

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

IN THE MATTER OF THE JOINT REQUEST)	ORDER GRANTING
FOR AN ELECTRIC SERVICE TERRITORY)	APPROVAL OF CHANGES
BOUNDARY CHANGE BETWEEN THE CITY)	IN THE ELECTRIC SERVICE
OF VERMILLION AND CLAY-UNION ELECTRIC)	TERRITORY
CORPORATION)	EL03-004

On February 18, 2003, the Public Utilities Commission (Commission) received a joint filing by the City of Vermillion (City) and Clay-Union Electric Corporation (Clay-Union) for approval of an electric service territory boundary change. According to the application, the allocation of territory was necessary after discovering that the City of Vermillion was inadvertently serving outside its approved territorial boundary. The parties agree that the City will continue to serve the area in Clay Union's assigned territory which it has been servicing and Clay Union shall transfer this territory to City. The electric service boundary change is as follows:

City shall provide electrical service to consumers located in the East 320.5 feet of Lot Y of replat of Lot B-2 in the SW 1/4 of the NE 1/4, S14, T92N, R52W of the 5th P.M., City of Vermillion, Clay County, South Dakota.

In exchange, the City shall transfer to Clay Union a portion of its assigned service territory described as: Lot 2, Block 1, Deyonge addition to the City of Vermillion, Clay County, South Dakota.

Commission Staff requested further information from Clay-Union and City. The information revealed that the City had annexed a portion of the Deyonge Addition in the fall of 2002. The City did not notify the Commission of the annexation, therefore the Commission's map was not updated. On March 24, 2003, the City requested approval of the annexation. The annexation includes a portion of Lot 1 and Lot 4, and Lots 2 and 3 of Block 1 of the Deyonge Addition.

On April 15, 2003, at its regularly scheduled meeting, the Commission considered the request for approval of the boundary change due to annexation. The Commission also considered the proposed joint territory boundary change. Commission Staff recommended approval.

The Commission finds that it has jurisdiction over this matter pursuant to SDCL 49-34A, specifically, 49-34A-4, 49-34A-42, and 49-34A-55. Further, the Commission finds that the change in the service territory boundary due to annexation and the joint request for a territory boundary change will avoid unnecessary duplication of facilities, provide adequate electric service to all customers affected, and promote the efficient use and development of the electric systems of City and Clay-Union. The Commission therefore concludes that the change in the service territory due to annexation and the joint request for a territory boundary change is in the public interest and it shall be granted. As the Commission's final decision in this matter, it is therefore

ORDERED, that the request seeking approval of an electric service territory boundary change between City and Clay-Union due to annexation is hereby granted. It is further

ORDERED, that the request seeking approval of the joint territory boundary change is hereby granted.

Dated at Pierre, South Dakota, this 24th day of April, 2003.

CERTIFICATE OF SERVICE

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.

By: Delaine Kolbo

Date: 4/24/03

(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

Robert K. Sahr

ROBERT K. SAHR, Chairman

Gary Hanson

GARY HANSON, Commissioner

James A. Burg

JAMES A. BURG, Commissioner