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April 27, 2021

Mr. Will Seuffert  
Executive Secretary  
Minnesota Public Utilities Commission  
121 7<sup>th</sup> Place East, Suite 350  
St. Paul, MN 55101-2147

**PUBLIC DOCUMENT – NOT PUBLIC  
(OR PRIVILEGED) DATA HAS BEEN EXCISED**

**Re: In the Matter of Otter Tail Power Company’s Petition to Add New Service Offerings to  
LED Street and Area Lighting Dusk to Dawn Electric Rate Schedule  
Docket No. E017/M-20- 882  
REPLY COMMENTS**

Dear Mr. Seuffert:

Otter Tail Power Company (Otter Tail) hereby submits reply comments in this Miscellaneous Tariff Filing to the Minnesota Public Utilities Commission (Commission) in compliance with (Minn. Rules 7829.1300, Subp. 3(D)) and Minn. Stat. §216B.16, subd.1 permits a utility to implement a proposed rate change after giving the Commission a 60-day notice. The proposed filing: modifies existing tariff and falls under the definition of a “miscellaneous tariff filing” under Minn. Rules 7829.0100, Subp. 11 with Minn. Rules 7829.1400 permitting initial comments within 30 days of filing and replies no more than 10 days thereafter.

In this filing Otter Tail is requesting the approval of (a) new decorative LED outdoor lighting options and (b) language clarification changes in Section 11.07 of Otter Tail’s Electric Rate Schedule (LED Street and Area Lighting Dusk to Dawn).

The Attachments in this filing contain information that is protected by the Minnesota Data Practices Act. That information has economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by other persons and is subject to efforts by Otter Tail to protect the information from public disclosure. Otter Tail maintains this information as a trade secret based on its economic value from not being generally known and not being readily ascertainable by proper means by other persons who can obtain economic value from its disclosure or use. For this reason, we ask that the data be treated as non-public data pursuant to Minn. Stat. § 13.37, subd. 1(b).

Mr. Seuffert  
April 27, 2021  
Page 2 of 2

Otter Tail has electronically filed this document with the Commission. A Certificate of Service is also enclosed.

If you have any questions, please contact me at (218) 739-8799 or at [sfedje@otpc.com](mailto:sfedje@otpc.com).

Sincerely,

/s/ SVETLANA FEDJE

Svetlana Fedje  
Pricing Analyst

cjh  
Enclosures  
By electronic filing  
c: Service List

**STATE OF MINNESOTA  
BEFORE THE  
MINNESOTA PUBLIC UTILITIES COMMISSION**

In the Matter of Otter Tail Power  
Company's Petition to add new service  
offerings to the LED Street and Area  
Lighting Dusk to Dawn Electric Rate  
Schedule

Docket No. E017/M-20-882

**OTTER TAIL POWER COMPANY  
REPLY COMMENTS**

**I. INTRODUCTION**

On December 16, 2020, Otter Tail Power Company (Otter Tail or the Company) made a Miscellaneous Tariff Filing requesting the approval of (a) new decorative LED outdoor lighting options and (b) language clarification changes in Section 11.07 of Otter Tail's Electric Rate Schedule (LED Street and Area Lighting Dusk to Dawn).

On April 15, 2021, the Minnesota Department of Commerce, Division of Energy Resources (Department) filed Comments in the above captioned docket. Otter Tail appreciates the review of its filing by the Department.

In its Comments, the Department requested Otter Tail address three issues: 1) In regard to the rate calculations, the Department would like to know how the carrying charge rate was derived; 2) whether 200 feet of new conductor and directional boring costs will be incurred to replace the old lights with the new; and 3) the Department also recommends that the Company clarify its tariff language surrounding new underground customer service requests.

Otter Tail will address the issues raised by the Department in these Reply Comments.

## II. OTTER TAIL RESPONSES

Otter Tail provides these comments:

*1. How was the carrying charge rate derived?*

The carrying charge components include insurance costs, storage costs, interest charges on borrowed funds, and other related costs. The economic carrying charge and plant A&G loader come from the 2020 Marginal Cost Study. Attachment 1 and Attachment 2 to this reply show the derived output used in this filing.

*2. Will 200 feet of new conductor and directional boring costs be incurred to replace the old lights with new?*

OTP's decorative LED options are intended as a new installation or a complete replacement of an established lighting circuit, many of which are not currently owned by OTP (aging Municipal-owned systems). Many of these existing lighting circuits have the following conditions that justify new conductor installation for a cost effective, long term, low maintenance operation of a lighting circuit, such as:

- Failed underground conductors
- Collapsed or inadequate sized conduits or direct buried conductors
- Deteriorating foundations
- Unique bolt patterns
- Photometric layout discrepancies
- Inadequate curb line setbacks
- Outdated wiring and equipment that may not conform to current safety and industry standards.

Installing new conductor and foundations allows OTP the following:

- Appropriate photometric layout of the design
- This helps ensure our customers the effectiveness of each light and eliminating unnecessary or redundant installations.

- Universal foundations ensure timely replacements of standards can be completed even if bolt patterns on standards change with the manufacture or future offerings are developed.
- Ducted cable provides OTP a cost effective solution to make conductor repairs regardless of the time of year.
- This will eliminate the need to excavate and remove conductor located under sidewalks and streets and allow for sections of faulted cable to be replaced in timely, safe, and efficient manner with very minimal interruption to the general public.
- Updated wiring provides us the opportunity to service our installations with enough capacity to ensure a quality operation of the system but to also provide the system with the safety and protections that current standards require.
- OTP's offerings include a receptacle on the standard for holiday lighting, etc. that many of the existing wiring installations cannot accommodate.
- Recognizing that a majority of these desired installation will take place in established areas, the most cost effective, efficient, and least intrusive installation method of duct and conductor installation is directional boring.
- Accurate locating of underground conductors and added protection against inadvertent damage from excavation equipment.

