

May 16, 2022

Will Seuffert
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, Minnesota 55101-2147

RE: **Comments of the Minnesota Department of Commerce, Division of Energy Resources**
Docket No. E017/M-22-159

Dear Mr. Seuffert:

Attached are the comments of the Minnesota Department of Commerce, Division of Energy Resources (Department) in the following matter:

Otter Tail Power Company's Annual Safety, Reliability and Service Quality Report and Proposed SAIFI, SAIDI and CAIDI Reliability Standards for 2022.

The report was filed on April 1, 2021 by:

Wendi Olson
Regulatory Compliance Specialist
Otter Tail Power Company
215 South Cascade Street
PO Box 496
Fergus Falls, Minnesota 56538-0496

The Department:

- recommends that the Commission **accept** Otter Tail Power Company's (OTP or the Company) Annual Safety Report.
- requests OTP provide a discussion in its reply comments:
 - why the number of days of job transfer or restriction and days away from work metrics are trending higher than the 10-year average and;
 - why the number of complaints in 2021 increased by 277 percent over 2020.

- will make final recommendations on the Company's Annual Service Quality Report after reviewing its reply comments.
- will provide a recommendation on the Company's Annual Service Reliability Report after reviewing the Company's future supplemental filing on IEEE benchmarking data for 2021.

The Department is available to answer any Commission questions.

Sincerely,

/s/ JOHN KUNDERT
Financial Analyst

JK/ja
Attachment



Before the Minnesota Public Utilities Commission

Comments of the Minnesota Department of Commerce Division of Energy Resources

Docket No. E017/M-22-159

I. BACKGROUND

Minnesota Rules, Chapter 7826 (effective January 28, 2003) were developed as a means for the Minnesota Public Utilities Commission (Commission) to establish safety, reliability, and service quality standards for utilities “engaged in the retail distribution of electric service to the public” and to monitor their performance as measured against those standards. There are three main annual reporting requirements set forth in the rule. These are:

- (1) the annual safety report (Minnesota Rules, part 7826.0400),
- (2) the annual reliability report (Minnesota Rules, parts 7826.0500, subp. 1 and 7826.0600, subp. 1), and
- (3) the annual service quality report (Minnesota Rules, part 7826.1300).

In addition to the rule requirements, the Commission has issued three recent Orders that include additional reporting requirements. The Department lists the three Orders chronologically.

The Commission’s January 28, 2020, Order in Docket No. E017/M-19-260 required Otter Tail Power Company (Otter Tail, OTP, or the Company) to include the following in its next annual filing:

- a. Non-normalized SAIDI, SAIFI, and CAIDI^[1] values;
- b. SAIDI, SAIFI, and CAIDI values calculated using the IEEE [Institute of Electrical and Electronics Engineers] 2.5 beta method;
- c. MAIFI [Momentary Average Interruption Frequency Index], normalized and non-normalized;
- d. CEMI [Customers Experiencing Multiple Interruptions] – at normalized and non-normalized outage levels of 4, 5, and 6;
- e. The highest number of interruptions experienced by any one customer;
- f. CELI [Customers Experiencing Lengthy Interruptions] – at normalized and non-normalized intervals of greater than 6 hours, 12 hours, and 24 hours;
- g. The longest experienced interruption by any one customer (or feeder);
- h. A breakdown of field versus office staff required;

¹ SAIDI = System Average Interruption Duration Index, SAIFI = System Average Interruption Frequency Index, CAIDI = Customer Average Interruption Duration Index.

- i. Estimated restoration times;
- j. IEEE benchmarking;
- k. Performance by customer class; and
- l. More discussion of leading causes of outages and mitigation strategies.

Additionally, the Commission's December 18, 2020, Order in Docket No. E017/M-20-401 required the Company to propose a transition to the full benchmarking approach to setting reliability standards, including a discussion of the definition of work centers, benchmarking for individual work centers, and other considerations. The Commission also required the Company to report information on the number of website visits, logins to electronic customer communication platforms, emails from customers, and types of emails from customers. The Commission set service territory-wide reliability standards based for OTP based on the IEEE benchmarking second quartile for medium utilities.

In its December 2, 2021, Order in Docket No. E017/M-21-225 the Commission required to provide additional information regarding:

- 1) Electronic utility-customer interaction beginning with the reports filed in April 2023;
- 2) Percentage uptime and error rate percentage information in their annual reports for the next three reporting cycles, to build baselines for web-based services.
- 3) To continue to provide information on electronic utility-customer interaction such that baseline data are collected:
 - a) Yearly total number of website visits;
 - b) Yearly total number of logins via electronic customer communication platforms;
 - c) Yearly total number of emails or other customer service electronic communications received; and
 - d) Categorization of email subject, and electronic customer service communications by subject, including categories for communications related to assistance programs and disconnections as part of reporting under Minn. R. 7826.1700.
- 4) Public facing summaries with their annual Safety, Reliability, and Service Quality reports.

On April 1, 2022, OTP filed its *2020 Annual Safety, Reliability and Service Quality Report and Proposed SAIFI, SAIDI and CAIDI Reliability Standards for 2022* (Annual Report) in Docket No. E017/M-22-159 to comply with the Commission's January 28, 2020, Order, the December 18, 2020, Order, the December 2, 2021, Order, and the requirements of Minnesota Rules Chapter 7826.

On April 13, 2022, the Commission filed a *Notice of Comment Period* requesting that parties respond to the following questions:

1. Should the Commission accept Minnesota Power's, Otter Tail Power's, and Xcel Energy's 2021 Safety, Reliability, and Service Quality Metrics reports?
2. Are the utilities' reports consistent with recent Orders and Minn. Rules Ch. 7826 on Electric Utility Standards?
3. At what level should the Commission set the utilities' 2022 Reliability Standards?
4. Are there other issues or concerns related to this matter?

II. SUMMARY OF REPORT AND DEPARTMENT ANALYSIS

The Minnesota Department of Commerce, Division of Energy Resources (Department) reviewed OTP's Annual Report to assess compliance with Minnesota Rules, Chapter 7826, and the Commission's various Orders. The Department used information from past annual reports to facilitate identification of issues and trends regarding OTP's performance.

The Department provides:

- responses to the Commission's questions;
- a summary of our review of OTP's 2021 Safety, Reliability and Service Quality Reports;
- a discussion of the Company's reliability standards for 2022; and
- a discussion of the Company's compliance with other Commission Orders.

