



414 Nicollet Mall
Minneapolis, MN 55401

**PUBLIC DOCUMENT
NOT PUBLIC DATA HAS BEEN EXCISED**

March 16, 2022

—Via Electronic Filing—

Will Seuffert
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, MN 55101

RE: PETITION
TWO COMPENSATION AND ORDERLY TRANSFER AGREEMENTS BETWEEN
THE CITY OF KASSON AND XCEL ENERGY
DOCKET NO. E002,257/SA-22-____

Dear Mr. Seuffert:

Enclosed is a Joint Petition submitted by Northern States Power Company, doing business as Xcel Energy, and the City of Kasson seeking approval of two Compensation and Orderly Transfer Agreements between the two parties.

The list below identifies where items in the checklist for content of agreed upon service area agreements can be found in this filing.

Checklist	Location
Joint letter explaining the change	Petition
Contact Information for both utilities	This letter, page 2 and Petition, pages 3 and 4
Legal description of the properties in question	Schedule A, page 2 Schedule B, page 2
Explanation of why agreements are consistent with Minn. Stat. § 216B.39	Petition at page 3
Permanent boundary change or service by exception	Permanent, see Petition at page 3
Compensation and Orderly Transfer Agreement	Schedule A Schedule B
Digital or paper map	Schedule A, pages 8-9 Schedule B, pages 7-11

Customer Notice

A notice will be sent to the affected land owners (See Schedule C).

Customer class	Affected Customers/Lots	Date Notice Provided
Residential	65	Within 5 business days of filing.

Utility Employee Responsible for Filing

Bridget Dockter
Manager, Policy & Outreach
Xcel Energy
414 Nicollet Mall, 401 - 7th Floor
Minneapolis, MN 55401
(612) 337-2096

Jarrold Nelson
Electric Supervisor
City of Kasson
1401 16th St. NE
Kasson, MN 55944
(507) 634-6330

Electronic Service

Pursuant to Minn. R. 7829.0700, the parties request that the following persons be placed on the Commission's official service list for this proceeding:

For the City of Kasson:

Richard A. Heinemann
Attorney
Boardman & Clark LLP
1 S Pinckney St. Suite 410, PO Box 927
Madison, WI 53701-0927
rheinemann@boardmanclark.com

Jarrold Nelson
Electric Supervisor
City of Kasson
1401 16th St. NE
Kasson, MN 55944
electricdept@cityofkasson.com

For Xcel Energy:

Ian Dobson
Assistant General Counsel
Xcel Energy
414 Nicollet Mall, 401 - 8th Floor
Minneapolis, MN 55401
ian.m.dobson@xcelenergy.com

Lynnette Sweet
Regulatory Administrator
Xcel Energy
414 Nicollet Mall, 401 - 7th Floor
Minneapolis, MN 55401
regulatory.records@xcelenergy.com

GIS data

David Olson of Xcel Energy and Jarrold Nelson of Kasson will work with MNGeo and Commission staff to provide mapping information.

Schedules A and B to this filing contain private data on individuals, such as customer names and addresses. This information is non-public data under Minn. Stat. § 13.679, and for this reason we are making both public and non-public filings of these schedules. This information has been marked as Protected Data pursuant to Minn. R. 7829.0500.

We have electronically filed this document with the Minnesota Public Utilities Commission, and copies have been served on the parties on the attached service list.

Please contact me at bridget.dockter@xcelenergy.com or (612) 337-2096 or Jennifer Roesler at jennifer.roesler@xcelenergy.com or (612) 330-1925 if you have any questions regarding this filing.

Sincerely,

/s/

BRIDGET DOCKTER
MANAGER, POLICY & OUTREACH

Enclosures

c: Service List
Jarrod Nelson, Electric Supervisor, City of Kasson

STATE OF MINNESOTA
BEFORE THE
MINNESOTA PUBLIC UTILITIES COMMISSION

Katie Sieben	Chair
Joseph Sullivan	Vice-Chair
Valerie Means	Commissioner
Matthew Schuerger	Commissioner
John Tuma	Commissioner

IN THE MATTER OF THE PETITION FOR
APPROVAL OF TWO COMPENSATION AND
ORDERLY TRANSFER AGREEMENTS
BETWEEN NORTHERN STATES POWER
COMPANY AND THE CITY OF KASSON

DOCKET NO. E002,257/SA-22-____

PETITION

INTRODUCTION

Pursuant to Minn. Stat. §§ 216B.39 and 216B.44 and related Minnesota Rules, Northern States Power Company, doing business as Xcel Energy, and the City of Kasson (the City) hereby submit to the Minnesota Public Utilities Commission (the Commission), a joint petition for approval of two Compensation and Orderly Transfer Agreements (the Agreements) between Xcel Energy and the City of Kasson.

I. Summary of Filing

A one-paragraph summary of the filing accompanies this Petition.

II. Service on Other Parties

Xcel Energy has served a copy of this Petition on the attached service list.

III. Proposed Hearing Notice

Pursuant to Minn. Stat. §§ 216B.17, 216B.18, and 216B.39 subd. 3, a Proposed Hearing Notice is included as Schedule D.

IV. General Filing Information

A. Name, Address, and Telephone Number of Utility

Northern States Power Company, doing business as
Xcel Energy
414 Nicollet Mall
Minneapolis, MN 55401
(612) 330-5500

City of Kasson
401 5th Street SE
Kasson, MN 55944
(507) 634-6320

B. Name, Address, and Telephone Number of Utility Attorneys

Ian Dobson
Assistant General Counsel
Xcel Energy Services Inc.
414 Nicollet Mall, 401 - 8th Floor
Minneapolis, MN 55401
(612) 370-3578
ian.m.dobson@xcelenergy.com

Richard A. Heinemann
Attorney
Boardman & Clark LLP
1 S Pinckney St. Suite 410, PO Box 927
Madison, WI 53701-0927
rheinemann@boardmanclark.com

C. Date of Filing

The date of this filing is March 16, 2022.

D. Controlling Statute

Exclusive electric service territories have existed in Minnesota since 1974, and are considered necessary to encourage the development of coordinated statewide electric

service, to eliminate or avoid unnecessary duplication of utility facilities, and to promote economical, efficient, and adequate electric service to the public.

Minn. Stat. § 216B.37 provides electric utilities the exclusive right to serve customers within an assigned service territory, and Minn. Stat. § 216B.40 prohibits the provision of retail electric service by another utility within that assigned service territory, absent written consent.

Minn. Stat. §§ 216B.37-216B.47 provide the terms and conditions under which a city may extend retail electric service throughout the corporate limits of the city and authorize and permit electric utilities to define and revise their electric service territories by their written consent and agreement. Thus, two parties may agree to modify the boundary between their service territories by requesting Commission approval after notice and hearing under Minn. Stat. § 216B.39, or service by exception is consented to under Minn. Stat. § 216B.40.

These agreements are consistent with Minn. Stat. § 216B.39 because they avoid the unnecessary duplication of facilities, provide adequate electric service to all areas and customers affected, and promote the efficient and economical use and development of the electric systems of the contracting electric utilities. The City Council passed ordinances to annex portions of Xcel Energy's service territory within the City's corporate boundaries pursuant to Minn. Stat. § 216B.44. The agreements include permanent boundary changes for 65 residential lots, or 108.63 acres from Xcel Energy to the City of Kasson.

