

APPLICATION CHECKLIST

Use this checklist as a tool to ensure that you have all of the components of the application package. Please note, this checklist is for your use only and does not need to be included in the package.

<input type="checkbox"/>	Application
<input type="checkbox"/>	Letters of Support (If Applicable)
<input type="checkbox"/>	Other Appendices (If Applicable)

When the package is completed, send an electronic version to cvigesaa@nd.gov

For more information on the application process please visit:

<https://www.ndic.nd.gov/research-grant-programs/transmission-authority-grant-program>

Questions can be addressed to Claire Vigesaa (406) 489-3881 or Erin Stieg (701) 328-9081.

North Dakota Transmission
Authority

North Dakota Industrial
Commission

BIL 40101(d) Application

Project Title:

WAPA Substation Replacements

Applicant:

City of Lakota/Lakota Municipal Utilities

Date of Application:

May 14, 2025

Date of Application Revision:

Amount of Grant Request:

\$1,922,900

Total Amount of Proposed Project:

\$2,870,000

Duration of Project:

16 months (Sep. 2025-Dec. 2026)

Point of Contact (POC):

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POC Telephone:

701-247-2454

POC Email:

laktact@polarcomm.com

POC Address:

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Lakota, ND 58344

TABLE OF CONTENTS

Please use this table to fill in the correct corresponding page number.

Applicant Description	
Project Description	
Standards of Success	
Project Timeline	
Project Budget	
EXHIBIT	

Applicant Description

The City of Lakota is in Nelson County, ND and is also the county seat. As such, the City of Lakota provides critical emergency response service and provides critical service to the Good Samaritan Home, an elderly care home. Reliable electric and water service is critical to the health and safety of those residents. The City of Lakota also serves a large agriculture trade area and is home to a large Cenex Harvest States Agronomy Facility. Given the northern tier climate, the planting, spraying, and harvest windows are short. Any interruption in providing service to the region's agriculture producers has a significant impact on food & energy production.

The City of Lakota has a population of 680 residents and continues to grow. The City of Lakota owns and operates its own utility, Lakota Municipal Utilities, which provides electricity, water, and sewer to our customers. The Lakota Municipal Utilities sold 14,936,673 kWh to its customers in 2024.

According to the Climate and Economic Justice Screening Tool, Lakota and Nelson County are rated 65th percentile for low median income. In 2024, Lakota Municipal Utilities had on average 25 households on fuel assistance with the state funded assistance program; each averaging 65% LIHEAP Cost Share. The Lakota Municipal Utilities makes every effort to assist its utility customers by seeking assistance during dire financial times; connecting them to resources such as Red River Community Action, Salvation Army and Red Cross. Lakota Public School has approximately 22% of the student population qualified for the free/reduced meal program. These are significant factors our utility considers when anticipating needed maintenance work and improvements to the utility system. Our utility has affordable rates for our customers, increasing rates to cover the actual cost of improvements would not be burdensome on our customer base.

Project Description

At the request of WAPA and with the recent Infrared Inspection report provided by MRES (attached), the substation for the city of Lakota and maintained by WAPA is need of various replacements. This project would address the aging transformers and prevent possible long-term outages.

The city of Lakota & Lakota Municipal Utilities will follow NDCC and all work will be completed by a crew provided by WAPA. This should cover all requirements to follow with the RTES, NEPA AND DBA guidelines.

Standards of Success

The city of Lakota will contract with MRES to conduct the infrared inspection report after the project is completed to show that the substation transformers are operating efficiently and also compare it to the inspection report completed on 5/14/2025.

Project Timeline

If awarded, we anticipate this project to begin in the fall of 2025, however we are also aware the extended time it will take for the appropriate transformers to be built and delivered. This may cause a delay in the project, but we will work with WAPA To communicate an updated timeline. We estimate 6 months for the delivery of the transformers, but are hopeful that the lead time for these critical items have significantly decreased prior to awarding of the grant.

Project Milestones:

1. Bid Packet/Advertise: September 2025-Novemeber 2025
2. Contracts signed/Bid Award/Order Materials – November 2025-February 2026
3. Installation – February 2026-August 2026
4. Final Inspection: August 2026-December 2026

Project Budget

*Please use the table below to provide an **itemized list** of the project's capital costs; direct operating costs, including salaries; and indirect costs; and an explanation of which of these costs will be supported by the financial assistance and in what amount. The budget should identify all other committed and prospective funding sources and the amount of funding from each source. **Please feel free to add***

columns and rows as needed. Higher priority will be given to projects with a high degree of matching private industry investment.

Project Associated Expense	NDIC Grant	Applicant's Share (Cash)	Total
Control Panel & Relay Replacement	\$244,200	\$125,800	\$370,000
12.47Kv Oil Breaker Replacement	\$231,000	\$119,000	\$350,000
115-12.47Kv Transformer Replacement	\$1,419,000	\$731,000	\$2,150,000
Total	\$1,894,200	\$975,800	\$2,870,000