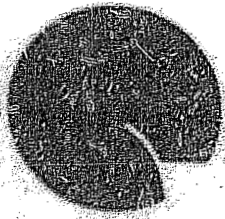


EL99-003





**SIoux VALLEY  
SOUTHWESTERN  
ELECTRIC**

EL 99-003

P.O. Box 216 • Colman, South Dakota 57017-0216  
Phone: 605-534-3535 • Toll-Free: 1-800-234-1960  
Office Fax: 605-256-1693 • Dispatch Fax: 605-256-1690

February 17, 1999

South Dakota Public Utilities Commission  
500 East Capitol  
Pierre, SD 57501  
Attn: James Berg, Chairman

RECEIVED

FEB 19 1999

SOUTH DAKOTA PUBLIC  
UTILITIES COMMISSION

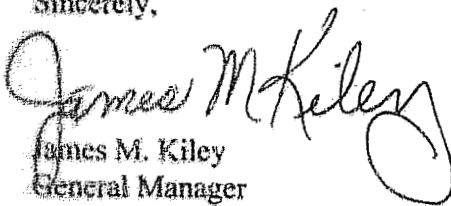
Dear Mr. Berg:

Enclosed is an original copy of an executed Joint Petition for the transfer of rights and properties from Ottertail Power Company (OTPC) to Sioux Valley-Southwestern Electric Cooperative (SVSW).

To satisfy the request of electric customer Clinton Berndt, the two parties seek an exception to our existing service territories. This exception will allow SVSW to provide electric service to Mr. Berndt's residence located near White, South Dakota, as specifically described in the joint petition. This service is located within the OTPC assigned service territory, however in this instance, the customer's interests will be better served with service from SVSW.


Sioux Valley - Southwestern Electric Cooperative respectfully requests South Dakota Public Utilities Commission consideration and an order approving this service territory exception.

Sincerely,

  
James M. Kiley  
General Manager

Cc Bruce Gerhardson, Attorney for OTPC  
P.O. Box 697  
Fergus Falls, MN 56538-0697

Enclosure

A Touchstone Energy<sup>SM</sup> Partner 

STATE OF SOUTH DAKOTA  
BEFORE THE PUBLIC UTILITIES COMMISSION

RECEIVED

FEB 19 1999

Docket No. : \_\_\_\_\_  
SOUTH DAKOTA PUBLIC  
UTILITIES COMMISSION

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In the Matter of the Joint Request of  
Otter Tail Power Company and  
Sioux Valley Southwestern Electric Cooperative  
for the Transfer of Rights and Property  
under S.D.C.L. §49-34A-55

---

## JOINT PETITION

1. Otter Tail Power Company ("Otter Tail") and Sioux Valley Southwestern Electric Cooperative ("Sioux Valley"), pursuant to South Dakota codified laws ("S.D.C.L.") §49-34A-55 and the Public Utilities Commission's General Rules of Practice and Procedure, chapter 20:10:01, hereby jointly petition the Commission for approval of an agreement whereby Otter Tail will convey and transfer to Sioux Valley its electric distribution properties, service, and other rights, property, and assets used to provide electric service to Mr. Clinton Berndt's residence located near White, South Dakota, as specifically described below.

2. Under S.D.C.L. §49-34A-55, the Commission shall approve the agreement if it finds it in the public interest. In evaluating the public interest, the Commission shall consider, among other factors, the following:

- a. To what extent the agreement (i.e., transfer) eliminates or avoids unnecessary duplication of existing facilities;

- b. How the agreement affects the adequacy/reliability of electric service to the area and customers affected; and
- c. To what extent the agreement promotes the efficient and economical use and development of the parties' electrical systems.

Because the agreement proposed herein will avoid unnecessary duplication, improve the quality of electric service received by the affected customers, and promote the economical use of the parties' electrical systems, the Commission should approve the proposed agreement.

3. Persons to be Served

The names, titles, and mailing addresses of the persons to be served with communications concerning this filing are:

Mr. Kevin Kouba  
Division Manager  
Otter Tail Power Company  
404 South Second Street  
Millbank, SD 57252  
(605) 432-4579

Mr. Bruce G. Gerhardson  
Attorney for Otter Tail Power Company  
Svingen, Athens, Russell & Hagstrom, P.L.L.P.  
125 South Mill Street  
PO Box 697  
Fergus Falls, MN 56538-0697  
(218) 736-5456  
Fax: (218) 739-5331

Mr. James M. Kiiey  
General Manager  
Sioux Valley Southwestern Electric Cooperative  
PO Box 216  
Coleman, SD 57017-0216  
(605) 534-3535  
Fax: (605) 256-1693

Sioux Valley is a rural electric distribution cooperative organized under the laws of the state of South Dakota. Sioux Valley serves approximately 17,000 residential and farm customers.

