

January 5, 2015

Burl W. Haar 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. E289,E017/SA-14-1011

Dear Dr. Haar:

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 the City of Ortonville (the City) and Otter Tail Power (OTP), collectively the Parties, to Modify Electric Service Territory Boundaries.

The current petition was filed on December 4, 2014 by:

Kathleen M. Brennan McGrann Shea Carnival Straughn & Lamb 800 Nicollet Mall, Suite 2600 Minneapolis, Minnesota 55402-7035

The Department recommends that the Commission **approve the requested service territory boundary modification**, and is available to answer any questions the Commission may have.

Sincerely,

/s/ DALE V. LUSTI Financial Analyst

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BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

COMMENTS OF THE MINNESOTA DEPARTMENT OF COMMERCE DIVISION OF ENERGY RESOURCES

DOCKET NO. E289, E017/SA-14-1011

I. SUMMARY OF PROPOSAL

On December 4, 2014, the City of Ortonville (the City) and Otter Tail Power (OTP), collectively the Parties, jointly filed a request that the Minnesota Public Utilities Commission (Commission) modify the Parties' existing electric service territory boundaries.

The joint request concerns the amicable resolution of an area designated by the Parties as disputed in the Commission's digital map process (Docket No. E999/CI-12-957). The Parties have included four exhibits with their Petition, described as follows:

Exhibit A (the Disputed Area) – The disputed area concerns Section 22, south of County Highway 7, as described in greater detail on the map.

Exhibit B (the Confirmed Territory Map) – The Parties resolved the disputed area according to the confirmed territory map which depicts the City's assigned service territory in yellow and OTP's assigned service territory in blue. Under the confirmed territory map, OTP will continue to serve the existing Cold Spring Quarry, and the remainder of the disputed area will become the City's assigned service territory.

Exhibit C is the legal description of the OTP service territory.

Exhibit D is the legal description of the City's service territory.

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Analyst assigned: Dale V. Lusti

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II. DEPARTMENT ANALYSIS OF THE PARTIES' JOINT REQUEST

A. GEOGRAPHIC, HISTORICAL AND CONTRACTUAL CONSIDERATIONS

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 in sections 216B.17 and 216B.18.

Under the joint request, the Disputed Area permanently transfers to the Parties' respective assigned electric service territories.

Exhibit C to the Petition is the legal description of the OTP service territory as follows:

Outlot One (1) of Section Twenty-two (22), Township One Hundred Twenty-one (121) North, range Forty-six (46) West of the Fifth Principal Meridian, according to plat on file in the Office of the County recorder as Small Plat 3.

Outlot Two (2) of Section Twenty-two (22), Township One Hundred Twenty-one (121) North, range Forty-six (46) West of the Fifth Principal Meridian, according to plat on file in the Office of the County recorder as Small Plat 24.

Outlot Three (3) of Section Twenty-two (22), Township One Hundred Twenty-one (121) North, range Forty-six (46) West of the Fifth Principal Meridian, according to plat on file in the Office of the County recorder as Small Plat 37.

Exhibit D to the Petition is the legal description of the City's service territory as follows:

Lot H of the South Half of the Southwest Quarter (S1/2 SW1/4) of Section Fifteen (15) and of the West Half (W1/2) of Section Twenty-Two (22), all in Township One Hundred Twenty-one (121) North, Range Forty-six (46) West of the Fifth P.M., according to the Plat on file in the Office of the County Recorder, Original, Big Stone County, Minnesota, in Book 5 of Plats, page 424.

Lot J of the South Half of the Southwest Quarter (S1/2 SW1/4) of Section Fifteen (15) and of the West Half (W1/2) of Section Twenty-Two (22), all in Township One Hundred Twenty-one (121) North, Range Forty-six (46) West of the Fifth P.M., according to the Plat on file in the Office of the County

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Recorder, Original, Big Stone County, Minnesota, in Book 5 of Plats, page 424.

Lot K of the Southwest Quarter of the Southwest Quarter (SW1/4 SW1/4) of Section Fifteen (15), of Government Lots Three (3) and Four (4) of Section Twenty-one (21), of the West Half (W1/2) of Section Twenty-two (22), and of the South Half of the Southeast Quarter (S1/2 SE1/4) of Section Twenty-two (22), all in Township One Hundred Twenty-one (121) North, Range Forty-six (46) West of the Fifth P.M., according to the Plat on file in the Office of the County Recorder, Original, Big Stone County, Minnesota, in Book 5 of Plats, page 424.

Lot L of the Southwest Quarter of the Southwest Quarter (SW1/4 SW1/4) of Section Fifteen (15), of Government Lot Six (6) of Section Sixteen (16), of the Northeast Quarter of the Northeast Quarter (NE1/4 NE1/4) of Section Twenty-one (21), and of the Northwest Quarter of the Northwest Quarter (NW1/4 NW1/4) of Section Twenty-two (22), all in Township One Hundred Twenty-one (121) North, Range Forty-six (46) West of the Fifth P.M., according to the Plat on file in the Office of the County Recorder, Original, Big Stone County, Minnesota, in Book 5 of Plats, page 424.

Thus, the Department agrees that the Parties' request to modify the service area boundaries is consistent with Minn. Stat. 216B.39, subd. (3).

III. RECOMMENDATION

The Department recommends that the Commission approve the requested service territory boundary modification as identified herein.

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CERTIFICATE OF SERVICE

I, Sharon Ferguson, hereby certify that I have this day, served copies of the following document on the attached list of persons by electronic filing, certified mail, e-mail, or by depositing a true and correct copy thereof properly enveloped with postage paid in the United States Mail at St. Paul, Minnesota.

Minnesota Department of Commerce Comments

Docket No. E289,017/SA-14-1011

Dated this 5th day of January 2015

/s/Sharon Ferguson

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Julia	Anderson	Julia.Anderson@ag.state.m n.us	Office of the Attorney General-DOC	1800 BRM Tower 445 Minnesota St St. Paul, MN 551012134	Electronic Service	Yes	OFF_SL_14-1011_SA-14- 1011
Kathleen M.	Brennan	kmb@mcgrannshea.com	McGrann Shea Carnival, Straughn & Lamb, Chartered	N/A	Electronic Service	No	OFF_SL_14-1011_SA-14- 1011
Sharon	Ferguson	sharon.ferguson@state.mn .us	Department of Commerce	85 7th Place E Ste 500 Saint Paul, MN 551012198	Electronic Service	No	OFF_SL_14-1011_SA-14- 1011
Charleen	Grossman	finance@cityofortonville.org	Ortonville Light & Water Dept.	315 Madison Ave Ortonville, Minnesota 56278	Electronic Service	No	OFF_SL_14-1011_SA-14- 1011
Burl W.	Haar	burl.haar@state.mn.us	Public Utilities Commission	Suite 350 121 7th Place East St. Paul, MN 551012147	Electronic Service	Yes	OFF_SL_14-1011_SA-14- 1011
John	Lindell	agorud.ecf@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012130	Electronic Service	Yes	OFF_SL_14-1011_SA-14- 1011
David	McLaughlin	david.fhmab@midconetwork.com	Fluegel Anderson McLaughlin & Brutlag	25 NW 2nd St Ste 102 Ortonville, MN 56278	Electronic Service	No	OFF_SL_14-1011_SA-14- 1011
Cary	Stephenson	cStephenson@otpco.com	Otter Tail Power Company	215 South Cascade Street Fergus Falls, MN 56537	Electronic Service	No	OFF_SL_14-1011_SA-14- 1011