



Oahe Electric Cooperative, Inc.

102 S. Canford • PO Box 216 • Blunt, South Dakota 57522
Phone (605) 962-6243 • FAX (605) 962-6306

RECEIVED

APR 01 2004

**SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION**

February 18, 2004

Mayor Dennis Eismach
PO Box 1253
Pierre, SD 57501-1253

Dear Mr. Eismach:

I am writing this letter releasing Oahe Electric's rights to continue to serve the Paul Forney property that was recently annexed by the city effective January 1, 2004. Legal description 236.6 feet of Outlot F-1 and all of Outlot F2 SW ¼ SE ¼, Section 2-110-79, Pierre, SD.

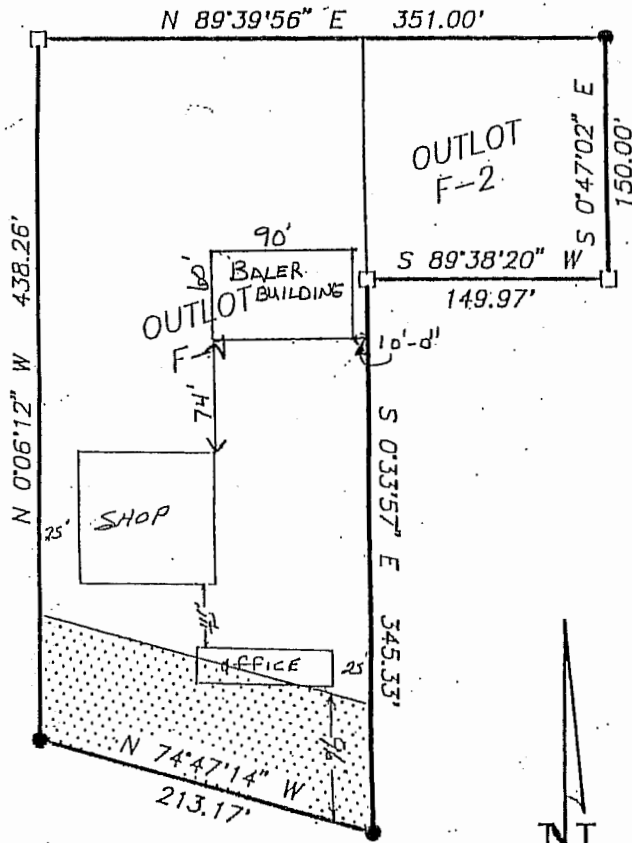
Dennis, it is also Oahe Electric's understanding that the seven year revenue stream on any new services connected in this area will also start on January 1, 2004.

I look forward to our upcoming meeting and hope that we can continue the positive direction that we have established to reach a permanent agreement on service territory that is equitable for both entities. It is also my goal to establish a strong partnership with the city of Pierre so that we can work more closely together on several issues that will benefit all of us.

Sincerely,

Brad Scott
General Manager

OUTLOTS F-1, F-2 & A PORTION
OF THE SW1/4SW1/4SE1/4 2-110-79
PIERRE, SOUTH DAKOTA



Scale: 1" = 100'

- Found 1/2" rebar
- Set 5/8" rebar w/cap #4424
- ▨ Denotes portion of SW1/4SW1/4SE1/4 which was not platted with Outlot F-1

PLAT'S CERTIFICATE

I, Robert J. Thielen, Registered Land Surveyor number 4424, do hereby certify that I have surveyed Outlot F-1, Outlot F-2 and a portion of the SW1/4SW1/4SE1/4 of Section 2, T110N, R79W, Pierre, Hughes County, South Dakota, and that the above drawing is true and correct and that the location and dimensions shown are correct.

I, WITNESS WHEREOF, I set my hand and seal this 25th day of November 1996.

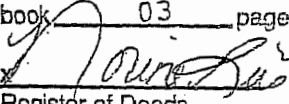
Robert J. Thielen
Robert J. Thielen
Registered Land Surveyor #4424

Prepared by:
Sharon Pruess, City Planner
City of Pierre
P.O. Box 1253, 222 E. Dakota Avenue
Pierre, SD 57501
(605) 773-7341

#6537

STATE OF SOUTH DAKOTA } ss.
County of Hughes

Filed for record this 2nd day of Dec. 2003
1:30 o'clock P.M., and recorded in
book 03 page 5053


Register of Deeds Deputy

Fee \$12.00



RESOLUTION NO. 2247

A RESOLUTION APPROVING THE ANNEXATION OF REAL PROPERTY.

