215 South Cascade Street PO Box 496 Fergus Falls, Minnesota 56538-0496 218 739-8200 (web site)

February 15, 2018



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

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

RE: In the Matter of the Petition by Otter Tail Power Company for Approval of an Energy-Intensive, Trade-Exposed Customer Rate Docket No. E017/M-17-257 Reply Comments

Dear Mr. Wolf:

Otter Tail Power Company (Otter Tail) hereby submits its Reply Comments to the Minnesota Public Utilities Commission (Commission) in the above-referenced docket.

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

These Reply Comments contain 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.**

Mr. Wolf February 15, 2018 Page 2

If you have any questions regarding this filing, please contact me at 218-739-8385 or at <u>bhaugen@otpco.com</u>.

Sincerely,

/S/ BRYCE C. HAUGEN Bryce C. Haugen Senior Rates Analyst Regulatory Administration

ljh By electronic filing c: Service List

STATE OF MINNESOTA BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

In the Matter of the Petition by Otter Tail Power Company for Approval of an Energy Intensive, Trade Exposed Customer Rate Docket No. E017/M-17-257

REPLY COMMENTS OF Otter Tail Power Company

I. INTRODUCTION

Otter Tail Power Company (Otter Tail) files these Reply Comments in response to the January 17, 2018 Comments filed by the Office of the Attorney General-Residential Utilities and Antitrust Division (OAG-RUD), and the February 5, 2018 Comments filed by the Department of Commerce, Division of Energy Resources (Department). In its Comments, the OAG-RUD recommends the Minnesota Public Utilities Commission (Commission) approve Otter Tail's Cost Recovery Petition and that Otter Tail include certain information in its annual update filings. In its Comments, the Department recommends the Commission reject the Cost Recovery Petition for a variety of reasons. Otter Tail responds to the OAG-RUD and the Department Comments in these Reply Comments and requests that the Commission find the Energy-Intensive, Trade-Exposed (EITE) Petition for Cost Recovery complete and approve the requested EITE Surcharge Factor.

II. OTTER TAIL'S RESPONSE TO OAG-RUD COMMENTS

A. Annual Reporting of EITE Customer Sales

In its Comments, the OAG-RUD recommends that Otter Tail "provide annual updates on OTP sales to EITE Customers and the increased revenues, if any, for providing the EITE rate."¹ Otter Tail agrees with the OAG-RUD that it is appropriate to include a comparison of the actual kWh sales versus Otter Tail's baseline in Otter Tail's annual EITE update filings.

¹ OAG-RUD's January 17, 2018 Comments, page 4.

B. Tariff Language

The Commission's January 25, 2018 Order Approving Compliance Filing with Conditions required Otter Tail to remove all EITE Surcharge Factor language from its compliance tariff sheet. Otter Tail made its revised compliance filing in response to the Commission's Order on February 1, 2018 removing all EITE Surcharge Factor language.² In its Comments in this cost recovery proceeding, the Department requests that Otter Tail provide appropriate language in the "Determination of EITE Surcharge Factor" section of Tariff Sheet 13.09.³

Following approval by the Commission in Otter Tail's Revised Compliance Filing in this proceeding, Otter Tail will supply the appropriate red-line and clean versions of the tariff sheet. Because Otter Tail is withdrawing its February 1, 2018 Revised Compliance Filing in this Docket, it includes revised Attachment 7, in clean and red-line version, with these Reply Comments which utilizes the tariff proposed in its December 18, 2017 cost recovery filing. The issue identified by the Department in the "Determination of EITE Surcharge Factor" section of the tariff sheet is corrected in the updated tariff sheet.

C. Carrying Charge Calculation

In its Comments, the Department identified a calculation error in the carrying charge calculation beginning in August 2018 of Otter Tail's Attachment 3.⁴ Otter Tail agrees that the formula was incorrectly calculating only 1/12 of the carrying charge beginning in July 2018 going forward.⁵ Otter Tail provides revised Attachment 3 to this filing with the correct calculation. This update results in a \$9,091 increase to the revenue requirement. It does not change the proposed EITE Surcharge Factor of \$0.00055 per kWh. Otter Tail also provides revised Attachments 1 and 2 with the updated revenue requirement.

² Otter Tail's February 1, 2018 Revised Compliance Filing in Docket No. E017/M-17-257.

³ Department's February 5, 2018 comments, page 5.

⁴ Department's February 5, 2018 comments, page 5.

