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South Dakota

PUBLIC UTILITIES COMMISSION

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May 20, 2014

Patricia Van Gerpen
Executive Director
SD Public Utilities Commission
500 E. Capitol Ave.
Pierre, SD 57501

Re: EL14-041 – In the Matter of the Joint Request for Service Rights Exception between Sioux Valley Energy fka Southwestern Electric Cooperative Inc. and Southeastern Electric Cooperative Inc.

Dear Ms. Van Gerpen:

On May 2, 2014, Sioux Valley - Southwestern Electric Cooperative, Inc., doing business as Sioux Valley Energy (SVE), submitted an Agreement for Electric Service Territory Exception (Agreement) between SVE and Southeastern Electric Cooperative, Inc. (Southeastern). The agreement seeks an exception to the existing service territory boundary in rural Minnehaha County, where Southeastern plans to provide single phase, residential service for a new home to be built within SVE's assigned territory.

Upon review of the filing, Commission Staff (Staff) recommended that SVE and Southeastern add language to the Agreement in order to clarify that the Agreement will remain effective for the life of the residential service, even if the property rights are sold or transferred. The Agreement was amended by SVE and Southeastern in accordance with Staff's recommendation. Enclosed is the revised Agreement for filing.

Staff believes that the Agreement promotes the economical use and development of the electric system, where it is less costly for the property owner to install service from Southeastern's system rather than SVE's system. Staff also believes the amended Agreement clearly identifies the intent of the service rights exception. Given this, Staff recommends the Commission approve the requested service territory rights exception as amended.

Sincerely,

Darren Kearney
Utility Analyst
SD Public Utilities Commission