

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA**

**IN THE MATTER OF THE PETITION OF)
OTTER TAIL POWER COMPANY FOR)
APPROVAL OF ITS 2016 TRANSMISSION)
COST RECOVERY ELIGIBILITY AND RATE)
ADJUSTMENT)**

**ORDER APPROVING 2016
TRANSMISSION COST
RECOVERY ELIGIBILITY AND
RATE ADJUSTMENT**

EL15-045

On October 30, 2015, the South Dakota Public Utilities Commission (Commission) received a Petition for Annual Update to Transmission Cost Recovery Rider Rate from Otter Tail Power Company (Otter Tail). The update includes the tracker balance estimated for the end of the current recovery period so that no over- or under-recovery of TCR costs occurs. The update also includes new costs from the Southwest Power Pool (SPP) and new revenues from the Midcontinent Independent System Operator (MISO) that are not currently in base rates and have not previously been approved for inclusion in the TCR Rider. Otter Tail's petition proposed a March 1, 2016, effective date.

The revised tariff sheet effective for service rendered on and after March 1, 2016, is as follows:

South Dakota P.U.C. Volume II – Electric Rate Schedule

Section No. 13.05

Fifth Revised Sheet No. 1

Cancelling Fourth Revised Sheet No. 1

On November 5, 2015, the Commission electronically transmitted notice of the filing and the intervention deadline of November 20, 2015, to interested individuals and entities on the Commission's PUC Weekly Filings electronic listserv. No petitions to intervene or comments were received. On November 16, 2015, the Commission issued an Order Assessing Filing Fee. On February 3, 2016, Otter Tail filed a Supplemental Filing with revised Attachments 1 through 23. On February 8, 2016, Commission staff (Staff) filed its Staff Memorandum.

The Commission has jurisdiction over this matter pursuant to SDCL Chapter 49-34A, specifically 49-34A-25.1 through 49-34A-25.4.

At its regularly scheduled meeting on February 12, 2016, the Commission considered this matter. Having thoroughly reviewed the filings in the docket and made further inquiry of the parties at the meeting, the Commission voted unanimously to approve the TCR revenue requirement and rates recommended by Staff with an effective date of March 1, 2016. It is therefore

ORDERED, that the TCR revenue requirement and rates recommended by Staff are approved. It is further

ORDERED, that the above-referenced tariff sheet is approved with an effective date of March 1, 2016.

Dated at Pierre, South Dakota, this 22nd day of February, 2016.

<p style="text-align: center;">CERTIFICATE OF SERVICE</p> <p>The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, electronically or by mail.</p> <p>By: <u>Raymond West</u></p> <p>Date: <u>2-22-16</u></p> <p style="text-align: center;">(OFFICIAL SEAL)</p>

BY ORDER OF THE COMMISSION:

Chris Nelson
CHRIS NELSON, Chairman

Kristie Fiegen
KRISTIE FIGEN, Commissioner

Gary Hanson
GARY HANSON, Commissioner