

**STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION**

**Otter Tail Power Company
Transmission Facility Cost Recovery (2019)
Rates**

Case No. PU-18-329

NOTICE OF OPPORTUNITY FOR HEARING

October 10, 2018

On August 31, 2018, Otter Tail Power Company (Otter Tail) filed an annual update under its Transmission Facility Cost Recovery Rider (TCRR) tariff. The proposed rate update for 2019 includes the impacts of Case No. PU-17-398, in which recovery for 16 transmission projects shifted from the TCRR to base rates, the costs for three new transmission projects, updated electric transmission expenses with offsetting revenues, and a true-up amount from the current rate. The proposed TCRR rate adjustment to be effective for bills rendered on and after January 1, 2019, is as follows:

<u>Customer Class</u>	<u>Existing Rate</u>	<u>Proposed Rate</u>	<u>Decrease</u>
Large Gen. Service	\$1.632 /kW	\$1.113	\$0.519 /kW
Controlled Service	\$0.00085 /kWh	\$0.00056	\$0.0029 /kWh
Lighting Service	\$0.00312 /kWh	\$0.00211	\$0.00101 /kWh
All Other Service	\$0.00543 /kWh	\$0.00370	\$0.0173 /kWh

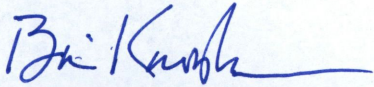
The decrease for a typical residential customer using 1,000 kWh per month would be \$1.73 per month. The issues to be considered in this proceeding are:

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

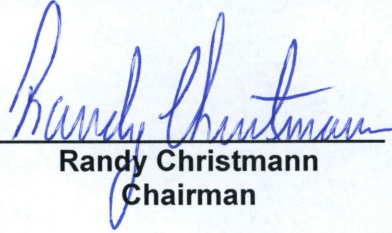
Those interested are invited to comment on the application in writing. Persons desiring a hearing must file a written request identifying their interest in the proceeding and the reasons for requesting a hearing. **Comments and requests for hearing must be received by November 14, 2018.** If deemed appropriate, the Commission can determine the matter without a hearing.

For more information contact the Public Service Commission, State Capitol, Bismarck, North Dakota 58505, 701-328-2400 or Relay North Dakota 1-800-366-6888 TTY. If you require any auxiliary aids or services, such as readers, signers, or Braille materials, please notify, Darrell Nitschke, Executive Secretary, 24 hours in advance.

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