A. RESPONSE TO COMMISSION QUESTIONS

a. Should the Commission Accept OTP's Safety, Reliability and Service Quality Metrics Reports?

The Department recommends that the Commission accept Otter Tail's Annual Safety report. The Department is awaiting additional information regarding the Service Quality and Reliability portions of the Company's 2022 filing before making a recommendation regarding those aspects of the filing. OTP will be supplementing its petition sometime in the fall of 2022. That supplement will include reliability goals developed using the IEEE benchmarking methodology. The Department plans to file supplemental comments regarding its review of that information soon after OTP files that information.

b. Is Otter Tail's 2022 Annual Report consistent with recent Orders and Minn. Rules Ch. 7826 on Electric Utility Standards?

Yes, the Department's review concludes the Company's report is consistent with the requirements listed in the Commission's question.

c. At what level should the Commission set OTP's 2022 Reliability Standards?

The Commission adopted a new approach for calculating Otter Tail's reliability goals for 2021. The basis for those goals is an annual benchmarking analysis performed by the Institute of Electrical and Electronic Engineers (IEEE) Distribution Reliability Group. The Department recommends the Commission continue the current process for Otter Tail's 2022 Reliability Standards.

d. Are there other issues or concerns related to this matter?

The Department does not have any additional concerns at this time.

B. ANNUAL SAFETY REPORT

The annual safety report consists of two parts:

- A. a summary of all reports filed with the United States Occupational Safety and Health Administration (OSHA) and the Occupational Safety and Health Division of the Minnesota Department of Labor and Industry (OSHD) during the calendar year; and
- B. a description of all incidents during the calendar year in which an injury requiring medical attention or property damage resulting in compensation occurred as a result of downed wires or other electrical system failures and all remedial action taken as a result of any injuries or property damage described.

The following tables are a compilation of OTP's summaries of the reports the Company filed with OSHA and OSHD for the previous 10 years.

**Table 1: Types and Numbers of Reports Filed with OSHA and OSHD
(2012 -2021)**

	Number of Deaths	Number of Cases with Days Away from Work	Number of Cases with Job Transfer or Restriction	Other Recordable Cases
2012	0	1	7	11
2013	0	3	4	6
2014	0	2	2	16
2015	0	3	7	17
2016	0	3	1	8
2017	0	1	1	10
2018	0	1	2	14
2019	0	3	3	4
2020	0	2	6	1
2021	0	1	3	10
Average	0	2	3.6	9.7
Variance	0	-1	-0.6	-0.3

The above results suggest that there was not a significant increase or decrease in the metrics included in Table 1 for Otter Tail in 2021.

**Table 2: Number of Day of Restricted or Other Service in Reports filed with OSHA and OSHD
(2012 -2021)**

	Days of Job Transfer or Restriction	Days Away from Work
2012	6	39
2013	147	15
2014	48	14
2015	349	90
2016	240	10
2017	41	11
2018	152	6
2019	239	60
2020	451	17
2021	214	33
Average	188.7	29.5
Variance	25.3	3.5

The results in Table 2 suggest that the number of days of job transfer or restriction, while lower than 2020, is still trending higher than the 10-year average. The same holds true for the days away from

work metric. The Department asks the Company to discuss the drivers for this trend in its Reply Comments.

**Table 3: Injury & Illness Types in Reports filed with OSHA and OSHD
(2012 -2021)**

	Injuries	Skin Disorders	Respiratory Conditions	Poisonings	All Other Illnesses
2012	19	0	0	0	0
2013	13	0	0	0	0
2014	20	0	0	0	0
2015	23	0	0	0	1
2016	12	0	0	0	0
2017	12	0	0	0	0
2018	14	0	0	0	0
2019	10	0	0	0	0
2020	9	0	0	0	0
2021	14	0	0	0	0
Average	14.6	0	0	0	0.1
Variance	-0.6	0	0	0	-0.1

The information in Table 3 for 2021 is consistent with prior years and the 10-year average. The Department has no additional comments.

The following table summarizes OTP's most recent and past reports regarding property damage claims that occurred because of downed wires or other electrical system failures.

Table 4: Property Damage Claims (2012 – 2021)

	Claims	Cause	Total Amount Paid
2012	0	N/A	N/A
2013	1	Downed Power Lines	\$632.97
2014	5	Bad Connection, wrong voltage, bad cable, power surge (2)	\$9,383.44
2015	2	Bad connection; voltage fluctuations	\$1,552.70
2016	1	Faulty secondary wire	\$277.50
2017	3	Crop and property damage	\$2,882.00
2018	1	UG Fault	\$100.00
2019	0	N/A	\$0.00
2020	0	N/A	\$0.00
2021	0	N/A	\$0.00
Average	1.4	Not Applicable	\$1482.96
Variance	-1.4	N/A	-\$1482.96

Otter Tail had another good year in terms of property damage claims. The Department has no additional comments.

The Department acknowledges OTP's fulfillment of the requirements of Minnesota Rules, part 7826.0400.

C. ANNUAL RELIABILITY REPORT

Minnesota Rules, part 7826.0500 requires each utility to file an annual report that includes the following information:

1. reliability performance,
2. storm-normalization method,
3. action plan for remedying any failure to comply with the reliability standards,
4. bulk power supply interruptions,
5. major service interruptions,
6. circuit interruption data (identify worst performing circuit),
7. known instances in which nominal electric service voltages did not meet American National Standards Institute (ANSI) standards,
8. work center staffing levels, and
9. any other relevant information.

