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August 26, 2020

Will 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 2019 Annual Safety, Reliability and Service Quality Report and Proposed SAIFI, SAIDI and CAIDI Reliability Standards for 2020 - Docket No. E017/M-20-401
Reply Comments**

Dear Mr. Seuffert:

Otter Tail Power Company (Otter Tail and Company) respectfully submits to the Minnesota Public Utilities Commission (Commission) these Reply Comments in response to the Comments received from the Department of Commerce, Division of Energy Resources (Department) dated August 12, 2020 in the above referenced docket.

We appreciate the comments from the Department. Specifically, we provide the additional information requested and responses to matters raised by the Department.

Reply to Department's Comments

1. The Department recommends that Otter Tail keep the Company's reliability standards for 2020 frozen at the level of 2013 goals until Otter Tail demonstrates further improvement in meeting performance goals.

Otter Tail's new Interruption Monitoring System (IMS) utilizes AMI meters in a "bellwether" configuration, i.e. one single phase meter per phase per feeder -or- one three phase meter per feeder. Our old IMS (implemented in 2003) monitored one phase per feeder.

In theory and realized by our reliability results since the installation of our new IMS, we are now capturing more customer minutes and customer interruptions with the addition of monitoring all phases. For this reason, Otter Tail believes our current reliability standards, frozen since 2013, are statistically irrelevant and that a new set of standards should be deployed to accurately monitor future performance trends. As time progresses, our historic baseline of data will more accurately measure trends and reflect overall performance trends. Also, a move towards IEEE benchmarking (proposed), makes this a good time for a reset to our standards.

2. The Department requested that Otter Tail provide in Reply Comments further discussion on whether our new IMS will allow for performance by customer class information to be gathered as discussed in a previous annual report or to explain why this is not possible.

As described previously, Otter Tail's new Interruption Monitoring System utilizes AMI meters in a "bellwether" configuration. Feeders can have a combination of residential, commercial, and industrial; customers, thus, we do not have the capability to distinguish customer class.

Otter Tail will not have the ability to compare performance of **all three classes** until we complete a deployment of an Outage Manage System (OMS) or Advanced Meter Infrastructure (AMI) system. In combination with our new IMS, these systems will provide more granular reporting capabilities.

3. The Department supports establishing a systemwide reliability goal based on IEEE Reliability Working Group 2nd quartile results, and to continue to establish work-center-specific goals for Otter Tail.

Otter Tail realizes the benefits of keeping standards consistent between utilities and agrees to utilize a 5-year average of IEEE 2nd quartile threshold (Median) SAIDI, SAIFI, and CAIDI values for "Medium" sized respondents.

As described in our filing, Otter Tail utilizes collaborative efforts to restore service to our customers across our vast rural regions. This is core to our Vision and Mission assertions. We continue to believe that a transition towards a single Minnesota "work area," for reliability performance tracking, would more accurately reflect our restoration efforts.

Reliability indices, in our rural sparsely populated service centers, can be greatly impacted by non-normalized major storm events that hit regionally. Expanding to a Minnesota Customer region would provide for less variability in the indices and provide a better picture of our overall system performance and service to our customers.

Also, IEEE benchmark survey data, that is proposed to establish system reliability standards, utilizes survey data from approximately 90 different utilities, providing reliability results for their entire service territory so reporting for all our Minnesota service territory would provide more comparable results.

4. Should the Commission approve the use of IEEE benchmarking data to establish systemwide reliability goals, the Department supports requiring Otter Tail to make a supplemental filing within 20 days of receiving the benchmarking data from IEEE, proving a comparison of the IEEE 2nd quartile benchmarks with the Company's reliability performance.

Otter Tail realizes the benefits of keeping standards consistent between utilities and agrees to utilize a 5 year average of IEEE 2nd quartile threshold (Median) SAIDI, SAIFI, and CAIDI values for "Medium" sized respondents. Otter Tail agrees to a supplemental filing within 20 days of receiving the benchmarking data from IEEE. As an alternative, the filing date of the docket could also be adjusted to align with IEEE data release dates.

5. The Department noted that Otter Tail did not indicate a preference to use the calendar year's numbers or a 5-year average of the IEE benchmarking data.

Otter Tail realizes the benefits of keeping standards consistent between utilities and agrees to utilize a 5 year average of IEEE 2nd quartile threshold (Median) SAIDI, SAIFI, and CAIDI values for "Medium" sized respondents.

6. As it relates to the Department not being able to locate data as indicated on page 34 of Otter Tail's Annual Report.

Otter Tail apologizes for this information not being clearer in the Report. The reference is part of 2. b. (SAIDI, SAIFI, and CAIDI, MAIFI, CEMI, and CELI normalized values calculated using the IEEE 1366 standard) on page 34, not 2. c. (MAIFI – normalized and non-normalized). Also, it was identified during our review of this reference that it is incomplete. Section 2. b. on page 34 should read as follows with changes shown in redline.

b. Attachment B paragraph 2: *SAIDI, SAIFI, and CAIDI, MAIFI, CEMI, and CELI normalized values calculated using the IEEE 1366 Standard.*

These SAIDI, SAIFI, and CAIDI are previously shown in section IV Reliability Reporting Requirements 7826.0500, Table 4. MAIFI, CEMI, and CELI normalized values follow in Tables 9, 10 and 11.

Conclusion

Otter Tail Power Company is committed to provide reliable, economical, and environmentally responsible service to our customers. We strive to utilize our existing reliability monitoring tools and assets to proactively provide information indicating where maintenance or upgrades are needed in our system.

We are available to provide any additional information or respond to any questions you may have. Feel free to contact me at (218) 739-8565 or mriewer@otpc.com.

Sincerely,

/s/ MICHAEL RIEWER
Michael Riewer
Manager System Infrastructure/Reliability

cjh
Enclosures
By electronic filing
c: Service List

CERTIFICATE OF SERVICE

**RE: In the Matter of Otter Tail Power Company 2019 Annual Safety, Reliability and Service Quality Report and Proposed SAIFI, SAIDI and CAIDI Reliability Standards for 2020
Docket No. E017/M-20-401**

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 26th day of August, 2020

/s/ CARLY HAIBY

Carly Haiby, Regulatory Filing Coordinator
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