

**STATE OF MINNESOTA
PUBLIC UTILITIES COMMISSION**

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In the Matter of Otter Tail Power Company's
Proposal for a Residential Time of Day Pilot Plan

Docket No. E017/M-23-261

Initial Comments of the Citizens Utility Board of Minnesota

The Citizens Utility Board of Minnesota ("CUB") respectfully submits these Initial Comments in response to the Minnesota Public Utilities Commission's ("Commission") Notice of Extended Comment Period issued on November 6, 2024 in the above-referenced matter.

I. BACKGROUND

In 2020, Otter Tail Power Company ("Otter Tail" or the "Company") filed an initial proposal ("Initial Proposal") for a Residential Time of Day ("TOD")¹ Pilot pursuant to the Commission's 2019 Order requiring Otter Tail to file, "after consultation with stakeholders and the Department, a pilot plan for residential time-of-use rates in its next Minnesota rate case, or by March 1, 2020, if no rate case is filed in 2019."² However, before the Commission reviewed Otter Tail's Initial Proposal, the Company requested to delay the proceeding until it had made further progress on deployment of its advanced metering infrastructure ("AMI") system to ensure the requisite enabling technology was in place prior to rate implementation.³ On July 8, 2022, the Commission granted Otter Tail's request for a delay and closed the docket, requiring the Company to file a new residential TOD rate proposal at the end of Q2 2023.

On June 29, 2023, Otter Tail submitted a compliance filing updating the Commission on its TOD rate proposal and requesting an additional delay for pilot implementation, until early 2025.⁴ The additional time would allow the Company to finalize deployment of AMI and stand up its Customer Experience

¹ CUB understands time-of-day, or "TOD" rates to be synonymous with time-of-use, or "TOU" rates, and uses the terms interchangeably.

² *In the Matter of the Application of Otter Tail Power Company for Authority to Increase Rates for Electric Service in Minnesota*, Docket No. E017/GR-15-1033, Order Accepting Report and Requiring Filings (Apr. 4, 2019) (hereinafter "April 2019 Order").

³ *In the Matter of Otter Tail Power's Proposal for a Residential Time of Day Pilot Plan*, Docket No. E017/M-20-331, Otter Tail Letter re Pilot Update & Request to Delay Pilot (Aug. 20, 2021).

⁴ *In the Matter of Otter Tail Power Company's Proposal for a Residential Time of Day Pilot Plan*, Docket No. E017/M-23-261, Otter Tail Proposed Pilot Schedule and Update (June 29, 2023) (hereinafter "Otter Tail June 29 Letter").

Platform ("CEP").⁵ Meanwhile, Otter Tail agreed to hold a stakeholder process to solicit feedback and suggestions on its proposed pilot.

The Company hosted two stakeholder meetings⁶ before filing the instant proposal for a residential TOD rate pilot on September 20, 2024.⁷ The Commission issued a Notice of Comment Period on October 2, 2024 seeking feedback on whether the Commission should approve Otter Tail's proposed pilot plan.⁸

II. DISCUSSION

CUB focuses these Initial Comments on highlighting additional elements the Commission may wish to consider when reviewing Otter Tail's pilot. We do not offer an overarching recommendation regarding the rate structure at this time. However, we look forward to reviewing perspectives submitted by other parties and will provide any additional recommendations in reply comments.

A. The Commission should ensure Otter Tail's pilot provides sufficient data and information to evaluate the possibility of implementing its TOD rate systemwide.

CUB is generally supportive of TOD rates. We recognize that TOD rates can offer various potential benefits, including reducing strain on the grid, lowering overall generation costs, optimizing use of renewable energy, and enhancing energy justice. However, the effectiveness of a TOD rate in achieving many of these benefits depends on whether customers successfully make adjustments to their energy usage. Default rates generally result in higher enrollment levels than voluntary options, and high participation is necessary if systemwide demand reductions are to materialize at statistically significant levels. Thus, CUB believes it is imperative to contemplate how Otter Tail's proposed TOD pilot could eventually scale up to be the default rate for all residential customers.

CUB agrees with Otter Tail that delaying pilot implementation until AMI is sufficiently deployed was an appropriate decision. The Company's AMI system and Customer Experience Platform will help provide critical data to both customers and the utility for understanding how TOD rates impact households. However, the delay has also pushed development of TOD rates back more than four years from the time of the Commission's initial order.⁹ To avoid any further unnecessary delays, CUB emphasizes the importance of having sufficient and specific data to analyze at the conclusion of the piloted rate, so that decisive action can be taken to adjust the rate as appropriate for a broader rollout soon after. To that end, CUB highlights several features of the proposal that should be considered for optimizing the pilot results.

