

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

**In the Matter of the Application of Otter Tail
Power Company For Authority to Increase
Rates For Electric Utility Service in South
Dakota**

EL18-____

REQUEST FOR CONFIDENTIAL TREATMENT OF INFORMATION

COMES NOW, Otter Tail Power Company (OTP or Company) and respectfully moves the South Dakota Public Utilities Commission (the Commission) for confidential treatment of information pursuant to Administrative Rules of South Dakota (ARSD) 20:10:01:41.

1. OTP requests confidential protection and treatment of the following documents:
 - a. Schedule K working papers located in Section 2 of Volume 1. Schedule K-3 is the working papers of the consolidated income tax return of Otter Tail Corporation. Schedule K is included as part of the Application pursuant to ARSD § 20:10:13:91. OTP joins in the filing of a consolidated federal income tax return. Schedule K-3 contains working papers showing the net taxable income or loss for each company included in the consolidated tax return, along with consolidating adjustments. The Company and Otter Tail Corporation treat this information as highly confidential information.
 - b. Employee Compensation, Benefits, and Benchmarking Data (Compensation & Benefits Data) attached to the Direct Testimony of Peter Wasberg, located in Section 1 of Volume 2B:
 - i. Schedule 2 – 2015 Mercer Compensation Benchmark Study NOT PUBLIC
 - ii. Schedule 3 – 2015 Mercer Executive Compensation Review NOT PUBLIC
 - iii. Schedule 6 – 2017 Willis Towers Watson Energy Industry BenVal Study NOT PUBLIC
 - iv. Schedule 7b – 5-year payouts of the OTP Management Incentive Plan NOT PUBLIC

- v. Schedule 9a – 2018 ASC 715 and ASC 712 Accounting Expense Report – Mercer NOT PUBLIC
- vi. Schedule 9b – 2017 Pension DAMP – Mercer NOT PUBLIC
- vii. Schedule 9c – 2017 Post-retirement Medical and LTD Medical DAMP – Mercer NOT PUBLIC

c. Merricourt Wind Project estimates, pricing and contract terms (Merricourt Data) located in Section 1 of Volume 2B:

- i. The portions of the Direct Testimony of OTP witness Bradley Tollerson noted as Protected Data describing certain Merricourt Wind Project estimates, vendor pricing and contract provisions with counter party EDF.
- ii. The items designated as Protected Data in OTP’s Application for an Advanced Determination of Prudence (ADP) for the Merricourt Wind Project filed in North Dakota Public Service Commission Case No. PU-17-141. The ADP with Protected Data designations is attached as Schedule 1 to the Direct Testimony of Bradley Tollerson. The material noted as Protected Data contain non-public Merricourt Wind Project estimates, vendor pricing, and contract provisions with counter party EDF.

2. The Company requests that such confidential treatment be afforded the Confidential Documents indefinitely. When the docket is closed, all protected information must be returned to OTP.

3. Please refer all inquiries regarding this filing to:

Cary Stephenson
Associate General Council
Otter Tail Power Company
215 South Cascade Street
P. O. Box 496
Fergus Falls, MN 56538-0496
(218) 739-8956

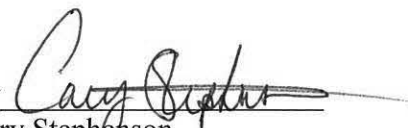
4. The claim for confidential treatment is based on ARSD 20:10:01:39 (4), SDCL 37-29-1 (4), and SDCL 1-27-30.

5. The factual basis that qualifies the information for confidentiality is as follows:
 - a. Schedule K. Schedule K is non-public income and tax information that meets the definition of “trade secret” under the SDCL §37-29-1(4), defined as information that “[d]erives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use, and... is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.” This information is also meets the definition of “proprietary information” under SDCL § 1-27-28, which is defined as “information on pricing, costs, revenue, taxes, market share, customers, and personnel held by private entities and used for that private entity’s business purposes.” Schedule K-3 provides the net taxable income or loss for each company in the consolidation, some of whom are unregulated. This information would provide actual and potential competitors with information concerning the profitability of its various unregulated affiliates that could provide competitors with an unfair competitive advantage.
 - b. Compensation and Benefits Data. The Employee Compensation Data referenced above includes non-public, confidential benchmarking studies subject to prohibitions against disclosure, as well as non-public confidential OTP employee compensation and benefits data. This data meets the definition of trade secret under SDCL § 37-29-1(4) and proprietary information” under SDCL § 1-27-28. This information would provide actual and potential competitors with information on confidential employee compensation practice and plans, which could provide competitors with an unfair advantage in a highly competitive employment market to the ultimate harm OTP customers.
 - c. Merricourt Data. The Merricourt data is non-public, confidential information concerning the Merricourt Wind Project including pricing, cost estimates,

levelized cost of energy projections, and contractual terms concerning counter party financial security and risk allocation. Vendors and competitors would have an opportunity to obtain economic value from disclosure or use of the information, to the detriment of OTP and the customers its serves. If publicly available, vendors could use the information to their advantage in competing for project procurement opportunities, competitors could use the information to leverage their rate positions in the marketplace, and OTP's ability to negotiate changes with EDF could be impaired, all to the detriment of OTP and its customers.

The information for which confidential treatment is requested is marked "CONFIDENTIAL" and is included in the attached sealed envelope marked "CONFIDENTIAL". Please note that in some instances the CONFIDENTIAL information contained in the above referenced documents is designated as "NOT PUBLIC" or "PROTECTED DATA", all of which designates the material as CONFIDENTIAL.

Dated this 20^h day of April, 2018

By 
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