

E-329, 118/SA-89-982 DENYING PETITION FOR RECONSIDERATION AND REHEARING

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Darrel L. Peterson	Chair
Cynthia A. Kitlinski	Commissioner
Norma McKanna	Commissioner
Robert J. O'Keefe	Commissioner
Patrice Vick	Commissioner

In the Matter of the Petition of the Willmar Municipal Utilities to Revise Service Territory Boundaries and Maps to Include Recently Annexed Areas Pursuant to Willmar Municipal Utilities Commission Resolution Nos. 85 and 86

ISSUE DATE: April 2, 1990

DOCKET NO. E-329, 118/SA-89-982

ORDER DENYING PETITION FOR RECONSIDERATION AND REHEARING

PROCEDURAL HISTORY

On October 25, 1989, the Willmar Municipal Utilities Commission (Willmar or the City) filed a petition in the current docket, requesting revision of certain official electric service area maps. The City asked the Commission to revise the maps to include in Willmar's assigned service area three parcels of land annexed by the City between 1985 and 1989. At the time of the petition, the official service area maps showed the three parcels annexed by Willmar as part of the exclusive service area of Kandiyohi Cooperative Electric Power Association (Kandiyohi or the co-op). The City claimed that annexation obligates the annexing municipal utility to provide service, thus transferring service rights to the municipal utility upon annexation.

On February 20, 1990, the Commission issued its ORDER DENYING CHANGE IN ASSIGNED SERVICE AREAS AND OFFICIAL ELECTRIC SERVICE AREA MAPS in response to Willmar's petition. That Order denied the City's request for revision of the assigned service areas and the official electric service area maps. In the Order, the Commission stated that:

The statute [Minn. Stat. §216B.44 (1988)] is clear on its face that any obligation to serve on the part of the municipal utility arises only if the area is not receiving service from another utility. There is no question about the fact that the three parcels at issue are all receiving service from the co-op. Since the areas are receiving service from another utility, the City has neither an obligation nor a right to provide service.

In its February 20 Order, the Commission further stated that service territory maps should remain

unchanged until compensation to the displaced utility has been determined and paid.

On March 12, 1990, Willmar filed its petition for reconsideration and rehearing in this matter.

Kandiyohi filed a reply to Willmar's petition on March 20, 1990.

On March 21, 1990, the Department of Public Service (the Department) filed comments. The Department recommended that Willmar's petition for reconsideration be denied.

The matter came before the Commission on March 27, 1990.

### FINDINGS AND CONCLUSIONS

The Commission has consistently found that municipal annexation is not sufficient to change service territory boundaries under current law when the area is already receiving electric service. Until the question of compensation has been determined, the electric service areas, and the service area maps assigning them, should remain unchanged.

The Commission finds that the City's petition for reconsideration and rehearing raises no new issues, offers no new evidence, and identifies no issues requiring further consideration by the Commission. The petition will be denied.

### ORDER

1. Willmar Municipal Utilities Commission's petition for reconsideration and rehearing is denied.
2. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Lee Larson  
Acting Executive Secretary

(S E A L)