⁵ Otter Tail's December 18, 2017 Cost Recovery Filing, Attachment 3, July 2018, Line No. 13.

D. EITE Customer Baseline kWh

In its Comments, the Department stated that Otter Tail failed to explain the EITE Customer baseline sale amounts.⁶ Otter Tail stated in its Cost Recovery Petition that a representative amount of sales for the EITE Customers was included in its rate case in Docket No. E017/GR-15-1033.⁷ Otter Tail does not forecast individual customers in its sales forecast, but instead uses multiple econometric models to create sales forecasts. Weather data, economic data, customer counts, and historical usage are all inputs to the models which would be inclusive of data points (usage, customer counts) attributable to the EITE customers. To arrive at the representative amount for the EITE Customers, Otter Tail reviewed historical sales data for the EITE customers. Otter Tail compared the three-year average of actual sales to actual total Minnesota kilowatt hour sales over the same time period. Otter Tail also compared the 2006 through 2015 actual sales for the EITE Customers to Otter Tail's total Minnesota sales. Attachment A to this filing shows these comparisons in Lines 1-6. Attachment A also shows the comparison of Otter Tail's proposed EITE Customer baseline to the kWh sales ordered by the Commission in its most recent general rate case. Otter Tail derived its proposed EITE Customer sales baseline from the information provided above.

As a point of reference, Otter Tail provided historical sales dating back to 2006 for these customers in data request MN-OAG-002 in this Docket.⁸ Otter Tail's total Minnesota kWh sales are included in the data request. The representative baseline amounts Otter Tail proposes are in line with the historical data provided in MN-0AG-002 in this Docket, including the ratio of EITE customer sales as a percent of total Minnesota kWh sales, and, as shown in Attachment A, are approximately the same as the three-year average use amounts Otter Tail provided in its Initial Filing in this Docket.⁹

E. Affordability Program Funding

In its Comments, the Department stated that Otter Tail's inclusion of the required funds to expand outreach of low-income programs should not be included for recovery in the Cost

⁶ Department's February 5, 2018 comments, page 6.

⁷ Otter Tail's December 18, 2017 Cost Recovery Filing, page 5.

⁸ OAG-RUD's May 5, 2017 comments, page 15, Ex. G.

⁹ Otter Tail's April 3, 2017 Initial Filing, page 8.

Recovery tracker.¹⁰ Otter Tail disagrees with the Department on this item. The EITE Statute requires Otter Tail to deposit \$10,000 to fund outreach of a Commission-approved affordability program.¹¹ And, the EITE Statute states that "… the commission shall allow the utility to recover any costs, including reduced revenues, or refund any savings, including increased revenues, associated with providing service to a customer under an EITE rate schedule."¹² This cost of implementing an EITE rate schedule is considered in the statute language and is recoverable.

III. CONCLUSION

For the reasons stated in Otter Tail's Cost Recovery Petition in this Docket, and those above, Otter Tail requests the Commission approve the EITE Cost Recovery Petition and EITE Surcharge Factor of \$0.00055 per kWh.

Dated: February 15, 2018

Respectfully Submitted, OTTER TAIL POWER COMPANY

By: <u>/s/ BRYCE C. HAUGEN</u>

Bryce C. Haugen Senior Rates Analyst, Regulatory Administration Otter Tail Power Company 215 S. Cascade Street Fergus Falls, MN 56537 (218) 739-8385 bhaugen@otpco.com

¹⁰ Department's February 5, 2018 comments, page 6

¹¹ Minn. Stat. § 216B.1696, subd. 3

¹² Minn. Stat. § 216B.1696, subd. 2(d)

OTTER TAIL POWER COMPANY EITE REPLY COMMENTS FILING ATTACHMENTS

Revised Attachment 1	Rate Design
Revised Attachment 2	Summary of Revenue Requirements
Revised Attachment 3	EITE Tracker Summary
Revised Attachment 7	EITE Rider, Tariff 13.09
Attachment A	EITE Customer kWh baseline

Rate Design

Minnesota Revenue Requirements

\$1,421,628

Line		
No.	Rate per kWh	
1		
2	Forecasted Retail Sales, all classes (May 2018 - Apr 2019)	2,577,774,184
3		
4	12 Month Revenue Requirement	\$1,421,628
5		
6	Rate per kWh	0.00055
7		

Summary of Revenue Requirements 2017 Annual Filing

Line No.	Revenue Requirements	
1	Revenue Requirement (May 2018 - April 2019)	\$975,434
2 3 4	Carrying (Credit)/Charge True-Up	18,987 427,207
5 6	Net Revenue Requirement	\$1,421,628

