

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

IN THE MATTER OF THE APPLICATION OF)	ORDER APPROVING INTERIM
OTTER TAIL POWER COMPANY FOR)	REFUND PLAN; ORDER
AUTHORITY TO INCREASE ITS ELECTRIC)	APPROVING TARIFF
RATES)	REVISIONS
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)	EL18-021

On April 20, 2018, the Commission received an application by Otter Tail Power Company (Otter Tail) for approval to increase rates for electric service in its South Dakota service territory by a net \$3,358,547 annually or 10.10 percent based on Otter Tail's 2017 test year, with an additional \$629,107, or 1.72 percent increase to revenues, effective January 1, 2020. The proposed rates may potentially affect approximately 11,700 customers in Otter Tail's South Dakota service territory. On May 16, 2018, the Commission issued an Order Suspending Operation of Proposed Rates; Order Assessing Filing Fee and an Order Authorizing Consulting Contracts. June 1, 2018 was noticed as the intervention deadline. On June 28, 2018, Valley Queen Cheese Factory, Inc. filed a Petition to Intervene, which was granted by the Commission on July 16, 2018.

On October 18, 2018, Otter Tail implemented interim rates pursuant to 49-34A-17. On November 1, 2018, Otter Tail filed supplemental direct testimony and an errata filing. On February 15, 2019, Commission staff and Otter Tail filed a Joint Motion for Approval of Settlement Stipulation and Settlement Stipulation resolving all issues except for return on equity. The Commission issued an Order Granting Joint Motion for Approval of Settlement Stipulation and an Order Approving Settlement Stipulation on March 6, 2019. An evidentiary hearing was held as scheduled on March 26, 2019. On March 29, 2019, the parties filed a Third Stipulation for Procedural Schedule. On April 2, 2019, the Commission issued a Second Amended Scheduling Order, with oral argument scheduled for May 14, 2019.

At its regularly scheduled meeting on May 14, 2019, the Commission considered the issues heard at the hearing and took action on the issue of rate of return on equity. The Commission directed Commission staff and Otter Tail to jointly file the final revenue requirement prior to the May 28, 2019, commission meeting. On May 24, 2019, the parties filed the final revenue requirement reflecting the May 14, 2019, Commission decision on rate of return on equity. On May 30, 2019, the Commission issued a Final Decision and Order. Otter Tail was ordered to submit an interim refund plan and tariff sheets conforming to this Final Decision and Order and the Order Approving Settlement Stipulation for Commission action at its regularly scheduled meeting on June 25, 2019.

On June 24, 2019, Otter Tail filed a letter and attachments detailing its interim refund plan (Interim Refund Plan) and providing revised tariff sheets.

The tariff sheets for which Otter Tail seeks approval are the following:

South Dakota P.U.C Volume II

Title Page

Second Revised Sheet No. 1

Cancelling First Revised Sheet No. 1

Index

Fifth Revised Sheet No. 1	Cancelling Fourth Revised Sheet No. 1
Fourth Revised Sheet No. 2	Cancelling Third Revised Sheet No. 2
Fourth Revised Sheet No. 3	Cancelling Third Revised Sheet No. 3
Fifth Revised Sheet No. 4	Cancelling Fourth Revised Sheet No. 4
Third Revised Sheet No. 5	Cancelling Second Revised Sheet No. 5

Section 1.01

Second Revised Sheet No. 1	Cancelling First Revised Sheet No. 1
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Section 1.02

Second Revised Sheet No. 1	Cancelling First Revised Sheet No. 1
----------------------------	--------------------------------------

Section 1.03

Second Revised Sheet No. 1	Cancelling First Revised Sheet No. 1
Second Revised Sheet No. 2	Cancelling First Revised Sheet No. 2

