

OTTER TAIL POWER COMPANY

Docket No: E017/RP-16-386

Response to: Minnesota Public Utilities Commission

Analyst: Sean Stalpes

Date Received: 10/28/2019

Date Due: 11/07/2019

Date of Response: 10/30/2019

Responding Witness: Brian Draxten, Manager Resource Planning - (218) 739-8417

Information Request:

Please refer to Otter Tail's filings in Docket No. E999/M-19-11, Annual Electric Utility Report.

- a. Please e-file into the IRP record (Docket No. 16-386) the documents labeled "Report-Report" (Public), "Report-Forecast" (Trade Secret), and "Report-Forecast" (Public). These are Document IDs:
 - 20197-154201-02;
 - 20197-154201-03; and
 - 20197-154201-04
- b. Is staff's understanding correct that, according to OTP's Forecast submitted in Docket No. 19-11, the Company expects a capacity deficit in every summer and winter season over the 2019-2033 timeframe?
- c. Column 10 of the Load&GenCap tab lists 50 MW of Participation Purchases in Summer 2019, 80 MW in Winter 2019, 50 MW in both Summer and Winter 2020, and 50 MW of purchases in Winter 2021.
 - i. Are these purchases capacity contracts only, or do they include energy contracts?
 - ii. Why do these numbers differ from the Capability table on page 6 of OTP's August 29, 2019 extension request?
 - iii. Please provide a table showing all bilateral contracts, in which Otter Tail is the purchaser, for the 2019-2022 timeframe. Please provide pertinent details of the contracts, such as the duration, price, and amount of capacity and associated energy to be procured.

- d. The Plant data tabs in the Report-Report document (Document ID 20197-154201-02) provide capacity factors for OTP’s generators. Please provide five years of annual capacity factors for Big Stone, Coyote Station, Hoot Lake 1 and 2, and Solway.

Attachments: 2

Attachment 1 to MN-PUC-008.xlsx

Attachment 2 to MN-PUC-008_PUBLIC.xlsx

Response:

OTP has taken reasonable efforts to maintain the secrecy of the information marked as PROTECTED DATA which derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use (the “Protected Data”). The Protected Data is therefore “trade secret information” and “nonpublic data” under Minn. Stat. § 13.37.

- a. The requested reports have been attached as follows:
- 20197-154201-02 as Attachment 1 to MN-PUC-008
 - 20197-154201-03 as Attachment 2 to MN-PUC-008_NOTPUBLIC
 - 20197-154201-04 as Attachment 2 to MN-PUC-008_PUBLIC
- b. Yes, according to OTP’s forecast submitted in Docket No. 19-11 there is a projected capacity deficit for every summer and winter through 2033. Upon further review, the information submitted in column 9, “Net Generating Capability” is not accurate. The 736 MW projected starting in 2021 included the addition on a 200 MW gas-fired simple-cycle natural gas combustion turbine (“CT”), not the 248 MW CT that is under construction, and it does not include our 150 MW Merricourt wind farm. Assuming Merricourt receives the MISO average capacity accreditation, it will receive roughly 23 MW of capacity credit. Adding the additional 23 MW (Merricourt) plus the 48 MW for the CT, the net generating capability starting in 2021 should be 807 MW. The other factor attributing to the deficit depicted in this report is that it does not consider demand reduction attributed to energy efficiency and MISO coincident peak and reserve margin factors.
- c. (i). The purchases listed in column 10 of the “Load&GenCap” tab are capacity-only purchases. There is no energy associated with these purchases.
- (ii). The purchases listed on page 6 of our IRP extension request include every type of purchase that we receive capacity credit for (both large bilateral contracts from other utilities as well as small customer owned behind-the-meter generator purchases that we anticipate will continue into the future). We only included the large bilateral purchases in column 10 of the “Load&GenCap” tab.

(iii). Capacity and Energy bilateral contracts in place 2019-2022:

Capacity

Date Signed	Planning Year	Purchase/Sale	MWs	PRICE (\$/MW-Month)
				[PROTECTED DATA BEGINS...
10/3/2013	2018/2019	Purchase	25	
5/1/2016	2018/2019	Purchase	55	
10/3/2013	2019/2020	Purchase	50	
10/3/2013	2020/2021	Purchase	50	

...PROTECTED DATA ENDS]

Energy

Date Signed	Duration	Term	MW	PRICE (\$/MWh)
				[PROTECTED DATA BEGINS...
10/7/2014	1/1/2019 - 12/31/2020	Peak	50	

...PROTECTED DATA ENDS]

d. 2014-2018 Unit Capacity Factors:

	Big Stone	Coyote	Hoot Lake 2	Hoot Lake 3	Solway
2014	64.1%	73.2%	46.9%	57.7%	10.9%
2015	35.5%	51.2%	33.3%	24.6%	4.5%
2016	49.4%	65.1%	26.5%	14.8%	10.3%
2017	49.0%	70.0%	25.9%	20.3%	9.3%
2018	55.6%	81.9%	48.4%	47.5%	18.0%