

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

This **AGREEMENT**, is made and entered into by Grand Electric Cooperative, Inc., of 801 Coleman Avenue, Bison, South Dakota, 57108, hereinafter referred to as **Grand**, and Southeast Electric Cooperative, inc., of 110 S. Main St. Ekalaka, MT, 59324, hereinafter referred to as **Southeast**; jointly referred to as the Parties.

The Parties hereto agree to be bound by all terms, conditions, promises, and obligations herein contained, which include the following:

1. The Parties to this Agreement are electric utilities as defined by South Dakota statute and are actively engaged in furnishing electric services within the state.

2. Pursuant to state law, the South Dakota Public Utilities Commission (SD PUC or Commission) has established the assigned service territories of each electric utility operating within the state. The SD PUC prepared, or caused to be prepared, maps showing the boundaries of the assigned service territories for each electric utility.

3. The purpose of this Agreement is to verify and update all existing service territory mapping data for use in a Geographic Information System (GIS). Throughout this process, all mapping data, including: initial territorial agreements, maps, and all territory change agreements, have been compiled and reviewed for accuracy. After all available data was collected, a legal description and map was formulated by the SD PUC staff and sent to the Parties for review and verification of current service territory boundaries.

4. Pursuant to this review process, the Parties have identified certain locations within Grand's service territory that are currently being served by Southeast. These service locations were not annotated on the official territorial maps, nor have any exceptions been approved by the SD PUC for Southeast to serve these locations. In an effort to resolve these inconsistencies and avoid dispute, the Parties have agreed to allow Southeast to continue serving these locations and request the Commission grant exceptions to the established territory boundaries to accommodate these territorial deviations.

5. Attached hereto and incorporated here by reference is a legal description of the territorial boundary shared by the Parties (Exhibit A), an updated map showing service territory boundaries with exceptions (Exhibit B), and a numeric list of the unrecorded exceptions identified through this review process listed by Section, Township, Range designation (Exhibit C). The Parties agree these documents accurately describe the service territories currently served by the Parties and the deviations from service territory for which the Parties seek Commission approval as exceptions.

6. Under this Agreement, any changes made to mapping data are intentional and a result of the review and exchange of information between the SD PUC staff and

the Parties hereto. If approved by the SD PUC, the revised mapping data shall constitute the controlling service territory designations of the Parties; and as evidence of such territorial designations, the Parties and the SD PUC shall maintain the territorial mapping data and this Agreement.

7. Unless agreed to by the Parties and approved by the SD PUC, no changes or updates of mapping data under this Agreement shall change the service provider for any South Dakota consumer. Each of the Parties shall continue to service existing customer facilities located in the designated area of the other. Such exception shall continue as long as the specific type of service exists, or until such time as is appropriate to renegotiate service rights. The Parties agree that no new connections or hookups will be made in the designated area of the other without an agreement signed by both Parties and approval is received by the SD PUC per SDCL 49-34A-42.

8. This Agreement shall be binding upon the Parties and their successors, assigns, agents, and representatives.

9. Approval of this Agreement by the SD PUC shall not in any way constitute a determination by the SD PUC as to the merits of any allegations or contentions that may arise as a result of this Agreement and shall not foreclose the SD PUC from the review of any allegations or contentions that may arise hereafter.

10. This Agreement shall not foreclose the ability of the Parties to modify the service territory established in this Agreement through the processes provided under the laws of the State of South Dakota.

Grand Electric Cooperative, Inc.

By: [Signature]

Title: General Manager

Date: 8-5-2011

Southeast Electric Cooperative, Inc.

By: [Signature]

Title: manager

Date: 8/30/11

State of Montana
Carter of Carter

Signed and acknowledged before me on 8/30/2011 by Jack E. Hamblin.

[Signature]
Robin D. Kuntz

Notary Public for the State of MT
Residing at Ekalaka, Montana
My Commission Expires: 4/21/2012

[Signature]
10-19-2016