E. Utility Employee Responsible for Filing

Bridget Dockter
Manager, Policy & Outreach
Xcel Energy
414 Nicollet Mall, 401 - 7th Floor
Minneapolis, MN 55401
(612) 337-2096

Jarrold Nelson
Electric Supervisor
City of Kasson
1401 16th St. NE
Kasson, MN 55944
(507) 634-6330

V. MISCELLANEOUS INFORMATION

Pursuant to Minn. R. 7829.0700, the parties request that the following persons be placed on the Commission's official service list for this proceeding:

For the City of Kasson:

Richard A. Heinemann
Attorney
Boardman & Clark LLP
1 S Pinckney St. Suite 410, PO Box 927
Madison, WI 53701-0927
rheinemann@boardmanclark.com

Jarrold Nelson
Electric Supervisor
City of Kasson
1401 16th St. NE
Kasson, MN 55944
electricdept@cityofkasson.com

For Xcel Energy:

Ian M. Dobson
Assistant General Counsel
Xcel Energy
414 Nicollet Mall, 401 - 8th Floor
Minneapolis, MN 55401
ian.m.dobson@xcelenergy.com

Lynnette Sweet
Regulatory Administrator
Xcel Energy
414 Nicollet Mall, 401 - 7th Floor
Minneapolis, MN 55401
regulatory.records@xcelenergy.com

Any information requests in this proceeding should be submitted to Xcel Energy via the Regulatory Records e-mail address above and to the City of Kasson Public Utilities to Mr. Nelson at the e-mail address above.

VI. Description and Purpose of Filing

A. Reasons for the Filing

The purpose of this filing is to request approval of the permanent boundary change and to update the Commission records as provided in the Compensation and Orderly Transfer Agreements between Xcel Energy and the City of Kasson.

B. Affected Customers and Existing Facilities

In the agreements provided as Schedules A and B, there are no existing customers being served by Xcel Energy in the transfer areas. The City will pay Xcel Energy for loss-of-revenues for the transfer areas.

We have provided, as Schedule C to this Petition, a copy of the letters that will be sent to the customers providing information related to this proceeding.

C. Attached Documents

- Schedule A: Compensation and Orderly Transfer Agreement (27 residential lots, 57.07 acres)
- Schedule B: Compensation and Orderly Transfer Agreement (Komet Acres Subdivision-38 residential lots, 51.56 acres)
- Schedule C: Letters to customers
- Schedule D: Proposed Hearing Notice

CONCLUSION

For the reasons contained herein, we respectfully request the Commission approve the service territory adjustments in the two Agreements between Xcel Energy and the City of Kasson.

Dated: March 16, 2022

Northern States Power Company
and
The City of Kasson

STATE OF MINNESOTA
BEFORE THE
MINNESOTA PUBLIC UTILITIES COMMISSION

Katie Sieben	Chair
Joseph Sullivan	Vice-Chair
Valerie Means	Commissioner
Matthew Schuerger	Commissioner
John Tuma	Commissioner

IN THE MATTER OF THE PETITION FOR
APPROVAL OF TWO COMPENSATION AND
ORDERLY TRANSFER AGREEMENTS
BETWEEN NORTHERN STATES POWER
COMPANY AND THE CITY OF KASSON

DOCKET NO. E002,257/SA-22-____

SUMMARY

Summary of Filing

Please take notice that on March 16, 2022, Northern States Power Company, doing business as Xcel Energy, and the City of Kasson (the City) filed with the Minnesota Public Utilities Commission a joint petition for approval of two Compensation and Orderly Transfer Agreements between Xcel Energy and the City. The Agreements permanently transfer 108.63 acres of service territory to the City of Kasson from Xcel Energy in Dodge County.

**COMPENSATION AND ORDERLY TRANSFER
AGREEMENT**
between
NORTHERN STATES POWER COMPANY
a Minnesota corporation
and the
CITY OF KASSON

This agreement entered into this 1st day of December 2021, (the “Agreement”) between NORTHERN STATES POWER COMPANY, a Minnesota corporation, with its principal office located at 414 Nicollet Mall, Minneapolis, Minnesota, and the CITY OF KASSON with its principal office located at 401 5th Street SE, Kasson, Minnesota 55944 (collectively, the “Parties”).

RECITALS

A. Northern States Power Company, a Minnesota corporation, d/b/a Xcel Energy (“Xcel Energy”) is a “public utility” under Minn. Stat. § 216B.02, subdivision 4. Xcel Energy provides electric service to customers located within its assigned electric service area.

B. City of Kasson, a utility duly organized and existing under the laws of the State of Minnesota, including, inter alia Minn. Stat. § 412.321, that provides electric service within its assigned electric service area (the “Municipal”).

C. The laws of the State of Minnesota, namely Minn. Stat. § 216B.37 – 216B.47, provide the terms and conditions under which a Municipal utility may extend retail electric service throughout the corporate limits of the City, as well as authorize and permit electric utilities to define and revise their electric service territories by their written consent and agreement.

D. Pursuant to Minn. Stat. § 216B.44 the City may acquire the right for its Municipal utility to serve an area within its corporate boundaries through Service Territory Transfer of Annexation. The City Council passed an ordinance to annex a portion of Xcel Energy’s service territory within the City’s corporate boundaries (the “Annexed Service Territory Transfer”) known as Parcels [REDACTED] and [REDACTED] in Dodge County.

E. The Annexation reflected in Attachment 1 is located in the assigned electric service area of Xcel Energy, as further described in the map attached hereto as Attachment 1.

F. The parties have negotiated a mutual settlement in which the Municipal shall hold the exclusive right to provide electric service to the Annexed Territory, with appropriate compensation to Xcel Energy, and wish to avoid litigation. The Parties desire to set forth the terms and conditions of their agreement herein.

NOW THEREFORE, in consideration of the promises exchanged herein, the Parties agree as follows:

1. Scope of Agreement. The parties have agreed to a transfer of the exclusive right to provide electric service to the Annexed Service Territory Transfer Area from Xcel Energy to the Municipal on a date mutually agreed by the Parties.

Legal Description for Annexed Service Territory Transfer Area per Dodge County for Parcel Number [REDACTED] 39.90 acres and Parcel Number [REDACTED] 17.17 acres.

Section 34 Township 107 Range 016 39.90 AC BEG NWCOR NW ¼ S 508.02 FT E 1107.56 FT S 995.91 FT NE 1537.49 FT N1211.88 FT W2636.38 FT TO PT OF BEG EX PART OF BLAINES 12 SUBDIVISION. **(Reflected in Attachment 1)**

Section 34 Township 107 Range 016 17.17 AC COMM NVWCOR NW ¼ TH S01°07'04" E508.02FT, N88°52'56" E1107.56 FT, S01°07'04" E995.91 FT, FOR POB TH 79°17'00" E1537.49 FT, S00°31'17" E489.91 FT TO THE NORTH RIGHT OF WAY LINE. **(Reflected in Attachment 1)**

2. Existing Customers. The Parties acknowledge that there are no existing customers being served by Xcel Energy in this area, that would be affected by this Agreement.
3. The Transfer Area. The exclusive right and obligation to serve the Annexed Transfer Area shall permanently transfer to the Municipality on a date mutually agreed upon in writing between Parties (the Transfer Date). In consideration for the permanent transfer of an

area of territory through Annexation, the Municipality agrees to pay Xcel Energy a lump sum per home of \$2,913 (27 homes as noted in attachment 1 for a total of \$78,651.00) as loss-of-revenues for the service that currently exists in the Transfer Area. The payment shall be made as provided in Section 4 under Compensation. The Parties agree to cooperate fully in notifying the Existing Customers that the municipal is already serving within the Transfer area. Should any additional services be installed in the Transfer Area on or before the Transfer Date, the Municipality shall contact Xcel Energy and the parties will negotiate a mutually agreeable loss-of-revenues amount for the additional service(s).

4. Compensation. The Municipal will pay to Xcel Energy the following as compensation for the Transfer Area, the loss-of-revenues described above, and any integration or re-feed costs that may be necessary as compensation for the exclusive right to provide electric service to the Transfer Area through Annexation. The net book value will be calculated using the average property unit cost, net of customer contributions, and the year the unit of the property was initially purchased.
5. Payments for the Annexed Transfer Area: Payment need to be mailed to the Service Policy Manager at Xcel Energy located a 414 Nicollet Mall – CSC, Minneapolis, MN 55401. Payment is due 30 days following Commission approval.
6. Late Charges. If the Municipal fails to make any payment(s) within thirty (30) days of the date due, additional charges shall become due and payable at a rate of interest per annum equal to the prime rate for the last day of the prior month as reported in the “Wall Street Journal” plus one and one-half percent (1 ½%) per month (or the maximum percentage allowed by law, whichever is lower) on any unpaid amounts. Any payments shall be applied to outstanding interest first, followed by outstanding charges due prior to any current charges due.
7. Reservation of Rights. Except as specifically set forth herein, this Agreement does not modify or limit the legal rights of any party.

