

November 3, 2015

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. E117, E015/SA-15-901

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 Itasca-Mantrap Cooperative Electrical Association (Itasca-Mantrap) and Minnesota Power (MP) for approval of a Service Territory Agreement.

The petition was filed on October 7, 2015 by:

David R. Moeller, Senior Attorney Minnesota Power 30 West Superior Street Duluth, MN 55802-2093

The Department recommends that the Minnesota Public Utilities Commission (Commission) approve the requested service territory transfer. The Commission's maps should be updated to reflect the service area designations as shown on the maps in the Agreement. The Department 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. E117, E015/SA-15-901

I. BACKGROUND

Itasca-Mantrap Cooperative Electrical Association (Itasca-Mantrap) is an electric distribution cooperative formed pursuant to the provisions of Minn. Stat. Chapter 308A. Minnesota Power (MP) is a Minnesota corporation and a public utility under Minn. Stat. 216B.02, subd.
Itasca-Mantrap and Minnesota Power have negotiated and executed a mutual agreement of the assignment of specific portions of each utility's respective electric service territory.

II. SUMMARY OF PROPOSAL

On October 7, 2015, Itasca-Mantrap and Minnesota Power jointly filed a request (Petition) that the Commission approve their joint Service Territory Agreement. The Parties' Electric Service Territory Agreement (Agreement) is attached to the Petition as Exhibit A. The Agreement provides that Minnesota Power will provide retail electric service to areas presently within Itasca-Mantrap's assigned service territory, and Itasca-Mantrap will provide retail electric service territory.

According to the Petition:

These modifications are the result of a mutual agreement based on the Commission's initiative to digitally update service territory maps and for neighboring utilities to seek to amicably resolve any service territory boundary issues.

III. DEPARTMENT ANALYSIS

A. ASSIGNED SERVICE AREA

Minnesota Statutes section 216B.39, subd. (3) states:

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... 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 as provided for in sections 216B.17 and 216B.18.

According to the Agreement, the parties acknowledged that no customers will experience a change of service provider as a result of the Service Territory Agreement. As a result of the filed Agreement, the service territory maps attached to the Agreement have been modified such that Itasca-Mantrap will provide retail electric service to areas designated Itasca-Mantrap Coop. Electric Assn., and Minnesota Power will provide retail electric service to areas designated Minnesota Power.

The Department asked the Minnesota Geospatial Information Office, by e-mail on October 26, 2015 if the Parties' maps attached to the Petition provided sufficient information to update the electronic maps, since the Petition included maps of the boundary changes, but not a written legal description. As of this writing, the Department has not received a response. The Department assumes that the maps attached to the Petition provide sufficient information.

B. COMPENSATION

According to the Agreement, the parties agreed that no compensation is owed to either Itasca-Mantrap or Minnesota Power for the mutual assignments of service territory in the Agreement.

Thus, the Department agrees that the Parties' request is reasonable.

IV. RECOMMENDATION

The Department recommends that the Commission approve the requested service territory transfer such that Itasca-Mantrap will provide retail electric service to areas designated Itasca-Mantrap Coop. Electric Assn. and Minnesota Power will provide retail electric service to areas designated Minnesota Power. The Commission's maps should be updated to reflect the service area designations as shown on the maps in the Agreement.

/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. E117, 015/SA-15-901

Dated this 3rd day of November 2015

/s/Sharon Ferguson

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
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