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January 19, 2016

VIA ELECTRONIC FILING

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

Re: In the Matter of the Joint Request of Princeton Public Utilities and East
Central Energy to Modify Electric Service Territory Boundaries
MPUC Docket: E-295,E112/SA-13-818
Our File No.: 63052-0001

Dear Mr. Wolf:

I represent Princeton Public Utilities (the "Municipal"), which is authorized, on behalf of Princeton and East Central Energy (the "Cooperative") (collectively, the "Parties"), to make this filing.

Summary of the Joint Request

This filing constitutes the Parties' joint request under Minn. Stat. § 216B.39, subd. 3, that the MPUC modify the Parties' service territory boundaries. This joint request concerns the transfer of an area recently annexed into the city limits of Princeton and within the electric service territory assigned to the Cooperative (the "Affected Area"), as further described below.

Legal Authorities

By statute, "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 . . ." Minn. Stat. § 216B.39, subd. 3. In addition, "no electric utility shall render or extend electric service at retail within the assigned service area of another electric utility unless the electric utility consents thereto in writing . . ." Minn. Stat. § 216B.40

(2014). In the present case, the Parties seek to adjust the service territory boundaries to transfer the Affected Area to the Municipal's assigned service territory. The Parties have agreed upon appropriate compensation. The Parties request that the Commission update its official records as to electric service territory boundaries.

Underlying Information

1. Exhibit A: Affected Area. Attached as Exhibit A is a map and annexation ordinance (including legal description) that depicts the boundaries of the Affected Area. The Affected Area involves approximately 91 acres. There are no existing customers, although the school district plans to develop the Affected Area into ball fields for elementary school children. The Parties have agreed to compensation for the transfer of the Affected Area, after arms-length negotiations.

Contact Information

If there are any questions concerning this filing, you may contact the following representatives:

Princeton Public Utilities:

Kaela Brennan
McGrann Shea Carnival
Straughn & Lamb, Chtd.
800 Nicollet Mall, Suite 2600
Minneapolis, MN 55402
Phone: 612-338-2525
kmb@mcgrannshea.com

Connie Wangen
General Manager
Princeton Public Utilities
907 1st Street Princeton MN 55371
Phone: 763-389-2252
Fax: 763-389-2273
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East-Central Energy:

Steve Shurts, President/CEO
Vern Johnson, COO, VP of Distribution
Operations
East Central Energy
PO Box 39
Braham, MN 55006
Phone: 800-254-7944
steve.shurts@ecemn.com
vern.johnson@ecemn.com

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Request

The Parties therefore petition the Commission to accept and file these documents and provide due acknowledgment thereof. The Parties further request that the Commission provide evidence of its acknowledgment of these changes of service territory boundaries, and the updating of the official service territory records.

Proposed Service List

A copy of this letter and the accompanying documents has been mailed or emailed to the persons on the service list already created for this docket.

Please contact the representatives above if you have any questions. Thank you for your assistance.

