

OTTER TAIL POWER COMPANY
Docket No: EL14-090

Response to: South Dakota Public Utilities Commission
Analyst: SDPUC Staff
Date Received: 12/10/2014
Date Due: 12/30/2014
Date of Response: 12/23/2014
Responding Witness: Stuart Tommerdahl, Manager Regulatory Administration, 218 739-8279

Information Request:

Provide support for the 2014-2015 actual/projected MISO Schedule 26 revenues, Schedule 26 and 26A expenses, Schedule 37 revenues, and Schedule 38 revenues found on Attachments 14-17 of the petition.

Attachments: 4

Attachment_1 - MISO Credits and Charges.xls
Attachment_2 - Schedule 26 Rev (GG).xlsx
Attachment_3 - Schedule 26 Exp.xlsx
Attachment_4 - Schedule 26A Indicative Annual Charges.xlsx

Response:

Attachment 1 is the file that Otter Tail maintains that displays the actual MISO revenues and expenses by Schedule on a monthly basis. There is a one-month lag in Otter Tail's accounting books in the recording of the revenues and expenses that MISO reports. This means that the January data from MISO is actually booked in February business and so is displayed in February in the tracker. The "Revenue" worksheet includes a breakdown of the MISO Schedule revenue that Otter Tail receives and it includes the 26, 37, and 38 details requested in this information request. The "Charge" worksheet provides the same for MISO Schedule expenses.

Attachment GG is a required filing with MISO which serves as the Schedule 26 Revenue forecast that is passed through to customers through the TCR (as shown in Attachment 15 of the Initial Filing in this Docket.) Attachment 2 of this information request depicts Otter Tail's forward looking Attachment GG that was used to forecast Schedule 26 Revenues for 2015. Otter Tail and MISO do not forecast Schedule 37 and Schedule 38 revenues separately from Schedule 26; Attachment GG encompasses all three schedules. In Otter Tail's tracker, Schedules 37 and 38 are forecasted at \$0. The forecasted Schedule 26 revenue for 2015 is located on page two of two on line "2 Annual Totals" of the "OTP Attach GG" worksheet. Dividing \$14,168,397 by twelve months gives the 2015 forecasted monthly revenue in the tracker of \$1,180,700.

Forecasted Schedule 26 Expenses are provided by MISO on a semi-annual basis. Attachment 3 of this information request provides the 2015 projected Schedule 26 Expenses shown in Attachment 14 of the Initial Filing. The current Schedule 26 Expense information is located on the MISO website at,

<https://www.misoenergy.org/Planning/TransmissionExpansionPlanning/Pages/MTEPStudies.aspx>.

MISO provides forecasted Schedule 26A Expenses on a semi-annual basis. Attachment 4 of this information request provides the forecasted Schedule 26A Expenses for 2015 that are shown in Attachment 14 of the Initial Filing in this Docket. The current Schedule 26A Expense information from MISO is located on the MISO website at,

<https://www.misoenergy.org/Planning/TransmissionExpansionPlanning/Pages/MTEPStudies.aspx>.

MISO typically provides updated (final) information in January of each year. Revenue and expense information published in January of 2015 would be applicable for the balance of 2015. Otter Tail will update this filing with the most current information in a supplemental filing if MISO publishes that before the end of January 2015 and the information is materially different from the information included in the initial filing. Actual revenues and expenses will be incorporated into the tracker and become part of the true-up in next year's filing.