

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

AFFIDAVIT OF SERVICE BY CERTIFIED AND ELECTRONIC MAIL

STATE OF NORTH DAKOTA
COUNTY OF BURLEIGH

Amy Haugen deposes and says that:

she is over the age of 18 years and not a party to this action and, on the **17th day of November 2022** she deposited in the United States Mail at Bismarck, North Dakota, **two** envelopes with certified postage, return receipt requested, fully prepaid, securely sealed and containing a photocopy of:

- **Order**

The envelopes were addressed as follows:

Cary Stephenson
Associate General Counsel
Otter Tail Power Company
PO Box 496
Fergus Falls, MN 56538-0496

Cert. No. 7016 1970 0001 1484 4771

Paula Foster – Supervisor
Regulatory Analysis, Regulatory Administration
Otter Tail Power Company
PO Box 496
Fergus Falls, MN 56538-0496

Cert. No. 7016 1970 0001 1484 4696

Amy Haugen further deposes and says that on the **17th day of November 2022**, she sent an electronic message to **one** addressee, each including an electronic copy in portable document format of the same document.

The electronic mail was addressed as follows:

Filing Coordinator – Regulatory Department
Otter Tail Power Company
Regulatory_Filing_Coordinators@otpc.com

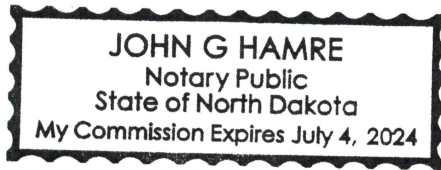
Each address shown is the respective addressee's last reasonably ascertainable post office address.

Subscribed and sworn to before me
this **17th day of November 2022.**

Amy Haugen

John G. Hamre
Notary Public

SEAL



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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