⁵ The CEP is an online tool intended to provide customers with a way to access their individual usage data.

⁶ *In the Matter of Otter Tail Power Company's Proposal for a Residential Time of Day Pilot Plan*, Docket No. E017/M-23-261, Otter Tail Notice of Stakeholder Meeting (Feb. 16, 2024).

⁷ *In the Matter of Otter Tail Power Company's Proposal for a Residential Time of Day Pilot Plan*, Docket No. E017/M-23-261, Otter Tail Amended Filing (Sept. 20, 2024) (hereinafter "Otter Tail Revised TOD Proposal")

⁸ *In the Matter of Otter Tail Power Company's Proposal for a Residential Time of Day Pilot Plan*, Docket No. E017/M-23-261, Notice of Comment Period (Oct. 2, 2024). The Commission issued a subsequent order extending the comment deadline by 30 days on November 6, 2024. *In the Matter of Otter Tail Power Company's Proposal for a Residential Time of Day Pilot Plan*, Docket No. E017/M-23-261, Notice of Extended Comment Period (Nov. 6, 2024).

⁹ See April 2019 Order.

i. Proposed Pilot Size

CUB appreciates Otter Tail's work and engagement in devising a modified residential TOD pilot plan. Although CUB did not provide comments regarding the Company's previous proposal, we note in particular the Company's improvement to the participant sample size made in response to concerns raised by the Department of Commerce (the "Department")¹⁰ in those prior proceedings.

Otter Tail initially proposed to enroll only 50 participants in the piloted TOD rate.¹¹ As the Department noted, 50 participants would equate to approximately 1 out of every 1,000 total residential customers on Otter Tail's system (at the time totaling around 47,217 customers).¹² Comparatively, the piloted TOU rate implemented by Northern States Power Company d/b/a Xcel Energy ("Xcel") included a sample size of 10,000 out of 1,100,000 total residential customers—approximately 1 out of every 100 customers.¹³ The Department recommended a minimum of 250 customers be required to participate in the pilot to allow for a reasonable sample size to draw sufficient data from.¹⁴

Otter Tail's new proposal increases the sample size to a minimum of 270 customers, with an aim of 300 customers in total; the equivalent of approximately 1 out of every 170-185 residential customers in Otter Tail's service territory. Like the Department, CUB believes the pilot will require a large enough pool of participants to allow the information gathered to be meaningfully extrapolated to Otter Tail's larger residential customer class as a whole. The increase from 50 to 270 or 300 customers will allow for some margin of error and help boost confidence in the pilot data gathered. However, while CUB believes Otter Tail's modified sample size may be sufficient for an opt-in pilot, as discussed in more detail below, we recommend the Commission implement an opt-out approach. As part of that recommendation, we suggest eliminating the Company's requirement that participants must remain on the rate for twelve months. If the Commission accepts our recommendation to use an opt-out approach and eliminate the 12-month commitment, CUB recommends the Commission increase the pilot sample size to 500 customers. Increasing the sample size to 500 participants will help ensure sufficient data is collected while accounting for customers who choose to opt-out during the course of the pilot. It is also consistent with the size of Xcel's TOD pilot program, enrolling approximately 1 out of every 100 customers.

ii. Recruitment for Customer Participation

Although the improvement to sample size will help drive a meaningful pilot, CUB is concerned several other aspects of Otter Tail's proposal may limit the Company's ability to effectively scale a future TOD rate. Otter Tail proposes to recruit participants through a voluntary, opt-in enrollment process only. The Company plans to initially invite participants through its online customer portal, which currently has around 15,000 Minnesota users.¹⁵ Of those customers who opt-in, 300 will be randomly selected

¹⁰ *In the Matter of Otter Tail Power's Proposal for a Residential Time of Day Pilot Plan*, Docket No. E017/M-20-331, Comments of the Minnesota Department of Commerce, Division of Energy Resources (Apr. 29, 2020) (hereinafter "Department Initial Comments").

¹¹ See *In the Matter of Otter Tail Power's Proposal for a Residential Time of Day Pilot Plan*, Docket No. E017/M-20-331, Otter Tail Initial Filing at 6 (Feb. 28, 2020) (hereinafter "Otter Tail Initial TOD Proposal"); Otter Tail June 29 Letter at 2.

