## Richards & Oliver Attorneys at Law

Carlyle E. Richards, P.C. Harvey A. Oliver Prof. L.L.C. \* Kimberly A. Dorsett Prof. L.L.C. 415 South Main St. 222 Midwest Building P.O. Box 114 Aberdeen, SD 57402-0114

Telephone (605) 225-1200 Facsimile (605) 229-7530 E-Mail: holiver@nrctv.com

\* Also Licensed in North Dakota Minnesota

October 5, 2005

Pam Bonrud
Executive Director South Dakota
Public Utilities Commission
500 E. Capitol Ave.
Pierre, SD 57501-5070

RE: Petition of Whetstone Valley Electric Cooperative, Otter Tail and Westcon for Service Rights Exception

Dear Ms. Bonrud:

Enclosed for consideration by the commission is the joint Petition of Whetstone Valley Electric Cooperative, Otter Tail Power and Westcon for a Service Rights Exception to provide service to Western Consolidated Cooperative (Westcon).

If any additional documentation or information is necessary please contact the undersigned.

If my filing is in any way inadequate please contact me and I will remedy any omission.

Sincerely,

HAO/de Enclosure

Cc: Steve Ahles

## PUBLIC UTILITIES COMMISSION

OF

## THE STATE OF SOUTH DAKOTA

PETITION OF WHETSTONE VALLEY ELECTRIC COOPERATIVE, INC. ("Whetstone"), Otter Tail Power Company("Otter Tail") AND WESTERN CONSOLIDATED COOPERATIVE, HOLLOWAY, MN ("Westcon"),. FOR SERVICE RIGHTS EXCEPTION

The purpose of this petition is to request approval from the Public Utilities Commission for a service rights exception with regard to a service extension to Westcon's rail switch devices located approximately 6 miles west of Milbank, South Dakota.

Westcon is currently in the process of constructing a large grain handling and rail loading facility about 6 miles west of Milbank. Westcon's plans include building a large fertilizer distribution plant at this same location. The rail loading facility and plant are located within Whetstone Valley Electric Cooperatives Service territory.

In addition to the forgoing, Westcon requires electrical service at a location in SE ¼ Sec. 7, TWP 120 N R49W to serve rail switches that move cars from the Burlington Northern main line on to a rail spur that Westcon has constructed. The location of the rail switch is in the service territory of OtterTail Power Company. GPS coordinates for the two Westcon rail services are:

N 45	12.532	WO 96	45.557
N 45	12.619	WO 96	45.141

With the consent of Westcon and Otter Tail, Whetstone agreed to provide service to the rail switch location.

Pursuant to the request Westcon and with the consent of Otter Tail, Whetstone will extend single-phase facilities to two separate services to serve the rail switches located in Otter Tail service territory. The specific location of the switches is the SE ¼ Sec 7, TWP 120N, R49W, GPS coordinates:

N 45	12.532	WO 96	45.557	
N 45	12.619	WO 96	45.141	
(also see maps and aerial attached).				

Otter Tail has a 23kv line within .25 miles of the rail switch site. In order to serve this load Otter Tail would be required to reduce the capacity of that line to distribution voltage and would be required to cross under railroad tracks to serve the switches.

The cost to Otter Tail to extend its 23kv line, reduce its capacity to distribution voltage and to cross under the railroad tracks would be greater than the cost to Whetstone to extend its service line to serve these two switches.

The amount of revenue Otter Tail would receive from the electricity used to serve the switches when compared to the cost of extending its plant to serve those switches would adversely affect Otter Tail's ratepayers. The cost to Whetstone to extend its facilities to serve the two switches when compared to the revenue it will receive from the plant, the rail handling facilities and the switches would not adversely affect Whetstone's ratepayers. Petitioners would represent to the Commission that providing service to Westcon's facilities will have a positive impact upon Whetstone's ratepayers.

Permitting Whetstone to extend its service to the switches is the most cost effective means of providing electrical service to this consumer thus benefiting the consumer and ratepayers of both Otter Tail and Whetstone.

Whetstone, Otter Tail and Westcon all request that the Public Utilities Commission authorize this service rights exception to the rail switches located at SE 1/4 Sec. 7, TWP 120 N, R29W.

Otter Tail reserves the right to serve any and all other customers and facilities within its assigned service area and by filing of this petition does not consent to the extension of service to any other customer or facility other than the location described herein.

Wherefore the undersigned hereby request that the Public Utilities Commission grant the foregoing petition and authorize a service rights exception, for the purpose of allowing Whetstone to serve the rail switches located at the SE ¼ Sec 7, TWP 120 N, R49W, which is presently located within the service territory assigned to Otter Tail.

Dated this 2/ day of September, 2005.
/ Whetstone Valley Electric Cooperative, Inc.
By: Merrille
Its: <u>Ceneral Manages</u>
Dated this 26 day of September, 2005.
Otter Tail Power Company
By: flub
Its: Ores Mangger
Dated this 30 day of System , 2005.
WESTERN CONSOLIDATED COOPERATIVE
By: Dan Loon
Its: Jen Mar-
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