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ATTORNEYS AT LAW

J. Bruce Gibbens
Michelle Gibbens | Nathan Gibbens

June 22, 2023

Executive Secretary
Public Service Commission
600 East Boulevard Ave, Dept 408
Bismarck, ND 58505-0480

RE: PSC Application for Approval of Service Area Agreement / Northern Plains Electric
Cooperative and City of Maddock
Firm File #1743-181

To Whom It May Concern:

Enclosed relative to the above referenced matter, please find an original and four copies of a Joint
Application for Approval of Service Area Agreement.

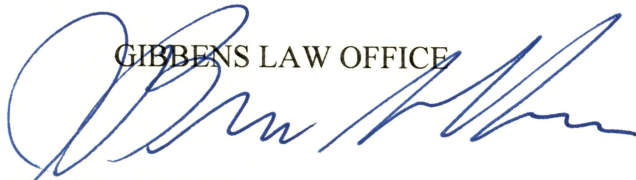
The Application incorporates the following original documents:

1. Certificate of Good Standing issued from the State of North Dakota for Northern Plains
Electric Cooperative; and
2. Service Area Agreement.

If you have any questions, please feel free to contact me.

Sincerely,

GIBBENS LAW OFFICE


J. Bruce Gibbens
Attorney at Law

JBG/amf
Enc.

cc: Northern Plains Electric Cooperative (Attn: Seth Syverson, GM)

1 PU-23-244 Filed 06/26/2023 Pages: 11
Joint Application for Service Area Agreement
Northern Plains Electric Cooperative / City of Maddock
J. Bruce Gibbens, Attorney at Law

PUBLIC SERVICE COMMISSION

STATE OF NORTH DAKOTA

In the matter of the Joint Application of Northern Plains) **JOINT APPLICATION FOR**
Electric Cooperative and the City of Maddock, for the) **APPROVAL OF SERVICE**
Approval of a Service Area Agreement under) **AREA AGREEMENT**
NDCC §49-03-06 covering areas in rural Benson County,) **UNDER NDCC §49-03-06**
North Dakota, to include the City of Maddock)

Applicants respectively represent to the Commission as follows:

1.

Northern Plains Electric Cooperative (“NPEC”) is an electrical cooperative corporation organized in North Dakota under N.D.C.C. Chapter 10-13, with its principal place of business at 1515 Main St., Carrington, ND 58421. NPEC is engaged in the distribution of electricity in 10 counties in east central North Dakota.

2.

The City of Maddock (“City”) is a Municipal Corporation located in Benson County, North Dakota, with its principal place of business at 309 2nd St, Maddock, ND 58348. The City operates a municipal electrical distribution which operates primarily within municipal boundaries of the City.

3.

NPEC and City operate adjacent electrical distribution systems in and around the City in Benson County, North Dakota.

4.

Under the authority granted by N.D.C.C. Section 49-03-06, NPEC and City have entered into a Service Area Agreement, a copy of which is attached as Exhibit “A”. Among other matters the Service Area Agreement: (a) allocates to NPEC and City specified service areas in Benson County, North Dakota; (b) establishes service quality standards and agreements to cooperate so as to minimize disruption of services provided to customers or members served by each party. By its terms, the Service Area Agreement is subject to the approval of the Commission.

5.

The Service Area Agreement is in the public interest by, among other matters: (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 City Service Area and NPEC's Service Area referenced in the Service Area Agreement.

6.

The Service Area Agreement was approved by the respective governing boards of City and NPEC.

7.

For the reasons more fully set forth above, the applicants believe that it is proper and in the public interest for the Commission to approve the Service Area Agreement, and grant the City and NPEC a Certificate of Public Convenience and Necessity authorizing each to extend its plant and system within the service territory granted to each of City and NPEC under the Service Area Agreement.

Wherefore, applicants request that the North Dakota Public Service Commission enter an order:

- (A) approving the service area agreement in accordance with N.D.C.C. Section 49-03-06;
- (B) granting such other relief as the Commission may deem lawful, just and proper.

Dated this 2 day of June, 2023.

