

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

IN THE MATTER OF THE COMPLAINT	)	Docket No. EL11-025
FILED BY XCEL ENERGY REGARDING	)	
A VIOLATION OF THE TERRITORY LAW	)	
BY SOUTHEASTERN ELECTRIC	)	SOUTHEASTERN ELECTRIC
COOPERATIVE, INC.	)	COOPERATIVE’S REPLY
	)	BRIEF

Southeastern Electric Cooperative, Inc., [hereinafter referred to as “Southeastern Electric”] by and through its attorneys of record, submits this reply brief in support of its position following the hearing of this matter that was conducted on December 6, 2011.

Southeastern Electric replies only briefly to the submissions of the staff and Xcel. It believes the arguments are quite fully addressed in the original briefing to the Commission. The key dispute seems to center around the intent of the parties involved in the negotiations. Both staff and Xcel summarily assert there simply was a mistake. However, it is evidenced only that there was no mistake by the negotiators. They knew exactly what they were doing and the record is devoid of anything other than rank speculation that someone was “mistaken.” To conclude otherwise is a slap in the face of not only Tim Chance, but of the Xcel personnel who actively participated in the process.

The involved negotiators used the most precise mapping available to them. They described the “swap” in detail using terms and measurements that could be replicated without further interpretation. The description specifically includes the continuation of the “existing” boundary line into section 7. Obviously, the line into section 7 was part of the discussion among the negotiators. The line in section 7 was not in need of approval

by the Commission or subject to evaluation of the public interest involved because there was no swap of territory in section 7. The section 7 boundary line after the Commission's 2009 Order was the same as the parties knew it to be before the Order. Since no territory was being swapped in section 7, no Commission action to confirm what the parties knew to be the boundary was expected.

Simplicity wants to argue "A Deal is a Deal." Xcel and Southeastern Electric representatives had a clear understanding of where the boundary lines were. Xcel initiated a simple swap that Southeastern accommodated. The swap did not include territory in section 7 and the parties simply reiterated where the boundary was in that section using the most precise measurements and descriptions available to them. Both parties acted in conformity with their clear understanding in build out of section 7 since that time. The attempts to now criticize the participants and create an ambiguity where none existed are inappropriate and should not be condoned by the Commission.

Dated this 17<sup>th</sup> day of January, 2012.

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By: /s/ R. Alan Peterson

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**CERTIFICATE OF SERVICE**

I hereby certify that on the 17th day of January, 2012, I electronically filed the foregoing **Southeastern Electric Cooperative's Reply Brief** with the South Dakota Public Utilities Commission and certify that I sent a copy of the same by first class mail, postage prepaid, to:

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relative to the above-entitled matter.

/s/ R. Alan Peterson

R. Alan Peterson

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