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May 3, 2012



Mr. Darrell Nitschke
Director of Administration/Executive Secretary
North Dakota Public Service Commission
State Capitol
600 East Boulevard, Dept. 408
Bismarck, ND 58505-0408

**RE: In the Matter of Otter Tail Power Company Transmission Facility Cost Recovery Rates and Tariff
Case No. PU-11-153 and PU-11-682
Compliance Filing**

Dear Mr. Nitschke:

Enclosed for filing are the original and seven (7) copies of Otter Tail Power Company's ("Otter Tail's") compliance filing in the above-referenced matter.

On April 25, 2012, the North Dakota Public Service Commission ("Commission") approved Otter Tail's application to establish a Transmission Cost Recovery Rider ("TCR Rider") tariff and associated rates in the above-referenced matter. Attached to this letter you will find Otter Tail's TCR Rider rate schedule, Section 13.07, in final format which reflects the Commission-approved rates. Additionally, to reflect the addition of the TCR rider, enclosed is an updated Index Sheet 4 of 5 and the Mandatory Riders – Applicability Matrix, Section 13.00, Page 1 and 2. The effective date on these rate schedules is May 1, 2012.

Should you have any questions, please feel free to call me at 218-739-8395 or jfyhrie@otpc.com.

Sincerely,

/s/ JESSICA FYHRIE
Jessica Fyhrie
Tariff Specialist
Tariff Application and Compliance

wao
Enclosures
By electronic filing and UPS overnight mail

TRANSMISSION COST RECOVERY RIDER

N

DESCRIPTION	RATE CODE
Large General Service	50-510
Controlled Service	50-511
Lighting	50-512
All Other Service	50-513

N
N
N
N
N

REGULATIONS: Terms and conditions of this tariff and the General Rules and Regulations govern use of this schedule.

N
N

APPLICATION OF SCHEDULE: This rate schedule is applicable to any electric service under all of the Company's retail rate schedules.

N
N

COST RECOVERY FACTOR: There shall be included on each North Dakota 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.

N
N
N
N
N

RATE:

N

TRANSMISSION COST RECOVERY			
Energy Charge per kWh:		kWh	kW
Large General Service	(a)	N/A ¢/kWh	\$0.785
Controlled Service	(b)	0.031 ¢/kWh	N/A
Lighting	(c)	0.113 ¢/kWh	N/A
All Other Service		0.205 ¢/kWh	N/A

(a) Rate schedules 10.03 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, and 14.07 Fixed Time of Delivery

(c) Rate Schedules 11.03 Outdoor Lighting (energy only) and 11.04 Outdoor Lighting

N
N
N
N
N
N
N
N
N
N



DETERMINATION OF DEMAND CHARGE (LARGE GENERAL SERVICE CLASS ONLY): The demand charge shall be billed according to the demand charge as defined in the applicable rate schedule the Customer is taking service. N
N
N

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

Section *Prior Sheet* *Item*

11.00 OTHER SERVICES

11.01	71.1 71.2	Standby Service
11.02	90	Irrigation Service
11.03	93	Outdoor Lighting – Energy Only Dusk to Dawn
11.04	94	Outdoor Lighting Dusk to Dawn
11.05	95	Municipal Pumping Service
11.06	96	Civil Defense - Fire Sirens

12.00 PURCHASE POWER RIDERS & APPLICABILITY MATRIX

12.01	70.8	Small Power Producer Rider Occasional Delivery Energy Service (Net Energy Billing Rate)
12.02	70.9	Small Power Producer Rider Time of Delivery Energy Service
12.03	71	Small Power Producer Rider Dependable Service


13.00 MANDATORY RIDERS & APPLICABILITY MATRIX

13.01	98	Energy Adjustment Rider <ul style="list-style-type: none"> • <i>Applicable to <u>all</u> services and riders unless otherwise stated in the mandatory riders matrix</i>
13.04	98.8	Renewable Resource Cost Recovery Rider
13.05	N/A	Economic Development Cost Removal Rider
13.06	N/A	Big Stone II Cost Recovery Rider
13.07	N/A	Transmission Cost Recovery Rider


N

MANDATORY RIDERS - APPLICABILITY MATRIX

The amount of a bill for service will be modified by any Mandatory Rate Riders that must apply, Voluntary Rate Riders selected by the Customer, and charges listed in the General Rules and Regulations.

 Applicability Matrix	Mandatory Riders	Energy Adjustment Rider	Renewable Resource Cost Recovery Rider	Economic Development Cost Removal Rider	Big Stone II Cost Recovery Rider	Transmission Cost Recovery Rider
Base Tariffs	Section Numbers	13.01	13.04	13.05	13.06	13.07
RESIDENTIAL & FARM SERVICES						
Residential Service	9.01					
Residential Demand Control Service	9.02					
Farm Service	9.03					
GENERAL SERVICES						
Small General Service (Less than 20 kW)	10.01					
General Service (20 kW or Greater)	10.02					
Large General Service	10.03					
Commercial Service - Time of Use	10.04					
Large General Service - Time of Day	10.05					
OTHER SERVICES						
Standby Service	11.01					
Irrigation Service	11.02					
Outdoor Lighting - Energy Only	11.03					
Outdoor Lighting	11.04					
Municipal Pumping Service	11.05					
Fire Sirens - Civil Defense	11.06					
Key:	<input checked="" type="checkbox"/> = May apply	<input type="checkbox"/> = Mandatory	<input type="checkbox"/> = Not Applicable			

N

 Applicability Matrix	Mandatory Riders	Energy Adjustment Rider	Renewable Resource Cost Recovery Rider	Economic Development Cost Removal Rider	Big Stone II Cost Recovery Rider	Transmission Cost Recovery Rider
Base Tariffs	Section Numbers	13.01	13.04	13.05	13.06	13.07
VOLUNTARY RIDERS						
Water Heating Control Rider	14.01					
Real Time Pricing Rider	14.02					
Large General Service Rider	14.03	✓				
Controlled Service - Interruptible Load CT Metering Rider	14.04					
Controlled Service - Interruptible Load Self-Contained Metering Rider	14.05					
Controlled Service Deferred Load Rider	14.06					
Fixed Time of Delivery Rider	14.07					
Air Conditioning Control Rider	14.08					
Voluntary Renewable Energy Rider	14.09					
WAPA Bill Crediting Program Rider	14.10					
Released Energy Access Program Rider	14.11					
Bulk Interruptible Service Application and Pricing Guidelines	14.12					
Key:	✓ = May apply	■ = Mandatory	□ = Not Applicable			

N