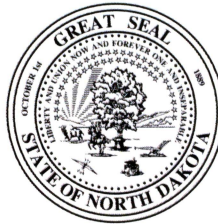
CITY OF MADDOCK

By: Arnell O. Halverson
Its: Mayor (Acting)

By: Pamela Lee
Its: City Auditor

State of North Dakota

SECRETARY OF STATE



Certificate of Good Standing of NORTHERN PLAINS ELECTRIC COOPERATIVE

SOS Control ID#: 0000049128

Certificate #: 023703018-1

The undersigned, as Secretary of State of the state of North Dakota, hereby certifies that, according to the records of this office,

NORTHERN PLAINS ELECTRIC COOPERATIVE

a Cooperative - Electric Corporation was formed under the laws of NORTH DAKOTA and filed with this office effective September 30, 1996. This entity has, as of the date set forth below, complied with all applicable North Dakota laws.

ACCORDINGLY, the undersigned, as such Secretary of State, and by virtue of the authority vested in him by law, hereby issues this Certificate of Good Standing.

DATE: June 21, 2023

A handwritten signature in cursive script that reads "Michael Howe".

Michael Howe
Secretary of State

**SERVICE AREA AGREEMENT
BETWEEN
NORTHERN PLAINS ELECTRIC COOPERATIVE AND
CITY OF MADDOCK**

This Service Area Agreement (the "Agreement"), dated as of the 22nd day of May, 2023, is made between and among Northern Plains Electric Cooperative, a North Dakota not-for-profit electric cooperative corporation ("**Northern Plains**") and City of Maddock ("**Maddock**").

RECITALS

WHEREAS, Northern Plains and Maddock are in the business of providing electric service to the public in their respective service areas;

WHEREAS, the parties have decided that it is in their best interests to enter into this Agreement to further define the electric service territory area;

WHEREAS, the parties deem the agreement contemplated herein to be consistent with the purposes of NDCC 49-03-06 (the "Act") to encourage harmony and operations efficiency among the parties and to promote safety, discourage unreasonable duplication of electric facilities, and assure adequate and reliable electric service for all consumers and territories within North Dakota.

WHEREAS, Northern Plains and Maddock believe a service area agreement between them relative to their facilities in and around the city of Maddock, North Dakota, is consistent with the purposes of the Act.

NOW, THEREFORE, in consideration of the mutual covenants and agreements, the parties agree as follows:

**ARTICLE 1.
SERVICE AREA**

- 1.1 Northern Plains Territory. From and after the Effective Date, Northern Plains shall provide electric service to all electric customers located in the Northern Plains Service Area designated on Exhibit A attached to this Agreement ("**Service Territory Area**").
- 1.2 Exclusive Territory. Except as provided below, Maddock shall not provide electric service to any customers located within the Northern Plains Service Area, and Northern Plains shall not provide service to any customers located within the Maddock Service Area. Notwithstanding the foregoing, each party is permitted to continue to serve locations in the other party's territory if either (i) the party was providing electric service to a customer at the location on the Effective Date or (ii) neither party was providing electric service to the location on the effective date, and the party provided electric service to a former customer at that location within 120 days prior to the Effective Date.

The following locations are receiving electric service by Maddock and located within Northern Plains Service Area on the Effective Date of this agreement: 4975 38th St. NE Maddock, ND 58348 and 4977 38th St. NE Maddock, ND 58348

Each party shall continue to be the service provider for each such customer in the other party's Service Area, until such time as:

- (a.) the location which received service has been abandoned and electric service disconnected for a continuous period of at least 120 days; or
 - (b.) the customer makes a material change of its use of the property, or modifies the structure, facilities, or other improvements on the location, and such change or modification necessitates a replacement or substantial modification of the electric service facilities historically used to serve the location (including, but not limited to, a change from single-phase service to three-phase service), or if the change or modification requires additional service to new structures, facilities, or improvements due to a subdivision of the customer location after the Effective Date; or
 - (c.) the Parties and the customer mutually agree in writing to the transfer of electric service.
- 1.3 Agreements to Serve Following the Effective Date. Notwithstanding anything herein to the contrary, the parties may at any time mutually agree in writing that any new or existing customer in one party's Service Area shall be served by the other party, either temporarily or permanently.
- 1.4 Scope of Agreement. This agreement is intended to govern the allocation and provision of electrical service by and between Maddock and Northern Plains within the boundaries defined in Exhibit A which is incorporated by reference as integral to this Agreement. The provision of electric service to customers outside the boundaries defined in Exhibit A will be governed by applicable law, any future amendments extending the scope of this agreement, or new service area agreements which may be made between the parties.

