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David R. Moeller
Senior Attorney
218-723-3963
dmoeller@allete.com

March 31, 2015

VIA ELECTRONIC FILING

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

RE: In the Matter of a Petition for Approval of a Service Territory Agreement Between
East Central Energy and Minnesota Power
Docket No. E112, 015/SA-15-_____

Dear Mr. Wolf:

Please find attached for filing the Joint Petition for Approval of a Service Territory Agreement between East Central Energy and Minnesota Power.

Yours truly,

David R. Moeller

DRM:sr
Encl.



**STATE OF MINNESOTA
BEFORE THE
MINNESOTA PUBLIC UTILITIES COMMISSION**

Docket No. E112, 015/SA-15-_____

In the Matter of a Petition for Approval of
a Service Territory Agreement Between
East Central Energy and Minnesota Power

**PETITION OF
EAST CENTRAL ENERGY AND
MINNESOTA POWER**

SUMMARY OF FILING

Pursuant to Minn. Stat. § 216B.39, subd. 3 East Central Energy and Minnesota Power petition the Minnesota Public Utilities Commission (“Commission”) for approval of a Service Territory Agreement executed on March 2, 2015 that makes changes in the boundaries of the assigned service areas of each utility.

**STATE OF MINNESOTA
BEFORE THE
MINNESOTA PUBLIC UTILITIES COMMISSION**

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In the Matter of a Petition for Approval of a
Service Territory Agreement Between East
Central Energy and Minnesota Power

**PETITION OF
EAST CENTRAL ENERGY AND
MINNESOTA POWER**

I. INTRODUCTION

Pursuant to Minn. Stat. § 216B.39, subd. 3 East Central Energy and Minnesota Power petition the Minnesota Public Utilities Commission (“Commission”) for approval of a Service Territory Agreement executed on March 2, 2015 that makes changes in the boundaries of the assigned service areas of each electric utility.

II. BACKGROUND

East Central Energy is an electric distribution cooperative formed pursuant to the provisions of Minn. Stat. Chapter 308A. Minnesota Power is a Minnesota corporation and a public utility under Minn. Stat. § 216B.02, subd. 4. Pursuant to the service area assignments of the Commission and Minn. Stat. §§ 216B.37 to 216B.40, East Central Energy and Minnesota Power have exclusive rights to provide electric service to customers within their respective assigned service territories. East Central Energy and Minnesota Power have negotiated and executed a mutual agreement of the assignment of specific portions of each utility’s respective electric service territory.

III. SERVICE AREA EXTENSION AGREEMENTS CHECKLIST

In compliance with the Commission’s recent orders and procedures for service territory adjustments, East Central Energy and Minnesota Power have included the Commission’s Checklist for Content of Agreed Upon Service Area Extension Agreements.

1. *A cover letter with the submitter's full contact information, including where to provide electronic service;*

See accompany cover letter. The submitter's full contact information is:

David R. Moeller
Senior Attorney
Minnesota Power
30 West Superior Street
Duluth, MN 55802
(218) 723-3963
dmoeller@allete.com

2. *A joint letter explaining the change.*

Letter includes contact information for both utilities (name, title, phone number, work address, e-mail address)

David R. Moeller
Senior Attorney
Minnesota Power
30 West Superior Street
Duluth, MN 55802
(218) 723-3963
dmoeller@allete.com

Vern Johnson P.E.
COO - VP of Distribution Operations
East Central Energy
811 W County Road 4
PO Box 39
Braham, MN 55006
763-689-8076
vern.johnson@ecemn.com

Letter includes a legal description of the property in question.

See Exhibit A - Joint Agreement.

Letter includes a short explanation why the agreement is consistent with Minn. Stat. §216B.39.

See Section IV below.

Letter states whether the filing is related to a permanent boundary change or is service by exception.

See Section IV below describing this permanent boundary change.

