

October 8, 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. E249/SA-18-584

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 Hawley Public Utilities Commission and Wild Rice Electric Cooperative for Approval of a Service Territory Transfer Agreement.

The Petition was jointly filed September 7, 2018 by:

Kaela Brennan
McGrann Shea Carnival
Straughn & Lamb, Chtd.
800 Nicollet Mall, Suite 2600
Minneapolis, MN 55402

And

Steve Haaven, CEO
Wild Rice Electric Cooperative
502 North Main
Mahnomen, MN 56557

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The Department recommends that the Minnesota Public Utilities Commission (Commission) **approve** the permanent service territory transfer from Wild Rice Electric Cooperative to Hawley Public Utilities Commission, and is available to answer any questions the Commission may have.

Sincerely,

/s/ DANIEL W. BECKETT
Rates Analyst

DWB/ja
Attachment

Before the Minnesota Public Utilities Commission

Comments of the Minnesota Department of Commerce Division of Energy Resources

Docket No. E249/SA-18-584

I. BACKGROUND

Hawley Public Utilities Commission is an electric municipal utility organized and existing under the laws of the State of Minnesota. Wild Rice Electric Cooperative is an electric distribution cooperative organized and existing under the laws of the State of Minnesota.

I. SUMMARY OF PROPOSAL

On September 7, 2018, Hawley Public Utilities Commission (the Municipal) and Wild Rice Electric Cooperative (the Cooperative), collectively the Parties, jointly filed a petition under Minnesota Statutes Sections 216B.39 and 216B.40, asking the Minnesota Public Utilities Commission (Commission) to modify the Parties' service territory boundaries. This joint request concerns the permanent transfer of one area, approximately 8.15 acres and known as Autumn View Addition (Affected Area), as described below, within the city limits of the Municipal and within the assigned service territory of the Cooperative.

Approval of the Parties' request would permanently transfer the Affected Area from the Cooperative to the Municipal.

II. DEPARTMENT ANALYSIS

A. *TRANSFER OF THE AFFECTED AREA FROM THE COOPERATIVE TO THE MUNICIPAL*

Exhibit A to the Petition is a map that depicts the boundaries of the Transfer Area, as well as the legal description for the Transfer Area as follows:

Autumn View Addition

That part of the southwest quarter of Section 2, Township 139 North, Range 45 West of the 5th Principal Meridian to the City of Hawley, Clay County, Minnesota and more particularly described as follows:

Beginning at the Southwest corner of Lot 1, Block Two of Petermann's first addition to the City of Hawley; Thence N88°12'25"W along the North right of way line of Hartford Street for a distance of 64.04 feet to the Northwest corner of said Hartford Street right of way as recorded in Petermann's first addition; thence N88°45'04"W for a distance of 80.68 feet; thence N31°54'27"W for a distance of 434.84 feet; thence N05°12'39"E for a distance of 211.09 feet; thence N37°54'34"E for a distance of 252.19 feet; thence S85°09'03"E for a distance of 374.79 feet; thence S00°07'18"E for a distance of 3554.16 feet; thence S89°20'26"E for a distance of 199.99 feet to the Northwest corner of Lot 4, Block 2 of said Petermann's First Addition; thence S00°02'39"W for a distance of 174.13 feet to the Northeast corner of Lot 3, Block 2 of said Petermann's First Addition; thence S89°08'55"W along the North line of said Block 2 for a distance of 375.79 feet to the Northwest corner of said Lot 1, Block 2; thence S00°34'34"E along the West line of said Lot 1 for a distance of 213.58 feet to the point of beginning.

Said owner's have caused the above described tract of land shown on this plat to be surveyed and platted as Autumn View Addition to the City of Hawley, Clay County, Minnesota. Easements for installation and maintenance of utilities and drainage facilities are reserved over, under, and along the designated areas marked "utility easements" and all streets, alleys, Block 2 and other public areas shown on this plat and not heretofore dedicated to public use are hereby so dedicated. Said Autumn View Addition, consists of 12 lots and 2 blocks, and contains 8.15 acres, more or less together with easements and right of ways of sight and record.

The Transfer Area encompasses a total of approximately 8.15 acres and currently contains two residential customers. Additionally, in an email to the Department on September 12, 2018, the Municipal's attorney provided a detailed map of the Affected Area, and which is included as an attachment to these Comments. According to the Petition, and by written agreement of the Parties, the Municipal provided construction service and is currently serving these customers.

B. CUSTOMER NOTICE

On September 11, 2018, the Municipal submitted a one-page proposed Customer Notice Letter (See Attachment B to the Department's *Comments*) relating to the transfer of electric service territory from Wild Rice Electric Cooperative to Hawley Public Utilities Commission, that will be provided to customers in the Affected Area. The notice identifies the pending proceeding before the Commission regarding the process of formally updating the service area maps to reflect the Municipal as the service provider to the Affected Area.

C. COMPENSATION

The Department notes that the Parties have agreed on appropriate compensation.

Thus, the Department agrees that the Parties' request to establish the Affected Area as part of the Municipal's service area is consistent with Minnesota Statutes 216B.39 and 216B.40.

III. RECOMMENDATION

The Department recommends that the Commission approve the requested service territory transfer from Wild Rice Electric Cooperative to Hawley Public Utilities Commission. MnGeo should update the Commission's maps to reflect the service area designations as shown on the map in the Petition.

