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July 19, 2013



Dr. Burl Haar  
Executive Secretary  
Minnesota Public Utilities Commission  
121 7<sup>th</sup> Place East, Suite 350  
St. Paul, MN 55101-2147

**RE: In the Matter of Otter Tail Power Company's request to Amend the  
Standby Service Tariff  
Docket No. E017/M-13-\_\_\_\_  
Initial filing**

Dear Dr. Haar:

Otter Tail Power Company ("Otter Tail") hereby submits its petition to the Minnesota Public Utilities Commission ("Commission") for approval to amend its Standby Service Tariff (Section 11.01). Consistent with the amended legislative changes to Minn. Stat. 2012 § 216B.164, Otter Tail requests approval for amending the level of certain customer exemptions from Otter Tail's Standby Service Tariff.

Otter Tail has electronically filed this document with the Commission. In compliance with Minn. Rule 7829.1300, subp. 2, Otter Tail is serving a copy of this filing on the Office of Energy Security of the Department of Commerce and Office of Attorney General-Residential Utilities Division. A Summary of the filing has been served on all persons on Otter Tail's general service list. A Certificate of Service is also enclosed.

If you have any questions regarding this filing, please contact me at 218-739-8595 or at [dprazak@otpc.com](mailto:dprazak@otpc.com).

Sincerely,

*/S/ DAVID G. PRAZAK*  
David G. Prazak  
Supervisor Pricing & Load Research

wao  
Enclosures  
By electronic filing  
c: Service List

**STATE OF MINNESOTA  
BEFORE THE  
MINNESOTA PUBLIC UTILITIES COMMISSION**

In the Matter of Otter Tail Power  
Company's Request to Amend its  
Standby Service Tariff.

Docket No. E017/M-13-\_\_\_\_\_

**SUMMARY OF FILING**

Otter Tail Power Company ("Otter Tail") hereby submits its petition to the Minnesota Public Utilities Commission for approval of revising its Standby Service Tariff, rate schedule Section 11.01. Recent legislative changes require Otter Tail to request approval for revising the level of certain customer exemptions from Otter Tail's Standby Service Tariff.

**STATE OF MINNESOTA  
BEFORE THE  
MINNESOTA PUBLIC UTILITIES COMMISSION**

In the Matter of Otter Tail Power  
Company's Request to Amend its  
Standby Service Tariff.

Docket No. E017/M-13-\_\_\_\_\_

**PETITION OF OTTER TAIL POWER COMPANY**

**I. INTRODUCTION**

Otter Tail Power Company ("Otter Tail") is requesting approval to revise its Standby Service Tariff, rate schedule Section 11.01. Recent legislative changes require Otter Tail to request approval for revising the level of certain customer exemptions from Otter Tail's Standby Service Tariff. The Minnesota Legislature made certain amendments<sup>1</sup> which provides revised qualifications for standby services. Otter Tail has proposed minor revisions to its tariff that reflect the changes made by the legislature.

**II. GENERAL FILING INFORMATION**

Pursuant to Minn. Rule 7829.1300, subp. 3, Otter Tail provides the following general information:

**A. Name, Address, and Telephone Number of Utility.**

Otter Tail Power Company  
215 South Cascade Street  
P. O. Box 496  
Fergus Falls, MN 56538-0496  
(218) 739-8200

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<sup>1</sup> HF 956, Article 3, Section 4- "A public utility may not impose a standby charge on a net metered or qualifying facility: (1) of 100 kilowatts or less capacity; or (2) of more than 100 kilowatts capacity, except in accordance with an order of the commission establishing the allowable costs to be recovered through standby charges."

**B. Name, Address, and Telephone Number of Utility Attorney.**

Bruce Gerhardson  
Otter Tail Power Company  
Associate General Counsel  
215 South Cascade Street  
P. O. Box 496  
Fergus Falls, MN 56538-0496  
(218) 739-8475

**C. Date of Filing and Effective Date.**

This petition is being filed on July 19, 2013. The legislative change discussed in this petition became effective July 1, 2013. Therefore, Otter Tail proposes the effective date for these rates is with billings on or after July 1, 2013, or as determined by the Minnesota Utilities Commission (“Commission”).

**D. Statute Controlling Schedule for Processing the Filing.**

This filing is a “miscellaneous tariff filing” as defined by the Commission’s rules at Minn. Rule 7829.0100, subp. 11. No determination of Otter Tail’s overall revenue requirement is necessary. Minn. Rule 7829.1400, subps. 1 and 4 permit comments in response to a miscellaneous tariff filing to be filed within 30 days and reply comments to be filed no later than 10 days thereafter.

