5 miles from the edge of Xcel Energy's service territory.

The Location is currently undeveloped, and the Plant will be greenfield construction at the Location. Knife River will request **[PROTECTED DATA BEGINS PROTECTED DATA ENDS]** of load for the Plant. No one is currently providing any service to the Location. It is Xcel Energy's understanding that the Plant will be partially operational in approximately 18 months and fully operational in 24 months.

It is Xcel Energy's understanding that the Plant's **[PROTECTED DATA BEGINS PROTECTED DATA ENDS]** of load cannot be served by the existing Sioux Valley's infrastructure that currently serves the Sand Plant.

**B. Xcel Energy's Current Capabilities**

Xcel Energy's South Dakota eastern service territory abuts Sioux Valley Electric Cooperative's service territory and includes the Brandon, Corson, and Garretson, South Dakota areas. See Attachment A and Section III

**C. Knife River Requests Bids**

In the fall of 2024, Knife River approached Xcel Energy and requested Xcel Energy to provide a bid to serve the Plant's new load.

To serve the Location, Xcel Energy will need to construct 10 miles of distribution infrastructure to serve the new Knife River plant location. The customer has stated they will want primary service. The primary meter location is marked as "New Service Area" in Attachment A. The new line will be connected to Xcel Energy's existing Lawrence Substation and use an existing substation transformer. Xcel Energy will need to upgrade the Lawrence Substation with an additional feeder bay to support the new line. Xcel Energy will not build any additional substations to serve the load. Xcel Energy intends to provide the requested service to Knife River at its standard tariff rates.

**D. Knife River Accepts Xcel Energy's Bid**

Knife River accepted Xcel Energy's bid to serve the new **[PROTECTED DATA BEGINS PROTECTED DATA ENDS]** load at the Location. It is Xcel Energy's understanding that Knife River accepted Xcel Energy's bid because Xcel Energy's rates were lower than Sioux Valley's, and Xcel Energy would not require a

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contribution in aid of construction (“CIAC”) payment for the infrastructure needed to serve the Location. Specifically, at existing tariff rates and at the assumed load factor of the Plant, the infrastructure build is cost justified by the new revenue and therefore no CIAC is required. It is Xcel Energy’s understanding that Sioux Valley would have required a CIAC be made for the infrastructure needed for Sioux Valley to serve the Plant. It is Xcel Energy’s understanding that it will be able to commence service to the Plan more quickly than Sioux Valley.

**E. Serving the New Load Will Benefit Xcel Energy’s Existing Customers**

In addition to the benefits to Knife River, granting the Petition will also serve the interests of Xcel Energy’s existing customers. First, the additional load will be taking service at tariffed rates thereby increasing the amount of billing determinants through which Xcel Energy will recover its revenue requirement. Second, the additional infrastructure Xcel Energy will install to serve Knife River’s load will strengthen the grid in that area. Xcel Energy serves the Brandon, Corson, and Garretson, South Dakota areas, which are all near the planned Knife River plant. The addition of the 34.5 kV line will shore up reliability in all three of the areas by adding operational flexibility, which allows for better movement of load when needed. It will also shore up backup capability with other Lawerance distribution feeders and provide better support to adjacent feeders out of South Renner Substation.

**II. PETITION**

South Dakota statute<sup>1</sup> and the Public Utilities Commission’s administrative rules authorize “a person who is not an original party to a proceeding before the commission and who claims an interest in a pending proceeding” to “petition the commission for leave to intervene.”<sup>2</sup> The Commission shall grant the petition “if the petitioner shows that the petitioner is specifically declared by statute to be an interested party to the proceeding, or that by the outcome of the proceeding the petitioner will be bound and affected either favorably or adversely with respect to an interest peculiar to the petitioner as distinguished from an interest common to the public or to the taxpayers in general.”<sup>3</sup>

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<sup>1</sup> SDCL § 1-26-17.1.

<sup>2</sup> ARSD § 20:10:01:15.02.

<sup>3</sup> *Id.* § 20:10:01:15.05.

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Xcel Energy's petition to intervene is timely filed<sup>4</sup> and demonstrates that Xcel Energy has a unique pecuniary interest in the outcome of the Petition, which is distinct from the rights and interests of taxpayers or the general public. It is Knife River's preference for Xcel Energy to serve its **[PROTECTED DATA BEGINS PROTECTED DATA ENDS]** load at the Location. Knife River's petition therefore directly impacts Xcel Energy because, if granted, the Petition will transfer the right to serve the Location to Xcel Energy on a permanent basis, directly implicating Xcel Energy and its customers' pecuniary interests.

For these reasons, Xcel Energy's Petition to Intervene should be granted.<sup>5</sup>

**III. KNIFE RIVER'S PETITION SATISFIES THE STATORY REQUIREMENTS UNDER SDCL § 49-34A-56**

Knife River's Petition asks the Commission to modify Sioux Valley's exclusive service territory pursuant to SDCL § 49-34A-56, which states that "new customer at new locations" who meet the 2,000 kW minimum are not obligated to take electric service from the utility with the assigned service territory where the customer is located if the Commission allows, after notice and hearing, and consideration of the following factors:

- (1) The electric service requirements of the load to be served;
- (2) The availability of an adequate power supply;
- (3) The development or improvement of the electric system of the utility seeking to provide the electric service, including the economic factors relating thereto;
- (4) The proximity of adequate facilities from which electric service of the type required may be delivered;
- (5) The preference of the customer; and
- (6) Any and all pertinent factors affecting the ability of the utility to furnish adequate electric service to fulfill customers' requirements.

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<sup>4</sup> *In the Matter of the Petition of Sweetman Const. Co. dba Knife River, to have Xcel Energy Assigned as its Electric Provider in the Service Area of Sioux Valley Electric*, Docket No. EL25-032, PETITION FOR ELECTRIC SERVICE (September 12, 2025).

<sup>5</sup> See ARSD § 20:10:01:15.05.

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Knife River must, therefore, demonstrate that it is (1) new customer at a “new location” and (2) that the six statutory factors favor Xcel Energy providing electric service over Sioux Valley. Xcel Energy seeks to intervene in order to develop the record such that the Commission will be in the best position to evaluate these issues.

As demonstrated above and as will be further demonstrated in the record, Knife River meets all of the statutory requirements. First, it is a new customer at a new location. The Location is currently undeveloped without any existing structures and no existing load. Xcel Energy can serve the **[PROTECTED DATA BEGINS PROTECTED DATA ENDS]** load with the least amount of additional infrastructure and more quickly at lower cost. While Xcel Energy will only need to add an additional distribution line from its existing Lawrence Substation with an upgrade of an additional feeder bay to support the feeder infrastructure. Sioux Valley would be required to build a new substation and additional transmission lines in order to serve the Plant’s load, which is significantly more expensive and less efficient than the upgrades and new transmission line Xcel Energy will provide.

It is Knife River’s preference for Xcel Energy to serve the load at the Location.

Finally, other considerations also support Knife River’s petition, including: (1) less cost; (2) no impact on any existing customers; and (3) better operational flexibility and reliability to Brandon, Corson, and Garretson, SD.

**CONCLUSION**

For the reasons stated herein, Xcel Energy requests that the Commission grant its Petition and allow it to intervene and be granted status of a party to this proceeding, including the right to conduct discovery on the topics identified herein and any others Xcel Energy may learn are appropriate through the course of these proceedings.

Dated: October 3, 2025

Northern States Power Company