

**OTTER TAIL POWER COMPANY**  
Docket No: EL15-045

Response to: South Dakota Public Utilities Commission  
Analyst: SDPUC Staff  
Date Received: 11/18/2015  
Date Due: 12/04/2015  
Date of Response: 11/30/2015  
Responding Witness: Bryce Haugen, Senior Rates Analyst, Regulatory Administration

Information Request:

01-010. Provide a general description of the projects causing the approximate \$200,000 increase in Schedule 26A expense and the reasons for the increases.

Attachments: 0

Response:

MISO provides forecasted Schedule 26A Expenses on a semi-annual basis. Figure 1, Column [5] below provides a general description of the Multi-Value Projects that are encompassed in Schedule 26A Expenses for 2016 that are shown in Attachment 13 of the Initial Filing in this Docket. Figure 1, Column [6] below provides the general project description used in calculating the Schedule 26A Expenses for 2015. Estimated project costs increased for 2016 compared to 2015 resulting in an increase in Schedule 26a Expenses for 2016.

<b>Indicative Multi-Value Project (MVP) Schedule 26-A Annual Charges by MISO Local Balancing Authority (LBA) for Approved MVPs</b>					
<b>Figure 1. Approved MVPs</b>					
Project ID	Project Name	Geographic Location by TO Member System	Estimated In-Service Date	Estimated Project Cost for 2016 Expense Calculation	Estimated Project Cost for 2015 Expense Calculation
[1]	[2]	[3]	[4]	[5]	[6]
1203	Brookings, SD - SE Twin Cities 345 kV	XEL/GRE/OTP/MRES/CMMPA (represents TO ownership)	3/26/2015	\$670,743,534	\$639,873,000
2202	Reynolds to Greentown 765 kV line	Pioneer, NIPS	6/1/2018	\$387,330,163	\$328,708,150
2220	Ellendale to Big Stone South	OTP, MDU	12/31/2019	\$395,670,000	\$395,670,000
2221	Big Stone South to Brookings	OTP, NSP	9/30/2017	\$226,720,000	\$226,720,000
2237	Pana - Mt. Zion - Kansas - Sugar Creek 345 kV line	ATXI	11/15/2018	\$422,071,023	\$354,737,600
2239	Sidney to Rising 345 kV line	ATXI	11/15/2016	\$81,880,341	\$66,322,958
2248	Adair - Ottumwa 345	AMMO, ITCM, MEC	11/15/2018	\$191,850,587	\$178,230,921
2844	Pleasant Prairie-Zion Energy Center 345 kV line	ATC	12/6/2013	\$33,042,267	\$34,175,000
3017	Palmyra Tap -Quincy-Meredosia - Ipava & Meredosia-Pawnee 345 kV Line	ATXI	11/15/2017	\$666,973,721	\$505,692,729
3022	Fargo-Galesburg-Oak Grove 345 kV Line	ATXI, MEC	11/15/2018	\$217,754,491	\$225,524,474
3127	N LaCrosse-N Madison-Cardinal -Spring Green - Dubuque area 345-kV	ATC, NSP, ITCM	12/31/2020	\$1,034,547,000	\$863,032,583
3168	Michigan Thumb Wind Zone	ITC	12/31/2015	\$510,000,000	\$510,000,000
3169	Pawnee to Pana - 345 kV Line	ATXI	11/15/2018	\$120,976,800	\$108,600,381
3170	Adair-Palmyra Tap 345 kV Line	AMMO	11/15/2018	\$153,369,959	\$108,110,058
3203	Reynolds to E. Winnamac to Burr Oak to Hiple 345 kV	NIPS	12/31/2019	\$271,000,000	\$271,000,000
3205	Lakefield Jct. - Winnebago - Winco - Burt area & Sheldon - Burt Area - Webster 345 kV line	MEC, ITCM	6/1/2018	\$541,119,569	\$541,119,569
3213	Winco to Hazelton 345 kV line	MEC, ITCM	12/31/2018	\$464,348,611	\$464,348,611
			Total	\$6,389,398,067	\$5,821,866,035

Schedule 26A Expense information from MISO is located on the MISO website at, <https://www.misoenergy.org/Planning/TransmissionExpansionPlanning/Pages/MTEPStudies.aspx>.

MISO typically provides updated (final) information in January of each year. Revenue and expense information published in January of 2016 would be applicable for the balance of 2016. Otter Tail will incorporate updates published by MISO for 2016 if available prior to Otter Tail's Supplemental filing in this Docket on or before February 1, 2016. Actual revenues and expenses will be incorporated into the tracker and become part of the true-up in next year's filing.