

215 South Cascade Street
PO Box 496
Fergus Falls, Minnesota 56538-0496
218 739-8200
www.otpc.com (web site)



January 18, 2017

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's Petition for Approval of its
2016 Annual Review of Depreciation Certification
Docket No. E017/D-16-729
Letter Correcting Proposed Order**

Dear Mr. Wolf:

Otter Tail Power Company (Otter Tail) hereby submits in Attachment No. 1 a Corrected Proposed Order in the above referenced matter. The Corrected Proposed Order is intended to correct a data entry error in the Proposed Order filed with its Reply Comments.

The error in the original Proposed Order is that it does not include the correct source data from Statement A of the Technical Update prepared by Foster Associates.

The error was caused when Otter Tail erroneously entered salvage percentages for the Hoot Lake Plant FERC accounts into the Proposed Order from a Draft version of the report. Otter Tail corrects that entry error with this filing. The Technical Update prepared by Foster Associates and filed in this Docket, and its financial impacts reflected therein is correct as originally submitted.

Otter Tail has electronically filed this document with the Commission in compliance with Minn. R. 7829.1300, subp. 2. Otter Tail is serving a copy of this filing on the Minnesota Department of Commerce - Division of Energy Resources and the Office of Attorney General – Antitrust & Utilities Division. This filing has also been served on all persons on Otter Tail's general service list. A Certificate of Service is also enclosed.

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Otter Tail apologizes for any inconvenience this error may have caused. Please contact me at (218) 739-8659 or ldemmer@otpc.com if you have any questions.

Sincerely,

/s/ LOYAL K. DEMMER
Loyal K. Demmer, CMA
Senior Depreciation Accountant

jch
Enclosures
By electronic filing
c: Service List

OTTER TAIL POWER COMPANY
2016 ANNUAL REVIEW OF DEPRECIATION CERTIFICATION
PROPOSED REMAINING LIVES & SALVAGE FOR USE IN 2017

<u>Account</u>		<u>Remaining</u>	<u>Net Salvage</u>	<u>Amortization</u>
<u>Number</u>	<u>Class of Utility Plant</u>	<u>Life (Yrs)</u>	<u>(%)</u>	<u>Period (Yrs)</u>
STEAM PRODUCTION				
	<u>Big Stone Plant</u>			
311-101	Structures & Improvements	29.32	-6.0%	
312-101	Boiler Plant Equipment	29.32	-6.0%	
314-101	Turbogenerator Units	29.29	-6.0%	
315-101	Accessory Electric Equipment	29.31	-6.0%	
316-101	Misc. Power Plant Equipment	29.29	-5.6%	
	<u>Hoot Lake Plant - Units 2 & 3</u>			
311-102	Structures & Improvements	5.46	-13.5%	-12.2%
312-102	Boiler Plant Equipment	5.46	-13.5%	-12.2%
312.1-102	Boiler Plant Equipment	33.91	0.0%	
314-102	Turbogenerator Units	5.46	-13.5%	-12.2%
315-102	Accessory Electric Equipment	5.46	-13.5%	-12.2%
316-102	Misc. Power Plant Equipment	5.46	-13.4%	-12.1%
	<u>Coyote Station</u>			
311-103	Structures & Improvements	24.62	-8.5%	
312-103	Boiler Plant Equipment	24.63	-8.5%	
314-103	Turbogenerator Units	24.65	-8.5%	
315-103	Accessory Electric Equipment	24.63	-8.5%	
316-103	Misc. Power Plant Equipment	24.65	-8.2%	
HYDRAULIC PRODUCTION				
	<u>Hoot Lake Hydro Unit</u>			
331-131	Structures & Improvements	5.46	0.0%	
332-131	Reservoirs, Dams & Waterways	5.46	0.0%	
333-131	Water Wheels, Turbines & Gen.	5.46	0.0%	
334-131	Accessory Electric Equipment	5.46	0.0%	
335-131	Misc. Power Plant Equipment	5.46	0.0%	
	<u>Wright Hydro Unit</u>			
331-132	Structures & Improvements	5.46	0.0%	
332-132	Reservoirs, Dams & Waterways	5.46	0.0%	
333-132	Water Wheels, Turbines & Gen.	5.46	0.0%	
334-132	Accessory Electric Equipment	5.46	0.0%	
335-132	Misc. Power Plant Equipment	5.46	0.0%	
	<u>Pisgah Hydro Unit</u>			
331-133	Structures & Improvements	5.46	0.0%	
332-133	Reservoirs, Dams & Waterways	5.46	0.0%	
333-133	Water Wheels, Turbines & Gen.	5.46	0.0%	
334-133	Accessory Electric Equipment	5.46	0.0%	
335-133	Misc. Power Plant Equipment	5.46	0.0%	
	<u>Dayton Hollow Hydro Unit</u>			
331-134	Structures & Improvements	5.46	0.0%	
332-134	Reservoirs, Dams & Waterways	5.46	0.0%	
333-134	Water Wheels, Turbines & Gen.	5.46	0.0%	
334-134	Accessory Electric Equipment	5.46	0.0%	
335-134	Misc. Power Plant Equipment	5.46	0.0%	
	<u>Taplin Gorge Hydro Unit</u>			
331-135	Structures & Improvements	5.45	0.0%	

