STATE OF NORTH DAKOTA

PUBLIC SERVICE COMMISSION

Otter Tail Power Company
Transmission Facility Cost Recovery (2018)
Rates

Case No. PU-17-340

NOTICE OF OPPORTUNITY FOR HEARING

September 20, 2017

On August 31, 2017, Otter Tail Power Company (Otter Tail) filed an annual update to its Transmission Facility Cost Recovery Rider tariff. The proposed rate increase for 2018 includes the costs for one new transmission project, updated electric transmission expenses with offsetting revenues and a true-up amount from the current rate. The proposed rate adjustment to be effective for bills rendered on and after January 1, 2018, is as follows:

Customer Class	Existing Rate	Proposed Rate	Increase
Large Gen. Service	$1.689/kW	$2.095	$0.406
Controlled Service	$0.00065 /kWh	$0.00086	$0.00021
Lighting Service	$0.00270 /kWh	$0.00332	$0.00062
All Other Service	$0.00475 /kWh	$0.00599	$0.00124

The increase for a typical residential customer using 1000 kWh per month would be $1.23 per month. The issues to be considered in this proceeding are:

1. Whether the proposed rate adjustment complies with Otter Tail's tariff,
2. Whether the incurred costs for new or modified electric transmission facilities are reasonable and prudent, and
3. Whether the incurred costs are eligible for recovery through the transmission cost recovery rider.

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 November 7, 2017**. 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.

PUBLIC SERVICE COMMISSION

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