South Dakota P.U.C. Volume II
Section 10.06
ELECTRIC RATE SCHEDULE
Super Large General Service
Applications and Eligibility Requirements
Original Sheet No. 1

OtterTail
POWER COMPANY

Fergus Falls, Minnesota

SUPER LARGE GENERAL SERVICE
APPLICATIONS AND ELIGIBILITY REQUIREMENTS

DESCRIPTION	RATE CODE
Primary Service	S618
Transmission Service	S620

RULES AND REGULATIONS: Terms and conditions of this electric rate schedule and the General Rules and Regulations govern use of this rider.

APPLICATION OF SCHEDULE: This rate schedule is applicable to greenfield Customers who meet certain conditions described herein.

The rate schedule will be available to greenfield Customers who reasonably demonstrate to the Company (1) an expected Metered Demand of at least 25 MW at a single Metering point, (2) an expected load factor of at least 80%, and (3) expected annual Energy sales of at least 175,000 MWh's over 12 consecutive billing months. Customers seeking service under this rate schedule shall provide the Company data and written assurances supporting the Customer's application. Customers shall meet the above criteria to obtain and maintain service on this rate. Customers who are served on this rate and do not meet the above criteria will be moved to the most applicable rate schedule. The Company will require, a written electric service agreement ("ESA") between the Company and the Customer.

This schedule is not applicable for Energy for resale. Emergency and supplementary/standby service will be supplied only as allowed by law.

PURPOSE & SCOPE OF RATE SCHEDULE: To attract new large and high load factor Customer loads that provide net benefits the Company's South Dakota Customers and communities served by the Company.

The marginal cost estimates that form the basis of the Super Large General Service rate capture the marginal/incremental costs the utility expects to incur serving the Customer's load during the period the rate is in effect. There may be additional costs that were not anticipated when the rate was set. These incremental costs will be recovered through the corresponding Mandatory Rate Riders applied to the Customer.

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COMMISSION-APPROVAL PROCESS: This rate schedule allows the Company to respond to service inquiries by providing potential Customers rate quotes and final rates based on a rate formula reviewed by Commission Staff. This process enables potential Customers to make timely business decisions, protects the Company's ratepayers by ensuring net benefits, and allows the Company to plan service to the new load(s). However, Staff review of the rate formula and rate quotes does not preclude Commission review and approval. The Company will file the Customer's executed ESA as a contract with deviations for Commission approval.

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RATE DETERMINATION: The rate specified in each Customer's ESA shall be based upon and reflect either the marginal unit costs expected during the effective rate period, or the marginal unit costs plus an appropriate margin determined on a case-by-case basis. The marginal unit cost estimates will be consistent with those included in the Company's most recent marginal cost study for the corresponding voltage level of service, and adjusted for annual inflation as required. The marginal unit costs applied to the Customer's load requirements will determine the minimum incremental revenue collected under this rate. Any margin recovered on the incremental costs will collect a share of the Company's costs from the new Customer, thus reducing the fixed costs allocated to existing Customers.

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MANDATORY AND VOLUNTARY RIDERS: The amount of a bill for service will be modified by any Mandatory Rate Riders and by any Voluntary Rate Riders selected by the Customer, unless otherwise noted in this schedule. See Sections 12.00, 13.00 and 14.00 of the South Dakota electric rates for the matrices of riders.

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TERMS AND CONDITIONS: The Company will offer the Customer the rate schedule under the following terms:

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1. The minimum rate under this schedule shall recover the incremental cost of providing service, including any Energy-related marginal costs, the cost of additional Generation Capacity, the cost of network Capacity that is expected to be added while the rate is in effect, and any marginal Customer-related costs. The goal of this calculation is to ensure that the revenue requirement of other Customers will not increase due to the addition of the new large load.

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2. The final rate offered to the Customer under this rate schedule shall not exceed the Company's applicable Standard Tariff and all applicable riders, and shall not be lower than incremental costs as described in the preceding paragraph.

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3. The Company will utilize its proprietary model to compare expected revenues from the prospective Customer and expected costs of serving the added load over the time period described in paragraph 4 of these terms and conditions. The model will be made available only to the Commission to verify the calculations used to establish the rate quote and final rate offered to the Customer.

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SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION
Filed on: June 21, 2019
Approved by order dated: July 9, 2019
Docket No. EL18-021

Bruce G. Gerhardson
Vice President, Regulatory
Affairs

EFFECTIVE with bills
rendered on and after
August 1, 2019,
in South Dakota

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(Continued)

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4. Service under this rate schedule requires an ESA with a term of at least five years, with the term commencing on the first day of commercial operations.

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5. At the end of terms of the ESA, and any extensions thereof, Customers may elect to move from a full marginal cost-based rate to an embedded cost-based rate such as the applicable Standard Tariff offered to existing Customers, or a two-part market-based rate that would price a Customer- baseline load (CBL) at the embedded unit cost and any load above the CBL at marginal cost. Customers who elect to move away from the full marginal cost-based rate will not be able to return to it.

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6. Changes to the ESA that impact Customer(s) revenue and/or other ratepayers will require approval from the Commission.

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7. Customers who do not meet the 3-year minimum revenue guarantee as per OTP's line extension policy will not qualify for this rate schedule.

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8. Customer will allow Company to undertake an Energy efficiency audit of the facility.

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9. The Company will provide the Commission annual compliance updates to the trade-secret model and approved Customer rate while this rate schedule is in effect.

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