

February 24, 2020

Will Seuffert  
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. E221, E148/SA-20-136

Dear Mr. Seuffert:

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

The Joint Request of the City of Buffalo and Wright-Hennepin Cooperative Electric Association to update electric service territory records.

The petition was filed on January 24, 2020 by:

Kathleen M. Brennan  
McGrann Shea Carnival Straughn & Lamb, Chartered  
800 Nicollet Mall, Suite 2600  
Minneapolis, MN 55402

The Department recommends that the Minnesota Public Utilities Commission (Commission) approve the service territory transfer from the Wright-Hennepin Cooperative Electric Association to the City of Buffalo, 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**

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**Comments of the Minnesota Department of Commerce**  
**Division of Energy Resources**

Docket No. E221, E148/SA-20-136

**I. BACKGROUND**

Wright-Hennepin Cooperative Electric Association (the Cooperative) is an electric distribution cooperative formed pursuant to the provisions of Minn. Stat. Chapter 308A. The City of Buffalo (the City) operates a municipal utility under laws of the State of Minnesota.

**II. SUMMARY OF PROPOSAL**

On January 24, 2020, 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 (Petition). The Petition requests that the Transfer Area be permanently transferred from the Cooperative's to the City's assigned service area.

**III. DEPARTMENT ANALYSIS**

*A. TRANSFER OF THE AFFECTED AREA FROM THE COOPERATIVE TO THE CITY*

Exhibit A to the Petition is a map and legal description that identifies the boundaries of the Transfer Area which includes approximately 130 acres, and approximately 57 current customers (7 residential, 36 small commercial and 14 large commercial). The legal description is as follows:

That part of Government Lot 3 of Section 17, Township 120, Range 25, Wright County, Minnesota, which lies northwesterly of the northwesterly right-of-way of Minnesota State Highway No. 25 and southerly of the following described line: Commencing at the southwest corner of said Government Lot 3; thence northerly along the west line of said Government Lot 3, a distance of 571.68 feet to the point of beginning of the line to be described; thence easterly deflecting 90 degrees right, a distance of 709.91 feet, more or less, to said northwesterly right-of-way line of Minnesota State Highway No. 25 and terminating thereat.

And

That part of the South Half of the Northeast Quarter of the Southeast Quarter and that part of the North Half of the Southeast Quarter of the Southeast Quarter, all in Section 18, Township 120, Range 25, lying westerly of the northwesterly right-of-way line of Minnesota State Highway No. 25.

And

The entirety of the plats of NELSON OFFICE PARK, CDC BUFFALO COVENANT, WALMART ADDITION, AND WALMART THIRD ADDITION, all on file and of record in the office of the County Recorder, Wright County, Minnesota.

And

That part of the Southeast Quarter of Section 18, Township 120, Range 25, Wright County, Minnesota, which lies southwesterly of the southwesterly line of said plat of CDC BUFFALO COVENANT.

And

That part of the Northeast Quarter of Section 19, Township 120, Range 25, Wright County, Minnesota, which lies westerly of the westerly right-of-way line of Minnesota State Highway No. 25 and northerly of the north line of said plat of WALMART ADDITION. Except therefrom that part lying within said plat of CDC BUFFALO COVENANT.

And

That part of the Southeast Quarter of Section 19, Township 120, Range 25, Wright County, Minnesota, which lies westerly of the westerly right-of-way line of Minnesota State Highway No. 25 and northeasterly of the northeasterly right-of-way line of Minnesota State Highway No. 55.

And

That part of the Southwest Quarter of Section 19, Township 120, Range 25, Wright County, Minnesota, which lies northeasterly of the northeasterly right-of-way line of Minnesota State Highway No. 55.

And

That part of the Northwest Quarter of Section 19, Township 120, Range 25, Wright County, Minnesota, which lies northeasterly of the northeasterly right-of-way line of Minnesota State Highway No. 55, westerly of the boundary of said plat of WALMART THIRD ADDITION, and southerly and southeasterly of Line "A", described as follows: Commencing at the southeast corner of said Northwest Quarter; thence an assumed bearing of West along the south line of said Northwest Quarter, a distance of 200.00 feet; thence on a bearing of North, a distance of 810.86 feet to the

point of beginning of said Line "A"; thence on an a bearing of West, a distance of 1057.33 feet; thence South 37 degrees 09 minutes West, a distance of 496.96 feet, more or less, to said northeasterly right-of-way line of Minnesota State Highway No. 55 and terminating thereat.

The Petition indicates that the proposed transfer is a permanent transfer of service territory. Further, the parties are targeting a transfer of service in early March 2020.

The parties have agreed to cooperate and communicate with customers to ensure a smooth transition and to minimize any disruption to customers.

*B. CUSTOMER NOTICE*

Exhibit B to the Petition is a proposed notice to be sent to all customers in the Transfer Area.

*C. COMPENSATION*

The Department notes the parties have agreed on appropriate compensation for the permanent transfer of service territory.

Thus, the Department agrees that the Parties' request to establish the Affected Area as part of the city of Buffalo's service area is consistent with Minn. Stat. § 216B.39 and 216B.44.

**IV. RECOMMENDATION**

The Department recommends that the Commission approve the permanent service territory transfer from Wright-Hennepin Cooperative Electric Association to the City of Buffalo. MnGeo should update the Commission's maps to reflect the service area designation as shown on the map in the Petition.

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