

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

Otter Tail Power Company
Transmission Facility Cost Recovery (2021)
Rates

Case No. PU-20-383

ORDER

November 18, 2020

Preliminary Statement

On August 31, 2020, Otter Tail Power Company (Otter Tail) filed an annual rate update under its Transmission Facility Cost Recovery Rider (TCRR) tariff.

On September 23, 2020, the Commission issued a Notice of Opportunity for Hearing, which provided until November 7, 2020, for receiving written comments and hearing requests. No response was received. The notice provided that, if deemed appropriate, the Commission can determine the matter without a hearing.

The Notice identified 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.

Discussion

Otter Tail's proposed rate to be effective for bills rendered on and after January 1, 2021, includes the costs for eight new transmission projects, updated electric transmission expenses with offsetting revenues, and a true-up amount from the current rate. The decrease for a residential customer using 1,000 kWh per month would be \$0.04 per month.

The proposed rate adjustment complies with Otter Tail's tariff.

The incurred costs for new or modified electric transmission facilities are reasonable and prudent.

The incurred costs are eligible for recovery through the TCRR.

Order

The Commission Orders Otter Tail's 2021 TCRR rate is approved effective January 1, 2021.

PUBLIC SERVICE COMMISSION


Julie Fedorchak
Commissioner


Brian Kroshus
Chairman


Randy Christmann
Commissioner