

# Business Item

Community Development Committee



**Committee Meeting Date:** April 21, 2025

**For the Metropolitan Council:** May 14, 2025

## Business Item: 2025-88

City of Farmington: Farmington Technology Park Comprehensive Plan Amendment, Review File 22086-7

|                                  |  |
|----------------------------------|--|
| <b>District(s), Member(s):</b>   | District 16, Wendy Wulff   |
| <b>Policy/Legal Reference:</b>   | Metropolitan Land Planning Act (Minn. Stat. § 473.175)   |
| <b>Staff Prepared/Presented:</b> | Patrick Boylan, AICP, Planning Analyst (651-602-1438)<br>Angela R. Torres, Senior Manager (651-602-1566) |
| <b>Division/Department:</b>      | Community Development / Regional Planning  |

### Proposed Action

That the Metropolitan Council adopt the attached Review Record and take the following actions:

1. Authorize the City to place its comprehensive plan amendment into effect.
2. Find that the amendment does not change the City's forecasts.
3. Strongly advise the City that:
  - a. Because of the potential volume and chemical characteristics of wastewater from this site, the Council is concerned about a potential wastewater system impact. Therefore, the Council advises the City to consider the full extent of the advisory comments in the Review Record for wastewater.
  - b. Because of the volume of projected water use identified for this site, the Council is concerned about the potential water demand tradeoff between this immediate industrial use versus the population future growth of the City. Therefore, the Council advises the City to consider the full extent of advisory comments in the Review Record for water supply.
4. Advise the City:
  - a. That its Plan remains inconsistent with Council housing policy, and it may not draw down funds awarded via Livable Communities Act (LCA) programs
  - b. To implement the advisory comments in the Review Record for forecasts.

### Background

The City of Farmington submitted the Farmington Technology Park comprehensive plan amendment on November 20, 2024. The amendment proposes to reguide 344.54 acres from Commercial, Low to Low/Med Density Residential, Medium Density Residential, Park/Open Space, and Non-Designated to Mixed Use (Commercial/Industrial). The amendment site is located in southeast Farmington, south of 220th Street West and west of Biscayne Avenue. This is the City's sixth amendment to its 2040 Comprehensive Plan.

### Rationale

The proposed amendment conforms to regional system plans, is consistent with Council policies,

and is compatible with the plans of other local communities and school districts.

### **Thrive Lens Analysis**

On February 12, 2025, the Council adopted *Imagine 2050*, which builds on policy direction in *Thrive MSP 2040*. Under the Thrive lens the proposed amendment is reviewed against the land use policies in *Thrive MSP 2040*. To achieve the outcomes identified in Thrive, the metropolitan development guide defines the Land Use Policy for the region and includes strategies for local governments and the Council to implement. These policies and strategies are interrelated and, taken together, serve to achieve the outcomes identified in Thrive.

### **Funding**

None.



# REVIEW RECORD

City of Farmington

Farmington Technology Park Comprehensive Plan Amendment

Review File No. 22086-7, Business Item No. 2025-88

## BACKGROUND

The City of Farmington (City) is located in central Dakota County, bordered by Lakeville to the north and west, Empire Township to the east, and Castle Rock Township and Eureka Township to the south.

*Thrive MSP 2040* (Thrive) designates Farmington with an “Emerging Suburban Edge” community designation. The Council forecasts from 2020 to 2040 that the City will grow from 24,300 to 32,500 people and 8,500 to 11,800 households. The Council also forecasts that between 2020 and 2040, the City’s employment will increase from 5,600 to 6,800 jobs.

The Metropolitan Council reviewed the City of Farmington’s 2040 Comprehensive Plan ([Business Item 2019-322 JT](#), Review File No. 22086-1) on December 11, 2019. This is the fourth comprehensive plan amendment since the 2040 Plan was reviewed.

## REQUEST SUMMARY

The amendment proposes to reguide 344.54 acres from Commercial, Low to Low/Med Density Residential, Medium Density Residential, Park/Open Space, and Non-Designated to Mixed Use (Commercial/Industrial). The site is located in the southeast portion of Farmington. The purpose of the amendment is to facilitate the development of a Technology Park/Data Center campus. The amendment site is located in southeast Farmington, south of 220th Street West and west of Biscayne Avenue.

## OVERVIEW

### Conformance with Regional Systems

The amendment conforms to the Regional System Plans for Parks, Transportation (including Aviation), and Wastewater, with no substantial impact on, or departure from, these plans.

### Consistency with Council Policies

The amendment is consistent with the *Thrive MSP 2040*, with the *Housing Policy Plan*, with water resources management, and is consistent with Council forecasts.

### Compatibility with Plans of Adjacent Jurisdictions

The amendment will not have an impact on adjacent communities, school districts, or watershed districts, and is compatible with the plans of those districts.

