



NOTICE OF APPROVAL OF PUBLIC HEARINGS NOTICE

Issued: June 29, 2016

In the Matter of Otter Tail Power Company for Authority to Increase Rates for Electric Service in the State of Minnesota

PUC Docket Number/s: E-017/GR-15-1033

OAH Docket Number: 8-2500-33355

Case Background: In its April 14, 2016 Notice and Order for Hearing, the Minnesota Public Utilities Commission (“Commission”) directed Otter Tail Power Company (“Otter Tail”) to give notice of the evidentiary and public hearings in this matter to all of its customers, all affected municipalities, counties, and other local governing bodies, and all parties in its last two rate cases. The Commission also directed Otter Tail to place display advertisements for these hearings in the newspapers of record in the affected counties and other newspapers of general circulation in its service area. The Commission delegated authority to its Executive Secretary to approve these notices.

Otter Tail electronically (informally) submitted for review the public hearing notice it proposes to use for notice to customers. CenterPoint worked with Commission staff in the development of these notices. The notice was reviewed by the Administrative Law Judge assigned to this matter, and, as revised, met with his approval.

This notice is approved, as attached, and may be used for the: (1) customer notice, (2) notice to municipalities, counties, and other local governing bodies, and (3) content of newspaper display advertisements.

Filing Requirements: Utilities, telecommunications carriers, official parties, and state agencies are **required** to file documents using the Commission’s electronic filing system (eFiling). All parties, participants and interested persons are encouraged to use eFiling: mn.gov/puc, select *eFiling*, and follow the prompts.

Full Case Record: See all documents filed in this docket via the Commission’s website - mn.gov/puc, select *Search eDockets*, enter the year (15) and the docket number (1033), select *Search*.

Subscribe to this Docket: to receive email notification when new documents are filed in this docket at mn.gov/puc, select *Subscribe*, and follow the prompts.

Submit Public Comments: Visit mn.gov/puc, select *Speak Up!*, find this docket, and add your comments to the discussion.

- *If you wish to include an exhibit, map or other attachment, please send your comments via U.S. Mail.*

Send U.S. Mail to Public Utilities Commission, 121 7th Place East, Suite 350, St. Paul MN 55101. Please include the Commission's docket number in all communications.

Questions about this docket or Commission process and procedure? Contact Commission staff, Jorge Alonso, at jorge.alonso@state.mn.us or 651-201-2258.

Change your mailing preferences: Email docketing.puc@state.mn.us or call 651-201-2204

This document can be made available in alternative formats (e.g., large print or audio) by calling 651-296-0406 (voice). Persons with hearing loss or speech disabilities may call us through their preferred Telecommunications Relay Service.

Attachments

Effects of Rate Change

The following table shows the average monthly impact of the approved interim and proposed final rates for an average customer 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 consumption.

Proposed Change in Average Monthly Bill

Customer Classification	Monthly Kilowatt-hour Usage	Previous Monthly Cost	Approved Interim Change in Monthly Cost	Proposed Final Change in Monthly Cost
Residential	810	\$83	\$7.93	\$9.53
Farms	1,991	\$193	\$18.45	\$17.35
General Service	2,618	\$247	\$23.61	\$22.20
Large General Service	231,698	\$14,503	\$1,386.49	\$1,305.30
Irrigation	1,521	\$151	\$14.44	\$28.74
Outdoor Lighting	2,074	\$2	\$0.19	\$0.27
Other Public Authority	3,366	\$257	\$24.57	\$33.45
Controlled Service Water Heating	214	\$17	\$1.63	\$1.93
Controlled Service Interruptible	2,041	\$109	\$10.42	\$12.55
Controlled Service Deferred	2,237	\$125	\$11.95	\$5.92

How to Learn More

Otter Tail's current and proposed rate schedules are available at:

Otter Tail Power Company

215 South Cascade Street
Fergus Falls, MN 56537
Phone: 1-800-257-4044

Web: www.otpco.com/MNRateCase

Minnesota Department of Commerce

85 7th Place East, Suite 500
St. Paul, Minnesota 55101

Telephone: 651-539-1886

FAX: 651-539-1549

Web: <https://www.edockets.state.mn.us/EFiling/search.jsp>
(Web address case sensitive)

Select 15 in the year field, type 1033 in the Number field, select Search, and the list of documents will appear on the next page.

