

EL 97-004

K.C./M.B.

EL 97-004

DOCKET NO.

In the Matter of

IN THE MATTER OF THE FILING BY
BUTTE ELECTRIC COOPERATIVE,
INC. AND BLACK HILLS POWER AND
LIGHT COMPANY FOR APPROVAL OF
TRADE AGREEMENT

Public Utilities Commission of the State of South Dakota

DATE

MEMORANDA

2/21/97 Rejected,
3/11/97 Order Granting Approval of the Trade Agreement;
3/11/97 Docket Closed



Butte Electric Cooperative, Inc.

PO Box 137
109 S Dartmouth
Newell SD 57760-0137

Phone: (605) 456-2494
Fax: (605) 456-2496

EL97-004

Butte Electric

February 5, 1997

South Dakota Public Utilities Commission
Bill Bullard, Executive Director
500 East Capitol
Pierre, SD 57501

RECEIVED

FEB 11 1997

**SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION**

Re Territory Trades

Dear Mr. Bullard

Butte Electric Cooperative, Inc. and Black Hills Power and Light Company have agreed to the attached territory trades

Trade Agreement No. 1 is in response to the complaint filed by Raymond and Beverly Nordstrom (EL96-021) and should bring that issue to a conclusion. Exhibits are included to identify the areas of trade as well as approvals from the appropriated landowners.


Trade Agreement No. 2 came about as the result of a request from Norris Rovere. Trading portions of adjoining sections would accomplish this and the land owners supported the trade. Therefore, both utilities agreed to honor the request and to make the trade. Exhibits are included to identify the areas of trade as well as the approvals from the appropriate land owners.

This letter, along with the attached Description of Trade Agreements and supporting Exhibits, constitutes Butte Electric Cooperative's formal acceptance of these territory trades.

Thank you for your assistance in this matter. If you need anything further to formalize these agreements, please advise and I will do my best to provide it.

Sincerely,

BUTTE ELECTRIC COOPERATIVE, INC.


Kenneth Wetz
General Manager

BLACK HILLS POWER AND LIGHT COMPANY

145 E. Hudson
SPEARFISH, SOUTH DAKOTA 57783

TELEPHONE
(605) 642-2663

February 6, 1997

South Dakota Public Utilities Commission
William Bullard, Executive Director
500 East Capitol
Pierre, SD 57501

RE: Territory Trade

Dear Mr. Bullard:

Black Hills Power and Light and Butte Electric Cooperative, Inc. have agreed to the attached territory trades.

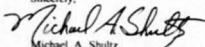
The first trade agreement is in response to a complaint filed by Ray and Beverly Nordstrom (EL96-021) and the agreed trade will close this issue with a satisfactory solution for all parties involved. Appropriate exhibits that define the trade areas are included, along with the approvals of the respective land owners.

The second trade agreement is in response to a request from Norris Rovere to allow BEC to be the sole electric provider to the land he owns north of Sturgis. This was easily accomplished since the property owner just west of Mr. Rovere agreed to the concept of the trade, which then allowed both utilities to honor the desired request. This trade is defined in the exhibits, and the approvals of the landowners is also attached.

This letter is included as part of the attached exhibits, and constitutes Black Hills Power and Light's formal acceptance of the proposed territory trades.

Thank you for your assistance in this matter. Please contact me if you have any questions on the above matter.

Sincerely,


Michael A. Shultz
Spearfish District Manager

cc: Jim Matern



DESCRIPTION OF TRADE AGREEMENTS

TRADE AGREEMENT NO. 1

1. Black Hills Power and Light Company agrees to trade to the territory of Butte Electric Cooperative, Inc.
 - a. Lots 1-7 of Block 12 of Mountain Shadows Estates and located in the SW1/4SE1/4, Section 19, T6N, R3E. See Exhibits A and A-1.
2. Butte Electric Cooperative, Inc. agrees to trade to the territory of Black Hills Power and Light Company
 - a. Lot 2 (Bk 2 Pg 44) and Lot 3A (Bk 2 Pg 60) NE1/4NW1/4, Section 14, T6N, R2E. This area is also described as Lot 1, pt Lot 2, Lot 3A, pt Lot 7, pt Lot 8, and pt Open Space of Block 13 of the preliminary plat of Sandstone Hills Subdivision and located in the NE1/4, Section 14, T6N, R2E. See Exhibits B, B-1 and B-2.
 - b. Lot 8 of Block 11 and pt Lot 14 of Block 12 which lies contiguous to Sandstone Hills Subdivision and located in the SE1/4, Section 11, T6N, R2E. See Exhibits B and C-1.
 - c. NW1/4SE1/4SW1/4, Section 5, T8N, R3E. See Exhibits D and D-1.
 - d. SE1/4SW1/4SW1/4, Section 5, T8N, R3E. See Exhibits D and D-2.