WHEREAS, certain real property hereinafter described is contiguous to the City of Pierre, South Dakota, and is not within the corporate limits of said municipality, and,

WHEREAS, there are no registered voters in the area and the owners of all of the value of territory have petitioned in writing to the City of Pierre to be included within the corporate limits and municipal boundaries of said City;


NOW, THEREFORE, pursuant to SDCL 9-4-1, be it resolved that the following described property, to-wit:

The north 236.6' feet of Outlot F-1 and all of Outlot F2, SW ¼ SE ¼,
Section 2-110-79, Pierre, South Dakota.

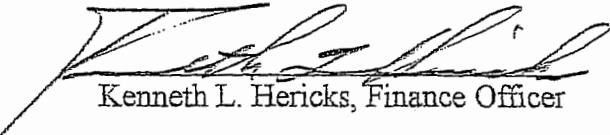
Shall be and hereby is annexed to and included within the boundaries and corporate limits of the City of Pierre, South Dakota.

Adopted: November 4, 2003
Published: November 7, 2003

CITY OF PIERRE, SOUTH DAKOTA

BY: 
Dennis Eisnach, Mayor

ATTEST:


Kenneth L. Hericks, Finance Officer

Prepared by:
Sharon Pruess, City Planner
City of Pierre
P.O. Box 1253, 222 E. Dakota Avenue
Pierre, SD 57501
(605) 773-7341

RESOLUTION NO. 2247 - CONDITIONS

Conditions on Annexation of a portion of Outlot F1 and all of Outlot F2.

1. **Applicable State Law.** SDCL 49-34A-50. Purchase price for electric facilities in area annexed by municipality. If a municipality described by 49-34A-49 elects to purchase, the municipality shall, within one year following annexation, offer to purchase the electric distribution properties of the utility located within the annexed area, together with all of the utility's rights to serve within such area, for a cash consideration which shall consist of the present-day reproduction cost, new of the facilities being acquired, less depreciation computed on a straight-line basis; plus an amount equal to the cost on a nonbetterment basis of constructing any necessary facilities to reintegrate the system of the utility outside the annexed area after detaching the portion to be sold; plus as compensation for service rights, an annual amount, payable each year for a period of seven years, equal to the sum to twenty-five percent of the gross revenues received from power sales to consumers of electric power within the annexed area during said seven-year period. Gross revenues received shall be determined by applying the rate in effect by the utility whose territory is being purchased at the time of purchase.
2. The City of Pierre and the property owner will equally (50/50) split the cost of compensation for service rights payable each year for a period of seven years, equal to the sum of 25% of the gross revenues received from power sales to consumers of electric power within the annexed area during said seven-year period. The City of Pierre will establish a special electric rate to cover the property owner's portion of the compensation of service rights and regular electric usage.
3. Electric service connection fees for the proposed recycling center shall be equally (50/50) split by the City and the property owner.
4. The seven-year period shall begin at the time Oahe Electric acknowledges the City's offer to serve the annexed area.
5. The special electric rate will apply to any electric service provided on the annexed property within the 7-year period.

PETITION

I, the undersigned, pursuant to SDCL 9-4-1, hereby petition the City of Pierre and the governing body thereof, to annex to the City of Pierre, the real estate described as follows:

The north 236.6' feet of Outlot F-1 and all of Outlot F2, SW ¼ SE ¼, Section 2-110-79, Pierre, South Dakota.

The boundaries of the annexed area are shown in attachment A, which is attached hereto and by this reference incorporated herein. I hereby request that the property described above, which is contiguous to the City of Pierre, be included within the boundaries of the City of Pierre and acknowledge that there are no registered voters in the area to be annexed and that all of the owners of the property described above have executed this document.

Dated this 7th day of October, 2003.

Forney Oil Company

By: Paul E. Forney
Paul E. Forney, President

State of South Dakota)

SS

County of Hughes

On this, the 7th day of October, 2003, before, the undersigned officer, personally appeared Paul E. Forney, who acknowledged himself to be the President of Forney Oil Company, a corporation, and that he as such President, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as President.

In witness whereof, I hereunto set my hand and official seal.

Sharon Pries
Notary Public – South Dakota

My Commission Expires: My Commission Expires
October 19, 2004

(SEAL)

OUTLOTS

LOT 1

3700

3800

FORMER CITY LIMITS

250'

OUTLOT F-1

OUTLOT F-2
RECYCLE
4014

OUTLOT A

Forney
4000

DEP. DAN'S
4020

MORRIS
4030

2A
4100

MID-DAK
4150

Pols
4240

Nystrom
4250

SCALE

HILLSVIEW SUB.
SCHIMKAT'S FIRST ADD.