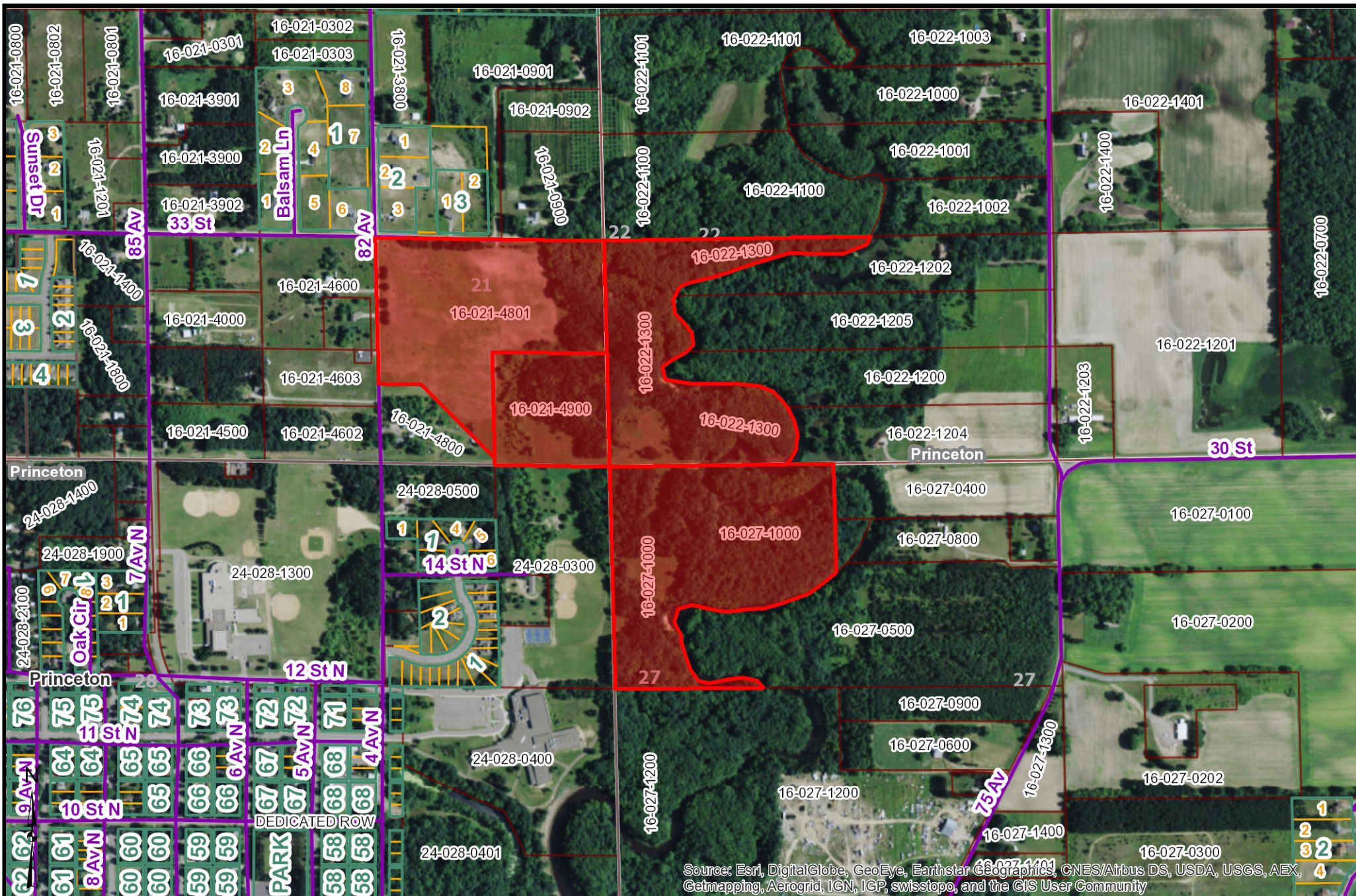
Sincerely,



Kathleen M. Brennan

Enclosures

cc (w/encl.): Service List



These data are provided on an "AS-IS" basis, without warranty of any type, expressed or implied, including but not limited to any warranty as to their performance, merchantability, or fitness for any particular purpose.

Date: 7/28/2015

This map is not a substitute for accurate field surveys or for locating actual property lines and any adjacent features

EXHIBIT A



(Reserved for recording purposes)

ORDINANCE NO. 722

**AN ORDINANCE OF THE CITY OF PRINCETON, MINNESOTA ANNEXING
LAND LOCATED IN PRINCETON TOWNSHIP, MILLE LACS COUNTY,
MINNESOTA PURSUANT TO MINNESOTA STATUTES § 414.033 SUBDIVISION 2(3),
PERMITTING ANNEXATION BY ORDINANCE**

WHEREAS, a petition signed by all the property owners, requesting that property legally described (herein or attached exhibit) be annexed to the City of Princeton, Minnesota, was duly presented to the Council of the City of Princeton on the 8th day of August, 2015; and

WHEREAS, said property is unincorporated and abuts the City of Princeton on its northeast boundary; is less than 120 acres; is not presently served by public sewer facilities or public sewer facilities are not otherwise available; and

WHEREAS, said property is open space owned by the Princeton School District and annexation is requested to facilitate the extension of city services for the recreational development of the property; and

WHEREAS, the City of Princeton held a public hearing pursuant to Minnesota Statutes § 414.033 Subd. 2b, on Thursday, September 23, 2015, following thirty (30) days written notice by certified mail to the Town of Princeton and to all landowners within and contiguous to the area legally described herein, to be annexed; and

WHEREAS, pursuant to the provisions of Minnesota Statutes § 414.033 Subd. 13 the property owner has been notified in writing that there will be a change in the electric utility service provider resulting from the annexation of the territory to the municipality.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PRINCETON HEREBY ORDAINS AS FOLLOWS:

1. The City Council hereby determines that the property as hereinafter described abuts the city limits and is or is about to become urban or suburban in nature in that the recreational use is being proposed for said property the construction of which requires or will need city services, including public sewer facilities.

