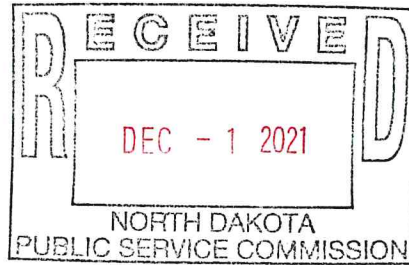


215 South Cascade Street  
PO Box 496  
Fergus Falls, Minnesota 56538-0496  
218 739-8200  
www.otpco.com

November 26, 2021



Steve Kahl  
Executive Secretary/Director of Administration  
North Dakota Public Service Commission  
State Capitol  
600 East Boulevard, Dept. 408  
Bismarck, ND 58505-0408

**RE: In the Matter of Otter Tail Power's Proposal for a Residential Time of Day Pilot Plan  
Case No. PU-21-  
PILOT UPDATE & REQUEST TO DELAY PILOT**

Dear Mr. Kahl:

Otter Tail Power Company (Otter Tail) hereby submits to the North Dakota Public Service Commission a request to remove the Residential Time of Day Pilot (Residential Pilot), Rate Schedule 9.04, due to a change in Otter Tail's automated metering infrastructure (AMI) deployment strategy/schedule.

### **Background of Residential Pilot**

Otter Tail proposed and received approval of its Residential Pilot in Case PU-17-398<sup>1</sup>, effective February 1, 2019. No customers have taken service on Rate Schedule 9.04.

Otter Tail initially planned to deploy three simultaneously pilots in the three states Otter Tail serves to leverage pilot resources and obtain feedback from each jurisdiction to achieve the following objectives: 1) Learn from and Respond to Customers, 2) Assess System Costs and Revenues, and 3) Inform Future AMI investments.<sup>2</sup> Otter Tail's initial plan was contingent upon securing coordinated pilot approvals, which has not occurred.<sup>3</sup>

**1** **PU-21-439** Filed: 11/26/2021 Pages: 2  
**Letter request to cancel Rate Schedule 9.04 –  
Residential Time of Day Pilot**

Otter Tail Power Company

David Prazak, Supervisor, Pricing

<sup>1</sup> *In the Matter of the Application Otter Tail Power Company for Authority to Increase Rates for Electric Service in North Dakota*, Case No. PU-17-398.

<sup>2</sup> PU-17-398, Prazak Direct Testimony, pp. 55-59

<sup>3</sup> Intervenors in Minnesota Docket E017/M-20-331 did not support Otter Tail's proposal.

### **Rate Schedule/Pilot Delay and Proposed Schedule**

Otter Tail requests to remove its Rate Schedule 9.04 and delay in the further development of the pilot to coincide with a successful deployment of our proposed AMI Project, which Otter Tail is seeking approval of in other jurisdictions<sup>4</sup>. These AMI Project proposals have identified various stages of the project. Phase 1 (i.e., Vendor partnership) has already started – but more importantly –Phase 3 describes full deployment from Q1 2023 to Q4 2024.

The rationale for the Residential TOD pilot delay considers the pilot customers' experience (potential risks) and timeliness of needed pilot infrastructure, which includes having the new AMI infrastructure in place. Our initial plan was to utilize an existing AMI-type platform which would assist in achieving the pilot objectives. Unfortunately, the initial proposed platform is no longer viable.

Otter Tail believes the success of a Residential TOD pilot is directly linked to successful AMI deployment. In this regard Otter Tail seeks to avoid negative customer experiences that may result from rolling out a pilot prior to a proof of concept of the new AMI system. Additional Residential TOD Pilot infrastructure would include customer access to an informational portal.

Otter Tail proposes the following:

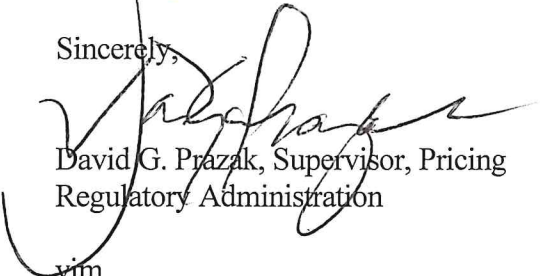
- Remove the Residential Time of Day Rate Section 9.04.
- File a new Residential TOD proposal by the end of Q3 2023. The filing will discuss similar pilot elements as discussed in Case PU-17-398 and include any new updates/technologies as the AMI Project progresses.

Otter Tail requests approval of our proposal and looks forward to discussing this matter further.

Enclosed are an original and seven copies of this filing. An electronic copy of this filing is being sent to [ndpsc@nd.gov](mailto:ndpsc@nd.gov).

If you have any questions regarding this filing, please contact me at 218-739-8595 or at [dprazak@otpc.com](mailto:dprazak@otpc.com).

Sincerely,



David G. Prazak, Supervisor, Pricing  
Regulatory Administration

vjm

By electronic filing and U.S. mail

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<sup>4</sup> In North Dakota, Case No. PU-21-83 – Advanced Prudence – AMI - was filed on February 15, 2021, and approved on September 22, 2021. Otter Tail's petition seeking rider recovery eligibility for AMI investments is pending before the Minnesota Public Utilities Commission. in Docket E017-M-21-382, *In the Matter of Otter Tail Power Company's Petition to Implement Electric Utility Infrastructure Cost Recovery Rider for Advanced Metering Infrastructure / Outage Management System / Demand Response System, Rate Schedule 13.11*, which was filed on June 6, 2021.