STATE OF MINNESOTA

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Beverly Jones Heydinger Nancy Lange Dan Lipschultz John Tuma Betsy Wergin

Chair Commissioner Commissioner Commissioner Vice Chair

In the Matter of the Complaint by PKM Electric Cooperative, Inc. Arising from an Assigned Service Area Violation by Otter Tail Power Company

COMPLAINT MPUC Docket No. _____

Complainant PKM Electric Cooperative, Inc. ("PKM"), for its complaint arising from an assigned service area violation by Respondent Otter Tail Power Company ("Otter Tail") with respect to Otter Tail's servicing of a customer located within PKM's assigned service area, states and alleges as follows pursuant to Minn. Stat. § 216B.43:

1. PKM is a member-owned electric utility cooperative that provides electric services in an exclusive service area located in northwestern Minnesota.

2. Pursuant to Minn. R. 7829.1700, PKM states that its address is P.O. Box 108, 406 North Minnesota Street, Warren, Minnesota 56762. The names and address of PKM's counsel in this matter are: Richard C. Salmen and Sara Gullickson McGrane, Felhaber Larson, 220 South Sixth Street, Suite 2200, Minneapolis, Minnesota 55402.

3. Otter Tail is an investor-owned electric utility that provides electric services in its own exclusive service area located in Minnesota.

4. Pursuant to Minn. R. 7829.1700, PKM states that Otter Tail's address is 215 South Cascade Street, Fergus Falls, Minnesota 56537. Upon information and belief, the name and address of Otter Tail's counsel in this matter are: Bruce Gerhardson, Associate General Counsel, Otter Tail Power Company, 215 South Cascade Street, P.O. Box 496, Fergus Falls, Minnesota 56538.

5. Enbridge, Inc. ("Enbridge") is an energy delivery company based in Alberta, Canada. Enbridge focuses on the transport and distribution of crude oil, natural gas, and other liquids.

6. Enbridge is in the process of constructing a new pump station near Donaldson, Minnesota to facilitate the growth and expansion its transportation and distribution business ("Donaldson Pump Station").

7. Upon completion, the Donaldson Pump Station will be located entirely within the exclusive service area assigned to PKM by the Public Utilities Commission ("Commission").

8. PKM has the capacity to service the new electric load arising from the operation of the Donaldson Pump Station.

9. On April 8, 2014, PKM provided Otter Tail written notice of PKM's intent to serve the Donaldson Pump Station due to its location within PKM's exclusive service area.

10. Otter Tail maintains that it has the right to service the Donaldson Pump Station.

11. Pursuant to Minn. R. 7829.2000, attached as Exhibit 1 to this Complaint is a copy of the official service area map taken from the Commission's website of the area at issue within Kittson County, Minnesota. The area of the map shaded in pink represents Otter Tail's closest assigned service area. The rest of the area shown on the map represents PKM's exclusive service area, including the location of the Donaldson Pump Station, which is outlined on the map in red.

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CLAIM FOR RELIEF

12. With the 1974 enactment of the Minnesota Public Utilities Act, Minn. Stat. §§ 216B.01 *et seq.*, the Minnesota legislature established exclusive service areas for electric utilities in Minnesota.

13. In so enacting, the Minnesota legislature recognized,

It is hereby declared to be in the public interest that, in order to encourage the development of coordinated statewide electric service at retail, to eliminate or avoid unnecessary duplication of electric utility facilities, and to promote economical, efficient, and adequate electric service to the public, the state of Minnesota shall be divided into geographic service areas within which a specific electric utility shall provide electric service to customers on an exclusive basis.

Minn. Stat. § 216B.37.

14. Pursuant to Section 216B.40 of the Minnesota Public Utilities Act, electric utilities are assigned exclusive territories and may not serve customers within an area assigned to another utility unless the other utility consents thereto in writing.

15. PKM has not consented to Otter Tail's servicing of the Donaldson Pump Station, in writing or otherwise.

16. Based on the foregoing, Otter Tail's extension of service to the Donaldson Pump Station violates the exclusive service area provisions of the Minnesota Public Utilities Act, Minn. Stat. §§ 216B.37 to 216B.43.

Wherefore, PKM respectfully requests that the Commission: (1) hold a hearing as required under Minn. Stat. § 216B.43; (2) issue an order determining Otter Tail is in violation of the exclusive service area provisions of the Minnesota Public Utilities Act, and (3) issue an order determining PKM has the exclusive right to extend electric service to the Donaldson Pump Station.

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Respectfully submitted,

Dated: February 24, 2015.

FELHABER LARSON

By: <u>/s/ Richard C. Salmen</u> Richard C. Salmen, #95308 Sara G. McGrane, #233213 Randi J. Winter, #391354 220 South Sixth Street, Suite 2200 Minneapolis, MN 55402 (612) 339-6321 <u>rsalmen@felhaber.com</u> <u>smcgrane@felhaber.com</u> <u>rwinter@felhaber.com</u>

Attorneys for Complainant PKM Electric Cooperative, Inc.



Exhibit 1

DRAFT - For Review and Comment Only



STATE OF MINNESOTA

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Beverly Jones Heydinger Nancy Lange Dan Lipschultz John Tuma Betsy Wergin Chair Commissioner Commissioner Commissioner Vice Chair

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CERTIFICATE OF SERVICE MPUC Docket No.

STATE OF MINNESOTA)) SS. COUNTY OF HENNEPIN)

I, Christine K. Zilmer, being duly sworn upon oath, says that on the 24th day of February,

2015, I served the annexed Complaint alleging an assigned service area violation on the following persons on the attached service list by electronic service and U.S. Mail.

hristine K. Zilmer

Subscribed and sworn to before me this 24th day of February, 2015.



SERVICE LIST

Otter Tail Power Company PO Box 496 215 South Cascade Street Fergus Falls, MN 56538 (U.S. Mail and Electronic Service to Bruce Gerhardson, bgerhardson@otpco.com)

Minnesota Department of Commerce 85 7th Place East St. Paul, MN 55101 (U.S. Mail Only)

Minnesota Attorney General's Office Residential Utilities Division 1400 Bremer Tower 445 Minnesota Street St. Paul, MN 55101 (U.S. Mail Only)

Minnesota Public Utilities Commission 121 7th Place East, Suite 350 St. Paul, MN 55101 (U.S. Mail and Electronic Filing)