



# Butte Electric Cooperative, Inc.

A Touchstone Energy<sup>SM</sup> Partner



PO Box 137  
109 S Dartmouth  
Newell, SD 57760-0137

Phone: (605) 456-2494  
800-928-8839

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www.butteelectric.com

March 24, 2005

Ms. Pam Bonrud  
Executive Director  
South Dakota Public Utilities Commission  
500 East Capitol Avenue  
Pierre, SD 57501-5070

**RECEIVED**

**APR 08 2005**

**SOUTH DAKOTA PUBLIC  
UTILITIES COMMISSION**

Re: Request for Approval of an Electric Service Territory Agreement Jointly Submitted by Butte Electric Cooperative and Black Hills Power

Dear Ms. Bonrud:

Butte Electric Cooperative, Inc. (Butte) and Black Hills Power (BHP) submit this joint request for approval to exchange the following service territory:

A. Exchange Request #1 – Exit 17 Lift Station

a. To Black Hills Power

1. Butte agrees to trade that portion of the NW1/4SW1/4 of Section 14 of Township 6 North, Range 3 East, Black Hills Meridian, Lawrence County, South Dakota located south of Interstate 90 and north of Highway 14 from Butte territory to BHP territory. Refer to Attachment G.
2. Presently there are no services located within this territory. It is anticipated that there will be a sewer lift station located within this territory to service future expansion towards Exit 17. It is unknown as to what the usage will be and when it will occur. The engineer's present plans include the installation of two 25-hp pumps. One pump would operate as the main and the other as back up

b. To Butte Electric Cooperative, Inc.

1. BHP has agreed to compensate Butte when usage occurs.

B. Exchange Request #2 – Sandstone Hills/Countryside Subdivision

a. To Black Hills Power

1. Township 6 North, Range 2 East, Sections 11 & 14, Black Hills Meridian, Lawrence County, South Dakota - Lots 9, 10, 11, 12, 13, and a portion of Lot 5 (open space) all in Section 14, Block 11 and Lot 26 in Section 11, Block 11 of Sandstone Hills are located in

Butte Electric territory. Lots 12 and 13 already have residences located on them, which are presently being served by BHP. Lots 9, 10, 11, 12, 13, 26 and a portion of Lot 5 (open space) all in Block 11 of Sandstone Hills would be transferred from Butte territory to BHP territory. Refer to Attachment A.

2. Township 6 North, Range 2 East, Section 14, Black Hills Meridian, Lawrence County, South Dakota - Block 12 of Sandstone Hills is located in Butte Electric territory. Block 12 would be transferred from Butte territory to BHP territory. Refer to Attachment A.
  3. Township 6 North, Range 2 East, Section 14, Black Hills Meridian, Lawrence County, South Dakota – Lots 1 and 2 in Block 13 of Sandstone Hills, a portion of which, are located in Butte Electric territory. The Butte portion of these lots would be transferred from Butte territory to BHP territory. Refer to Attachment A.
  4. Township 6 North, Range 2 East, Section 13, Black Hills Meridian, Lawrence County, South Dakota – Lot 31 of Block 14 of Sandstone Hills is located in Butte Electric territory. This lot would be transferred from Butte territory to BHP territory. Refer to Attachment C.
  5. Township 6 North, Range 2 East, Section 13, Black Hills Meridian, Lawrence County, South Dakota – Lot 17 of Block 15 of Sandstone Hills is located in Butte Electric territory. This lot would be transferred from Butte territory to BHP territory. Refer to Attachment C.
  6. Township 6 North, Range 2 East, Section 13, Black Hills Meridian, Lawrence County, South Dakota – A portion of Lot 1 of Block 16 of Sandstone Hills is located in Butte Electric territory. Butte Electric's portion of this lot would be transferred from Butte territory to BHP territory. Refer to Attachment C.
  7. Township 6 North, Range 2 East, Section 13, Black Hills Meridian, Lawrence County, South Dakota – A portion of Lot 1, Lot 2 and a portion of Lot 3 of Block 16 of Sandstone Hills is located in Butte Electric territory. The Butte Electric portion of lots 1 and 3 and lot 2 would be transferred from Butte territory to BHP territory. Refer to Attachment C.
- b. To Butte Electric Cooperative
1. Township 6 North, Range 2 East, Section 13, Black Hills Meridian, Lawrence County, South Dakota – A portion of Tract 1

(Church Lot) of Sandstone Hills Subdivision is located in BHP territory. The BHP portion of this tract would be transferred from BHP territory to Butte territory. Refer to Attachment B.

