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November 27, 2017

Darrell Nitschke  
Executive Secretary  
ND Public Service Commission  
600 East Boulevard Avenue  
Bismarck, ND 58505-0480

**RE: Otter Tail Power Company's Application for Approval of its Economic  
Development Rider  
Case No. PU-17-238  
Revised Rate Schedule**

Dear Mr. Nitschke:

Enclosed please find an original and seven (7) copies of Otter Tail Power Company's (Company's) revised EDR. The changes were made in conjunction with ND Staff to improve clarity and understanding. Otter Tail made additional changes to the Terms and Conditions to be consistent with a companion proposed rate schedule in its recently filed rate case (PU-17-398).

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). Please feel free to contact me at (218) 739-8595 or [dprazak@otpc.com](mailto:dprazak@otpc.com) if you have any questions.

Sincerely,

/s/DAVID G. PRAZAK  
David G. Prazak  
Supervisor, Pricing and Tariff Administration  
Regulatory Administration

kaw  
Enclosures



Fergus Falls, Minnesota

North Dakota, Section 14.13  
ELECTRIC RATE SCHEDULE  
Economic Development Rate Rider – Large General Service  
Applications and Eligibility Requirements

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**ECONOMIC DEVELOPMENT RATE RIDER - LARGE GENERAL SERVICE  
APPLICATIONS AND ELIGIBILITY REQUIREMENTS**

DESCRIPTION	RATE CODE
Secondary Service	50-0690
Primary Service	50-0691
Transmission Service	50-0692

N  
N  
N  
N  
N

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

N  
N

**APPLICATION OF RIDER:** This rider is applicable to the following customers:

N

- (i) Greenfield customers with: expected metered demand of at least 500 kW at a single metering point, and Seasonal Load Factor that is above the seasonal system average load factor and above the seasonal class average load factor corresponding to existing customers under the otherwise Applicable Standard Tariff.
- (ii) Existing customers with: metered demands of at least 1,000 kW that increase measured demand by at least 500 kW at a single new metering point, and Seasonal Load Factor above the seasonal system average load factor and above the seasonal class average load factor under the otherwise Applicable Standard Tariff.

N  
N  
N  
N  
N  
N  
N  
N

**SCOPE OF RIDER:** To attract new customer load that provides net benefits to ratepayers.

N

**COMMISSION-APPROVED PROCESS:** The nature of this rider requires Commission approval of the Rate Discount offered to the Customer. The final offered rate shall be calculated by the Company using its proprietary pricing model and produce net benefits to ratepayers.

N  
N  
N

NORTH DAKOTA PUBLIC  
SERVICE COMMISSION  
Case No. PU-17-238  
Approved by order dated

RATES EFFECTIVE with bills rendered  
on and after December 20, 2017, in North  
Dakota

APPROVED: Bruce G. Gerhardson  
Vice President, Regulatory Affairs



Fergus Falls, Minnesota

North Dakota, Section 14.13  
ELECTRIC RATE SCHEDULE  
Economic Development Rate Rider – Large General Service  
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**RATE DISCOUNT:** To be specified in each Customer's contract, in the form of a discount from the Company's Applicable Standard Tariff (Section 10.03 or 10.05), plus applicable Riders that follows the Commission-Approved Process described herein. N  
N  
N

**MANDATORY AND VOLUNTARY RIDERS:** The amount of a bill for service will be modified by any Mandatory Rate Riders that must apply and by any Voluntary Rate Riders selected by the Customer, unless otherwise noted in this schedule. See Sections 12.00, 13.00 and 14.00 of the North Dakota electric rates for the matrices of riders. N  
N  
N  
N

**TERMS AND CONDITIONS:** The Company will offer the Customer the rate schedule under the following terms: N  
N

1. The minimum rate under this schedule shall recover at least the incremental cost of providing the service, including any energy-related marginal costs plus the cost of additional generation capacity or network Capacity that is to be added while the rate is in effect, and any marginal Customer-related costs. The goal of this calculation is to establish a floor price to ensure that the revenue requirement of other Customers will not increase due to the addition of the new large load. N  
N  
N  
N  
N

2. The final rate offered to the Customer under this rate schedule shall not exceed the Company's Standard Tariff and all applicable riders, and shall not be lower than incremental costs as described in the preceding paragraph. N  
N  
N

3. The Company will utilize its proprietary pricing model to compare expected revenues from the prospective Customer and expected costs of serving the added load over the time period described in 4 of these terms and conditions. The model will be made available only to the Commission to verify the calculations used to establish the rate quote and final rate offered to the Customer. N  
N  
N  
N  
N

4. The contract term for a Customer who meets all requirements under this rate schedule must be no less than one year and no longer than five years commencing the first day of commercial operations N  
N  
N

5. The contract will indicate how the incentive percent level will vary during the 1 to 5-year period for the particular customer. The stated incentive will be an annual discount percentage to be applied to all billed amounts and mandatory riders, including Energy Adjustment Rider (EAR) related revenue, but excluding taxes. N  
N  
N  
N

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- 6. Customers who do not meet the 3-year minimum revenue guarantee as per OTP’s line extension policy will not qualify for this rate schedule. N  
N
  - 7. The Company will not need to verify nor will customers served on this rate schedule need to demonstrate the creation of a minimum number of jobs upon adding the new load. N  
N
  - 8. Customer will allow Company to undertake an Energy efficiency audit of the facility. N
  - 9. The Company will provide the Commission annual compliance updates to the proprietary pricing model and approved Rate Discount while this rate schedule is in effect. N  
N

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