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NORTH DAKOTA
PUBLIC SERVICE COMMISSION



March 16, 2022

Mr. Steve Kahl
Director of Administration/Executive Secretary
North Dakota Public Service Commission
600 East Boulevard, Dept. 408
Bismarck, ND 58505-0480

**Re: In the Matter of the Application of Otter Tail Power Company for Modification to the Energy Adjustment Rider Rate Schedule 13.01
Case No. PU-21-443
Compliance Filing**

Dear Mr. Kahl:

On March 9, 2022, the North Dakota Public Service Commission (Commission) approved Otter Tail's requested revision to our Energy Adjustment Rider, Rate Schedule 13.01, in case number PU-21-443. Attached to this letter is a non-legislative version of page 2 of the Energy Adjustment Rider, Section 13.01 (Tariff Sheet), which reflects the Commission-approved tariff revision. The effective date on this rate schedule is January 1, 2023.

An electronic copy of this filing is being sent to the North Dakota Public Service Commission at ndpsc@nd.gov.

If you have any questions regarding this filing, please contact me at 218-739-8699 or at wolson@otpc.com.

Sincerely,

A handwritten signature in black ink, appearing to read "Wendi A. Olson".

Wendi A. Olson
Regulatory Compliance Specialist

vjm
Enclosures
By electronic filing and U.S. mail

16 PU-21-443 Filed: 3/18/2022 Pages: 2
Revisions to North Dakota Electric Rate Schedule

Otter Tail Power Company

Wendi Olson, Reg. Compliance



Fergus Falls, Minnesota

Protection Agency rules and regulations. Energy from the Company's hydro generating plants shall be included at zero cost.

2. The Energy cost of purchased power included in Account 555 when such Energy is purchased on an economic dispatch basis, exclusive of Capacity or Demand charges. This includes but is not limited to net costs linked to the utility's load serving obligation, associated with participation in wholesale electric Energy markets operated by Regional Transmission Organizations, Independent System Operators or similar entities that have received Federal Energy Regulatory Commission approval to operate the Energy markets. All Midwest Independent System Operator ("MISO") Energy and Ancillary service market charges and credits relating to retail sales and asset based sales, specifically including (but not limited to) Schedule 16 and 17 charges and credits shall be included in the calculation.
3. The actual identifiable fossil and nuclear fuel costs associated with Energy purchased for reasons other than identified in 2 above.
4. The net Energy cost of Energy purchases from a renewable Energy source, including hydropower, wood, windpower, and biomass.
5. Less the fuel-related costs recovered through intersystem sales.
6. The Energy cost of avoided purchased power resulting from Hoot Lake Solar output. N

Asset-based Sales Margins, as defined below and in the amount calculated as described below, shall be reflected as a credit to the Energy adjustment calculation described in 1-6, above. C

Asset-based Sales Margins:

Asset-based Sales Margins are defined as wholesale Energy and ancillary services sales revenues from Company-owned generation resources less the sum of fuel, Energy costs (including costs associated with MISO markets that are recorded in FERC Account 555), and any additional transmission or other costs incurred that are required to make such sales (referred to as "margins").

The amount of the Asset-based Sales Margin credit shall be determined as described below: