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March 31, 2015



Mr. Darrell Nitschke  
Director of Admin./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's Request for Approval of its 2015  
Renewable Resource Cost Recovery Adjustment Factor Rates  
NDPSC Case No. PU-15-14  
Compliance Filing**

Dear Mr. Nitschke:

Enclosed please find an original and seven (7) copies of Otter Tail Power Company's ("Otter Tail's") Compliance Filing in the above-referenced matter.

On March 26, 2015, the North Dakota Public Service Commission ("Commission") approved Otter Tail's updated Renewable Resource Cost Recovery Rider Tariff in Case No. PU-15-14. Attached you will find the final version of Otter Tail's Renewable Resource Cost Recovery Rider rate schedule, Section 13.04, reflecting Commission approved changes. The effective date on this rate schedule is April 1, 2015.

An electronic copy of this filing is being sent to you at [dnitschk@nd.gov](mailto:dnitschk@nd.gov) and to [ndpsc@nd.gov](mailto:ndpsc@nd.gov).

If you have any questions regarding this filing, please contact me at 218-739-8898 or [aroberts@otpc.com](mailto:aroberts@otpc.com).

Sincerely,

*/s/ ANNA ROBERTS*  
Anna Roberts  
Pricing and Tariff Administration Analyst, Regulatory Administration

wao  
Enclosures  
By electronic filing and U.S. mail



Fergus Falls, Minnesota

**RENEWABLE RESOURCE COST RECOVERY RIDER**

DESCRIPTION	RATE CODE
All Services	50-520

C

**RULES AND REGULATIONS:** Terms and conditions of this rider and the General Rules and Regulations govern use of this schedule.

**APPLICATION OF RIDER:** This rider is applicable to electric service under all of the Company’s Retail Rate Schedules in Section 9, 10, 11, 12, 13.05, and 14, except for Section 14.09 (**TailWinds**) and Section 14.11 (Released Energy Access Program Rider).

C  
C

**COST RECOVERY CHARGE:** There shall be included on each North Dakota customer’s monthly bill a Renewable Resource Cost Recovery (“RRC”) charge based on the applicable cost recovery factor multiplied by the Customer’s monthly bill. The 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, except for Section 14.09 (**TailWinds**) and Section 14.11 (Released Energy Access Program Rider). The RRC charge 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, except Section 13.05 (Economic Development Cost Removal Rider). The following charges are applicable in addition to all charges for service being taken under the Company’s standard rate schedules and will be included in the Energy and Renewable Adjustment line item on the customer’s bill.

C  
C  
C  
C  
C  
C  
C  
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C  
C

<b>Renewable Resource Cost Recovery Factor - 4.069 percent</b>
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CR

**DETERMINATION OF RENEWABLE RESOURCE COST CHARGE:** The RRC Factor shall be determined by dividing the forecasted *balance of the RRC Tracker account* by the *forecasted retail revenues subject to the RRC Factor*. The forecasted RRC Tracker balance and retail revenues shall be based on the forecast for the appropriate 12 month period (or such other period as may be approved by the Commission). The RRC Factor shall be rounded to the nearest 0.001 percent.

N  
N  
N  
N  
N  
N



Fergus Falls, Minnesota

The *balance of the RRC Tracker account* for determination of the RRC Factor shall include annual revenue requirements and any true-up balance described as follows: N  
N

*The annual revenue requirements* associated with these investments eligible for recovery under NDCC 49-02, 49-05, and 49-06 that are determined by the Commission to be eligible for recovery under this RRC Rider. A standard model will be used to calculate the total forecasted North Dakota revenue requirements for eligible measures for the designated period. N  
N  
N  
N  
N

*True-up:* For each recovery period, a true-up adjustment to the RRC Tracker account will be calculated reflecting the difference between actual prior period RRC recoveries and actual prior period revenue requirements. Any resulting over/under recovery will be reflected as a carryover balance and included in calculating the next RRC Factor plus carrying charges or credits accrued at the rate of return approved in Otter Tail Power Company’s most recent general rate case. N  
N  
N  
N  
N  
N

All costs appropriately charged to the RRC Tracker account shall be eligible for recovery through this Rider, and all revenues recovered from the applicable RRC Factor shall be credited to the RRC Tracker account. N  
N  
N

*Forecasted retail revenues* used for calculating the RRC Factor shall include the forecast of retail electric revenue collected through all applicable charges and credits under the Company’s retail rate schedules in Sections 9, 10, 11, 12 and 14, except for Section 14.09 (**TailWinds**) and Section 14.11 (Released Energy Access Program Rider). Retail revenue used for calculating the RRC Factor will not include any Mandatory Riders, except Section 13.05 (Economic Development Cost Removal Rider). N  
N  
N  
N  
N  
N

The RRC Factor may be adjusted annually (or other approved periods) with approval of the Commission. 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. L  
L  
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L