3. *A Settlement Agreement, if applicable.
Settlement agreement is signed by authorized representatives of both utilities.*
See Exhibit A - Joint Agreement.
4. *A digital (PDF) or paper map, with adequate information to locate service area change.*
See Exhibit A - Joint Agreement.
5. *GIS data (shapefile with a defined projection) e-mailed to MNGeo and Commission staff after documentation is efiled (or contact MnGeo for other formats).*
This information will be e-mailed to MNGeo and Commission Staff.
6. *Customers affected by this change must receive written notice, including utility contact information and Commission contact information.*
As noted below in Section IV and in Exhibit A - Joint Agreement, no customers are affected by this change in service territory.

IV. PETITION FOR SERVICE TERRITORY ASSIGNMENT

East Central Energy and Minnesota Power jointly petition for Commission approval to assign the service territory boundaries as agreed to in the Service Territory Agreement and executed service territory maps. See Exhibit A. Minn. Stat. § 216B.39, subd. 3 states that “the Commission may on its own or at the request of an electric utility make changes in the boundaries of the assigned service areas....” after notice and hearing as provided in Minn. Stat. §§ 216B.17 and 216B.18.

These modifications are the result of a mutual agreement based on the Commission’s initiative to digitally update service territory maps and for neighboring utilities to seek to amicably resolve any service territory boundary issues. The Service Territory Agreement provides that East Central Energy will provide retail electric service to areas currently within Minnesota Power’s assigned service territory. The Service Territory Agreement also provides that Minnesota Power will provide retail electric service to areas currently within East Central Energy’s assigned service territory. East Central Energy and Minnesota Power acknowledge that no customers will experience a change in service provider as a result of the Service Territory

Agreement. Furthermore, the electric utilities request that this service territory assignment be noted on the Commission's official electric service territory maps for the applicable counties.

V. **CONCLUSION**

Based on all the foregoing, East Central Energy and Minnesota Power respectfully request that the Commission grant this Petition for Approval of a Service Territory Agreement.

Dated: March 31, 2015

Respectfully submitted,

A handwritten signature in black ink that reads "David R. Moeller". The signature is written in a cursive, flowing style.

David R. Moeller
Senior Attorney
Minnesota Power
30 West Superior Street
Duluth, MN 55802
(218) 723-3963
dmoeller@allete.com

**Attorney for Minnesota Power and on
behalf of East Central Energy**

**SERVICE TERRITORY AGREEMENT BETWEEN
EAST CENTRAL ENERGY AND MINNESOTA POWER**

This Service Territory Agreement (the "Agreement") is entered into as of Feb. 27, 2015, by and between Minnesota Power ("MP"), and East Central Energy ("ECE"). MP and ECE may hereinafter be referred individually as a "Party" and collectively as the "Parties".

WHEREAS, ECE is an electric distribution cooperative formed pursuant to the provisions of Chapter 308A of Minnesota statutes,

WHEREAS, MP is a Minnesota corporation and a public utility under Minn. Stat. § 216B.02, subd. 4,

WHEREAS, pursuant to the service area assignments of the Minnesota Public Utilities Commission ("Commission") and Minn. Stat. §§ 216B.37 to 216B.40, ECE and MP have exclusive rights to provide electric service to customers within their respective assigned service territories,

WHEREAS, the Parties have negotiated a mutual agreement of the assignment of specific portions of each Party's electric service territory and desire here to set forth the terms and conditions of this Agreement,

WHEREAS, pursuant to Minn. Stat. § 216B.39, subd. 3 the electric utilities may request the Commission make changes in the boundaries of the assigned service areas, after notice and hearing as provided for in Minn. Stat. §§ 216B.17 and 216B.18,

NOW THEREFORE, in consideration of the promises and mutual covenants contained herein the Parties hereby agree as follows:

1. Service territory boundaries for Township 41 North, Range 20 West of Section 29 and E ½ of sec 30 are show on Exhibit A: Exhibit A is a map that shows the electric service territory boundary in the above sections for ECE and MP. Polygon A is in ECE Service Territory and Polygon B is in MP Service Territory.
2. ECE and MP agree that ZHINGWAAK OODENA SECOND ADDITION and ZHINGWAAK OODENA THIRD ADDITION are located in both ECE and MP Service Territories as shown on Exhibit B. It is also agreed that ECE will service the lots in ZHINGWAAK OODENA SECOND ADDITION and MP will service the lots in ZHINGWAAK OODENA THIRD ADDITION except for lot 14 which will be serviced by ECE.

