

October 15, 2024

Will Seuffert
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, Minnesota 55101-2147

RE: Supplemental Comments of the Minnesota Department of Commerce, Division of Energy Resources
Docket No. E017/M-24-30

Dear Mr. Seuffert:

Attached are the supplemental comments of the Minnesota Department of Commerce, Division of Energy Resources (Department) in the following matter:

Otter Tail Power Company's 2023 Annual Safety, Reliability and Service Quality Report and Proposed SAIFI, SAIDI, and CAIDI Reliability Standards for 2024.

The Petition was filed on April 1, 2024. The Company submitted its Supplemental Filing on August 15, 2024, and its amended Supplemental Filing on September 26, 2024.

The Department recommends the Minnesota Public Utilities Commission (Commission):

- Accept the Company's 2023 Safety, Reliability, and Service Quality (SRSQ) Report.
- Set the 2024 statewide and work center reliability standards at the Institute of Electrical and Electronic Engineers (IEEE) benchmarking 2nd quartile for medium utilities.
- Require OTP to include a discussion on alternate approaches to reliability standard setting in its 2024 SRSQ Report.
- Request that if OTP does still have Interruption Monitoring System (IMS) performance data for 2024, the Company provides performance data from both the IMS (as available) and Outage Management System (OMS) in the 2024 SRSQ Report.

The Department is available to answer any questions the Commission may have.

Sincerely,

/s/ Peter Wyckoff Ph.D.
Deputy Commissioner, Division of Energy Resources

MBK/ar
Attachment

Before the Minnesota Public Utilities Commission

Supplemental Comments of the Minnesota Department of Commerce Division of Energy Resources

Docket No. E017/M-24-30

I. INTRODUCTION

On April 1, 2024, Otter Tail Power Company's (Otter Tail, OTP, or the Company) filed its 2023 Annual Safety, Reliability, and Service Quality Standards (SRSQ) [Report](#) and Proposed SAIFI, SAIDI, and CAIDI Reliability Standards for 2024.

The Department filed [Comments](#) on June 14, 2024 providing its analysis, and:

- Recommending the Minnesota Public Utilities Commission (Commission) accept OTP's 2023 Safety and Service Quality Reports.
- Recommending setting the 2024 statewide and work center reliability standards at the Institute of Electrical and Electronic Engineers (IEEE) benchmarking 2nd quartile for medium utilities.
- Withholding a recommendation on the 2023 Reliability Report until after the Company's future Supplemental Filing on the IEEE 2023 benchmarking data that OTP would file later in 2024.
- Asking OTP to begin including annual totals by customer class to the data reporting number of customers whose service was disconnected involuntarily, and the number of those customers restored to service within 24 hours (Table 26 in the 2023 SRSQ Report).

The Company submitted its initial [Supplemental Filing](#) on August 15, 2024 providing the IEEE 2023 benchmarking data and the system-wide Outage Management System (OMS) data that was not available at the time of the Company's response to Department Information Request (IR) No. 16.¹ The Company's initial Supplemental Filing included the IEEE 2023 benchmarking data for all respondents as IEEE did not initially release utility-size results.

IEEE published amended results including utility-size results on September 16, 2024,² and Otter Tail provided an [Amended Supplemental Filing](#) on September 26, 2024 reflecting these results.

The Department provides a review of the 2023 actual performance against IEEE benchmarking, a comparison of OTP's reliability data from its retiring Interruption Monitoring System (IMS) and new Outage Management System (OMS), and performance by customer class which was not analyzed in the initial Department Comments because system-wide OMS data was not yet available.

¹ Petition, page 35 and [Department Comments'](#) Department Attachment 11 (Company Response to Department IR No. 16).

² Page 1 of the Company's [Amended Supplemental Filing](#) indicates the results were updated on September 18, 2024. The [IEEE Benchmark Year 2024 Results for 2023 Data](#) indicates that they were updated September 16, 2024.

II. ANALYSIS

A. IEEE BENCHMARK YEAR 2024 RESULTS FOR 2023 DATA

The Supplemental Filing provides the IEEE 2023 benchmarking data which is summarized with OTP’s reliability performance data in Table 1. Otter Tail will be changing from reporting IMS data in 2023 to OMS data beginning in 2024, so the Department has included OTP’s performance for 2023 from both systems in Table 1 and includes a discussion on the data systems below.

