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(1938-2018)

September 6, 2019

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 Grand Rapids Public Utilities  
Commission and Lake Country Power to Update Electric Service Territory  
Records  
MPUC Docket: \_\_\_\_\_  
Our File No.: 61261-0001

Dear Mr. Wolf:

I represent the Grand Rapids Public Utilities Commission, a municipal utility (the "Municipal"), which is authorized, on behalf of the Municipal and Lake Country Power, a rural electric cooperative utility (the "Cooperative") (collectively, the "Parties") to make this filing as a joint petition to the MPUC.

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 of the City of Grand Rapids and within the electric service territory assigned to the Cooperative (identified as 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 has 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 Municipal providing service as the Parties arrange the orderly transfer of service on date(s) that they mutually determine.

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-1 is a map that depicts the boundaries of the Affected Area. The Affected Area involves approximately 993 acres and approximately 139 residential customers and 8 commercial meters. Exhibit A-2 is a map of the Affected Area in relation to the Parties’ overall service territory boundaries.

The Parties do not have a survey-based legal description of the Affected Area. Attached as Exhibit B is a detailed summary of the boundaries of the Affected Area.

The Parties have engaged in extensive technical discussions, designed to minimize any disruption to customers, to avoid unnecessary duplication of facilities, and to ensure a smooth transition of electric service. The Parties have agreed to the Municipal providing service to the Affected Area as they implement the transfer of service, which they expect to occur in the fall of 2019.

#### Customer Notice

The Parties acknowledge that the Commission wishes to direct separate notice to customers as to the pending proceeding before the Commission. Attached as Exhibit C is a certificate setting forth the notice letters that have been sent to all customers in the Affected Area. The Municipal has scheduled multiple public meetings with customers to discuss this change in service territory.

Contact Information

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

Grand Rapids PUC:

Julie Kennedy  
General Manager  
Grand Rapids Public Utilities  
500 SE 4<sup>th</sup> Street  
Grand Rapids, MN 55744  
W: 218-326-7687  
jakennedy@grpuc.org

Lake Country Power:

Greg Randa  
General Manager  
Lake Country Power  
4064 Highway 73 South  
Kettle River, MN 55757  
W: 218-485-2258 M: 218-839-8417  
granda@lakecountrypower.com

