Minnesota Public Interest Research Group Otter Tail Power Company's Integrated Resource Plan

On behalf of Minnesota students and the general public, the Minnesota Public Interest Research Group (MPIRG) submits these comments regarding Otter Tail Power Company's 2013 Integrated Resource Plan (IRP). After reading through the IRP, we are deeply concerned with the environmental and economic risks that would be a consequence if this plan were to be carried out. While we are appreciative that Otter Tail is willing to shutter its coal plant at Hoot Lake in 2020, it is our opinion that replacing it with a natural gas plant alone is completely outside the public interest. Moving forward on natural gas alone not only would bring further detriment to the environment, but impede compliance with Minnesota's Solar Energy Standard and Greenhouse Gas Emission goals as well.

In recent years there has been significant proliferation of hydraulic fracturing, commonly known as "fracking," a method of extracting natural gas from the ground. This process, which injects treated water into the ground to break rocks to ease the flow of targeted resources, has led to frightening consequences. Natural gas and other contaminants have seeped into surrounding water supplies, making once potable water toxic and in some cases flammable. Increasing the demand of natural gas will only catalyze the development of fracking sites, leading to further pollution of a resource that is far more precious than natural gas: our water. Once the investment is made and the resources are secured, there will be no incentive to transition away from natural gas during the plant's lifespan, which means more carbon in the air and more pollution via fracking.

On top of the clear risks associated with pollution, using natural gas as a source of energy will only exacerbate unstable natural gas prices. Since natural gas is also used as a source of heat, prices can radically fluctuate from Winter to Summer months. In 2014 alone, according to the U.S. Energy Information Administration, natural gas jumped from \$4.61 per million BTU in January to \$6.00 in February. On top of existing market trends, we must consider potential future regulations on natural gas procurement and a federal carbon tax that would further drive up the cost of the commodity. Once initial investments and maintenance are accounted for, harvesting energy from the wind and sun is virtually costless, and even those up-front costs for renewables are decreasing rapidly. In fact, in late 2013, Xcel Energy identified solar as competitive with natural gas and this very commission ruled in favor of solar over natural gas.

Otter Tail Power has the chance to be a community leader and prepare itself for future decades. By rewriting this plan to prioritize renewable energy generation over another natural gas plant, not only can the company can avoid large future commodity and tax liability, but it can protect Minnesota's precious natural resources for years to come as well.