



Fergus Falls, Minnesota

**SMALL POWER PRODUCER RIDER  
OCCASIONAL DELIVERY ENERGY SERVICE**

| DESCRIPTION                                     | RATE<br>CODE |
|---|--------------|
| Base Avoided Costs                              | 71-902       |
| Base Avoided Costs plus Renewable Energy Credit | 71-905       |

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

**AVAILABILITY:** This rider is available to any small qualifying facility (SQF) not exceeding 100 kW of certified generating Capacity.

**METERING CHARGE:** \$3.70 per month

**PAYMENT SCHEDULE:**

Base Avoided Costs 3.673¢ per kWh  
Base Avoided Costs plus Renewable Energy Credit 3.791¢ per kWh

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**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 rider. See Sections 12.00, 13.00 and 14.00 of the South Dakota electric rates for the matrices of riders.

**SPECIAL CONDITIONS OF SERVICE:** The minimum contracted term of service is 12 months.

**TERMS AND CONDITIONS:** The use of this rider requires that special precautions be taken in the design of associated metering and control systems. The following terms and conditions describe these precautions and shall be followed on all Customer owned small qualifying facilities (SQF).

1. The Customer is required to follow the Company's interconnection process, which requires that prior to installation, the Customer complete the Interconnection Agreement for Small Generator Facility Tier 1, Tier 2, Tier 3 or Tier 4 Interconnection. The Interconnection Agreement is according to the procedures set forth in ARSD chapter 20:10:36. The Customer is also required to follow the Company's Guidelines for Generation, Tie-Line, and Substation Interconnections.

SOUTH DAKOTA PUBLIC  
UTILITIES COMMISSION  
Filed on: January 15, 2016  
Approved by order dated: March 21, 2016  
Docket No. EL16-002

Thomas R. Brause  
Vice President,  
Administration

EFFECTIVE with bills  
rendered on and after  
April 1, 2016,  
in South Dakota



Fergus Falls, Minnesota

**SMALL POWER PRODUCER RIDER  
TIME OF DELIVERY ENERGY SERVICE**

| DESCRIPTION  | RATE<br>CODE |
|--|--------------|
| Base Avoided Costs – On-Peak                               | 71-903       |
| Base Avoided Costs – Off-Peak                              | 71-906       |
| Base Avoided Costs plus Renewable Energy Credit – On-Peak  | 71-907       |
| Base Avoided Costs plus Renewable Energy Credit – Off-Peak | 71-908       |

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

**AVAILABILITY:** This rider is available to any small qualifying facility (SQF) not exceeding 100 kW of certified generating Capacity.

**CUSTOMER CHARGE:** \$8.94 per month

**PAYMENT SCHEDULE:**

| ENERGY PAYMENT                                     |  |                |                 |
|--|--|----------------|-----------------|
| Base Avoided Costs                                 |  | <u>On-Peak</u> | <u>Off-Peak</u> |
| Summer   |  | 4.486¢ per kWh | 3.093¢ per kWh  |
| Winter   |  | 4.354¢ per kWh | 3.058¢ per kWh  |
|  |  |                |                 |
| Base Avoided Costs<br>Plus Renewable Energy Credit |  | <u>On-Peak</u> | <u>Off-Peak</u> |
| Summer   |  | 4.604¢ per kWh | 3.211¢ per kWh  |
| Winter   |  | 4.471¢ per kWh | 3.175¢ per kWh  |

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**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 rider. See Sections 12.00, 13.00 and 14.00 of the South Dakota electric rates for the matrices of riders.

**SPECIAL CONDITIONS OF SERVICE:** The minimum contracted term of service is 12 months.

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Fergus Falls, Minnesota

**SMALL POWER PRODUCER RIDER  
 DEPENDABLE SERVICE**

| <b>DESCRIPTION</b>   | <b>RATE<br/>CODE</b> |
|--|----------------------|
| Base Avoided Costs – On-Peak                               | 71-904               |
| Base Avoided Costs – Off-Peak                              | 71-909               |
| Base Avoided Costs plus Renewable Energy Credit – On-Peak  | 71-910               |
| Base Avoided Costs plus Renewable Energy Credit – Off-Peak | 71-911               |

**RULES AND REGULATIONS:** Terms and conditions of this tariff and the General Rules and Regulations govern use of this schedule.

**AVAILABILITY:** Available to any small qualifying facility (SQF) not exceeding 100 kW of certified generating Capacity, which is capable of delivering power and energy to the Company on a dependable basis.

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

**CUSTOMER CHARGE:** \$8.97 per month

**PAYMENT SCHEDULE:** Energy payment will be adjusted annually to reflect energy costs.

| <b>ENERGY PAYMENT</b>                              |        |                |                 |
|--|--------|----------------|-----------------|
| Base Avoided Costs                                 |        | <u>On-Peak</u> | <u>Off-Peak</u> |
|  | Summer | 4.486¢ per kWh | 3.093¢ per kWh  |
|  | Winter | 4.354¢ per kWh | 3.058¢ per kWh  |
| Base Avoided Costs<br>Plus Renewable Energy Credit |        | <u>On-Peak</u> | <u>Off-Peak</u> |
|  | Summer | 4.604¢ per kWh | 3.211¢ per kWh  |
|  | Winter | 4.471¢ per kWh | 3.175¢ per kWh  |

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Fergus Falls, Minnesota

South Dakota P.U.C. Volume II  
Section 12.03  
ELECTRIC RATE SCHEDULE  
Small Power Producer Rider  
Dependable Service

Sixth Revised Sheet No.2 , Cancelling Fifth Revised Sheet No. 2

(Continued)

| CONTRACT TERM | LEVELIZED CAPACITY PAYMENT |
|---------------|----------------------------|
| 60 mos.       | \$ 0.00 per kW             |
| 120 mos.      | \$ 4.88 per kW             |
| 180 mos.      | \$ 6.96 per kW             |
| 240 mos.      | \$ 8.33 per kW             |
| 300 mos.      | \$9.41 per kW              |
| 360 mos.      | \$10.37 per kW             |
| 420 mos.      | \$11.25 per kW             |

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Total Capacity payment equals (accredited Capacity value of the QF, attaining Dependable Service level) times (appropriate Levelized Capacity Payment).

If the Qualifying Facility is dispatchable by Otter Tail and tested under the Mid-continent Independent System Operator (MISO) requirements, it is deemed to be Dependable Service.

**SPECIAL CONDITIONS OF SERVICE:**

1. A qualifying facility, desiring dependable service compensation shall execute a contract agreement for a term of 5, 10, 15, 20, 25, 30 or 35 years.
2. In the event that a qualifying facility terminates service, the Dependable Service severance penalty payment will be determined as follows:

The remaining percentage of the contract term will be multiplied by the average Capacity compensation per month and the result multiplied by six months. The average Capacity compensation per month will be determined for the last three years or from the contract's initiation, whichever is the shorter period.

In addition, Capacity compensation from the initiation of the contract will be recalculated at the Capacity payment of the longest contract term filled. The following table illustrates the longest contract term filled given the number of months that payments were made: