

BEFORE THE SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

In The Matter Of The Application By Otter)
Tail Power Company on Behalf Of The Big)
Stone II Co_Owners For An Energy) Case No. EL05-022
Conversion Facility Siting Permit For The)
Construction Of The Big Stone II Project)

COMMONWEATH OF MASSACHUSETTS

COUNTY OF MIDDLESEX

AFFIDAVIT OF DAVID A. SCHLISSEL

Personally appears before me, David A. Schlissel, who duly affirms, deposes and says:

1. My name is David A. Schlissel. I am a senior consultant with Synapse Energy Economics, Inc., ("Synapse") 22 Pearl Street, Cambridge, MA 02139.
2. Synapse was retained to assist Minnesotans for an Energy-Efficient Economy, Izaak Walton League of America – Midwest Office, Union of Concern Scientists and Minnesota Center for Environmental Advocacy.
3. Four of the Big Stone II Co-Owners have filed Integrated Resource Plans ("IRPs") at the Minnesota Public Utilities Commission.¹ One or more of these four Co-Owners has relied upon their IRPs to justify their claimed need for Big

¹ Otter Tail Power Company, Missouri River Energy Services, Great River Energy, and Southern Minnesota Municipal Power Agency.

Stone II.² One or more of the Co-Owners has cited their IRPs as the basis for their responses to Interrogatories.³

4. As part of Synapse's review of the proposed Big Stone II Project, in January 2006 we prepared discovery questions and document requests that asked each of the five Big Stone II Co-Owners that had filed IRPs to provide the input and output data files for their most recent IRPs and the documents used to develop the inputs associated with the model runs made in the preparation of those IRPs.⁴ This information is essential to our review of the validity of the conclusions stated in each Co-Owners' IRPs and the statements presented in their Application for Energy Conversion Facility Siting Permit in South Dakota.
5. These requests were initially submitted to the Co-Owners on January 13, 2006 as our clients' Request No. 17 in Minnesota PUC Docket No. ET-6131, ET-2, ET-6130, E-252, ET-10, ET-6444, E-017, ET9/CN-05-619 and OAH Docket Nos. 12-2500-17037-2 and 12-2500-17038-2. This request was later submitted in South Dakota on March 9, 2006 as Request No. 1 in our clients' Fourth Set of Requests for Production of Documents.
6. In response, Otter Tail Power Company provided the input and output data files only for its preferred or base case scenario. Otter Tail Power's June 28, 2005 IRP Filing discusses a number of scenarios that the Company examined in addition to this preferred or base case scenario: for example, the 2005 IRP Filing notes that scenarios were examined in which the Base Case low and high externality values

² For example, see the Big Stone II Co-Owners' response to Request No. 6 of our clients' First Set of Requests for the Production of Documents in this Docket.

³ For example, see the Big Stone II Co-Owners' response to Request No. 3 of our clients' First Set of Requests for the Production of Documents in this Docket.

⁴ The requests were initially submitted in Minnesota, and subsequently in South Dakota.

(as compared to the zero externality values assumed in the Base Case)⁵ and that scenarios were examined reflecting 50 percent and 75 percent Renewable Plans.⁶ Otter Tail Power also examined scenarios which assumed that additional capacity is purchased from Big Stone II and several wind sensitivities.⁷ However, Otter Tail Power did not provide any output files for any of these scenarios. Without this information it is not possible for us to review or evaluate Otter Tail Power's claim that the base case plan including Big Stone II is the least cost or most economic option. Otter Tail Power also did not provide any documents that were used to develop the inputs associated with the model runs made in the preparation of its 2005 IRP.

7. Great River Energy's July 1, 2005, IRP filing discusses thirteen separate plans that were examined.⁸ Although Great River Energy provided a number of input files for their review of these plans, in spite of their repeated claims, none of these were the output files for any of the scenarios examined by Great River Energy. Without the information in such output files, it is impossible for us to review and evaluate Great River Energy's claim that its participation in Big Stone II represents the least cost or most economic option. Great River Energy also did not provide the documents that were used to develop the inputs associated with the model runs made in the preparation of its IRP.