## PREVIOUS COUNCIL ACTIONS

- The Council acted on the 2040 Plan on December 11, 2019 ([Business Item 2019-322 JT](#), Review File No. 22086-1).
- The Christensen amendment was administratively approved by the Council on July 20, 2020 (Review File No. 22086-2). The amendment revised the Metropolitan Urban Service Area (MUSA) and Development Staging Plans in the City’s 2040 Comprehensive Plan for a 40-acre parcel located at 20861 Flagstaff Avenue. The purpose of the amendment was to place the subject property into the 2020 MUSA immediately to allow the development of 113 single family homes.
- The Dakota Meadows amendment was approved by the Council on July 28, 2021 ([Business Item 2021-182](#), Review File No. 22086-3). The amendment reguided 41 acres from Medium



Density Residential and Park/Open Space to Low Medium Density Residential located at the southeast corner of Denmark Avenue and County Road 74. The purpose of the amendment was to accommodate 110 single-family homes and a 2-acre park.

- The River's Edge Townhomes amendment was approved by the Council on August 11, 2021 ([Business Item 2021-198](#), Review File No. 22086-4). The amendment reguided 26 acres of a 68-acre parcel from High Density Residential to Medium Density Residential located at the northwest intersection of Denmark Avenue and 220th Street West. The amendment also adjusted the anticipated development staging in the City's 2040 Comprehensive Plan to include the entire 68-acre parcel in the 2021-2030 decade. The parcel was previously staged for development after 2040. The purpose of the amendment was to accommodate 276 townhome units.
- The Vita Attiva Development amendment was approved by the Council on August 25, 2021 ([Business Item 2021-212](#), Review File No. 22086-5). The amendment reguided 80.16 acres from Mixed Use (Commercial/Residential), High Density Residential, Medium Density Residential, and Park/Open Space to Low Medium Density Residential and Medium Density Residential. The purpose of the amendment was to accommodate the development of 141 single family lots and 6 lots for 8-unit multifamily structures, a total of 189 units. The site included 26.8 acres of park and open space.
- On October 18, 2024, the Council provided land use, water supply, and wastewater comments for the City's Final Alternative Urban Areawide Review (AUAR) for Farmington Technology Park (Review File no. 22985-3).

## ISSUES

- I. Does the amendment conform to the regional system plans?
- II. Is the amendment consistent with Thrive MSP 2040 and other Council policies?
- III. Does the amendment change the City's forecasts?
- IV. Is the amendment compatible with the plans of adjacent local governmental units and affected jurisdictions?

## ISSUES ANALYSIS AND FINDINGS

### Conformance with Regional Systems

The amendment conforms to the regional system plan for Regional Parks, Transportation, and Wastewater, with no substantial impact on, or departure from, these system plans. Additional review comments are included below.

### Wastewater Service

*Reviewer: John Chlebeck, Environmental Services (ES) – Wastewater Planning and Community Programs (651-602-4527))*

The proposed amendment conforms to the *2040 Water Resources Policy Plan (WRPP)*. The amendment proposes to expand the Metropolitan Urban Service Area (MUSA) by 159 acres and to re-guide the land uses from commercial, residential, open space, and non-designated land to Mixed Use (Commercial/Industrial). The purpose of the amendment is to facilitate the construction of a data center.

The Farmington Technology Park Alternative Urban Area-wide Review (AUAR), dated October 2024, indicated a range of peak wastewater generation rate of 0.9 – 2.35 MGD for the development. It is understood that a significant amount of the wastewater from the development would be cooling water discharge for the proposed data center. The Farmington East Serviceability Analysis that is attached to the comprehensive plan amendment indicates that wastewater would be collected via a city-owned trunk sewer along Biscayne Avenue, routing wastewater north to the Metropolitan Council regional interceptor sewer that is located on the north side of the Vermilion River near Biscayne Avenue (Interceptor 7103-1).

The proposed data center will be required to obtain an Industrial Discharge Permit, at which time specific wastewater quality and quantity will need to be evaluated for impacts to system capacity, wastewater treatment processes, and wastewater effluent permitting. Depending on actual peak flows and wastewater constituents, additional mitigation may be required, such as pre-treatment, attenuation through wastewater storage, or an alternative surface water or ground infiltration discharge.

In addition, the Metropolitan Council's Waste Discharge Rules prohibit non-contact cooling water from being discharged to the sanitary sewer system, unless it is demonstrated that there is no effective and practical alternative. The City and developers are encouraged to contact the Council's Industrial Waste and Pollution Prevention group to request a review of proposed cooling water discharges to better understand requirements of a specific project, prior to sizing and investing in sewer infrastructure to serve the development. For more information, please contact Kristi Goble at [kristi.goble@metc.state.mn.us](mailto:kristi.goble@metc.state.mn.us) or at 651-602-8114.

### **Advisory Comments**

Because of the potential volume and chemical characteristics of wastewater from this site, Council Staff is concerned about a potential system impact. The City will need to demonstrate that there is no effective and practical alternative to sanitary sewer discharge for cooling water and the Council will need more information about the characteristics of the wastewater to look at potential process impacts.

Metropolitan Council Waste Discharge Rules, by which industrial discharges to the regional wastewater system are regulated, give the Council the power to prevent wastewater from entering our system that doesn't meet regional rules or presents a potential harm to our system or our effluent permitting for our treatment plant.

