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**RECEIVED**

NOV 15 2002

**SOUTH DAKOTA PUBLIC  
UTILITIES COMMISSION**

November 12, 2002

Ms. Debra Elofson, Executive Director  
South Dakota Public Utilities Commission  
State Capitol  
500 East Capitol Street  
Pierre, SD 57501-5070

**Re: In the Matter of Otter Tail Power Company's, a division of Otter Tail Corporation, Petition for approval of a revised Municipal Service Agreement form SDPUC Case No. \_\_\_\_\_**

Pursuant to South Dakota Codified Laws Section 49-34A-10 and Administrative Rules of South Dakota ("ARSD") Part 20:10:13:12, enclosed for filing please find an original and 10 copies of Otter Tail Power Company's, a division of Otter Tail Corporation, Petition for approval of a revised Municipal Service Agreement form.

Should you have any questions with respect to this filing, please contact me at (218) 739-8350 or Mr. Ron Spangler Jr., Supervisor, Revenue Requirements, Otter Tail Power Company's at (218) 739-8838.

Very truly yours,

  
Bruce Geiharson  
Associate General Counsel

Enclosures

STATE OF SOUTH DAKOTA  
BEFORE THE  
SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

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In the Matter of Otter Tail Power Company's, a division of Otter Tail Corporation, Petition for approval of a revised Municipal Service Agreement form

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Docket No.

**RECEIVED**

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**SOUTH DAKOTA PUBLIC  
UTILITIES COMMISSION**

**I. INTRODUCTION.**

Pursuant to South Dakota Codified Laws Section 49-34A-10 and Administrative Rules of South Dakota ("ARSD") Part 20:10:13:12, Otter Tail Power Company, a division of Otter Tail Corporation ("Otter Tail"), petitions the South Dakota Public Utilities Commission ("the Commission") for approval of proposed changes to its standard Municipal Contract form. The form currently being used may create deviations from Otter Tail's Outdoor Lighting Tariff ("OLT") because the contract requires a ten (10) year term while the OLT requires one year. The changes proposed in this filing would create a standard form, which will be consistent among the three states in which Otter Tail provides retail electric service<sup>1</sup>. These changes will also allow contracts, where the only deviation is the term of the contract, to be removed at the time of the contract renewal from Otter Tail's Summary of Contracts with Deviations List.

**II. GENERAL FILING INFORMATION.**

Pursuant to ARSD Part 20:10:13:12, Otter Tail provides the following general information.

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<sup>1</sup> Otter Tail Power Company currently provides service to customers in Minnesota, North Dakota and South Dakota.

**A. Name, Address, and Telephone Number of Utility.**

Otter Tail Power Company  
215 South Cascade Street  
P. O. Box 496  
Fergus Falls, MN 56538-0496  
(218) 739-8200

**B. Name, Address, and Telephone Number of Utility Attorney.**

Bruce Gerhardson  
Associate General Council  
Otter Tail Corporation  
215 South Cascade Street  
P. O. Box 496  
Fergus Falls, MN 56538-0496  
(218) 739-8350

**C. Date of Filing and Date Changes Will Take Effect.**

This petition is being filed on November 12, 2002 and Otter Tail requests approval effective as of the earliest possible date.

**D. Statute Controlling Schedule for Processing the Filing.**

ARSD Part 20:10:13:15 requires a 30-day notice to the Commission of a proposed change in a utilities tariff schedule, after which time the proposed changes take effect unless suspended. Because no determination of Otter Tail's general revenue requirement is necessary, the report called for under Part 20:10:13:26 and the general notice provisions applicable to changes in rates is not applicable in this filing. Otter Tail requests an expedited and informal proceeding, including any variances that may be necessary.

**E. Title of Utility Employee Responsible for Filing.**

Ron Spangler Jr.  
Supervisor, Revenue Requirements, Regulatory Services  
Otter Tail Power Company  
215 South Cascade Street  
P. O. Box 496  
Fergus Falls, MN 56538-0496  
(218) 739-8838

**III. DESCRIPTION OF FILING.**

**A. Background.**

Otter Tail received approval of its current Municipal Contract form on June 30, 1993.

The 1993 contract form sets forth a contract term of ten years, a provision which the commission believes is a deviation from Otter Tail's current OLT, which states the contract period shall be a "Minimum of one year or minimum of one season." Although Otter Tail did not view its Municipal Contract term requirement as a deviation from its OLT, Otter Tail respectfully deferred to the Commission on this matter. In May of 2000, the Commission requested that Otter Tail file all contracts in petition format. Since May of 2000, all renewed Municipal Contract have been filed with the Commission along with Otter Tail's Summary of Contracts with Deviations List. After the Commission approves the renewed Municipal Contract and the Summary of Contracts with Deviations List, Otter Tail is required to file a revised Summary of Contracts with Deviations List showing the updated Effective Date, Order Date and Docket Number.