2. Township 6 North, Range 2 East, Section 13, Black Hills Meridian, Lawrence County, South Dakota – A portion of Lot 32 or 32A (depending on which plat) of Block 17 of Sandstone Hills Subdivision is located in BHP territory. The BHP portion of this lot would be transferred from BHP territory to Butte territory. Refer to Attachment C.
3. Township 6 North, Range 2 East, Section 13, Black Hills Meridian, Lawrence County, South Dakota – A portion of Lot 1 of Block 9 of Countryside Subdivision is located in BHP territory. The BHP portion of this lot would be transferred from BHP territory to Butte territory. Refer to Attachment B.
4. Township 6 North, Range 2 East, Section 13, Black Hills Meridian, Lawrence County, South Dakota – Lots 1 – 8 of Block 15 of Countryside Subdivision is located in Butte territory. This property was previously owned by Bud Dodd's, with the residence and outbuildings being served as a frozen consumer by BHP in Butte territory. Jim Boke purchased the property and platted it into the above referenced lots. These lots would remain in Butte territory and be served by Butte on a permanent basis. Refer to Attachment B.
5. Township 6 North, Range 2 East, Section 13, SW4NW4, Black Hills Meridian, Lawrence County, South Dakota – The Jim Boke (old Bud Dodd's) residence and out buildings located on the north side of Windmill Drive in Block 15 of Countryside Subdivision is located in Butte territory. This property was being served as a frozen consumer by BHP in Butte territory. As part of the 27<sup>th</sup> Street road project and, as part of this territory exchange agreement, Butte is now serving this consumer. This consumer would remain in Butte territory and be served by Butte on a permanent basis. Refer to Attachment B.
6. Township 6 North, Range 2 East, Section 13, NE4NE4, Black Hills Meridian, Lawrence County, South Dakota – The present Bud Dodd's residence is located on the north side of 27<sup>th</sup> Street and is located in BHP territory. This property is being served by Butte as a result of a discrepancy in interpreting the territory boundary. BHP has agreed to allow Butte to serve this consumer on a permanent basis and trade that portion of Township 6 North, Range 2 East, Section 13, NE4NE4, Black Hills Meridian, Lawrence County, South Dakota, located on the north side of 27<sup>th</sup> street to Butte. Refer to Attachment B.

C. Exchange Request #3 - Highway 85 Line Relocation and Construction

a. To Black Hills Power

1. The Ted Vore and Dixie Williams residence is located on the west side of Highway 85 in the Redwater Hill area. This is the only consumer Butte has on the west side of Highway 85 in Township 7 North, Range 2 East, Section 3, Black Hills Meridian, Butte County, South Dakota. Our line relocation is going to take us further away and would be a lengthy line replacement. BHP already has an existing line in close proximity to this consumer. Mr. Vore has agreed to allow Butte to trade him to BHP. BHP has agreed to provide service to Mr. Vore & Ms. Williams. Butte has agreed to transfer the territory to BHP and trade the remaining Butte territory in Township 7 North, Range 2 East, Section 3, Black Hills Meridian, Butte County, South Dakota, located on the west side of Highway 85 to BHP. Butte will pay the BHP cost above their normal line extension cost to provide service to Mr. Vore & Ms. Williams. Refer to Designation B on Attachment D.

b. To Butte Electric

1. As a result of the Highway 85 line relocation in Township 7 North, Range 2 East, Section 3, Black Hills Meridian, Butte County, South Dakota, we would be crossing the property of Harvey Keene & Catherine Nott. Their property is presently located in BHP territory. Mr. Keene & Ms. Nott indicates, that they may build a residence on this property in the future. As part of the easement to relocate the line on their property, they would like to be able to receive service from our line. The proposed line relocation route will be in close proximity to the potential building site. This property is the only BHP territory on the east side of Highway 85 in Township 7 North, Range 2 East, Section 3, Black Hills Meridian. This trade provides compensation to Butte for the trade described as Designation B on Attachment D and also provides for a more uniform territory division. BHP agrees to trade that portion of Township 7 North, Range 2 East, Section 3, Black Hills Meridian, Butte County, South Dakota, located on the east side of Highway 85 to Butte. Refer to Designation A on Attachment D.

