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May 26, 2023

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

**RE: In the Matter of Otter Tail Power Company's Petition for Approval of the
Annual Rate Update to its Transmission Cost Recovery Rider Annual
Adjustment, Rate Schedule 13.05
Docket No. E017/M-23-152
Supplemental Filing**

Dear Mr. Seuffert:

Otter Tail Power Company (Otter Tail or the Company) submits to the Minnesota Public Utilities Commission this supplemental filing to request changes to its initial petition for the Transmission Cost Recovery Rider Docket No. E017/M-23-152. Otter Tail provides updates to Attachments 1-4 as errors were identified in the 2023 MISO Schedule 26A Expense, Schedule 26 Revenue, and Schedule 26A Revenue resulting in the net revenue requirement decreasing by \$897,000. This change in revenue requirement is reflected in the true-up, line 15 of Attachment 2. The rate for a Large General Service is revised to \$0.151/kW and residential customers are revised to 0.044 ¢/kWh. Otter Tail also includes as Attachment A to this filing its revised Rider Customer Notice with updated rates to reflect this change and as Attachment B to this filing, a clean version of its Tariff Sheet-Section 13.05, Transmission Cost Recovery Rider, Page 1 of 2; to reflect the updated rates effective January 1, 2024.

This Customer Notice will be included in January 2024 customer statements and the Tariff Schedule 13.05 rates will be effective for usage on and after January 1, 2023.

A Certificate of Service is also enclosed. Otter Tail has served a copy of this filing on all parties listed on the enclosed Service List. If you have any questions, please contact me at (218) 739-8042 or pfoster@otpc.com.

Sincerely,

/s/ PAULA FOSTER
Paula Foster
Supervisor, Regulatory Analysis
Regulatory Administration

vjm
Enclosures
By electronic filing
c: Service List

An Equal Opportunity Employer

Projected Revenue for January 2024 through December 2024 Recovery Period

Line No.	Class	Units	Rate per Unit	Amount
1	Large General Service	(a) 2,742,725 kW	\$0.151	\$414,835
2				
3	Controlled Service	(b) 150,266,943 kWh	0.008¢	\$11,588
4				
5	Lighting	(c) 6,798,005 kWh	0.047¢	\$3,197
6				
7	All other service	840,619,754 kWh	0.044¢	\$369,524
8				
9	Total revenue			\$799,143

- (a) Rate Schedules 10.04 Large General Service, 10.05 Large General Service - Time of Day, 14.02 Real Time Pricing Rider and 14.03 Large General Service Rider
- (b) Rate Schedules 14.01 Water Heating, 14.04 Interruptible Load (CT Metering), 14.05 Interruptible Load (Self-Contained Metering), 14.06 Deferred Load, 14.07 Fixed Time of Service and 14.12 Off-Peak Electric Vehicle Rider
- (c) Rate Schedules 11.03 Outdoor Lighting (energy only), 11.04 Outdoor Lighting and 11.07 LED Street and Area Lighting Dusk to Dawn

Summary of Revenue Requirements

Line No.	Revenue Requirements	January - December 2024
1	Erie Substation	299,613
2	Hoot Lake Transformer	57,714
3	Oslo Lake Ardoch	75,795
4	Winger Transformer	212,253
5		
6	Schedule 26 Expense	5,622,295
7	Schedule 26A Expense	4,435,693
8		
9	Schedule 26 Revenue	(6,893,237)
10	Schedule 37 & 38 Revenue	(147,703)
11	Schedule 26A Revenue	(1,490,881)
12	MVP ARR Revenue	(25,757)
13		
14	Carrying Cost	0
15	True-Up	(1,346,642)
16		
17	Net Revenue Requirement	<u>\$799,143</u>

Class Allocation and Current Rate Design

Line No.		January - December 2024
1	Total Minnesota Revenue Requirements	\$799,143
2		
3	Large General Service 51.91%	\$414,835
4	Controlled Service 1.45%	\$11,588
5	Lighting 0.40%	\$3,197
6	All Other Service 46.24%	\$369,524
7		
8	Total	\$799,143
9		
10		
11	Large General Service kW	2,742,725
12		
13	Controlled Service kWh	150,266,943
14	Lighting kWh	6,798,005
15	All Other Service kWh	840,619,754
16		
17		
18	Large General Service \$ / kW	0.151
19		
20	Controlled Service cents / kWh	0.008
21	Lighting cents / kWh	0.047
22	All Other Service cents / kWh	0.044

* Jurisdictional transmission allocation factor (D2 = 49.814%) is from Otter Tail's most recent general rate case in Minnesota (E017-GR-20-719).

