



March 12, 2012

Ms. Patricia Van Gerpen, Executive Director
South Dakota Public Utilities Commission
State Capitol Building
500 East Capitol Avenue
Pierre, South Dakota 57501-5070

Jim Wilcox, Manager,
Government & Regulatory Affairs
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Re: Docket EL11-025 In the Matter of the Complaint by Northern States Power dba Xcel Energy against Southeastern Electric Cooperative, Inc. for a Violation of the Service Territory Laws.

Dear Ms. Van Gerpen:

In response to two email message requests by Commissioners Hanson and Nelson, Xcel Energy provides the following response:

- 1) Xcel Energy sought to settle this matter with SE Coop just prior to the hearing in December. Our offer stated that we would forego repairing the mistake both parties made in section 12 in 2009 if SE Coop would accept the 1976 territory boundary in section 7. SE Coop rejected that offer.
- 2) Xcel Energy is prepared to renew that offer now. As a remedy to the territory incursion already made by SE Coop in section 7, Xcel Energy provides map 1 attached. The Company proposes a similar number of home lots be assigned to the Xcel Energy territory to compensate for the approximately 24 lots where SE Coop has constructed facilities.
- 3) Further, the 1976 territory line cuts through several lots in the Whispering Woods addition in section 7. As has been normally the case when this happens Xcel Energy proposes to further exchange territory with SE Coop in an equitable manner to redraw the 1976 line such that no lots are subdivided and in a manner that makes sense from a facilities perspective for both parties. Map 2 attached depicts one logical approach to that end.
- 4) Finally, in response to Commissioner Hanson's request for a diagram depicting how Xcel Energy would provide electrical service to this area we provide Map 3 also attached. The Company has 3-phase overhead 34.5KV distribution lines that run east – west along 57th Street and north – south along Southeastern Drive. In both cases these lines are immediately adjacent to the Whispering Woods addition in section 7. As depicted on the diagram, the Company plans to extend two single phase wires underground into section 7 to accommodate any territory that we are permitted to serve.

If anyone has any questions, please call me at 339-8350

Sincerely,

A handwritten signature in black ink that reads 'J Wilcox'.

Jim Wilcox

c. Brad Schardin, SE Coop