

**Basin Electric Power Cooperative's First Set of Information and Document
Requests on
Otter Tail Power Company's June 1, 2017 Annual True-Up**

August 29, 2017

1. Please explain how Otter Tail Power Company ("Otter Tail" or "OTP") calculates the "Average of 12 coincident system peaks for requirements (RQ) service" reported on Attachment O, page 1, line 8. At a minimum:
 - a. Identify and provide any underlying spreadsheets or mechanisms for calculating and recording the numbers listed in Attachment O, Excel spreadsheet column O, lines 28-38 and reported on page 401b, column (d) of the Otter Tail FERC Form No. 1.

ANSWER: The monthly load data is calculated using an automated SAS program that takes the sum of the EP node data for all OTP customer loads. Behind the Meter generation (BTMG) that was operating during the time of the monthly coincident peak is added to the load as well as high voltage losses. The SAS program output is hourly data for the month. The monthly peak hour data is then reported on FERC Form 1.

- b. Identify all loads used in calculating the "Average of 12 coincident system peaks for requirements (RQ) service."

ANSWER: Line 8 of Attachment O includes Otter Tail Power Company load and certain municipal loads.

- c. Indicate which of the following loads the "Average of 12 coincident system peaks for requirements (RQ) service" includes: Otter Tail, Central Power Electric Cooperative, Inc. ("Central Power"), East River Electric Power Cooperative, Inc. ("East River"), Great River Energy, Minnkota Power Cooperative, Missouri River Energy Services, any other independent municipals, any other miscellaneous loads.

ANSWER: See answer to 1 (b).

- d. Explain how and by whom this information is verified.

ANSWER: The load data is developed and verified by staff in Otter Tail's System Operations Department. It is also reviewed by MISO under the Formula Rate Protocols. MISO has reviewed the 2016 the load data.

- e. State whether this information is reported to Mid-Continent Independent System Operator, Inc. ("MISO") on a monthly basis. If so, please provide copies of those communications from January 1, 2016 through the present.

ANSWER: The monthly customer Network Load information is provided to MISO in accordance with BPM-012. As the local balancing authority, Otter Tail has an obligation to report the monthly customer Network Load as load ratio shares of its peak load balancing authority load each month. The requested data contains confidential customer information and is protected from public disclosure, and therefore Otter Tail is unable to provide the communications in response to this data request.

2. Please explain how Otter Tail calculates the “Plus 12 CP of firm bundled sales over one year not in line 8” reported on Attachment O, page 1, line 9. At a minimum:

- a. Explain where on FERC Form No. 1, pages 310-311 this information is provided (see Note B) and provide a copy of the page with the information highlighted.

ANSWER: Otter Tail has no firm bundled sales over one year. The entry on line 9 of the Attachment O is zero.

- b. Identify and provide any underlying spreadsheets or mechanisms for calculating and recording this information reported on Attachment O, page 1, line 9 and included in Otter Tail’s FERC Form No. 1.

ANSWER: Not applicable. See response to Question 2(a).

- c. Identify all loads used in calculating the “Plus 12 CP of firm bundled sales over one year not in line 8.”

ANSWER: Not applicable. See response to Question 2(a).

- d. Indicate which of the following loads the “Plus 12 CP of firm bundled sales over one year not in line 8” includes: Otter Tail, Central Power Electric Cooperative, Inc. (“Central Power”), East River Electric Power Cooperative, Inc. (“East River”), Great River Energy, Minnkota Power Cooperative, Missouri River Energy Services, any other independent municipals, any other miscellaneous loads.

ANSWER: Not applicable. See response to Question 2(a).

- e. Explain how and by whom this information is verified.

ANSWER: Not applicable. See response to Question 2(a).

- f. State whether this information is reported to Mid-Continent Independent System Operator, Inc. (“MISO”) on a monthly basis. If so, please provide copies of those communications from January 1, 2016 through the present.

ANSWER: Not applicable. See response to Question 2(b).

3. Please explain how Otter Tail calculates the “Plus 12 CP of Network Load not in line 8” reported on Attachment O, page 1, line 10. At a minimum:

- a. Explain where on FERC Form No. 1, page 328 this information is provided (see Note C) and provide a copy of the page with the information highlighted.

ANSWER: The load data in line 10 is not sourced from the FERC Form 1. As defined in Note C of Attachment O, Line 10 is the applicable load at the time of the applicable pricing zone coincident monthly peaks.

- b. Identify and provide any underlying spreadsheets or mechanisms for calculating and recording this information reported on Attachment O, page 1, line 10 and included in Otter Tail’s FERC Form No. 1.

