

154 FERC ¶ 61,138  
FEDERAL ENERGY REGULATORY COMMISSION  
WASHINGTON, DC 20426

February 25, 2016

In Reply Refer To:  
Otter Tail Power Company  
Docket No. ER16-647-000

Wright & Talisman, P.C.  
1200 G Street, NW  
Suite 600  
Washington, DC 20005

Attn: Paul M. Flynn, Esq.

Dear Mr. Flynn:

1. On December 29, 2015, Otter Tail Power Company (Otter Tail) submitted, pursuant to section 205 of the Federal Power Act (FPA), 16 U.S.C. § 824d (2012), and section 35.13 of the Commission's regulations, 18 C.F.R. § 35.13 (2015), revisions to its service agreement with Central Power Electric Cooperative, Inc. (Central Power) under the Otter Tail Control Area Services and Operations Tariff (Otter Tail Tariff). Otter Tail states that the proposed revisions update the service agreement with Central Power (Central Power Service Agreement) to reflect that, as of January 1, 2016, all relevant ancillary services will be provided to Central Power under the Midcontinent Independent System Operator, Inc. (MISO) Open Access Transmission, Energy, and Operating Reserve Markets Tariff (MISO Tariff), rather than under the Otter Tail Tariff.<sup>1</sup>

2. Otter Tail explains that, on May 6, 2002, Otter Tail filed with the Commission an unexecuted service agreement with Central Power to provide ancillary services to Central Power under the Otter Tail Tariff.<sup>2</sup> Otter Tail states that, prior to Commission action on that filing, Otter Tail, Central Power, East River Electric Power Cooperative, Inc. (East River), Basin Electric Power Cooperative, and Western Area Power Administration reached a settlement to resolve issues concerning Central Power and East River's service

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<sup>1</sup> Filing at 1-2.

<sup>2</sup> *Id.*

under the Otter Tail Tariff as part of a larger settlement among multiple parties resolving issues concerning the Otter Tail Tariff and a number of other Otter Tail Tariff service agreements. Otter Tail notes that, on January 16, 2003, the Commission approved the settlement, and accepted for filing the Central Power Service Agreement (as part of Service Agreement No. 4).<sup>3</sup>

3. Otter Tail states that, as a result of several significant intervening events, the provisions of the Central Power Service Agreement have become outdated.<sup>4</sup> Specifically, Otter Tail states that, in 2005, MISO initiated its energy imbalance market, thus providing for the Schedule 4 energy imbalance ancillary service formerly provided by Otter Tail Power (for its control area) under the Otter Tail Tariff. The end result of these changes is that Central Power will now take any required ancillary services under the MISO Tariff rather than under the Otter Tail Tariff.<sup>5</sup>

4. Otter Tail notes that the Central Power Service Agreement is presently one of several agreements that are collectively designated as Service Agreement No. 4 under the Otter Tail Tariff.<sup>6</sup> However, Otter Tail proposes here to give the Central Power Service Agreement its own separate designation, as Service Agreement No. 51 under the Otter Tail Tariff. Otter Tail notes that Service Agreement No. 4 has not been submitted under the Commission's eTariff system. Otter Tail states that, if the Commission believes that, for clarity, conforming changes should also be made to Service Agreement No. 4 to reflect this separation of the Central Power Service Agreement, Otter Tail can submit those revisions in a compliance filing.

5. Otter Tail requests waiver of the Commission's 60-day notice requirement and requests an effective date of January 1, 2016 for the proposed revisions to the Central Power Service Agreement.

6. Otter Tail states that it is authorized to state that Central Power supports the proposed revisions and also supports the requested effective date and waiver of the prior notice requirements.

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<sup>3</sup> *Id.* at 3 (citing *Otter Tail Power Co.*, 102 FERC ¶ 61,036, at P 2 (2003)).

<sup>4</sup> *Id.*

<sup>5</sup> *Id.* at 4.

<sup>6</sup> *Id.* at 1-2 n.3; 5-6.

7. Notice of Otter Tail's December 29, 2015 filing was published in the *Federal Register*, 81 Fed. Reg. 235 (2016), with interventions and protests due on or before January 19, 2016. Central Power filed a timely motion to intervene.
8. Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.214 (2015), the timely, unopposed motion to intervene serves to make Central Power a party to this proceeding.
9. We accept the Central Power Service Agreement, subject to condition, effective January 1, 2016.<sup>7</sup> Waiver of the Commission's notice requirements pursuant to section 35.11 of the Commission's regulations, 18 C.F.R. § 35.11 (2015), is granted.<sup>8</sup> Revised footnotes 1 and 2 of Attachment A1 of the Central Power Service Agreement filed in the version of this agreement in eLibrary are omitted in the version of the agreement in the Commission's eTariff system. We direct Otter Tail to correct this error in a compliance filing due within 30 days of the date of this order. We also direct Otter Tail, in this compliance filing, to make the conforming changes to Service Agreement No. 4 to reflect the separation of the Central Power Service Agreement, which it has agreed to make.<sup>9</sup>

By direction of the Commission.

Nathaniel J. Davis, Sr.,  
Deputy Secretary.

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<sup>7</sup> The Commission can revise a proposal filed under section 205 of the FPA as long as the filing utility accepts the change. *See City of Winnfield v. FERC*, 744 F.2d 871, 875-77 (D.C. Cir. 1984). The filing utility is free to indicate that it is unwilling to accede to the Commission's conditions by withdrawing its filing.

<sup>8</sup> *Central Hudson Gas and Electric Company*, 60 FERC ¶ 61,106, *reh'g denied*, 61 FERC ¶ 61,089 (1992); *Prior Notice and Filing Requirements Under Part II of the Federal Power Act*, 64 FERC ¶ 61,139, *clarified*, 65 FERC ¶ 61,081 (1993).

<sup>9</sup> *See supra* P 4.