The Council will need to have the potential impacts to our system evaluated; this process may take several months to complete and requires that the Council hire specialized engineering consultants. As of today, this is challenging as the Council does not have any data on the potential tenant of a future development that could be built within the land use being guided by this future land use amendment.

Council Staff is presently working with a consultant to evaluate plant impacts from a range of hypothetical data center flows. That work is expected to be completed later this spring, and we are hopeful it will help identify what the regional system limits are in accepting this type of water. If additional data centers are built in this sanitary sewer service area, Staff will also need to look at the cumulative effects.

The land use change in of itself is not an impact to the regional wastewater system. However, the volume and chemical characteristics of potential wastewater from certain types of future development in this area could create a system impact. Council staff is committed to working with the City to determine its ability to provide service before local municipal investment in infrastructure is made.

### **Consistency with Council Policy**

The amendment is consistent with Council policies for forecasts, land use, and surface water. Additional review comments are detailed below.

### **Forecasts**

*Reviewer: Todd Graham, CD – Research (651-602-1322)*

The City's submittal included a drawing that contemplated up to 12 data center buildings and two smaller administration buildings, with a combined floorspace of 2,534,000 sq ft. City staff expect permanent employment will be in the range of 250 – 300 jobs. This employment impact fits within the current, approved forecast for Farmington. No forecast adjustment is needed at this time.

### **Advisory Comments**

This site is part of Met Council's Transportation Analysis Zone #711. Met Council's database lists TAZ #711 adding no households, no population, and +123 jobs during 2020-40. City and Council staff can reassess expectations during preparation of the City's 2050 local comprehensive plan. No

forecast adjustment is needed at this time.

Table 1. Metropolitan Council City of Farmington Forecasts

| Category   | Census 2020 | Current Approved Forecast |        |        |
|------------|-------------|---------------------------|--------|--------|
|            |             | 2020                      | 2030   | 2040   |
| Population | 23,632      | 24,300                    | 28,300 | 32,500 |
| Households | 7,906       | 8,500                     | 10,100 | 11,800 |
| Employment | 4,431       | 5,600                     | 6,200  | 6,800  |

## Thrive MSP 2040 and Land Use

Reviewer: Patrick Boylan, CD – Local Planning Assistance (651-602-1438)

The proposed future land use change is consistent with Thrive MSP 2040 policy for land use. Thrive identifies the City as an Emerging Suburban Edge Community. Emerging Suburban Edge communities include cities, townships, and portions of both that are in the early stages of transitioning into urbanized levels of development. Emerging Suburban Edge communities are expected to plan for forecasted population and household growth at average densities of at least 3-5 units per acre for new development and redevelopment.

The amendment proposes to re-guide 23 acres of land currently designated as Commercial, 98 acres of Low/Med Density Residential, 38 acres of Park/Open Space, and 185.5 acres as “Non-Designated” to the new designation category of Mixed Use (Commercial/Industrial). The subject site totals 344.54 acres in size and is located generally in southeast Farmington (see Figure 2). The purpose of the amendment is to facilitate the development of a Technology Park/Data Center campus.

The 185.5 acres of “Non-Designated” area included in the amendment are the result of recent annexation. These acres are part of a much larger 2017 Orderly Annexation Agreement (OAA) area between the City of Farmington and Castle Rock Township. A petition of the property owner was filed with the Office of Administrative Hearings (OAH) on April 19, 2024, and is supported by Farmington City Council Resolution 2024-30. Administrative Law Judge Jessica A. Palmer-Denig signed OAH-71-39981 on April 24, 2024. This executed annexation brings those acres into the city boundaries and requires the identification of land uses in the City’s comprehensive plan. This amendment accommodates that requirement.

The Plan, with previous amendments, has a planned minimum residential density of 3.08 units per acre. Within the project site, 98 acres of Low/Medium Density Residential uses are proposed to be changed to Mixed Use (Commercial Industrial). With this reduction in residential acres, the expected residential density drops to 3.05 units per acre (Table 2 with changes underlined). With this change, the Plan remains consistent with the required minimum density expectations for Emerging Suburban Edge communities.





Table 2. Planned Residential Density

| Category                       | 2020-2040 Change |             |                 | Min Units    | Max Units    |
|--------------------------------|------------------|-------------|-----------------|--------------|--------------|
|                                | Density Min      | Density Max | Net Acres       |              |              |
| Low Density Residential        | 1                | 3.5         | 590.73          | 591          | 2,068        |
| Low/Medium Density Residential | 3.5              | 6           | 274.63          | 961          | 1,648        |
| Medium Density Residential     | 6                | 12          | <u>305.01</u>   | <u>1,830</u> | <u>3,660</u> |
| High Density Residential       | 12               | 40          | <u>12.63</u>    | <u>152</u>   | <u>505</u>   |
| Mixed Use                      | 6                | 40          | <u>25.30</u>    | <u>152</u>   | 1,012        |
| <b>TOTALS</b>                  |                  |             | <b>1,208.30</b> | <b>3,685</b> | <b>8,992</b> |
| <b>Overall Density</b>         |                  |             |                 | <b>3.05</b>  | <b>7.4</b>   |

## Housing

Reviewer: Olivia Boerschinger, CD – Housing (651-602-1327)

With the proposed amendment, the Plan remains inconsistent with the Council's Housing Policy Plan (HPP). The proposed amendment does not change the City's inventory of guided to support the development of low- and moderate-income housing, however the City has been inconsistent since July 2021, as noted in the staff report for the Vita Attiva Development amendment (Review File 22086-5). As of this amendment, the Plan will be guiding approximately 85 acres of higher density residential land such that at least 441 units could be built (Figure 4).