D. Exchange Request #4 – Kevin McKee

a. To Butte Electric

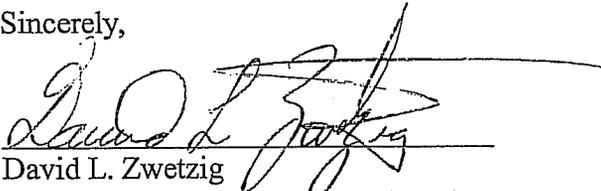
1. Back in 1998, Kevin McKee was looking for a line extension in Township 4 North, Range 4 East, Section 17, Black Hills Meridian, Lawrence County, South Dakota. This was part of

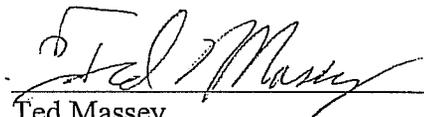
Mineral survey 1135. The line extension being requested would have ended up in BHP territory. At the time, Mr. McKee complained to the PUC about the issue. In the end, he wanted Butte to serve him, but we were not very interested, because it was not our territory and essentially there was no load to be served. The last correspondence I received from Jim Jeffery was that we could serve him on a temporary basis. We declined this offer, but would consider it on a permanent basis. That was the last I heard until February of 2004, when Mr. McKee requested power to a well in what turns out to be the same area. I advised him that the situation was much the same as it was in 1998 and the Butte was not interested in serving the area on a temporary basis. To my surprise, he produced a letter from Jim Jeffery dated July 20, 1998, allowing Butte to serve the area on a permanent basis. The letter was addressed to me, but I have no previous knowledge of the letter. I told Mr. McKee, that I needed to verify with BHP that the offer to trade was still valid. BHP has confirmed that the offer to trade is still valid and has agreed to trade their portion of Clair No.6, all of Denton No.2, Sterling, Sterling No.1, and Sterling No.2 of M.S.1135, all of which are located in Township 4 North, Range 4 East, Section 17, Black Hills Meridian, Lawrence County, South Dakota, to Butte. Refer to attachments E & F.

In conclusion, both Butte and BHP support this request. The exchange of territory would provide for an electric system that avoids unnecessary duplication of facilities and helps minimize operational challenges. If you require additional information or have questions concerning this exchange do not hesitate to contact us.

Thank you for your consideration of this request.