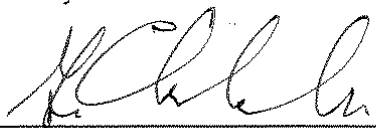
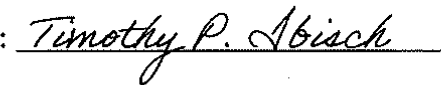
8. No Precedent. The Parties recognize that this Agreement is the result of negotiations between the Parties and that this Agreement and the Commission's approval of this Agreement does not represent any binding or legal precedent on any party in any other matter.
9. Request for Commission Approval of the Agreement. Upon execution of this Agreement by all Parties, Xcel Energy will prepare a Joint Petition to the Commission by the Parties to modify the assigned service territory to reflect the Transfer Area to the Municipal's assigned service area, along with this Agreement as evidence of the Parties' resolution of compensation. Upon drafting of such Joint Petition, the Municipal shall retain the right to review Joint Petition prior to signature of said document by duly authorized representation. Upon filing of the Agreement, the Parties will cooperate to send a notice to all affected customers informing them of the Agreement, and that it has been filed with the Commission. This notice shall provide customers with the Commission's address and the docket number to facilitate any customer participation in the proceeding.
10. Miscellaneous.
 - (a) Entire Agreement and Modification. This Agreement contains the entire agreement and understandings of the Parties hereto regarding the scope of the Agreement and appropriate compensation for the Transfer Area. All previous communications, or agreements, 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 a duly appointed representatives of 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. Headings are provided for convenience and are not part of the Agreement.
 - (b) Binding Assignment. The Agreement shall inure to the benefit of the Parties hereto and shall be binding on them and their respective legal representatives, successors, and

assigns. Provided, however, neither Party shall assign this Agreement, voluntarily, involuntarily or by operation of law, without prior written consent of the other.

- (c) Severance. 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 or rules that may direct the application of laws of another jurisdiction.
- (e) Agreement Drafted Jointly. The Parties agree that none of the Parties 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 among the Parties.
- (f) Regulation. The Parties acknowledge that this Agreement is subject to the jurisdiction of the Commission. If the Commission or other state agency with jurisdiction raises any question or challenges any provision of this Agreement, its exhibits, or the due performance thereof, the Parties shall each, at their own expense, exercise any and all lawful efforts reasonable and necessary to respond to said questions and to assure approval.
- (g) Effective Date. The effective date of this Agreement is the date upon which the Agreement has been signed by a duly appointed representative of both Parties.

- (h) Notice. Any notice permitted or required by this Agreement shall be made in writing and personally served or mailed (postage prepaid, return receipt requested) and shall be effective upon the date of personal service, or if by mail, upon the date of receipt.
 - (i) Counterparts and Electronic Signatures. This Agreement may be executed in counterpart, and may be executed by way of electronic signature, and if so, shall be considered an original.
11. Interim Service. The parties have agreed to allow the Municipal to serve customers in the Annexed Service Territory Transfer Area prior to the Commission approval of this Agreement.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year first above written 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 expressed hereby.

Northern States Power Company, A Minnesota corporation	City of Kasson
Greg Chamberlain Regional Vice President Regulatory & Government Affairs By:  Date: <u>12/8/21</u>	Timothy P. Ibisch City Administrator By:  Date: <u>12/11/2021</u>

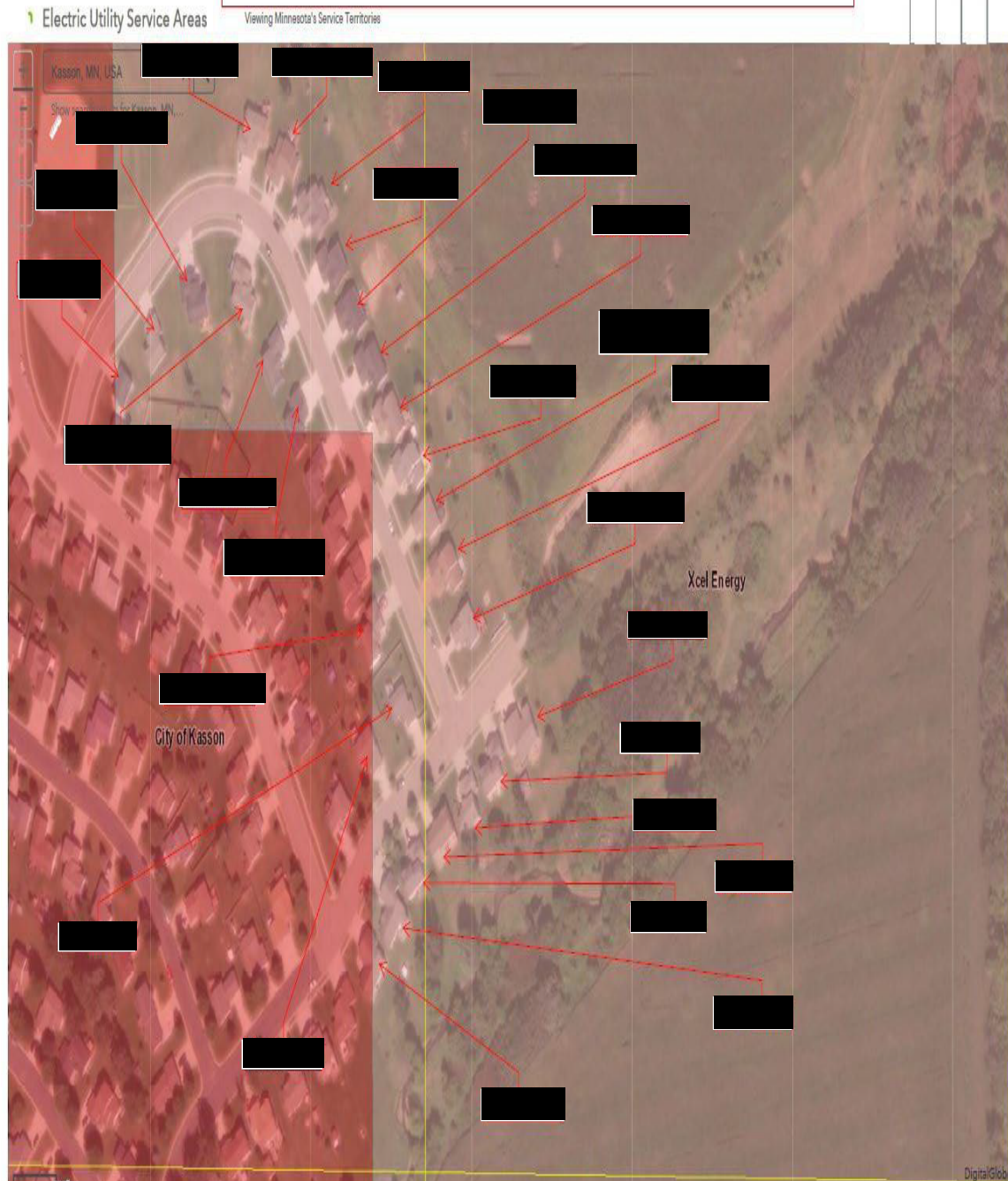
Attachment 1

The Annexation of Transfer Area for Parcel numbers [REDACTED] and [REDACTED] located in Township 107 Range 16 Section 34.

