

Memorandum

To: Commissioners Christmann, Fedorchak and Kroshus

From: Victor Schock Public Utility Analyst

VS

Date: December 14, 2021

Re: Otter Tail Power Company, Residential Time of Day Pilot, Tariff and Rates, Case No. PU-21-439

On November 26, 2021, Otter Tail Power Company (OTP) filed an application to remove the Residential Time of Day Pilot (TOD), Rate Schedule 9.04. OTP states the request to eliminate this rate schedule is driven by the automated metering infrastructure (AMI) deployment strategy and schedule along with a lack of regulatory approval for the program in other states.

Rate 9.04 was originally approved during OTP's last rate case (PU-17-398). Since February 1, 2019 (the date this rate was approved for service) no North Dakota customers have taken service under the rate.

OTP states that a successful residential TOD rate program is directly linked to successful AMI deployment, and as such intends to file a new residential TOD proposal by the end of Q3 2023.

Pursuant to North Dakota Century Code Section 49-05-05 and 49-05-06, a notice of tariff or rate change received by the Commission not suspended upon the expiration of 30 days from the date of filing becomes effective. Due to the nature of this tariff change, Staff believes it is appropriate to permit the elimination of this tariff to become effective by not suspending the tariff or rate nor issuing a notice of opportunity for hearing.

Staff believes the proposed tariff and rate elimination is reasonable and prudent and recommends permitting them to take effect after 30 days of receipt of OTP's filing (on December 26, 2021) by taking no action on the filing.

c. David Prazak