

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

Otter Tail Power Company
2017 Electric Rate Increase
Application

Case No. PU-17-398

AFFIDAVIT OF SERVICE BY CERTIFIED AND REGULAR MAIL

STATE OF NORTH DAKOTA
COUNTY OF BURLEIGH

Geralyn R. Schmaltz deposes and says that:

she is over the age of 18 years and not a party to this action and, on the **28th day of February, 2018**, she deposited in the United States Mail, at Bismarck, North Dakota, **one** envelope with certified postage, return receipt requested, fully prepaid, securely sealed and containing a photocopy of:

- **Order on Interim Rates**

The envelope was addressed as follows:

Cary Stephenson
Associate General Counsel
Otter Tail Power Company
PO Box 496
Fergus Falls, MN 56538-0496
Cert. No. 7017 2400 0001 0889 8720

Geralyn R. Schmaltz further deposes and says that on the **28th day of February, 2018**, she deposited in the United States Mail, Bismarck, North Dakota, **five** envelopes by regular mail, with postage fully prepaid, securely sealed, each containing a photocopy of the same.

The envelopes were addressed as follows:

Rebecca L. Mann
Attorney for Intervener Wal-Mart Stores, Inc.
Gunderson, Palmer, Nelson & Ashmore, LLP
PO Box 8045
Rapid City, SD 57708-8045

Talbot J. Wiezorek
Attorney for Intervener Wal-mart Stores, Inc.
Gunderson, Palmer, Nelson& Ashmore, LLP
PO Box 8045
Rapid City, SD 57709-8045

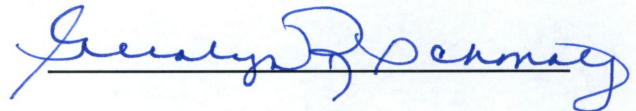
Stephen W. Chriss
Wal-mart Legal Department
2001 SE 10th Street
Bentonville, AR 72716-5560

Kavita Maini
Intervener for Midwest Large Energy
Consumers
KM Energy Consulting, LLC
961 North Lost woods Road
Oconomowoc, WI 53066

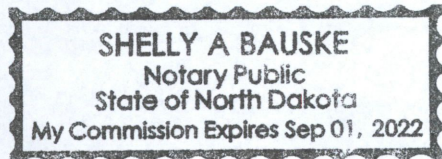
Richard Savelkoul
Attorney for Intervener Midwest Large Energy
Consumers
Martin & Squires, P.A.
332 Minnesota Street, Suite W2750
St. Paul, MN 55101

The addresses shown are the respective addressee's last reasonably ascertainable mailing address.

Subscribed and sworn to before me
this **28th day of February, 2018**



Gregory D. Schoney



SEAL



Shelly A. Bauske
Notary Public

**STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION**

**Otter Tail Power Company
2017 Electric Rate Increase
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Case No. PU-17-398

ORDER ON INTERIM RATES

February 27, 2017

On November 2, 2017, Otter Tail Power Company (OTP) filed with the Commission to increase its rates for electric service. The filing included an interim rate increase.

On November 29, 2017, the Commission suspended the rates.

On December 4, 2017, Commission Advocacy Staff (Advocacy Staff) filed a letter recommending approval of the proposed interim rates.

On December 20, 2017, the Commission approved, subject to refund, an interim increase in annual revenue, for service rendered on or after January 1, 2018, which included a 10.44% increase to the non-fuel portion of the bill for firm service customers and included revisions to its Environmental and Renewable Cost Recovery Riders.

On February 15, 2018, OTP filed a petition to reduce interim rates to conform to the federal Tax Cut & Jobs Act, which reduced the federal corporate income tax rate from 35 percent to 21 percent for the top bracket.

On February 21, 2018, Advocacy Staff filed a response to OTP's request recommending approval, including the effective date.

OTP proposes to reduce the interim increase in annual revenue from \$12.8 million to 8.3 million: a reduction of approximately \$4.5 million. When applied to the non-fuel portion of the bill, the effective increase to firm service customers is reduced from 10.44% to 6.79%. OTP proposes to reduce its Environmental, Renewable and Transmission Cost Recovery Rider annual revenues from \$26.5 million to \$24.8 million: a reduction of approximately \$1.7 million.

OTP asked for approval to implement the new interim rates effective March 1, 2018.

The Commission finds good cause to implement these proposed on less than 30 days' notice.


Order

The Commission orders:

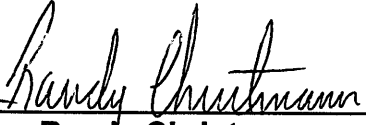
1. Otter Tail Power Company's request to decrease interim rates is APPROVED for service rendered on or after March 1, 2018.

2. Otter Tail Power Company's request to decrease its Environmental, Renewable and Transmission Cost Recovery Rider revenues is APPROVED for service rendered on or after March 1, 2018.


PUBLIC SERVICE COMMISSION



Brian Kroshus
Commissioner



Randy Christmann
Chairman



Julie Fedorchak
Commissioner