

Sample Rate Calculation Time-Frame

Month 1	Month 2	Month 3	Month 4	Month 5	Month 6
Jan	Feb	Mar	Apr	May	Jun
XXX	XXX	XXX	XXX	Calc	6/1 Rate
Calculation Reference Months					

Upon approval of Otter Tail's proposed recovery mechanism, Otter Tail will need to complete modifications to its Billing and CIS programs to facilitate the solution proposed in this update. To allow adequate time for programming and subsequent testing, Otter Tail estimates that the earliest the rate can be implemented would be May 1, 2015. Otter Tail recommends that date be targeted for implementation. Should Otter Tail determine that additional time will be needed to complete the billing system modifications and associated testing, Otter Tail will notify the Commission through a notice filing, prior to the scheduled implementation date.

The initial rate that would be effective May 1, 2015 would include costs incurred from January thru March of 2015. Otter Tail requests that any reagent costs and purchased emissions allowance costs incurred after January 1, 2015, be included as a true-up item in the initial rate calculation to insure recovery of those costs.

Customer Notice

Attachment 2 to this filing is the proposed Customer Notice that will be included with bills during the initial month of implementation of the rate.

Tariff Modification

Otter Tail proposes adding the tariff language associated with the Reagent and Emissions Allowance Adjustment Rider to the current Environmental Cost Recovery Rider (Tariff Section 13.08). A draft Redline and Final Copy are included with this filing as Attachment 3.

Conclusion

Otter Tail is confident that implementing the solution proposed in this update meets the needs of both Otter Tail and the Commission in addressing the recovery of reagents and emissions allowance costs, and respectfully requests the Commission approve the mechanism proposed above, and the associated modifications to its Environmental Cost Recovery Rider tariff (instead of its Energy Adjustment Rider Tariff) for the recovery of these costs.

Please refer all inquiries regarding this filing to Stuart Tommerdahl at (218) 739-8279 or stommerdahl@otpc.com.

Sincerely,


Stuart Tommerdahl
Manager, Regulatory Administration

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Enclosures
By electronic filing