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March 21, 2017

VIA ELECTRONIC FILING

Daniel P. Wolf 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 Staples and Todd Wadena |
|-----|---------------------------------------------------------------------------|
|     | Electric Cooperative to Modify Electric Service Territory Boundaries      |
|     | MDUO Destat                                                               |

MPUC Docket:

Our File No.: 13198-0018

Dear Mr. Wolf:

I represent the City of Staples, a municipal corporation that operates a municipal utility under Minnesota law ("Staples"), which is authorized, on behalf of itself and Todd Wadena Electric Cooperative ("TWEC") (collectively, the "Parties"), to make this filing.

# Summary of the Joint Request

This filing constitutes the Parties' joint request under Minn. Stat. § 216B.39, subd. 3, that the MPUC modify the Parties' service territory boundaries. This joint request concerns the permanent transfer of an area within the city limits of the City of Staples and within the electric service territory assigned to TWEC (the "Transfer Areas"), as further described below. The Parties also provide a map of certain service-by-exception customers that are located within the Transfer Areas.

# **Legal Authorities**

By statute, "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 . . . " Minn. Stat. § 216B.39, subd. 3. 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 (2014). In the present case, the Parties seek to adjust the service territory boundaries

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to permanently transfer the Transfer Areas to Staples' assigned service territory. The Parties have agreed upon appropriate compensation. The Parties request that the Commission update its official records as to electric service territory boundaries.

# Underlying Information

1. <u>Exhibits A and B: Transfer Areas.</u> Attached as Exhibit A is a map and Exhibit B is a legal description that depict the boundaries of the Transfer Areas. The Transfer Areas include approximately 352 acres. The Parties have agreed to the terms and conditions for the transfer of the Transfer Areas, including compensation provisions, after arms-length negotiations. Although the Transfer Areas currently contain approximately 11 residential and small commercial customers, the Parties agreed that TWEC will continue to serve the Transfer Areas on a service-by-exception basis until the Parties have arranged the transfer of electric service. Accordingly, no customers have changed providers at this point.

In addition, the map in Exhibit A indicates an Exception Customer, which the Parties have agreed that TW may continue to serve on a service-by-exception basis, until December 1, 2026, unless the Parties mutually agree otherwise. Finally, the map in Exhibit A identifies four Exception Meters, which the Parties have agreed that TWEC may continue to serve on a service-by-exception basis, unless and until Staples provides ninety-days-notice of its intent to serve.

The Parties acknowledge that the Commission wishes to direct separate notice to customers as to the pending proceeding before the Commission. The Parties will provide this notice to all customers in the Transfer Areas, and will update the Commission via separate filing.

#### Contact Information

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

# City of Staples:

Jerel Nelsen, City Administrator
Doug Bendorf, Public Works Director
City of Staples
122 6th Street NE
Staples, MN 56479
(218) 894-2550
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Kaela Brennan McGrann Shea Carnival Straughn & Lamb, Chtd. 800 Nicollet Mall, Suite 2600 Minneapolis, MN 55402 (612) 338-2525 kmb@mcgrannshea.com Mr. Daniel Wolf March 21, 2017 Page 3

Todd Wadena:

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# 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.

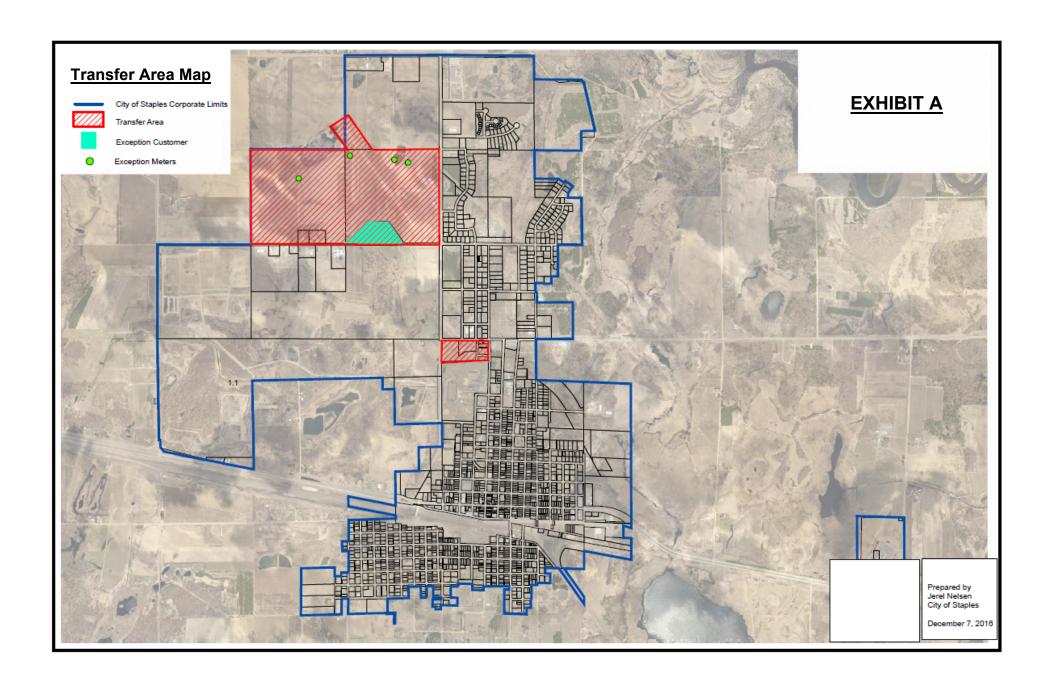
Please contact the representatives above if you have any questions. Thank you for your assistance.