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332-135	Reservoirs, Dams & Waterways	5.46	0.0%	
333-135	Water Wheels, Turbines & Gen.	5.45	0.0%	
334-135	Accessory Electric Equipment	5.46	0.0%	
335-135	Misc. Power Plant Equipment	5.46	0.0%	
	<u>Bemidji Hydro Unit</u>			
331-138	Structures & Improvements	5.46	0.0%	
332-138	Reservoirs, Dams & Waterways	5.46	0.0%	
333-138	Water Wheels, Turbines & Gen.	5.46	0.0%	
334-138	Accessory Electric Equipment	5.45	0.0%	
335-138	Misc. Power Plant Equipment	5.46	0.0%	
OTHER PRODUCTION				
	<u>Jamestown Unit 1</u>			
341-140	Structures & Improvements	17.10	-1.7%	
342-140	Fuel Holders & Accessories	17.11	-1.7%	
343-140	Prime Movers	17.09	-1.7%	
345-140	Accessory Electric Equipment	17.07	-1.7%	
346-140	Misc. Power Plant Equipment	17.11	-1.7%	
	<u>Jamestown Unit 2</u>			
341-142	Structures & Improvements	17.11	-1.7%	
342-142	Fuel Holders & Accessories	17.08	-1.7%	
343-142	Prime Movers	17.08	-1.7%	
345-142	Accessory Electric Equipment	17.11	-1.7%	
346-142	Misc. Power Plant Equipment	17.09	-1.7%	
	<u>Lake Preston</u>			
341-141	Structures & Improvements	17.09	-2.9%	
342-141	Fuel Holders & Accessories	17.09	-2.9%	
343-141	Prime Movers	17.08	-2.9%	
345-141	Accessory Electric Equipment	17.08	-2.9%	
346-141	Misc. Power Plant Equipment	17.08	-2.9%	
	<u>Fergus Falls Control Center</u>			
343-143	Prime Movers	14.22	0.0%	
	<u>Solway Combustion Turbine Plant</u>			
341-144	Structures & Improvements	21.85	-0.4%	
342-144	Fuel Holders & Accessories	21.85	-0.4%	
343-144	Prime Movers	21.85	-0.4%	
345-144	Accessory Electric Equipment	21.85	-0.4%	
346-144	Misc. Power Plant Equipment	21.85	-0.4%	
	<u>Langdon Wind Energy Center</u>			
341-160	Structures & Improvements	16.15	-1.4%	
344-160	Generators	16.15	-1.4%	
345-160	Accessory Electric Equipment	16.15	-1.4%	
346-160	Misc. Power Plant Equipment	16.16	-1.5%	
	<u>Ashtabula Wind Energy Center</u>			
341-161	Structures & Improvements	17.11	-1.2%	
344-161	Generators	17.11	-1.2%	
345-161	Accessory Electric Equipment	17.11	-1.2%	

