

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

IN THE MATTER OF THE JOINT REQUEST)	ORDER GRANTING
FOR AN ELECTRIC SERVICE RIGHTS)	APPROVAL OF AN
EXCEPTION BETWEEN SIOUX VALLEY-)	EXCEPTION TO THE
SOUTHWESTERN ELECTRIC COOPERATIVE,)	ASSIGNED ELECTRIC
INC. D/B/A SIOUX VALLEY ENERGY AND)	SERVICE TERRITORY
LYON RURAL ELECTRIC COOPERATIVE, INC.)	EL06-028

On December 11, 2006, Sioux Valley Southwestern Electric Cooperative, Inc., doing business as Sioux Valley Energy (SVE) and Lyon Rural Electric Cooperative, Inc. (LREC) filed an Agreement for Electric Service Territory exception to the SVE electric service territory permitting LREC to provide electric service to a new rural service in Tract 2 Grimmus Addition, in the S1/2SW1/4 quarter of Section 35, Township 101 North, Range 48 West, in Minnehaha County, South Dakota. The consent on the part of SVE is limited to the service for Mr. Earl Grimmus and will automatically terminate upon removal or abandonment of such service. The reasons for requesting an exception to the electric service territory boundaries, allowing LREC to provide service to Earl Grimmus' property, are as follows: LREC is already providing service to Mr. Grimmus' new building from the existing service point; and SVE would need to construct over 2,000 feet of new electrical line to provide service to a new shop, when LREC has a line essentially on the property in question, thereby duplicating what already exists. SVE, LREC, and Mr. Earl Grimmus have all agreed to this territorial exception.

At its regularly scheduled meeting of January 2, 2007, the Commission considered the matter. Commission Staff recommended approval of the joint request.

The Commission finds that it has jurisdiction over this matter pursuant to SDCL 49-34A, specifically 49-34A-42 and 49-34A-55. Further, the Commission finds that Lyon may provide electrical service to Mr. Earl Grimmus' new shop as it will avoid unnecessary duplication of facilities, provide adequate electric service to all customers affected, and promote the efficient use and development of the electric systems of Sioux Valley and Lyon. Further, the Commission finds that an exception to the assigned service territory is in the public interest and the request shall be granted. It is therefore

ORDERED, that the request seeking approval of an exception to the assignment of service territory is hereby granted.

Dated at Pierre, South Dakota, this 16th day of January, 2007.

<p>CERTIFICATE OF SERVICE</p> <p>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.</p> <p>By: <u>Waldemar Kolbo</u></p> <p>Date: <u>1/17/07</u></p> <p align="center">(OFFICIAL SEAL)</p>

BY ORDER OF THE COMMISSION:

Dustin M. Johnson
DUSTIN M. JOHNSON, Chairman

Gary Hanson
GARY HANSON, Commissioner

Steve Kolbeck
STEVE KOLBECK, Commissioner