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January 25, 2023

Ms. Patricia Van Gerpen
Executive Director
South Dakota Public Utilities Commission
Capitol Building, 1st floor
500 East Capitol Avenue
Pierre, SD 57501-5070

Dear Ms. Van Gerpen:

Enclosed is the detail for determination of the Energy Adjustment Rider rates by Service Category based on the three months ending December 2022. The new adjustment factor is applicable for usage on or after February 1, 2023.

The calculation was made in compliance with the Energy Adjustment Rider, Electric Rate Schedule – Section 13.01, as approved by the South Dakota Public Utilities Commission in the Order Approving Interim Refund Plan; Order Approving Tariff Revisions dated July 9, 2019, in Docket No. EL18-021.

Per Commission approval in Docket No. EL18-021, the following changes to the Energy Adjustment Rider are applicable on bills rendered on and after August 1, 2019:

- 1) The “E8760” Energy Adjustment Factor Ratios are used to calculate the Class Energy Adjustment Factors (EAF) for each customer service category defined by Customer class.
- 2) The recovery of Coyote Station pebble lime reagent is no longer in base rates, but are recovered in the Energy Adjustment Rider.
- 3) Otter Tail Power Company has removed the Non-Asset Based line from the energy adjustment rider calculation to reflect the discontinuation of Non-Asset Based transactions.

Otter Tail Power Company (Otter Tail) submits the following attachments:

- 1) Calculation of the February 2023 Energy Adjustment Rider based on the three-month period ending December 2022.

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- 2) South Dakota Over/Under Recovery (2 pages).
- 3) Detail of MISO Day 2 Charges by Charge Type for SD Energy Adjustment Rider marked as Attachment A.
- 4) Detail of MISO Day 2 Charges by Retail, Asset Based Wholesale, and Non-Asset Based Wholesale for Current Month and Year to Date marked as Attachment B.
- 5) Otter Tail's Plant Conditions for December 2022 marked as Attachment C.
- 6) Otter Tail's Wind Curtailment Report for FPL Energy North Dakota II, LLC, Langdon Wind, LLC and Ashtabula Wind III, LLC marked as Attachment D. Please note this document contains Trade Secret Data.
- 7) Detail of Southwest Power Pool (SPP) Charges by Charge Group for Current Month and Year to Date marked as Attachment E. The SPP charges are reported in the Purchased Power lines of the Energy Adjustment Rider calculation.

Otter Tail requests confidential treatment of columns (C), (D), (E), (F), and (G) of the Attachment D pursuant to ARSD Part 20:10:01:41 due to the competitive nature of the data in those columns. Otter Tail is requesting confidential treatment for a period of at least 12 months and will request an extension in the future if necessary. Contact Stuart Tommerdahl, Manager of Regulatory Administration at: (218) 739-8279, 215 South Cascade Street, Fergus Falls, MN 56537 with any questions of concerns regarding the confidentiality request.

Revenue from Energy Adjustment Rider for December 2022:

Total Sales in South Dakota	42,200,594 kWh
Sales Subject to Energy Adjustment Rider	39,391,616 kWh
Average Rate During Period	\$.03059
Revenue in Period	\$1,204,845.28

Sincerely,

/s/ *DEREK HAUGEN*
Derek Haugen
Energy Recovery Analyst
Regulatory Economics

Enclosures
By electronic filing

20:10:01:41. Requests for confidential treatment of information. A request for confidential treatment of information shall be made by submitting the material to the commission along with the following information:

(1) An identification of the document and the general subject matter of the materials or the portions of the document for which confidentiality is being requested;

(2) The length of time for which confidentiality is being requested and a request for handling at the end of that time. This does not preclude a later request to extend the period of confidential treatment;

(3) The name, address, and phone number of a person to be contacted regarding the confidentiality request;

(4) The statutory or common law grounds and any administrative rules under which confidentiality is requested. Failure to include all possible grounds for confidential treatment does not preclude the party from raising additional grounds in the future; and

(5) The factual basis that qualifies the information for confidentiality under the authority cited.

Information shall be sent to the commission's executive director, unless another person is designated. Information submitted must clearly state in large letters on each page and on the envelope that confidential treatment is requested.

Source: 16 SDR 148, effective March 22, 1990.