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June 30, 2023

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

**RE: In the Matter of Otter Tail Power Company 2022 Annual Safety,
Reliability and Service Quality Report and Proposed SAIFI, SAIDI and
CAIDI Reliability Standards for 2023
Docket No. E017/M-23-76
Reply Comments**

Dear Mr. Seuffert:

Otter Tail Power Company (Otter Tail) respectfully submits to the Minnesota Public Utilities Commission these Reply Comments in response to the Comments received from the Department of Commerce, Division of Energy Resources (Department) dated June 16, 2023, in the above referenced docket.

Otter Tail's Response to Department's discussion requests

- 1. Why the number of days away from work metric continues to trend higher than the 10-year average.*

With a relatively small employee group, a small number of occurrences can have a significant impact on metrics. While we experienced a higher-than-average Lost Workday case rate in 2022 (at 0.54, it was still below industry average), our efforts to enhance our safety culture remain effective. Year-to-date in 2023, Otter Tail has a Lost Workday case rate of 0.

- 2. Why normalized and non-normalized CEMI4 and CEMI5 metrics have increased 97 percent and 52 percent over reported 2021 values, respectively.*

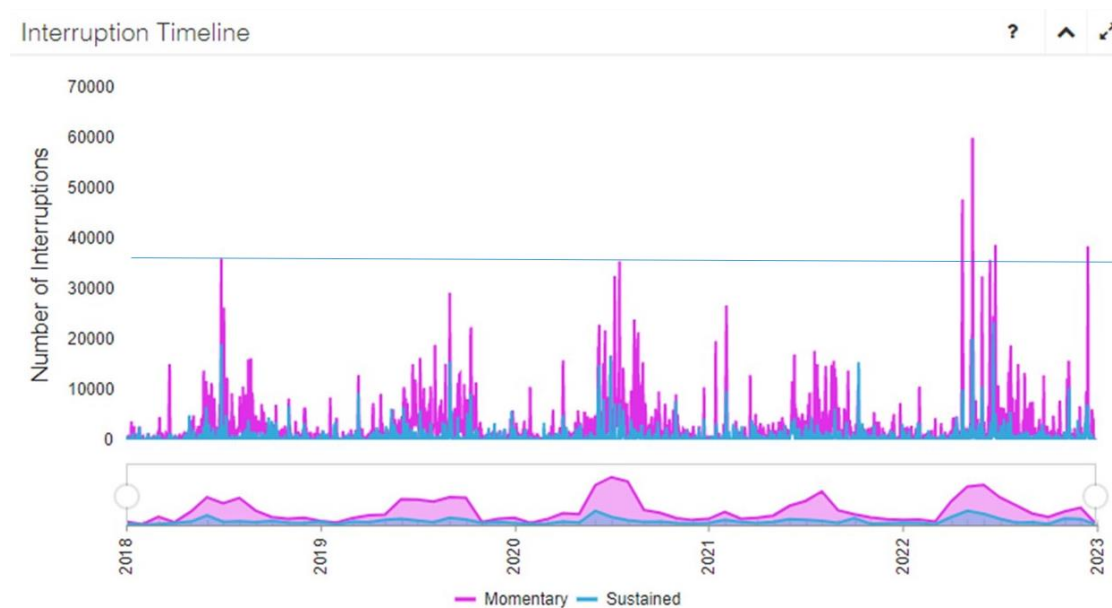
Weather related events account for much utility interruption activity across the nation. Severe weather can also expose weak points in the system, causing

equipment failures. Late spring, summer, and early fall historically represents the greatest accumulation of sustained customer minutes and interruptions due to severe thunderstorms, high winds, etc.

The upper Midwest experienced extreme drought conditions in 2021, consequently, the lack of severe seasonal weather storms allowed for some of the best sustained reliability indices ever realized by Otter Tail, including CEMI indices reported in 2021's MN SRSQ filing.

Conversely, the 2022 spring season provided more than normal severe weather events contributing to some of the worst sustained reliability indices realized by Otter Tail, including CEMI. For example, Minnesota normalized 2022 SAIDI was 82 percent greater than 2021 results.