		2017	2017	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018	2018
Line	TRACKER SUMMARY	December	YE	January	February	March	April	May	June	July	August	September	October	November	December	YE
No.	Requirements Compared to Billed:	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast						
1	EITE Customer Revenue Requirement	76,076	76,076	86,639	88,175	80,286	80,613	76,658	79,718	75,623	80,615	81,089	80,816	86,790	78,411	975,434
2	Affordability Program Fee	10,000	10,000	0	0	0	0	0	0							0
3	Costs Assessed by Department		0													0
4	External Attorney Fees for Establishing EITE Rate		0													0
5	Net Revenue Requirement	86,076	86,076	86,639	88,175	80,286	80,613	76,658	79,718	75,623	80,615	81,089	80,816	86,790	78,411	975,434
6																
7	Billed (forecast \$ x rate)	0	0	0	0	0	0	107,063	105,952	113,392	116.224	111,881	107,967	115,209	126,554	904,243
8			-									1			.,	
9	Monthly Revenue Difference	86,076	86,076	86,639	88,175	80,286	80,613	(30,405)	(26,234)	(37,769)	(35,609)	(30,792)	(27,151)	(28,419)	(48,143)	71,191
	Carrying Charge	0	0	538	1.084	1.642	2,154	2.672	2,499	2,350	2,129	1,919	1.739	1.580	1,412	21,718
11	Life-to-Date Revenue Requirement (Cumulative Difference)	86,076	86,076	173,253	262,512	344,440	427,207	399,474	375,739	340,320	306,839	277,967	252,555	225,716	178,985	92,909
12							,,		0.01.00							
13	Carrying Charge/Credit Calculation	538		1.084	1.642	2.154	2.672	2,499	2.350	2,129	1.919	1.739	1.580	1.412	1.120	
	Cumulative Carrying Charge	538		1,622	3,264	5,419	8.091	10,589	12,940	15,068	16,988	18,726	20,306	21.718	22,838	
	Carrying cost	0.63%		0.63%	0.63%	0.63%	0.63%	0.63%	0.63%			0.63%	0.63%	0.63%	0.63%	
16	Carrying cost	0.0378		0.0378	0.0378	0.0378	0.0378	0.0378	0.0378	0.0378	0.0378	0.0378	0.0378	0.0378	0.0378	
17																
1/	Ferenested Sales (IVM/h)		0					404 400 000	400 440 000	205 600 227	240 742 400	202.000.005	405 770 004	200 002 052	000 474 400	4 000 000 040
18	Forecasted Sales (kWh)		0					194,133,306	192,118,099	205,609,327	210,743,198	202,869,065	195,772,094	208,902,852	229,474,400	1,639,622,340

ACKER SUMMARY guirements Compared to Billed: EITE Customer Revenue Requirement Affordability Program Fee Costs Assessed by Department External Attorney Fees for Establishing EITE Rate Revenue Requirement ed (forecast \$ x rate)	January Forecast 86,639 0 86,639	February Forecast 88,175 0 88,175	March Forecast 80,286 0 80,286	April Forecast 80,613 0 80,613	Collection Period 975,434 0 0 0 975,434
EITE Customer Revenue Requirement Affordability Program Fee Costs Assessed by Department External Attorney Fees for Establishing EITE Rate Revenue Requirement	86,639 0 86,639	88,175 0	80,286 0	80,613 0	975,434 0 0 0
Affordability Program Fee Costs Assessed by Department External Attorney Fees for Establishing EITE Rate Revenue Requirement	0 86,639	0	0	0	0 0 0
Affordability Program Fee Costs Assessed by Department External Attorney Fees for Establishing EITE Rate Revenue Requirement	0 86,639	0	0	0	0 0 0
Costs Assessed by Department External Attorney Fees for Establishing EITE Rate Revenue Requirement		0 88,175	0 80,286	0 80,613	0 0 0 975,434
External Attorney Fees for Establishing EITE Rate Revenue Requirement		88,175	80,286	80,613	0 0 975,434
Revenue Requirement		88,175	80,286	80,613	0 975,434
Revenue Requirement		88,175	80,286	80,613	975,434
ad (farmanat C v rate)					
ed (lorecast 5 x rate)	137,867	133,685	127,300	118,533	1,421,628
	- 1		1		
nthly Revenue Difference	(51,229)	(45,510)	(47,014)	(37,920)	(446,195)
rying Charge	1,120	806	526	236	18,987
-to-Date Revenue Requirement (Cumulative Difference)	128,876	84,172	37,684	0	0
rying Charge/Credit Calculation	806	526	236	0	
nulative Carrying Charge	23,644	24,170	24,406	24,406	
rying cost	0.63%	0.63%	0.63%	0.63%	
, ,					
				214,930,095	2,577,774,184
	nulative Carrying Charge	nulative Carrying Charge 23,644	nulative Carrying Charge 23,644 24,170 nying cost 0.63% 0.63%	nulative Carrying Charge 23,644 24,170 24,406	nulative Carrying Charge 23,644 24,170 24,406 24,406 nying cost 0.63% 0.63% 0.63% 0.63%

