

**STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION**

**Otter Tail Power Co. / Cass County Electric Coop
Cass and Richland Counties
Service Area Agreement**

Case No. PU-12-696

**Otter Tail Power Company
Cass and Richland Cntys - Service Area Agreement
Public Convenience & Necessity**

Case No. PU-12-697

ORDER APPROVING ELECTRIC SERVICE AREA AGREEMENT

November 9, 2012

On August 29, 2012, Otter Tail Power Company and Cass County Electric Cooperative, Inc. filed a joint application for approval of a Service Area Agreement to establish service areas and designate service locations to be served by Otter Tail and Cass Electric within and around the Cities of Abercrombie, Amenia, Christine, Walcott, Davenport, and Mapleton in Cass and Richland Counties of North Dakota. Otter Tail further requests issuance of a certificate of public convenience and necessity authorizing it to extend service to locations within the Otter Tail service area set forth in the agreement.

On September 12, 2012 the Commission issued a Notice of Filing, Notice of Informal Hearing and Notice of Opportunity for Hearing, which provided until October 26, 2012 for receiving written comments or hearing requests. No response has been received. The notice identified the issues to be considered in this proceeding as whether the Service Area Agreement complies with section 49-03-06 of the North Dakota Century Code (N.D.C.C.) and whether the approval of the Service Area Agreement and resulting certificate issuance are compatible with the public interest.

On October 10, 2012 the Commission discussed the issues with Commission staff and the applicants at an informal hearing. The applicants contend that the agreement is in the public interest by: (a) creating the certainty necessary for both applicants to plan and operate efficiently within the service territory granted to them; (b) establishing service areas which will avoid unreasonable duplication of electric facilities; (c) mandating that both parties provide electric service consistent with applicable standards specified therein, so as to best assure adequate and reliable electric service to customers; and (d) establishing agreements which will help avoid territorial disputes between the parties with respect to the areas encompassing the Otter Tail and Cass Electric service areas referenced in the Service Area Agreement.

Having considered this matter the Commission finds that the Service Area Agreement complies with N.D.C.C. section 49-03-06 and that approval of the Service Area Agreement and resulting certificate issuance are compatible with the public interest. Therefore, the Commission issues the following:

Order

The Commission Orders:

1. The electric service area agreement filed jointly by Otter Tail Power Company and Cass County Electric Cooperative, Inc. is APPROVED.
2. Otter Tail is issued Certificate of Public Convenience and Necessity No. 5493 authorizing the provision of electric service to customers within the agreed upon service areas.

PUBLIC SERVICE COMMISSION



Kevin Cramer
Commissioner



Brian P. Kalk
Chairman



Bonny M. Fetch
Commissioner

**PUBLIC SERVICE COMMISSION
STATE OF NORTH DAKOTA**

**Certificate of Public Convenience and Necessity
Certificate Number 5493**

This is to certify that public convenience and necessity require, and permission is granted for Otter Tail Power Company, to serve customers in areas around the Cities of Abercrombie, Amenia, Christine, Walcott, Davenport, and Mapleton in Cass and Richland Counties of North Dakota as established in an electric service area agreement negotiated with Cass County Electric Cooperative, Inc. and approved by the Commission in Case No. PU-12-696.

This certificate is issued in accordance with the Order of this Commission dated August 13, 2012 in Case Nos. PU-12-696 and PU-12-697, and is subject to the conditions and limitations noted in the Order.


This certificate is conditioned upon Otter Tail Power Company securing the franchise or other authority of the proper municipal or other public authority for the exercise of these rights and privileges.

Bismarck, North Dakota, November 9, 2012.

ATTEST:

PUBLIC SERVICE COMMISSION


Executive Secretary


Commissioner