1. OTP’s 2023 Actual Performance Against IEEE Goals

Table 1: OTP 2023 Reliability Performance vs IEEE Benchmark³

Work Center	Metric	2023 IEEE Benchmark	IMS Data		OMS Data	
			2023 OTP Performance	Met Benchmark?	2023 OTP Performance	Met Benchmark?
Bemidji	SAIDI	121	106.29	Yes	106.46	Yes
	SAIFI	1.00	1.94	No	1.22	No
	CAIDI	139	54.73	Yes	87.29	Yes
Crookston	SAIDI	121	128.63	No	163.59	No
	SAIFI	1.00	1.70	No	1.62	No
	CAIDI	139	75.57	Yes	101.17	Yes
Fergus Falls	SAIDI	121	70.96	Yes	194.21	No
	SAIFI	1.00	1.04	No	1.95	No
	CAIDI	139	68.24	Yes	99.80	Yes
Morris	SAIDI	121	135.71	No	203.51	No
	SAIFI	1.00	1.61	No	1.35	No
	CAIDI	139	84.15	Yes	150.36	No
All MN Customers	SAIDI	121	96.28	Yes	178.86	No
	SAIFI	1.00	1.38	No	1.76	No
	CAIDI	139	69.89	Yes	101.77	Yes

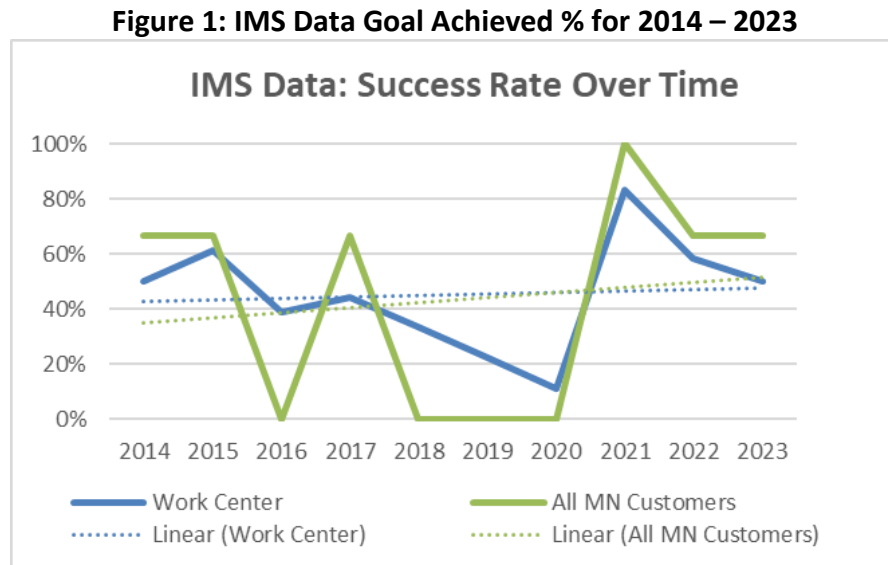
In 2023, Otter Tail primarily reported IMS performance data, and based on IMS data, the Company met six out of twelve of its goals by work center and two out of three of its statewide goals. Otter Tail did not meet the SAIFI benchmark for any work centers or statewide; this is consistent with recent years’ SAIFI performances by system and for OTP’s statewide system. Otter Tail noted in its initial supplemental filing that the Company exceeds the IEEE benchmark for SAIFI due to the rural demographic of its service communities requiring greater system exposure, i.e. greater transmission distances compared to its IEEE peers.⁴ The Company also did not meet the SAIDI benchmark for the

³ OTP [Amended Supplemental Filing](#), page 2.

⁴ [OTP Initial Supplemental Filing](#), page 2.

Crookston and Morris work centers. Otter Tail noted that it is evaluating interruption by cause and locations for these two work centers and addressing common causes.⁵

Figure 1, below, shows the Company’s success rate at achieving its reliability goals from 2014 – 2023, based on IMS data. As Figure 1 shows, the Work Center and Statewide reliability achievement of goals has generally correlated over the last ten years, with some fluctuation.



