

August 31, 2016

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. E306, 104/SA-16-647

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 of Saint Peter Municipal Utilities (the Municipal) and BENCO Electric Cooperative (the Cooperative), collectively the Parties, to Modify Electric Service Territory Boundaries.

The petition was filed on August 1, 2016 by:

Pete Moulton, Director of Public Works
City of Saint Peter
405 W. Saint Julien Street
Saint Peter, MN 56082

The Department recommends that the Minnesota Public Utilities Commission (Commission) approve the requested service territory boundary transfer from BENCO Electric Cooperative to Saint Peter Municipal Utilities, 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. E306, 104/SA-16-647

I. BACKGROUND

Saint Peter Municipal Utilities (the Municipal) is an electric municipal utility organized and existing under the laws of the State of Minnesota. BENCO Electric Cooperative (the Cooperative) is an electric distribution cooperative organized and existing under the laws of the State of Minnesota.

II. SUMMARY OF PROPOSAL

On August 1, 2016, the Municipal and the Cooperative, collectively the Parties, jointly filed a petition under Minn. Stat. 216B.39, subd.3, asking the Minnesota Public Utilities Commission (Commission) to modify the Parties' service territory boundaries.

III. DEPARTMENT ANALYSIS

A. TRANSFER OF THE AFFECTED AREA FROM COOPERATIVE TO MUNICIPAL

EXHIBIT A (as modified in the Parties' August 26, 2016 submission in this docket, and included in the Department's Comments as Attachment A¹) to the Petition is a collection of maps; one in aggregate that shows all four parcels, as well as maps for each individual parcel (including legal description) that depicts the boundaries of the Affected Area. The legal description of the four individual parcels is listed below:

17.10 Acre Parcel: All that part of Traverse Green Subdivision, according to the recorded plat thereof, being in the Northwest Quarter of the Northwest Quarter and the west 17.55 feet of the Northeast Quarter of the Northwest Quarter of Section 17, Township 110 North, Range 26 West and also the north 50.00 feet of the Southwest Quarter of the Northwest

¹ As submitted in this docket on August 26, 2016, this is a 5-page modification to the initially filed EXHIBIT A.

Quarter and the north 50.00 feet of the west 17.55 feet of the Southeast Quarter of the Northwest Quarter of Section 17, Township 110 North, Range 26 West adjoining said Traverse Green Subdivision, Nicollet County, Minnesota.

0.76 Acre Parcel: The west 26.00 feet of the Southeast Quarter of the Northwest Quarter, excepting therefrom the north 50.0 feet thereof, Section 17, Township 110 North, Range 26 West, Nicollet County, Minnesota.

85.06 Acre Parcel: The Northwest Quarter of the Southwest Quarter, the Southwest Quarter of the Southwest Quarter, the west 21.00 feet of the Northeast Quarter of the Southwest Quarter and the west 21.00 feet of the Southeast Quarter of the Southwest Quarter of Section 17, Township 110 North, Range 26 West.

And also:

The east 40.00 feet of the Northeast Quarter of the Southeast Quarter, the east 40 feet of the Southeast Quarter of the Southeast Quarter of Section 18, Township 110 North, Range 26 West.

And also:

All that part of Nicollet County Right of Way Plat No. 27 and Revised Nicollet County Right of Way Plat No. 1, according to the recorded plats thereof, adjoining the above described property, being in the Northeast Quarter of the Northeast Quarter of Section 19, Township 110 North, Range 26 West and the Northwest Quarter of the Northwest Quarter and the Northeast Quarter of the Northwest Quarter of Section 20, Township 110 North, Range 26 West, all in Nicollet County, Minnesota.

