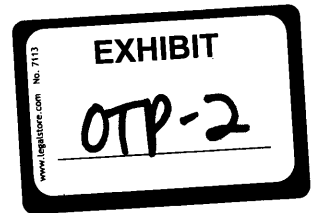


215 South Cascade Street  
PO Box 496  
Fergus Falls, Minnesota 56538-0496  
218 739-8200  
[www.otpc.com](http://www.otpc.com) (web site)



November 2, 2017

Darrell Nitschke  
Director of Administration/Executive Secretary  
North Dakota Public Service Commission  
600 East Boulevard, Dept. 408  
Bismarck, ND 58505-0480

**RE: In the Matter of the Application of Otter Tail Power Company for Authority to Increase Rates for Electric Service in North Dakota  
Notice of Change in Rates for Electric Service**

Dear Mr. Nitschke:

Pursuant to North Dakota Century Code, §49-05-05, Otter Tail Power Company (Otter Tail, OTP or Company), submits an original and ten (10) copies of a Notice of Change in Rates for Electric Service (the Notice). The Notice was also provided by email to [ndpsc@nd.gov](mailto:ndpsc@nd.gov). The rate and tariff changes proposed in this Notice, including proposed revisions to the Transmission Cost Recovery Rider (TCRR), Renewable Resource Adjustment Rider (RRAR) and Environmental Cost Recovery Rider (ECRR) to reduce the rate of return and modify allocation factors, would result in an annual increase of non-fuel base electric revenues of \$13,138,372 or 8.72 percent. Without adjusting the TCRR, RRAR and ECRR to reduce the rate of return and modify allocation factors, the rate and tariff changes proposed in this Notice would result in an annual increase of non-fuel base electric revenues of \$15,715,320, or 10.61 percent. The rate and tariff changes proposed in this Notice would be effective for electric service on and after December 2, 2017, or upon final approval if the rates are suspended. The test year for the proposed increase is the calendar year ending December 31, 2018, with appropriate forecast test year adjustments.

Also included with this Notice is an Alternative Petition for Interim Rates, should the Commission elect to suspend the Company's proposed rates. Pursuant to N.D. Cent. Code, §49-05-06, subd. 2, interim rates would be effective January 1, 2018.

This Notice has been organized into the following sections and supporting testimony:

**Volume**

**1 Notice of Change in Rates – Interim Rate Petition**

Index  
Filing Letter  
Notice of Change in Rates  
Alternative Petition for Interim Rates  
Interim Supporting Schedules and Workpapers  
Summary of Present and Interim Revenue  
Interim Tariff Sheets – Legislative  
Interim Tariff Sheets – Non-Legislative

**2A Direct Testimony and Supporting Schedules**

Index  
**Bruce G. Gerhardson**  
Policy  
**Stuart D. Tommerdahl**  
Capital Projects  
Corporate Costs  
ADIT Proration  
**Bryce C. Haugen**  
Rider Roll in  
**Gina S. Ice**  
Jurisdictional and Class Allocators  
Class Cost of Service Study  
Class Revenue Responsibilities  
**Tyler A. Akerman**  
Rate Base  
Operating Statement  
Capital Budgeting Process  
**Christine L. Petersen**  
Budget Process  
Operations and Maintenance Expenses  
Pension and Post Employment Expenses

**2B Direct Testimony and Supporting Schedules**

Index  
**Kevin G. Moug**  
Financial Soundness  
Capital Structure  
Cost of Capital  
**Robert B. Hevert**  
Return on Equity  
**Kirk A. Phinney**  
Big Stone AQCS and Hoot Lake MATS Capital Projects  
**David G. Prazak**  
Rate Design

**Volume**

**2C Direct Testimony and Supporting Schedules**

Index

**Brian H. Draxten**

Sales and Revenue Forecast

**Peter E. Wasberg**

Employee Compensation

**2D Proposed Legislative and Non-Legislative Tariff Sheets**

Index

Proposed Tariff Sheets – Legislative

Proposed Tariff Sheets – Non-Legislative

**3 Supporting Information**

Index

Supporting Information

A. Jurisdictional Financial Summary Schedules

1. Summary of Revenue Requirements – 2018 Test Year
2. Summary of Revenue Requirements – Jurisdictional

B. Rate Base Schedules

1. Rate Base Summary
2. Rate Base Components – 2018 Test Year
3. Rate Base Components – 2018 Test Year to Most Recent General Rate Case
4. Cash Working Capital
5. Rate Base Adjustments
6. Summary of Approaches and Assumptions Used
7. Rate Base Jurisdictional Allocation Factors

C. Operating Income Schedules

1. Jurisdictional Statement of Operating Income
2. Statement of Operating Income - Jurisdictional
3. Statement of Operating Income – 2018 Test Year
4. Statement of Operating Income – 2018 Test Year to Most Recent General Rate Case
5. Computation of Federal and State Income Taxes
6. Computation of Deferred Income Taxes
7. Development of Federal and State Income Tax Rates
8. Operating Income Statement Adjustments Schedule
9. Summary of Approaches and Assumptions Used
10. Operating Income Statement Allocation Factors

D. Rate of Return /Cost of Capital Schedules

1. Summary Schedule
2. Cost of Long-Term Debt
3. Cost of Short-Term Debt
4. Common-Equity

**Volume**

- 3**
  - E. Rate Structure and Design Information
    - 1. 2018 Test Year Operating Revenue Summary Comparison
    - 2. 2018 Test Year Operating Revenue Detailed Comparison
    - 3. Class Cost of Service Study
  - F. Other Supplemental Information
    - 1. Annual Report
    - 2. Gross Revenue Conversion Factor

**4A Work Papers**

Index

- A. 2018 Test Year Workpapers
  - 1. Jurisdictional Cost of Service Study (JCOSS)
  - 2. Class Cost of Service Study (CCOSS)
  - 3. Functionalization
  - 4. Input Summary
  - 5. 2018 Test Year Adjustments
    - TY-01 – Normalized Plant in Service
    - TY-02 – Rate Case Expenses
    - TY-03 – Normalized Plant Outage
    - TY-04 – Removal of PTC's
    - TY-05 – Economic Development
    - TY-06 – Prorate ADIT
- B. 2018 Base Year Workpapers
  - 1. Jurisdictional Cost of Service Study (JCOSS)
  - 2. Functionalization
  - 3. Input Summary
  - 4. Work Papers A-D, ND
- C. Interim Cost of Service Study
- D. Hevert Cost of Capital Workpapers

**4B Lead Lag Study**

Index

Lead Lag Study

**5 Budget Documentation**

Index

O&M Budget Process

Capital Budget Process

Mr. Nitschke  
November 2, 2017  
Page 5

Pursuant to N.D.C.C. §49-05-04, Otter Tail has enclosed an application fee of \$175,000.00. The Company has also provided a filing fee of \$50.00 in accordance with N.D.C.C. § 49-05-05.

If you have any questions regarding this filing, please contact me at 218-739-8956 or [cstephenson@otpc.com](mailto:cstephenson@otpc.com).

Sincerely,

A handwritten signature in black ink, appearing to read "Cary Stephenson", with a long horizontal line extending to the right.

Cary Stephenson  
Associate General Counsel  
Otter Tail Power Company

cc: Jerry Lien

Enclosures  
By electronic filing and personal delivery

**STATE OF NORTH DAKOTA  
BEFORE THE  
NORTH DAKOTA PUBLIC SERVICE COMMISSION**

Case No. PU-17-

\_\_\_\_\_  
In the Matter of the Application of  
Otter Tail Power Company for Authority  
to Increase Rates for Electric Service  
in North Dakota  
\_\_\_\_\_

**Affidavit of Bruce Gerhardson**

I, the undersigned, being first duly sworn, on oath depose and say the following:

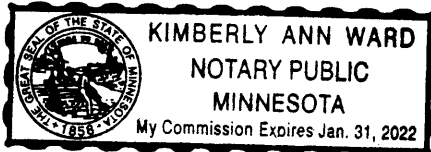
1. I am the Vice President Regulatory Affairs for Otter Tail Power Company (OTP or the Company), the applicant herein;
2. I have read the Company's Notice of Change of Rates for Electric Service and the Alternative Petition for Interim Rates, and I believe all the statements therein to be true and correct;
3. I have been duly authorized by OTP to submit The Notice of Change of Rates for Electric Service and the Alternative Petition for Interim Rates on behalf of the Company.

  
\_\_\_\_\_  
Bruce Gerhardson

Subscribed and sworn before me, this 1<sup>st</sup> day of November 2017.

  
\_\_\_\_\_

Notary Public



**STATE OF NORTH DAKOTA  
BEFORE THE  
NORTH DAKOTA PUBLIC SERVICE COMMISSION**

Case No. PU-17-\_\_\_\_

---

In the Matter of Application of Otter Tail  
Power Company For Authority to Increase  
Rates for Electric Service in North Dakota

---

**NOTICE OF CHANGE IN RATES FOR  
ELECTRIC SERVICE**

**I. INTRODUCTION**

Pursuant to N.D.C.C. § 49-05-05 and N.D. Admin. Code § 69-09-02-01, Otter Tail Power Company (OTP or the Company) hereby provides notice (the Notice) to the North Dakota Public Service Commission (the Commission) of the Company's intent to change electric service rates and tariffs contained in the Company's North Dakota Electric Rate Book effective December 2, 2017, thirty days after the date of this filing. If the Commission suspends the proposed revised rates and tariffs within 30 days of this Notice, the Company requests that the Commission issue an order granting interim rate relief effective January 1, 2018, without a hearing, pursuant to N.D.C.C. § 49-05-06, subd. 2. A separate Alternative Petition for Interim Rates is submitted with this Notice.

The rate and tariff changes proposed in this Notice, including proposed revisions to the Transmission Cost Recovery Rider (TCRR), Renewable Resource Adjustment Rider (RRAR) and Environmental Cost Recovery Rider (ECRR) to reduce the rate of return and modify allocation factors, would result in an annual increase of non-fuel base electric revenues of \$13,138,372 or 8.72 percent. Without adjusting the TCRR, RRAR and ECRR to reduce the rate of return and modify allocation factors, the rate and tariff changes proposed in this Notice would result in an annual increase of non-fuel base electric revenues of \$15,715,320, or 10.61 percent. The rate and tariff changes proposed in this Notice are based on a 2018 forecast test year.

The rate and tariff changes proposed in this Notice also reflect OTP's compliance with the Commission's Order in Cases No. PU-08-862 and 08-742 to transition fuel and purchase power costs that are currently recovered in base rates to the Energy Adjustment Rider (also called the Fuel Clause Adjustment or FCA). If adopted, the transition would offset the increase in non-fuel base rates. In total, the rate and tariff changes proposed in this Notice, including revisions to the Transmission Cost Recovery Rider, Renewable Resource Cost Recovery Rider, and Environmental Cost Recovery Rider and the removal of fuel and purchased power costs from base rates, would result in an annual decrease of base electric revenues of \$12,734,647, or 9.89 percent.

If the Commission suspends the foregoing rate increase, OTP seeks an interim rate increase of \$12,800,479 effective January 1, 2018, to be applied as a uniform 10.44 percent increase to base rate components of customers' bills, as more fully described in the Alternative Petition for Interim Rates.

The rates and tariffs being revised are provided in Volume 2D, and consist of the amended tariffs in legislative (red-line) and regular formats. These tariff changes are supported by the Direct Testimony of OTP witness Mr. David G. Prazak provided with this Notice. The proposed rates would affect the Company's service to all of its approximately 59,000 retail electric customers in the State of North Dakota.

#### **A. Need for Rate Increase**

The Company last sought a general rate increase in Case No. PU-08-862, filed in November 2008, based a historic 2007 test year. Since then, OTP has experienced increased operating expenses and costs driven by the Company's investments in generation, transmission, and distribution infrastructure. These cost increases cannot be offset on a sustained basis by customer or sales growth or other cost reduction efforts.

The proposed rate increase is needed so the Company has a reasonable opportunity to earn a fair and just return for its North Dakota electric operations. The proposed rate increase also provides the Company a solid foundation for the future, supporting the Company's efforts to make technology infrastructure investments. The return on equity (ROE) approved by the Commission in the Company's most recent general electric rate filing (Case No. PU-08-862) was 10.75 percent. The Direct Testimony of OTP witness Mr. Robert B. Hevert filed with this Notice

supports an ROE of 10.30 percent. OTP witness Mr. Bruce G. Gerhardson provides a summary of the need for a rate increase in his Direct Testimony.

### **B. Proposed Cost Allocation and Rate Design**

Schedules E-1 and E-2, found in Volume 3 of this filing, provide an estimate of the number of customers whose cost of service will be affected and the proposed annual increase or decrease in revenues by class. Mr. Prazak discusses the objectives that guided the Company's proposed rate design in his Direct Testimony. The proposed rate changes, effective December 2, 2017, if not suspended, transition recovery of the cost of fuel from base rates to recovery entirely through the Fuel Cost adjustment provision of the Company's North Dakota Electric Rate Book.

### **C. The Proposed Rate Change Would Serve the Public Interest**

Because the rate increase would allow the Company to recover its reasonable cost of service and establish a fair allocation of the increase among the various customer classes, the proposed rate increase does not unreasonably discriminate between the Company's customers or customer classes, and does not violate any Commission laws or rules. The proposed rates would thus serve the public interest and should be effective December 2, 2017, as proposed. In the alternative, the Commission should allow the Company to implement interim rates effective January 1, 2018, until final base rates are placed into effect.

## **II. REQUIRED FILING INFORMATION**

### **A. Name and Address of Applicant**

Otter Tail Power Company  
215 South Cascade Street  
Fergus Falls, MN 56537  
218-739-8200

Otter Tail Power Company maintains local offices in Jamestown, Wahpeton, Devils Lake, Garrison and Rugby. The Company requests the following counsel be placed on the Commission's official service list for this proceeding:

Cary Stephenson  
Associate General Counsel  
Otter Tail Power Company  
PO Box 496  
215 South Cascade Street  
Fergus Falls, MN 56538-0496  
218-739-8956

### **B. Proposed Rates and Tariffs**

Pursuant to N.D.C.C. § 49-05-05 and N.D. Admin. Code § 69-09-02-01, the Company is submitting as part of this Notice the following schedules:

- Schedule A-2 in Volume 3 Supporting Information shows the determination of the projected revenue deficiency for the 2018 rate case test year;
- Schedules E-1 and E-2 in Volume 3 Supporting Information show the number of customers by class, the proposed revenue apportionment for each customer class, and the miscellaneous revenues for the test year;
- OTP witness Mr. Prazak testimony Section IV provides summary comparison of the proposed retail rates to the Company's present rates;
- OTP witness Mr. Prazak testimony Section IV provides an estimation of the anticipated impact of the increase on monthly customer bills at various usage levels;
- Section A in Volume 3 Supporting Information is a summary of the Jurisdictional Cost of Service Study, which shows the test year rate base, operating income, revenue requirement and deficiency, and other related information;
- OTP witness Mr. Prazak Exhibit \_\_\_ (DGP-1), Schedule 9 is a summary list of the tariff sheets proposed to be changed;
- Volume 2D shows the proposed tariffs in both "legislative" (red-line) and regular formats; and
- An Alternative Petition for Interim Rates, with supporting schedules and interim tariffs, with rates becoming effective January 1, 2018, and subject to refund pending the final order in this case.

### **C. Filing Fee and Verification**

Pursuant to N.D.C.C. § 49-05-04(11), the Company has included with this filing a check for the filing fee of \$175,000. The Company has also provided a filing fee of \$50.00 in accordance with N.D.C.C. § 49-05-05. Also enclosed is the sworn affidavit of Mr. Bruce Gerhardson verifying the correctness of the Notice, proposed rate and tariff changes, and supporting schedules.

#### **D. Articles of Incorporation**

Pursuant to N.D. Admin. Code § 69-02-02-04, a certified copy of Otter Tail's articles of incorporation is on file with the Commission in Case No. PU-09-677. The certificate and amendments are hereby incorporated by reference. An original certificate of good standing is included as Attachment 1 to this Notice.

#### **III. NOTICE TO AFFECTED CUSTOMERS**

N.D. Admin. Code § 69-09-02-02.1, subd. 2(a)(2), requires a notice to electric customers not later than thirty days after filing an increase in rates. In compliance with this requirement, the Company will include a bill insert with November 2017 bills to be issued to electric customers in North Dakota, included as Attachment 2 to this Notice. The customer notice will be distributed for one billing cycle and will describe the reasons for the rate changes and the rate impact information required by N.D. Admin. Code § 69-09-02-02.1, subd. 2(a)(2). Information on how to contact the Company or the Commission with questions or comments about the changes will also be provided.

If the Commission suspends the proposed rates within 30 days and issues an order allowing the Company to place the interim electric rate increase in effect on January 1, 2018, subject to refund, the Company will include a customer information notice in bills to be issued to electric customers in North Dakota on and after January 1, 2018. Again, the customer information notice would be distributed for one billing cycle, would describe the reasons for the interim rate change, the rate impact of the change and would provide information on how to contact the Company or the Commission with questions or comments about the changes.

#### **IV. PROPOSED PROCEDURES**

Pursuant to N.D.C.C. § 49-05-05, the Company respectfully requests that the Commission allow the proposed rate and tariff changes shown in Volume 2D to be placed into effect December 2, 2017, without suspension or hearing. This Notice of Change in Rates for Electric Service and schedules thereto fully satisfy the requirements for a notice of rate changes effective December 2, 2017, subject to the Commission's authority to thereafter prospectively change such rates and tariffs through a final order under N.D.C.C. § 49-05-06 if the

Commission formally investigates the change. The Company has included Direct Testimony in support of this Notice. The Company is receptive to working with Commission Staff to promptly resolve this matter through an information and settlement process.

**V. CONCLUSION**

For the foregoing reasons, the Company provides this Notice to the Commission of new electric rates and tariffs to be effective December 2, 2017 in accordance with N.D.C.C. § 49-05-05 and N.D. Admin. Code § 69-09-02-01. If the Commission suspends the proposed rates and tariffs within 30 days of this Notice, the Company requests that the Commission issue an order allowing the Company's proposed interim rates to be effective January 1, 2018, subject to refund under N.D.C.C. § 49-05-06, subd. 2. Please direct any questions regarding the Notice of Change in Rates for Electric Service and/or Alternative Petition for Interim Rates to Mr. Matthew Olsen at 218-739-8657 or Mr. Cary Stephenson at 218-739-8956.

Dated: November 2, 2017

Respectfully Submitted,

OTTER TAIL POWER COMPANY

By:   
Bruce Gerhardson  
Vice President Regulatory Affairs  
Otter Tail Power Company  
215 South Cascade Street  
Fergus Falls, MN 56538  
218-739-8475  
[bgerhardson@otpc.com](mailto:bgerhardson@otpc.com)

# *State of North Dakota*

## SECRETARY OF STATE



### CERTIFICATE OF GOOD STANDING OF

OTTER TAIL POWER COMPANY

The undersigned, as Secretary of State of the State of North Dakota, hereby certifies that OTTER TAIL POWER COMPANY, a Minnesota corporation, authorized to transact business in the State of North Dakota on February 24, 1914, and according to the records of this office as of this date, has paid all fees due this office as required by North Dakota statutes governing foreign corporations.

**ACCORDINGLY** the undersigned, as such Secretary of State, and by virtue of the authority vested in him by law, hereby issues this Certificate of Good Standing to

OTTER TAIL POWER COMPANY

Issued: October 23, 2017

A handwritten signature in cursive script, reading "Alvin A. Jaeger".

Alvin A. Jaeger  
Secretary of State

## OTTER TAIL POWER COMPANY REQUESTS NORTH DAKOTA RATE REVIEW

On November 2, 2017, Otter Tail Power Company submitted an application with the North Dakota Public Service Commission (NDPSC) for permission to increase our electric rates. The rates applied for are proposed only and, if the rates are suspended by the NDPSC, the new rates will not be effective until NDPSC action has been taken.

### This is what's driving our request

Our last request for a rate increase in North Dakota was in 2008. Since then, costs we incur to provide our customers with energy and related services have increased. We've also made investments in stronger, cleaner, infrastructure and smarter technologies that ensure we can continue to provide you with reliable, affordable energy.

### Customer bill impacts

We estimate that a typical residential customer's bill will increase by approximately \$11.50 a month and a typical business customer's bill will increase by approximately \$22.00 a month. Increases will vary depending on your electric service rate and the amount of electricity you use. This table shows changes to the average monthly bill by customer type.

| Customer type                    | Monthly Kilowatt-hour Usage | Previous Monthly Bill | Proposed Increase to Monthly Bill |
|----------------------------------|-----------------------------|-----------------------|-----------------------------------|
| Residential                      | 870                         | \$84.86               | \$11.63                           |
| Farms                            | 2297                        | \$195.29              | \$26.75                           |
| General Service                  | 2769                        | \$268.74              | \$22.23                           |
| Large General Service            | 173381                      | \$12,425.26           | \$1,026.33                        |
| Irrigation                       | 1522                        | \$103.92              | \$19.75                           |
| Outdoor Lighting                 | 2074                        | \$2,516.18            | \$327.10                          |
| Other Public Authority           | 2375                        | \$173.76              | \$22.59                           |
| Controlled Service Water Heating | 221                         | \$15.95               | \$2.19                            |
| Controlled Service Interruptible | 1977                        | \$84.38               | \$11.56                           |
| Controlled Service Deferred      | 1541                        | \$81.08               | \$6.70                            |

For more information, visit [otpc.com/NDRateReview](http://otpc.com/NDRateReview) or call 800-257-4044.

You may contact the North Dakota Public Service Commission at:

North Dakota Public Service Commission  
600 E. Boulevard, Dept. 408  
Bismarck, ND 58505-0480

Phone: 701.328.2400  
TTY: 800.366.6888  
Email: [ndpsc@nd.gov](mailto:ndpsc@nd.gov)

**STATE OF NORTH DAKOTA  
BEFORE THE  
NORTH DAKOTA PUBLIC SERVICE COMMISSION**

In the Matter of the Application of Otter Tail  
Power Company for Authority to Increase  
Rates for Electric Service in North Dakota

Case No. PU-17-

**APPLICATION FOR TRADE SECRET PROTECTION**

Pursuant to N.D. Admin. Code §§ 69-02-09-01 and 69-02-09-04, Otter Tail Power Company (Otter Tail) respectfully requests that the Commission issue a trade secret protective order in the above-referenced case. The purpose of the requested protective order is to protect trade secret and commercial information from public disclosure pursuant to N.D.C.C. § 44-04-18 *et seq.* or any other applicable public disclosure laws.

The specific information for which Otter Tail seeks trade secret protection includes the following items filed in the above referenced case:

- Sales and revenue forecast data and methodologies contained in the Direct Testimony, attachments and supporting schedules of Otter Tail witness Brian H. Draxten; and
- Employee compensation & benefits data, surveys and benchmarking contained in the Direct Testimony, attachments, and supporting schedules of Otter Tail witness Peter E. Wasberg.

This information has been marked as NOT PUBLIC and/or PROTECTED DATA.

The above-referenced information is confidential trade secret, proprietary, commercial and financial information under N.D.C.C. § 44-04-18.4 (1)(2), and trade secret information as set forth in N.D.C.C. § 47-25.1-01(4). The information not publicly available, is confidential and proprietary business information, was prepared specifically for Otter Tail with data inputs unique to Otter Tail, or is subject to agreements that require the ongoing confidentiality of the

information. The confidentiality of this information has been maintained by Otter Tail and is not readily ascertainable by proper means by other persons.

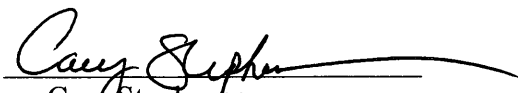
Vendors and competitors would have an opportunity to obtain economic value from disclosure or use of the information, to the detriment of Otter Tail and the customers we serve. If publicly available, competitors could use the information to leverage their rate positions in the marketplace. Entities from which Otter Tail purchases power, generation facilities, other utilities and independent power producers could obtain economic value from disclosure of this information. Competitors and other business interests could gain advantages in hiring new employees and impair OTP ability to retain existing employees. If publicly available, vendors and suppliers could gain economic benefit from this information in negotiations with Otter Tail for procurement of services and goods to the detriment of Otter Tail and its customers.

In accordance with N.D. Admin. Code § 69-02-09-02, one copy of the trade secret material is provided in the enclosed sealed envelope labeled PROTECTED INFORMATION – PRIVATE.

In addition, the Company requests that the trade secret protective order be broad enough to cover all additional information exchanged during this proceeding and qualifying for trade secret protection.

Respectfully submitted this 2<sup>nd</sup> day of November 2017.

OTTER TAIL POWER COMPANY

By   
Cary Stephenson  
Associate General Counsel  
Otter Tail Power Company  
215 S. Cascade Street  
Fergus Falls, MN 56538-0496  
(218) 739-8956  
[cstephenson@otpc.com](mailto:cstephenson@otpc.com)

**STATE OF NORTH DAKOTA  
BEFORE THE  
NORTH DAKOTA PUBLIC SERVICE COMMISSION**

Case No. PU-17-

---

In the Matter of the Application of  
Otter Tail Power Company for  
Authority to Increase Rates for  
Electric Service in North Dakota

---

**ALTERNATIVE PETITION FOR INTERIM RATES**

**A. Introduction**

Otter Tail Power Company (OTP or the Company) hereby submits to the North Dakota Public Service Commission (the Commission) this Alternative Petition for Interim Rates (the Petition) for its North Dakota retail electric customers, pursuant to N.D.C.C. §49-05-06. The Company requests that the Commission authorize, on an interim basis, rate relief of \$12,800,479 or 10.44 percent to be effective January 1, 2018.

**B. Effective Date**

The date of the submission of this Petition is November 2, 2017. The Petition is submitted as part of the Company's Notice of Change in Rates for Electric Service (the "Notice"). Pursuant to N.D.C.C. § 49-05-06, the Company requests that, should the Commission suspend the operation of the general rate schedules that accompany the Notice, the proposed interim rates be made effective on January 1, 2018. N.D.C.C. § 49-05-06, subd. 2, provides that if interim rates are requested, the Commission "shall order that the interim rates take effect no later than sixty (60) days after the initial filing date and without a public hearing." If the interim rate amounts are in excess of the final rates approved by the Commission, the interim rates will be subject to refund plus reasonable interest at a rate to be determined by the Commission.

### **C. Description and Need for Interim Rates**

The Company is entitled to interim rate relief based on the Notice and its supporting schedules, along with the supporting schedules attached to this Petition. The proposed interim rate increase applies to all of OTP's retail electric customers in the State of North Dakota. Interim rates are needed because the increased cost of service reflected in the Company's general rate Notice will be incurred before August 1, 2018, the anticipated effective date of the general rate increase assuming the Commission suspends the rates filed with the Notice.

Without interim rate relief, the Company will be unable to recover these increased costs of service during the period the rates are suspended. Schedules attached to this Petition support the interim revenue deficiency of \$12,800,479 for the Company's North Dakota electric utility operations. As required by N.D.C.C. § 49-05-06, the Company removed from the interim rate request the recovery of costs that are not the same in nature and kind as those allowed in the most recent electric rate proceeding in Case No. PU-08-862. The return on equity (ROE) requested for interim rates for the Company is 10.30 percent, which is lower than the last Commission-authorized ROE, ordered in Case No. PU-08-862. While N.D.C.C. § 49-05-06 subd. 2a. specifies the interim rate ROE must be equal to the last authorized ROE, the Company developed the interim rate revenue requirement sought in the Petition using a ROE matching the lower ROE requested in the Notice.

The Test Year for the Company's general rate Notice and this Petition is the calendar year ending December 31, 2018, with appropriate ratemaking adjustments. The rate and tariff changes proposed in the Notice, including proposed revisions to the Transmission Cost Recovery Rider (TCRR), Renewable Resource Adjustment Rider (RRAR) and Environmental Cost Recovery Rider (ECRR) to reduce the rate of return and modify allocation factors, would result in an annual increase of non-fuel base electric revenues of \$13,138,372 or 8.72 percent. Without adjusting the TCRR, RRAR and ECRR to reduce the rate of return and modify allocation factors, the rate and tariff changes proposed in this Notice would result in an annual increase of non-fuel base electric revenues of \$15,715,320, or 10.61 percent. The Company is requesting an interim rate adjustment that would increase OTP's Test Year revenues by \$12,800,479 or a 10.44 percent increase of present retail electric revenues, exclusive of separately collected revenues related to franchise fees or gross earnings taxes imposed by local governmental units and the Company's TCRR, RRAR, and ECRR, to which

the interim increase will not apply. During the period of interim rates, the riders will remain in effect at rates adjusted to match the Notice until final rates become effective.

**D. Interim Rate Schedules**

The following rate schedules are proposed to be increased on an interim basis on January 1, 2018:

|   |  |                       |
|---|--|-----------------------|
| <b><u>RESIDENTIAL AND WATER HEATING SERVICE</u></b>             |  | <b><u>Section</u></b> |
| Residential Service   |  | 9.01                  |
| Residential Service (Controlled Demand)                         |  | 9.02                  |
| <b><u>FARM SERVICE</u></b>                                      |  |                       |
| Farm Service  |  | 9.03                  |
| <b><u>GENERAL AND COMMERCIAL SERVICE</u></b>                    |  |                       |
| Small General Service   |  | 10.01                 |
| General Service (20 kW or Greater)                              |  | 10.02                 |
| Large General Service   |  | 10.03                 |
| Commercial Service – Time of Use                                |  | 10.04                 |
| Large General Service- Time of Day- Experimental                |  | 10.05                 |
| <b><u>INTERRUPTIBLE SERVICE</u></b>                             |  |                       |
| Water Heating Control Rider                                     |  | 14.01                 |
| Controlled Service - Interruptible Load CT Metering             |  | 14.04                 |
| Controlled Service - Interruptible Load Self Contained Metering |  | 14.05                 |
| Controlled Service - Deferred Load                              |  | 14.06                 |
| Fixed Time of Delivery Service                                  |  | 14.07                 |
| <b><u>PURCHASE POWER RATE SCHEDULES</u></b>                     |  |                       |
| Small Power Producer Rider - Occasional Delivery                |  | 12.01                 |
| Small Power Producer Rider - Time of Delivery                   |  | 12.02                 |
| Small Power Producer Rider - Dependable Service                 |  | 12.03                 |
| <b><u>OTHER ELECTRIC RATE SCHEDULES</u></b>                     |  |                       |
| Standby Service   |  | 11.01                 |
| Irrigation Service  |  | 11.02                 |
| Outdoor Lighting – Energy Only                                  |  | 11.03                 |
| Outdoor Lighting  |  | 11.04                 |
| Municipal Pumping Service                                       |  | 11.05                 |
| Fire Sirens   |  | 11.06                 |

The following rate schedules are proposed to be implemented on January 1, 2018 coinciding with interim rates:

|                                    |  |                       |
|------------------------------------|--|-----------------------|
| <b><u>MANDATORY RIDERS</u></b>     |  | <b><u>Section</u></b> |
| Energy Adjustment                  |  | 13.01                 |
| Renewable Cost Recovery Rider      |  | 13.04                 |
| Environmental Costs Recovery Rider |  | 13.08                 |

The rate schedules containing proposed interim rates are included along with this Petition (legislative and regular formats, respectively). No change has been made in the existing rate design. We have reset the base cost of energy to 2.4327 cents. To reflect this change, we have included a reduction of 0.3703 cents (the difference between the new and previous cost of energy) to each rate schedule. Along with resetting the base cost of energy, we also propose a uniform percentage increase of 10.44 percent, which would provide an additional \$12,800,479 on an annualized basis, in base rate revenues currently being recovered from each customer class.

### **E. Supporting Schedules and Workpapers**

Part A and Part B Schedules of this Petition indicate the adjustments made to the proposed operating expense, rate base, and cost of capital included in the general rate Notice to arrive at the operating income, rate base, and cost of capital, and revenue deficiency pertaining to the interim rate increase. These adjustments were made, pursuant to N.D.C.C. § 49-05-06, subd. 2, to exclude any items that are not the same in nature and kind as those allowed in the Commission order in Case No. PU-08-862. The ROE filed in the general Notice is 10.30 percent, which is lower than the ROE authorized in Case No. PU-08-862, so we used the lower ROE requested in this current case and no adjustment was necessary for interim rates. Part C Schedules of this Petition compare the proposed interim test year to OTP's most recent general rate case, including the Summary Cost of Capital supporting the interim rate increase. The jurisdictional cost of service study supporting the interim rate increase is found in Volume 4a Workpapers, Part D Schedule 1 it provides the increase in revenues by rate class. Part D to this Petition provides the summary of present and interim revenues and the increases in revenues by rate class. Part E to this Petition shows the calculation of the new base cost of energy and the Change in Base Cost of Energy that has been added to the interim rate schedules. The Cost of Energy Adjustment Rider rate schedule are shown in the legislative and regular formats in the Interim Tariff Sheets tabs.

### **F. Interim Bills**

The Company proposes to include informative rate folders in customer bills, included with this Petition as Attachment 1, beginning on January 1, 2018, and add an informational

statement to customer bills in order to communicate to customers that their bill reflects an increase associated with the interim rate request.

### **G. Surety for Refund**

Pursuant to N.D.C.C. § 49-05-06, subd. 3, the Company respectfully requests that the Commission not require a bond to secure any projected refund. The statute makes such a requirement discretionary. The Company submits as part of this Petition an Agreement and Undertaking, included with this Petition as Attachment 2 regarding the Company's commitment to refund any interim rates determined by the Commission to be unreasonable. These commitments are sufficient to secure any required refund.

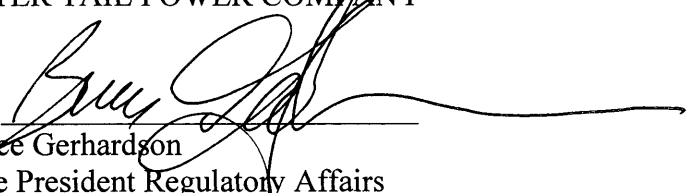
### **H. Conclusion**

The Company hereby submits this Alternative Petition for Interim Rates. If the Commission suspends the operation of the general rate schedules listed in the Notice under N.D. Cent. Code § 49-05-06, the Company respectfully requests that this Alternative Petition for Interim Rates be promptly considered and accepted by the Commission, so that the interim rate schedules can become effective on January 1, 2018. Interim revenues would be subject to refund, pending final Commission action on the general rate increase Notice.

Dated: November 2, 2017

Respectfully Submitted,

OTTER TAIL POWER COMPANY

By   
Bruce Gerhardson  
Vice President Regulatory Affairs  
Otter Tail Power Company  
215 South Cascade Street  
Fergus Falls, MN 56538  
218-739-8475  
[bgerhardson@otpc.com](mailto:bgerhardson@otpc.com)

## OTTER TAIL POWER COMPANY REQUESTS INTERIM RATE INCREASE

On November 2, 2017, Otter Tail Power Company submitted an application to the North Dakota Public Service Commission (NDPSC) to increase our electric rates. The rates applied for are proposed only and, if the rates are suspended by the NDPSC, the new rates will not be effective until NDPSC action has been taken. To address the period during which the NDPSC considers our full request, we requested an interim rate increase starting January 1, 2018.

### This is what's driving our request

Our last request for a rate increase in North Dakota was in 2008. Since then, costs we incur to provide our customers with energy and related services have increased. We've also made investments in stronger, cleaner infrastructure and smarter technologies that ensure we can continue to provide you with reliable, affordable energy.

### Interim rates

While the NDPSC considers our full request, interim rates will begin on January 1, 2018, and continue until final rates go into effect. This interim increase of \$12.8 million, or approximately 10.44 percent, appears on your bill as an "Interim Rate Adj", which applies to the customer charge, energy charge, demand charge, facilities charge, fixed charge, and the monthly minimum charge.

If final rates approved by the NDPSC are lower than interim rates, we'll refund you the difference with interest. If final rates are higher than interim rates, we won't charge you the difference.

The following table shows the interim and proposed final rate increases to average monthly bills for each customer type. Increases will vary depending on your electric service rate and the amount of electricity you use.

Average Monthly Electricity Costs

| Customer Classification          | Monthly Kilowatt-hour Usage | Previous Monthly Cost | Interim Change in Monthly Cost | Proposed Final Change in Monthly Cost |
|----------------------------------|-----------------------------|-----------------------|--------------------------------|---------------------------------------|
| Residential                      | 870                         | \$84.86               | \$8.86                         | \$11.63                               |
| Farms                            | 2,297                       | \$195.29              | \$20.39                        | \$26.75                               |
| General Service                  | 2,769                       | \$268.74              | \$28.06                        | \$22.23                               |
| Large General Service            | 173,381                     | \$12,425.26           | \$1,297.20                     | \$1,026.33                            |
| Irrigation                       | 1,522                       | \$103.92              | \$10.85                        | \$19.75                               |
| Outdoor Lighting                 | 2,074                       | \$2,516.18            | \$262.69                       | \$327.10                              |
| Other Public Authority           | 2,375                       | \$173.76              | \$18.14                        | \$22.59                               |
| Controlled Service Water Heating | 221                         | \$15.95               | \$1.67                         | \$2.19                                |
| Controlled Service Interruptible | 1,977                       | \$84.38               | \$8.81                         | \$11.56                               |
| Controlled Service Deferred      | 1,541                       | \$81.08               | \$8.47                         | \$6.70                                |

**Public Input Session**

The NDPSC has scheduled a public input session via videoconference on MONTH DAY at TIME. You'll have an opportunity to provide your comments to the NDPSC and ask questions about our proposal. You can participate at these locations:

Insert locations

**Commission hearing:**

A formal hearing on this electric rate increase filing is scheduled for MONTH DAY-DAY at:  
North Dakota Public Service Commission  
Commission Hearing Room  
600 East Boulevard Ave.  
Bismarck, ND 58050-0480

For more information, visit [otpc.com/NDRateReview](http://otpc.com/NDRateReview) or call 800-257-4044.

You may contact the North Dakota Public Service Commission at:

North Dakota Public Service Commission  
600 E. Boulevard, Dept. 408  
Bismarck, ND 58505-0480

Phone: 701.328.2400  
TTY: 800.366.6888  
Email: [ndpsc@nd.gov](mailto:ndpsc@nd.gov)

STATE OF NORTH DAKOTA  
BEFORE THE  
NORTH DAKOTA PUBLIC SERVICE COMMISSION

Randy Christmann  
Julie Fedorchak  
Brian Kroshus

Chairman  
Commissioner  
Commissioner

In the Matter of the Application of Otter Tail  
Power Company For Authority to Increase  
Rates for Electric Utility Service in North  
Dakota

Case No. PU-17-\_\_\_

**Agreement and Undertaking**

Otter Tail Power Company (OTP), in conjunction with the Notice and Petition for Interim Rates filed with the North Dakota Public Service Commission (Commission), makes the following unqualified agreement concerning refunding any portion of the requested increase in rates determined by the Commission to be unreasonable.

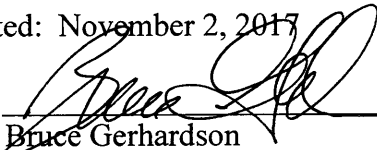
Pursuant to N.D.C.C. § 49-05-06, subd. 4, OTP hereby agrees and undertakes to refund to its customers the amount, if any, collected during the interim rate period, plus reasonable interest at a rate determined by the Commission, computed from the effective date of the interim rates through the date final rates become effective.

In addition, OTP agrees to keep such records of sales and billings under the proposed interim rates as will be necessary to compute any potential refund.

This Agreement and Undertaking is made pursuant to authority granted by the Board of Directors of Otter Tail Power Company.

Dated: November 2, 2017

By

  
Bruce Gerhardson  
Vice President Regulatory Affairs  
Otter Tail Power Company

**INTERIM RATE SCHEDULES  
INDEX**

| <b>PART A: Interim Rate Summary</b> | <b>Schedule No.</b> |
|-------------------------------------|---------------------|
| Revenues and Percent Increase       | 1                   |
| North Dakota Policy Statements      | 2                   |
| Definitions                         | 3                   |
| Summary of Revenue Requirements     | 4                   |
| Statement of Operating Income       | 5                   |
| Detailed Rate Base Components       | 6                   |

| <b>PART B: Comparison of Proposed Interim Test Year to 2018 Proposed Test Year</b> | <b>Schedule No.</b> |
|--|---------------------|
| Detailed Rate Base Components  | 1                   |
| Description of Adjustments to Rate Base  | 2                   |
| Rate Base with Adjustments (Bridge Schedule)                                       | 3                   |
| Statement of Operating Income  | 4                   |
| Description of Adjustments to Operating Statement                                  | 5                   |
| Statement of Operating Income with Adjustments (Bridge Schedule)                   | 6                   |
| Summary of Revenue Requirements  | 7                   |

| <b>PART C: Comparison of Proposed Interim Test Year to OTP's Most Recent General Rate Case</b> | <b>Schedule No.</b> |
|--|---------------------|
| Detailed Rate Base Components  | 1                   |
| Description of Changes to Rate Base  | 2                   |
| Statement of Operating Income  | 3                   |
| Description of Changes to Operating Statement  | 4                   |
| Summary of Revenue Requirements  | 5                   |
| Capital Structure and Rate of Return Calculations  | 6                   |
| Description of Changes to Capital Structure and Rate of Return Calculations                    | 7                   |

| <b>PART D: Summary</b>          | <b>Schedule No.</b> |
|---------------------------------|---------------------|
| Summary of Revenue Requirements | 1                   |

| <b>PART E: Change in Base Cost of Energy</b> | <b>Schedule No.</b> |
|--|---------------------|
| Energy Adjustment Rider Schedule             | 1                   |

**OTTER TAIL POWER COMPANY  
INTERIM RATE INCREASE  
REVENUES & PERCENT INCREASE**

**Case No. PU-17-  
PART A  
Schedule 1  
Page 1 of 1**

Total Interim Retail Revenues

**\$122,589,268**

Interim Deficiency

**\$12,800,479**

Total Interim Revenue % Increase

**10.44%**

**OTTER TAIL POWER COMPANY  
Electric Utility - State of North Dakota  
INTERIM RATE SCHEDULE  
Policy Statements**

**Case No. PU-17-  
PART A  
Schedule 2  
Page 1 of 2**

**DESCRIPTION OF INTERIM RATE APPLICATION,  
SUPPORTING SCHEDULES AND WORKPAPERS**

The supporting schedules include the following:

1) A schedule showing the interim rate of return calculation. These schedules show the capital structure and rate of return calculation approved by the Commission in the most recent general rate case; the capital structure and rate of return calculation proposed for interim rates; and a description and corresponding dollar amount of any changes between the two capital structures.

**Note:**

Part C, Schedule 7, contains this information.

2) A schedule showing the interim operating income statement. These schedules show the same operating income statement accounts as filed in the general rate case. Also, the schedules include the operating income statement approved by the Commission in the most recent general rate case, the operating income statement for the unadjusted projected fiscal year, and the operating income statement proposed for interim rates. A description of all changes and corresponding dollar amounts between each of the operating income statements should be provided. Workpapers should be provided which show how revenues, taxes, expenses, and other income statement components have been determined.

**Notes:**

Part C, Schedule 3, compares the operating income statement approved by the Commission in the most recent general rate case with the income statement for the proposed interim test year, including a description of all changes and corresponding dollar amounts.

OTP includes as Part B, Schedule 6, an operating statement bridge schedule for the proposed interim test year, as well as Part B, Schedule 4, a comparison of proposed interim rates to the statement of operating income for the proposed test year with the income statement for the proposed interim test year that includes a description of all known and measurable adjustments and corresponding dollar amounts.

Workpapers for the above Interim Rate Petition Schedules are located in Volume 4 of this filing.

**OTTER TAIL POWER COMPANY  
Electric Utility - State of North Dakota  
INTERIM RATE SCHEDULE  
Policy Statements**

**Case No. PU-17-  
PART A  
Schedule 2  
Page 2 of 2**

**DISCUSSION OF INTERIM RATE APPLICATION,  
SUPPORTING SCHEDULES AND WORKPAPERS**

3) A schedule showing the interim proposed rate base. These schedules show the same rate base accounts as filed in the general rate case. These schedules include the average rate base approved by the Commission in the most recent general rate case; the average rate base with the unadjusted projected fiscal year, and the average rate base proposed for interim rates. A description of all changes and corresponding dollar amounts between each of the rate bases is provided. Workpapers are provided which show how the rate base components are determined.

