

McGRANN SHEA CARNIVAL STRAUGHN & LAMB, CHARTERED
ATTORNEYS AT LAW

WILLIAM R. MCGRANN
DOUGLAS M. CARNIVAL
KATHLEEN M. LAMB
JOHN R. SCHULZ
BRIAN L. SOBOL
SCOTT B. CROSSMAN
CARLA J. PEDERSEN

JOSEPH T. BAGNOLI
ROGER J. STELLJES
JEFFREY C. URBAN
KATHLEEN MICHAELA BRENNAN
CARL S. WOSMEK
AMY L. COURT
CHRISTY E. LAWRIE

MATTHEW W. BUCKLEY
OF COUNSEL
ROBERT O. STRAUGHN
PETER L. COOPER
ANDREW J. SHEA
(1938-2018)

February 25, 2019

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 Owatonna Public Utilities and Steele-Waseca Cooperative Electric to Update Electric Service Territory Records*
MPUC Docket: _____
Our File No.: 61739-0002

Dear Mr. Wolf:

I represent Owatonna Public Utilities, a Minnesota municipal utility (the "Municipal"), which is authorized, on behalf of the Municipal and Steele-Waseca Cooperative Electric (the "Cooperative") (collectively, the "Parties") to make this filing.

Summary of the Joint Request

This filing constitutes the Parties' joint request that the MPUC update the official service territory map to reflect an agreed-upon change in the Parties' electric service territory boundaries. This joint request concerns the permanent transfer of six areas located within the city limits of Owatonna and within the electric service territory assigned to the Cooperative (identified as the "Affected Areas"), as further described below.

Legal Authorities

Under Minnesota Statutes, Section 216B.44(a), a municipal utility expands its assigned electric service territory, upon reaching agreement with the neighboring utility as to compensation: "Notwithstanding the provisions of sections 216B.38 to 216B.42, whenever a municipality which owns and operates an electric utility (1) extends its

corporate boundaries through annexation or consolidation, or (2) determines to extend its service territory within its existing corporate boundaries, the municipality shall thereafter furnish electric service to these areas unless the area is already receiving electric service from an electric utility, in which event, the municipality may purchase the facilities of the electric utility serving the area.” Minn. Stat. § 216B.44(a). 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 (2018).

In the present case, the transfer occurred pursuant to Section 216B.44: the Affected Areas lie within the city limits; the Parties have agreed upon appropriate compensation; and the parties have agreed to the Municipal providing service upon a mutually agreed-upon date.

Minnesota Statutes, Section 216B.39, subd. 3 addresses changes to the assigned service territory map after 1975: “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” By its terms, Section 216B.44(a) excludes Section 216B.39. Minn. Stat. § 216B.44(a) (“notwithstanding the provisions of sections 216B.38 to 216B.42,”). Nonetheless, the Parties acknowledge the public policy in having an accurate and updated official service territory boundary map. Accordingly, the Parties request that the Commission update its official records as to electric service territory boundaries to reflect the Parties’ permanent change in the Affected Areas.

Underlying Information

Attached as Exhibit A is a map that depicts the boundaries of the Affected Areas. The Affected Areas involve approximately 569.67 acres and 90 customers (6 residential, 77 commercial, and 7 industrial).

Attached as Exhibit B is a legal description of the Affected Areas.

Customer Notice

The Parties have engaged in extensive technical discussions, designed to minimize any disruption to customers, to avoid unnecessary duplication of facilities, and to ensure a smooth transition of electric service. The Parties have agreed to transfer electric service on a mutually-agreed upon date, anticipated to be in spring 2019.

The Parties acknowledge that the Commission wishes to direct separate notice to customers as to the pending proceeding before the Commission. Attached as Exhibit C is a proposed notice to be sent to all customers in the Affected Areas.

Contact Information

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

Owatonna Public Utilities:

Roger Warehime
General Manager
208 Walnut Avenue, P.O. Box 800,
Owatonna, MN 55060
Phone: (507) 451-2480
Roger.Warehime@owatonnautilities.com

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

Steele-Waseca Cooperative Electric:

Syd Briggs
General Manager
Steele-Waseca Cooperative Electric
2411 West Bridge Street, PO Box 485
Owatonna, MN 55060-0485
Phone: (507) 451-7340
sbriggs@swce.coop

Sara McGrane
Felhaber Larson
220 South 6th Street
Suite 2200
Minneapolis, MN 55402-4504
Phone: 612-339-6321
Fax: 612-338-0535
smcgrane@felhaber.com

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.

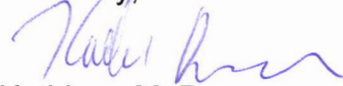
Proposed Service List

A copy of this letter and the accompanying documents has been mailed or emailed to the persons on the enclosed proposed service list.