1. Reliability Performance

For 2021, OTP's assigned service territory consists of four work centers – Bemidji, Crookston, Fergus Falls and Morris.²

The following table shows the Company's 2021 reliability performance compared with the goals set by the Commission in Docket No. E017/M-20-401 using the historical Minnesota Rules-based calculation.³

Table 5: OTP's 2021 Reliability Performance Compared with 2020 Goals Using Historical Method

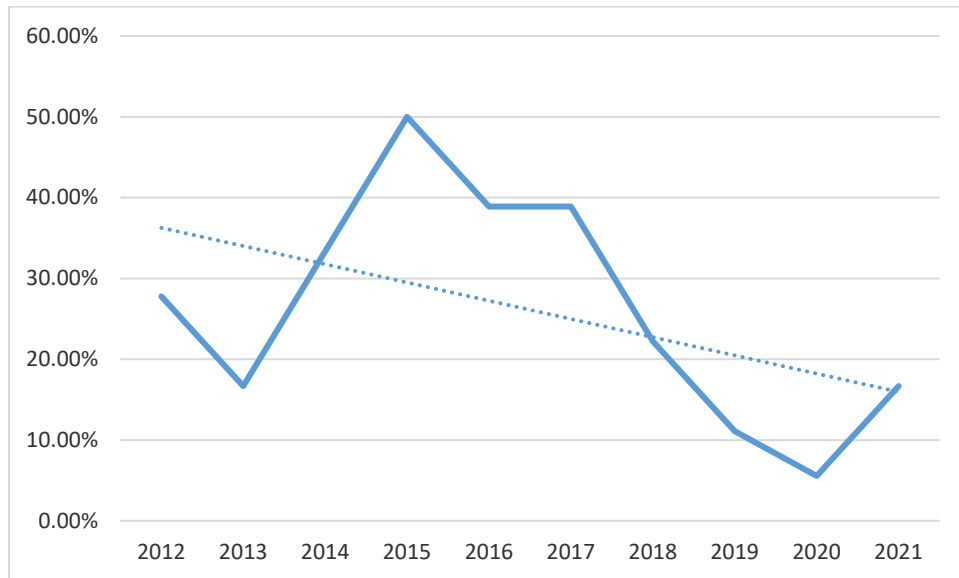
Work Center	Metric	2021 Performance	2020 Goals
Bemidji	SAIDI	30.32	70.64
	SAIFI	0.46	1.26
	CAIDI	66.03	56.06
Crookston	SAIDI	85.67	69.33
	SAIFI	1.13	1.19
	CAIDI	76.08	58.26
Fergus Falls	SAIDI	76.49	66.97
	SAIFI	1.15	1.11
	CAIDI	66.44	60.33
Morris	SAIDI	72.82	55.78
	SAIFI	1.05	1.01
	CAIDI	69.14	55.23
All MN Customers	SAIDI	65.78	64.95
	SAIFI	0.95	1.13
	CAIDI	65.78	57.48

Shaded cells in Table 5 indicate reliability goals that were not met comparing 2021 actuals to 2020 goals. While the Department notes that this comparison is not required given the new benchmarking approach the Commission adopted in Docket No. E017/M-21-225, it does provide Commission staff, Commissioners, and other interested parties a point of reference for OTP's actual 2021 reliability results compared to historical goals. Perhaps the most interesting comparison the Department's review identified is Otter Tail's reliability performance improved in 2021 relative to 2020. Figure 1 summarizes this information.

Figure 1: 2021 Reliability Performance Compared with 2020 Goals Using Minnesota Rules Approach (2012 -2021)

² Minnesota Public Utilities Commission Minutes dated May 2, 2022, at page 3.

³ The Department notes that SAIDI = SAIFI * CAIDI.



The Department notes the Company's reliability performance improved relative to meeting historical goals improved by 11 percent from 2020 to 2021.

The Department acknowledges OTP's fulfillment of the requirements of Minnesota Rules, part 7826.0500, subp. 1A, B, and C.

2. *Storm-Normalization Method*

OTP calculated its 2021 SAIDI, SAIFI, and CAIDI indices using the IEEE 2.5 beta method for storm normalization. OTP reported that, under the IEEE 2.5 beta method, two days met the criteria to be considered a Major Event Day (MED) on its entire system. Only one of those MED's affected its Minnesota jurisdiction reliability results – October 9, 2021.⁴ OTP also noted that the Company's new interruption monitoring system (IMS) was discovered to have a calculation issue and corrections were performed by the manufacturer.

The Company restated its actual reliability results for 2019 through 2021 in the filing.

The Department acknowledges OTP's fulfillment of the requirements of Minnesota Rules, part 7826.0500, subp. 1D.

⁴ A downed 115 kV line north of Fergus Falls caused a 4–5-hour interruption in Fergus Falls.

3. Action Plan to Improve Reliability

OTP provided detailed information regarding its internal process for meeting its 2022 reliability goals.⁵

OTP's action plan consisted of an update to past and continuing efforts. The Company noted that, "Overall system improvements will be realized over longer periods of time."

The Department notes that in OTP's Integrated Distribution Plan filing, Docket No. E017/M-21-339, the Company indicated that it expects to greatly increase the amount its spending on age-related equipment replacements in the next few years, which may help system reliability in the future.

The Department acknowledges OTP's fulfillment of the requirements of Minnesota Rules, part 7826.0500, subp. 1E.

4. Bulk Power Supply Interruptions

OTP reported that its customers endured three interruptions to the Minnesota bulk power supply facility in 2021, but none of those bulk power supply interruptions occurred on Otter Tail's system.

- On January 15, strong winds and ice caused transmission lines to gallop which resulted in several failures in the Appleton MRES 115Kv Substation. Interruptions in the area lasted over 210 minutes.
- On June 15, a transmission line originating in Minnekota Power Cooperative's Thief River Falls substation went to lockout. Several area communities experienced interruptions more than 90 minutes.
- On June 30, a lightning arrestor at Great River Energy's Graceville's 115 kV substation failed which led to an outage in excess of 50 minutes to the communities of Dumont and Wheaton.

The Department acknowledges OTP's fulfillment of the requirements of Minnesota Rules, part 7826.0500, subp. 1F.

5. Major Service Interruptions

On December 18, 2020, the Commission granted OTP a variance to Minnesota rule 7826.0500 Subpart 1g, which requires Ottertail to provide a copy of each report filed under Minnesota Rules, part 7826.0700. Instead, OTP provided a summary table that includes the information contained in the reports.

⁵ Annual Report, p. 16.

The Company reported 13 major service interruptions in 2021, compared to 21 in 2020. The largest major service interruption affected approximately 6,118 customers. OTP stated that the length of the outage, which began approximately at 8:08 p.m. on June 15 to 1:07 a.m. on June 16, 2021, varied between 1 hour and 15 minutes for some customers and 4 hours and 59 minutes for others.

The Department acknowledges OTP's fulfillment of the requirements of Minnesota Rules, part 7826.0500, subp. 1G as varied by the Commission.

6. Worst Performing Circuit

OTP identified the worst performing feeder in each work center, including its SAIDI, SAIFI, CAIDI, and MAIFI, the major causes of each feeder's outages, and the remedial measures planned or taken by the Company. The Company indicated that it will be determining its worst performing feeder based on MAIFI in the future.