2. None of the property is now included within the limits of any city, or in any area that has already been designated for orderly annexation pursuant to Minnesota Statute § 414.0325.

3. The corporate limits of the City of Princeton, Minnesota, are hereby extended to include the following described property, said land abutting the City of Princeton and being 120 acres or less in area, and is not presently served by public sewer facilities or public sewer facilities are not otherwise available, and the City having received a petition for annexation from all the property owners of the land, to wit:

Parcel A: 16-021-4801 (25.05 acres): The North Half of the Southeast Quarter of the Southeast Quarter (N $\frac{1}{2}$ of SE $\frac{1}{4}$ of SE $\frac{1}{4}$) of Section Twenty-one (21), Township Thirty-six (36), Range Twenty-Six (26), Mille Lacs County, Minnesota;

AND

That part of the Southwest Quarter of the Southeast Quarter of the Southeast Quarter (SW $\frac{1}{4}$ of SE $\frac{1}{4}$ of SE $\frac{1}{4}$) of Section Twenty-one (21), Township Thirty-Six (36), Range Twenty-six (26), Mille Lacs County, Minnesota, lying North of the following described line:

Commencing at the Southwest corner of said Southwest Quarter of the Southeast Quarter of the Southeast Quarter (SW $\frac{1}{4}$ of SE $\frac{1}{4}$ of SE $\frac{1}{4}$) of Section Twenty-one (21); thence North $01^{\circ} 21' 12''$ West assumed basis of bearings, along the West line of said Southwest Quarter (SW $\frac{1}{4}$) a distance of 460.0 feet to the point of beginning of the line to be described; thence South $89^{\circ} 06' 35''$ East 250.0 feet; thence South $45^{\circ} 11' 00''$ East 604.96 feet to a point on the East line of said Southwest Quarter (SW $\frac{1}{4}$), distant 40.00 feet Northerly from the Southeast corner thereof, and there terminating. Subject to that portion thereof taken for road purposes.

Parcel B: 16-021-4900 (10 acres): The Southeast Quarter of the Southeast Quarter of the Southeast Quarter (SE $\frac{1}{4}$ of SE $\frac{1}{4}$ of SE $\frac{1}{4}$) of Section Twenty-one (21), Township Thirty-Six (36), Range Twenty-six (26), Mille Lacs County, Minnesota.

Parcel C: 16-022-1300 (25.56 acres): That part of the Southwest Quarter of the Southwest Quarter (SW $\frac{1}{4}$ of SW $\frac{1}{4}$) of Section Twenty-Two (22), Township Thirty-six (36), Range Twenty-Six (26), Mille Lacs County, Minnesota, lying West of the East Branch of the Rum River.

Parcel D: 16-027-1000 (31 acres); That part of the Northwest Quarter of the Northwest Quarter (NW $\frac{1}{4}$ of NW $\frac{1}{4}$) of Section Twenty-Severn (27), Township Thirty-Six (36), Range Twenty-Six (26), Mille Lacs County, Minnesota lying West and Southwest of the East Branch of the Rum River

The above described property consists of a total of 91 acres, more or less. Copies of the corporate boundary map showing the property to be annexed and its relationship to the corporate boundaries and all appropriate plat maps are attached hereto.

4. That the population of the area legally described herein and hereby annexed is zero ("0").

5. The City of Princeton, pursuant to Minnesota Statutes § 414.036, that with respect to the property taxes payable on the area legally described herein, hereby annexed, does not need to -3-

make any cash payment to the Town of Princeton as said property is owned by the Princeton School District and is property tax exempt.

6. That pursuant to Minnesota Statutes § 414.036 there are no special assessment assigned by the Town to the annexed for which reimbursement is required.

7. That the City Clerk of the City of Princeton is hereby authorized and directed to file a copy of this Ordinance with the Municipal Boundary Adjustment Unit of the Office of Administrative Hearings, the Minnesota Secretary of State, the Mille Lacs County Auditor, and the Princeton Township Clerk.

8. That this Ordinance shall be in full force and effect and final upon the date this Ordinance is approved by the Office of Administrative Hearings.

PASSED AND ADOPTED by the City Council of the City of Princeton, Minnesota on this 24th day of September, 2015.

Paul Whitcomb, Mayor

ATTEST:

Shawna Jenkins, City Clerk

(City Seal)

This instrument was drafted by:

Mark Karnowski
City of Princeton
705 2nd Street North
Princeton MN 55371