BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF SOUTH DAKOTA

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IN THE MATTER OF THE PETITION OF OTTER TAIL POWER COMPANY FOR APPROVAL OF THE TRANSMISSION COST RECOVERY RIDER RATE ORDER APPROVING 2024 TRANSMISSION COST RECOVERY RATE ADJUSTMENT

EL23-033

On November 1, 2023, the South Dakota Public Utilities Commission (Commission) received a filing from Otter Tail Power Company (Otter Tail) for approval of its annual update to its Transmission Cost Recovery Rider (TCR) rate. Otter Tail's petition updates its TCR rates to collect revenue requirements over the 12-month recovery period of March 2024 through February 2025. This update includes actual investment costs, expenses, and revenues associated with existing projects and approved recovery items through September 2023, updated forecast information for the remainder of the current recovery period ending February 29, 2024, and forecasted information for the proposed recovery period ending February 28, 2025. Otter Tail requests the inclusion of one new project and updates to two existing projects in this annual update. Otter Tail also updates the D2 allocation factor to include all load changes in compliance with the docket EL21-031 order. Otter Tail states that residential customers using 1,000 kWh per month will see a bill decrease of approximately \$1.56. The revised tariff sheet, effective for service rendered on or after March 1, 2024, is as follows:

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

Section No. 13.05 Sixteenth Revised Sheet No. 1

Cancelling Fifteenth Revised Sheet No. 1

On November 2, 2023, the Commission electronically transmitted notice of the filing and the intervention deadline of November 17, 2023, to interested individuals and entities on the Commission's PUC Weekly Filings electronic listserv. No petitions to intervene or comments were filed. On November 6, 2023, Otter Tail filed a Request for Confidential Treatment. On February 12, 2024, Commission Staff filed its memorandum along with maps of five transmission line projects provided by Otter Tail.

The Commission has jurisdiction in this matter pursuant to SDCL 49-34A-25.1 through 49-34A-25.4.

At its regularly scheduled meeting on February 20, 2024, the Commission considered this matter. Commission staff recommended approval of the revenue requirement and rates proposed in Otter Tail's filing and associated tariff revision, effective March 1, 2024. Finding the revisions to be just and reasonable, the Commission voted unanimously to approve the revisions effective March 1, 2024. It is therefore

ORDERED, that Otter Tail's revised TCR rates are hereby approved. It is further

ORDERED that the above-referenced tariff sheet is hereby approved with an effective date of March 1, 2024.

Dated at Pierre, South Dakota, this $22n^2$ day of February 2024.

CERTIFICATE OF SERVICE

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.

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BY ORDER OF THE COMMISSION:

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KRISTIE FIEGEN, Chairperson

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GARY HANSON, Commissioner

CHRIS NELSON, Commissioner