LOT 2 - HILLSVIEW SUB.

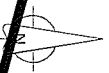
LOT 11 - 20

LOT 1

STATE HIGHWAY 34

4165

4201



Scale: 1/4" = 200'

South Dakota Public Utilities Commission
WEEKLY FILINGS
For the Period of April 1, 2004 through April 7, 2004

If you need a complete copy of a filing faxed, overnight expressed, or mailed to you, please contact Delaine Kolbo within five business days of this report. Phone: 605-773-3201

ELECTRIC

EL04-010 In the Matter of the Petition of Otter Tail Power Company for Approval of a Renewal of a Released Energy Tariff.

Otter Tail Power Company (Otter Tail) is requesting the Commission renew its Released Energy Tariff. This tariff will expire on June 7, 2004. This renewal would allow Otter Tail to purchase energy from its large customers who curtail their load.

Staff Analyst: Keith Senger
Staff Attorney: Karen Cremer
Date Filed: 04/01/04
Intervention Deadline: 04/23/04

EL04-011 In the Matter of the Request for an Electric Service Rights Exception between the City of Pierre and Oahe Electric Cooperative, Inc.

On April 1, 2004, the City of Pierre and Oahe Electric filed a joint request for approval of a service rights exception for service to an outdoor sign located adjacent to Highways 14 and 83. The sign is located in Oahe Electric's service territory, but the City has services closer to the sign. Both companies agree the service rights exception will promote the efficient and economical use and development of the electric system.

Staff Analyst: Michele Farris
Staff Attorney: Karen Cremer
Date Filed: 04/01/04
Intervention Deadline: 04/23/04

EL04-012 In the Matter of the Filing by the City of Pierre for Approval of its Revised Service Territory as a Result of Annexation.

On April 1, 2004, the City of Pierre filed a request for approval of a territory boundary change due to annexation. On November 4, 2003, the City of Pierre annexed the north 236.6 feet of Outlot F-1 and all of Outlot F2 in the SW 1/4 SE 1/4 of Section 2, Township 110, Range 79, Pierre, South Dakota. The City has elected to purchase the electric facilities in the area annexed in accordance with SDCL 49-34A-50 from Oahe Electric Cooperative, Inc.

Staff Analyst: Michele Farris
Staff Attorney: Karen Crèmer
Date filed: 04/01/04
Intervention Deadline: 04/23/04

EL04-013 In the Matter of the Filing by Otter Tail Power Company for Approval of an Electric Service Agreement for the Supply of Bulk Interruptible Power between Otter Tail Power Company and Valley Queen Cheese Factory, Inc.

Application by Otter Tail Power Company for re-approval of an Electric Service Agreement to service Valley Queen Cheese Factory, Inc. pursuant to Otter Tail's currently effective Bulk Interruptible Service Tariff. The current Electric Service Agreement between Otter Tail Power Company and Valley Queen Cheese Factory, Inc. expires June 1, 2004, and Otter Tail has requested approval of the new Agreement effective June 1, 2004. The term of the new proposed Electric Service Agreement is one year.

Staff Analyst: Dave Jacobson
Staff Attorney: Karen Cremer
Date Filed: 04/01/04
Intervention Deadline: 04/30/04

NATURAL GAS

NG04-001 In the Matter of the Application of MidAmerican Energy Company for Authority to Increase Rates for Natural Gas Service.

Application by MidAmerican Energy Company for approval to increase rates for natural gas service in its service territory by \$1,559,963 or approximately 1.5% of pro forma test year revenue. MidAmerican states the proposed increase for an average residential customer would be approximately \$2.50 per month. The proposed rates may potentially affect approximately 73,100 customers in MidAmerican Energy Company's service territory in southeastern South Dakota.

Staff Analyst: Dave Jacobson
Staff Attorney: Karen Cremer
Date Filed: 04/02/04
Intervention Deadline: 05/14/04

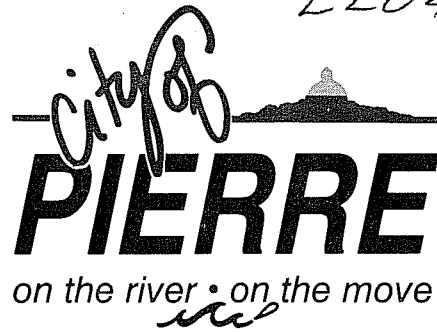
TELECOMMUNICATIONS

TC04-073 In the Matter of the Application of Hills Telephone Company, Inc. for a Certificate of Authority to Provide Local Exchange Services in South Dakota.