5.71 Acre Parcel: The west 41.00 feet of the Northeast Quarter of the Northwest Quarter and the west 41.00 feet of the Southeast Quarter of the Northwest Quarter and that part of the Northwest Quarter of the Northwest Quarter and the Southwest Quarter of the Northwest Quarter of Section 20, Township 110 North, Range 26 West, Nicollet County, Minnesota, lying east of and adjoining the following described line: Commencing 89 degrees 23 minutes 06 seconds West on the south line of the Southwest Quarter of the Northwest Quarter of Section 20, a distance of 50.00 feet to the point of beginning of the line to be described; thence North 00 degrees 13 minutes 14 seconds West, a distance of 2438.72 feet; thence South 89 degrees 46 minutes 46 seconds West, a distance of 25.53 feet; thence North 00 degrees 13 minutes 14 seconds West, a distance of 39.08 feet; thence North 44 degrees 31 minutes 52 seconds West, a distance of 144.11 feet to the south line of said Revised Nicollet County Right of Way Plat No. 1 and there terminating. All lying south of and adjoining Revised Nicollet County Right of Way Plat No. 1, according to the recorded plat thereof.

The Parties noted that the Municipal is currently providing interim service to the Saint Peter High School area² pursuant to the Cooperative's written consent.

The Parties noted that this is a permanent transfer of service territory.

² The Saint Peter High School is located within the 85.06 Acre Parcel.

Attachment B³ to the Department's comments is a 2-page response from the Municipal to the Department that clarified a few concerns regarding non-pertinent information included with the original filing.

B. COMPENSATION

The Department notes that the Parties have agreed upon appropriate compensation.

Thus, the Department agrees that the Parties' request to establish the Affected Area as part of the Municipal's service area is consistent with Minn. Stat. 216B.39.