To facilitate land for the development of affordable housing within the drafting of the 2040 Plan, the City chose to guide land following Option 2 outlined in the HPP: land guided at a minimum of 6 units/acre to support households earning 51-80% AMI, and sufficient land guided at 12 units/acre to support households earning less than 50% AMI. The Plan does not currently provide sufficient land to address its share of the region's 2021-2030 need for affordable housing for 50% of AMI and below, which is 317 units.

Communities found inconsistent with the Council's Housing Policy Plan may not draw down funds awarded via Livable Communities Act (LCA) programs. Farmington is a current participant in LCA, but has no current outstanding awards to draw down.

## Water Supply

Reviewer: Jen Kostrzewski, Environmental Services (ES) – Water Resources (651-602-1078);

The supplemental content of strategies that the City submitted as part of its amendment materials to increase water conservation and efficiencies makes the City's comprehensive plan amendment consistent with 2040 Water Resources Policy Plan policies related to sustainable water supplies.

### Advisory Comments

This amendment prepares the City for an industrial high-volume water user, the exact end user is unknown at this time. This concerns Council Staff because without specific end user and measurable water use, Staff cannot provide the City with more detailed, industry-specific concerns about water demands.

The City has agreed to implement a list of strategies to compensate for this additional water demand at the encouragement of the Council, however, Council staff still have concerns that these actions will not completely cover the projected new demand and that the City or future end user will need to seek additional water supplies. The primary concern is the potential water demand tradeoff between this immediate industrial use versus the future growth of the City. As shown in Table 1 of the forecast section of this report, the 2020 Census shows that the City's population was 23,632 and that the Council has forecasted the City to have 32,500 people (an increase of 8,868 people from 2020 levels) in the year 2040. This expected growth will require a water supply to support it. In the Farming Technology Park AUAR, the City identified a range of peak water demand increase of 382,000 - 2.35 million gallons per day depending on the type of technology to be employed at

this site. Even at the lower estimate, this amount of water use would supply nearly 5,500 new residents (assuming 70 gallons of water per capita). This does not mean that the City would not have options to gain additional water supplies, but most likely indicates that the City or future user will have to work with the regulator to find a solution.

The Minnesota Department of Natural Resources (DNR) is responsible for making decisions about any future water appropriations needed to support this new use. The DNR has clearly stated that an approved Local Water Supply Plan does not guarantee that the City will be allocated the planned amounts. To be conservative, Council staff recommend the City consider a future with no or limited additional water allocations as what was outlined in the City's Local Water Supply Plan which was approved by the DNR on November 25, 2020. As this project proceeds, we would strongly encourage the City to work with the DNR through the water appropriation and local water supply plan approval processes as well as connecting back with Met Council planning staff as the City learns more about their water needs to ensure the project does not impact the City's ability to accommodate forecasted growth.

### Compatibility with Plans of Adjacent Governmental Units and Plans of Affected Special Districts and School Districts

Castle Rock Township consulting attorney expressed concern with the proposed amendment regarding the execution and provision of the Orderly Annexation Agreement.