ANSWER: The load data is provided by the customer or their designated Meter Data Management Agent and then entered into an automated SAS program to add high voltage losses. Line 10 represents an aggregated Network Load. The breakdown of the aggregate Network Load by customer is provided to MISO for its review. The requested load data contains confidential customer information and is protected from public disclosure, and therefore Otter Tail is unable to provide the resulting spreadsheets in response to this data request.

- c. Identify all loads used in calculating the “Plus 12 CP of Network Load not in line 8.”

ANSWER: The load included on line 10 of Attachment O consists of all load in the Otter Tail Power Company zone taking Schedule 9 service, including Central Power load.

- d. Indicate which of the following loads the “Plus 12 CP of Network Load not in line 8” includes: Otter Tail, Central Power Electric Cooperative, Inc. (“Central Power”), East River Electric Power Cooperative, Inc. (“East River”), Great River Energy, Minnkota Power Cooperative, Missouri River Energy Services, any other independent municipals, any other miscellaneous loads.

ANSWER: See answer to 3(c).

- e. Explain how and by whom this information is verified.

ANSWER: The load data is developed and verified by staff in Otter Tail’s System Operations Department. It is also reviewed by MISO under the Formula Rate Protocols. MISO has reviewed the 2016 the load data.

- f. State whether this information is reported to Mid-Continent Independent System Operator, Inc. (“MISO”) on a monthly basis. If so, please provide copies of those communications from January 1, 2016 through the present.

ANSWER: The monthly customer Network Load information is provided to MISO in accordance with BPM-012. As the local balancing authority, Otter Tail has an obligation to report the monthly customer Network Load as load ratio shares of its peak load balancing authority load each month. The requested data contains confidential customer information and is protected from public disclosure, and therefore Otter Tail is unable to provide the communications in response to this data request.

4. Please describe how Otter Tail reported loads on its system on its FERC Form No. 1 and to MISO when the Integrated Transmission Agreement between Otter Tail and Central Power was in effect. Specify whether it included Central Power loads in these reports.

ANSWER: Central Power loads are not included in Otter Tail Power Company’s FERC Form 1. Otter Tail did not include the Central Power loads on what it reported to MISO while the Integrated Transmission Agreement was in effect.

5. Please describe how Otter Tail reported loads on its system on its FERC Form No. 1 and to MISO after the Integrated Transmission Agreement between Otter Tail and Central Power expired. Specify whether it included Central Power loads in these reports.

ANSWER: Central Power loads are not included in Otter Tail Power Company’s FERC Form 1. When the Integrated Transmission Agreement between Otter Tail and Central Power expired and Central Power began taking Network Service under the MISO Tariff in the Otter Tail Power Company local balancing

authority, Otter Tail began including the Central Power load in its monthly customer Network Load information provided to MISO in accordance with BPM-012 (see response to 3(f)).

6. Please state whether Otter Tail's load reports to MISO and on for the period of January 1, 2016 through December 31, 2016 included the Central Power loads. If the load reports from Otter Tail did not include Central Power load, please explain why they did not.

ANSWER: Otter Tail Power Company load reports to MISO during 2016 included Central Power load.

7. With respect to "Attachment O May 2017," please explain why Otter Tail reported 73,192 kW of Central Power load (Line 6a, Column O) for the month of May 2017 rather than Central Power's actual load of 86,906 kW. Please also explain why Otter Tail reported 75,506 kW of Central Power's load on the June 2017 Attachment O and July 2017 Attachment O, versus actual load of 87,763 kW and 97,138 kW respectively.

ANSWER: MISO is the owner of the monthly Attachment O spreadsheets that are posted on MISO's website and used to calculate the pricing zone rates. Please contact MISO for a response.

8. "Attachment O May 2017, June 2017 and July 2017" Please explain the basis for the statement at Line 6a, Column P of the that "CPEC load in OTP zone is not being reported by OTP – adjusted on MISO tab."

ANSWER: MISO is the owner of the monthly Attachment O spreadsheets that are posted on MISO's website and used to calculate the pricing zone rates. Please contact MISO for a response.

9. Please explain whether the Central Power load is included in denominator of the OTP pricing zone rate calculations for the Network Service rate (MISO Schedule 9). If the Central Power load is not included, please explain why it is not. Additionally, if the response is that MISO is responsible for calculating the Network Service rate for the OTP pricing zone, please explain how MISO obtains the relevant load data for the OTP zone.

ANSWER: It has now been incorporated into the 2016 True-Up Attachment O, the 2018 Projected Attachment O, and will be included in Attachment O submittals going forward.