

AGREEMENT TO MODIFY
ASSIGNED SERVICE AREA BETWEEN
CODINGTON-CLARK ELECTRIC COOPERATIVE, INC.,
AND CITY OF WATERTOWN, SOUTH DAKOTA

THIS AGREEMENT made and entered into this 3rd day of December, 1993, by and between CODINGTON-CLARK ELECTRIC COOPERATIVE, INC., (Public Utility or Codington-Clark) and the CITY OF WATERTOWN, SOUTH DAKOTA (Electric Utility or City);

WITNESSETH:

WHEREAS, SDCL 49-34A-55 authorizes the adjustment of service rights between Municipalities and Electric Utility Cooperatives, subject to approval by the South Dakota Public Utilities Commission, and

WHEREAS, the parties hereto believe that the Agreement embodied herein will eliminate or reduce duplication of facilities which wastes resources and increases consumer costs, and that this Agreement will benefit consumers of the parties hereto, and promote the proper and efficient operation of such utility;

NOW, THEREFORE,

IN CONSIDERATION of the mutual covenants herein contained, City and Codington-Clark agree as follows:

1. ELECTRIC SERVICE AREA as used in this Agreement refers to the electric service areas as established under SDCL 49-34A-44.

2. City shall provide electric service to all meters, whether presently existing or hereafter installed, within its electric service area, except as provided for by paragraph 4 below. Codington-Clark shall serve no meters within such electric

service area, except as provided by paragraph 4 below.

3. Codington-Clark shall provide electric service to all meters, whether presently existing or hereafter installed, outside of the City's electric service area as defined in paragraph 1 above, and within the electric service area of Codington Clark, except as to areas hereinafter annexed by the City of Watertown, which shall be treated as provided in paragraph 4 below.

4. At any time the City hereafter annexes into the City of Watertown any area outside of its electric service area as defined in paragraph 1, Codington-Clark shall continue to serve all meters or services existing prior to the effective date of such annexation within its electric service area and City shall serve all meters or services thereafter installed within the annexed area. City further agrees that per SDCL 9-35-1 no franchise from the City shall be required in order for Codington-Clark to continue to serve such meters or services within the annexed area. In any such annexed area, City shall waive payment from Codington-Clark of the payments provided in SDCL 49-34A-46.

5. Codington-Clark waives its right to compensation from City as provided in SDCL 49-34A-50 for the City's acquisition by virtue of this Agreement of any area which was within the Codington-Clark service territory as of June 1, 1990, and which electric consumers pursuant to this Agreement are to be served by the City.

6. This Agreement shall be subject to the approval of the South Dakota Public Utilities Commission, and both parties agree

to use their best efforts to attempt to obtain such approval. This Agreement will be perpetual unless otherwise modified by written agreement of the parties.

IN WITNESS WHEREOF the parties have hereto caused this instrument to be signed, sealed and delivered as of the day and date first above written.

CITY OF WATERTOWN, SOUTH DAKOTA
(Municipal Utilities Department)

BY *Ronald D. Smith*
Its President
Municipal Utilities Department
City of Watertown

CODINGTON-CLARK ELECTRIC
COOPERATIVE, INC.

BY *Paul S. Hubert*
Its President

(CORPORATE SEAL)

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

IN THE MATTER OF THE FILING FOR) APPROVAL OF AN ADDENDUM TO) AGREEMENT REGARDING ASSIGNED) SERVICE AREA BETWEEN CODINGTON-) CLARK ELECTRIC COOPERATIVE, INC. AND) THE CITY OF WATERTOWN, SOUTH DAKOTA)	ORDER APPROVING) ADDENDUM TO) AGREEMENT REGARDING) ASSIGNED SERVICE AREA) EL07-025
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On August 6, 2007, the Public Utilities Commission (Commission) received a request seeking Commission approval of an Addendum to Agreement Regarding Assigned Service Area between Codington-Clark Electric Cooperative, Inc. (Codington-Clark) and the City of Watertown (City). On August 5, 1998, the Commission approved an Agreement between Codington-Clark and the City regarding their assigned service area. The Agreement was for a three year term, which expired on July 23, 2001. The parties entered into an Addendum to that Agreement for the purpose of renewing the Agreement until July 23, 2004. Subsequently, the parties entered into another Addendum to that Agreement which renewed the Agreement until July 23, 2007. This filing is for approval of a new Addendum to Agreement Regarding Assigned Service Area providing for the extension of the agreement in perpetuity.

On October 23, 2007, at its regularly scheduled meeting, the Commission considered the request for approval of the Addendum to Agreement Regarding Assigned Service Area. Commission Staff recommended approval.

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. The Commission clarified that the Addendum to Agreement Regarding Assigned Service Area does not permit the parties to modify their service area territory without Commission approval. As the Commission's final decision in this matter, it is therefore

ORDERED, that the request seeking approval of the Addendum to Agreement Regarding Assigned Service Area between Codington-Clark and the City for an extension of the agreement in perpetuity is hereby approved.

Dated at Pierre, South Dakota, this 30th day of October, 2007.

CERTIFICATE OF SERVICE
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, electronically.
By: <u>Melaine Kolbo</u>
Date: <u>10/31/07</u>
(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

Dustin M. Johnson
DUSTIN M. JOHNSON, Chairman *dk*

Gary Hanson
GARY HANSON, Commissioner

Steve Kolbeck
STEVE KOLBECK, Commissioner

ADDENDUM TO AGREEMENT REGARDING
ASSIGNED SERVICE AREA

This Addendum is made this 20 day of September, 2007,
to the AGREEMENT TO MODIFY ASSIGNED SERVICE AREA BETWEEN
CODINGTON-CLARK ELECTRIC COOPERATIVE, INC., AND CITY OF WATERTOWN,
SOUTH DAKOTA dated December 3, 1993,

WITNESSETH:

WHEREAS, Codington Clark Electric Cooperative, Inc., and the
City of Watertown, South Dakota, on December 3, 1993, entered into
an agreement to modify assigned service area, and

WHEREAS, said agreement provided that the parties could
modify the same by mutual consent, and

WHEREAS the parties amended the said agreement by Addendum
dated July 27, 1998, and Addendum dated June 21, 2001, and
Addendum dated June 24, 2004, and

WHEREAS the parties wish to extend the term of the said
agreement,

NOW, THEREFORE,

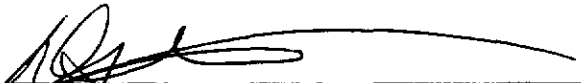
IN CONSIDERATION the mutual covenants herein contained, it is
agreed that the said agreement to modify assigned service area is
amended by providing that the term thereof shall be perpetual.

The parties agree to submit this Addendum to the South Dakota
Public Utilities Commission for its approval. If the Commission
grants approval for the extension of the term to a period less
than perpetual, then the term of this agreement shall be the
period so approved by the Commission.

In all other respects the terms of the said agreement dated December 3, 1993, shall remain in full force and effect.


IN WITNESS WHEREOF the parties hereto have caused this instrument to be executed the day and year first above written.

CITY OF WATERTOWN, SOUTH DAKOTA
(Municipal Utilities Department)

By: 
Its President

CODINGTON-CLARK ELECTRIC
COOPERATIVE, INC.

(CORPORATE SEAL)

By: 
Its President