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March 2, 2020



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

**PUBLIC DOCUMENT- NOT PUBLIC  
(OR PRIVILEGED) DATA HAS BEEN EXCISED**

**RE: In the Matter of Otter Tail Power Company's Petition for Approval of the Annual Update of its Energy- Intensive, Trade-Exposed Rider Surcharge Rate, Rate Schedule 13.09.  
Docket No. E017/M-20-  
Initial Filing**

Dear Mr. Seuffert:

Otter Tail Power Company (Otter Tail) hereby submits its Petition to the Minnesota Public Utilities Commission (Commission) for approval of its Energy-Intensive, Trade-Exposed Rider Surcharge Rate under Otter Tail's Rate Schedule 13.09.

This Petition contains information that is protected by the Minnesota Data Practices Act. That information has economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by other persons and is subject to efforts by Otter Tail to protect the information from public disclosure. Otter Tail maintains this information as a trade secret based on its economic value from not being generally known and not being readily ascertainable by proper means by other persons who can obtain economic value from its disclosure or use. For this reason, Otter Tail asks that the data be treated as non-public data pursuant to Minn. Stat. § 13.37, subd. 1(b). The enclosed are marked as **NOT PUBLIC DOCUMENT – NOT FOR PUBLIC DISCLOSURE** and **PUBLIC – NOT PUBLIC (OR PRIVILEGED) DATA HAS BEEN EXCISED**. The information designated as non-public herein concerns energy usage of specific customers. Docket No. E,G999/CI-12-1344 addresses the confidential, non-public nature of this data.

Otter Tail has electronically filed this document with the Commission which, in compliance with Minn. Rule 7829.1300, Subp. 2, also constitutes service on the Department of Commerce, Division of Energy Resources and the Office of Attorney General-Antitrust & 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.

Mr. Seuffert  
March 2, 2020  
Page 2

If you have any questions regarding this filing, please contact me at 218-739-8819 or at [dmandelke@otpc.com](mailto:dmandelke@otpc.com).

Sincerely,

*/s/ DARLENE C. MANDELKE*  
Darlene C. Mandelke, Rates Analyst  
Regulatory Administration

cjh  
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 Petition for Approval of the  
Annual Update to its Energy-Intensive,  
Trade-Exposed Rider Surcharge Rate,  
Rate Schedule 13.09**

**Docket No. E017/M-20-**

**SUMMARY OF FILING**

On March 2, 2020, Otter Tail Power Company (Otter Tail or Company) filed a petition with the Minnesota Public Utilities Commission for approval of its annual update to the Energy-Intensive, Trade-Exposed (EITE) Rider Surcharge Rate under Otter Tail's Rate Schedule 13.09.

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

**In the Matter of Otter Tail Power  
Company's Petition for Approval of the  
Annual Update to its Energy-Intensive,  
Trade-Exposed Rider Surcharge Rate,  
Rate Schedule 13.09**

**Docket No. E017/M-20-  
  
PETITION OF OTTER TAIL POWER  
COMPANY**

**I. INTRODUCTION**

Otter Tail Power Company (Otter Tail or Company) submits this Petition to the Minnesota Public Utilities Commission (Commission) under Minn. Stat. § 216B.1696 (EITE Statute) for approval of its annual update (Update) to its Energy-Intensive, Trade-Exposed (EITE) Rider (EITE Rider) Surcharge Rate under Otter Tail's Rate Schedule 13.09.

This filing is Otter Tail's second update to the EITE Surcharge Rate and reflects the EITE Rider revenue requirements for the next proposed recovery period, October 1, 2020 through November 30, 2021. The update includes the tracker balance estimated for the end of the current recovery period to minimize the over-or-under-recovery of the EITE Rider costs. The proposed effective date of the updated EITE Surcharge Rate is October 1, 2020.

The revenue requirement for the recovery period upon which the rate was developed is \$997,506 which includes the tracker balance at the end of September 2020 of (\$102,913). This update results in a change to the EITE Surcharge Rate from \$0.00038 per kWh currently in effect to \$0.00034 for the recovery period beginning October 1, 2020. For a residential customer using 1,000 kWh per month, the bill impact is a decrease of \$0.04 per month which is \$0.48 annually.

