

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. E002, E111/SA-20-156

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 Northern States Power Company, d/b/a Xcel Energy, and Dakota Electric Association (the Cooperative) for approval of a Compensation and Orderly Transfer Agreement between the two parties.

The petition was filed January 29, 2020 by:

Bridget Dockter  
Manager, Policy & Outreach  
Xcel Energy  
414 Nicollet Mall, 401 – 7<sup>th</sup> Floor  
Minneapolis, MN 55401

The Department recommends that the Minnesota Public Utilities Commission (Commission) **approve both service territory transfers between Xcel Energy and Dakota Electric Association**, and is available to answer any questions the Commission may have.

Sincerely,

/s/ DALE V. LUSTI  
Financial Analyst

DVL/ar  
Attachment

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## **Before the Minnesota Public Utilities Commission**

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

Docket No. E002, E111/SA-20-156

#### **I. BACKGROUND**

Northern States Power Company d/b/a Xcel Energy, is a public utility duly organized and existing under the laws of the State of Minnesota. Dakota Electric Association (the Cooperative), is an electric distribution cooperative organized and existing under the laws of the State of Minnesota. Individually each is referred to as a Party and or collectively as the Parties.

#### **II. SUMMARY OF PROPOSAL**

On January 29, 2020, Xcel Energy and the Cooperative jointly filed a petition under Minnesota Statutes Sections 216B.39, asking the Minnesota Public Utilities Commission (Commission) to approve both the transfer of two lots currently in Xcel Energy's service territory to the Cooperative, and the transfer of two lots currently in the Cooperative's service territory to Xcel Energy.

#### **III. DEPARTMENT ANALYSIS**

Schedule A to the Petition, is the January 8, 2020, Compensation and Orderly Transfer Agreement between Northern States Power Company and Dakota Electric Association.

##### **A. TRANSFER OF THE AFFECTED AREA FROM XCEL ENERGY TO THE COOPERATIVE**

Schedule A to the petition, along with its Attachment 1 includes maps and the legal description of the two lots in the Wallin 16<sup>th</sup> Addition located in Hastings, Minnesota, that are currently in the Xcel Energy's service territory that will be transferred to the Cooperative upon Commission approval of this Petition. The legal description is as follows:

1. Lot 3 of block 1 in the Wallen 16<sup>th</sup> Addition located in Dakota County Minnesota.

Dakota County Legal Description: SW ¼ NW ¼ of Section 32 Township 115 Range 17.

2. Lot 4 of block 1 in the Wallen 16<sup>th</sup> Addition located in Dakota County Minnesota.

Dakota County Legal Description: SW ¼ NW ¼ of Section 32 Township 115 Range 17.

## B. TRANSFER OF THE AFFECTED AREA FROM THE COOPERATIVE TO XCEL ENERGY

Schedule A to the petition, along with its Attachment 2 includes maps and the legal description of the two lots in the Spirit of Brandtjen Farms 22<sup>nd</sup> Addition located in Lakeville, Minnesota that are currently in the Cooperative's service territory and will be transferred to Xcel Energy upon Commission approval of this Petition. The legal description is as follows:

1. Lot 1 of block 1 in the Spirit of Brandtjen Farms 22<sup>nd</sup> Addition located in Dakota County Minnesota.

Dakota County Legal Description: SE ¼ NE ¼ of Section 1 Township 114 Range 20

2. Lot 2 of block 1 in the Spirit of Brandtjen Farms 22<sup>nd</sup> Addition located in Dakota County Minnesota.

Dakota County Legal Description: SE ¼ NE ¼ of Section 1 Township 114 Range 20.

## C. CUSTOMER NOTICE

Schedule B, Page 1 of 2 to the Petition is a one-page informational Customer Notice Letter, informing the two customers that their lots are located in the Dakota Electric Association's assigned service territory. To allow Xcel Energy to provide the electric service to their lots, the Parties filed a Compensation and Orderly Transfer Agreement with the Commission. The notice also identifies the pending proceeding before the Commission regarding the process of formally updating the service area maps to reflect Xcel Energy as the service provider to the Affected Area. Schedule C to the Petition is a one-page Proposed Hearing Notice.

Schedule B, Page 2 of 2 to the Petition is a one-page informational Customer Notice Letter, informing the two customers that their lots are located within Xcel Energy's assigned service territory. The notice indicates that the Parties filed a Compensation and Orderly Transfer Agreement with the Commission, to allow the Cooperative to provide the electric service to their lots. The notice also identifies the pending proceeding before the Commission regarding the process of formally updating the service area maps to reflect Xcel Energy as the service provider to the Affected Area. Schedule C to the Petition is a one-page Proposed Hearing Notice.

## D. COMPENSATION

Pursuant to the January 8, 2020 Agreement, the Parties agree that no compensation is owed to Xcel Energy by the Cooperative or to the Cooperative by Xcel Energy for this transfer of service territory.

Thus, the Department agrees that the Parties' request to establish Lots 3 and 4 of block 1 in the Wallen 16<sup>th</sup> Addition in Dakota County as part of the Xcel Energy's service area is consistent with Minnesota Statutes 216B.39 and 216B.40. The Department also agrees that the Parties' request to establish Lots 1 and 2 of block 1 in the Spirit of Brandtjen Farms 22<sup>nd</sup> Addition in Dakota County as part of the Cooperative's service area is consistent with Minnesota Statutes 216B.39.

#### **IV. RECOMMENDATION**

The Department recommends that the Commission approve both the permanent service territory transfer from the Cooperative to Xcel Energy, as well as the permanent service territory transfer from Xcel energy to the Cooperative. MnGeo should update the Commission's maps to reflect the service area designations as shown on the maps in the Petition.

/ar