3. *The Department recommends that the Company clarify its tariff language surrounding new customer service requests.*

a. *The Department reads this provision as indicating a customer requesting new underground service to a new lighting unit, although would appreciate clarification from the Company.*

Otter Tail confirms that the Department's interpretation of point 3a is correct.

b. *The Department notes that Otter Tail does not specify how the excluded services (Post Top, Aluminum Alloy Post, and Decorative Lighting) will pay for new underground service.*

The offering of the following is excluded from this section as their design cannot accommodate the standard overhead wire installation and will only be installed with an underground conductor servicing the installation:

- Post Top (currently representing in our rates with the letters “PT” after the fixture description”)
- Aluminum Alloy standard
- Decorative standards

OTP’s standard tariff rate installation consists of the following:

- 30’ wood pole
  - 4’ metal street light arm
  - Preferred LED fixture type
  - 150’ of overhead #6 duplex and the associated hardware.  
With the “Underground Service” specification this is an a’ la carte option for the customer if they would prefer to have an underground wire to the wood pole rather than the included overhead wire at this additional monthly fee.
- c. *The Department also observes that for the decorative LEDs, the rate calculations include conductor and directional boring costs up to 200 feet, indicating that decorative lighting customers would be exempt from fees for new underground service.*

The customer is exempt from fees for new underground service up to 200 feet.

- d. *However, as previously discussed, the Department is unclear whether these conductor and boring costs are appropriate to include in the decorative LED rates in the first place.*

Please see the response in item number two above.

- e. *In any case, the Department recommends that the Company clarify its tariff language to specify how these excluded customers should pay for new underground lighting service.*

Otter Tail believes that the current tariff language is sufficient but is willing to work with the Department to receive feedback on suggested updates for clarity. Otter Tail considers the customers which the Department labeled as “excluded”, (Post Top, Aluminum Alloy Post, and Decorative Lighting) these types of lighting standards, electric service is provided by underground installation and the charge is already included in the tariff.

- f. *Further, it is not entirely clear to the Department what constitutes “Post Top” and “Aluminum Alloy Post,” as no earlier part of the tariff uses this exact language. For clarity, the Department suggests incorporating more information about new underground service for these customers and matching exact language from other parts of the tariff.*

Please see the response to item b above, as well as Attachment 3 for the illustrations to the light options in question. Otter Tail considers the description sufficient. When Otter Tail's customer service representatives present lighting products for customer review, it will be clear if the product is a Post Top light or if it is not.

*g. The Department also suggested four edits to Otter Tail tariff sheets.*

Otter Tail will accept the four edits made to the tariff sheets and apply them. Otter Tail also agrees with the Department's recommendation to clarify the tariff language. Changes will be incorporated in the compliance filing and a tariff sheet will be included at that time.

### **III. CONCLUSION**

Otter Tail appreciates the opportunity to provide these Reply Comments.

Dated: April 27, 2021

Respectfully submitted,

OTTER TAIL POWER COMPANY

By: /s/ Svetlana A. Fedje

Svetlana A Fedje

Pricing Analyst

Otter Tail Power Company

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**[PROTECTED DATA BEGINS...**

**Docket No. E017/M-20-882**  
**Attachment 1**  
**is CONFIDENTIAL in its Entirety**

**...PROTECTED DATA ENDS]**

**[PROTECTED DATA BEGINS...**

**Docket No. E017/M-20-882**  
**Attachment 2**  
**is CONFIDENTIAL in its Entirety**

**...PROTECTED DATA ENDS]**

ARLINGTON WITH POLE



GRANVILLE WITH POLE AND BRACKET



ESPLANADE



ALUMINUM ALLOY



## **CERTIFICATE OF SERVICE**

**RE: In the Matter of Otter Tail Power Company's Petition to Add New Service Offerings to LED Street and Area Lighting Dusk to Dawn Electric Rate Schedule  
Docket No. E017/M-20-882**

I, Carly Haiby, 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 **27th** day of **April, 2021**.

/s/ CARLY HAIBY  
Carly Haiby, Regulatory Filing Coordinator  
Otter Tail Power Company  
215 South Cascade Street  
Fergus Falls MN 56537  
(218) 739-8472

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
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_20-882_M-20-882
Jon	Fabre	jfabre@otpc.com	Otter Tail Power Company	215 S Cascade St  Fergus Falls, MN 56538-0496	Electronic Service	No	OFF_SL_20-882_M-20-882
Svetlana	Fedje	sfedje@otpc.com	Otter Tail Power Company	215 S Cascade St  Fergus Falls, MN 56537	Electronic Service	Yes	OFF_SL_20-882_M-20-882
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 280  Saint Paul, MN 551012198	Electronic Service	No	OFF_SL_20-882_M-20-882
David G.	Prazak	dprazak@otpc.com	Otter Tail Power Company	P.O. Box 496 215 South Cascade Street Fergus Falls, MN 565380496	Electronic Service	Yes	OFF_SL_20-882_M-20-882
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_20-882_M-20-882
Will	Seuffert	Will.Seuffert@state.mn.us	Public Utilities Commission	121 7th PI E Ste 350  Saint Paul, MN 55101	Electronic Service	Yes	OFF_SL_20-882_M-20-882
Cary	Stephenson	cStephenson@otpc.com	Otter Tail Power Company	215 South Cascade Street  Fergus Falls, MN 56537	Electronic Service	Yes	OFF_SL_20-882_M-20-882