

August 4, 2015

Daniel P. Wolf
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, Minnesota 55101-2147

RE: **Comments of the Minnesota Department of Commerce, Division of Energy Resources**
Docket No. E002,E148/SA-15-655

Dear Mr. Wolf:

Attached are the comments of the Minnesota Department of Commerce, Division of Energy Resources (the Department or DOC) in the following matter:

The Joint Request for Approval of a Service Territory Orderly Transfer Agreement between Northern States Power Company and Wright Hennepin Electric Cooperative Association.

The petition was filed on July 7, 2015 by:

Paul J. Lehman
Manager, Regulatory Compliance and Filings
Xcel Energy Services Inc.
414 Nicollet Mall – 7th Floor
Minneapolis, MN 55401

The Department recommends that the Minnesota Public Utilities Commission (Commission) approve the requested service territory boundary transfer between Northern States Power Company and Wright Hennepin Electric Cooperative Association, and is available to answer any questions the Commission may have.

Sincerely,

/s/ DALE V. LUSTI
Financial Analyst

DVL/lt
Attachment

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

COMMENTS OF THE
MINNESOTA DEPARTMENT OF COMMERCE
DIVISION OF ENERGY RESOURCES

DOCKET No. E002,E148/SA-15-655

I. SUMMARY OF PROPOSAL

On July 7, 2015, Northern States Power Company d/b/a Xcel Energy and Wright Hennepin Electric Cooperative Association (the Cooperative), collectively the Parties, jointly filed a petition under Minn. Stat. 216B.39, subd. 3 asking the Minnesota Public Utilities Commission (Commission) for approval of a Service Territory Orderly Transfer Agreement.

Attachment A to the Petition is the COMPENSATION AND ORDERLY TRANSFER AGREEMENT BETWEEN NORTHERN STATES POWER COMPANY, A Minnesota Corporation AND THE WRIGHT HENNEPIN ELECTRIC COOPERATIVE ASSOCIATION (the Agreement).

As a result of the Agreement, Xcel Energy will transfer 9 lots in its Plymouth Preserve service area to the Cooperative; and the Cooperative will transfer 9 lots in its Enclave on the Greenway service area to Xcel Energy. All service area being transferred is located in Hennepin County.

II. DEPARTMENT ANALYSIS

Minnesota Statutes section 216B.39, subd. (3) states:

... the commission may on its own or at the request of an electric utility make changes in the boundaries of the assigned service areas, but only after notice and hearing as provided for in sections 216B.17 and 216B.18.

Page 2 of the Agreement identifies that the boundary changes will allow:

- Xcel Energy to serve Lots 47, 48, 49, 50, 51, and 57 of Block 2 of Enclave on the Greenway, and Lots 4, 5, and 6 of Block 4 of the Enclave on the Greenway; and

- The Cooperative to serve Lots 1, 2, 3, 4, 5, and 6 of Block 1 of Plymouth Reserve, and Lot 1 of Block 2 of Plymouth Reserve, and Lots 1 and 2 of Block 3 of Plymouth Reserve.

Attachment B, Page 1 of 2 to the Petition is a plat map of the Enclave on the Greenway, highlighted to identify the 9 lots being transferred from the Cooperative's service area to the service area of Xcel Energy. Attachment B, Page 2 of 2 to the Petition is a plat map of the Plymouth Preserve, highlighted to identify the 9 lots being transferred from Xcel Energy's service area to the service area of the Cooperative.

The Parties agree that no compensation is due for the exchange of service areas identified in the Agreement.

The Parties acknowledge that all of the areas are currently not developed and there are no existing customers affected by this Agreement.

The parties agree that the change in service area boundaries in this petition is permanent.

Thus, the Department agrees that the Parties' requested service area changes are consistent with Minn. Stat. Sections 216B.37 to 216B.40, and should be approved.

III. RECOMMENDATION

The Department recommends that the Commission approve the requested service territory boundary changes.

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