Sincerely,

Kathleen M. Brennan

Enclosures

cc (w/encl.): Proposed Service List



# **EXHIBIT B**

# CITY OF STAPLES - TODD WADENA ELECTRIC COOPERATIVE TRANSFER AREAS

| PARCEL NO. | LEGAL DESCRIPTION                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 38-0003100 | NW4 NW4 N OF DITCH & W OF 3RD ST EX BEG AT INTERSECTION OF 3RD ST & N LINE OF NW NW4 S 275 FT, W 308 FT, SW 224 FT, N 437 FT TO N LINE, E 504 FT TO BEG 11.07 ACRES                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 38-0003200 | BEG AT INTERSECTION OF 3RD ST & N LINE OF NW4 NW4, S 275 FT, W 308 FT, SW 224 FT, N FT TO N LINE, E 504 FT TO BEG. 4.23 ACRES                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| 38-0101904 | O'CONNOR ADDITION TO STAPLES 01-133-33 W 105 FT OF N 100 FT OF BLK 11                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 38-0101905 | O'CONNOR ADDITION TO STAPLES 01-133-33, E 25 FT OF W 130 FT OF N 100 FT OF BLK 11                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 38-0101901 | O'CONNOR ADDITION TO STAPLES 01-133-33, N 100 FT OF BLK 11 EX W 130 FT                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 38-0101903 | O'CONNOR ADDITION TO STAPLES 01-133-33, N 90 FT OF S 290 FT OF BLK 11                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 38-0101906 | O'CONNOR ADDITION TO STAPLES 01-133-33, N 30 FT OF S 200 FT OF BLK 11                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 38-0101902 | O'CONNOR ADDITION TO STAPLES 01-133-33, S 170 FT OF BLK 11                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| 38-0102000 | O'CONNOR ADDITION TO STAPLES 01-133-33, PART OF BLK 12 DESC AS: BEG AT NW COR OF BLK 12, E 294 FT TO NE COR OF BLK 12, S 106.06 FT, W 294.05 FT TO W LINE, N 111.53 FT TO BEG                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| 20-0351010 | 145.80 AC - NE1/4 LESS TR SOLD & SMALL TR IN SW SW 26 134 33                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 20-0263020 | 11.11 AC- THAT PT OF THE FOLLOWING DESC PARCEL LYING WITHIN THE SE1/4:COMM AT THE S1/4 CORNER OF SAID SEC 26;THN S 89°51'17"E ASSUMED BEARING ALNG THE S LI OF SAID SE1/4 100.05 TO THE POB OF THE PARCEL TO BE DESC;THN CONT ALNG SAID S LI S 89°51'17"E 672.68 TO A LI 300'NESTLY OF & PARALLEL WITH THE CENTERLINE OF THE EXISTING RUNWAY AT STAPLES MUNICIPAL AIRPORT;THN N 35° 00'25"W ALNG SAID                                                                                                                                                                                                                                                                                          |
|            | PARALLEL LI 1193.97'; THN S 54°59'35"W 550';THN S 35°00'25"E 806.67'TO POB**& THAT OF THE SE1/4 DESC AS FOLLOWS:COMM AT THE S1/4 CORNER OF SAID SEC 26;THN S 89°51'17"E ASSUMED BEARING ALNG THE S LI OF SAID SE1/4 852.84'TO A LI 365.50'NESTL' OF & PARALLEL WITH THE CENTERLINE OF THE EXISTING RUNWAY AT STAPLES MUNICIPAL AIRPORT & THE POB OF PARCEL TO BE DESC; THN N 35°00'25"W ALNG SAID PARALLEL LI 1040.09';THN NWSTLY TO SWSTLY 102.89' ALNG A TANGENTIAL CURVE CONCAVE TO THE HAVING A RADIUS OF 65.50'& A CENTRAL ANGLE OF 90°00'00"TO A LI 300'NESTLY OF & PARALLEL WITH SAID EXISTING RUNWAY; THN S 35°00'25"E 1059.47'TO THE S LI OF SAID SE1/4;THN S 89°51'17"E 80.11'TO POB |
