

OTTER TAIL POWER COMPANY  
Docket No: EL16-002

Response to: South Dakota Public Utilities Commission  
Analyst: SDPUC Staff  
Date Received: 02/10/2016  
Date Due: 02/24/2016  
Date of Response: 02/22/2016  
Responding Witness: Svetlana Fedje, Pricing Analyst - (218) 739-8799

---

Information Request:

Provide the page numbers in the Company's most recent IRP related to proposed cost and payment changes mentioned on page 3, paragraph IV of the application.

Attachments: 0

Response:

The proposed cost and payment changes mentioned on page 3 of the application are derived from the modeling results from our most recent Resource Plan. Otter Tail uses a software program from Ventyx Software called Strategist for Resource Plan modeling. Strategist uses the sales/load forecast to determine the overall amount of energy that is needed to meet our customer's needs. Then Strategist performs an economic hourly dispatch to meet the needs of the load. The economic dispatch takes into account existing bi-lateral purchases, company owned resources, and forecasted energy market prices, to meet the forecasted requirements. The hourly economic dispatch results out of the Strategist software is the basis for the "avoided energy cost" in this filing.