

OTTER TAIL POWER COMPANY

Docket No: EL21-015

Response to: SD Public Utilities Commission

Analyst: SD PUC Staff

Date Received: May 21, 2021

Date Due: June 04, 2021

Date of Response: June 04, 2021

Responding Witness: Jason A. Grenier, Manager Market Planning - (218) 739-8639

Data Request:

Refer to Table 7 of Appendix A.

- a. Given the EEP Program charges equal \$699,000 for the months of January through December 2021, are revisions necessary given the budget increase to \$775,000 approved in docket EL20-022?
- b. Likewise, are revisions necessary for January through June 2022 given this budget increase?
- c. If budget increases are necessary, does Otter Tail propose a revision to the rate? If not, does the benefit of stable rates offset the additional carrying charges that will be imposed on customers? Explain.

Attachments: 1

Attachment 1 to DR SD-PUC-01.16.pdf

Response:

- a. Yes, please see Attachment 1 to DR SD-PUC-01.16 for an updated EEP Tracker and calculation of proposed EEP (i.e., Table 7 of Appendix A from SD-PUC-01.16).
- b. Yes, please see Attachment 1 to DR SD-PUC-01.16 for an updated EEP Tracker and calculation of proposed EEP (i.e., Table 7 of Appendix A from SD-PUC-01.16).
- c. After revision of the budgets in the tracker to the budget approved in docket EL20-022, Otter Tail proposes that the rate remain at \$0.00195/kWh. This results in a June 2022 End of Period Balance of \$87,681 and a cumulative carrying charge for July 2021 through June 2022 of \$18,044. If Otter Tail were to update the rate, a 9% increase to \$0.00212/kWh would result in a June 2022 End of Period Balance of negative \$410 and a cumulative carrying charge for July 2021 through June 2022 of \$15,247. This would only reduce the cumulative carrying charge by \$2,797.

In reviewing the projections through June 2023, Otter Tail's budget is lower in 2022 and 2023 than in 2021 which would result in decrease in rate from the \$0.00195/kWh. With current economic concerns due to Covid-19, Otter Tail would prefer not to increase the rate at this time and believes the rate will still trend down in 2022 due to the reduction in budget. This will also mitigate the year-to-year change to the customer's bill.