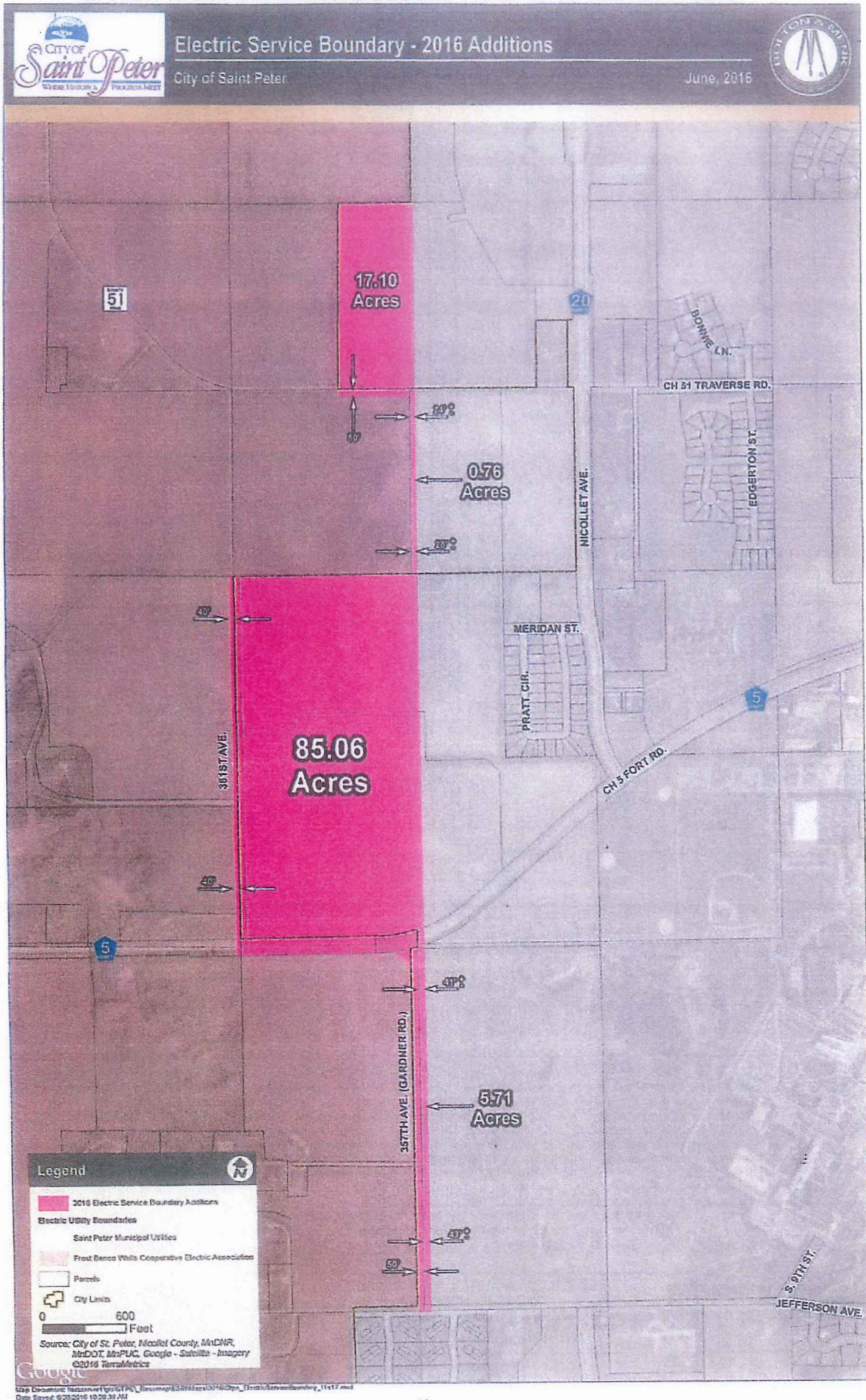
IV. RECOMMENDATION

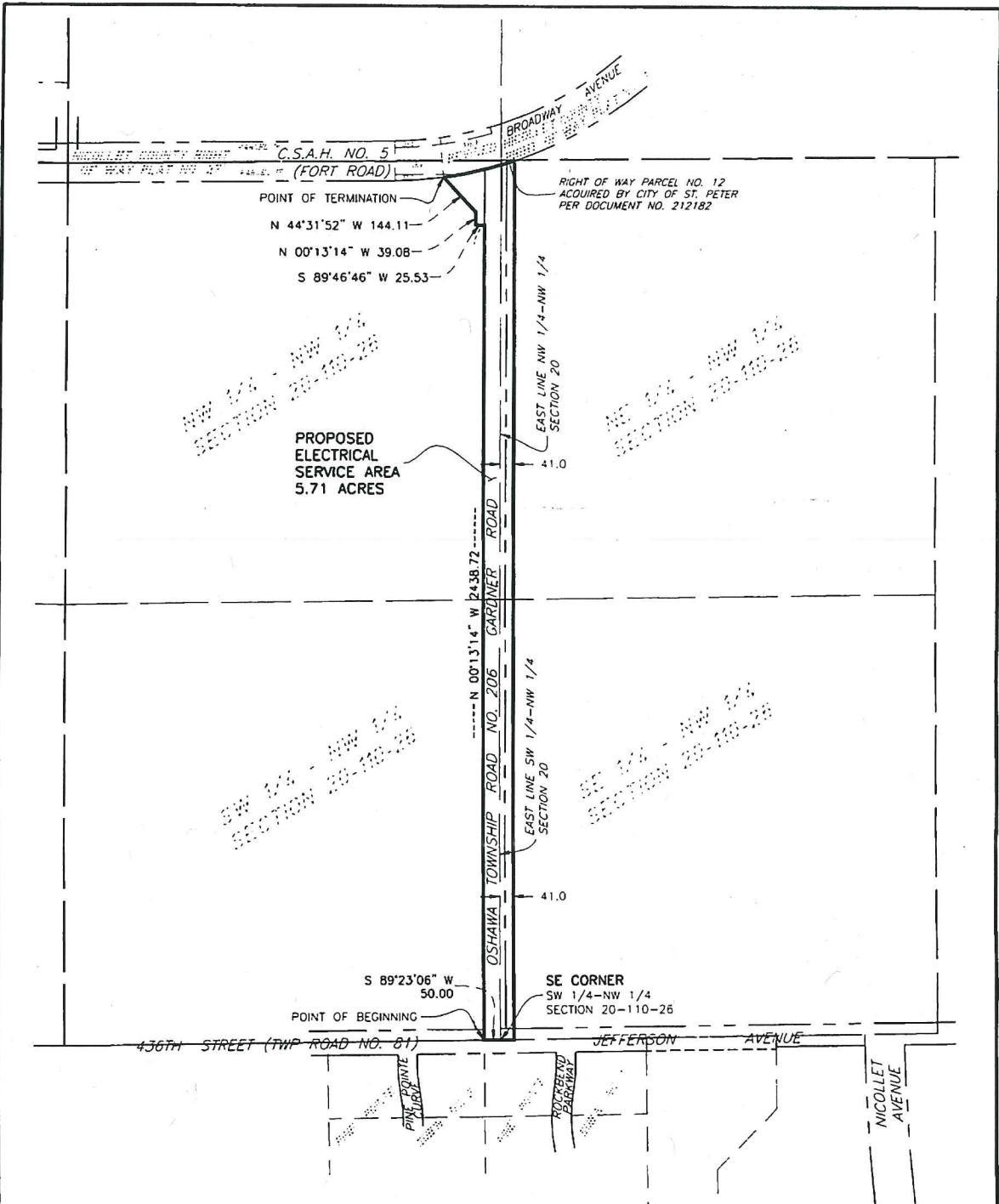
The Department recommends that the Commission approve the requested service territory boundary transfer from BENCO Electric Cooperative to Saint Peter Municipal Utilities.

