

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

Otter Tail Power Company
Environmental Cost Recovery Rider
Rates

Case No. PU-16-148

NOTICE OF OPPORTUNITY FOR HEARING

May 18, 2016

Otter Tail Power Company's (Otter Tail) Environmental Cost Recovery Rider tariff provides for an adjustment of rates to recover capital costs and operating expenses incurred to comply with federal mandates for environmental upgrades to its electric generation facilities using coal. The proposed rate adjustment to be effective for bills rendered on and after July 1, 2016, is applied as a percentage of base rates, as follows:

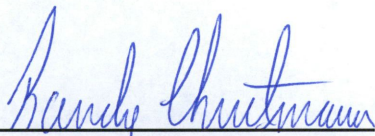
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|------------------|---------------|
| Existing Rate | 9.193% |
| Proposed Rate | <u>7.904%</u> |
| Decrease in Rate | <u>1.289%</u> |

The issues to be considered in this proceeding are whether the proposed rate adjustment complies with the tariff and are reasonable and prudent.

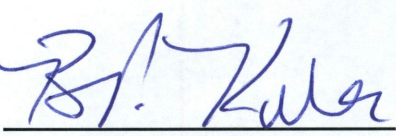
Those interested are invited to comment on the application in writing. Persons desiring a hearing must file a written request identifying their interest in the proceeding and the reasons for requesting a hearing. **Comments and requests for hearing must be received by June 21, 2016.** If deemed appropriate, the Commission can determine the matter without a hearing.

For more information contact the Public Service Commission, State Capitol, Bismarck, North Dakota 58505, 701-328-2400 or Relay North Dakota 1-800-366-6888 TTY. If you require any auxiliary aids or services, such as readers, signers, or Braille materials, please notify, Darrell Nitschke, Executive Secretary, 24 hours in advance.

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