February 25, 2019
Page 4

Please contact the representatives above if you have any questions.

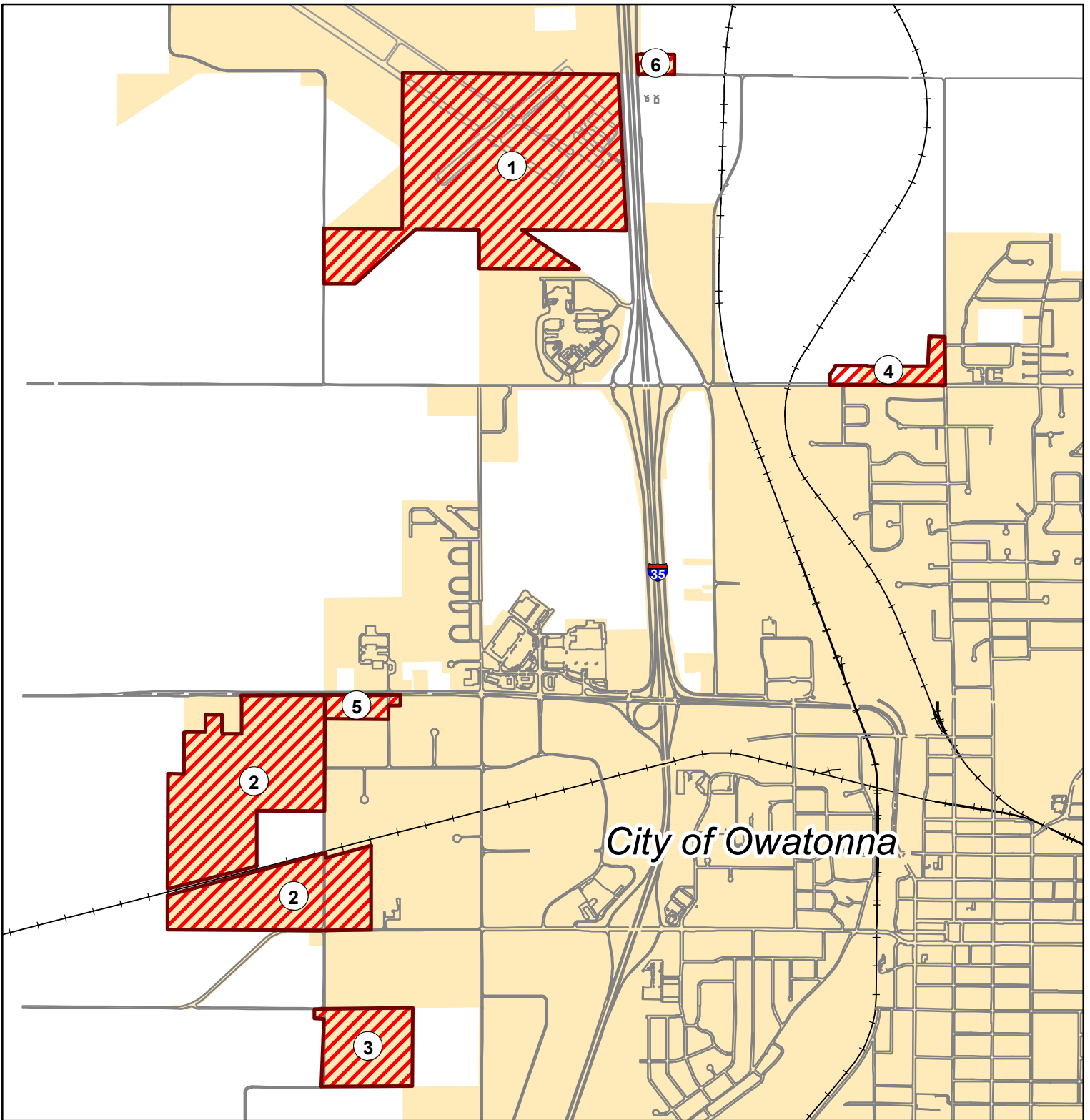
Sincerely,



Kathleen M. Brennan

Enclosures

cc (w/encl.): Proposed Service List



SWCE to OPU Territory Transfer

Total Acreage: 569.67



KEY



SWCE to OPU



Municipal Bndry



Exhibit B

Vj g'ukz'ctgcu'vj cveqo r tkug'vj g'Chgevgf 'Ctgcuc'tg'rgi cm{ 'f guetkdgf 'cu'hqmjy u<

AREA 1

The E1/2 of the NW1/4 Section 32-T108N-R20W, Steele County, Minnesota;

AND

The NE1/4 of Section 32-T108N-R20W west of the C.S.A.H. 23, Steele County, Minnesota;