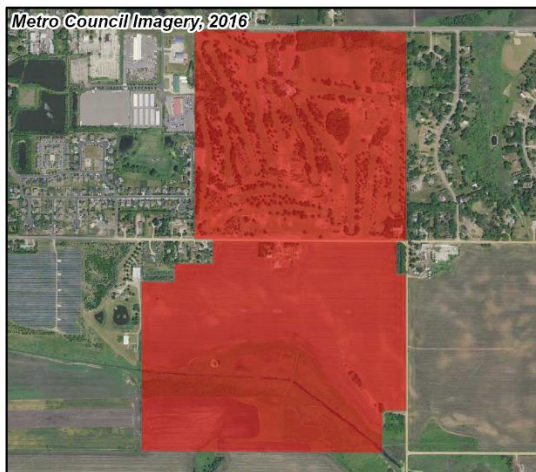
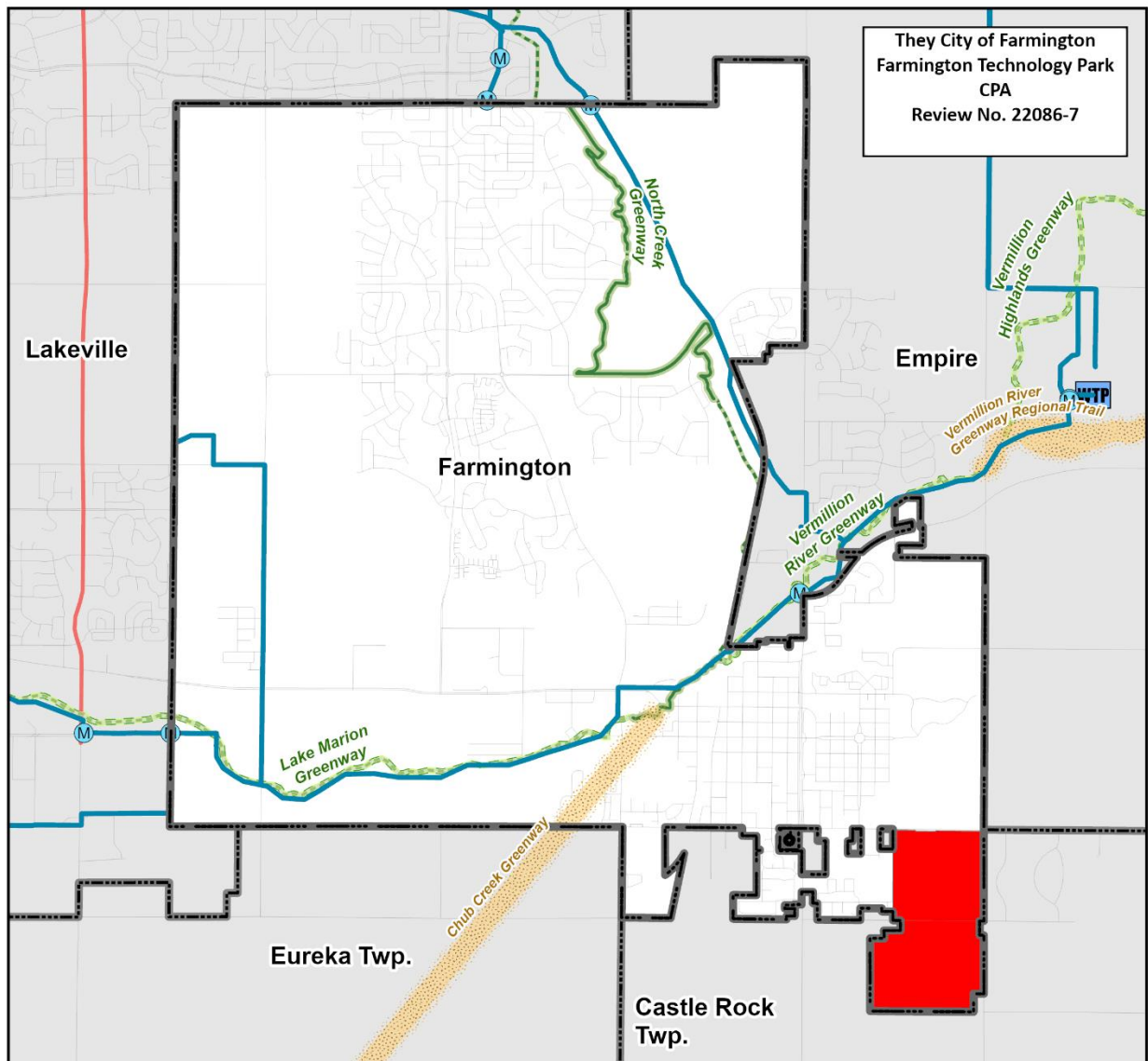
### ATTACHMENTS

- Figure 1: Location Map Showing Regional Systems
- Figure 2: Location Map Showing Community Designations
- Figure 3: Current and Proposed Land Use Guiding
- Figure 4: Land Guided for Affordable Housing
  
- Figure 5: Letter from Dakota County Regional Chamber of Commerce
- Figure 6: Letter from Dakota Electric





Figure 1. Location Map Showing Regional Systems



#### Regional Systems

##### Regional Transitways

- Existing
- Planned Current Revenue Scenario
- Potential Increased Revenue Scenario

