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January 31, 2025



Mr. Steve Kahl
Director of Administration/Executive Secretary
North Dakota Public Service Commission
State Capitol
600 East Boulevard, Dept. 408
Bismarck, ND 58505-0408

**PUBLIC DOCUMENT –
NOT PUBLIC (OR PRIVILEGED)
DATA HAS BEEN EXCISED**

**RE: In the Matter of Otter Tail Power Company's Rates for Small Power
Production and Cogeneration and Renewable Energy Credits
Case No. PU-25-
Initial Filing**

Dear Mr. Kahl:

Otter Tail Power Company (Otter Tail Power) hereby submits to the North Dakota Public Service Commission (Commission) Annual updates to rate schedules 12.01, 12.02, and 12.03, Small Power Producer purchased power rates. These rate schedules set forth the rates under which Otter Tail Power is obligated to purchase energy and capacity from qualifying facilities. Additionally, the Company is filing for approval of updates in its My Renewable Energy Credit Rider, Section 14.14 and our Voluntary Riders - Availability Matrix, Section 14.00.

Attachments 2, 3, and 4 contain trade secret information. In accordance with N.D. Admin. Code § 69-02-09-02, an Application for Trade Secret Protection is being provided along with a single copy of the trade secret version of the Application and supporting testimony in a sealed envelope marked **PROTECTED INFORMATION – PRIVATE**.

Copies have been sent via USPS.

Please contact me at (218) 739-8799 or sfedje@otpc.com if you have any questions regarding this filing.

Sincerely,

/s/ SVETLANA A. FEDJE
Svetlana A. Fedje
Pricing Analyst
Regulatory Economics

lcd
Enclosures
By electronic filing and U.S. mail

1 PU-25-63 Filed 01/31/2025 Pages: 48
Application for Proposed Changes to Small Power
Production and Cogeneration Rates - Redacted

Otter Tail Power Company
Svetlana Fedje, Pricing Analyst

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

**In the Matter of Otter Tail Power
Company's Rates for Small Power
Production and Cogeneration and
Renewable Energy Credits**

**Case No. PU-25-

APPLICATION**

I. INTRODUCTION

Otter Tail Power Company (Otter Tail Power or the Company) hereby files with the North Dakota Public Service Commission (Commission) proposed annual changes to the Small Power Production and Cogeneration rate schedules 12.01, 12.02, and 12.03. These rate schedules set forth the rates under which Otter Tail Power is obligated to purchase energy and capacity from qualifying facilities (QFs) under North Dakota Administrative Code, Chapter 69-09-07.

Also, included in this filing are proposed annual changes to the My Renewable Energy Credits (My RECs) rider, rate schedule 14.14. The My RECs tariff annual update is pursuant to Commission Order, Docket No. PU-24-76.¹

II. GENERAL FILING INFORMATION

Pursuant to § 69-02-02-04 of the Commission's Rules of Practice and Procedure, the following information is provided:

A. Name, address, and telephone number of the utility making the filing.

Otter Tail Power Company
215 South Cascade Street
Fergus Falls, MN 56538-0496
Phone (218) 739-8200

¹ Otter Tail Power Company My Renewable Energy Credits (My RECs) Rider Tariff and Rates, Case No. PU-24-76, Commission Order dated May 23, 2024.

B. Name, address, and telephone number of utility attorney.

Lauren D. Donofrio
Senior Associate General Counsel
Otter Tail Power Company
215 South Cascade Street
Fergus Falls, MN 56538-0496
Phone (218) 739-8774

C. Title of utility employee responsible for filing.

Svetlana A. Fedje
Pricing Analyst
Otter Tail Power Company
215 South Cascade Street
Fergus Falls, MN 56538-0496
Phone (218) 739-8799
sfedje@otpc.com

We request that all communications regarding this proceeding, including data request, also be directed to:

Regulatory Filing Coordinator
Otter Tail Power Company
215 South Cascade Street
Fergus Falls, MN 56538-0496
regulatory_filing_coordinators@otpc.com

D. The date of filing and the date changes will take effect.

The date of this filing is January 31, 2025. Otter Tail Power proposes that the updates contained herein, go into effect as of April 1, 2025, or on the first day of the following month upon Commission approval.

E. State and/or administrative rule which Otter Tail Power believes controls the reason for, and the time of, the filing.

Otter Tail Power believes that this filing is controlled by North Dakota Administrative Code § 69-09-07-08 regarding obligations to QFs and North Dakota Administrative Code § 69-09-07-09, which among other things requires that rates for purchase be just, reasonable, in the public interest, and not discriminate against qualifying cogeneration and small power production facilities.

Otter Tail Power is not aware of any specific statutory or administrative rule governing the timing of this filing. Although North Dakota Administrative Code § 69-09-02-01(2) prescribes that all proposed changes in rates for the furnishing

of electric service by a utility must be filed with the Commission 30 days prior to its effective date, there is no comparable rule for the filing of changes in the rates charged by QFs.

III. DESCRIPTION OF AND PURPOSE OF FILING

A. Energy and capacity payments and Renewable Energy Credits for both wind and solar.

In this application, Otter Tail Power is proposing to update the energy and capacity payments and the Renewable Energy Credits (RECs) (also known as Renewable Energy Certificates) for both wind RECs and solar (SRECs) to 2025 values. These updates are typical and have occurred routinely in previous filing updates.

As reflected in supporting documents (Attachment 1 – ND SPP Customer Generation Report, Attachment 2 – Capacity Payment Schedule for Rate 12.03, Attachment 3 – REC Payments, Attachment 4 – Energy Payments), the calculated proposed avoided energy payments show an increase in the on-peak and in the off-peak energy credit rate in 2025.

Compared to last year, avoided costs increased slightly primarily due to MISO market prices being slightly higher year over year resulting in Otter Tail Power units being dispatched more. This is the result of higher natural gas prices driving energy market price forecasts upward.

Otter Tail Power currently projects, as provided and detailed in its current Integrated Resource Plan,² a capacity surplus in the coming ten years. Due to the surplus, the capacity rate is zero thus avoiding any capacity costs.³

Lastly, the payments for wind RECs are decreasing slightly and the SRECs remained unchanged. Please see Attachment 3 for the calculations of the rates for all REC payment options for facilities that are renewable.

Otter Tail Power calculates the wind RECs value, proposed for the payments in this filing, based on the average actual wind RECs net sales/purchases executed by Otter Tail Power in the prior calendar year, 2024, which reflect a slight change

² Otter Tail Power's September 1, 2021, Initial Filing *In the Matter of Otter Tail Power Company's Submittal of its 2022-2036 Integrated Resource Plan* in Case No. PU-21-380, Table 3-2, Line No. 15 of the Resource Plan.

³ ND Rule 69-09-07-09. Rates for purchases must: Qualifying facilities are entitled to payment for avoided capacity when utility load forecasts project capacity deficits within ten years and the qualifying facility has entered into a power supply contract with the utility that extends into projected deficit period.

in wind REC payments. Otter Tail Power is using the most recent (2023) purchased SRECs information; there is no change to the rate.

The RECs value is paid to customers who sell renewable energy to Otter Tail Power. By paying the customer the RECs value, Otter Tail Power owns the REC associated with the energy received from the renewable generator. Customers who choose not to receive a REC payment from Otter Tail Power retain REC ownership. Otter Tail Power updates the value of the RECs at the same time the avoided cost updates are filed.

B. My Renewable Energy Credits

On May 24, 2024, Otter Tail Power received Commission approval for a new My Renewable Energy Credits (My RECs) voluntary rider, Case No. PU-24-76. Updating rates for this rider will be done in this annual filing. Currently, there are no customers on this rate (Section 14.14). Calculations of the rate are presented in the Attachment 5.

IV. RATE SCHEDULE CHANGES

Included with this filing are Legislative and Non-Legislative versions of the following Rate Schedules in Attachment 6.

Section 12.01 – Small Power Producer Rider – Occasional delivery energy service

Section 12.02 – Small Power Producer Rider – Time of delivery energy service

Section 12.03 – Small Power Producer Rider – Dependable service

Section 14.00 – Voluntary Riders – Availability Matrix

Section 14.14 – My Renewable Energy Credit (My RECs) Rider

The Energy Credit and wind REC rates in Otter Tail Power’s Small Power Producer Riders (Sections 12.01, 12.02, and 12.03) have been updated.

The Energy Charges have been updated in Section 14.14 My RECs Rider.

In the Section 14.00 Availability Matrix, Otter Tail Power has added a second page to include the Voluntary Riders to show the applicability of each.