Also, included in this filing is a report of sales to and revenue from Otter Tail's EITE-customers. This information is provided in Attachments 4 through 6.

## **II. SUMMARY OF FILING**

Pursuant to Minn. Rules 7829.1300, Subp. 1, a one-paragraph summary of the filing accompanies this Petition.

## **III. GENERAL FILING INFORMATION**

Pursuant to Minn. Rules 7829.1300, Subp. 3, the following information is provided.

### **A. Name, address, and telephone number of utility**

(Minn. Rules 7829.1300, Subp. 3(A))

Otter Tail Power Company  
215 South Cascade Street  
Fergus Falls, Minnesota 56538-0496  
(218) 739-8200

### **B. Name, address, and telephone number of utility attorney**

(Minn. Rules 7829.1300, Subp. 3(B))

Cary Stephenson  
Associate General Counsel  
Otter Tail Power Company  
215 South Cascade Street  
Fergus Falls, Minnesota 56538-0496  
(218) 739-8956

### **C. Date of filing and proposed effective date of rates**

(Minn. Rules 7829.1300, Subp. 3(C))

The date of this filing is March 2, 2020. Otter Tail requests that the proposed EITE Surcharge Rate become effective October 1, 2020, or on the first day of the month following Commission approval, should its decision be thereafter.

### **D. Statutes controlling schedule for processing the filing**

(Minn. Rules 7829.1300, Subp. 3(D))

Minn. Stat. § 216B.16 permits a utility to implement a proposed rate change after giving the Commission a 60-day notice. This filing is a “miscellaneous tariff filing” as defined by the Commission’s rules at Minn. Rules 7829.0100, Subp. 11. No determination of Otter Tail’s overall revenue requirement is necessary (or required under the Statute). Minn. Rules

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**

(Minn. Rules 7829.1300, Subp. 3(E))

Darlene Mandelke  
Rates Analyst, Regulatory Administration  
Otter Tail Power Company  
215 South Cascade Street  
Fergus Falls, Minnesota 56538-0496  
(218) 739-8819

**F. Impact on rates**

(Minn. Rules 7829.1300, Subp 4(F))

The EITE Rider has no effect on Otter Tail’s base rates. The additional information required under this Rule is included throughout the Petition.

**G. Service List**

(Minn. Rules 7829.0700)

Otter Tail requests that the following persons be placed on the Commission’s official service list for this matter and that any trade secret comments, requests, or information be provided to the following on behalf of Otter Tail:

Darlene Mandelke  
Rates Analyst  
Regulatory Administration  
Otter Tail Power Company  
215 South Cascade Street  
Fergus Falls, MN 56538-0496  
(218) 739-8819  
dmandelke@otpc.com

Cary Stephenson  
Associate General Counsel  
Otter Tail Power Company  
215 South Cascade Street  
Fergus Falls, MN 56538-0496  
(218) 739-8956  
cstephenson@otpc.com

**H. Service on other parties**

(Minn. Rules 7829.1300, Subp. 2; Minn. Rules 7829.0600)

Pursuant to Minn. Rule 7829.1300, Subp. 2, Otter Tail served a copy of this Petition on the Office of Energy Security of the Department of Commerce and the Antitrust & Utilities

Division of the Office of the Attorney General. A summary of the filing prepared in accordance with Minn. Rule 7829.1300, Subp. 1 was served on all parties on Otter Tail's general service list.

## **IV. DESCRIPTION AND PURPOSE OF FILING**

### **A. Background**

Otter Tail's EITE Rider was established in Docket No. E017/M-17-257. The Commission approved the EITE discount for three EITE customers<sup>1</sup> in its November 17, 2017 Order in that proceeding. The discount for the three EITE customers commenced on December 1, 2017. The Commission approved Otter Tail's cost-recovery proposal, including its proposal to refund any increased revenues resulting from the EITE discount to EITE-paying customers in its May 29, 2018 Order. The first EITE Surcharge Rate went into effect June 1, 2018. Otter Tail's first annual update to the EITE Surcharge Rate was approved by the Commission June 13, 2019 Order in Docket No. E017/M-19-199<sup>2</sup> and went into effect on October 1, 2019.