**Notes:**

Part C, Schedule 1, compares the average rate base approved by the commission in the most recent general rate case with the average rate base proposed for interim rates, including a description of all changes and corresponding dollar amounts.

4) OTP includes as Part B, Schedule 1, comparison of the average rate base for the proposed test year with the average rate base for the proposed interim test year, as well as Part B, Schedule 3, a bridge schedule of the average rate base for the proposed test year with the average rate base for the proposed interim test year that includes a description of all known and measurable adjustments and corresponding dollar amounts.

Workpapers for the above Interim Rate Petition Schedules are located in Volume 1 of this filing. The Interim Jurisdictional Cost of Service Study is located in Volume 4A, Section C.

A schedule showing revenue deficiency calculations for each of the operating income statements and rate bases requested in (2) and (3) above. The revenue deficiency is calculated for the actual data and the interim data using the rate of return calculated in (1) above.

**Notes:**

Part C, Schedule 5, shows the revenue deficiency calculations for the most recent general rate case and for the proposed interim rates.

OTP includes as Part B, Schedule 7 of this volume, the revenue deficiency calculations for this general rate case filing and for the proposed interim rates.

**OTTER TAIL POWER COMPANY  
Electric Utility - State of North Dakota  
INTERIM RATE SCHEDULE**

**Case No. PU-17-  
PART A  
Schedule 3  
Page 1 of 1**

**DEFINITIONS**

The following definitions are used in this filing:

**Proposed Interim Test Year**

The proposed interim test year information is for the calendar year ending December 31, 2018 and includes the effect of rate making adjustments for interim rates.

**Proposed Test Year**

The proposed test year information represents the test year financial information for the 2018 calendar year and includes the effects of rate making adjustments for final rates.

**Most Recent General Rate Case**

This information represents the financial data for the 12 months test year ending December 31, 2007, from Otter Tail Power Company's last North Dakota electric rate case (Case No. PU-08-862), as approved by the Commission.

**Note on Rounding**

The cost of service study on which these supporting schedules are based rounds numbers to the nearest whole dollar for display purposes. However, the subtotals and subsequent totals in the cost of service study may be based on actual values resulting in occasional differences in the totals displayed when compared to the sum of the line items. These supporting schedules were prepared using individual line items with subtotals and totals calculated on each schedule separately. This may result in occasional rounding differences of a few dollars when comparing between the subtotals and totals on the cost of service study to those on the supporting schedules.

**OTTER TAIL POWER COMPANY  
Electric Utility - State of North Dakota  
INTERIM RATE SCHEDULE  
SUMMARY OF REVENUE REQUIREMENTS**

**Case No. PU-17-  
PART A  
Schedule 4  
Page 1 of 1**

| <u>Line<br/>No.</u> | <u>Description</u>   | <u>Proposed Interim<br/>Test Year</u> |
|---------------------|--|---------------------------------------|
| 1                   | Average Rate Base  | \$222,127,329                         |
| 2                   | Operating Income (Before AFUDC)                                | \$9,741,842                           |
| 3                   | Allowance for Funds Used During Construction (AFUDC)           | \$0                                   |
| 4                   | Total Available for Return (Line 2 + Line 3 + Rounding)        | 9,741,842                             |
| 5                   | Overall Rate of Return (Line 4 / Line 1)                       | 4.39%                                 |
| 6                   | Required Rate of Return  | 7.97%                                 |
| 7                   | Operating Income Requirement (Line 1 x Line 6)                 | \$17,703,548                          |
| 8                   | Income Deficiency (Line 7 - Line 4)                            | \$7,961,706                           |
| 9                   | Gross Revenue Conversion Factor                                | 1.60776                               |
| 10                  | Revenue Deficiency (Line 8 x Line 9)                           | \$12,800,479                          |
| 11                  | Retail Related Revenues Under Present Rates                    | \$122,589,268                         |
| 12                  | Percent Increase Needed in Overall Revenue (Line 10 / Line 11) | 10.44%                                |

**OTTER TAIL POWER COMPANY  
 Electric Utility - State of North Dakota  
 INTERIM RATE SCHEDULE  
 STATEMENT OF OPERATING INCOME**

**Case No. PU-17-  
 PART A  
 Schedule 5  
 Page 1 of 1**

| Line<br>No.                      | Description                                     | Proposed Interim<br>Test Year    |
|----------------------------------|---|----------------------------------|
| <b><u>OPERATING REVENUES</u></b> |   |                                  |
| 1                                | Retail  | \$122,589,268                    |
| 2                                | Other Operating Revenue                         | <u>\$9,712,037</u>               |
| 3                                | <b>TOTAL OPERATING REVENUE</b>                  | <b>\$132,301,305</b>             |
| <b><u>OPERATING EXPENSES</u></b> |   |                                  |
| 5                                | Production Expenses                             | \$58,417,943                     |
| 6                                | Transmission Expenses                           | 11,043,334                       |
| 7                                | Distribution Expenses                           | 7,680,921                        |
| 8                                | Customer Accounting Expenses                    | 6,091,579                        |
| 9                                | Customer Service & Information Expenses         | 1,382,509                        |
| 10                               | Sales Expenses                                  | 22,472                           |
| 11                               | Administration & General Expenses               | 19,282,795                       |
| 12                               | Charitable Contributions                        | 0                                |
| 13                               | Depreciation Expense                            | 13,387,642                       |
| 14                               | General Taxes                                   | <u>3,936,734</u>                 |
| 15                               | <b>TOTAL OPERATING EXPENSES</b>                 | <b><u>\$121,245,929</u></b>      |
| 16                               | <b>NET OPERATING INCOME BEFORE INCOME TAXES</b> | <b>\$11,055,375</b>              |
| <b><u>INCOME TAX EXPENSE</u></b> |   |                                  |
| 18                               | Investment Tax Credit                           | (\$1,183,682)                    |
| 19                               | Deferred Income Taxes                           | 965,161                          |
| 20                               | Income Taxes                                    | <u>1,532,054</u>                 |
| 21                               | <b>TOTAL INCOME TAX EXPENSE</b>                 | <b><u>\$1,313,533</u></b>        |
| 22                               | <b>NET OPERATING INCOME</b>                     | <b>\$9,741,842</b>               |
| 23                               | Allowance for Funds Used During Construction    | <u>0</u>                         |
| 24                               | <b>TOTAL AVAILABLE FOR RETURN</b>               | <b><u><u>\$9,741,842</u></u></b> |

**OTTER TAIL POWER COMPANY**  
**Electric Utility - State of North Dakota**  
**INTERIM RATE SCHEDULE**  
**DETAILED RATE BASE COMPONENTS**

**Case No. PU-17-**  
**PART A**  
**Schedule 6**  
**Page 1 of 1**

| Line<br>No. | Description                           | Proposed Interim<br>Test Year |
|-------------|---------------------------------------|-------------------------------|
|             | <b>Utility Plant in Service:</b>      |                               |
| 1           | Production                            | \$154,188,768                 |
| 2           | Transmission                          | 104,672,321                   |
| 3           | Distribution                          | 228,593,947                   |
| 4           | General                               | 36,081,097                    |
| 5           | Intangible                            | 5,727,482                     |
| 6           | <b>TOTAL Utility Plant in Service</b> | <u>\$529,263,615</u>          |
| 7           | <b>Accumulated Depreciation</b>       |                               |
| 8           | Production                            | (\$98,334,309)                |
| 9           | Transmission                          | (45,254,234)                  |
| 10          | Distribution                          | (98,387,399)                  |
| 11          | General                               | (13,900,914)                  |
| 12          | Intangible                            | (818,591)                     |
| 13          | <b>TOTAL Accumulated Depreciation</b> | <u>(\$256,695,448)</u>        |
| 14          | <b>NET Utility Plant in Service</b>   |                               |
| 15          | Production                            | \$55,854,459                  |
| 16          | Transmission                          | 59,418,086                    |
| 17          | Distribution                          | 130,206,548                   |
| 18          | General                               | 22,180,183                    |
| 19          | Intangible                            | 4,908,890                     |
| 20          | <b>NET Utility Plant in Service</b>   | <u>\$272,568,167</u>          |
| 21          | Utility Plant Held for Future Use     | \$13,044                      |
| 22          | Construction Work in Progress         | 271,747                       |
| 23          | Materials and Supplies                | 7,946,645                     |
| 24          | Fuel Stocks                           | 4,430,805                     |
| 25          | Prepayments                           | (12,739,580)                  |
| 26          | Customer Advances & Deposits          | (353,143)                     |
| 27          | Cash Working Capital                  | 3,454,881                     |
| 28          | Accumulated Deferred Income Taxes     | (53,465,238)                  |
| 29          | <b>Total Average Rate Base</b>        | <u><u>\$222,127,329</u></u>   |

**OTTER TAIL POWER COMPANY**  
**Electric Utility - State of North Dakota**  
**COMPARISON OF PROPOSED INTERIM RATES TO**  
**PROPOSED TEST YEAR**  
**DETAILED RATE BASE COMPONENTS**

**Case No. PU-17-**  
**PART B**  
**Schedule 1**  
**Page 1 of 1**

| Line No.                         | Description                           | (A)<br>Proposed<br>Test Year<br>2018 | (B)<br>Proposed<br>Interim<br>Test Year | (C)<br>Change<br>(B) - (A) |
|----------------------------------|---------------------------------------|--------------------------------------|---|----------------------------|
| <b>Utility Plant in Service:</b> |                                       |                                      |   |                            |
| 1                                | Production                            | \$330,519,065                        | \$154,188,768                           | (\$176,330,297)            |
| 2                                | Transmission                          | 153,826,930                          | 104,672,321                             | (49,154,609)               |
| 3                                | Distribution                          | 228,593,947                          | 228,593,947                             | 0                          |
| 4                                | General                               | 36,403,979                           | 36,081,097                              | (322,882)                  |
| 5                                | Intangible                            | 9,051,224                            | 5,727,482                               | (3,323,742)                |
| 6                                | <b>TOTAL Utility Plant in Service</b> | <b>\$758,395,144</b>                 | <b>\$529,263,615</b>                    | <b>(\$229,131,529)</b>     |
| <b>Accumulated Depreciation</b>  |                                       |                                      |   |                            |
| 7                                | Production                            | (\$142,605,272)                      | (\$98,334,309)                          | \$44,270,963               |
| 8                                | Transmission                          | (48,351,302)                         | (45,254,234)                            | 3,097,068                  |
| 9                                | Distribution                          | (98,387,399)                         | (98,387,399)                            | 0                          |
| 10                               | General                               | (14,025,311)                         | (13,900,914)                            | 124,396                    |
| 11                               | Intangible                            | (1,383,019)                          | (818,591)                               | 564,428                    |
| 12                               | <b>TOTAL Accumulated Depreciation</b> | <b>(\$304,752,302)</b>               | <b>(\$256,695,448)</b>                  | <b>\$48,056,855</b>        |
| 13                               | <b>NET Utility Plant in Service</b>   |                                      |   |                            |
| 14                               | Production                            | \$187,913,793                        | \$55,854,459                            | (\$132,059,334)            |
| 15                               | Transmission                          | 105,475,628                          | 59,418,086                              | (46,057,541)               |
| 16                               | Distribution                          | 130,206,548                          | 130,206,548                             | 0                          |
| 17                               | General                               | 22,378,668                           | 22,180,183                              | (198,485)                  |
| 18                               | Intangible                            | 7,668,205                            | 4,908,890                               | (2,759,314)                |
| 19                               | <b>NET Utility Plant in Service</b>   | <b>\$453,642,842</b>                 | <b>\$272,568,167</b>                    | <b>(\$181,074,675)</b>     |
| 20                               |                                       |                                      |   |                            |
| 21                               | Utility Plant Held for Future Use     | \$13,044                             | \$13,044                                | \$0                        |
| 22                               | Construction Work in Progress         | 271,747                              | 271,747                                 | 0                          |
| 23                               | Materials and Supplies                | 8,275,549                            | 7,946,645                               | (328,904)                  |
| 24                               | Fuel Stocks                           | 4,430,805                            | 4,430,805                               | 0                          |
| 25                               | Prepayments                           | (13,199,141)                         | (12,739,580)                            | 459,562                    |
| 26                               | Customer Advances & Deposits          | (365,882)                            | (353,143)                               | 12,739                     |
| 27                               | Cash Working Capital                  | 3,602,273                            | 3,454,881                               | (147,392)                  |
| 28                               | Accumulated Deferred Income Taxes     | (102,479,471)                        | (53,465,238)                            | 49,014,233                 |
| 29                               | <b>Total Average Rate Base</b>        | <b>\$354,191,766</b>                 | <b>\$222,127,329</b>                    | <b>(\$132,064,438)</b>     |

**OTTER TAIL POWER COMPANY  
Electric Utility - State of North Dakota  
COMPARISON OF PROPOSED INTERIM RATES TO  
DETAILED RATE BASE COMPONENTS  
DESCRIPTION OF ADJUSTMENTS**

**Case No. PU-17-  
PART B  
Schedule 2  
Page 1 of 1**

There are a total of seven adjustments that convert the Rate Base of the Proposed Test Year to the Rate Base Proposed for Interim Rates. A bridge from the Proposed Test Year rate base to the Interim Rate Petition rate base is provided in Part B, Schedule 3.

**Net Electric Plant in Service (4 related adjustments - Columns B, C, D, and E)**

OTP's proposed 2018 Test year requests approval to include costs currently included in the Environmental Cost Recovery Rider (ECRR), Renewable Resource Adjustment Rider (RRAR), Transmission Cost Recovery Rider (TCRR) to be included in base rates at the conclusion of the general rate case. OTP also includes a plant normalization adjustment in its 2018 Test Year. An adjustment was made to the Interim Rate Application to remove the costs associated with these four items. The riders remain in effect during the interim period and the plant normalization is not considered like-kind.

**Prorate ADIT (Column F)**

To comply with IRS Regulation Section 1.167(l)-1(h)(6), a positive interim rate adjustment is made to include the difference between the required proration of Accumulated Deferred Income Taxes (ADIT) for the five future months (August to December) of the test year for purposes of computing final rates that are assumed to be effective August 1, 2018, and the proration of ADIT for the 12 future months (January to December) of the interim period for purposes of computing interim rates to be effective January 1, 2018.

**Cash Working Capital (Column G)**

A positive interim rate adjustment made to Materials and Supplies accounts for the removal of the RRAR, and their associated impacts on operation and maintenance expense, property tax expense, and income tax expense components of the Cash Working Capital calculation. The Cash Working Capital requirement is determined through the application of Lead-Lag study factors against applicable expense categories.

**Changes in Allocations due to Interim Rate Adjustments (Column H)**

OTP uses its jurisdictional cost of service study (JCOSS) model to calculate all operating statement and rate base schedules for both interim rates and the application for final rates. Certain allocation factors are developed within the JCOSS model. Any adjustment has the potential to change some of these allocation factors. This column shows the effect of the allocations on rate base components caused by adjustments.

OTTER TAIL POWER COMPANY  
 Electric Utility - State of North Dakota  
 COMPARISON OF PROPOSED INTERIM RATES TO  
 RATE BASE WITH ADJUSTMENTS (BRIDGE SCHEDULE)

Case No. PU-17-  
 PART B  
 Schedule 3  
 Page 1 of 1

| Line No. | Description                       | (A)                     | (B)                                 | (C)                             | (D)                                | (E)  | (F)                         | (G)   | (H)  | (I)                            |  |
|----------|-----------------------------------|-------------------------|-------------------------------------|---------------------------------|------------------------------------|--|-----------------------------|---|--|--------------------------------|--|
|          |                                   | Proposed Test Year 2018 | Environmental Rider Amounts Removed | Renewable Rider Amounts Removed | Transmission Rider Amounts Removed | Plant Normalization Intangible Plant Removed | Prorate ADIT Interim Adjust | Impact of Operating Statement Adjustments on Cash Working Capital | Allocations Due to Effect of Interim Adjustments | Proposed Interim Test Year (1) |  |
| 1        | Electric Plant in Service *       | \$758,395,144           | (\$73,882,796)                      | (\$102,447,501)                 | (\$49,154,809)                     | (\$3,243,463)                                | \$0                         | \$0   | (\$403,181)                                      | \$529,263,614                  |  |
| 2        | Less: Accumulated Depreciation*   | (304,752,302)           | 6,611,697                           | 37,659,265                      | 3,097,068                          | 552,161                                      | 0                           | 0   | \$136,663  | (256,695,448)                  |  |
| 3        | Net Electric Plant in Service     | \$453,642,842           | (\$67,271,099)                      | (\$64,788,235)                  | (\$46,057,541)                     | (\$2,691,302)                                | \$0                         | \$0   | (\$266,498)                                      | \$272,568,167                  |  |
| 4        | Other Rate Base Components:       |                         |                                     |                                 |                                    |  |                             |   |  |                                |  |
| 5        | Plant Held for Future Use         | \$13,044                | \$0                                 | \$0                             | \$0                                | \$0  | \$0                         | \$0   | \$0  | \$13,044                       |  |
| 6        | Construction Work in Progress     | 271,747                 | 0                                   | 0                               | 0                                  | 0  | 0                           | 0   | 0  | 271,747                        |  |
| 7        | Materials and Supplies            | 8,275,549               | 0                                   | (269,180)                       | 0                                  | 0  | 0                           | 0   | (59,724)   | 7,946,644                      |  |
| 8        | Fuel Stocks                       | 4,430,805               | 0                                   | 0                               | 0                                  | 0  | 0                           | 0   | 0  | 4,430,805                      |  |
| 9        | Prepayments                       | (13,199,141)            | 0                                   | 0                               | 0                                  | 0  | 0                           | 0   | 459,562  | (12,739,579)                   |  |
| 10       | Customer Advances                 | (365,882)               | 0                                   | 0                               | 0                                  | 0  | 0                           | 0   | 12,739   | (353,143)                      |  |
| 11       | Cash Working Capital              | 3,802,273               | 0                                   | 0                               | 0                                  | 0  | 0                           | (213,186)   | 65,794   | 3,454,881                      |  |
| 12       | Accumulated Deferred Income Taxes | (102,479,471)           | 15,474,383                          | 21,972,717                      | 8,452,921                          | 0  | 855,999                     | 0   | 2,258,213  | (53,485,238)                   |  |
| 13       |                                   |                         |                                     |                                 |                                    |  |                             |   |  |                                |  |
| 14       | TOTAL                             | \$354,191,786           | (\$51,796,716)                      | (\$43,084,898)                  | (\$37,604,621)                     | (\$2,691,302)                                | \$855,999                   | (\$213,186)   | \$2,470,086                                      | \$222,127,329                  |  |

(1) Electric Utility - North Dakota Jurisdiction

**OTTER TAIL POWER COMPANY**  
**Electric Utility - State of North Dakota**  
**COMPARISON OF PROPOSED INTERIM RATES TO**  
**STATEMENT OF OPERATING INCOME**

**Case No. PU-17-**  
**PART B**  
**Schedule 4**  
**Page 1 of 1**

| Line No.                         | Description                                     | (A)<br>Proposed<br>Test Year<br>2018 | (B)<br>Proposed<br>Interim<br>Test Year | (C)<br>Change<br>(B) - (A) |
|----------------------------------|---|--------------------------------------|---|----------------------------|
| <b><u>OPERATING REVENUES</u></b> |   |                                      |   |                            |
| 1                                | Retail  | \$148,071,948                        | \$122,589,268                           | (\$25,482,680)             |
| 2                                | Other Operating Revenue                         | 10,047,294                           | 9,712,037                               | (335,257)                  |
| 3                                | <b>TOTAL OPERATING REVENUE</b>                  | <b>\$158,119,242</b>                 | <b>\$132,301,305</b>                    | <b>(\$25,817,937)</b>      |
| <b><u>OPERATING EXPENSES</u></b> |   |                                      |   |                            |
| 5                                | Production Expenses                             | \$59,756,799                         | \$58,417,943                            | (\$1,338,856)              |
| 6                                | Transmission Expenses                           | 13,507,453                           | 11,043,334                              | (2,464,118)                |
| 7                                | Distribution Expenses                           | 7,680,921                            | 7,680,921                               | 0                          |
| 8                                | Customer Accounting Expenses                    | 6,091,579                            | 6,091,579                               | 0                          |
| 9                                | Customer Service & Information Expenses         | 1,382,509                            | 1,382,509                               | 0                          |
| 10                               | Sales Expenses                                  | 222,472                              | 22,472                                  | (200,000)                  |
| 11                               | Administration & General Expenses               | 19,596,616                           | 19,282,795                              | (313,821)                  |
| 12                               | Charitable Contributions                        | 0                                    | 0                                       | 0                          |
| 13                               | Depreciation Expense                            | 21,425,301                           | 13,387,642                              | (8,037,659)                |
| 14                               | General Taxes                                   | 4,905,891                            | 3,936,734                               | (969,158)                  |
| 15                               | <b>TOTAL OPERATING EXPENSES</b>                 | <b>\$134,569,541</b>                 | <b>\$121,245,929</b>                    | <b>(\$13,323,612)</b>      |
| 16                               | <b>NET OPERATING INCOME BEFORE INCOME TAXES</b> | <b>\$23,549,700</b>                  | <b>\$11,055,375</b>                     | <b>(\$12,494,325)</b>      |
| <b><u>INCOME TAX EXPENSE</u></b> |   |                                      |   |                            |
| 18                               | Investment Tax Credit                           | (\$526,207)                          | (\$1,183,682)                           | (\$657,475)                |
| 19                               | Deferred Income Taxes                           | 1,317,384                            | 965,161                                 | (352,223)                  |
| 20                               | Income Taxes                                    | 4,304,133                            | 1,532,054                               | (2,772,079)                |
| 21                               | <b>TOTAL INCOME TAX EXPENSE</b>                 | <b>\$5,095,310</b>                   | <b>\$1,313,533</b>                      | <b>(\$3,781,777)</b>       |
| 22                               | <b>NET OPERATING INCOME</b>                     | <b>\$18,454,391</b>                  | <b>\$9,741,842</b>                      | <b>(\$8,712,548)</b>       |
| 23                               | Allowance for Funds Used During Construction    | 0                                    | 0                                       | 0                          |
| 24                               | <b>TOTAL AVAILABLE FOR RETURN</b>               | <b>\$18,454,391</b>                  | <b>\$9,741,842</b>                      | <b>(\$8,712,548)</b>       |

Notes: Revenues reflect calendar month sales

**OTTER TAIL POWER COMPANY  
Electric Utility - State of North Dakota  
COMPARISON OF PROPOSED INTERIM RATES TO  
STATEMENT OF OPERATING INCOME  
DESCRIPTION OF ADJUSTMENTS**

**Case No. PU-17-  
PART B  
Schedule 5  
Page 1 of 1**

Part B, Schedule 6, contains a bridge schedule itemizing the changes from the Proposed Test Year operating income statement to the Interim Rate Petition operating income statement. Nine adjustments were made to bridge the Proposed Test Year operating income statement to the Proposed Interim operating income statement.

**Adjustment to Remove Rider Costs (Columns B, C, D)**

An adjustment was made to remove the costs currently tracked in the ECRR, RRA, and TCRR that OTP is proposing to move to base rates in the Proposed Test Year. Since the rider will remain in effect during the interim period, an adjustment is needed to remove the costs from interim rates to avoid double recovery.

**Adjustment to remove Economic Development Costs (Column E)**

An adjustment was made to remove the Economic Development costs included in the 2018 Test Year. These costs are not considered like-kind and not eligible for interim rate recovery.

**Adjustment to remove Plant Normalization (Column F)**

An adjustment was made to remove the expenses related to the Plant Normalization adjustment. These costs are not considered like-kind and not eligible for interim rate recovery.

**Adjustment to remove PTC Normalization (Column G)**

An adjustment was made to remove the PTC normalization. During the Interim Period, PTCs flow through the RRAR. This adjustment is needed to avoid double recovery.

**Changes in Allocations due to Interim Rate Adjustments (Column H)**

OTP uses its jurisdictional cost of service study (JCOSS) model to calculate all operating statement and rate base schedules for both interim rates and the application for final rates. Certain allocation factors are developed within the JCOSS model. Any adjustment has the potential to change some of these allocation factors. This column shows the effect of the allocations on the operating statement components caused by adjustments.

OTTER TAIL POWER COMPANY  
Electric Utility - State of North Dakota  
COMPARISON OF PROPOSED INTERIM RATES TO  
STATEMENT OF OPERATING INCOME WITH ADJUSTMENTS (BRIDGE SCHEDULE)

| Line No.                  | Description                                     | (A)<br>Proposed<br>Test Year<br>2018 | (B)<br>Environmental<br>Rider Amounts<br>Removed | (C)<br>Renewable<br>Rider Amounts<br>Removed | (D)<br>Transmission<br>Rider Amounts<br>Removed | (E)<br>Economic<br>Development<br>Remove | (F)<br>Plant<br>Normalization<br>Remove | (G)<br>PTC<br>Normalization<br>Remove | (H)<br>Changes in<br>Allocations Due<br>to Effect of Interim<br>Adjustments | (I)<br>Proposed Interim<br>Test Year |
|---------------------------|---|--------------------------------------|--|--|---|--|---|---------------------------------------|---|--------------------------------------|
| <b>OPERATING REVENUES</b> |   |                                      |  |  |   |  |   |                                       |   |                                      |
| 1                         | Retail  | \$148,071,948                        | (\$8,357,519)                                    | (\$9,211,881)                                | (\$7,913,280)                                   | \$0                                      | \$0                                     | \$0                                   | \$0   | \$122,589,268                        |
| 2                         | Other Operating Revenue                         | 10,047,294                           | 0  | 0  | 0*  | 0  | 0                                       | 0                                     | (\$35,257)  | 9,712,037                            |
| 3                         | <b>TOTAL OPERATING REVENUE</b>                  | <b>\$158,119,242</b>                 | <b>(\$8,357,519)</b>                             | <b>(\$9,211,881)</b>                         | <b>(\$7,913,280)</b>                            | <b>\$0</b>                               | <b>\$0</b>                              | <b>\$0</b>                            | <b>(\$335,257)</b>  | <b>\$132,301,305</b>                 |
| <b>OPERATING EXPENSES</b> |   |                                      |  |  |   |  |   |                                       |   |                                      |
| 4                         | Production Expenses                             | \$59,756,789                         | (\$230,588)                                      | (1,108,268)                                  | \$0   | \$0                                      | \$0                                     | \$0                                   | \$0   | 58,417,943                           |
| 5                         | Transmission Expenses                           | 13,507,453                           | 0  | 0  | (2,464,118)                                     | 0  | 0                                       | 0                                     | 0   | 11,043,334                           |
| 6                         | Distribution Expenses                           | 7,680,921                            | 0  | 0  | 0   | 0  | 0                                       | 0                                     | 0   | 7,680,921                            |
| 7                         | Customer Accounting Expenses                    | 6,091,579                            | 0  | 0  | 0   | 0  | 0                                       | 0                                     | 0   | 6,091,579                            |
| 8                         | Customer Service & Information Expenses         | 1,382,509                            | 0  | 0  | 0   | 0  | 0                                       | 0                                     | 0   | 1,382,509                            |
| 9                         | Sales Expenses                                  | 222,472                              | 0  | 0  | 0   | (\$200,000)                              | 0                                       | 0                                     | 0   | 22,472                               |
| 10                        | Administration & General Expenses               | 19,596,616                           | 0  | (210,167)                                    | 0   | 0  | 0                                       | 0                                     | (103,654)   | 19,282,795                           |
| 11                        | Charitable Contributions                        | 0                                    | 0  | 0  | 0   | 0  | 0                                       | 0                                     | 0   | 0                                    |
| 12                        | Depreciation Expense                            | 21,425,301                           | (\$2,377,681)                                    | (\$4,240,716)                                | (693,135)                                       | 0  | (\$702,750)                             | 0                                     | (23,377)  | 13,387,642                           |
| 13                        | General Taxes                                   | 4,905,891                            | 0  | (145,116)                                    | (694,892)                                       | 0  | 0                                       | 0                                     | (129,149)   | 3,936,734                            |
| 14                        | <b>TOTAL OPERATING EXPENSES</b>                 | <b>\$134,569,541</b>                 | <b>(\$2,602,269)</b>                             | <b>(\$5,704,267)</b>                         | <b>(\$3,852,146)</b>                            | <b>(\$200,000)</b>                       | <b>(\$702,750)</b>                      | <b>\$0</b>                            | <b>(\$256,180)</b>  | <b>\$121,245,929</b>                 |
| 15                        | <b>NET OPERATING INCOME BEFORE INCOME TAXES</b> | <b>\$23,549,700</b>                  | <b>(\$5,749,250)</b>                             | <b>(\$3,507,614)</b>                         | <b>(\$4,061,135)</b>                            | <b>\$200,000</b>                         | <b>\$702,750</b>                        | <b>\$0</b>                            | <b>(\$79,077)</b>   | <b>\$11,055,375</b>                  |
| <b>INCOME TAX EXPENSE</b> |   |                                      |  |  |   |  |   |                                       |   |                                      |
| 17                        | Investment/Production Tax Credit                | (526,207)                            | \$0  | 486,358                                      | \$0   | \$0                                      | \$0                                     | (\$1,147,764)                         | \$3,931   | (\$1,183,682)                        |
| 18                        | Deferred Income Taxes                           | 1,317,384                            | 0  | 0  | 0   | 0  | 0                                       | 0                                     | (352,223)   | 965,161                              |
| 19                        | Income Taxes                                    | 4,304,133                            | (2,378,465)                                      | (1,652,306)                                  | (1,680,091)                                     | 82,740                                   | 290,728                                 | 474,830                               | 2,090,485   | 1,532,053                            |
| 20                        | <b>TOTAL INCOME TAX EXPENSE</b>                 | <b>\$5,095,310</b>                   | <b>(\$2,378,465)</b>                             | <b>(\$1,165,948)</b>                         | <b>(\$1,680,091)</b>                            | <b>\$82,740</b>                          | <b>\$280,728</b>                        | <b>(\$672,834)</b>                    | <b>\$1,742,193</b>  | <b>\$1,313,533</b>                   |
| 21                        | <b>NET OPERATING INCOME</b>                     | <b>\$18,454,391</b>                  | <b>(\$3,370,785)</b>                             | <b>(\$2,341,666)</b>                         | <b>(\$2,381,043)</b>                            | <b>\$117,260</b>                         | <b>\$412,022</b>                        | <b>\$672,834</b>                      | <b>(\$1,821,270)</b>  | <b>\$9,741,843</b>                   |
| 22                        | Allowance for Funds Used During Construction    | 0                                    | 0  | 0  | 0   | 0  | 0                                       | 0                                     | 0   | 0                                    |
| 23                        | <b>TOTAL AVAILABLE FOR RETURN</b>               | <b>\$18,454,391</b>                  | <b>(\$3,370,785)</b>                             | <b>(\$2,341,666)</b>                         | <b>(\$2,381,043)</b>                            | <b>\$117,260</b>                         | <b>\$412,022</b>                        | <b>\$672,834</b>                      | <b>(\$1,821,270)</b>  | <b>\$9,741,843</b>                   |

**OTTER TAIL POWER COMPANY**  
**Electric Utility - State of North Dakota**  
**COMPARISON OF PROPOSED INTERIM RATES TO**  
**SUMMARY OF REVENUE REQUIREMENTS**

**Case No. PU-17-**  
**PART B**  
**Schedule 7**  
**Page 1 of 1**

| Line No. | Description  | (A)<br>Proposed<br>Test Year<br>2018 | (B)<br>Proposed<br>Interim<br>Test Year | Change<br>(B) - (A) |
|----------|--|--------------------------------------|---|---------------------|
| 1        | Average Rate Base  | \$354,191,766                        | \$222,127,329                           | (\$132,064,438)     |
| 2        | Operating Income (Before AFUDC)                                | \$18,454,391                         | \$9,741,842                             | (\$8,712,548)       |
| 3        | Allowance for Funds Used During Construction (AFUDC)           | \$0                                  | \$0                                     | \$0                 |
| 4        | Total Available for Return (Line 2 + Line 3 + Rounding)        | \$18,454,391                         | \$9,741,842                             | (\$8,712,548)       |
| 5        | Overall Rate of Return (Line 4 / Line 1)                       | 5.21%                                | 4.39%                                   | -(0.82)%            |
| 6        | Required Rate of Return  | 7.97%                                | 7.97%                                   | 0.00%               |
| 7        | Operating Income Requirement (Line 1 x Line 6)                 | \$28,229,084                         | \$17,703,548                            | (\$10,525,536)      |
| 8        | Income Deficiency (Line 7 - Line 4)                            | \$9,774,693                          | \$7,961,706                             | (\$1,812,987)       |
| 9        | Gross Revenue Conversion Factor                                | 1.60776                              | 1.60776                                 | 0                   |
| 10       | Revenue Deficiency (Line 8 x Line 9)                           | \$15,715,320                         | \$12,800,479                            | (\$2,914,841)       |
| 11       | Retail Related Revenues Under Present Rates                    | \$148,071,948                        | \$122,589,268                           | (\$25,482,680)      |
| 12       | Percent Increase Needed in Overall Revenue (Line 10 / Line 11) | 10.61%                               | 10.44%                                  | (0.17)%             |

OTTER TAIL POWER COMPANY  
 Electric Utility - State of North Dakota  
 COMPARISON OF PROPOSED INTERIM RATES TO MOST RECENT GENERAL RATE CASE (2010)  
 DETAILED RATE BASE COMPONENTS

Case No. PU-17-  
**PART C**  
 Schedule 1  
 Page 1 of 1

| Line No.                         | Description                           | (A)<br>Results of Most<br>Recent General<br>Rate Case<br>PU-08-862 | (B)<br>Proposed<br>Interim<br>Test Year | (C)<br>Change<br>(B) - (A) |
|----------------------------------|---------------------------------------|--|---|----------------------------|
| <b>Utility Plant in Service:</b> |                                       |  |   |                            |
| 1                                | Production                            | \$154,602,785  | \$154,188,768                           | (\$414,017)                |
| 2                                | Transmission                          | 83,873,091   | 104,672,321                             | 20,799,230                 |
| 3                                | Distribution                          | 140,016,287  | 228,593,947                             | 88,577,660                 |
| 4                                | General                               | 29,250,219   | 36,081,097                              | 6,830,878                  |
| 5                                | Intangible                            | 1,677,249  | 5,727,482                               | 4,050,233                  |
| 6                                | <b>TOTAL Utility Plant in Service</b> | <b>\$409,419,630</b>   | <b>\$529,263,615</b>                    | <b>\$119,843,984</b>       |
| <b>Accumulated Depreciation</b>  |                                       |  |   |                            |
| 8                                | Production                            | (\$86,542,454)   | (\$98,334,309)                          | (\$11,791,855)             |
| 9                                | Transmission                          | (30,681,969)   | (45,254,234)                            | (14,572,265)               |
| 10                               | Distribution                          | (59,273,728)   | (98,387,399)                            | (39,113,671)               |
| 11                               | General                               | (11,712,740)   | (13,900,914)                            | (2,188,174)                |
| 12                               | Intangible                            | (471,172)  | (818,591)                               | (347,419)                  |
| 13                               | <b>TOTAL Accumulated Depreciation</b> | <b>(\$188,682,063)</b>   | <b>(\$256,695,448)</b>                  | <b>(\$68,013,385)</b>      |
| 14                               | <b>NET Utility Plant in Service</b>   |  |   |                            |
| 15                               | Production                            | \$68,060,331   | \$55,854,459                            | (\$12,205,872)             |
| 16                               | Transmission                          | 53,191,122   | 59,418,086                              | 6,226,964                  |
| 17                               | Distribution                          | 80,742,559   | 130,206,548                             | 49,463,989                 |
| 18                               | General                               | 17,537,479   | 22,180,183                              | 4,642,704                  |
| 19                               | Intangible                            | 1,206,077  | 4,908,890                               | 3,702,813                  |
| 20                               | <b>NET Utility Plant in Service</b>   | <b>\$220,737,568</b>   | <b>\$272,568,167</b>                    | <b>\$51,830,599</b>        |
| 21                               |                                       |  |   |                            |
| 22                               | Utility Plant Held for Future Use     | 12,871   | 13,044                                  | 173                        |
| 23                               | Construction Work in Progress         | 2,246,153  | 271,747                                 | (1,974,406)                |
| 24                               | Materials and Supplies                | 5,722,628  | 7,946,645                               | 2,224,017                  |
| 25                               | Fuel Stocks                           | 3,072,173  | 4,430,805                               | 1,358,632                  |
| 26                               | Prepayments                           | (13,279,546)   | (12,739,580)                            | 539,966                    |
| 27                               | Customer Advances & Deposits          | (54,379)   | (353,143)                               | (298,764)                  |
| 28                               | Cash Working Capital                  | 1,485,939  | 3,454,881                               | 1,968,942                  |
| 29                               | Unamortized Rate Case Expense         | 0  |   |                            |
| 30                               | Accumulated Deferred Income Taxes     | (32,611,608)   | (53,465,238)                            | (20,853,630)               |
| 31                               | <b>Total Average Rate Base</b>        | <b>\$187,331,798</b>   | <b>\$222,127,329</b>                    | <b>\$34,795,530</b>        |

**OTTER TAIL POWER COMPANY**  
**Electric Utility - State of North Dakota**  
**COMPARISON OF PROPOSED INTERIM RATES TO MOST RECENT GENERAL RATE CASE**  
**DETAILED RATE BASE COMPONENTS**  
**DESCRIPTION OF CHANGES**

**Case No. PU-17-**  
**PART C**  
**Schedule 2**  
**Page 1 of 1**

Total Average Rate Base proposed by OTP for interim rates increased by approximately \$34.8 million since the last approved electric rate case in Case No. PU-08-862. As noted earlier, interim rates exclude costs that are not of like-kind and rate base being recovered in OTP's riders during the interim period.

The increase in Average Rate Base is primarily related to the net effect of Utility Plant in Service and Accumulated Deferred Income Taxes. Gross Plant in Service increased by \$119.8 million and Reserve for Depreciation and Amortization increased by \$68.0 million. Total Net Plant in Service increased approximately \$51.8 million. In addition, Accumulated Deferred Income Taxes (ADIT) increased approximately \$20.9 million, which reduces rate base. These components account for approximately \$30.9 million of the \$34.8 million increase to rate base.

Distribution Plant now comprises 47.8 percent of Net Plant compared to 36.6 percent for OTP's Most Recent General Rate Case, increasing distribution plant by \$49.5 million, (capital additions of \$88.6 million offset by increases in depreciation reserves of \$39.1 million).

Transmission Plant increased by \$6.2 million (capital additions of \$20.8 million offset by increases in depreciation reserves of \$14.6 million). Transmission Plant comprises 21.8 percent of Net Plant as compared to 24.1 percent in OTP's Most Recent General Rate Case.

Net Production Plant in Service decreased \$12.2 million since OTP's Most Recent General Rate Case. Production Plant is now 20.5 percent of Plant in Service compared to 30.8 percent in that case.

As mentioned earlier, ADIT, a reduction to Average Rate Base, increased by \$20.9 million due to the impact of accelerated tax depreciation taken on OTP's capital expenditures. This increase is mainly caused by timing differences between book and tax depreciation on plant in service investment.

Cash Working Capital increased approximately \$2.0 million, Materials and Supplies comprised an increase of \$2.2 million, Fuel Inventory increased by \$1.4 million, and Customer Advances and Deposits increased by \$542,000 (reduction to rate base) since OTP's Most Recent General Rate Case.

The net effect of the \$51.8 million increase in Net Plant in Service, the \$20.9 million increase in Accumulated Deferred Income Taxes (a reduction to Average Rate Base), and other components shown in Part C, Schedule 1 account for the \$34.8 million increase in Total Average Rate Base for the interim rate period.

OTTER TAIL POWER COMPANY  
 Electric Utility - State of North Dakota  
 COMPARISON OF PROPOSED INTERIM RATES TO OTP'S MOST RECENT GENERAL RATE CASE  
 STATEMENT OF OPERATING INCOME

Case No. PU-17-  
**PART C**  
 Schedule 3  
 Page 1 of 1

| Line No.                         | Description                                     | (A)<br>Results of Most<br>Recent General<br>Rate Case<br>PU-08-862 | (B)<br>Proposed Interim<br>Test Year | (C)<br>Change<br>(B) - (A) |
|----------------------------------|---|--|--------------------------------------|----------------------------|
| <b><u>OPERATING REVENUES</u></b> |   |  |                                      |                            |
| 1                                | Retail  | \$118,309,177  | \$122,589,268                        | \$4,280,091                |
| 2                                | Other Operating Revenue                         | 5,304,529  | 9,712,037                            | 4,407,508                  |
| 3                                | <b>TOTAL OPERATING REVENUE</b>                  | <b>\$123,613,706</b>   | <b>\$132,301,305</b>                 | <b>\$8,687,599</b>         |
| <b><u>OPERATING EXPENSES</u></b> |   |  |                                      |                            |
| 5                                | Production Expenses                             | \$62,213,340   | \$58,417,943                         | (\$3,795,397)              |
| 6                                | Transmission Expenses                           | 4,467,061  | 11,043,334                           | 6,576,273                  |
| 7                                | Distribution Expenses                           | 6,727,802  | 7,680,921                            | 953,119                    |
| 8                                | Customer Accounting Expenses                    | 4,728,770  | 6,091,579                            | 1,362,810                  |
| 9                                | Customer Service & Information Expenses         | 1,027,290  | 1,382,509                            | 355,220                    |
| 10                               | Sales Expenses                                  | 251,476  | 22,472                               | (229,005)                  |
| 11                               | Administration & General Expenses               | 13,526,788   | 19,282,795                           | 5,756,007                  |
| 12                               | Charitable Contributions                        | 114,816  | 0                                    | (114,816)                  |
| 13                               | Depreciation Expense                            | 10,442,094   | 13,387,642                           | 2,945,548                  |
| 14                               | General Taxes                                   | 3,964,363  | 3,936,734                            | (27,629)                   |
| 15                               | <b>TOTAL OPERATING EXPENSES</b>                 | <b>\$107,463,801</b>   | <b>\$121,245,929</b>                 | <b>\$13,782,130</b>        |
| 16                               | <b>NET OPERATING INCOME BEFORE INCOME TAXES</b> | <b>\$16,149,905</b>  | <b>\$11,055,375</b>                  | <b>(\$5,094,531)</b>       |
| <b><u>INCOME TAX EXPENSE</u></b> |   |  |                                      |                            |
| 17                               | Investment Tax Credit                           | (\$475,573)  | (\$1,183,682)                        | (\$708,108)                |
| 18                               | Deferred Income Taxes                           | 216,508  | 965,161                              | 748,653                    |
| 19                               | Income Taxes                                    | 4,132,875  | 1,532,054                            | (2,600,821)                |
| 20                               | <b>TOTAL INCOME TAX EXPENSE</b>                 | <b>\$3,873,810</b>   | <b>\$1,313,533</b>                   | <b>(\$2,560,277)</b>       |
| 21                               | <b>NET OPERATING INCOME</b>                     | <b>\$12,276,096</b>  | <b>\$9,741,842</b>                   | <b>(\$2,534,255)</b>       |
| 22                               | Allowance for Funds Used During Construction    | 0  | 0                                    | 0                          |
| 23                               | <b>TOTAL AVAILABLE FOR RETURN</b>               | <b>\$12,276,096</b>  | <b>\$9,741,842</b>                   | <b>(\$2,534,255)</b>       |

**OTTER TAIL POWER COMPANY  
Electric Utility - State of North Dakota  
COMPARISON OF PROPOSED INTERIM RATES TO MOST RECENT GENERAL RATE CASE  
STATEMENT OF OPERATING INCOME  
DESCRIPTION OF CHANGES**

**Case No. PU-17-  
PART C  
Schedule 4  
Page 1 of 1**

The Total Available for Return approved by the Commission in OTP's Most Recent General Rate Case compared to the Total Available for Return proposed in the Proposed Interim Test Year shows a decrease of \$2.5 million.

Major components of the change in utility available for return include the following:

Retail Electric Revenues increased by \$4.3 million or 3.6 percent.

Other Revenue increased by \$4.4 million from \$5.3 million in OTP's Most Recent General Rate Case to \$9.7 million in the Proposed Interim Test Year.

Fuel, Purchased Energy and Power Production costs increased by approximately \$3.8 million compared to OTP's Most Recent General Rate Case.

Other Operating Expenses increased by approximately \$14.7 million. The changes that occurred in the various cost functions are: Transmission expense, an increase of \$6.6 million; Distribution expense, an increase of \$1.0 million; Customer Accounting, an increase of \$1.4 million; Customer Services combined with Information and Sales, an increase of \$0.1 million; and Administrative and General expense, an increase of \$5.8 million.