Additionally, Otter Tail Power is taking this opportunity to update footers and clean up inconsistent formatting, margins, and fonts within these Rate Schedules. Those updates are listed here; not all can be shown in redline.

1. Replacing Bruce G. Gerhardson with our Manager of Regulation & Retail Energy Solutions, Stuart D. Tommerdahl.

2. Rates are now listed in dollars/kWh rather than cents/kWh.
3. Narrative, titles and bullets aligned on the left margin.
4. Definitions bold rather than underlined.
5. Capitalizing terms that are included in the Glossary which is part of the General Rules and Regulations section of our Rate Book.
6. Removal of excess spacing between titles and paragraphs.
7. Inserted gridlines in tables.

V. CONCLUSION

Based on the foregoing, Otter Tail Power respectfully requests approval of the modifications to Sections 12.01, 12.02, 12.03, 14.00 and 14.14 as outlined above and provided in the attached and that they become effective as of April 1, 2025, or on the first day of the following month upon Commission approval.

Dated: January 31, 2025

Respectfully submitted,

OTTER TAIL POWER COMPANY

/s/ SVETLANA A. FEDJE

Svetlana A. Fedje

Pricing Analyst

Regulatory Administration

215 South Cascade Street

Fergus Falls, MN 56538-0496

Phone (218) 739-8799

sfedje@otpc.com

North Dakota Small Power Producers
Total Monthly Energy Produced, kWh
Year: 2024

Premise	Rate	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
012158	0920	-240	-180	-320	-860	-1,260	0	-4,060	-1,320	-1,600	-1,380	-1,440	-320	-12,980
003248	0920	-350	-100	-200	-350	-350	-800	-1,000	-800	-300	-450	-450	-200	-5,350
015873	0920	-227	-199	-482	-665	-859	-1,560	-1,102	-911	-1,083	-886	-502	-253	-8,729
016931	0920	0	0	0	0	0	0	0	0	0	0	0	0	0
002571	0920	-20	0	0	0	0	0	0	0	0	0	0	0	-20
025078	0920	0	0	0	0	-10,600	0	0	0	0	0	0	0	-10,600
003176	0930	-311	-204	-304	0	0	0	0	0	0	0	0	-77	-896
011925	0930	-280	-440	-800	-3,240	-2,480	-3,800	-4,960	-3,000	-3,120	-2,320	-920	-120	-25,480
013216	0930	-600	-650	-1,800	-3,900	-4,750	-6,350	-7,350	-6,600	-6,150	-4,450	-3,850	-800	-47,250
012051	0930	-627	-505	-796	-1,126	-1,717	-1,588	-1,973	-2,463	-1,646	-1,889	-1,602	-708	-16,640
025078	0930	0	0	0	0	0	0	0	0	0	0	0	0	0
025078	0930	0	0	0	0	-500	-4,150	-4,200	-4,700	-3,100	-2,600	-2,900	-1,750	-23,900
		-6,838	-8,183	-13,948	-26,903	-38,240	-38,742	-45,288	-39,938	-34,742	-29,456	-24,202	-8,649	-315,129

0 : This indicates no generation measured from the customers generator

CAPACITY PAYMENT SCHEDULE FOR RATE 12.03

OTTER TAIL POWER COMPANY

Year of Filing		2025
Year of Deficit	N/A	
Inflation Rate		0.030
Cost of Capital		0.07338
Project Life	N/A	

Contract Term	Multiplier	\$/kW-Month Gross Capacity Rate	\$/kW-Month Net Capacity Rate	\$/kW-Month Net Levelized Rate
[PROTECTED DATA BEGINS...				
_____				_____
_____				_____
_____				_____
_____				_____
_____				_____
_____				_____

...PROTECTED DATA ENDS]

Wind REC Sales for calculating 2025 REC price			
(average of the 12 months - 7-1-2023 to 6-30-2024)			
<u>date</u>	<u>RECS</u>	<u>price</u>	<u>total sale</u>
[PROTECTED DATA BEGINS...]			
...PROTECTED DATA ENDS]			
weighted average		\$ 1.11 per MWh	\$/kWh \$ 0.00111

Solar REC Purchases for calculating 2025 REC price			
(No transactions made - use prior value)			
<u>date</u>	<u>RECS</u>	<u>price</u>	<u>total purchase</u>
[PROTECTED DATA BEGINS...]			
...PROTECTED DATA ENDS]			
weighted average		\$ 3.00 per MWh	\$/kWh \$ 0.00300

Energy Payment Schedule
Otter Tail Power Company

Estimated Marginal Energy Costs (\$/MWh)						
		2025	2026	2027	2028	2029
			[PROTECTED DATA BEGINS...]	[PROTECTED DATA BEGINS...]	[PROTECTED DATA BEGINS...]	[PROTECTED DATA BEGINS...]
Summer	On Peak	49.87				
	Off Peak	34.60				
	All Hours	41.41				
Winter	On Peak	49.32				
	Off Peak	39.63				
	All Hours	43.94				
Annual	On Peak	49.50				
	Off Peak	37.96				
	All Hours	43.10				
			...PROTECTED DATA ENDS]	...PROTECTED DATA ENDS]	...PROTECTED DATA ENDS]	...PROTECTED DATA ENDS]
Annual # hours on-peak:		3900	3900	3900	3900	3827

A. Admin Cost	2025
Renewable Energy Credits (RECs)	
Admin Costs (\$/kWh)	\$0.00003417

FROM 2023 MARGINAL COST STUDY:

B. Customer Charge Calculation.		
Customer Charge for Small Power Producer	per account	
Large General Service (Secondary)	\$	1.87
Large General Service (Primary)	\$	1.07
Large General Service - TOD (Secondary)	\$	1.12
Large General Service - TOD (Primary)	\$	1.07
Average:	\$	1.28

C. Rate Development for "My RECs".	2025
	\$/kWh
Wind REC Credit	\$0.00111
Admin Charge:	\$0.0000342
Rate for "My RECs"	\$0.0011406

D. Percent of My RECs Calculation applies to all consumption.		2025	2025
Description	Rate CODE	\$/kWh	cents/kWh
100% My RECs Option	N727	\$0.00114	0.114
75% My RECs Option	N725	\$0.00086	0.086
50% My RECs Option	N723	\$0.00057	0.057

E. Example of the customer bill impact					
				Customer Charge	\$ 1.28
	My RECs Option	50%	75%	100%	
Monthly Electric Use:					
800	kWh	\$ 1.74	\$ 1.96	\$ 2.19	
1,000	kWh	\$ 1.85	\$ 2.14	\$ 2.42	
1,200	kWh	\$ 1.96	\$ 2.31	\$ 2.65	
100,000	kWh	\$ 58.31	\$ 86.83	\$ 115.34	
500,000	kWh	\$ 286.43	\$ 429.01	\$ 571.59	
1,000,000	kWh	\$ 571.59	\$ 856.74	\$ 1,141.90	

Attachment 6
Legislative and Non-Legislative Versions of

- ND 12.01 Small Power Producer Rider – Occasional Delivery Energy Service
- ND 12.02 Small Power Producer Rider – Time of Delivery Energy Service
- ND 12.03 Small Power Producer Rider – Dependable Service
- ND 14.00 Voluntary Riders – Availability Matrix
- ND 14.14 My Renewable Energy Credits (My RECs) Rider



**SMALL POWER PRODUCER RIDER
 OCCASIONAL DELIVERY ENERGY SERVICE**

DESCRIPTION	RATE CODE
Base Avoided Costs	N920
Renewable Energy Credit	N991
Solar Renewable Energy Credit	N993
Optional Production Meter Charge	N995

RULES AND REGULATIONS: Terms and conditions of this rider and the General Rules and Regulations govern service of this schedule.

AVAILABILITY: Available to any Qualifying Facility not exceeding 100 kW of generating Capacity.

METERING CHARGE: \$1.33 per month

OPTIONAL PRODUCTION METER CHARGE: \$4.55 per month

PAYMENT SCHEDULES:

DESCRIPTION	ENERGY CREDIT
Base Avoided Costs	\$0.043103.999 per kWh
	REC RATE
Renewable Energy Credit	\$0.001110.157 per kWh
Solar Renewable Energy Credit	\$0.003000.300 per kWh

SPECIAL CONDITIONS OF SERVICE: The Customer will be required to sign a contract, agreeing to terms and conditions specified for small power producers. The minimum term of the contract is 12 months.

MANDATORY AND VOLUNTARY RIDERS: The amount of a bill for service will be modified by any Mandatory Rate Riders that must apply or Voluntary Rate Riders selected by the Customer, unless otherwise noted in this rider. See Sections 12.00, 13.00 and 14.00 of the North Dakota electric rates for the matrices of riders.