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

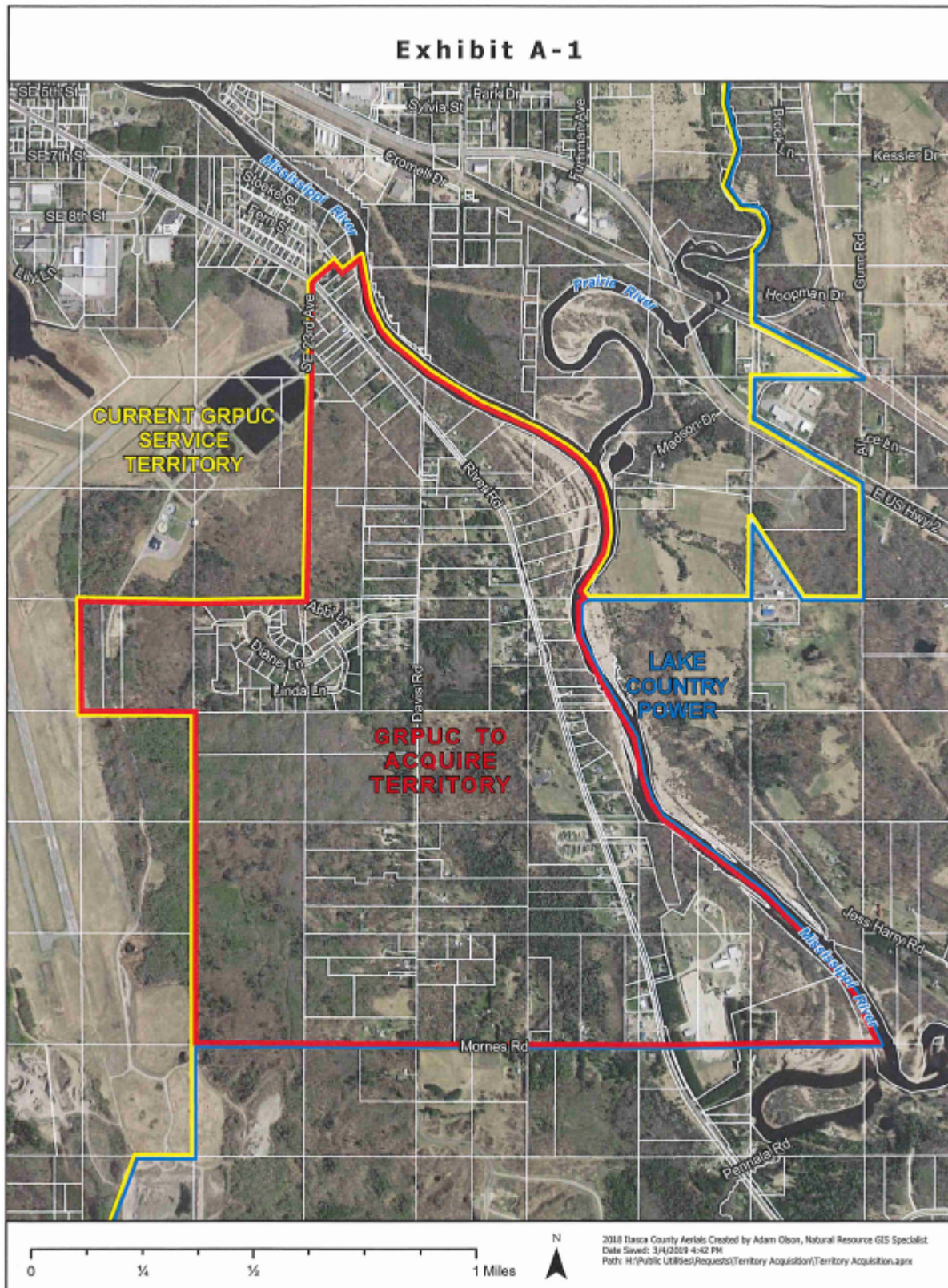


Kathleen M. Brennan

Enclosures  
cc (w/encl.): Proposed Service List

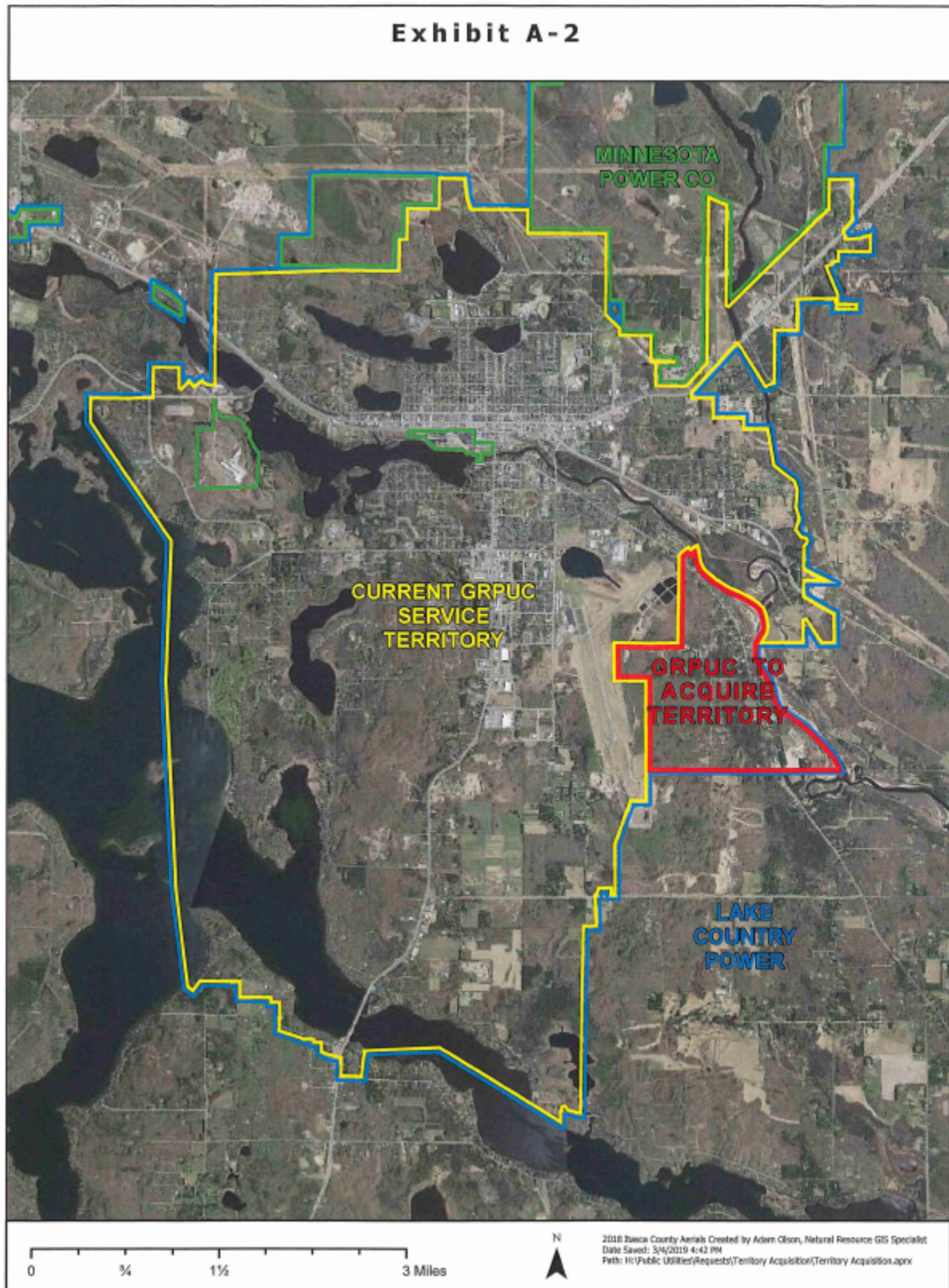


Exhibit A-1: Map of Affected Area





**Exhibit A-2: Broader Service Territory Map with Affected Area**



## **Exhibit B: Detailed Description of Affected Area**

Starting at the centerline of River Road and SW 23rd Ave, going south and following an easterly line of the existing PUC system boundary 3800', West 2690', South 1310', East 1350' and South 3948' to intersect with the South Line of Grand Rapids City Boundary. Then going east along the GR City S boundary for approx. 8270' to the Mississippi River. Then northwesterly following the River and the easterly GR City limits boundary 12,180' to intersect with current southeasterly PUC boundary. Then following the existing PUC boundary southwesterly for 270', northwesterly 150', southwesterly 320' and back to the starting point.

## **Exhibit C: Certificate and Customer Notice Letter**

STATE OF MINNESOTA

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Katie Sieben  
Dan Lipschultz  
Valerie Means  
Matt Schuerger  
John Tuma

Chair  
Commissioner  
Commissioner  
Commissioner  
Commissioner

**IN THE MATTER OF THE JOINT  
REQUEST OF GRAND RAPIDS  
PUBLIC UTILITIES COMMISSION AND  
LAKE COUNTRY POWER TO UPDATE  
ELECTRIC SERVICE TERRITORY  
RECORDS**

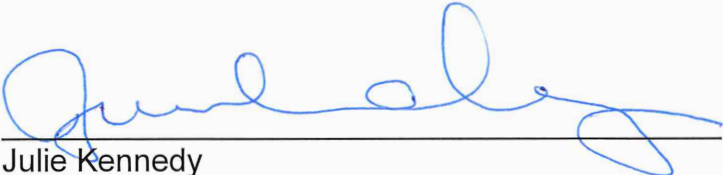
DOCKET NO:

**AFFIDAVIT OF SERVICE**

STATE OF MINNESOTA     )  
  ) ss.  
COUNTY OF ITASCA     )

Julie Kennedy hereby states that she is the General Manager of Grand Rapids Public Utilities, and that on or about the 6<sup>th</sup> day of September, 2019, staff under her direction and supervision mailed the attached letter to each customer within the Affected Area in this boundary change proceeding.

I declare under penalty of perjury that everything I have stated in this document is true and correct.

By:   
Julie Kennedy  
General Manager, Grand Rapids Public Utilities





## PUBLIC UTILITIES COMMISSION

500 SE FOURTH STREET  
GRAND RAPIDS, MINNESOTA 55744  
TELEPHONE (218) 326-7024  
TDD (218) 326-7487 FAX (218) 326-7499

September 5, 2019