/let

³ August 31, 2016 e-mail response from the Municipal to the Department.

EXHIBIT A: MAPS AND LEGAL DESCRIPTIONS OF AFFECTED AREAS





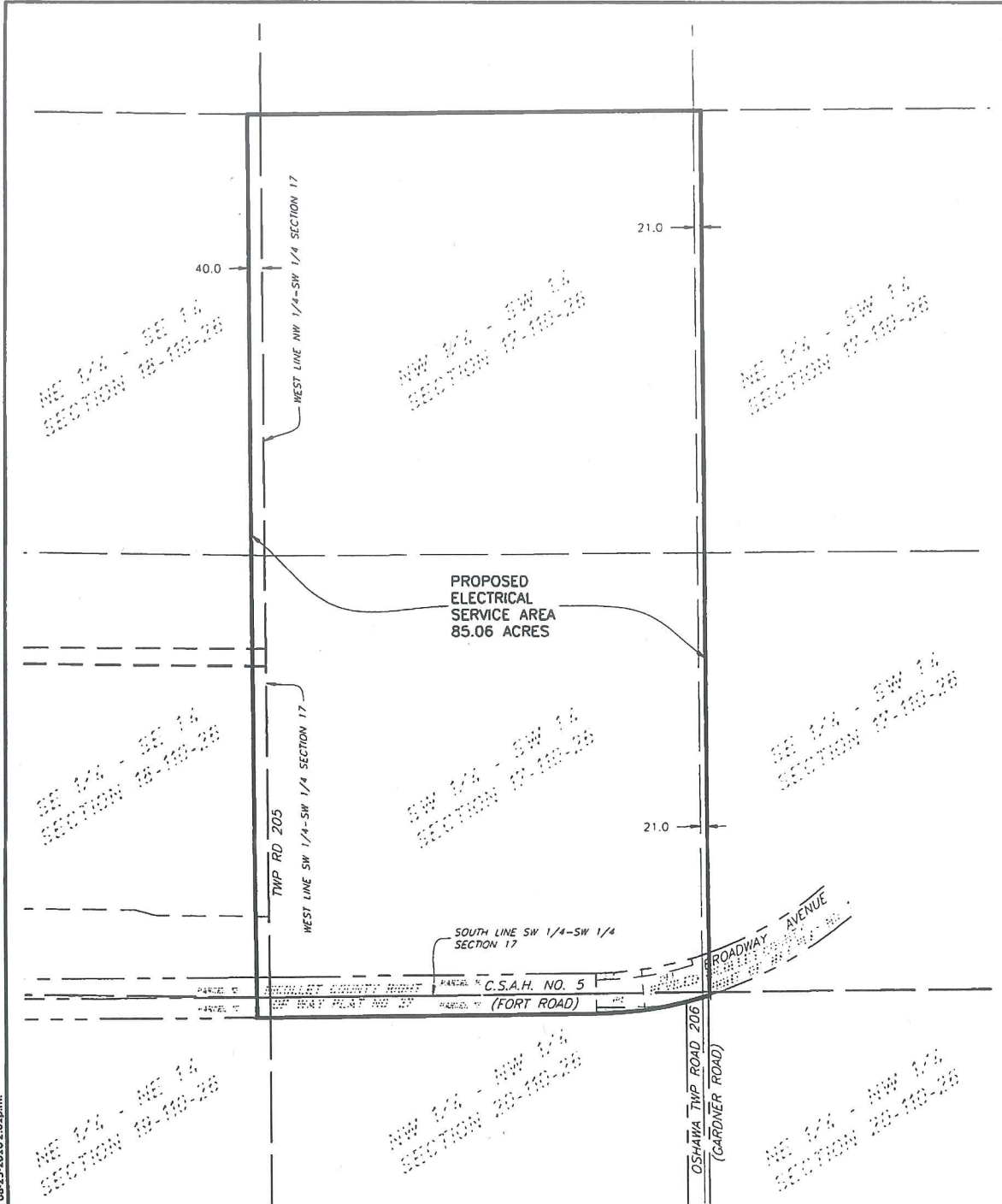
The west 41.00 feet of the Northeast Quarter of the Northwest Quarter and the west 41.00 feet of the Southeast Quarter of the Northwest Quarter and that part of the Northwest Quarter of the Northwest Quarter and the Southwest Quarter of the Northwest Quarter of Section 20, Township 110 North, Range 26 West, Nicollet County, Minnesota, lying east of and adjoining the following described line: Commencing at the Southeast corner of said Southwest Quarter of the Northwest Quarter of Section 20; thence South 89 degrees 23 minutes 06 seconds West, a distance of 50.00 feet to the point of beginning of the line to be described; thence North 00 degrees 13 minutes 14 seconds West, a distance of 2438.72 feet; thence South 89 degrees 46 minutes 46 seconds West, a distance of 25.53 feet; thence North 00 degrees 13 minutes 14 seconds West, a distance of 39.08 feet; thence North 44 degrees 31 minutes 52 seconds West, a distance of 144.11 feet to the south line of said Revised Nicollet County Right of Way Plat No. 1, and there terminating. All lying south of and adjoining Revised Nicollet County Right of Way Plat No. 1, according to the recorded plat thereof.