Section 1.05

Third Revised Sheet No. 2	Cancelling Second Revised Sheet No. 2
Third Revised Sheet No. 3	Cancelling Second Revised Sheet No. 3
Third Revised Sheet No. 4	Cancelling Second Revised Sheet No. 4
Third Revised Sheet No. 5	Cancelling Second Revised Sheet No. 5
Third Revised Sheet No. 6	Cancelling Second Revised Sheet No. 6
Third Revised Sheet No. 7	Cancelling Second Revised Sheet No. 7
Third Revised Sheet No. 8	Cancelling Second Revised Sheet No. 8
Third Revised Sheet No. 9	Cancelling Second Revised Sheet No. 9
Sixth Revised Sheet No. 11	Cancelling Fifth Revised Sheet No. 11
Sixth Revised Sheet No. 13	Cancelling Fifth Revised Sheet No. 13
Second Revised Sheet No. 23	Cancelling First Revised Sheet No. 23

Section 1.06

First Revised Sheet No. 1	Cancelling Original Sheet No. 1
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Section 1.07

First Revised Sheet No. 1	Cancelling Original Sheet No. 1
---------------------------	---------------------------------

Section 1.08

First Revised Sheet No. 1	Cancelling Original Sheet No. 1
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Section 1.09

First Revised Sheet No. 1	Cancelling Original Sheet No. 1
First Revised Sheet No. 2	Cancelling Original Sheet No. 2
First Revised Sheet No. 3	Cancelling Original Sheet No. 3

Section 2.01

Second Revised Sheet No. 1	Cancelling First Revised Sheet No. 1
----------------------------	--------------------------------------

Section 2.02

Second Revised Sheet No. 1	Cancelling First Revised Sheet No. 1
Second Revised Sheet No. 2	Cancelling First Revised Sheet No. 2

Section 3.01

Second Revised Sheet No. 1	Cancelling First Revised Sheet No. 1
Second Revised Sheet No. 2	Cancelling First Revised Sheet No. 2
Section 3.02	
Second Revised Sheet No. 1	Cancelling First Revised Sheet No. 1
Section 3.03	
Second Revised Sheet No. 1	Cancelling First Revised Sheet No. 1
Section 3.04	
Second Revised Sheet No. 1	Cancelling First Revised Sheet No. 1
Section 3.05	
Second Revised Sheet No. 1	Cancelling First Revised Sheet No. 1
Section 4.01	
Second Revised Sheet No. 1	Cancelling First Revised Sheet No. 1
Second Revised Sheet No. 2	Cancelling First Revised Sheet No. 2
Second Revised Sheet No. 3	Cancelling First Revised Sheet No. 3
Section 4.02	
Second Revised Sheet No. 1	Cancelling First Revised Sheet No. 1
Section 4.03	
Second Revised Sheet No. 1	Cancelling First Revised Sheet No. 1
Section 4.04	
Second Revised Sheet No. 1	Cancelling First Revised Sheet No. 1
Section 4.05	
Second Revised Sheet No. 1	Cancelling First Revised Sheet No. 1
Section 4.06	
Second Revised Sheet No. 1	Cancelling First Revised Sheet No. 1
Section 4.08	
Second Revised Sheet No. 1	Cancelling First Revised Sheet No. 1
Section 4.09	
Second Revised Sheet No. 1	Cancelling First Revised Sheet No. 1
Section 4.13	
Second Revised Sheet No. 1	Cancelling First Revised Sheet No. 1
Section 4.14	
Second Revised Sheet No. 1	Cancelling First Revised Sheet No. 1
Section 5.01	
Second Revised Sheet No. 1	Cancelling First Revised Sheet No. 1
First Revised Sheet No. 2	Cancelling Original Sheet No. 2
Section 5.02	
Second Revised Sheet No. 1	Cancelling First Revised Sheet No. 1

Third Revised Sheet No. 2
Second Revised Sheet No. 3
Second Revised Sheet No. 4
Second Revised Sheet No. 5

Cancelling Second Revised Sheet No. 2
Cancelling First Revised Sheet No. 3
Cancelling First Revised Sheet No. 4
Cancelling First Revised Sheet No. 5