Dear Customer,

This fall, Grand Rapids Public Utilities (GRPU) will be taking over your electric service from Lake Country Power. The City of Grand Rapids annexed your area into the city in 2010, and in 2019, Lake Country Power sold the electric system in this area to GRPU.

The transfer of the electric distribution system from Lake Country Power to Grand Rapids Public Utilities is scheduled to begin on September 24, 2019. At that time, GRPU crews will transfer your electric service to the GRPU system, as well as install a new electric meter. You will experience two outages in order to transfer the electric service. On the first day, the electric system will be cutover. The outage for this cutover will begin at 8:30 AM and last about 6 hours. The second outage, when your new meter is installed, will occur the next day and will be relatively short. A GRPU representative will attempt to notify you prior to installing the new meter.

Please find enclosed the following information:

- Application for service. Please complete the application and return it to GRPU in the enclosed stamped envelope.
- Current GRPU electric rate schedules.
- Information on various programs offered by GRPU including conservation, dual fuel, air conditioning and security lighting.
- Magnet with GRPU contact information.

If the project goes as scheduled, residential customers may expect their first bill from GRPU around November 2, 2019, for the usage period of September 25 – October 26. Commercial customers will be billed on November 9, for the usage period of September 25 – October 31.

There will be two public meetings for new customers in this area on Thursday, September 19, 2019 from 4-5 PM and 6-7 PM. Grand Rapids Public Utilities employees will be available to answer questions related to the project. If you are unable to attend the meeting, please contact me directly to set up another time to meet.

The GRPU Commission members and utility staff welcome you to our municipal utility and thank you for being our customer. If you have any questions or need additional information, please contact our office at 218-326-7024. You may also contact me directly at 218-326-7687.

Respectfully,

Julie Kennedy  
General Manager