

**STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION**

**Otter Tail Power Company
Generation Resource Cost Recovery
Tariff and Rates**

Case No. PU-19-91

**ORDER
May 15, 2019**

Preliminary Statement

On March 1, 2019, Otter Tail Power Company (OTP) filed a change in its Generation Cost Recovery Rider (GCRR) tariff and an initial GCRR factor.

On March 13, 2019 the Commission issued a Notice of Opportunity for Hearing, which provided until April 26, 2019 for receiving written comments and hearing requests. No response was received. The Notice identified the issues to consider in this proceeding are:

1. Are the proposed tariff revisions just and reasonable?
2. Do the proposed rates comply with the tariff?
3. Are the proposed rates just and reasonable?

On May 1, 2019, the Commission discussed this matter with Otter Tail and Commission staff during an Informal Hearing.

Discussion

OTP's proposes an initial GCRR factor of 2.547 percent of customer bills to recover actual and forecasted costs through June 2020 for the Astoria Station Natural Gas Plant project (Astoria Station) of approximately \$2,720,265 during the recovery period July 1, 2019 through June 2020. The impact of the rate change on the bill for a residential customer using 1,000 kWh per month is approximately \$1.96 per month.

Having considered this matter the Commission finds Otter Tail's proposed tariff revisions just and reasonable. Otter Tail's cost projections for Astoria Station and retail sales forecasts appear reasonable. The proposed recovery factor is non-discriminatory and calculated to recover the Astoria Station cost projections from forecasted retail sales. The Commission finds the proposed recovery factor complies with the tariff and is just and reasonable. Therefore, the Commission issues the following:

Order

The Commission Orders Otter Tail Power Company's application for GCRR tariff revisions and an initial GCRR factor of 2.547 percent is APPROVED.

PUBLIC SERVICE COMMISSION



Julie Fedorchak
Commissioner



Brian Kroshus
Chairman



Randy Christmann
Commissioner