Depreciation expense increased by approximately \$2.9 million which represents a 28.2 percent increase over OTP's Most Recent General Rate Case.

Investment Tax Credits increased by \$0.7 million while Deferred Income Taxes increased by \$0.7 million while Income Tax Expense decreased by \$2.6 million resulting in a decrease of approximately \$2.6 in Total Income Taxes since OTP's Most Recent General Rate Case.

**OTTER TAIL POWER COMPANY**  
**Electric Utility - State of North Dakota**  
**COMPARISON OF PROPOSED INTERIM RATES TO MOST RECENT GENERAL RATE CASE**  
**SUMMARY OF REVENUE REQUIREMENTS**

**Case No. PU-17-**  
**PART C**  
**Schedule 5**  
**Page 1 of 1**

| Line No. | Description  | (A)<br>Results of Most<br>Recent General<br>Rate Case<br>PU-08-862 | (B)<br>Interim<br>Test Year | (C)<br>Change<br>(B) - (A) |
|----------|--|--|-----------------------------|----------------------------|
| 1        | Average Rate Base  | \$187,331,798  | \$222,127,329               | \$34,795,531               |
| 2        | Operating Income (Before AFUDC)                                | \$12,276,096   | \$9,741,842                 | (\$2,534,254)              |
| 3        | Allowance for Funds Used During Construction (AFUDC)           | \$0  | \$0                         | \$0                        |
| 4        | Total Available for Return (Line 2 + Line 3 + Rounding)        | \$12,276,096   | \$9,741,842                 | (\$2,534,254)              |
| 5        | Overall Rate of Return (Line 4 / Line 1)                       | 6.55%  | 4.39%                       | (2.17)%                    |
| 6        | Required Rate of Return  | 8.62%  | 7.97%                       | (0.65)%                    |
| 7        | Operating Income Requirement (Line 1 x Line 6)                 | \$16,148,001   | \$17,703,548                | \$1,555,547                |
| 8        | Income Deficiency (Line 7 - Line 4)                            | \$3,871,905  | \$7,961,706                 | \$4,089,801                |
| 9        | Gross Revenue Conversion Factor                                | 1.645413   | 1.607756                    | 0                          |
| 10       | Revenue Deficiency (Line 8 x Line 9)                           | \$6,370,885  | \$12,800,481                | \$6,429,596                |
| 11       | Retail Related Revenues Under Present Rates                    | \$118,309,177  | \$122,589,268               | \$4,280,091                |
| 12       | Percent Increase Needed in Overall Revenue (Line 10 / Line 11) | 5.38%  | 10.44%                      | 5.06%                      |

**OTTER TAIL POWER COMPANY**  
**Electric Utility - State of North Dakota**  
**COMPARISON OF PROPOSED INTERIM RATES TO OTP'S MOST RECENT GENERAL RATE CASE**  
**CAPITAL STRUCTURE AND RATE OF RETURN CALCULATIONS**

**Case No. PU-17-**  
**PART C**  
**Schedule 6**  
**Page 1 of 1**

| Line No.  | Capitalization:               | (A)<br>Amount | (B)<br>% of Total<br>Capitalization | (C)<br>Cost of<br>Capital | (D)<br>Weighted Cost<br>of Capital |
|---|-------------------------------|---------------|-------------------------------------|---------------------------|------------------------------------|
| <b>I. Capital Structure and Rate of Return Calculation Approved by the Commission in the Most Recent General Rate Case (Case No. PU-08-862)</b> |                               |               |                                     |                           |                                    |
| 1   | Long-Term Debt                | \$185,725,713 | 43.1%                               | 6.30%                     | 2.72%                              |
| 2   | Short-Term Debt               | 0             | 0.0%                                | 0.00%                     | 0.00%                              |
| 3   | Long-Term and Short-Term Debt | \$185,725,713 | 43.1%                               | 6.30%                     | 2.72%                              |
| 4   | Preferred Stock               | 15,500,000    | 3.597%                              | 4.75%                     | 0.17%                              |
| 5   | Net Common Equity             | 229,633,133   | 53.3%                               | 10.75%                    | 5.73%                              |
| 6   | Total Equity                  | \$245,133,133 | 56.9%                               |                           | 5.90%                              |
| 7   | Total Capitalization          | \$430,858,846 | 100.00%                             |                           | 8.62%                              |

|  |                               |                 |        |        |       |
|--|-------------------------------|-----------------|--------|--------|-------|
| <b>II. Capital Structure and Rate of Return Calculation for Proposed Interim Rates</b> |                               |                 |        |        |       |
| 8  | Long-Term Debt                | \$ 492,672,120  | 46.0%  | 5.43%  | 2.50% |
| 9  | Short-Term Debt               | 15,979,784      | 1.5%   | 4.02%  | 0.06% |
| 10   | Long-Term and Short-Term Debt | \$508,651,904   | 47.5%  | 5.39%  | 2.56% |
| 11   | Preferred Stock               | 0               | 0.0%   | 0.00%  | 0.00% |
| 12   | Net Common Equity             | 562,251,832     | 52.5%  | 10.30% | 5.41% |
| 13   | Total Equity                  | \$562,251,832   | 52.5%  |        | 5.41% |
| 14   | Total Capitalization          | \$1,070,903,736 | 100.0% |        | 7.97% |

**III. Amount of Changes Between I and II**

|    | Amount  |                                    | Change<br>(C) = (B) - (A) |                |
|----|---|------------------------------------|---------------------------|----------------|
|    | Most Recent<br>General Rate Case<br>Filing<br>(A) | Proposed<br>Interim<br>Rate<br>(B) |                           |                |
| 15 | Long-Term Debt                                    | \$185,725,713                      | \$492,672,120             | \$306,946,407  |
| 16 | Short-Term Debt                                   | 0                                  | 15,979,784                | 15,979,784     |
| 17 | Long-Term and Short-Term Debt                     | \$185,725,713                      | \$508,651,904             | \$322,926,191  |
| 18 | Preferred Stock                                   | 15,500,000                         | 0                         | (\$15,500,000) |
| 19 | Net Common Equity                                 | 229,633,133                        | 562,251,832               | 332,618,699    |
| 20 | Total Equity                                      | \$245,133,133                      | \$562,251,832             | \$317,118,699  |
| 21 | Total Capitalization                              | \$430,858,846                      | \$1,070,903,736           | \$640,044,890  |

**OTTER TAIL POWER COMPANY**  
**Electric Utility - State of North Dakota**  
**COMPARISON OF PROPOSED INTERIM RATES TO OTP'S MOST RECENT GENERAL RATE CASE**  
**CAPITAL STRUCTURE AND RATE OF RETURN CALCULATIONS**  
**DESCRIPTION OF CHANGES**

**Case No. PU-17-**  
**PART C**  
**Schedule 7**  
**Page 1 of 1**

Long-Term Debt in the Proposed Interim Test Year has increased by approximately \$306.9 million, compared to OTP's Most Recent General Rate Case. The increase in Long-Term Debt was necessary to support OTP's capital expenditure plan and maintain an appropriate balance of debt and equity and a balanced capital structure.

The capital structure for Interim Rates includes \$16.0 million of Short-Term Debt as compared to \$0.0 million in OTP's Most Recent General Rate Case.

Common Equity increased by approximately \$317.1 million primarily due to reinvestment of retained earnings and infusions of equity from Otter Tail Corporation to support OTP's capital expenditure plan and provide an appropriate balance of debt and equity and a balanced capital structure.

The overall cost of capital decreased from OTP's Most Recent General Rate Case. The decrease is equally driven by a decrease in the cost of debt and cost of equity. The 10.30 percent cost of common equity is lower than the 10.75 percent cost of common equity in OTP's Most Recent General Rate Case.

OTTER TAIL POWER COMPANY  
 Electric Utility - State of North Dakota  
 INTERIM RATE SCHEDULE  
 SUMMARY COMPARISON OF OPERATING REVENUE  
 UNDER PRESENT AND PROPOSED INTERIM RATES FOR THE TEST YEAR

Case No. PU-17-  
 PART D  
 Page 1 of 1  
 Rate Schedule

| <u>Rate Schedule</u>                     | <u>Operating Revenue</u> |                      |                     | <u>Percent Change</u> |
|--|--------------------------|----------------------|---------------------|-----------------------|
|  | <u>Present</u>           | <u>Interim</u>       | <u>Increase</u>     |                       |
| Residential Service                      | \$34,974,795             | \$38,626,780         | \$3,651,985         | 10.44%                |
| Residential Demand Control               | \$5,268,890              | \$5,819,055          | \$550,165           | 10.44%                |
| <b>Total Residential Class Revenue</b>   | <b>\$40,243,684</b>      | <b>\$44,445,834</b>  | <b>\$4,202,150</b>  | <b>10.44%</b>         |
| Farm Service                             | \$2,055,183              | \$2,269,781          | \$214,597           | 10.44%                |
| General Service < 20 kW                  | \$7,963,977              | \$8,795,556          | \$831,579           | 10.44%                |
| General Service >= 20 kW                 | \$24,590,129             | \$27,157,772         | \$2,567,643         | 10.44%                |
| Commercial Time of Use                   | \$8,085                  | \$8,929              | \$844               |                       |
| <b>Total GS Class Revenue</b>            | <b>\$32,562,190</b>      | <b>\$35,962,256</b>  | <b>\$3,400,066</b>  | <b>10.44%</b>         |
| Large General Service                    | \$25,832,084             | \$28,529,409         | \$2,697,325         | 10.44%                |
| Large General Service Time of Day        | \$31,626                 | \$34,928             | \$3,302             | 10.44%                |
| Real Time Pricing                        | \$9,342,340              | \$10,317,845         | \$975,505           | 0.00%                 |
| Large General Service Rider              | \$0                      | \$0                  | \$0                 | 0.00%                 |
| Standby Service                          | \$12,048                 | \$13,306             | \$1,258             | 0.00%                 |
| <b>Total LGS Class Revenue</b>           | <b>\$35,218,098</b>      | <b>\$38,895,488</b>  | <b>\$3,677,390</b>  | <b>10.44%</b>         |
| Irrigation Services                      | \$51,061                 | \$56,393             | \$5,332             | 10.44%                |
| Outdoor Lighting - Energy Only           | \$303,294                | \$334,963            | \$31,669            | 10.44%                |
| Outdoor Lighting                         | \$2,209,569              | \$2,440,287          | \$230,718           | 10.44%                |
| <b>Total Lighting Class Revenue</b>      | <b>\$2,512,863</b>       | <b>\$2,775,250</b>   | <b>\$262,387</b>    | <b>10.44%</b>         |
| Municipal Pumping Service                | \$979,983                | \$1,082,311          | \$102,328           | 10.44%                |
| Civil Defense - Fire Sirens              | \$3,241                  | \$3,579              | \$338               | 10.44%                |
| <b>Total OPA Class Revenue</b>           | <b>\$983,224</b>         | <b>\$1,085,890</b>   | <b>\$102,666</b>    | <b>10.44%</b>         |
| Water Heating, Controlled                | \$936,416                | \$1,034,194          | \$97,778            | 10.44%                |
| Interruptible Load >= 80 kW              | \$4,764,910              | \$5,262,450          | \$497,541           | 10.44%                |
| Interruptible Load < 80 kW               | \$1,998,017              | \$2,206,645          | \$208,628           | 10.44%                |
| <b>Total Interruptible Class Revenue</b> | <b>\$6,762,927</b>       | <b>\$7,469,095</b>   | <b>\$706,169</b>    | <b>10.44%</b>         |
| Deferred Load Controlled Service         | \$859,328                | \$949,057            | \$89,729            | 10.44%                |
| Fix Time of Delivery Service             | \$404,295                | \$446,510            | \$42,215            | 10.44%                |
| <b>Total Def. Ld. Class Revenue</b>      | <b>\$1,263,623</b>       | <b>\$1,395,567</b>   | <b>\$131,944</b>    | <b>10.44%</b>         |
| <b>Total</b>                             | <b>\$122,589,268</b>     | <b>\$135,389,749</b> | <b>\$12,800,479</b> | <b>10.44%</b>         |

**OTTER TAIL POWER COMPANY**  
**Electric Utility - State of North Dakota**  
**Energy Adjustment Rider Schedule**

**Case No. PU-17-**  
**PART E**  
**Schedule 1**  
**Page 1 of 1**

| Line No. | Description  | 2018 Interim Test Year |                           |
|----------|--|------------------------|---------------------------|
| 1        | Purchased Power (Inclusive of MISO Market Purchases) | \$                     | 63,420,074                |
| 2        | Generation Costs                                     | \$                     | 54,175,351                |
| 3        | MISO Schedules 16 & 17                               | \$                     | 649,613                   |
| 4        | Reagents & Emissions Allowances <sup>1</sup>         | \$                     | -                         |
| 5        | Total Energy Costs                                   | \$                     | <u>118,245,039</u>        |
| 6        |  |                        |                           |
| 7        | Associated Energy -- kWh                             |                        |                           |
| 8        | Energy Retail Sales                                  |                        | 4,860,586,264             |
| 9        |  |                        |                           |
| 10       | Base Cost of Energy (line 5/line 8)                  | \$                     | 0.024327                  |
| 11       | Base Cost Ordered in PU-08-862 <sup>2</sup>          | \$                     | 0.028030                  |
| 12       | Proposed Interim Cost of Energy in Base Rates        | \$                     | <u>0.024327</u>           |
| 13       | Proposed Energy Adjustment Rider                     | \$                     | <u>-</u>                  |
| 14       |  |                        |                           |
| 15       |  |                        |                           |
| 16       | RETAIL SALES CALCULATION for line 8                  |                        |                           |
| 17       |  | <u>Month of:</u>       | <u>Total Retail Sales</u> |
| 18       |  | January                | 498,045,756               |
| 19       |  | February               | 448,802,888               |
| 20       |  | March                  | 434,431,661               |
| 21       |  | April                  | 380,205,477               |
| 22       |  | May                    | 352,954,574               |
| 23       |  | June                   | 347,735,861               |
| 24       |  | July                   | 378,139,425               |
| 25       |  | August                 | 378,268,857               |
| 26       |  | September              | 361,370,534               |
| 27       |  | October                | 380,763,045               |
| 28       |  | November               | 424,659,514               |
| 29       |  | December               | 475,208,672               |
| 30       |  |                        | <u>4,860,586,264</u>      |

<sup>1</sup> In Case No. PU-14-668, the Commission approved recovery of these costs through the Reagent and Emissions Allowance Adjustment rider as described in Tommerdahl Direct.

<sup>2</sup> OTP's last general rate case approved by order dated Nov 25,2009 - Effective December 1, 2009

OTTER TAIL POWER COMPANY  
 Electric Utility - State of North Dakota  
 INTERIM RATE SCHEDULE  
 SUMMARY COMPARISON OF OPERATING REVENUE  
 UNDER PRESENT AND PROPOSED INTERIM RATES FOR THE TEST YEAR

| <u>Rate Schedule</u>                     | <u>Operating Revenue</u> |                      |                     | <u>Percent Change</u> |
|--|--------------------------|----------------------|---------------------|-----------------------|
|  | <u>Present</u>           | <u>Interim</u>       | <u>Increase</u>     |                       |
| Residential Service                      | \$34,974,795             | \$38,626,780         | \$3,651,985         | 10.44%                |
| Residential Demand Control               | \$5,268,890              | \$5,819,055          | \$550,165           | 10.44%                |
| <b>Total Residential Class Revenue</b>   | <b>\$40,243,684</b>      | <b>\$44,445,834</b>  | <b>\$4,202,150</b>  | <b>10.44%</b>         |
| Farm Service                             | \$2,055,183              | \$2,269,781          | \$214,597           | 10.44%                |
| General Service < 20 kW                  | \$7,963,977              | \$8,795,556          | \$831,579           | 10.44%                |
| General Service >= 20 kW                 | \$24,590,129             | \$27,157,772         | \$2,567,643         | 10.44%                |
| Commercial Time of Use                   | \$8,085                  | \$8,929              | \$844               |                       |
| <b>Total GS Class Revenue</b>            | <b>\$32,562,190</b>      | <b>\$35,962,256</b>  | <b>\$3,400,066</b>  | <b>10.44%</b>         |
| Large General Service                    | \$25,832,084             | \$28,529,409         | \$2,697,325         | 10.44%                |
| Large General Service Time of Day        | \$31,626                 | \$34,928             | \$3,302             | 10.44%                |
| Real Time Pricing                        | \$9,342,340              | \$10,317,845         | \$975,505           | 0.00%                 |
| Large General Service Rider              | \$0                      | \$0                  | \$0                 | 0.00%                 |
| Standby Service                          | \$12,048                 | \$13,306             | \$1,258             | 0.00%                 |
| <b>Total LGS Class Revenue</b>           | <b>\$35,218,098</b>      | <b>\$38,895,488</b>  | <b>\$3,677,390</b>  | <b>10.44%</b>         |
| Irrigation Services                      | \$51,061                 | \$56,393             | \$5,332             | 10.44%                |
| Outdoor Lighting - Energy Only           | \$303,294                | \$334,963            | \$31,669            | 10.44%                |
| Outdoor Lighting                         | \$2,209,569              | \$2,440,287          | \$230,718           | 10.44%                |
| <b>Total Lighting Class Revenue</b>      | <b>\$2,512,863</b>       | <b>\$2,775,250</b>   | <b>\$262,387</b>    | <b>10.44%</b>         |
| Municipal Pumping Service                | \$979,983                | \$1,082,311          | \$102,328           | 10.44%                |
| Civil Defense - Fire Sirens              | \$3,241                  | \$3,579              | \$338               | 10.44%                |
| <b>Total OPA Class Revenue</b>           | <b>\$983,224</b>         | <b>\$1,085,890</b>   | <b>\$102,666</b>    | <b>10.44%</b>         |
| Water Heating, Controlled                | \$936,416                | \$1,034,194          | \$97,778            | 10.44%                |
| Interruptible Load >= 80 kW              | \$4,764,910              | \$5,262,450          | \$497,541           | 10.44%                |
| Interruptible Load < 80 kW               | \$1,998,017              | \$2,206,645          | \$208,628           | 10.44%                |
| <b>Total Interruptible Class Revenue</b> | <b>\$6,762,927</b>       | <b>\$7,469,095</b>   | <b>\$706,169</b>    | <b>10.44%</b>         |
| Deferred Load Controlled Service         | \$859,328                | \$949,057            | \$89,729            | 10.44%                |
| Fix Time of Delivery Service             | \$404,295                | \$446,510            | \$42,215            | 10.44%                |
| <b>Total Def. Ld. Class Revenue</b>      | <b>\$1,263,623</b>       | <b>\$1,395,567</b>   | <b>\$131,944</b>    | <b>10.44%</b>         |
| <b>Total</b>                             | <b>\$122,589,268</b>     | <b>\$135,389,749</b> | <b>\$12,800,479</b> | <b>10.44%</b>         |



**RESIDENTIAL SERVICE**

| DESCRIPTION         | RATE CODE |
|---------------------|-----------|
| Residential Service | 50-101    |

N  
N  
C

**RULES AND REGULATIONS:** Terms and conditions of this tariff and the General Rules and Regulations govern use of this schedule.

LC  
LC

**APPLICATION OF SCHEDULE:** This schedule is applicable to residential service as defined in the General Rules and Regulations.

LC  
LC

**RATE:**

| RESIDENTIAL SERVICE        |                 |                  |                  |
|----------------------------|-----------------|------------------|------------------|
| Customer Charge per Month: | \$8.00          |                  |                  |
| Monthly Minimum Bill:      | Customer Charge |                  |                  |
| Energy Charge per kWh:     | Summer          | Winter           |                  |
| First 1,000:               | 8.444074 ¢/kWh  | 7.863493 ¢/kWh   | 7.1736.803 ¢/kWh |
| Excess:                    | 8.444074 ¢/kWh  | 7.1736.803 ¢/kWh |                  |

N  
NR  
NR  
NR  
NR

**INTERIM RATE ADJUSTMENT:**

A 10.44 percent increase will be added to the sum of the following, as applicable: Customer Charge, Energy Charge, Demand Charge, Fixed Charge, Facilities Charge, and the monthly Minimum Charge.

N  
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 or Voluntary Rate Riders selected by the Customer, unless otherwise noted in this rate 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

**DEFINITIONS OF SEASONS:**

N

NORTH DAKOTA PUBLIC  
SERVICE COMMISSION  
North Dakota  
Case No. PU-08-86217-  
Approved by order dated November 25, 2009,  
Gerhardson

EFFECTIVE with bills rendered on  
and after ~~December 1, 2009~~ January 1, 2018, in

APPROVED: Bernadeen Brutlag Bruce G.

Manager, Regulatory Services Vice

President, Regulatory Affairs



Summer: June 1 through September 30.  
Winter: October 1 through May 31.

~~N~~  
~~N~~

**SEASONAL RESIDENTIAL SERVICE:**

~~N~~

1. These rates and regulations shall apply to seasonal and lake cottage service and to rural residential service only. Resorts, stores, farms and other nonresidential establishments will be billed at the rates provided for such classes of service.

€

2. Seasonal customers will be billed at the same rate as year-around Customers, except as follows:

€  
€

Each seasonal Customer will be billed a one-time seasonal fixed charge of \$32.00 in addition to the rate provided above. The fixed charge will be included on the first bill rendered for each season.

€  
€  
€

Each seasonal Customer will be billed for the number of months each season that the residence or cottage is in use but not less than a minimum of four months, plus the seasonal fixed charge. The Company normally will read meters and render a bill during the months of June, July, August and September. At the Company's option, meters may be read at other times during the year and a bill will be rendered if energy recorded on the meter exceeds 100 kWh.

€  
€  
€  
€  
€  
€

Bills may be rendered on a two-month basis at the Company's discretion when the energy used exceeds 100 kWh and more than 55 days have elapsed since the previous meter reading.

€  
€  
€

Seasonal Customers will also be subject to a connection charge of \$40.00 when the account is established.

€  
€

NORTH DAKOTA PUBLIC  
SERVICE COMMISSION  
North Dakota  
Case No. PU-08-86217-  
Approved by order dated November 25, 2009,  
Gerhardson  
  
President, Regulatory Affairs

EFFECTIVE with bills rendered on  
and after ~~December 1, 2009~~ January 1, 2018, in

APPROVED: Bernadeen Brutlag Bruce G.  
  
Manager, Regulatory Services Vice



**RESIDENTIAL DEMAND CONTROL SERVICE**  
(Commonly identified as RDC)

| DESCRIPTION                | RATE CODE |
|----------------------------|-----------|
| Residential Demand Control | 50-241    |

**RULES AND REGULATIONS:** Terms and conditions of this tariff and the General Rules and Regulations govern use of this schedule.

**APPLICATION OF SCHEDULE:** This schedule is applicable to Residential Customers with approved demand control systems.

**RATE:**

| RESIDENTIAL DEMAND CONTROL SERVICE |                          |                |  |
|------------------------------------|--------------------------|----------------|--|
| Customer Charge per Month:         | \$18.38                  |                |  |
| Monthly Minimum Bill:              | Customer + Demand Charge |                |  |
| Energy Charge per kWh:             | Summer                   | Winter         |  |
|                                    | 4.627257 ¢/kWh           | 4.671301 ¢/kWh |  |
| Demand Charge per kW:              | Summer                   | Winter         |  |
|                                    | \$6.52 /kW               | \$2.63 /kW     |  |

**INTERIM RATE ADJUSTMENT:**

A 10.44 percent increase will be added to the sum of the following, as applicable: Customer Charge, Energy Charge, Demand Charge, Fixed Charge, Facilities Charge, and the monthly Minimum Charge.

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

NORTH DAKOTA PUBLIC SERVICE COMMISSION  
North Dakota  
Case No. PU-08-86217-  
Approved by order dated November 25, 2009  
Gerhardson

EFFECTIVE with bills rendered on  
and after ~~December 1, 2009~~ January 1, 2018, in

APPROVED: Bernadeen Brutlag Bruce G.

President, Regulatory Affairs

Manager, Regulatory Services Vice





Fergus Falls, Minnesota

**FARM SERVICE**

| DESCRIPTION  | RATE CODE |
|--------------|-----------|
| Farm Service | 50-361    |

N  
N  
C

**RULES AND REGULATIONS:** Terms and conditions of this tariff and the General Rules and Regulations govern use of this schedule.

LC  
LC

**APPLICATION OF SCHEDULE:** This schedule is applicable to general Farm and home use. The Customer may elect to have the following service offerings in the farm home (for residential uses); Residential Service (Section 9.01) or Residential Demand Control Service Schedule (Section 9.02) if all the requirements specified for that schedule are satisfied.

LC  
LC  
LC  
LC

**RATE:**

| FARM SERVICE                        |                              |                 |  |
|-------------------------------------|------------------------------|-----------------|--|
| Customer Charge per Month:          | \$12.00                      |                 |  |
| Monthly Minimum Bill:               | Customer + Facilities Charge |                 |  |
| <b>Facilities Charge per Month:</b> |                              |                 |  |
| Single Phase                        | \$0.00                       |                 |  |
| Three Phase: Overhead <=25kVA       | \$3.37                       |                 |  |
| Three Phase: Overhead > 25kVA       | \$3.93                       |                 |  |
| Three Phase: Underground <=25kVA    | \$9.39                       |                 |  |
| Three Phase: Underground > 25kVA    | \$10.78                      |                 |  |
| Energy Charge per kWh:              | Summer                       | Winter          |  |
| First 1600                          | 7.642<br>272 ¢/kWh           | 6.97+601 ¢/kWh  |  |
| Excess                              | 6.495+125 ¢/kWh              | 5.925+555 ¢/kWh |  |

N  
NR  
NR  
NR  
NR  
NR  
NR  
NR  
NR  
NR  
NR

**INTERIM RATE ADJUSTMENT:**

A 10.44 percent increase will be added to the sum of the following, as applicable: Customer Charge, Energy Charge, Demand Charge, Fixed Charge, Facilities Charge, and the monthly Minimum Charge.

N  
N  
N  
N

NORTH DAKOTA PUBLIC  
 SERVICE COMMISSION  
 in North Dakota.  
 Case No. PU-08-86217-  
 Approved by order dated ~~November 25, 2009~~  
Gerhardson

EFFECTIVE with bills rendered on  
 and after ~~December 1, 2009~~ January 1, 2018,

APPROVED: Bernadeen Brutlag Bruce G.

President, Regulatory Affairs

Manager, Regulatory Services Vice



Fergus Falls, Minnesota

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

NL  
NL  
NL  
NL

**DEFINITIONS OF SEASONS:**

Summer: June 1 through September 30.

Winter: October 1 through May 31.

NL  
NL  
NL

**SMALL GENERAL SERVICE**  
Under 20 kW

| DESCRIPTION                                     | RATE CODE |
|---|-----------|
| Metered Service under 20 kW – Secondary Service | 50-404    |
| Metered Service under 20 kW – Primary Service   | 50-405    |

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

**APPLICATION OF SCHEDULE:** This schedule is applicable to three-phase Residential Customers, and both single and three-phase nonresidential Customers. This schedule is not applicable for energy for resale, nor for municipal outdoor lighting. Emergency and supplementary/standby service will be supplied only as allowed by law.

**RATE:**

| SECONDARY SERVICE          |                           | PRIMARY SERVICE           |                           |
|----------------------------|---------------------------|---------------------------|---------------------------|
| Customer Charge per Month: | \$13.00                   | \$13.00                   |                           |
| Monthly Minimum Bill:      | Customer Charge           | Customer Charge           |                           |
| Energy Charge per kWh:     | Summer                    | Winter                    |                           |
|                            | 8.509<br><u>139</u> ¢/kWh | 7.7623<br><u>92</u> ¢/kWh | 8.4711<br><u>01</u> ¢/kWh |
|                            |                           | 7.7253<br><u>55</u> ¢/kWh |                           |

R  
  
N  
N  
N  
N

**INTERIM RATE ADJUSTMENT:**

A 10.44 percent increase will be added to the sum of the following, as applicable: Customer Charge, Energy Charge, Demand Charge, Fixed Charge, Facilities Charge, and the monthly Minimum Charge.

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

NORTH DAKOTA PUBLIC  
SERVICE COMMISSION  
in North Dakota.  
Case No. PU-08-86217-  
Approved by order dated ~~November 25, 2009~~  
Gerhardson  
  
President, Regulatory Affairs

EFFECTIVE with bills rendered on  
and after ~~December 1, 2009~~ January 1, 2018,  
  
APPROVED: ~~Bernadeen Brutlag~~ Bruce G.  
  
Manager, Regulatory Services Vice



Fergus Falls, Minnesota

**DEFINITIONS OF SEASONS:**

Summer: June 1 through September 30.

Winter: October 1 through May 31.

**TERMS AND CONDITIONS:** A Customer may remain on the Small General Service schedule as long as the Customer's maximum demand is less than 20 kW. When the Customer achieves an actual demand of 20 kW or greater, the Customer will be placed on the General Service schedule (Section 10.02) in the next billing month.

**DETERMINATION OF DEMAND:** An estimated or metered demand shall be used to establish the applicability of this schedule, at the option of the Company. This demand shall be the maximum kW for the highest 15-minute period during the month for which a bill is rendered.

NORTH DAKOTA PUBLIC  
SERVICE COMMISSION  
in North Dakota.  
Case No. ~~PU-08-86217-~~  
Approved by order dated ~~November 25, 2009~~  
Gerhardson

President, Regulatory Affairs

EFFECTIVE with bills rendered on  
and after ~~December 1, 2009~~ January 1, 2018,

APPROVED: ~~Bernadeen Brutlag~~ Bruce G.

Manager, Regulatory Services ~~Vice~~



**GENERAL SERVICE**  
20 kW or Greater

| DESCRIPTION                         | RATE<br>CODE |
|-------------------------------------|--------------|
| General Service – Secondary Service | 50-401       |
| General Service – Primary Service   | 50-403       |

**RULES AND REGULATIONS:** Terms and conditions of this tariff and the General Rules and Regulations govern use of this schedule.

**APPLICATION OF SCHEDULE:** This schedule is applicable to three-phase Residential Customers, and both single and three-phase nonresidential Customers, with a measured demand of at least 20 kW within the most recent 12 months. This schedule is not applicable for energy for resale, nor for municipal outdoor lighting. Emergency and supplementary/standby service will be supplied only as allowed by law.

**RATE:**

| SECONDARY SERVICE            |  | PRIMARY SERVICE              |        |                  |                |  |        |        |                  |                |
|------------------------------|--|------------------------------|--------|------------------|----------------|--|--------|--------|------------------|----------------|
| Customer Charge per Month:   | \$12.00  | \$12.00                      |        |                  |                |  |        |        |                  |                |
| Monthly Minimum Bill:        | Customer + Facilities Charge   | Customer + Facilities Charge |        |                  |                |  |        |        |                  |                |
| Facilities Charge per Month: | \$0.52/kW  | \$0.38/kW                    |        |                  |                |  |        |        |                  |                |
| Energy Charge per kWh:       | <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center; width: 50%;">Summer</td> <td style="text-align: center; width: 50%;">Winter</td> </tr> <tr> <td style="text-align: center;">8.2137.843 ¢/kWh</td> <td style="text-align: center;">7.492122 ¢/kWh</td> </tr> </table> | Summer                       | Winter | 8.2137.843 ¢/kWh | 7.492122 ¢/kWh | <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center; width: 50%;">Summer</td> <td style="text-align: center; width: 50%;">Winter</td> </tr> <tr> <td style="text-align: center;">8.1767.806 ¢/kWh</td> <td style="text-align: center;">7.456086 ¢/kWh</td> </tr> </table> | Summer | Winter | 8.1767.806 ¢/kWh | 7.456086 ¢/kWh |
| Summer                       | Winter   |                              |        |                  |                |  |        |        |                  |                |
| 8.2137.843 ¢/kWh             | 7.492122 ¢/kWh   |                              |        |                  |                |  |        |        |                  |                |
| Summer                       | Winter   |                              |        |                  |                |  |        |        |                  |                |
| 8.1767.806 ¢/kWh             | 7.456086 ¢/kWh   |                              |        |                  |                |  |        |        |                  |                |

**INTERIM RATE ADJUSTMENT:**

A 10.44 percent increase will be added to the sum of the following, as applicable: Customer Charge, Energy Charge, Demand Charge, Fixed Charge, Facilities Charge, and the monthly Minimum Charge.

**MANDATORY AND VOLUNTARY RIDERS:** The amount of a bill for service will be modified by any Mandatory Rate Riders that must apply or Voluntary Rate Riders selected by the Customer, unless

NORTH DAKOTA PUBLIC  
SERVICE COMMISSION  
in North Dakota  
Case No. PU-08-86217-  
Approved by order dated November 25, 2009,  
Gerhardson  
President, Regulatory Affairs

EFFECTIVE with bills rendered on  
and after ~~December 1, 2009~~ January 1, 2018,  
  
APPROVED: ~~Bernadeen Brutlag~~ Bruce G.  
Manager, Regulatory Services Vice



otherwise noted in this rate schedule. See Sections 12.00, 13.00 and 14.00 of the North Dakota electric rates for the matrices of riders. N

---

NORTH DAKOTA PUBLIC  
SERVICE COMMISSION  
in North Dakota  
Case No. PU-08-86217-  
Approved by order dated ~~November 25, 2009~~  
Gerhardson  
  
President, Regulatory Affairs

---

EFFECTIVE with bills rendered on  
and after ~~December 1, 2009~~ January 1, 2018,  
  
APPROVED: ~~Bernadeen Brutlag~~ Bruce G.  
  
Manager, Regulatory Services Vice



**DEFINITIONS OF SEASONS:**

Summer: June 1 through September 30.

Winter: October 1 through May 31.

✗  
✗  
✗

**TERMS AND CONDITIONS:** A Customer with a billing demand of less than 20 kW for 12 consecutive months will be required to take service under the Small General Service schedule (Section 10.01).

✗  
✗  
✗

**DETERMINATION OF FACILITIES CHARGE:** The monthly measured demand will be based on the maximum 15 consecutive minute period measured by a suitable demand meter for the month for which the bill is rendered. The Facilities charge demand will be based on the largest of the most recent 12 monthly measured demands, but in no event will the measured demand be considered less than 20 kW.

✗  
✗  
✗  
✗

NORTH DAKOTA PUBLIC  
SERVICE COMMISSION  
in North Dakota  
Case No. PU-08-86217-  
Approved by order dated November 25, 2009,  
Gerhardson  
President, Regulatory Affairs

EFFECTIVE with bills rendered on  
and after ~~December 1, 2009~~ January 1, 2018,  
APPROVED: ~~Bernadeen Brutlag~~ Bruce G.  
Manager, Regulatory Services Vice

### LARGE GENERAL SERVICE

| DESCRIPTION          | RATE<br>CODE | N<br>N<br>€<br>€<br>€ |
|----------------------|--------------|-----------------------|
| Secondary Service    | 50-603       |                       |
| Primary Service      | 50-602       |                       |
| Transmission Service | 50-632       |                       |

**RULES AND REGULATIONS:** Terms and conditions of this tariff and the General Rules and Regulations govern use of this schedule. LC  
LC

**APPLICATION OF SCHEDULE:** This schedule is applicable to nonresidential Customers. This schedule is not applicable for energy for resale, nor for municipal outdoor lighting. Emergency and supplementary/standby service will be supplied only as allowed by law. LC  
LC  
LC

**RATE:**

| SECONDARY SERVICE   |  |                  |  | N        |
|---|--|------------------|--|----------|
| Customer Charge per Month:  | \$40.00  |                  |  | NR       |
| Monthly Minimum Bill:   | Customer Charge + Facilities Charge + Demand Charge (min. 80 kW) |                  |  | NR<br>NR |
| Facilities Charge per Month:<br>per Annual Maximum kW (Minimum 80 kW per Month) |  |                  |  |          |
| < 1000 kW:  | \$0.30/kW  |                  |  | NR       |
| >= 1000 kW:   | \$0.15/kW  |                  |  | NR       |
| Energy Charge per kWh:  | Summer   | Winter           |  |          |
| First 700,000   | 5.1154.745 ¢/kWh   | 5.1654.795 ¢/kWh |  | NR       |
| Excess  | 4.715345 ¢/kWh   | 4.761391 ¢/kWh   |  | NR       |
| Demand Charge per kW:   | \$7.29 /kW   | \$5.61 /kW       |  | NR       |

NORTH DAKOTA PUBLIC SERVICE COMMISSION  
in North Dakota  
Case No. PU-08-86217-  
Approved by order dated November 25, 2009  
Gerhardson  
President, Regulatory Affairs

EFFECTIVE with bills rendered on  
and after ~~December 1, 2009~~ January 1, 2018,

APPROVED: Bernadeen Brutlag  
Bruce G.  
Manager, Regulatory Services Vice

| PRIMARY SERVICE   |  |                  |           |
|---|--|------------------|-----------|
| Customer Charge per Month:  |  |                  | \$40.00   |
| Monthly Minimum Bill:   | Customer Charge + Facilities Charge + Demand Charge (min. 80 kW) |                  |           |
| Facilities Charge per Month:<br>per annual max. kW (minimum 80kW per Month) |  |                  |           |
| All kW:   |  |                  | \$0.11/kW |
| Energy Charge per kWh:  | Summer   | Winter           |           |
| First 700,000   | 5.0954.725 ¢/kWh   | 5.1414.771 ¢/kWh |           |
| Excess  | 4.695325 ¢/kWh   | 4.737367 ¢/kWh   |           |
| Demand Charge per kW:   | \$7.24 /kW   | \$5.57 /kW       |           |

N  
NR  
NR  
NR  
NR  
NR  
NR

| TRANSMISSION SERVICE  |  |                |           |
|---|--|----------------|-----------|
| Customer Charge per Month:  |  |                | \$40.00   |
| Monthly Minimum Bill:   | Customer Charge + Facilities Charge + Demand Charge (min. 80 kW) |                |           |
| Facilities Charge per Month:<br>per annual max. kW (minimum 80kW per Month) |  |                |           |
| All kW:   |  |                | \$0.00/kW |
| Energy Charge per kWh:  | Summer   | Winter         |           |
| First 700,000   | 4.974604 ¢/kWh   | 4.996626 ¢/kWh |           |
| Excess  | 4.574204 ¢/kWh   | 4.592222 ¢/kWh |           |
| Demand Charge per kW:   | \$5.88 /kW   | \$4.73 /kW     |           |

N  
NR  
NR  
NR  
NR  
NR  
NR

NORTH DAKOTA PUBLIC SERVICE COMMISSION  
in North Dakota  
Case No. PU-08-86217-  
Approved by order dated November 25, 2009  
Gerhardson  
President, Regulatory Affairs

EFFECTIVE with bills rendered on  
and after ~~December 1, 2009~~ January 1, 2018,  
  
APPROVED: Bernadeen Brutlag Bruce G.  
Manager, Regulatory Services Vice

**INTERIM RATE ADJUSTMENT:**

A 10.44 percent increase will be added to the sum of the following, as applicable: Customer Charge, Energy Charge, Demand Charge, Fixed Charge, Facilities Charge, and the monthly Minimum Charge.

N  
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 or Voluntary Rate Riders selected by Customer, unless otherwise noted in this rate 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

---

NORTH DAKOTA PUBLIC  
SERVICE COMMISSION  
in North Dakota  
Case No. PU-08-86217-  
Approved by order dated ~~November 25, 2009~~  
Gerhardson

President, Regulatory Affairs

---

EFFECTIVE with bills rendered on  
and after ~~December 1, 2009~~ January 1, 2018,

APPROVED: ~~Bernadeen Brutlag~~ Bruce G.

Manager, Regulatory Services Vice



**DEFINITIONS OF SEASONS:**

Summer: June 1 through September 30.  
Winter: October 1 through May 31.

~~✓~~  
~~✓~~  
~~✓~~

**DETERMINATION OF FACILITIES CHARGE:** The monthly measured demand will be based on the greater of 80 kW or the maximum 15 consecutive minute period measured by a suitable demand meter for the month for which the bill is rendered. The Facilities charge demand will be based on the largest of the most recent 12 monthly measured demands.

~~✓~~  
~~✓~~  
~~✓~~  
~~✓~~

**DETERMINATION OF BILLING DEMAND:** The billing demand shall be the greater of 80 kW or the maximum kW as measured by a suitable demand meter for any period of 15 consecutive minutes during the month for which the bill is rendered adjusted for Excess Reactive Demand.

~~✓~~  
~~✓~~  
~~✓~~  
~~✓~~

**ADJUSTMENT FOR EXCESS REACTIVE DEMAND:** The billing demand shall be increased by one kW for each whole 10 kvar of measured reactive demand in excess of 50% of the measured demand in kW.

€

NORTH DAKOTA PUBLIC  
SERVICE COMMISSION  
in North Dakota  
Case No. PU-08-86217-  
Approved by order dated ~~November 25, 2009~~  
Gerhardson  
  
President, Regulatory Affairs

EFFECTIVE with bills rendered on  
and after ~~December 1, 2009~~ January 1, 2018,  
  
APPROVED: ~~Bernadeen Brutlag~~ Bruce G.  
  
Manager, Regulatory Services Vice



Fergus Falls, Minnesota

**COMMERCIAL SERVICE - TIME OF USE**

| DESCRIPTION   | RATE CODE |
|---------------|-----------|
| Declared-Peak | 50-708    |
| Intermediate  | 50-709    |
| Off-Peak      | 50-710    |

**RULES AND REGULATIONS:** Terms and conditions of this tariff and the General Rules and Regulations govern use under this schedule.

**APPLICATION OF SCHEDULE:** This schedule is applicable to nonresidential Customers with one meter providing electrical service, with a measured demand of at least 20 kW within the most recent 12 months.

**RATE:**

| COMMERCIAL SERVICE - TIME OF USE  |                              |                  |  |
|---|------------------------------|------------------|--|
| Customer Charge per Month:  | \$16.00                      |                  |  |
| Monthly Minimum Bill:   | Customer + Facilities Charge |                  |  |
| Facilities Charge per Month:<br>per annual max. kW (minimum 20kW per Month) | \$0.52 /kW                   |                  |  |
| Energy Charge per kWh:  | Summer                       | Winter           |  |
| Declared-Peak   | 20.663293 ¢/kWh              | 13.679309 ¢/kWh  |  |
| Intermediate  | 7.0046.634 ¢/kWh             | 7.0986.728 ¢/kWh |  |
| Off-Peak  | 4.1493.779 ¢/kWh             | 4.2953.925 ¢/kWh |  |
| Demand Charge per kW:   | Summer                       | Winter           |  |
| Declared-Peak   | \$0.00 /kW                   | \$0.00 /kW       |  |
| Intermediate  | \$2.51 /kW                   | \$2.90 /kW       |  |
| Off-Peak  | \$0.00 /kW                   | \$0.00 /kW       |  |

R  
R  
R

NORTH DAKOTA PUBLIC  
 SERVICE COMMISSION  
 in North Dakota  
 Case No. PU-08-86217-  
 Approved by order dated ~~November 25, 2009~~  
Gerhardson

EFFECTIVE with bills rendered on  
 and after ~~December 1, 2009~~ January 1, 2018,

APPROVED: Bernadeen Brutlag Bruce G.

Manager, Regulatory Services Vice

President, Regulatory Affairs



Fergus Falls, Minnesota

**INTERIM RATE ADJUSTMENT:**

A 10.44 percent increase will be added to the sum of the following, as applicable: Customer Charge, Energy Charge, Demand Charge, Fixed Charge, Facilities Charge, and the monthly Minimum Charge.

N  
N  
N  
N

**TERMS AND CONDITIONS:** A Customer with a billing demand of less than 20 kW for 12 consecutive months will have the option to take service under the Small General Service schedule (Section 10.01).