The Department notes that, according to OTP's annual reports over the years, there is no apparent trend in terms of outage causes or continuing poor performance for any particular feeder. The Department uses historical data to identify potential areas of concerns regarding any feeders that appear multiple times as a worst performing feeder. After reviewing 15 years of historical data, the Department concludes that there is no concern with any specific feeder at this time.

The Department acknowledges OTP's fulfillment of the requirements of Minnesota Rules, part 7826.0500, subp. 1H.

7. Compliance with ANSI Voltage Standards

OTP provided a table listing the feeders and number of known occurrences where the voltage fell outside the American National Standards Institute (ANSI) voltage range B in 2021. OTP noted that most of the feeders with numerous occurrences were feeders serving a single large customer with a very large load (mostly pipelines). The Department observes no significant trend regarding this metric.

The Department acknowledges OTP's fulfillment of the requirements of Minnesota Rules, part 7826.0500, subp. 1I.

8. Work Center Staffing Levels

OTP provided information on staffing levels by work center as of December 31, 2020. The following table summarizes total staffing levels over the past 14 years.

Table 6: OTP Work Center Staffing Levels (2012 – 2021)

Year	Field	Office	Total
2012	107	33	140
2013	109	33	142
2014	107	33	140
2015	114	29	143
2016	116	32	148
2017	111	43	154
2018	123	39	162
2019	122	43	165
2020	121	45	166
2021	90	40	90

The Company explained that it refined the calculation for estimating the work center staffing levels in this year's report. The consolidation of the Minnesota-based facilities in the Milbank and Wahpeton Work Centers created a situation in which Otter Tail elected to include only the number of staff that work on Minnesota-jurisdictional investment in the revised Morris and Crookston work centers. In other words, the decrease in work center staffing between 2020 and 2021 is the result of an accounting change. Operationally the number of staff available did not change.

While the decrease may look striking initially, the change is based on an improved allocation of labor-related resources. Staffing levels is another long-term reliability issue. The Department reserves judgement on this issue until the Company has provided additional information in subsequent annual reports.

The Department acknowledges OTP's fulfillment of the requirements of Minnesota Rules, part 7826.0500, subp. 1J.

9. Other Information

This section of OTP's Annual Report⁶ provided updates on continuing developments from the Company's use of the Interruption Monitoring System (IMS). Specifically, OTP reported that:

- OTP continues to install wireless power quality monitors in problem areas as part of the IMS rollout. These additional monitors have helped the Company monitor, identify, and analyze issues in the field.

⁶ Annual Report, pages 29-31.

- Regarding vegetation management, OTP's NextGen IMS and the use of power quality meters will continue to provide optimized and focused deployment of vegetation management and maintenance resources to problem areas. Vegetation management is a particular problem for the Company given its low customer density.
- Otter Tail will be implementing an Outage Management System (OMS) in 2022. The Company's goal is to improve response and restoration times (CAIDI) by improving the presentation and organization of outage data for Otter Tail field staff.
- A new initiative to improve reliability, customer engagement and business efficiency named SIRI. The proposal is discussed in OTP's 2021 Integrated Distribution Planning filing (Docket No. E017/RP-21-339).

The Department appreciates OTP's efforts and additional information and acknowledges OTP's fulfillment of the requirements of Minnesota Rules, part 7826.0500, subp. 1K.

D. RELIABILITY STANDARDS

The Commission set Otter Tail's 2021 statewide reliability and work-center standards at the IEEE benchmarking second quartile for medium utilities in its Order dated March 2, 2022, in Docket No. E017/M-21-225. This Commission decision represented a departure from the reliability performance standards delineated in Minnesota Rules, part 7826.0600. The Commission adopted the different annual reliability performance benchmarks calculated by the IEEE as its performance goals for the different utilities. The Department also provides the Company's results from 2020 using this approach to provide some additional background.

1. Results for 2020 Using IEEE Approach

Table 7 below compares OTP's Corrected 2020 performance with the 2020 IEEE median normalized results for medium sized utilities consistent with the approach the Commission identified in its recent Order.

Table 7: Corrected OTP 2020 Reliability Performance for Minnesota Jurisdiction Compared to 2020 IEEE Results

Reliability Metric	Actual Performance	IEEE Median Normalized Medium Sized Utility Results	Would Goal Have Been Met?
SAIFI	1.07	0.98	no
SAIDI	80.66	128	yes
CAIDI	75.19	123	yes

This ex-post 2020 comparison places Otter Tail's reliability efforts in a much better light when compared to the historical method. The Company would have met two of the three reliability goals for its Minnesota jurisdiction.

2. *Proposed Goals for 2021*

The Commission's current approach identifies the various IEEE calculated reliability benchmarks as the goals for the Minnesota's three investor-owned utilities (IOUs). Table 8 compares OTP's 2021 reliability results with the IEEE 2020 results. The IEEE 2020 results only serve as a proxy in this comparison for the yet to be calculated 2021 IEEE reliability results.

Table 8: Minnesota Jurisdiction 2021 Actual Reliability Compared to 2020 IEEE Results

Reliability Metric	Actual Performance	2020 IEEE Median Normalized Medium Sized Utility Results	Would Goal Have Been Met?
SAIFI	0.95	0.98	yes
SAIDI	65.78	128	yes
CAIDI	69.61	122	yes

As the above table illustrates, the Company could meet the Commission's 2021 reliability goals at the service territory-wide level if the 2021 IEEE benchmark results remain constant or do not improve. Given that this comparison is something of a hypothetical, the Department will not provide work-center level information until the Company provides the actual 2021 IEEE results in a supplemental filing sometime in August 2022.

E. *ANNUAL SERVICE QUALITY REPORT*

Minnesota Rules, part 7826.1300 requires each utility to file the following information:

1. Meter Reading Performance (7826.1400),
2. Involuntary Disconnection (7826.1500),
3. Service Extension Response Time (7826.1600),
4. Call Center Response Time (7826.1700),
5. Emergency Medical Accounts (7826.1800),
6. Customer Deposits (7826.1900), and
7. Customer Complaints (7826.2000).

1. *Meter Reading Performance*

The following information is required for reporting on meter reading performance by customer class:

- A. the number and percentage of customer meters read by utility personnel;

- B. the number and percentage of customer meters self-read by customers;
- C. the number and percentage of customer meters that have not been read by utility personnel for periods of 6 to 12 months and for periods of longer than 12 months, and an explanation as to why they have not been read; and
- D. data on monthly meter reading staffing levels by work center or geographical area.

