



LAKE REGION

E L E C T R I C

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November 28, 2011

South Dakota Public Utilities Commission
State Capitol Building
500 East Capitol Avenue
Pierre, SD 57501-5070

Docket #EL11-027

To Whom It May Concern:

Attached for filing please find an original copy of an execute "Service Territory Exception Agreement" between Lake Region Electric Assn. and Otter Tail Power Company.

The agreement seeks the approval of a Service Territory Exception in rural Day County, South Dakota. The accompanying drawing provides additional graphical detail to this request. The service is located on Lot One of Gaikowski Hill Top Subdivision in the SE Qtr. of the SE Qtr. of Section 15, in Waubay Township in Day County, South Dakota.

For the convenience of all of the parties, Lake Region Electric Assn. has agreed to provide single phase service as depicted on the diagram to a new residence for Ms. Missy Gaikowski at a cost of \$5,000 for a line extension of approximately $\frac{1}{4}$ of a mile and \$300 for a connect fee. The cost of extending the line from Otter Tail Power was estimated at \$30,000 for approximately one (1) mile of line. The fees that would be assessed from Lake Region Electric Assn. are not refundable upon additional customers coming onto this line and if Ms. Gaikowski leaves the current location or a new customer assumes the load of this same service type, she will not receive any refund of line extension costs. Lake Region Electric Assn. will not require any "Recoupment of Costs" for this service. The cost savings to the customer is the foremost concern of both Lake Region Electric Assn. and Otter Tail Power Company as to making this decision as to who should be providing Ms. Gaikowski's service.

Included in this agreement between Lake Region Electric Assn. and Otter Tail Power Company is a consent signature from Ms. Missy Gaikowski, the landowner and customer affected by this change. In which Ms. Gaikowski is in full support of this change.

Lake Region Electric Assn. respectfully requests that the SD Public Utilities Commission approve this agreement.

If anyone has any questions, please call me at 605-345-3379 or email me at tlundborg@lakeregion.coop.

Sincerely,

Tom Lundborg, Operations Manager
Lake Region Electric Assn.