Electric Utility Service Areas

Page 1 of 1

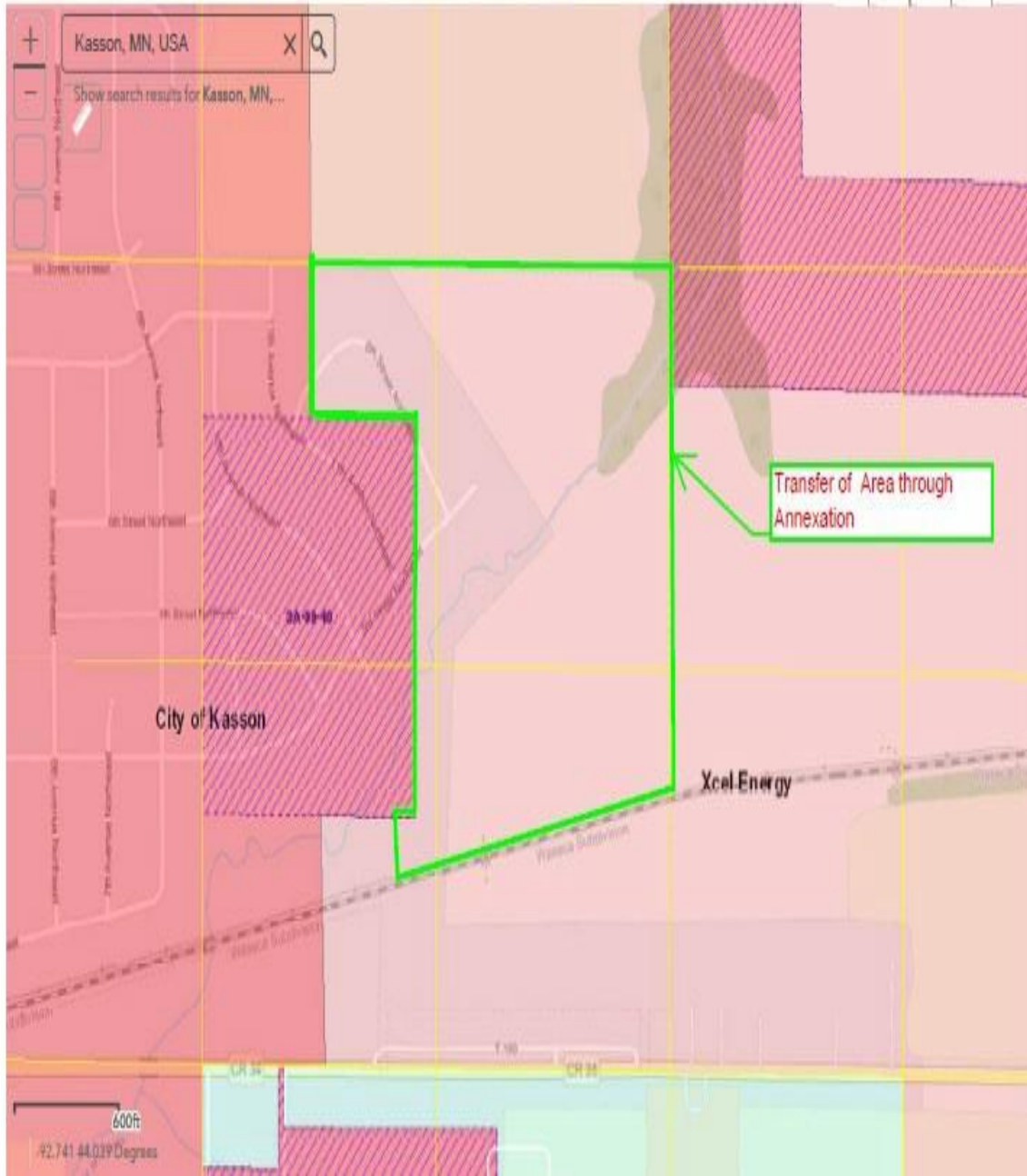
The Service Territory Transfer Annexation Area of 27 homes located in Township 107 Range 16 Section 34 in Dodge County.



Township 107 Range 16 Section 34 in Dodge County

Electric Utility Service Areas

Viewing Minnesota's Service Territory



**COMPENSATION AND ORDERLY TRANSFER
AGREEMENT**
between
NORTHERN STATES POWER COMPANY
a Minnesota corporation
and the
CITY OF KASSON

This agreement entered into this 1st day of December, 2021, (the “Agreement”) between NORTHERN STATES POWER COMPANY, a Minnesota corporation, with its principal office located at 414 Nicollet Mall, Minneapolis, Minnesota, and the CITY OF KASSON with its principal office located at 401 5th Street SE, Kasson, Minnesota 55944 (collectively, the “Parties”).

RECITALS

A. Northern States Power Company, a Minnesota corporation, d/b/a Xcel Energy (“Xcel Energy”) is a “public utility” under Minn. Stat. § 216B.02, subdivision 4. Xcel Energy provides electric service to customers located within its assigned electric service area.

B. City of Kasson, a utility duly organized and existing under the laws of the State of Minnesota, including, inter alia Minn. Stat. § 412.321, that provides electric service within its assigned electric service area (the “Municipal”).

C. The laws of the State of Minnesota, namely Minn. Stat. § 216B.37 – 216B.47, provide the terms and conditions under which a Municipal utility may extend retail electric service throughout the corporate limits of the City, as well as authorize and permit electric utilities to define and revise their electric service territories by their written consent and agreement.

D. Pursuant to Minn. Stat. § 216B.44 the City may acquire the right for its Municipal utility to serve an area within its corporate boundaries through Service Territory Transfer of Annexation. The City Council passed an ordinance to annex a portion of Xcel Energy’s service territory within the City’s corporate boundaries (the “Transfer Area”) known as Parcel [REDACTED] in Dodge County.

E. The Transfer Area is located within the assigned electric service area of Xcel Energy, as reflected and further described in the maps attached hereto as Attachment's 1, 2, 3, 4, and 5.

F. The parties have negotiated a mutual settlement in which the Municipal shall hold the exclusive right to provide electric service to the Transfer Area, with appropriate compensation to Xcel Energy, and wish to avoid litigation. The Parties desire to set forth the terms and conditions of their agreement herein.

NOW THEREFORE, in consideration of the promises exchanged herein, the Parties agree as follows:

1. Scope of Agreement. The parties have agreed to a transfer of the exclusive right to provide electric service to the Transfer Area from Xcel Energy to the Municipal on a date mutually agreed by the Parties.

Legal Description for the Transfer Area per Dodge County for Parcel Number [REDACTED] 51.56 acres.

Section 27 Township 107 Range 016 51.56 AC THE E 1/2 NE 1/4 EXCEPT COMM NE COR NE 1/4 W 302.5 FT TO POINT OF BEG SW 1373.21 FT, NW 793.21 FT, N 1250 FT, E 1007 FT TO BEGINNING ALSO EXCEPTING
(Reflected in Attachment's 1, 2, 3, 4, and 5)

2. Existing Customers. The Parties acknowledge that there are no existing customers being served by Xcel Energy in this area, that would be affected by this Agreement.
3. The Transfer Area. The exclusive right and obligation to serve the Transfer Area shall permanently transfer to the Municipality on a date mutually agreed upon in writing between Parties (the Transfer Date). In consideration for the permanent transfer of an area of territory through Annexation, the Municipality agrees to pay Xcel Energy a lump sum per home of \$2,913 (38 homes as noted in the plat's reflected on attachments 3, 4 and 5 for a total of \$110,694.00) as loss-of-revenues for the transfer Area. The payment shall be made as provided in Section 4 under Compensation. Should any additional services be installed in the Transfer Area on or before the Transfer

Date, the Municipality shall contact Xcel Energy and the parties will negotiate a mutually agreeable loss-of-revenues amount for the additional service(s).

