

December 6, 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. E002, E100/SA-16-927

Dear Mr. Wolf:

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

The Joint Request of Northern States Power Company, d/b/a Xcel Energy, and Agralite Electric Cooperative for approval of an Electric Service Territory Agreement (Agreement) between the two parties.

Both the initial petition filed on November 15, 2016 and the November 30, 2016 Clarification were filed by:

Bria E. Shea, Regulatory Manager  
Xcel Energy Services Inc.  
414 Nicollet Mall, 401 – 7<sup>th</sup> Floor  
Minneapolis, MN 55401

The Department recommends that the Minnesota Public Utilities Commission (Commission) approve the requested service territory agreement. The Commission's maps should be updated by MnGeo to reflect the service area designations as shown on the maps in the Agreement and the Clarification. The Department is available to answer any questions the Commission may have.

Sincerely,

/s/ DALE V. LUSTI  
Financial Analyst

DVL/ja  
Attachment

**BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION**

**COMMENTS OF THE  
MINNESOTA DEPARTMENT OF COMMERCE  
DIVISION OF ENERGY RESOURCES**

**DOCKET No. E002, E100/SA-16-927**

**I. BACKGROUND**

Northern States Power (Xcel Energy) is a Minnesota corporation and a public utility under Minn. Stat. 216B.02, subd. 4. Agralite Electric Cooperative (Cooperative) is an electric cooperative formed pursuant to the provisions of Minn. Stat. Chapter 308A. The parties, Xcel Energy and the Cooperative, have a mutual agreement to modify the border between their exclusive service territories.

**II. SUMMARY OF PROPOSAL**

On November 15, 2016, Xcel Energy and the Cooperative jointly filed a request (Petition) that the Commission approve their Service Territory Agreement (Agreement). The Parties' Agreement is attached to the Petition as Schedule A.

According to the Agreement, Parties seek to change the service territory boundary between the two utilities to that as shown in Attachment 1 to the Agreement. The specific line corrections are as follows:

Line corrections located in Township 125 Range 38 Section 25 running north and south and in SE corner of section 25 of Township 125 Range 38, line running east and west then north into Township 125 Range 37 Section 30.

Line corrections located in the southern half of section 36 located in Township 125 Range 28, northern half of section 25 of Township 125 Range 38, and the NE corner of section 30 of Township 125 Range 37.

### III. DEPARTMENT ANALYSIS

#### A. ASSIGNED SERVICE AREA

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.

According to the Clarification filed on November 30, 2016, the reason the Agreement was necessary is because the electronic version of the Electric Utility Service Area (EUSA) map does not match the paper service area map and that correction did not get updated during the earlier review of the electronic version of the map in Docket No. E999/CI-12-957.

Attachment A to the November 30, 2016 Clarification provides greater detail as to the specific boundary changes made in this docket. The map shows the proposed correct boundary line in purple, the existing incorrect boundary line in yellow, and Xcel Energy's correct service territory in yellow.

According to the Petition, this is a permanent boundary change agreed to by both utilities.

#### B. CUSTOMER NOTICE

According to the Petition, there are no existing facilities and no existing customers affected by the Agreement. Since there are no customers in the area of the proposed line correction, no letters will be sent to customers.

Schedule B to the Petition is a Proposed Hearing Notice.

#### C. COMPENSATION

According to the Agreement, the parties agreed that no compensation is due to either Party for the exchange of Service Areas.

Thus, the Department agrees that the Parties' request is reasonable.

#### **IV. RECOMMENDATION**

The Department recommends that the Commission approve the requested service territory transfer. MnGeo should update the Commission's maps to reflect the service area designations as shown on the maps in the Agreement and in the Clarification.

/ja