Sincerely,

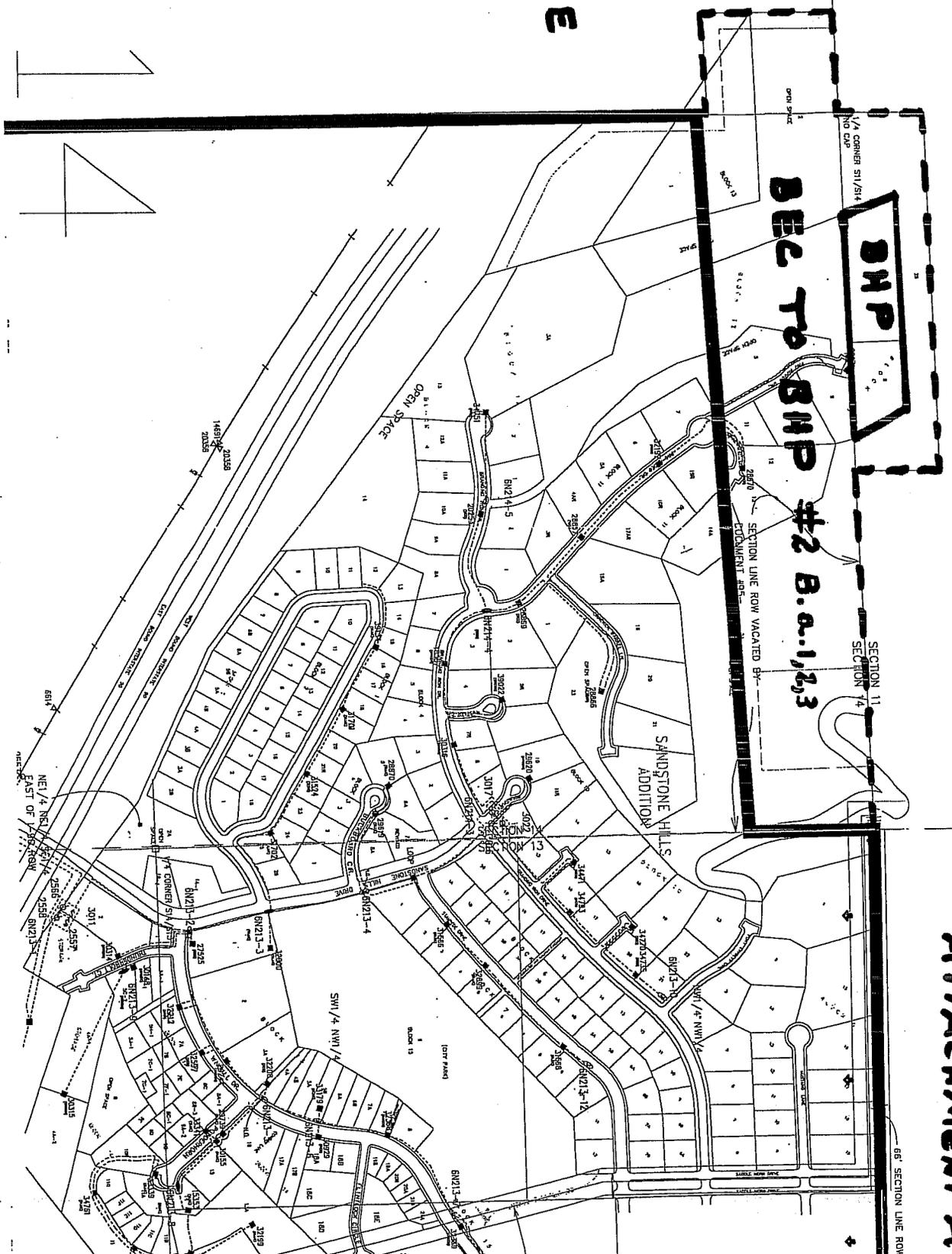
  
David L. Zwetzig  
Manager of Operations & Engineering  
Butte Electric Cooperative, Inc.

  
Ted Massey  
Director of Electric Operations  
Black Hills Power

Enclosure:

# ATTACHMENT A

T6N, R2E

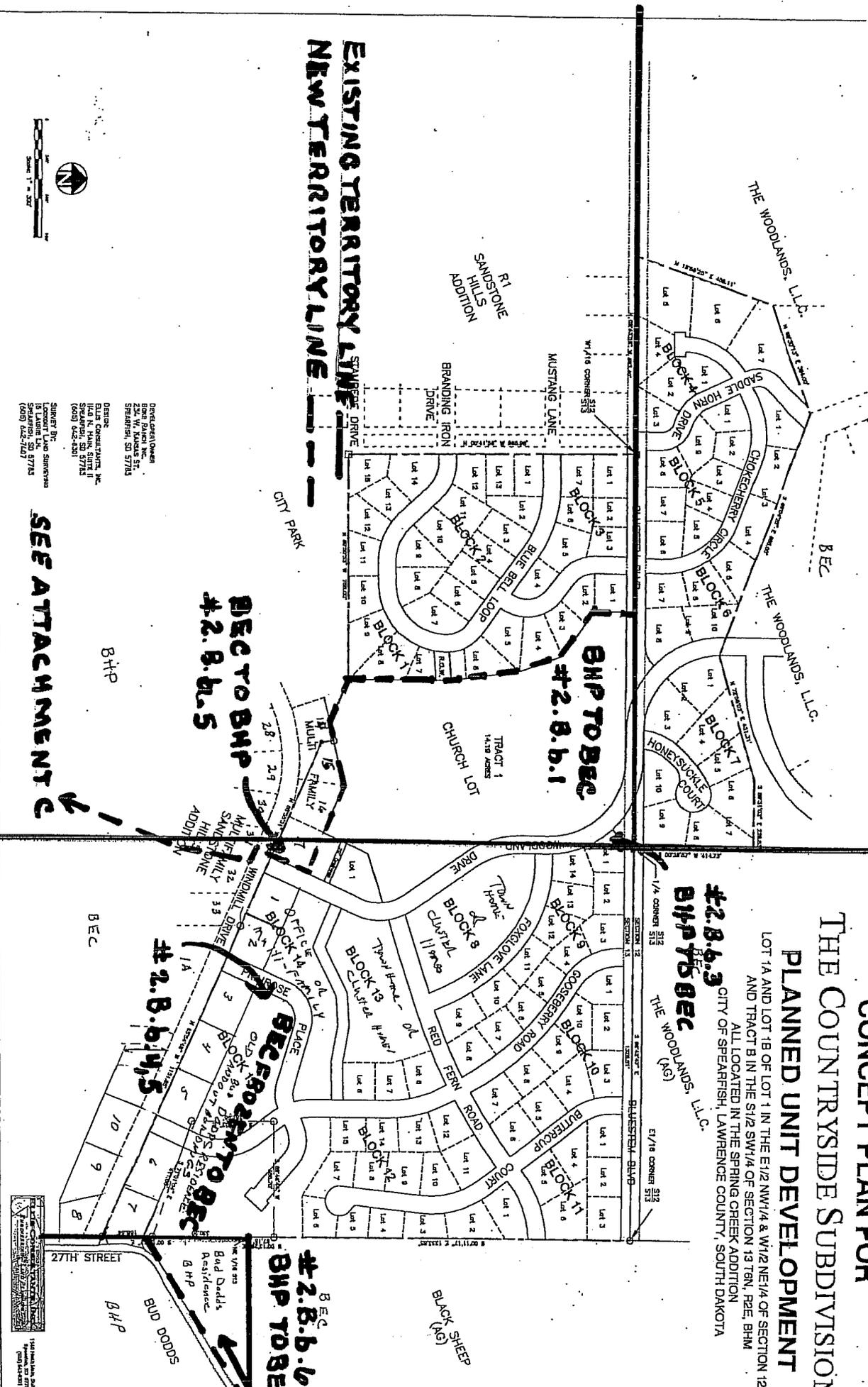


CONCEPT PLAN FOR

THE COUNTRYSIDE SUBDIVISION

PLANNED UNIT DEVELOPMENT

LOT 1A AND LOT 1B OF LOT 1 IN THE E 1/2 NW 1/4 & W 1/2 NE 1/4 OF SECTION 12, AND TRACT B IN THE S 1/2 SW 1/4 OF SECTION 13 T8N, R2E, B1M ALL LOCATED IN THE SPRING CREEK ADDITION CITY OF SPEARFISH, LAWRENCE COUNTY, SOUTH DAKOTA



DESIGNER: DEREK GARDNER  
 2001 W. MAIN ST.  
 SPEARFISH, SD 57753  
 (605) 624-2301

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 SPEARFISH, SD 57753  
 (605) 624-2301

