

215 South Cascade Street  
PO Box 496  
Fergus Falls, Minnesota 56538-0496  
218 739-8200  
[www.otpco.com](http://www.otpco.com) (web site)



July 17, 2014

Dr. Burl W. Haar  
Executive Secretary  
Minnesota Public Utilities Commission  
121 7<sup>th</sup> Place East, Suite 350  
St. Paul, MN 55101-2147

**RE: In the Matter of Otter Tail Power Company 2013 Annual Safety, Reliability and Service Quality Report and Proposed SAIFI, SAIDI and CAIDI Reliability Standards for 2014**  
**Docket No. E017/M-14-279**  
**Reply Comments**

Dear Dr. Haar:

Otter Tail Power Company ("Otter Tail") submits these Reply Comments in response to the Department of Commerce, Division of Energy Resources ("Department") July 7, 2014 Comments in the above-captioned matter. Otter Tail appreciates the Departments thorough review of Otter Tail's 2013 Safety, Reliability, and Service Quality Report.

A Certificate of Service on all parties is also enclosed.

We are available to provide any additional information or respond to any questions you may have. Feel free to contact me at (218) 739-8395 or email me at [jfyhrie@otpco.com](mailto:jfyhrie@otpco.com), should you have any questions with respect to this matter.

Sincerely,

/s/ JESSICA FYHRIE  
Jessica Fyhrie  
State Regulatory Compliance Specialist

jce  
Enclosures  
By electronic filing  
c: Service List

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

In the Matter of Otter Tail Power Company  
2013 Annual Safety, Reliability and Service  
Quality Report and Proposed SAIFI, SAIDI  
and CAIDI Reliability Standards for 2014

Docket No. E017/M-14-279

**OTTER TAIL POWER COMPANY'S  
REPLY COMMENTS**

**I. INTRODUCTION**

These Reply Comments respond to the Comments filed on July 7, 2014 by the Minnesota Department of Commerce, Division of Energy Resources (“Department”) in the above-captioned matter. Otter Tail Power Company (“Otter Tail” or “Company”) appreciates the Department’s thorough review of Otter Tail’s 2013 Safety, Reliability, and Service Quality Report (“Report”).

The Department Comments recommend that the Commission accept Otter Tail’s report and set Otter Tail’s 2014 SAIFI, SAIDI and CAIDI Standards at the 2013 levels until Otter Tail demonstrates improvement in meeting its performance standards. Otter Tail accepts this recommendation. However, to provide a somewhat deeper look into the 2013 results, these Reply Comments provide analysis of one 2013 event to illustrate how sensitive the indices can be to a single storm event and whether that storm event meets the criteria for exclusion as a “major event day.”

**II. OTTER TAIL ANALYSIS**

Otter Tail emphasizes the importance of reliable service throughout the organization. Recognizing the number of reliability indices that were not met in 2013 and considering reliability performance in recent years, Otter Tail has continued to add processes to track and improve reliability. These efforts have been effective and will continue to improve reliability. The sensitivity of reliability results to a particular storm event highlighted by considering the outages that occurred over June 20-22, 2013. To illustrate this sensitivity, Otter Tail offers the following analysis comparing the impact on the reliability indices *if* the storm activity would have risen to an excludable level.

The west central and southwest central Minnesota portion of Otter Tail’s service territory experienced several bands of bad weather from June 20-22 that had a significant impact to Otter Tail’s reliability indices. These weather systems saw 70 mph winds, 2 inch diameter hail, and left parts of the region with six inches of rain. Back-to-back storms delivered a one-two punch that allowed enough time for only partial restoration. These storm systems caused 47 SAIDI minutes in 2013. Consequently, although these weather events caused significant outages, the events did not meet the criteria of the IEEE 2.5 beta method to be excluded as a major event day. Otter Tail offers Table 1 which illustrates the impact the June 20-22 weather system had on the Company’s reliability indices. Had the weather system on June 20-22 been excluded, Otter Tail would have met twelve of the eighteen reliability indices for 2013 instead of just six. Such results would impact the trends that may not otherwise reflect the efforts undertaken.

Table 1<sup>1</sup>  
 Otter Tail Analysis Comparing Results without June 20-22 Storms

CSC		2013 Performance	2013 Goals	Excluding June 20-22
Bemidji	SAIDI	90.57	70.64	90.57
	SAIFI	1.11	1.26	1.11
	CAIDI	81.43	56.06	81.43
Crookston	SAIDI	37.6	69.33	36.3
	SAIFI	0.58	1.19	0.55
	CAIDI	65.24	58.26	66.5
Fergus Falls	SAIDI	108.98	66.97	63.7
	SAIFI	1.29	1.11	0.85
	CAIDI	84.29	60.33	74.94
Milbank	SAIDI	127.03	75.49	127.03
	SAIFI	0.74	1.82	0.74
	CAIDI	170.94	41.48	170.94
Morris	SAIDI	117.51	55.78	44.83
	SAIFI	1.44	1.01	0.92
	CAIDI	81.33	55.23	48.88
Wahpeton	SAIDI	45.24	57.24	12.04
	SAIFI	1.28	1.13	0.37
	CAIDI	35.88	50.65	32.63

<sup>1</sup>Shading indicates goals met

To be clear, Otter Tail is not requesting to depart from applying the IEEE 2.5 beta method or to have these days excluded from the 2013 results, and Otter Tail accepts the Department's recommendation to set Otter Tail's 2014 SAIFI, SAIDI and CAIDI Standards at the 2013 levels. This information and analysis is provided to deliver additional perspective and demonstrate that the 2013 results do not indicate a lack of effort to improve reliability performance. The Company is taking effective steps to achieve improved reliability.