OTP provided detailed meter reading information, including information on its monthly meter reading staffing levels. Table 9 summarizes OTP's meter reading statistics.

Table 9: Meter-Reading Performance 2012 - 2021

	Percent Read by OTP	Percent Read by Customer	Percent Not Read
2012	95.9%	2.1%	2.0%
2013	95.8%	1.9%	2.3%
2014	95.9%	1.8%	2.4%
2015	95.9%	1.7%	2.4%
2016	96.4%	1.5%	2.2%
2017	96.4%	1.5%	2.2%
2018	97.3%	1.5%	1.2%
2019	97.5%	1.3%	1.2%
2020	97.1%	1.3%	1.6%
2021	97.0%	1.4%	1.6%

The Department notes that OTP has improved its meter-reading performance over the years measured, but the rate of its improvement has flattened over the past several years, albeit at a high level.

Minnesota Rules, part 7826.0900, subp. 1 requires that at least 90 percent of all meters during the months of April through November and at least 80 percent of all meters during the months of December through March are read monthly. The Company's information reflects that it read at least 95 percent of all meters each month during 2021. According to OTP, there were 23 meters that were not read for a period of 6-12 months in 2021. This compares to 46 meters that were not read in 2020. This decrease is likely due to the lessening of risk associated the COVID-19 pandemic and safety rules that did not allow employees to enter living quarters or other areas of concern in 2021. Additionally, there were no meters that were not read for a period of greater than 12 months.

The Company reported that it maintained an average of approximately 52 meter-reading customer service representatives in 2021. This number declined from 72 reported in 2020. Like the decline in field personnel discussed earlier, this change was the result of improve accounting practices. OTP also uses third parties to read meters in select cities within the Company's service territory.

The Department acknowledges OTP's fulfillment of the requirements of Minnesota Rules, part 7826.1400.

2. Involuntary Disconnections

The following information is required for reporting on involuntary disconnection of service by customer class and calendar month:

- A. the number of customers who received disconnection notices,
- B. the number of customers who sought cold weather rule protection under Minnesota Rules 7820 and the number who were granted cold weather rule protection,
- C. the total number of customers whose service was disconnected involuntarily and the number of these customers restored to service within 24 hours, and
- D. the number of disconnected customers restored to service by entering into a payment plan.

The following table summarizes residential customer disconnection statistics reported by OTP in its annual reports.

Table 10: Residential Customer Involuntary Disconnection Information

	Received Disconnect Notice	Sought CWR Protection	Granted CWR Protection	% Granted	Disconnected Involuntarily	Restored within 24 Hours	Restored by Entering Payment Plan
2012	39,912	2,139	2,137	99.9%	745	558	29
2013	39,913	1,788	1,776	99.3%	745	644	23
2014	44,894	1,430	1,424	99.6%	794	619	104
2015	49,185	1,130	1,125	99.6%	629	232	69
2016	49,368	932	928	99.6%	924	301	42
2017	48,421	817	814	99.6%	1,044	415	33
2018	67,015	659	658	99.9%	1,088	428	32
2019	56,257	441	398	90.3%	317	146	27
2020	15,677	121	82	68%	59	16	17
2021	31,116	360	292	81%	728	33	78

OTP reported that 31,116 disconnection notices were sent to residential, small commercial and large commercial customers in 2021, 28,624 being for residential customers. This number increased significantly in 2021 with the resumption of sending disconnection notices in June 2021 after the moratorium instituted during the COVID-19 pandemic lapsed. For example, residential disconnection notices increased by over 100% between 2020 and 2021.

While the increases in the number of customers seeking Cold Weather Rule protections and being disconnected involuntarily in 2021 are concerning, the Department notes the annual number of customers in these reporting categories has been declining over the past 10 years as shown in Figures 2 and 3.

Figure 2: Number of Customers Seeking Cold-Weather Rule Protection (2012 -2021)

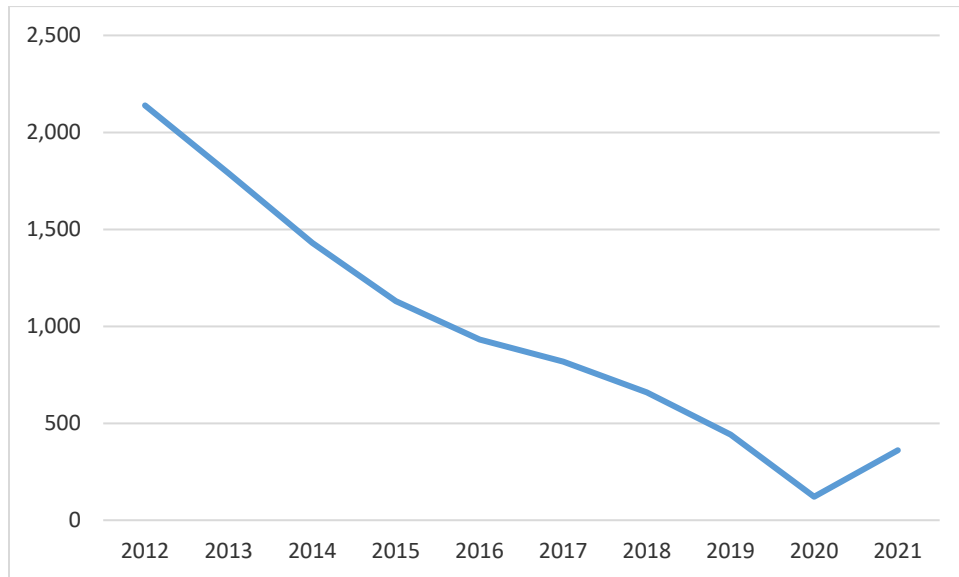
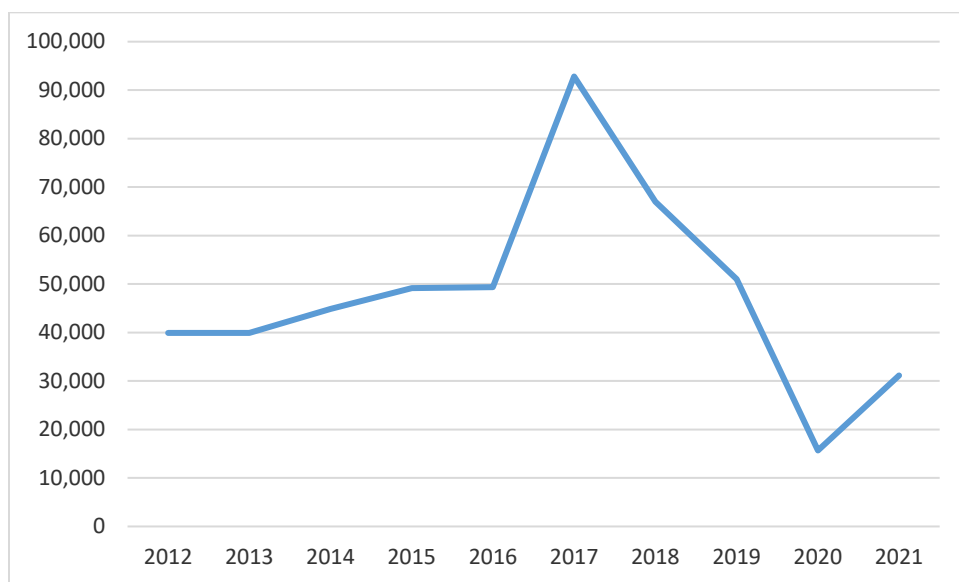


