

November 15, 2016

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. E275, E134/SA-16-857

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 of Moorhead Public Service Commission (Moorhead Public Service or MPS) and Red River Valley Cooperative Power Association (the Cooperative) to Modify Electric Service Territory Boundaries.

The petition was filed on October 18, 2016 by:

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

The Department recommends that the Minnesota Public Utilities Commission (Commission) approve the requested service territory transfer from Red River Valley Cooperative Power Association to Moorhead Public Service Commission, 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. E275, E134/SA-16-857

I. BACKGROUND

Moorhead Public Service Commission (Moorhead Public Service) is an electric municipal utility organized and existing under the laws of the State of Minnesota. Red River Valley Cooperative Power Association (the Cooperative) is an electric distribution cooperative organized and existing under the laws of the State of Minnesota.

II. SUMMARY OF PROPOSAL

On October 18, 2016, Moorhead Public Service and the Cooperative, collectively the Parties, jointly filed a petition under Minn. Stat. 216B.39, subd.3, asking the Minnesota Public Utilities Commission (Commission) to modify the Parties' service territory boundaries. Approval of the Parties' request would transfer the Affected Area from the Cooperative to Moorhead Public Service. The Affected Area is a portion of an area recently annexed into the city limits of Moorhead.

III. DEPARTMENT ANALYSIS

A. *TRANSFER OF THE AFFECTED AREA FROM COOPERATIVE TO MOORHEAD PUBLIC SERVICE*

EXHIBIT A to the Petition is a map that depicts the boundary of the Affected Area. According to the Petition, the Affected Area involves approximated 1,061 acres with 349 residential customers and 8 commercial customers.

EXHIBIT B to the Petition is a seven-page copy of the annexation documents for the Affected Area. The documents provide a legal description of the entire annexation, which includes both the Affected Area as well as an area currently assigned to another service provider. Although the Parties do not have a separate legal description prepared of the Affected Area,

they will provide whatever information MN Geo requests to facilitate the adjustment in the official maps.

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

B. CUSTOMER NOTICE

EXHIBIT C to the Petition is a fifteen-page set of informational documents relating to the transfer of electric service from the Cooperative to Moorhead Public Service, that was provided to all customers in the Affected Area.

Exhibit D to the Petition is a DRAFT notice provided to all 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 Moorhead Public Service as the service provider to the Affected Area.

C. ANTICIPATED TRANSFER DATE

As stated in the Petition, the Parties planned to transfer the services in phases during the last two weeks in October.

D. COMPENSATION

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

Thus, the Department agrees that the Parties' request to establish the Affected Area as part of Moorhead Public Service's service area is consistent with Minn. Stat. 216B.39.

IV. RECOMMENDATION

The Department recommends that the Commission approve the requested service territory transfer from Red River Valley Cooperative Power Association to Moorhead Public Service Commission.

/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. E275,134/SA-16-857

Dated this 15th day of November 2016

/s/Sharon Ferguson

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
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_16-857_SA-16-857
Kathleen M.	Brennan	kmb@mcgrannshea.com	McGrann Shea Carnival, Straughn & Lamb, Chartered	N/A	Electronic Service	No	OFF_SL_16-857_SA-16-857
Loren	Brorby	Lbrorby@Minnkota.com	Red River Valley Coop Power Assn	PO Box 358 109 2nd Ave East Halstad, MN 565480358	Electronic Service	No	OFF_SL_16-857_SA-16-857
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 500 Saint Paul, MN 551012198	Electronic Service	No	OFF_SL_16-857_SA-16-857
John	Lindell	john.lindell@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_16-857_SA-16-857
Sara G	McGrane	smcgrane@felhaber.com	Felhaber Larson	220 S 6th St Ste 2200 Minneapolis, MN 55420	Electronic Service	No	OFF_SL_16-857_SA-16-857
William E.	Schwandt	bschwandt@mpsutility.com	Moorhead Public Service	500 Cedar Ave PO Box 779 Moorhead, MN 565610779	Electronic Service	No	OFF_SL_16-857_SA-16-857
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_16-857_SA-16-857