Due to the small size of the communities we serve and the infrequency of the city council meetings, Otter Tail has at times encountered difficulty meeting the requirement to file contract

renewals at least 30 days in advance of the renewal date, in spite of beginning the renewal process several months in advance of the contract expiration. In the current filing, Otter Tail will propose several changes to its current Municipal Contract form, which will increase administrative efficiencies and we believe eliminate any question of whether Otter Tail's Municipal Contracts are a deviation from Otter Tail's current OLT. We believe the proposed changes will allow contracts, for which the only deviation is the term of the contract, to be removed at the time of the contract renewal from Otter Tail's Summary of Contracts with Deviations List. The proposed changes would reduce the number of filings for Otter Tail, thus reducing administrative work for both the Commission and Otter Tail.

**B. Proposed Changes.**

All of the proposed changes are shown in Attachment 1 (redline version), Attachment 2 (proposed final version) and the current Municipal Contract is shown in Attachment 3.

1. Title of the Standard Form – Otter Tail currently has a standard form for municipal street lighting, pumping and fire sirens for each of the three states, in which it provides retail electric service. Each of these forms varies from one another in format and content. The sentence in item number one (1) of the current Municipal Contract (See Attachment 3) starts with the words “THIS AGREEMENT”. Throughout the balance of the document the word “contract” is used eight (8) times and the word “agreement” is used five (5) times. The title for the standard form for both Minnesota and North Dakota is “Municipal Service Agreement”. In an effort to create a standard form, which is consistent among the three states, and to use a title that better describes the intent on the form, Otter Tail proposes that the title of the “Municipal Contract”

should be changed to “Municipal Service Agreement” (“MSA”). Otter Tail also proposes to change the word “contract” to “agreement” throughout the document.

2. Corporate Name Change – In item one (1) of the current Municipal Contract (See Attachment 3), Otter Tail proposes to add the following after Otter Tail Power Company; “a division of Otter Tail Corporation, a corporation duly organized and existing under and by virtue of the laws of the State of Minnesota.” This change was made to reflect our corporate name change.

3. Term of the Contract – Item two (2) of the current Municipal Contract (See Attachment 3) sets forth a ten-year term for the agreement. Otter Tail proposes to change the term of the agreement from a ten-year term to a one-year term and thereafter shall be renewed for periods of one year each, unless written notice to the contrary is given by either party to the other not less than thirty (30) days before the expiration of the agreement or any renewal thereof. By making this change, the agreement follows the terms spelled out in Otter Tail’s current OLT and also would allow the MSA, at time of renewal, to be removed from Otter Tail’s Summary of Contracts with Deviations List, if no other deviation exists.

4. Superseding Rate Amendments or Changes Clause – Item three (3) of the current Municipal Contract (See Attachment 3) identifies the municipality’s Street Lighting, Municipal Pumping and Fire Siren rates for the term of the agreement. Item number three (3) of the current Municipal Contract (See Attachment 3) also states, “The rates to be charged for the municipal electric service shall be Otter Tail’s standard rates as determined by its standard rate schedule as specifically filed with and approved by the Public Utilities Commission for Street lighting,

Municipal Pumping and Fire Sirens and which are in effect at the execution of this agreement.”

In the event of a rate increase or decrease, we assume that, at the time of the rate change, all Municipal Contracts become a deviation from Otter Tail’s tariffs, thus causing Otter Tail to file an updated Summary of Contracts with Deviations List. Otter Tail proposes the following statement be added to the end of items number (3) and twelve (12) of Otter Tail’s current Municipal Contract (See Attachment 3): “and/or such superseding amendments or changes as are approved by the South Dakota Public Utilities Commission during the terms of this agreement.” These changes would eliminate Otter Tail’s MSA’s from becoming deviations from Otter Tail’s tariffs, in the event of a rate change.

5. Remove references to specific rates – To prevent future contract deviations, Otter Tail proposes that all specific rates be removed from the agreement. These references include sections (a), (b) and (c) of item twelve (12) and in the last sentence of item thirteen (13). Rather than including specific rates, item number three (3) of the proposed MSA refers to Otter Tail’s standard rate schedules. This prevents future contract deviations caused by rate changes and eliminates the need for future approvals of the MSA standard form.

6. Other Miscellaneous changes – Within the contract form, Otter Tail proposes several other changes that make the contract easier to read. All proposed changes, including the above-proposed changes, are shown in Attachment 1 (redline version) and are incorporated in Attachment 2 (the proposed final version).

