McGrann Shea Carnival Straughn & Lamb, Chartered

ATTORNEYS AT LAW

WILLIAM R. MCGRANN DOUGLAS M. CARNIVAL KATHLEEN M. LAMB JOHN R. SCHULZ BRIAN L. SOBOL SCOTT B. CROSSMAN CARLA J. PEDERSEN ROGER J. STELLJES
JEFFREY C. URBAN
KATHLEEN MICHAELA BRENNAN
CARL S. WOSMEK
AMY L. COURT
CHRISTY E. LAWRIE

CURT N. TRISKO

OF COUNSEL
ROBERT O. STRAUGHN
PETER L. COOPER

ANDREW J. SHEA
(1938-2018)

November 17, 2021

~~~~~

**VIA ELECTRONIC FILING** 

Will Seuffert
Executive Secretary
Minnesota Public Utilities Commission
350 Metro Square Building
121 Seventh Place East
St. Paul, MN 55101

Re: In the Matter of the Joint Request of the City of Mountain Iron and Lake

Country Power to Update Electric Service Territory Records

MPUC Docket: .

Our File No.: 63653-0001

Dear Mr. Seuffert:

I represent the City of Mountain Iron, a Minnesota municipal utility (the "City"), which is authorized, on behalf of the City and Lake Country Power, a rural electric cooperative utility (the "Cooperative") (collectively, the "Parties") to make this joint filing.

## Summary of the Joint Request

This filing constitutes the Parties' joint request that the MPUC update the official service territory map to reflect an agreed-upon change in the Parties' electric service territory boundaries. This joint request concerns the permanent transfer of an area located within the city limits and within the electric service territory assigned to the Cooperative (the "Affected Area"), as further described below.

#### Legal Authorities

Under Minnesota Statutes, Section 216B.44(a), a municipal utility expands its assigned electric service territory, upon reaching agreement with the neighboring utility as to compensation: "Notwithstanding the provisions of sections 216B.38 to 216B.42, whenever a municipality which owns and operates an electric utility (1) extends its corporate boundaries through annexation or consolidation, or (2) determines to extend its service territory within its existing corporate boundaries, the municipality shall thereafter

furnish electric service to these areas unless the area is already receiving electric service from an electric utility, in which event, the municipality may purchase the facilities of the electric utility serving the area." Minn. Stat. § 216B.44(a). In addition, "no electric utility shall render or extend electric service at retail within the assigned service area of another electric utility unless the electric utility consents thereto in writing . . . " Minn. Stat. § 216B.40 (2018).

In the present case, the transfer occurred pursuant to Section 216B.44: the Affected Area lies within the City limits; the Parties have agreed upon appropriate compensation; and the Parties have agreed to the City providing service to the Affected Area.

Minnesota Statutes, Section 216B.39, subd. 3 addresses changes to the assigned service territory map after 1975: "the commission may on its own or at the request of an electric utility make changes in the boundaries of the assigned service areas, but only after notice and hearing . . . " By its terms, Section 216B.44(a) excludes Section 216B.39. Minn. Stat. § 216B.44(a) ("notwithstanding the provisions of sections 216B.38 to 216B.42,"). Nonetheless, the Parties acknowledge the public policy in having an accurate and updated official service territory boundary map. Accordingly, the Parties request that the Commission update its official records as to electric service territory boundaries to reflect the Parties' permanent change in the Affected Area.

### **Underlying Information**

Attached as Exhibit A is a map and plat that depict the Affected Area. The Affected Area involves approximately 30 acres. There are no existing Cooperative customers in the Affected Area; the Parties have agreed to the City providing service to the Affected Area. The City currently serves two residential customers and the City's own lift station, and is providing construction service to a future residence. The Parties have agreed upon appropriate compensation.

Attached as Exhibit B is a legal description of the Affected Area.

#### **Customer Notice**

By agreement of the Parties, the City is currently providing service to the Affected Area. The Parties acknowledge that the Commission wishes to direct separate notice to customers as to the pending proceeding before the Commission. Attached as <a href="Exhibit C">Exhibit C</a> is a proposed notice letter to be sent to all customers in the Affected Area.

### Contact Information

If there are any questions concerning this filing, you may contact the following representatives:

### City of Mountain Iron:

Craig Wainio
City Administrator
City of Mountain Iron
8586 Enterprise Drive South
Mountain Iron, MN 55768
Phone: 218-748-7570
cwainio@ci.mountain-iron.mn.us

Kaela Brennan McGrann Shea Carnival Straughn & Lamb, Chtd. 800 Nicollet Mall, Suite 2600 Minneapolis, MN 55402 Phone: 612-338-2525 kmb@mcgrannshea.com

### Lake Country Power:

Mark Bakk CEO Lake Country Power 8538 Park Ridge Drive Mountain Iron, MN 55768 Phone: 800-421-9959 mbakk@lcp.coop

Sara McGrane
Felhaber Larson
220 South 6th Street, Suite 2200
Minneapolis, MN 55402-4504
Phone: 612-339-6321
smcgrane@felhaber.com

