BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF SOUTH DAKOTA

In The Matter of the Request for a Declaratory Ruling Regarding the Electric Service Territory Boundary Between Clay-Union Electric Corporation and City of Vermillion

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| | CONTRACTOR OF STREET, WINDOWS STREET, ST. AM. |
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Petition for Declaratory Ruling

A dispute has arisen between Clay-Union Electric Corporation ("Clay-Union" or "Petitioner" herein) and City of Vermillion concerning service to fifteen streetlights within the service territory of Clay-Union along the Highway 50 by-pass to the City of Vermillion, South Dakota. The State of South Dakota is constructing the streetlights along Highway 50 at Vermillion, which the City of Vermillion has requested the State transfer to the City so that the City can exercise the right to extend service to the street lights as its own public service facilities pursuant to SDCL Ch. 49-34A-57. Clay-Union hereby petitions the Commission to determine the appropriate service territory of the respective parties with regard to the fifteen streetlights.

In support of its Petition, Clay-Union submits the following information required by ARSD 20:10:01:34.

1. State statutes or Commission rule or order in question.

The following statutes guide this matter:

- A. SDCL §49-34A-42: Electric utility's exclusive rights in assigned service area
 - Connecting facilities in another area.

- B. SDCL §49-34A-44: Maps of service areas to be filed by electric utilities –
 Protest of assigned service areas.
- C. SDCL §49-34A-57: Extension of lines to serve utility's or municipality's own property.

2. Facts and circumstances which give rise to the issue to be answered by the Commission.

The State of South Dakota has commenced construction of certain improvements along the Highway 50 by-pass at Vermillion, South Dakota, including installation of streetlights. The attached Exhibit 1 is an e-mail from the South Dakota Department of Transportation, along with maps that depict the highway project and location of the streetlights and specify electrical service territory for each light. Fifteen of the streetlights will be located within the clearly defined service territory of Clay-Union as per the service territory map previously filed with and approved by the Commission and attached hereto as Exhibit 2. It appears there is no dispute between the parties as to the fact the fifteen streetlights in question are located within the Clay-Union service territory.

The City of Vermillion expressed to Clay-Union its desire to assume service to the fifteen streetlights in question. Negotiations between the parties regarding compensation to Clay-Union or a property exchange were unsuccessful, and as a result, the City of Vermillion has indicated it would act to acquire ownership of the fifteen streetlights in order that the City would then provide service to the fifteen streetlights pursuant to SDCL §49-34A-57. Exhibit 3 attached is a communication from the City of Vermillion expressing its intention to acquire ownership of the streetlights. Clay-Union does not

concur with the City of Vermillion that after-acquired street lights represent "public service facilities" within the meaning of SDCL §49-34A-57.

To the knowledge and belief of Clay-Union, there is no intention on the part of the City of Vermillion to seek permission from or advise the Commission of this unilateral change to the service territory previously approved by the Commission, and that this issue will continue in controversy and result in further erosion of Clay-Union's service territory without action by the Commission, and accordingly, Clay-Union brings this Petition for Declaratory Ruling.

3. Petitioner's Exhibits incorporated by reference.

Petitioner's Exhibits numbered 1, 2 and 3 are attached hereto and incorporated herein by this reference.

4. Declaratory ruling requested.

Clay-Union hereby respectfully requests that the Commission define its electric service territory to include the fifteen streetlights lying within its established service territory boundary in Clay County, South Dakota, and order the City of Vermillion to remove its service lines accordingly.

5. Supplemental filings.

Petitioner may supplement its filings herein with additional documents, written testimony (affidavits), and exhibits. City of Vermillion is hereby put on notice that Petitioner may submit supplemental filings to the Commission regarding the matter in dispute.

Dated this 13 day of July, 2021

Respectfully submitted,

Clay-Union Electric Corporation

Chris Larson, General Manager

1410 East Cherry Street

PO Box 317

Vermillion, SD 57069

605-624-2673/

clarson@clayfunibnelectric.coop

and

Miles Schumacher

Lynn, Jackson, Shultz & Lebrun, P.C.

110 N. Minnesota Ave., Suite 400

Sioux Falls, SD 57104

605-332-5999

mschumacher@lynnjackson.com

Michael F. Nadolski

Lynn, Jackson, Shultz & Lebrun, P.C.

110 N. Minnesota Ave., Suite 400

Sioux Falls, SD 57104

605-332-5999

mnadolski@lynnjackson.com

Attorneys for Clay-Union Electric Corporation