3. Compensation: The Parties agree that no compensation is owed to either ECE or MP for these mutual assignments of service territory.
4. Affected Customers: The Parties acknowledge that no customers will experience a change in service provider as a result of this Agreement
5. Reservation of Rights: Except as specifically set forth herein, this Agreement does not modify or limit the legal rights of any Party.
6. No Precedent: The Parties recognize that this Agreement is the result of negotiations between the Parties and that this Agreement, and the Commission's approval of this Agreement, does not represent any binding or legal precedent on any Party in any other matter.
7. Request for Commission Approval of the Agreement: Upon execution of this Agreement by both Parties, MP will prepare and file a Joint Petition with the Commission along with this Agreement requesting approval under Minn. Stat. § 216B.39, subd. 3 for a modification of assigned service territories.
8. Miscellaneous:
 - a. Entire Agreement and Modification: This Agreement contains the entire agreement and understandings of the Parties hereto regarding the scope of the Agreement. All previous communications between the Parties hereto, either verbal or written, with reference to the subject matter of this Agreement are hereby abrogated. No amendment, modification or waiver of, or consent with respect to any provision of this Agreement shall be effective unless the same shall be in writing and signed by all Parties and then any such amendment, modification, waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.
 - b. Assignment: The Parties shall not assign this Agreement, voluntarily, involuntarily or by operation of law, without the prior written consent of the other Party.
 - c. Savings Clause: If any provision of this Agreement shall be found invalid or unenforceable, in whole or in part, by a court of competent jurisdiction or the Commission, then such provision shall be deemed to be modified or restricted to the extent and in a manner necessary to render the same valid and enforceable, or if that is not possible, such provision shall be stricken and deleted from this Agreement, as the case may require, and this Agreement shall then be construed and enforced to the maximum extent permitted by law and with the purpose to achieve the fundamental intent of the Parties.
 - d. Choice of Laws: This Agreement shall be construed and interpreted in accordance with the laws of the State of Minnesota and excluding any choice of law rules that may direct the application of laws of another jurisdiction.

e. Agreement Drafted Jointly: The Parties agree that neither Party shall be deemed solely responsible for drafting all or any portion of this Agreement, and in the event of a dispute, responsibilities for any ambiguities arising from any provision of this Agreement shall be shared equally amount the Parties.

f. Regulation: The Parties acknowledge that this Agreement is subject to the jurisdiction of the Commission.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year first written above and the Parties agree to take such additional steps and actions including execution of such instruments and other documents as are reasonably necessary to effectuate the intentions of expressed hereby.