Section 5.03

Second Revised Sheet No. 1
First Revised Sheet No. 2
First Revised Sheet No. 3
First Revised Sheet No. 4
First Revised Sheet No. 5

Cancelling First Revised Sheet No. 1
Cancelling Original Sheet No. 2
Cancelling Original Sheet No. 3
Cancelling Original Sheet No. 4
Cancelling Original Sheet No. 5

Section 5.04

Third Revised Sheet No. 1
Second Revised Sheet No. 2

Cancelling Second Revised Sheet No. 1
Cancelling First Revised Sheet No. 2

Section 5.05

Third Revised Sheet No. 1
Second Revised Sheet No. 2

Cancelling Second Revised Sheet No. 1
Cancelling First Revised Sheet No. 2

Section 6.01

Second Revised Sheet No. 1

Cancelling First Revised Sheet No. 1

Section 6.02

Second Revised Sheet No. 1

Cancelling First Revised Sheet No. 1

Section 7.01

Second Revised Sheet No. 1

Cancelling First Revised Sheet No. 1

Section 7.02

Second Revised Sheet No. 1

Cancelling First Revised Sheet No. 1

Section 8.01

Second Revised Sheet No. 1
Second Revised Sheet No. 2
Second Revised Sheet No. 3
First Revised Sheet No. 4

Cancelling First Revised Sheet No. 1
Cancelling First Revised Sheet No. 2
Cancelling First Revised Sheet No. 3
Cancelling Original Sheet No. 4

Section 8.02

Second Revised Sheet No. 1

Cancelling First Revised Sheet No. 1

Section 9.01

Fourth Revised Sheet No. 1
Fourth Revised Sheet No. 2

Cancelling Third Revised Sheet No. 1
Cancelling Third Revised Sheet No. 2

Section 9.02

Fourth Revised Sheet No. 1

Cancelling Third Revised Sheet No. 1

Section 9.03

Fourth Revised Sheet No. 1
Third Revised Sheet No. 2

Cancelling Third Revised Sheet No. 1
Cancelling Second Revised Sheet No. 2

Section 9.04

Original Sheet No. 1
Original Sheet No. 2
Original Sheet No. 3

Section 10.01

Fourth Revised Sheet No. 1
Fourth Revised Sheet No. 2

Cancelling Third Revised Sheet No. 1
Cancelling Third Revised Sheet No. 2

Section 10.02

Fourth Revised Sheet No. 1
Fifth Revised Sheet No. 2

Cancelling Third Revised Sheet No. 1
Cancelling Fourth Revised Sheet No. 2

Section 10.03

Fourth Revised Sheet No. 1
Fourth Revised Sheet No. 2
Fourth Revised Sheet No. 3

Cancelling Third Revised Sheet No. 1
Cancelling Third Revised Sheet No. 2
Cancelling Third Revised Sheet No. 3

Section 10.04

Fourth Revised Sheet No. 1
Fourth Revised Sheet No. 2
Fourth Revised Sheet No. 3

Cancelling Third Revised Sheet No. 1
Cancelling Third Revised Sheet No. 2
Cancelling Third Revised Sheet No. 3

Section 10.05

Fourth Revised Sheet No. 1
Fourth Revised Sheet No. 2
Fourth Revised Sheet No. 3
Fourth Revised Sheet No. 4

Cancelling Third Revised Sheet No. 1
Cancelling Third Revised Sheet No. 2
Cancelling Third Revised Sheet No. 3
Cancelling Third Revised Sheet No. 4

Section 10.06

Original Sheet No. 1
Original Sheet No. 2
Original Sheet No. 3

Section 11.01

Fourth Revised Sheet No. 1
Fourth Revised Sheet No. 2
Fourth Revised Sheet No. 3
Third Revised Sheet No. 4
Third Revised Sheet No. 5
Third Revised Sheet No. 6
Third Revised Sheet No. 7
Third Revised Sheet No. 8