| 13-0263020 | 3.00 AC - THAT PT OF THE FOLLOWING DESC PARCLEL LYING WITHIN THE SW1/4:COMM A THE S1/4 CORNER OF SAID SEC 26;THN S 89°51'17"E ASSUMED BEARING ALNG THE S LI OF THE SE1/4 OF SEC 26 100.05'TO THE POB OF THE PARCEL TO BE DESC;THN CONT ALNG SAIS LI S 89°51'17"E 672.68'TO A LI 300'NESTLY OF & PARALLEL WITH THE CENTERLINE OF THIE EXISTING RUNWAY AT STAPLES MUNICIPAL AIRPORT;THN N 35°00'25"W ALNG SAID PARALLEL LI 1193.97';THN S 54°59'35"W 550';THN S 35°00'25"E 806.67'TO THE POB                                                                                                                                                                                                     |
| 20-0351020 | 14.20 AC - PT NE1/4 SEE TRANSFER RECORD 5/4/72 EASEMENT TO TODD WADENA                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| 20-0352010 | 153.62 AC - NW1/4 EXCEPT: COMMENCING AT THE SOUTHEAST CORNER OF SAID NW; THENCE WEST ALONG THE SOUTH LINE OF SAID NW A DISTANCE OF 558 FEET TO THE POIN OF BEGINNING; THENCE NORTH AND PARALLEL WITH THE EAST LINE OF SAID NW A DISTANCE OF 365 FEET; THENCE WEST AND PARALLEL WITH THE SOUTH LINE OF SAID NW DISTANCE OF 762 FEET, MORE OR LESS, TO THE WEST LINE OF THE SE NW; THENCE SOUTH AND PARA- LLEL WITH THE EAST LINE OF SAID NW A DISTANCE OF 365 FEET TO THE SOUTH LINE OF SAID NW; THENCE EAST ALONG THE SOUTH LINE OF SAID NW A DISTANCE OF 762 FEET, MORE OR LESS, TO THE POINT OF BEGINNING. SUBJECT TO EASEMENTS OF RECORD.                                                   |
| 20-0352020 | 2.51 AC - PT SE1/4 NW1/4 COM SW COR SE1/4 NW1/4; TH E ALG S LI 300'; TH N & PARA/W LI 365'; TH W PARA/S LI 300' TO W LI; TH S ALG W LI 365'TO POB                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 20-0352035 | 2.91 AC - PT OF THE SE1/4 NW1/4 DESC AS:COMM AT THE SW CORNER OF SE1/4 NW1/4;THN E ALNG THE S LI 300'TO POB;THN N & PARALLEL WITH W LI THEREOF 365';THI E & PARALLEL WITH THE S LI 462'MORE OR LESS TO A POINT WHICH IS 558'FROM THE E LI SE1/4 NW1/4;THN S & PARALLEL WITH THE W LI 365' TO THE S LI THEREOF;THN W ALNG S 462'MORE OR LESS TO THE POB**EXCEPT THE E 115'OF THE ABOVE DESCRIBED TRACT                                                                                                                                                                                                                                                                                          |
| 20-0352030 | .96 AC - THE E 115'OF THE FOLLOWING DESC TRACT:THAT PT OF THE SE1/4 NW1/4 DESC AS:COMM AT THE SW CORNER OF SE1/4 NW1/4;THN E ALNG THE S LI THEREOF 300'TO PO THN N & PARALLEL WITH THE W LI 365'; THN E & PARALLEL WITH THE S LI 462' MORE OR LESS TO A POINT WHICH IS 558'FROM THE E LI OF SE1/4 NW1/4;THN S & PARALLEL WITH V LI 365'TO THE S LI;THN W ALNG S LI 462'MORE OR LESS TO POB                                                                                                                                                                                                                                                                                                     |

#### PROPOSED SERVICE LIST

Re: In the Matter of the Joint Request of the City of Staples and Todd Wadena Electric Cooperative to Modify Electric Service Territory Boundaries MPUC Docket:

#### Via Electronic Filing

Daniel P. Wolf 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

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

#### Via Electronic Filing

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

#### Via Electronic Mail

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#### Via Electronic Mail

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#### Via Electronic Mail

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#### Via Electronic Mail

Doug Bendorf, Public Works Director City of Staples 122 6<sup>th</sup> Street NE Staples, MN 56479 dbendorf@ci.staples.mn.us (City of Staples)

#### **Courtesy Copies**

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