¹² Department Initial Comments at 1.

¹³ *Id.* at 1-2.

¹⁴ *Id.* at 3.

¹⁵ Otter Tail Revised TOD Proposal at 14.

for pilot participation.¹⁶ If not enough customers opt to enroll, the Company will randomly choose an additional 500 residential customers to send opt-in invitations via mail.¹⁷ The process will repeat until 300 participants are confirmed. Otter Tail intends to require that customers agree to remain on the rate for a minimum 12-month commitment.¹⁸

In previous comment periods, the Department noted that using an opt-in approach creates a sample selection problem where “those opting into the pilot are more likely to enjoy it than the average residential customer.”¹⁹ The Department further concluded that this could reduce the significance of any lessons learned from the pilot²⁰ and recommended the Commission require Otter Tail to use an opt-out approach.²¹ Finally, the Department noted that opt-in might simultaneously make it difficult for Otter Tail to recruit a sufficient number of customers, citing a U.S. Department of Energy (“DOE”) report that found opt-in TOD rates across the country had exceedingly lower enrollment rates than opt-out programs, and that the additional marketing needed to incentivize voluntary customer enrollment tended to increase program implementation costs.²² CUB echoes the concerns previously raised by the Department, and recommends the modified proposal be implemented on an opt-out basis.

In particular, we point to the results seen in Xcel’s TOD pilot. Xcel’s pilot saw minimal on-peak reductions and customer bill savings overall. However, of those that did accrue, the Company reported that “a small, highly engaged subset of participants accounted for a disproportionate share of the estimated On-Peak reductions” and higher than average bill savings.²³ This subset was defined as highly engaged survey respondents “who indicated high awareness of rates, engagement with their energy bill, knowledge of Xcel Energy resources (pilot materials, My Account), and self-reported effort to reduce peak load.”²⁴ In all, the “highly engaged customers” represented about ten percent of survey respondents in the pilot—equal to only about two to three percent of the total pilot participants.²⁵ Xcel’s final report observed that “[c]aution should be used when extrapolating results for the high impact survey respondents to the whole population.”²⁶

¹⁶ *Id.*

¹⁷ *Id.*

¹⁸ *Id.* at 13.

¹⁹ Department Initial Comments at 5.

²⁰ *Id.*

²¹ *In the Matter of Otter Tail Power’s Proposal for a Residential Time of Day Pilot Plan*, Docket No. E017/M-20-331, Response Comments of the Minnesota Department of Commerce, Division of Energy Resources at 2 (Aug. 28, 2020) (hereinafter “Department Reply Comments”).

²² *Id.* at 2 (citing U.S. Department of Energy, *Customer Acceptance, Retention, and Response to Time-Based Rates from the Consumer Behavior Studies [CBS]* (Nov. 2016)).

²³ *In the Matter of Xcel Energy’s Residential Time of Use Rate Design Pilot Program*, Docket No. E002/M-17-775, Xcel Compliance Filing – Pilot Completion, Attachment A at 15 (Feb. 10, 2023) (hereinafter “Guidehouse Pilot Evaluation – Final Report”). The report also sometimes refers to this group as “high-impact customers.” *Id.* at 139.

²⁴ *Id.* at 15-16.

²⁵ *Id.* at 21 (noting that high-impact participants were selected from a subset of participants who had responded to at least one survey throughout the pilot period—equating to approximately three percent of total participants from Eden Prairie and two percent from Minneapolis); *Id.* at 78 (“High impact participants were identified from the set of survey respondents, a group that is likely to be more engaged than the general population of participants simply because they took the effort to respond to the survey.”).

²⁶ *Id.* at 78.

It is likely that a similar subset of “highly engaged customers” in Otter Tail’s service area could drive a disproportionate degree of bill savings and peak load reduction compared to the Company’s average residential class customer. If the rate is piloted with a small subset of voluntary customers—and specifically those who regularly access their online customer portal—it is likely to facilitate participation by those who would qualify as “highly engaged customers.”