### **B. EITE Tracker**

The EITE Tracker includes the following attachments:

#### **1. Summary of Revenue Requirements**

Attachment 1 is a summary of the proposed \$997,506 revenue requirement calculated for the October 1, 2020 through November 30, 2021 recovery period including the revenue requirement for the proposed recovery period of \$1,106,466, carrying charge of (\$6,047) and the projected over-recovery of the current period of (\$102,913). The EITE Surcharge Rate for this update is \$0.00034 per kWh, a decrease of \$0.00004 per kWh from the current rate of \$0.00038 per kWh.

#### **2. Tracker Balance**

Otter Tail maintains a tracker account worksheet and accounting system to track and account for the revenue requirement and amount billed to eligible customers. When submitting annual filings, the tracker account is updated so that any over/under recovered amount at the end of the previous year is reflected in the EITE Rider adjustment for the upcoming year. This

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<sup>1</sup> Cass Forest Products, Norbord, Inc., and Potlatch Corporation

<sup>2</sup> Minnesota Public Utilities Commission Order dated June 13, 2019 In the Matter of Otter Tail Power Company's Petition for Approval of the Annual Update to its Energy-Intensive, Trade-Exposed Rider Surcharge Rate.

approach helps mitigate under/over recovery. The tracker summary balance is included in Attachment 2.

If the effective date of the updated EITE Surcharge Rate is more than 45 days later than October 1, 2020, Otter Tail respectfully requests the option to recalculate the rates in order to implement rates that recover the total revenue requirements for the recovery period. The tracker balance does not zero out at the end of the recovery cycle because a portion of the November 2021 month usage will be billed in the December 2021 month due to Otter Tail's billing process.

### **3. Rate Design**

Otter Tail uses the per kWh rate design approved in the previous Order. The rate design is shown in Attachment 3 and is equal to the total revenue requirement divided by projected kWh sales for the recovery period, not including Low Income Home Energy Assistance Program (LIHEAP) nor the EITE customers. The proposed rate of \$0.00034 per kWh is based on the assumption that the surcharge rate will be in effect beginning October 1, 2020.

### **4. Revenue Requirements, Rate Application and Impact**

Otter Tail proposes that the EITE Surcharge Rate continue to be applicable to electric service under Otter Tail's retail rate schedules as defined in Rate Schedule 13.09. The charge will continue to be included as part of the Resource Adjustment line on customers' bills.

The total revenue requirement for the proposed recovery period, as shown on line 6 in Attachment 1, is \$997,506.

### **5. Report of Sales To and Revenue From EITE Customers**

As required by the Commission's Order point 6<sup>3</sup>, Otter Tail provides the 2019 annual sales to (Line No. 1) and revenue from (Line No. 2) EITE customers in Attachment 4. Column A provides the actual 2019 sales to and revenue from and Column B provides the approved baseline kWh sales to the EITE customers. Line No. 3 provides the EITE customer average cost per kWh for 2019. Line No. 5 provides the difference of 2019 weather normalized kWh sales, as derived in Attachment 6, compared to the approved baseline. Line No. 6, provides an estimate of the total weather normalized revenue from the EITE customers compared to the approved baseline.

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<sup>3</sup> Minnesota Public Utilities Commission Order dated May 29, 2018 In the Matter of Otter Tail Power Company's Petition for Approval of an Energy-Intensive Trade-Exposed Rate.



Attachment 6, Lines 3, 7, 11 and 15 provide the 2019 weather normalization factor<sup>4</sup> for the EITE customers. Applying the weather normalization factor for 2019 results in slightly lower energy usage as a result of production operations of the plant. The revenue margin (Attachment 4, Line No. 8)<sup>5</sup> is used to compute the approximate total additional weather normalized marginal revenue above the approved baseline (Attachment 4, Line No. 9) of about \$22,000 for 2019. The total projected due back to EITE surcharge rate paying customers including carrying charges is approximately \$119,000. In accordance with Order Point 5, Otter Tail will refund any increased EITE-customer revenues from increased operations to EITE-paying customers after the four-year discount term.

