



Fergus Falls, Minnesota

ENERGY-INTENSIVE, TRADE-EXPOSED (EITE) RIDER

DESCRIPTION	RATE CODE
EITE Surcharge	MEITE
EITE Exemption Adjustment	MEITA

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

APPLICATION OF RIDER: This rider is applicable to any electric service under all of the Company's retail rate schedules pursuant to Minn. Stat. 216B.1696 Competitive Rate for Energy-Intensive, Trade-Exposed Electric Utility Customer, except for those Customers with Low-Income Home Energy Assistance Program (LIHEAP) designation in the Company's billing system at the time of billing, as defined in Minn. Stat. 216B.16, Subd. 15, and the EITE Customers pursuant to Minn. Stat. 216B.1696, Subd.2(d). The exemptions are as follows:

EITE and LIHEAP Customers will be exempted from the Company's EITE charges (EITE Surcharge) pursuant to Minn. Stat. 216B.1696, Subd. 2(d) Competitive Rate for Energy-Intensive, Trade-Exposed Electric Utility Customer. LIHEAP Customer designations will be reset each September 1. Residential Customers must annually reapply for such designation and be granted assistance from a LIHEAP to continue to be exempt from the EITE Surcharge.

EITE SURCHARGE AND EXEMPTION ADJUSTMENT: There shall be added to each non-exempt Customer's bill an EITE Surcharge, which shall be the EITE Surcharge Rate multiplied by the Customer's billing kWh for electric service. The EITE Surcharge will be included in the Resource Adjustment line item on the Customer's bill.

The EITE Surcharge shall not be applied to Customer Account(s) granted exemption by the Commission from EITE costs pursuant to Minn. Stat. 216B.1696, Subd. 2(d).

The EITE Surcharge Rate is \$0.00045 per kWh.

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DETERMINATION OF EITE SURCHARGE RATE: The EITE Surcharge Rate shall be the forecasted Recoverable EITE Tracker Balance divided by projected Minnesota non-exempt retail kWh sales for a designated 12-month recovery period. The EITE Surcharge Rate shall be rounded to the nearest \$0.00001. The EITE Surcharge Rate may be adjusted annually by approval of the Minnesota Public Utilities Commission (Commission). The Recoverable EITE Tracker Balance is determined as described below, starting with the Commission-accepted EITE Tracker account balance as of the end of the prior year.



All costs appropriately charged to the EITE Tracker account shall be eligible for recovery through this rider and all revenues received from the application of the EITE Surcharge Rate shall be credited to the EITE Tracker account. C

TRUE-UP: For each recovery period, a true-up adjustment to the EITE Tracker account will be calculated reflecting the difference between actual prior period EITE Adjustment recoveries and the respective EITE Customer actual prior period revenue requirements. Any resulting over/under recovery will be reflected as a carryover balance and included in calculating the EITE Surcharge Rate.

EITE ELIGIBILITY: An EITE Customer’s eligibility to be excluded from this rider will be determined on a case-by-case basis and shall be approved by the Commission prior to impacting the EITE Surcharge Rate.

Ongoing EITE eligibility will be determined by the Commission. To maintain eligibility, an EITE Customer must prove to the Commission that it continues to qualify for a reduced rate under Minn. Stat. 216B.1696 and the rate reduction should be included in the EITE Surcharge calculation once every four years calculated from when the Commission most recently approved the EITE Customer’s eligibility under this rider and Minn. Stat. 216B.1696.

DETERMINATION OF DISCOUNT: The Discount for each EITE Customer and the appropriate EITE Surcharge Rate are verified during Otter Tail Power Company’s annual EITE compliance filing reporting the EITE Tracker balance and necessary true-up adjustment. The Discount for each EITE Customer will be in effect for four years from the Commission’s approval of this rider or the termination of this rider, whichever occurs first, unless otherwise extended by Order of the Commission. C
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Otter Tail Power Company shall discontinue an EITE Customer’s Discount during an annual EITE update if the EITE Customer’s annual electric Energy usage for the prior year falls below 60 percent of the average annual Energy usage of the most recent five years established immediately prior to receiving approval of an EITE Discount. The 60 percent threshold will be reset at each four year review of eligibility. If an EITE Customer’s operations fall below 60 percent of normal consumption, Otter Tail Power Company will bill the EITE Customer accordingly to recover any amounts inappropriately discounted and those recovered amounts will be deposited in the EITE Tracker account. C
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APPLICATION OF DISCOUNT: An eligible EITE Customer receives a Discount, as approved by the Commission on each monthly bill. The Discount applies to all appropriate billed amounts, excluding taxes. CN
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TERMINATION OF RIDER: This rider shall expire four years after its effective date, unless otherwise extended by Order of the Commission.

MANDATORY AND VOLUNTARY RIDERS: The amount of a bill for service will be modified by any Mandatory Rate Riders that must apply 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 Minnesota electric rates for the matrices of riders.