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

**DEFINITION OF DECLARED, INTERMEDIATE AND OFF-PEAK PERIODS BY SEASON:**

**WINTER SEASON - OCTOBER 1 THROUGH MAY 31 BILLINGS**

Declared-Peak: Hours declared (see Declared Peak Notification)

Intermediate: All hours other than declared-peak and off-peak

Off-Peak: For all kW and kWh used Weekdays or Saturdays from 10:00 p.m. to 6:00 a.m., all day Sunday

**SUMMER SEASON - JUNE 1 THROUGH SEPTEMBER 30 BILLINGS**

Declared-Peak: Hours declared (see Declared-Peak Notification)

Intermediate: All hours other than declared-peak and off-peak

Off-Peak: For all kW and kWh used Weekdays or Saturdays from 10:00 p.m. to 6:00 a.m., all day Sunday

**DECLARED-PEAK NOTIFICATION:** The Company shall make available to Customers, no later than 4:00 p.m. (Central Time) of the preceding day, "declared-peak" designations for the next business day. Except for unusual periods, the Company will make "declared-peak" designations for Saturday through Monday available to Customers on the previous Friday. More than one-day-ahead "declared-peak" designations may also be used for the following holidays: New Year's Day,

NORTH DAKOTA PUBLIC  
SERVICE COMMISSION  
in North Dakota  
Case No. PU-08-86217-  
Approved by order dated November 25, 2009  
Gerhardson

EFFECTIVE with bills rendered on  
and after ~~December 1, 2009~~ January 1, 2018,

APPROVED: Bernadeen Brutlag Bruce G.

Manager, Regulatory Services Vice

President, Regulatory Affairs



Fergus Falls, Minnesota

Memorial Day, Independence Day, Labor Day, Thanksgiving, and Christmas.

Because circumstances prevent the Company from projecting "declared-peak" designations more than one day in advance, the Company reserves the right to revise and make available to Customers "declared-peak" designations for Sunday, Monday, any of the holidays mentioned above, or for the day following a holiday. Any revised "declared-peak" designations shall be made available by the usual means no later than 4:00 p.m. of the day prior to the prices taking effect.

The Company is not responsible for the Customer's failure to receive or obtain and act upon the "declared-peak" designations. If the Customer does not receive or obtain the "declared-peak" designations made available by the Company, it is the Customer's responsibility to notify the Company by 4:30 p.m. (Central Time) of the business day preceding the day that the "declared-peak" designations are to take effect. The Company will be responsible for notifying the Customer if prices are revised.

**DETERMINATION OF DEMAND:** The billing demand shall be the maximum demand in kW registered over any period of one hour for the month the bill is rendered.

**DETERMINATION OF FACILITIES CHARGE:** The monthly measured demand will be based on the maximum demand in kW registered over any one-hour period by a suitable demand meter for the month for which the bill is rendered. The Facilities Charge demand will be the greater of 20 kW or the largest of the most recent 12 monthly measured demands.

NORTH DAKOTA PUBLIC  
SERVICE COMMISSION  
in North Dakota  
Case No. PU-08-86217-  
Approved by order dated ~~November 25, 2009~~  
Gerhardson

President, Regulatory Affairs

EFFECTIVE with bills rendered on  
and after ~~December 1, 2009~~ January 1, 2018,

APPROVED: ~~Bernadeen Brutlag~~ Bruce G.

Manager, Regulatory Services Vice



Fergus Falls, Minnesota

**LARGE GENERAL SERVICE - TIME OF DAY - EXPERIMENTAL**

| DESCRIPTION          | On-Peak | Shoulder | Off-Peak |
|----------------------|---------|----------|----------|
| Secondary Service    | 50-611  | 50-615   | 50-613   |
| Primary Service      | 50-610  | 50-614   | 50-612   |
| Transmission Service | 50-639  | 50-637   | 50-640   |

**RULES AND REGULATIONS:** Terms and conditions of this tariff and the General Rules and Regulations govern use of this schedule.

LC  
LC

**APPLICATION OF SCHEDULE:** This schedule is applicable to nonresidential Customers with measured demand of at least 80 kW within the most recent 12 months.

LC  
LC

**RATE:**

| SECONDARY SERVICE   |   |                  |  |
|---|---|------------------|--|
| <b>Customer Charge per Month:</b>   | \$60.00                                 |                  |  |
| <b>Monthly Minimum Bill:</b>  | \$325.00 + Customer + Facilities Charge |                  |  |
| <b>Facilities Charge per Month:</b><br>per Annual Maximum kW<br>(Minimum 80 kW per Month) |   |                  |  |
| < 1000 kW:  | \$0.30/kW                               |                  |  |
| >= 1000 kW:   | \$0.15/kW                               |                  |  |
| <b>Energy Charge per kWh:</b>   | Summer                                  | Winter           |  |
| <b>On-Peak</b>  | 8.1507.780 ¢/kWh                        | 7.3146.944 ¢/kWh |  |
| <b>Shoulder</b>   | 6.2475.877 ¢/kWh                        | 5.949579 ¢/kWh   |  |
| <b>Off-Peak</b>   | 3.721351 ¢/kWh                          | 4.1993.829 ¢/kWh |  |
| <b>Demand Charge per kW:</b>  | Summer                                  | Winter           |  |
| <b>On-Peak</b>  | \$5.75 /kW                              | \$4.42 /kW       |  |
| <b>Shoulder</b>   | \$1.59 /kW                              | \$1.22 /kW       |  |
| <b>Off-Peak</b>   | \$0.00 /kW                              | \$0.00 /kW       |  |

NR

NR

NR

NR

NR

NR

NR

NR

NR

NR

NR

NORTH DAKOTA PUBLIC  
SERVICE COMMISSION  
in North Dakota  
Case No. PU-08-86217-  
Approved by order dated ~~November 25, 2009~~  
Gerhardson  
  
President, Regulatory Affairs

EFFECTIVE with bills rendered on  
and after ~~December 1, 2009~~ January 1, 2018,

APPROVED: ~~Bernadeen Brutlag~~ Bruce G.  
  
Manager, Regulatory Services

Vice



Fergus Falls, Minnesota

| PRIMARY SERVICE  |   |                  |  | NR |
|--|---|------------------|--|----|
| Customer Charge per Month:   | \$60.00                                 |                  |  | NR |
| Monthly Minimum Bill:  | \$325.00 + Customer + Facilities Charge |                  |  | NR |
| Facilities Charge per Month:<br>Per Annual Maximum kW<br>(Minimum 80 kW) | \$0.11                                  |                  |  | NR |
| Energy Charge per kWh:   | Summer                                  | Winter           |  |    |
| On-Peak  | 8.1157.745 ¢/kWh                        | 7.2786.908 ¢/kWh |  | NR |
| Shoulder   | 6.2215.851 ¢/kWh                        | 5.921551 ¢/kWh   |  | NR |
| Off-Peak   | 3.709339 ¢/kWh                          | 4.1813.811 ¢/kWh |  | NR |
| Demand Charge per kW:  | Summer                                  | Winter           |  |    |
| On-Peak  | \$5.71 /kW                              | \$4.39 /kW       |  | NR |
| Shoulder   | \$1.57 /kW                              | \$1.21 /kW       |  | NR |
| Off-Peak   | \$0.00 /kW                              | \$0.00 /kW       |  | NR |
| TRANSMISSION SERVICE   |   |                  |  |    |
| Customer Charge per Month:   | \$60.00                                 |                  |  | NR |
| Monthly Minimum Bill:<br>Per Annual Maximum kW<br>(Minimum 80 kW)        | \$325.00 + Customer + Facilities Charge |                  |  | NR |
| Facilities Charge per Month:   | \$0.00                                  |                  |  | NR |
| Energy Charge per kWh:   | Summer                                  | Winter           |  |    |
| On-Peak  | 7.900530 ¢/kWh                          | 7.0636.693 ¢/kWh |  | NR |
| Shoulder   | 6.0665.696 ¢/kWh                        | 5.752382 ¢/kWh   |  | NR |
| Off-Peak   | 3.635265 ¢/kWh                          | 4.0703.700 ¢/kWh |  | NR |
| Demand Charge per kW:  | Summer                                  | Winter           |  |    |
| On-Peak  | \$4.86 /kW                              | \$3.74 /kW       |  | NR |
| Shoulder   | \$1.06 /kW                              | \$0.82 /kW       |  | NR |
| Off-Peak   | \$0.00 /kW                              | \$0.00 /kW       |  | NR |

NORTH DAKOTA PUBLIC  
SERVICE COMMISSION  
in North Dakota  
Case No. PU-08-86217-  
Approved by order dated ~~November 25, 2009~~  
Gerhardson  
President, Regulatory Affairs

EFFECTIVE with bills rendered on  
and after ~~December 1, 2009~~ January 1, 2018,

APPROVED: ~~Bernadeen Brutlag~~ Bruce G.  
Manager, Regulatory Services Vice



Fergus Falls, Minnesota

**INTERIM RATE ADJUSTMENT:**

A 10.44 percent increase will be added to the sum of the following, as applicable: Customer Charge, Energy Charge, Demand Charge, Fixed Charge, Facilities Charge, and the monthly Minimum Charge.

N  
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 or Voluntary Rate Riders selected by the Customer, unless otherwise noted in this rate 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

**DEFINITIONS OF SEASONS:**

Summer: June 1 through September 30.  
Winter: October 1 through May 31.

N  
N  
N

**DETERMINATION OF FACILITIES CHARGE:** The monthly measured demand will be based on the maximum demand in kW registered over any one-hour period by a suitable demand meter for the month for which the bill is rendered. The Facilities charge demand will be the greater of 80 kW or the largest of the most recent 12 monthly measured demands.

N  
N  
N  
N

**METERED AND ESTABLISHED DEMAND:** The Metered Demand shall be the maximum kW registered over any period of one hour during the month for which the bill is rendered. The Established Demand shall be the Metered Demand adjusted for excess reactive demand.

N  
N  
N

**ADJUSTMENT FOR EXCESS REACTIVE DEMAND:** The Metered Demand shall be increased by one kW for each whole ten kVar of reactive demand in excess of 50% of the measured demand in kW.

N  
N  
N

**DEFINITION OF ON-PEAK, SHOULDER AND OFF-PEAK PERIODS BY SEASON:**

LC

**WINTER SEASON - OCTOBER 1 THROUGH MAY 31 BILLINGS**

LC

On-Peak: For all kW and kWh used Monday through Friday between 7:00 a.m. and 12:00 noon, and between 5:00 p.m. and 9:00 p.m.

LC  
LC

Shoulder: For all kW and kWh used Monday through Friday hours 6:00 a.m. to 7:00 a.m., hours 12:00 noon to 5:00 p.m. and hours 9:00 p.m. to 10:00 p.m. and, Saturday through

LC  
LC

NORTH DAKOTA PUBLIC  
SERVICE COMMISSION  
in North Dakota  
Case No. PU-08-86217-  
Approved by order dated November 25, 2009  
Gerhardson

EFFECTIVE with bills rendered on  
and after ~~December 1, 2009~~ January 1, 2018,

APPROVED: ~~Bernadeen Brutlag~~ Bruce G.

Manager, Regulatory Services Vice

President, Regulatory Affairs



Fergus Falls, Minnesota

Sunday 6:00 p.m. to 10:00 p.m.

LC

Off-Peak: For all other kW and kWh used Monday through Friday hours 10:00 p.m. to 9:00 a.m. and, Saturday and Sunday 10:00 p.m. through 9:00 a.m.

LC

LC

NORTH DAKOTA PUBLIC  
SERVICE COMMISSION  
in North Dakota  
Case No. PU-08-86217-  
Approved by order dated ~~November 25, 2009~~  
Gerhardson  
  
President, Regulatory Affairs

EFFECTIVE with bills rendered on  
and after ~~December 1, 2009~~ January 1, 2018,

APPROVED: ~~Bernadeen Brutlag~~ Bruce G.  
  
Manager, Regulatory Services Vice



Fergus Falls, Minnesota

SUMMER SEASON - JUNE 1 THROUGH SEPTEMBER 30 BILLINGS

LC

On-Peak: For all kW and kWh used Monday through Friday between 1:00 p.m. and 7:00 p.m.

LC  
LC

Shoulder: For all kW and kWh used Monday through Friday 9:00 a.m. to 1:00 p.m., and 7:00 p.m. to 10:00 p.m., Saturday through Sunday 9:00 a.m. to 10:00 p.m.

LC  
LC

Off-Peak: For all kW and kWh used Monday through Friday hours 10:00 p.m. to 9:00 a.m. and, Saturday and Sunday 10:00 p.m. through 9:00 a.m.

LC  
LC

**CONTRACT PERIOD & AGREEMENT**: Contract period will be outlined in agreement.

N

NORTH DAKOTA PUBLIC  
SERVICE COMMISSION  
in North Dakota  
Case No. PU-08-86217-  
Approved by order dated ~~November 25, 2009~~  
Gerhardson  
  
President, Regulatory Affairs

EFFECTIVE with bills rendered on  
and after ~~December 1, 2009~~ January 1, 2018,

APPROVED: ~~Bernadeen Brutlag~~ Bruce G.  
  
Manager, Regulatory Services Vice



Fergus Falls, Minnesota

STANDBY SERVICE

| DESCRIPTION          | OPTION A: FIRM |          |          | OPTION B: NON-FIRM |          |          |
|----------------------|----------------|----------|----------|--------------------|----------|----------|
|                      | On-Peak        | Shoulder | Off-Peak | On-Peak            | Shoulder | Off-Peak |
| Transmission Service | 50-941         | 50-942   | 50-943   | 50-950             | 50-951   | 50-952   |
| Primary Service      | 50-944         | 50-945   | 50-946   | 50-953             | 50-954   | 50-955   |
| Secondary Service    | 50-947         | 50-948   | 50-949   | 50-956             | 50-957   | 50-958   |

**RULES AND REGULATIONS:** Terms and conditions of this schedule and the General Rules and Regulations govern use of this schedule.

**APPLICATION OF SCHEDULE:** This schedule provides Backup, Scheduled Maintenance, and Supplemental Services. This schedule is applicable to any Customer who has the following conditions:

1. Requests to become a Standby Service Customer of the Company. Otherwise, the Company views the Customer as a Non-Standby Service Customer. For information about the different categories of Non-Standby Service Customers, including exemptions from Standby Service, please see Definitions and Useful Terms.
2. Utilizes Extended Parallel Generation Systems to meet all or a portion of electrical requirements, which is capable of greater than 60 kW. Customers with Extended Parallel Generation Systems used to meet all or a portion of electrical requirements that are capable of 60 kW or less are considered Non-Standby Service Customers and exempt from paying standby charges. Please see Attachment No. 1-Definitions for more information regarding Non-Standby Service Customers.

The Company delivers alternating current service at transmission, primary or secondary voltage under this rate schedule, supplied through one meter.

Power production equipment at the Customer site shall not operate in parallel with the Company's system until the installation has been inspected by an authorized Company representative and final written approval is received from the Company to commence parallel operation.

NORTH DAKOTA PUBLIC  
SERVICE COMMISSION  
in North Dakota

Case No. PU-08-86217-

Approved by order dated November 25, 2009-  
Gerhardson

President, Regulatory Affairs

EFFECTIVE with bills rendered on  
and after ~~December 1, 2009~~ January 1, 2018,

APPROVED: Bernadeen Brutlag Bruce G.

Manager, Regulatory Services Vice



Fergus Falls, Minnesota

Interim  
North Dakota, Section 11.01  
ELECTRIC RATE SCHEDULE  
Standby Service  
Page 2 of 11  
~~Eighth~~ Ninth Revision

---

---

NORTH DAKOTA PUBLIC  
SERVICE COMMISSION  
in North Dakota  
Case No. PU-08-86217-  
Approved by order dated ~~November 25, 2009~~  
Gerhardson

President, Regulatory Affairs

---

EFFECTIVE with bills rendered on  
and after ~~December 1, 2009~~ January 1, 2018,

APPROVED: ~~Bernadeen Brutlag~~ Bruce G.

Manager, Regulatory Services Vice





Fergus Falls, Minnesota

Interim  
North Dakota, Section 11.01  
ELECTRIC RATE SCHEDULE  
Standby Service  
Page 4 of 11  
~~Eighth~~ Ninth Revision

|                 |  |  |  |
|-----------------|--|--|--|
| On-Peak Charge  | <del>7.06</del> <u>36.693</u><br>¢/kWh | <del>7.27</del> <u>86.908</u><br>¢/kWh | <del>7.314</del><br><u>6.944</u> ¢/kWh |
| Shoulder Charge | <del>5.75</del> <u>2382</u><br>¢/kWh   | <del>5.92</del> <u>1-551</u><br>¢/kWh  | <del>5.949</del> <u>579</u><br>¢/kWh   |
| Off-Peak Charge | <del>4.07</del> <u>03.700</u><br>¢/kWh | <del>4.18</del> <u>13.811</u><br>¢/kWh | <del>4.199</del> <u>3.829</u><br>¢/kWh |

NR

NORTH DAKOTA PUBLIC  
SERVICE COMMISSION  
in North Dakota  
Case No. PU-08-86217-  
Approved by order dated ~~November 25, 2009~~  
Gerhardson

President, Regulatory Affairs

EFFECTIVE with bills rendered on  
and after ~~December 1, 2009~~ January 1, 2018,

APPROVED: ~~Bernadeen Brutlag~~ Bruce G.

Manager, Regulatory Services Vice





Fergus Falls, Minnesota

|                 |                                       |                                       |                                       |
|-----------------|---------------------------------------|---------------------------------------|---------------------------------------|
| Off-Peak Charge | <del>4.07</del> <u>3.700</u><br>¢/kWh | <del>4.18</del> <u>3.811</u><br>¢/kWh | <del>4.19</del> <u>3.829</u><br>¢/kWh |
|-----------------|---------------------------------------|---------------------------------------|---------------------------------------|

**INTERIM RATE ADJUSTMENT:**

**N**

NORTH DAKOTA PUBLIC  
SERVICE COMMISSION  
in North Dakota  
Case No. PU-08-86217-  
Approved by order dated ~~November 25, 2009~~  
Gerhardson

EFFECTIVE with bills rendered on  
and after ~~December 1, 2009~~ January 1, 2018,

APPROVED: Bernadeen BrutlagBruce G.

Manager, Regulatory ServicesVice

President, Regulatory Affairs





Fergus Falls, Minnesota

- 4. One year (12 months) written notice to the Company is required to convert from this standby service to regular firm service, unless authorized by the Company. N  
N
- 5. Any Excess Facilities Investment required to furnish service under this Tariff will be provided at the Customer's expense. N  
N
- 6. The Customer shall indemnify the Company against all liability which may result from any and all claims for damages to property and injury or death to persons which may arise out of or be caused by the erection, maintenance, presence, or operation of the Customer generation facility or by any related act or omission of the Customer, its employees, agents, contractors or subcontractors. N  
N  
N  
N
- 7. During times of Customer generation, the Customer will be expected to provide vars as needed to serve their load. The Customer will provide equipment to maintain a unity power factor + or - 10% for Supplemental Service, and when the Customer is taking Backup Service from the Company. N  
N  
N  
N

**DEFINITIONS AND USEFUL TERMS:** N

**Backup Demand** (a component of Backup Service) is the demand taken when On-peak demand provided by the Company is used to make up for reduced output from the Customer's generation. The total monthly backup charge will not exceed the sum of the ten highest daily charges for Backup Demand, if any. N  
N  
N  
N

**Backup Service** is the energy and demand supplied by the utility during unscheduled outages of the Customer's generator. N  
N

**Billing Demand** is the Customer's Demand used by the Company for billing purposes. N

**Capacity** is the ability to functionally serve a required load on a continuing basis. N

**Contracted Backup Demand** is the amount of capacity selected to backup Customer's generation, not to exceed the capability of the Customer's generator. N  
N

**Demand** is the rate at which electric energy is delivered to or by a system, part of a system, or a piece of equipment and is expressed in Kilowatts ("kW") or megawatts ("MW"). N  
N  
N

NORTH DAKOTA PUBLIC  
SERVICE COMMISSION  
in North Dakota  
Case No. PU-08-86217-  
Approved by order dated ~~November 25, 2009~~  
Gerhardson

EFFECTIVE with bills rendered on  
and after ~~December 1, 2009~~ January 1, 2018,

APPROVED: ~~Bernadeen Brutlag~~ Bruce G.

Manager, Regulatory Services Vice

President, Regulatory Affairs



Fergus Falls, Minnesota

**Energy** is the Customer's electric consumption requirement, measured in Kilowatt-hours ("kWh").

N  
N

**Extended Parallel Generation Systems** are generation systems that are designed to remain connected in parallel to and in phase with the utility distribution system for an extended period of time.

N  
N  
N

**Excess Facility Investments** are facilities required to provide service to the generation system that are not provided in Company retail service schedules. The Customer is required to pay up-front for these facilities and pay maintenance costs as long as the facilities are required.

N  
N  
N  
N

**MAPP** is the Mid-Continent Area Power Pool or any successor agency assuming or charged with similar responsibility.

N  
N

**MISO** is the Midwest Independent Transmission System Operator that assures industry consumers of unbiased regional grid management and open access to the transmission facilities under Midwest ISO's functional supervision.

N  
N  
N

**Non-Standby Service Customer** is a Customer who a) does not request and receive approval of Standby Services from the Company or, b) is exempt from paying any standby charges as allowed by law or Commission Order or, c) in lieu of service under this tariff, may provide Physical Assurance, or d) will take service from any of the Company's other approved base tariffs.

N  
N  
N  
N  
N

Customers with Extended Parallel Generation Systems used to meet all or a portion of electrical requirements that are capable of 60 kW or less are considered Non-Standby Service Customers and exempt from paying standby charges.

N  
N  
N

Standby Service for Customers with Extended Parallel Generation Systems used to meet all or a portion of electrical requirements that are capable of 60 kW or less is available under the Customer's base rate.

N  
N  
N

For Large General Service or Large General Service-Time of Use Customers, a Special Minimum Demand may apply.

N  
N

For more information regarding Extended Parallel Generation Systems, Physical

N

NORTH DAKOTA PUBLIC  
SERVICE COMMISSION  
in North Dakota  
Case No. PU-08-86217-  
Approved by order dated ~~November 25, 2009~~  
Gerhardson

EFFECTIVE with bills rendered on  
and after ~~December 1, 2009~~ January 1, 2018,

APPROVED: Bernadeen Brutlag Bruce G.

Manager, Regulatory Services Vice

President, Regulatory Affairs



Fergus Falls, Minnesota

Assurance Customers, Special Minimum Demand, and Standby Service for Customers, please see these terms under Definitions. N  
N

**Physical Assurance Customer** is a Customer who agrees not to require standby services and has an approved mechanical device, inspected and approved by a Company representative, to insure standby service is not taken. The cost of the mechanical device is to be paid by the Customer. N  
N  
N  
N

**Renewable Energy Attributes** refer to the benefits of the energy from being generated by a renewable resource rather than a fossil-fueled resource. N  
N

**Renewable Energy Credit** is typically viewed as a certification that something was generated by a renewable resource. N  
N

**Renewable Resource Premium** refers to the extra payment received on top of the regular avoided costs. This extra payment is to reflect the value of the Renewable Energy Credit, which is a certification of the Renewable Energy Attributes. N  
N  
N  
N

**Reservation Charge Per kW Per Month** is the charge that recovers the planned generation reserve margin of the utility times the applicable capacity charge. N  
N

**Scheduled Maintenance Service** is defined as the energy and demand supplied by the utility during scheduled outages. The daily On-peak backup demand charge under Variable Charges of the "Rate" Section will be waived for a maximum continuous period of 30 days per calendar year to allow for maintenance of the Customer generation source. Waiver is only valid during the months of April, May, October, and November, and with a minimum of five working days (excludes weekends and holidays) written notice to the Company. In certain cases, such as very large Customers, the Company and the Customer will mutually agree to different maintenance schedules as listed above. N  
N  
N  
N  
N  
N  
N  
N

**Special Minimum Demand** is a special demand calculation that the Company may use at its option for Large General Service or Large General Service-Time of Day Customers. The terms are outlined in Sections 10.03 and 10.05. N  
N  
N

**Standby Service Customer** is a Customer who receives the following services from the Company, Section 11.01; backup power for non-Company generation, supplemental power, and scheduled maintenance power. These services are not applicable for resale, N  
N  
N

NORTH DAKOTA PUBLIC  
SERVICE COMMISSION  
in North Dakota  
Case No. PU-08-86217-  
Approved by order dated ~~November 25, 2009~~  
Gerhardson

President, Regulatory Affairs

EFFECTIVE with bills rendered on  
and after ~~December 1, 2009~~ January 1, 2018,

APPROVED: Bernadeen Brutlag Bruce G.

Manager, Regulatory Services Vice



Fergus Falls, Minnesota

municipal outdoor lighting, or Customers with emergency standby generators. N

**Summer On-Peak:** For all Summer Season kW and kWh used Monday through Friday between 1:00 p.m. and 7:00 p.m. N  
N

**Summer Off-Peak:** For all other Summer Season kW and kWh not covered by either shoulder or off-peak. N  
N

**Summer Season** is the period from June 1 through September 30. N

**Summer Shoulder:** For all Summer Season kW and kWh used Monday through Friday 9:00 a.m. to 1:00 p.m., and 7:00 p.m. to 10:00 p.m., Saturday through Sunday 9:00 a.m. to 10:00 p.m. N  
N  
N

**Supplemental Service** is the energy and demand supplied by the utility in addition to the capability of the on-site generator. Except for determination of Demand, Supplemental Service shall be provided under Standard Rate Schedule 10.05. N  
N  
N

**Supplemental Demand** (a component of Supplemental Service) is the metered demand measured on a Company meter during on-peak and off-peak periods, less Contracted Backup Demand. N  
N  
N

**Winter Season** is the period from October 1 through May 31. N

**Winter Off-Peak:** All other Winter Season kW and kWh not covered by either shoulder or off-peak. N  
N

**Winter On-Peak:** For all Winter Season kW and kWh used Monday through Friday between 7:00 a.m. and 12:00 noon, and between 5:00 p.m. and 9:00 p.m. N  
N

**Winter Shoulder:** For all Winter Season kW and kWh used Monday through Friday hour 6:00 a.m. to 7:00 a.m., hours 12:00 noon to 5:00 p.m. and hour 9:00 pm to 10:00 p.m. and, Saturday through Sunday 6:00 p.m. to 10:00 p.m. N  
N  
N

NORTH DAKOTA PUBLIC  
SERVICE COMMISSION  
in North Dakota  
Case No. PU-08-86217-  
Approved by order dated ~~November 25, 2009~~  
Gerhardson

President, Regulatory Affairs

EFFECTIVE with bills rendered on  
and after ~~December 1, 2009~~ January 1, 2018,

APPROVED: Bernadeen Brutlag Bruce G.

Manager, Regulatory Services Vice

**IRRIGATION SERVICE**

| DESCRIPTION               | RATE<br>CODES |
|---------------------------|---------------|
| Option 1: Non-Time-of-Use | 50-703        |
| Option 2: Declared-Peak   | 50-704        |
| Option 2: Intermediate    | 50-705        |
| Option 2: Off-Peak        | 50-706        |

N  
N  
€  
€  
€  
€

**RULES AND REGULATIONS:** Terms and conditions of this tariff and the General Rules and Regulations govern use of this schedule.

LC  
LC

**APPLICATION OF SCHEDULE:** This service is applicable to Customers for pumping water for irrigation of land during the irrigation season, April 15 through November 1.

LC

**RATE:**

| OPTION 1                     |                              |                            |  |
|------------------------------|------------------------------|----------------------------|--|
| Customer Charge per Month:   | \$1.00                       |                            |  |
| Monthly Minimum Bill:        | Customer + Facilities Charge |                            |  |
| Facilities Charge per Month: | Customer-Specific see Tariff |                            |  |
|                              | Summer                       | Winter                     |  |
| Energy Charge per kWh:       | 6.896526 ¢/kWh               | 5.1454<br><u>775</u> ¢/kWh |  |

N  
NR  
NR  
NR  
NR

NORTH DAKOTA PUBLIC  
SERVICE COMMISSION  
in North Dakota  
Case No. PU-08-86217-  
Approved by order dated ~~November 25, 2009~~  
Gerhardson  
  
President, Regulatory Affairs

EFFECTIVE with bills rendered on  
and after ~~December 1, 2009~~ January 1, 2018,

APPROVED: Bernadeen Brutlag Bruce G.  
  
Manager, Regulatory Services Vice

| <b>OPTION 2</b>                     |                              |               |        |
|-------------------------------------|------------------------------|---------------|--------|
| <b>Customer Charge per Month:</b>   |                              |               | \$5.00 |
| <b>Monthly Minimum Bill:</b>        | Customer + Facilities Charge |               |        |
| <b>Facilities Charge per Month:</b> | Customer-Specific see Tariff |               |        |
| <b>Energy Charge per kWh:</b>       | Summer                       | Winter        |        |
|                                     |                              | 8.76039       |        |
| <b>Declared-Peak</b>                | 14.459080 ¢/kWh              | 0 ¢/kWh       |        |
| <b>Intermediate</b>                 | 5.441071 ¢/kWh               | 5.1114 ¢/kWh  |        |
| <b>Off-Peak</b>                     | 2.642272 ¢/kWh               | 741 ¢/kWh     |        |
|                                     |                              | 2.61224 ¢/kWh |        |
|                                     |                              | 2 ¢/kWh       |        |

**INTERIM RATE ADJUSTMENT:**

A 10.44 percent increase will be added to the sum of the following, as applicable: Customer Charge, Energy Charge, Demand Charge, Fixed Charge, Facilities Charge, and the monthly Minimum Charge.

**FACILITIES CHARGE:** Customers served under this rate shall pay an annual fixed charge equal to 18% of the investment of the Company in the extension of lines, including any rebuilding or cost of capacity increase in lines or apparatus necessary because of the irrigation pumping load.

Alternatively, Customers may prepay the installation and cost of the equipment and shall pay an annual fixed charge equal to 3.5% of the investment of the Company, in lieu of the 18% annual fixed charge.

In either option, equipment remains the property of the Company. This charge shall be reviewed if additional Customers are connected to the extension within five years. The annual fixed charge will be billed in seven equal monthly installments May through November of each year.

**MANDATORY AND VOLUNTARY RIDERS:** The amount of a bill for service will be modified by any Mandatory Rate Riders that must apply or Voluntary Rate Riders selected by

NORTH DAKOTA PUBLIC  
SERVICE COMMISSION  
in North Dakota  
Case No. PU-08-86217-  
Approved by order dated ~~November 25, 2009~~  
Gerhardson  
  
President, Regulatory Affairs

EFFECTIVE with bills rendered on  
and after ~~December 1, 2009~~ January 1, 2018,  
  
APPROVED: ~~Bernadeen Brutlag~~ Bruce G.  
  
Manager, Regulatory Services  
Vice



the Customer, unless otherwise noted in this rate schedule. See Sections 12.00, 13.00 and 14.00 of the North Dakota electric rates for the matrices of riders.

✗  
✗

**DEFINITION OF DECLARED, INTERMEDIATE AND OFF-PEAK PERIODS BY SEASON:**

✗  
✗

**WINTER SEASON** – April 15 through May 31, and October 1 through November 1.

✗

Declared-Peak: Hours declared.

✗

Intermediate: All hours other than declared-peak and off-peak.

✗

Off-Peak: For all kWh used Weekdays or Saturdays from 10:00 p.m. to 6:00 a.m., all day Sunday.

✗  
✗

**SUMMER SEASON** – June 1 through September 30

✗

Declared-Peak: Hours declared.

✗

Intermediate: All hours other than declared-peak and off-peak.

✗

Off-Peak: For all kWh used Weekdays or Saturdays from 10:00 p.m. to 6:00 a.m., all day Sunday.

✗  
✗

**CONTRACT PERIOD AND AGREEMENT:** The minimum Contract Period shall be five years.

€  
€

The Company shall enter into a written agreement with each Customer served at this rate and the Customer shall agree to pay for service at this rate for a minimum period of five years because of the investment of the Customer in pumping and irrigation equipment, and of the Company in the extension of lines.

✗  
✗  
✗  
✗

If, during the terms of such agreement, the Company shall establish a superseding rate for this service, the Customer shall be billed at the superseding rate for the balance of the term of the contract and shall comply with all terms and conditions of the superseding rate. Unless there is additional investment by the Company, there shall be no change in the amount of the fixed charge during the term of such agreement regardless of the provisions of any superseding rate.

✗  
✗  
✗  
✗

An agreement will be entered into with each Customer, specifying the investment necessary to supply service and the fixed charge.

✗  
✗

NORTH DAKOTA PUBLIC  
SERVICE COMMISSION  
in North Dakota  
Case No. PU-08-86217-  
Approved by order dated ~~November 25, 2009~~  
Gerhardson

President, Regulatory Affairs

EFFECTIVE with bills rendered on  
and after ~~December 1, 2009~~ January 1, 2018,

APPROVED: Bernadeen Brutlag Bruce G.

Manager, Regulatory Services Vice

**OUTDOOR LIGHTING – ENERGY ONLY**  
**DUSK TO DAWN**

| DESCRIPTION                    | RATE<br>CODES |    |
|--------------------------------|---------------|----|
| Sign Lighting                  | 50-744        | LC |
| Outdoor Lighting - Metered     | 50-748        | E  |
| Outdoor Lighting - Non-Metered | 50-749        | E  |

**RULES AND REGULATIONS:** Terms and conditions of this tariff and the General Rules and Regulations govern use of this schedule. LC  
LC

**APPLICATION OF SCHEDULE:** This schedule is applicable to all Customers who choose to own, install, and maintain automatically operated dusk to dawn outdoor lighting equipment. Under the schedule, the Company will provide only the dusk to dawn electric energy. E  
E  
E

**EQUIPMENT AND SERVICE OWNERSHIP:** The Customer or other third party shall install and own all equipment necessary for service beyond the point of connection with the Company's electrical system. The point of connection shall be at the meter or disconnect switch, for service provided either overhead or underground. The Customer will be responsible for furnishing and installing a master disconnect switch at the point of connection so as to isolate the Customer's equipment from the Company's electrical system. The Customer's disconnect switch must meet the Company's specifications. E  
E  
E  
E  
E  
E  
E

The Customer is responsible for the cost of providing maintenance on the equipment it owns. The Company reserves the right to disconnect the Customer's equipment from the Company's electrical system should the Company determine the Customer's lighting equipment is operated or maintained in an unsafe or improper manner. E  
E  
E  
E

**RATE – METERED:**

| OUTDOOR LIGHTING - ENERGY ONLY – METERED RATE |                 |    |
|---|-----------------|----|
| Customer Charge per Month:                    | \$2.00          | NR |
| Monthly Minimum Bill:                         | Customer Charge | NR |
| Energy Charge per kWh:                        | 6.978608 ¢/kWh  | NR |

NORTH DAKOTA PUBLIC  
SERVICE COMMISSION  
in North Dakota  
Case No. PU-08-86217-  
Approved by order dated ~~November 25, 2009~~  
Gerhardson

EFFECTIVE with bills rendered on  
and after ~~December 1, 2009~~ January 1, 2018,

APPROVED: ~~Bernadeen Brutlag~~ Bruce G.  
Manager, Regulatory Services  
Vice



**RATE – NON-METERED:**

**SIGN LIGHTING/OUTDOOR LIGHTING  
NON-METERED RATE**  
Monthly charge = Connected kW x \$23.8422.58, where Connected kW is  
the rated power of the lighting fixture (including ballast).

N  
N  
NR  
N

**INTERIM RATE ADJUSTMENT:**

A 10.44 percent increase will be added to the sum of the following, as applicable: Customer Charge, Energy Charge, Demand Charge, Fixed Charge, Facilities Charge, and the monthly Minimum Charge.

N  
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 or Voluntary Rate Riders selected by the Customer, unless otherwise noted in this rate 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

**SERVICE CONDITIONS:** Company-owned lights shall not be attached to Customer-owned property.

N  
N

The Company shall have the right to periodically review the Customer's lighting equipment to verify that the rated power (kW) of the non-metered fixtures is consistent with the Company's records.

C  
C  
C

NORTH DAKOTA PUBLIC  
SERVICE COMMISSION  
in North Dakota  
Case No. PU-08-86217-  
Approved by order dated ~~November 25, 2009~~  
Gerhardson

EFFECTIVE with bills rendered on  
and after ~~December 1, 2009~~ January 1, 2018,

APPROVED: ~~Bernadeen Brutlag~~ Bruce G.

Manager, Regulatory Services Vice

President, Regulatory Affairs



**OUTDOOR LIGHTING  
 DUSK TO DAWN**

| DESCRIPTION              | RATE<br>CODE |
|--------------------------|--------------|
| Street and Area Lighting | 50-741       |
| Floodlighting            | 50-743       |

**RULES AND REGULATIONS:** Terms and conditions of this tariff and the General Rules and Regulations govern use of this schedule. N  
N  
€  
€

**APPLICATION OF SCHEDULE:** This schedule is applicable to any Customer, including a village, town or city, for automatically operated dusk to dawn outdoor lighting supplied and operated by the Company. LC  
LC  
LC

**RATE:**

| STREET AND AREA LIGHTING |         |         |                |
|--------------------------|---------|---------|----------------|
| Unit Type                | Lumens  | Wattage | Monthly Charge |
| MV-6                     | 6,000   | 175     | \$ 7.016.64    |
| MV-6PT                   | 6,000   | 175     | 10.009.63      |
| MV-11                    | 11,000  | 250     | 12.7012.33     |
| MV-21                    | 21,000  | 400     | 16.7216.35     |
| MV-35                    | 35,000  | 700     | 24.5324.16     |
| MV-55                    | 55,000  | 1000    | 31.3630.99     |
|                          |         |         |                |
| MA-8                     | 8,500   | 100     | 8.468.09       |
| MA-14                    | 14,000  | 175     | 16.1015.73     |
| MA-20                    | 20,500  | 250     | 18.3818.01     |
| MA-36                    | 36,000  | 400     | 18.0017.63     |
| MA-110                   | 110,000 | 1000    | 38.4138.04     |
|                          |         |         |                |
| HPS-9                    | 9,000   | 100     | 7.527.15       |
| HPS-9PT                  | 9,000   | 100     | 9.729.35       |
| HPS-14                   | 14,000  | 150     | 11.7111.34     |
| HPS-14PT                 | 14,000  | 150     | 12.5312.16     |
| HPS-19                   | 19,000  | 200     | 13.6113.24     |
| HPS-23                   | 23,000  | 250     | 15.4015.03     |

NORTH DAKOTA PUBLIC  
 SERVICE COMMISSION  
 North Dakota  
 Case No. PU-08-86217-  
 Approved by order dated November 25, 2009  
Gerhardson

EFFECTIVE with bills rendered on  
 and after ~~December 1, 2009~~ January 1, 2018, in

APPROVED: ~~Bernadeen Brutlag~~ Bruce G.

President, Regulatory Affairs

Manager, Regulatory Services Vice



|        |        |     |            |
|--------|--------|-----|------------|
| HPS-44 | 44,000 | 400 | 19.0118.64 |
|--------|--------|-----|------------|

NR

| FLOODLIGHTING |                        |                |
|---------------|------------------------|----------------|
| Fixture       | Unit Type              | Monthly Charge |
| 400 MV-Flood  | Mercury Vapor          | \$17.3516.98   |
| 400 MA-Flood  | Metal Additive Mercury | 18.4918.12     |
| 400 HPS-Flood | High Pressure Sodium   | 18.9018.53     |
| 1000 MV-Flood | Mercury Vapor          | 30.4430.07     |
| 1000 MA-Flood | Metal Additive Mercury | 32.1131.74     |

N  
N  
N  
NR  
NR  
NR  
NR  
NR

Due to the U.S. Government Energy Act of 2005, after July 1, 2008, the Company will no longer install Mercury Vapor fixtures for new installations.

**INTERIM RATE ADJUSTMENT:**

A 10.44 percent increase will be added to the sum of the following, as applicable: Customer Charge, Energy Charge, Demand Charge, Fixed Charge, Facilities Charge, and the monthly Minimum Charge.

N  
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 or Voluntary Rate Riders selected by the Customer, unless otherwise noted in this rate 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

**SEASONAL CUSTOMERS:** Seasonal Customers will be billed at the same rate as year-around Customers, except as follows:

€  
€

A fixed charge of \$10.80 will be billed each seasonal Customer once per season per fixture in addition to the rate provided above. The fixed charge will be included in the first bill rendered for each season.

RC  
RC  
RC

Each Customer will be billed for the number of months each season that the outdoor lighting fixture is in use, but not less than a minimum of four months, plus the seasonal fixed charge.

€  
€

**UNDERGROUND SERVICE:** If a Customer requests underground service to any outdoor

€

NORTH DAKOTA PUBLIC  
SERVICE COMMISSION  
North Dakota  
Case No. PU-08-86217-  
Approved by order dated November 25, 2009  
Gerhardson

EFFECTIVE with bills rendered on  
and after ~~December 1, 2009~~ January 1, 2018, in

APPROVED: ~~Bernadeen Brutlag~~ Bruce G.

Manager, Regulatory Services

President, Regulatory Affairs



lighting unit or sign, the Company will supply a span of up to 200 feet of wire and add an additional \$1.96 to the monthly rate specified above. If overhead service is not available, there is no additional charge. **There is no additional charge for the MV-6PT, HPS-9PT, or the HPS-14PT fixtures.**

**EQUIPMENT AND SERVICE SUPPLIED BY THE COMPANY:** The Company will install, own, operate and have discretion to replace or upgrade a high intensity discharge light including suitable reflector or a floodlight including a lamp, bracket for mounting on wood poles with overhead wiring and photo-electric or other device to control operating hours. Customers provided with pole top fixtures on fiberglass poles will not receive overhead power supply. The light shall operate from dusk to dawn. The Company will supply the necessary electricity and maintenance for the unit.

**SERVICE CONDITIONS:** Lighting will not be mounted on Customer-owned property. The light shall be mounted upon a suitable new or existing Company-owned facility. The Company shall own, operate, and maintain the lighting unit including the pole, fixture, lamp, ballast, photoelectric control, mounting brackets, and all necessary wiring using the Company's standard streetlighting equipment. The Company shall furnish all electric energy required for operation of the unit.

In case of vandalism or damages, the Company has the discretion to discontinue service and remove Company equipment.

NORTH DAKOTA PUBLIC  
 SERVICE COMMISSION  
 North Dakota  
 Case No. PU-08-86217-  
 Approved by order dated ~~November 25, 2009~~  
Gerhardson

EFFECTIVE with bills rendered on  
 and after ~~December 1, 2009~~ January 1, 2018, in

APPROVED: ~~Bernadeen Brutlag~~ Bruce G.

Manager, Regulatory Services Vice

President, Regulatory Affairs



**MUNICIPAL PUMPING SERVICE**

| DESCRIPTION       | RATE CODE |
|-------------------|-----------|
| Secondary Service | 50-872    |
| Primary Service   | 50-874    |

N  
N  
C  
N

**RULES AND REGULATIONS:** Terms and conditions of this tariff and the General Rules and Regulations govern use of this schedule.

LN  
LN

**APPLICATION OF SCHEDULE:** This schedule is applicable to nonseasonal municipal or other governmental loads only. It shall apply to electric service for motor driven pumps for use at water pumping and treating plants, sewage disposal and treating plants, sewage lift stations and may extend to all lighting and other electrical requirements incidental to the operation of such plants and lift stations at those locations. Municipal buildings adjacent to, but not incidental to the pumping operation, may not be served on this rate.

LC  
LC  
LC  
LC  
LC  
LC

The rate and monthly minimum shall apply to each meter in service. Except where service through a meter is for electric space heating only, the energy on this meter shall be added to the pumping meter for billing purposes.

C  
C  
C

The Company retains the authority to allow totalizing at locations where allowed electric space heating load is metered separately from the pumping load. In all other cases the monthly minimum shall apply to each meter providing service under this tariff.

N  
N  
N

**RATE:**

| SECONDARY SERVICE            |                              |                |
|------------------------------|------------------------------|----------------|
| Customer Charge per Month:   |                              | \$4.00         |
| Monthly Minimum Bill:        | Customer + Facilities Charge |                |
| Facilities Charge per Month: |                              | \$4.00         |
| Energy Charge per kWh:       | Summer                       | Winter         |
|                              | 6.523153 ¢/kWh               | 5.950580 ¢/kWh |

N  
NR  
NR  
NR  
NR

NORTH DAKOTA PUBLIC SERVICE COMMISSION  
North Dakota  
Case No. PU-08-86217-  
Approved by order dated ~~November 25, 2009~~  
Gerhardson  
  
President, Regulatory Affairs

EFFECTIVE with bills rendered on  
and after ~~December 1, 2009~~ January 1, 2018, in  
  
APPROVED: ~~Bernadeen Brutlag~~ Bruce G.  
  