### **C. Customer notification and billing**

Attachment 7 is the proposed notice to customers that will be included with customer bills in the month that the new EITE Surcharge Rate is implemented.

## **V. ENERGY-INTENSIVE, TRADE-EXPOSED RIDER RATE SCHEDULE**

Otter Tail's updated rate schedule Section 13.09 is provided in Attachment 8 to this Petition in both redline and clean versions. Otter Tail proposes a few minor editing recommendations with the intent of improving clarity of understanding within the schedule. These edits are included in both the redline and clean versions for consideration.

## **VI. CONCLUSION**

For the reasons set forth in this Petition, Otter Tail requests Commission approval of the updated revenue requirement included in this filing and to implement the associated updated EITE Surcharge Rate, Section 13.09, effective for usage on and after October 1, 2020.

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<sup>4</sup> Otter Tail's weather normalization process utilizes the current year plus the prior 20 years of Otter Tail hourly weather data, monthly revenue, and monthly kWh data. A statistical regression procedure is used to determine weather normalization models for each of 40 different rate groups within the Minnesota jurisdiction. The EITE customers are part of rate groups 31 (changed from 41 in February 2019), 42, and 43.

<sup>5</sup> Attachment 5 provides the Lost Margin calculation. This calculation was provided as Attachment 7 to Otter Tail's Initial Filing in Docket No. E-017/ M-17-257 updated to reflect 2019 data where appropriate.

Dated: March 2, 2020

Respectfully Submitted,

OTTER TAIL POWER COMPANY

By: /s/ DARLENE C. MANDELKE

Darlene C. Mandelke

Rates Analyst, Regulatory Administration

Otter Tail Power Company

215 S. Cascade Street

Fergus Falls, MN 56537

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OTTER TAIL POWER COMPANY  
EITE FILING ATTACHMENTS

Attachment 1	Summary of Revenue Requirements
Attachment 2	EITE Tracker Summary
Attachment 3	Rate Design
Attachment 4	2019 Annual Sales To and Revenue From EITE Customers - Summary
Attachment 5	Calculation of Marginal Revenue Percent
Attachment 6	2019 Annual Sales To and Revenue From EITE Customers - Detail
Attachment 7	Notice to Customers
Attachment 8	Energy-Intensive, Trade-Exposed Rider, Electric Rate Schedule 13.09

Summary of Revenue Requirements  
2020 Annual Filing

Line No.	Revenue Requirements	
1	Revenue Requirement (Oct 2020 - Nov 2021)	\$1,106,466
2		
3	Carrying (Credit)/Charge	(6,047)
4	True-Up	(102,913)
5		
6	Net Revenue Requirement	<u>\$997,506</u>