Figure 3: Number of Customers Receiving Disconnection Notices (2012 -2021)



The Department acknowledges OTP's fulfillment of the requirements of Minnesota Rules, part 7826.1500.

3. *Service Extension Requests*

The following information is required for reporting on service extension request response times by customer class and calendar month:

- A. the number of customers requesting service to a location not previously served by the utility and the intervals between the date service was installed and the later of the in-service date requested by the customer or the date the premises were ready for service; and
- B. the number of customers requesting service to a location previously served by the utility, but not served at the time of the request, and the intervals between the date service was installed and the later of the in-service date requested by the customer or the date the premises were ready for service.

OTP reported the number of service extension requests received each month by customer class. In 2021, 457 customers requested service to a location not previously served. As for locations previously served, OTP reported that 1,360 of these requests were made in 2021. The Department notes that compared to 2020 the number of extension requests for locations not previously served declined by approximately 15 percent while the number of requests for previously served locations was constant. According to the Company, its new location process and software are identifying many locations with high numbers of days to complete. Otter Tail is working to resolve that issue.

The Department acknowledges that OTP has fulfilled the requirements of Minnesota Rules, part 7826.1600.

4. *Call Center Response Time*

The annual service quality report must include a detailed report on monthly call center response times, including calls to the business office and calls regarding service interruptions. Further, Minnesota Rules, part 7826.1200 requires that 80 percent of calls be answered within 20 seconds.

OTP provided monthly data regarding the number of incoming calls and those calls that were answered and abandoned. The Company's data indicate that an annual average of 93.26 percent of calls were answered within 20 seconds in 2021. Therefore, the Department concludes that OTP is in compliance with Minnesota Rules, part 7826.1200.

5. *Emergency Medical Accounts*

The reporting on emergency medical accounts must include the number of customers who requested emergency medical account status under Minnesota Statutes, section 216B.098, subd. 5, the number of applications granted, the number of applications denied, and the reasons for each denial.

OTP reported that 6 Minnesota customers requested emergency medical account status in 2021, all of whom were granted that status. The Department acknowledges OTP's fulfillment of the requirements of Minnesota Rules, part 7826.1800.

6. *Customer Deposits*

The reporting on customer deposits must include the number of customers who were required to make a deposit as a condition of receiving service.

Table 11 summarizes the number of customer deposits required over the past ten years. The number of customers served by OTP in Minnesota is provided for context.⁷

Table 11: Customer Deposits Required 2012 -2021

	Number of Deposits Required	Total Customers Served
2012	847	59,615
2013	895	59,849
2014	783	61,169
2015	597	60,232
2016	715	61,226
2017	698	61,568
2018	685	61,888
2019	652	62,105 ⁸
2020	297	61,748
2021	0	62,465

⁷ Source: Otter Tail's "Minnesota Electric Utility Annual Report" filed pursuant to Minnesota Rules Chapter 7610. Annual reports are filed by Minnesota utilities on July 1 of each year.

⁸ The total customers served for 2019 was taken from the Minnesota Jurisdictional 2018 Report in Docket No. 20-4 rather than the Minnesota Rules Chapter 7610 reports as the data were not yet available at the time for filing.

The Company noted that the decrease in the number of deposits has a direct correlation with the suspension of collections activities due to the COVID-19 Pandemic. The Department acknowledges OTP's fulfillment of the requirements of Minnesota Rules, part 7826.1900.

7. Customer Complaints

The reporting on customer complaints must include the following information by customer class and calendar month:

- A. the number of complaints received;
- B. the number and percentage of complaints alleging billing errors, inaccurate metering, wrongful disconnection, high bills, inadequate service, and the number involving service extension intervals, service restoration intervals, and any other identifiable subject matter involved in five percent or more of customer complaints;
- C. the number and percentage of complaints resolved upon initial inquiry, within ten days, and longer than ten days;
- D. the number and percentage of all complaints resolved by taking any of the following actions:
 - (1) taking the action, the customer requested;
 - (2) taking an action, the customer and the utility agree is an acceptable compromise;
 - (3) providing the customer with information that demonstrates that the situation complained of is not reasonably within the control of the utility;
 - or (4) refusing to take the action the customer requested; and
- E. the number of complaints forwarded to the utility by the Commission's Consumer Affairs Office for further investigation and action.

OTP's report on customer complaints includes the required information. Table 12 contains a limited summary of OTP's customer complaint history.

Table 12: Customer Complaints Selected Summary 2012 -2021

	Number of Complaints	High Bills	Billing Error	Service Restoration	Resolved Upon Initial Inquiry	Took Action Customer Requested
2012	61	7%	11%	7%	72%	32%
2013	133	9%	17%	5%	92%	21%
2014	98	12%	11%	4%	83%	31%
2015	86	22%	22%	0%	77%	23%
2016	28	0%	14%	0%	93%	54%
2017	33	6%	16%	0%	91%	24%
2018	34	6%	0%	0%	47%	21%
2019	28	18%	0%	0%	54%	82%
2020	30	30%	0%	0%	80%	47%
2021	113	1%	58%	41%	94%	18%

Otter Tail also noted it received 7 customer complaints that were forwarded to the Commission’s Consumer Affairs Office (CAO). The Company received 4 of these types of complaints in 2020.

