

March 26, 2021

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. E220, E002/SA-21-192

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 Brownton Electric Utility and Xcel Energy for approval to Update Electric Service Territory Boundaries.

The petition was filed March 22, 2021 by:

Bridget Dockter
Manager, Policy & Outreach
Xcel Energy Services Inc.
414 Nicollet Mall, 401 – 7th Floor
Minneapolis, MN 55401

The Department recommends that the Minnesota Public Utilities Commission (Commission) approve the requested permanent service territory transfer from Xcel Energy to Brownton Electric Utility and is available to answer any questions the Commission may have.

Sincerely,

/s/ JOHN KUNDERT
Financial Analyst

JPK/ja
Attachment



Before the Minnesota Public Utilities Commission

Comments of the Minnesota Department of Commerce Division of Energy Resources

Docket No. E002/SA-21-192

I. BACKGROUND

Brownton Electric Utility (“Brownton” or “the Municipal”) is an electric municipal utility organized and existing under the laws of the State of Minnesota. Northern States Power Company doing business as Xcel Energy (“Xcel” or “the Company”) is an investor owned electric utility organized and existing under the laws of the State of Minnesota.

II. SUMMARY OF PROPOSAL

On March 22, 2021, the Municipal and Company, collectively the Parties, jointly filed a petition (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 Transfer Area, located within the Brownton city limits and within the electric service territory assigned to the Company, from Xcel to the Municipal.

III. DEPARTMENT ANALYSIS

A. *TRANSFER OF THE AFFECTED AREA FROM THE COMPANY TO THE MUNICIPAL*

The Petition’s Attachment 1 of Schedule A is a map of the Transfer Area, which involves one area of 2.3 acres.

Schedule A to the Petition contains the legal description of the Transfer Area, which is as follows:

1. Scope of Transfer Area. The Transfer Area is estimated to be 2.3 acres of that part of the Southwest Quarter of the Northwest Quarter of Section 32, Township 115, Range 29, McLeod County Minnesota, legally described as follows:

Commencing at the southeast corner of said Southwest Quarter of the Northwest Quarter; thence North 00 degrees 25 minutes 38 seconds West, assumed bearing, along the east line of said Southwest Quarter of the Northwest Quarter, a distance of 338.00 feet to the point of beginning of the parcel to be described; thence South 89 degrees 21 minutes 36 seconds West, a distance of 380.00 feet; thence South 00 degrees 25 minutes 38 seconds East, a distance of 263.00 feet, more or less, to the

north right of way line of US Highway No. 212; thence easterly, northeasterly, and easterly, along said north right of way line, a distance of 425 feet, more or less, to the east line of said Southwest Quarter of the Northwest Quarter; thence North 00 degrees 25 minutes 38 seconds West, along said east line, a distance of 154.97 feet to the point of beginning and there terminating.

Per the Petition, the proposed transfer would be a permanent transfer of service territory. Further, the transfer of service territory would impact no existing customers, as there are currently no customers located within it.

B. INTERIM SERVICE

The Parties agreed in writing that, if a customer requests service before the Commission has considered the joint Petition, Brownton will provide interim service to the affected area, subject to certain conditions.

C. CUSTOMER NOTICE

Xcel explained in the Petition that it doesn't currently serve any customers in the transfer area. The Company also explained that as of the date of the filing, the City of Brownton owns the parcel so the letter to notify customers of the transfer would be a letter from the City of Brownton to itself. If ownership of the parcel changes hands during the currently regulatory process, the Company and the Municipal will make a filing in this docket updating the Commission and confirming that notice was provided to the new owner.

D. COMPENSATION

The Department notes that the Parties agreed in writing on appropriate compensation regarding the proposed permanent transfer of service rights in the Transfer 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 Xcel Energy to Brownton Electric Utility. MnGeo should update the Commission's maps to reflect the service area designations as shown on the map in the Petition.