Percent of Revenue Rate Design per Order Item 6 in Docket No. E017/M-10-1061							
15	Forecasted Minnesota Retail Revenues (January 2024 - December 2024)	\$	145,972,288	\$	145,972,288		
16	Revenue Requirement		\$799,143		\$799,143		
17	Percent of revenue rate for MN TCRR		0.547%		0.547%		
	A	B	C	D	E	F	G
	Forecast Base Revenue January 2024-December 2024	# of Customers	Average Base Revenue per Customer per Month (Column A / Column B / 18)	Average TCR Revenue per Customer Per Month from % Base Revenue (1)	Avg kW per month	Avg kWh per month	Average TCR Revenue per Customer Per Month per Current Rate Design (2)
18	Large General Service	\$72,177,209	471	\$12,770	\$69.91	485	\$73.36
19	Controlled Service	\$6,201,494	14,489	\$36	\$0.20	864	\$0.07
20	Lighting	\$1,357,594	635	\$178	\$0.98	892	\$0.42
21	All Other Service	\$66,235,991	62,921	\$88	\$0.48	1,113	\$0.49
22	Total	\$145,972,288					
(1) Percent of Revenue Rate of 0.547% X Average Monthly Customer Bill in Column C (2) Corresponding Proposed rate from Current Rate Design X average kW (Column E) or average kWh (Column F)							

		July 2022 - Dec 2023
SUMMARY E017/M-21-811		
Revenue requirements		\$3,493,183
Carrying Charge		6,715
True-up		<u>3,672,593</u>
Total requirements		<u>\$7,172,491</u>
Jan 2023 - Dec 2023 projected sales		4,020,380
Average Rate		<u>\$0.00178</u>

[illegible]

Line No	TRACKER SUMMARY Requirements Compared to Billed:	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024
		January Projected	February Projected	March Projected	April Projected	May Projected	June Projected	July Projected	August Projected	September Projected	October Projected	November Projected	December Projected	YE Projected
1	Revenue Requirements													
2	Erie Substation	24,968	24,968	24,968	24,968	24,968	24,968	24,968	24,968	24,968	24,968	24,968	24,968	299,613
3	Hoot Lake Transformer	4,810	4,810	4,810	4,810	4,810	4,810	4,810	4,810	4,810	4,810	4,810	4,810	57,714
4	Oslo Lake Ardoch	5,812	5,852	5,892	5,931	6,015	6,095	6,214	6,413	6,572	6,841	7,040	7,119	75,795
5	Winger Transformer	17,688	17,688	17,688	17,688	17,688	17,688	17,688	17,688	17,688	17,688	17,688	17,688	212,253
6	Total Revenue Requirements	53,277	53,317	53,357	53,396	53,480	53,560	53,679	53,878	54,037	54,306	54,505	54,584	645,375
7	Preservation of ADIT Proration													
8														
9	MISO Expenses													
10	MISO Schedule 26 Expense	559,990	543,190	498,391	419,992	369,593	442,392	453,592	453,592	391,993	464,791	464,791	559,990	5,622,295
11	MISO Schedule 26A Expense	444,109	409,124	391,723	350,506	330,112	323,294	347,700	348,683	331,170	350,448	381,462	427,362	4,435,693
12	Total MISO Expenses	1,004,098	952,314	890,113	770,498	699,705	765,686	801,292	802,274	723,163	815,240	846,254	987,352	10,057,988
13														
14	MISO Revenues													
15	MISO Schedule 26 Revenue	(574,436)	(574,436)	(574,436)	(574,436)	(574,436)	(574,436)	(574,436)	(574,436)	(574,436)	(574,436)	(574,436)	(574,436)	(6,893,237)
16	MISO Schedule 37 & 38 Revenue	(12,309)	(12,309)	(12,309)	(12,309)	(12,309)	(12,309)	(12,309)	(12,309)	(12,309)	(12,309)	(12,309)	(12,309)	(147,703)
17	MISO Schedule 26A Revenue	(124,240)	(124,240)	(124,240)	(124,240)	(124,240)	(124,240)	(124,240)	(124,240)	(124,240)	(124,240)	(124,240)	(124,240)	(1,490,881)
18	MISO MVP ARR Revenue	(2,146)	(2,146)	(2,146)	(2,146)	(2,146)	(2,146)	(2,146)	(2,146)	(2,146)	(2,146)	(2,146)	(2,146)	(25,757)
19	Total MISO Revenues	(713,131)	(713,131)	(713,131)	(713,131)	(713,131)	(713,131)	(713,131)	(713,131)	(713,131)	(713,131)	(713,131)	(713,131)	(8,557,578)
20														
21	Net Revenue Requirement	344,244	292,499	230,339	110,763	40,053	106,114	141,839	143,021	64,069	156,414	187,627	328,805	2,145,786
22														
23	Billed (forecast kWh x adj factor)	77,572	71,745	69,511	62,584	60,625	60,286	64,808	64,670	60,624	63,774	67,809	75,136	799,143
24														
25	Monthly Revenue Difference	266,672	220,754	160,828	48,178	(20,572)	45,828	77,031	78,351	3,445	92,640	119,817	253,669	1,346,642
26	Carrying Charge	0	0	0	0	0	0	0	0	0	0	0	0	0
27	Life-to-Date Revenue Requirement (Cumulative Difference)	(1,079,970)	(859,216)	(698,388)	(650,210)	(670,782)	(624,954)	(547,923)	(469,572)	(466,127)	(373,486)	(253,669)	0	0
28														
29	BSAT Portion of Tracker Balance													
30	Monthly Change in BSAT Portion of Tracker ¹													
31	BSAT Portion of Tracker Balance ²													
32	Carrying Charge ³													
33	Cumulative Carrying Charge													
34	Carrying cost ⁴													
35														
36														
37	Forecasted Sales (MWh)	255,609	236,410	229,046	206,224	199,768	198,650	213,551	213,096	199,763	210,142	223,441	247,581	2,633,282
38														
39	BSAT Portion of Tracker Balance (%) ⁵													