Line No.	2020										Collection Period	2021										Collection Period							
	January Actual	February Forecast	March Forecast	April Forecast	May Forecast	June Forecast	July Forecast	August Forecast	September Forecast	October Forecast		November Forecast	December Forecast	YE Forecast	January Forecast	February Forecast	March Forecast	April Forecast	May Forecast	June Forecast	July Forecast		August Forecast	September Forecast	October Forecast	November Forecast			
1	86,568	94,024	83,175	82,217	80,423	80,954	73,824	74,698	74,236	954,763	0	954,763	79,260	71,554	70,639	0	951,564	85,687	94,578	83,713	82,728	80,888	81,463	74,296	75,170	74,626	79,724	72,140	1,106,466
2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	86,568	94,024	83,175	82,217	80,423	80,954	73,824	74,698	74,236	954,763	0	954,763	79,260	71,554	70,639	0	951,564	85,687	94,578	83,713	82,728	80,888	81,463	74,296	75,170	74,626	79,724	72,140	1,106,466
6	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7	99,421	97,246	94,250	89,050	82,374	77,899	78,816	82,343	82,434	1,047,699	-1,047,699	0	73,385	66,024	74,748	0	997,989	81,248	84,504	81,843	77,425	70,777	65,681	65,107	65,953	65,522	63,525	69,111	1,004,851
8	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9	(12,852)	(3,222)	(11,075)	(6,834)	(1,951)	3,055	(4,991)	(7,645)	(8,206)	(92,526)	0	(92,526)	5,876	5,531	(4,109)	(46,425)	4,438	10,074	1,670	5,302	10,111	15,782	9,188	9,217	9,104	16,200	3,029	101,615	
10	(252)	(364)	(386)	(458)	(519)	(503)	(538)	(589)	(644)	(681)	0	(681)	(644)	(611)	(590)	(5,977)	(610)	(586)	(526)	(518)	(488)	(428)	(332)	(276)	(220)	(165)	(64)	(46)	
11	(58,182)	(61,768)	(73,230)	(80,521)	(82,976)	(80,440)	(85,934)	(84,117)	(102,913)	(1,464)	0	(1,464)	(67,681)	(92,762)	(97,451)	(93,622)	(84,133)	(82,789)	(78,005)	(68,381)	(53,027)	(44,169)	(35,229)	(28,345)	(10,310)	(7,345)	0	0	
12	(364)	(386)	(458)	(504)	(519)	(503)	(538)	(589)	(644)	0	0	0	(611)	(590)	(610)	(586)	(526)	(518)	(488)	(428)	(332)	(276)	(220)	(165)	(64)	(46)	0	0	
13	34,968	34,582	34,124	33,620	33,101	32,598	32,060	31,472	30,828	30,217	0	30,217	29,637	29,027	28,441	28,441	27,915	27,397	26,909	26,482	26,150	25,874	25,653	25,489	25,424	25,378	25,378	25,378	
14	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	
15	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	
16	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	
17	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	0.63%	
18	258,659,089	252,756,528	241,654,651	223,764,436	206,626,355	203,387,146	214,878,963	220,664,905	212,009,465	2,652,588,710	0	2,652,588,710	183,952,609	214,125,504	233,010,944	2,685,490,593	252,851,927	246,132,103	236,386,127	217,949,488	196,252,640	191,748,609	194,548,523	196,585,304	189,989,024	185,168,291	215,566,363	2,954,267,456	

Approved by MN PUC June 13, 2019 E-017M-19-199

SUMMARY	October 2019 - September 2020
Revenue requirements	\$968,108
Carrying Charge	47
True-up	8,465
Total requirements	\$1,006,621
October 2019 - September 2020 projected kWh sales	2,653,993,165
Rate per kWh	0.00038

SUMMARY	October 2020 - November 2021
Revenue requirements	\$1,106,466
Carrying Charge	(6,047)
True-up	(102,913)
Total requirements	\$997,506
October 2020 - November 2021 kWh	2,954,267,456
Rate per kWh	0.00034

Rate Design

Minnesota Revenue Requirements

\$997,506

Line No.	Rate per kWh	
1		
2	Forecasted Retail Sales, all classes (Oct 2020 - Nov 2021)	2,954,267,456
3		
4	14 Month Revenue Requirement	\$997,506
5		
6	Rate per kWh	0.00034
7		

Otter Tail Power Company  
 2019 Annual Sales To and Revenue From EITE Customers - Summary

Line No.	EITE	(A) 2019 Total	(B) Approved Baseline	
1	kWh Sales To	66,845,551	65,940,000	Attachment 9, Columns M & N, Line 17
2	Revenue From	\$ 4,843,069		Attachment 9, Columns M & N, Line 18
3	Average Cost per kWh	0.07245		A2 / A1
4	Weather Normalized kWh Sales To	66,517,276		Attachment 9, Column M, Line 19
5	Over/(Under) Baseline	\$ 577,276		B1 - A4
6	Total Revenue Over/(Under) Baseline	\$ 41,825		A3 * A5
7	Fixed Cost	47%		
8	Revenue Margin	53%		Attachment 7, Column J, Line 6
9	Total Current Year Additional Revenue Margin	\$ 22,258.83		A6 * A8
10	Prior Years Additional Revenue Margin	\$ 85,592.86		
11	Total Additional Revenue Margin	\$ 107,851.69		
12	Cummulative Carrying Charge/Credit	\$ 11,519.41		
13	Total Projected Due Back to EITE Surcharge Rate Paying Customers	\$ 119,371.09		