4. Compensation. The Municipal will pay to Xcel Energy the following as compensation for the Transfer Area, the loss-of-revenues described above, and any integration or re-feed costs that may be necessary as compensation for the exclusive right to provide electric service to the Transfer Area through Annexation. The net book value will be calculated using the average property unit cost, net of customer contributions, and the year the unit of the property was initially purchased.
5. Annual Payments for the Annexed Transfer Area: Payment needs to be mailed to the Service Policy Manager at Xcel Energy located a 414 Nicollet Mall – CSC, Minneapolis, MN 55401. Payment is due 30 days following Commission approval.
6. Late Charges. If the Municipal fails to make any payment(s) within thirty (30) days of the date due, additional charges shall become due and payable at a rate of interest per annum equal to the prime rate for the last day of the prior month as reported in the “Wall Street Journal” plus one and one-half percent (1 ½%) per month (or the maximum percentage allowed by law, whichever is lower) on any unpaid amounts. Any payments shall be applied to outstanding interest first, followed by outstanding charges due prior to any current charges due.
7. Reservation of Rights. Except as specifically set forth herein, this Agreement does not modify or limit the legal rights of any party.
8. 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.
9. Request for Commission Approval of the Agreement. Upon execution of this Agreement by all Parties, Xcel Energy will prepare a Joint Petition to the Commission by the Parties to modify the assigned service territory to reflect the Transfer Area to the

Municipal's assigned service area, along with this Agreement as evidence of the Parties' resolution of compensation. Upon drafting of such Joint Petition, the Municipal shall retain the right to review Joint Petition prior to signature of said document by duly authorized representation. Upon filing of the Agreement, the Parties will cooperate to send a notice to all affected customers informing them of the Agreement, and that it has been filed with the Commission. This notice shall provide customers with the Commission's address and the docket number to facilitate any customer participation in the proceeding.

10. Miscellaneous.


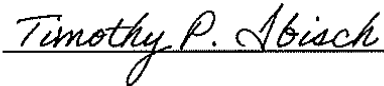
- (a) Entire Agreement and Modification. This Agreement contains the entire agreement and understandings of the Parties hereto regarding the scope of the Agreement and appropriate compensation for the Transfer Area. All previous communications, or agreements, between the Parties hereto, either verbal 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 a duly appointed representatives of 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. Headings are provided for convenience and are not part of the Agreement.
- (b) Binding Assignment. The Agreement shall inure to the benefit of the Parties hereto and shall be binding on them and their respective legal representatives, successors, and assigns. Provided, however, neither Party shall assign this Agreement, voluntarily, involuntarily or by operation of law, without prior written consent of the other.
- (c) Severance. 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 or rules that may direct the application of laws of another jurisdiction.
- (e) Agreement Drafted Jointly. The Parties agree that none of the Parties 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 among the Parties.
- (f) Regulation. The Parties acknowledge that this Agreement is subject to the jurisdiction of the Commission. If the Commission or other state agency with jurisdiction raises any question or challenges any provision of this Agreement, its exhibits, or the due performance thereof, the Parties shall each, at their own expense, exercise any and all lawful efforts reasonable and necessary to respond to said questions and to assure approval.
- (g) Effective Date. The effective date of this Agreement is the date upon which the Agreement has been signed by a duly appointed representative of both Parties.
- (h) Notice. Any notice permitted or required by this Agreement shall be made in writing and personally served or mailed (postage prepaid, return receipt requested) and shall be effective upon the date of personal service, or if by mail, upon the date of receipt.
- (i) Counterparts and Electronic Signatures. This Agreement may be executed in counterpart, and may be executed by

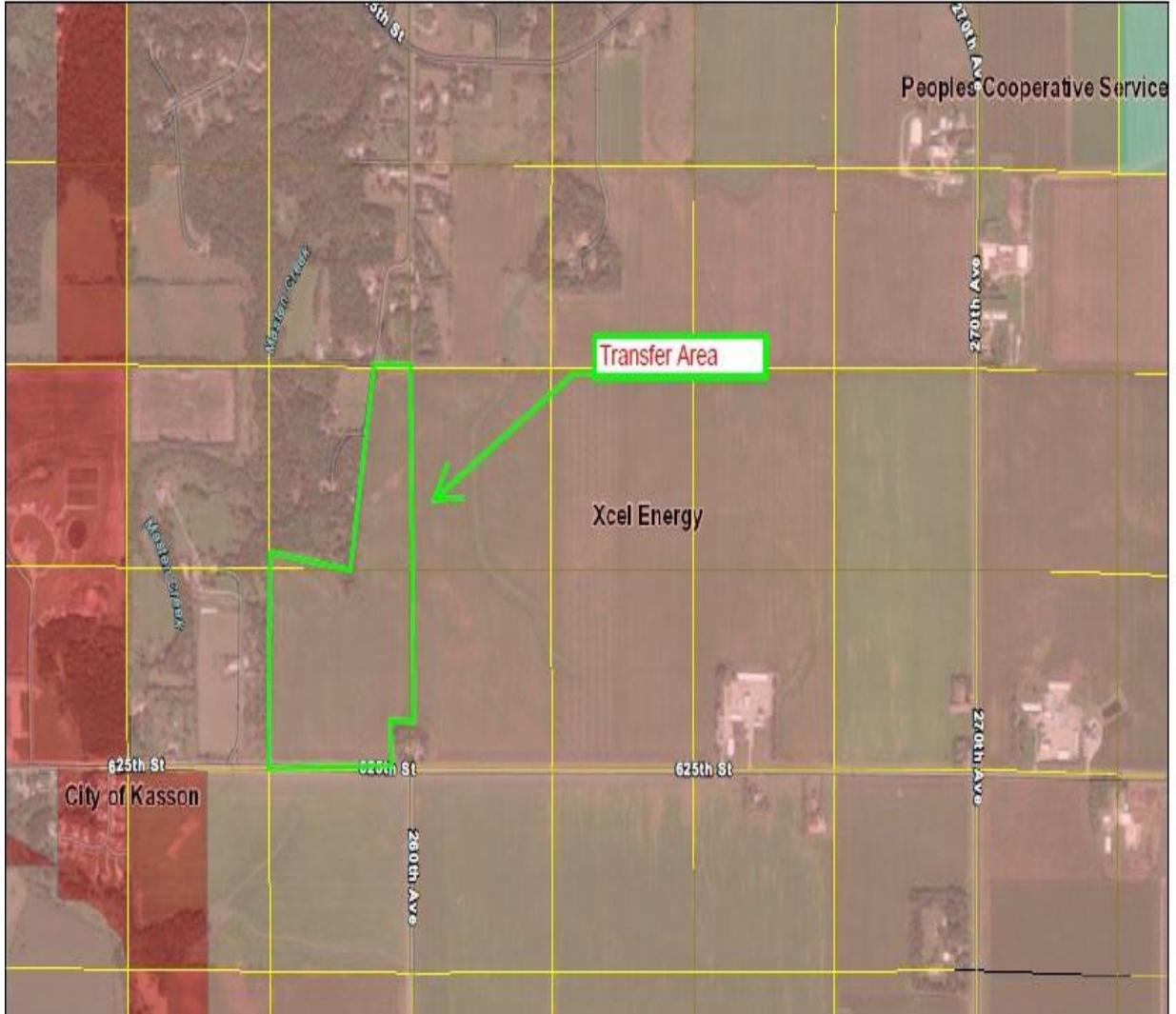
way of electronic signature, and if so, shall be considered an original.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day and year first above written 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 expressed hereby.

