

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

IN THE MATTER OF THE FILING FOR )  
 APPROVAL OF A TERRITORIAL )  
 AGREEMENT REGARDING ELECTRIC )  
 SERVICE BETWEEN THE CITY OF PIERRE, )  
 SOUTH DAKOTA, AND OAHÉ ELECTRIC )  
 COOPERATIVE, INC. )

**ORDER GRANTING  
 APPROVAL OF ELECTRIC  
 SERVICE TERRITORY  
 BOUNDARY CHANGE**

**EL06-004**

On January 26, 2006, the Public Utilities Commission (Commission) received a joint request to approve an electrical territory agreement between the City of Pierre and the Oahe Electric Cooperative, Inc. (Oahe Electric). The territorial agreement provides for future City of Pierre annexation of and extension of electric service into Sections 21 and 22 of Township 111 North, Range 79 West, compensation to Oahe Electric for electric distribution properties acquired by the City of Pierre, and retention of the East ½ of Section 22 by Oahe Electric as a service territory. Further provisions include provision of comparable service in Oahe Electric retained service locations in areas annexed by the City of Pierre and payment of sales tax by Oahe Electric for retained service locations within the area of annexation. The City of Pierre and Oahe Electric Cooperative, Inc. made the request pursuant to SDCL 49-34A-55. On May 2, 2006, an Addendum to Territorial Agreement was filed.

On May 9, 2006, at its regularly scheduled meeting, the Commission considered the request for approval of the Territorial Agreement. Commission Staff recommended approval of the agreement.

The Commission finds that it has jurisdiction over the matter pursuant to SDCL 49-34A, specifically, 49-34A-4, 49-34A-42, and 49-34A-55. Further, the Commission finds that the boundary change will avoid unnecessary duplication of facilities, provide adequate electric service to all areas and customers affected, promote the efficient and economical use and development of the electric systems of the City of Pierre and Oahe Electric, and help minimize operational challenges. The Commission concludes that the change in the service territory boundary 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 electrical territory agreement that results in an electric service territory boundary change between Oahe Electric and City of Pierre is hereby granted.

Dated at Pierre, South Dakota, this 23<sup>rd</sup> day of May, 2006.

<b>CERTIFICATE OF SERVICE</b>	
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.	
By:	<u>Tina Dougan</u>
Date:	<u>5/23/06</u>
(OFFICIAL SEAL)	

BY ORDER OF THE COMMISSION:

*Robert K. Sahr*  
 ROBERT K. SAHR, Chairman

*Dustin M. Johnson*  
 DUSTIN M. JOHNSON, Commissioner