SUBMITTER: THE WOODLANDS, L.L.C.  
 18 LAUREL LN.  
 SPEARFISH, SD 57753  
 (605) 624-2301

ATTACHMENT B

SEE ATTACHMENT C

27TH STREET  
 BHP  
 BUD DODDS  
 BHP

#2.B.b.6  
 BHP TO BEC

#2.B.b.4,5  
 BEC TO BEC

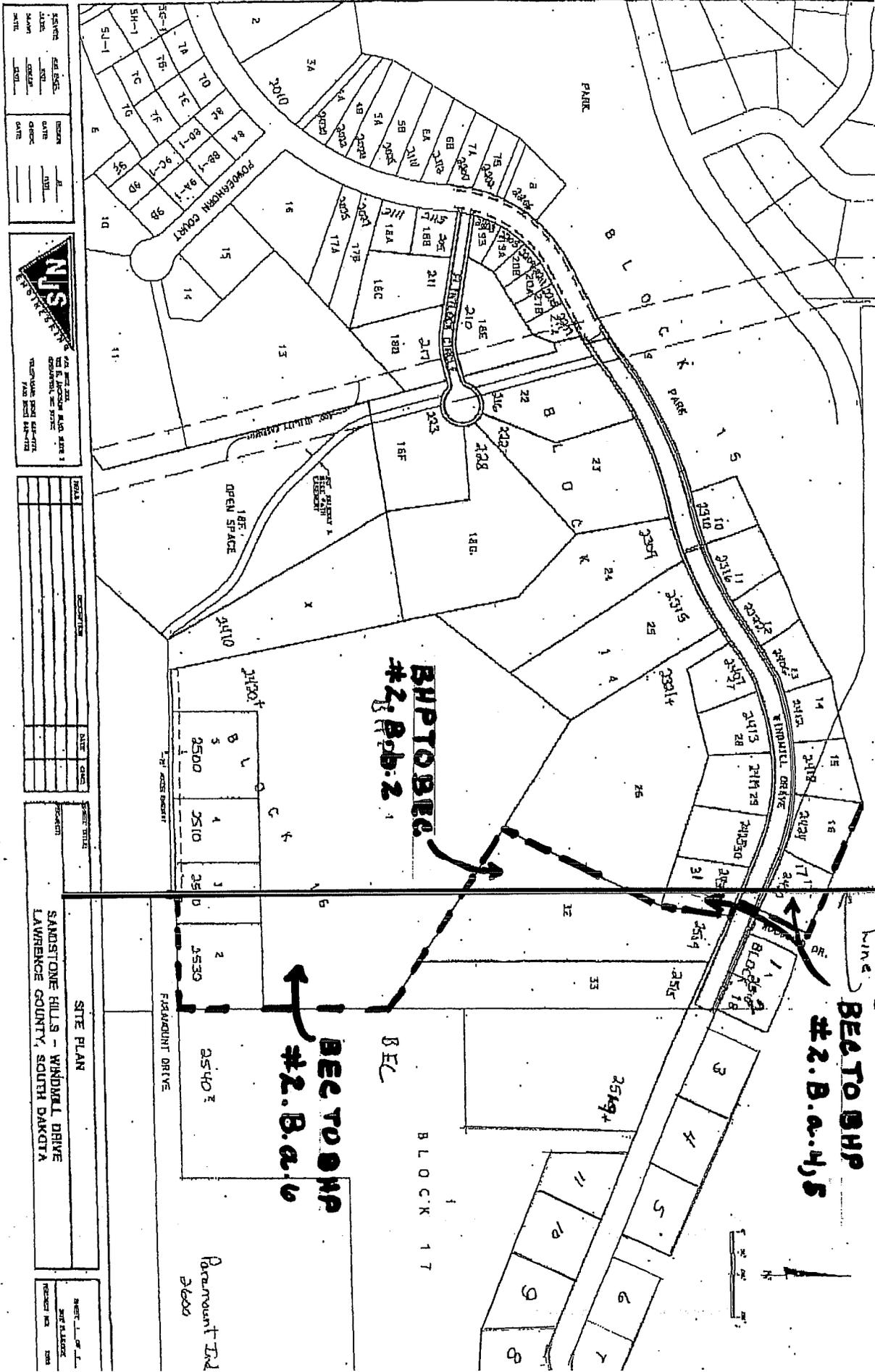
#2.B.b.5  
 BEC TO BHP

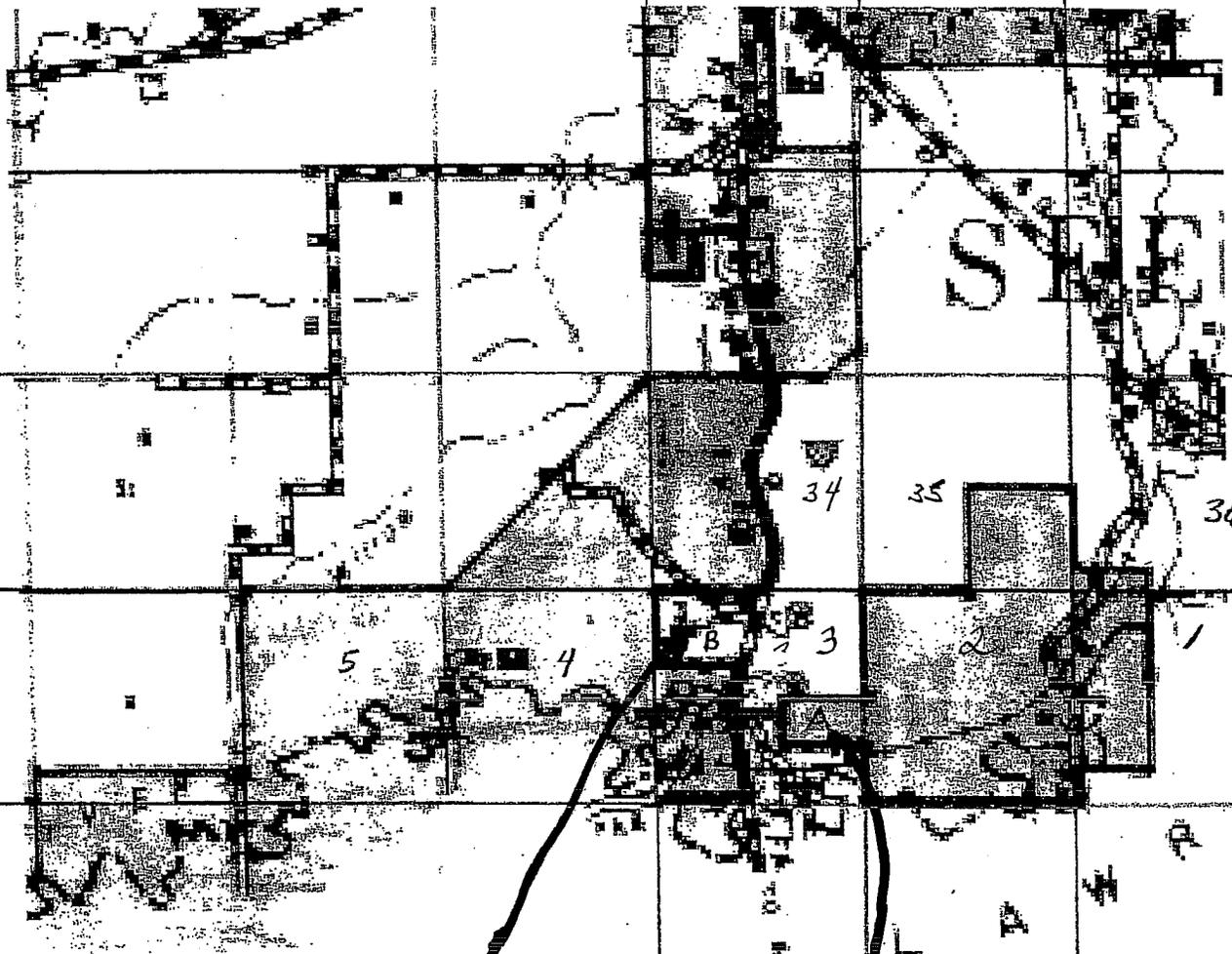
#2.B.b.1  
 BHP TO BEC

#2.B.b.3  
 BHP TO BEC

THE WOODLANDS, L.L.C.

BLACK SHEEP (AG)





RANGE  
TTN, RZE

RANGE  
TTN, RZE

REC TO BHP  
#3.C.a.1

ATTACHMENT D

BHP TO REC  
#3.C.b.1

**BLACK HILLS POWER AND LIGHT COMPANY**

428 CLIFF ST  
DEADWOOD, SOUTH DAKOTA 57732

TELEPHONE  
(605) 578-3440

**ATTACHMENT E**  
**# 4. D. a. 1**

July 20, 1998

Butte Electric Cooperative, Inc.  
David L. Zwetzig, Manager of Operations and Engineering  
PO Box 137  
Newell SD 57760-0137

Re: Kevin McKee

Dear Dave:

This morning I talked to Kevin McKee regarding service to his property located in Section 17, Township 4 North, Range 4 East which lies in Black Hills Power & Light territory. Mr McKee indicated to me that he wanted service from Butte Electric.

We have decided to let you serve this property on a permanent basis, you will need to get the legal description from Mr McKee and file the necessary papers with the PUC.

