

November 6, 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 Nos. E015/SA-20-609 and E015, E112/SA-20-734

Dear Mr. Seuffert:

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

Agreements for Service by Exception Listings for Minnesota Power.

The Joint Request of Minnesota Power and East Central Energy for approval of a Service Area Orderly Transfer Agreement between the two parties.

The petitions were filed on July 20, 2020 and September 22, 2020 by:

David R. Moeller
Senior Attorney and Director of Regulatory Compliance
Minnesota Power
30 West Superior Street
Duluth, MN 55802-2093

The Department recommends that the Minnesota Public Utilities Commission (Commission) approve the requested service territory agreement. The Commission's maps should be updated by MnGeo to reflect the service area designations in Pine County as identified in the Agreement. The Department is available to answer any questions the Commission may have.

Sincerely,

/s/ DALE V. LUSTI
Financial Analyst

DVL/ja
Attachment



Before the Minnesota Public Utilities Commission

Comments of the Minnesota Department of Commerce
Division of Energy Resources

Docket Nos. E015/SA-20-609 and E015, E112/SA-20-734

I. BACKGROUND

Minnesota Power (MP) is a Minnesota corporation and a public utility under Minn. Stat. Section 216B.02, subd. East Central Energy (ECE) is an electric cooperative formed pursuant to the provisions of Minn. Stat. Chapter 308A. The parties, MP and ECE have a mutual agreement to modify the border between their exclusive service territories.

II. SUMMARY OF PROPOSAL

On July 20, 2020, Minnesota Power filed 45 service-area-related agreements with various other utilities, one of which was between MP and ECE (see Attachment 17 to the Docket No. E015/SA-20-609 filing). On September 22, 2020, Minnesota Power filed a request (Petition) on behalf of itself and East Central Power that the Minnesota Public Utilities Commission (Commission) approve their Service Territory Exception Agreement.

After review by the Department, it became obvious from Attachment 17 to the July 20, 2020 filing in Docket No. E015/SA-20-609, that the real intent of the Parties was to request approval of two permanent service territory modifications where the utilities had overlapping service areas. Attachment 17 is a Service Territory Agreement (Agreement) entered into by MP and ECE dated February 27, 2015, that had never before been submitted to the Commission for approval, even though item 7 to the Agreement stated that “MP will file a Joint Petition with the Commission along with the Agreement requesting approval under Minn. Stat. 216B.39, subd. 3 for a modification of assigned service territories.”

On October 15, 2020, MP confirmed that the intent of the Attachment 17 Agreement is for two permanent transfers of service territory and is not a service by exception agreement.

According to the Agreement, service territory boundaries for Township 41 North, Range 20 West of Section 29 and E ½ of Section 30, Pine County, MN are shown on Exhibit A of the Agreement. Exhibit A is a map that shows the electric service territory boundary in the above sections for ECE and MP. Polygon A is in ECE territory and Polygon B is in MP service Territory.

According to the Agreement, the Parties agree that ZHINGWAAK OODENA SECOND ADDITION and ZHINGWAAK OODENA THIRD ADDITION are located in both ECE and MP service territories as shown on Exhibit B.

III. DEPARTMENT ANALYSIS

A. ASSIGNED SERVICE AREA

Minnesota Statutes section 216B.39, subd. (3) states:

... 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 as provided for in sections 216B.17 and 216B.1.

Transfer to ECE from MP

ECE will permanently service all lots in the ZHINGWAAK OODENA SECOND ADDITION and lot 14 in the ZHINGWAAK OODENA THIRD ADDITION of Township 41 North, Range 20 West of Section 29 and E ½ of Section 30, Pine County, MN.

Transfer to MP from ECE

MP will permanently service all lots in the ZHINGWAAK OODENA THIRD ADDITION of Township 41 North, Range 20 West of Section 29 and E ½ of Section 30, Pine County, MN, except for lot 14 which will be serviced by ECE.

B. CUSTOMER NOTICE

There was no customer notice since the parties noted no customers will experience a change in service provider as a result of this Agreement.