/ja

From: [Lusti, Dale \(COMM\)](#)
To: [Beckett, Daniel \(COMM\)](#)
Subject: FW: E249/SA-18-584 Hawley/Wild Rice Service Territory Joint Petition
Date: Wednesday, September 19, 2018 10:59:44 AM
Attachments: [Scan0393.pdf](#)

FYI

From: Kathleen M. Brennan <KMB@mcgrannshea.com>
Sent: Wednesday, September 12, 2018 3:05 PM
To: Lusti, Dale (COMM) <dale.lusti@state.mn.us>
Subject: E249/SA-18-584 Hawley/Wild Rice Service Territory Joint Petition

Mr. Lusti,
Good afternoon. Thank you for the call this morning. I have confirmed with my client that in the map attached as Exhibit A to the parties' joint petition, the "Affected Area" is depicted with the hash marks. In case it is helpful, I also attach other depictions of the Affected Area.

Please let me know if you have any further questions.

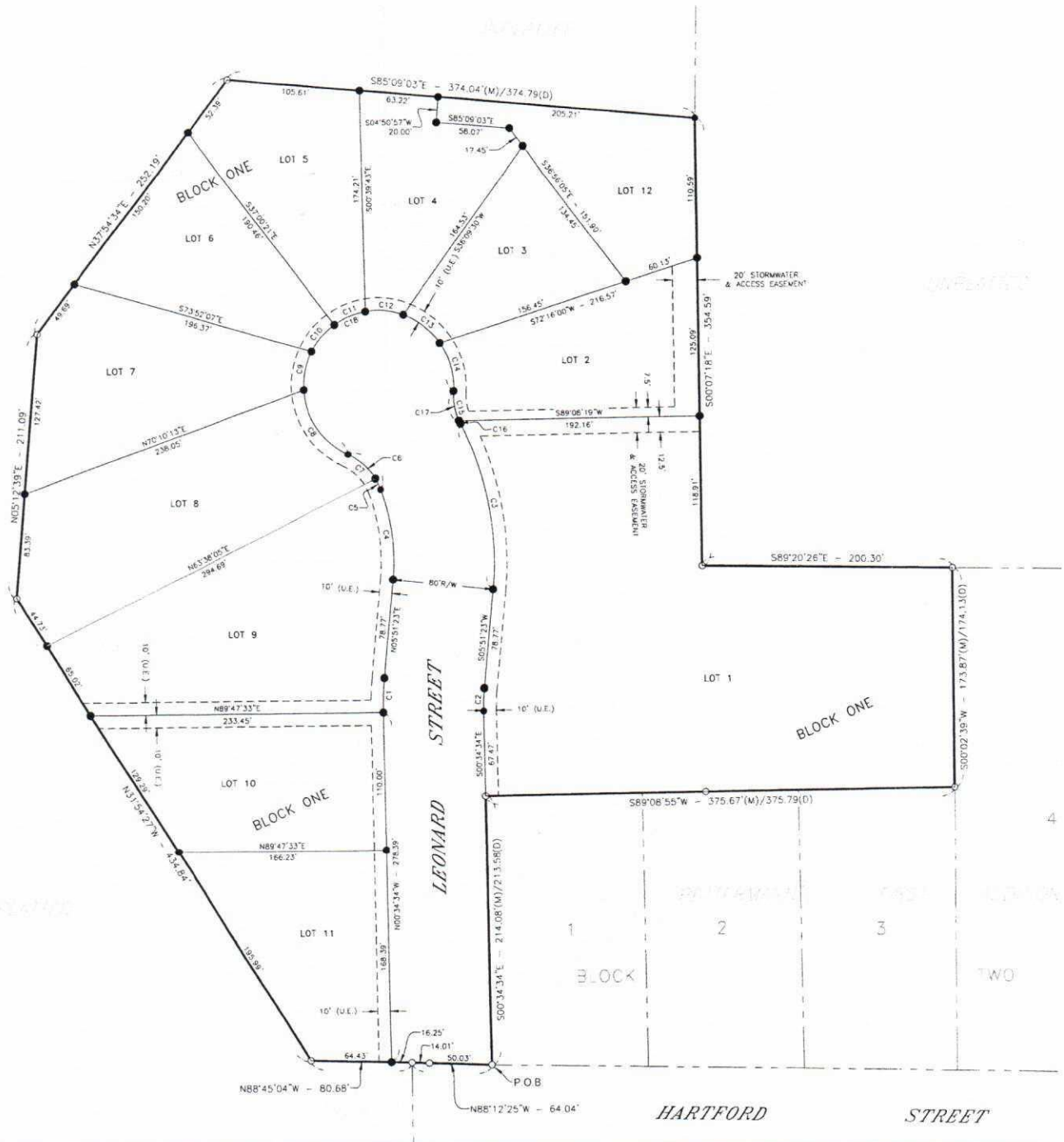
Thank you,
Kaela

Kaela Brennan
Attorney
McGrann Shea Carnival
Straughn & Lamb, Chartered
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Minneapolis, MN 55402-7035
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AUTUMN VIEW ADDITION

PART OF THE SOUTHWEST QUARTER OF SECTION 2, TOWNSHIP 139 NORTH, RANGE 45 WEST OF TO THE CITY OF HAWLEY, CLAY COUNTY, MINNESOTA



01/15/16 03:29:38\\w.c:\users\stevengregg\public\chicago\pub\16_2075810001_1 Final Plat.dwg

AUTUMN VIEW ADDITION

SANITARY SEWER, WATER MAIN, STORM SEWER & ROADWAY IMPROVEMENTS

VICINITY MAP