EAST CENTRAL ENERGY

By Vern Johnson

Title COO, VP of Distribution Operations

Date February 27, 2015

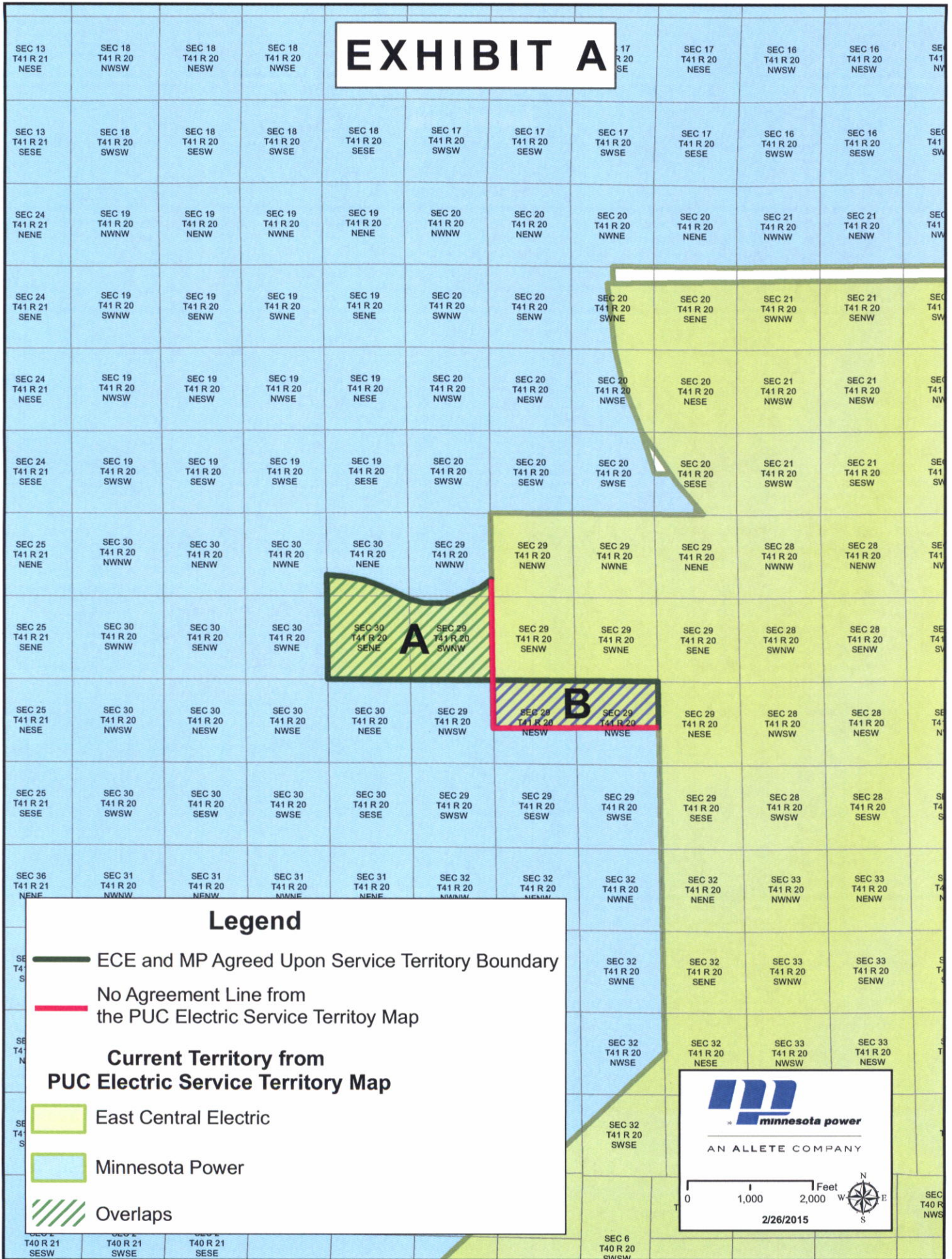
MINNESOTA POWER

By Chad E. Fleege






Title Vice President Transmission + Distribution

Date 3/2/15

EXHIBIT A



Legend

-  ECE and MP Agreed Upon Service Territory Boundary
-  No Agreement Line from the PUC Electric Service Territory Map
- Current Territory from PUC Electric Service Territory Map**
-  East Central Electric
-  Minnesota Power
-  Overlaps



