

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA**

IN THE MATTER OF THE COMPLAINT FILED)	ORDER APPROVING
BY VALLEY QUEEN CHEESE FACTORY, INC.,)	CONTRACT WITH
MILBANK, SOUTH DAKOTA, AGAINST OTTER)	DEVIATIONS; ORDER
TAIL POWER COMPANY REGARDING AN)	APPROVING TARIFF
ELECTRIC SERVICE DISPUTE)	REVISIONS; ORDER
)	DISMISSING COMPLAINT
)	
)	
)	CE15-001

On May 20, 2015, Valley Queen Cheese Factory, Inc. (Valley Queen) filed a Consumer Complaint with the South Dakota Public Utilities Commission (Commission) requesting that the Commission find that Otter Tail Power Company (Otter Tail) breached its electric service contract with Valley Queen, failed to fulfill its tariff and regulatory duties and legal obligations to Valley Queen, failed to allow Valley Queen to select rate options resulting in a Customer's Baseline Load of approximately 2,450 kW, that Valley Queen was damaged thereby in the sum of at least \$1,400,000, and that the Commission direct Otter Tail to pay Valley Queen all damages arising from the alleged breaches.

On July 7, 2015, Otter Tail filed its Answer to Consumer Complaint. On February 22, 2016, Otter Tail and Valley Queen filed a Stipulation as to Joint Filing and Request for Stay. The parties requested the stay in order to allow Otter Tail and Valley Queen to attempt to negotiate a settlement through voluntary negotiations and, if unsuccessful, a mediation. Otter Tail and Valley Queen agreed to provide notice to the Commission on or about April 4, 2016, as to the status of their negotiations. On March 15, 2016, the Commission granted the Request for Stay. On April 4, 2016, Otter Tail and Valley Queen filed a Joint Status Report.

On April 20, 2016, Otter Tail filed a Joint Motion to Approve Contract with Deviations as Part of Settlement and to Dismiss Consumer Complaint. On April 22 and 25, 2016, Otter Tail responded to Staff's data requests. On April 26, 2016, Staff filed its Memorandum and Otter Tail filed a Request for Waiver of Thirty Days' Notice to Public for Contract with Deviations Tariff Change.

The revised tariff sheet is as follow:

South Dakota P.U.C. Volume II, Electric Rate Schedule

Section 16.00

7th Revised Sheet No. 1

Canceling 6th Revised Sheet No. 1

The Commission has jurisdiction over this matter pursuant to SDCL 49-34A, specifically 49-34A-6, 49-34A-8, 49-38A-8.3, 49-34A-10, and 49-34A-11.

At its regular meeting on April 27, 2016, the Commission considered this matter. Commission Staff recommended approval of the Contract with Deviations and associated tariff revisions on less than 30 days' notice. Finding that Otter Tail's request for approval of a Contract with Deviations with Valley Queen and the associated tariff sheet on less than 30 days' notice is just and reasonable, the Commission voted unanimously to grant Otter Tail's request for approval of the Contract with Deviations and associated tariff sheet on less than 30 days'

notice, with an effective date of May 1, 2016. The Commission also voted unanimously to dismiss the complaint.

It is therefore

ORDERED, that a waiver of the notice requirements of ARSD 20:10:13:15 and 20:10:13:17 shall be granted; and it is further

ORDERED, that Otter Tail's request seeking approval of a Contract with Deviations and associated tariff revisions on less than 30 days' notice is hereby granted and is effective for services rendered on and after May 1, 2016; and it is further

ORDERED, that the consumer complaint regarding an electric service dispute is dismissed with prejudice.

Dated at Pierre, South Dakota, this 28th day of April, 2016.

CERTIFICATE OF SERVICE
The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, electronically or by mail.
By: <u>Rolayne Wiest</u>
Date: <u>4-28-16</u>
(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

Chris Nelson
CHRIS NELSON, Chairman

Kristie Fiegen
KRISTIE FIEGEN, Commissioner

Gary Hanson
GARY HANSON, Commissioner