

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

**In the Matter of Otter Tail Power
Company's Petition for Approval
of Administrative Tariff Changes in the
Rate Schedules 14.02 and 14.03**

**Docket No. EL23-
PETITION**

I. INTRODUCTION

Otter Tail Power Company (Otter Tail) submits this Application to the South Dakota Public Utilities Commission (Commission) for approval of Tariff Changes in the Rate schedules 14.02 and 14.03 by closing the rates that are using Real Time Pricing and System Marginal Energy Pricing to new customers. This change is necessary to allow Otter Tail time to create new methodology for Real Time and System Marginal Energy Pricing. We would like to avoid the potential situation where a customer takes this rate and then the methodology changes. These changes affect no current customers and relate to bill processing and administration. Therefore, a determination of Otter Tail's gross revenue requirements is not necessary in determining the reasonableness of the proposed changes.

II. GENERAL FILING INFORMATION

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

Otter Tail Power Company
215 South Cascade Street
P.O. Box 496
Fergus Falls, MN 56538-0496
(218) 739-8200

B. Name, address, and telephone number of the attorney for Otter Tail Power Company

Cary R. Stephenson
Associate General Counsel
Otter Tail Power Company
215 South Cascade Street
P.O. Box 496
Fergus Falls, MN 56538-0496
(218) 739-8956

C. Title of utility employee responsible for filing

Svetlana Fedje
Pricing Analyst, Regulatory Economics
Otter Tail Power Company
215 South Cascade Street
P.O. Box 496
Fergus Falls, MN 56538-0496
(218) 739-8799

D. The Company also requests that the following contact(s) be placed on the Commission's official service list for this matter:

Regulatory Filing Coordinator
Otter Tail Power Company
215 South Cascade Street
P.O. Box 496
Fergus Falls, MN 56538-0496
regulatory_filing_coordinators@otpc.com

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

The date of this filing is August 23, 2023. Otter Tail proposes the update to the Rider factor to go into effect for usage on and after November 1, 2023.

F. Statutes controlling schedule for processing the filing

ARSD Part 20:10:13:15 requires a 30-day notice to the Commission of a proposed change in a utility's tariff schedule. This filing is accompanied by the report required by ARSD 20:10:13:26 as Attachment 1.

G. Reason for the Proposed Changes

The proposed changes are necessary for the future implementation of a new Real Time and System Marginal Pricing Methodology. We are asking to close these rates to new customers to avoid customer confusion, uncertainty, and continuity of the current methodology versus the pending proposed methodology.

H. Number of Customers Affected

The proposed changes do not affect any of Otter Tail’s current South Dakota customers. The change would close this tariff to new customers.

III. BACKGROUND AND PURPOSE OF FILING

A. Background of the current software

The current software application in use is a customized workstation application designed to calculate hourly prices.

Otter Tail’s hourly pricing methodology and software application has been in place for nearly 30 years. The current system will be decommissioned in late 2025.

B. Proposed Changes to Rate Schedules

Included with this filing as Attachment 2 are redline and clean versions of the tariff sheets detailing the proposed changes. Changes are administrative in nature, as described below.

- Section 14.02 – Real Time Pricing Rider adds the “CLOSED TO NEW CUSTOMERS” in the tariff box for each voltage level.
- Section 14.03- Large General Service Rider adds the “CLOSED TO NEW CUSTOMERS” in the tariff box for System Marginal Energy Pricing rates.

C. Customer Notice

Individual notice of this proposed change will be sent to current customer on these rates.

IV. FILING FEE

Under SDCL 49-34A-77, the electric utility shall pay a filing fee to be determined by the commission in an amount not to exceed two hundred fifty thousand dollars. Otter Tail will pay such deposit amount as the Commission determines appropriate upon the Commission’s Order assessing such fee.

V. CONCLUSION

Otter Tail does not have an approximate date for the new methodology proposal, but we expect it to occur before Q2 2025. We are asking to add “CLOSED TO NEW CUSTOMERS” to Rate Schedules 14.02 and 14.03 until we have the developed methodology, which will be presented in a separate filing for Commissions approval.

Date: August 23, 2023

Respectfully submitted,

OTTER TAIL POWER COMPANY

/s/ SVETLANA FEDJE

Svetlana Fedje

Pricing Analyst, Regulatory Economics

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