

OTTER TAIL POWER COMPANY
Docket No: EL14-090

Response to: South Dakota Public Utilities Commission
Analyst: SDPUC Staff
Date Received: 12/10/2014
Date Due: 12/30/2014
Date of Response: 12/23/2014
Responding Witness: Stuart Tommerdahl, Manager Regulatory Administration, 218 739-8279

Information Request:

Referring to rate design on page 13 of the petition, has OTP prepared any recent class cost of service studies which confirm the spreads used for the TCRs is still appropriate? If so, please provide.

Attachments: 0

Response:

Otter Tail performs cost of service studies on an annual basis. The current class allocation factors applied in the TCR were approved in Otter Tail's last rate case (Docket EL10-011.) The charts below illustrate the test year (2009) for that rate case as well as the D-2 factors through 2013.

D-2 Factor		
Year	Large General Service	Non-LGS Service
2009	33.96%	66.04%
2010	38.19%	61.81%
2011	39.84%	60.16%
2012	39.34%	60.66%
2013	36.67%	63.33%

Assessing the annual change to the D-2 class allocations from 2009 through 2013 shows that they have shown fluctuation; however, due to the relatively minor variation from year to year Otter Tail believes that the current allocations are appropriate.

Below is a graph that illustrates the LGS versus the Non-LGS Service from 2009-2013.

