

## Otter Tail electric bills rise with wind power

DALE WETZEL - Associated Press Writer - Associated Press

Otter Tail Power Co.'s North Dakota customers will see higher electric bills as the utility adds more wind power to its energy sources, state regulators say.

Beginning Sept. 1, a separate charge assessed to ratepayers to pay for Otter Tail wind energy projects will increase the monthly bill by almost \$1.40 for a residential customer who uses 750 kilowatt-hours of electricity, state Public Service Commission filings say.

For that customer, the wind energy charge would rise from \$2.76 monthly to \$4.13, an increase of almost 50 percent. The "renewable energy rider" is listed separately on customers' bills.

Commissioner Tony Clark said the charge is intended to allow Otter Tail Power to begin recouping development costs for wind projects. But it does have its drawbacks, Clark said.

"It makes wind perhaps look a little boutique, or that we're treating it a little different," he said. "It's certainly not intended to be that way."

Fergus Falls, Minn.-based Otter Tail Power has about 57,000 North Dakota electric customers. It serves the cities of Wahpeton, Devils Lake and Jamestown, as well as a number of rural communities.

About 18 percent of the utility's electricity comes from wind turbines, including power that Otter Tail buys from other sources, company spokeswoman Cris Kling said Thursday. Almost three-quarters of its power is generated by coal-fueled plants.

Otter Tail owns part of wind energy projects that were recently built near Langdon, in North Dakota's northeast corner, and Lake Ashtabula, near Valley City in Barnes County. The utility owns 40.5 megawatts of the Langdon wind farm's generating capacity, and 48 megawatts from the Lake Ashtabula project.

The completion of a third wind project, six miles north of Luverne in Griggs County, in east-central North Dakota, made another increase in the wind-energy charge necessary, Kling said.

Otter Tail owns 49.5 megawatts of the Luverne development, which is capable of generating 169.5 megawatts and began operating almost a year ago. Its majority owner is NextEra Energy Resources of Juno Beach, Fla., a company formerly known as FPL Energy.

Clark said the separate renewable energy charge may give customers a misleading

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picture about their electricity costs.

If Otter Tail did not develop wind energy supplies, the utility would probably have to buy power on the open market during times of high demand, Clark said. However, the savings it realizes from wind power are lumped with a general monthly adjustment on fuel costs that are part of customers' electric bills and are not specifically listed, he said.

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