

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:

- a. In Figures 2-3 and 2-4 of Otter Tail's June 1, 2016 IRP Petition, the Company estimated that about 22% of its energy by source came from "Purchases." Now with actual data, what percentage of Otter Tail's energy by source came from market purchases in years 2017 and 2018?
- b. Again, looking at OTP's filing in Docket 19-11, the [EIA 861](#) report (Document ID 20197- 154201-10) states that Net Generation totaled 3,536,441 MWh in 2018 and Purchases from Electricity Suppliers totaled 2,339,598 MWh in 2018.
 - i. Please explain what this data shows.
 - ii. Does it mean that roughly 40% of Otter Tail's energy was sourced by Purchases from Electricity Suppliers in 2018 ($2,339,598 / (2,339,598 + 3,536,441) = 0.398$)?

Attachments: 0

Response:

- a. In 2017, 35% of our retail load was served with energy purchases. In 2018 it was 27% (not including our wind PPAs). Market prices have been lower than forecasted in our 2016 IRP which is why market purchases have been higher than anticipated.
- b.
 - i. The "Net Generation" is our total generation from owned facilities in 2018. This includes generation to serve our retail load as well as generation for resale into the MISO market. The "Purchases from Electricity Suppliers" includes any purchases made in 2018. This includes energy purchases from the MISO Market, bilateral contracts, wind PPAs, and other small power producer purchases.

- ii. Yes, roughly 40% of Otter Tail's total energy came from purchases. It's important to point out that the 40% calculation in this docket includes all types of purchases, not just MISO market purchases. All of our wind PPAs are included in that 40% as well as bilateral contracts and other small power producer contracts.