Manager, Regulatory Services



| PRIMARY SERVICE              |                              |                | N  |
|------------------------------|------------------------------|----------------|----|
| Customer Charge per Month:   |                              | \$4.00         | NR |
| Monthly Minimum Bill:        | Customer + Facilities Charge |                | NR |
| Facilities Charge per Month: |                              | \$2.68         | NR |
| Energy Charge per kWh:       | Summer                       | Winter         | NR |
|                              | 6.494124 ¢/kWh               | 5.922552 ¢/kWh |    |

**INTERIM RATE ADJUSTMENT:**

A 10.44 percent increase will be added to the sum of the following, as applicable: Customer Charge, Energy Charge, Demand Charge, Fixed Charge, Facilities Charge, and the monthly Minimum Charge.

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

**DEFINITIONS OF SEASONS:**

Summer: June 1 through September 30.  
 Winter: October 1 through May 31.

NORTH DAKOTA PUBLIC  
 SERVICE COMMISSION  
 North Dakota  
 Case No. PU-08-86217-  
 Approved by order dated ~~November 25, 2009~~  
Gerhardson  
 President, Regulatory Affairs

EFFECTIVE with bills rendered on  
 and after ~~December 1, 2009~~ January 1, 2018, in  
 APPROVED: ~~Bernadeen Brutlag~~ Bruce G.  
 Manager, Regulatory Services Vice



Fergus Falls, Minnesota

**CIVIL DEFENSE - FIRE SIRENS**

| DESCRIPTION                 | RATE CODE |
|-----------------------------|-----------|
| Civil Defense – Fire Sirens | 50-843    |

**RULES AND REGULATIONS:** Terms and conditions of this tariff and the General Rules and Regulations govern use of this schedule.

**APPLICATION OF SCHEDULE:** This schedule is applicable to separately served civil defense and municipal fire sirens.

**RATE:**

| CIVIL DEFENSE - FIRE SIRENS  |                 |
|------------------------------|-----------------|
| Customer Charge per Month:   | \$1.00          |
| Monthly Minimum Bill:        | Customer Charge |
| Facilities Charge per Month: | \$0.00          |
| Charge per HP:               | 53.193¢/HP      |

**INTERIM RATE ADJUSTMENT:**

A 10.44 percent increase will be added to the sum of the following, as applicable: Customer Charge, Energy Charge, Demand Charge, Fixed Charge, Facilities Charge, and the monthly Minimum Charge.

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

**OTHER SIREN SERVICE:** If the siren is served through a tariff applicable to the City Hall, fire hall or other tariffed service, no separate billing shall be made for the siren.

NORTH DAKOTA PUBLIC  
SERVICE COMMISSION  
in North Dakota  
Case No. PU-08-86217-  
Approved by order dated November 25, 2009  
Gerhardson  
President, Regulatory Affairs

EFFECTIVE with bills rendered  
on and after ~~December 1, 2009~~ January 1, 2018,  
APPROVED: ~~Bernadeen Brutlag~~ Bruce G.  
Manager, Regulatory Services Vice



Fergus Falls, Minnesota

**SERVICE CONDITIONS:** Service shall be provided off of standard distribution facilities typical of those in the general area. If necessary for the Company to install non-standard distribution associated with the non-standard facilities, as part of this tariff the Company will provide an extension of up to one span of wire, not to exceed 200 feet.

~~N~~  
~~N~~  
~~N~~  
~~N~~

The Company shall have the right to periodically review the Customer's Civil Defense-Fire Siren rated horsepower (hp) to verify that the rated hp of the non-metered siren is consistent with the Company's records.

~~N~~  
~~N~~  
~~N~~



**SMALL POWER PRODUCER RIDER  
OCCASIONAL DELIVERY ENERGY SERVICE  
(Commonly identified as Net Energy Billing)**

Base Avoided Costs Code 50-9020  
Base Avoided Costs plus Renewable Energy Credit Code 50-9021

**AVAILABILITY:** Available to any qualifying facility not exceeding 100 kW of generating capacity.

**METERING CHARGE:** \$1.40 per month

**PAYMENT SCHEDULES:** Base Avoided Costs: 3.271¢ per kWh

R

Base Avoided Costs plus Renewable Energy Credit: 3.323¢ per kWh

R

**SPECIAL CONDITIONS OF SERVICE:** The Customer will be required to sign a contract, agreeing to terms and conditions specified for small power producers. The minimum term of the contract is 12 months.

**RULES AND REGULATIONS:** Terms and conditions of this rider and the General Rules and Regulations govern service of this schedule.

**INTERIM RATE ADJUSTMENT:**

A 10.44 percent increase will be added to the sum of the following, as applicable: Customer Charge, Energy Charge, Demand Charge, Fixed Charge, Facilities Charge, and the monthly Minimum Charge.

N  
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 or Voluntary Rate Riders selected by the Customer, unless otherwise noted in this rider. See Sections 12.00, 13.00 and 14.00 of the North Dakota electric rates for the matrices of riders.

NORTH DAKOTA PUBLIC  
SERVICE COMMISSION

EFFECTIVE with bills rendered on  
and after ~~March 1, 2017~~ January 1, 2018, in  
North Dakota

Case No. PU-17-32  
Approved by order dated January 31, 2017  
Gerhardson

APPROVED: ~~Thomas R. Brause~~ Bruce G.

Vice President,

---

**TERMS AND CONDITIONS:**

The use of this rider requires that special precautions be taken in the design of associated metering and control systems. The following terms and conditions describe these precautions and shall be followed on all Customer-owned small qualifying facilities (SQF).

1. The Customer will be compensated monthly for all net energy received from the SQF less the metering charge. Net energy is that energy delivered by the SQF to the Company in excess of that received by the SQF from the Company during the same billing period. The schedule for these payments is subject to annual review.
2. If the SQF is located at a site outside of the Company's service territory and energy is delivered to the Company through facilities owned by another utility, energy payments will be adjusted downward reflecting losses occurring between the point of metering and the point of delivery.
3. If required, a separate meter will be furnished, owned and maintained by the Company to measure the energy to the Company. Separate monthly charges may apply for any additional metering installed by the Company at the Customer's request.
4. The SQF shall make provisions for the installation of Company owned on-site metering. All energy received from and delivered to the Company shall be metered. On-site use of the SQF output shall be unmetered for purposes of compensation.
5. In the event the SQF desires wheeling by the Company of the SQF output, arrangements will be made subject to special consideration.
6. The Customer shall pay for any increased capacity of the distribution equipment serving him and made necessary by the installation of the generator.
7. Power and energy purchased by the SQF from the Company shall be billed under the available retail rates for the purchase of electricity.
8. The generator output must be compatible with the Utility system. The Customer's 60 hertz generator output must be at the voltage and phase relationship of the existing service or of one mutually agreeable to the Company and the Customer.

---

NORTH DAKOTA PUBLIC  
SERVICE COMMISSION

Case No. PU-17-32  
Approved by order dated January 31, 2017  
Gerhardson

AdministrationRegulatory Affairs

EFFECTIVE with bills rendered on  
and after ~~March 1, 2017~~ January 1, 2018, in  
North Dakota

APPROVED: ~~Thomas R. Brause~~ Bruce G.

Vice President,

9. The Customer will provide equipment to maintain a unity power factor + or - 10% during periods of generator operation.
10. The Company reserves the right to disconnect the customer's generator from its system if it interferes with the operation of the Company's equipment or with the equipment of other company customers.
11. The Customer is required to follow the Company's interconnection process which requires that prior to installation, a detailed diagram of the generator and related equipment must be furnished to the Company for its approval.
12. The Customer shall execute an electric service agreement with the Company which may include, among other provisions, a minimum term of service.
13. The SQF shall indemnify and save harmless the Company from and against any and all claims for damages to property and injury or death to persons which may arise out of or be caused by the erection, maintenance, presence, operation or removal of the SQF or by any related act or omission of the SQF, its employees, agents, contractors or subcontractors.
14. Equipment shall be provided by the Customer that provides a means of preventing feedback to the Company during an outage or interruption of that system as well as a visible means to disconnect the generator from the Utility that is readily accessible by Utility employees.
15. The Customer shall install, own, and maintain all equipment deemed necessary by the Company to assure proper parallel operation of the system.
16. Any renewable energy credits associated with the renewable energy sold to the Company will be transferred to the Company and the renewable generator will be compensated an additional payment of \$0.52/MWh (\$0.00052/kWh), as shown in the payment schedule.

R

NORTH DAKOTA PUBLIC  
SERVICE COMMISSION

Case No. PU-17-32

Approved by order dated ~~January 31, 2017~~  
Gerhardson

Administration Regulatory Affairs

EFFECTIVE with bills rendered on  
and after ~~March 1, 2017~~ January 1, 2018, in  
North Dakota

APPROVED: ~~Thomas R. Brause~~ Bruce G.

Vice President,



**SMALL POWER PRODUCER RIDER  
 TIME OF DELIVERY ENERGY SERVICE**

|  |              |
|--|--------------|
| Base Avoided On-Peak Costs                               | Code 50-9030 |
| Base Avoided Off-Peak Costs                              | Code 50-9031 |
| Base Avoided On-Peak Costs Plus Renewable Energy Credit  | Code 50-9032 |
| Base Avoided Off-Peak Costs Plus Renewable Energy Credit | Code 50-9033 |

**AVAILABILITY:** This rider is available to any Qualifying Facility not exceeding 100 kW of generating capacity. This rider is available to any Qualifying Facility exceeding 100 kW upon the approval of the Company. The Company reserves the right to require the Qualifying Facility to sign an Agreement.

**METERING CHARGE:** \$12.85 per month

**PAYMENT SCHEDULE:**

**ENERGY:**

|  |                        |                         |          |
|--|------------------------|-------------------------|----------|
| Base Avoided Costs                                 | <u>On-Peak 50-9030</u> | <u>Off-Peak 50-9031</u> |          |
| Summer   | 4.154¢ per kWh         | 2.533¢ per kWh          | <b>R</b> |
| Winter   | 3.783¢ per kWh         | 2.458¢ per kWh          | <b>R</b> |
|  |                        |                         |          |
| Base Avoided Costs<br>Plus Renewable Energy Credit | <u>On-Peak 50-9032</u> | <u>Off-Peak 50-9033</u> |          |
| Summer   | 4.206¢ per kWh         | 2.585¢ per kWh          | <b>R</b> |
| Winter   | 3.835¢ per kWh         | 2.510¢ per kWh          | <b>R</b> |

**INTERIM RATE ADJUSTMENT:**

A 10.44 percent increase will be added to the sum of the following, as applicable: Customer Charge, Energy Charge, Demand Charge, Fixed Charge, Facilities Charge, and the monthly Minimum Charge.

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

NORTH DAKOTA PUBLIC  
 SERVICE COMMISSION  
 Case No. PU-12-1817-  
 Approved by order dated February 29, 2012  
Gerhardson  
 Vice President, Administration/Regulatory Affairs

EFFECTIVE with bills rendered on  
 and after ~~March 1, 2012~~, in North Dakota  
  
 APPROVED: ~~Thomas R. Brause~~ Bruce G.

**R**  
**R**  
  
**R**  
**R**  
  
**N**  
**N**  
**N**  
**N**



---

**SPECIAL CONDITIONS OF SERVICE:** The minimum contracted term of service is 12 months.

**RULES AND REGULATIONS:** Terms and conditions of this tariff and the General Rules and Regulations govern use of this schedule.

**DEFINITIONS:**

**Summer On-Peak:** June 1 through September 30 including those hours from 8:00 a.m. to 10:00 p.m., Monday through Friday, excluding holidays.

**Summer Off-Peak:** All other hours including the three holidays of Memorial Day, Independence Day and Labor Day.

**Winter On-Peak:** October 1 through May 31 including those hours from 7:00 a.m. to 10:00 p.m., Monday through Friday, excluding holidays.

**Winter Off-Peak:** All other hours including the three holidays of Thanksgiving Day, Christmas Day and New Year's Day.

**TERMS AND CONDITIONS:**

The use of this rate requires that special precautions be taken in the design of associated metering and control systems. The following terms and conditions describe these precautions and shall be followed on all Customer-owned small qualifying facilities (SQF).

1. The Customer will be compensated monthly for all net energy received from the SQF less the metering charge. Net energy is that energy delivered by the SQF to the Company in excess of that received by the SQF from the Company during the same billing period. The schedule for these payments is subject to annual review.
2. If the SQF is located at a site outside of the Company's service territory and energy is delivered to the Company through facilities owned by another utility, energy payments will be adjusted downward reflecting losses occurring between the point of metering and the point of delivery.
3. If required, a separate meter will be furnished, owned and maintained by the Company to measure the energy to the Company. Separate monthly charges may apply for any additional metering installed by the Company at the Customer's request.

---

NORTH DAKOTA PUBLIC  
SERVICE COMMISSION  
Case No. PU-17-3217-  
Approved by order dated January 31, 2017  
Gerhardson

EFFECTIVE with bills rendered on  
and after ~~March 1, 2017~~, in North Dakota

APPROVED: ~~Thomas R. Brause~~Bruce G.

Vice President,

4. The SQF shall make provisions for the installation of Company owned on-site metering. All energy received from and delivered to the Company shall be metered. On site use of the SQF output shall be unmetered for purposes of compensation.
5. In the event the SQF desires wheeling by the Company of the SQF output, arrangements will be made subject to special consideration.
6. The Customer shall pay for any increased capacity of the distribution equipment serving him and made necessary by the installation of his generator.
7. Power and energy purchased by the SQF from the Company shall be billed under the available retail rates for the purchase of electricity.
8. The generator output must be compatible with the Utility system. The Customer's 60 hertz generator output must be at the voltage and phase relationship of the existing service or of one mutually agreeable to the Company and the Customer.
9. The Customer will provide equipment to maintain a unity power factor + or - 10% during periods of generator operation.
10. The Company reserves the right to disconnect the Customer's generator from its system if it interferes with the operation of the Company's equipment or with the equipment of other Company Customers.
11. The Customer is required to follow the Company's interconnection process which requires that prior to installation, a detailed diagram of the generator and related equipment must be furnished to the Company for its approval.
12. The Customer shall execute an electric service agreement with the Company which may include, among other provisions, a minimum term of service.
13. The SQF shall indemnify and save harmless the Company from and against any and all claims for damages to property and injury or death to persons which may arise out of or be caused by the erection, maintenance, presence, operation or removal of the SQF or by any related act or omission of the SQF, its employees, agents, contractors or subcontractors.



14. Equipment shall be provided by the Customer that provides a means of preventing feedback to the Company during an outage or interruption of that system as well as a visible means to disconnect the generator from the Utility that is readily accessible by Utility employees.
15. The Customer shall install, own and maintain all equipment deemed necessary by the Company to assure proper parallel operation of the system.
16. Any renewable energy credits associated with the renewable energy sold to the Company will be transferred to the Company and the renewable generator will be compensated an additional payment of \$0.52/MWh (\$0.00052/kWh), as shown in the payment schedule.

**R**

---

NORTH DAKOTA PUBLIC  
SERVICE COMMISSION  
Case No. PU-17-3217-  
Approved by order dated January 31, 2017  
Gerhardson  
~~Administration~~ Regulatory Affairs

---

EFFECTIVE with bills rendered on  
and after ~~March 1, 2017~~, in North Dakota  
  
APPROVED: ~~Thomas R. Brause~~ Bruce G.  
  
Vice President,



**SMALL POWER PRODUCER RIDER  
 DEPENDABLE SERVICE**

|  |              |
|--|--------------|
| Base Avoided On-Peak Costs                               | Code 50-9040 |
| Base Avoided Off-Peak Costs                              | Code 50-9041 |
| Base Avoided On-Peak Costs Plus Renewable Energy Credit  | Code 50-9042 |
| Base Avoided Off-Peak Costs Plus Renewable Energy Credit | Code 50-9043 |

**AVAILABILITY:** Available to any qualifying facility which is capable of delivering power and energy to the Company on a dependable basis.

**INTERIM RATE ADJUSTMENT:**

A 10.44 percent increase will be added to the sum of the following, as applicable: Customer Charge, Energy Charge, Demand Charge, Fixed Charge, Facilities Charge, and the monthly Minimum Charge.

N  
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 or Voluntary Rate Riders selected by the Customer, unless otherwise noted in this rider. See Sections 12.00, 13.00 and 14.00 of the North Dakota electric rates for the matrices of riders.

**METERING CHARGE:** \$12.85 per month

**PAYMENT SCHEDULE:**

**ENERGY:**

|                              |                        |                         |    |
|------------------------------|------------------------|-------------------------|----|
| Base Avoided Costs           | <u>On-Peak 50-9040</u> | <u>Off-Peak 50-9041</u> |    |
| Summer                       | 4.154¢ per kWh         | 2.533¢ per kWh          | R  |
| Winter                       | 3.783¢ per kWh         | 2.58¢ per kWh           | RC |
|                              |                        |                         |    |
| Base Avoided Costs           |                        |                         |    |
| Plus Renewable Energy Credit | <u>On-Peak 50-9042</u> | <u>Off-Peak 50-9043</u> |    |
| Summer                       | 4.206¢ per kWh         | 2.585¢ per kWh          | R  |
| Winter                       | 3.835¢ per kWh         | 2.510¢ per kWh          | R  |

**CAPACITY:**

Monthly \$/kW

Monthly \$/kW

NORTH DAKOTA PUBLIC  
 SERVICE COMMISSION  
 Dakota  
 Case No. PU-17-3217-  
 Approved by order dated January 31, 2017  
Gerhardson

EFFECTIVE with bills rendered on  
 and after ~~March 1, 2017~~ January 1, 2018, in North

APPROVED: ~~Thomas R. Brause~~ Bruce G.

Vice President, Administration Regulatory



---

|                                    |                                       |                                    |          |
|------------------------------------|---------------------------------------|------------------------------------|----------|
| Contract<br><u>Term</u><br>60 mos. | Net Capacity<br><u>Rate</u><br>\$5.21 | Levelized<br><u>Rate</u><br>\$1.04 | <b>R</b> |
|------------------------------------|---------------------------------------|------------------------------------|----------|

---

NORTH DAKOTA PUBLIC  
SERVICE COMMISSION  
Dakota  
Case No. PU-17-3217-  
Approved by order dated ~~January 31, 2017~~  
Gerhardson  
Affairs

---

EFFECTIVE with bills rendered on  
and after ~~March 1, 2017~~ January 1, 2018, in North  
  
APPROVED: ~~Thomas R. Brause~~ Bruce G.  
Vice President, ~~Administration~~ Regulatory



|          |        |        |          |
|----------|--------|--------|----------|
| 120 mos. | \$5.60 | \$3.36 | <b>R</b> |
| 180 mos. | \$5.98 | \$4.39 | <b>R</b> |
| 240 mos. | \$6.36 | \$5.09 | <b>R</b> |
| 300 mos. | \$6.73 | \$5.66 | <b>R</b> |
| 360 mos. | \$7.11 | \$6.16 | <b>R</b> |

Energy payment will be adjusted annually to reflect energy costs.

Total capacity payment equals (accredited capacity value of the Qualifying Facility) times (capacity ratio) times (appropriate levelized capacity rate).

Capacity Ratio equals (Qualifying Facility on-peak capacity factor) divided by 65%.

The Capacity Ratio shall not exceed a value of 1 or if the Qualifying Facility is dispatchable by the Company and tested under the Mid-continent Independent System Operator (MISO) guidelines, then the capacity ratio automatically equals 1.

**SPECIAL CONDITIONS OF SERVICE:**

1. A qualifying facility, desiring dependable service compensation shall execute a contract agreement for a term of 5, 10, 15, 20, 25, or 30 years.
2. In the event that a qualifying facility terminates service, the Dependable Service severance penalty payment will be determined as follows:

The remaining percentage of the contract term will be multiplied by the average capacity compensation per month and the result multiplied by six months. The average capacity compensation per month will be determined for the last three years or from the contract's initiation, whichever is the shorter period.

In addition, capacity compensation from the initiation of the contract will be recalculated at the capacity payment of the longest contract term filled. The following table illustrates the longest contract term filled given the number of months that payments were made:

NORTH DAKOTA PUBLIC  
 SERVICE COMMISSION  
 Dakota

Case No. PU-17-3217-

Approved by order dated January 31, 2017  
Gerhardson

Affairs

EFFECTIVE with bills rendered on  
 and after March 1, 2017 January 1, 2018, in North

APPROVED: Thomas R. Brause Bruce G.

Vice President, Administration Regulatory

| <u>Months of Payments</u> | <u>Contract Term Filled</u> |
|---------------------------|-----------------------------|
| 0 - 119                   | 60                          |
| 120 - 179                 | 120                         |
| 180 - 239                 | 180                         |
| 240 - 299                 | 240                         |
| 300 - 360                 | 300                         |

**SPECIAL CONDITIONS OF SERVICE:**

The difference between the actual payments made and the recalculated payments must be repaid with interest. The interest rate used will be the average prime interest rate during the contract period prior to the severance.

3. Qualifying facility may select a total of 30 scheduled maintenance days per year, to be taken in two periods, neither of which shall be less than one week in duration at a time agreeable to the Company. A 30-day prior notice must be given to the Company before a scheduled maintenance period can be established.

Capacity payment for a monthly period in which scheduled maintenance has occurred will be the greater of the capacity payment using the regular billing procedure or the average billing capacity payment since the previous month in which a scheduled maintenance period occurred.

**RULES AND REGULATIONS:** Terms and conditions of this tariff and the General Rules and Regulations govern use of this schedule.

**DEFINITIONS:**

**Dependable Service:** Qualifying facility can deliver power at a minimum of 65% on-peak capacity factor in each month; can deliver power during the Company's winter and summer system peaks; and is accredited according to the Midwest Reliability Organization (MRO).

**Capacity Factor:** The number of Kilowatt-hours delivered during the period divided by the product of the accredited capacity times the number of hours in the period. The maximum capacity factor is 1.0.

NORTH DAKOTA PUBLIC  
SERVICE COMMISSION  
Dakota  
Case No. PU-47-3217-  
Approved by order dated January 31, 2017  
Gerhardson

EFFECTIVE with bills rendered on  
and after ~~March 1, 2017~~ January 1, 2018, in North

APPROVED: ~~Thomas R. Brause~~ Bruce G.

Vice President, ~~Administration~~ Regulatory



---

Summer On-Peak: June 1 through September 30 including those hours from 8:00 a.m. to 10:00 p.m., Monday through Friday, excluding holidays.

---

NORTH DAKOTA PUBLIC  
SERVICE COMMISSION  
Dakota  
Case No. PU-17-3217-  
Approved by order dated January 31, 2017  
Gerhardson

EFFECTIVE with bills rendered on  
and after March 1, 2017 January 1, 2018, in North

APPROVED: ~~Thomas R. Brause~~ Bruce G.

Vice President, ~~Administration~~ Regulatory



Summer Off-Peak: All other hours including the three holidays of Memorial Day, Independence Day and Labor Day.

Winter On-Peak: October 1 through May 31 including those hours from 7:00 a.m. to 10:00 p.m., Monday through Friday, excluding holidays.

Winter Off-Peak: All other hours including the three holidays of Thanksgiving, Christmas Day and New Year's Day.

**TERMS AND CONDITIONS:** The use of this rate requires that special precautions be taken in the design of associated metering and control systems. The following terms and conditions describe these precautions and shall be followed on all Customer-owned small qualifying facilities (SQF).

1. The Customer will be compensated monthly for all energy received from the SQF less the metering charge. The schedule for these payments is subject to annual review.
2. If the SQF is located at a site outside of the Company's service territory and energy is delivered to the Company through facilities owned by another utility, energy payments will be adjusted downward reflecting losses occurring between the point of metering and the point of delivery.
3. If required, a separate meter will be furnished, owned and maintained by the Company to measure the energy to the Company. Separate monthly charges may apply for any additional metering installed by the Company at the Customer's request.
4. The SQF shall make provisions for the installation of Company owned on-site metering. All energy received from and delivered to the Company shall be metered. On site use of the SQF output shall be unmetered for purposes of compensation.
5. In the event the SQF desires wheeling by the Company of the SQF output, arrangements will be made subject to special consideration.
6. The Customer shall pay for any increased capacity of the distribution equipment serving him and made necessary by the installation of his generator.

NORTH DAKOTA PUBLIC  
SERVICE COMMISSION  
Dakota

Case No. ~~PU-17-3217-~~

Approved by order dated ~~January 31, 2017~~  
Gerhardson

Affairs

EFFECTIVE with bills rendered on  
and after ~~March 1, 2017~~ January 1, 2018, in North

APPROVED: ~~Thomas R. Brause~~ Bruce G.

Vice President, ~~Administration~~ Regulatory



- 
7. Power and energy purchased by the SQF from the Company shall be billed under the available retail rates for the purchase of electricity.

---

NORTH DAKOTA PUBLIC  
SERVICE COMMISSION  
Dakota  
Case No. PU-17-3217-  
Approved by order dated January 31, 2017  
Gerhardson

EFFECTIVE with bills rendered on  
and after March 1, 2017 January 1, 2018, in North

APPROVED: ~~Thomas R. Brause~~ Bruce G.

Vice President, ~~Administration~~ Regulatory

Affairs

8. The generator output must be compatible with the Utility system. The Customer's 60 hertz generator output must be at the voltage and phase relationship of the existing service or of one mutually agreeable to the Company and the Customer.
9. The Customer will provide equipment to maintain a unity power factor + or - 10% during periods of generator operation.
10. The Company reserves the right to disconnect the Customer's generator from its system if it interferes with the operation of the Company's equipment or with the equipment of other Company Customers.
11. The Customer is required to follow the Company's interconnection process which requires that prior to installation, a detailed diagram of the generator and related equipment must be furnished to the Company for its approval.
12. The Customer shall execute an electric service agreement with the Company which may include, among other provisions, a minimum term of service and generator capacity rating.
13. The SQF shall indemnify and save harmless the Company from and against any and all claims for damages to property and injury or death to persons which may arise out of or be caused by the erection, maintenance, presence, operation or removal of the SQF or by any related act or omission of the SQF, its employees, agents, contractors or subcontractors.
14. Equipment shall be provided by the Customer that provides a means of preventing feedback to the Company during an outage or interruption of that system as well as a visible means to disconnect the generator from the Utility that is readily accessible by Utility employees.
15. The Customer shall install, own and maintain all equipment deemed necessary by the Company to assure proper parallel operation of the system.
16. Any renewable energy credits associated with the renewable energy sold to the Company will be transferred to the Company and the renewable generator will be compensated an additional payment of \$0.52/MWh (\$0.00052/kWh), as shown in the payment schedule. **R**

---

NORTH DAKOTA PUBLIC  
SERVICE COMMISSION  
Dakota  
Case No. ~~PU-17-3217-~~  
Approved by order dated ~~January 31, 2017~~  
Gerhardson

---

EFFECTIVE with bills rendered on  
and after ~~March 1, 2017~~ January 1, 2018, in North

APPROVED: ~~Thomas R. Brause~~ Bruce G.

Vice President, ~~Administration~~ Regulatory



Fergus Falls, Minnesota

**ENERGY ADJUSTMENT RIDER**

€

There shall be added to or deducted from the monthly bill the amount per kilowatt-hour (rounded to the nearest 0.001¢) that the average cost of energy is above or below ~~2.80304327¢~~ per kilowatt-hour. The average cost of energy per kilowatt-hour for the current period shall be calculated from data covering actual costs from the most recent four-month period as follows:

€  
R  
€

Energy costs from actual months 1, 2, 3, and 4 plus unrecovered (or less over recovered) prior cumulative energy costs divided by retail sales for actual months 1, 2, 3, and 4 equals the cost of energy adjustment for month 6.

The applicable adjustment will be applied effective on any billing dated on or after the first day of each calendar month. The average cost of energy shall be determined as follows:

1. The cost of fossil fuel, as recorded in Account 151, used in the Company's generating plants. Energy from the Company's hydro generating plants shall be included at zero cost.
2. The energy cost of purchased power included in Account 555 when such energy is purchased on an economic dispatch basis, exclusive of capacity or demand charges. This includes but is not limited to net costs linked to the utility's load serving obligation, associated with participation in wholesale electric energy markets operated by Regional Transmission Organizations, Independent System Operators or similar entities that have received Federal Energy Regulatory Commission approval to operate the energy markets. All Midwest Independent System Operator ("MISO") Energy and Ancillary service market charges and credits relating to retail sales and asset based sales, specifically including (but not limited to) Schedule 16 and 17 charges and credits shall be included in the calculation.
3. The actual identifiable fossil and nuclear fuel costs associated with energy purchased for reasons other than identified in 2 above.
4. The net energy cost of energy purchases from a renewable energy source, including hydropower, wood, windpower, and biomass.

N  
N  
N  
N  
N  
N

NORTH DAKOTA PUBLIC  
SERVICE COMMISSION  
in North Dakota

Case No. PU-08-86217-

Approved by order dated ~~November 25, 2009~~  
~~Brutlag~~ Bruce G. Gerhardson

President, Regulatory Affairs

EFFECTIVE with bills rendered on  
and after ~~December 1, 2009~~ January 1, 2018,

APPROVED: Bernadeen

Manager, Regulatory Services Vice



Fergus Falls, Minnesota

5. Less the fuel-related costs recovered through intersystem sales.

€

Asset-based Sales Margins, as defined below and in the amount calculated as described below, shall be reflected as a credit to the energy adjustment calculation described in 1-5, above.

N  
N

**Asset-based Sales Margins:**

Asset-based Sales Margins are defined as wholesale energy and ancillary services sales revenues from Company-owned generation resources less the sum of fuel, energy costs (including costs associated with MISO markets that are recorded in FERC Account 555), and any additional transmission or other costs incurred that are required to make such sales (referred to as "margins").

N  
N  
N  
N  
N  
N

The amount of the Asset-based Sales Margin credit shall be determined as described below:

N

**Credit calculation:** The credit shall be eighty-five percent (85%) of Asset-based Sales Margins. The Asset-based Sales Margin credit shall be calculated monthly based on a forecast of the margins expected for that month and a true-up shall be made to adjust prior forecasted credits to reflect eighty-five percent (85%) of the actual margins earned in prior months. The true-up adjustments shall be made as soon as reasonably practical after the receipt of actual results and shall reflect MISO and other resettlements that would have impacted prior credits.

N  
N  
N  
N  
N  
N

NORTH DAKOTA PUBLIC  
SERVICE COMMISSION  
in North Dakota  
Case No. PU-08-86217-  
Approved by order dated ~~November 25, 2009~~  
~~Brutlag~~Bruce G. Gerhardson  
President, Regulatory Affairs

EFFECTIVE with bills rendered on  
and after ~~December 1, 2009~~ January 1, 2018,

APPROVED: Bernadeen  
Manager, Regulatory ServicesVice



Fergus Falls, Minnesota

**RENEWABLE RESOURCE COST RECOVERY RIDER**

| DESCRIPTION  | RATE CODE |
|--------------|-----------|
| All Services | 50-520    |

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

**APPLICATION OF RIDER:** This rider is applicable to electric service under all of the Company's Retail Rate Schedules in Section 9, 10, 11, 12, 13.05, and 14, except for Section 14.09 (*TailWinds*) and Section 14.11 (Released Energy Access Program Rider).

**COST RECOVERY CHARGE:** There shall be included on each North Dakota customer's monthly bill a Renewable Resource Cost Recovery ("RRC") charge based on the applicable cost recovery factor multiplied by the Customer's monthly bill. The Customer's monthly bill shall be based on all applicable charges and credits under the Company's retail rate schedules in Sections 9, 10, 11, 12, and 14, except for Section 14.09 (*TailWinds*) and Section 14.11 (Released Energy Access Program Rider). The RRC charge will not apply to any Mandatory Riders or sales tax and any local assessments as provided in the General Rules and Regulations for the Company's electric service, except Section 13.05 (Economic Development Cost Removal Rider). The following charges are applicable in addition to all charges for service being taken under the Company's standard rate schedules and will be included in the Energy and Renewable Adjustment line item on the customer's bill.

|   |
|---|
| <b>Renewable Resource Cost Recovery Factor - <del>7.005</del> 756 percent</b> |
|---|

R

**DETERMINATION OF RENEWABLE RESOURCE COST CHARGE:** The RRC Factor shall be determined by dividing the forecasted *balance of the RRC Tracker account* by the *forecasted retail revenues subject to the RRC Factor*. The forecasted RRC Tracker balance and retail revenues shall be based on the forecast for the appropriate 12 month period (or such other period as may be approved by the Commission). The RRC Factor shall be rounded to the nearest 0.001 percent.

NORTH DAKOTA PUBLIC  
 SERVICE COMMISSION

EFFECTIVE with bills rendered on  
 and after ~~April 1, 2017~~ January 1, 2018, in North  
 Dakota

Case No. ~~PU-17-1617-~~  
 Approved by order dated ~~March 16, 2017~~  
Gerhardson

APPROVED: ~~Thomas R. Brause~~ Bruce G.

Vice President, ~~Administration~~ Regulatory

Affairs



Fergus Falls, Minnesota

The *balance of the RRC Tracker account* for determination of the RRC Factor shall include annual revenue requirements and any true-up balance described as follows: N  
N

*The annual revenue requirements* associated with these investments eligible for recovery under NDCC 49-02, 49-05, and 49-06 that are determined by the Commission to be eligible for recovery under this RRC Rider. A standard model will be used to calculate the total forecasted North Dakota revenue requirements for eligible measures for the designated period. N  
N  
N  
N  
N

*True-up:* For each recovery period, a true-up adjustment to the RRC Tracker account will be calculated reflecting the difference between actual prior period RRC recoveries and actual prior period revenue requirements. Any resulting over/under recovery will be reflected as a carryover balance and included in calculating the next RRC Factor plus carrying charges or credits accrued at the rate of return approved in Otter Tail Power Company's most recent general rate case. N  
N  
N  
N  
N  
N

All costs appropriately charged to the RRC Tracker account shall be eligible for recovery through this Rider, and all revenues recovered from the applicable RRC Factor shall be credited to the RRC Tracker account. N  
N  
N

*Forecasted retail revenues* used for calculating the RRC Factor shall include the forecast of retail electric revenue collected through all applicable charges and credits under the Company's retail rate schedules in Sections 9, 10, 11, 12 and 14, except for Section 14.09 (*TailWinds*) and Section 14.11 (Released Energy Access Program Rider). Retail revenue used for calculating the RRC Factor will not include any Mandatory Riders, except Section 13.05 (Economic Development Cost Removal Rider). N  
N  
N  
N  
N  
N

The RRC Factor may be adjusted annually (or other approved periods) with approval of the Commission. N  
N

**INTERIM RATE ADJUSTMENT:** N  
A 10.44 percent increase will be added to the sum of the following, as applicable: Customer Charge, Energy Charge, Demand Charge, Fixed Charge, Facilities Charge, and the monthly Minimum Charge. N  
N  
N

NORTH DAKOTA PUBLIC  
 SERVICE COMMISSION

EFFECTIVE with bills rendered on  
 and after January 1, 2018~~April 1, 2015~~, in North  
 Dakota

Case No. PU-15-1417-  
 Approved by order dated ~~March 26, 2015~~  
Gerhardson

APPROVED: ~~Thomas R. Brause~~Bruce G.

Vice President, ~~Administration~~Regulatory



Fergus Falls, Minnesota

---

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

L  
L  
L  
L

---

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

EFFECTIVE with bills rendered on  
and after January 1, 2018, in North Dakota

APPROVED: Bruce G. Gerhardson  
Vice President, Regulatory Affairs



Fergus Falls, Minnesota

**ENVIRONMENTAL COST RECOVERY RIDER**

| DESCRIPTION                                       | RATE CODE |
|---|-----------|
| All Service – Environmental Cost Recovery         | 50-570    |
| All Service – Reagent and Allowance Cost Recovery | 50-572    |

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

**APPLICATION OF RIDER:** This rider consists of two separate charges; the Environmental Cost Recovery (“ECR”) Rider Charge and the Reagents and Emissions Allowance Adjustment (“REAA”) Rider Charge. This rider is applicable to electric service under all of the Company’s retail rate schedules in Sections 9, 10, 11, 12, 13.05, and 14, except for Section 14.09 (**TailWinds**) and Section 14.11 (Released Energy Access Program Rider).

**ENVIRONMENTAL COST RECOVERY CHARGE:** There shall be included on each North Dakota Customer’s monthly bill an Environmental Cost Recovery (“ECR”) Charge, based on the applicable ECR Factor multiplied by the Customer’s monthly bill. The Customer’s monthly bill shall be based on all applicable charges and credits under the Company’s retail rate schedules in Sections 9, 10, 11, 12 and 14, except for Section 14.09 (**TailWinds**) and Section 14.11 (Released Energy Access Program Rider). The ECR Factor will not apply to any Mandatory Riders, except Section 13.05 (Economic Development Cost Removal Rider). The ECR charge will be included as part of the charge reflected on the Customer’s bill on the line labeled “EPA Req Environmental Cst.”

|   |
|---|
| <b>Environmental Cost Recovery Factor - <u>7.9046.629</u><br/>percent</b> |
|---|

R

**DETERMINATION OF ECR FACTOR:** The ECR Factor shall be determined by dividing the forecasted *balance of the ECR Tracker account* by the *forecasted retail revenues subject to the ECR Factor*. The forecasted ECR Tracker balance and retail revenues shall be based on the forecast for the appropriate 12 month period (or such other period as may be approved by the Commission). The ECR Factor shall be rounded to the nearest 0.001 percent.

NORTH DAKOTA PUBLIC  
SERVICE COMMISSION  
North Dakota  
Case No. PU-16-14817-  
Approved by Order dated: ~~June 22, 2016~~  
~~Thomas R. Brause~~ Bruce G. Gerhardson

EFFECTIVE with bills rendered on  
and after ~~July 1, 2016~~ January 1, 2018, in

APPROVED:

Vice President,



Fergus Falls, Minnesota

The *balance of the ECR Tracker account* for determination of the ECR Factor shall include annual revenue requirements and any true-up balance described as follows:

*The annual revenue requirements* associated with environmental measures eligible for recovery under NDCC 49-05-04.2 that are determined by the Commission to be eligible for recovery under this ECR Rider. A standard model will be used to calculate the total forecasted North Dakota revenue requirements for eligible measures for the designated period.

*True-up:* For each recovery period, a true-up adjustment to the ECR Tracker account will be calculated reflecting the difference between actual prior period ECR recoveries and actual prior period revenue requirements. Any resulting over/under recovery will be reflected as a carryover balance and included in calculating the next ECR Factor plus carrying charges or credits accrued at the rate of return approved in Otter Tail Power's most recent general rate case.

All costs appropriately charged to the ECR Tracker account shall be eligible for recovery through this Rider, and all revenues recovered from the applicable ECR Factor shall be credited to the ECR Tracker account.

*Forecasted retail revenues* used for calculating the ECR Factor shall include the forecast of retail electric revenue collected through all applicable charges and credits under the Company's retail rate schedules in Sections 9, 10, 11, 12 and 14, except for Section 14.09 (*TailWinds*) and Section 14.11 (Released Energy Access Program Rider). Retail revenue used for calculating the ECR Factor will not include any Mandatory Riders, except Section 13.05 (Economic Development Cost Removal Rider).

The ECR Factor may be adjusted annually (or other approved periods) with approval of the Commission.

**DETERMINATION OF THE REAA CHARGE:** The REAA Rider charge added to or deducted from the monthly bill shall be the amount per kilowatt-hour (rounded to the nearest 0.001¢) of the average cost of reagents and emissions allowances per kilowatt-hour. The average cost of reagents and emissions allowances per kilowatt-hour for the

NORTH DAKOTA PUBLIC  
SERVICE COMMISSION  
North Dakota  
Case No. PU-14-66817-  
Approved by Order dated: ~~February 25, 2015~~  
~~Thomas R. Brause~~ Bruce G. Gerhardson

EFFECTIVE with bills rendered on  
and after ~~May 1, 2015~~ January 1, 2018, in

APPROVED:

\_\_\_\_\_  
Vice President,

7  
7  
7  
7  
7  
7  
7  
7  
7  
7



Fergus Falls, Minnesota

current period shall be calculated from data covering actual costs from the most recent four-month period as follows:

Reagents and emissions allowance costs from actual months 1, 2, 3, and 4 plus unrecovered (or less over recovered) prior cumulative reagents and emissions allowances costs divided by retail sales for actual months 1, 2, 3, and 4 equals the cost of the reagents and emissions allowance adjustment for month 6.

**Reagents and Emissions Allowance Adjustment Rider**  
– calculated on a \$/kWh basis

The reagents and emissions allowance adjustment will be applied effective on any billing dated on or after the first day of each calendar month. The average cost of the reagents and emissions allowance adjustment shall be determined based on the following components:

1. The utility's share of the cost of reagents used for the reduction of emissions at the Company's generating plants to meet Federal Environmental Protection Agency rules and regulations.
2. The utility's share of the cost of purchased emissions allowances necessary to operate the Company's generating plants in compliance with Federal Environmental Protection Agency rules and regulations.
3. Any purchased or allocable emission allowances that are subsequently sold shall be credited to (flow through) the REAA Rider.
4. The utility's share of the cost of pebble lime at the Company's Coyote Generating plant will be excluded from the calculation.

The REAA Rider charge will be included as part of the charge reflected on the Customer's bill on the line labeled "EPA Req Environmental Cst."

NORTH DAKOTA PUBLIC  
SERVICE COMMISSION  
North Dakota  
Case No. PU-14-668  
Approved by Order dated: ~~February 25, 2015~~  
~~Thomas R. Brause~~ Bruce G. Gerhardson

EFFECTIVE with bills rendered on  
and after ~~May 1, 2015~~ January 1, 2018, in

APPROVED:

\_\_\_\_\_  
Vice President,



Fergus Falls, Minnesota

**WATER HEATING CONTROL RIDER**

€

| DESCRIPTION                                      | RATE<br>CODE |
|--|--------------|
| Separately Metered Water Heating Control Service | 50-191       |
| Water Heating Credit Control Service             | 50-192       |

N  
N  
€  
N

**RULES AND REGULATIONS:** Terms and conditions of this tariff and the General Rules and Regulations govern use of this schedule.

LC  
LC

**AVAILABILITY:** This rider is available for residential or nonresidential purposes.

LC

**RATE:**

| WATER HEATING - CONTROLLED SERVICE 191 |                              |                |
|--|------------------------------|----------------|
| Customer Charge per Month:             | \$1.00                       |                |
| Monthly Minimum Bill:                  | Customer + Facilities Charge |                |
| Facilities Charge per Month:           | \$1.00                       |                |
| Energy Charge per kWh:                 | Summer                       | Winter         |
|  | 5.773403 ¢/kWh               | 5.638268 ¢/kWh |

N  
NR  
NR  
NR  
NR

| WATER HEATING CREDIT 192   |
|--|
| A \$4.00 credit per month shall be applied to all bills having direct control water heating, except the credit shall not reduce the monthly billing to less than the Monthly Minimum Bill. |

N  
NR  
N

**INTERIM RATE ADJUSTMENT:**

A 10.44 percent increase will be added to the sum of the following, as applicable: Customer Charge, Energy Charge, Demand Charge, Fixed Charge, Facilities Charge, and the monthly Minimum Charge.

N  
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 or Voluntary Rate Riders selected by

N  
N

NORTH DAKOTA PUBLIC  
SERVICE COMMISSION  
in North Dakota  
Case No. PU-08-86217-  
Approved by order dated November 25, 2009  
Gerhardson  
  
President, Regulatory Affairs

EFFECTIVE with bills rendered on  
and after ~~December 1, 2009~~ January 1, 2018,  
  
APPROVED: ~~Bernadeen Brutlag~~ Bruce G.  
Manager, Regulatory Services Vice



Fergus Falls, Minnesota

the Customer, unless otherwise noted in this rider. See Sections 12.00, 13.00 and 14.00 of the North Dakota electric rates for the matrices of riders. N  
N

**TERM AND CONDITIONS FOR RATE 191:** Service under rate 191 shall be supplied through a separate meter. N  
N

**TERMS AND CONDITIONS FOR RATE 192:** The Customer will be compensated for taking service on this rider by receiving a monthly bill credit. The credit will be applied to the Customer's account, except the credit shall not reduce the monthly billing to less than the Monthly Minimum Bill. N  
NR  
N  
N

**CONTROL CRITERIA:** Service may be controlled for up to a total of 14 hours during any 24-hour period, as measured from midnight to midnight. Under normal circumstances the Company will schedule recovery time following control periods that approach 14 hours. N  
N  
N

**DEFINITIONS OF SEASONS:** N  
Summer: June 1 through September 30. N  
Winter: October 1 through May 31. N

**EQUIPMENT SUPPLIED:** The Company will supply and maintain the necessary standard metering and control equipment. N  
N

NORTH DAKOTA PUBLIC  
SERVICE COMMISSION  
in North Dakota  
Case No. PU-08-86217-  
Approved by order dated ~~November 25, 2009~~  
Gerhardson  
  
President, Regulatory Affairs

EFFECTIVE with bills rendered on  
and after ~~December 1, 2009~~ January 1, 2018,  
  
APPROVED: ~~Bernadeen Brutlag~~ Bruce G.  
  
