

December 29, 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. E294, E145/SA-16-1034

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 the Preston Public Utilities and Tri-County Electric Cooperative to Update Electric Service Territory Boundaries.

The petition was filed on December 9, 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 Tri-County Electric Cooperative to Preston Public Utilities. The Commission's maps should be updated by MNGeo to reflect the service area designations as shown on the maps in the Petition. The Department is available to answer any questions the Commission may have.

Sincerely,

/s/ DALE V. LUSTI
Financial Analyst

DVL/It
Attachment

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

**COMMENTS OF THE
MINNESOTA DEPARTMENT OF COMMERCE**

**DIVISION OF ENERGY RESOURCES
E294, E145/SA-16-1034**

I. SUMMARY OF PROPOSAL

On December 9, 2016, Preston Public Utilities (Municipal) and Tri-County Electric Cooperative (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 permanently transfer the Affected Area from Tri-County Electric Cooperative to Preston Public Utilities.

II. DEPARTMENT ANALYSIS

A. *VETERAN'S CEMETERY PARCEL*

Exhibit A-1 to the Petition is a boundary map with a three-page legal boundary description of the four separate parcels (A, B, E and F) in Fillmore County that will be transferred to Preston Public Utilities. With the Cooperative's written consent, the Municipal has been providing interim service during the planning stages of the project. The Southeastern Minnesota Veterans Cemetery project is being designed to honor veterans and encompasses approximately 176 acres.

B. *GEHLING PROPERTY PARCEL*

Exhibit A-2 to the Petition is a boundary map with a two-page legal boundary description of the two separate parcels (one being approximately 6.15 acres and the other being approximately 1.86 acres) in Fillmore County that will be transferred to Preston Public Utilities. With the Cooperative's written consent, the Municipal has been providing interim service during the construction of this area. This property includes one customer with multiple service meters.

C. *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 Preston Public Utilities service area is consistent with Minn. Stat. 216B.39.

III. RECOMMENDATION

The Minnesota Department of Commerce, Division of Energy Resources (Department) recommends that the Commission approve the requested service territory transfer from Tri-County Cooperative to Preston Public Utilities. MNGeo should update the Commission's maps to reflect the service area designations as shown on the maps in the Petition.

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