Cancelling Third Revised Sheet No. 1
Cancelling Third Revised Sheet No. 2
Cancelling Third Revised Sheet No. 3
Cancelling Second Revised Sheet No. 4
Cancelling Second Revised Sheet No. 5
Cancelling Second Revised Sheet No. 6
Cancelling Second Revised Sheet No. 7
Cancelling Second Revised Sheet No. 8

Section 11.02

Fourth Revised Sheet No. 1
Third Revised Sheet No. 2
Third Revised Sheet No. 3

Cancelling Third Revised Sheet No. 1
Cancelling Second Revised Sheet No. 2
Cancelling Second Revised Sheet No. 3

Section 11.03

Fourth Revised Sheet No. 1
Fourth Revised Sheet No. 2

Cancelling Third Revised Sheet No. 1
Cancelling Third Revised Sheet No. 2

Section 11.04

Fourth Revised Sheet No. 1 Third Revised Sheet No. 2 Third Revised Sheet No. 3	Cancelling Third Revised Sheet No. 1 Cancelling Second Revised Sheet No. 2 Cancelling Second Revised Sheet No. 3
Section 11.05 Fourth Revised Sheet No. 1 Fifth Revised Sheet No. 2	Cancelling Third Revised Sheet No. 1 Cancelling Fourth Revised Sheet No. 2
Section 11.06 Fourth Revised Sheet No. 1 First Revised Sheet No. 2	Cancelling Third Revised Sheet No. 1 Cancelling Original Sheet No. 2
Section 11.07 Original Sheet No.1 Original Sheet No. 2 Original Sheet No. 3	
Section 13.00 Fourth Revised Sheet No. 1 Fourth Revised Sheet No. 2	Cancelling Third Revised Sheet No. 1 Cancelling Third Revised Sheet No. 2
Section 13.01 Fourth Revised Sheet No. 1 Third Revised Sheet No. 2 Original Sheet No. 3	Cancelling Third Revised Sheet No. 1 Cancelling Second Revised Sheet No. 2
Section 13.02 Second Revised Sheet No. 1	Cancelling First Revised Sheet No. 1
Section 13.03 Second Revised Sheet No. 1	Cancelling First Revised Sheet No. 1
Section 13.06 First Revised Sheet No. 1	Cancelling Original Sheet No. 1
Section 13.07 First Revised Sheet No. 1	Cancelling Original Sheet No. 1
Section 13.08 Sixth Revised Sheet No. 1 Second Revised Sheet No. 2	Cancelling Fifth Revised Sheet No. 1 Cancelling First Revised Sheet No. 2
Section 14.00 Second Revised Sheet No. 1	Cancelling First Revised Sheet No. 1
Section 14.01 Fourth Revised Sheet No. 1 Third Revised Sheet No. 2	Cancelling Third Revised Sheet No. 1 Cancelling Second Revised Sheet No. 2
Section 14.02 Fourth Revised Sheet No. 1 Third Revised Sheet No. 3 Third Revised Sheet No. 4	Cancelling Third Revised Sheet No. 1 Cancelling Second Revised Sheet No. 3 Cancelling Second Revised Sheet No. 4

