## COMMERCE DEPARTMENT

August 16, 2024

Will Seuffert Executive Secretary Minnesota Public Utilities Commission 121 7<sup>th</sup> Place East, Suite 350 St. Paul, Minnesota 55101-2147

## RE: **Comments of the Minnesota Department of Commerce** Docket No. E112, E016/SA-24-255

Dear Mr. Seuffert:

Attached are the comments of the Minnesota Department of Commerce (Department) in the following matter:

In the Matter of the Joint Request of East Central Energy and Northwestern Wisconsin Electric Company to Update Electric Service Territory Records.

Felhaber Larson Attorneys at Law, on behalf of East Central Energy, filed the Petition on July 17, 2024.

The filing constitutes a joint request on behalf of East Central Energy (Cooperative) and Northwestern Wisconsin Electric Company (Northwestern) (collectively the Parties) to update the official service territory map to reflect a transfer of areas within the electric service territory boundaries assigned to the Cooperative (Affected Areas). Through the permanent change to the Affected Areas, Northwestern will discontinue service to approximately 103 Minnesota customers and the Cooperative will accept them as new customers. Northwestern will discontinue service and transfer of areas.

The Department notes there are several benefits that will be provided to the Affected Area customers as a result of the transfer of service to the Cooperative. These benefits include electrical infrastructure replacement through new Minnesota Department of Natural Resources funding to underground distribution facilities and additional financial and service benefits offered to the customers by the Cooperative.

The Department concludes that the joint request meets the Commission's requirements regarding service area transfers and exceptions as indicated on the attached checklist and appear to be in order.

85 7th Place East - Suite 280 - Saint Paul, MN 55101 | P: 651-539-1500 | F: 651-539-1547 mn.gov/commerce An equal opportunity employer Mr. Will Seuffert August 16, 2024 Page 2

Therefore, the Department recommends the Commission approve the joint request of East Central Energy and Northwestern Wisconsin Electric Company, for Northwestern Wisconsin Electric Company to discontinue and transfer electric service to customers in the Affected Area to East Central Energy and requests MNGEO update the service territory map, to reflect the changes on the map as provided.

Sincerely,

/s/ Dr. Sydnie Lieb Assistant Commissioner of Regulatory Analysis

MB/JT/ar Attachment

# COMMERCE DEPARTMENT

## **Before the Minnesota Public Utilities Commission**

## **Comments of the Minnesota Department of Commerce**

Docket No. E112, E016/SA-24-255

### CHECKLIST FOR PROCESSING AGREED UPON SERVICE AREA TRANSFERS AND EXCEPTIONS

$\bowtie$	A cover letter with the submitter's full contact information, including where to provide electronic service.		
$\square$	A joint letter explaining the change.		
	$\square$	Contact information for both utilities: Name, title, phone number, work address, email. Initial Filing Pg. <u>3</u> .	
	$\boxtimes$	Contact information, including email address, of the individuals who will update the electronic service territory map. <u>Initial Filing Pg. 3</u> .	
	$\boxtimes$	Legal description of the property. <u>See Department Attachment 1, email correspondence with legal</u> <u>description.</u>	
	$\boxtimes$	Short explanation of why the agreement is consistent with Minn. Stat. § 216B.39. Initial Filing Pg 3.	
Filing is related to:			
	$\boxtimes$	Several permanent boundary permanent boundary changes, or	
		Service by exception. The parties agree the limited right to serve by exception does not convey permanent rights to serve the exception area.	
	Settlement Agreement, if applicable.		
		If yes, signed by authorized representatives of both utilities.	
$\square$	A digital (PDF) map with the proposed transfer or exception clearly outlined. Initial Filing Ex. A Pp. 1-2.		
	Transfer or exception takes place on one of the Federally Recognized Tribal Nations in Minnesota. <u>Not applicable for this filing.</u>		
		If yes, utility documented consultation with the affected Tribal Nation at page	
with ty		ed customers received written notice, including utility and Commission contact information. Table type and number of customers affected and notice date(s). <u>See Department Attachments 2 and 3, nd NWEC Affected Area customer letters.</u>	

From:	Christopher S. Hayhoe
То:	Taylor, Justin (COMM)
Cc:	Andy Olson; Fayet Turitto; Sara G. McGrane; John Richards
Subject:	Legal Description for ECE/NWEC Electric Service Territory Transfer
Date:	Wednesday, August 14, 2024 12:00:09 PM
Attachments:	image567925.png
	image038584.png
	image884238.png
	<u>image894656.png</u>