ELECTRICAL SERVICE AREA EXHIBIT SAINT PETER, MINNESOTA		PART OF THE NORTHWEST QUARTER SECTION 20-110-26
BOLTON & MENK, INC. Consulting Engineers & Surveyors 1960 PREMIER DRIVE MANKATO, MINNESOTA 56001 (507) 625-4171		
		FOR: CITY OF SAINT PETER

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PROPOSED
ELECTRICAL
SERVICE AREA
85.06 ACRES

The Northwest Quarter of the Southwest Quarter, the Southwest Quarter of the Southwest Quarter, the west 21.00 feet of the Northeast Quarter of the Southwest Quarter and the west 21.00 feet of the Southeast Quarter of the Southwest Quarter of Section 17, Township 110 North, Range 26 West.

And also:
The east 40.00 feet of the Northeast Quarter of the Southeast Quarter, the east 40.00 feet of the Southeast Quarter of the Southeast Quarter of Section 18, Township 110 North, Range 26 West.

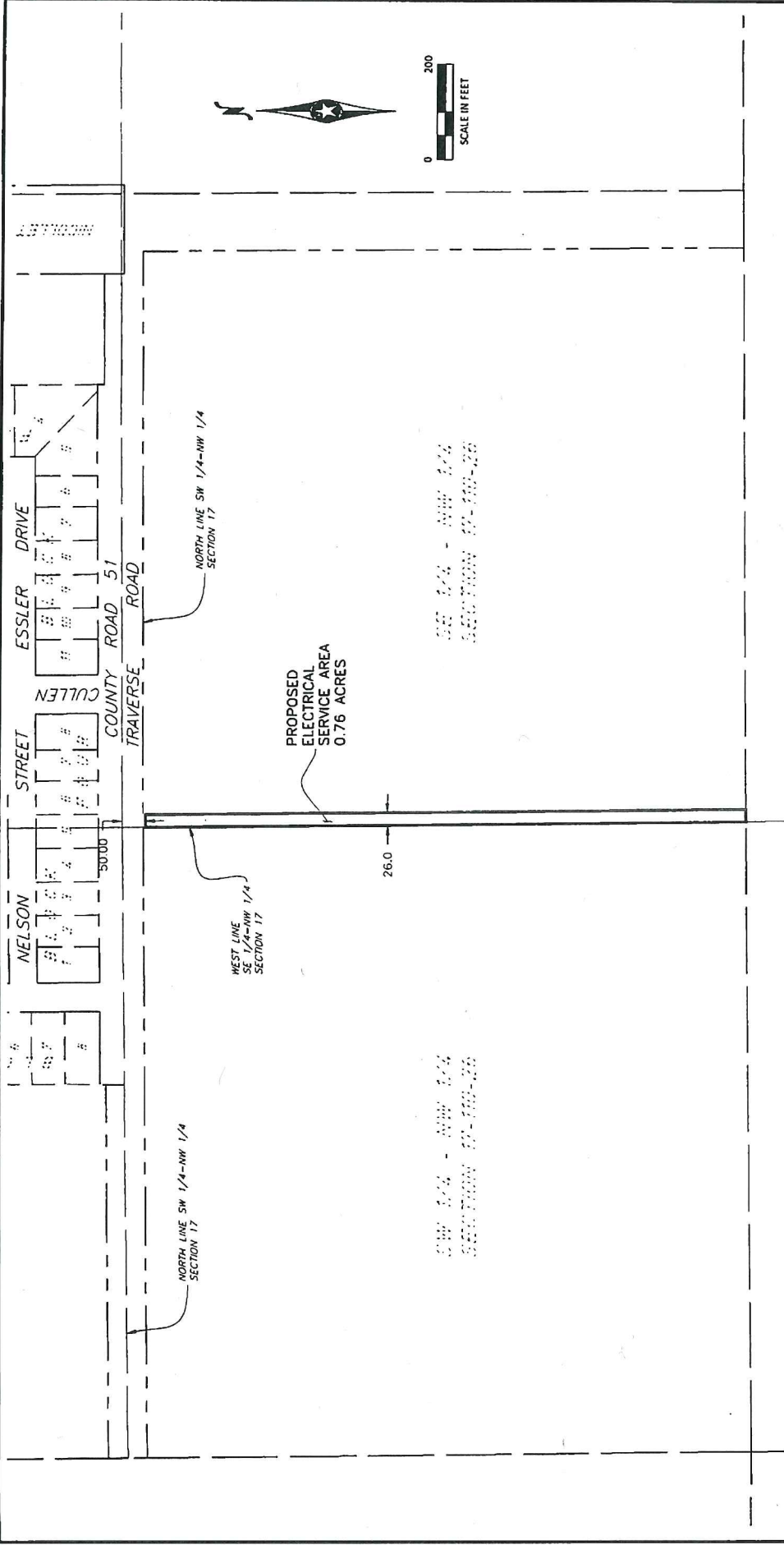
And also:
All that part of Nicollet County Right of Way Plat No. 27 and Revised Nicollet County Right of Way Plat No. 1, according to the recorded plats thereof, adjoining the above described property, being in the Northeast Quarter of the Northeast Quarter of Section 19, Township 110 North, Range 26 West and the Northwest Quarter of the Northwest Quarter and the Northeast Quarter of the Northwest Quarter of Section 20, Township 110 North, Range 26 West, all in Nicollet County, Minnesota.



