

OTTER TAIL POWER COMPANY  
Docket No: EL22-025

Response to: SD Public Utilities Commission  
Analyst: Brittany Mehlhaff  
Date Received: October 07, 2022  
Date Due: October 24, 2022  
Date of Response: October 21, 2022  
Responding Witness: Stuart Tommerdahl, Manager, Regulatory Administration, 218 739-8279

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Data Request:

What levelized cost per MWh would be necessary for the solar project to be a least cost resource?

Attachments: 0

Response:

This response includes information Otter Tail deems to be Confidential Information under ARSD 20:10:01:39 and is provided on the condition that it is not filed or otherwise publicly disclosed pending a determination under ARSD 20:10:01:41 and 20:10:01:42, or an agreement by the parties to this proceeding regarding its disclosure. Such Confidential Information is marked “CONFIDENTIAL” and noted where applicable as **[PROTECTED DATA BEGINS...  
...PROTECTED DATA ENDS]**.

The following text is from Otter Tail’s petition for approval for the Hoot Lake Solar project filed on 11/25/2020 in Minnesota Docket No. E017/M-20-844:

“A 100 percent Minnesota allocation also is justified based on Minnesota resource planning. Otter Tail’s revised resource planning analysis for Otter Tail’s system (using a Minnesota base case analysis including Commission-established externality costs) indicates that 100 MW of solar would be cost-justified for Otter Tail’s total system at or below **[PROTECTED DATA BEGINS...  
...PROTECTED DATA ENDS]**.”

The analysis from which that value was derived included Minnesota required externality values. When externality values are not included in the analysis, the levelized cost per MWh that would be necessary for the solar project to be a least cost resource was at or below **[PROTECTED DATA BEGINS...  
...PROTECTED DATA ENDS]**.

Those values were based on modeling assumptions at the time of analysis and have not been calculated using today’s updated assumptions. Updated break-even analyses are not available at this time.