CUB agrees there may be some benefits to an opt-in approach. Opt-in supports customer choice and gives those who may be most likely to utilize the rate and shift usage the opportunity to do so early on in the pilot stage. However, any future scale-up of the rate based should consider that the residential class as a whole may not see the same degree of benefit as such an engaged customer segment. By limiting recruitment to the method proposed by Otter Tail, evaluation of the pilot results will lack insight into the TOD rate impacts on those other customer segments, discussed more below.

iii. Customer Segment Analyses

For any future scale-up of Otter Tail’s TOD rate, impacts to customers outside the “highly engaged” subgroup should be known and understood. Seniors, renters, low-income households, and electric vehicle users are all examples of other customer segments that commonly see variations in average load use compared with other residential households, and may be impacted differently on a TOD rate.

While CUB is especially concerned about impacts of new rate structures and utility changes to vulnerable customers such as low-income households, we also recognize that in some service territories those customers are identified as “natural savers” on a TOD rate.²⁷

In 2019, the Citizens Utility Board of Illinois (“CUB Illinois”) completed a study of anonymized customer energy use data that tracked the load shapes of more than 2.5 million households in the Chicago area.²⁸ After researchers classified customers into one of six general load shapes, they then analyzed where customers in each of the load shape clusters lived and correlated those locations with demographic data from the U.S. Census.²⁹ They found low-income customers generally used far less of the most expensive, on-peak energy compared to the average residential customer. Under flat rates, these low-income customers effectively subsidized the energy use of their higher-income neighbors during peak periods. Those same low-income households would naturally benefit from a TOD rate structure, even without changes to shift their household usage patterns.

CUB partnered with Minnesota Power and analysts from CUB Illinois to conduct a similar study for Minnesota Power in 2020, seeking to understand the billing impacts of alternative rate structures on

²⁷ “Natural savers” or “structural winners” are terms typically used to refer to customers who save money on a time-varying rate compared with the standard, one-period flat rate, even before making any changes to their energy usage.

²⁸ Jeff Zethmayr & Ramandeep Singh Makhija, *Six unique load shapes: A segmentation analysis of Illinois residential electricity customers*, 32 THE ELECTRICITY JOURNAL (2019), available at <https://www.citizensutilityboard.org/wp-content/uploads/2019/06/ClusterAnalysisFinal.pdf>.

²⁹ *Id.*

residential customers.³⁰ The analysis concluded that transitioning Minnesota Power customers to TOU rates “would likely benefit, or at least hold harmless” low-income customers.³¹

The importance of understanding these segment-level impacts cannot be understated. Otter Tail’s current randomized recruitment plan cannot ensure sufficient representation from these customer segments in the pilot. Seeking voluntary participation through the Company’s online customer portal will likely favor “highly engaged” customers and result in a lack of diversity across customer segments, generating inadequate data to analyze TOD rate impacts on all customers. Switching to an opt-out approach will not guarantee participation by any one customer segment, but encourages participation from a broader array of customer segments than Otter Tail’s current proposal. CUB recommends the Commission require Otter Tail to develop an opt-out enrollment plan for the TOD pilot.

If the Commission adopts our recommendation to implement the pilot on an opt-out basis, CUB recommends removing the 12-month commitment requirement and allow customers to opt-out at any time. As described above, we also recommend increasing the pilot size to 500 customers, to account for corresponding participant attrition.

B. The Commission should require the Company to include a bill protection mechanism.

Otter Tail does not intend to include any mechanism for customer bill protections in its current pilot proposal. The Company responded to questions about such guardrails during a stakeholder meeting, explaining it did not want other residential customers to subsidize the pilot, and that added bill protections might disincentivize customer load shifting.³² CUB understands the Company’s concern around affordability for other residential customers. We also recognize that making the pilot opt-in rather than default indicates greater willingness and awareness by the customer choosing to enter into the pilot. But even with an opt-in rate, there are reasons to offer customer bill protections.

Providing bill protections for an opt-in rate design helps alleviate customer concerns about participating in a new rate offering, and can make the new rate more attractive for voluntary participation. Customer education and outreach on a TOD rate can be challenging, and Otter Tail’s proposal includes a particularly complex rate design. Otter Tail’s proposal would require residential customers to keep track of eleven different time periods, and six different rates. Comparatively, Xcel’s piloted TOD rate had only five time periods and four different rates.³³ Even then, Xcel customers struggled with understanding the rate structure. By the end of Xcel’s two-year pilot, only around 50 percent of customers could correctly identify that weekday rates included three price periods, or that costs were different on weekends and holidays.³⁴ Xcel’s pilot results further indicated that even when customers *are* aware of the new rate, understanding and subsequent responsiveness is difficult to

³⁰ *In the Matter of Minnesota Power’s Compliance Report for its Temporary Rider for Residential Time-of-Day Rate for Participants of the Smart Grid Advanced Metering Infrastructure Pilot Project*, Docket No. E015/M-12-233, Petition for Approval of Changes to Minnesota Power’s Residential Rate Design, Appx E, Customer Segmentation of Minnesota Power Residential Customers at 5 (Dec. 1, 2020) (hereinafter “Minnesota Power Customer Segments Study”).

