

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

IN THE MATTER OF THE FILING FOR)
 APPROVAL OF CHANGES TO ASSIGNED)
 SERVICE AREAS OF LINCOLN-UNION)
 ELECTRIC COMPANY AND TURNER-)
 HUTCHINSON ELECTRIC COOPERATIVE,)
 INC.)

**ORDER APPROVING
TERRITORIAL TRANSFER**

EL99-018

On October 14, 1999, the South Dakota Public Utilities Commission (Commission) received a joint request from Lincoln-Union Electric Company (Lincoln-Union) and Turner-Hutchinson Electric Cooperative, Inc. (Turner-Hutchinson) for approval of the consolidation of the two cooperatives. According to the request, on March 20, 1999, Lincoln-Union membership voted to approve the consolidation. On April 8, 1999, Turner-Hutchinson membership voted to approve the consolidation of the two cooperatives. The new organization will be formed on January 1, 2000, and will be known as Southeastern Electric Cooperative, Inc. Lincoln-Union and Turner-Hutchinson are requesting approval to transfer the existing territorial Agreements of the two existing entities to Southeastern Electric Cooperative, Inc., effective on January 1, 2000. According to the filing, "[w]e believe this request meets all the requirements as outlined in SDCL 49-34A-55 pertaining to the following items:

elimination or avoidance of unnecessary duplication of facilities;
 providing adequate electric service to all areas and customers affected and,
 the promotion of the efficient and economical use and development of the electric system."

On November 15, 1999, at its regularly scheduled meeting, the Commission considered the matter. Commission Staff recommended approval.

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 the proposed territorial transfer will avoid the unnecessary duplication of facilities, provide adequate electric service to the customer, and promote the efficient and economical use and development of the electric systems of Lincoln-Union and Turner-Hutchinson. Finally the Commission finds that the approval of the joint request is in the public interest and the request shall be granted. As the Commission's final decision in this matter, it is therefore

ORDERED, that the request for approval of the territorial transfer is hereby granted.

Dated at Pierre, South Dakota, this 8th day of December, 1999.

<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><i>Alaine Kalbo</i></u></p> <p>Date: <u>12/8/99</u></p> <p align="center">(OFFICIAL SEAL)</p>

BY ORDER OF THE COMMISSION:

James A. Burg
 JAMES A. BURG, Chairman

Pam Nelson
 PAM NELSON, Commissioner

Laska Schoenfelder
 LASKA SCHOENFELDER, Commissioner