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January 30, 2026

Mr. Brian Johnson
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-26-
Initial Filing**

Dear Mr. Johnson:

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.

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) 739-8282 or cbyrnes@otpco.com if you have any questions regarding this filing.


Sincerely,

/S/ CHRIS BYRNES
Chris Byrnes
Senior Pricing Analyst
Regulatory Economics

amn
Enclosures
By electronic filing and U.S. mail

An Equal Opportunity Employer

1 PU-26-51 Filed 01/30/2026 Pages: 22
Application for Proposed Changes to Small
Power Production and Cogeneration Rates - Redacted

Otter Tail Power Company  OTTERTAIL COMPANY
Chris Byrnes, Senior 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-26-

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
PO Box 496
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.

Chris Byrnes
Senior Pricing Analyst
Otter Tail Power Company
215 South Cascade Street
Fergus Falls, MN 56538-0496
Phone (218) 739-8282
cbyrnes@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 30, 2026. Otter Tail Power proposes that the updates contained herein, go into effect as of April 1, 2026, 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 2026.

Compared to last year, avoided costs increased slightly primarily due to Midcontinent Independent System Operator (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 that it is likely that it will experience a capacity shortfall beginning in the Winter capacity season in 2026. This is a significant change from the capacity position detailed in the Company's most recent Integrated Resource Plan.² Recent changes at MISO, including the move to a seasonal capacity construct, changes in accreditation methodology for generation and other capacity resources, and adoption of the Reliability Based Demand Curve (RBDC), have resulted in Otter Tail Power's capacity position being shorter than

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.

previously expected. The Company's capacity rates are set out in Attachment 2 – Capacity Payment Schedule for Rate 12.03.³

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 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 two customers on this rate (Section 14.14). Calculations of the rate are presented in Attachment 5.

IV. RATE SCHEDULE CHANGES AND NOTICE TO CUSTOMERS

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 14.14 – My Renewable Energy Credit (My RECs) Rider

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.

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 Customer Charge and Energy Charges have been updated in Section 14.14 My RECs Rider.

Additionally, Otter Tail Power is taking this opportunity to update tariff footers to reflect the name and title, Matthew J. Olsen, Vice President, Regulatory.

Otter Tail Power will include a notice of the proposed My RECs update to our current My RECs customers following submittal of this Application (Attachment 7).

V. CONCLUSION

Based on the foregoing, Otter Tail Power respectfully requests approval of the modifications to Sections 12.01, 12.02, 12.03 and 14.14 as outlined above and provided in the attached and that they become effective as of April 1, 2026, or on the first day of the following month upon Commission approval.

Dated: January 30, 2026

Respectfully submitted,

OTTER TAIL POWER COMPANY

/s/ CHRIS BYRNES

Chris Byrnes

Senior Pricing Analyst

Regulatory Administration

215 South Cascade Street

Fergus Falls, MN 56538-0496

Phone (218) 739-8282

cbyrnes@otpc.com

Premise	Rate	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
003176	930	0	0	0	0	0	0	0	0	0	0	0	0	0
011925	930	-1,533	-3,760	-4,686	-6,749	-10,537	-9,965	-10,674	-7,726	-7,953	-5,873	-2,925	-1,478	-73,859
012033	930	0	0	0	0	0	0	0	0	0	-451	-148	-22	-621
012158	920	-140	-120	-200	-880	-1,300	-2,060	-1,680	-1,580	-1,340	-1,160	-1,040	-500	-12,000
012414	930	0	0	0	0	0	0	0	0	0	0	-1,096	-26	-1,122
013216	930	-1,950	-2,600	-3,700	-7,750	-9,600	-14,350	-18,550	-11,200	-8,600	-6,600	-4,800	-2,900	-92,600
003248	920	-100	-200	-150	-300	-650	-800	-600	-650	-650	-600	-500	-50	-5,250
015873	920	-127	-157	-384	-592	-915	-1,026	-896	-890	-984	-660	-307	-140	-7,078
016931	920	0	0	0	0	0	0	0	0	0	0	0	0	0
012758	930	0	0	0	0	0	0	0	0	0	0	0	0	0
002571	920	0	0	0	0	0	0	0	0	0	0	0	0	0
000368	920	0	-343	-557	-1,041	-1,486	-1,750	-2,300	-2,009	-1,847	-1,372	-988	-462	-14,155
012051	930	-785	-1,745	-2,827	-4,415	-4,735	-4,780	-6,267	-4,190	-6,591	-3,031	-2,692	-2,148	-44,206
025078	930	-4,297	-5,371	-27,212	-3,546	-4,140	-4,496	-3,431	-4,138	-4,313	-6,004	-6,776	-2,978	-76,702
		-8,932	-14,296	-39,716	-25,273	-33,363	-39,227	-44,398	-32,383	-32,278	-25,751	-21,272	-10,704	-327,593

