

May 11, 2015

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,E132/SA-15-360

Dear Mr. Wolf:

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

The Joint Request for Approval of a Service Territory Orderly Transfer Agreement between Northern States Power Company and People's Energy Cooperative.

The petition was filed on April 16, 2015 by:

Paul J. Lehman  
Manager, Regulatory Compliance and Filings  
Xcel Energy Services Inc.  
414 Nicollet Mall – 7<sup>th</sup> Floor  
Minneapolis, MN 55401

The Department recommends that the Minnesota Public Utilities Commission (Commission) approve the requested service territory boundary transfer between Northern States Power Company and People's Energy Cooperative, 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. E002,E132/SA-15-360**

**I. SUMMARY OF PROPOSAL**

On April 16, 2015, Northern States Power Company d/b/a Xcel Energy and People's Energy Cooperative (the Cooperative), collectively the Parties, jointly filed a petition under Minn. Stat. 216B.39, subd. 3 asking the Minnesota Public Utilities Commission (Commission) for approval of a Service Territory Orderly Transfer Agreement.

Attached to the petition as Schedule A, is the ORDERLY TRANSFER AGREEMENT BETWEEN NORTHERN STATES POWER COMPANY, A Minnesota Corporation and PEOPLE'S ENERGY COOPERATIVE (the Agreement).

Attachment 1 to the Agreement identifies that the boundary changes will allow:

- Xcel Energy to serve Parcels I, J and K; and
- People's Electric Cooperative to serve Parcels A, B, C, D, E, F, G and H.

Attachment 2 to the Agreement provides the service territory parcel descriptions for the three parcels transferred from the Cooperative to Xcel Energy, and the eight parcels transferred from Xcel Energy to the Cooperative.

**II. DEPARTMENT ANALYSIS**

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.

As described in Attachment 2 to the Agreement, the Parties agree the following parcels will transfer from the Xcel Energy to the Cooperative:

Parcel A: The S  $\frac{1}{2}$  of the SE  $\frac{1}{4}$  of the NE  $\frac{1}{4}$  of Section 34, T 107 N, R 15 W, Olmstead County, Minnesota, lying north of the Canadian Pacific Railroad.

Parcel B: The S  $\frac{1}{2}$  of the SW  $\frac{1}{4}$  of the NE  $\frac{1}{4}$  of Section 34, T 107 N, R 15 W, Olmstead County, Minnesota, lying north of the Canadian Pacific Railroad.

Parcel C: The S  $\frac{1}{2}$  of the SE  $\frac{1}{4}$  of the NW  $\frac{1}{4}$  of Section 34, T 107 N, R 15 W, Olmstead County, Minnesota, lying north of the Canadian Pacific Railroad.

Parcel D: The S  $\frac{1}{2}$  of the SW  $\frac{1}{4}$  of the NW  $\frac{1}{4}$  of Section 34, T 107 N, R 15 W, Olmstead County, Minnesota, lying north of the Canadian Pacific Railroad.

Parcel E: The SE  $\frac{1}{4}$  of the SE  $\frac{1}{4}$  of the NE  $\frac{1}{4}$  of Section 33, T 107 N, R 15 W, Olmstead County, Minnesota, lying north of the Canadian Pacific Railroad.

Parcel F: The SW  $\frac{1}{4}$  of the NE  $\frac{1}{4}$  of the NE  $\frac{1}{4}$  of Section 33, T 107 N, R 15 W, Olmstead County, Minnesota, lying north of the centerline of Byron Main Court NE and west of the centerline of 12<sup>th</sup> Avenue NE.

Parcel G: The SE  $\frac{1}{4}$  of the NW  $\frac{1}{4}$  of the NE  $\frac{1}{4}$  of Section 33, T 107 N, R 15 W, Olmstead County, Minnesota, lying north of the centerline of Byron Main Court NE.

Parcel H: The SW  $\frac{1}{4}$  of the NW  $\frac{1}{4}$  of the NE  $\frac{1}{4}$  of Section 33, T 107 N, R 15 W, Olmstead County, Minnesota, lying north of the centerline of Tomkins Drive NE.

As described in Attachment 2 to the Agreement, the Parties agree the following parcels will transfer from the Cooperative to Xcel Energy:

Parcel I: The N  $\frac{1}{2}$  of the NW  $\frac{1}{4}$  of the NW  $\frac{1}{4}$  of Section 33, T 107 N, R 15 W, Olmstead County, Minnesota, lying east of the east line of Bearwood Estates 5<sup>th</sup> Subdivision and the northerly extension of said east line thereof.

Parcel J: The N  $\frac{1}{2}$  of the NE  $\frac{1}{4}$  of the NW  $\frac{1}{4}$  of Section 33, T 107 N, R 15 W, Olmstead County, Minnesota.

Parcel K: The NW  $\frac{1}{4}$  of the NE  $\frac{1}{4}$  of the NE  $\frac{1}{4}$  of Section 33, T 107 N, R 15 W, Olmstead County, Minnesota, lying east of the east line of the centerline of 12<sup>th</sup> avenue NE and south of the centerline of 6<sup>th</sup> Street NE.

The Parties agree that no compensation is due for the exchange of service areas identified in the Agreement.

The Parties acknowledge that all of the areas are currently not developed and there are no existing customers affected by this Agreement.

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Analyst assigned: Dale V. Lusti

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Thus, the Department agrees that the Parties' requested service area changes are consistent with Minn. Stat. Sections 216B.37 to 216B.40, and should be approved.

### **III. RECOMMENDATION**

The Department recommends that the Commission approve the requested service territory boundary changes.

/ja

## **CERTIFICATE OF SERVICE**

I, Sharon Ferguson, hereby certify that I have this day, served copies of the following document on the attached list of persons by electronic filing, certified mail, e-mail, or by depositing a true and correct copy thereof properly enveloped with postage paid in the United States Mail at St. Paul, Minnesota.

**Minnesota Department of Commerce  
Comments**

**Docket No. E002,132/SA-15-360**

**Dated this 11<sup>th</sup> day of May 2015**

**/s/Sharon Ferguson**

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Christopher	Anderson	canderson@allete.com	Minnesota Power	30 W Superior St  Duluth, MN 558022191	Electronic Service	No	OFF_SL_15-360_SA-15-360
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	OFF_SL_15-360_SA-15-360
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