NORTH DAKOTA PUBLIC
 SERVICE COMMISSION
 Case No. PU-~~25-4-63~~
 Approved by order dated ~~March 5, 2024~~
~~Gerhardson~~
 President, Regulatory Affairs

EFFECTIVE with bills rendered on
 and after April 1, 202~~5~~⁴, in North Dakota
 APPROVED: ~~Stuart D. Tommerdahl~~~~Bruce G.~~
~~Manager, Regulation & Retail Energy Solutions~~Vice

TERMS AND CONDITIONS: The use of this rider requires that special precautions be taken in the design of associated metering and control systems. The following terms and conditions describe these precautions and shall be followed on all Customer-owned small qualifying facilities (SQF).

1. The Customer will be compensated monthly for all Energy received from the SQF less the Customer charge. The schedule for these payments is subject to annual review.
2. If the SQF is located at a site outside of the Company's service territory and Energy is delivered to the Company through facilities owned by another utility, Energy payments will be adjusted downward reflecting losses occurring between the point of metering and the point of delivery.
3. If required, a separate ~~m~~Meter will be furnished, owned and maintained by the Company to measure the Energy to the Company. Separate monthly charges may apply for any additional metering installed by the Company at the Customer's request. If the Customer requests from the Company an additional Production Meter(s), beyond Company required Production Meter(s), an additional Optional Production Meter charge will be applied.
4. The SQF shall make provisions for the installation of Company owned on-site metering. All Energy received from and delivered to the Company shall be metered. On-site use of the SQF output shall be unmetered for purposes of compensation.
5. In the event the SQF desires wheeling by the Company of the SQF output, arrangements will be made subject to special consideration.
6. The Customer shall pay for any increased capacity of the Distribution equipment serving him and made necessary by the installation of the ~~g~~Generator.
7. Power and Energy purchased by the SQF from the Company shall be billed under the available retail rates for the purchase of electricity.
8. The ~~g~~Generator output must be compatible with the Utility system. The Customer's 60 hertz ~~g~~Generator output must be at the voltage and phase relationship of the existing service or of one mutually agreeable to the Company and the Customer.

9. The Customer will provide equipment to maintain a unity power factor + or - 10% during periods of ~~g~~Generator operation.
10. The Company reserves the right to disconnect the ~~e~~Customer's ~~g~~Generator from its system if it interferes with the operation of the Company's equipment or with the equipment of other company ~~e~~Customers.
11. The Customer is required to follow the Company's interconnection process which requires that prior to installation, a detailed diagram of the ~~g~~Generator and related equipment must be furnished to the Company for its approval.
12. The Customer shall execute an electric service agreement with the Company which may include, among other provisions, a minimum term of service.
13. The SQF shall indemnify and save harmless the Company from and against any and all claims for damages to property and injury or death to persons which may arise out of or be caused by the erection, maintenance, presence, operation or removal of the SQF or by any related act or omission of the SQF, its employees, agents, contractors or subcontractors.
14. Equipment shall be provided by the Customer that provides a means of preventing feedback to the Company during an outage or interruption of that system as well as a visible means to disconnect the ~~g~~Generator from the Utility that is readily accessible by Utility employees.
15. The Customer shall install, own, and maintain all equipment deemed necessary by the Company to assure proper parallel operation of the system.
16. Any renewable Energy credits associated with the renewable Energy sold to the Company will be transferred to the Company and the renewable ~~g~~Generator will be compensated an additional payment, as shown in the payment schedule.



**SMALL POWER PRODUCER RIDER
 TIME OF DELIVERY ENERGY SERVICE**

DESCRIPTION	RATE CODE
Base Avoided Costs	N930
Renewable Energy Credit	N991
Solar Renewable Energy Credit	N993
Optional Production Meter Charge	N995

AVAILABILITY: This rider is available to any Qualifying Facility not exceeding 100 kW of generating Capacity. This rider is available to any Qualifying Facility exceeding 100 kW upon the approval of the Company. The Company reserves the right to require the Qualifying Facility to sign an Agreement.

METERING CHARGE: \$1.33 per month

OPTIONAL PRODUCTION METER CHARGE: \$4.55 per month

PAYMENT SCHEDULE:

DESCRIPTION	ENERGY CREDIT ON-PEAK	ENERGY CREDIT OFF-PEAK
Based Avoided Costs		
Summer	\$0.049874.401 per kWh	\$0.034603.079 per kWh
Winter	\$0.049324.560 per kWh	\$0.039633.845 per kWh
Renewable Energy Credit	\$0.001110.157 per kWh	\$0.001110.157 per kWh
Solar Renewable Energy Credit	\$0.003000.300 per kWh	\$0.003000.300 per kWh

MANDATORY AND VOLUNTARY RIDERS: The amount of a bill for service will be modified by any Mandatory Rate Riders that must apply or Voluntary Rate Riders selected by the Customer, unless otherwise noted in this rider. See Sections 12.00, 13.00 and 14.00 of the North Dakota electric rates for the matrices of riders.

NORTH DAKOTA PUBLIC
 SERVICE COMMISSION
 Case No. PU-25-4-63
 Approved by order dated ~~March 5, 2024~~
~~G. Gerhardson~~
 President, Regulatory Affairs

EFFECTIVE with bills rendered on
 and after, April 1, 2025~~4~~ in North Dakota
 APPROVED: ~~Stuart D. Tommerdahl~~~~Bruee~~
 Manager, Regulation & Retail Energy Solutions~~Vice~~



SPECIAL CONDITIONS OF SERVICE: The minimum contracted term of service is 12 months.

RULES AND REGULATIONS: Terms and conditions of this tariff and the General Rules and Regulations govern use of this schedule.

DEFINITIONS:

Summer On-Peak: June 1 through September 30 including those hours from 8:00 a.m. to 10:00 p.m., Monday through Friday, excluding holidays.

Summer Off-Peak: All other hours including the three holidays of Memorial Day, Independence Day and Labor Day.

Winter On-Peak: October 1 through May 31 including those hours from 7:00 a.m. to 10:00 p.m., Monday through Friday, excluding holidays.

Winter Off-Peak: All other hours including the three holidays of Thanksgiving Day, Christmas Day and New Year's Day.

TERMS AND CONDITIONS: The use of this rate requires that special precautions be taken in the design of associated metering and control systems. The following terms and conditions describe these precautions and shall be followed on all Customer-owned small qualifying facilities (SQF).

1. The Customer will be compensated monthly for all Energy received from the SQF less the Customer charge. The schedule for these payments is subject to annual review.
2. If the SQF is located at a site outside of the Company's service territory and Energy is delivered to the Company through facilities owned by another utility, Energy payments will be adjusted downward reflecting losses occurring between the point of metering and the point of delivery.
3. If required, a separate meter will be furnished, owned and maintained by the Company to measure the Energy to the Company. Separate monthly charges may apply for any additional metering installed by the Company at the Customer's request. If the Customer requests from the Company an additional Production Meter(s), beyond Company required Production Meter(s), an additional Optional Production Meter charge will be applied.

4. The SQF shall make provisions for the installation of Company owned on-site metering. All Energy received from and delivered to the Company shall be metered. On site use of the SQF output shall be unmetered for purposes of compensation.
5. In the event the SQF desires wheeling by the Company of the SQF output, arrangements will be made subject to special consideration.
6. The Customer shall pay for any increased Capacity of the Distribution equipment serving him and made necessary by the installation of his ~~g~~Generator.
7. Power and Energy purchased by the SQF from the Company shall be billed under the available retail rates for the purchase of electricity.
8. The ~~g~~Generator output must be compatible with the Utility system. The Customer's 60 hertz ~~g~~Generator output must be at the voltage and phase relationship of the existing service or of one mutually agreeable to the Company and the Customer.
9. The Customer will provide equipment to maintain a unity power factor + or - 10% during periods of ~~g~~Generator operation.
10. The Company reserves the right to disconnect the Customer's ~~g~~Generator from its system if it interferes with the operation of the Company's equipment or with the equipment of other Company Customers.
11. The Customer is required to follow the Company's interconnection process which requires that prior to installation, a detailed diagram of the ~~g~~Generator and related equipment must be furnished to the Company for its approval.
12. The Customer shall execute an electric service agreement with the Company which may include, among other provisions, a minimum term of service.
13. The SQF shall indemnify and save harmless the Company from and against any and all claims for damages to property and injury or death to persons which may arise out of or be caused by the erection, maintenance, presence, operation or removal of the SQF or by any related act or omission of the SQF, its employees, agents, contractors or subcontractors.