6. The Proposal

a. Reason for the Request to Transfer Properties

Sometime before June 30, 1998, Clinton Berndt requested electric service at the following described property, intended to construct a new residence:

The North 204 feet of the South 1651 feet of the East 398 feet of the East one-half of the Southeast Quarter of Section 13, Township 11 North, Range 49 West of the Fifth PM, County of Brookings, State of South Dakota.

Because this property exists just within the Otter Tail exclusive service territory and just outside the border of the Sioux Valley exclusive service territory, and because Sioux Valley has provided service to residential customers very near to Mr. Berndt's property, the cost to Sioux Valley of providing service to Mr. Berndt is substantially less than Otter Tail's cost. Sioux Valley's estimated extension costs are \$8,298.00. Otter Tail's would be as much as ten times that amount.

4. Identity of Otter Tail Power

The exact legal name of Otter Tail Power is Otter Tail Power Company. Otter Tail Power is a corporation organized and existing under the laws of the state of Minnesota and is duly authorized to do business in the states of Minnesota, South Dakota, and North Dakota. Otter Tail Power is an investor-owned public utility headquartered in Fergus Falls, Minnesota. Otter Tail serves retail electric service to approximately 124,000 customers throughout the three states which it serves approximately 11,450 of which reside in the state of South Dakota.

5. Identity of Sioux Valley Southwestern Electric

b. Mechanics of the Transfer

Under the proposed agreement, Sioux Valley has agreed to serve the Berndt property and in exchange, Otter Tail has agreed to relinquish its rights, privileges, and obligation to provide service to the property.

7. Approval of the Agreement is in the public interest

Approval of the agreement between Otter Tail Power and Sioux Valley is in the public interest. Under the agreement, Sioux Valley will serve the residence of Clinton Berndt, located near White, South Dakota. The revenues from the residence will be more than sufficient to make up its revenue requirement to serve the residence. In addition, Sioux Valley would be in a position to serve this residence at a much lower cost than would Otter Tail. Otter Tail will be relieved of the responsibility of investing in the extension of its system in order to serve this residence. Lastly, the customer prefers Sioux Valley for obvious reasons.

a. The Agreement Avoids Unnecessary Duplication

Because Sioux Valley already has facilities near the Berndt residence, unnecessary duplication of systems will be avoided.

b. The Agreement Improves the Quality of Service to the Area and Customers

Because the agreement avoids unnecessary duplication, quality of service will be enhanced or at least unaffected.

c. The Agreement Promotes Efficient Use of Resources

As stated above, Sioux Valley will recover its revenue requirements and will be able to efficiently serve this customer. Otter Tail, on the other hand, will be able to avoid inefficient extension of its existing facilities.

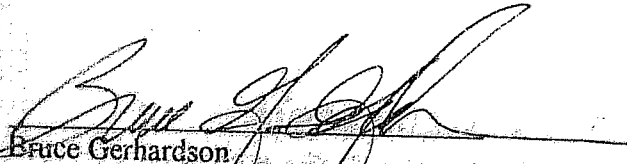


8. Conclusion

Otter Tail Power Company and Sioux Valley Southwestern Electric Cooperative respectfully request the Commission find that, for the purposes of this Petition, the proposed transfer of property between Otter Tail Power Company and Sioux Valley Southwestern Electrical Cooperative is reasonable and proper and will not be detrimental to the interests of the consumers and patrons affected thereby, and that the Commission issue its written order granting the Commission's permission for Otter Tail Power Company and Sioux Valley Southwestern Electrical Cooperative to consummate the transaction proposed herein.

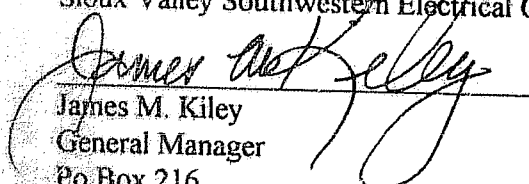
Dated: 1/28/1999

Respectfully Submitted,

  
Bruce Gerhardson  
Svingen, Athens, Russell & Hagstrom, P.L.L.P.  
125 South Mill Street  
PO Box 697  
Fergus Falls, MN 56538-0697  
Phone: (218) 736-5456  
Fax: (218) 739-5331

Attorney for Otter Tail Power Company

Sioux Valley Southwestern Electrical Cooperative

  
James M. Kiley  
General Manager  
Po Box 216  
Coleman, SD 57017-0216  
Phone: (605) 534-3535  
Fax: (605) 256-1693

**South Dakota Public Utilities Commission**  
**WEEKLY FILINGS**  
For the Period of February 18, 1999 through February 24, 1999

If you need a complete copy of a filing faxed, overnight expressed, or mailed to you,  
please contact Delaine Kolbo within five business days of this filing.

Phone: 605-773-3705. Fax: 605-773-3809.

