

OTTER TAIL POWER COMPANY

Docket No: EL21-032

Response to: SD Public Utilities Commission

Analyst: Pat Steffensen

Date Received: October 04, 2023

Date Due: October 27, 2023

Date of Response: October 27, 2023

Responding Witness: Svetlana Fedje, Pricing Analyst - (218) 739-8799

Data Request:

Confirm that CBL energy and demand is priced according to the standard tariff, the energy above/below the CBL is charged/credited according to real-time pricing, and the demand above/below the CBL isn't charged/credited at all.

Attachments: 0

Response:

Yes, we confirm the following:

- CBL energy and demand is priced according to the standard tariff
- the energy above/below the CBL is charged/credited according to real-time pricing

What requires further discussion is "demand above/below the CBL isn't charged/credited at all"
Below are examples that demonstrates that charges can occur, but no credits occur.

For example, assume the following conditions with both CBL Demand and Facilities Charge Demand level are each at 1000 kW.

- a. **Example of no additional demand charges:** If the demand level during the billing period is less than 1000 kW, there are no additional demand charges. This includes both facilities and CBL demand charges.
- b. **Example of additional demand charges:** If the measured demand level during the billing period exceeds 1000 kW, for example 1200 kW, the customer is charged the additional 200 kW (1200 kW – 1000 kW) measured demand for facilities, and a new facilities charged demand level is set. No additional charges occur for the CBL Demand as they are set unless changes occur as allowed in the rate schedule under CBL Adjustments.