

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

**Otter Tail Power Company
AMDT Cost Recovery 2024
Rates**

Case No. PU-23-283

AFFIDAVIT OF SERVICE BY CERTIFIED AND ELECTRONIC MAIL

**STATE OF NORTH DAKOTA
COUNTY OF BURLEIGH**

Geralyn R. Schmaltz deposes and says that:

she is over the age of 18 years and not a party to this action and, on the **30th day of November 2023**, she deposited in the United States Mail, at Bismarck, North Dakota, **three** 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. 7022 3330 0000 1007 9805

Emily Ketelsen
Rates Analyst, Regulatory Economics
Otter Tail Power Company
PO Box 496
Fergus Falls, MN 56538-0496
Cert. No. 9589 0710 5270 0642 4072 02

Paula Foster – Supervisor
Regulatory Analysis, Regulatory Economics
Otter Tail Power Company
PO Box 496
Fergus Falls, MN 56538-0496
Cert. No. 9589 0710 5270 0642 4072 19

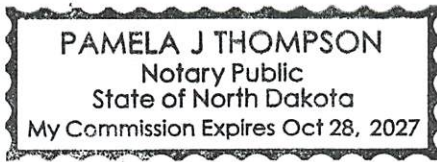
Geralyn R. Schmaltz further deposes and says that on the **30th day of November 2023**, she sent an electronic message to **one** address, each including an electronic copy in portable document format of the same document.

The electronic mail was addressed as follows:

Regulatory Filing Coordinators
Otter Tail Power Company
Regulatory_Filing_Coordinators@otpc.com

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

Subscribed and sworn to before me
this **30th day of November 2023**.



A handwritten signature in blue ink, written over a horizontal line. The signature is cursive and appears to read "Suzanne D. Schmag".

A handwritten signature in blue ink, written over a horizontal line. The signature reads "Pamela J Thompson". Below the signature, the words "Notary Public" are printed.

SEAL

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

Otter Tail Power Company
AMDT Cost Recovery 2024
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ORDER

November 29, 2023

Preliminary Statement

On August 1, 2023, Otter Tail Power Company (OTP) filed an application for approval of its Annual Rate Update to the Advanced Metering & Distribution Technology Cost Recovery Rider (AMDT Rider) for 2024.

On September 6, 2023, the Commission suspended the rates and issued a Notice of Opportunity for Hearing providing until October 20, 2023, 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. Do the investments and associated costs qualify for recovery?
2. Whether the rate adjustments are consistent with the terms of OTP's 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 25, 2023, Commission Staff filed a Memorandum regarding OTP's application.

On September 27, 2023, the Commission held an Informal Hearing to discuss the application with OTP.

On November 2, 2023, OTP filed a supplemental filing to the August 1, 2023, initial filing to update the Advanced Metering Infrastructure (AMI) project timeline and its impacts and to change the AMDT Rider to reflect the proposed recovery in Case No. PU-23-342, OTP 2023 Electric Rate Increase. In this supplemental filing, OTP also proposes to change the name of the proposed tariff from Advanced Metering and Distribution Technology Cost Recovery Rider to Metering & Distribution Technology (MDT) Cost Recovery Rider.

Discussion

The proposed MDT Cost Recovery Rider permits OTP to recover the costs, expenses, and a return on its investments in AMI and Demand Response (DR).

OTP proposes a \$1,297,973 revenue requirement to be collected from customers over the January 1, 2024, through December 31, 2024, recovery period, a decrease from the previous year's revenue requirement of \$3,062,505. The decrease in the revenue requirement is primarily due to project delays stemming from challenges with integrating software systems for the implementation of AMI. The proposed recovery would be a fixed per meter charge based on the cost of the type of meter needed for each class of service. The proposed monthly charge would be \$0.73 for a standard residential meter and up to \$21.07 for a large general service transmission meter.

The revenue requirement calculation includes costs of \$3,695,718 for AMI, and \$269,360 for DR. The calculation also includes credits of \$563,670 for operations and maintenance savings and \$88,851 for carrying charges through 2024 and a true-up of \$2,014,584.

Due to the fixed nature of the proposed charge, all standard residential customers would see a decrease of \$0.98 per month from the previous year's per month rate of \$1.71.

Order

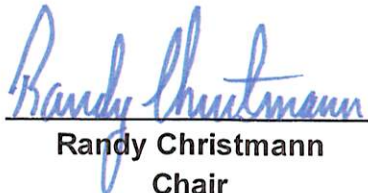
The Commission Orders:

Otter Tail Power Company's Metering & Distribution Technology Cost Recovery Rider tariff and rates, filed on November 2, 2023, are approved.

PUBLIC SERVICE COMMISSION



Sheri Haugen-Hoffart
Commissioner



Randy Christmann
Chair



Julie Fedorchak
Commissioner