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14. Equipment shall be provided by the Customer that provides a means of preventing feedback to the Company during an outage or interruption of that system as well as a visible means to disconnect the ~~g~~Generator from the Utility that is readily accessible by Utility employees.
 15. The Customer shall install, own and maintain all equipment deemed necessary by the Company to assure proper parallel operation of the system.
 16. Any renewable Energy credits associated with the renewable Energy sold to the Company will be transferred to the Company and the renewable ~~g~~Generator will be compensated an additional payment, as shown in the payment schedule.

**SMALL POWER PRODUCER RIDER
DEPENDABLE SERVICE**

DESCRIPTION	RATE CODE
Base Avoided Costs	N940
Renewable Energy Credit	N991
Solar Renewable Energy Credit	N993
Optional Production Meter Charge	N995

AVAILABILITY: Available to any Qualifying Facility which is capable of delivering power and Energy to the Company on a dependable basis with Generation Capacity of 1,000 kW or less.

MANDATORY AND VOLUNTARY RIDERS: The amount of a bill for service will be modified by any Mandatory Rate Riders that must apply or Voluntary Rate Riders selected by the Customer, unless otherwise noted in this rider. See Sections 12.00, 13.00 and 14.00 of the North Dakota electric rates for the matrices of riders.

METERING CHARGE: \$1.33 per month

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OPTIONAL PRODUCTION METER CHARGE: \$4.55 per month

PAYMENT SCHEDULE:

DESCRIPTION	ENERGY CREDIT ON-PEAK	ENERGY CREDIT OFF-PEAK
Based Avoided Costs		
Summer	\$0.049874.401 ¢ per kWh	\$0.034603.079 ¢ per kWh
Winter	\$0.049324.560 ¢ per kWh	\$0.039633.845 ¢ per kWh
Renewable Energy Credit	\$0.001110.157 ¢ per kWh	\$0.001110.157 ¢ per kWh
Solar Renewable Energy Credit	\$0.003000.300 ¢ per kWh	\$0.003000.300 ¢ per kWh

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EFFECTIVE with bills rendered on
and after April 1, 202~~5~~4, in North Dakota
APPROVED: ~~Stuart D. Tommerdahl~~~~Bruce G.~~
~~Manager, Regulation & Retail Energy Solutions~~Vice



CAPACITY:

Contract <u>Term</u>	Monthly \$/kW Net Capacity <u>Rate</u>	Monthly \$/kW Levelized <u>Rate</u>
60 mos.	\$0.00	\$0.00
120 mos.	\$0.00	\$0.00
180 mos.	\$0.00	\$0.00
240 mos.	\$0.00	\$0.00
300 mos.	\$0.00	\$0.00
360 mos.	\$0.00	\$0.00

Energy payment will be adjusted annually to reflect Energy costs. €

Total Capacity payment equals (accredited Capacity value of the Qualifying Facility) times
 (Capacity ratio) times (appropriate levelized Capacity rate). €

Capacity Ratio equals (Qualifying Facility on-peak Capacity factor) divided by 65%. €

The Capacity Ratio shall not exceed a value of 1 or if the Qualifying Facility is dispatchable by
 the Company and tested under the Midcontinent Independent System Operator (MISO)
 guidelines, then the Capacity ratio automatically equals 1. €

SPECIAL CONDITIONS OF SERVICE:

1. A qualifying facility, desiring dependable service compensation shall execute a contract agreement for a term of 5, 10, 15, 20, 25, or 30 years.
2. In the event that a qualifying facility terminates service, the Dependable Service severance penalty payment will be determined as follows:

The remaining percentage of the contract term will be multiplied by the average Capacity compensation per month and the result multiplied by six months. The average Capacity compensation per month will be determined for the last three years or from the contract's initiation, whichever is the shorter period. €

In addition, Capacity compensation from the initiation of the contract will be recalculated at the Capacity payment of the longest contract term filled. The following table illustrates €



the longest contract term filled given the number of months that payments were made:

NORTH DAKOTA PUBLIC
SERVICE COMMISSION
Case No. PU-~~25-4-63~~
Approved by order dated ~~March 5, 2024~~
~~Gerhardson~~
~~President, Regulatory Affairs~~

EFFECTIVE with bills rendered on
and after April 1, 202~~5~~⁴, in North Dakota
APPROVED: ~~Stuart D. Tommerdahl~~^{Bruce G.}
~~Manager, Regulation & Retail Energy Solutions~~^{Vice}



<u>Months of Payments</u>	<u>Contract Term Filled</u>
0 - 119	60
120 - 179	120
180 - 239	180
240 - 299	240
300 - 360	300

SPECIAL CONDITIONS OF SERVICE:

The difference between the actual payments made and the recalculated payments must be repaid with interest. The interest rate used will be the average prime interest rate during the contract period prior to the severance.

3. Qualifying facility may select a total of 30 scheduled maintenance days per year, to be taken in two periods, neither of which shall be less than one week in duration at a time agreeable to the Company. A 30-day prior notice must be given to the Company before a scheduled maintenance period can be established.

Capacity payment for a monthly period in which scheduled maintenance has occurred will be the greater of the Capacity payment using the regular billing procedure or the average billing Capacity payment since the previous month in which a scheduled maintenance period occurred.

RULES AND REGULATIONS: Terms and conditions of this tariff and the General Rules and Regulations govern use of this schedule.

DEFINITIONS:

Dependable Service: Qualifying facility can deliver power at a minimum of 65% on-peak Capacity factor in each month; can deliver power during the Company's winter and summer system peaks; and is accredited according to the Midcontinent Independent System Operator (MISO).

Capacity Factor: The number of Kilowatt-hours delivered during the period divided by the product of the accredited Capacity times the number of hours in the period. The maximum Capacity factor is 1.0.

Summer On-Peak: June 1 through September 30 including those hours from 8:00 a.m. to 10:00 p.m., Monday through Friday, excluding holidays.

NORTH DAKOTA PUBLIC
 SERVICE COMMISSION
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 Approved by order dated ~~March 5, 2024~~
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 APPROVED: ~~Stuart D. Tommerdahl~~~~Bruce G.~~
~~Manager, Regulation & Retail Energy Solutions~~~~Vice~~



Summer Off-Peak: All other hours including the three holidays of Memorial Day, Independence Day and Labor Day.

Winter On-Peak: October 1 through May 31 including those hours from 7:00 a.m. to 10:00 p.m., Monday through Friday, excluding holidays.

Winter Off-Peak: All other hours including the three holidays of Thanksgiving, Christmas Day and New Year’s Day.

TERMS AND CONDITIONS: The use of this rate requires that special precautions be taken in the design of associated metering and control systems. The following terms and conditions describe these precautions and shall be followed on all Customer-owned small qualifying facilities (SQF).

- 1. The Customer will be compensated monthly for all Energy received from the SQF less the Customer charge. The schedule for these payments is subject to annual review. €
- 2. If the SQF is located at a site outside of the Company's service territory and Energy is delivered to the Company through facilities owned by another utility, Energy payments will be adjusted downward reflecting losses occurring between the point of metering and the point of delivery. €
- 3. If required, a separate meter will be furnished, owned and maintained by the Company to measure the Energy to the Company. Separate monthly charges may apply for any additional metering installed by the Company at the Customer’s request. If the Customer requests from the Company an additional Production Meter(s), beyond Company required Production Meter(s), an additional Optional Production Meter charge will be applied. €
- 4. The SQF shall make provisions for the installation of Company owned on-site metering. All Energy received from and delivered to the Company shall be metered. On site use of the SQF output shall be unmetered for purposes of compensation. €
- 5. In the event the SQF desires wheeling by the Company of the SQF output, arrangements will be made subject to special consideration.
- 6. The Customer shall pay for any increased Capacity of the Distribution equipment serving him and made necessary by the installation of his gGenerator. €
- 7. Power and Energy purchased by the SQF from the Company shall be billed under the €

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APPROVED: Stuart D. Tommerdahl~~Bruce G. Gerhardson~~
Manager, Regulation & Retail Energy Solutions~~Vice~~



available retail rates for the purchase of electricity.