### Request

The Parties therefore petition the Commission to accept and file these documents and provide due acknowledgment thereof. The Parties further request that the Commission provide evidence of its acknowledgment of these changes of service territory boundaries, and the updating of the official service territory records.

### Proposed Service List

A copy of this letter and the accompanying documents has been mailed or emailed to the persons on the enclosed proposed service list.

Please contact the representatives above if you have any questions.

Sincerely,

Kathleen M. Brennan

Enclosures

cc (w/encl.): Proposed Service List

## **EXHIBIT A**

# **Map and Plat Depicting Affected Area**

### **EXHIBIT B**

### **Legal Description of Affected Area**

The South Half of the South Half of the Northeast Quarter of the Southwest Quarter of Section 13, Township 58 North, Range 18 West of the Fourth Principle Meridian, City of Mountain Iron, St. Louis County, Minnesota. Except Minerals.

### And

The North Half of the Southeast Quarter of the Southwest Quarter of Section 13, Township 58 North, Range 18 West of the Fourth Principle Meridian, City of Mountain Iron, St. Louis County, Minnesota, Except Minerals.

## **EXHIBIT C: PROPOSED CUSTOMER NOTICE**

November, \_ 2021

Notice of Minnesota Public Utilities Commission Proceeding

Re:

| MPUC Docket No:                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Dear Customer:                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| As you know, the City of Mountain Iron is currently providing your electric service. This letter provides notice that the City and Lake Country Power have filed a joint request to formally update the electric service maps on file with the Minnesota Public Utilities Commission (MPUC) to reflect the City as the electric service provider where you are ocated. This letter provides information concerning that proceeding before the MPUC. |
| The MPUC is a state agency with jurisdiction over electric service territory boundaries. The MPUC requires that all customers located in an area involved in a change in the service territory maps be formally notified of the proceeding in which the service territory maps will be approved. This letter provides that formal notice.                                                                                                           |
| If you wish to address the MPUC concerning this change in maps, you may contact the MPUC Consumer Affairs Office at: 121 Seventh Place E., Suite 350, Saint Paul, Minnesota 55101, consumer.puc@state.mn.us, or call 651-296-0406. You should reference MPUC Docket No It is completely optional and voluntary to contact the MPUC.                                                                                                                 |
| The City of Mountain Iron values your business and will continue to strive to provide the highest quality service. Please contact me if you have any questions.                                                                                                                                                                                                                                                                                     |
| Sincerely,                                                                                                                                                                                                                                                                                                                                                                                                                                          |

### PROPOSED SERVICE LIST

Re: In the Matter of the Joint Request of the City of Mountain Iron and Lake Country Power to Update Electric Service Territory Records

| MPUC Docket: |  |
|--------------|--|
|              |  |

#### Via Electronic Filing

Will Seuffert
Executive Secretary
Minnesota Public Utilities Commission
350 Metro Square Building
121 Seventh Place East
St. Paul. MN 55101

### Via Electronic Filing

Ms. Sharon Ferguson MN Department of Commerce 85 7<sup>th</sup> Place East, Suite 500 St. Paul, MN 55101-2198

#### Via Electronic Filing

Commerce Attorneys
Office of the Attorney General-DOC
1800 BRM Tower
445 Minnesota Street
St. Paul, MN 55101-2134

### Via Electronic Filing

Residential Utilities Division
Office of the Attorney General-RUD
1400 BRM Tower
445 Minnesota Street
St. Paul, MN 55101-2130

#### Via Electronic Mail

Mark Bakk CEO Lake Country Power 8538 Park Ridge Drive Mountain Iron, MN 55768 mbakk@lcp.coop (Lake Country Power)

#### Via Electronic Mail

Sara McGrane
Felhaber Larson
220 South 6th Street, Suite 2200
Minneapolis, MN 55402-4504
smcgrane@felhaber.com
(Lake Country Power)

### Via Electronic Mail

Craig Wainio
City Administrator
City of Mountain Iron
8586 Enterprise Drive South
Mountain Iron, MN 55768
(City of Mountain Iron)

### **Courtesy Copies**

Ms. Kathleen M. Brennan
McGrann Shea Carnival Straughn
& Lamb, Chartered
800 Nicollet Mall
Suite 2600
Minneapolis, MN 55402-7035
kmb@mcgrannshea.com
(City of Mountain Iron)