

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:

Explain the billing demand charge and what it is designed to recover.

Attachments: 0

Response:

The billing demand charge, according to our marginal cost study, is designed to recover the capacity-related costs from: a) distribution substation and trunkline feeder costs, b) transmission costs including Network Upgrade Charge (NUC) and Network Integration Transmission Service (NITS) rates, and c) generation costs.