

OTTER TAIL POWER COMPANY

Docket No: EL16-002

Response to: South Dakota Public Utilities Commission

Analyst: Lorena Reichert

Date Received: 02/29/2016

Date Due: 03/04/2016

Date of Response: 03/04/2016

Responding Witness: Svetlana Fedje, Pricing Analyst - (218) 739-8799

Information Request:

I was comparing the filings from Minnesota and North Dakota and noticed that the Appendix C, Schedule A, B, C, D, E, F, & G from Minnesota are helpful and much of the information looks like it would be similarly helpful in explaining the South Dakota filing. Please submit the public and non-public schedules, similar to the ones submitted to Minnesota, that apply to South Dakota into the docket. Also, has this filing been approved in Minnesota? If this can be submitted by the end of this week, that would be best.

Attachments: 4

Attachment 1 to IR SD-PUC-02-001_PUBLIC.pdf

Attachment 2 to IR SD-PUC-02-001_PUBLIC.pdf

Attachment 3 to IR SD-PUC-02-001_PUBLIC.pdf

Attachment 4 to IR SD-PUC-02-001.pdf

Response:

I am submitting requested attachments, public and not-public versions. For your reference please see MN Rule 7835* <https://www.revisor.leg.state.mn.us/rules/?id=7835>.

The information in Schedule A, B, G and Other Remaining Schedules is not State specific, except Schedule C. Schedule C is not included, as it does not apply to South Dakota rates. In Minnesota, Rate 12.01 defines the payment as the average retail energy rate, not avoided costs as defined in South Dakota. Each State though has its own filing requirement, that is why you see a different presentation of the information.

Attachment 1 to IR SD-PUC-02-001 for Schedule A.

Attachment 2 to IR SD-PUC-02-001 for Schedule B.

Attachment 3 to IR SD-PUC-02-001 for Schedule G.

Attachment 4 to IR SD-PUC-02-001 for Schedules D, E & F.

**PUBLIC DOCUMENT-NOT PUBLIC
DATA HAS BEEN EXCISED**

SCHEDULE A

**SYSTEM INCREMENTAL ENERGY COSTS*
(Dollars/MWh)**

2016 2017 2018 2019 2020

SUMMER

[NOT PUBLIC DATA BEGINS...
...NOT PUBLIC DATA ENDS]

WINTER

[NOT PUBLIC DATA BEGINS...
...NOT PUBLIC DATA ENDS]

[NOT PUBLIC DATA BEGINS...
...NOT PUBLIC DATA ENDS]

SUMMER: THE PERIOD OF JUNE 1st THROUGH SEPTEMBER 30th.

WINTER: THE PERIOD OF OCTOBER 1st THROUGH MAY 31st.

ON-PEAK PERIODS IN SUMMER INCLUDE THOSE HOURS ENDING 0900 TO 2300
(EXCLUSIVE OF WEEKENDS AND HOLIDAYS).

ON-PEAK PERIODS IN WINTER INCLUDE THOSE HOURS ENDING 0800 TO 2300
(EXCLUSIVE OF WEEKENDS AND HOLIDAYS).

ALL OTHER HOURS ARE OFF-PEAK.

* INCLUDES 50% OF LINE LOSSES FROM SCHEDULE B

SCHEDULE B

NET ANNUAL AVOIDED CAPACITY COST

Subp. 2 PLANNED UTILITY GENERATING FACILITY ADDITIONS:

Otter Tail Power Company's most recent integrated resource plan (Docket E017/RP-13-961) which was filed on December 2, 2013 and approved with modifications (order dated December 5th, 2014) , identifies resource needs for the company. The 2013 IRP calls for construction of new natural gas generation to be operational in the 2019 to 2021 timeframe. Otter Tail is also authorized to obtain cost effective wind energy and enough solar energy to comply with the Solar Energy Standard by 2020.

[NOT PUBLIC DATA BEGINS...

...NOT PUBLIC DATA ENDS]

Subp. 3 PLANNED FIRM CAPACITY PURCHASES:

Otter Tail Power Company has secured the following purchases prior to this filing.

