

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Barbara Beerhalter	Chair
Cynthia A. Kitlinski	Commissioner
Norma McKanna	Commissioner
Robert J. O'Keefe	Commissioner
Darrel L. Peterson	Commissioner

In the Matter of the Implementation of an
Energy Conservation Improvement Program
for Otter Tail Power Company

ISSUE DATE: May 26, 1988

DOCKET NO. E-017/M-88-256

ORDER CONDITIONALLY ACCEPTING
OTTER TAIL POWER COMPANY'S 1988
ANNUAL CIP FILING

PROCEDURAL HISTORY

On May 16, 1988, Otter Tail Power Company (Otter Tail or the Company) filed its proposed Conservation Improvement Program (CIP) for 1988 under Minn. Rules, part 7840.0500. On May 16 Otter Tail certified that it had provided notice of the CIP filing to persons on the service list maintained pursuant to the provisions of Minn. Rules, part 7840.0800.

STATEMENT OF THE ISSUE

The issue before the Commission is whether the filing meets the filing requirements of Minn. Rules, part 7840.0500 and should be accepted as complete.

FINDINGS AND CONCLUSIONS

The Commission has examined the filing and finds that it cannot accept the filing unconditionally at this time because it fails to meet all of the requirements of Minn. Rules, part 7840.0500. Those areas of deficiency are discussed below.

Five-Year Budget

Otter Tail has not provided a five-year budget as required by Minn. Rules, part 7840.0500, item D. While it may be difficult for the Company to identify which projects will receive funding, it should be possible to submit a projected level of total CIP spending.

Low-Income and Rental Customer Participation Rates

Otter Tail's filing does not explicitly meet the requirement to provide data on low-income customer and rental customer participation in residential projects, as required by Minn. Rules, part 7840.0500, items C and K. In response to item C, Otter Tail provides what appears to be combined data for the two groups. In some status reports, Otter Tail provides data for rental but not low-income customers. In other status reports, Otter Tail provides no data. At a minimum, separate estimates for each group should be provided in response to item C. If actual data are unavailable for the status reports, Otter Tail should so indicate and refer back to the estimates provided before project approval. The Commission considers this data important because of the emphasis on the two groups in Minn. Stat. Section 216B.241 (1986).

Requirements of the October 13, 1987 Order

The Commission provided several directives regarding this year's filing in its October 13, 1987 Order Approving Otter Tail Power Company's Conservation Improvement Program and Requiring Informational Filings. Minn. Rules, part 7840.0500, item L requires Otter Tail to comply with the requirements of that Order.

Otter Tail has complied adequately with those requirements, with two exceptions.

Otter Tail has not fully complied with Order Paragraph 13, which requires the Company to provide "a list of topics of any evaluation reports it has completed" and "the submittal dates of such reports to the Commission." If there have been such reports, Otter Tail should provide the requested information. If there have not, Otter Tail should so indicate.

Otter Tail also failed to comply with Order Paragraph 9, requiring the filing to include evaluations of all projects proposed for continuation which have been in effect for more than one year. That requirement was included due to indications that some projects were not achieving desired levels of customer participation and resource conservation. The Company acknowledged in the filing that this requirement had not been met and stated its intention to submit the required evaluations by July 1. The Commission will accept a July 1 filing of these evaluations.

Extension of Comment Period

The Commission finds it necessary to extend the 30-day comment period provided under Minn.

Rules, part 7840.0900, to allow interested parties 30 days from the submission of the Company's supplementary filing to comment on its proposed CIP. Although the filing's deficiencies are not serious enough to require its rejection, they are significant enough to warrant this extension of the comment period.

Effect of This Order

By requiring the additional information described above, the Commission is making no judgment regarding the merit of Otter Tail's proposed program or any individual project. Should the program be approved, the supplementary filing will have reduced the need to require post-approval compliance information from the Company.

Also, nothing in this Order should be construed as relieving Otter Tail from providing any further information requested by the Commission or other participants during the CIP review process. The supplementary filing is necessary because of deficiencies in the Company's initial filing. The Commission anticipates a normal level of information exchange after the Company provides the data indicated above.

ORDER

1. The May 16, 1988 Conservation Improvement Program filing of Otter Tail Power Company is hereby accepted on the condition that the Company file with the Commission by June 9, 1988 the information needed to comply with Minn. Rules, part 7840.0500 in the areas detailed herein.
2. Otter Tail shall provide notice of the June 9, 1988 filing to interested persons, pursuant to Minn. Rules, part 7840.0800.

3. The 30-day comment and alternative proposal period prescribed by Minn. Rules, part 7840.0900 will end on July 11, 1988.
4. The 15-day period for written responses on the comments and alternative projects prescribed by Minn. Rules, part 7840.0900 will end on July 26, 1988.
5. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Mary Ellen Hennen
Executive Secretary

(S E A L)