

October 17, 2017

Daniel P. Wolf
Executive Secretary
Minnesota Public Utilities Commission
350 Metro Square Building
121 Seventh Place East
St. Paul, MN 55101

Re: In re Matter of North Star Electric Cooperative, Inc. and
Warroad Municipal Light & Power Department

MPUC No. E129,324/SA-17-141

Dear Mr. Wolf:

Attached for electronic filing with the Minnesota Public Utilities Commission in the above-referenced matter, please find Comments from North Star Electric Cooperative, Inc. along with the Affidavit of Service.

Sincerely,



Joel L. Larson
Counsel for North Star Electric Cooperative, Inc.

Enclosures

MINNESOTA PUBLIC UTILITIES COMMISSION

Nancy Lange	Chair
Daniel Lipschultz	Commissioner
Matthew Schuerger	Commissioner
Katie Sieben	Commissioner
John Tuma	Commissioner

Docket No. E129,324/SA-17-141

In Matter of North Star Electric
Cooperative, Inc.
and Warroad Municipal
Light & Power Department

**COMMENTS OF NORTH STAR
ELECTRIC COOPERATIVE, INC.**

INTRODUCTION AND BACKGROUND

North Star Electric Cooperative, Inc. (“North Star”) and the City of Warroad (“Warroad”) reached an agreement in September of 2013 to adjust their respective service territories. The adjustment was done to accommodate a request for annexation by the Red Lake Band of Chippewa Indians (“Red Lake”), so that Red Lake could build a new casino on land proposed to be annexed by Warroad. After the agreement was executed, the agreement was emailed to the Minnesota Public Utilities Commission (“Commission”), but was not properly filed. Therefore, the Commission did not take action to update the service territory maps at that time.

In February of 2017, North Star became aware that the agreement was not properly filed. North Star then filed the 2013 agreement to update the official electric service territory map. Red Lake filed an intervention in the docket in March of 2017, with arguments about the costs of the agreement between the parties.

LAW AND ARGUMENT

Minnesota Statute 216B. 39, subd. 2. directs the Commission to “establish the assigned service area or areas of each electric utility and shall prepare or cause to be prepared a map or maps to accurately and clearly show the boundaries of the assigned service area of each electric utility.” North Star has provided the 2013 agreement between the two utilities to adjust the official service territory map and it would be appropriate for the Commission to do so.

Minnesota Statute 216B.44(b) provides the Commission with the authority to “determine appropriate terms for an exchange”, only if the “municipality and the electric utility involved are unable to agree as to the terms of the payment or exchange”. The municipality and the electric utility (Warroad and North Star) have agreed to terms for the exchange of service territory, therefore it is not necessary that the Commission determine the value for the exchange.

North Star and Warroad are non-regulated utilities. Both have agreed to the service territory exchange and the costs associated therewith. Because North Star and Warroad have agreed to all terms, the map should be adjusted accordingly and no further action need be taken. Red Lake has intervened in the matter, but appears to only object to the costs associated with the agreement. Neither utility has filed an application with the Commission requesting a determination on the value of the exchange, therefore, the costs associated with the exchange are not a matter which the Commission should act on.

CONCLUSION

North Star and Warroad have agreed to the service territory exchange and the costs associated therewith. Therefore, North Star respectfully requests that the electric service territory maps be updated to reflect the 2013 agreement and that no further action be taken.

Dated October 17, 2017

Respectfully Submitted,

/s/ Joel L. Larson
Joel L. Larson
MN Atty. #386411
Counsel for North Star