

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

Otter Tail Power Company
Deferred Accounting – COVID-19
Application

Case No. PU-20-193

AFFIDAVIT OF SERVICE BY CERTIFIED MAIL

STATE OF NORTH DAKOTA
COUNTY OF BURLEIGH

Geralyn R. Schmaltz deposes and says that:

she is over the age of 18 years and not a party to this action and, on the **4th day of February 2021**, she deposited in the United States Mail, at Bismarck, North Dakota, **three** envelopes with certified postage, return receipt requested, fully prepaid, securely sealed and containing a photocopy of:

- **Order**

The envelopes were addressed as follows:

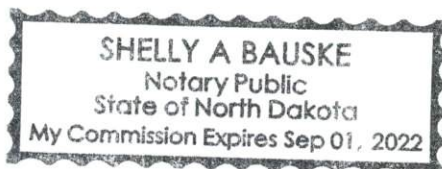
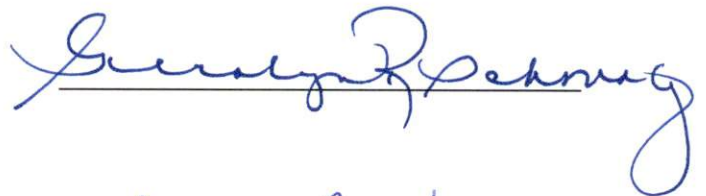
Tamie Aberle
Director of Regulatory Affairs
Montana-Dakota Utilities Co.
400 N. 4th Street
Bismarck, ND 58501
Cert. No. 7020 1290 0001 6150 3144

Pete Beithon
Manager Regulatory Recovery
Otter Tail Power Company
215 S Cascade St.
Fergus Falls, MN 56537
Cert. No. 7020 1290 0001 6150 3151

David Sederquist
Senior Consultant Regulation & Finance
Xcel Energy
2302 Great Northern Drive
Fargo, ND 58102
Cert. No. 7020 1290 0001 6150 3168

The addresses shown are the respective addressee's last reasonably ascertainable post office addresses.

Subscribed and sworn to before me
this **4th of February 2021**.



SEAL


Notary Public

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

**Otter Tail Power Company
Deferred Accounting – COVID-19
Application**

Case No. PU-20-193

ORDER

February 3, 2021

Preliminary Statement

On April 24, 2020, Otter Tail Power Company (OTP) filed an application for deferred accounting treatment to track the financial impacts of the COVID-19 pandemic. Approval would allow the utility to track and defer these financial impacts as a regulatory asset and would afford possible recovery in future utility rates.

On June 10, 2020, the Commission issued a Notice of Opportunity for Consolidated Hearing that provided until July 11, 2020 for receiving hearing requests and written comments. No response was received. The notice identified the issue to be considered is whether the Commission should grant deferred accounting treatment for the financial impacts of the COVID-19 pandemic.

On July 23, 2020, the Commission discussed this matter with OTP and Commission staff during an informal hearing.

Discussion

During the July 23, 2020 informal hearing, the following was offered and accepted into the official record.

OTP is requesting to track items of increased expenses as well as items of reduced revenues beginning on March 13, 2020.

Staff recommended that OTP track items with increased and decreased expenses as well as items with increased and decreased revenues.

Having considered this matter, the Commission finds that the COVID-19 pandemic has led to circumstances that are unprecedented in recent history, unforeseeable, and extraordinary, and the application for deferred accounting treatment should be approved. However, compelling reasoning has not been provided to justify granting deferred accounting treatment prior to the date of filing. Therefore, the Commission issues the following:


18 **PU-20-193** Filed: 2/3/2021 Pages: 2
Order

Order

The Commission Orders:

1. OTP's application for deferred accounting treatment is APPROVED to begin effective April 24, 2020.
2. OTP must track items of increased and decreased expenses and increased and decreased revenues that are the result of the COVID-19 pandemic.

PUBLIC SERVICE COMMISSION


Randy Christmann
Commissioner


Julie Fedorchak
Chair


Brian Kroshus
Commissioner