## **V. CONCLUSION.**



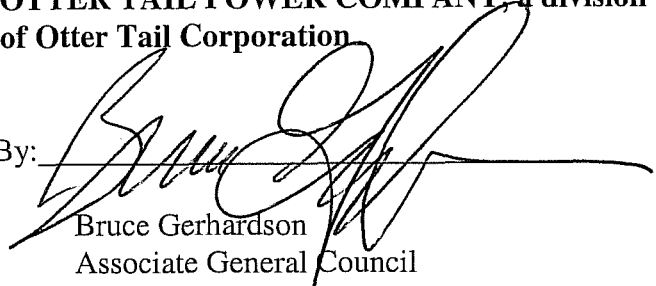
For the foregoing reasons, Otter Tail respectfully requests that the Commission approve the proposed revised Municipal Service Agreement form, to be effective as of the earliest possible date.

Dated: November 12, 2002

Respectfully submitted,

**OTTER TAIL POWER COMPANY, a division  
of Otter Tail Corporation**

By: \_\_\_\_\_



Bruce Gerhardson  
Associate General Council  
Otter Tail Corporation  
215 South Cascade Street  
P. O. Box 496  
Fergus Falls, MN 56538-0496  
(218) 739-8350

Ron Spangler Jr.  
Supervisor, Revenue Requirements,  
Regulatory Services  
Otter Tail Power Company  
215 South Cascade Street  
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Fergus Falls, MN 56538-0496  
(218) 739-8838

Otter Tail Power Company  
Fergus Falls, Minnesota

Section No. 6  
2<sup>nd</sup> Revised Sheet No. 11  
Canceling 1<sup>st</sup> Revised Sheet No. 11

MUNICIPAL CONTRACT SERVICE AGREEMENT

- THIS AGREEMENT, made this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ by and between the Otter Tail Power Company, A division of Otter Tail Corporation, a Minnesota corporation, hereinafter called Otter Tail Power Tail, and the \_\_\_\_\_ of \_\_\_\_\_, a corporation, duly organized and existing under and by virtue of the laws of the State of Minnesota, and the \_\_\_\_\_ of \_\_\_\_\_, hereinafter called the Municipality, WITNESSETH:
- That, in consideration of the payments to be made and the mutual covenants herein contained and subject to the terms and conditions of this agreement, Otter Tail Power agrees to supply all municipal electric services to the Municipality, and the Municipality agrees to take and use the services and all electric energy requested therefore, and to pay the rates and charges for Street Lighting, Municipal Pumping and Fire Sirens, all as hereinafter specifically set forth for a term of ~~(10) years with the~~ (1) one year with an effective date of the term to be \_\_\_\_\_ and terminating \_\_\_\_\_ and thereafter shall be renewed for periods of one year each, unless written notice to the contrary is given by either party to the other not less than thirty (30) days before the expiration of this agreement or any renewal thereof.
- The rates to be charged for the municipal electric service shall be Otter Tail Power's standard rates as determined by its standard rate schedule as specifically filed with and approved by the Public Utilities Commission for Street Lighting, Municipal Pumping and Fire Sirens and which are in effect at the execution of this agreement and/or such superseding amendments or changes as are approved by the South Dakota Public Utilities Commission during the terms of this agreement.
- Otter Tail Power is subject to the jurisdiction of the South Dakota Public Utilities Commission and when required by the Commission's rules and regulations, Order or Rules and Regulations, may submit this contract agreement for review and approval.

STREET LIGHTING

- Otter Tail Power agrees to own and operate a street lighting system in the Municipality, municipality, consisting of supply circuits, control circuits, controls, and brackets and fixtures as provided in this agreement.
- The Municipality shall have the right to erect, operate, and maintain at its own expense a white way system and/or main street lighting system, ready for connection to Otter Tail Power's supply source. Otter Tail shall supply any necessary meters, time switches, or photoelectric control equipment, and make the final connection to its supply system. Otter Tail Power shall supply the necessary electric energy to light such system. The rates, terms and conditions of a white way system and/or main street lighting system, shall be determined by Otter Tail Power's "Outdoor Lighting Energy Only Rate" and/or such superseding amendments or changes as are approved by the South Dakota Utilities Commission during the terms of this agreement.
- On the date that this contract goes into effect, the residential, white way, and main street lighting installation covered by this agreement shall consist of the following:

No. of Units	Type	Lumens	Ownership			Pole		Service		Lamp Renewal By	Monthly Chg. Per Unit
			Fixture	Pole	Wire	Wood	Metal	O/H	U/G		

8. The total number of fixtures shall not be reduced to less than sixty percent of the total as shown in Paragraph 7 above, except by mutual consent of the parties.