¹ Line No. 23 x Line No. 39
² Previous Month Line No. 31 - Current Month Line No. 30
³ Commission's November 10, 2020 Order Point 7 in
Docket No. E017/M-18-748
⁴ November 2020 is 20 / 30 of the Short Term Debt Rate
⁵ Line No. 31 / Line No. 27

SUMMARY		Jan 2024 - Dec 2024
Revenue requirements		\$2,145,786
Carrying Charge (Ended 2/1/14 per Orders)		0
True-up		(1,346,642)
Total requirements		\$799,143
Jan 2024 - Dec 2024 projected sales		2,633,282
Average Rate		\$0.00030

Customer notice

The Minnesota Public Utilities Commission approved an adjustment to our Transmission Cost Recovery Rider, which is part of the Resource Adjustment line on your monthly electric service bill. This rider recovers costs related to transmission projects that help ensure we can continue to provide you with low-cost, reliable service.

This table shows the prior and new rates, beginning January 1, 2024, for all classes of customers. A residential customer who uses 1,000 kWh per month will see a bill decrease of \$1.69.

Class	Prior rate	January 1, 2024, rate
Large General Service	\$0.905 per kW	\$0.151 per kW
Controlled Service	\$0.00050 per kwh	\$0.00008 per kwh
Lighting	\$0.00269 per kwh	\$0.00047 per kwh
All Other Service	\$0.00262 per kwh	\$0.00044 per kwh

For more information contact Customer Service at 800-257-4044 or visit [otpc.com](https://www.otpc.com).

Attachment B
Clean Versions of
Tariff Sheet MN 13.05 – Transmission Cost
Recovery Rider



Fergus Falls, Minnesota

Minnesota Public Utilities Commission
Section 13.05
ELECTRIC RATE SCHEDULE
Transmission Cost Recovery Rider

Page 1 of 2
Eleventh Revision

TRANSMISSION COST RECOVERY RIDER

DESCRIPTION	RATE CODE
Large General Service – Demand charge	MTCRD
Large General Service – Energy charge	MTCRE
Controlled Service	MTCRC
Lighting	MTCRL
All Other Service	MTCRO

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

AVAILABILITY: This rider is available to any electric service under all of the Company's retail rate schedules.

COST RECOVERY FACTOR: There shall be included on each Minnesota Customer's monthly bill a Transmission Cost Recovery charge, which shall be calculated before any applicable municipal payment adjustments and sales taxes as provided in the General Rules and Regulations for the Company's electric service. The following charges are applicable in addition to all charges for service being taken under the Company's standard rate schedules.

