

**STATE OF NORTH DAKOTA**  
**PUBLIC SERVICE COMMISSION**

**Otter Tail Power Company  
Advanced Metering & Distribution Technology (AMDT)  
Tariff and Rates**

**Case No. PU-23-275**

**ORDER**

**January 4, 2024**

**Preliminary Statement**

On July 25, 2023, Otter Tail Power Company (OTP) filed an application to change its tariff related to the new Advanced Metering and Distribution Technology (AMDT). OTP also requested a permanent variance to North Dakota Administrative Code section 69-09-02-10 & 69-09-02-11 relating to the required frequency of meter readings and bill presentation.

On September 6, 2023, the Commission issued a Notice of Opportunity for Hearing that provided until October 20, 2023, for receiving written comments and hearing requests. No response was received. The notice identified that the issues to be considered in this proceeding are:

The issues to consider 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?
4. Whether the requested variance should be granted?

On September 27, 2023, the Commission discussed this matter with OTP and Commission Staff during an Informal Hearing.

On December 12, 2023, OTP submitted a supplemental filing.

## Discussion

OTP's proposed tariff changes to facilitate the implementation of AMDT addressed three issues: The proposed variances from the Public Utility Electric Standards of Service (ESS); the required tariff changes; and whether to allow customers to opt out of the AMDT and if so what charges should apply.

The variances from the ESS are related to a change in the frequency of meter readings and bill presentation. The tariff changes primarily reflect these same changes, as well as minor alterations to better describe services and to create more consistency in the tariffs between jurisdictions. Lastly, OTP requested that customers not be allowed to opt out of the AMDT, but if they were allowed to do so it stipulated the criteria of who would and would not be allowed to do so, as well as suggested up-front opt-out charges and monthly meter reading charges for customers that chose to opt-out of the AMDT.

During the September 27, 2023, Informal Hearing, the Commission voiced its support for allowing an opt-out provision from the AMDT. They further expressed their concerns over the high up-front and monthly meter reading charges for customers that opted out of the AMDT. Finally, the Commission discussed options regarding the presentation of the bill to allow for the total meter reading to be displayed as opposed to simply the consumption as planned.

On December 12, 2023, OTP submitted a supplemental filing in response to the concerns raised during the September 27, 2023, informal hearing. In this filing, OTP acknowledged that it would have an opt-out provision for the AMDT. Further, they proposed an up-front opt-out charge of \$120 and stated they would accept a monthly meter reading charge of \$20. The Commission believes these rates are a reasonable compromise that allows OTP an opportunity to recover its costs while not being unduly punitive to customers.

In this supplemental filing, OTP also requested that it not be required to display the meter reads on the bills initially. The reason for this is that it would only apply to customers on basic rates and could prove confusing if customers had additional rates. But the primary concern about implementing the meter read was that these changes and the requisite testing would delay the AMDT deployment schedule. OTP committed to monitoring customers' contacts regarding this issue and is willing to reassess the issue in the future if it is deemed necessary. The Commission believes this is reasonable.

Having considered this matter, the Commission finds OTP's proposed tariff and rates for its proposed manual meter reading rider filed on July 25, 2023, and the supplemental filed on December 12, 2023, is just, reasonable, in compliance with the tariff and should be approved. The Commission further finds that a variance for displaying the beginning and ending kwh reading on customer bills should be granted. Therefore, the Commission issues its:

## Order

The Commission orders:

1. Otter Tail Power Company's request for a variance from the North Dakota Administrative Code 69-09-02-10 and 69-09-02-11 is GRANTED.
2. Otter Tail Power Company's request for changes to the tariff sheets is GRANTED.
3. Otter Tail Power Company shall allow customers to opt out of AMI as per the terms and conditions stipulated in the application with the exception that the up-front opt-out rate shall be set at \$120 and the monthly meter reading fee shall be \$20.

### PUBLIC SERVICE COMMISSION

  
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**Sheri Haugen-Hoffart**  
Commissioner

  
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**Randy Christmann**  
Chair

  
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**Julie Fedorchak**  
Commissioner