**ELECTRIC**

**EL99-003** In the Matter of the Joint Request of Otter Tail Power Company and Sioux Valley Southwestern Electric Cooperative for the Transfer of Rights and Property Pursuant to SDCL 49-34A-55.

Sioux Valley - Southwestern Electric Cooperative (SVSW), Colman, South Dakota and Ottertail Power Company (OTP), Fergus Falls, Minnesota, filed for approval by the Commission a Joint Petition for the transfer of rights and properties from OTP to SVSW.

Staff Attorney: Karen Cremer  
Staff Analyst: Martin Bettmann  
Date Filed: 02/19/99  
Intervention Deadline: N/A

**TELECOMMUNICATIONS**

**TC99-016** In the Matter of the Application of GCC License Corporation for a Certificate of Authority to Provide Telecommunications Services in South Dakota.

GCC License Corporation filed a request for a Certificate of Authority to provide intrastate toll services on a resold basis throughout the state of South Dakota. Applicant seeks authority to provide a full range of interexchange services, including presubscribed long distance, calling card, prepaid calling card, 10XXX access and "personalized 800 service".

Staff Attorney: Camron Hoseck  
Staff Analyst: Harlan Best  
Date Filed: 02/19/99  
Intervention Deadline: 03/12/99

**TC99-017** In the Matter of the Filing by U S WEST Communications, Inc. for Approval of an Interconnection Agreement between U S WEST Communications, inc. and DIECA Communications, Inc. d/b/a Covad Communications Company.

Any party wishing to comment on the agreement may do so by filing written comments with the Commission and the parties to the agreement no later than March 17, 1999.

Parties to the agreement may file written responses to the comments within twenty days of service of the comments.

Staff Attorney: Camron Hoseck

Staff Analyst: Harlan Best

Date Filed: 02/22/99

Comments Due: 03/17/99

TC99-018 In the Matter of the Filing by U S WEST Communications, Inc. for Approval of Negotiated/Arbitrated Terms of Agreement for Interconnection, Resale and Unbundled Elements between Northern Valley Communications and U S WEST Communications, Inc.

Any party wishing to comment on the agreement may do so by filing written comments with the Commission and the parties to the agreement no later than March 17, 1999. Parties to the agreement may file written responses to the comments within twenty days of service of the comments.

Staff Attorney: Camron Hoseck

Staff Analyst: Harlan Best

Date Filed: 02/22/99

Comments Due: 03/17/99

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**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF SOUTH DAKOTA**

IN THE MATTER OF THE JOINT REQUEST OF	)	ORDER APPROVING
OTTER TAIL POWER COMPANY AND SIOUX	)	TRANSFER OF RIGHTS AND
VALLEY SOUTHWESTERN ELECTRIC	)	PROPERTY
COOPERATIVE FOR THE TRANSFER OF	)	
RIGHTS AND PROPERTY PURSUANT TO	)	EL99-003
SDCL 49-34A-55	)	

On February 19, 1999, the Public Utilities Commission (Commission) received a Joint Petition for the transfer of rights and property from Sioux Valley Southwestern Electric Cooperative (SVSW), Colman, South Dakota and Otter Tail Power Company (OTP). The Joint Petition requests approval of an agreement whereby OTP will convey and transfer to SVSW its electric distribution properties, service, territory, and other rights, property, and assets used to provide electric service to Mr. Clinton Berndt's residence located near White, South Dakota, and described as follows:

The North 204 feet of the South 1651 feet of the East 398 feet of the East one-half of the Southeast Quarter of Section 13, Township 11 North, Range 49 West of the Fifth PM, County of Brookings, State of South Dakota.

On March 9, 1999, at its regularly scheduled meeting, the Commission considered the parties' request for approval of the Joint Petition. The Commission finds that it has jurisdiction over this matter pursuant to SDCL 49-34A, specifically, 49-34A-4, 49-34A-42, and 49-34A-55. Further, the Commission finds that the proposed transfer of property between OTP and SVSW will avoid the unnecessary duplication of facilities, provide adequate electric service to the customer, and promote the efficient and economical use and development of the electric systems of OTP and SVSW. Finally the Commission finds that the approval of the Joint Petition is in the public interest and the request shall be granted. As the Commission's final decision in this matter, it is therefore

ORDERED that the request seeking approval of the Joint Petition is hereby granted.

Dated at Pierre, South Dakota, this 15<sup>th</sup> day of March, 1999.

<b>CERTIFICATE OF SERVICE</b>
The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, by facsimile or by first class mail, in properly addressed envelopes, with charges prepaid thereon.
By: <u><i>Delaine Kalbo</i></u>
Date: <u>3/15/99</u>
(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

*James A. Burg*  
JAMES A. BURG, Chairman

*Pam Nelson*  
PAM NELSON, Commissioner

*Laska Schoenfelder*  
LASKA SCHOENFELDER, Commissioner