0 : This indicates no generation measured from the customers generator

CAPACITY PAYMENT SCHEDULE FOR RATE 12.03

OTTER TAIL POWER COMPANY

Year of Filing	2026	new
Year of Deficit	2026	
Inflation Rate	0.03	
Cost of Capital	0.07338	
Project Life	35	

Contract		\$/kW-Monthly Gross Capacity Rate	\$/kW-Monthly Net Capacity Rate	\$/kW-Monthly Net Levelized Rate
<u>Term</u>	<u>Multiplier</u>	<u>Rate</u>	<u>Rate</u>	<u>Rate</u>
[PROTECTED DATA BEGINS...				

...PROTECTED DATA ENDS]

Wind REC Sales for calculating 2025 REC price			
(average of the 12 months - 7-1-2024 to 6-30-2025)			
<u>date</u>	<u>RECS</u>	<u>price</u>	<u>total sale</u>
[PROTECTED DATA BEGINS...]			
...PROTECTED DATA ENDS]			
weighted average		\$ 0.96 per MWh	\$ 0.00096

Utility scale (>40 kw) 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	\$ 0.00300

Small scale (<40 kw) 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		\$ 20.00 per MWh	\$ 0.02000

Energy Payment Schedule
Otter Tail Power Company

Estimated Marginal Energy Costs (\$/MWh)						
		2026	2027	2028	2029	2030
			[PROTECTED DATA BEGINS...]	[PROTECTED DATA BEGINS...]	[PROTECTED DATA BEGINS...]	[PROTECTED DATA BEGINS...]
Summer	On Peak	56.81				
	Off Peak	37.03				
	All Hours	45.95				
Winter	On Peak	52.48				
	Off Peak	40.07				
	All Hours	45.59				
Annual	On Peak	53.92				
	Off Peak	39.06				
	All Hours	45.71				
			...PROTECTED DATA ENDS]	...PROTECTED DATA ENDS]	...PROTECTED DATA ENDS]	...PROTECTED DATA ENDS]
Annual # hours on-peak:		3915	3915	3900	3915	3915

A. Admin Cost	2025
Renewable Energy Credits (RECs)	
Admin Costs (\$/kWh)	\$0.00003

FROM 2024 MARGINAL COST STUDY:

B. Customer Charge Calculation.		
Customer Charge for Small Power Producer	per account	
Large General Service (Secondary)	\$	1.26
Large General Service (Primary)	\$	1.28
Large General Service - TOD (Secondary)	\$	1.24
Large General Service - TOD (Primary)	\$	1.24
Average:	\$	1.25

C. Rate Development for "My RECs".	2025-2026
	\$/kWh
Wind REC Credit (Attachment 1)	\$0.00096
Admin Charge:	\$0.00003
Rate for "My RECs"	\$0.00099

D. Percent of My RECs Calculation applies to all consumption.			2025-2026
Description	Rate CODE		\$/kWh
100% My RECs Option	M727		\$0.00099
75% My RECs Option	M725		\$0.00074
50% My RECs Option	M723		\$0.00049

E. Example of the customer bill impact					
				Customer Charge	\$ 1.25
		My RECs Option	50%	75%	100%
Monthly Electric Use:					
800	kWh		\$ 1.65	\$ 1.85	\$ 2.04
1,000	kWh		\$ 1.75	\$ 1.99	\$ 2.24
1,200	kWh		\$ 1.85	\$ 2.14	\$ 2.44
100,000	kWh		\$ 50.71	\$ 75.44	\$ 100.17
500,000	kWh		\$ 248.55	\$ 372.20	\$ 495.84
1,000,000	kWh		\$ 495.84	\$ 743.14	\$ 990.44

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 14.14 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. 04310 ⁰⁴⁵⁷¹ per kWh
	REC RATE
Renewable Energy Credit	\$0. 00111 ⁰⁰⁰⁹⁶ per kWh
Solar Renewable Energy Credit	\$0.00300 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-26-5-63
 Approved by order dated April 10, 2025
 Tommerdahl