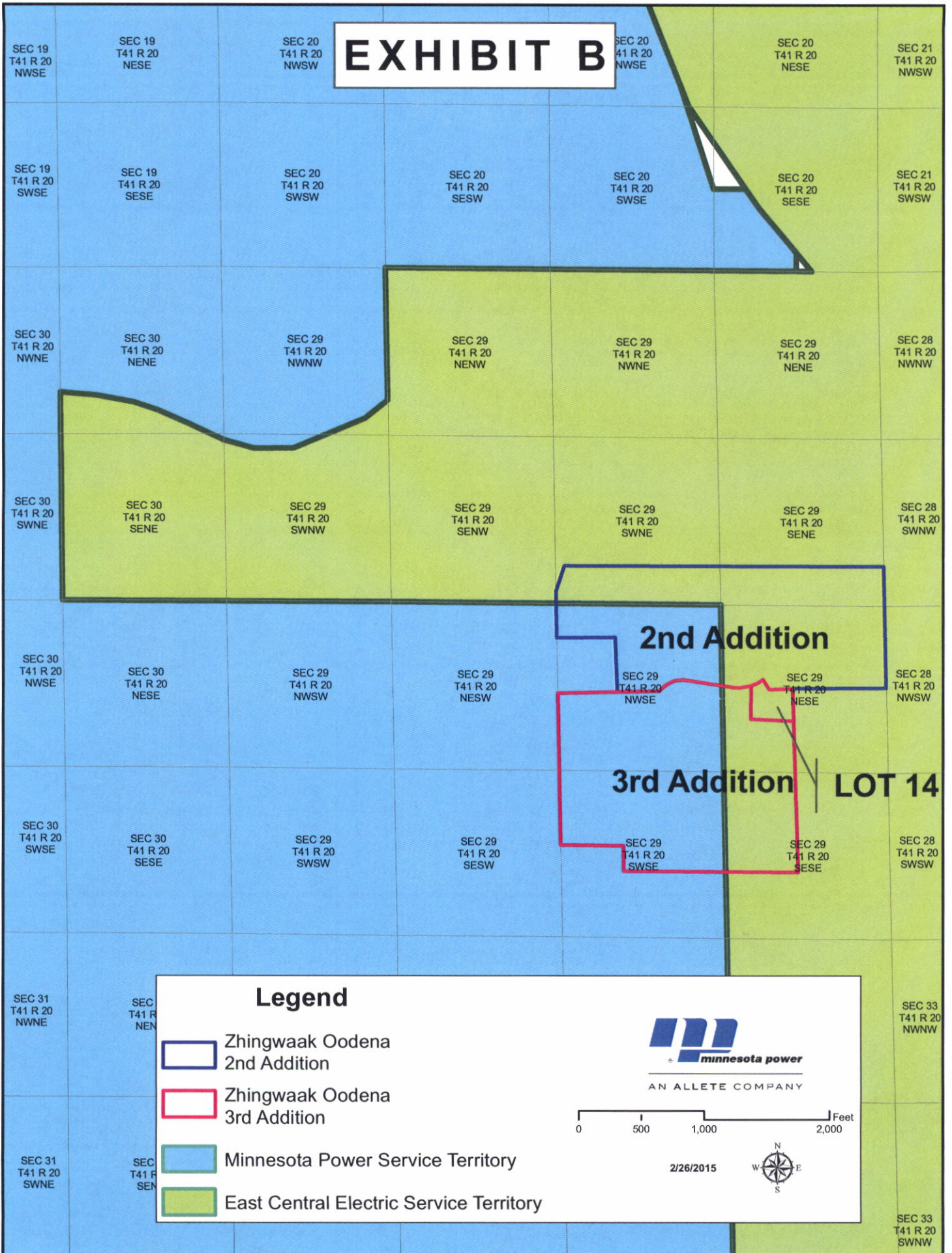
AN ALLETE COMPANY

0 1,000 2,000 Feet







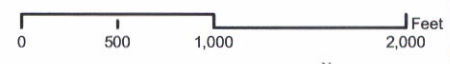
2/26/2015

EXHIBIT B



Legend

-  Zhingwaak Oodena 2nd Addition
-  Zhingwaak Oodena 3rd Addition
-  Minnesota Power Service Territory
-  East Central Electric Service Territory



2/26/2015



STATE OF MINNESOTA)
) ss
COUNTY OF ST. LOUIS)

AFFIDAVIT OF SERVICE VIA
ELECTRONIC FILING

Susan Romans of the City of Duluth, County of St. Louis, State of Minnesota, says that on the **31st** day of **March, 2015**, she served Minnesota Power and East Central Energy's Petition for Approval of a Service Territory Agreement on the Minnesota Public Utilities Commission and the Minnesota Department of Commerce via electronic filing. The persons on the attached service were served as requested.



