

June 21, 2019

Daniel P. Wolf
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, Minnesota 55101-2147

RE: Corrected Comments of the Minnesota Department of Commerce, Division of Energy
Resources
Docket No. E286, E112/SA-19-346

Dear Mr. Wolf:

Attached are the corrected comments¹ of the Minnesota Department of Commerce, Division of Energy Resources (Department) in the following matter:

The Joint Request of North Branch Water and Light Commission of the City of North Branch and East Central Energy for approval to Update Electric Service Territory Boundaries.

The petition was filed May 23, 2019 by:

Kaela Brennan
McGrann Shea Carnival Straughn & Lamb, Chtd.
800 Nicollet Mall, Suite 2600
Minneapolis, MN 55402

The Department recommends that the Minnesota Public Utilities Commission (Commission) approve the requested permanent service territory transfer from East Central Energy to the North Branch Water and Light Commission, and is available to answer any questions the Commission may have.

Sincerely,

/s/ DALE V. LUSTI
Financial Analyst

DVL/ar
Attachment

¹ The corrections to the June 20, 2019 comments are in Section II. SUMMARY OF PROPOSAL. Replace the two-word phrase "19 areas" with the two-word phrase "Affected Area;" and strike the phrase "and identified as the Affected Area."



Before the Minnesota Public Utilities Commission

Comments of the Minnesota Department of Commerce Division of Energy Resources

Docket No. E286, E112/SA-19-346

I. BACKGROUND

North Branch Water and Light Commission of the City of North Branch (the Municipal) is an electric municipal utility organized and existing under the laws of the State of Minnesota. East Central Energy (the Cooperative) is an electric distribution cooperative organized and existing under the laws of the State of Minnesota.

II. SUMMARY OF PROPOSAL

On May 23, 2019, the Municipal and Cooperative, collectively the Parties, jointly filed a petition under Minn. Stat. § 216B.44, asking the Minnesota Public Utilities Commission (Commission) to modify the Parties' service territory boundaries. Approval of the Parties' request would permanently transfer the Affected Area located within the City limits of North Branch and within the electric service territory assigned to the Cooperative, from the Cooperative to the Municipal.

III. DEPARTMENT ANALYSIS

A. TRANSFER OF THE AFFECTED AREA FROM THE COOPERATIVE TO THE MUNICIPAL

The petition's Exhibit A is a map of the Affected Area which involves approximately 12.85 acres and 19 customers (18 residential and one lift station).

Exhibit B to the Petition, contains the Legal Description of the Affected Areas which are as follows:

- Lucht's Crossing, Second Addition, Chisago County; and
- Lucht's Crossing, Outlot C, Chisago County.

Per the Petition, it should be noted that the proposed transfer is a permanent transfer of service territory.

B. CUSTOMER NOTICE

In its petition, the Parties acknowledged that the Commission wishes to direct separate notice to customers as to the pending proceeding before the Commission, and noted that the Parties will provide this notice to affected customers and arrange separate filing with the Commission.

On June 11, 2019, the parties provided an AFFIDAVIT OF SERVICE that on June 11, 2019, a notice letter was mailed to each customer affected by the boundary change proceeding.

C. ANTICIPATED TRANSFER DATE

Per conversation with the Parties, the physical transfer of service is anticipated to occur during the summer of 2019.

D. COMPENSATION

The Department notes that the Parties have agreed upon appropriate compensation regarding the permanent transfer of service rights in the Affected Area.

Thus, the Department agrees that the Parties' request to establish the Affected Area as part of the Municipal's service area is consistent with Minn. Stat. § 216B.44.

IV. RECOMMENDATION

The Department recommends that the Commission approve the permanent service territory transfer from East Central Energy to the North Branch Water and Light Commission. MnGeo should update the Commission's maps to reflect the service area designations as shown on the map in the Petition. Please note that Shana Neumann is the primary MnGeo Contact for the Commission's service area map updates.

/ar