2019 Data											
Line No.	A	B	C	D	E	F	G	H	I	J	
		Cents <sup>1</sup> Effective \$/kWh ( F / E ) [PROTECTED DATA BEGINS...]		kW	Load Factor	kWh	Revenue	Fixed Costs ( D * Fixed Costs )	Cost of Energy ( E * Cost of Energy )	Total Avoided Costs ( G + H )	Lost Margin ( F - I )
1	<b>EITE Customers</b>										
1	Potlatch Corporation										
2	Norbord										
3	Cass Forest Products Inc.										
4	Cass Forest Products										
5				EITE Customer Total							
6	<b>Components</b>										...PROTECTED DATA ENDS]
7	Cost of Energy <sup>2</sup>	2.4652	cents/kWh							Marginal Revenue Percent	53.22% [J4/F4]
8	Fixed Costs <sup>3</sup>	[PROTECTED DATA BEGINS...]	\$								per kW ...PROTECTED DATA ENDS]

<sup>1</sup> Based on Total Bill divided by kWh

<sup>2</sup> Base Cost of Energy rate from Otter Tail's Base Cost of Energy approved in the last rate case, Docket No. E017/MR-15-1033.

<sup>3</sup> Represents the average fixed costs per kW for the three customers eligible for the EITE discount.



Otter Tail Power Company 2019 Annual Sales To and Revenue From EITE Customers - Detail																
Line No.		(A) 2019 January	(B) 2019 February	(C) 2019 March	(D) 2019 April	(E) 2019 May	(F) 2019 June	(G) 2019 July	(H) 2019 August	(I) 2019 September	(J) 2019 October	(K) 2019 November	(L) 2019 December	(M) 2019 Total	(N) Approved Baseline	(O) 2019 Baseline Variance
1	Norbord kWh Sales	[PROTECTED DATA BEGINS...														
2	Revenue															
3	Percent above/(below) normal degree days															
4	Weather normalized kWh - rate group 42															
5	Potlatch kWh Sales															
6	Revenue															
7	Percent above/(below) normal degree days															
8	Weather normalized kWh - rate group 43															
9	Cass Forest Products Inc. kWh Sales															
10	Revenue															
11	Percent above/(below) normal degree days															
12	Weather normalized kWh - rate group 41															
13	Cass Forest Products kWh Sales															
14	Revenue															
15	Percent above/(below) normal degree days															
16	Weather normalized kWh - rate group 43															
															...PROTECTED DATA ENDS!	
17	kWh Sales To	5,753,472	6,083,796	5,439,166	5,806,748	5,622,927	5,728,643	5,368,398	5,615,022	5,601,069	5,502,124	4,927,763	5,396,423	66,845,551	65,940,000	905,551
18	Revenue From	454,906	477,638	422,091	417,255	407,144	409,460	374,621	379,205	377,484	403,021	361,919	358,324	4,843,069	4,641,500	201,569
19	Total weather normalizwed kWh	5,671,527	5,910,948	5,346,568	5,796,109	5,611,010	5,709,423	5,418,609	5,728,814	5,581,731	5,457,970	4,881,079	5,403,487	66,517,276	65,940,000	577,276

**Otter Tail Power Company  
Energy-Intensive, Trade-Exposed Rider**

On Month xx, 2020, the Minnesota Public Utilities Commission approved our request to decrease our Energy-Intensive Trade-Exposed (EITE) Surcharge Rate.

The approved rate of \$0.00034 per kWh will become effective October 1, 2020, for all classes of customers subject to the charge.

The EITE rider recovers costs associated with the State of Minnesota's energy policy to ensure competitive electric rates for EITE customers.

For more information, contact Customer Service at 800-257-4044 or visit our website at [otpc.com/eite](http://otpc.com/eite).