### **III. CONCLUSION**

Otter Tail accepts the Departments recommendation to set 2014 SAIDI, SAIFI and CAIDI goals at 2013 levels. The illustration provided by the above analysis is informative and to demonstrate how sensitive the indices are to an individual weather system. Otter Tail will continue to emphasize reliability and is confident the steps taken will improve results over time.

Dated: July 17, 2014

Respectfully submitted,

OTTER TAIL POWER COMPANY

By: /s/ JESSICA J FYHRIE  
Jessica J Fyhrie  
State Regulatory Compliance Specialist  
Otter Tail Power Company  
215 S. Cascade Street  
Fergus Falls, MN 56537  
(218) 739-8395  
[jfyhrie@otpc.com](mailto:jfyhrie@otpc.com)

**CERTIFICATE OF SERVICE**

**RE: In the Matter of Otter Tail Power Company 2013 Annual Safety, Reliability and Service Quality Report and Proposed SAIFI, SAIDI and CAIDI Reliability Standards for 2014  
Docket No. E017/M-14-279**

I, Jana Emery, hereby certify that I have this day served a copy of the following, or a summary thereof, on Dr. Burl W. Haar 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 **17th** day of **July, 2014**

*/s/ JANA EMERY*

Jana Emery  
Regulatory Filing Coordinator  
Otter Tail Power Company  
215 South Cascade Street  
Fergus Falls MN 56537  
(218) 739-8879

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Julia	Anderson	Julia.Anderson@ag.state.mn.us	Office of the Attorney General-DOC	1800 BRM Tower 445 Minnesota St St. Paul, MN 551012134	Electronic Service	Yes	OFF_SL_14-279_M-14-279
Christopher	Anderson	canderson@allete.com	Minnesota Power	30 W Superior St  Duluth, MN 558022191	Electronic Service	No	OFF_SL_14-279_M-14-279
Michael	Bradley	mike.bradley@lawmoss.com	Moss & Barnett	Suite 4800 90 S 7th St Minneapolis, MN 55402-4129	Electronic Service	No	OFF_SL_14-279_M-14-279
Gary	Chesnut	gchesnut@app.com	AG Processing Inc. a cooperative	12700 West Dodge Road PO Box 2047 Omaha, NE 681032047	Electronic Service	No	OFF_SL_14-279_M-14-279
James C.	Erickson	jericksonkbc@gmail.com	Kelly Bay Consulting	17 Quechee St  Superior, WI 54880-4421	Electronic Service	No	OFF_SL_14-279_M-14-279
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 500  Saint Paul, MN 551012198	Electronic Service	No	OFF_SL_14-279_M-14-279
Jessica	Fyhrie	jfyhrie@otpco.com	Otter Tail Power Company	PO Box 496  Fergus Falls, MN 56538-0496	Electronic Service	No	OFF_SL_14-279_M-14-279
Bruce	Gerhardson	bgerhardson@otpco.com	Otter Tail Power Company	PO Box 496 215 S Cascade St Fergus Falls, MN 565380496	Electronic Service	No	OFF_SL_14-279_M-14-279
Burt W.	Haar	burl.haar@state.mn.us	Public Utilities Commission	Suite 350 121 7th Place East St. Paul, MN 551012147	Electronic Service	Yes	OFF_SL_14-279_M-14-279
Shane	Henrikson	shane.henrikson@enbridge.com	Enbridge Energy Company, Inc.	1409 Hammond Ave FL 2  Superior, WI 54880	Electronic Service	No	OFF_SL_14-279_M-14-279
James D.	Larson	james.larson@avantenergy.com	Avant Energy Services	220 S 6th St Ste 1300  Minneapolis, MN 55402	Electronic Service	No	OFF_SL_14-279_M-14-279

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Douglas	Larson	dlarson@dakotaelectric.com	Dakota Electric Association	4300 220th St W Farmington, MN 55024	Electronic Service	No	OFF_SL_14-279_M-14-279
John	Lindell	agorud.ecf@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012130	Electronic Service	Yes	OFF_SL_14-279_M-14-279
Kavita	Maini	kmairi@wi.rr.com	KM Energy Consulting LLC	961 N Lost Woods Rd  Oconomowoc, WI 53066	Electronic Service	No	OFF_SL_14-279_M-14-279
Andrew	Moratka	apmoratzka@steel.com	Steel Rives LLP	33 South Sixth Street Suite 4200 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_14-279_M-14-279
Debra	Opatz	dopatz@otpc.com	Otter Tail Power Company	215 South Cascade Street  Fergus Falls, MN 56537	Electronic Service	No	OFF_SL_14-279_M-14-279
David G.	Prazak	dprazak@otpc.com	Otter Tail Power Company	P.O. Box 496 215 South Cascade Street Fergus Falls, MN 565380496	Electronic Service	No	OFF_SL_14-279_M-14-279
Larry L.	Schedin	Larry@LLSResources.com	LLS Resources, LLC	12 S 6th St Ste 1137  Minneapolis, MN 55402	Electronic Service	No	OFF_SL_14-279_M-14-279
Stuart	Tommerdahl	stommerdahl@otpc.com	Otter Tail Power Company	215 S Cascade St PO Box 496 Fergus Falls, MN 56537	Electronic Service	No	OFF_SL_14-279_M-14-279