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June 28, 2019

Mr. Daniel P. Wolf
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 2018 Annual Safety, Reliability and Service Quality Report and Proposed SAIFI, SAIDI and CAIDI Reliability Standards for 2019
Docket No. E017/M-19-260
Reply Comments

Dear Mr. Wolf:

Otter Tail Power Company (Otter Tail) submits these Reply Comments in response to the Department of Commerce, Division of Energy Resources' (Department) June 7, 2019 Comments in the above-captioned matter. Otter Tail appreciates the Department's Comments and thorough review of Otter Tail's 2018 Safety, Reliability, and Service Quality Report.

The Department's Comments recommend that the Commission accept Otter Tail's 2018 report and set Otter Tail's 2019 SAIFI, SAIDI and CAIDI Standards at the 2013 levels until performance levels improve. Otter Tail accepts this recommendation. The Department requested that we provide some context to the increased number of disconnection notices issued in 2018 compared to previous years. Otter Tail addresses this in the attached Reply Comments along with an Emergency Medical Account Status Correction.

We are available to provide any additional information or respond to any questions you may have. Feel free to contact me at (218) 739-8699 or email me at wolson@otpco.com.

Sincerely,

/s/ WENDI OLSON

Wendi Olson
Regulatory Compliance Specialist

mmo
Enclosures
By electronic filing
c: Service List

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

In the Matter of Otter Tail Power Company
2018 Annual Safety, Reliability and Service
Quality Report and Proposed SAIFI, SAIDI
and CAIDI Reliability Standards for 2019

Docket No. E017/M-19-260

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

I. INTRODUCTION

These Reply Comments respond to the Comments filed on June 7, 2019 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 Comments and thorough review of Otter Tail's 2018 Safety, Reliability, and Service Quality Report (Report).

The Department's Comments recommend that the Commission accept Otter Tail's report and set Otter Tail's 2019 SAIFI, SAIDI and CAIDI Standards at the 2013 levels until Otter Tail demonstrates improvement in meeting its performance standards. Otter Tail accepts this recommendation. The Department requested Otter Tail provide reply comments providing information regarding the increased number of disconnection notices issued in 2018 when compared with the number issued in previous years and this information is provided below.

**II. INCREASED NUMBER OF DISCONNECTION NOTICES
ISSUED IN 2018**

The Department on page 20 of their comments noted the number of residential customer disconnection notices for 2018 was much larger than the numbers reported in previous years. Upon review of the Department's comments, Otter Tail determined that South Dakota customer disconnection notices were included in Table 19 – Number of customers who received disconnection notices. Included here is a corrected Table 19 of Otter Tail's Report in this docket. This correction reduced the number of residential customers that received disconnection

notices from 62,201 to 52,601. Otter Tail apologizes for the inconvenience and additional work this caused.

Table 19 - Corrected

<u>Month</u>	<u>Large Commercial</u>	<u>Residential</u>	<u>Small Commercial</u>	<u>Grand Total</u>
January	17	3855	280	4423
February	18	4352	330	4700
March	18	4781	397	5196
April	15	4045	329	4389
May	21	4621	366	5008
June	14	3665	306	5364
July	19	4148	319	4486
August	25	6183	447	6655
September	18	3516	221	3755
October	24	5160	335	5519
November	16	3500	289	3805
December	29	4775	354	5158
Grand Total	234	52601	3973	56808

III. EMERGENCY MEDICAL ACCOUNT STATUS CORRECTION

During a recent review of Otter Tail’s Emergency Medical Accounts, it came to Otter Tail’s attention that the number of Emergency Medical Accounts reported in Otter Tail’s Report appeared low. Upon further review, it was determined that the report parameters that were utilized did not capture all the applicable accounts. Otter Tail reported 8 customers instead of 17 customers who requested and were granted emergency medical account status. Otter Tail would like to make the following correction to Section X. Reporting Emergency Medical Account Status 7826.1800, page 49 of Otter Tail’s Report.

Minnesota Rule 7826.1800, Reporting Emergency Medical Account Status, requires utilities to provide a report that includes the number of customers who requested emergency medical account status under Minnesota Statutes, section 216B.098 subdivision 5, the number whose applications were granted, and the number whose applications were denied and the reason for each denial.

In compliance with this rule, Otter Tail reports that during 2018 Otter Tail had 17 Minnesota customers request emergency medical account status. Otter Tail granted this status to all 17 customers.

IV. CONCLUSION

Otter Tail accepts the Department's recommendation to set 2019 SAIDI, SAIFI and CAIDI goals at 2013 levels and Otter Tail has provided a correction of the number of customers that received disconnection notices. In addition, the number of emergency medical accounts reported has been modified to include all applicable accounts. Looking forward, Otter Tail believes our action plan, will improve the company's overall system reliability over time. Although Otter Tail's new interruption monitoring system will provide better data for continued system improvements and historic analysis, we can't predict the impact it will have on our indices, SAIDI, SAIFI, AND CAIDI, as it relates to our goals. Otter Tail anticipates that additional customer minutes will be gathered due to the new system's method of feeder data collection, resulting in greater SAIDI values. Otter Tail expects to have a better understanding of measured indices as additional data is gathered and ongoing analysis can be conducted.

Dated: June 28, 2019

Respectfully submitted,

OTTER TAIL POWER COMPANY

By: /s/ WENDIA. OLSON
Supervisor, Regulatory Proceedings
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CERTIFICATE OF SERVICE

RE: In the Matter of Otter Tail Power Company 2018 Annual Safety, Reliability and Service Quality Report and Proposed SAIFI, SAIDI and CAIDI Reliability Standards for 2019
Docket No. E017/M-19-260

I, Mikayla Osterman, hereby certify that I have this day served a copy of the following, or a summary thereof, on Daniel P. Wolf 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 **28th** day of **June, 2019**.

/s/ MIKAYLA OSTERMAN _____

Mikayla Osterman
Regulatory Filing Coordinator
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