⁵ For example, see pages 9-6 and 9-7 of the June 28, 2005 IRP Filing (Bates Page Numbers OTP00011511-1512).

⁶ For example, see pages 9-9 through 9-12 of the June 28, 2005 IRP Filing (Bates Page Numbers OTP00011514-1517).

⁷ For example, see pages 9-7 and 9-8 of the June 28, 2005 IRP Filing (Bates Page Numbers OTP00011512-1513).

⁸ At pages 99-102.

8. Missouri River Energy Services' June 30, 2005, 2006-2020 Resource Plan filing discusses eleven separate scenarios that were examined.⁹ The only "output" files that were provided contained limited information concerning loads and resources. None of these files contained any information on the projected or relative costs of any of these scenarios examined by Missouri River Energy Services. Therefore, there is no basis on which we can review and evaluate Missouri River Energy Services' claim that the base case plan containing Big Stone II is the least cost or most economic plan. Missouri River Energy Services also did not provide the documents that were used to develop the inputs associated with the model runs made in the preparation of its IRP.
9. Upon our urging, counsel for our clients repeatedly asked counsel for the Big Stone II Co-Owners to provide the output files for the various scenarios that Otter Tail Power, Great River Energy and Missouri River Energy Services examined as part of their IRP process. As stated in a May 3, 2006, letter to counsel for Minnesota Center for Environmental Advocacy, "Otter Tail and SMMPA have confirmed that they have provided all of the responsive information.... No further data exists." Counsel was subsequently informed on May 4, 2006, that, in fact, Otter Tail Power actually has the output files that it had previously denied existed for a number of scenarios.
10. As part of our reviews of the economic and environmental costs and benefits of proposed new generation facilities, we regularly and routinely request and receive copies of all input and output data files of the same types that we have requested from the Big Stone II Co-Owners. Our reviews of the information in those input and output files have regularly added evidence that otherwise would not have been included in the records in the proceedings before the regulatory commissions that were evaluating whether or not to issue siting permits.

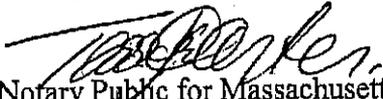
⁹ At page 14.

11. In addition, as part of our reviews of the economic and environmental costs and benefits of proposed new generation facilities, we regularly and routinely request and receive copies of the documents used in the development of inputs for the underlying modeling analyses. Our reviews of the information in those documents have regularly added evidence that otherwise would not have been in the records in the proceedings in which we requested and reviewed those materials.
12. At our request, counsel for Intervenors also requested that Great River Energy provide copies of the responses it had received to its recent Request for Proposals ("RFPs") for 120 MW of power.¹⁰ We have regularly requested and received the responses to similar RFPs for Power issued by utility companies. However, Great River Energy, to date, has refused to provide the requested information.
13. It will not be possible for us to complete our reviews and to file testimony as scheduled on May 19, 2006 without complete and immediate access to (1) all of the output data files and supporting documents for the scenarios examined by Otter Tail Power, Great River Energy and Missouri River Energy Services in their 2005 IRP filings and (2) the proposals received by Great River Energy in response to its recent RFP for 120 MW of power.
14. Even if we were to receive this information today, the delay caused by the Co-Owners failure to produce this information in a timely manner would prevent us from filing our complete testimony without an extension of time beyond May 19, 2006.

¹⁰ This request was initially submitted to the Co-Owners on March 1, 2006 as our clients' Request No. 48 in Minnesota PUC Docket No. ET-6131, ET-2, ET-6130, E-252, ET-10, ET-6444, E-017, ET9/CN-05-619 and OAH Docket Nos. 12-2500-17037-2 and 12-2500-17038-2. This request was later submitted in South Dakota on March 9, 2006 as Request No. 1 in our clients' Fourth Set of Requests for Production of Documents.

David A. Schuch

Subscribed and Sworn to before me this 8th day
of May 2006


Notary Public for Massachusetts

Torry Khakali Carter
NOTARY PUBLIC
My commission expires Oct. 16, 2009