SUMMARY	<u> May 2018 - April 2019</u>
Revenue requirements	\$975,434
Carrying Charge	18,987
True-up	427,207
Total requirements	\$1,421,628
May 2018 - April 2019 projected kWh sales	2,577,774,184
Rate per kWh	0.00055

Revised Attachment 7 EITE Rider, Tariff 13.09 Redline and Clean



DESCRIPTION	RATE CODE
EITE Surcharge	32-0580
EITE Exemption Adjustment	32-0585

ENERGY-INTENSIVE, TRADE-EXPOSED (EITE) RIDER

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

<u>APPLICATION OF RIDER</u>: 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 nonexempt Customer's bill an EITE Surcharge, which shall be the <u>based on the applicable-EITE</u> Surcharge Factor multiplied by the Customer's <u>billing kWh for electric servicemonthly bill. The</u> Customer's monthly bill shall be based on all applicable charges and credits under the Company's retail rate schedules in Sections 9, 10, 11, 12, and 14. The EITE Surcharge will not apply to any Mandatory Riders or sales tax and any local assessments as provided in the General Rules and Regulations for the Company's electric service. The EITE Surcharge will be included in the Resource Adjustment line item on the Customer's bill.

The EITE Surcharge Factor 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 Factor is <u>\$0.00055 per kWh</u>%.



DETERMINATION OF EITE SURCHARGE FACTOR: The EITE Surcharge shall be the quotient of the forecasted Recoverable EITE Tracker Balance, divided by projected Minnesota non-exempt retail revenue <u>kWh sales</u> for a designated 12-month recovery period. The Surcharge shall be rounded to the nearest 0.00001%. The Surcharge 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.

All costs appropriately charged to the EITE Tracker account shall be eligible for recovery through this Rider and all revenues received from the application of the EITE Surcharge Factor shall be credited to the EITE Tracker account.

TRUE-UP: For each recovery period, a true-up adjustment to the EITE Tracker account will be calculated reflecting the difference between actual prior period EITE Adjustment recoveries and the respective EITE Customer actual prior period revenue requirements. Any resulting over/under recovery will be reflected as a carryover balance and included in calculating the EITE Surcharge Factor.

EITE ELIGIBILITY: An EITE Customer's eligibility to be excluded from this rider will be determined on a case-by-case basis and shall be approved by the Commission prior to impacting the EITE Surcharge Factor.

Ongoing EITE eligibility will be determined by the Commission. To maintain eligibility, an EITE Customer must prove to the Commission that it continues to qualify for a reduced rate under Minn. Stat. 216B.1696 and the rate reduction should be included in the EITE Surcharge calculation once every four years calculated from when the Commission most recently approved the EITE Customer's eligibility under this rider and Minn. Stat. 216B.1696.

DETERMINATION OF DISCOUNT: The discount for each EITE Customer and the appropriate EITE Surcharge Factor are verified during Otter Tail Power Company's annual EITE compliance filing reporting the EITE Tracker balance and necessary true-up adjustment. The discount for each EITE Customer will be in effect for four years from the Commission's approval of this rider or the termination of this rider, whichever occurs first, unless otherwise extended by Order of the Commission.

Otter Tail Power Company shall discontinue an EITE Customer's discount during an annual EITE update if the EITE Customer's annual electric energy usage for the prior year falls below 60 percent of the average annual energy usage of the most recent five years established immediately prior to receiving approval of an EITE discount. The 60 percent threshold will be reset at each four year review of eligibility. If an EITE Customer's operations fall below 60 percent of normal consumption, Otter Tail Power Company will bill the EITE Customer accordingly to recover any amounts inappropriately discounted and those recovered amounts will be deposited in the EITE

Bruce G. Gerhardson Vice President, Regulatory Affairs



Tracker account.