TRADE AGREEMENT NO. 2

1. Butte Electric Cooperative, Inc. agrees to trade to the territory of Black Hills Power and Light Company
 - a. Butte Electric portion of the NE1/4, Section 22, T6N, R5E. See Exhibits E and E-1.
2. Black Hills Power and Light Company agrees to trade to the territory of Butte Electric Cooperative, Inc.
 - a. Black Hills Power and Light portion of the NW1/4, Section 23, T6N, R5E. See Exhibits E and E-2.

Red shaded
Area to BPPB
Blue shaded
Area to Butte
Electric

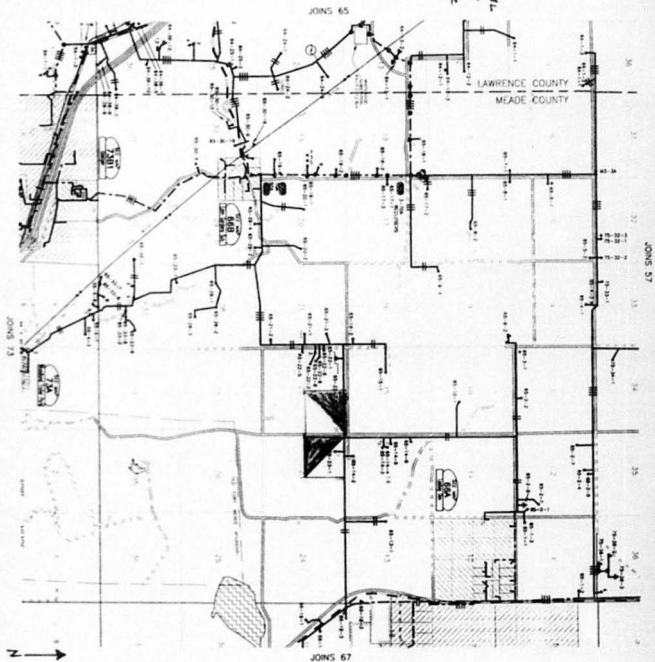


EXHIBIT E

DETAIL COUNTY: WYOMING TOWNSHIP: 6N RANGE: 5E MAP: 66		BUTTE ELECTRIC COOPERATIVE, INC. NEWELL, SOUTH DAKOTA SOUTH DAKOTA 15 BUTTE	DRAWN BY: D.L. Ziegler, ET II LAST MOD: 1396 LAST REV: January 13, 1995 FILE #: REB1110V.DWG
SCALE 1 0 1 2 MILES		BUTTE ELECTRIC COOPERATIVE ENGINEERING DEPARTMENT 1715 Cornbelt Street Rapid City, South Dakota	



Butte Electric Cooperative, Inc.

PO Box 137
109 S Dartmouth
Newell SD 57760-0137

Phone: (605) 456-2494
Fax: (605) 456-2496

December 19, 1996

Norris Rovere
PO Box 608
Sturgis, SD 57785

Re: Territory Trade

Dear Norris:

As you are aware of, Butte Electric Cooperative, Inc. has been negotiating with Black Hills Power and Light Company to make a trade that would include transferring property you own from the service territory of Black Hills Power and Light to the service territory of Butte Electric. I am pleased to inform you, that we have been successful in negotiating such a trade. The legal description for the service territory included in the trade is and to be transferred to Butte Electric service territory is as follows:

NW1/4, Section 23, T6N, R5E

In order to finalize the trade and file the necessary documents with the Public Utilities Commission, we need your written approval of the trade. Please sign the acceptance of the trade found at the bottom of the letter and return the in the self addressed and stamped envelope provided. A copy of this letter is being included for your records.

Thank you for your attention to this matter.

Sincerely,

BUTTE ELECTRIC COOPERATIVE, INC.

A handwritten signature in cursive script, appearing to read "David L. Zwetzig".

David L. Zwetzig
Manager of Operations and Engineering

ACCEPTANCE

I, Norris Rovere, give my approval to Black Hills Power and Light Company to trade the above described service territory to the service territory of Butte Electric Cooperative, Inc.