Below is a plot of customer interruptions for Otter Tail's system for the years 2018 – 2022.



The years 2018 – 2020 show typical/historical results with high interruption activity during late spring, summer, and early fall. The drought of 2021 shows atypical results with the lack of summer weather systems. 2022 shows higher than normal interruption activity in May and June in which Otter Tail's system experienced extensive severe weather events, including the May 12th derecho impacting our system, the Memorial Day Forada tornado event that damaged numerous transmission lines/poles, and several other atypical early summer weather events.

In 2018, Otter Tail established its System Infrastructure and Reliability Improvement initiative, SIRI. The charter of this initiative was to focus on reliability and system hardening projects caused by climate change. SIRI projects are expected to improve system performance into the future and counteract the influences of climate change, such as increased severe weather events.

3. *Why and how recent enhancements to the Company's complaint process and training for company representatives materially impacted the volume of complaints received in 2022, which decreased from 2021 levels but remain significantly above the average.*

Complaints have been a prominent topic the last few years as the complaint working session took place creating the opportunity for us to review our current processes and training and find enhancements within. We found that we needed to increase our touch points for training on complaints and the steps for logging complaints. We implemented a yearly refresher and added complaint training sooner into our new CSR training. Taking these steps to draw awareness and conducting refresher trainings on complaints have been prudent to ensure when to capture a complaint. However, the calls that our CSRs take may not always have a clear indication of a complaint, CSRs use their best judgement when logging the complaint.

4. *Further information regarding the ongoing and planned remediation projects on the North Feeder leaving Otter Tail City Substation in Fergus Falls.*

The North Feeder fed from the Ottertail City Substation resides in a heavily wooded area. A two-phased capital project to improve this circuit's reliability performance was approved in late 2020. The project was to replace a small section of old underground primary (phase one) and to convert a large section of overhead primary to underground (phase two, approximately five miles) requiring pad mount transformers (70). The underground primary installation/replacement began during the 2021 summer construction season and was completed spring of 2022.

In September 2021, 70 pad mount transformers were ordered (required for project completion). Shortly following the order, the manufacturer informed Otter Tail that delivery was pushed back to November 2023. Otter Tail immediately placed another order with a different manufacturer that forecasted delivery in April 2023. That delivery date has been and continues to slide. Prior to MN PUC April 1, 2023 filing for 2022 results regarding SRSQ submission, that delivery date was scheduled for July 2023. It has recently been pushed out to February 2024.

Otter Tail has established a cross functional Project Material Planning Committee in October 2021. The team meets bi-weekly to address current supply chain issues and its serious impacts to our industry. Their charter is to address maintenance needs, future projects, material planning, and project supply needs for projects anticipated out to 2027. Otter Tail is currently seeing delivery dates on similar single phase pad mounts (required for the Ottertail City North Feeder) at 190 weeks.

We are available to provide additional information or respond to any questions you may have. Feel free to contact me at (218) 739-8657 or molsen@otpc.com.

Sincerely,

/s/ MATTHEW J. OLSEN

Matthew J. Olsen

Manager Regulatory Strategy & Compliance

lcd

Enclosures

By electronic filing

c: Service List

CERTIFICATE OF SERVICE

**RE: In the Matter of Otter Tail Power Company's 2022 Annual Safety, Reliability and Service Quality Report and Proposed SAIFI, SAIDI and CAIDI Reliability Standards for 2023
Docket No. E017/M-23-76**

I, Laura Dewey, hereby certify that I have this day served a copy of the following, or a summary thereof, on Will Seuffert and Sharon Ferguson by e-filing, and to all other persons on the attached service list by electronic service or by First Class Mail.

**Otter Tail Power Company
Reply Comments**

Dated this **30th** day of **June, 2023**.

/s/ LAURA DEWEY
Laura Dewey
Regulatory Filing Coordinator
Otter Tail Power Company
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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_23-76_M-23-76
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Generic Notice	Regulatory	regulatory_filing_coordinators@otpc.com	Otter Tail Power Company	215 S. Cascade Street Fergus Falls, MN 56537	Electronic Service	No	OFF_SL_23-76_M-23-76
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_23-76_M-23-76
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_23-76_M-23-76
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