<u>APPLICATION OF DISCOUNT</u>: An eligible EITE Customer receives a discount on each monthly bill. The discount applies to all appropriate billed amounts, excluding taxes.

TERMINATION OF RIDER: This rider shall expire four years after its effective date, unless otherwise extended by Order of the Commission.

MANDATORY AND VOLUNTARY RIDERS: The amount of a bill for service will be modified by any Mandatory Rate Riders that must apply and by any Voluntary Rate Riders selected by the Customer, unless otherwise noted in this schedule. See Sections 12.00, 13.00 and 14.00 of the Minnesota electric rates for the matrices of riders.



Page 1 of 3 First Revision

DESCRIPTION	RATE CODE
EITE Surcharge	32-0580
EITE Exemption Adjustment	32-0585

ENERGY-INTENSIVE, TRADE-EXPOSED (EITE) RIDER

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

<u>APPLICATION OF RIDER</u>: 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 nonexempt Customer's bill an EITE Surcharge, which shall be the EITE Surcharge Factor 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 Factor 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 Factor is \$0.00055 per kWh.

DETERMINATION OF EITE SURCHARGE FACTOR: The EITE Surcharge 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 Surcharge shall be rounded to the nearest 0.00001. The Surcharge 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.

С

С

С

C C C



All costs appropriately charged to the EITE Tracker account shall be eligible for recovery through this Rider and all revenues received from the application of the EITE Surcharge Factor shall be credited to the EITE Tracker account.

TRUE-UP: For each recovery period, a true-up adjustment to the EITE Tracker account will be calculated reflecting the difference between actual prior period EITE Adjustment recoveries and the respective EITE Customer actual prior period revenue requirements. Any resulting over/under recovery will be reflected as a carryover balance and included in calculating the EITE Surcharge Factor.

EITE ELIGIBILITY: An EITE Customer's eligibility to be excluded from this rider will be determined on a case-by-case basis and shall be approved by the Commission prior to impacting the EITE Surcharge Factor.

Ongoing EITE eligibility will be determined by the Commission. To maintain eligibility, an EITE Customer must prove to the Commission that it continues to qualify for a reduced rate under Minn. Stat. 216B.1696 and the rate reduction should be included in the EITE Surcharge calculation once every four years calculated from when the Commission most recently approved the EITE Customer's eligibility under this rider and Minn. Stat. 216B.1696.

DETERMINATION OF DISCOUNT: The discount for each EITE Customer and the appropriate EITE Surcharge Factor are verified during Otter Tail Power Company's annual EITE compliance filing reporting the EITE Tracker balance and necessary true-up adjustment. The discount for each EITE Customer will be in effect for four years from the Commission's approval of this rider or the termination of this rider, whichever occurs first, unless otherwise extended by Order of the Commission.

Otter Tail Power Company shall discontinue an EITE Customer's discount during an annual EITE update if the EITE Customer's annual electric energy usage for the prior year falls below 60 percent of the average annual energy usage of the most recent five years established immediately prior to receiving approval of an EITE discount. The 60 percent threshold will be reset at each four year review of eligibility. If an EITE Customer's operations fall below 60 percent of normal consumption, Otter Tail Power Company will bill the EITE Customer accordingly to recover any amounts inappropriately discounted and those recovered amounts will be deposited in the EITE Tracker account.

APPLICATION OF DISCOUNT: An eligible EITE Customer receives a discount on each monthly bill. The discount applies to all appropriate billed amounts, excluding taxes.

TERMINATION OF RIDER: This rider shall expire four years after its effective date, unless otherwise extended by Order of the Commission.



Page 3 of 3 First Revision

MANDATORY AND VOLUNTARY RIDERS: The amount of a bill for service will be modified by any Mandatory Rate Riders that must apply and by any Voluntary Rate Riders selected by the Customer, unless otherwise noted in this schedule. See Sections 12.00, 13.00 and 14.00 of the Minnesota electric rates for the matrices of riders.