A handwritten signature in cursive script, appearing to read "Norris Rovere".



Butte Electric Cooperative, Inc.

PO Box 137
109 S Dartmouth
Newell SD 57760-0137

Phone: (605) 456-2494
Fax: (605) 456-2496

December 26, 1996

Steve Baker
23190 Radnor Hill Road
Rapid City, SD 57701

Re: Service Territory Trade

Dear Mr. Baker:

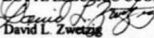
Butte Electric Cooperative, Inc. and Black Hills Power and Light Company have been involved in discussions concerning service territory. One of our goals is to "square up" our territory lines. On your property located in Section 22, T6N, R5E, the current territory line runs diagonally across the NE1/4, which makes it difficult to physically locate the actual territory line. Butte Electric has no services in this area and has agreed to transfer its portion of the NE1/4 to Black Hills Power and Light. Therefore, this would allow Black Hills Power and Light to serve the entire NE1/4, Section 22, T6N, R5E.

We have assumed that you would have no objection to this transfer since Butte Electric is not providing nor has provided any electrical service to this area. However, in order to finalize the transfer of territory and file the necessary documents with the Public Utilities Commission, we are requesting that you give your approval of the transfer by signing the acceptance of the transfer of territory to Black Hills Power and Light found at the bottom of this letter. Please return the signed letter in the self address and stamped envelope provided. A copy of the letter is included for your records.

Thank you for your attention to this matter.


Sincerely,

BUTTE ELECTRIC COOPERATIVE, INC.


David L. Zwetzig
Manager of Operations and Engineering

ACCEPTANCE

I, Steve Baker, acknowledge that I have been advised of the intent to transfer territory and give my approval to Butte Electric Cooperative, Inc. to transfer the above described service territory to the service territory of Black Hills Power and Light Company.



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

IN THE MATTER OF THE FILING BY BUTTE)	ORDER GRANTING
ELECTRIC COOPERATIVE, INC. AND THE)	APPROVAL OF THE TRADE
BLACK HILLS POWER AND LIGHT COMPANY)	AGREEMENT
FOR APPROVAL OF A TRADE AGREEMENT)	EL97-004

On February 11, 1997, the Public Utilities Commission (Commission) received a joint filing by Butte Electric Cooperative, Inc. (BEC) and Black Hills Power and Light Company (BHP&L) for approval of a territory trade. According to the filing, the Trade Agreement "is in response to a request from Norris Rovere to allow BEC to be the sole electric provider to the land he owns north of Sturgis. This was easily accomplished since the property owner just west of Mr. Rovere agreed to the concept of the trade, which then allowed both utilities to honor the desired request." The filing included the written approval of the affected landowners.

The Trade Agreement listed the property at issue as follows:

1. Butte Electric Cooperative, Inc. agrees to trade to the territory of Black Hills Power and Light Company:
 - a. Butte Electric portion of the NE 1/4, Section 22, T6N, R5E. See Exhibit E.
2. Black Hills Power and Light Company agrees to trade to the territory of Butte Electric Cooperative, Inc.:
 - a. Black Hills Power and Light portion of the NW 1/4, Section 23, T6N, R5E. See Exhibit E.

On March 4, 1997, at its regularly scheduled meeting, the Commission considered the Trade Agreement. Commission Staff recommended granting approval of the Trade Agreement.

The Commission finds that it has jurisdiction over this matter pursuant to SDCL 49-34A, specifically, SDCL 49-34A-4, 49-34A-42, and 49-34A-55. Further, the Commission finds that this agreement will promote the efficient use and development of the electric systems of the contracting electric utilities. The Commission therefore concludes that the Trade Agreement is in the public interest and that it shall be approved. The approval of this Trade Agreement is separate and distinct from the approval sought by the parties in docket EL96-021. It is therefore

ORDERED that the request for approval of the Trade Agreement as described herein is hereby granted and is effective for service rendered on and after the date of this order.

Dated at Pierre, South Dakota, this 11th day of March, 1997.

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, by facsimile or by first class mail, in properly addressed envelopes, with charges prepaid thereon.	
By	<u>Melaine Kaebo</u>
Date	<u>3/12/97</u>
(OFFICIAL SEAL)	

BY ORDER OF THE COMMISSION.

James A. Burg
JAMES A. BURG, Chairman

Pam Nelson
PAM NELSON, Commissioner

Laska Schoenfelder
LASKA SCHOENFELDER, Commissioner