##### Wastewater Treatment

- Meters
- MCES Interceptors
- Lift Stations
- MCES Treatment Plants

##### Regional Highway System

- Interstates
- US Highways
- State Highways
- County Roads
- Road Centerlines

##### Regional Parks

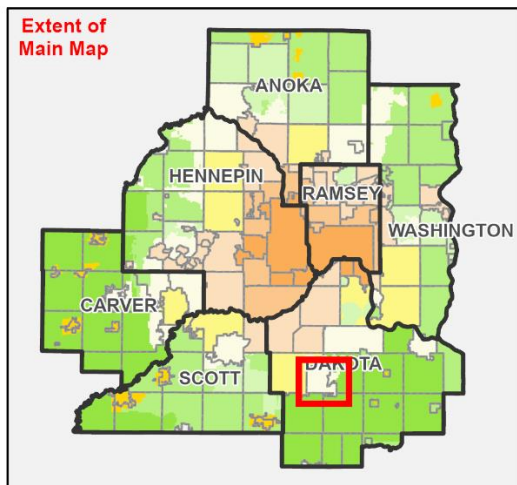
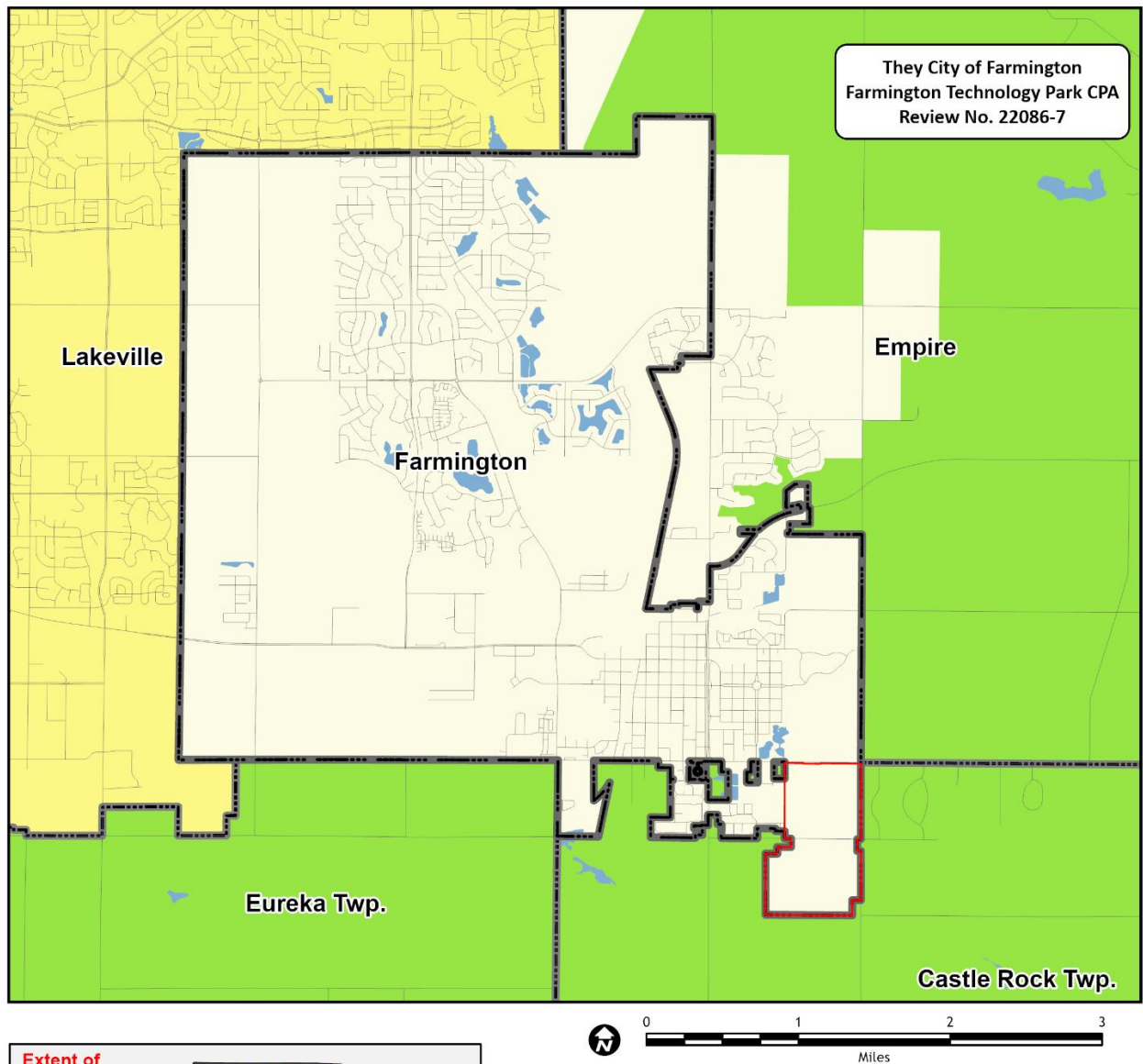
- Existing (Open to Public)
- In Master Plan (Not Open to Public)
- Planned Units
- Other Parks, Preserves, Refuges and Natural Areas

##### Regional Trails

- Existing (Open to Public)
- Existing (Not Open to Public)
- Planned Regional Trails
- Regional Trail Search Corridors