Attachment A Page 1 of 1

	Α	В	С	D	E	F
Line No.	EITE Customer kWh baseline	Proposed EITE Customer Baseline*	2013-2015 average** kWh	Percent of Total MN kWh sales	2006-2015 average* kWh	Percent of Total MN kWh sales
1	Norbord [PROTECTED DATA BEGINS					
2	Potlatch					
3	Cass Forest Products					
4	Total Sales					
5	Minnesota (All Customers including LIHEAP)					
6	EITE Customer Proposed Baseline***					
	*Otter Tail's December 18, 2017 Cost Recovery Filing, Attachr	ment 6				

**Provided in Otter Tail's response to MN-OAG-002 and provided in the OAG-RUD's May 5, 2017 comments, page 15,

Ex. G ***Otter Tail Initial Filing, Attachment 6

... PROTECTED DATA ENDS]

		2016 kWh	Percent of Total MN kWh sales	
7	Minnesota (All Customers including LIHEAP) 1,2	2,640,367,133	5	
8	EITE Customer Baseline [PROTECTED DATA BEGINS			PROTECTED DATA ENDS]
	¹ Ordered in Other Teille general sets sees Desket No. E047/CD 45 4022			

Ordered in Otter Tail's general rate case Docket No. E017/GR-15-1033

² Otter Tail's December 18, 2017 Cost Recovery Filing, Attachment 5

CERTIFICATE OF SERVICE

RE: In the Matter of the Petition by Otter Tail Power Company for Approval of an Energy-Intensive, Trade-Exposed Customer Rate Docket No. E017/M-17-257

I, Lindsay Hauer, 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 Reply Comments

Dated this 15th day of February, 2018

/s/ LINDSAY HAUER

Lindsay Hauer, Regulatory Filings Coordinator Otter Tail Power Company 215 South Cascade Street Fergus Falls MN 56537 (218) 739-8376

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	OFF_SL_17-257_M-17-25
Ray	Choquette	rchoquette@agp.com	Ag Processing Inc.	12700 West Dodge Road PO Box 2047 Omaha, NE 68103-2047	Electronic Service	No	OFF_SL_17-257_M-17-257
Generic Notice	Commerce Attorneys	commerce.attorneys@ag.st ate.mn.us	Office of the Attorney General-DOC	445 Minnesota Street Suite 1800 St. Paul, MN 55101	Electronic Service	Yes	OFF_SL_17-257_M-17-257
lan	Dobson	residential.utilities@ag.stat e.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012130	Electronic Service	Yes	OFF_SL_17-257_M-17-257
James C.	Erickson	jericksonkbc@gmail.com	Kelly Bay Consulting	17 Quechee St Superior, WI 54880-4421	Electronic Service	No	OFF_SL_17-257_M-17-257
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_17-257_M-17-257
Bruce	Gerhardson	bgerhardson@otpco.com	Otter Tail Power Company	PO Box 496 215 S Cascade St Fergus Falls, MN 565380496	Electronic Service	No	OFF_SL_17-257_M-17-257
Bryce	Haugen	bhaugen@otpco.com	Otter Tail Power Company	215 S Cascade St P.O. Box 496 Fergus Falls, MN 56538	Electronic Service	No	OFF_SL_17-257_M-17-257
Shane	Henriksen	shane.henriksen@enbridge .com	Enbridge Energy Company, Inc.	1409 Hammond Ave FL 2 Superior, WI 54880	Electronic Service	No	OFF_SL_17-257_M-17-257
Douglas	Larson	dlarson@dakotaelectric.co m	Dakota Electric Association	4300 220th St W Farmington, MN 55024	Electronic Service	No	OFF_SL_17-257_M-17-257

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
James D.	Larson	james.larson@avantenergy .com	Avant Energy Services	220 S 6th St Ste 1300 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_17-257_M-17-257
Kavita	Maini	kmaini@wi.rr.com	KM Energy Consulting LLC	961 N Lost Woods Rd Oconomowoc, WI 53066	Electronic Service	No	OFF_SL_17-257_M-17-257
Andrew	Moratzka	andrew.moratzka@stoel.co m	Stoel Rives LLP	33 South Sixth St Ste 4200 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_17-257_M-17-257
Larry L.	Schedin	Larry@LLSResources.com	LLS Resources, LLC	332 Minnesota St, Ste W1390 St. Paul, MN 55101	Electronic Service	No	OFF_SL_17-257_M-17-257
Stuart	Tommerdahl	stommerdahl@otpco.com	Otter Tail Power Company	215 S Cascade St PO Box 496 Fergus Falls, MN 56537	Electronic Service	No	OFF_SL_17-257_M-17-257
Daniel P	Wolf	dan.wolf@state.mn.us	Public Utilities Commission	121 7th Place East Suite 350 St. Paul, MN 551012147	Electronic Service	Yes	OFF_SL_17-257_M-17-257