ARTICLE 2. TERM

- 2.1 Effective Date. The term of this Agreement will commence upon the occurrence of last to occur of the following events (the "Effective Date"):
- (a.) the execution of this Agreement by both parties;
 - (b.) the approval of this Agreement by the City Council of Maddock, North Dakota;
 - (c.) issuance of an Order by the North Dakota Public Service Commission acknowledging this agreement.
- 2.2 End of Term. This Agreement may be terminated at any time by the mutual agreement of the parties in writing.
- 2.3 End of Term Rights and Obligations. The parties' rights and obligations to serve new customer locations after termination shall be governed by then applicable law, and each party shall continue to be the service provider to those customer locations to which it provides service at the time this Agreement terminates.

ARTICLE 3. NO PURCHASE OBLIGATION

- 3.1 No Purchase. Nothing herein shall obligate either party to purchase, sell, or otherwise transfer any of its existing customers, electric serviced locations, or electric utility facilities to the other party.

ARTICLE 4. SERVICE QUALITY

- 4.1 Service Requirements. Both parties will provide electric service to customers in their applicable Service Areas consistent with all applicable laws and regulations. To the extent consistent with such requirements, both parties are, however, free to adopt, implement, and enforce policies and practices relating to the provision of electric service, including without limitation to, fees, charges, line extension policies, interconnection policies, and other internal regulations as they may deem appropriate.
- 4.2 Cooperation. Should any customer be transferred from one provider to the other under this Agreement, both parties agree to cooperate with each other to minimize disruption of the service provided to the customer to the extent reasonably practicable.

ARTICLE 5. MISCELLANEOUS

- 5.1 No Agency. This Agreement is made between the parties entirely independent from each other. Neither party shall be a legal representative of the other for any purpose whatsoever. Neither party has the right or authority to assume or create any obligations of any kind on behalf of the other.
- 5.2 Complete Agreement. The parties acknowledge that no representations or statements have been made which would modify or tend to modify any of the provisions of this Agreement. All the understandings between the parties are contained in this Agreement. This Agreement supersedes and terminates all previous agreements entered into between the parties with respect to the provision of electric service territory. Any amendments to this Agreement shall be made in writing and signed by duly authorized representatives of both parties.
- 5.3 No Third Party Beneficiary. This Agreement may be enforced solely by the named parties, their respective successors and assigns. No municipality, customer, member, or other individual or entity not a named party or successor to a party to this Agreement is intended to be a beneficiary of any of the terms, covenants, and conditions of this Agreement. This Agreement may be enforced solely by the parties and their respective successors and assigns.
- 5.4 Assignment of the Agreement. Either party may assign this Agreement in connection with a merger, sale of substantially all of the assets, consolidation, or other reorganization where the surviving entity acquires the right to provide electric service in the Service Area of the party.
- 5.5 Partial Invalidity. Each provision of this Agreement will be interpreted so as to be effective and valid under applicable law, but if any provision is held invalid, illegal or unenforceable under applicable law in any jurisdiction, then such invalidity, illegality or unenforceability will not affect

any other provision, and this Agreement will be reformed, construed and enforced in such jurisdiction as if such invalid, illegal or unenforceable provision had never been included herein.

- 5.6 Waiver. The failure of either party at any time to require strict performance of any condition of this Agreement shall not affect the right to require full performance thereof at any time thereafter, and the waiver by either party of a breach of any such condition shall not constitute a waiver of any subsequent breach thereof, nor nullify the validity of such condition.
- 5.7 Notices. Any notices, including notice of termination permitted to be given under this Agreement shall be given in writing and delivered in person, by facsimile, or by mail, postage prepaid, in an envelope addressed to the party to whom notice is being given. Notices shall be given to the address or facsimile number set forth in this Agreement, or such other place as may be specified by either party from time to time.
- 5.8 Approval Required. This Agreement shall be void in its entirety if not approved by the North Dakota Public Service Commission and the City Council of Maddock, North Dakota.
- 5.9 Continuing Jurisdiction. This Agreement is subject to the continuing jurisdiction of the North Dakota Public Service Commission to settle all service location disputes between the contracting electric providers arising under the Agreement.