2. *OTP 2023 Performance - IMS vs OMS Data*

Since the new OMS first went live in December 2022, 2023 is the first year that OTP was able to provide OMS data, but the Company provided IMS data as the main data source in 2023. OTP plans to provide OMS data for the Company’s 2024 performance and stated that it will not be able to provide IMS data next year.⁶ Because the Company does not anticipate being able to provide IMS data next year and has emphasized the increased level of granularity that the new system will provide, the Department provides both IMS and OMS data in Table 1 (above) and Table 2 (below) to allow the Commission to see a comparison of the Company’s perceived reliability based on data source.

Table 2: 2023 Percent of Goals Achieved by Data Source

	IMS	OMS
Work Center Basis	50%	33%
Statewide	66%	33%

⁵ OTP [Amended Supplemental Filing](#), page 2.

⁶ [Department Comments](#)’ Department Attachment 3 (Company response to Department IR No. 7).

Based on IMS data, OTP's work centers achieved 50% of benchmarks in 2023 while the statewide system achieved 66% of the benchmarks. Based on OMS data, both work centers and the statewide system achieved just 33% of benchmarks, leading to a decrease in perceived performance compared to IMS data.

When comparing OMS reliability data against the IEEE Benchmark Year 2024 Results for 2023 Data, all work centers and the All MN Total CAIDI meet the benchmark while SAIFI performance does not meet the benchmark. For SAIDI, the Bemidji work center's OMS data meets the benchmark while the OMS data for all other work centers and for the statewide system do not meet the benchmark.

The Department requests that if OTP does still have IMS performance data for 2024, the Company provides performance data from both the IMS (as available) and OMS in the 2024 SRSQ Report. If IMS data is available and reported, it will allow staff to provide a comparison to recent performance that will be difficult to analyze from OMS data alone given the change in granularity of the data from historic reports.

3. *Limitations of IEEE Data*

The Department notes that IEEE initially released Benchmark Year 2024 Results for 2023 Data on an all-respondent basis. After OTP's initial supplemental filing, the Department reached out to IEEE to ask if utility-size results would be made available, and the IEEE results were later amended to add in the utility-size results. The amended results allowed the Department to compare OTP's performance against medium-sized utilities' results, as ordered by the Commission last year. However, neither the Department nor the Company control whether utility-size IEEE results will be made available in the future. Additionally, the results noted that the small-utility data is too small to be statistically significant.

As outlined in the Department's earlier Comments, the Department recommends the Commission set the 2024 statewide and work center reliability standards at the IEEE benchmarking 2nd quartile for medium utilities, consistent with the current approach and as proposed in the Company's initial filing. In light of the IEEE data this year initially excluding utility-size results, the Department also recommends that the Commission require Otter Tail to include a discussion on alternate approaches to reliability standard setting in its 2024 SRSQ Report.

B. PERFORMANCE BY CUSTOMER CLASS

The Commission’s January 28, 2020 Order in Docket No. E017/M-19-260 included Attachment B: Updated Annual Reporting Requirements.⁷ Attachment B’s item 11 requires reporting on performance by customer class for ASAI, SAIDI, SAIFI, CAIDI, and MAIFI.⁸ The Company noted that normalized and non-normalized data is the same in 2023, and OTP does not yet have the ability to report on MAIFI data.⁹

The Company’s OMS system allowed OTP to provide performance by customer class data for the first time in 2023;¹⁰ however at the time of the initial filing, the All MN Total OMS data was not yet available. As a result, the Department requested the Company to provide this data in the supplemental filing and includes a discussion of performance by customer class below.

The Department summarizes OTP’s Minnesota Total Performance by Customer Class in Table 3 below.

Table 3: OTP’s MN Total Performance by Customer Class (class denominator) based on OMS Data¹¹

	ASAI	SAIDI	SAIFI	CAIDI
Residential	0.999799	180.78	1.46	123.82
Commercial	0.999791	157.85	1.51	104.54
Industrial	0.999808	124.64	1.31	94.15
All MN Total ¹²	NA	178.86	1.76	101.77

The performance by customer class data generally shows reduced performance for residential customers when compared to commercial and industrial customers as well as in relation to the All MN Totals. Consistent with what is noted in the discussion results above for OTP’s performance based on OMS data, CAIDI met the IEEE reliability benchmark for 2023 while SAIDI and SAIFI did not on a performance by customer class basis.