Persons who wish to intervene or testify in the evidentiary hearing in this case should contact the Administrative Law Judge Eric L. Lipman, P.O. Box 64620, St. Paul MN, 55164-0620.

Questions about the Minnesota Public Utilities Commission's review process?

Minnesota Public Utilities Commission

121 7th Place East, Suite 350, St. Paul MN 55101

Phone: 651-296-0406 or 1-800-657-3782

Email: consumer.puc@state.mn.us

Persons with hearing or speech disabilities may call through their preferred Telecommunications Relay Service.



Notice Of Public Hearing For Otter Tail Power Company customers

Under Minn. Stat. § 216B.16, Subd. 1

MPUC Docket No. E017/GR-15-1033

OAH Docket No. 8-2500-33355

On February 16, 2016, Otter Tail Power Company (Otter Tail) asked the Minnesota Public Utilities Commission (MPUC) for permission to increase its electric rates by approximately \$19.3 million, or about 9.8 percent.

While the MPUC reviews our request, state law allows Otter Tail to collect higher rates on an interim (temporary) basis. The interim rate increase is \$16.82 million, or about 9.56 percent more than current rates. This rate increase appears on your bill as "Interim Rate Adj" for service used on and after April 16, 2016. It applies to the customer charge, energy charge, demand charge, facilities charge, fixed charge, and the monthly minimum charge.

Unless the review period is extended, the MPUC likely will make its decision on our rate request in March 2017. 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.

If you move before a refund is issued and we cannot find you, your refund may be treated as abandoned property and sent to the Minnesota Department of Commerce, Unclaimed Property Unit. You can check for unclaimed property at www.missingmoney.com. To make sure we can send you any refund owed, please provide a forwarding address when you stop service.

Public Hearings

Administrative Law Judge Eric L. Lipman is holding four public hearings. Any Otter Tail customer or other person may attend to provide comments at the hearing. You are invited to comment on the adequacy and quality of Otter Tail services, the level of rates or other related matters. You do not need to be represented by an attorney.

Public hearings have been scheduled as follows:

Bemidji, Minnesota

Wednesday, August 24, 2016 – 1:00 p.m.

Bemidji City Hall, 317 4th Street NW

Bemidji, MN 56601

Crookston, Minnesota

Wednesday, August 24, 2016 – 6:00 p.m.

Cobblestone Inn, 2304 Sahlstrom Dr.

Crookston, MN 56716

Fergus Falls, Minnesota

Thursday, August 25, 2016 – 1:00 p.m.

City Hall Council Chambers, 112 West Washington

Fergus Falls, MN 56537

Morris, Minnesota

Thursday, August 25, 2016 – 6:00 p.m.

City Council Chambers, 603 Oregon Ave

Morris, MN 56267

Public notice of the hearing dates, times, and locations also will be published in local newspapers in our service area.

Submit Written Comments

Comment Period

- **Comments accepted through October 19, 2016, at 4:30 p.m.**
- Comments must be received by 4:30 p.m. on the close date
- Comment received after the comment period closes may not be considered

Online

Visit mn.gov/puc, select *Speak Up!* find this docket (15-1033), and add your comments to the discussion.

U.S. Mail

If you wish to include an exhibit or other attachment, please send your comments via U.S. Mail.