RATE:

TRANSMISSION COST RECOVERY			
Energy Charge per kWh:		kWh	kW
Large General Service	(a)	N/A ¢/kWh	\$0.151
Controlled Service	(b)	0.008 ¢/kWh	N/A
Lighting	(c)	0.047 ¢/kWh	N/A
All Other Service		0.044 ¢/kWh	N/A
(a) Rate schedules 10.04 Large General Service, 10.05 Large General Service – Time of Day, 10.06 Super Large General Service, 14.02 Real Time Pricing Rider and 14.03 Large General Service Rider.			
(b) Rate Schedules 14.01 Water Heating, 14.04 Interruptible Load Self-Contained and CT Metering, 14.06 Deferred Load, 14.07 Fixed Time of Service, and 14.12 Off-Peak Electric Vehicle Rider.			
(c) Rate Schedules 11.03 Outdoor Lighting (Energy only), 11.04 Outdoor Lighting and 11.07 LED Street and Area Lighting Dusk to Dawn.			

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CERTIFICATE OF SERVICE

**RE: In the Matter of Otter Tail Power Company's Petition for Approval of the Annual Rate Update to its Transmission Cost Recovery Rider Annual Adjustment, Rate Schedule 13.05
Docket No. E017/M-23-152**

I, Valerie Moxness, 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
Supplemental Filing**

Dated this 26th day of May, 2023.

/s/ Valerie Moxness
Valerie Moxness
Regulatory Filing Coordinator
Otter Tail Power Company
215 South Cascade Street
Fergus Falls MN 56537
(218) 739-8346

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Ray	Choquette	rchoquette@agp.com	Ag Processing Inc.	12700 West Dodge Road PO Box 2047 Omaha, NE 68103-2047	Electronic Service	No	OFF_SL_23-152_M-23-152
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	Yes	OFF_SL_23-152_M-23-152
James C.	Erickson	jericksonkbc@gmail.com	Kelly Bay Consulting	17 Quechee St Superior, WI 54880-4421	Electronic Service	No	OFF_SL_23-152_M-23-152
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 280 Saint Paul, MN 551012198	Electronic Service	No	OFF_SL_23-152_M-23-152
Paula	Foster	pfoster@otpc.com	Otter Tail Power Company	215 S Cascade St PO Box 496 Fergus Falls, MN 56538-0496	Electronic Service	Yes	OFF_SL_23-152_M-23-152
Jessica	Fyhrie	jfyhrie@otpc.com	Otter Tail Power Company	PO Box 496 Fergus Falls, MN 56538-0496	Electronic Service	No	OFF_SL_23-152_M-23-152
Adam	Heinen	aheinen@dakotaelectric.com	Dakota Electric Association	4300 220th St W Farmington, MN 55024	Electronic Service	No	OFF_SL_23-152_M-23-152
Nick	Kaneski	nick.kaneski@enbridge.com	Enbridge Energy Company, Inc.	11 East Superior St Ste 125 Duluth, MN 55802	Electronic Service	No	OFF_SL_23-152_M-23-152
James D.	Larson	james.larson@avantenergy.com	Avant Energy Services	220 S 6th St Ste 1300 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_23-152_M-23-152
Kavita	Maini	kmains@wi.rr.com	KM Energy Consulting, LLC	961 N Lost Woods Rd Oconomowoc, WI 53066	Electronic Service	No	OFF_SL_23-152_M-23-152

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Andrew	Moratzka	andrew.moratzka@stoel.com	Steel Rives LLP	33 South Sixth St Ste 4200 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_23-152_M-23-152
Matthew	Olsen	molsen@otpc.com	Otter Tail Power Company	215 South Cascade Street Fergus Falls, MN 56537	Electronic Service	No	OFF_SL_23-152_M-23-152
Generic Notice	Regulatory	regulatory_filing_coordinators@otpc.com	Otter Tail Power Company	215 S. Cascade Street Fergus Falls, MN 56537	Electronic Service	Yes	OFF_SL_23-152_M-23-152
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	Yes	OFF_SL_23-152_M-23-152
Will	Seuffert	Will.Seuffert@state.mn.us	Public Utilities Commission	121 7th Pl E Ste 350 Saint Paul, MN 55101	Electronic Service	Yes	OFF_SL_23-152_M-23-152
Cary	Stephenson	cStephenson@otpc.com	Otter Tail Power Company	215 South Cascade Street Fergus Falls, MN 56537	Electronic Service	Yes	OFF_SL_23-152_M-23-152
Stuart	Tommerdahl	stommerdahl@otpc.com	Otter Tail Power Company	215 S Cascade St PO Box 496 Fergus Falls, MN 56537	Electronic Service	No	OFF_SL_23-152_M-23-152