



Chris Nelson, Chairperson  
Kristie Fiegen, Vice Chairperson  
Gary Hanson, Commissioner

*South Dakota*

**PUBLIC UTILITIES COMMISSION**

500 East Capitol Avenue  
Pierre, South Dakota 57501-5070  
[www.puc.sd.gov](http://www.puc.sd.gov)

Capitol Office  
(605) 773-3201

Grain Warehouse  
(605) 773-5280

Consumer Hotline  
1-800-332-1782

Email  
[puc@state.sd.us](mailto:puc@state.sd.us)

EL15-025

- 1-1) Did MDU use the same capacity expansion model and assumptions, as described in data requests 1-1 through 1-4 from docket EL14-059, for the current avoided cost docket? If not, provide updated information as described in data requests 1-1 through 1-4 from EL14-059.
- 1-2) What did MDU reflect from the capacity expansion modeling in the PLEXOS model for the July 2015 to June 2016 test year?
- 1-3) Explain if the EPA rule 111(d), as proposed, would impact the rates, 95, 96, and 97, and how they would be affected. Would the company anticipate another filing this year if a significant impact due to the proposed rule was made on the rates?
- 1-4) Refer to the three redlined tariff sheets; on the left hand side the company has a line denoting a change on the two lines for the meter charges. It doesn't appear that any rate or wording has changed. Confirm as to whether anything changed or if these lines were included in error.

**Montana-Dakota Utilities Co.**  
**South Dakota Public Utilities Commission**  
**Data Request No. 1**  
**Dated July 14, 2015**  
**Docket No. EL15-025**

- 1-1) Did MDU use the same capacity expansion model and assumptions, as described in data requests 1-1 through 1-4 from docket EL14-059, for the current avoided cost docket? If not, provide updated information as described in data requests 1-1 through 1-4 from EL14-059.**

**Response:**

Montana-Dakota Utilities Co. used the same capacity expansion modeling software in this docket as was used in Docket EL14-059 (the Company's 2014 Avoided Costs Update). The assumptions and model run used in this docket are from the Company's 2015 Integrated Resource Plan (IRP) filed with the North Dakota Public Service Commission on July 1, 2015 and submitted to the South Dakota Public Utilities Commission on July 3, 2015.

- 1-2) What did MDU reflect from the capacity expansion modeling in the PLEXOS model for the July 2015 to June 2016 test year?**

**Response:**

The committed resources included in the PLEXOS Model used in determining the 2015 - 2016 avoided energy costs reflect existing resources, 10 MWs of purchased capacity and the installation of the 107.5 MW Thunder Spirit Wind Project and the 19 MW Lewis & Clark 2 Reciprocating Engine Project, both scheduled to come online the end of 2015.

- 1-3) Explain if the EPA rule 111(d), as proposed, would impact the rates, 95, 96, and 97, and how they would be affected. Would the company anticipate another filing this year if a significant impact due to the proposed rule was made on the rates?**

**Response:**

Montana-Dakota's least cost plan in its 2015 IRP currently shows a 30 percent reduction in carbon emissions in 2020 from 2005 levels with the integration of renewables and additional natural gas fired resources into the Company's generating portfolio.

The Company has expressed concerns and errors to the EPA with the currently proposed EPA 111(d) Clean Power Plan rule as it relates to the development of the South Dakota carbon emission target and the re-dispatch of the Big Stone Generating Station with the Deer Creek Station in South Dakota. If the rule, as

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proposed, would go into effect, Montana-Dakota would either have to add additional renewables or limit the operational hours from Big Stone Station.

This impact would not be seen in Rates 95, 96, or 97 until at least 2020. Therefore, at this time the Company does not anticipate another update to its Avoided Cost Rates for the 2015 – 2016 rate period.

- 1-4) Refer to the three redlined tariff sheets; on the left hand side the company has a line denoting a change on the two lines for the meter charges. It doesn't appear that any rate or wording has changed. Confirm as to whether anything changed or if these lines were included in error.**

**Response:**

No changes are being proposed to the metering charges of Rates 95, 96 and 97. The mark revision line should not have been shown on the referenced tariff sheets.