Sincerely,



Jim Jeffery  
Northern Hills District Manager

Post-It* Fax Note	7671	Date	7-20-98	# of pages	2
To	Leni Healy	From	Jim Jeffery		
Co./Dept.	S.D. PUC	Co.			
Phone #		Phone #	605-578-3440		
Fax #	605-723-3809	Fax #	605-578-2799		

cc: Ms. Leni Healy  
Mr. John Nooney  
Mr. Kyle White

# ATTACHMENT F

## EXISTING TERRITORY LINE

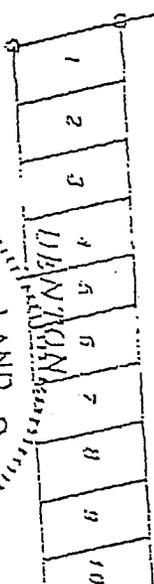
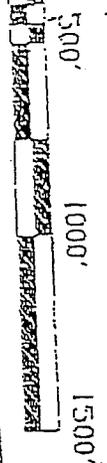
### NEW TERRITORY LINE

#4.D.a.1

EXHIBIT "A"  
 SHOWING A 66' PRIVATE ACCESS AND JUDICIAL EASEMENT ACROSS  
 CLARE NO. 6, CLARE NO. 6, DENTON NO. 2,  
 DENTON NO. 3, STERLING, & STERLING NO. 1  
 LOCATED IN SECTION 16 & 17, T4N R4E,  
 LAWRENCE COUNTY, SOUTH DAKOTA  
 Section 17  
 Section 16

See from line C (Town Post Line)

LINE	DEAR	ANG	DISTANCE
L1	S 29	09' 28"	160.43'
L2	S 09	31' 30"	230.01'
L3	S 27	06' 59"	377.94'
L4	S 74	14' 00"	327.41'
L5	S 10	40' 20"	53.63'
L6	S 10	40' 20"	43.04'
L7	N 72	39' 40"	272.04'
L8	N 72	42' 32"	313.04'
L9	N 10	29' 08"	273.48'
L10	N 10	28' 36"	300.33'
L11	N 10	28' 31"	292.78'
L12	N 09	10' 54"	1537.36'
L13	N 10	17' 21"	302.10'



PREPARED BY:  
 AMETRI & ASSOC.  
 302 MAIN STREET  
 BRADWOOD, SD 57732  
 605-576-1087

PROJECT:  
 ACCESS  
 EASEMENT

DATE: JULY 26, 1995

SCALE:  
 1/4" = 10'

APPROVED BY:  
 JOHN M. JOHNSON  
 SUPERVISOR

DO HEREBY  
 CERTIFY THAT THE  
 ABOVE DESCRIBED  
 EASEMENT IS  
 CORRECT AND  
 ACCURATE  
 JOHN M. JOHNSON  
 SUPERVISOR  
 JULY 26, 1995

DO HEREBY  
 CERTIFY THAT THE  
 ABOVE DESCRIBED  
 EASEMENT IS  
 CORRECT AND  
 ACCURATE  
 JOHN M. JOHNSON  
 SUPERVISOR  
 JULY 26, 1995

DO HEREBY  
 CERTIFY THAT THE  
 ABOVE DESCRIBED  
 EASEMENT IS  
 CORRECT AND  
 ACCURATE  
 JOHN M. JOHNSON  
 SUPERVISOR  
 JULY 26, 1995

Approximately  
 1/4 mile from  
 Ardu, keep his  
 to make East  
 property line

1" = 500'

# ATTACHMENT G

BEC

BHP

NW 1/4  
NW 1/4  
SEC 14

NE 1/4  
NW 1/4  
SEC 14

BEC

BHP

BHP

SE 1/4  
NW 1/4  
SEC 14

Lift  
Station  
TO BHP  
#1

2.1/2' or greater  
sewer

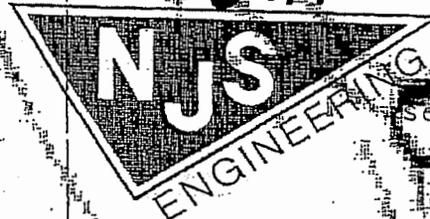
SW 1/4  
NW 1/4  
SEC 14

## Section 14

Township 6 North  
Range 3 East

BHP

BHP



SCALE 1" = 500'

PREPARED BY:

ENGINEERING  
BOX 226  
BRIDGEVILLE, SD 57783  
605-642-4772  
PROJECT #2113