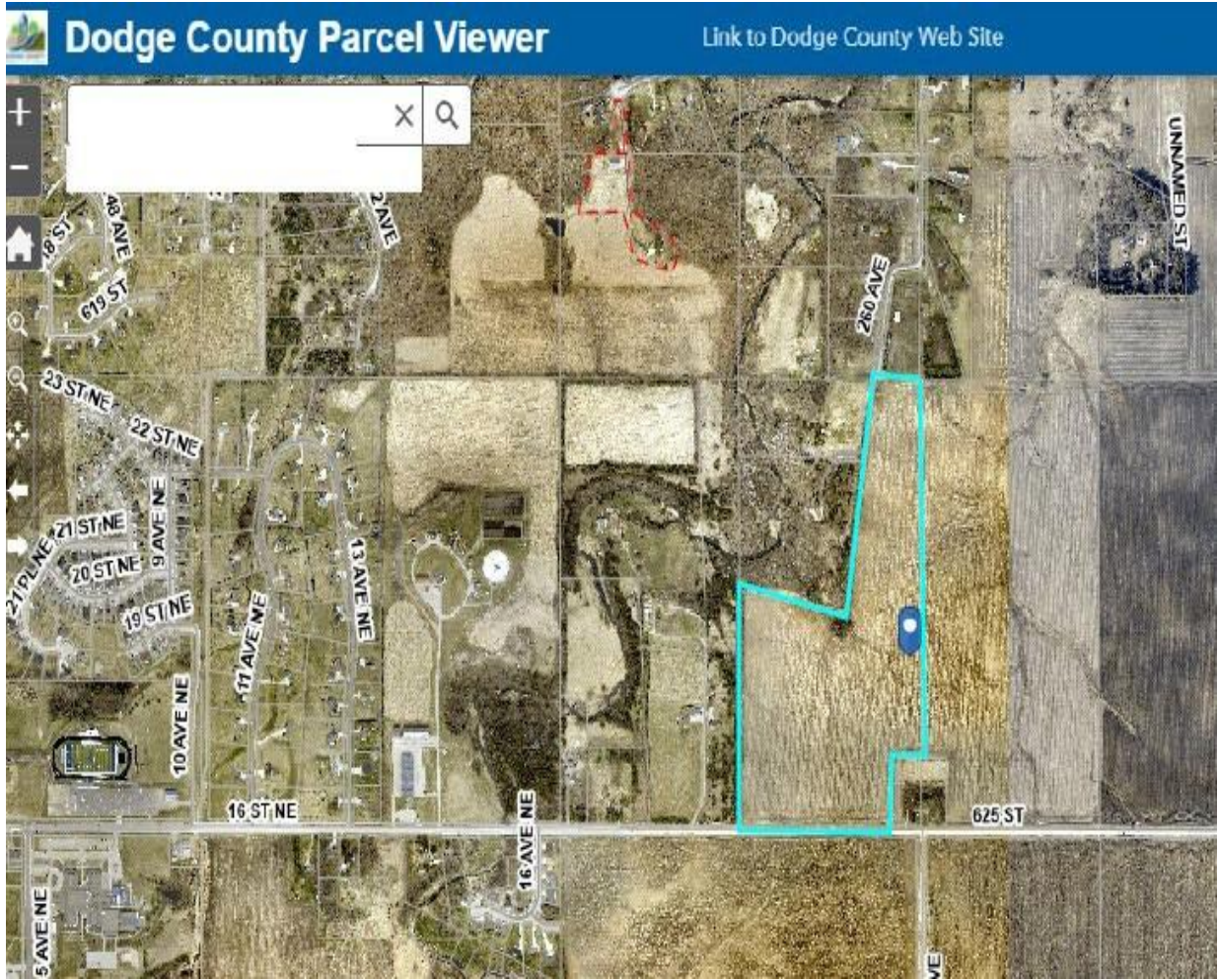
Northern States Power Company, A Minnesota corporation	City of Kasson
Greg Chamberlain Regional Vice President Regulatory & Government Affairs By: <u></u> Date: <u>12/8/21</u>	Timothy P. Ibisch City Administrator By: <u></u> Date: <u>12/1/2021</u>