Manager, Regulatory Services Vice



**CONTROLLED SERVICE - INTERRUPTIBLE LOAD  
CT METERING RIDER**  
(Commonly identified as Large Dual Fuel)

| DESCRIPTION  | Option 1 | Option 2 |   |
|--|----------|----------|---|
| CT Metering without ancillary load                               | 50-170   | N/A      | N |
| CT Metering without ancillary load (with short duration cycling) | 50-165   | N/A      | N |
| Penalty  | 50-881   | N/A      | N |
| CT Metering with ancillary load                                  |          |          | N |
| Uncontrolled period  | N/A      | 50-168   | N |
| Controlled period  | N/A      | 50-268   | N |
| CT Metering with ancillary load (with short duration cycling)    |          |          | N |
| Uncontrolled period  | N/A      | 50-169   | N |
| Controlled period  | N/A      | 50-269   | N |

**RULES AND REGULATIONS:** Terms and conditions of this tariff and the General Rules and Regulations govern use of this schedule. LC  
LC

**AVAILABILITY:** This rider is available for Residential or nonresidential service to any approved permanently connected interruptible load; such loads are primarily the electric heating portion of dual fuel heating systems. Electric heating systems may include heat pumps used for heating and/or cooling. Domestic electric water heating, and/or other permanently connected approved loads other than the exceptions noted below in Option 2, will be interrupted during control periods. When service to the electric space heating equipment on this rate is interrupted, the back-up heating system cannot be electric. LC  
LC  
LC  
LC  
N  
N  
N

Option 1: Electric fans, pumps and other ancillary equipment used in the distribution of conditioned air and/or water shall be wired for service through the Customer's firm service tariff. NC  
NC  
NC

Option 2: The Company retains the authority to allow a portion of the load used to deliver conditioned air and/or water during the control period to remain on during control periods in situations where 1) it is functionally or financially unfeasible to separately serve the equipment's control systems, or other critical ancillary equipment associated with this load, or 2) if the separation would violate the manufacturer's Underwriters Laboratory (UL) approval or other industry recognized operating standards. N  
N  
N  
N  
N

NORTH DAKOTA PUBLIC  
SERVICE COMMISSION  
in North Dakota  
Case No. PU-08-86217-  
Approved by order dated ~~November 25, 2009~~  
Gerhardson

EFFECTIVE with bills rendered on  
and after ~~December 1, 2009~~ January 1, 2018,

APPROVED: Bernadeen Brutlag Bruce G.

Manager, Regulatory Services  
Vice President, Regulatory Affairs



During the control period the amount of ancillary load shall not exceed 5% of the metered maximum demand measured during any period within the most recent 12 months. (For example, although a minimal amount of fan and/or pump load may be allowed under this provision, it is not intended to be applied to larger loads such as the non-conditioned fan load on low-temperature grain drying.)

If the Customer does not have a back-up heating system, it is not automatic, or it is inadequate, then the Company requires a primary electric heating Customer served on an interruptible rate to complete a Controlled Service Agreement acknowledging that the Customer is aware of the potential for property damage.

N  
N  
N  
N  
N  
N  
N  
N

**RATE:**

| <b>OPTION 1</b>   |                              |                  |  |
|---|------------------------------|------------------|--|
| <b>Customer Charge per Month:</b>                         | \$4.00                       |                  |  |
| <b>Monthly Minimum Bill:</b>                              | Customer + Facilities Charge |                  |  |
| <b>Facilities Charge per annual maximum kW per month:</b> | \$0.08                       |                  |  |
|   | Summer                       | Winter           |  |
| <b>Energy Charge per kWh:</b>                             | 3.1662.796 ¢/kWh             | 3.0442.674 ¢/kWh |  |
| <b>Penalty:</b>   | 39.448 ¢/kWh                 | 12.726 ¢/kWh     |  |

N  
NR  
NR  
NR  
NR  
NR

| <b>OPTION 2</b>   |                              |                  |  |
|---|------------------------------|------------------|--|
| <b>Customer Charge per Month:</b>                         | \$5.00                       |                  |  |
| <b>Monthly Minimum Bill:</b>                              | Customer + Facilities Charge |                  |  |
| <b>Facilities Charge per annual maximum kW per month:</b> | \$0.08                       |                  |  |
|   | Summer                       | Winter           |  |
| <b>Energy Charge per kWh:</b>                             | 3.3362.966 ¢/kWh             | 3.2082.838 ¢/kWh |  |

N  
NR  
NR  
NR  
NR

NORTH DAKOTA PUBLIC SERVICE COMMISSION  
 in North Dakota  
 Case No. PU-08-86217-  
 Approved by order dated ~~November 25, 2009~~  
Gerhardson

EFFECTIVE with bills rendered on  
 and after ~~December 1, 2009~~ January 1, 2018,

APPROVED: ~~Bernadeen Brutlag~~ Bruce G.

Manager, Regulatory Services  
Vice President, Regulatory Affairs



|   |            |            |           |
|---|------------|------------|-----------|
| <b>Control Period Demand Charge per kW:</b> | \$7.29 /kW | \$5.61 /kW | <b>NR</b> |
|---|------------|------------|-----------|

**INTERIM RATE ADJUSTMENT:**

A 10.44 percent increase will be added to the sum of the following, as applicable: Customer Charge, Energy Charge, Demand Charge, Fixed Charge, Facilities Charge, and the monthly Minimum Charge.

N  
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 or Voluntary Rate Riders selected by the Customer. See Sections 12.00, 13.00 and 14.00 of the North Dakota electric rates for the matrices of riders.

N  
N  
N  
N

**DEFINITIONS OF SEASONS:**

Summer: June 1 through September 30.  
 Winter: October 1 through May 31.

N  
N  
N

**PENALTY PERIODS – OPTION 1 ONLY:** Penalty periods are defined as periods when the Company signals to interrupt the Customer’s load and the Customer’s equipment does not shed the load. Installation of a dual register meter will be at the option of the Company. When a dual register meter is installed, penalty usage will be recorded on the peak register and the total register of the dual register meters.

€  
€  
€  
€  
€

The penalty provision is not intended as a buy-through option. Under no circumstances should the penalty clause of this rider be interpreted as an approved buy-through option for service under this rider.

€  
€  
€

**CONTROL CRITERIA:** Service may be controlled up to a total of 24 hours during any 24-hour period, as measured from midnight to midnight. Short-duration cycling is approximately 15 minutes off / 15 minutes on of appropriate cooling equipment during the summer season (June 1-September 30). Domestic water heating may be controlled up to 14 hours in the 24-hour period.

€  
€  
€  
€  
€

**DETERMINATION OF FACILITIES CHARGE:** The monthly measured demand will be based on the maximum 15 consecutive minute period measured by a suitable demand meter for the month for which the bill is rendered. The Facilities charge demand shall

N  
N  
N

NORTH DAKOTA PUBLIC  
 SERVICE COMMISSION  
 in North Dakota  
 Case No. PU-08-86217-  
 Approved by order dated ~~November 25, 2009~~  
Gerhardson

EFFECTIVE with bills rendered on  
 and after ~~December 1, 2009~~ January 1, 2018,

APPROVED: ~~Bernadeen Brutlag~~ Bruce G.

Manager, Regulatory Services  
Vice President, Regulatory Affairs



---

be based on the greatest of the current and preceding 11 monthly measured demands. N

**DETERMINATION OF CONTROL PERIOD DEMAND – OPTION 2 ONLY:** The N  
billing demand measured during the control period for which the bill is rendered shall be the N  
maximum metered kW for any period of 15 consecutive minutes during the control period. N

---

NORTH DAKOTA PUBLIC  
SERVICE COMMISSION  
in North Dakota  
Case No. PU-08-86217-  
Approved by order dated ~~November 25, 2009~~  
Gerhardson

---

EFFECTIVE with bills rendered on  
and after ~~December 1, 2009~~ January 1, 2018,

APPROVED: ~~Bernadeen Brutlag~~ Bruce G.

Manager, Regulatory Services Vice  
President, Regulatory Affairs



**EQUIPMENT SUPPLIED:** The Company will supply and maintain the necessary standard metering and control equipment.

CL  
CL



**CONTROLLED SERVICE - INTERRUPTIBLE LOAD**  
**SELF-CONTAINED METERING RIDER**  
 (Commonly identified as Small Dual Fuel)

| DESCRIPTION                                  | RATE CODE |
|--|-----------|
| Self-Contained Metering                      | 50-190    |
| Self-Contained (with short duration cycling) | 50-185    |
| Penalty                                      | 50-882    |

**RULES AND REGULATIONS:** Terms and conditions of this tariff and the General Rules and Regulations govern use of this schedule.

**AVAILABILITY:** This rider is available for Residential or nonresidential service to any approved permanently connected interruptible load; such loads are primarily the electric heating portion of dual fuel heating systems. Electric heating systems may include heat pumps used for both heating and/or cooling. Domestic electric water heating and/or other permanently connected approved loads, other than the exceptions noted below, will be interrupted during control periods. Electric fans, pumps, and other ancillary equipment used in the distribution of heat shall be wired for service through the Customer's firm service tariff.

The Company retains the authority to allow a portion of the load to remain on during control periods in situations where 1) it is unfeasible to separately serve the equipment's control systems or other critical ancillary equipment associated with this load, or 2) if the separation would violate the manufacturer's Underwriters Laboratory (UL) approval or other industry recognized operating standards. Although a minimal amount of fan and pump load may be allowed under this provision, it is not intended to be applied to larger fan or pump loads such as those on low-temperature grain drying or heating loops.

When service to the electric space heating equipment on this rate is interrupted, the back-up heating system cannot be electric.

If the Customer does not have a back-up heating system, it is not automatic, or it is inadequate, then the Company requires a primary electric heating Customer served on an interruptible rate to complete a Controlled Service Agreement acknowledging that the Customer is aware of the potential for property damage.

NORTH DAKOTA PUBLIC  
 SERVICE COMMISSION  
 North Dakota  
 Case No. PU-08-86217-  
 Approved by order dated ~~November 25, 2009~~  
Gerhardson

EFFECTIVE with bills rendered on  
 and after ~~December 1, 2009~~ January 1, 2018, in

APPROVED: ~~Bernadeen Brutlag~~ Bruce G.



**RATE:**

| <b>CONTROLLED SERVICE - INTERR LOAD – SELF-CONTAINED</b> |                              |                       |  |
|--|------------------------------|-----------------------|--|
| <b>Customer Charge per Month:</b>                        | \$2.00                       |                       |  |
| <b>Monthly Minimum Bill:</b>                             | Customer + Facilities Charge |                       |  |
| <b>Facilities Charge per Month:</b>                      | \$5.00                       |                       |  |
| <b>Energy Charge per kWh:</b>                            | <u>3.659289</u> ¢/kWh        | <u>3.451081</u> ¢/kWh |  |
| <b>Penalty</b>   | 38.606 ¢/kWh                 | 12.924 ¢/kWh          |  |

N  
NR  
NR  
NR  
NR  
NR

**INTERIM RATE ADJUSTMENT:**

A 10.44 percent increase will be added to the sum of the following, as applicable: Customer Charge, Energy Charge, Demand Charge, Fixed Charge, Facilities Charge, and the monthly Minimum Charge.

N  
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 or Voluntary Rate Riders selected by the Customer, unless otherwise noted in this rider. See Sections 12.00, 13.00 and 14.00 of the North Dakota electric rates for the matrices of riders.

N  
N  
N  
N

**DEFINITIONS OF SEASONS:**

Summer: June 1 through September 30.  
 Winter: October 1 through May 31.

N  
N  
N

**PENALTY PERIODS:** Penalty periods are defined as periods when the Company signals to interrupt the Customer’s load and the Customer’s equipment does not shed the load. Penalty usage will be recorded on the peak register and the total register of the dual register meters.

C  
C  
C

NORTH DAKOTA PUBLIC  
 SERVICE COMMISSION  
 North Dakota  
 Case No. PU-08-86217-  
 Approved by order dated ~~November 25, 2009~~  
Gerhardson  
 President, Regulatory Affairs

EFFECTIVE with bills rendered on  
 and after ~~December 1, 2009~~ January 1, 2018, in  
 APPROVED: Bernadeen Brutlag Bruce G.  
Manager, Regulatory Services  
 Vice



Installation of a dual register meter will be at the option of the Company. €

The penalty provision is not intended as a buy-through option. Under no circumstances should the penalty clause of this rider be interpreted as an approved buy-through option for service under this rider. N  
N  
N

**CONTROL CRITERIA:** Service may be controlled up to a total of 24 hours during any 24-hour period, as measured from midnight to midnight. Short-duration cycling is approximately 15 minutes off / 15 minutes on of appropriate cooling equipment during the summer season (June 1-September 30). Domestic water heating may be controlled up to 14 hours in the 24-hour period. N  
N  
N  
N

**EQUIPMENT SUPPLIED:** The Company will supply and maintain the necessary standard metering and control equipment. €

NORTH DAKOTA PUBLIC  
SERVICE COMMISSION  
North Dakota  
Case No. PU-08-86217-  
Approved by order dated ~~November 25, 2009~~  
Gerhardson

EFFECTIVE with bills rendered on  
and after ~~December 1, 2009~~ January 1, 2018, in

APPROVED: ~~Bernadeen Brutlag~~ Bruce G.

Manager, Regulatory Services Vice

President, Regulatory Affairs



**CONTROLLED SERVICE**  
**DEFERRED LOAD RIDER** N  
 (Commonly identified as Thermal Storage) N

| DESCRIPTION                             | RATE<br>CODE | N |
|---|--------------|---|
| Deferred Loads                          | 50-197       | N |
| Deferred Loads (Short Duration Cycling) | 50-195       | N |
| Penalty                                 | 50-883       | N |

**RULES AND REGULATIONS:** Terms and conditions of this tariff and the General Rules and Regulations govern use of this schedule. LC  
LC

**AVAILABILITY:** This rider is available for both Residential and nonresidential service to any approved permanently connected deferred loads that can be served under the limited conditions provided; such loads are primarily electric water heating and thermal storage. LC  
LC  
LC

Deferred loads may include heat pumps, domestic electric water heating, and other permanently connected loads that can be interrupted. Subject to the exception below, electric fans, pumps, and other ancillary equipment used in the distribution of heat shall be wired through the Customer's firm service meter. LC  
LC  
LC  
LC

The Company retains the authority to allow a portion of the load to remain on during control periods in situations where 1) it is unfeasible to separately serve the equipment's control systems, or other critical ancillary equipment associated with this load, or 2) if the separation would violate the manufacturer's Underwriters Laboratory (UL) approval or other industry recognized operating standards. Although a minimal amount of fan and pump load may be allowed under this provision, it is not intended to be applied to larger loads such as the fan load on low temperature grain drying. N  
N  
N  
N  
N  
N

NORTH DAKOTA PUBLIC  
 SERVICE COMMISSION  
 in North Dakota  
 Case No. PU-08-86217-  
 Approved by order dated ~~November 25, 2009~~  
Gerhardson  
 President, Regulatory Affairs

EFFECTIVE with bills rendered on  
 and after ~~December 1, 2009~~ January 1, 2018,  
 APPROVED:- ~~Bernadeen Brutlag~~ Bruce G.  
Manager, Regulatory Services Vice

**RATE:**

| <b>CONTROLLED SERVICE - DEFERRED LOAD</b> |                              |                  |        | <b>N</b>  |
|---|------------------------------|------------------|--------|-----------|
| <b>Customer Charge per Month:</b>         |                              |                  | \$3.00 | <b>NR</b> |
| <b>Monthly Minimum Bill:</b>              | Customer + Facilities Charge |                  |        | <b>NR</b> |
| <b>Facilities Charge per Month:</b>       |                              |                  | \$4.00 | <b>NR</b> |
|   | <u>Summer</u>                | <u>Winter</u>    |        |           |
| <b>Energy Charge per kWh:</b>             | 5.1544.784 ¢/kWh             | 5.0024.632 ¢/kWh |        | <b>NR</b> |
| <b>Penalty</b>                            | 33.802 ¢/kWh                 | 11.510 ¢/kWh     |        | <b>NR</b> |

**INTERIM RATE ADJUSTMENT:**

A 10.44 percent increase will be added to the sum of the following, as applicable: Customer Charge, Energy Charge, Demand Charge, Fixed Charge, Facilities Charge, and the monthly Minimum Charge.

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

**DEFINITIONS OF SEASONS:**

Summer: June 1 through September 30.  
Winter: October 1 through May 31.

**PENALTY PERIODS:** Penalty periods are defined as periods when the Company signals to interrupt the Customer's load and the Customer's equipment does not shed the load. Penalty usage will be recorded on the peak register and the total register of the dual register meters. Installation of a dual register meter will be at the option of the Company.

NORTH DAKOTA PUBLIC  
SERVICE COMMISSION  
in North Dakota  
Case No. PU-08-86217-  
Approved by order dated ~~November 25, 2009~~  
Gerhardson  
President, Regulatory Affairs

EFFECTIVE with bills rendered on  
and after ~~December 1, 2009~~ January 1, 2018,  
  
APPROVED:- Bernadeen Brutlag  
Bruce G.  
Manager, Regulatory Services  
Vice



The penalty provision is not intended as a buy-through option. Under no circumstances should the penalty clause of this rider be interpreted as an approved buy-through option for service under this rider. N  
N  
N

**CONTROL CRITERIA:** Service may be controlled for up to a total of 14 hours during any 24-hour period, as measured from midnight to midnight. Under normal circumstances the Company will schedule recovery time following control periods that approach 14 continuous hours. Short-duration cycling will be approximately 15 minutes off/15 minutes on of appropriate cooling equipment during the summer season (June 1-September 30). €  
€  
€  
€  
€

**EQUIPMENT SUPPLIED:** The Company will supply and maintain the necessary standard metering and control equipment. €

NORTH DAKOTA PUBLIC  
 SERVICE COMMISSION  
 in North Dakota  
 Case No. PU-08-86217-  
 Approved by order dated ~~November 25, 2009~~  
Gerhardson  
President, Regulatory Affairs

EFFECTIVE with bills rendered on  
 and after ~~December 1, 2009~~ January 1, 2018,  
 APPROVED:- ~~Bernadeen Brutlag~~ Bruce G.  
Manager, Regulatory Services Vice



**FIXED TIME OF DELIVERY RIDER**  
 (Commonly identified as FIXED TOD)

| DESCRIPTION  | RATE<br>CODE |
|--|--------------|
| Fixed Time of Delivery Service – Self-Contained Metering | 50-301       |
| Penalty  | 50-884       |
| Fixed Time of Delivery Service – CT Metering             | 50-302       |
| Penalty  | 50-885       |
| Fixed Time of Delivery Service – Primary CT Metering     | 50-303       |
| Penalty  | 50-886       |

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

**AVAILABILITY:** This rider is available to Customers with permanently connected thermal storage space heating technologies that are designed and installed with the capability to be operated under the limitation and terms of this rider. Rider threshold determinations will be made based on connected load and service level and will be independent of actual registered demand or energy usage.

**RATE:**

| FIXED TIME OF DELIVERY SERVICE - Self-Contained Metering |                              |                |  |
|--|------------------------------|----------------|--|
| Customer Charge per Month:                               | \$1.00                       |                |  |
| Monthly Minimum Bill:                                    | Customer + Facilities Charge |                |  |
| Facilities Charge per Month:                             | \$3.00                       |                |  |
|  | Summer                       | Winter         |  |
| Energy Charge per kWh:                                   | 2.774404 ¢/kWh               | 2.937567 ¢/kWh |  |
| Penalty:   | 9.400 ¢/kWh                  | 7.385 ¢/kWh    |  |

NORTH DAKOTA PUBLIC  
 SERVICE COMMISSION  
 in North Dakota  
 Case No. PU-08-86217-  
 Approved by order dated ~~November 25, 2009~~  
Gerhardson  
 President, Regulatory Affairs

EFFECTIVE with bills rendered on  
 and after ~~December 1, 2009~~ January 1, 2018,  
 APPROVED: Bernadeen Brutlag Bruce G.  
Manager, Regulatory Services Vice



| <b>FIXED TIME OF DELIVERY SERVICE - CT Metering</b> |                              |  |                |
|---|------------------------------|--|----------------|
| <b>Customer Charge per Month:</b>                   | \$1.50                       |  |                |
| <b>Monthly Minimum Bill:</b>                        | Customer + Facilities Charge |  |                |
| <b>Facilities Charge per Month:</b>                 | \$19.00                      |  |                |
|   | Summer                       |  | Winter         |
| <b>Energy Charge per kWh:</b>                       | 2.774404 ¢/kWh               |  | 2.937567 ¢/kWh |
| <b>Penalty:</b>                                     | 9.400 ¢/kWh                  |  | 7.385 ¢/kWh    |

N  
NR  
NR  
NR  
NR  
NR

| <b>FIXED TIME OF DELIVERY SERVICE – Primary CT Metering</b> |                              |  |                |
|---|------------------------------|--|----------------|
| <b>Customer Charge per Month:</b>                           | \$3.00                       |  |                |
| <b>Monthly Minimum Bill:</b>                                | Customer + Facilities Charge |  |                |
| <b>Facilities Charge per Month:</b>                         | \$9.00                       |  |                |
|   | Summer                       |  | Winter         |
| <b>Energy Charge per kWh:</b>                               | 2.763393 ¢/kWh               |  | 2.926556 ¢/kWh |
| <b>Penalty:</b>   | 9.389 ¢/kWh                  |  | 7.374 ¢/kWh    |

N  
NR  
NR  
NR  
NR  
NR

**INTERIM RATE ADJUSTMENT:**

A 10.44 percent increase will be added to the sum of the following, as applicable: Customer Charge, Energy Charge, Demand Charge, Fixed Charge, Facilities Charge, and the monthly Minimum Charge.

N  
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 or Voluntary Rate Riders selected by the Customer, unless otherwise noted in this rider. See Sections 12.00, 13.00 and 14.00 of the North Dakota electric rates for the matrices of riders.

N  
N  
N  
N

**DEFINITIONS OF SEASONS:**

N

NORTH DAKOTA PUBLIC  
 SERVICE COMMISSION  
 in North Dakota  
 Case No. PU-08-86217-  
 Approved by order dated ~~November 25, 2009~~  
Gerhardson  
 President, Regulatory Affairs

EFFECTIVE with bills rendered on  
 and after ~~December 1, 2009~~ January 1, 2018,  
 APPROVED: Bernadeen Brutlag Bruce G.  
Manager, Regulatory Services Vice



Summer: June 1 through September 30.  
Winter: October 1 through May 31.

N  
N

**PENALTY PERIODS:** Penalty periods are defined as periods when the Company signals to interrupt the Customer's load and the Customer's equipment does not shed the load. Penalty usage will be recorded on the peak register and the total register of the dual register meters. Installation of a dual register meter will be at the option of the Company.

N  
N  
N  
N

The penalty provision is not intended as a buy-through option. Under no circumstances should the penalty clause of this rider be interpreted as an approved buy-through option for service under this rider.

N  
N  
N

**CONTROL CRITERIA:** The Customer will receive electric service from 10:00 p.m. until 6:00 a.m. each day. In all other hours, the Customer's load will be controlled.

€  
€

**EQUIPMENT SUPPLIED:** The Company will supply and maintain the necessary standard metering and control equipment.

€  
€

NORTH DAKOTA PUBLIC  
SERVICE COMMISSION  
in North Dakota  
Case No. PU-08-86217-  
Approved by order dated ~~November 25, 2009~~  
Gerhardson  
President, Regulatory Affairs

EFFECTIVE with bills rendered on  
and after ~~December 1, 2009~~ January 1, 2018,  
  
APPROVED: ~~\_Bernadeen Brutlag~~ Bruce G.  
\_Manager, Regulatory Services Vice

**RESIDENTIAL SERVICE**

| DESCRIPTION         | RATE CODE |
|---------------------|-----------|
| Residential Service | 50-101    |

**RULES AND REGULATIONS:** Terms and conditions of this tariff and the General Rules and Regulations govern use of this schedule.

**APPLICATION OF SCHEDULE:** This schedule is applicable to residential service as defined in the General Rules and Regulations.

**RATE:**

| RESIDENTIAL SERVICE               |                 |       |        |       |
|-----------------------------------|-----------------|-------|--------|-------|
| <b>Customer Charge per Month:</b> | \$8.00          |       |        |       |
| <b>Monthly Minimum Bill:</b>      | Customer Charge |       |        |       |
| <b>Energy Charge per kWh:</b>     | Summer          |       | Winter |       |
| <b>First 1,000:</b>               | 8.074           | ¢/kWh | 7.493  | ¢/kWh |
| <b>Excess:</b>                    | 8.074           | ¢/kWh | 6.803  | ¢/kWh |

**INTERIM RATE ADJUSTMENT:**

A 10.44 percent increase will be added to the sum of the following, as applicable: Customer Charge, Energy Charge, Demand Charge, Fixed Charge, Facilities Charge, and the monthly Minimum Charge.

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

**DEFINITIONS OF SEASONS:**

Summer: June 1 through September 30.  
Winter: October 1 through May 31.

R  
R  
  
N  
N  
N  
N

---

**SEASONAL RESIDENTIAL SERVICE:**

1. These rates and regulations shall apply to seasonal and lake cottage service and to rural residential service only. Resorts, stores, farms and other nonresidential establishments will be billed at the rates provided for such classes of service.
2. Seasonal customers will be billed at the same rate as year-around Customers, except as follows:

Each seasonal Customer will be billed a one-time seasonal fixed charge of \$32.00 in addition to the rate provided above. The fixed charge will be included on the first bill rendered for each season.

Each seasonal Customer will be billed for the number of months each season that the residence or cottage is in use but not less than a minimum of four months, plus the seasonal fixed charge. The Company normally will read meters and render a bill during the months of June, July, August and September. At the Company's option, meters may be read at other times during the year and a bill will be rendered if energy recorded on the meter exceeds 100 kWh.

Bills may be rendered on a two-month basis at the Company's discretion when the energy used exceeds 100 kWh and more than 55 days have elapsed since the previous meter reading.

Seasonal Customers will also be subject to a connection charge of \$40.00 when the account is established.



**RESIDENTIAL DEMAND CONTROL SERVICE**  
(Commonly identified as RDC)

| DESCRIPTION                | RATE CODE |
|----------------------------|-----------|
| Residential Demand Control | 50-241    |

**RULES AND REGULATIONS:** Terms and conditions of this tariff and the General Rules and Regulations govern use of this schedule.

**APPLICATION OF SCHEDULE:** This schedule is applicable to Residential Customers with approved demand control systems.

**RATE:**

| RESIDENTIAL DEMAND CONTROL SERVICE |                          |             |
|------------------------------------|--------------------------|-------------|
| Customer Charge per Month:         | \$18.38                  |             |
| Monthly Minimum Bill:              | Customer + Demand Charge |             |
| Energy Charge per kWh:             | Summer                   | Winter      |
|                                    | 4.257 ¢/kWh              | 4.301 ¢/kWh |
| Demand Charge per kW:              | Summer                   | Winter      |
|                                    | \$6.52 /kW               | \$2.63 /kW  |

R

**INTERIM RATE ADJUSTMENT:**

A 10.44 percent increase will be added to the sum of the following, as applicable: Customer Charge, Energy Charge, Demand Charge, Fixed Charge, Facilities Charge, and the monthly Minimum Charge.

N  
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 or Voluntary Rate Riders selected by the Customer, unless otherwise noted in this rate schedule. See Sections 12.00, 13.00 and 14.00 of the North Dakota electric rates for the matrices of riders.



---

**DEFINITIONS OF SEASONS:**

Summer: June 1 through September 30.

Winter: October 1 through May 31.

**BILLING DEMAND DETERMINATION:** The demand will be determined based on the peak one-hour demand reading recorded during the winter controlled period for the most recent 12 months. An estimated demand of three kW will be used for Customers new to this rate until demand is established.

**DEMAND SIGNAL:** Service may receive a demand signal for up to a total of 14 hours during any 24-hour period, as measured from midnight to midnight. Water heaters served on this tariff will also be included in the Company's summer water heater load control program.



Fergus Falls, Minnesota

**FARM SERVICE**

| DESCRIPTION  | RATE CODE |
|--------------|-----------|
| Farm Service | 50-361    |

**RULES AND REGULATIONS:** Terms and conditions of this tariff and the General Rules and Regulations govern use of this schedule.

**APPLICATION OF SCHEDULE:** This schedule is applicable to general Farm and home use. The Customer may elect to have the following service offerings in the farm home (for residential uses); Residential Service (Section 9.01) or Residential Demand Control Service Schedule (Section 9.02) if all the requirements specified for that schedule are satisfied.

**RATE:**

| FARM SERVICE                     |                              |             |
|----------------------------------|------------------------------|-------------|
| Customer Charge per Month:       | \$12.00                      |             |
| Monthly Minimum Bill:            | Customer + Facilities Charge |             |
| Facilities Charge per Month:     |                              |             |
| Single Phase                     | \$0.00                       |             |
| Three Phase: Overhead <=25kVA    | \$3.37                       |             |
| Three Phase: Overhead > 25kVA    | \$3.93                       |             |
| Three Phase: Underground <=25kVA | \$9.39                       |             |
| Three Phase: Underground > 25kVA | \$10.78                      |             |
| Energy Charge per kWh:           | Summer                       | Winter      |
| First 1600                       | 7.272 ¢/kWh                  | 6.601 ¢/kWh |
| Excess                           | 6.125 ¢/kWh                  | 5.555 ¢/kWh |

R  
R

**INTERIM RATE ADJUSTMENT:**

A 10.44 percent increase will be added to the sum of the following, as applicable: Customer Charge, Energy Charge, Demand Charge, Fixed Charge, Facilities Charge, and the monthly Minimum Charge.

N  
N  
N  
N

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

EFFECTIVE with bills rendered on  
and after January 1, 2018, in North Dakota.

APPROVED: Bruce G. Gerhardson  
Vice President, Regulatory Affairs



Fergus Falls, Minnesota

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

L  
L  
L  
L

**DEFINITIONS OF SEASONS:**

Summer: June 1 through September 30.

Winter: October 1 through May 31.

L  
L  
L

**SMALL GENERAL SERVICE**  
Under 20 kW

| DESCRIPTION                                     | RATE<br>CODE |
|---|--------------|
| Metered Service under 20 kW – Secondary Service | 50-404       |
| Metered Service under 20 kW – Primary Service   | 50-405       |

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

**APPLICATION OF SCHEDULE:** This schedule is applicable to three-phase Residential Customers, and both single and three-phase nonresidential Customers. This schedule is not applicable for energy for resale, nor for municipal outdoor lighting. Emergency and supplementary/standby service will be supplied only as allowed by law.

**RATE:**

| SECONDARY SERVICE          |                 | PRIMARY SERVICE |                 |
|----------------------------|-----------------|-----------------|-----------------|
| Customer Charge per Month: | \$13.00         | \$13.00         |                 |
| Monthly Minimum Bill:      | Customer Charge |                 | Customer Charge |
| Energy Charge per kWh:     | Summer          | Winter          | Summer          |
|                            | 8.139 ¢/kWh     | 7.392 ¢/kWh     | 8.101 ¢/kWh     |
|                            |                 |                 | 7.355 ¢/kWh     |

R

**INTERIM RATE ADJUSTMENT:**

A 10.44 percent increase will be added to the sum of the following, as applicable: Customer Charge, Energy Charge, Demand Charge, Fixed Charge, Facilities Charge, and the monthly Minimum Charge.

N  
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 or Voluntary Rate Riders selected by the Customer, unless otherwise noted in this rate schedule. See Sections 12.00, 13.00 and 14.00 of the North Dakota electric rates for the matrices of riders.

**DEFINITIONS OF SEASONS:**

Summer: June 1 through September 30.

Winter: October 1 through May 31.



Fergus Falls, Minnesota

---

**TERMS AND CONDITIONS:** A Customer may remain on the Small General Service schedule as long as the Customer's maximum demand is less than 20 kW. When the Customer achieves an actual demand of 20 kW or greater, the Customer will be placed on the General Service schedule (Section 10.02) in the next billing month.

**DETERMINATION OF DEMAND:** An estimated or metered demand shall be used to establish the applicability of this schedule, at the option of the Company. This demand shall be the maximum kW for the highest 15-minute period during the month for which a bill is rendered.

---

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

EFFECTIVE with bills rendered on  
and after January 1, 2018, in North Dakota.

APPROVED: Bruce G. Gerhardson  
Vice President, Regulatory Affairs



**GENERAL SERVICE**  
20 kW or Greater

| DESCRIPTION                         | RATE<br>CODE |
|-------------------------------------|--------------|
| General Service – Secondary Service | 50-401       |
| General Service – Primary Service   | 50-403       |

**RULES AND REGULATIONS:** Terms and conditions of this tariff and the General Rules and Regulations govern use of this schedule.

**APPLICATION OF SCHEDULE:** This schedule is applicable to three-phase Residential Customers, and both single and three-phase nonresidential Customers, with a measured demand of at least 20 kW within the most recent 12 months. This schedule is not applicable for energy for resale, nor for municipal outdoor lighting. Emergency and supplementary/standby service will be supplied only as allowed by law.

**RATE:**

|                                     | SECONDARY SERVICE  | PRIMARY SERVICE              |        |             |             |  |        |        |             |             |
|-------------------------------------|--|------------------------------|--------|-------------|-------------|--|--------|--------|-------------|-------------|
| <b>Customer Charge per Month:</b>   | \$12.00  | \$12.00                      |        |             |             |  |        |        |             |             |
| <b>Monthly Minimum Bill:</b>        | Customer + Facilities Charge   | Customer + Facilities Charge |        |             |             |  |        |        |             |             |
| <b>Facilities Charge per Month:</b> | \$0.52/kW  | \$0.38/kW                    |        |             |             |  |        |        |             |             |
| <b>Energy Charge per kWh:</b>       | <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center; border-right: 1px solid black;">Summer</td> <td style="text-align: center;">Winter</td> </tr> <tr> <td style="text-align: center; border-right: 1px solid black;">7.843 ¢/kWh</td> <td style="text-align: center;">7.122 ¢/kWh</td> </tr> </table> | Summer                       | Winter | 7.843 ¢/kWh | 7.122 ¢/kWh | <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center; border-right: 1px solid black;">Summer</td> <td style="text-align: center;">Winter</td> </tr> <tr> <td style="text-align: center; border-right: 1px solid black;">7.806 ¢/kWh</td> <td style="text-align: center;">7.086 ¢/kWh</td> </tr> </table> | Summer | Winter | 7.806 ¢/kWh | 7.086 ¢/kWh |
| Summer                              | Winter   |                              |        |             |             |  |        |        |             |             |
| 7.843 ¢/kWh                         | 7.122 ¢/kWh  |                              |        |             |             |  |        |        |             |             |
| Summer                              | Winter   |                              |        |             |             |  |        |        |             |             |
| 7.806 ¢/kWh                         | 7.086 ¢/kWh  |                              |        |             |             |  |        |        |             |             |

**INTERIM RATE ADJUSTMENT:**

A 10.44 percent increase will be added to the sum of the following, as applicable: Customer Charge, Energy Charge, Demand Charge, Fixed Charge, Facilities Charge, and the monthly Minimum Charge.

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

R  
N  
N  
N

**DEFINITIONS OF SEASONS:**

Summer: June 1 through September 30.

Winter: October 1 through May 31.

**TERMS AND CONDITIONS:** A Customer with a billing demand of less than 20 kW for 12 consecutive months will be required to take service under the Small General Service schedule (Section 10.01).

**DETERMINATION OF FACILITIES CHARGE:** The monthly measured demand will be based on the maximum 15 consecutive minute period measured by a suitable demand meter for the month for which the bill is rendered. The Facilities charge demand will be based on the largest of the most recent 12 monthly measured demands, but in no event will the measured demand be considered less than 20 kW.

**LARGE GENERAL SERVICE**

| DESCRIPTION          | RATE CODE |
|----------------------|-----------|
| Secondary Service    | 50-603    |
| Primary Service      | 50-602    |
| Transmission Service | 50-632    |

**RULES AND REGULATIONS:** Terms and conditions of this tariff and the General Rules and Regulations govern use of this schedule.

**APPLICATION OF SCHEDULE:** This schedule is applicable to nonresidential Customers. This schedule is not applicable for energy for resale, nor for municipal outdoor lighting. Emergency and supplementary/standby service will be supplied only as allowed by law.

**RATE:**

| SECONDARY SERVICE            |  |             |  |
|------------------------------|--|-------------|--|
| Customer Charge per Month:   | \$40.00  |             |  |
| Monthly Minimum Bill:        | Customer Charge + Facilities Charge + Demand Charge (min. 80 kW) |             |  |
| Facilities Charge per Month: | per Annual Maximum kW (Minimum 80 kW per Month)                  |             |  |
|                              | < 1000 kW:   | \$0.30/kW   |  |
|                              | >= 1000 kW:  | \$0.15/kW   |  |
| Energy Charge per kWh:       | Summer   | Winter      |  |
| First 700,000                | 4.745 ¢/kWh  | 4.795 ¢/kWh |  |
| Excess                       | 4.345 ¢/kWh  | 4.391 ¢/kWh |  |
| Demand Charge per kW:        | \$7.29 /kW   | \$5.61 /kW  |  |

R  
R

| <b>PRIMARY SERVICE</b>                      |  |             |  |
|---|--|-------------|--|
| <b>Customer Charge per Month:</b>           | \$40.00  |             |  |
| <b>Monthly Minimum Bill:</b>                | Customer Charge + Facilities Charge + Demand Charge (min. 80 kW) |             |  |
| <b>Facilities Charge per Month:</b>         |  |             |  |
| per annual max. kW (minimum 80kW per Month) |  |             |  |
| All kW:                                     | \$0.11/kW  |             |  |
| <b>Energy Charge per kWh:</b>               | Summer   | Winter      |  |
| First 700,000                               | 4.725 ¢/kWh  | 4.771 ¢/kWh |  |
| Excess                                      | 4.325 ¢/kWh  | 4.367 ¢/kWh |  |
| <b>Demand Charge per kW:</b>                | \$7.24 /kW   | \$5.57 /kW  |  |

R  
R

| <b>TRANSMISSION SERVICE</b>                 |  |             |  |
|---|--|-------------|--|
| <b>Customer Charge per Month:</b>           | \$40.00  |             |  |
| <b>Monthly Minimum Bill:</b>                | Customer Charge + Facilities Charge + Demand Charge (min. 80 kW) |             |  |
| <b>Facilities Charge per Month:</b>         |  |             |  |
| per annual max. kW (minimum 80kW per Month) |  |             |  |
| All kW:                                     | \$0.00/kW  |             |  |
| <b>Energy Charge per kWh:</b>               | Summer   | Winter      |  |
| First 700,000                               | 4.604 ¢/kWh  | 4.626 ¢/kWh |  |
| Excess                                      | 4.204 ¢/kWh  | 4.222 ¢/kWh |  |
| <b>Demand Charge per kW:</b>                | \$5.88 /kW   | \$4.73 /kW  |  |

R  
R



**INTERIM RATE ADJUSTMENT:**

A 10.44 percent increase will be added to the sum of the following, as applicable: Customer Charge, Energy Charge, Demand Charge, Fixed Charge, Facilities Charge, and the monthly Minimum Charge.

N  
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 or Voluntary Rate Riders selected by Customer, unless otherwise noted in this rate schedule. See Sections 12.00, 13.00 and 14.00 of the North Dakota electric rates for the matrices of riders.

**DEFINITIONS OF SEASONS:**

Summer: June 1 through September 30.  
Winter: October 1 through May 31.

**DETERMINATION OF FACILITIES CHARGE:** The monthly measured demand will be based on the greater of 80 kW or the maximum 15 consecutive minute period measured by a suitable demand meter for the month for which the bill is rendered. The Facilities charge demand will be based on the largest of the most recent 12 monthly measured demands.

**DETERMINATION OF BILLING DEMAND:** The billing demand shall be the greater of 80 kW or the maximum kW as measured by a suitable demand meter for any period of 15 consecutive minutes during the month for which the bill is rendered adjusted for Excess Reactive Demand.

**ADJUSTMENT FOR EXCESS REACTIVE DEMAND:** The billing demand shall be increased by one kW for each whole 10 kvar of measured reactive demand in excess of 50% of the measured demand in kW.



Fergus Falls, Minnesota

**COMMERCIAL SERVICE - TIME OF USE**

| DESCRIPTION   | RATE CODE |
|---------------|-----------|
| Declared-Peak | 50-708    |
| Intermediate  | 50-709    |
| Off-Peak      | 50-710    |

**RULES AND REGULATIONS:** Terms and conditions of this tariff and the General Rules and Regulations govern use under this schedule.

**APPLICATION OF SCHEDULE:** This schedule is applicable to nonresidential Customers with one meter providing electrical service, with a measured demand of at least 20 kW within the most recent 12 months.

**RATE:**

| COMMERCIAL SERVICE - TIME OF USE  |                              |              |  |
|---|------------------------------|--------------|--|
| Customer Charge per Month:  | \$16.00                      |              |  |
| Monthly Minimum Bill:   | Customer + Facilities Charge |              |  |
| Facilities Charge per Month:<br>per annual max. kW (minimum 20kW per Month) | \$0.52 /kW                   |              |  |
| Energy Charge per kWh:  | Summer                       | Winter       |  |
| Declared-Peak   | 20.293 ¢/kWh                 | 13.309 ¢/kWh |  |
| Intermediate  | 6.634 ¢/kWh                  | 6.728 ¢/kWh  |  |
| Off-Peak  | 3.779 ¢/kWh                  | 3.925 ¢/kWh  |  |
| Demand Charge per kW:   | Summer                       | Winter       |  |
| Declared-Peak   | \$0.00 /kW                   | \$0.00 /kW   |  |
| Intermediate  | \$2.51 /kW                   | \$2.90 /kW   |  |
| Off-Peak  | \$0.00 /kW                   | \$0.00 /kW   |  |

R  
R  
R



Fergus Falls, Minnesota

**INTERIM RATE ADJUSTMENT:**

A 10.44 percent increase will be added to the sum of the following, as applicable: Customer Charge, Energy Charge, Demand Charge, Fixed Charge, Facilities Charge, and the monthly Minimum Charge.

N  
N  
N  
N

**TERMS AND CONDITIONS:** A Customer with a billing demand of less than 20 kW for 12 consecutive months will have the option to take service under the Small General Service schedule (Section 10.01).

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

**DEFINITION OF DECLARED, INTERMEDIATE AND OFF-PEAK PERIODS BY SEASON:**

**WINTER SEASON - OCTOBER 1 THROUGH MAY 31 BILLINGS**

Declared-Peak: Hours declared (see Declared Peak Notification)

Intermediate: All hours other than declared-peak and off-peak

Off-Peak: For all kW and kWh used Weekdays or Saturdays from 10:00 p.m. to 6:00 a.m., all day Sunday

**SUMMER SEASON - JUNE 1 THROUGH SEPTEMBER 30 BILLINGS**

Declared-Peak: Hours declared (see Declared-Peak Notification)

Intermediate: All hours other than declared-peak and off-peak

Off-Peak: For all kW and kWh used Weekdays or Saturdays from 10:00 p.m. to 6:00 a.m., all day Sunday

**DECLARED-PEAK NOTIFICATION:** The Company shall make available to Customers, no later than 4:00 p.m. (Central Time) of the preceding day, "declared-peak" designations for the next business day. Except for unusual periods, the Company will make "declared-peak" designations for Saturday through Monday available to Customers on the previous Friday. More than one-day-ahead "declared-peak" designations may also be used for the following holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving, and Christmas.

Because circumstances prevent the Company from projecting "declared-peak" designations more



Fergus Falls, Minnesota

---

than one day in advance, the Company reserves the right to revise and make available to Customers "declared-peak" designations for Sunday, Monday, any of the holidays mentioned above, or for the day following a holiday. Any revised "declared-peak" designations shall be made available by the usual means no later than 4:00 p.m. of the day prior to the prices taking effect.