**E. Title of Utility Employee Responsible for Filing.**

David G. Prazak  
Supervisor of Pricing & Load Research  
Regulatory Services  
Otter Tail Power Company  
215 South Cascade Street  
P. O. Box 496  
Fergus Falls, MN 56538-0496  
(218) 739-8595

**III. DESCRIPTION OF FILING**

Otter Tail is requesting the Commission grant approval to revise its Standby Service Tariff, rate schedule Section 11.01. Otter Tail’s proposed changes are shown in Attachment 1,

Standby Service Tariff – Redline version. Attachment 2 contains Standby Service Tariff – Clean version. The proposed revisions are shown on pages 1 & 7.

As of this filing, there are no Minnesota customers utilizing the Standby Service Tariff nor expected in the near future. In regards to an effective date, Otter Tail’s proposal is to be consistent with the legislative effective date of July 1, 2013. Otter Tail is open to other effective date proposals.

#### **IV. MISCELLANEOUS INFORMATION**

##### **A. Pursuant to Minn. Rule 7829.0700, Otter Tail requests that the following persons be placed on the Commission’s Official Service List for this proceeding:**

David G. Prazak  
Supervisor of Pricing & Load Research  
Regulatory Services  
215 South Cascade Street  
P. O. Box 496  
Fergus Falls, MN 56538-0496

Bruce Gerhardson  
Associate General Counsel  
Otter Tail Power Company  
215 South Cascade Street  
P. O. Box 496  
Fergus Falls, MN 56538-0496

##### **B. Service on Other Parties.**

Pursuant to Minn. Stat. § 216B.162, subd. 10(a), and Minn. Rule Pt. 7829.1300, subp. 2, Otter Tail has served a copy of this filing on the Office of Energy Security and the Office of Attorney General, Residential Utilities Division, and a summary of the filing on all parties on the attached general service list.

##### **C. Summary of Filing.**

A one-paragraph summary of the petition is attached pursuant to Minn. Rule Pt. 7829.1300, subp. 1.

**V. CONCLUSION**

For the foregoing reasons, Otter Tail respectfully requests approval to revise its Standby Service Tariff, rate schedule Section 11.01.

Dated: July 19, 2013

**OTTER TAIL POWER COMPANY**

By: /s/ DAVID G. PRAZAK  
David G. Prazak  
Supervisor of Pricing & Load Research  
Regulatory Services  
Otter Tail Power Company  
215 South Cascade Street  
P.O. Box 496  
Fergus Falls, MN 56538-0496  
(218) 739-8595

# Attachment A



Fergus Falls, Minnesota

**STANDBY SERVICE**

	OPTION A: FIRM			OPTION B: NON-FIRM		
	On-Peak	Shoulder	Off-Peak	On-Peak	Shoulder	Off-Peak
Transmission Service	31-941	31-942	31-943	31-950	31-951	31-952
Primary Service	31-944	31-945	31-946	31-953	31-954	31-955
Secondary Service	31-947	31-948	31-949	31-956	31-957	31-958

**RULES AND REGULATIONS:** Terms and conditions of this electric rate schedule and the General Rules and Regulations govern use of this service.

**AVAILABILITY:** This schedule, including Attachment 1 - Definitions and Useful Terms, provides **Backup, Scheduled Maintenance, and Supplemental Services**, is applicable to any Customer who has the following conditions:

1. Requests to become a **Standby Service Customer** of the Company. Otherwise, the Company views the Customer as a **Non-Standby Service Customer**. For information about the different categories of **Non-Standby Service Customers**, including exemptions from **Standby Service**, please see Attachment No. 1 – Definitions.
2. Utilizes **Extended Parallel Generation Systems** to meet all or a portion of electrical requirements, which is capable of greater than ~~60-100~~ kW. Customers with **Extended Parallel Generation Systems** used to meet all or a portion of electrical requirements that are capable of ~~60-100~~ kW or less are considered **Non-Standby Service Customers** and exempt from paying standby charges. Please see Attachment No. 1-Definitions for more information regarding **Non-Standby Service Customers**.
3. Enters into a contract for services related to its Generator. Contracts will be made for this service provided the Company has sufficient Capacity available in production, transmission and Distribution Facilities to provide such service at the location where the service is requested.

The Company delivers alternating current service at transmission, primary or secondary voltage under this rate schedule, supplied through one Meter.

Power production equipment at the Customer site shall not operate in parallel with the Company’s system until the installation has been inspected by an authorized Company representative and final written approval is received from the Company to commence parallel operation.





Fergus Falls, Minnesota

**MISO** is the Midwest Independent Transmission System Operator assures industry consumers of unbiased regional grid management and open access to the Transmission Facilities under Midwest ISO's functional supervision.

**Non-Standby Service Customer** is a Customer that a) does not request and receive approval of Standby Services from the Company or, b) is exempt from paying any standby charges as allowed by law or Commission Order, or, c) in lieu of service under this Tariff, may provide Physical Assurance, or d) will take service from any of the Company's other approved base Tariffs.