EFFECTIVE with bills rendered on
 and after ~~April~~^{May} 1, 202~~6~~⁵, in North Dakota

APPROVED: ~~Matthew J. Olsen~~^{Stuart D.}

Vice President~~Manager~~, Regulatory~~ion &~~



**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	\$0.04571 per kWh
REC RATE	
Renewable Energy Credit	\$0.00096 per kWh
Solar Renewable Energy Credit	\$0.00300 per kWh

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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-26-
 Approved by order dated

EFFECTIVE with bills rendered on
 and after April 1, 2026, in North Dakota

 APPROVED: Matthew J. Olsen
 Vice President, Regulatory



**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	\$0.05681 per kWh	\$0.03703 per kWh
Winter	\$0.05248 per kWh	\$0.04007 per kWh
Renewable Energy Credit	\$0.00096 per kWh	\$0.00096 per kWh
Solar Renewable Energy Credit	\$0.00300 per kWh	\$0.00300 per kWh

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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.



**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 05681 per kWh	\$0. 03460 03703 per kWh \$0. 03963 040073 per kWh
Winter	\$0. 04932 05248 per kWh	kWh
Renewable Energy Credit	\$0. 00111 00096 per kWh	\$0. 00111 00096 per kWh
Solar Renewable Energy Credit	\$0.00300 per kWh	\$0.00300 per kWh

NORTH DAKOTA PUBLIC SERVICE COMMISSION
 Case No. PU-~~26-5-63~~
 Approved by order dated ~~April 10, 2025~~
~~Tommerdahl~~
 Retail Energy Solutions

EFFECTIVE with bills rendered on and after ~~April~~~~May~~ 1, 202~~65~~, in North Dakota

APPROVED: ~~Matthew J. Olsen~~~~Stuart D.~~

~~Vice President~~~~Manager~~, Regulatory ~~ion &~~



CAPACITY:

Contract Term	Monthly \$/kW Net Capacity Rate	Monthly \$/kW Levelized Rate
60 mos.	\$0.00 <u>7.47</u>	\$0.00 <u>\$7.47</u>
120 mos.	\$0.00 <u>8.10</u>	\$0.00 <u>\$8.10</u>
180 mos.	\$0.00 <u>8.75</u>	\$0.00 <u>\$8.75</u>
240 mos.	\$0.00 <u>9.43</u>	\$0.00 <u>\$9.43</u>
300 mos.	\$0.00 <u>10.14</u>	\$0.00 <u>\$10.14</u>
360 mos.	\$0.00 <u>10.92</u>	\$0.00 <u>\$10.92</u>

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



**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	\$0.05681 per kWh	\$0.03703 per kWh	R
Winter	\$0.05248 per kWh	\$0.040073 per kWh	R
Renewable Energy Credit	\$0.00096 per kWh	\$0.00096 per kWh	R
Solar Renewable Energy Credit	\$0.00300 per kWh	\$0.00300 per kWh	



CAPACITY:

Contract <u>Term</u>	Monthly \$/kW Net Capacity <u>Rate</u>	Monthly \$/kW Levelized <u>Rate</u>
60 mos.	\$7.47	\$7.47
120 mos.	\$8.10	\$8.10
180 mos.	\$8.75	\$8.75
240 mos.	\$9.43	\$9.43
300 mos.	\$10.14	\$10.14
360 mos.	\$10.92	\$10.92

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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:

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 ²⁵

ENERGY CHARGE	
Energy Charge All Consumption per kWh:	
50% My RECs Option	\$0. 005700049 /kWh
75% My RECs Option	\$0. 008600074 /kWh
100% My RECs Option	\$0. 0011400099 /kWh

NORTH DAKOTA PUBLIC
SERVICE COMMISSION
Case No. PU-2~~6-5-63~~
Approved by order dated ~~April 10, 2025~~
~~Tommerdahl~~

EFFECTIVE with bills rendered on
and after ~~April~~^{May} 1, 202~~6~~⁵, in North Dakota

APPROVED: ~~Matthew J. Olsen~~^{Stuart D.}

~~Vice President~~^{Manager}, Regulatory

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:	\$1.25

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ENERGY CHARGE	
Energy Charge All Consumption per kWh:	
50% My RECs Option	\$0.00049/kWh
75% My RECs Option	\$0.00074/kWh
100% My RECs Option	\$0.00099/kWh

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