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ELECTRICAL SERVICE AREA EXHIBIT SAINT PETER, MINNESOTA		PART OF SECTION 17-110-26, PART OF SECTION 18-110-26, PART OF SECTION 19-110-26 & PART OF SECTION 20-110-26
BOLTON & MENK, INC. Consulting Engineers & Surveyors 1960 PREMIER DRIVE MANKATO, MINNESOTA 56001 (507) 625-4171		
		FOR: CITY OF SAINT PETER



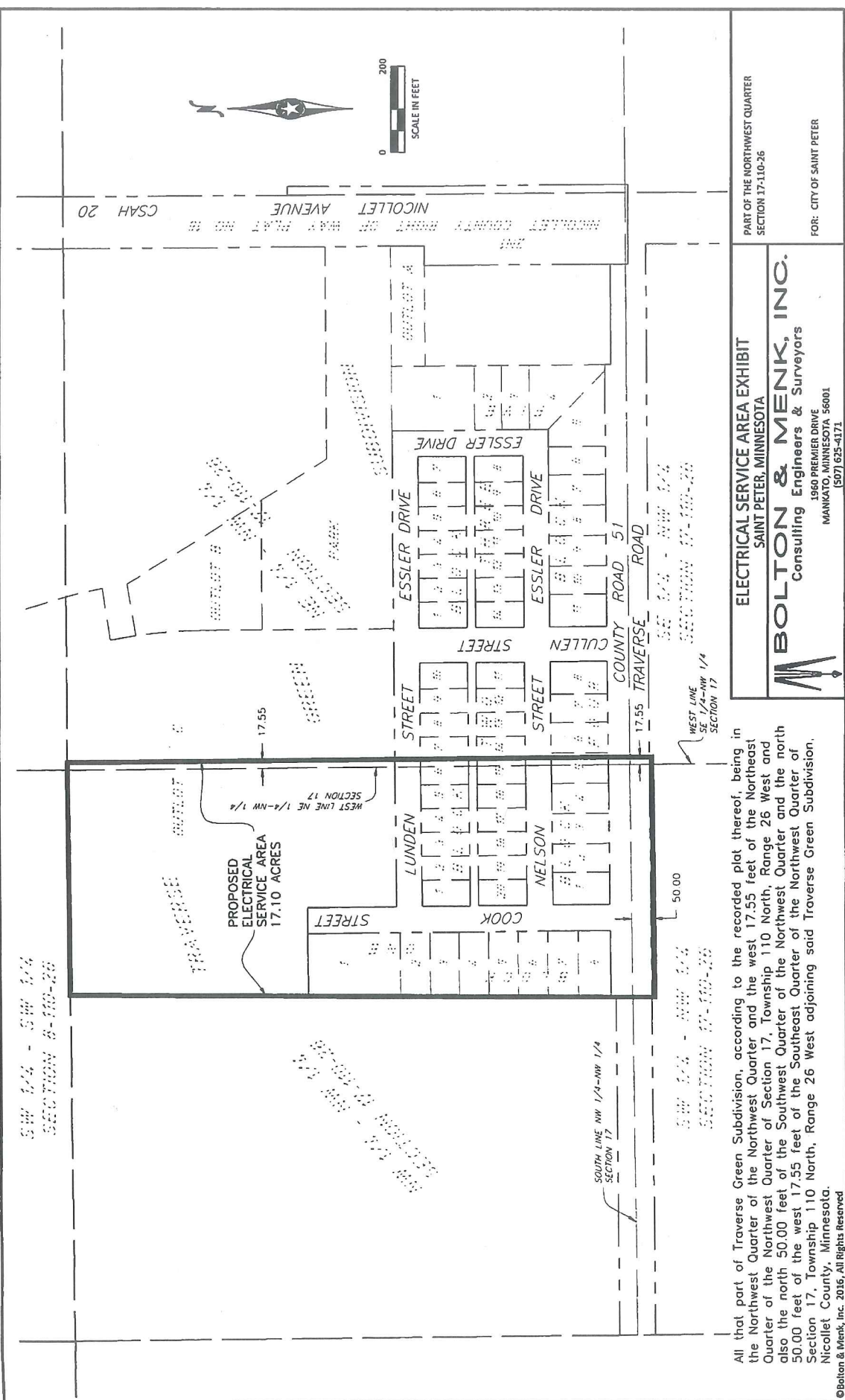
The west 26.00 feet of the Southeast Quarter of the Northwest Quarter, excepting therefrom the north 50.0 feet thereof, Section 17, Township 110 North, Range 26 West, Nicollet County, Minnesota.

