BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF SOUTH DAKOTA

IN THE MATTER OF THE JOINT REQUEST FOR AN ELECTRIC SERVICE TERRITORY BOUNDARY CHANGE BETWEEN CLAY-UNION ELECTRIC CORPORATION AND NORTHWESTERN ENERGY	)))))	**ORDER GRANTING APPROVAL OF ELECTRIC SERVICE TERRITORY BOUNDARY CHANGE EL07-020**

On May 25, 2007, the Public Utilities Commission (Commission) received a joint filing by Clay-Union Electric Corporation (Clay-Union) and Northwestern Public Service d/b/a Northwestern Energy (NWE) for approval of a Service Territory Transfer Agreement between the two companies. Clay Union agrees to transfer to NWE one service location on the E1/2SE1/4 of Section 18, Township 94 North, Range 54 West, Yankton County, South Dakota. Clay-Union's three phase infrastructure to serve this irrigation service is not in close proximity while NWE already serves an irrigation service on the W1/2 of Section 18. It is the opinion of both electric companies that this transfer of service location will minimize the duplication of electric service, will provide adequate electric service and will promote the efficient and economical use and development of the electric systems of the electric utilities.

On June 26, 2007, at its regularly scheduled meeting, the Commission considered the request for approval of the boundary change. Commission Staff recommended approval.

The Commission finds that it has jurisdiction over the matter pursuant to SDCL 49-34A, specifically, 49-34A-4, 49-34A-42, and 49-34A-55. Further, the Commission finds that the boundary change will avoid unnecessary duplication of facilities and help minimize operational challenges. The Commission concludes that the change in the service territory boundary is in the public interest and it shall be granted. As the Commission's final decision in this matter, it is therefore

ORDERED, that the request seeking approval of an electric service territory boundary change between Clay-Union and NWE is hereby granted.

Dated at Pierre, South Dakota, this 2nd day of July, 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: Delaine Kolbo

Date: 7/5/07

(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

DUSTIN M. JOHNSON, Chairman

GARY HANSON, Commissioner

STEVE KOLBECK, Commissioner