NORTH DAKOTA PUBLIC
SERVICE COMMISSION
Case No. PU-~~25-4-63~~
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EFFECTIVE with bills rendered on
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APPROVED: ~~Stuart D. Tommerdahl~~^{Bruce G.}
~~Manager, Regulation & Retail Energy Solutions~~^{Vice}

-
8. The generator output must be compatible with the Utility system. The Customer's 60 hertz generator output must be at the voltage and phase relationship of the existing service or of one mutually agreeable to the Company and the Customer. C
 9. The Customer will provide equipment to maintain a unity power factor + or - 10% during periods of generator operation. C
 10. The Company reserves the right to disconnect the Customer's generator from its system if it interferes with the operation of the Company's equipment or with the equipment of other Company Customers. C
 11. The Customer is required to follow the Company's interconnection process which requires that prior to installation, a detailed diagram of the generator and related equipment must be furnished to the Company for its approval. C
 12. The Customer shall execute an electric service agreement with the Company which may include, among other provisions, a minimum term of service and generator Capacity rating. C
 13. The SQF shall indemnify and save harmless the Company from and against any and all claims for damages to property and injury or death to persons which may arise out of or be caused by the erection, maintenance, presence, operation or removal of the SQF or by any related act or omission of the SQF, its employees, agents, contractors or subcontractors.
 14. Equipment shall be provided by the Customer that provides a means of preventing feedback to the Company during an outage or interruption of that system as well as a visible means to disconnect the generator from the Utility that is readily accessible by Utility employees. C
 15. The Customer shall install, own and maintain all equipment deemed necessary by the Company to assure proper parallel operation of the system.
 16. Any renewable Energy credits associated with the renewable Energy sold to the Company will be transferred to the Company and the renewable generator will be compensated an additional payment, as shown in the payment schedule. C

VOLUNTARY RIDERS - AVAILABILITY MATRIX

(Rate Schedules listed across the top in the first row are applicable to the Rate Schedules in the first column on the left.)

The amount of a bill for service will be modified by any Mandatory Rate Riders that must apply, Voluntary Rate Riders selected by the Customer, and charges listed in the General Rules and Regulations.

 Applicability Availability Matrix	Voluntary Riders	Water Heating Control Rider	Real Time Pricing Rider	Large General Service Rider	Controlled Service - Interruptible Load CT Metering Rider	Controlled Service - Interruptible Load Self-Contained Metering Rider	Controlled Service Deferred Load Rider	Fixed Time of Service Rider	Air Conditioning Control Rider	Voluntary Renewable Energy Rider	WAPA Bill Crediting Program Rider	Reserved for Future Use	Bulk Interruptible Service Application and Pricing Guidelines	Economic Development Rate Rider - Large General Service	My Renewable Energy Credits (My REC's) Rider
Base Tariffs	Section Numbers	14.01	14.02	14.03	14.04	14.05	14.06	14.07	14.08	14.09	14.10	14.11	14.12	14.13	14.14
RESIDENTIAL & FARM SERVICES															
Residential Service	9.01	✓			✓	✓	✓	✓	✓	✓	✓				
Residential Demand Control Service	9.02	✓							✓	✓	✓				
Farm Service	9.03	✓			✓	✓	✓	✓	✓	✓	✓				✓
Reserved for Future Use	9.04														
GENERAL SERVICES															
Small General Service (Under 20 kW)	10.01	✓			✓	✓	✓	✓		✓	✓				✓
General Service (20 kW or Greater)	10.02	✓	✓		✓	✓	✓	✓		✓	✓				✓
General Service - Time of Use	10.03	✓									✓				✓
Large General Service	10.04	✓	✓	✓	✓	✓	✓	✓		✓	✓		✓	✓	✓
Large General Service - Time of Day	10.05	✓	✓	✓	✓	✓	✓	✓		✓	✓		✓	✓	✓
Super Large General Service	10.06	✓	✓	✓	✓	✓	✓	✓		✓	✓		✓	✓	✓
OTHER SERVICES															
Standby Service	11.01														✓
Irrigation Service	11.02									✓	✓				✓
Outdoor Lighting - Energy Only	11.03										✓				✓
Outdoor Lighting (CLOSED)	11.04										✓				
Municipal Pumping Service	11.05	✓	✓		✓	✓	✓	✓		✓	✓				✓
Civil Defense - Fire Sirens	11.06												✓		
LED Street and Area Lighting	11.07										✓				✓
Key: ✓ = May apply ■ = Mandatory □ = Not Applicable															

NORTH DAKOTA PUBLIC SERVICE COMMISSION

Case No. PU-25-4-76

Approved by order dated ~~May 23, 2024~~
~~Gerhardson~~

~~Regulatory Affairs~~


EFFECTIVE for services rendered on and after ~~April 1, 2025~~ ~~June 1, 2024~~, in North Dakota

APPROVED: ~~Stuart D. Tommerdahl~~ ~~Bruce G.~~

~~Manager, Regulation & Retail Energy Solutions~~ ~~Vice President,~~

VOLUNTARY RIDERS - AVAILABILITY MATRIX

(Rate Schedules listed across the top in the first row are applicable to the Rate Schedules in the first column on the left.)

 Availability Matrix		Voluntary Riders	Water Heating Control Rider	Real Time Pricing Rider	Large General Service Rider	Controlled Service - Interruptible Load CT Metering Rider	Controlled Service - Interruptible Load Self-Contained Metering Rider	Controlled Service Deferred Load Rider	Fixed Time of Service Rider	Air Conditioning Control Rider	Voluntary Renewable Energy Rider	WAPA Bill Crediting Program Rider	Reserved for Future Use	Bulk Interruptible Service Application and Pricing Guidelines	Economic Development Rate Rider - Large General Service	My Renewable Energy Credits (My RECs) Rider
Riders	Section Numbers	14.01	14.02	14.03	14.04	14.05	14.06	14.07	14.08	14.09	14.10	14.11	14.12	14.13	14.14	
VOLUNTARY RIDERS:																
Water Heating Control Rider	14.01										✓					✓
Real Time Pricing Rider	14.02										✓					✓
Large General Service Rider	14.03										✓					✓
Controlled Service - Interruptible Load CT Metering Rider	14.04										✓					✓
Controlled Service - Interruptible Load Self-Contained Metering Rider	14.05										✓					✓
Controlled Service Deferred Load Rider	14.06										✓					✓
Fixed Time of Service Rider	14.07										✓					✓
Air Conditioning Control Rider	14.08															
Voluntary Renewable Energy Rider	14.09															
WAPA Bill Crediting Program Rider	14.10															
Reserved for Future Use	14.11															
Bulk Interruptible Service Application and Pricing Guidelines	14.12															
Economic Development Rate Rider - Large General Service	14.13															
My Renewable Energy Credits (My RECs) Rider	14.14															
Key: ✓ = May apply ■ = Mandatory □ = Not Applicable																

MY RENEWABLE ENERGY CREDITS RIDER
(Commonly identified as My RECs)

DESCRIPTION	RATE CODE
50% My RECs Option	N723
75% My RECs Option	N725
100% My RECs Option	N727

RULES AND REGULATIONS: Terms and conditions of this tariff and the General Rules and Regulations govern use of this rider.

AVAILABILITY: This rider is available on a voluntary basis and is applicable to both Single and Three-phase nonresidential Customers with a Maximum Demand of at least 20 kW at the time of enrollment. This rider is open to eligible customers on a first-come first-served basis until participation reaches the applicable annual participation cap of 600,000 MWh (equivalent of 600,000 RECs). Refer to Section 14.00 for the Voluntary Riders – Availability Matrix. Tariff Section 11.03 and 11.07 may qualify if cumulative Demand can be determined to be at least 20 kW.

DETERMINATION OF MY RECS CHARGE: This charge would apply to all metered and unmetered services to the qualifying account, except services under Section 11.04, 11.06, 12.01, 12.02, and 12.03.

RATE:

CUSTOMER CHARGE	
Customer Charge per Month:	\$1.28

ENERGY CHARGE	
Energy Charge All Consumption per kWh:	
50% My RECs Option	\$0.000570-08021¢ /kWh
75% My RECs Option	\$0.000860-12031¢ /kWh
100% My RECs Option	\$0.001140-16042¢ /kWh

NORTH DAKOTA PUBLIC
SERVICE COMMISSION
Dakota
Case No. PU-25-4-76
Approved by order dated May 23, 2024
Gerhardson
President, Regulatory Affairs

EFFECTIVE with bills rendered on
and after April 1, 2025 ~~June 1, 2024~~, in North

APPROVED: Stuart D. Tommerdahl ~~Bruce G.~~
Manager, Regulation & Retail Energy Solutions ~~Vice~~

MANDATORY AND VOLUNTARY RIDERS: The amount of a bill for service will be modified by any Mandatory Rate Riders that must apply or Voluntary Rate Riders selected by Customer, unless otherwise noted in this rider. See Sections 12.00, 13.00 and 14.00 of the North Dakota electric rates for the matrices of riders.

