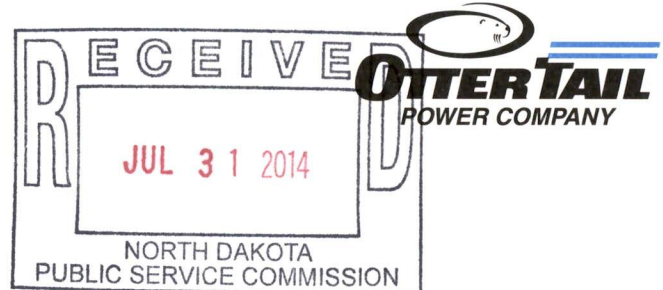


215 South Cascade Street  
PO Box 496  
Fergus Falls, Minnesota 56538-0496  
218 739-8200  
www.otpco.com

ORIGINAL

July 31, 2014

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



**RE: In the Matter of Otter Tail Power Company's Request for Approval to Revise Its  
Energy Adjustment Rider to Include Emissions Controls Costs  
Case No. PU-14-\_\_\_\_\_**

Dear Mr. Nitschke:

Otter Tail Power Company ("Otter Tail") hereby submits its application to the North Dakota Public Service Commission ("Commission") for approval of Otter Tail's request to revise its Energy Adjustment Rider to include certain specified costs for purchased emission allowances that may be necessary to comply with the Cross-State Air Pollution Rule ("CSAPR") promulgated by the Federal Environmental Protection Agency ("EPA").

In addition, Otter Tail also seeks Energy Adjustment Rider recovery of certain reagent expenses associated with new emissions controls equipment currently being installed at three of its generating facilities in order to comply with the EPA's Mercury and Air Toxics Standards ("MATS") rules promulgated by the EPA under the Clean Air Act ("CAA").

Attachments 1 and 2 are redline and clean versions of Tariff Schedule 13.01, Energy Adjustment Rider. Otter Tail will separately show the cost of any allowances purchased and reagents used in its monthly FCA reports.

Enclosed are an original and seven (7) copies of Otter Tail's Application along with a check in the sum of \$50. This filing is being sent to you electronically and by U.S. mail.

Please contact me at (218) 739-8279 or [stommerdahl@otpco.com](mailto:stommerdahl@otpco.com) with any questions you may have.

Sincerely,

*Stuart Tommerdahl*  
fe

Stuart Tommerdahl  
Manager Regulatory Administration

jce  
Enclosures  
By electronic filing

An Equal Opportunity Employer

1 **PU-14-668** Filed: 7/31/2014 Pages: 21  
**Fuel clause adjustment tariff revision**

Otter Tail Power Company  
Stuart Tommerdahl

There are no changes to any other rate schedules.

**XI. NOTICE TO CUSTOMERS**

Attachment 4 is a proposed notice to customers that would be included with customer bills in the month that the additions to the FCA are implemented.

**XII. CONCLUSION**

Otter Tail respectfully requests that the Commission approve the addition of reagents and purchased emission allowances to its annual energy rate adjustment mechanism as set forth in this Petition, effective for costs incurred beginning October 1, 2014.

Dated: July 31, 2014

Respectfully Submitted,

OTTER TAIL POWER COMPANY

By: Stuart Tommerdahl

Stuart Tommerdahl <sup>gc</sup>  
Manager, Regulatory Administration  
Otter Tail Power Company  
215 S. Cascade Street  
Fergus Falls, MN 56537  
(218) 739-8279  
stommerdahl@otpc.com