Customers with Extended Parallel Generation Systems used to meet all or a portion of electrical requirements that are capable of ~~60-100~~ kW or less are considered Non-Standby Service Customers and exempt from paying standby charges.

Standby Service for Customers with Extended Parallel Generation Systems used to meet all or a portion of electrical requirements that are capable of ~~60-100~~ kW or less is available under the Customer's base rate.

For more information regarding **Extended Parallel Generation Systems, Physical Assurance Customers, and Standby Service for Customers**, please see these terms under Definitions.

**Physical Assurance Customer** is a Customer who agrees not to require standby services and has an approved mechanical device, inspected and approved by a Company representative, to insure standby service is not taken. The cost of the mechanical device is to be paid by the Customer.

**Renewable Energy Attributes** refers to the benefits of the Energy from being generated by a renewable resource rather than a fossil-fueled resource.

**Renewable Energy Credit** is typically viewed as a certification that something was generated by a renewable resource.

**Renewable Resource Premium** referred to the extra payment received on top of the regular avoided costs. This extra payment is to reflect the value of the **Renewable Energy Credit**, which is a certification of the **Renewable Energy Attributes**.

**Scheduled Maintenance Service** is defined as the Energy and Demand supplied by the utility during scheduled outages. The daily on-peak backup Demand charge under Variable Charges of the "Rate" section will be waived for a maximum continuous period of 30 days per calendar year to allow for maintenance of Customer generation source. Waiver is only valid during the months of April, May, October, and November, and with a minimum of five working days (excludes weekend and holidays) written notice to Company. In certain cases, such as very large

## Attachment B



Fergus Falls, Minnesota

STANDBY SERVICE

Table with 7 columns: Service Type, Option A: Firm (On-Peak, Shoulder, Off-Peak), Option B: Non-Firm (On-Peak, Shoulder, Off-Peak). Rows include Transmission Service, Primary Service, and Secondary Service.

RULES AND REGULATIONS: Terms and conditions of this electric rate schedule and the General Rules and Regulations govern use of this service.

AVAILABILITY: This schedule, including Attachment 1 - Definitions and Useful Terms, provides Backup, Scheduled Maintenance, and Supplemental Services, is applicable to any Customer who has the following conditions:

- 1. Requests to become a Standby Service Customer of the Company. Otherwise, the Company views the Customer as a Non-Standby Service Customer.
2. Utilizes Extended Parallel Generation Systems to meet all or a portion of electrical requirements, which is capable of greater than 100 kW.
3. Enters into a contract for services related to its Generator.

The Company delivers alternating current service at transmission, primary or secondary voltage under this rate schedule, supplied through one Meter.

Power production equipment at the Customer site shall not operate in parallel with the Company's system until the installation has been inspected by an authorized Company representative and final written approval is received from the Company to commence parallel operation.



Fergus Falls, Minnesota

**MISO** is the Midwest Independent Transmission System Operator assures industry consumers of unbiased regional grid management and open access to the Transmission Facilities under Midwest ISO's functional supervision.

**Non-Standby Service Customer** is a Customer that a) does not request and receive approval of Standby Services from the Company or, b) is exempt from paying any standby charges as allowed by law or Commission Order, or, c) in lieu of service under this Tariff, may provide Physical Assurance, or d) will take service from any of the Company's other approved base Tariffs.

Customers with Extended Parallel Generation Systems used to meet all or a portion of electrical requirements that are capable of 100 kW or less are considered Non-Standby Service Customers and exempt from paying standby charges. C

Standby Service for Customers with Extended Parallel Generation Systems used to meet all or a portion of electrical requirements that are capable of 100 kW or less is available under the Customer's base rate. C

For more information regarding **Extended Parallel Generation Systems, Physical Assurance Customers, and Standby Service for Customers**, please see these terms under Definitions.

**Physical Assurance Customer** is a Customer who agrees not to require standby services and has an approved mechanical device, inspected and approved by a Company representative, to insure standby service is not taken. The cost of the mechanical device is to be paid by the Customer.

**Renewable Energy Attributes** refers to the benefits of the Energy from being generated by a renewable resource rather than a fossil-fueled resource.

**Renewable Energy Credit** is typically viewed as a certification that something was generated by a renewable resource.

**Renewable Resource Premium** referred to the extra payment received on top of the regular avoided costs. This extra payment is to reflect the value of the **Renewable Energy Credit**, which is a certification of the **Renewable Energy Attributes**.