The Company is not responsible for the Customer's failure to receive or obtain and act upon the "declared-peak" designations. If the Customer does not receive or obtain the "declared-peak" designations made available by the Company, it is the Customer's responsibility to notify the Company by 4:30 p.m. (Central Time) of the business day preceding the day that the "declared-peak" designations are to take effect. The Company will be responsible for notifying the Customer if prices are revised.

**DETERMINATION OF DEMAND:** The billing demand shall be the maximum demand in kW registered over any period of one hour for the month the bill is rendered.

**DETERMINATION OF FACILITIES CHARGE:** The monthly measured demand will be based on the maximum demand in kW registered over any one-hour period by a suitable demand meter for the month for which the bill is rendered. The Facilities Charge demand will be the greater of 20 kW or the largest of the most recent 12 monthly measured demands.



Fergus Falls, Minnesota

**LARGE GENERAL SERVICE - TIME OF DAY - EXPERIMENTAL**

| DESCRIPTION          | On-Peak | Shoulder | Off-Peak |
|----------------------|---------|----------|----------|
| Secondary Service    | 50-611  | 50-615   | 50-613   |
| Primary Service      | 50-610  | 50-614   | 50-612   |
| Transmission Service | 50-639  | 50-637   | 50-640   |

**RULES AND REGULATIONS:** Terms and conditions of this tariff and the General Rules and Regulations govern use of this schedule.

**APPLICATION OF SCHEDULE:** This schedule is applicable to nonresidential Customers with measured demand of at least 80 kW within the most recent 12 months.

**RATE:**

| SECONDARY SERVICE  |   |             |  |
|--|---|-------------|--|
| Customer Charge per Month:   | \$60.00                                 |             |  |
| Monthly Minimum Bill:  | \$325.00 + Customer + Facilities Charge |             |  |
| Facilities Charge per Month:<br>per Annual Maximum kW<br>(Minimum 80 kW per Month) |   |             |  |
| < 1000 kW:   | \$0.30/kW                               |             |  |
| >= 1000 kW:  | \$0.15/kW                               |             |  |
| Energy Charge per kWh:   | Summer                                  | Winter      |  |
| On-Peak  | 7.780 ¢/kWh                             | 6.944 ¢/kWh |  |
| Shoulder   | 5.877 ¢/kWh                             | 5.579 ¢/kWh |  |
| Off-Peak   | 3.351 ¢/kWh                             | 3.829 ¢/kWh |  |
| Demand Charge per kW:  | Summer                                  | Winter      |  |
| On-Peak  | \$5.75 /kW                              | \$4.42 /kW  |  |
| Shoulder   | \$1.59 /kW                              | \$1.22 /kW  |  |
| Off-Peak   | \$0.00 /kW                              | \$0.00 /kW  |  |

R  
R  
R

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

EFFECTIVE with bills rendered on  
and after January 1, 2018, in North Dakota

APPROVED: Bruce G. Gerhardson  
Vice President, Regulatory Affairs



Fergus Falls, Minnesota

| <b>PRIMARY SERVICE</b>  |   |  |             |
|---|---|--|-------------|
| <b>Customer Charge per Month:</b>   | \$60.00                                 |  |             |
| <b>Monthly Minimum Bill:</b>  | \$325.00 + Customer + Facilities Charge |  |             |
| <b>Facilities Charge per Month:<br/>Per Annual Maximum kW<br/>(Minimum 80 kW)</b> | \$0.11                                  |  |             |
| <b>Energy Charge per kWh:</b>   | Summer                                  |  | Winter      |
| <b>On-Peak</b>  | 7.745 ¢/kWh                             |  | 6.908 ¢/kWh |
| <b>Shoulder</b>   | 5.851 ¢/kWh                             |  | 5.551 ¢/kWh |
| <b>Off-Peak</b>   | 3.339 ¢/kWh                             |  | 3.811 ¢/kWh |
| <b>Demand Charge per kW:</b>  | Summer                                  |  | Winter      |
| <b>On-Peak</b>  | \$5.71 /kW                              |  | \$4.39 /kW  |
| <b>Shoulder</b>   | \$1.57 /kW                              |  | \$1.21 /kW  |
| <b>Off-Peak</b>   | \$0.00 /kW                              |  | \$0.00 /kW  |
| <b>TRANSMISSION SERVICE</b>   |   |  |             |
| <b>Customer Charge per Month:</b>   | \$60.00                                 |  |             |
| <b>Monthly Minimum Bill:<br/>Per Annual Maximum kW<br/>(Minimum 80 kW)</b>        | \$325.00 + Customer + Facilities Charge |  |             |
| <b>Facilities Charge per Month:</b>   | \$0.00                                  |  |             |
| <b>Energy Charge per kWh:</b>   | Summer                                  |  | Winter      |
| <b>On-Peak</b>  | 7.530 ¢/kWh                             |  | 6.693 ¢/kWh |
| <b>Shoulder</b>   | 5.696 ¢/kWh                             |  | 5.382 ¢/kWh |
| <b>Off-Peak</b>   | 3.265 ¢/kWh                             |  | 3.700 ¢/kWh |
| <b>Demand Charge per kW:</b>  | Summer                                  |  | Winter      |
| <b>On-Peak</b>  | \$4.86 /kW                              |  | \$3.74 /kW  |
| <b>Shoulder</b>   | \$1.06 /kW                              |  | \$0.82 /kW  |
| <b>Off-Peak</b>   | \$0.00 /kW                              |  | \$0.00 /kW  |

R  
R  
R

R  
R  
R

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

EFFECTIVE with bills rendered on  
and after January 1, 2018, in North Dakota  
  
APPROVED: Bruce G. Gerhardson  
Vice President, Regulatory Affairs



Fergus Falls, Minnesota

**INTERIM RATE ADJUSTMENT:**

A 10.44 percent increase will be added to the sum of the following, as applicable: Customer Charge, Energy Charge, Demand Charge, Fixed Charge, Facilities Charge, and the monthly Minimum Charge.

N  
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 or Voluntary Rate Riders selected by the Customer, unless otherwise noted in this rate schedule. See Sections 12.00, 13.00 and 14.00 of the North Dakota electric rates for the matrices of riders.

**DEFINITIONS OF SEASONS:**

Summer: June 1 through September 30.

Winter: October 1 through May 31.

**DETERMINATION OF FACILITIES CHARGE:** The monthly measured demand will be based on the maximum demand in kW registered over any one-hour period by a suitable demand meter for the month for which the bill is rendered. The Facilities charge demand will be the greater of 80 kW or the largest of the most recent 12 monthly measured demands.

**METERED AND ESTABLISHED DEMAND:** The Metered Demand shall be the maximum kW registered over any period of one hour during the month for which the bill is rendered. The Established Demand shall be the Metered Demand adjusted for excess reactive demand.

**ADJUSTMENT FOR EXCESS REACTIVE DEMAND:** The Metered Demand shall be increased by one kW for each whole ten kVar of reactive demand in excess of 50% of the measured demand in kW.

**DEFINITION OF ON-PEAK, SHOULDER AND OFF-PEAK PERIODS BY SEASON:**

**WINTER SEASON - OCTOBER 1 THROUGH MAY 31 BILLINGS**

On-Peak: For all kW and kWh used Monday through Friday between 7:00 a.m. and 12:00 noon, and between 5:00 p.m. and 9:00 p.m.

Shoulder: For all kW and kWh used Monday through Friday hours 6:00 a.m. to 7:00 a.m., hours 12:00 noon to 5:00 p.m. and hours 9:00 p.m. to 10:00 p.m. and, Saturday through Sunday 6:00 p.m. to 10:00 p.m.

Off-Peak: For all other kW and kWh used Monday through Friday hours 10:00 p.m. to 9:00 a.m. and, Saturday and Sunday 10:00 p.m. through 9:00 a.m.



Fergus Falls, Minnesota

Interim  
North Dakota, Section 10.05  
ELECTRIC RATE SCHEDULE  
Large General Service – Time of Day - Experimental  
Page 4 of 4  
Third Revision

---

SUMMER SEASON - JUNE 1 THROUGH SEPTEMBER 30 BILLINGS

On-Peak: For all kW and kWh used Monday through Friday between 1:00 p.m. and 7:00 p.m.

Shoulder: For all kW and kWh used Monday through Friday 9:00 a.m. to 1:00 p.m., and 7:00 p.m. to 10:00 p.m., Saturday through Sunday 9:00 a.m. to 10:00 p.m.

Off-Peak: For all kW and kWh used Monday through Friday hours 10:00 p.m. to 9:00 a.m. and, Saturday and Sunday 10:00 p.m. through 9:00 a.m.

**CONTRACT PERIOD & AGREEMENT**: Contract period will be outlined in agreement.

---

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

---

EFFECTIVE with bills rendered on  
and after January 1, 2018, in North Dakota

APPROVED: Bruce G. Gerhardson  
Vice President, Regulatory Affairs



Fergus Falls, Minnesota

**STANDBY SERVICE**

| DESCRIPTION          | OPTION A: FIRM |          |          | OPTION B: NON-FIRM |          |          |
|----------------------|----------------|----------|----------|--------------------|----------|----------|
|                      | On-Peak        | Shoulder | Off-Peak | On-Peak            | Shoulder | Off-Peak |
| Transmission Service | 50-941         | 50-942   | 50-943   | 50-950             | 50-951   | 50-952   |
| Primary Service      | 50-944         | 50-945   | 50-946   | 50-953             | 50-954   | 50-955   |
| Secondary Service    | 50-947         | 50-948   | 50-949   | 50-956             | 50-957   | 50-958   |

**RULES AND REGULATIONS:** Terms and conditions of this schedule and the General Rules and Regulations govern use of this schedule.

**APPLICATION OF SCHEDULE:** This schedule provides Backup, Scheduled Maintenance, and Supplemental Services. This schedule is applicable to any Customer who has the following conditions:

1. Requests to become a Standby Service Customer of the Company. Otherwise, the Company views the Customer as a Non-Standby Service Customer. For information about the different categories of Non-Standby Service Customers, including exemptions from Standby Service, please see Definitions and Useful Terms.
2. Utilizes Extended Parallel Generation Systems to meet all or a portion of electrical requirements, which is capable of greater than 60 kW. Customers with Extended Parallel Generation Systems used to meet all or a portion of electrical requirements that are capable of 60 kW or less are considered Non-Standby Service Customers and exempt from paying standby charges. Please see Attachment No. 1-Definitions for more information regarding Non-Standby Service Customers.

The Company delivers alternating current service at transmission, primary or secondary voltage under this rate schedule, supplied through one meter.

Power production equipment at the Customer site shall not operate in parallel with the Company's system until the installation has been inspected by an authorized Company representative and final written approval is received from the Company to commence parallel operation.



Fergus Falls, Minnesota

**RATE:**

| <b>OPTION A: FIRM STANDBY</b>   |   |   |   |
|---|---|---|---|
|   | <b>Transmission Service</b>                         | <b>Primary Service</b>                              | <b>Secondary Service</b>                            |
| <b>Firm Standby Fixed Charges</b>   |   |   |   |
| Customer Charge   | \$199.00/month                                      | \$199.00/month                                      | \$199.00/month                                      |
| Minimum Monthly Bill  | Customer + Reservation + Standby Facilities Charges | Customer + Reservation + Standby Facilities Charges | Customer + Reservation + Standby Facilities Charges |
| Summer Reservation Charge per month per kW of Contracted Backup Demand              | 81.704 ¢/kW   | 84.590 ¢/kW   | 85.069 ¢/kW   |
| Winter Reservation Charge per month per kW of Contracted Backup Demand              | 9.254 ¢/kW  | 9.634 ¢/kW  | 9.697 ¢/kW  |
| Standby Distribution Facilities charge per month per kW of Contracted Backup Demand | Not Applicable                                      | 11.00 ¢/kW  | 30.00 ¢/kW  |
| <b>Firm Standby On-Peak Demand Charge - Summer</b>                                  |   |   |   |
| Metered Demand per day per kW On-Peak Backup Charge                                 | 35.865 ¢/kW   | 48.683 ¢/kW   | 49.076 ¢/kW   |
| <b>Firm Standby On-Peak Demand Charge - Winter</b>                                  |   |   |   |
| Metered Demand per day per kW On-Peak Backup Charge                                 | 28.694 ¢/kW   | 31.978 ¢/kW   | 32.187 ¢/kW   |
| <b>Firm Standby Energy Charges - Summer</b>   |   |   |   |
| Energy Charges per kWh  |   |   |   |
| On-Peak Charge  | 7.530 ¢/kWh   | 7.745 ¢/kWh   | 7.780 ¢/kWh   |
| Shoulder Charge   | 5.696 ¢/kWh   | 5.851 ¢/kWh   | 5.877 ¢/kWh   |
| Off-Peak Charge   | 3.265 ¢/kWh   | 3.339 ¢/kWh   | 3.351 ¢/kWh   |
| <b>Firm Standby Energy Charges - Winter</b>   |   |   |   |
| Energy Charges per kWh  |   |   |   |
| On-Peak Charge  | 6.693 ¢/kWh   | 6.908 ¢/kWh   | 6.944 ¢/kWh   |
| Shoulder Charge   | 5.382 ¢/kWh   | 5.551 ¢/kWh   | 5.579 ¢/kWh   |
| Off-Peak Charge   | 3.700 ¢/kWh   | 3.811 ¢/kWh   | 3.829 ¢/kWh   |

R  
R  
R  
  
R  
R  
R

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

EFFECTIVE with bills rendered on and after January 1, 2018, in North Dakota

APPROVED: Bruce G. Gerhardson  
 Vice President, Regulatory Affairs



Fergus Falls, Minnesota

| <b>OPTION B: NON-FIRM STANDBY</b>                                      |  |  |  |
|--|--|--|--|
|  | <b>Transmission Service</b>                        | <b>Primary Service</b>                             | <b>Secondary Service</b>                           |
| <b>Non-Firm Standby Fixed Charges</b>                                  |  |  |  |
| Customer Charge  | \$199.00/month                                     | \$199.00/month                                     | \$199.00/month                                     |
| Minimum Monthly Bill   | Customer + Reservation + Standby Facilities Charge | Customer + Reservation + Standby Facilities Charge | Customer + Reservation + Standby Facilities Charge |
| Reservation Charge per month per kW of Contracted Backup Demand        | Not Available                                      | Not Available                                      | Not Available                                      |
| Standby Facilities charge per month per kW of Contracted Backup Demand | Not Applicable                                     | 11.00 ¢/kW   | 30.00 ¢/kW   |
| <b>Non-Firm Standby On-Peak Demand Charge - Summer</b>                 |  |  |  |
| Metered Demand per day per kW On-Peak Backup Charge                    | Not Available                                      | Not Available                                      | Not Available                                      |
| <b>Non-Firm Standby On-Peak Demand Charge - Winter</b>                 |  |  |  |
| Metered Demand per day per kW On-Peak Backup Charge                    | Not Available                                      | Not Available                                      | Not Available                                      |
| <b>Non-Firm Standby Energy Charges - Summer</b>                        |  |  |  |
| Energy Charges per kWh   |  |  |  |
| On-Peak Charge   | Not Available                                      | Not Available                                      | Not Available                                      |
| Shoulder Charge  | 5.696 ¢/kWh  | 5.851 ¢/kWh  | 5.877 ¢/kWh  |
| Off-Peak Charge  | 3.265 ¢/kWh  | 3.339 ¢/kWh  | 3.351 ¢/kWh  |
| <b>Non-Firm Standby Energy Charges - Winter</b>                        |  |  |  |
| Energy Charges per kWh   |  |  |  |
| On-Peak Charge   | Not Available                                      | Not Available                                      | Not Available                                      |
| Shoulder Charge  | 5.382 ¢/kWh  | 5.551 ¢/kWh  | 5.579 ¢/kWh  |
| Off-Peak Charge  | 3.700 ¢/kWh  | 3.811 ¢/kWh  | 3.829 ¢/kWh  |

R  
R

R  
R

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

EFFECTIVE with bills rendered on  
 and after January 1, 2018, in North Dakota

APPROVED: Bruce G. Gerhardson  
 Vice President, Regulatory Affairs



Fergus Falls, Minnesota

**INTERIM RATE ADJUSTMENT:**

A 10.44 percent increase will be added to the sum of the following, as applicable: Customer Charge, Energy Charge, Demand Charge, Fixed Charge, Facilities Charge, and the monthly Minimum Charge.

N  
N  
N  
N

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

**DETERMINATION OF METERED DEMAND:** Metered Demand shall be based on the maximum kW registered over any period of one hour during the month in which the bill is rendered.

**CONTRACT PERIOD:** Standby Service is applicable only by signed agreement, setting forth the location and conditions applicable to the electric service, such as the Contracted Backup Demand, type of standby service (Option A or B), excess facilities required for service and other applicable terms and conditions, and providing for an initial minimum contract period of one year, unless otherwise authorized by the Company.

**TERMS AND CONDITIONS:**

1. The Company's meter will measure power and energy from the Company to the Customer. Any flow of power and energy from the Customer to the Company will be separately metered under one of the Company's Purchase Power Rate Schedules, or by contract.
2. Option A - Firm Standby: Exclusive of any scheduled maintenance hours, if the number of hours on which Backup Service is supplied exceeds 120 On-Peak hours in the Summer season and 240 On-Peak hours in the Winter season, the Customer may be required to take service under a standard, non-standby, rate schedule.
3. Option B – Non-Firm Standby: Backup Service is not available during any On-peak season. This service is only available in the Summer Shoulder and Summer Off-Peak and Winter Shoulder and Winter Off-Peak hours on a non-firm basis. The Company makes no guarantee that this service will be available; however, the Company will make reasonable efforts to provide Backup Service under Option B whenever possible.
4. One year (12 months) written notice to the Company is required to convert from this



Fergus Falls, Minnesota

standby service to regular firm service, unless authorized by the Company.

5. Any Excess Facilities Investment required to furnish service under this Tariff will be provided at the Customer's expense.
6. The Customer shall indemnify the Company against all liability which may result from any and all claims for damages to property and injury or death to persons which may arise out of or be caused by the erection, maintenance, presence, or operation of the Customer generation facility or by any related act or omission of the Customer, its employees, agents, contractors or subcontractors.
7. During times of Customer generation, the Customer will be expected to provide vars as needed to serve their load. The Customer will provide equipment to maintain a unity power factor + or - 10% for Supplemental Service, and when the Customer is taking Backup Service from the Company.

#### **DEFINITIONS AND USEFUL TERMS:**

**Backup Demand** (a component of Backup Service) is the demand taken when On-peak demand provided by the Company is used to make up for reduced output from the Customer's generation. The total monthly backup charge will not exceed the sum of the ten highest daily charges for Backup Demand, if any.

**Backup Service** is the energy and demand supplied by the utility during unscheduled outages of the Customer's generator.

**Billing Demand** is the Customer's Demand used by the Company for billing purposes.

**Capacity** is the ability to functionally serve a required load on a continuing basis.

**Contracted Backup Demand** is the amount of capacity selected to backup Customer's generation, not to exceed the capability of the Customer's generator.

**Demand** is the rate at which electric energy is delivered to or by a system, part of a system, or a piece of equipment and is expressed in Kilowatts ("kW") or megawatts ("MW").

**Energy** is the Customer's electric consumption requirement, measured in Kilowatt-hours ("kWh").

**Extended Parallel Generation Systems** are generation systems that are designed to



Fergus Falls, Minnesota

remain connected in parallel to and in phase with the utility distribution system for an extended period of time.

**Excess Facility Investments** are facilities required to provide service to the generation system that are not provided in Company retail service schedules. The Customer is required to pay up-front for these facilities and pay maintenance costs as long as the facilities are required.

**MAPP** is the Mid-Continent Area Power Pool or any successor agency assuming or charged with similar responsibility.

**MISO** is the Midwest Independent Transmission System Operator that assures industry consumers of unbiased regional grid management and open access to the transmission facilities under Midwest ISO's functional supervision.

**Non-Standby Service Customer** is a Customer who a) does not request and receive approval of Standby Services from the Company or, b) is exempt from paying any standby charges as allowed by law or Commission Order or, c) in lieu of service under this tariff, may provide Physical Assurance, or d) will take service from any of the Company's other approved base tariffs.

Customers with Extended Parallel Generation Systems used to meet all or a portion of electrical requirements that are capable of 60 kW or less are considered Non-Standby Service Customers and exempt from paying standby charges.

Standby Service for Customers with Extended Parallel Generation Systems used to meet all or a portion of electrical requirements that are capable of 60 kW or less is available under the Customer's base rate.

For Large General Service or Large General Service-Time of Use Customers, a Special Minimum Demand may apply.

For more information regarding Extended Parallel Generation Systems, Physical Assurance Customers, Special Minimum Demand, and Standby Service for Customers, please see these terms under Definitions.

**Physical Assurance Customer** is a Customer who agrees not to require standby services and has an approved mechanical device, inspected and approved by a Company representative, to insure standby service is not taken. The cost of the mechanical device is to be paid by the Customer.



Fergus Falls, Minnesota

**Renewable Energy Attributes** refer to the benefits of the energy from being generated by a renewable resource rather than a fossil-fueled resource.

**Renewable Energy Credit** is typically viewed as a certification that something was generated by a renewable resource.

**Renewable Resource Premium** refers to the extra payment received on top of the regular avoided costs. This extra payment is to reflect the value of the Renewable Energy Credit, which is a certification of the Renewable Energy Attributes.

**Reservation Charge Per kW Per Month** is the charge that recovers the planned generation reserve margin of the utility times the applicable capacity charge.

**Scheduled Maintenance Service** is defined as the energy and demand supplied by the utility during scheduled outages. The daily On-peak backup demand charge under Variable Charges of the "Rate" Section will be waived for a maximum continuous period of 30 days per calendar year to allow for maintenance of the Customer generation source. Waiver is only valid during the months of April, May, October, and November, and with a minimum of five working days (excludes weekends and holidays) written notice to the Company. In certain cases, such as very large Customers, the Company and the Customer will mutually agree to different maintenance schedules as listed above.

**Special Minimum Demand** is a special demand calculation that the Company may use at its option for Large General Service or Large General Service-Time of Day Customers. The terms are outlined in Sections 10.03 and 10.05.

**Standby Service Customer** is a Customer who receives the following services from the Company, Section 11.01; backup power for non-Company generation, supplemental power, and scheduled maintenance power. These services are not applicable for resale, municipal outdoor lighting, or Customers with emergency standby generators.

**Summer On-Peak:** For all Summer Season kW and kWh used Monday through Friday between 1:00 p.m. and 7:00 p.m.

**Summer Off-Peak:** For all other Summer Season kW and kWh not covered by either shoulder or off-peak.

**Summer Season** is the period from June 1 through September 30.

**Summer Shoulder:** For all Summer Season kW and kWh used Monday through



Fergus Falls, Minnesota

---

Friday 9:00 a.m. to 1:00 p.m., and 7:00 p.m. to 10:00 p.m., Saturday through Sunday  
9:00 a.m. to 10:00 p.m.

**Supplemental Service** is the energy and demand supplied by the utility in addition to the capability of the on-site generator. Except for determination of Demand, Supplemental Service shall be provided under Standard Rate Schedule 10.05.

**Supplemental Demand** (a component of Supplemental Service) is the metered demand measured on a Company meter during on-peak and off-peak periods, less Contracted Backup Demand.

**Winter Season** is the period from October 1 through May 31.

**Winter Off-Peak:** All other Winter Season kW and kWh not covered by either shoulder or off-peak.

**Winter On-Peak:** For all Winter Season kW and kWh used Monday through Friday between 7:00 a.m. and 12:00 noon, and between 5:00 p.m. and 9:00 p.m.

**Winter Shoulder:** For all Winter Season kW and kWh used Monday through Friday hour 6:00 a.m. to 7:00 a.m., hours 12:00 noon to 5:00 p.m. and hour 9:00 pm to 10:00 p.m. and, Saturday through Sunday 6:00 p.m. to 10:00 p.m.

**IRRIGATION SERVICE**

| DESCRIPTION               | RATE<br>CODES |
|---------------------------|---------------|
| Option 1: Non-Time-of-Use | 50-703        |
| Option 2: Declared-Peak   | 50-704        |
| Option 2: Intermediate    | 50-705        |
| Option 2: Off-Peak        | 50-706        |

**RULES AND REGULATIONS:** Terms and conditions of this tariff and the General Rules and Regulations govern use of this schedule.

**APPLICATION OF SCHEDULE:** This service is applicable to Customers for pumping water for irrigation of land during the irrigation season, April 15 through November 1.

**RATE:**

| OPTION 1                            |                              |       |             |
|-------------------------------------|------------------------------|-------|-------------|
| <b>Customer Charge per Month:</b>   | \$1.00                       |       |             |
| <b>Monthly Minimum Bill:</b>        | Customer + Facilities Charge |       |             |
| <b>Facilities Charge per Month:</b> | Customer-Specific see Tariff |       |             |
|                                     | Summer                       |       | Winter      |
| <b>Energy Charge per kWh:</b>       | 6.526                        | ¢/kWh | 4.775 ¢/kWh |

**R**

| <b>OPTION 2</b>                     |                              |       |        |       |
|-------------------------------------|------------------------------|-------|--------|-------|
| <b>Customer Charge per Month:</b>   | \$5.00                       |       |        |       |
| <b>Monthly Minimum Bill:</b>        | Customer + Facilities Charge |       |        |       |
| <b>Facilities Charge per Month:</b> | Customer-Specific see Tariff |       |        |       |
| <b>Energy Charge per kWh:</b>       | Summer                       |       | Winter |       |
| <b>Declared-Peak</b>                | 14.080                       | ¢/kWh | 8.390  | ¢/kWh |
| <b>Intermediate</b>                 | 5.071                        | ¢/kWh | 4.741  | ¢/kWh |
| <b>Off-Peak</b>                     | 2.272                        | ¢/kWh | 2.242  | ¢/kWh |

R  
R  
R

**INTERIM RATE ADJUSTMENT:**

A 10.44 percent increase will be added to the sum of the following, as applicable: Customer Charge, Energy Charge, Demand Charge, Fixed Charge, Facilities Charge, and the monthly Minimum Charge.

N  
N  
N  
N

**FACILITIES CHARGE:** Customers served under this rate shall pay an annual fixed charge equal to 18% of the investment of the Company in the extension of lines, including any rebuilding or cost of capacity increase in lines or apparatus necessary because of the irrigation pumping load.

Alternatively, Customers may prepay the installation and cost of the equipment and shall pay an annual fixed charge equal to 3.5% of the investment of the Company, in lieu of the 18% annual fixed charge.

In either option, equipment remains the property of the Company. This charge shall be reviewed if additional Customers are connected to the extension within five years. The annual fixed charge will be billed in seven equal monthly installments May through November of each year.

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

**DEFINITION OF DECLARED, INTERMEDIATE AND OFF-PEAK PERIODS BY SEASON:**

**WINTER SEASON** – April 15 through May 31, and October 1 through November 1.

Declared-Peak: Hours declared.

Intermediate: All hours other than declared-peak and off-peak.

Off-Peak: For all kWh used Weekdays or Saturdays from 10:00 p.m. to 6:00 a.m., all day Sunday.

**SUMMER SEASON** – June 1 through September 30

Declared-Peak: Hours declared.

Intermediate: All hours other than declared-peak and off-peak.

Off-Peak: For all kWh used Weekdays or Saturdays from 10:00 p.m. to 6:00 a.m., all day Sunday.

**CONTRACT PERIOD AND AGREEMENT:** The minimum Contract Period shall be five years.

The Company shall enter into a written agreement with each Customer served at this rate and the Customer shall agree to pay for service at this rate for a minimum period of five years because of the investment of the Customer in pumping and irrigation equipment, and of the Company in the extension of lines.

If, during the terms of such agreement, the Company shall establish a superseding rate for this service, the Customer shall be billed at the superseding rate for the balance of the term of the contract and shall comply with all terms and conditions of the superseding rate. Unless there is additional investment by the Company, there shall be no change in the amount of the fixed charge during the term of such agreement regardless of the provisions of any superseding rate.

An agreement will be entered into with each Customer, specifying the investment necessary to supply service and the fixed charge.



**OUTDOOR LIGHTING – ENERGY ONLY  
 DUSK TO DAWN**

| DESCRIPTION                    | RATE<br>CODES |
|--------------------------------|---------------|
| Sign Lighting                  | 50-744        |
| Outdoor Lighting - Metered     | 50-748        |
| Outdoor Lighting - Non-Metered | 50-749        |

**RULES AND REGULATIONS:** Terms and conditions of this tariff and the General Rules and Regulations govern use of this schedule.

**APPLICATION OF SCHEDULE:** This schedule is applicable to all Customers who choose to own, install, and maintain automatically operated dusk to dawn outdoor lighting equipment. Under the schedule, the Company will provide only the dusk to dawn electric energy.

**EQUIPMENT AND SERVICE OWNERSHIP:** The Customer or other third party shall install and own all equipment necessary for service beyond the point of connection with the Company's electrical system. The point of connection shall be at the meter or disconnect switch, for service provided either overhead or underground. The Customer will be responsible for furnishing and installing a master disconnect switch at the point of connection so as to isolate the Customer's equipment from the Company's electrical system. The Customer's disconnect switch must meet the Company's specifications.

The Customer is responsible for the cost of providing maintenance on the equipment it owns. The Company reserves the right to disconnect the Customer's equipment from the Company's electrical system should the Company determine the Customer's lighting equipment is operated or maintained in an unsafe or improper manner.

**RATE – METERED:**

| OUTDOOR LIGHTING - ENERGY ONLY – METERED RATE |                 |
|---|-----------------|
| Customer Charge per Month:                    | \$2.00          |
| Monthly Minimum Bill:                         | Customer Charge |
| Energy Charge per kWh:                        | 6.608 ¢/kWh     |

**R**



**RATE – NON-METERED:**

**SIGN LIGHTING/OUTDOOR LIGHTING  
NON-METERED RATE**  
Monthly charge = Connected kW x \$22.58, where Connected kW is the  
rated power of the lighting fixture (including ballast).

R

**INTERIM RATE ADJUSTMENT:**

A 10.44 percent increase will be added to the sum of the following, as applicable: Customer Charge, Energy Charge, Demand Charge, Fixed Charge, Facilities Charge, and the monthly Minimum Charge.

N  
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 or Voluntary Rate Riders selected by the Customer, unless otherwise noted in this rate schedule. See Sections 12.00, 13.00 and 14.00 of the North Dakota electric rates for the matrices of riders.

**SERVICE CONDITIONS:** Company-owned lights shall not be attached to Customer-owned property.

The Company shall have the right to periodically review the Customer’s lighting equipment to verify that the rated power (kW) of the non-metered fixtures is consistent with the Company’s records.



**OUTDOOR LIGHTING  
DUSK TO DAWN**

| DESCRIPTION              | RATE<br>CODE |
|--------------------------|--------------|
| Street and Area Lighting | 50-741       |
| Floodlighting            | 50-743       |

**RULES AND REGULATIONS:** Terms and conditions of this tariff and the General Rules and Regulations govern use of this schedule.

**APPLICATION OF SCHEDULE:** This schedule is applicable to any Customer, including a village, town or city, for automatically operated dusk to dawn outdoor lighting supplied and operated by the Company.

**RATE:**

| <b>STREET AND AREA LIGHTING</b> |         |         |                |   |
|---------------------------------|---------|---------|----------------|---|
| Unit Type                       | Lumens  | Wattage | Monthly Charge |   |
| MV-6                            | 6,000   | 175     | \$ 6.64        | R |
| MV-6PT                          | 6,000   | 175     | 9.63           | R |
| MV-11                           | 11,000  | 250     | 12.33          | R |
| MV-21                           | 21,000  | 400     | 16.35          | R |
| MV-35                           | 35,000  | 700     | 24.16          | R |
| MV-55                           | 55,000  | 1000    | 30.99          | R |
|                                 |         |         |                |   |
| MA-8                            | 8,500   | 100     | 8.09           | R |
| MA-14                           | 14,000  | 175     | 15.73          | R |
| MA-20                           | 20,500  | 250     | 18.01          | R |
| MA-36                           | 36,000  | 400     | 17.63          | R |
| MA-110                          | 110,000 | 1000    | 38.04          | R |
|                                 |         |         |                |   |
| HPS-9                           | 9,000   | 100     | 7.15           | R |
| HPS-9PT                         | 9,000   | 100     | 9.35           | R |
| HPS-14                          | 14,000  | 150     | 11.34          | R |
| HPS-14PT                        | 14,000  | 150     | 12.16          | R |
|                                 |         |         |                |   |
| HPS-19                          | 19,000  | 200     | 13.24          | R |
| HPS-23                          | 23,000  | 250     | 15.03          | R |
| HPS-44                          | 44,000  | 400     | 18.64          | R |

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

EFFECTIVE with bills rendered on  
and after January 1, 2018, in North Dakota

APPROVED: Bruce G. Gerhardson  
Vice President, Regulatory Affairs



| <b>FLOODLIGHTING</b> |                        |                |
|----------------------|------------------------|----------------|
| Fixture              | Unit Type              | Monthly Charge |
| 400 MV-Flood         | Mercury Vapor          | \$16.98        |
| 400 MA-Flood         | Metal Additive Mercury | 18.12          |
| 400 HPS-Flood        | High Pressure Sodium   | 18.53          |
| 1000 MV-Flood        | Mercury Vapor          | 30.07          |
| 1000 MA-Flood        | Metal Additive Mercury | 31.74          |

R  
R  
R  
R  
R

Due to the U.S. Government Energy Act of 2005, after July 1, 2008, the Company will no longer install Mercury Vapor fixtures for new installations.

**INTERIM RATE ADJUSTMENT:**

A 10.44 percent increase will be added to the sum of the following, as applicable: Customer Charge, Energy Charge, Demand Charge, Fixed Charge, Facilities Charge, and the monthly Minimum Charge.

N  
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 or Voluntary Rate Riders selected by the Customer, unless otherwise noted in this rate schedule. See Sections 12.00, 13.00 and 14.00 of the North Dakota electric rates for the matrices of riders.

**SEASONAL CUSTOMERS:** Seasonal Customers will be billed at the same rate as year-around Customers, except as follows:

A fixed charge of \$10.80 will be billed each seasonal Customer once per season per fixture in addition to the rate provided above. The fixed charge will be included in the first bill rendered for each season.

Each Customer will be billed for the number of months each season that the outdoor lighting fixture is in use, but not less than a minimum of four months, plus the seasonal fixed charge.

**UNDERGROUND SERVICE:** If a Customer requests underground service to any outdoor lighting unit or sign, the Company will supply a span of up to 200 feet of wire and add an additional \$1.96 to the monthly rate specified above. If overhead service is not available, there is no additional charge. **There is no additional charge for the MV-6PT, HPS-9PT, or the HPS-14PT fixtures.**



---

**EQUIPMENT AND SERVICE SUPPLIED BY THE COMPANY:** The Company will install, own, operate and have discretion to replace or upgrade a high intensity discharge light including suitable reflector or a floodlight including a lamp, bracket for mounting on wood poles with overhead wiring and photo-electric or other device to control operating hours. Customers provided with pole top fixtures on fiberglass poles will not receive overhead power supply. The light shall operate from dusk to dawn. The Company will supply the necessary electricity and maintenance for the unit.

**SERVICE CONDITIONS:** Lighting will not be mounted on Customer-owned property. The light shall be mounted upon a suitable new or existing Company-owned facility. The Company shall own, operate, and maintain the lighting unit including the pole, fixture, lamp, ballast, photoelectric control, mounting brackets, and all necessary wiring using the Company's standard streetlighting equipment. The Company shall furnish all electric energy required for operation of the unit.

In case of vandalism or damages, the Company has the discretion to discontinue service and remove Company equipment.



**MUNICIPAL PUMPING SERVICE**

| DESCRIPTION       | RATE<br>CODE |
|-------------------|--------------|
| Secondary Service | 50-872       |
| Primary Service   | 50-874       |

**RULES AND REGULATIONS:** Terms and conditions of this tariff and the General Rules and Regulations govern use of this schedule.

**APPLICATION OF SCHEDULE:** This schedule is applicable to nonseasonal municipal or other governmental loads only. It shall apply to electric service for motor driven pumps for use at water pumping and treating plants, sewage disposal and treating plants, sewage lift stations and may extend to all lighting and other electrical requirements incidental to the operation of such plants and lift stations at those locations. Municipal buildings adjacent to, but not incidental to the pumping operation, may not be served on this rate.

The rate and monthly minimum shall apply to each meter in service. Except where service through a meter is for electric space heating only, the energy on this meter shall be added to the pumping meter for billing purposes.

The Company retains the authority to allow totalizing at locations where allowed electric space heating load is metered separately from the pumping load. In all other cases the monthly minimum shall apply to each meter providing service under this tariff.

**RATE:**

| SECONDARY SERVICE            |                              |             |
|------------------------------|------------------------------|-------------|
| Customer Charge per Month:   | \$4.00                       |             |
| Monthly Minimum Bill:        | Customer + Facilities Charge |             |
| Facilities Charge per Month: | \$4.00                       |             |
| Energy Charge per kWh:       | Summer                       | Winter      |
|                              | 6.153 ¢/kWh                  | 5.580 ¢/kWh |

**R**



| <b>PRIMARY SERVICE</b>              |                              |             |
|-------------------------------------|------------------------------|-------------|
| <b>Customer Charge per Month:</b>   | \$4.00                       |             |
| <b>Monthly Minimum Bill:</b>        | Customer + Facilities Charge |             |
| <b>Facilities Charge per Month:</b> | \$2.68                       |             |
| <b>Energy Charge per kWh:</b>       | Summer                       | Winter      |
|                                     | 6.124 ¢/kWh                  | 5.552 ¢/kWh |

R  
  
N  
N  
N  
N

**INTERIM RATE ADJUSTMENT:**

A 10.44 percent increase will be added to the sum of the following, as applicable: Customer Charge, Energy Charge, Demand Charge, Fixed Charge, Facilities Charge, and the monthly Minimum Charge.

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

**DEFINITIONS OF SEASONS:**

Summer: June 1 through September 30.  
 Winter: October 1 through May 31.



Fergus Falls, Minnesota

**CIVIL DEFENSE - FIRE SIRENS**

| DESCRIPTION                 | RATE<br>CODE |
|-----------------------------|--------------|
| Civil Defense – Fire Sirens | 50-843       |

**RULES AND REGULATIONS:** Terms and conditions of this tariff and the General Rules and Regulations govern use of this schedule.

**APPLICATION OF SCHEDULE:** This schedule is applicable to separately served civil defense and municipal fire sirens.

**RATE:**

| CIVIL DEFENSE - FIRE SIRENS  |                 |
|------------------------------|-----------------|
| Customer Charge per Month:   | \$1.00          |
| Monthly Minimum Bill:        | Customer Charge |
| Facilities Charge per Month: | \$0.00          |
| Charge per HP:               | 53.193¢/HP      |

**INTERIM RATE ADJUSTMENT:**

A 10.44 percent increase will be added to the sum of the following, as applicable: Customer Charge, Energy Charge, Demand Charge, Fixed Charge, Facilities Charge, and the monthly Minimum Charge.

N  
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 or Voluntary Rate Riders selected by the Customer, unless otherwise noted in this rate schedule. See Sections 12.00, 13.00 and 14.00 of the North Dakota electric rates for the matrices of riders.

**OTHER SIREN SERVICE:** If the siren is served through a tariff applicable to the City Hall, fire hall or other tariffed service, no separate billing shall be made for the siren.

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

EFFECTIVE with bills rendered  
on and after January 1, 2018, in North Dakota  
  
APPROVED: Bruce G. Gerhardson  
Vice President, Regulatory Affairs



Fergus Falls, Minnesota

---

**SERVICE CONDITIONS:** Service shall be provided off of standard distribution facilities typical of those in the general area. If necessary for the Company to install non-standard distribution associated with the non-standard facilities, as part of this tariff the Company will provide an extension of up to one span of wire, not to exceed 200 feet.

The Company shall have the right to periodically review the Customer's Civil Defense-Fire Siren rated horsepower (hp) to verify that the rated hp of the non-metered siren is consistent with the Company's records.



**SMALL POWER PRODUCER RIDER  
OCCASIONAL DELIVERY ENERGY SERVICE  
(Commonly identified as Net Energy Billing)**

Base Avoided Costs Code 50-9020  
Base Avoided Costs plus Renewable Energy Credit Code 50-9021

**AVAILABILITY:** Available to any qualifying facility not exceeding 100 kW of generating capacity.

**METERING CHARGE:** \$1.40 per month

**PAYMENT SCHEDULES:** Base Avoided Costs: 3.271¢ per kWh

Base Avoided Costs plus Renewable Energy Credit: 3.323¢ per kWh

**SPECIAL CONDITIONS OF SERVICE:** The Customer will be required to sign a contract, agreeing to terms and conditions specified for small power producers. The minimum term of the contract is 12 months.

**RULES AND REGULATIONS:** Terms and conditions of this rider and the General Rules and Regulations govern service of this schedule.

**INTERIM RATE ADJUSTMENT:**

A 10.44 percent increase will be added to the sum of the following, as applicable: Customer Charge, Energy Charge, Demand Charge, Fixed Charge, Facilities Charge, and the monthly Minimum Charge.

N  
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 or Voluntary Rate Riders selected by the Customer, unless otherwise noted in this rider. See Sections 12.00, 13.00 and 14.00 of the North Dakota electric rates for the matrices of riders.

**TERMS AND CONDITIONS:**

The use of this rider requires that special precautions be taken in the design of associated metering and control systems. The following terms and conditions describe these precautions and shall be followed on all Customer-owned small qualifying facilities (SQF).

1. The Customer will be compensated monthly for all net energy received from the SQF less the metering charge. Net energy is that energy delivered by the SQF to the Company in excess of that received by the SQF from the Company during the same billing period. The schedule for these payments is subject to annual review.
2. If the SQF is located at a site outside of the Company's service territory and energy is delivered to the Company through facilities owned by another utility, energy payments will be adjusted downward reflecting losses occurring between the point of metering and the point of delivery.
3. If required, a separate meter will be furnished, owned and maintained by the Company to measure the energy to the Company. Separate monthly charges may apply for any additional metering installed by the Company at the Customer's request.
4. The SQF shall make provisions for the installation of Company owned on-site metering. All energy received from and delivered to the Company shall be metered. On-site use of the SQF output shall be unmetered for purposes of compensation.
5. In the event the SQF desires wheeling by the Company of the SQF output, arrangements will be made subject to special consideration.
6. The Customer shall pay for any increased capacity of the distribution equipment serving him and made necessary by the installation of the generator.
7. Power and energy purchased by the SQF from the Company shall be billed under the available retail rates for the purchase of electricity.
8. The generator output must be compatible with the Utility system. The Customer's 60 hertz generator output must be at the voltage and phase relationship of the existing service or of one mutually agreeable to the Company and the Customer.

9. The Customer will provide equipment to maintain a unity power factor + or - 10% during periods of generator operation.
10. The Company reserves the right to disconnect the customer's generator from its system if it interferes with the operation of the Company's equipment or with the equipment of other company customers.
11. The Customer is required to follow the Company's interconnection process which requires that prior to installation, a detailed diagram of the generator and related equipment must be furnished to the Company for its approval.
12. The Customer shall execute an electric service agreement with the Company which may include, among other provisions, a minimum term of service.
13. The SQF shall indemnify and save harmless the Company from and against any and all claims for damages to property and injury or death to persons which may arise out of or be caused by the erection, maintenance, presence, operation or removal of the SQF or by any related act or omission of the SQF, its employees, agents, contractors or subcontractors.
14. Equipment shall be provided by the Customer that provides a means of preventing feedback to the Company during an outage or interruption of that system as well as a visible means to disconnect the generator from the Utility that is readily accessible by Utility employees.
15. The Customer shall install, own, and maintain all equipment deemed necessary by the Company to assure proper parallel operation of the system.
16. Any renewable energy credits associated with the renewable energy sold to the Company will be transferred to the Company and the renewable generator will be compensated an additional payment of \$0.52/MWh (\$0.00052/kWh), as shown in the payment schedule.



**SMALL POWER PRODUCER RIDER  
 TIME OF DELIVERY ENERGY SERVICE**

|  |              |
|--|--------------|
| Base Avoided On-Peak Costs                               | Code 50-9030 |
| Base Avoided Off-Peak Costs                              | Code 50-9031 |
| Base Avoided On-Peak Costs Plus Renewable Energy Credit  | Code 50-9032 |
| Base Avoided Off-Peak Costs Plus Renewable Energy Credit | Code 50-9033 |

**AVAILABILITY:** This rider is available to any Qualifying Facility not exceeding 100 kW of generating capacity. This rider is available to any Qualifying Facility exceeding 100 kW upon the approval of the Company. The Company reserves the right to require the Qualifying Facility to sign an Agreement.