**Figure 2. Location Map Showing Community Designations**



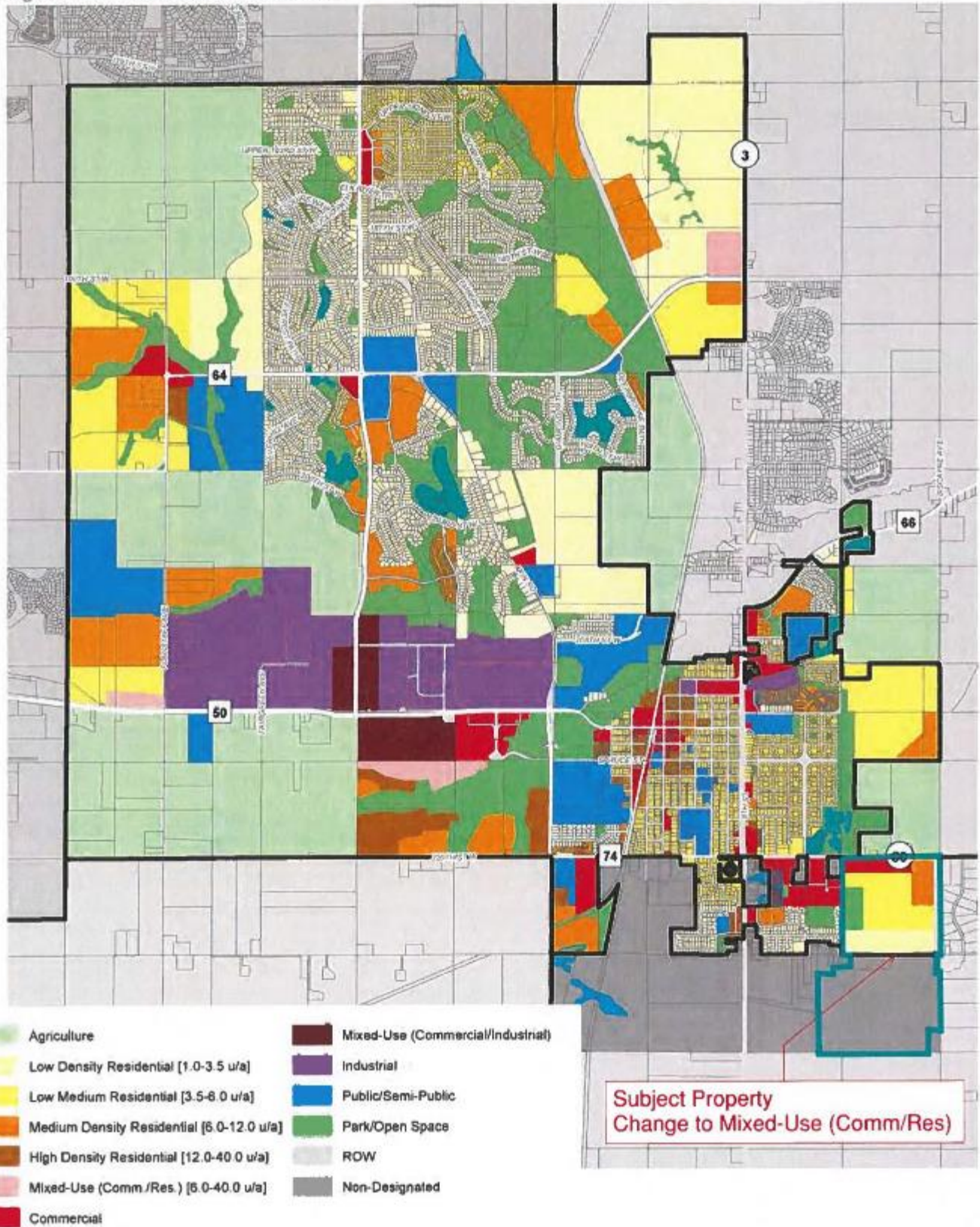
**ThriveMSP 2040 Community Designations**

- Agricultural
- Rural Residential
- Diversified Rural
- Rural Center
- Emerging Suburban Edge
- Suburban Edge
- Suburban
- Urban
- Urban Center



Figure 3. Current and Proposed Land Use Guiding

Figure 3.3 2040 Future Land Use



**Figure 4. Land Guided for Affordable Housing**

|  |                     |
|--|---------------------|
| 2021-2030 share of regional need for Affordable Housing at 50% AMI and Below:  | <b>317 units</b>    |
| 2021-2030 share of regional need for Affordable Housing between 51 to 80% AMI: | <b>124 units</b>    |
| TOTAL 2021-2030 share of regional need for Affordable Housing:                 | <b>441 units</b>    |
| 2021-2030 total regional need for Affordable Housing:                          | <b>37,900 units</b> |

|   | <b>Available Acres</b> | <b>×</b> | <b>Minimum Density</b><br><i>(units per acre)</i> | <b>×</b> | <b>Expected % Residential</b><br><i>(if mixed use)</i> | <b>=</b> | <b>Minimum Units Possible</b> |
|---|------------------------|----------|---|----------|--|----------|-------------------------------|
| <b>Medium Density Residential</b>       | 18.9                   |          | 6   |          | 100%   |          | 114                           |
| <b>High Density Residential</b>         | 15.7                   |          | 12  |          | 100%   |          | 189                           |
| <b>Mixed Use Commercial Residential</b> | 50.6                   |          | 6   |          | 50%  |          | 152                           |
| <b>Total</b>                            | <b>85.2</b>            |          |   |          |  |          | <b>455</b>                    |

Sufficient/(insufficient) units affordable at 50% AMI and below possible in areas with ≥12 units per acre minimum against share of regional need: **-128**

Sufficient/(insufficient) total units affordable between 51 to 80% AMI possible in areas with ≥6 units per acre minimum possible against share of regional need: **142**

Sufficient/(insufficient) total units possible against share of regional need: **14**

Affordable units built since 2021: **0**

Sufficient/(insufficient) units possible adjusted for affordable units built: **14**





Figure 5. Letter from Dakota County Regional Chamber of Commerce



**April 9, 2025**

To Members of the Metropolitan Council,

On behalf of the Dakota County Regional Chamber of Commerce, representing 9 cities and 3 townships **covering 50% of Dakota County** and our 450 Members with 37,000 employees, I am writing to express our strong support for the development and continued investment in data centers within our Region.