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

Written comments are most effective when the following items are included:

1. The Docket Numbers in the subject line or heading.
 - MPUC Docket Number E017/GR-15-1033
 - OAH Docket Number 8-2500-33355
2. Your name and connection to the docket.
3. The specific issues that concern you.
4. Any knowledge you have about the issues.
5. Your specific recommendation.
6. The reason for your recommendation.

Important: Comments will be made available to the public on the MPUC's website, except in limited circumstances consistent with the Minnesota Government Data Practices Act. The MPUC does not edit or delete personally identifying information from submissions.

Accommodations

If any reasonable accommodation is needed to enable you to fully participate in these meetings (e.g., sign language or large print materials), please contact the Office of Administrative Hearings at 651-361-7000 (voice) or 651-361-7878 (TTY) at least one week in advance of the meeting.

Evidentiary Hearings

Formal evidentiary hearings on Otter Tail's proposal start on October 13, 2016, at the MPUC, 121 Seventh Place East, Suite 350, St. Paul. The purpose of the evidentiary hearings is to allow Otter Tail, the Minnesota Department of Commerce, the Minnesota Office of the Attorney General-Residential Utilities & Antitrust Division, and others to present testimony and to cross-examine each other's witnesses on the proposed rate increase.

*****NEWSPAPER NOTICE*****

Rate increase notice

Notice of public hearings for Otter Tail Power Company

On February 16, 2016, Otter Tail Power Company (Otter Tail) asked the Minnesota Public Utilities Commission (MPUC) for permission to increase its electric rates by approximately \$19.3 million, or 9.80 percent.

While the MPUC reviews our request, state law allows Otter Tail to collect higher rates on an interim (temporary) basis. The interim rate increase is \$16.82 million, or about 9.56 percent more than current rates. This rate increase appears on your bill as “Interim Rate Adj” for service used on and after April 16, 2016. It applies to the customer charge, energy charge, demand charge, facilities charge, fixed charge, and the monthly minimum charge.

Unless the review period is extended, the MPUC will likely make its decision on our rate request in March 2017. 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.

If you move before a refund is issued and we cannot find you, your refund may be treated as abandoned property and sent to the Minnesota Department of Commerce, Unclaimed Property Unit. You can check for unclaimed property at www.missingmoney.com. To make sure we can send you any refund owed, please provide a forwarding address when you stop service.

The Company’s last request for a rate increase in Minnesota was in 2010.

Public comment

Administrative Law Judge Eric L. Lipman is holding four public hearings. Any Otter Tail customer or other person may attend to provide comments at the hearing. You are invited to comment on the adequacy and quality of Otter Tail services, the level of rates or other related matters. You do not need to be represented by an attorney.

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Crookston, Minnesota – Wednesday, August 24, 2016 – 6:00 p.m.

Cobblestone Inn, 2304 Sahlstrom Dr., Crookston, MN 56716

Fergus Falls, Minnesota – Thursday, August 25, 2016 – 1:00 p.m.

City Hall Council Chambers, 112 West Washington, Fergus Falls, MN 56537

Morris, Minnesota – Thursday, August 25, 2016 – 6:00 p.m.

City Council Chambers, 603 Oregon Ave, Morris, MN 56267

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The purpose of the evidentiary hearings is to allow Otter Tail Power Company, the Minnesota Department of Commerce, the Minnesota Office of the Attorney General-Residential Utilities & Antitrust Division, and other formal parties to the proceeding to present testimony and to cross-examine each other's witnesses on the proposed rate increase.

Anyone who wishes to formally intervene in this case should contact the Administrative Law Judge.

Submit Written Comments

Comment Period

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Otter Tail Power Company has requested the rate changes described in this notice. The MPUC may grant or deny the requested changes, in whole or in part, and may grant a lesser or greater increase than that requested for any class or classes of service.

How to Learn More

Otter Tails current and proposed rate schedules are available at:

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215 South Cascade Street

Fergus Falls, MN 56537

Phone: 1-800-257-4044

Web: www.otpc.com/MNRateCase

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