AND

All that part of the SW1/4 of Section 32-T108N-R20W, Steele County, Minnesota; described as follows:

Beginning at the northwest corner of said SW1/4; thence South 89°37'18" East a distance of 1547.72 feet, on an assumed bearing on the north line of said SW1/4;

thence South 49°53'31" West a distance of 1046.98 feet;

thence South 41°21'40" West a distance of 337.06 feet;

thence North 89°44'29" West a distance of 529.39 feet to the west line of said SW1/4;

thence North 00°19'05" East a distance of 935.33 feet, to the point of beginning;

AND

All that part of the SE1/4 of Section 32-T108N-R20W, Steele County, Minnesota; described as follows:

Beginning at the northwest corner of said SE1/4; thence South 89°37'19" East a distance of 720.58 feet, on an assumed bearing on the north line of said SE1/4;

thence South 55°46'29" East a distance of 1188.79 feet;

thence North 89°36'56" West a distance of 1704.63 feet, to the west line of said SE1/4;

thence North 00°05'42" East a distance of 661.95 feet, to the point of beginning.

AREA 2

STOCKWELL ADDITION, STEELE COUNTY, MINNESOTA, as the same is platted and recorded in the office of the Steele County Recorder, Steele County, Minnesota;

AND

All that part of the NE1/4 of Section 7-T107N-R20W, Steele County, Minnesota; described as follows: Commencing at the NE1/4 of NE1/4 of Section 7-T107N-R20W; thence South 89°45'30" West a distance of 528.00 feet, to the point of beginning; thence South 00°14'30" East a distance of 264.00 feet; thence South 89°45'30" West a distance of 165.00 feet; thence North 00°14'30" West a distance of 264.00 feet; thence North 89°45'30" East a distance of 165.00 feet, to the point of beginning;

AND

URCH ADDITION, as the same is platted and recorded in the office of the Steele County Recorder, Steele County, Minnesota;

AND

Parcel Numbers 220F, 220G, 220H, 220B, 220J, 220K, 220L, of Minnesota Department of Transportation Right of Way Plat No. 74-12;

AND

Lot 3, Block 2, and Lots 1, 2, 3, 4, 5, 6, 7, 8, Block 4, SANDERS ADDITION, STEELE COUNTY, MINNESOTA, as the same is platted and recorded in the office of the Steele County Recorder, Steele County, Minnesota, together platted right of way adjacent to said Lots;

AND

JANNINGS ADDITION, STEELE COUNTY, MINNESOTA, as the same is platted and recorded in the office of the Steele County Recorder, Steele County, Minnesota;

AND

MICHALETZ INDUSTRIAL ADDITION, as the same is platted and recorded in the office of the Steele County Recorder, Steele County, Minnesota;

AND

All that part of NE1/4 of Section 7-T107N-R20W, Steele County, Minnesota; described as follows: Beginning at the northeast corner of the S1/2 NE1/4 of Section 7-T107N-R20W; thence North 89°55'58" West a distance of 1150.00 feet, on an assumed bearing on the East line of said

MICHAELTZ INDUSTRIAL ADDITION; thence South 00°04'14" West a distance of 634.00 feet, to the point of beginning;

AND

The N1/2 of the SE1/4 Section 7-T107N-R20W, South of the Canadian Pacific Railroad;

AND

VIRACON CURVLITE ADDITION, as the same is platted and recorded in the office of the Steele County Recorder, Steele County, Minnesota;

AREA 3

All that part of the NW1/4 of Section 17-T-107N-R20W and part of the NE1/4 of Section 10-T107N-R20W, Steele County, Minnesota; described as follows:

Beginning at the northwest corner of the said NW1/4; thence North 89°25'31" East a distance of 1537.99 feet, on an assumed bearing on the north line of said NW1/4;

thence South 00°09'56" West a distance of 1339.21 feet;

thence South 89°21'15" West a distance of 1537.98 feet, to the southwest corner of the NW1/4 NW1/4;

thence North 00°09'50" East a distance of 1176.12 feet, on the west line of said NW1/4;

thence North 89°39'24" West a distance of 162.00 feet;

thence North 00°09'50" East a distance of 165.00 feet, to the north line of said NE1/4;

thence South 89°39'24" East a distance of 162.00 feet, to the point of the beginning;

AREA 4

RICK FRETAM ADDITION, STEELE COUNTY, MINNESOTA, according to the plat of record in the office of the County Recorder, Steele County, Minnesota;

AND

QUARRY RIDGE ADDITION, according to the plat of record in the office of the County Recorder, Steele County, Minnesota.

