

MEMORANDUM

To: Commissioners Clark, Cramer, and Kalk
Fr: Christopher Marohl *CM*
Da: May 14, 2012
Re: 5/16/12 Consent Agenda, Otter Tail Power Company Transmission Facility Cost Recovery Rates and Tariff
Case No. PU-11-153 and PU-11-682

On May 3, 2012, Otter Tail Power Company (OTP) filed its compliance filing for their Transmission Facility Cost Recovery Rates and Tariff that was approved by the Commission in an Order dated April 25, 2012. The new transmission cost recovery rider can be found in OTP's North Dakota Electric Rate Schedule Section 13.07.

In my review of the compliance filing rate schedule I compared it with the rate schedule filed as Exhibit OTP-5 at the evidentiary hearing. That exhibit complies with the Commission orders (i.e. utilizes the Split Method, the transmission demand allocation factor from OTP's last North Dakota general rate case PU-08-862, and the Large General Service Class will be based on demand only). The compliance filing is in agreement with Exhibit OTP-5.

I recommend the Commission approve the filing.