

STATE OF IOWA  
DEPARTMENT OF COMMERCE  
UTILITIES BOARD

IN RE:  SAC COUNTY RURAL ELECTRIC COOPERATIVE AND THE CITY OF WALL LAKE, IOWA	DOCKET NO. SPU-05-16
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**ORDER GRANTING PETITION FOR MODIFICATION  
OF SERVICE AREA BOUNDARIES**

(Issued September 9, 2005)

On August 3, 2005, Sac County Rural Electric Cooperative (Sac) and the City of Wall Lake, Iowa (Wall Lake), filed a joint petition for modification of electric service area boundaries pursuant to Iowa Code § 476.25(2). A service area agreement between Sac and Wall Lake was attached to the petition. No objections or other responses to the petition were filed.

Sac and Wall Lake have agreed that certain territory in Wall Lake's exclusive service territory will be transferred to Sac and request the Utilities Board (Board) modify the service territory boundary between the two utilities in Sac County, Iowa.

The following service territory is to be served by Sac:

All that part of the South Half of the Southeast Quarter (S $\frac{1}{2}$  SE $\frac{1}{4}$  ) and the Southeast Quarter of the Southwest Quarter (SE $\frac{1}{4}$  SW $\frac{1}{4}$ ) of Section 13, Township 86 North, Range 37 West of the 5<sup>th</sup> P.M., Sac County, Iowa, lying and being south of the right-of-way and extra right-of-way, switch yards, and depot grounds of what is now the Canadian National Railroad Company (formerly Illinois Central Railroad Company), and;

A tract of land containing 16.71 acres located in the Northeast Quarter of the Northeast Quarter (NE $\frac{1}{4}$  NE $\frac{1}{4}$ ) of Section 24, Township 86 North, Range 37 West of the 5<sup>th</sup> P.M., Sac County, Iowa, and being more particularly described as follows:

Beginning at the Northeast (NE) corner of the Northeast Quarter (NE $\frac{1}{4}$ ) of said Section 24; thence on an assumed bearing of North 89°42'10" West, along the North line of said Northeast Quarter (NE $\frac{1}{4}$ ), 1,229.70 feet; thence South 00° 16' 20" West, 699.38 feet; thence South 89° 44' 05" East, 992.91 feet; thence North 0°15'55" East, 500.19 feet; thence South 89° 44' 05" East, 236.68 feet to the East line of said Northeast Quarter (NE $\frac{1}{4}$ ); thence North 00° 15' 55" East, along the East line, 177.04 feet to the Point of Beginning.

In support of the petition, Sac and Wall Lake state the modification will allow both utilities to more efficiently serve their end-use customers while avoiding unnecessary duplication of facilities. The proposed modification will allow Sac to provide service to a new biodiesel plant and certain surrounding commercial development property. The utilities have determined that having Sac serve the biodiesel plant will eliminate or avoid unnecessary duplication of services and promote the efficient use of the utilities' respective electrical systems. In return, Sac will pay Wall Lake a monthly fee of \$0.005 kWh per month for electricity sold to the biodiesel plant. The contract agreed to between Sac and Wall Lake would apply to additional development in the territory transferred. The developer of the biodiesel plant has expressed a desire to be served by Sac. There are no current customers in the surrounding commercial development property and no other customers are impacted by the change.

Iowa Code § 476.25 (2005) provides in pertinent part:

Contracts between electric utilities to designate service areas and customers to be served by the electric utility or for the exchange of customers between electric utilities, when approved by the board, shall be valid and enforceable and shall be incorporated into the appropriate exclusive service areas established pursuant to subsection 1 of this section. The board shall approve a contract if it finds that the contract will eliminate or avoid unnecessary duplication of facilities, will provide adequate electric service to all areas and customers affected, will promote the efficient and economical use and development of the electric systems of the contracting electric utilities, and is in the public interest.

The Board will grant the joint petition for modification of service area boundaries. Sac and Wall Lake have alleged facts that establish the proposed modification is in the public interest, will prevent unnecessary duplication of facilities, provide adequate electric service to all customers affected, and will promote the efficient and economical use of electrical systems, pursuant to Iowa Code § 476.25.

**IT IS THEREFORE ORDERED:**

The joint petition for modification of electric service area boundaries filed by Sac County Rural Electric Cooperative and the City of Wall Lake, Iowa, on August 3, 2005, is granted, subject to complaint or investigation.

**UTILITIES BOARD**

/s/ John R. Norris

/s/ Diane Munns

ATTEST:

/s/ Sharon Mayer  
Executive Secretary, Assistant to

/s/ Elliott Smith

Dated at Des Moines, Iowa, this 9<sup>th</sup> day of September, 2005.