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Justin,

In response to your August 12, 2024, email relating to the Joint Application of East Central Energy and Northwest Wisconsin Electric Company for approval of a service territory transfer and for updating electric service territory records, I am writing to provide more specific legal descriptions of the Affected Areas:

All parcels within the Northwest Wisconsin Electric Company service territory located in Pine County, Minnesota within the following Sections, Townships and Ranges:

Sections 25, 26, 35 and 36, Township 42, Range 16 Sections 30 and 31, Township 42, Range 15 Sections 1 and 2, Township 41, Range 16

And

Sections 23, 24, 25, 26 and 35, Township 41, Range 17 Sections 8, 9, 10, 11, 12, 14, 15, 16, 17, 19, 20, 21, 22 and 30, Township 40, Range 18

Please let us know if these descriptions are now sufficient.

The notice letters to Affected Area customers will be supplied to you shortly.

Thank you for your consideration.

Respectfully,

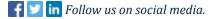
Chris Hayhoe

### **Christopher S. Hayhoe**

Attorney

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Date

Name Address Address

Dear neighbor,

As East Central Energy and Northwestern Wisconsin Electric Company prepare to finalize the transfer of 103 Northwestern Wisconsin Electric Company members onto ECE's system, we want to reach out and share some valuable information about your (soon to be) new energy provider. You will be joining a community of over 67,000 other member-owners who enjoy benefits like money-saving programs, access to grants and scholarships, and exceptional service.

Though a larger utility, we remain committed to our rural roots and members will enjoy technology-driven components, like the SmartHub account management app, while experiencing the warmth and familiarity of a rural electric cooperative.

We are hoping for a closing date by XX/XX/XXXX. After the transition, ECE will mail a packet with cooperative information and an application to sign. If returned within 30 days, you will receive a \$25 credit on your bill! The application is critical because it will give us a thorough description of what you need from your new cooperative. Residential members can expect to stay at your current rates for two (2) years as long as you reside at the same address. After that, you will move to ECE's regular rates.

We are expecting the actual transfer to be seamless with no interruption in service. However, we are planning to replace all meters and there might be a small interruption in service at that time. The timing of meter replacements will depend on inventory and workforce availability.

Once you become an ECE member, be sure to sign up for Auto Pay. All members enrolled in Auto Pay are automatically entered into a monthly drawing for a \$50 bill credit! Please note that ECE accepts Mastercard, Visa, and American Express but we do not accept Discover. We do have some good news—if you paid a deposit to Northwestern Wisconsin Electric Company, Northwestern plans to refund the deposit. You will be starting fresh when you become a co-op member.

As a reminder, **continue to call Northwestern Wisconsin Electric Company prior to the closing of the sale**, after which ECE can be reached at 1-800-254-7944. Take a moment to explore our website, eastcentralenergy.com, to learn more about our programs, rates, rebates, and community initiatives.

We are glad to step in as a neighbor and ensure continuity of service for Northwestern Wisconsin Electric Company customers. We look forward to serving you soon!

Sincerely,

Your friends and neighbors at ECE

Your Touchstone Energy® Cooperative 📈

PO Box 39 | Braham, Minnesota 55006-0039 | 1.800.254.7944 | eastcentralenergy.com East Central Energy is an equal opportunity provider and employer.



104 South Pine Street • P.O. Box 9 • Grantsburg, WI 54840-0009

Date:

To All Minnesota Electric Customers:

In a joint application to the Minnesota Public Utilities Commission (PUC), Northwestern Wisconsin Electric Company (NWE) and East Central Energy Cooperative (ECE) are preparing to finalize the transfer of ownership of NWE's electric distribution assets in Minnesota. This is an effort by NWE to have their existing customers in Minnesota more appropriately served by a Minnesota based electric utility. NWE serves over 14,000 customers in Wisconsin and only 100 customers in Minnesota. Costs and efficiency will be improved in the areas of regulatory oversight, cost of service, reliability and service offerings. ECE supports its Minnesota members with added benefits such as scholarships, local business grants and energy-saving programs. Although NWE has served some of the Minnesota territory for nearly 100 years, we feel that this change will benefit Minnesota customers in the long run.

At this time, there will be no change to your electric service. NWE will continue to serve your electric account until this sale of distribution assets and service territory is formally completed and approved by the Minnesota Public Utilities Commission and the Wisconsin Public Utilities Commission. This is to provide you with notification of the effort to ultimately transfer ownership of your electric provider from NWE to ECE. As this process moves forward, you will be notified regarding details of the transaction and the transfer of your electric service. If you have any questions regarding this transfer, please do not hesitate to contact NWE at your convenience.

Sincerely,

John Richards - President Northwestern Wisconsin Electric Company