On April 5, 2004, Hills Telephone Company, Inc. filed an application for a Certificate of Authority to provide local exchange services in South Dakota. Hills intends to provide local telephone exchange services in the Valley Springs and North Larchwood, South Dakota local telephone exchanges. Hills has entered into an Agreement for the Purchase and Sale of Telephone Exchange, dated January 16, 2004, with Sioux Valley Telephone Company for acquisition of these exchanges. Hills and Sioux Valley have jointly requested the Commission's consent to and approval of that transaction in Docket TC04-040.

Staff Analyst: Michele Farris
Staff Attorney: Karen Cremer
Date Filed: 04/05/04
Intervention Deadline: 04/23/04

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April 8, 2004

Michele Farris
Public Utilities Commission
500 E. Capitol Avenue
Pierre, SD 57501

RE: Agreement to Purchase Electric Facilities in Annexed Area

Dear Ms. Farris:

Oahe Electric and the City of Pierre have reached a mutual agreement for exchange of service territory and jointly submit this letter outlining those terms.

The land known as the Paul Forney property was recently annexed by the city. This land is located at 4010 E. Highway 34 and is legally described as the north 236.6 feet of Outlot F-1 and all of Outlot F-2, SW ¼ SE ¼, Section 2-110-79, Pierre, South Dakota.

The city has paid Oahe Electric an agreed upon amount of \$654.73 for buyout of existing facilities. The city will also pay Oahe Electric annually for 7 years an amount equal to 25% of the gross revenue calculated at Oahe Electric's Rate Schedule C-50KVA-R10. The actual rate is:

Energy Charge

First 150 kwh per KW of billing demand @ 5.4¢
Excess kwh @ 4.3¢

Demand Charge

Billing demand per month at \$8.00 per KW

This repayment will begin January 1, 2004 with the first repayment on or around January 1, 2005. The repayments will be for the prior year and the gross revenue will be calculated with actual usage and the above rate.

If you have any questions regarding this exchange of service rights, I can be reached at 773-7341 or Oahe Electric's number is 962-6243.

Sincerely,

Brad Scott
Manager
Oahe Electric

Sincerely,

Dennis Eisnach
Mayor
City of Pierre

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

IN THE MATTER OF THE FILING BY THE CITY)	ORDER APPROVING
OF PIERRE FOR APPROVAL OF ITS REVISED)	REVISED SERVICE
SERVICE TERRITORY AS A RESULT OF)	TERRITORY AS A RESULT
ANNEXATION)	OF ANNEXATION
)	EL04-012

On April 1, 2004, the City of Pierre (City) filed a request for approval of a territory boundary change due to annexation. On November 4, 2003, the City of Pierre annexed the north 236.6 feet of Outlot F-1 and all of Outlot F-2 in the SW 1/4 SE 1/4 of Section 2, Township 110, Range 79, Pierre, South Dakota. The City has elected to purchase the electric facilities in the area annexed in accordance with SDCL 49-34A-50 from Oahe Electric Cooperative, Inc. (Oahe Electric).

On May 11, 2004, at its regularly scheduled meeting, the Commission considered the request for approval of the boundary change due to annexation. Commission Staff recommended approval.

The Commission finds that it has jurisdiction over this matter pursuant to SDCL 49-34A, specifically, 49-34A-42, 49-34A-48, 49-34A-49, 49-34A-50 and 49-34A-55. Further, the Commission finds that the change in the service territory boundary due to annexation will avoid unnecessary duplication of facilities, provide adequate electric service to all customers affected, and promote the efficient use and development of the electric systems of City and Oahe Electric. The Commission therefore concludes that the change in the service territory due to annexation 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 City and Oahe Electric due to annexation is hereby granted.

Dated at Pierre, South Dakota, this 13th day of May, 2004.

<p>CERTIFICATE OF SERVICE</p> <p>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.</p> <p>By: <u><i>Delaine Kolbo</i></u></p> <p>Date: <u><i>5/18/04</i></u></p> <p align="center">(OFFICIAL SEAL)</p>
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BY ORDER OF THE COMMISSION:

Robert K. Sahr
ROBERT K. SAHR, Chairman

Gary Hanson
GARY HANSON, Commissioner

James A. Burg
JAMES A. BURG, Commissioner