

**STATE OF NORTH DAKOTA  
PUBLIC SERVICE COMMISSION**

**Otter Tail Power Company  
Advanced Grid Infrastructure Cost Recovery Rider  
Tariff and Rates**

**Case No. PU-22-312**

**ORDER**

**November 10, 2022**

**Preliminary Statement**

On July 8, 2022, Otter Tail Power Company (OTP) filed an application for an eligibility determination and approval to implement an advanced grid infrastructure cost recovery rider.

On July 27, 2022, the Commission suspended the tariff and rates and issued a Notice of Opportunity for Hearing (Notice) providing until September 9, 2022, to receive comments or requests for hearing. No comments or requests for hearing were received.

The Notice stated that the issues to be considered in this proceeding are:

1. Are the proposed tariff revisions just and reasonable?
2. Do the proposed rates comply with the tariff?
3. Are the proposed rates just and reasonable?

The Notice stated that, if deemed appropriate, the Commission can determine the matter without a hearing.

On September 23, 2022, Commission Staff filed a Memorandum regarding OTP's application.

On September 27, 2022, the Commission held an Informal Hearing to discuss the application with OTP.

On October 14, 2022, OTP filed a revised tariff and additional information requested during the Informal Hearing. In this filing, OTP proposes to change the name of the proposed tariff to the Advanced Meter and Distribution Technology (AMDT) Cost Recovery Rider.

**Discussion**

The proposed AMDT Cost Recovery Rider permits OTP to recover the costs, expenses and a return on its investments in Advanced Metering Infrastructure (AMI), Outage Management System (OMS) and Demand Response (DR) system. The

proposal also includes an offset for operations and maintenance cost savings attributable to manual meter reading and customer service.

OTP proposes a \$3,062,505 revenue requirement to be collected from customers over the January 1, 2023, through December 31, 2023, recovery period. The proposed recovery would be a fixed per meter charge based upon the cost of the type of meter needed for each class of service. The proposed monthly charge would be \$1.71 for a standard residential meter and up to \$71.76 for a large general service transmission meter.

The revenue requirement calculation includes costs of \$2,967,316 for AMI, \$790,882 for OMS and \$60,819 for DR. The calculation also includes credits of \$745,620 for operations and maintenance savings and \$10,892 for carrying charges through 2023.

Due to the fixed nature of the proposed charge, all standard residential customers would see an increase of \$1.71 per month.

The Commission has reviewed the documents and evidence in this proceeding and finds that the proposed tariff is just and reasonable, the proposed rates comply with the tariff, and finds the basis of charge to its customers is just and reasonable without undue discrimination.

### Order

In accordance with the discussion above, Otter Tail Power Company's Advanced Meter and Distribution Technology Cost Recovery Rider tariff and rates, filed on October 14, 2022, are approved.

### PUBLIC SERVICE COMMISSION

  
Randy Christmann  
Commissioner

  
Julie Fedorchak  
Chair

  
Sheri Haugen-Hoffart  
Commissioner