



AN ALLETE COMPANY

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July 27, 2018

VIA ELECTRONIC FILING

Mr. 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 Complaint by Lake Country Power Against Minnesota Power
Alleging Violation of its Exclusive Service Area by Providing Service to Canadian
Nation Railway Company Facilities Near Hoyt Lakes, Minnesota
Docket No. E015, E106/C-17-893

Dear Mr. Wolf:

Enclosed for filing with the Minnesota Public Utilities Commission, please find Minnesota Power's Answer to Lake Country Power's Amended Complaint in the above-referenced matter.

If you have any questions regarding this letter, please do not hesitate to contact me at the number above.

Yours truly,

A handwritten signature in black ink that reads 'David R. Moeller'.

David R. Moeller

DRM:sr
Attach.

**STATE OF MINNESOTA
BEFORE THE
MINNESOTA PUBLIC UTILITIES COMMISSION**

In the Matter the Complaint by Lake Country Power
Against Minnesota Power Alleging Violation of its
Exclusive Service Area by Providing Service to
Canadian Nation Railway Company Facilities
Near Hoyt Lakes, Minnesota

Docket No. E015, E106/C-17-893

**MINNESOTA POWER'S
ANSWER TO AMENDED COMPLAINT**

I. INTRODUCTION

On December 22, 2017, Lake Country Power (“LCP”) filed a complaint with the Minnesota Public Utilities Commission (“Commission”), alleging that Minnesota Power (or “the Company”) violated service territory restrictions by providing electric service to Canadian National Railway Company (“CN”) in relation to new and improved signaling and sensing equipment CN has implemented near Hoyt Lakes, Minnesota to facilitate its railroad services in the area. Minnesota Power filed an answer January 2, 2018. On May 29, 2018 the Commission issued an order directing LCP to file an amended complaint. On July 19, 2018, LCP eFiled its amended complaint with the Commission. Under Minn. Rules 7829.2100, Minnesota Power’s Answer is due within ten days of service. In addition, on July 23, 2018, the Commission issued a Notice of Comment Period on Amended Complaint (“Notice”) requesting comments by August 20, 2018. Minnesota Power will respond to the information requested by the Notice in a separate filing.

II. RESPONSE TO THE AMENDED COMPLAINT

A. Responses to the enumerated paragraphs.

Minnesota Power generally denies each paragraph and the overall basis in the amended complaint except as admitted or qualified below.

Paragraphs 1-6, 12: Minnesota Power does not disagree with these paragraphs except as to Paragraph 5, in that Minnesota Power believes the correct name for the railroad in question is Wisconsin Central Ltd (“Wisconsin Central”), not Canadian National Railway Company or CN. See Wisconsin Central’s Comments submitted in the Docket.

Paragraph 7: Minnesota Power clarifies that while the signaling and sensing equipment was new load when it was installed, it is currently receiving electrical service through Wisconsin Central’s own distribution system. Minnesota Power lacks sufficient information regarding the electrical service in the referenced area to agree or disagree further.

Paragraph 8: Minnesota Power disagrees with the allegation that the signaling and sensing equipment is a stand-alone facility and is not geographically connected to any facility served by Minnesota Power. The equipment is located along, and integrated with, a contiguous stretch of Wisconsin Central’s railroad tracks that pass through the service areas of both Minnesota Power and LCP.

Paragraph 9: Minnesota Power disagrees with the allegation that the signaling and sensing equipment is “entirely” within LCP’s exclusive service area as new equipment has been added by Wisconsin Central in both utilities’ service areas and only a portion is located in LCP’s service territory. In any event, the power provided by Minnesota Power that Wisconsin Central is using at a point or points within LCP’s service territory is being distributed by Wisconsin Central over Wisconsin Central’s system to Wisconsin Central’s equipment.

Paragraph 10: Minnesota Power lacks sufficient information to fully respond to these paragraphs and therefore neither agrees nor disagrees.

Paragraph 11: Minnesota Power disagrees with the allegation that it is impermissibly serving a load outside of its exclusive service area and within Lake Country Power's service area.

Paragraph 13: Minnesota Power disagrees with the allegation that notice of intent to provide electric service was required or that Minnesota Power was serving a load outside of its exclusive service area and within LCP's service area.