Attachment 1

Minnesota Electric Utility Service Areas

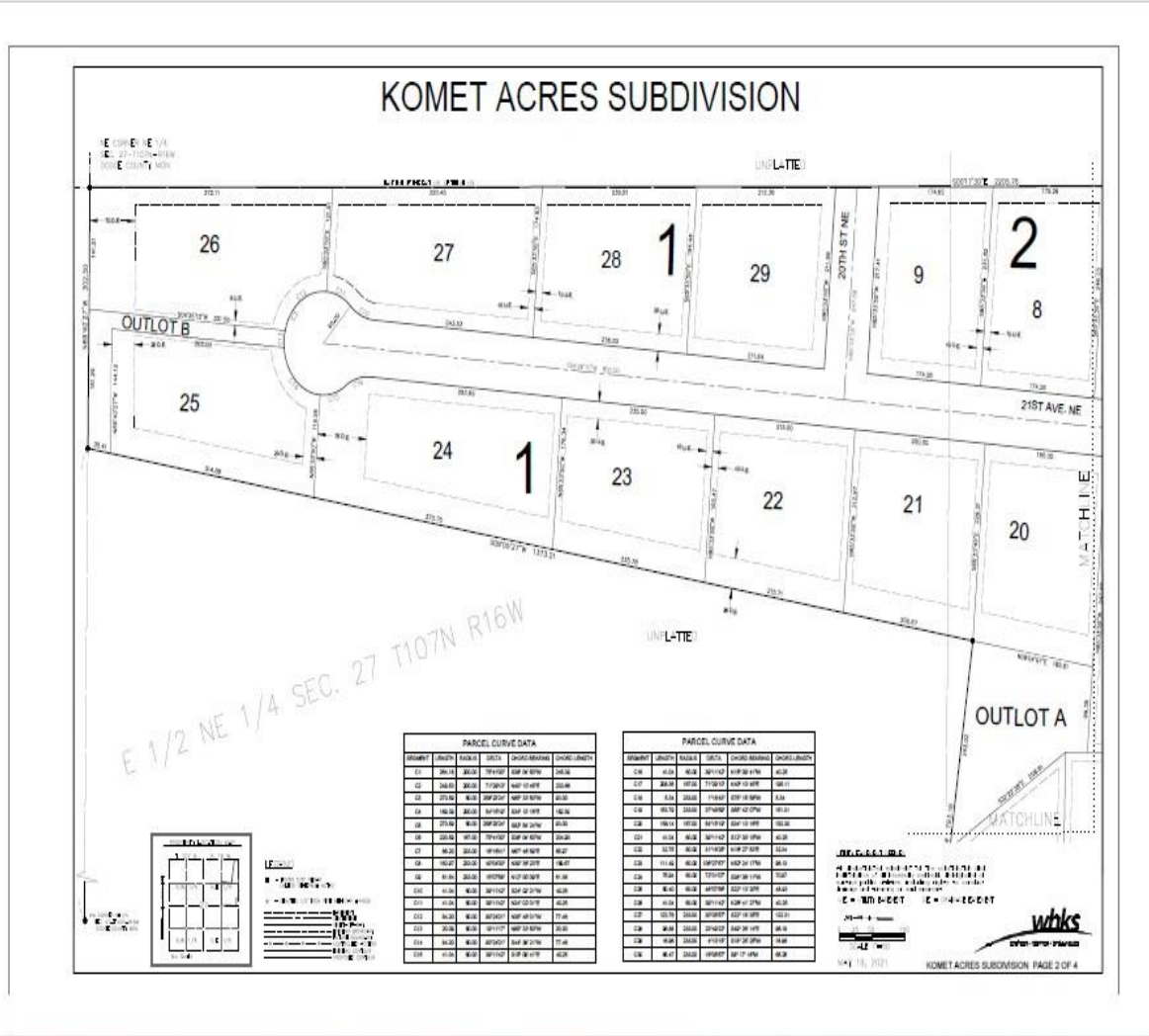


Attachment 2



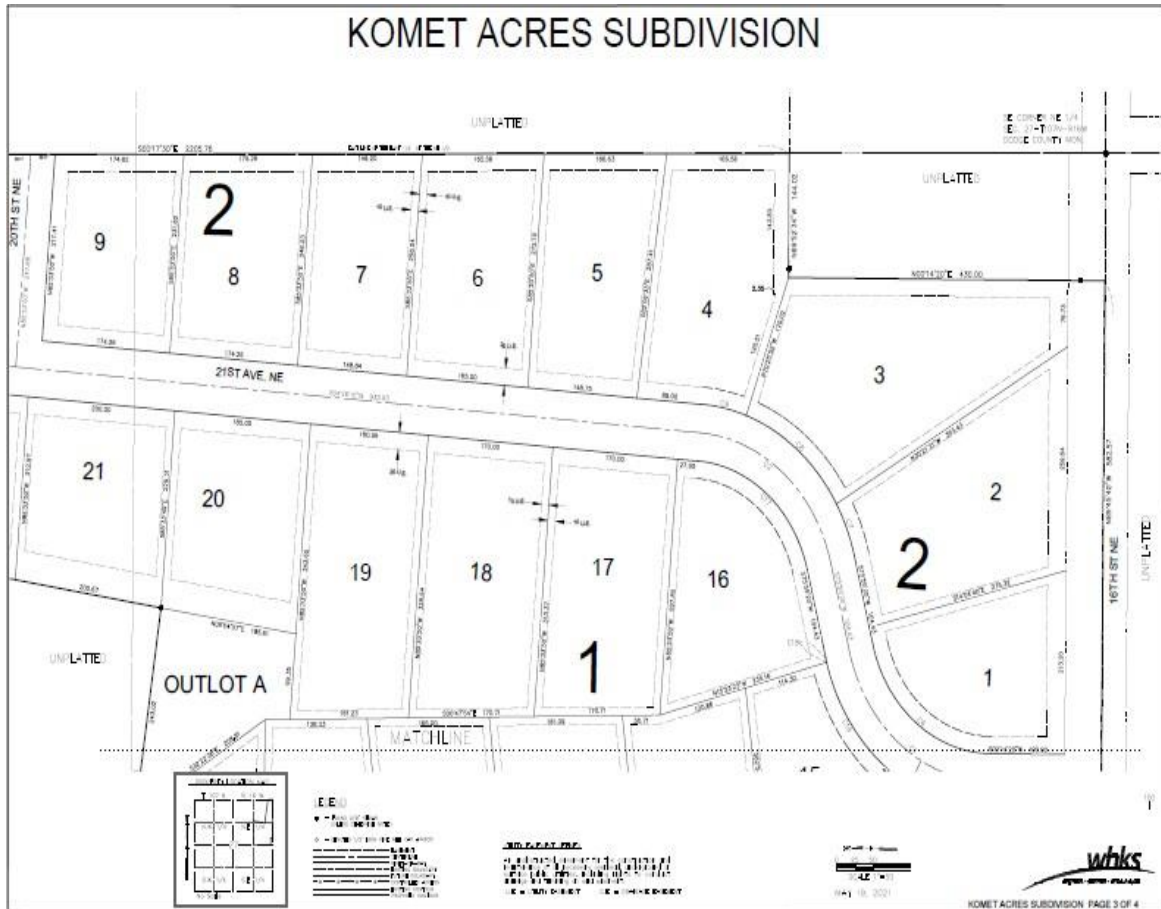
PUBLIC DOCUMENT
 NOT PUBLIC DATA HAS BEEN EXCISED
 *Black rectangle indicates Private Data on Individuals.

Attachment 3

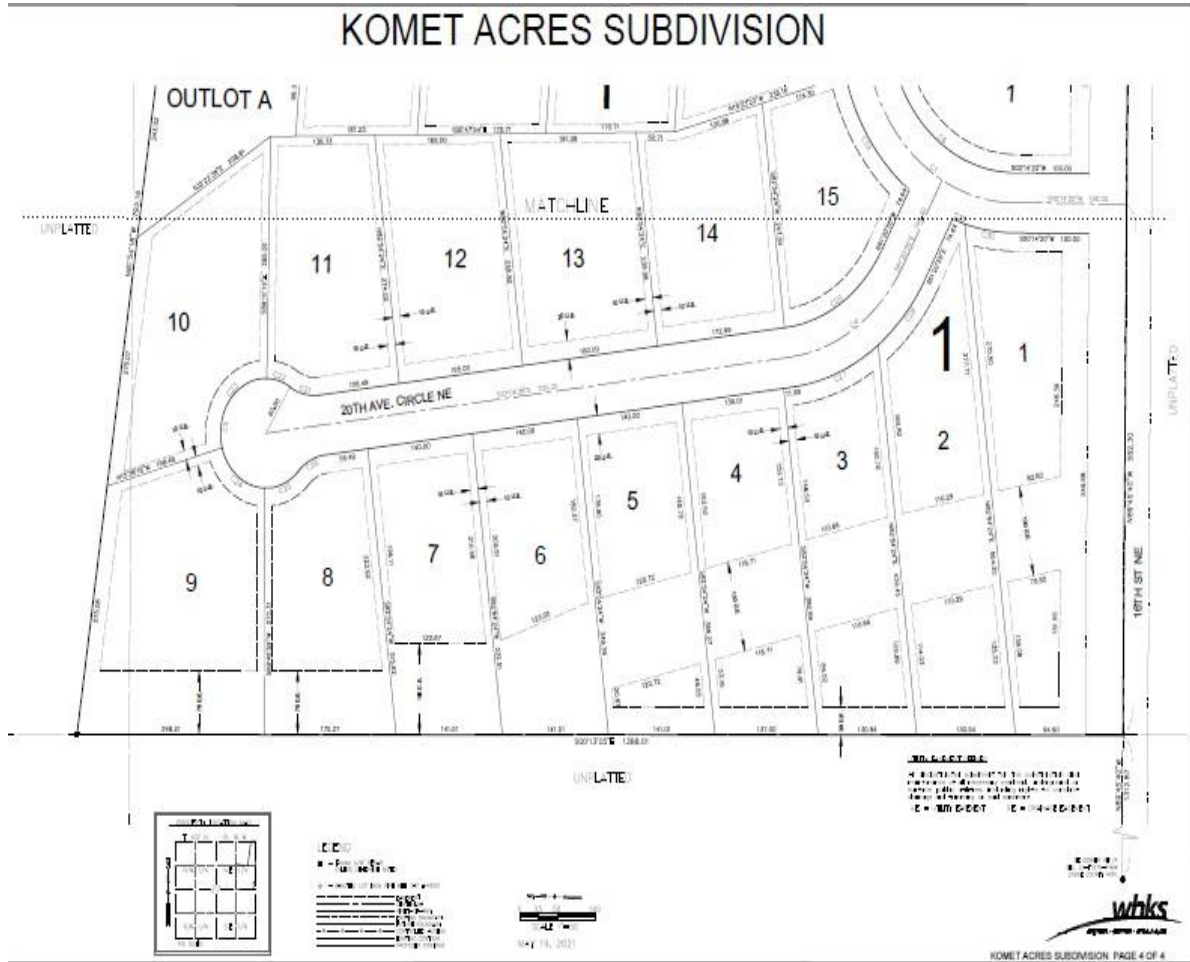


PUBLIC DOCUMENT
NOT PUBLIC DATA HAS BEEN EXCISED
*Black rectangle indicates Private Data on Individuals.

Attachment 4



Attachment 5



March xx, 2022

Customer Name
Customer Address

RE: COMPENSATION AND ORDERLY TRANSFER AGREEMENT BETWEEN
XCEL ENERGY AND THE CITY OF KASSON
MINNESOTA PUBLIC UTILITIES COMMISSION DOCKET NO. E002,257/SA-22-____

Dear Customer Name:

This letter is to notify you of a proceeding before the Minnesota Public Utilities Commission (MPUC) related to a Compensation and Orderly Transfer Agreement between the City of Kasson and Xcel Energy.