³¹ *Id.* at 17.

³² Otter Tail Revised TOD Proposal, Attachment 1 at 56 (“We don’t want other residential customers to subsidize the pilot. Consumer behavior may not be influenced enough if bill protections are in place.”).

³³ Guidehouse Pilot Evaluation – Final Report at 8.

³⁴ *Id.* at 115, 127.

achieve.³⁵ Providing guardrails to customers through a bill protection mechanism builds in a grace period for customers, giving them time to understand the rate and adjust their energy use accordingly.

Moreover, Otter Tail's proposed pilot would require customers to agree to a minimum 12-month commitment.³⁶ CUB understands that with a smaller participant pool, a one-year commitment may be vital to ensuring sufficient data collection. However, we note that it will also likely increase customer apprehension to volunteer for participation without any additional guardrails. Otter Tail also proposes a peak period in both winter and summer seasons, so regardless of what time of year the pilot is implemented, customers will not have a grace period to familiarize themselves with the rate prior to experiencing peak periods. With such a limited number of residential customers participating on the piloted rate, CUB is skeptical that the impact to other customers will be substantial. Otter Tail can also employ protections with a seasonal or yearly true-up, to minimize impacts for non-participating customers.

Xcel's TOD pilot offered bill protections for all customers in the first year.³⁷ In year one, if a customer's average annual bill under the TOD rate was more than ten percent higher than it would have been under Xcel's flat, one-period rate, the customer would receive a one-time bill credit for the difference.³⁸ Customers receiving LIHEAP were eligible for additional protections in year one, and could receive credits on a monthly basis. In year two, LIHEAP customers were also eligible for a one-time average annual bill credit at the end of the year.³⁹

The bill protections offered by Xcel provided sufficient guardrails for customers. Low-income customers in particular often rely on consistency in monthly billing to adhere to a budget, and can be especially susceptible to drastic changes in their utility bill, so providing a monthly credit for those participating customers enrolled in or eligible for LIHEAP is appropriate. And because Otter Tail will require a 12-month commitment for pilot participants, bill protections for all customers should be included, regardless of whether enrollment is opt-in or opt-out. CUB recommends the Commission require Otter Tail to provide the same bill protections applied in year one of Xcel's pilot, whereby customers receive an on-bill credit at the end of 12-months for any billing charges exceeding ten percent of what the customer would have paid on the standard rate, and providing LIHEAP customers with a monthly true-up.

C. The Commission should direct the Company to evaluate the possibility of implementing shadow billing as a customer education tool.

For TOD rates to succeed, customers must be adequately informed of how the rate is designed, and how it will impact them on a personal level. As part of customer education for time-varying rates, utilities often offer digital tools or outreach to aid in customer understanding.

³⁵ *Id.* at 127 (stating that even if customers were aware of the rate design, they exhibited a "lack of understanding on how adjusting usage in accordance with those different prices [would] ultimately impact their monthly bill").

³⁶ Otter Tail Revised TOD Proposal at 13.

³⁷ Guidehouse Pilot Evaluation – Final Report at 37.

³⁸ *Id.*

³⁹ *Id.*; *In the Matter of Xcel Energy's Residential Time of Use Rate Design Pilot Program*, Docket No. E002/M-17-775, Xcel Initial Filing – Time of Use Rate Pilot Petition at 27 (Nov. 1, 2017).

Otter Tail currently provides one online tool to customers for tracking their energy usage. In 2023, the Company launched its “MyMeter” system, which allows customers who sign up for an online account to view their total monthly energy usage through an app.⁴⁰ However, hourly or even daily energy use information—critical to customer success on a TOD rate—is not yet available.⁴¹ Otter Tail itself acknowledges the importance of real-time usage data for customers, noting that “[t]he availability of such information is particularly crucial for our TOD pilot.”⁴² But even with the enhanced features of Otter Tail’s MyMeter system, CUB believes the Company will need to conduct further customer education if the TOD rate offering is to be effective. CUB recommends Otter Tail evaluate the cost and feasibility of developing a shadow billing program.

