

January 23, 2020

Ms. Patricia Van Gerpen Executive Director Public Utilities Commission State of South Dakota Pierre, SD 57501

Dear Ms. Van Gerpen:

Enclosed is the detail for determination of the Energy Adjustment Rider rates by Service Category based on the three months ending December 2019. The new adjustment factor is applicable on bills rendered on and after February 3, 2020 (Billing Cycle 1).

The calculation was made in compliance with the Fuel Adjustment Clause Rider, Electric Rate Schedule – Section 13.01, as approved by the South Dakota Public Utilities Commission in the Order Approving Interim Refund Plan; Order Approving Tariff Revisions dated July 9, 2019, in Docket No. EL18-021.

Per Commission approval in Docket No. EL18-021, the following changes to the Energy Adjustment Rider are applicable on bills rendered on and after August 1, 2019:

- 1) The "E8760" Energy Adjustment Factor Ratios will be used to calculate the Class Energy Adjustment Factors (EAF) for each customer service category defined by Customer class.
- 2) The recovery of Coyote Station pebble lime reagent is no longer in base rates, but will be recovered in the Energy Adjustment Rider.
- 3) Otter Tail Power Company has removed the Non Asset Based line from the energy adjustment rider calculation to reflect the discontinuation of Non Asset Based transactions.

Otter Tail Power Company (Otter Tail) submits the following attachments:

1) Calculation of the February 2020 Energy Adjustment Rider based on the threemonth period ending December 2019. Ms. Patricia Van Gerpen January 23, 2020 Page 2

- 2) South Dakota Over/Under Recovery (2 pages).
- 3) Detail of MISO Day 2 Charges by Charge Type for SD Fuel Adjustment Clause Rider marked as Attachment A.
- 4) Detail of MISO Day 2 Charges by Retail, Asset Based Wholesale, and Non-Asset Based Wholesale for Current Month and Year to Date marked as Attachment B. Please note this document contains Trade Secret Data.
- 5) Otter Tail's Plant Conditions for December 2019 marked as Attachment C.
- 6) Otter Tail's Wind Curtailment Report for FPL Energy North Dakota II, LLC, Langdon Wind, LLC and Ashtabula Wind III, LLC marked as Attachment D. Please note this document contains Trade Secret Data.
- 7) Detail of Southwest Power Pool (SPP) Charges by Charge Group for Current Month and Year to Date marked as Attachment E. The SPP charges are reported in the Purchased Power lines of the Fuel Adjustment Clause calculation.

Otter Tail requests confidential treatment of columns (F) and (G) of the Attachment A and columns (J), (K), (L), and (M) of the Attachment B pursuant to ARSD Part 20:10:01:41 due to the competitive nature of the data in those columns. Otter Tail is requesting confidential treatment for a period of at least 12 months and will request an extension in the future if necessary. Contact Stuart Tommerdahl, Manager of Regulatory Administration at: (218) 739-8279, 215 South Cascade Street, Fergus Falls, MN 56537 with any questions of concerns regarding the confidentiality request.

Revenue from Cost of Energy Adjustment for December 2019:

Total Sales in South Dakota	44,745,303 kWh
Sales Subject to Fuel Adjustment	42,771,815 kWh
Average Rate During Period	\$.02607
Revenue in Period	\$1,115,208.67

Sincerely,

/s/ JILL R. BJORGUM Jill R. Bjorgum Energy Recovery Analyst Regulatory Administration

Enclosures By electronic filing