

July 16, 2018

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. E148, E221/SA-18-415

Dear Mr. Wolf:

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

The Joint Request of the City of Buffalo and Wright-Hennepin Cooperative Electric Association to update electric service territory records.

The petition was filed on June 21, 2018 by:

Kathleen M. Brennan
McGrann Shea Carnival Straughn & Lamb, Chartered
414 Nicollet Mall, Suite 2600
Minneapolis, MN 55402

The Department recommends that the Minnesota Public Utilities Commission (Commission) approve the service territory transfer from the Wright-Hennepin Cooperative Electric Association to the City of Buffalo, and 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. E148, E221 /SA-18-415

I. BACKGROUND

Wright-Hennepin Cooperative Electric Association (the Cooperative) is an electric distribution cooperative formed pursuant to the provisions of Minn. Stat. Chapter 308A. The City of Buffalo (the City) operates a municipal utility under laws of the State of Minnesota.

II. SUMMARY OF PROPOSAL

On May 4, 2018, the parties jointly filed a petition under Minn. Stat. § 216B.39, asking the Minnesota Public Utilities Commission (Commission) to modify the parties' service territory boundaries (Petition). The Petition requests that the Transfer Area be transferred from the Cooperative's to the City's assigned service area.

III. DEPARTMENT ANALYSIS

A. *TRANSFER OF THE AFFECTED AREA FROM THE COOPERATIVE TO XCEL ENERGY*

Exhibit A to the Petition is a map and legal description that identifies the boundaries of the Transfer Area which includes approximately 7 acres and zero customers at the present time. The legal description is as follows:

The North 691.00 feet of the West 445.00 feet of the Northwest Quarter of the Northwest Quarter of Section 28, Township 120 North, Range 25 West, Wright County, Minnesota.

EXCEPT

Parcel No. 4 WRIGHT COUNTY HIGHWAY RIGHT OF WAY PLAT NO. 69, according to the recorded plat thereof, Wright County, Minnesota.

Per the Petition, it should be noted that the proposed transfer is a permanent transfer of service territory.

Per the Petition, it should be noted that the transfer of service territory will not impact any existing customers, since there are zero customers in the transfer area.

B. INTERIM SERVICE

The Minnesota Department of Commerce, Division of Energy Resources (Department) notes the parties have agreed in writing that if a customer requests service before the Commission has considered the joint Petition, the City may provide interim service to the transfer area, subject to certain conditions.

C. CUSTOMER NOTICE

The Department notes in the event a customer requests service before the Commission has considered the joint Petition, the parties will provide notice to any customer about this proceeding and file the notice with the Commission.

D. COMPENSATION

The Department notes the parties have agreed on appropriate compensation for the permanent transfer of service territory.

Thus, the Department agrees that the Parties' request to establish the Affected Area as part of the city of Buffalo's service area is consistent with Minn. Stat. § 216B.39 and 216B.40.

IV. RECOMMENDATION

The Department recommends that the Commission approve the permanent service territory transfer from Wright-Hennepin Cooperative Electric Association to the City of Buffalo. MnGeo should update the Commission's maps to reflect the service area designation as shown on the map in the Petition.

/ja