**Scheduled Maintenance Service** is defined as the Energy and Demand supplied by the utility during scheduled outages. The daily on-peak backup Demand charge under Variable Charges of the "Rate" section will be waived for a maximum continuous period of 30 days per calendar year to allow for maintenance of Customer generation source. Waiver is only valid during the months of April, May, October, and November, and with a minimum of five working days (excludes weekend and holidays) written notice to Company. In certain cases, such as very large

## CERTIFICATE OF SERVICE

**RE: In the Matter of Otter Tail Power Company's request to Amend the  
Standby Service Tariff  
Docket No. E017/M-13-\_\_\_**

I, Wendi A. Olson, hereby certify that I have this day served a copy of the following, or a summary thereof, on Dr. Burl W. Haar and Sharon Ferguson by e-filing, and to all other persons on the attached service list by electronic service or by First Class mail.

**Otter Tail Power Company  
Initial Filing**

Dated this **19th** day of **July 2013**.

*/s/ WENDIA. OLSON* \_\_\_\_\_

Wendi A. Olson  
Regulatory Filing Coordinator  
Otter Tail Power Company  
215 South Cascade Street  
Fergus Falls MN 56537  
(218) 739-8699

## General Service List

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Christopher	Anderson	canderson@allete.com	Minnesota Power	30 W Superior St  Duluth, MN 558022191	Electronic Service	No	GEN_SL_Otter Tail Power Company_General Service List - Tariff Filing
Michael	Bradley	bradley@moss- barnett.com	Moss & Barnett	4800 Wells Fargo Ctr 90 S 7th St Minneapolis, MN 55402-4129	Electronic Service	No	GEN_SL_Otter Tail Power Company_General Service List - Tariff Filing
Gary	Chesnut	gchesnut@agp.com	AG Processing Inc. a cooperative	12700 West Dodge Road PO Box 2047 Omaha, NE 681032047	Electronic Service	No	GEN_SL_Otter Tail Power Company_General Service List - Tariff Filing
James C.	Erickson	jericksonkbc@gmail.com	Kelly Bay Consulting	17 Quechee St  Superior, WI 54880-4421	Electronic Service	No	GEN_SL_Otter Tail Power Company_General Service List - Tariff Filing
Sharon	Ferguson	sharon.ferguson@state.mn. .us	Department of Commerce	85 7th Place E Ste 500  Saint Paul, MN 551012198	Electronic Service	No	GEN_SL_Otter Tail Power Company_General Service List - Tariff Filing
Bruce	Gerhardson	bgerhardson@otpc.com	Otter Tail Power Company	PO Box 496 215 S Cascade St Fergus Falls, MN 565380496	Electronic Service	No	GEN_SL_Otter Tail Power Company_General Service List - Tariff Filing
Burl W.	Haar	burl.haar@state.mn.us	Public Utilities Commission	Suite 350 121 7th Place East St. Paul, MN 551012147	Electronic Service	No	GEN_SL_Otter Tail Power Company_General Service List - Tariff Filing
Shane	Henriksen	shane.henriksen@enbridge .com	Enbridge Energy Company, Inc.	1409 Hammond Ave FL 2  Superior, WI 54880	Electronic Service	No	GEN_SL_Otter Tail Power Company_General Service List - Tariff Filing
James D.	Larson		Avant Energy Services	200 S 6th St Ste 300  Minneapolis, MN 55402	Paper Service	No	GEN_SL_Otter Tail Power Company_General Service List - Tariff Filing
Douglas	Larson	dlarson@dakotaelectric.co m	Dakota Electric Association	4300 220th St W  Farmington, MN 55024	Electronic Service	No	GEN_SL_Otter Tail Power Company_General Service List - Tariff Filing
John	Lindell	agorud.ecf@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012130	Electronic Service	No	GEN_SL_Otter Tail Power Company_General Service List - Tariff Filing

## General Service List

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Kavita	Maini	kmaini@wi.rr.com	KM Energy Consulting LLC	961 N Lost Woods Rd  Oconomowoc, WI 53066	Electronic Service	No	GEN_SL_Otter Tail Power Company_General Service List - Tariff Filing
Andrew	Moratzka	apmoratzka@stoel.com	Stoel Rives LLP	33 South Sixth Street Suite 4200 Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Otter Tail Power Company_General Service List - Tariff Filing
David G.	Prazak	dprazak@otpco.com	Otter Tail Power Company	P.O. Box 496 215 South Cascade Street Fergus Falls, MN 565380496	Electronic Service	No	GEN_SL_Otter Tail Power Company_General Service List - Tariff Filing
Larry L.	Schedin	Larry@LLSResources.com	LLS Resources, LLC	12 S 6th St Ste 1137  Minneapolis, MN 55402	Paper Service	No	GEN_SL_Otter Tail Power Company_General Service List - Tariff Filing
Stuart	Tommerdahl	stommerdahl@otpco.com	Otter Tail Power Company	215 S Cascade St PO Box 496 Fergus Falls, MN 56537	Electronic Service	No	GEN_SL_Otter Tail Power Company_General Service List - Tariff Filing