## **Attachment 8**

### **EITE Rider, Tariff 13.09 Redline and Clean**



Fergus Falls, Minnesota

**ENERGY-INTENSIVE, TRADE-EXPOSED (EITE) RIDER**

DESCRIPTION	RATE CODE
EITE Surcharge	MEITE
EITE Exemption Adjustment	MEITA

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

**APPLICATION OF RIDER:** This rider is applicable to any electric service under all of the Company's retail rate schedules pursuant to Minn. Stat. 216B.1696 Competitive Rate for Energy-Intensive, Trade-Exposed Electric Utility Customer, except for those Customers with Low-Income Home Energy Assistance Program (LIHEAP) designation in the Company's billing system at the time of billing, as defined in Minn. Stat. 216B.16, Subd. 15, and the EITE Customers pursuant to Minn. Stat. 216B.1696, Subd.2(d). The exemptions are as follows:

EITE and LIHEAP Customers will be exempted from the Company's EITE charges (EITE Surcharge) pursuant to Minn. Stat. 216B.1696, Subd. 2(d) Competitive Rate for Energy-Intensive, Trade-Exposed Electric Utility Customer. LIHEAP Customer designations will be reset each September 1. Residential Customers must annually reapply for such designation and be granted assistance from a LIHEAP to continue to be exempt from the EITE Surcharge.

**EITE SURCHARGE AND EXEMPTION ADJUSTMENT:** There shall be added to each non-exempt Customer's bill an EITE Surcharge, which shall be the EITE Surcharge Rate multiplied by the Customer's billing kWh for electric service. The EITE Surcharge will be included in the Resource Adjustment line item on the Customer's bill.

The EITE Surcharge shall not be applied to Customer Account(s) granted exemption by the Commission from EITE costs pursuant to Minn. Stat. 216B.1696, Subd. 2(d).

The EITE Surcharge Rate is \$~~0.000380~~0.00034 per kWh.

**R**

**DETERMINATION OF EITE SURCHARGE RATE:** The EITE Surcharge Rate shall be the forecasted Recoverable EITE Tracker Balance divided by projected Minnesota non-exempt retail kWh sales for a designated 12-month recovery period. The EITE Surcharge Rate shall be rounded to the nearest \$0.00001. The EITE Surcharge Rate may be adjusted annually by approval of the Minnesota Public Utilities Commission (Commission). The Recoverable EITE Tracker Balance is determined as described below, starting with the Commission-accepted EITE Tracker account balance as of the end of the prior year.



Fergus Falls, Minnesota

**ENERGY-INTENSIVE, TRADE-EXPOSED (EITE) RIDER**

DESCRIPTION	RATE CODE
EITE Surcharge	MEITE
EITE Exemption Adjustment	MEITA

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

**APPLICATION OF RIDER:** This rider is applicable to any electric service under all of the Company's retail rate schedules pursuant to Minn. Stat. 216B.1696 Competitive Rate for Energy-Intensive, Trade-Exposed Electric Utility Customer, except for those Customers with Low-Income Home Energy Assistance Program (LIHEAP) designation in the Company's billing system at the time of billing, as defined in Minn. Stat. 216B.16, Subd. 15, and the EITE Customers pursuant to Minn. Stat. 216B.1696, Subd.2(d). The exemptions are as follows:

EITE and LIHEAP Customers will be exempted from the Company's EITE charges (EITE Surcharge) pursuant to Minn. Stat. 216B.1696, Subd. 2(d) Competitive Rate for Energy-Intensive, Trade-Exposed Electric Utility Customer. LIHEAP Customer designations will be reset each September 1. Residential Customers must annually reapply for such designation and be granted assistance from a LIHEAP to continue to be exempt from the EITE Surcharge.

**EITE SURCHARGE AND EXEMPTION ADJUSTMENT:** There shall be added to each non-exempt Customer's bill an EITE Surcharge, which shall be the EITE Surcharge Rate multiplied by the Customer's billing kWh for electric service. The EITE Surcharge will be included in the Resource Adjustment line item on the Customer's bill.

The EITE Surcharge shall not be applied to Customer Account(s) granted exemption by the Commission from EITE costs pursuant to Minn. Stat. 216B.1696, Subd. 2(d).

The EITE Surcharge Rate is \$0.00034 per kWh.