Susan Romans

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Julia	Anderson	Julia.Anderson@ag.state.mn.us	Office of the Attorney General-DOC	1800 BRM Tower 445 Minnesota St St. Paul, MN 551012134	Electronic Service	Yes	GEN_SL_Minnesota Power_Minnesota Power General Service List
Christopher	Anderson	canderson@allete.com	Minnesota Power	30 W Superior St Duluth, MN 558022191	Electronic Service	Yes	GEN_SL_Minnesota Power_Minnesota Power General Service List
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 500 Saint Paul, MN 551012198	Electronic Service	Yes	GEN_SL_Minnesota Power_Minnesota Power General Service List
Elizabeth	Goodpaster	bgoodpaster@mncenter.org	MN Center for Environmental Advocacy	Suite 206 26 East Exchange Street St. Paul, MN 551011667	Electronic Service	No	GEN_SL_Minnesota Power_Minnesota Power General Service List
Burl W.	Haar	burl.haar@state.mn.us	Public Utilities Commission	Suite 350 121 7th Place East St. Paul, MN 551012147	Electronic Service	No	GEN_SL_Minnesota Power_Minnesota Power General Service List
Margaret	Hodnik	mhodnik@mnpower.com	Minnesota Power	30 West Superior Street Duluth, MN 55802	Electronic Service	No	GEN_SL_Minnesota Power_Minnesota Power General Service List
Lori	Hoyum	lhoyum@mnpower.com	Minnesota Power	30 West Superior Street Duluth, MN 55802	Electronic Service	No	GEN_SL_Minnesota Power_Minnesota Power General Service List
Michael	Krikava	mkrikava@briggs.com	Briggs And Morgan, P.A.	2200 IDS Center 80 S 8th St Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Minnesota Power_Minnesota Power General Service List
James D.	Larson	james.larson@avantenergy.com	Avant Energy Services	220 S 6th St Ste 1300 Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Minnesota Power_Minnesota Power General Service List
Douglas	Larson	dlarson@dakotaelectric.com	Dakota Electric Association	4300 220th St W Farmington, MN 55024	Electronic Service	No	GEN_SL_Minnesota Power_Minnesota Power General Service List
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	GEN_SL_Minnesota Power_Minnesota Power General Service List

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Susan	Ludwig	sludwig@mnpower.com	Minnesota Power	30 West Superior Street Duluth, MN 55802	Electronic Service	No	GEN_SL_Minnesota Power_Minnesota Power General Service List
Pam	Marshall	pam@energycents.org	Energy CENTS Coalition	823 7th St E St. Paul, MN 55106	Electronic Service	No	GEN_SL_Minnesota Power_Minnesota Power General Service List
Herbert	Minke	hminke@allete.com	Minnesota Power	30 W Superior St Duluth, MN 55802	Electronic Service	No	GEN_SL_Minnesota Power_Minnesota Power General Service List
David	Moeller	dmoeller@allete.com	Minnesota Power	30 W Superior St Duluth, MN 558022093	Electronic Service	Yes	GEN_SL_Minnesota Power_Minnesota Power General Service List
Andrew	Moratzka	apmoratzka@stoel.com	Stoel Rives LLP	33 South Sixth Street Suite 4200 Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Minnesota Power_Minnesota Power General Service List
Jennifer	Peterson	jjpeterson@mnpower.com	Minnesota Power	30 West Superior Street Duluth, MN 55802	Electronic Service	No	GEN_SL_Minnesota Power_Minnesota Power General Service List
Thomas	Scharff	thomas.scharff@newpagecorp.com	New Page Corporation	P.O. Box 8050 610 High Street Wisconsin Rapids, WI 544958050	Electronic Service	No	GEN_SL_Minnesota Power_Minnesota Power General Service List
Ron	Spangler, Jr.	rlspangler@otpc.com	Otter Tail Power Company	215 So. Cascade St. PO Box 496 Fergus Falls, MN 565380496	Electronic Service	No	GEN_SL_Minnesota Power_Minnesota Power General Service List
Eric	Swanson	eswanson@winthrop.com	Winthrop Weinstine	225 S 6th St Ste 3500 Capella Tower Minneapolis, MN 554024629	Electronic Service	No	GEN_SL_Minnesota Power_Minnesota Power General Service List
Karen	Turnboom	karen.turnboom@newpagecorp.com	NewPage Corporation	100 Central Avenue Duluth, MN 55807	Electronic Service	No	GEN_SL_Minnesota Power_Minnesota Power General Service List