

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

**Otter Tail Power Company
My Renewable Energy Credits (My RECs) Rider
Tariff and Rates**

Case No. PU-24-76

ORDER

May 23, 2024

Preliminary Statement

On February 14, 2024, Otter Tail Power Company (OTP) filed an application for approval of a new My Renewable Energy Credits (My RECs) Rider.

On March 5, 2024, the Commission issued a Notice of Opportunity for Hearing providing until April 19, 2024, to receive comments or requests for hearing. No comments or requests were received.

The Notice stated that the issues to be considered in the 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?

The Notice stated that, if appropriate, the Commission can determine the matter without a hearing.

On April 29, 2024, the Commission held an Informal Hearing to discuss the application with OTP.

On May 2, 2024, an amendment to the application was filed by OTP.

Discussion

The proposed voluntary My RECs Rider provides nonresidential customers with over 20 kW of measured demand the option to purchase OTP's excess Renewable Energy Credits (RECs) at a per kWh charge and a monthly customer charge to cover administrative costs. The customer has the option to participate in the My RECs Rider at 50%, 75%, or 100% of their usage. The rate for this filing can be summarized as follows:

CUSTOMER CHARGE	
Customer Charge per Month:	\$1.28

ENERGY CHARGE		
Energy Charge All Consumption per kWh:		
50% My RECs Option	0.08021	¢/kWh
75% My RECs Option	0.12031	¢/kWh
100% My RECs Option	0.16042	¢/kWh

The rates will be based on the price calculated annually for Small Power Production (SPP) rates, which calculates annual pricing for OTP's RECs. OTP plans to file an annual update to the My RECs Rider in the Annual Update to the Cogeneration and SPP Rates filing updating both the customer and energy charges.

The My RECs Rider will be open to eligible customers on a first come, first served basis, and will have an initial participation cap of 600,000 MWh, equivalent to 600,000 RECs that OTP will retire. The participation capacity limit will be updated on an annual basis based on the customers' annual kWh usage and level of participation. A customer will participate for a 12-month period after which the service will be either automatically renewed or cancelled as determined by the participant.

Order

The Commission Orders:

Otter Tail Power Company's My Renewable Energy Credits Rider tariff and rates, filed February 14, 2024, are approved.

PUBLIC SERVICE COMMISSION

		
Sheri Haugen-Hoffart Commissioner	Randy Christmann Chair	Julie Fedorchak Commissioner