As the voice of business in our geography, we see data centers as critical digital infrastructure — the cornerstone of 21st-century economic growth. As businesses, governments, and individual consumers increasingly rely on cloud computing, artificial intelligence, and digital services, the demand for reliable, secure data processing and storage has grown exponentially and we don't see an end in sight. Communities that embrace this infrastructure position themselves as innovation-forward and future-ready.

#### **Economic Impact**

Data centers have a measurable and significant economic impact. According to a study by the U.S. Chamber of Commerce (of which we are members) and EDP Renewables, for every \$1 billion spent on data center construction, an **average of over 1,600 jobs** are created. Even after construction, each large data center supports **hundreds of ongoing local jobs** — directly through operations and most likely even more indirectly through services like electrical, mechanical, security, landscaping, and restaurants and other food services, and many others. In fact, this Chamber has gained a new Member and office tenant to source security teams for the Meta project coming to Rosemount. So, we have seen this wave (it's much more than a ripple) effect of just one new data center in the Region.

#### **Local Revenue & Tax Base**

Data centers are also a **reliable source of local tax revenue**. A 2023 report from the Northern Virginia Technology Council found that data centers contributed **\$1.2 billion in local taxes** annually in Virginia alone — helping fund schools, infrastructure, and emergency services. Again, our Chamber has seen this real support from our new incoming data center for our event operations and they have been active in critical local school support as well.

#### **Sustainable Investment**

Modern data centers are driving **sustainability innovations**, often using cutting-edge energy efficiency systems and renewable energy. In fact, many are built with a commitment



Metropolitan Council

to carbon-neutral operations, contributing to regional and state (and sometimes city) environmental goals.

### **Workforce Development & Training**

Data centers also foster **STEM career pathways** and technical training opportunities. Companies often partner with community colleges and workforce development programs to build a pipeline of local talent — offering competitive wages and long-term career stability.

### **Strategic Advantage**

Bringing data centers to our region also enhances our **economic resilience** and makes our area more attractive to major enterprises that rely on proximity to digital infrastructure and their support services.

Data centers represent an outstanding opportunity for economic development, technological leadership, and job creation. The DCR Chamber of Commerce welcomes and supports the data center industry as a valued partner in our Region's continued prosperity.

Sincerely,

**Jon M. Althoff**

President and Chief Mission Officer

Dakota County Regional Chamber of Commerce

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651-288-9201 (Office)

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Figure 6. Letter from Dakota Electric Association



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Farmington, MN 55024  
651-463-6212 • 1-800-874-3409  
Fax: 651-463-6256  
www.dakotaelectric.com

*A Locally-Owned, Not-for-Profit Electric Cooperative*

April 10<sup>th</sup>, 2025

Metropolitan Council  
Community Development Committee  
390 Robert Street North  
St. Paul, MN 55101

Subject: Farmington Technology Park

To whom it may concern:

Dakota Electric Association is the retail distribution cooperative serving the proposed Farmington Technology Park area. The City of Farmington (Farmington) will present its proposed changes to the 2040 Comprehensive Plan to the committee on April 21.

As Farmington seeks to develop this area, it is Dakota Electric's responsibility and statutory requirement to serve any new electrical load looking to be situated within our statutorily defined service territory. Dakota Electric acknowledges the concerns raised regarding potential projects aiming to establish themselves in this area. However, it is important to note Dakota Electric will not interconnect a new load if it compromises our ability to provide safe and reliable service to our current and future members. Furthermore, any potential projects considering this area are reviewed in accordance with the requirements of the Midcontinent Independent System Operator (MISO), which coordinates regional power market operations, and by our transmission provider, Great River Energy, our wholesale power supplier. These requirements ensure the reliability of the transmission and bulk power system, and we would not be allowed to interconnect a project that could adversely affect system reliability.

In addition to reliability, Dakota Electric recognizes that concerns have been raised regarding the cost impacts on our current members if these new loads connect to Dakota Electric's distribution system. Dakota Electric will require project developers to cover all upgrades to the distribution and transmission systems related to the project interconnection through contractual arrangements. Furthermore, Dakota Electric is rate-regulated, and the Minnesota Public Utilities Commission will provide input on these projects, as they will approve any Energy Services Agreement (ESA) between Dakota Electric and the project developer, ensuring that any new rates or rate designs Dakota Electric may consider for these loads are just, reasonable, and non-discriminatory.

Thank you for your careful consideration of Farmington's Comprehensive Plan amendment.

Sincerely,

A handwritten signature in black ink that reads 'Jon Beyer'.

Jon Beyer  
Vice President of Energy & Member Services

*An Equal Opportunity Employer*