The Department acknowledges that OTP provided the requested Performance by Customer Class data that the Company indicates it is capable of providing at this time.

⁷ The Order’s Attachment B is included as Department Attachment 9 to [Department Comments](#).

⁸ ASAI = Average Service Availability Index, SAIDI = System Average Interruption Duration Index, SAIFI = System Average Interruption Frequency Index, CAIDI = Customer Average Interruption Duration Index, MAIFI = Momentary Average Interruption Frequency Index.

⁹ Department Attachment 11 to [Department Comments](#) (Company Response to Department IR No. 16).

¹⁰ [OTP’s 2023 SRSQ Report](#), page 35.

¹¹ SAIDI, SAIFI, and CAIDI data by customer class retrieved from Petition, page 35. ASAI data retrieved from Department Attachment 11 to [Department Comments](#) (Company Response to Department IR No. 16). All MN Totals retrieved from OTP Supplemental Filing, page 2.

¹² The All MN Totals, from OTP’s OMS, retrieved from the Company’s [Amended Supplemental Filing](#), page 2.

III. RECOMMENDATIONS

Based on the Company's Petition, Supplemental Filing, Amended Supplemental Filing, and the Department's analysis outlined in the June 14, 2024 Comments, the Department recommends that the Commission:

- Accept Otter Tail's 2023 SRSQ Report.
- Set the 2024 statewide and work center reliability standards at the IEEE benchmarking 2nd quartile for medium utilities.
- Require OTP to include a discussion on alternate approaches to reliability standard setting in its 2024 SRSQ Report.
- Request that if OTP does still have IMS performance data for 2024, the Company provides performance data from both the IMS (as available) and OMS in the 2024 SRSQ Report.

CERTIFICATE OF SERVICE

I, Sharon Ferguson, hereby certify that I have this day, served copies of the following document on the attached list of persons by electronic filing, certified mail, e-mail, or by depositing a true and correct copy thereof properly enveloped with postage paid in the United States Mail at St. Paul, Minnesota.

**Minnesota Department of Commerce
Supplemental Comments**

Docket No. E017/M-24-30

Dated this 15th day of **October 2024**

/s/Sharon Ferguson

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Ray	Choquette	rchoquette@agp.com	Ag Processing Inc.	12700 West Dodge Road PO Box 2047 Omaha, NE 68103-2047	Electronic Service	No	OFF_SL_24-30_Official
Generic Notice	Commerce Attorneys	commerce.attorneys@ag.state.mn.us	Office of the Attorney General-DOC	445 Minnesota Street Suite 1400 St. Paul, MN 55101	Electronic Service	Yes	OFF_SL_24-30_Official
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Wendi	Olson	wolson@otpco.com	Otter Tail Power Company	215 South Cascade Fergus Falls, MN 56537	Electronic Service	Yes	OFF_SL_24-30_Official
Generic Notice	Regulatory	regulatory_filing_coordinators@otpco.com	Otter Tail Power Company	215 S. Cascade Street Fergus Falls, MN 56537	Electronic Service	Yes	OFF_SL_24-30_Official
Generic Notice	Residential Utilities Division	residential.utilities@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012131	Electronic Service	Yes	OFF_SL_24-30_Official
Will	Seuffert	Will.Seuffert@state.mn.us	Public Utilities Commission	121 7th Pl E Ste 350 Saint Paul, MN 55101	Electronic Service	Yes	OFF_SL_24-30_Official
Cary	Stephenson	cStephenson@otpco.com	Otter Tail Power Company	215 South Cascade Street Fergus Falls, MN 56537	Electronic Service	Yes	OFF_SL_24-30_Official
Stuart	Tommerdahl	stommerdahl@otpco.com	Otter Tail Power Company	215 S Cascade St PO Box 496 Fergus Falls, MN 56537	Electronic Service	No	OFF_SL_24-30_Official