A. Year	12/1/2010 to 12/31/2021
B. Name of Seller	Great River Energy
C. Capacity	50,000 kW year-round 12/01/10 to 12/31/14
	50,000 kW year-round 6/01/13 to 12/31/14
	100,000 kW year-round 1/01/15 to 5/31/16
	100,000 kW year-round 6/01/16 to 5/31/17
	25,000kW year-round 6/01/17 to 5/31/18
	25,000kW year-round 6/01/18 to 5/31/19
	50,000kW year-round 6/01/19 to 5/31/20
	50,000kW year-round 6/01/20 to 5/31/21

[NOT PUBLIC DATA BEGINS...

...NOT PUBLIC DATA ENDS]

Subp. 4 PERCENTAGE OF LINE LOSSES:

Annual average line losses are equal to 7.64% of the total generated energy.

Subp. 5 NET ANNUAL AVOIDED CAPACITY COST:

Otter Tail Power Company's most recent integrated resource plan (Docket E017/RP-13-961) which was filed on December 2, 2013, identifies resource needs for the company. The 2013 IRP calls for construction of new gas generation to be operational in the 2019 to 2021 timeframe.

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|---|-----------------------|
| A. [NOT PUBLIC DATA BEGINS...
DATA ENDS] | ... NOT PUBLIC |
| B. [NOT PUBLIC DATA BEGINS...
DATA ENDS] | ... NOT PUBLIC |
| C. [NOT PUBLIC DATA BEGINS...
DATA ENDS] | ... NOT PUBLIC |
| D. [NOT PUBLIC DATA BEGINS...
DATA ENDS] | ... NOT PUBLIC |
| E. [NOT PUBLIC DATA BEGINS...
DATA ENDS] | ... NOT PUBLIC |
| F. [NOT PUBLIC DATA BEGINS...
DATA ENDS] | ... NOT PUBLIC |
| G. [NOT PUBLIC DATA BEGINS...
DATA ENDS] | ... NOT PUBLIC |
| H. [NOT PUBLIC DATA BEGINS...
DATA ENDS] averaged over on-peak hours | ... NOT PUBLIC |
| I. [NOT PUBLIC DATA BEGINS...
DATA ENDS] averaged over all hours | ... NOT PUBLIC |

Subp. 6 NET ANNUAL AVOIDED CAPACITY COST:

The purchases listed in Subp. 3 are planned during the ensuing ten years.
No other additional capacity purchases are planned during the ensuing ten years.

**PUBLIC DOCUMENT – NOT PUBLIC
DATA HAS BEEN EXCISED**

SCHEDULE G

COMPUTATIONS FROM SCHEDULES A AND B

Schedule A:

The Schedule A incremental energy costs are averages calculated from projections of incremental costs and hourly load levels. These projections include fuel and variable operating and maintenance expenses.

For each seasonal period, incremental costs that occurred during the on-peak period were averaged, as were those for the off-peak period over the entire season. Overall average line losses are included in the figures.

Schedule B:

Otter Tail Power Company's most recent integrated resource plan (Docket E017/RP-13-961) which was filed on December 2, 2013 and approved with modifications (order dated December 5th, 2014) , identifies resource needs for the company. The 2013 IRP calls for construction of new natural gas generation to be operational in the 2019 to 2021 timeframe. Otter Tail is also authorized to obtain cost effective wind energy and enough solar energy to comply with the Solar Energy Standard by 2020.

Otter Tail's calculation process and results are shown below;

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...NOT PUBLIC DATA ENDS]

OTHER REMAINING SCHEDULES (D, E & F)

7835.0700 Schedule D: Otter Tail utilizes the standard contracts per 7835.6100, which is available on our website at

https://www.otpc.com/media/278256/DG_MNsmallPowerProducerContract.pdf

7835.0800 Schedule E: The standards and procedures utilized are provided on our website at <https://www.otpc.com/about-us/generator-interconnection/minnesota/>

7835.0900 Schedule F: The notification procedures utilized are provided on our website as described in 7835.0800 Schedule E (above) as well as the terms and conditions stated in each rate schedule. Moreover, see the Interconnection Agreement, VIII.

OPERATIONAL ISSUES at

https://www.otpc.com/media/278240/DG_InterconnectionAgreement.pdf