

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

Otter Tail Power Company
Transmission Facility Cost Recovery (2023)
Rates

Case No. PU-22-335

ORDER

December 14, 2022

Preliminary Statement

On September 15, 2022, Otter Tail Power Company (OTP) filed an annual rate update under its Transmission Facility Cost Recovery Rider (TCRR) tariff.

On October 5, 2022, the Commission issued a Notice of Opportunity for Hearing, which provided until November 17, 2022, for receiving written comments and hearing requests. No response was received. The notice provided that, if deemed appropriate, the Commission can determine the matter without a hearing.

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

1. Whether the proposed rate adjustment complies with OTP's tariff,
2. Whether the incurred costs for new or modified electric transmission facilities are reasonable and prudent,
3. Whether the incurred costs are eligible for recovery through the TCRR, and
4. Whether to grant OTP's request to change the filing date of its TCRR filing to September 15 of each year.

Discussion

OTP's proposed rate to be effective for bills rendered on and after January 1, 2023, includes the costs for ten new transmission projects, a modification in the scope of a previously-approved project, updated costs for previously-approved transmission projects, Midcontinent Independent System Operator revenues and expenses, Southwest Power Pool revenues and expenses, and a true-up amount from the current rate. The increase for a residential customer using 1,000 kWh per month would be \$1.13.

OTP also requested to permanently change the filing due date of updates to its annual TCRR to September 15.

The proposed rate adjustment complies with OTP's tariff.

The incurred costs for new or modified electric transmission facilities are reasonable and prudent.

The incurred costs are eligible for recovery through the TCRR.

The request to change the filing date for the TCRR filing to September 15 is reasonable.

Order

The Commission orders OTP's 2023 TCRR rate is approved effective January 1, 2023, and approves OTP's request to change the filing due date for future Transmission Facility Cost Recovery Rider updates to September 15 of each year.

PUBLIC SERVICE COMMISSION


Randy Christmann
Commissioner


Julie Fedorchak
Chair


Sheri Haugen-Hoffart
Commissioner