TERMS AND CONDITIONS:

1. Service under this schedule shall be for a period not less than 12 consecutive months, automatically renewed annually. After the first full year of service, Customers may cancel service under this schedule by providing oral or written notice to the Company of their intent to no longer take service, no less than 30 days prior to the Customer's normal monthly billing date.
2. The schedule is unavailable to Customers where the Customer: 1) has received one or more disconnect notices within the last twelve months or 2) has been disconnected within the last twelve months.
3. If the participating Customer misses two consecutive payments or is disconnected for non-payment, the Customer will be removed from this program.
4. Customers will have the option to participate at levels equal to 50 percent, 75 percent, or 100 percent of their usage at a per kWh charge. The per kWh charge is based on the currently approved Small Power Producer rate for RECs, plus administrative costs included for processing and retiring of the RECs.
5. This rider pricing and program participation capacity limit will be updated annually following the annual REC updates. The price and/or program participation capacity limit may increase or decrease.
6. Otter Tail will retire RECs on behalf of subscribers based on their annual kWh usage and level of participation.

DEFINITIONS:

Renewable Energy Credits (REC): Tradable, non-tangible Energy commodities in the United States that represent proof that 1 Megawatt-hour (MWh) of electricity was generated from an eligible renewable energy resource (renewable electricity).

REC Retirement: The retirement of a REC means that the REC has been used by the owner; it can no longer be sold. By participating in the program, a customer can offset emissions associated with electricity purchased and imported from the grid. The emissions a customer can offset is calculated by the customer’s annual kWh usage, multiplied by the selected participation percentage. RECs equal to the customer’s kWh usage, multiplied by the selected participation percentage, will be retired by the Company on the customer’s behalf annually. This may be or include a fractional portion of a REC. The Midwest Renewable Energy Tracking System, Inc. (MRETs) tracking system ensures that RECs are only “retired” once.

NORTH DAKOTA PUBLIC
SERVICE COMMISSION
Dakota

Case No. PU-~~25-4-76~~

Approved by order dated ~~May 23, 2024~~
~~Gerhardson~~

~~President, Regulatory Affairs~~

EFFECTIVE with bills rendered on
and after ~~April 1, 2025~~June 1, 2024, in North

APPROVED: ~~Stuart D. Tommerdahl~~Bruce G.

~~Manager, Regulation & Retail Energy Solutions~~Vice



**SMALL POWER PRODUCER RIDER
 OCCASIONAL DELIVERY ENERGY SERVICE**

DESCRIPTION	RATE CODE
Base Avoided Costs	N920
Renewable Energy Credit	N991
Solar Renewable Energy Credit	N993
Optional Production Meter Charge	N995

RULES AND REGULATIONS: Terms and conditions of this rider and the General Rules and Regulations govern service of this schedule.

AVAILABILITY: Available to any Qualifying Facility not exceeding 100 kW of generating Capacity.

METERING CHARGE: \$1.33 per month

OPTIONAL PRODUCTION METER CHARGE: \$4.55 per month

PAYMENT SCHEDULES:

DESCRIPTION	ENERGY CREDIT
Base Avoided Costs	\$0.04310 per kWh
	REC RATE
Renewable Energy Credit	\$0.00111 per kWh
Solar Renewable Energy Credit	\$0.00300 per kWh

CR

CR
C

SPECIAL CONDITIONS OF SERVICE: The Customer will be required to sign a contract, agreeing to terms and conditions specified for small power producers. The minimum term of the contract is 12 months.

MANDATORY AND VOLUNTARY RIDERS: The amount of a bill for service will be modified by any Mandatory Rate Riders that must apply or Voluntary Rate Riders selected by the Customer, unless otherwise noted in this rider. See Sections 12.00, 13.00 and 14.00 of the North Dakota electric rates for the matrices of riders.

NORTH DAKOTA PUBLIC
 SERVICE COMMISSION
 Case No. PU-25-
 Approved by order dated

EFFECTIVE with bills rendered on
 and after April 1, 2025, in North Dakota

 APPROVED: Stuart D. Tommerdahl
 Manager, Regulation & Retail Energy Solutions



TERMS AND CONDITIONS: The use of this rider requires that special precautions be taken in the design of associated metering and control systems. The following terms and conditions describe these precautions and shall be followed on all Customer-owned small qualifying facilities (SQF).

1. The Customer will be compensated monthly for all Energy received from the SQF less the Customer charge. The schedule for these payments is subject to annual review.
2. If the SQF is located at a site outside of the Company's service territory and Energy is delivered to the Company through facilities owned by another utility, Energy payments will be adjusted downward reflecting losses occurring between the point of metering and the point of delivery.
3. If required, a separate Meter will be furnished, owned and maintained by the Company to measure the Energy to the Company. Separate monthly charges may apply for any additional metering installed by the Company at the Customer's request. If the Customer requests from the Company an additional Production Meter(s), beyond Company required Production Meter(s), an additional Optional Production Meter charge will be applied. C
4. The SQF shall make provisions for the installation of Company owned on-site metering. All Energy received from and delivered to the Company shall be metered. On-site use of the SQF output shall be unmetered for purposes of compensation.
5. In the event the SQF desires wheeling by the Company of the SQF output, arrangements will be made subject to special consideration.
6. The Customer shall pay for any increased capacity of the Distribution equipment serving him and made necessary by the installation of the Generator. C
7. Power and Energy purchased by the SQF from the Company shall be billed under the available retail rates for the purchase of electricity.
8. The Generator output must be compatible with the Utility system. The Customer's 60 hertz Generator output must be at the voltage and phase relationship of the existing service or of one mutually agreeable to the Company and the Customer. C C



-
9. The Customer will provide equipment to maintain a unity power factor + or - 10% during periods of Generator operation. C
 10. The Company reserves the right to disconnect the Customer's Generator from its system if it interferes with the operation of the Company's equipment or with the equipment of other company Customers. C
 11. The Customer is required to follow the Company's interconnection process which requires that prior to installation, a detailed diagram of the Generator and related equipment must be furnished to the Company for its approval. C
 12. The Customer shall execute an electric service agreement with the Company which may include, among other provisions, a minimum term of service.
 13. The SQF shall indemnify and save harmless the Company from and against any and all claims for damages to property and injury or death to persons which may arise out of or be caused by the erection, maintenance, presence, operation or removal of the SQF or by any related act or omission of the SQF, its employees, agents, contractors or subcontractors.
 14. Equipment shall be provided by the Customer that provides a means of preventing feedback to the Company during an outage or interruption of that system as well as a visible means to disconnect the Generator from the Utility that is readily accessible by Utility employees. C
 15. The Customer shall install, own, and maintain all equipment deemed necessary by the Company to assure proper parallel operation of the system.
 16. Any renewable Energy credits associated with the renewable Energy sold to the Company will be transferred to the Company and the renewable Generator will be compensated an additional payment, as shown in the payment schedule. C



**SMALL POWER PRODUCER RIDER
 TIME OF DELIVERY ENERGY SERVICE**

DESCRIPTION	RATE CODE
Base Avoided Costs	N930
Renewable Energy Credit	N991
Solar Renewable Energy Credit	N993
Optional Production Meter Charge	N995

AVAILABILITY: This rider is available to any Qualifying Facility not exceeding 100 kW of generating Capacity. This rider is available to any Qualifying Facility exceeding 100 kW upon the approval of the Company. The Company reserves the right to require the Qualifying Facility to sign an Agreement.

METERING CHARGE: \$1.33 per month

OPTIONAL PRODUCTION METER CHARGE: \$4.55 per month

PAYMENT SCHEDULE:

DESCRIPTION	ENERGY CREDIT ON-PEAK	ENERGY CREDIT OFF-PEAK	
Based Avoided Costs			
Summer	\$0.04987 per kWh	\$0.03460 per kWh	CR
Winter	\$0.04932 per kWh	\$0.03963 per kWh	CR
Renewable Energy Credit	\$0.00111 per kWh	\$0.00111 per kWh	CR
Solar Renewable Energy Credit	\$0.00300 per kWh	\$0.00300 per kWh	C

MANDATORY AND VOLUNTARY RIDERS: The amount of a bill for service will be modified by any Mandatory Rate Riders that must apply or Voluntary Rate Riders selected by the Customer, unless otherwise noted in this rider. See Sections 12.00, 13.00 and 14.00 of the North Dakota electric rates for the matrices of riders.



SPECIAL CONDITIONS OF SERVICE: The minimum contracted term of service is 12 months.

RULES AND REGULATIONS: Terms and conditions of this tariff and the General Rules and Regulations govern use of this schedule.

