

# Change in electric rates in effect January 1, 2021

On November 2, 2020, Otter Tail Power Company asked the Minnesota Public Utilities Commission (MPUC) for permission to increase electric rates by approximately \$14.5 million.

State law allows Otter Tail Power to collect the higher rates on a temporary or interim basis while the MPUC reviews our request. The MPUC has approved an interim rate increase of about 3.23 percent over current rates or approximately \$6.9 million.

This rate increase appears on your bill as Interim Rate Adj for service used on and after January 1, 2021. The interim rate adjustment applies to the customer charge, energy charge, demand charge, facilities charge, fixed charge, and the monthly minimum charge.

The interim rate will be effective until the MPUC makes a decision on the final rates, by December 1, 2021.

If final rates are lower than interim rates, we will refund customers the difference with interest. If final rates are higher than interim rates, we will not charge customers the difference.

## Why is Otter Tail Power Company asking for a rate review?

Since our last Minnesota Rate Review in 2016, we have made investments in low-cost, reliable, cleaner energy generation and smarter technology. The Rate Review is requested because of these investments and an increase in general costs.



## Average Monthly Electricity Costs

Customer classification	Monthly kilowatt-per-hour usage	Previous monthly cost	Approved interim change in monthly cost	Proposed final change in monthly cost
Residential	760	\$83.97	\$2.71	\$7.77
Farms	2,605	\$266.33	\$8.60	\$17.80
General Service	9,758	\$1,006.31	\$32.50	\$98.70
Large General Service	312,084	\$21,163.64	\$683.59	\$1,080.10
Irrigation	1,536	\$129.40	\$4.18	\$17.89
Outdoor Lighting	636	\$14.03	\$0.45	\$0.94
Other Public Authority	2,874	\$248.79	\$8.04	\$16.55
Controlled Service Water Heating	314	\$25.79	\$0.83	\$1.58
Controlled Service Interruptible	1,570	\$95.26	\$3.08	\$2.20
Controlled Service Deferred	5,630	\$230.01	\$7.43	\$(12.96)

### How will this affect monthly bills?

This table shows the impact of the approved interim and proposed final rates on the average customer's monthly bill in each of our customer classes. The impact on an individual customer may be higher or lower depending on the individual customer's actual electric usage.

### What is the process for reviewing Otter Tail Power Company's request?

In addition to the MPUC review, the Minnesota Department of Commerce—Division of Energy Resources will conduct an investigation of our books and records. The Office of the Attorney General – Residential Utilities Division may investigate the proposal as well.

The MPUC will hold public hearings overseen by an Administrative Law Judge. Customers and the public are encouraged to attend the hearings and will have opportunities to comment on our rate

request. Notice of the hearing dates, times and locations (if the hearings are held in person) will be published in local newspapers in our service area, mailed to you as a flyer enclosed with our electric service statements, and will be posted on our website at: [www.otpc.com/MNRateReview](http://www.otpc.com/MNRateReview). If the public hearings are conducted remotely, details on how to participate will be provided in the public hearing notice.

### The MPUC is asking customers to comment on Otter Tail Power's request for a rate increase.

#### SUBMIT PUBLIC COMMENTS:

**Online:** Visit [mn.gov/puc](http://mn.gov/puc), select Comment and follow the prompts

**Email:** [consumer.puc@state.mn.us](mailto:consumer.puc@state.mn.us)

**U.S. Mail:** Consumer Affairs Office  
Minnesota Public Utilities Commission  
121 7th Place East, Suite 350  
St. Paul MN 55101

## For more information:

Visit [www.otpc.com/MNRateReview](http://www.otpc.com/MNRateReview) to view our filing, the proposed rate schedules, and a comparison of present and proposed rates or contact our General Office during normal business hours at:

Otter Tail Power Company  
215 South Cascade Street  
Fergus Falls, MN 56537  
Phone: 800-257-4044

*Due to COVID-19,  
our offices are not open  
for in-person visits.*

You may contact the Minnesota Department of Commerce – Division of Energy Resources at:

85 7th Place East, Ste 280      Ph: 651-539-1500  
St. Paul, MN 55101              Fax: 651-539-1547

You can also search e-dockets at the Department of Commerce website: <https://www.edockets.state.mn.us/EFiling/search.jsp> (case sensitive)

In the docket search by docket number, select 20 in the year field, enter 719 in the number field, click on Search, and the list of documents will appear on the next page.

## How to participate:

Anyone who wishes to formally intervene in this review should contact:

Administrative Law Judge Eric Lipman  
Office of Administrative Hearings  
600 North Robert Street  
St. Paul, MN 55164  
Phone: 651-361-7900  
Fax: 651-539-0310  
Web: <http://mn.gov/oah>

You do not need to contact the Administrative Law Judge if you simply want to attend the public hearings, speak at the public hearings, or submit comments in writing.

Be sure to reference Dockets No. OAH 8-2500-37230 and MPUC E017/GR-20-719 in all correspondence or requests.