Your lot is in Xcel Energy's assigned electric service territory. To coordinate electric service and avoid unnecessary duplication of facilities, the utilities have agreed to transfer the service territory to the City of Kasson. The utilities have jointly requested that the MPUC update the official service territory maps to allow the City of Kasson to permanently provide electric service to your lot.

This letter is intended to notify you of the filing with the MPUC. If you have concerns or would like to address the MPUC on this matter, you may contact them in writing at 121 Seventh Place East, Suite 350, St. Paul, Minnesota 55101. You should reference the docket number provided above in any correspondence. The MPUC will accept comments on this proceeding until _____.

Kasson values your business and strives to provide the highest quality service. If you have any questions, please feel free to call me at (507) 634-6330 or David W. Olson II with Xcel Energy at (612) 337-2207.

Sincerely,

Jarrold Nelson
Electric Supervisor
City of Kasson

STATE OF MINNESOTA
BEFORE THE
MINNESOTA PUBLIC UTILITIES COMMISSION

Katie Sieben	Chair
Joseph Sullivan	Vice-Chair
Valerie Means	Commissioner
Matthew Schuerger	Commissioner
John Tuma	Commissioner

IN THE MATTER OF THE PETITION FOR
APPROVAL OF TWO COMPENSATION AND
ORDERLY TRANSFER AGREEMENTS
BETWEEN NORTHERN STATES POWER
COMPANY AND THE CITY OF KASSON

Docket No. E002,257/SA-22-____

PROPOSED HEARING NOTICE

NOTICE OF COMMISSION MEETING

The Minnesota Public Utilities Commission will consider a Joint Petition related to two Compensation and Orderly Transfer Agreements between Northern States Power Company, doing business as Xcel Energy, and the City of Kasson (the City) at a meeting on (Day and Date) beginning at (Time and Location). This meeting will be open to the public.

Pursuant to Minn. Stat. § 216B.39, subd. 3, notice is hereby given to Xcel Energy and the City of Kasson, governing bodies, and other persons.

Persons who have submitted comments may be permitted to address the Commission. Questions regarding this matter may be directed to (Commission Staff) at (Telephone Number).

CERTIFICATE OF SERVICE

I, Crystal Syvertsen, hereby certify that I have this day served copies of the foregoing document on the attached list of persons.

xx by depositing a true and correct copy thereof, properly enveloped with postage paid in the United States mail at Minneapolis, Minnesota

xx electronic filing

Xcel Energy's Miscellaneous Electric Service List

Dated this 16th day of March 2022

/s/

Crystal Syvertsen
Regulatory Administrator

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Alison C	Archer	aarcher@misoenergy.org	MISO	2985 Ames Crossing Rd Eagan, MN 55121	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
James J.	Bertrand	james.bertrand@stinson.com	STINSON LLP	50 S 6th St Ste 2600 Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
John	Coffman	john@johncoffman.net	AARP	871 Tuxedo Blvd. St, Louis, MO 63119-2044	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Generic Notice	Commerce Attorneys	commerce.attorneys@ag.state.mn.us	Office of the Attorney General-DOC	445 Minnesota Street Suite 1400 St. Paul, MN 55101	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Riley	Conlin	riley.conlin@stoel.com	Stoel Rives LLP	33 S. 6th Street Suite 4200 Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Brooke	Cooper	bcooper@allete.com	Minnesota Power	30 W Superior St Duluth, MN 558022191	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
George	Crocker	gwillc@nawo.org	North American Water Office	PO Box 174 Lake Elmo, MN 55042	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Christopher	Droske	christopher.droske@minneapolis.mn.gov	City of Minneapolis	661 5th Ave N Minneapolis, MN 55405	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
John	Farrell	jfarrell@ilsr.org	Institute for Local Self- Reliance	2720 E. 22nd St Institute for Local Self- Reliance Minneapolis, MN 55406	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 280 Saint Paul, MN 551012198	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Edward	Garvey	edward.garvey@AESLconsulting.com	AESL Consulting	32 Lawton St Saint Paul, MN 55102-2617	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Adam	Heinen	aheinen@dakotaelectric.com	Dakota Electric Association	4300 220th St W Farmington, MN 55024	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Michael	Hoppe	lu23@ibew23.org	Local Union 23, I.B.E.W.	445 Etna Street Ste. 61 St. Paul, MN 55106	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Alan	Jenkins	aj@jenkinsatlaw.com	Jenkins at Law	2950 Yellowtail Ave. Marathon, FL 33050	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Richard	Johnson	Rick.Johnson@lawmoss.com	Moss & Barnett	150 S. 5th Street Suite 1200 Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Sarah	Johnson Phillips	sarah.phillips@stoel.com	Stoel Rives LLP	33 South Sixth Street Suite 4200 Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Thomas	Koehler	TGK@IBEW160.org	Local Union #160, IBEW	2909 Anthony Ln St Anthony Village, MN 55418-3238	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Peder	Larson	plarson@larkinhoffman.com	Larkin Hoffman Daly & Lindgren, Ltd.	8300 Norman Center Drive Suite 1000 Bloomington, MN 55437	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Kavita	Maini	kmains@wi.rr.com	KM Energy Consulting, LLC	961 N Lost Woods Rd Oconomowoc, WI 53066	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Pam	Marshall	pam@energycents.org	Energy CENTS Coalition	823 7th St E St. Paul, MN 55106	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Stacy	Miller	stacy.miller@minneapolisn.gov	City of Minneapolis	350 S. 5th Street Room M 301 Minneapolis, MN 55415	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
David	Moeller	dmoeller@allete.com	Minnesota Power	30 W Superior St Duluth, MN 558022093	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Andrew	Moratzka	andrew.moratzka@stoel.com	Stoel Rives LLP	33 South Sixth St Ste 4200 Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
David	Niles	david.niles@avantenergy.com	Minnesota Municipal Power Agency	220 South Sixth Street Suite 1300 Minneapolis, Minnesota 55402	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Carol A.	Overland	overland@legalectric.org	Legalelectric - Overland Law Office	1110 West Avenue Red Wing, MN 55066	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Generic Notice	Residential Utilities Division	residential.utilities@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012131	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Kevin	Reuther	kreuther@mncenter.org	MN Center for Environmental Advocacy	26 E Exchange St, Ste 206 St. Paul, MN 551011667	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Richard	Savelkoul	rsavelkoul@martinsquires.com	Martin & Squires, P.A.	332 Minnesota Street Ste W2750 St. Paul, MN 55101	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Will	Seuffert	Will.Seuffert@state.mn.us	Public Utilities Commission	121 7th PI E Ste 350 Saint Paul, MN 55101	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Ken	Smith	ken.smith@districtenergy.com	District Energy St. Paul Inc.	76 W Kellogg Blvd St. Paul, MN 55102	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Byron E.	Starns	byron.starns@stinson.com	STINSON LLP	50 S 6th St Ste 2600 Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
James M	Strommen	jstrommen@kennedy-graven.com	Kennedy & Graven, Chartered	150 S 5th St Ste 700 Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Eric	Swanson	eswanson@winthrop.com	Winthrop & Weinstine	225 S 6th St Ste 3500 Capella Tower Minneapolis, MN 554024629	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Lynnette	Sweet	Regulatory.records@xcelenergy.com	Xcel Energy	414 Nicollet Mall FL 7 Minneapolis, MN 554011993	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Thomas	Tynes	jjazynka@energyfreedomcoalition.com	Energy Freedom Coalition of America	101 Constitution Ave NW Ste 525 East Washington, DC 20001	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Lisa	Veith	lisa.veith@ci.stpaul.mn.us	City of St. Paul	400 City Hall and Courthouse 15 West Kellogg Blvd. St. Paul, MN 55102	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Joseph	Windler	jwindler@winthrop.com	Winthrop & Weinstine	225 South Sixth Street, Suite 3500 Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric
Patrick	Zomer	Pat.Zomer@lawmoss.com	Moss & Barnett PA	150 S 5th St #1200 Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Northern States Power Company dba Xcel Energy-Elec_Xcel Miscl Electric