DEFINITIONS:

Summer On-Peak: June 1 through September 30 including those hours from 8:00 a.m. to 10:00 p.m., Monday through Friday, excluding holidays.

Summer Off-Peak: All other hours including the three holidays of Memorial Day, Independence Day and Labor Day.

Winter On-Peak: October 1 through May 31 including those hours from 7:00 a.m. to 10:00 p.m., Monday through Friday, excluding holidays.

Winter Off-Peak: All other hours including the three holidays of Thanksgiving Day, Christmas Day and New Year's Day.

TERMS AND CONDITIONS: The use of this rate requires that special precautions be taken in the design of associated metering and control systems. The following terms and conditions describe these precautions and shall be followed on all Customer-owned small qualifying facilities (SQF).

1. The Customer will be compensated monthly for all Energy received from the SQF less the Customer charge. The schedule for these payments is subject to annual review.
2. If the SQF is located at a site outside of the Company's service territory and Energy is delivered to the Company through facilities owned by another utility, Energy payments will be adjusted downward reflecting losses occurring between the point of metering and the point of delivery.
3. If required, a separate meter will be furnished, owned and maintained by the Company to measure the Energy to the Company. Separate monthly charges may apply for any additional metering installed by the Company at the Customer's request. If the Customer requests from the Company an additional Production Meter(s), beyond Company required Production Meter(s), an additional Optional Production Meter charge will be applied.



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4. The SQF shall make provisions for the installation of Company owned on-site metering. All Energy received from and delivered to the Company shall be metered. On site use of the SQF output shall be unmetered for purposes of compensation.
 5. In the event the SQF desires wheeling by the Company of the SQF output, arrangements will be made subject to special consideration.
 6. The Customer shall pay for any increased Capacity of the Distribution equipment serving him and made necessary by the installation of his Generator. C
 7. Power and Energy purchased by the SQF from the Company shall be billed under the available retail rates for the purchase of electricity.
 8. The Generator output must be compatible with the Utility system. The Customer's 60 hertz Generator output must be at the voltage and phase relationship of the existing service or of one mutually agreeable to the Company and the Customer. C
C
 9. The Customer will provide equipment to maintain a unity power factor + or - 10% during periods of Generator operation. C
 10. The Company reserves the right to disconnect the Customer's Generator from its system if it interferes with the operation of the Company's equipment or with the equipment of other Company Customers. C
 11. The Customer is required to follow the Company's interconnection process which requires that prior to installation, a detailed diagram of the Generator and related equipment must be furnished to the Company for its approval. C
 12. The Customer shall execute an electric service agreement with the Company which may include, among other provisions, a minimum term of service.
 13. The SQF shall indemnify and save harmless the Company from and against any and all claims for damages to property and injury or death to persons which may arise out of or be caused by the erection, maintenance, presence, operation or removal of the SQF or by any related act or omission of the SQF, its employees, agents, contractors or subcontractors.



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14. Equipment shall be provided by the Customer that provides a means of preventing feedback to the Company during an outage or interruption of that system as well as a visible means to disconnect the Generator from the Utility that is readily accessible by Utility employees. **C**
 15. The Customer shall install, own and maintain all equipment deemed necessary by the Company to assure proper parallel operation of the system.
 16. Any renewable Energy credits associated with the renewable Energy sold to the Company will be transferred to the Company and the renewable Generator will be compensated an additional payment, as shown in the payment schedule. **C**



**SMALL POWER PRODUCER RIDER
 DEPENDABLE SERVICE**

DESCRIPTION	RATE CODE
Base Avoided Costs	N940
Renewable Energy Credit	N991
Solar Renewable Energy Credit	N993
Optional Production Meter Charge	N995

AVAILABILITY: Available to any Qualifying Facility which is capable of delivering power and Energy to the Company on a dependable basis with Generation Capacity of 1,000 kW or less.

MANDATORY AND VOLUNTARY RIDERS: The amount of a bill for service will be modified by any Mandatory Rate Riders that must apply or Voluntary Rate Riders selected by the Customer, unless otherwise noted in this rider. See Sections 12.00, 13.00 and 14.00 of the North Dakota electric rates for the matrices of riders.

METERING CHARGE: \$1.33 per month

OPTIONAL PRODUCTION METER CHARGE: \$4.55 per month

PAYMENT SCHEDULE:

DESCRIPTION	ENERGY CREDIT ON-PEAK	ENERGY CREDIT OFF-PEAK	
Based Avoided Costs			
Summer	\$0.04987 per kWh	\$0.03460 per kWh	CR
Winter	\$0.04932 per kWh	\$0.03963 per kWh	CR
Renewable Energy Credit	\$0.00111 per kWh	\$0.00111 per kWh	CR
Solar Renewable Energy Credit	\$0.00300 per kWh	\$0.00300 per kWh	C

CAPACITY:

Contract <u>Term</u>	Monthly \$/kW Net Capacity <u>Rate</u>	Monthly \$/kW Levelized <u>Rate</u>
60 mos.	\$0.00	\$0.00
120 mos.	\$0.00	\$0.00
180 mos.	\$0.00	\$0.00
240 mos.	\$0.00	\$0.00
300 mos.	\$0.00	\$0.00
360 mos.	\$0.00	\$0.00

Energy payment will be adjusted annually to reflect Energy costs.

Total Capacity payment equals (accredited Capacity value of the Qualifying Facility) times (Capacity ratio) times (appropriate levelized Capacity rate).

Capacity Ratio equals (Qualifying Facility on-peak Capacity factor) divided by 65%.

The Capacity Ratio shall not exceed a value of 1 **or** if the Qualifying Facility is dispatchable by the Company and tested under the Midcontinent Independent System Operator (MISO) guidelines, then the Capacity ratio automatically equals 1.

SPECIAL CONDITIONS OF SERVICE:

1. A qualifying facility, desiring dependable service compensation shall execute a contract agreement for a term of 5, 10, 15, 20, 25, or 30 years.
2. In the event that a qualifying facility terminates service, the Dependable Service severance penalty payment will be determined as follows:

The remaining percentage of the contract term will be multiplied by the average Capacity compensation per month and the result multiplied by six months. The average Capacity compensation per month will be determined for the last three years or from the contract's initiation, whichever is the shorter period.

In addition, Capacity compensation from the initiation of the contract will be recalculated at the Capacity payment of the longest contract term filled. The following table illustrates the longest contract term filled given the number of months that payments were made:

<u>Months of Payments</u>	<u>Contract Term Filled</u>
0 - 119	60
120 - 179	120
180 - 239	180
240 - 299	240
300 - 360	300

C

The difference between the actual payments made and the recalculated payments must be repaid with interest. The interest rate used will be the average prime interest rate during the contract period prior to the severance.

- Qualifying facility may select a total of 30 scheduled maintenance days per year, to be taken in two periods, neither of which shall be less than one week in duration at a time agreeable to the Company. A 30-day prior notice must be given to the Company before a scheduled maintenance period can be established.

Capacity payment for a monthly period in which scheduled maintenance has occurred will be the greater of the Capacity payment using the regular billing procedure or the average billing Capacity payment since the previous month in which a scheduled maintenance period occurred.

RULES AND REGULATIONS: Terms and conditions of this tariff and the General Rules and Regulations govern use of this schedule.

DEFINITIONS:

Dependable Service: Qualifying facility can deliver power at a minimum of 65% on-peak Capacity factor in each month; can deliver power during the Company's winter and summer system peaks; and is accredited according to the Midcontinent Independent System Operator (MISO).

Capacity Factor: The number of Kilowatt-hours delivered during the period divided by the product of the accredited Capacity times the number of hours in the period. The maximum Capacity factor is 1.0.

Summer On-Peak: June 1 through September 30 including those hours from 8:00 a.m. to 10:00 p.m., Monday through Friday, excluding holidays.

Summer Off-Peak: All other hours including the three holidays of Memorial Day, Independence Day and Labor Day.

Winter On-Peak: October 1 through May 31 including those hours from 7:00 a.m. to 10:00 p.m., Monday through Friday, excluding holidays.

Winter Off-Peak: All other hours including the three holidays of Thanksgiving, Christmas Day and New Year's Day.

TERMS AND CONDITIONS: The use of this rate requires that special precautions be taken in the design of associated metering and control systems. The following terms and conditions describe these precautions and shall be followed on all Customer-owned small qualifying facilities (SQF).

