


CENTRAL

ELECTRIC COOPERATIVE

A Touchstone Energy® Cooperative 

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SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

June 1, 2005

Pam Bonrud, Executive Director
South Dakota Public Utilities Commission
State Capitol Building
500 East Capitol Avenue
Pierre, SD 57501-5070

Dear Ms. Bonrud:

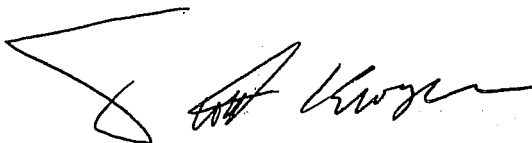
Recently Central Electric Cooperative, Inc. (CEC) received a request for three phase electric service from Paul's Precision Part's (PPP), a small commercial business, which is building a new structure near Emery, SD (see Exhibit A). This is in CEC's service territory as established by the South Dakota Public Utilities Commission.

CEC's nearest three phase power supply is 2.5 miles away from the area describe in Exhibit A. The load requirements provided by PPP indicate this will be a low use service. The excessive costs to extend three phase service to this low use service could put an additional burden on the rest of the CEC membership. As a result, we have contacted Xcel Energy, the neighboring power supplier, which does have three phase electric distribution facilities located near the site. They are agreeable to providing three phase electric service to PPP.

We have enclosed a copy of the "Exception to Service on Assigned Areas" signed by both CEC and Xcel Energy and would like to request formal approval by the South Dakota Public Utilities Commission on this matter.

If you have any questions about this exception or the materials provided with this letter, please feel free to give me a call.

Sincerely,



Scott Kroger
Assistant General Manager

Enclosures

PO Box 850, 1420 North Main Street, Mitchell, South Dakota 57301
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www.centralec.com • cec@centralec.com

EXCEPTION TO SERVICE ON ASSIGNED AREAS

As Agreed To Between

Central Electric Cooperative, Inc.
PO Box 850, 1420 North Main
Mitchell, SD 57301

And

xcel Energy
PO Box 988
Sioux Falls, SD 57101

Central Electric has assigned territorial rights to provide electric service to an area, which is legally described on Exhibit A.

Under the conditions of this agreement, Central Electric Cooperative hereby consents that xcel Energy may extend its facilities into Tract 2 of the above described service area of Central Electric Cooperative to provide electric service to Paul's Precision Parts, a commercial service.

This release is specifically limited to said commercial service and is for the life of the structure.

This consent is not to be construed as having any impact upon or indicating a desire to change the service areas assigned by the South Dakota Public Utilities Commission. This agreement becomes effective upon its approval by the South Dakota Public Utilities Commission.

The foregoing is hereby made this 16th day of May 2005.

Central Electric Cooperative

By: *Duane Walbrink*
Its: President

We have reviewed the consent of Central Electric Cooperative for the undersigned to provide electric service under the provisions set forth therein and hereby indicate our concurrence with the consent granted to provide said rural residence with the required electric service.

xcel Energy
By: *J. Anderson*
Its: Manager

EXHIBIT A

SPN# 01-1075E