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346-161	Misc. Power Plant Equipment	17.11	-1.2%	
	<u>Luverne Wind Energy Center</u>			
341-162	Structures & Improvements	18.07	-2.0%	
344-162	Generators	18.07	-2.0%	
345-162	Accessory Electric Equipment	18.07	-2.0%	
346-162	Misc. Power Plant Equipment	18.07	-2.0%	
TRANSMISSION				
353	Station Equipment	53.06	-5.0%	
354	Towers & Fixtures	66.45	-10.0%	
355	Poles & Fixtures	54.30	-50.0%	
356	Overhead Conductor & Devices	55.22	-30.0%	
358	Underground Conductor & Devices	9.36	-5.0%	
DISTRIBUTION				
362	Station Equipment	32.11	5.0%	
364	Poles, Towers & Fixtures	47.61	-75.0%	
365	Overhead Conductor & Devices	43.53	-100.0%	
367	Underground Conductor & Devices	24.39	-5.0%	
368	Line Transformers	28.21	50.0%	
369	Overhead Services	32.19	-150.0%	
369.1	Underground Services	29.99	-20.0%	
370	Meters	20.69	0.0%	
370.1	Load Management Switches	2.12	0.0%	
370.20	Interruption Monitors			5
371.20	Other Private Lighting	16.83	10.0%	
373	Street Lighting & Signal System	15.03	-5.0%	
GENERAL PLANT				
	Depreciable			
390	Structures & Improvements	30.54	10.0%	
390.1	General Office Buildings	14.22	49.6%	
390.2	Fleet Service Center Buildings	9.38	33.6%	
390.3	Central Stores Building	18.98	92.6%	
396	Power Operated Equipment	16.89	20.0%	
397.4	Communication Towers	24.13	5.0%	
	Amortizable			
391	Office Furniture			15
391.1	Office Equipment			10
391.2	Duplicating Equipment			10
391.5	Computer Systems			5
391.6	Computer Related Equipment			5
393	Stores Equipment			15
394	Tools, Shop & Garage Equipment			15
394.2	Automated Meter Reading Equip.			15
395	Laboratory Equipment			15
397	Communication Equipment			15
397.1	Radio Telecom Equipment			10
397.2	Microwave Equipment			15
397.3	Radio Load Control Equipment			10

Source is Statement A from Foster Report

CERTIFICATE OF SERVICE

**RE: In the Matter of Otter Tail Power Company's Request for Approval of its
2016 Annual Review of Depreciation Certification
Docket No. E017/D-16-729**

I, Jana Hrdlicka, hereby certify that I have this day served a copy of the following, or a summary thereof, on Mr. 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
Letter**

Dated this **18th** day of **January 2017**.

/s/ JANA HRDLICKA
Jana Hrdlicka
Regulatory Filing Coordinator
Otter Tail Power Company
215 South Cascade Street
Fergus Falls MN 56537
(218) 739-8879

[illegible]

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
John	Lindell	john.lindell@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012130	Electronic Service	Yes	OFF_SL_16-729_D-16-729
Kavita	Maini	kmairi@wi.rr.com	KM Energy Consulting LLC	961 N Lost Woods Rd Oconomowoc, WI 53066	Electronic Service	No	OFF_SL_16-729_D-16-729
Andrew	Moratzka	andrew.moratzka@stoel.com	Stoel Rives LLP	33 South Sixth St Ste 4200 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_16-729_D-16-729
Gary	Oetken	goetken@agp.com	Ag Processing, Inc.	12700 West Dodge Road P.O. Box 2047 Omaha, NE 681032047	Electronic Service	No	OFF_SL_16-729_D-16-729
Larry L.	Schedin	Larry@LLSResources.com	LLS Resources, LLC	332 Minnesota St, Ste W1390 St. Paul, MN 55101	Electronic Service	No	OFF_SL_16-729_D-16-729
Stuart	Tommerdahl	stommerdahl@otpc.com	Otter Tail Power Company	215 S Cascade St PO Box 496 Fergus Falls, MN 56537	Electronic Service	No	OFF_SL_16-729_D-16-729
Daniel P	Wolf	dan.wolf@state.mn.us	Public Utilities Commission	121 7th Place East Suite 350 St. Paul, MN 551012147	Electronic Service	Yes	OFF_SL_16-729_D-16-729