**METERING CHARGE:** \$12.85 per month

**PAYMENT SCHEDULE:**

**ENERGY:**

|                              |                        |                         |
|------------------------------|------------------------|-------------------------|
| Base Avoided Costs           | <u>On-Peak 50-9030</u> | <u>Off-Peak 50-9031</u> |
| Summer                       | 4.154¢ per kWh         | 2.533¢ per kWh          |
| Winter                       | 3.783¢ per kWh         | 2.458¢ per kWh          |
|                              |                        |                         |
| Base Avoided Costs           |                        |                         |
| Plus Renewable Energy Credit | <u>On-Peak 50-9032</u> | <u>Off-Peak 50-9033</u> |
| Summer                       | 4.206¢ per kWh         | 2.585¢ per kWh          |
| Winter                       | 3.835¢ per kWh         | 2.510¢ per kWh          |

**INTERIM RATE ADJUSTMENT:**

A 10.44 percent increase will be added to the sum of the following, as applicable: Customer Charge, Energy Charge, Demand Charge, Fixed Charge, Facilities Charge, and the monthly Minimum Charge.

N  
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 or Voluntary Rate Riders selected by the Customer, unless otherwise noted in this rider. See Sections 12.00, 13.00 and 14.00 of the North Dakota electric rates for the matrices of riders.

NORTH DAKOTA PUBLIC  
 SERVICE COMMISSION  
 Case No. PU-17-  
 Approved by order dated  
 Vice President, Regulatory Affairs

EFFECTIVE with bills rendered on  
 and after, in North Dakota

APPROVED: Bruce G. Gerhardson



---

**SPECIAL CONDITIONS OF SERVICE:** The minimum contracted term of service is 12 months.

**RULES AND REGULATIONS:** Terms and conditions of this tariff and the General Rules and Regulations govern use of this schedule.

**DEFINITIONS:**

**Summer On-Peak:** June 1 through September 30 including those hours from 8:00 a.m. to 10:00 p.m., Monday through Friday, excluding holidays.

**Summer Off-Peak:** All other hours including the three holidays of Memorial Day, Independence Day and Labor Day.

**Winter On-Peak:** October 1 through May 31 including those hours from 7:00 a.m. to 10:00 p.m., Monday through Friday, excluding holidays.

**Winter Off-Peak:** All other hours including the three holidays of Thanksgiving Day, Christmas Day and New Year's Day.

**TERMS AND CONDITIONS:**

The use of this rate requires that special precautions be taken in the design of associated metering and control systems. The following terms and conditions describe these precautions and shall be followed on all Customer-owned small qualifying facilities (SQF).

1. The Customer will be compensated monthly for all net energy received from the SQF less the metering charge. Net energy is that energy delivered by the SQF to the Company in excess of that received by the SQF from the Company during the same billing period. The schedule for these payments is subject to annual review.
2. If the SQF is located at a site outside of the Company's service territory and energy is delivered to the Company through facilities owned by another utility, energy payments will be adjusted downward reflecting losses occurring between the point of metering and the point of delivery.
3. If required, a separate meter will be furnished, owned and maintained by the Company to measure the energy to the Company. Separate monthly charges may apply for any additional metering installed by the Company at the Customer's request.

4. The SQF shall make provisions for the installation of Company owned on-site metering. All energy received from and delivered to the Company shall be metered. On site use of the SQF output shall be unmetered for purposes of compensation.
5. In the event the SQF desires wheeling by the Company of the SQF output, arrangements will be made subject to special consideration.
6. The Customer shall pay for any increased capacity of the distribution equipment serving him and made necessary by the installation of his generator.
7. Power and energy purchased by the SQF from the Company shall be billed under the available retail rates for the purchase of electricity.
8. The generator output must be compatible with the Utility system. The Customer's 60 hertz generator output must be at the voltage and phase relationship of the existing service or of one mutually agreeable to the Company and the Customer.
9. The Customer will provide equipment to maintain a unity power factor + or - 10% during periods of generator operation.
10. The Company reserves the right to disconnect the Customer's generator from its system if it interferes with the operation of the Company's equipment or with the equipment of other Company Customers.
11. The Customer is required to follow the Company's interconnection process which requires that prior to installation, a detailed diagram of the generator and related equipment must be furnished to the Company for its approval.
12. The Customer shall execute an electric service agreement with the Company which may include, among other provisions, a minimum term of service.
13. The SQF shall indemnify and save harmless the Company from and against any and all claims for damages to property and injury or death to persons which may arise out of or be caused by the erection, maintenance, presence, operation or removal of the SQF or by any related act or omission of the SQF, its employees, agents, contractors or subcontractors.

14. Equipment shall be provided by the Customer that provides a means of preventing feedback to the Company during an outage or interruption of that system as well as a visible means to disconnect the generator from the Utility that is readily accessible by Utility employees.
15. The Customer shall install, own and maintain all equipment deemed necessary by the Company to assure proper parallel operation of the system.
16. Any renewable energy credits associated with the renewable energy sold to the Company will be transferred to the Company and the renewable generator will be compensated an additional payment of \$0.52/MWh (\$0.00052/kWh), as shown in the payment schedule.



**SMALL POWER PRODUCER RIDER  
 DEPENDABLE SERVICE**

|  |              |
|--|--------------|
| Base Avoided On-Peak Costs                               | Code 50-9040 |
| Base Avoided Off-Peak Costs                              | Code 50-9041 |
| Base Avoided On-Peak Costs Plus Renewable Energy Credit  | Code 50-9042 |
| Base Avoided Off-Peak Costs Plus Renewable Energy Credit | Code 50-9043 |

**AVAILABILITY:** Available to any qualifying facility which is capable of delivering power and energy to the Company on a dependable basis.

**INTERIM RATE ADJUSTMENT:**

A 10.44 percent increase will be added to the sum of the following, as applicable: Customer Charge, Energy Charge, Demand Charge, Fixed Charge, Facilities Charge, and the monthly Minimum Charge.

N  
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 or Voluntary Rate Riders selected by the Customer, unless otherwise noted in this rider. See Sections 12.00, 13.00 and 14.00 of the North Dakota electric rates for the matrices of riders.

**METERING CHARGE:** \$12.85 per month

**PAYMENT SCHEDULE:**

**ENERGY:**

|  |                        |                         |
|--|------------------------|-------------------------|
| Base Avoided Costs                                 | <u>On-Peak 50-9040</u> | <u>Off-Peak 50-9041</u> |
| Summer   | 4.154¢ per kWh         | 2.533¢ per kWh          |
| Winter   | 3.783¢ per kWh         | 2.58¢ per kWh           |
|  |                        |                         |
| Base Avoided Costs<br>Plus Renewable Energy Credit | <u>On-Peak 50-9042</u> | <u>Off-Peak 50-9043</u> |
| Summer   | 4.206¢ per kWh         | 2.585¢ per kWh          |
| Winter   | 3.835¢ per kWh         | 2.510¢ per kWh          |

**CAPACITY:**

|             |               |               |
|-------------|---------------|---------------|
| Contract    | Monthly \$/kW | Monthly \$/kW |
| <u>Term</u> | Net Capacity  | Levelized     |
| 60 mos.     | <u>Rate</u>   | <u>Rate</u>   |
|             | \$5.21        | \$1.04        |

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

EFFECTIVE with bills rendered on  
 and after January 1, 2018, in North Dakota

APPROVED: Bruce G. Gerhardson  
 Vice President, Regulatory Affairs

---

|          |        |        |
|----------|--------|--------|
| 120 mos. | \$5.60 | \$3.36 |
| 180 mos. | \$5.98 | \$4.39 |
| 240 mos. | \$6.36 | \$5.09 |
| 300 mos. | \$6.73 | \$5.66 |
| 360 mos. | \$7.11 | \$6.16 |

Energy payment will be adjusted annually to reflect energy costs.

Total capacity payment equals (accredited capacity value of the Qualifying Facility) times (capacity ratio) times (appropriate levelized capacity rate).

Capacity Ratio equals (Qualifying Facility on-peak capacity factor) divided by 65%.

The Capacity Ratio shall not exceed a value of 1 or if the Qualifying Facility is dispatchable by the Company and tested under the Mid-continent Independent System Operator (MISO) guidelines, then the capacity ratio automatically equals 1.

**SPECIAL CONDITIONS OF SERVICE:**

1. A qualifying facility, desiring dependable service compensation shall execute a contract agreement for a term of 5, 10, 15, 20, 25, or 30 years.
2. In the event that a qualifying facility terminates service, the Dependable Service severance penalty payment will be determined as follows:

The remaining percentage of the contract term will be multiplied by the average capacity compensation per month and the result multiplied by six months. The average capacity compensation per month will be determined for the last three years or from the contract's initiation, whichever is the shorter period.

In addition, capacity compensation from the initiation of the contract will be recalculated at the capacity payment of the longest contract term filled. The following table illustrates the longest contract term filled given the number of months that payments were made:

---

| <u>Months of Payments</u> | <u>Contract Term Filled</u> |
|---------------------------|-----------------------------|
| 0 - 119                   | 60                          |
| 120 - 179                 | 120                         |
| 180 - 239                 | 180                         |
| 240 - 299                 | 240                         |
| 300 - 360                 | 300                         |

**SPECIAL CONDITIONS OF SERVICE:**

The difference between the actual payments made and the recalculated payments must be repaid with interest. The interest rate used will be the average prime interest rate during the contract period prior to the severance.

3. Qualifying facility may select a total of 30 scheduled maintenance days per year, to be taken in two periods, neither of which shall be less than one week in duration at a time agreeable to the Company. A 30-day prior notice must be given to the Company before a scheduled maintenance period can be established.

Capacity payment for a monthly period in which scheduled maintenance has occurred will be the greater of the capacity payment using the regular billing procedure or the average billing capacity payment since the previous month in which a scheduled maintenance period occurred.

**RULES AND REGULATIONS:** Terms and conditions of this tariff and the General Rules and Regulations govern use of this schedule.

**DEFINITIONS:**

**Dependable Service:** Qualifying facility can deliver power at a minimum of 65% on-peak capacity factor in each month; can deliver power during the Company's winter and summer system peaks; and is accredited according to the Midwest Reliability Organization (MRO).

**Capacity Factor:** The number of Kilowatt-hours delivered during the period divided by the product of the accredited capacity times the number of hours in the period. The maximum capacity factor is 1.0.

**Summer On-Peak:** June 1 through September 30 including those hours from 8:00 a.m. to 10:00 p.m., Monday through Friday, excluding holidays.



Summer Off-Peak: All other hours including the three holidays of Memorial Day, Independence Day and Labor Day.

Winter On-Peak: October 1 through May 31 including those hours from 7:00 a.m. to 10:00 p.m., Monday through Friday, excluding holidays.

Winter Off-Peak: All other hours including the three holidays of Thanksgiving, Christmas Day and New Year's Day.

**TERMS AND CONDITIONS:** The use of this rate requires that special precautions be taken in the design of associated metering and control systems. The following terms and conditions describe these precautions and shall be followed on all Customer-owned small qualifying facilities (SQF).

1. The Customer will be compensated monthly for all energy received from the SQF less the metering charge. The schedule for these payments is subject to annual review.
2. If the SQF is located at a site outside of the Company's service territory and energy is delivered to the Company through facilities owned by another utility, energy payments will be adjusted downward reflecting losses occurring between the point of metering and the point of delivery.
3. If required, a separate meter will be furnished, owned and maintained by the Company to measure the energy to the Company. Separate monthly charges may apply for any additional metering installed by the Company at the Customer's request.
4. The SQF shall make provisions for the installation of Company owned on-site metering. All energy received from and delivered to the Company shall be metered. On site use of the SQF output shall be unmetered for purposes of compensation.
5. In the event the SQF desires wheeling by the Company of the SQF output, arrangements will be made subject to special consideration.
6. The Customer shall pay for any increased capacity of the distribution equipment serving him and made necessary by the installation of his generator.
7. Power and energy purchased by the SQF from the Company shall be billed under the available retail rates for the purchase of electricity.

8. The generator output must be compatible with the Utility system. The Customer's 60 hertz generator output must be at the voltage and phase relationship of the existing service or of one mutually agreeable to the Company and the Customer.
9. The Customer will provide equipment to maintain a unity power factor + or - 10% during periods of generator operation.
10. The Company reserves the right to disconnect the Customer's generator from its system if it interferes with the operation of the Company's equipment or with the equipment of other Company Customers.
11. The Customer is required to follow the Company's interconnection process which requires that prior to installation, a detailed diagram of the generator and related equipment must be furnished to the Company for its approval.
12. The Customer shall execute an electric service agreement with the Company which may include, among other provisions, a minimum term of service and generator capacity rating.
13. The SQF shall indemnify and save harmless the Company from and against any and all claims for damages to property and injury or death to persons which may arise out of or be caused by the erection, maintenance, presence, operation or removal of the SQF or by any related act or omission of the SQF, its employees, agents, contractors or subcontractors.
14. Equipment shall be provided by the Customer that provides a means of preventing feedback to the Company during an outage or interruption of that system as well as a visible means to disconnect the generator from the Utility that is readily accessible by Utility employees.
15. The Customer shall install, own and maintain all equipment deemed necessary by the Company to assure proper parallel operation of the system.
16. Any renewable energy credits associated with the renewable energy sold to the Company will be transferred to the Company and the renewable generator will be compensated an additional payment of \$0.52/MWh (\$0.00052/kWh), as shown in the payment schedule.



Fergus Falls, Minnesota

---

---

### ENERGY ADJUSTMENT RIDER

There shall be added to or deducted from the monthly bill the amount per kilowatt-hour (rounded to the nearest 0.001¢) that the average cost of energy is above or below 2.4327¢ per kilowatt-hour. The average cost of energy per kilowatt-hour for the current period shall be calculated from data covering actual costs from the most recent four-month period as follows:

R

Energy costs from actual months 1, 2, 3, and 4 plus unrecovered (or less over recovered) prior cumulative energy costs divided by retail sales for actual months 1, 2, 3, and 4 equals the cost of energy adjustment for month 6.

The applicable adjustment will be applied effective on any billing dated on or after the first day of each calendar month. The average cost of energy shall be determined as follows:

1. The cost of fossil fuel, as recorded in Account 151, used in the Company's generating plants. Energy from the Company's hydro generating plants shall be included at zero cost.
2. The energy cost of purchased power included in Account 555 when such energy is purchased on an economic dispatch basis, exclusive of capacity or demand charges. This includes but is not limited to net costs linked to the utility's load serving obligation, associated with participation in wholesale electric energy markets operated by Regional Transmission Organizations, Independent System Operators or similar entities that have received Federal Energy Regulatory Commission approval to operate the energy markets. All Midwest Independent System Operator ("MISO") Energy and Ancillary service market charges and credits relating to retail sales and asset based sales, specifically including (but not limited to) Schedule 16 and 17 charges and credits shall be included in the calculation.
3. The actual identifiable fossil and nuclear fuel costs associated with energy purchased for reasons other than identified in 2 above.
4. The net energy cost of energy purchases from a renewable energy source, including hydropower, wood, windpower, and biomass.
5. Less the fuel-related costs recovered through intersystem sales.

---

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

EFFECTIVE with bills rendered on  
and after January 1, 2018, in North Dakota

APPROVED: Bruce G. Gerhardson  
Vice President, Regulatory Affairs



Fergus Falls, Minnesota

---

Asset-based Sales Margins, as defined below and in the amount calculated as described below, shall be reflected as a credit to the energy adjustment calculation described in 1-5, above.

**Asset-based Sales Margins:**

Asset-based Sales Margins are defined as wholesale energy and ancillary services sales revenues from Company-owned generation resources less the sum of fuel, energy costs (including costs associated with MISO markets that are recorded in FERC Account 555), and any additional transmission or other costs incurred that are required to make such sales (referred to as "margins").

The amount of the Asset-based Sales Margin credit shall be determined as described below:

**Credit calculation:** The credit shall be eighty-five percent (85%) of Asset-based Sales Margins. The Asset-based Sales Margin credit shall be calculated monthly based on a forecast of the margins expected for that month and a true-up shall be made to adjust prior forecasted credits to reflect eighty-five percent (85%) of the actual margins earned in prior months. The true-up adjustments shall be made as soon as reasonably practical after the receipt of actual results and shall reflect MISO and other resettlements that would have impacted prior credits.



Fergus Falls, Minnesota

**RENEWABLE RESOURCE COST RECOVERY RIDER**

| DESCRIPTION  | RATE CODE |
|--------------|-----------|
| All Services | 50-520    |

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

**APPLICATION OF RIDER:** This rider is applicable to electric service under all of the Company’s Retail Rate Schedules in Section 9, 10, 11, 12, 13.05, and 14, except for Section 14.09 (*TailWinds*) and Section 14.11 (Released Energy Access Program Rider).

**COST RECOVERY CHARGE:** There shall be included on each North Dakota customer’s monthly bill a Renewable Resource Cost Recovery (“RRC”) charge based on the applicable cost recovery factor multiplied by the Customer’s monthly bill. The Customer’s monthly bill shall be based on all applicable charges and credits under the Company’s retail rate schedules in Sections 9, 10, 11, 12, and 14, except for Section 14.09 (*TailWinds*) and Section 14.11 (Released Energy Access Program Rider). The RRC charge will not apply to any Mandatory Riders or sales tax and any local assessments as provided in the General Rules and Regulations for the Company’s electric service, except Section 13.05 (Economic Development Cost Removal Rider). The following charges are applicable in addition to all charges for service being taken under the Company’s standard rate schedules and will be included in the Energy and Renewable Adjustment line item on the customer’s bill.

|  |
|--|
| <b>Renewable Resource Cost Recovery Factor - 7.756 percent</b> |
|--|

R

**DETERMINATION OF RENEWABLE RESOURCE COST CHARGE:** The RRC Factor shall be determined by dividing the forecasted *balance of the RRC Tracker account* by the *forecasted retail revenues subject to the RRC Factor*. The forecasted RRC Tracker balance and retail revenues shall be based on the forecast for the appropriate 12 month period (or such other period as may be approved by the Commission). The RRC Factor shall be rounded to the nearest 0.001 percent.



Fergus Falls, Minnesota

The *balance of the RRC Tracker account* for determination of the RRC Factor shall include annual revenue requirements and any true-up balance described as follows:

*The annual revenue requirements* associated with these investments eligible for recovery under NDCC 49-02, 49-05, and 49-06 that are determined by the Commission to be eligible for recovery under this RRC Rider. A standard model will be used to calculate the total forecasted North Dakota revenue requirements for eligible measures for the designated period.

*True-up:* For each recovery period, a true-up adjustment to the RRC Tracker account will be calculated reflecting the difference between actual prior period RRC recoveries and actual prior period revenue requirements. Any resulting over/under recovery will be reflected as a carryover balance and included in calculating the next RRC Factor plus carrying charges or credits accrued at the rate of return approved in Otter Tail Power Company's most recent general rate case.

All costs appropriately charged to the RRC Tracker account shall be eligible for recovery through this Rider, and all revenues recovered from the applicable RRC Factor shall be credited to the RRC Tracker account.

*Forecasted retail revenues* used for calculating the RRC Factor shall include the forecast of retail electric revenue collected through all applicable charges and credits under the Company's retail rate schedules in Sections 9, 10, 11, 12 and 14, except for Section 14.09 (*TailWinds*) and Section 14.11 (Released Energy Access Program Rider). Retail revenue used for calculating the RRC Factor will not include any Mandatory Riders, except Section 13.05 (Economic Development Cost Removal Rider).

The RRC Factor may be adjusted annually (or other approved periods) with approval of the Commission.

**INTERIM RATE ADJUSTMENT:**

A 10.44 percent increase will be added to the sum of the following, as applicable: Customer Charge, Energy Charge, Demand Charge, Fixed Charge, Facilities Charge, and the monthly Minimum Charge.

N  
N  
N  
N



Fergus Falls, Minnesota

---

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

L  
L  
L  
L

---

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

---

EFFECTIVE with bills rendered on  
and after January 1, 2018, in North Dakota  
  
APPROVED: Bruce G. Gerhardson  
Vice President, Regulatory Affairs



Fergus Falls, Minnesota

**ENVIRONMENTAL COST RECOVERY RIDER**

| DESCRIPTION                                       | RATE CODE |
|---|-----------|
| All Service – Environmental Cost Recovery         | 50-570    |
| All Service – Reagent and Allowance Cost Recovery | 50-572    |

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

**APPLICATION OF RIDER:** This rider consists of two separate charges; the Environmental Cost Recovery (“ECR”) Rider Charge and the Reagents and Emissions Allowance Adjustment (“REAA”) Rider Charge. This rider is applicable to electric service under all of the Company’s retail rate schedules in Sections 9, 10, 11, 12, 13.05, and 14, except for Section 14.09 (*TailWinds*) and Section 14.11 (Released Energy Access Program Rider).

**ENVIRONMENTAL COST RECOVERY CHARGE:** There shall be included on each North Dakota Customer’s monthly bill an Environmental Cost Recovery (“ECR”) Charge, based on the applicable ECR Factor multiplied by the Customer’s monthly bill. The Customer’s monthly bill shall be based on all applicable charges and credits under the Company’s retail rate schedules in Sections 9, 10, 11, 12 and 14, except for Section 14.09 (*TailWinds*) and Section 14.11 (Released Energy Access Program Rider). The ECR Factor will not apply to any Mandatory Riders, except Section 13.05 (Economic Development Cost Removal Rider). The ECR charge will be included as part of the charge reflected on the Customer’s bill on the line labeled “EPA Req Environmental Cst.”

**Environmental Cost Recovery Factor - 6.629 percent**

**R**

**DETERMINATION OF ECR FACTOR:** The ECR Factor shall be determined by dividing the forecasted *balance of the ECR Tracker account* by the *forecasted retail revenues subject to the ECR Factor*. The forecasted ECR Tracker balance and retail revenues shall be based on the forecast for the appropriate 12 month period (or such other period as may be approved by the Commission). The ECR Factor shall be rounded to the nearest 0.001 percent.

The *balance of the ECR Tracker account* for determination of the ECR Factor shall include annual revenue requirements and any true-up balance described as follows:

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

EFFECTIVE with bills rendered on  
and after January 1, 2018, in North Dakota

APPROVED: Bruce G. Gerhardson  
Vice President, Regulatory Affairs



Fergus Falls, Minnesota

*The annual revenue requirements* associated with environmental measures eligible for recovery under NDCC 49-05-04.2 that are determined by the Commission to be eligible for recovery under this ECR Rider. A standard model will be used to calculate the total forecasted North Dakota revenue requirements for eligible measures for the designated period.

*True-up:* For each recovery period, a true-up adjustment to the ECR Tracker account will be calculated reflecting the difference between actual prior period ECR recoveries and actual prior period revenue requirements. Any resulting over/under recovery will be reflected as a carryover balance and included in calculating the next ECR Factor plus carrying charges or credits accrued at the rate of return approved in Otter Tail Power's most recent general rate case.

All costs appropriately charged to the ECR Tracker account shall be eligible for recovery through this Rider, and all revenues recovered from the applicable ECR Factor shall be credited to the ECR Tracker account.

*Forecasted retail revenues* used for calculating the ECR Factor shall include the forecast of retail electric revenue collected through all applicable charges and credits under the Company's retail rate schedules in Sections 9, 10, 11, 12 and 14, except for Section 14.09 (*TailWinds*) and Section 14.11 (Released Energy Access Program Rider). Retail revenue used for calculating the ECR Factor will not include any Mandatory Riders, except Section 13.05 (Economic Development Cost Removal Rider).

The ECR Factor may be adjusted annually (or other approved periods) with approval of the Commission.

**DETERMINATION OF THE REAA CHARGE:** The REAA Rider charge added to or deducted from the monthly bill shall be the amount per kilowatt-hour (rounded to the nearest 0.001¢) of the average cost of reagents and emissions allowances per kilowatt-hour. The average cost of reagents and emissions allowances per kilowatt-hour for the current period shall be calculated from data covering actual costs from the most recent four-month period as follows:

Reagents and emissions allowance costs from actual months 1, 2, 3, and 4 plus unrecovered (or less over recovered) prior cumulative reagents and emissions allowances costs divided by retail sales for actual months 1, 2, 3, and 4 equals the cost of the reagents and emissions allowance adjustment for month 6.

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

EFFECTIVE with bills rendered on  
and after January 1, 2018, in North Dakota

APPROVED: Bruce G. Gerhardson  
Vice President, Regulatory Affairs



Fergus Falls, Minnesota

**Reagents and Emissions Allowance Adjustment Rider**  
– calculated on a \$/kWh basis

The reagents and emissions allowance adjustment will be applied effective on any billing dated on or after the first day of each calendar month. The average cost of the reagents and emissions allowance adjustment shall be determined based on the following components:

1. The utility's share of the cost of reagents used for the reduction of emissions at the Company's generating plants to meet Federal Environmental Protection Agency rules and regulations.
2. The utility's share of the cost of purchased emissions allowances necessary to operate the Company's generating plants in compliance with Federal Environmental Protection Agency rules and regulations.
3. Any purchased or allocable emission allowances that are subsequently sold shall be credited to (flow through) the REAA Rider.
4. The utility's share of the cost of pebble lime at the Company's Coyote Generating plant will be excluded from the calculation.

The REAA Rider charge will be included as part of the charge reflected on the Customer's bill on the line labeled "EPA Req Environmental Cst."



Fergus Falls, Minnesota

**WATER HEATING CONTROL RIDER**

| DESCRIPTION                                      | RATE CODE |
|--|-----------|
| Separately Metered Water Heating Control Service | 50-191    |
| Water Heating Credit Control Service             | 50-192    |

**RULES AND REGULATIONS:** Terms and conditions of this tariff and the General Rules and Regulations govern use of this schedule.

**AVAILABILITY:** This rider is available for residential or nonresidential purposes.

**RATE:**

| WATER HEATING - CONTROLLED SERVICE 191 |                              |             |
|--|------------------------------|-------------|
| Customer Charge per Month:             | \$1.00                       |             |
| Monthly Minimum Bill:                  | Customer + Facilities Charge |             |
| Facilities Charge per Month:           | \$1.00                       |             |
| Energy Charge per kWh:                 | Summer                       | Winter      |
|  | 5.403 ¢/kWh                  | 5.268 ¢/kWh |

R

| WATER HEATING CREDIT 192   |
|--|
| A \$4.00 credit per month shall be applied to all bills having direct control water heating, except the credit shall not reduce the monthly billing to less than the Monthly Minimum Bill. |

**INTERIM RATE ADJUSTMENT:**

A 10.44 percent increase will be added to the sum of the following, as applicable: Customer Charge, Energy Charge, Demand Charge, Fixed Charge, Facilities Charge, and the monthly Minimum Charge.

N  
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 or Voluntary Rate Riders selected by the Customer, unless otherwise noted in this rider. See Sections 12.00, 13.00 and 14.00 of the North Dakota electric rates for the matrices of riders.

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

EFFECTIVE with bills rendered on  
and after January 1, 2018, in North Dakota  
  
APPROVED: Bruce G. Gerhardson  
Vice President, Regulatory Affairs



Fergus Falls, Minnesota

---

**TERM AND CONDITIONS FOR RATE 191:** Service under rate 191 shall be supplied through a separate meter.

**TERMS AND CONDITIONS FOR RATE 192:** The Customer will be compensated for taking service on this rider by receiving a monthly bill credit. The credit will be applied to the Customer's account, except the credit shall not reduce the monthly billing to less than the Monthly Minimum Bill.

**CONTROL CRITERIA:** Service may be controlled for up to a total of 14 hours during any 24-hour period, as measured from midnight to midnight. Under normal circumstances the Company will schedule recovery time following control periods that approach 14 hours.

**DEFINITIONS OF SEASONS:**

Summer: June 1 through September 30.

Winter: October 1 through May 31.

**EQUIPMENT SUPPLIED:** The Company will supply and maintain the necessary standard metering and control equipment.



**CONTROLLED SERVICE - INTERRUPTIBLE LOAD  
 CT METERING RIDER**  
 (Commonly identified as Large Dual Fuel)

| DESCRIPTION  | Option 1 | Option 2 |
|--|----------|----------|
| CT Metering without ancillary load                               | 50-170   | N/A      |
| CT Metering without ancillary load (with short duration cycling) | 50-165   | N/A      |
| Penalty  | 50-881   | N/A      |
| CT Metering with ancillary load                                  |          |          |
| Uncontrolled period  | N/A      | 50-168   |
| Controlled period  | N/A      | 50-268   |
| CT Metering with ancillary load (with short duration cycling)    |          |          |
| Uncontrolled period  | N/A      | 50-169   |
| Controlled period  | N/A      | 50-269   |

**RULES AND REGULATIONS:** Terms and conditions of this tariff and the General Rules and Regulations govern use of this schedule.

**AVAILABILITY:** This rider is available for Residential or nonresidential service to any approved permanently connected interruptible load; such loads are primarily the electric heating portion of dual fuel heating systems. Electric heating systems may include heat pumps used for heating and/or cooling. Domestic electric water heating, and/or other permanently connected approved loads other than the exceptions noted below in Option 2, will be interrupted during control periods. When service to the electric space heating equipment on this rate is interrupted, the back-up heating system cannot be electric.

Option 1: Electric fans, pumps and other ancillary equipment used in the distribution of conditioned air and/or water shall be wired for service through the Customer's firm service tariff.

Option 2: The Company retains the authority to allow a portion of the load used to deliver conditioned air and/or water during the control period to remain on during control periods in situations where 1) it is functionally or financially unfeasible to separately serve the equipment's control systems, or other critical ancillary equipment associated with this load, or 2) if the separation would violate the manufacturer's Underwriters Laboratory (UL) approval or other industry recognized operating standards.



During the control period the amount of ancillary load shall not exceed 5% of the metered maximum demand measured during any period within the most recent 12 months. (For example, although a minimal amount of fan and/or pump load may be allowed under this provision, it is not intended to be applied to larger loads such as the non-conditioned fan load on low-temperature grain drying.)

If the Customer does not have a back-up heating system, it is not automatic, or it is inadequate, then the Company requires a primary electric heating Customer served on an interruptible rate to complete a Controlled Service Agreement acknowledging that the Customer is aware of the potential for property damage.

**RATE:**

| <b>OPTION 1</b>   |                              |              |
|---|------------------------------|--------------|
| <b>Customer Charge per Month:</b>                         | \$4.00                       |              |
| <b>Monthly Minimum Bill:</b>                              | Customer + Facilities Charge |              |
| <b>Facilities Charge per annual maximum kW per month:</b> | \$0.08                       |              |
|   | Summer                       | Winter       |
| <b>Energy Charge per kWh:</b>                             | 2.796 ¢/kWh                  | 2.674 ¢/kWh  |
| <b>Penalty:</b>   | 39.448 ¢/kWh                 | 12.726 ¢/kWh |

R

| <b>OPTION 2</b>   |                              |             |
|---|------------------------------|-------------|
| <b>Customer Charge per Month:</b>                         | \$5.00                       |             |
| <b>Monthly Minimum Bill:</b>                              | Customer + Facilities Charge |             |
| <b>Facilities Charge per annual maximum kW per month:</b> | \$0.08                       |             |
|   | Summer                       | Winter      |
| <b>Energy Charge per kWh:</b>                             | 2.966 ¢/kWh                  | 2.838 ¢/kWh |
| <b>Control Period Demand Charge per kW:</b>               | \$7.29 /kW                   | \$5.61 /kW  |

R



**INTERIM RATE ADJUSTMENT:**

A 10.44 percent increase will be added to the sum of the following, as applicable: Customer Charge, Energy Charge, Demand Charge, Fixed Charge, Facilities Charge, and the monthly Minimum Charge.

N  
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 or Voluntary Rate Riders selected by the Customer. See Sections 12.00, 13.00 and 14.00 of the North Dakota electric rates for the matrices of riders.

**DEFINITIONS OF SEASONS:**

Summer: June 1 through September 30.  
Winter: October 1 through May 31.

**PENALTY PERIODS – OPTION 1 ONLY:** Penalty periods are defined as periods when the Company signals to interrupt the Customer’s load and the Customer’s equipment does not shed the load. Installation of a dual register meter will be at the option of the Company. When a dual register meter is installed, penalty usage will be recorded on the peak register and the total register of the dual register meters.

The penalty provision is not intended as a buy-through option. Under no circumstances should the penalty clause of this rider be interpreted as an approved buy-through option for service under this rider.

**CONTROL CRITERIA:** Service may be controlled up to a total of 24 hours during any 24-hour period, as measured from midnight to midnight. Short-duration cycling is approximately 15 minutes off/ 15 minutes on of appropriate cooling equipment during the summer season (June 1-September 30). Domestic water heating may be controlled up to 14 hours in the 24-hour period.

**DETERMINATION OF FACILITIES CHARGE:** The monthly measured demand will be based on the maximum 15 consecutive minute period measured by a suitable demand meter for the month for which the bill is rendered. The Facilities charge demand shall be based on the greatest of the current and preceding 11 monthly measured demands.

**DETERMINATION OF CONTROL PERIOD DEMAND – OPTION 2 ONLY:** The billing demand measured during the control period for which the bill is rendered shall be the maximum metered kW for any period of 15 consecutive minutes during the control period.



**EQUIPMENT SUPPLIED:** The Company will supply and maintain the necessary standard metering and control equipment.

L  
L



**CONTROLLED SERVICE - INTERRUPTIBLE LOAD  
SELF-CONTAINED METERING RIDER  
(Commonly identified as Small Dual Fuel)**

| DESCRIPTION                                  | RATE CODE |
|--|-----------|
| Self-Contained Metering                      | 50-190    |
| Self-Contained (with short duration cycling) | 50-185    |
| Penalty                                      | 50-882    |

**RULES AND REGULATIONS:** Terms and conditions of this tariff and the General Rules and Regulations govern use of this schedule.

**AVAILABILITY:** This rider is available for Residential or nonresidential service to any approved permanently connected interruptible load; such loads are primarily the electric heating portion of dual fuel heating systems. Electric heating systems may include heat pumps used for both heating and/or cooling. Domestic electric water heating and/or other permanently connected approved loads, other than the exceptions noted below, will be interrupted during control periods. Electric fans, pumps, and other ancillary equipment used in the distribution of heat shall be wired for service through the Customer's firm service tariff.

The Company retains the authority to allow a portion of the load to remain on during control periods in situations where 1) it is unfeasible to separately serve the equipment's control systems or other critical ancillary equipment associated with this load, or 2) if the separation would violate the manufacturer's Underwriters Laboratory (UL) approval or other industry recognized operating standards. Although a minimal amount of fan and pump load may be allowed under this provision, it is not intended to be applied to larger fan or pump loads such as those on low-temperature grain drying or heating loops.

When service to the electric space heating equipment on this rate is interrupted, the back-up heating system cannot be electric.

If the Customer does not have a back-up heating system, it is not automatic, or it is inadequate, then the Company requires a primary electric heating Customer served on an interruptible rate to complete a Controlled Service Agreement acknowledging that the Customer is aware of the potential for property damage.



**RATE:**

| <b>CONTROLLED SERVICE - INTERR LOAD – SELF-CONTAINED</b> |                              |  |               |
|--|------------------------------|--|---------------|
| <b>Customer Charge per Month:</b>                        | \$2.00                       |  |               |
| <b>Monthly Minimum Bill:</b>                             | Customer + Facilities Charge |  |               |
| <b>Facilities Charge per Month:</b>                      | \$5.00                       |  |               |
|  | <b>Summer</b>                |  | <b>Winter</b> |
| <b>Energy Charge per kWh:</b>                            | 3.289 ¢/kWh                  |  | 3.081 ¢/kWh   |
| <b>Penalty</b>   | 38.606 ¢/kWh                 |  | 12.924 ¢/kWh  |

R  
  
N  
N  
N  
N

**INTERIM RATE ADJUSTMENT:**

A 10.44 percent increase will be added to the sum of the following, as applicable: Customer Charge, Energy Charge, Demand Charge, Fixed Charge, Facilities Charge, and the monthly Minimum Charge.

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

**DEFINITIONS OF SEASONS:**

Summer: June 1 through September 30.  
Winter: October 1 through May 31.

**PENALTY PERIODS:** Penalty periods are defined as periods when the Company signals to interrupt the Customer’s load and the Customer’s equipment does not shed the load. Penalty usage will be recorded on the peak register and the total register of the dual register meters. Installation of a dual register meter will be at the option of the Company.

The penalty provision is not intended as a buy-through option. Under no circumstances should the penalty clause of this rider be interpreted as an approved buy-through option for service under this rider.

**CONTROL CRITERIA:** Service may be controlled up to a total of 24 hours during any 24-



hour period, as measured from midnight to midnight. Short-duration cycling is approximately 15 minutes off / 15 minutes on of appropriate cooling equipment during the summer season (June 1-September 30). Domestic water heating may be controlled up to 14 hours in the 24-hour period.

**EQUIPMENT SUPPLIED:** The Company will supply and maintain the necessary standard metering and control equipment.

---

---

**CONTROLLED SERVICE  
DEFERRED LOAD RIDER**  
(Commonly identified as Thermal Storage)

| <b>DESCRIPTION</b>                      | <b>RATE<br/>CODE</b> |
|---|----------------------|
| Deferred Loads                          | 50-197               |
| Deferred Loads (Short Duration Cycling) | 50-195               |
| Penalty                                 | 50-883               |

**RULES AND REGULATIONS:** Terms and conditions of this tariff and the General Rules and Regulations govern use of this schedule.

**AVAILABILITY:** This rider is available for both Residential and nonresidential service to any approved permanently connected deferred loads that can be served under the limited conditions provided; such loads are primarily electric water heating and thermal storage.

Deferred loads may include heat pumps, domestic electric water heating, and other permanently connected loads that can be interrupted. Subject to the exception below, electric fans, pumps, and other ancillary equipment used in the distribution of heat shall be wired through the Customer's firm service meter.

The Company retains the authority to allow a portion of the load to remain on during control periods in situations where 1) it is unfeasible to separately serve the equipment's control systems, or other critical ancillary equipment associated with this load, or 2) if the separation would violate the manufacturer's Underwriters Laboratory (UL) approval or other industry recognized operating standards. Although a minimal amount of fan and pump load may be allowed under this provision, it is not intended to be applied to larger loads such as the fan load on low temperature grain drying.

**RATE:**

| <b>CONTROLLED SERVICE - DEFERRED LOAD</b> |                              |  |               |
|---|------------------------------|--|---------------|
| <b>Customer Charge per Month:</b>         | \$3.00                       |  |               |
| <b>Monthly Minimum Bill:</b>              | Customer + Facilities Charge |  |               |
| <b>Facilities Charge per Month:</b>       | \$4.00                       |  |               |
|   | <u>Summer</u>                |  | <u>Winter</u> |
| <b>Energy Charge per kWh:</b>             | 4.784 ¢/kWh                  |  | 4.632 ¢/kWh   |
| <b>Penalty</b>                            | 33.802 ¢/kWh                 |  | 11.510 ¢/kWh  |

R

**INTERIM RATE ADJUSTMENT:**

A 10.44 percent increase will be added to the sum of the following, as applicable: Customer Charge, Energy Charge, Demand Charge, Fixed Charge, Facilities Charge, and the monthly Minimum Charge.

N  
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 or Voluntary Rate Riders selected by the Customer, unless otherwise noted in this rider. See Sections 12.00, 13.00 and 14.00 of the North Dakota electric rates for the matrices of riders.

**DEFINITIONS OF SEASONS:**

Summer: June 1 through September 30.  
Winter: October 1 through May 31.

**PENALTY PERIODS:** Penalty periods are defined as periods when the Company signals to interrupt the Customer's load and the Customer's equipment does not shed the load. Penalty usage will be recorded on the peak register and the total register of the dual register meters. Installation of a dual register meter will be at the option of the Company.

The penalty provision is not intended as a buy-through option. Under no circumstances should the penalty clause of this rider be interpreted as an approved buy-through option for service under this rider.



---

**CONTROL CRITERIA:** Service may be controlled for up to a total of 14 hours during any 24-hour period, as measured from midnight to midnight. Under normal circumstances the Company will schedule recovery time following control periods that approach 14 continuous hours. Short-duration cycling will be approximately 15 minutes off/15 minutes on of appropriate cooling equipment during the summer season (June 1-September 30).

**EQUIPMENT SUPPLIED:** The Company will supply and maintain the necessary standard metering and control equipment.



**FIXED TIME OF DELIVERY RIDER**  
(Commonly identified as FIXED TOD)

| DESCRIPTION  | RATE CODE |
|--|-----------|
| Fixed Time of Delivery Service – Self-Contained Metering | 50-301    |
| Penalty  | 50-884    |
| Fixed Time of Delivery Service – CT Metering             | 50-302    |
| Penalty  | 50-885    |
| Fixed Time of Delivery Service – Primary CT Metering     | 50-303    |
| Penalty  | 50-886    |

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

**AVAILABILITY:** This rider is available to Customers with permanently connected thermal storage space heating technologies that are designed and installed with the capability to be operated under the limitation and terms of this rider. Rider threshold determinations will be made based on connected load and service level and will be independent of actual registered demand or energy usage.

**RATE:**

| FIXED TIME OF DELIVERY SERVICE - Self-Contained Metering |                              |             |
|--|------------------------------|-------------|
| Customer Charge per Month:                               | \$1.00                       |             |
| Monthly Minimum Bill:                                    | Customer + Facilities Charge |             |
| Facilities Charge per Month:                             | \$3.00                       |             |
|  | Summer                       | Winter      |
| Energy Charge per kWh:                                   | 2.404 ¢/kWh                  | 2.567 ¢/kWh |
| Penalty:   | 9.400 ¢/kWh                  | 7.385 ¢/kWh |

R

| <b>FIXED TIME OF DELIVERY SERVICE - CT Metering</b> |                              |             |  |
|---|------------------------------|-------------|--|
| <b>Customer Charge per Month:</b>                   | \$1.50                       |             |  |
| <b>Monthly Minimum Bill:</b>                        | Customer + Facilities Charge |             |  |
| <b>Facilities Charge per Month:</b>                 | \$19.00                      |             |  |
|   | Summer                       | Winter      |  |
| <b>Energy Charge per kWh:</b>                       | 2.404 ¢/kWh                  | 2.567 ¢/kWh |  |
| <b>Penalty:</b>                                     | 9.400 ¢/kWh                  | 7.385 ¢/kWh |  |

R

| <b>FIXED TIME OF DELIVERY SERVICE – Primary CT Metering</b> |                              |             |  |
|---|------------------------------|-------------|--|
| <b>Customer Charge per Month:</b>                           | \$3.00                       |             |  |
| <b>Monthly Minimum Bill:</b>                                | Customer + Facilities Charge |             |  |
| <b>Facilities Charge per Month:</b>                         | \$9.00                       |             |  |
|   | Summer                       | Winter      |  |
| <b>Energy Charge per kWh:</b>                               | 2.393 ¢/kWh                  | 2.556 ¢/kWh |  |
| <b>Penalty:</b>   | 9.389 ¢/kWh                  | 7.374 ¢/kWh |  |

R

**INTERIM RATE ADJUSTMENT:**

A 10.44 percent increase will be added to the sum of the following, as applicable: Customer Charge, Energy Charge, Demand Charge, Fixed Charge, Facilities Charge, and the monthly Minimum Charge.

N  
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 or Voluntary Rate Riders selected by the Customer, unless otherwise noted in this rider. See Sections 12.00, 13.00 and 14.00 of the North Dakota electric rates for the matrices of riders.

**DEFINITIONS OF SEASONS:**

Summer: June 1 through September 30.

Winter: October 1 through May 31.



---

**PENALTY PERIODS:** Penalty periods are defined as periods when the Company signals to interrupt the Customer's load and the Customer's equipment does not shed the load. Penalty usage will be recorded on the peak register and the total register of the dual register meters. Installation of a dual register meter will be at the option of the Company.

The penalty provision is not intended as a buy-through option. Under no circumstances should the penalty clause of this rider be interpreted as an approved buy-through option for service under this rider.

**CONTROL CRITERIA:** The Customer will receive electric service from 10:00 p.m. until 6:00 a.m. each day. In all other hours, the Customer's load will be controlled.

**EQUIPMENT SUPPLIED:** The Company will supply and maintain the necessary standard metering and control equipment.