Paragraph 14: Minnesota Power disagrees with the allegation that it is serving a load outside of its exclusive service area and within Lake Country Power's service area.

Paragraph 15: Minnesota Power states that the map speaks for itself and generally agrees with the service area boundaries depicted. It is Minnesota Power's understanding that the poles, transformers, cabinets, and underground line depicted in the map, however, are part of Wisconsin Central's distribution system and are not Minnesota Power structures or what is labeled "MN Power Existing Line".

Paragraphs 16-17 and 21-22: The cited statutes speak for themselves.

Paragraph 18: The cited statute speaks for itself. Minnesota Power denies that its provision of power to Wisconsin Central at a connection point within Minnesota Power's service area required LCP's consent.

Paragraph 19: Minnesota Power denies that its provision of power to Wisconsin Central at a connection point within Minnesota Power's service area required LCP's consent.

Paragraph 20: Minnesota Power disagrees with LCP's characterization of the statutes. Exceptions exist that would allow a utility to serve customer load within an area assigned to another utility.

Paragraphs 23 and 24: Minnesota Power does not disagree with these paragraphs except to the extent it asserts that the Commission has specifically limited this exception to only “a physical ‘bricks and mortar’ building” and any service territory exceptions do not apply to Wisconsin Central’s facilities. To the extent Commission dockets are footnoted Minnesota Power has both previously addressed in this Docket and will provide further information in response to the Commission Notice.

Paragraph 25: Minnesota Power denies the allegations in this paragraph. To the extent Commission dockets are footnoted Minnesota Power has both previously addressed in this Docket and will provide further information in response to the Commission Notice.

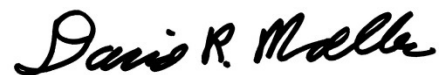
Paragraph 26: Minnesota Power denies the allegations in this paragraph.

III. CONCLUSION

Minnesota Power respectfully requests that the Commission dismiss Lake Country Power’s Amended Complaint with prejudice for failure to state a claim upon which relief may be granted.

Dated: July 27, 2018

Respectfully submitted,



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STATE OF MINNESOTA)
) ss
COUNTY OF ST. LOUIS)

AFFIDAVIT OF SERVICE VIA
ELECTRONIC FILING

Susan Romans of the City of Duluth, County of St. Louis, State of Minnesota, says that on the 27th day of **July, 2018**, she served Minnesota Power's Answer to LCP Amended Complaint in **Docket No. E015,E106/C-17-893** on the Minnesota Public Utilities Commission and the Energy Resources Division of the Minnesota Department of Commerce via electronic filing. The persons on E-Docket's Official Service List for this Docket were served as requested.



Susan Romans

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Daniel	Carlisle	d.carlisle@pemplaw.com	Pemberton Law	7 Colfax Avenue Wadena, MN 65482	Electronic Service	No	OFF_SL_17-893_Official
Generic Notice	Commerce Attorneys	commerce.attorneys@ag.state.mn.us	Office of the Attorney General-DOC	445 Minnesota Street Suite 1800 St. Paul, MN 55101	Electronic Service	Yes	OFF_SL_17-893_Official
Ian	Dobson	residential.utilities@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012130	Electronic Service	Yes	OFF_SL_17-893_Official
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 280 Saint Paul, MN 551012198	Electronic Service	No	OFF_SL_17-893_Official
Deanna	McCollian	Deanna.McCollian@cn.ca	Canadian National Railway	17641 S. Ashland Ave Homewood, IL 60430	Electronic Service	No	OFF_SL_17-893_Official
David	Moeller	dmoeller@allete.com	Minnesota Power	30 W Superior St Duluth, MN 558022093	Electronic Service	No	OFF_SL_17-893_Official
Samuel	Rufer	sam.rufer@pemplaw.com	Pemberton Law Firm	903 Washington Avenue Detroit Laks, MN 56501	Electronic Service	No	OFF_SL_17-893_Official
Daniel P	Wolf	dan.wolf@state.mn.us	Public Utilities Commission	121 7th Place East Suite 350 St. Paul, MN 551012147	Electronic Service	Yes	OFF_SL_17-893_Official