

Memo

To: Darrell Nitschke, Executive Secretary

From: Victor Schock 

Date: January 9, 2018

Re: Otter Tail Power Company Interim Electric Service Rate Increase (PU-17-398)

Otter Tail Power Company (OTP) filed for an electric rate increase on November 2, 2017. The Company used a 2018 projected test year to calculate its interim rate relief request of \$12.8 million in increased revenue collections for an overall increase in revenue collections of 10.44% or an average increase per month for residential customers of \$8.86.

On December 4, 2017 staff filed a letter stating that OTP's interim request was in compliance with the laws and rules governing interim rate increases and that the interim increase should be approved. On December 20, 2017 the commission approved the interim rate increase request.

OTP filed compliance tariffs on December 29, 2017 and supplemental compliance tariffs on January 3, 2018.

Staff has reviewed the compliance tariffs and finds them to be in compliance with the laws and rules governing interim rate increases as well as the Commission's December 20, 2017 Order on Interim Rates.

Staff recommends approval of the compliance tariffs as filed.