**R**

**DETERMINATION OF EITE SURCHARGE RATE:** The EITE Surcharge Rate shall be the forecasted Recoverable EITE Tracker Balance divided by projected Minnesota non-exempt retail kWh sales for a designated 12-month recovery period. The EITE Surcharge Rate shall be rounded to the nearest \$0.00001. The EITE Surcharge Rate may be adjusted annually by approval of the Minnesota Public Utilities Commission (Commission). The Recoverable EITE Tracker Balance is determined as described below, starting with the Commission-accepted EITE Tracker account balance as of the end of the prior year.

## **CERTIFICATE OF SERVICE**

**RE: In the Matter of Otter Tail Power Company's Petition for Approval of the Annual Update to its Energy-Intensive, Trade-Exposed Rider Surcharge Rate, Rate Schedule 13.09  
Docket No. E017/M-20-**

I, Carly Haiby, hereby certify that I have this day served a copy of the following, or a summary thereof, on Will Seuffert 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 2<sup>nd</sup> day of **March, 2020**.

/s/ CARLY HAIBY  
Carly Haiby  
Regulatory Filing Coordinator  
Otter Tail Power Company  
215 South Cascade Street  
Fergus Falls MN 56537  
(218) 739-8472

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_Otter Tail Power Company_2020 EITE
Ray	Choquette	rchoquette@agp.com	Ag Processing Inc.	12700 West Dodge Road PO Box 2047 Omaha, NE 68103-2047	Electronic Service	No	GEN_SL_Otter Tail Power Company_Otter Tail Power Company_2020 EITE
Generic Notice	Commerce Attorneys	commerce.attorneys@ag.state.mn.us	Office of the Attorney General-DOC	445 Minnesota Street Suite 1400  St. Paul, MN 55101	Electronic Service	No	GEN_SL_Otter Tail Power Company_Otter Tail Power Company_2020 EITE
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_Otter Tail Power Company_2020 EITE
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 280  Saint Paul, MN 551012198	Electronic Service	No	GEN_SL_Otter Tail Power Company_Otter Tail Power Company_2020 EITE
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_Otter Tail Power Company_2020 EITE
Douglas	Larson	dlarson@dakotaelectric.com	Dakota Electric Association	4300 220th St W  Farmington, MN 55024	Electronic Service	No	GEN_SL_Otter Tail Power Company_Otter Tail Power Company_2020 EITE
James D.	Larson	james.larson@avantenergy.com	Avant Energy Services	220 S 6th St Ste 1300  Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Otter Tail Power Company_Otter Tail Power Company_2020 EITE
Kavita	Maini	kmains@wi.rr.com	KM Energy Consulting, LLC	961 N Lost Woods Rd  Oconomowoc, WI 53066	Electronic Service	No	GEN_SL_Otter Tail Power Company_Otter Tail Power Company_2020 EITE
Andrew	Moratzka	andrew.moratzka@stoel.com	Stoel Rives LLP	33 South Sixth St Ste 4200  Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Otter Tail Power Company_Otter Tail Power Company_2020 EITE

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Generic Notice	Residential Utilities Division	residential.utilities@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012131	Electronic Service	No	GEN_SL_Otter Tail Power Company_Otter Tail Power Company_2020 EITE
Larry L.	Schedin	Larry@LLSResources.com	LLS Resources, LLC	332 Minnesota St, Ste W1390  St. Paul, MN 55101	Electronic Service	No	GEN_SL_Otter Tail Power Company_Otter Tail Power Company_2020 EITE
Will	Seuffert	Will.Seuffert@state.mn.us	Public Utilities Commission	121 7th Pl E Ste 350  Saint Paul, MN 55101	Electronic Service	No	GEN_SL_Otter Tail Power Company_Otter Tail Power Company_2020 EITE
Cary	Stephenson	cStephenson@otpc.com	Otter Tail Power Company	215 South Cascade Street  Fergus Falls, MN 56537	Electronic Service	No	GEN_SL_Otter Tail Power Company_Otter Tail Power Company_2020 EITE
Stuart	Tommerdahl	stommerdahl@otpc.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_Otter Tail Power Company_2020 EITE