

RATE INCREASE NOTICE OF PUBLIC HEARINGS

For Otter Tail Power Company Customers

MPUC Docket No. E017/GR-20-719 OAH Docket No. 8-2500-37230

On November 2, 2020, Otter Tail Power Company (OTP) asked the Minnesota Public Utilities Commission (MPUC) for permission to increase its electric rates by about 6.77 percent, or about \$14.5 million.

State law allows OTP to collect higher rates on an interim (temporary) basis to allow the MPUC time to evaluate the request. The MPUC has authorized an interim rate increase of approximately 3.23 percent, or about \$6.9 million, effective January 1, 2021. These higher rates will remain in effect until the final rates are determined by the MPUC.

The MPUC will determine the final rate increase by December 2021. If the final rate increase is less than the interim rate increase, OTP will refund to customers the difference, plus interest. If the final rate increase approved by the MPUC is higher than the interim rate increase, OTP will not charge customers the difference.

Since the company's last Minnesota Rate Review in 2016, OTP has made investments in low-cost, reliable, cleaner energy generation and smarter technology. OTP seeks to include these investments and an increase in general costs in its rates.

The chart below shows an example of how the approved interim and proposed final rates will affect the average customer's monthly bill in each of our customer classes. Your bill may be higher or lower depending on the actual electric usage in your customer class.

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)

The Minnesota Department of Commerce—Division of Energy Resources office is reviewing OTP's filing and records with respect to this requested rate increase. The Minnesota Office of the Attorney General—Residential Utilities Division may also review this proposed rate increase.

FOR MORE INFORMATION

You may request additional information from OTP's General Office during normal business hours at:

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

You also may review current and proposed rate schedules by contacting the Minnesota Department of Commerce—Division of Energy Resources:

Minnesota Department of
Commerce—Division of Energy
Resources
85 7th Place East, Suite 280
St. Paul, Minnesota 55101
Telephone: 651-539-1886
FAX: 651-539-1549
Web: <http://mn.gov/commerce/>

Additional information about proposed rate schedules and a comparison of present and proposed rates is available at www.otpc.com/MNRateReview. Questions or comments about the rate increase request may be directed to 800-257-4044.

Persons who wish to intervene in the litigation and participate as a party at the evidentiary hearing in this case should review Minn. R. 1400.6200 (2019) and contact the Administrative Law Judge.

Administrative Law Judge Eric L. Lipman
Office of Administrative Hearings
600 North Robert St
St. Paul, Minnesota 55164
Telephone: 651-361-7900
FAX: 651-361-0310
TDD: 651-361-7878
Web: <http://mn.gov/oah>

PUBLIC HEARINGS

The MPUC will hold public hearings for customers to speak and will ask for customers' written comments about the rate increase request. You may add verbal comments or written comments, or both, to the record.

You are invited to comment on the adequacy and quality of OTP's service, the level of rates, or other related matters. You do not need to be represented by an attorney to provide comments during the public hearings.

To maintain appropriate physical distancing and prevent the spread of the COVID-19 virus, public hearings will be held remotely (over the telephone for audio and over the internet for video). The hearings will begin at their scheduled time and adjourn after everyone has had an opportunity to share comments or after 3 hours of hearing time, whichever occurs first.

To receive audio for the hearing, you will need to participate over the telephone. Additionally, you can watch the hearing (without sound) over the internet. To see the public hearing panelists, and hear what they are saying, you must join the public hearing using both the telephone connection and the internet link. The video on the internet does not include sound from the public hearing.

To be able to provide your verbal comments, you will need to join the hearing by audio, at a minimum. Follow the directions below to access the hearing over the telephone. If you are interested in providing verbal comments on the proposed rate increase during the public hearing you must join the hearing by telephone.

Public hearings have been scheduled as follows to be held virtually: April 13th at 1:00pm; April 13th at 6:00pm; April 14th at 1:00pm; April 14th at 6:00pm.

JOIN BY TELEPHONE

4/13/21 — 1pm	4/13/21 — 6pm	4/14/21 — 1pm	4/14/21 — 6pm
Ph (866) 609-6127 Conf ID 8960889	Ph (866) 609-6127 Conf ID 4847889	Ph (866) 609-6127 Conf ID 8397865	Ph (866) 609-6127 Conf ID 6687187

An operator will assist you over the phone.

To watch the hearing over the internet on a computer or smartphone, follow the directions below. (video only — no audio).

JOIN BY INTERNET (video only — no audio)

Navigate on your computer to: <https://minnesota.webex.com>

4/13/21 — 1pm	4/13/21 — 6pm	4/14/21 — 1pm	4/14/21 — 6pm
Event No. 187 361 1312 Password, if needed: MnPUC!	Event No. 187 775 3715 Password, if needed: MnPUC!	Event No. 187 541 2682 Password, if needed: MnPUC!	Event No. 187 407 9248 Password, if needed: MnPUC!

If you wish to watch the video stream with audio, you will need to join by both phone and internet.

Please contact Charley Bruce at 651-201-2251 or charley.bruce@state.mn.us or Tera Dornfeld at 651-201-2195 or tera.dornfeld@state.mn.us if you have questions on how to participate or have trouble accessing the public hearing using telephone or internet.

The MPUC welcomes your comments on the requested rate increase. A Public Comment period is open through June 14, 2021. Comments should be received by 4:30 p.m. on the close date. Comments received after the comment period closes may or may not be considered in the MPUC's final decision. There are a number of ways for you to participate.

TO COMMENT ONLINE

Visit mn.gov/puc, select the Comment icon on the top menu to go to the Public Comment page where you will find a list of ways to comment on docket 20-719, an online Public Comment form, and how to get help to participate in the comment process.

TO COMMENT BY EMAIL

Send your comments to consumer.puc@state.mn.us and reference docket number 20-719.

TO COMMENT BY U.S. MAIL

Minnesota Public Utilities Commission
121 7th Place East, Ste. 350
St. Paul, MN 55101

Be sure to reference docket 20-719

For assistance in submitting comments, or if you have questions, contact the Commission's Consumer Affairs Office at:
Phone: 651-296-0406 or 800-657-3782
Email: consumer.puc@state.mn.us