The number of complaints in 2021 increased by 277 percent over 2020. The Company noted this increase but didn’t provide an explanation as to why it occurred. The Department requests Otter Tail discuss this topic in its Reply Comments.

The Department acknowledges OTP’s fulfillment of the requirements of Minnesota Rules, part 7826.2000.

E. COMPLIANCE WITH PERTINENT COMMISSION ORDERS

a. January 28, 2020, Order in Docket No. E017/M-19-260

The Commissions January 28, 2020 Order in Docket No. E017/M-19-260 included Attachment B, which updated the annual reporting requirements for the Utility. Attachment B required the following to be reported by OTP:

- a. Non-normalized SAIDI, SAIFI, and CAIDI values;
- b. SAIDI, SAIFI, and CAIDI values calculated using the IEEE 2.5 beta method;
- c. MAIFI, normalized and non-normalized;
- d. CEMI – at normalized and non-normalized outage levels of 4, 5, and 6;
- e. The highest number of interruptions experienced by any one customer;
- f. CELI – at normalized and non-normalized intervals of greater than 6 hours, 12 hours, and 24 hours;
- g. The longest experienced interruption by any one customer (or feeder);

- h. A breakdown of field versus office staff required;
- i. Estimated restoration times;
- j. IEEE benchmarking;
- k. Performance by customer class; and
- l. More discussion of leading causes of outages and mitigation strategies.

The Department summarizes OTP's compliance with each reporting requirement in turn.

b. Non-normalized SAIDI, SAIFI, and CAIDI values

OTP provided this information in Tables 4A and 4B on pages 11 and 12 of its Report. The following tables show the normalized and non-normalized values for SAIDI, SAIFI, and CAIDI as reported by OTP. As there was 1 major event day during 2021 these numbers are not identical.

Table 13: 2021 Normalized and Non-normalized SAIDI, SAIFI, and CAIDI

Work Center	SAIDI	SAIFI	CAIDI
Bemidji			
Non-normalized	32.94	0.47	69.42
Normalized	30.32	0.46	66.03
Crookston			
Non-normalized	85.67	1.13	76.08
Normalized	85.67	1.13	76.08
Fergus Falls			
Non-normalized	115.44	1.35	85.49
Normalized	76.49	1.15	66.44
Morris			
Non-normalized	73.71	1.07	69.21
Normalized	72.82	0.95	69.14

c. SAIDI, SAIFI, and CAIDI values calculated using the IEEE 2.5 beta method

See Table 13 above.

d. MAIFI – normalized and non-normalized

OTP provided this information on page 33 of its Annual Report. Table 14 below shows the Company's normalized and non-normalized MAIFI for 2021. There was one major event day in 2021, so these numbers are not identical.

Table 14: 2021 Normalized and Non-Normalized MAIFI

Work Center	Non-Normalized	Normalized
Bemidji	2.16	2.06
Crookston	4.48	4.48
Fergus Falls	4.42	4.17
Morris	5.9	5.85
MN Total	4.26	4.26

- e. *CEMI – at normalized and non-normalized outage levels of 4, 5, and 6*

OTP provided this information in page 34 of its Annual Report. Regarding CEMI, the Department notes that the Company has seen an improvement in recent years as the percentage of customers experiencing five or greater outages, and customer experiencing seven or greater outages has decreased from highs in 2015 and 2016 to lows in 2020. Table 15 below shows the Company's CEMI performance for 2021 at various intervals.

Table 15: 2021 Non-Normalized and Normalized CEMI 4, 5, 6

Metric	Non-Normalized	Normalized
CEMI4	7.12%	6.96%
CEMI5	4.99%	4.99%
CEMI6	4.04%	3.48%

- f. *Highest number of interruptions by any one customer (or feeder, if customer level is not available)*

OTP provided this information on page 34 of its Annual Report. OTP stated that the North Feeder fed from the Ottertail City Substation experienced the most interruptions and was the Fergus Falls CSC's worst performing circuit with 1 sustained and 27 momentary interruptions.

- g. *CELI – at intervals of greater than 6 hours, 12 hours, and 24 hours*

OTP provided this information on page 34 of its Annual Report. Table 16 below shows the Company's CELI performance for 2021 at the various intervals.

Table 16: 2021 CELI at 6, 12, and 24 Hours – Non-Normalized and Normalized

Metric	Non-Normalized	Normalized
CELID – 6	1.46%	1.07%
CELID – 12	0.40%	0.00%
CELID – 24	0.00%	0.00%

h. Longest interruption experienced by any one customer

OTP provided this information on page 34 of its Annual Report. OTP stated that the Red Lake Falls East St. Hilaire Feeder experienced the longest duration interruption at 7 hours and 54 minutes due to equipment failure.

i. A breakdown of field vs office staff required

OTP provided this information on page 27 of its Annual Report. The Department previously discussed this information above and provided the information in Table 6 of these comments.

j. Estimated restoration times

OTP stated that, “it is not currently feasible for Otter Tail to estimate restoration times. Otter Tail does not have a system (such as an Advanced Distribution Management System or Outage Management System) in which to create, track, and manage estimated restoration times.”⁹ The Company did note that it will be installing an Outage Management System in 2022 so it may be able to report this information soon.

k. IEEE benchmarking results for SAIDI, SAIFI, CAIDI, and MAIFI

This requirement was superseded by a similar requirement in the Commission’s Order dated March 2, 2022, in Docket No. E017/M-21-225.

l. Performance by customer class

Regarding performance by customer class, OTP stated that it currently does not possess the capability of monitoring reliability by customer class and only has the ability to measure reliability at feeder level. OTP stated that it has feeders with more than one class of customer on them.