Third Revised Sheet No. 5	Cancelling Second Revised Sheet No. 5
Section 14.03	
Fourth Revised Sheet No. 1	Cancelling Third Revised Sheet No. 1
Third Revised Sheet No. 2	Cancelling Second Revised Sheet No. 2
Third Revised Sheet No. 3	Cancelling Second Revised Sheet No. 3
Third Revised Sheet No. 4	Cancelling Second Revised Sheet No. 4
Third Revised Sheet No. 5	Cancelling Second Revised Sheet No. 5
Third Revised Sheet No. 6	Cancelling Second Revised Sheet No. 6
Section 14.04	
Fourth Revised Sheet No. 1	Cancelling Third Revised Sheet No. 1
Fourth Revised Sheet No. 2	Cancelling Third Revised Sheet No. 2
Fourth Revised Sheet No. 3	Cancelling Third Revised Sheet No. 3
Third Revised Sheet No. 4	Cancelling Second Revised Sheet No. 4
Section 14.05	
Fourth Revised Sheet No. 1	Cancelling Third Revised Sheet No. 1
Third Revised Sheet No. 2	Cancelling Second Revised Sheet No. 2
Third Revised Sheet No. 3	Cancelling Second Revised Sheet No. 3
Section 14.06	
Fourth Revised Sheet No. 1	Cancelling Third Revised Sheet No. 1
Fourth Revised Sheet No. 2	Cancelling Third Revised Sheet No. 2
Third Revised Sheet No. 3	Cancelling Second Revised Sheet No. 3
Section 14.07	
Fourth Revised Sheet No. 1	Cancelling Third Revised Sheet No. 1
Third Revised Sheet No. 2	Cancelling Second Revised Sheet No. 2
Fourth Revised Sheet No. 3	Cancelling Third Revised Sheet No. 3
First Revised Sheet No. 4	Cancelling Original Sheet No. 4
Section 14.08	
Third Revised Sheet No. 1	Cancelling Second Revised Sheet No. 1
Original Sheet No. 2	
Section 14.09	
Third Revised Sheet No. 1	Cancelling Second Revised Sheet No. 1
Section 14.10	
Second Revised Sheet No. 1	Cancelling First Revised Sheet No. 1
Section 14.11	
Second Revised Sheet No. 1	Cancelling First Revised Sheet No. 1
Second Revised Sheet No. 2	Cancelling First Revised Sheet No. 2
Second Revised Sheet No. 3	Cancelling First Revised Sheet No. 3
Second Revised Sheet No. 4	Cancelling First Revised Sheet No. 4
Section 14.12	
Second Revised Sheet No. 2	Cancelling First Revised Sheet No. 2
Section 14.13	
Original Sheet No. 1	

Original Sheet No. 2

Section 15.00

Second Revised Sheet No. 1

Cancelling First Revised Sheet No. 1

Section 16.00

Eighth Revised Sheet No. 1

Cancelling Seventh Revised Sheet No. 1

Fourth Revised Sheet No. 2

Cancelling Third Revised Sheet No. 2

Fourth Revised Sheet No. 3

Cancelling Third Revised Sheet No. 3

Fifth Revised Sheet No. 4

Cancelling Fourth Revised Sheet No. 4

The Commission has jurisdiction over this matter pursuant to SDCL Chapter 49-34A, including 49-34A-1, 49-34A-2, 49-34A-3, 49-34A-4, 49-34A-6, 49-34A-8, 49-34A-8.3, 49-34A-8.4, 49-34A-10 through 49-34A-14, 49-34A-17, 49-34A-19 through 49-34A-19.2, 49-34A-21, 49-34A-22, and applicable provisions of SDCL Chaps. 1-26 and 15-6.

At its regularly scheduled meeting on June 25, 2019, the Commission considered the approval of Otter Tail's Interim Refund Plan and approval of the tariff sheets described above. Commission staff recommended approval of the Interim Refund Plan as filed by Otter Tail and approval of the tariff sheets. Finding Otter Tail's proposed Interim Refund Plan to be just, reasonable, and in the public interest, the Commission voted unanimously to approve the Interim Refund Plan and to approve the tariff sheets described above. It is therefore

ORDERED, that Otter Tail's Interim Refund Plan is hereby approved as filed. It is further

ORDERED, that the tariff sheets set forth above are hereby approved for service rendered on and after August 1, 2019.

Dated at Pierre, South Dakota, this 9th day of July 2019.

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.	
By:	<u>Karen E. Bremer</u>
Date:	<u>07/09/19</u>
(OFFICIAL SEAL)	

BY ORDER OF THE COMMISSION:

Gary Hanson
GARY HANSON, Chairman

Chris Nelson
CHRIS NELSON, Commissioner

Kristie Fiegen
KRISTIE FIEGEN, Commissioner