ELECTRICAL SERVICE AREA EXHIBIT
 SAINT PETER, MINNESOTA

BOLTON & MENK, INC.
 Consulting Engineers & Surveyors
 1960 PREMIER DRIVE
 MANIKATO, MINNESOTA 56001
 (507) 625-4171

PART OF THE SE 1/4-NW 1/4
 SECTION 17-110-26
 FOR: CITY OF SAINT PETER

SW 1/4 - SW 1/4
SECTION 8-110-26



PROPOSED ELECTRICAL SERVICE AREA
17.10 ACRES

All that part of Traverse Green Subdivision, according to the recorded plat thereof, being in the Northwest Quarter of the Northwest Quarter and the west 17.55 feet of the Northeast Quarter of the Northwest Quarter of Section 17, Township 110 North, Range 26 West and also the north 50.00 feet of the Southwest Quarter of the Northwest Quarter and the north 50.00 feet of the west 17.55 feet of the Southeast Quarter of the Northwest Quarter of Section 17, Township 110 North, Range 26 West adjoining said Traverse Green Subdivision, Nicollet County, Minnesota.

ELECTRICAL SERVICE AREA EXHIBIT
SAINT PETER, MINNESOTA

BOLTON & MENK, INC.
Consulting Engineers & Surveyors
1960 PREMIER DRIVE
MANNING, MINNESOTA 55001
(507) 923-4171

PART OF THE NORTHWEST QUARTER
SECTION 17-110-26

FOR: CITY OF SAINT PETER

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JOB NUMBER: M14.111267 FIELD BOOK: NA DRAWN BY: LB

2.0 517-1110-R26-22,23

Lusti, Dale (COMM)

From: Angie Glassel <angieg@saintpetermn.gov>
Sent: Wednesday, August 31, 2016 7:10 AM
To: Lusti, Dale (COMM)
Subject: FW: Docket No. E306, 104/SA-16-647

Good morning Dale,

Please find our response in **red** below.

Thank you, Angie

From: Lusti, Dale (COMM) [<mailto:Dale.Lusti@state.mn.us>]
Sent: Tuesday, August 30, 2016 8:12 AM
To: Angie Glassel <angieg@saintpetermn.gov>
Subject: FW: Docket No. E306, 104/SA-16-647

FYI

From: Lusti, Dale (COMM)
Sent: Monday, August 29, 2016 3:22 PM
To: 'peterm@saintpetermn.gov'
Cc: 'wadeh@benco.org'
Subject: Docket No. E306, 104/SA-16-647

Peter:

The cover letter of your request and the Electric Service Territory Agreement received on August 1, 2016, both refer to the following proposed transfer of service territory from the Cooperative to the Municipal:

- 1) Saint Peter High School Area,
- 2) The City Park Area, and
- 3) Traverse Green Subdivision Area, and related street lighting.

The maps received on August 26, 2016 identify four distinct parcels that will be transferred from the Cooperative's service territory to the Municipal's service territory upon approval by the Commission:

- 1) 5.71 acre parcel,
- 2) 85.06 parcel,
- 3) 0.76 acre parcel, and
- 4) 17.10 acre parcel.

From a review of the cover letter it is obvious that the 85.06 acre parcel relates to the "Saint Peter High School Area" and the "City Park Area"; and the 17.10 acre parcel relates to the "Traverse Green Area".

Do the 5.71 acre parcel and the 0.76 acre parcel refer to "related street lighting"? If no, please explain.

Yes.

Please verify that the legal description on each of the four maps relate to the service territory rights being transferred from the Cooperative to the Municipal upon approval by the Commission. **All of the legal descriptions match the transferred territory.**

Do any of the annexation ordinances submitted with the August 1, 2016 filing relate to any of the four property transfers? If yes, please explain since I was unable to match any of them to the legal descriptions of the service territory being transferred. **Not really, they did not need to be submitted as we misunderstood the original request. The City did recently annex some property the School/City Park Area and the Traverse Green Area. The area annexed by the City does match the area negotiated with BENCO.**

Thank you!

Angie

Thank you,

Dale V. Lusti
MN Department of Commerce
651-539-1829