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August 8, 2022

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

**RE: In the Matter of Commission Consideration and Determination of
Compliance with Renewable Energy Standards for Year 2021
Docket No. E999/PR-22-12
Reply Comments**

Dear Mr. Seuffert:

Otter Tail Power Company (Otter Tail) hereby submits to the Minnesota Public Utilities Commission (Commission) its Reply Comments in the above-referenced matter.

We have electronically filed this document with the Commission and copies have been served on all parties on the attached service list. A Certificate of Service is also enclosed.

Please contact me at 218-739-8639 or jgrenier@otpc.com if you have any questions regarding this filing.

Sincerely,

/s/ JASON GRENIER
Jason Grenier, Manager
Market Planning

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Enclosures
By electronic filing
c: Service List

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

**In the Matter of Commission
Consideration and Determination
of Compliance with Renewable
Energy Standards for Year 2021**

**Docket No. E999/PR-22-12
REPLY COMMENTS**

I. INTRODUCTION

On June 1, 2022, Otter Tail Power Company (Otter Tail or the Company) submitted its annual Renewable Energy Certificate Retirement Report with the Minnesota Public Utilities Commission (MPUC or Commission). The annual report detailed Otter Tail's progress towards compliance for Minnesota's Renewable Energy Standard (RES) and Minnesota's Solar Energy Standard (SES) which includes both a non-small and small-scale solar compliance obligation. Otter Tail met its 2021 non-small SES requirements. However, Otter Tail reported that although it has made a good faith effort through many small-scale solar strategies, the Company did not meet small-scale solar compliance for the 2021 SES year. The Company has a small-scale solar renewable energy credit (SREC) shortfall of 1,599 SRECs for the 2021 SES year.

In its June 1, 2022 annual report, the Company included a proposal to fill the small-scale SREC shortfall and meet SES compliance in a timely manner. Otter Tail requested the Commission grant the Company authority to meet the small-scale SES requirement through the construction and ownership of up to 1.2MW (approximately thirty 40kW AC) of solar projects. If approved the Company would make a filing detailing costs, program details, recovery strategy, and timing of the projects.

II. OTTER TAIL RESPONSES

On June 22, 2022, the Minnesota Department of Commerce, Division of Energy Resources (Department) submitted Comments responding to Otter Tail's annual compliance filing report and proposals. The Department found,

“all utilities complied with the RES requirement in 2021, and that Minnesota Power and Xcel Energy Complied with the SES requirement.

The Department recommends the Commission direct Otter Tail Power to submit detailed cost information along with a comparison to the costs of existing 40 kW

projects, and to retire SRECs from utility scale projects to cover the shortfall in small Solar RECs for 2021. Upon the filing of a compliance filing demonstrating that OTP retired additional utility scale SRECs to cover its shortfall, the Department recommends that OTP be found to have made a good faith effort to meet the 2021 small solar requirement.”

Otter Tail appreciates the Department’s recommendation and openness to solutions to meet the small-scale compliance requirement. The Company looks forward to the opportunity to submit a detailed cost comparison of small Company-owned projects versus existing 40kW projects to the Commission if directed to do so. Building these small-scale solar projects will solidify the Company’s compliance obligation for future years.

To meet the small-scale solar compliance for 2021, the Department recommended in its Comments that the Company should retire utility-scale SRECs as an additional element of demonstrating its good faith effort to meet the standard. The Company agrees with the Department’s recommendation and recently retired 1,599 utility-scale SRECs. With the additional 1,599 utility-scale SRECs retired, Otter Tail requests the Commission find the Company in compliance for the small-scale solar requirement for 2021.

III. CONCLUSION

Otter Tail respectfully requests the Commission to approve the Department’s recommendation and find the Company to have made a good faith effort to meet the 2021 small-scale solar requirement. In addition, the Company respectfully requests the Commission adopt the Department’s recommendation and direct the Company submit detailed cost information along with a comparison of Company constructed and owned small-scale solar to the costs of existing 40 kW solar projects.

Dated: August 8, 2022

Respectfully submitted,

OTTER TAIL POWER COMPANY

By: /s/ JASON GRENIER
Jason Grenier, Manager
Market Planning
Otter Tail Power Company
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CERTIFICATE OF SERVICE

**RE: In the Matter of Commission Consideration and Determination of
Compliance with Renewable Energy Standards for Year 2021
Docket No. E999/PR-22-12**

I, Kim Ward, 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 **8th** day of **August, 2022**

/s/ Kim Ward
Kim Ward
Lead Regulatory Filing Coordinator
Otter Tail Power Company
215 South Cascade Street
Fergus Falls MN 56537
(218) 739-8268

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Derek	Bertsch	derek.bertsch@mrenergy.com	Missouri River Energy Services	3724 West Avera Drive PO Box 88920 Sioux Falls, SD 57109-8920	Electronic Service	No	OFF_SL_22-12_PR-22-12
Jon	Brekke	jbrekke@grenergy.com	Great River Energy	12300 Elm Creek Boulevard Maple Grove, MN 553694718	Electronic Service	No	OFF_SL_22-12_PR-22-12
Richard	Burud	rgburud@msn.com	Southern Minnesota Energy Cooperative	31110 Cooperative Way Rushford, MN 55971	Electronic Service	No	OFF_SL_22-12_PR-22-12
LORI	CLOBES	lclobes@mienergy.coop	MiEnergy Cooperative	31110 COOPERATIVE WAY PO BOX 626 RUSHFORD, MN 55971	Electronic Service	No	OFF_SL_22-12_PR-22-12
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_22-12_PR-22-12
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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_22-12_PR-22-12
John	Richards	johnrichards@nweco.com	Northwestern Wisconsin Electric Company	104 S. Pine St. Grantsburg, WI 54840	Electronic Service	No	OFF_SL_22-12_PR-22-12
Robert K.	Sahr	bsahr@eastriver.coop	East River Electric Power Cooperative	P.O. Box 227 Madison, SD 57042	Electronic Service	No	OFF_SL_22-12_PR-22-12
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Carol	Westergard	cwestergard@otpc.com	Otter Tail Power Company	215 S Cascade St Fergus Falls, MN 56537	Electronic Service	No	OFF_SL_22-12_PR-22-12