

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

**Otter Tail Power Company
Economic Development
Rates**

Case No. PU-22-367

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 **1st day of December 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. 7019 1120 0002 3204 4619

Svetlana Fedje
Pricing Analyst-Regulatory Administration
Otter Tail Power Company
PO Box 496
Fergus Falls, MN 56538-0496
Cert. No. 7019 1120 0002 3204 4602

Amy Haugen further deposes and says that on the **1st day of December 2022**, she sent an electronic message to **one** addressee, each including an electronic copy in portable document format of the same document.

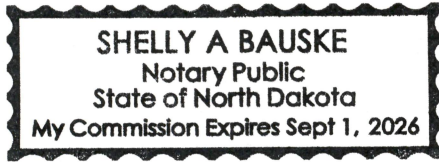
The electronic mail was addressed as follows:

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 **1st day of December 2022**.

Amy Haugen



Shelly A Bauske
Notary Public

SEAL

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

**Otter Tail Power Company
Economic Development
Rates**

Case No. PU-22-367

ORDER

November 30, 2022

Preliminary Statement

On September 16, 2022, Otter Tail Power Company (OTP) filed an application for approval of an Electric Service Agreement (ESA) with Green Bison Soy Processing, LLC (Green Bison). The ESA provides that the Customer would take electric service from OTP under its Economic Development Rate Rider - Large General Service section 14.13.

On September 27, 2022, the Commission discussed this matter with OTP during an Informal Hearing.

On October 5, 2022, the Commission issued a Notice of Opportunity for Hearing, which provided until November 17, 2022, for receiving written comments or hearing requests. No response was received. The notice identified the issues to be considered in this proceeding are:

1. What is the value of OTP's property, used and useful, for the service and convenience of the public in North Dakota?
2. What is a just and reasonable rate of return on OTP's property, used and useful for the service and convenience of the public in North Dakota?
3. What rates and charges are necessary to provide a just and reasonable rate of return on OTP's property, used and useful, for the service and convenience of the public in North Dakota?
4. Are OTP's rate schedules designed in such a manner that they result in a basis of charge to its customers that is just and reasonable without undue discrimination?
5. Whether the electric service agreement should be approved.

Discussion

The ESA meets the criteria for OTP's Economic Development Rate Rider – Large General Service section 14.13, including:

1. A greenfield customer.
2. Expected metered demand of at least 500 kW at a single metering point.
3. Seasonal Load Factor that is above the seasonal system average load factor.

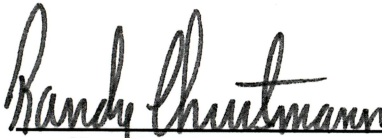
Green Bison will be constructing a soybean crusher with a capacity to crush up to 150,000 bushels per day and be operational by October 2023. It is expected to have a load of 7 MW. This load and associated energy will cause OTP to incur marginal energy, transmission and customer costs. OTP has incorporated these marginal costs into the rate calculation model that was filed in Case PU-17-238. The proposed rates for Green Bison will recover revenue that is equal to or exceeds the marginal costs demonstrated by the rate calculation model.

Having considered this matter, the Commission finds that the ESA results in a just and reasonable rate without undue discrimination for the customer that provides OTP with an opportunity to collect a just and reasonable rate of return on its property, used and useful, for the service and convenience of the public in North Dakota and should be approved. Therefore, the Commission issues the following:

Order

The Commission Orders Otter Tail Power Company's Electric Service Agreement with Green Bison Soy Processing, LLC is APPROVED.

PUBLIC SERVICE COMMISSION


Randy Christmann
Commissioner


Julie Fedorchak
Chair


Sheri Haugen-Hoffart
Commissioner