

February 6, 2024



Mr. Steve Kahl
Director of Administration/Executive Secretary
North Dakota Public Service Commission
600 East Boulevard, Dept. 408
Bismarck, ND 58505-0480

**RE: In the Matter of the Application of Otter Tail Power Company for
Authority to Increase Rates for Electric Service in North Dakota
Case No. PU-23-342
OAH File No. 20230373
Letter**

Dear Mr. Kahl:

On November 2, 2023, Otter Tail Power Company (Otter Tail) filed its Application for Authority to Increase Electric Rates in North Dakota (the Application). In connection therewith, Otter Tail filed its Alternative Petition for Interim Rates (the Petition) requesting the Commission authorize an interim rate increase of \$34,450,473. The Commission granted the Petition pursuant to its December 13, 2023, Order Approving Interim Rates, which authorized an interim rate increase of \$34,450,473. The interim rate increase is being collected through an Interim Rate Adjustment of 30.51 percent, beginning with the Company's January 2024 billing cycle.

A portion of the interim rate increase is attributable to costs moving from riders into base rates. Otter Tail has determined certain portions of the Application and Petition understated the amount of the increase attributable to moving costs from riders into base rates. Specifically, portions of the Application and Petition state \$20,235,589 of the interim revenue rate increase is due to the movement of costs from riders into base rates, resulting in a net increase of \$14,214,884 (or approximately 6.03 percent). These amounts are in error: the correct figures are \$22,002,887 due to the movement of costs from riders into base rates and a resulting net increase of \$12,422,036. The discrepancy does not affect the overall interim revenue deficiency of \$34,450,473 or the Interim Rate Adjustment percentage of 30.51 percent. As a result and given the Interim Rate Adjustment (which is correct) is already being applied to customer bills, Otter Tail is not planning to file an Errata to our Volume 1 documents. Otter Tail has filed this letter to make the Commission and interested stakeholders aware of the issue and we apologize for any confusion.

Copies have been sent via USPS.

Please contact me at (218) 739-8395, or jfyhrie@otpc.com should you have any questions with respect to this filing.

Very truly yours,

/s/ JESSICA J. FYHRIE
Jessica J. Fyhrie
Manager, Regulatory Proceedings

kaw
Enclosures
By electronic filing
c: Service List

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

Case No. PU-23-342

In the Matter of Otter Tail Power
Company's Application for Authority
To Increase Rates for Electric Service
In North Dakota

CERTIFICATE OF SERVICE

Kim Ward certifies that on the 6th day of February, 2024, she served a true and correct copy of the attached LETTER by email addressed to the following individuals:

John Schuh
General Counsel
ND Public Service Commission
600 East boulevard Avenue, Dept 408
Bismarck, ND 58505-0480
jschuh@nd.gov

Brian Johnson
Legal Counsel
ND Public Service Commission
600 East boulevard Avenue, Dept 408
Bismarck, ND 58505-0480
bjohnson@nd.gov

Lauren Donofrio
Senior Associate General Counsel-Reg.
Otter Tail Power Company
P.O. Box 496
Fergus Falls, MN 56538-0496
ldonofrio@otpc.com

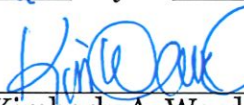
Jessica Fyhrie
Manager Regulatory Proceedings
Otter Tail Power Company
PO Box 496
Fergus Falls, MN 56538-0496
jfyhrie@otpc.com

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

Hope L. Hogan
Administrative Law Judge
OAH File No. 20230373
hlhogan@nd.gov

Mitchell D. Armstrong
Jon C. Lengowski
Special Assistant Attorneys General for
PSC Advocacy Staff
122 East Broadway Ave.
PO Box 460
Bismarck, ND 58502-0460
marmstrong@smithporsborg.com

Subscribed and sworn to before me this
6 day of February, 2024



Kimberly A. Ward
Notary Public

