

215 South Cascade Street
PO Box 496
Fergus Falls, Minnesota 56538-0496
218 739-8200
www.otpc.com



July 27, 2018

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

**RE: Case No. PU-17-398
OAH File No. 20170622
In the Matter of the Application of Otter Tail Power Company for Authority to
Increase Rates for Electric Service in North Dakota.
Late Filed Exhibit 53**

Dear Mr. Nitschke:

Please find enclosed for filing Otter Tail's Late Filed Exhibit 53 supporting the Company's Application for Authority to Increase Rates for Electric Service in North Dakota filed on November 2, 2017.

An original and ten copies of the Company's Exhibit 53 are being sent via mail. Please contact me at (218) 739-8956, or cstephenson@otpc.com should you have any questions with respect to this filing.

Very truly yours,

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

Cary Stephenson
Associate General Counsel

kaw
Enclosures
By electronic filing
c: Service List

OTP Late Filed Exhibit 53 – PU 17-398

Impact of Allocating Less of the Residential Class Increase to the Fixed Customer Charge

At the close of the hearing on July 11, 2018 Advisory Staff requested that Otter Tail Power Company (OTP) provide a late filed exhibit illustrating the impact of allocating less of the Residential class increase to the fixed monthly customer charge and more to volumetric (energy) charges.

The Residential class revenue requirement used for this analysis subtracts the rider amounts from the total final revenue requirement for the Residential class. The rate design intraclass allocation follows OTP's pre-filed direct testimony (Prazak, Direct Testimony p. 10).

Customer Charge/mo.	Average Monthly Bills - Various kWh/mo.			
	600	900	1200	1800
\$ 15.23	\$ 52.64	\$ 71.35	\$ 90.05	\$ 127.46
\$ 14.00	\$ 52.36	\$ 71.54	\$ 90.72	\$ 129.07
\$ 13.00	\$ 52.13	\$ 71.69	\$ 91.26	\$ 130.38

Notes:

1. Average Customer = 870 kWh/mo.
2. Average Low-Income Customer = 1184 kWh/mo.

There is little difference among the three scenarios for the 900 kWh/month example because this level of utilization is close to the average of the Residential class. The impact of reducing the customer charge becomes more pronounced as consumption increases.

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

Case No. PU-17-398

In the Matter of Otter Tail Power
Company's Application for Authority
To Increase Rates for Electric Service
In North Dakota

CERTIFICATE OF SERVICE

Kimberly A. Ward certifies that on the 27th day of July 2018, she served a true and correct copy of the attached **LATE FILED EXHIBIT 53** by email addressed to the following individuals:

Cary Stephenson
Associate General Counsel
Otter Tail Power Company
P.O. Box 496
Fergus Falls, MN 56538-0496
cstephenson@otpc.com

Illona Jeffcoat-Sacco
General Counsel
ND Public Service Commission
600 East boulevard Avenue, Dept 408
Bismarck, ND 58505-0480
ijs@nd.gov

John Schuh
Special Assistant Attorney General
ND Public Service Commission
600 East boulevard Avenue, Dept 408
Bismarck, ND 58505-0480
jschuh@nd.gov

Darrell Nitschke
Executive Secretary
ND Public Service Commission
600 East boulevard Avenue, Dept 408
Bismarck, ND 58505-0480
dnitschk@nd.gov

Zachary Pelham
Advocacy Staff Counsel
Pearce-Durick PPLC
P.O. Box 400
Bismarck, ND 58502
zep@pearce-durick.com

Patrick Ward
Administrative Law Judge
Zuger Kirmis & Smit
P. O. Box 1695
Bismarck, ND 58501
pward@zkslaw.com

Rebecca L. Mann
Gunderson, Palmer, Nelson & Ashmore,
LLP
P.O. Box 8045
Rapid City, SD 57709-8045
rmann@gpna.com

Talbot J. Wiczorek
Gunderson, Palmer, Nelson & Ashmore,
LLP
P.O. Box 8045
Rapid City, SD 57709-8045
tjw@gpna.com

Stephen W. Chriss
Wal-Mart Legal Department
2001 SE 10th Street
Bentonville, AR 72715-5560
Stephen.chriss@wal-mart.com




Kimberly A. Ward

Richard Savelkoul
Martin & Squires, P.A.
332 Minnesota Street, Suite W2750
St. Paul, MN 55101
rsavelkoul@martinsquires.com

Kavita Maini
KM Energy Consulting, LLC
961 North Lost Woods Road
Oconomowoc, WI 53066
kmmaini@visi.com

Subscribed and sworn to before me this
27th day of July, 2018



Notary Public