Shadow billing is one such tool that can play a primary role in communicating with customers about TOD rate impacts. Shadow billing uses actual household consumption data to create a personalized comparison of customer costs under different rate options.⁴³ This comparison appears on customers’ monthly bills and allows them to easily consider the cost impacts of enrolling in TOD rates. Individualized rate comparisons would provide greater transparency and allow households to make informed decisions about whether to participate in time-varying rate offerings. These communications also offer an opportunity to reinforce customer behavior that contributes to bill savings and peak demand reductions. And, in the case of a general rate increase, comparing customer bills under different rates during the same period can avoid misunderstandings that the new TOD rate is the cause of increases to customer bills, rather than other external factors.

Other utilities have seen success implementing shadow billing to facilitate the transition to default TOD rates. Prior to transitioning customers to a time-varying rate in 2022, Pacific Gas and Electric (“PG&E”) utilized shadow billing to show households their monthly costs under the then-existing flat rate, TOD rates, and a third optional rate offering.⁴⁴ Below that information, a tear-off reply form allowed customers to select whether they wished to opt-out of the upcoming TOD rate transition or opt into the third available rate offering. Customers that were expected to have higher bills under the new TOD rate received an additional automated phone call notifying them of the rate change and providing them with an additional opportunity to opt-out.⁴⁵ Shadow billing can also incentivize opt-in participation by customers who are “natural savers” on the TOD rate before making any energy use changes.

Providing customers with easy-to-understand information about the personalized consequences of TOD rates is fundamental to fostering broader acceptance of the rate structure. CUB understands

⁴⁰ Otter Tail Revised TOD Proposal at 6.

⁴¹ *Id.*

⁴² Otter Tail June 29 Letter at 4.

⁴³ Janine Migden-Ostrander, *Utility “Shadow Billing” Can Shed Light on Rate Options*, REGULATORY ASSISTANCE PROJECT (Aug. 29, 2017), available at <https://www.raonline.org/blog/utility-shadow-billing-can-shed-light-on-rate-options>.

⁴⁴ See *Order Instituting Rulemaking on the Commission’s Own Motion to Conduct a Comprehensive Examination of Investor Owned Electric Utilities’ Residential Rate Structures, the Transition to Time Varying and Dynamic Rates and Other Statutory Obligations*, Docket No. R.12-06-013, Pacific Gas and Electric Company Quarterly Report on Progress of Residential Rate Reform, Att. 1 - Residential Full Transition to TOU Dashboard (May 2, 2022), available at <https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M473/K860/473860101.PDF> (including under *Rollout Schedule* the 90-day rate comparison with tear-off reply form); see also Time of Use electricity rates explained: PG&E and EBCE webinar at 7:35 (May 21, 2022), available at <https://www.youtube.com/watch?v=xbcyM9XHcLs> (hereinafter “PG&E TOU Webinar”).

⁴⁵ PG&E TOU Webinar at 7:35.

that the current pilot proposal will only serve 270-300 participants, and that such a small sample size would likely render shadow billing a cost-ineffective tool. However, in order to prepare for a potential future systemwide rollout of TOD rates following the pilot evaluation, CUB believes it would be prudent for Otter Tail to review feasibility and cost estimates now. Again, the Company's TOD rate has been delayed over four years now, and proactive consideration of these tools will help expedite future proceedings to continue TOD rate implementation in a timely manner. The Company could also include a question to pilot participants via customer surveys to gauge interest in an on-bill rate comparison tool.

For these reasons, CUB recommends Otter Tail evaluate the feasibility and cost of developing and implementing a shadow billing program. CUB also recommends that, at a minimum, the Company update its MyMeter App to allow customer access to real-time hourly usage data before implementing the TOD pilot.⁴⁶

III. CONCLUSION

CUB appreciates the opportunity to provide these Initial Comments and recommendations. We look forward to reviewing the comments submitted by other stakeholders and further engaging on this topic.

Sincerely,

December 17, 2024

/s/ Olivia Carroll

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⁴⁶ Otter Tail agreed with this approach in its earlier 2023 compliance filing, stating: "Considering the magnitude of these upcoming changes for our customers, it is imperative for Otter Tail to undertake change management in a manner that maximizes long-term benefits. Therefore, we believe that commencing the TOD pilot after the full implementation of both the CEP and AMI systems is the optimal course of action. This approach will enable a smooth transition and enhance the overall customer experience." Otter Tail June 29 Letter at 4.