1. The Customer will be compensated monthly for all Energy received from the SQF less the Customer charge. The schedule for these payments is subject to annual review.
2. If the SQF is located at a site outside of the Company's service territory and Energy is delivered to the Company through facilities owned by another utility, Energy payments will be adjusted downward reflecting losses occurring between the point of metering and the point of delivery.
3. If required, a separate meter will be furnished, owned and maintained by the Company to measure the Energy to the Company. Separate monthly charges may apply for any additional metering installed by the Company at the Customer's request. If the Customer requests from the Company an additional Production Meter(s), beyond Company required Production Meter(s), an additional Optional Production Meter charge will be applied.
4. The SQF shall make provisions for the installation of Company owned on-site metering. All Energy received from and delivered to the Company shall be metered. On site use of the SQF output shall be unmetered for purposes of compensation.
5. In the event the SQF desires wheeling by the Company of the SQF output, arrangements will be made subject to special consideration.
6. The Customer shall pay for any increased Capacity of the Distribution equipment serving him and made necessary by the installation of his Generator.
7. Power and Energy purchased by the SQF from the Company shall be billed under the available retail rates for the purchase of electricity.




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8. The Generator output must be compatible with the Utility system. The Customer's 60 hertz generator output must be at the voltage and phase relationship of the existing service or of one mutually agreeable to the Company and the Customer. **C**
 9. The Customer will provide equipment to maintain a unity power factor + or - 10% during periods of Generator operation. **C**
 10. The Company reserves the right to disconnect the Customer's Generator from its system if it interferes with the operation of the Company's equipment or with the equipment of other Company Customers. **C**
 11. The Customer is required to follow the Company's interconnection process which requires that prior to installation, a detailed diagram of the Generator and related equipment must be furnished to the Company for its approval. **C**
 12. The Customer shall execute an electric service agreement with the Company which may include, among other provisions, a minimum term of service and Generator Capacity rating. **C**
 13. The SQF shall indemnify and save harmless the Company from and against any and all claims for damages to property and injury or death to persons which may arise out of or be caused by the erection, maintenance, presence, operation or removal of the SQF or by any related act or omission of the SQF, its employees, agents, contractors or subcontractors.
 14. Equipment shall be provided by the Customer that provides a means of preventing feedback to the Company during an outage or interruption of that system as well as a visible means to disconnect the Generator from the Utility that is readily accessible by Utility employees. **C**
 15. The Customer shall install, own and maintain all equipment deemed necessary by the Company to assure proper parallel operation of the system.
 16. Any renewable Energy credits associated with the renewable Energy sold to the Company will be transferred to the Company and the renewable Generator will be compensated an additional payment, as shown in the payment schedule. **C**

VOLUNTARY RIDERS - AVAILABILITY MATRIX

(Rate Schedules listed across the top in the first row are applicable to the Rate Schedules in the first column on the left.)

The amount of a bill for service will be modified by any Mandatory Rate Riders that must apply, Voluntary Rate Riders selected by the Customer, and charges listed in the General Rules and Regulations.

 Availability Matrix	Voluntary Riders	Water Heating Control Rider	Real Time Pricing Rider	Large General Service Rider	Controlled Service - Interruptible Load CT Metering Rider	Controlled Service - Interruptible Load Self-Contained Metering Rider	Controlled Service Deferred Load Rider	Fixed Time of Service Rider	Air Conditioning Control Rider	Voluntary Renewable Energy Rider	WAPA Bill Crediting Program Rider	Reserved for Future Use	Bulk Interruptible Service Application and Pricing Guidelines	Economic Development Rate Rider - Large General Service	My Renewable Energy Credits (My REC's) Rider
Base Tariffs	Section Numbers	14.01	14.02	14.03	14.04	14.05	14.06	14.07	14.08	14.09	14.10	14.11	14.12	14.13	14.14
RESIDENTIAL & FARM SERVICES															
Residential Service	9.01	✓			✓	✓	✓	✓	✓	✓	✓				
Residential Demand Control Service	9.02	✓							✓	✓	✓				
Farm Service	9.03	✓			✓	✓	✓	✓	✓	✓	✓				✓
Reserved for Future Use	9.04														
GENERAL SERVICES															
Small General Service (Under 20 kW)	10.01	✓			✓	✓	✓	✓		✓	✓				✓
General Service (20 kW or Greater)	10.02	✓	✓		✓	✓	✓	✓		✓	✓				✓
General Service - Time of Use	10.03	✓									✓				✓
Large General Service	10.04	✓	✓	✓	✓	✓	✓	✓		✓	✓		✓	✓	✓
Large General Service - Time of Day	10.05	✓	✓	✓	✓	✓	✓	✓		✓	✓		✓	✓	✓
Super Large General Service	10.06	✓	✓	✓	✓	✓	✓	✓		✓	✓		✓	✓	✓
OTHER SERVICES															
Standby Service	11.01														✓
Irrigation Service	11.02									✓	✓				✓
Outdoor Lighting - Energy Only	11.03										✓				✓
Outdoor Lighting (CLOSED)	11.04										✓				✓
Municipal Pumping Service	11.05	✓	✓		✓	✓	✓	✓		✓	✓				✓
Civil Defense - Fire Sirens	11.06												✓		
LED Street and Area Lighting	11.07										✓				✓
Key: ✓ = May apply ■ = Mandatory □ = Not Applicable															

MY RENEWABLE ENERGY CREDITS RIDER
(Commonly identified as My RECs)

DESCRIPTION	RATE CODE
50% My RECs Option	N723
75% My RECs Option	N725
100% My RECs Option	N727

RULES AND REGULATIONS: Terms and conditions of this tariff and the General Rules and Regulations govern use of this rider.

AVAILABILITY: This rider is available on a voluntary basis and is applicable to both Single and Three-phase nonresidential Customers with a Maximum Demand of at least 20 kW at the time of enrollment. This rider is open to eligible customers on a first-come first-served basis until participation reaches the applicable annual participation cap of 600,000 MWh (equivalent of 600,000 RECs). Refer to Section 14.00 for the Voluntary Riders – Availability Matrix. Tariff Section 11.03 and 11.07 may qualify if cumulative Demand can be determined to be at least 20 kW.

DETERMINATION OF MY RECS CHARGE: This charge would apply to all metered and unmetered services to the qualifying account, except services under Section 11.04, 11.06, 12.01, 12.02, and 12.03.

RATE:

CUSTOMER CHARGE	
Customer Charge per Month:	\$1.28

ENERGY CHARGE	
Energy Charge All Consumption per kWh:	
50% My RECs Option	\$0.00057/kWh
75% My RECs Option	\$0.00086/kWh
100% My RECs Option	\$0.00114/kWh

CR
CR
CR

MANDATORY AND VOLUNTARY RIDERS: The amount of a bill for service will be modified by any Mandatory Rate Riders that must apply or Voluntary Rate Riders selected by Customer, unless otherwise noted in this rider. See Sections 12.00, 13.00 and 14.00 of the North Dakota electric rates for the matrices of riders.

TERMS AND CONDITIONS:

1. Service under this schedule shall be for a period not less than 12 consecutive months, automatically renewed annually. After the first full year of service, Customers may cancel service under this schedule by providing oral or written notice to the Company of their intent to no longer take service, no less than 30 days prior to the Customer's normal monthly billing date.
2. The schedule is unavailable to Customers where the Customer: 1) has received one or more disconnect notices within the last twelve months or 2) has been disconnected within the last twelve months.
3. If the participating Customer misses two consecutive payments or is disconnected for non-payment, the Customer will be removed from this program.
4. Customers will have the option to participate at levels equal to 50 percent, 75 percent, or 100 percent of their usage at a per kWh charge. The per kWh charge is based on the currently approved Small Power Producer rate for RECs, plus administrative costs included for processing and retiring of the RECs.
5. This rider pricing and program participation capacity limit will be updated annually following the annual REC updates. The price and/or program participation capacity limit may increase or decrease.
6. Otter Tail will retire RECs on behalf of subscribers based on their annual kWh usage and level of participation.

DEFINITIONS:

Renewable Energy Credits (REC): Tradable, non-tangible Energy commodities in the United States that represent proof that 1 Megawatt-hour (MWh) of electricity was generated from an eligible renewable energy resource (renewable electricity).

REC Retirement: The retirement of a REC means that the REC has been used by the owner; it can no longer be sold. By participating in the program, a customer can offset emissions associated with electricity purchased and imported from the grid. The emissions a customer can offset is calculated by the customer’s annual kWh usage, multiplied by the selected participation percentage. RECs equal to the customer’s kWh usage, multiplied by the selected participation percentage, will be retired by the Company on the customer’s behalf annually. This may be or include a fractional portion of a REC. The Midwest Renewable Energy Tracking System, Inc. (MRETs) tracking system ensures that RECs are only “retired” once.