



500 West Russell Street
Sioux Falls, SD 57104

September 20, 2023

—Via Electronic Filing—

Ms. Patricia Van Gerpen, Executive Director
South Dakota Public Utilities Commission
Capitol Building, 1st Floor
500 E. Capitol Ave.
Pierre, SD 57501-5070

RE: JOINT SERVICE TERRITORY EXCHANGE AGREEMENT
DOCKET NO. EL23-_____

Dear Ms. Van Gerpen:

Enclosed for filing please find a copy of a mutually agreed upon Service Territory Exchange Agreement with Sioux Valley Southwestern Electric Cooperative, Inc. (“Sioux Valley”). This agreement seeks to exchange territory in Section 17 of Township 101N Range 48W in Minnehaha County, South Dakota. For the reasons set forth below, Xcel Energy and Sioux Valley (collectively, the “Utilities”) respectfully request that the South Dakota Public Utilities Commission approve the attached executed Service Territory Exchange Agreement and allow the boundary lines to be modified.

BACKGROUND

In 2023, there is a new residential neighborhood being developed in Northeast Sioux Falls called The Sanctuary Development. Xcel Energy and Sioux Valley, in conjunction with Eastside Acres, LLC, have had conversations regarding the best and most efficient way to serve these new lots, which have an electric service territory boundary line going through the middle of them.

Below are the descriptions of the lots being exchanged and that have been agreed to by the utilities and Eastside Acres, LLC. Additional details to the request are provided in Exhibits A through E associated with this request.

Lots being transferred to Xcel Energy's service territory (The Sanctuary Development):

- Lots 10, 11, 26, and 27 in Block 1 of The Sanctuary Development

Lots being transferred to Sioux Valley's service territory (The Sanctuary Development):

- Lots 8, 9, 10, and 11 in Block 2 of The Sanctuary Development

APPROVAL OF THE AGREEMENT IS IN THE PUBLIC INTEREST

Pursuant to ARSD § 49-34A-55, the Parties request that the South Dakota Public Utilities Commission approve the Service Territory Exchange Agreement as it is in the public interest. This exchange in Section 17 of Township 101N Range 48W in Minnehaha County, South Dakota, avoids unnecessary duplication of facilities, provides adequate electric service to all areas and customers affected, and promotes the efficient and economical use and development of the Parties' electric systems.

A. Duplication of facilities avoided.

This exchange prevents Xcel Energy and Sioux Valley Electric from running electric utility lines down the same streets and duplicating facilities within the development.

B. Adequate electric service provided.

Xcel Energy and Sioux Valley each are positioned to safely and reliably serve requested customer load located in the lots identified above in Section 17 of T101N R48W in Minnehaha County, South Dakota.

C. Efficient and economical use and development of electric systems.

Xcel Energy and Sioux Valley, and their respective customer bases, are not materially impacted by allowing this Service Territory Exchange Agreement to take place. All parties benefit by having a cleaner and shorter construction path for their facilities to be placed, and the anticipated impact of the exchange on each utility's sales and demand is expected to be de minimis.

Ms Patricia Van Gerpen
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Xcel Energy and Sioux Valley respectfully request that the South Dakota Public Utilities Commission approve this exchange agreement and approve the updates to the territory boundary.

Please contact Lynnette Sweet at Lynnette.m.sweet@xcelenergy.com or contact me at (605) 339-8350 or steven.t.kolbeck@xcelenergy.com if you have any questions regarding this filing.

Sincerely,



STEVEN T. KOLBECK
PRINCIPAL MANAGER



TIM MCCARTHY, GENERAL MANAGER/CEO
SIOUX VALLEY SOUTHWESTERN ELECTRIC COOPERATIVE, INC.

ENCLOSURES