

September 30, 2019

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. E243, E106/SA-19-561

Dear Mr. Wolf:

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

The Joint Request of Grand Rapids Public Utilities Commission and Lake Country Power for approval to Update Electric Service Territory Boundaries.

The petition was filed September 6, 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 Lake Country Power to the Grand Rapids Public Utilities Commission, and is available to answer any questions the Commission may have.

Sincerely,

/s/ DALE V. LUSTI
Financial Analyst

DVL/ar
Attachment



Before the Minnesota Public Utilities Commission

Comments of the Minnesota Department of Commerce Division of Energy Resources

Docket No. E243, E106/SA-19-561

I. BACKGROUND

Grand Rapids Public Utilities Commission (the Municipal) is an electric municipal utility organized and existing under the laws of the State of Minnesota. Lake Country Power (the Cooperative) is an electric distribution cooperative organized and existing under the laws of the State of Minnesota.

II. SUMMARY OF PROPOSAL

On September 6, 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 Grand Rapids and within the electric service territory assigned to the Cooperative, from the Cooperative to the Municipal. The Minnesota Department of Commerce (Department) provides its review below.

III. DEPARTMENT ANALYSIS

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

The petition's Exhibit A-1 is a map of the Affected Area, which involves approximately 993 acres and approximately 139 residential customers and 8 commercial meters.

Although the parties do not have a survey-based legal description of the Affected Area, attached as Exhibit B to the Petition is a Detailed Description of the Affected Area, which is as follows:

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.

B. INTERIM

Per the Petition, the Parties have arranged the orderly transfer of service on date(s) they mutually determine, before the Commission has considered the joint Petition.

C. CUSTOMER NOTICE

Exhibit C to the Petition is the Parties' letter to the affected customers, regarding the Municipal providing electric service to those previously served the Cooperative. In a separate letter, the Parties intend to provide notice to all customers about this proceeding and file the notice with the Commission.

D. COMPENSATION

The Department notes that the Parties agreed in writing on appropriate compensation regarding the proposed 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 Lake Country Power to Grand Rapids Public Utilities Commission. The Minnesota Geospatial Office (MnGeo) should update the Commission's maps to reflect the service area designations as shown on the map in the Petition. Please note that James Bunning is the primary MnGeo Contact for the Commission's service area map updates.

/ar