⁹ Annual Report, p. 34.

m. More discussion of leading causes of outages and mitigation strategies

OTP provided this information in its discussion of the reliability reporting requirements on pages 12-15 of the Annual Report and in Table 5 of the filing.

n. December 18, 2020, Order in Docket No. E017/M-20-401

1. **Ordering paragraph 5:** *The utilities must file the reliability (SAIDI, SAIFI, CAIDI, MAIFI, normalized, non-normalized) for feeders with grid modernization investments such as Advanced Metering Infrastructure [AMI] or Fault Location Isolation and Service Restoration {FLISR} to the historic five-year average reliability for the same feeders before grid modernization efforts.*
 - a. This requirement is not applicable to OTP as it doesn't have AMI or FLISR installed on its system.
2. **Ordering paragraph 16:** *After consultation with Department and Commission staff, each utility must file revised categories for reporting complaint data.*
 - a. OTP participated in a series of meeting organized by Commission Staff. The group agreed on certain new complaint categories which will be operational in 2022 and discussed in OTP's April 1, 2023, filing.

o. December 2, 2021, Order in Docket No. E017/M/-21-225

3. **Order paragraph 2:** *Require Minnesota Power, Otter Tail Power, and Xcel Energy to provide the following new information regarding electronic utility-customer interaction beginning with reports filed in April 2023.*
 - a. It is the Department's understanding that OTP is collecting this information to report in next year's filing.
4. **Ordering paragraph 3:** *Require Minnesota Power, Otter Tail Power, and Xcel Energy to provide percentage uptime and error rate percentage information in their annual reports for the next three reporting cycles, to build baselines for web-based service metrics.*
 - a. It is the Department's understanding that OTP is collecting this information to report in next year's filing.
5. **Ordering paragraph 4:** *Require Minnesota Power, Otter Tail Power, and Xcel Energy to continue to provide information on electronic utility-customer interaction such that baseline data are collected:*
 - a. Yearly total number of website visits:
 - b. Yearly total number of logins via electronic customer communication platforms;
 - c. Yearly total number of emails or other customer service communications by subject, including categories for communications related to assistance programs and disconnections as part of reporting under Minn. R. 7826.1700.
 - d. OTP provided this information on pages 37 and 38 of the Report and Table 12 through 14.

6. **Ordering paragraph 7:** *Require Minnesota Power, Otter Tail Power, and Xcel Energy to file public facing summaries with their annual Safety, Reliability and Service Quality Reports.*

a. Otter Tail's 2021 Public Facing Summary was published on its website and was included in the Report.

p. *March 2, 2022, Order in Docket No. E017/M-21-225*

7. **Ordering paragraph 5:** *The Commission sets Otter Tail Power's 2021 statewide reliability standard at the IEEE benchmarking second quartile for medium utilities and sets work center reliability standards at the IEEE benchmarking for second quartile for medium utilities.*

8. **Ordering paragraph 6:** *Otter Tail must file a supplemental filing to its 2021 safety service quality and reliability report 30 days after IEEE publishes the 2021 benchmarking results. The supplemental filing must include an explanation for any standards the utility did not meet.*

9. The Company agreed to these two requirements in its Report.

III. RECOMMENDATIONS

The Department:

- recommends that the Commission accept OTP's Annual Safety Report.
- requests OTP provide a discussion in its reply comments:
 - why the number of days of job transfer or restriction and days away from work metrics are trending higher than the 10-year average and;
 - why the number of complaints in 2021 increased by 277 percent over 2020.
- will make final recommendations on the Company's Annual Service Quality Report after reviewing its reply comments.
- will provide a recommendation on the Company's Annual Service Reliability Report after reviewing the Company's future supplemental filing on IEEE benchmarking data for 2021.

CERTIFICATE OF SERVICE

I, Sharon Ferguson, hereby certify that I have this day, served copies of the following document on the attached list of persons by electronic filing, certified mail, e-mail, or by depositing a true and correct copy thereof properly enveloped with postage paid in the United States Mail at St. Paul, Minnesota.

Minnesota Department of Commerce
Comments

Docket No. E017/M-22-159

Dated this **16th** day of **May 2022**

/s/Sharon Ferguson

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Ray	Choquette	rchoquette@agp.com	Ag Processing Inc.	12700 West Dodge Road PO Box 2047 Omaha, NE 68103-2047	Electronic Service	No	OFF_SL_22-159_22-159
Generic Notice	Commerce Attorneys	commerce.attorneys@ag.state.mn.us	Office of the Attorney General-DOC	445 Minnesota Street Suite 1400 St. Paul, MN 55101	Electronic Service	Yes	OFF_SL_22-159_22-159
Brooke	Cooper	bcooper@allete.com	Minnesota Power	30 W Superior St Duluth, MN 558022191	Electronic Service	No	OFF_SL_22-159_22-159
James C.	Erickson	jericksonkbc@gmail.com	Kelly Bay Consulting	17 Quechee St Superior, WI 54880-4421	Electronic Service	No	OFF_SL_22-159_22-159
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Jessica	Fyhrie	jfyhrie@otpc.com	Otter Tail Power Company	PO Box 496 Fergus Falls, MN 56538-0496	Electronic Service	Yes	OFF_SL_22-159_22-159
Adam	Heinen	aheinen@dakotaelectric.com	Dakota Electric Association	4300 220th St W Farmington, MN 55024	Electronic Service	No	OFF_SL_22-159_22-159
Nick	Kaneski	nick.kaneski@enbridge.com	Enbridge Energy Company, Inc.	11 East Superior St Ste 125 Duluth, MN 55802	Electronic Service	No	OFF_SL_22-159_22-159
James D.	Larson	james.larson@avantenergy.com	Avant Energy Services	220 S 6th St Ste 1300 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_22-159_22-159
Kavita	Maini	kmaini@wi.rr.com	KM Energy Consulting, LLC	961 N Lost Woods Rd Oconomowoc, WI 53066	Electronic Service	No	OFF_SL_22-159_22-159

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Andrew	Moratzka	andrew.moratzka@stoel.com	Steel Rives LLP	33 South Sixth St Ste 4200 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_22-159_22-159
Matthew	Olsen	molsen@otpc.com	Otter Tail Power Company	215 South Cascade Street Fergus Falls, MN 56537	Electronic Service	No	OFF_SL_22-159_22-159
Wendi	Olson	wolson@otpc.com	Otter Tail Power Company	215 South Cascade Fergus Falls, MN 56537	Electronic Service	No	OFF_SL_22-159_22-159
Generic Notice	Residential Utilities Division	residential.utilities@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012131	Electronic Service	Yes	OFF_SL_22-159_22-159
Will	Seuffert	Will.Seuffert@state.mn.us	Public Utilities Commission	121 7th Pl E Ste 350 Saint Paul, MN 55101	Electronic Service	Yes	OFF_SL_22-159_22-159
Cary	Stephenson	cStephenson@otpc.com	Otter Tail Power Company	215 South Cascade Street Fergus Falls, MN 56537	Electronic Service	Yes	OFF_SL_22-159_22-159
Stuart	Tommerdahl	stommerdahl@otpc.com	Otter Tail Power Company	215 S Cascade St PO Box 496 Fergus Falls, MN 56537	Electronic Service	Yes	OFF_SL_22-159_22-159