C. COMPENSATION

According to the Agreement, the parties agreed that no compensation is due to either Party for the exchange of service areas.

Thus, the Department agrees that the Parties' request is reasonable.

IV. RECOMMENDATION

The Department recommends that the Commission approve the requested service territory transfers. MnGeo should update the Commission's maps for Pine County to reflect the service area designations as shown on the maps in the Agreement.

CERTIFICATE OF SERVICE

I, Sharon Ferguson, hereby certify that I have this day, served copies of the following document on the attached list of persons by electronic filing, certified mail, e-mail, or by depositing a true and correct copy thereof properly enveloped with postage paid in the United States Mail at St. Paul, Minnesota.

Minnesota Department of Commerce
Comments

Docket No. E015/SA-20-609 and E015, E112/SA-20-734

Dated this 6th day of **November 2020**

/s/Sharon Ferguson

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Generic Notice	Commerce Attorneys	commerce.attorneys@ag.state.mn.us	Office of the Attorney General-DOC	445 Minnesota Street Suite 1400 St. Paul, MN 55101	Electronic Service	Yes	OFF_SL_20-609_SA-20-609
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 280 Saint Paul, MN 551012198	Electronic Service	No	OFF_SL_20-609_SA-20-609
Susannah	Jensen	sjensen@cwpower.com	Crow Wing Cooperative Power & Light Co.	PO Box 507 Brainerd, MN 56401	Electronic Service	No	OFF_SL_20-609_SA-20-609
Bruce L.	Kraemer	kraemer@cwpower.com	Crow Wing Cooperative Power & Light Co.	Hwy 371 North PO Box 507 Brainerd, MN 56401	Electronic Service	No	OFF_SL_20-609_SA-20-609
David	Moeller	dmoeller@allte.com	Minnesota Power	30 W Superior St Duluth, MN 558022093	Electronic Service	Yes	OFF_SL_20-609_SA-20-609
Generic Notice	Residential Utilities Division	residential.utilities@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012131	Electronic Service	Yes	OFF_SL_20-609_SA-20-609
Will	Seuffert	Will.Seuffert@state.mn.us	Public Utilities Commission	121 7th Pl E Ste 350 Saint Paul, MN 55101	Electronic Service	Yes	OFF_SL_20-609_SA-20-609

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Generic Notice	Commerce Attorneys	commerce.attorneys@ag.state.mn.us	Office of the Attorney General-DOC	445 Minnesota Street Suite 1400 St. Paul, MN 55101	Electronic Service	Yes	OFF_SL_20-734_SA-20-734
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 280 Saint Paul, MN 551012198	Electronic Service	No	OFF_SL_20-734_SA-20-734
Cheyl	Hagfors	cheryl.hagfors@ecemn.com	East Central Energy	412 North Main Braham, MN 55006	Electronic Service	No	OFF_SL_20-734_SA-20-734
Justin	Jahnz	justin.jahnz@ecemn.com	East Central Energy	412 Main Ave N Braham, MN 55006	Electronic Service	No	OFF_SL_20-734_SA-20-734
Vern	Johnson	vern.johnson@ecemn.com	East Central Energy	PO Box 39 Braham, MN 55006	Electronic Service	No	OFF_SL_20-734_SA-20-734
David	Moeller	dmoeller@allte.com	Minnesota Power	30 W Superior St Duluth, MN 558022093	Electronic Service	No	OFF_SL_20-734_SA-20-734
Generic Notice	Residential Utilities Division	residential.utilities@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012131	Electronic Service	Yes	OFF_SL_20-734_SA-20-734
Will	Seuffert	Will.Seuffert@state.mn.us	Public Utilities Commission	121 7th PI E Ste 350 Saint Paul, MN 55101	Electronic Service	Yes	OFF_SL_20-734_SA-20-734
Karen	Westberg	karen.westberg@ecemn.com	East Central Energy	412 Main Avenue North Braham, MN 55006	Electronic Service	No	OFF_SL_20-734_SA-20-734