SIGNATURES

CITY OF MADDOCK

By: Ansel O. Hakanson

Name: Ansel O. Hakanson

Its: Mayor (Interim)

Notice Address: Attention: Mayor
309 2nd St
Maddock, ND 58348

CITY OF MADDOCK

By: Pamela Lee

Name: Pamela Lee

Its: City Auditor

Notice Address: Attention: City Auditor
309 2nd St
Maddock, ND 58348

NORTHERN PLAINS ELECTRIC COOPERATIVE

By: Seth Syverson

Name: Seth Syverson



Its: General Manager

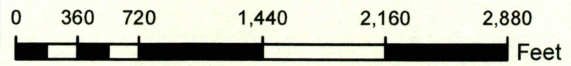
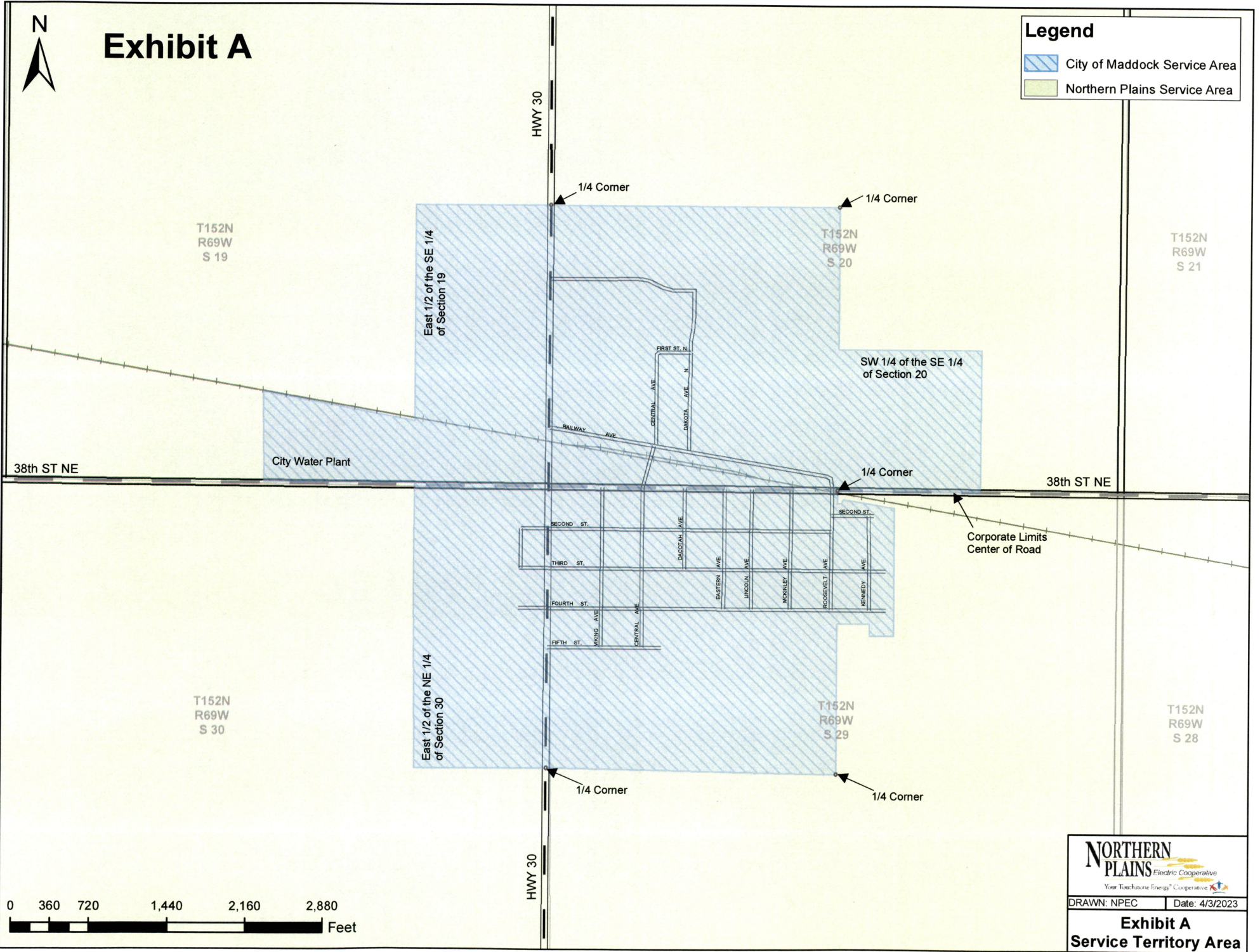
Notice Address: Attention: General Manager
PO Box 180
Carrington, ND 58421



Exhibit A

Legend

-  City of Maddock Service Area
-  Northern Plains Service Area



NORTHERN PLAINS Electric Cooperative
Your Touchstone Energy® Cooperative

DRAWN: NPEC Date: 4/3/2023

Exhibit A
Service Territory Area