AREA 5

FRERICHS ADDITION, STEELE COUNTY, MINNESOTA, according to the plat of record in the office of the County Recorder, Steele County, Minnesota;

AND

All that part of the NW1/4 of Section 8-T107N-R2W, Steele County, Minnesota; described as follows:

Commencing at the northwest corner of said NW1/4; thence North 89°00'30" East a distance of 1135.60 feet, on an assumed bearing on the north line of said NW1/4, to the point of beginning;

thence North 89°00'30" East a distance of 151.00 feet;

thence South 00°59'30" East a distance of 180.00 feet;

thence South 89°00'30" West a distance of 151.00 feet;

thence North 00°59'30" West a distance of 180.00 feet, to the point of beginning.

AREA 6

All that part of SW1/4 of the SW1/4 of Section 28, Township 108 North, Range 20 West, Steele County, Minnesota, described by:

Beginning at the southwest corner of said Section 28; thence North 00° 39' 08" West, assumed bearing, 337.87 feet along the west line of said SW1/4 of SW1/4;

thence North 89°52'09" East 664.62 feet along a line parallel with the south line of said SW1/4 of SW1/4;

thence South 00°39'08" East 337.87 feet to the south line of said SW1/4 of SW1/4;

thence South 89°52'09" West 664.62 feet to the beginning.

Exhibit C: Proposed Customer Notice

Re: Notice of Minnesota Public Utilities Commission Proceeding
MPUC Docket No: _____.

Dear Customer:

As you may know, Owatonna Public Utilities (OPU) has reached an agreement with Steele-Waseca Cooperative Electric in which OPU will provide electric service to certain customers within the City of Owatonna, including your property. The timing of any transfer of electric service will be spelled out in greater detail as we get closer to that date. We currently project the transfer to occur in Spring 2019. Both utilities seek to make a smooth transition, with minimal disruption to customers.

In the meantime, to reflect the change in assigned electric service territory, the utilities have sought to update the maps on file with the Minnesota Public Utilities Commission (MPUC). The MPUC is a state agency with jurisdiction over electric service territory boundaries. The MPUC requires notice to customers located in an area involved in a change in the service territory maps. This letter provides that formal notice.

If you wish to address the MPUC concerning this change in maps, to seek additional information, to raise any concerns, or to file a complaint, you may contact the MPUC Consumer Affairs Office at: 121 Seventh Place E., Suite 350, Saint Paul, Minnesota 55101, consumer.puc@state.mn.us, or call 651-296-0406. You should reference MPUC Docket No. . It is completely optional and voluntary to contact the MPUC.

If you have any questions or concerns or wish to contact either of the utilities, the contact information is as follows:

Roger Warehime
General Manager
Owatonna Public Utilities
Phone: (507) 451-2480
Roger.Warehime@owatonnautilities.com

Syd Briggs
General Manager
Steele-Waseca Cooperative Electric
Phone: (507) 451-7340

OPU values your business and wishes to provide the highest quality service. We look forward to serving your electric needs.

Sincerely,

Roger Warehime
General Manager

PROPOSED SERVICE LIST

RE: In the matter of the Joint Request of Owatonna Public Utilities and Steele-Waseca Cooperative Electric to Update Electric Service Territory Records
MPUC Docket: _____

Via Electronic Filing

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

Via Electronic Filing

Ms. Sharon Ferguson
MN Department of Commerce
85 7th Place East, Suite 500
St. Paul, MN 55101-2198

Via Electronic Filing

Commerce Attorneys
Office of the Attorney General – DOC
1800 BRM Tower
445 Minnesota Street
St. Paul, MN 55101-2134

Via Electronic Filing

Ian Dobson
Office of the Attorney General – RUD
1400 BRM Tower
445 Minnesota Street
St. Paul, MN 55101-2130

Via Electronic Mail

Syd Briggs
General Manager
Steele-Waseca Cooperative Electric
2411 West Bridge Street
P.O. Box 485
Owatonna, MN 55060-0485
sbriggs@swce.coop
(*Steele-Waseca Cooperative Electric*)

Via Electronic Mail

Sara McGrane
Felhaber Larson
220 South 6th Street, Suite 2200
Minneapolis, MN 55402-4504
smcgrane@felhaber.com
(*Steele-Waseca Cooperative Electric*)

Via Electronic Mail

Roger Warehime
Owatonna Public Utilities
General Manager
208 Walnut Avenue
P.O. Box 800
Owatonna, MN 55060
roger.warehime@owatonnautilities.com
(*Owatonna Public Utilities*)

Courtesy Copies

Kathleen M. Brennan
McGrann Shea Carnival Straughn
& Lamb, Chartered
800 Nicollet Mall, Suite 2600
Minneapolis, MN 55402-7035
kmb@mcgrannshea.com
(*Owatonna Public Utilities*)