

March 12, 2015

Daniel P. Wolf Executive Secretary Minnesota Public Utilities Commission 121 7th Place East, Suite 350 St. Paul, MN 55101

Re: In the Matter of Electric Vehicle Charging Tariffs PUC Docket No. E017/M-15-112 Initial Comments of Otter Tail Power Company

Dear Mr. Wolf:

Otter Tail Power Company ("Otter Tail") respectfully submits this letter as its Comments in response to the February 10, 2015 notice ("Notice") of the Minnesota Public Utilities Commission ("Commission") in the above-referenced docket.

Our comments address Otter Tail's perspective on some of the topics assembled by the Minnesota Public Utilities Commission's Staff. We believe our proposed Off-Peak Electric Vehicle Rider is in compliance with Minn. Stat. §216B.1614, and offers a great foundational starting point for future Otter Tail electric vehicle customers.

The topics Otter Tail will address in these initial comments are:

- Should the hours designated as on- and off-peak be the same for all utilities?
- The EV tariff legislation requires utilities to provide a renewable-sourced electricity option; how should this rate be calculated?
- Will a separate meter or sub-meter be necessary to implement the EV tariffs? If so, how should the cost of the meter be calculated and incorporated into rates?
- How frequently should the utilities be required to report on EV tariff participation?

Daniel P. Wolf March 12, 2015 Page 2

Should the hours designated as on- and off-peak be the same for all utilities?

This is a reasonable question, which implies unity of defined on- and off-peak periods for all Minnesota utilities. A first reaction response to this question leads to another question: Do all utilities have the same on- and off-peak load characteristics and costs? If so, then there is a possibility for this to occur. However, it seems this question needs to be addressed in a rate case setting as it would impact many required load and cost-related studies.

The EV tariff legislation requires utilities to provide a renewable-sourced electricity option; how should this rate be calculated?

The question seems to imply as to what renewable-sourced methodology should be used for an electric vehicle option. Otter Tail, like other investor-owned utilities, utilized its currently approved voluntary renewable energy add-on program. For Otter Tail, our commission-approved Voluntary Renewable Energy Rider (aka TailWinds) applies to all customer rate options. Our rate design methodology calculates a non-time-of-day rate, taking into account the cost and production of the renewable energy resource, embedded generation costs, and program-specific administration costs. Certainly other methods could be utilized, as long as they would meet reasonable objectives.

Will a separate meter or sub-meter be necessary to implement the EV tariffs? If so, how should the cost of the meter be calculated and incorporated into rates?

Otter Tail's proposed Off-Peak Electric Vehicle Rider requires one meter to implement the EV tariff. No additional meters are necessary. If in the extremely rare or unforeseen situation a sub-metering situation is required, the cost of the meter should only be charged to those customers who require it. The specific additional meter or sub-meter charge could be handled like other meter charges, only separate from other charges, within the electric vehicle rate schedule or other special equipment sections in the company's rate book (e.g. General Rules & Regulations).

How frequently should the utilities be required to report on EV tariff participation?

It is Otter Tail's understanding that participation reporting would be on a quarterly basis, as addressed in §216B.1614 Subd. 3, Data reporting. If not, Otter Tail would support a reporting requirement on an annual basis, which is similar to the reporting requirement for Small Cogeneration and Power Producers customers pursuant to Minnesota Rule 7835.1300.

Otter Tail has electronically filed this document with the Commission and has served a copy on all persons on the attached service list. A Certificate of Service is also enclosed.

Daniel P. Wolf March 12, 2015 Page 3

Please contact me by phone at (218) 739-8595 or by email at <u>dprazak@otpco.com</u> if you have any questions.

Sincerely,

/s/ DAVID G. PRAZAK David G. Prazak Supervisor Pricing & Tariff Administration

nlo Enclosures By electronic filing c: Service List

CERTIFICATE OF SERVICE

RE: In the Matter of Electric Vehicle Charging Tariffs MPUC Docket No. E017/M-15-112

I, Nancy L. Olson, hereby certify that I have this day served a copy of the following, or a summary thereof, on Daniel P. Wolf 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 Comments

Dated this 12th day of March 2015.

/S/ NANCY L. OLSON Nancy L. Olson, Regulatory Filing Coordinator Otter Tail Power Company 215 South Cascade Street Fergus Falls MN 56537 (218) 739-8376

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