

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

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Data Request:

Is the facilities demand charge designed to recover the entirety of the customer's distribution facilities? Is it designed to recover anything beyond the distribution facilities? Explain.

Attachments: 0

Response:

The facilities charges, according to our marginal cost study, are defined as including line transformers, local primary taps, and secondary conductors. When rates are designed, we utilize the calculated marginal distribution facilities cost based on typical customer facilities investments on a per kW basis. Therefore, we design our rates based on the marginal cost study definition and only within the definition.