Date Filed: November 12, 2002

Effective Date:  
Order Date:  
Docket No.:

John Erickson, President, Otter Tail Corporation

Otter Tail Power Company  
Fergus Falls, Minnesota

Section No. 6  
2<sup>nd</sup> Revised Sheet No. 12  
Canceling 1<sup>st</sup> Revised Sheet No. 12

Municipal Service Agreement – Continued

9. Fixtures installed after the date of this ~~contract~~ agreement shall be billed at the schedule of rates in effect at the time of installation and/or such superseding amendments or changes as are approved by the South Dakota Utilities Commission during the terms of this agreement.

MUNICIPAL PUMPING

10. Otter Tail Power agrees to furnish electric power and energy to operate the pumps for the Municipality's present water supply system and present sewage system, and such additions to these systems as may be mutually agreed upon, in accordance with the terms and conditions as set forth in this ~~contract~~ agreement.
11. Electric energy used for lighting, heating, power tools, and other uses necessary for the normal operation of these systems, on approval of Otter Tail Power, may be included. ~~Any necessary meters shall be installed by and at the expense of Otter Tail.~~ Otter Tail Power shall supply any necessary meters. The Municipality agrees to provide a suitable location for meters to be installed on its premises.
12. The Municipality will pay for all electric energy used for municipal pumping and incidental uses as described in Paragraphs 10 and 11 above, ~~at the following rate which will apply at each delivery point in accordance with the provisions and changes contained in the applicable rate schedule in effect at the execution of this agreement and/or such superseding amendments or changes as are approved by the South Dakota Public Utilities Commission during the terms of this agreement.~~

(a) First 2500 KWh per month at 6.232¢ per KWh Next 1500 KWh per month at 4.584¢ per KWh Over 4000 KWh per month at 3.646¢ per KWh

(b) Monthly Minimum Charge—\$3.60 for each delivery point (also applies where energy is seasonal)

(c) Cost of Energy Adjustment—The energy charges under the above municipal pumping schedule are subject to adjustment for increases or decreases in Otter Tail's average cost for delivering energy to its customers.

The "Cost of Energy Adjustment", as it applies to Otter Tail's retail rate schedules, are subject to revision upon the approval of the appropriate regulatory agency. In the event the "Cost of Energy Adjustment" is revised, the above municipal pumping rate shall be changed to reflect a portion of the "Cost of Energy Adjustment" as a permanent part of each price step of the rate. The billing for municipal pumping will be the same under the price step change as it would have been prior to the revision in the "Cost of Energy Adjustment"; however, the billing will also continue to reflect the most current "Cost of Energy Adjustment".

FIRE SIRENS

13. The Municipality operates fire/warning sirens of \_\_\_\_\_ H.P. ~~served and metered as indicated below (check one):~~ as listed below:  
 \_\_\_\_\_ If served through a metered circuit to another load of the Municipality, the Municipality will pay for this service as a part of the load of said metered circuit. The above fire/warning siren is metered on the \_\_\_\_\_ meter.  
 \_\_\_\_\_ If the siren is served separately, the Municipality will pay a charge at the rate of 60¢ per connected H.P. per month.  
 Billing includes all KWh used.

Location	Metered		Horsepower	Account Number	Billing Amount
	Yes	No			

GENERAL PROVISIONS

14. Otter Tail Power shall use due diligence and care in maintaining service, but shall not be liable for loss or damage arising from failure, either partial or total, of the service from any cause, but this shall not be construed to exempt Otter Tail Power from liability for negligence.
15. In case a meter fails to properly record the energy used, an equitable estimate will be made for the energy used during the period in question and shall be based on the best information available
16. All previous agreements, if any, between the parties hereto, covering the subject matter hereof, are hereby cancelled and terminated as of the effective date specified in Paragraph 2 of this agreement, except as specifically provided in this ~~contract~~ agreement.

Otter Tail Power Company  
Fergus Falls, Minnesota

Section No. 6  
Original Sheet No. 12.1

Municipal Service Agreement – Continued

17. IN WITNESS WHEREOF, the respective parties hereto have caused this agreement to be executed by their proper officers thereunto duly authorized, and the same shall be equally binding upon the respective parties and each of their successors and assigns.

OTTER TAIL POWER COMPANY,  
a division of Otter Tail Corporation

In the presence of:

\_\_\_\_\_

By \_\_\_\_\_  
Corporate Secretary

Title \_\_\_\_\_

MUNICIPALITY

In the presence of:

\_\_\_\_\_

CITY OF \_\_\_\_\_

By \_\_\_\_\_  
Mayor

(Municipal Seal)

(For Company use only)	Date	By
Entered to Billing Record		

Date Filed: November 12, 2002

Effective Date:  
Order Date:  
Docket No.:

John Erickson, President, Otter Tail Corporation

Otter Tail Power Company  
 Fergus Falls, Minnesota

Section No. 6  
 2<sup>nd</sup> Revised Sheet No. 11  
 Canceling 1<sup>st</sup> Revised Sheet No. 11

**MUNICIPAL SERVICE AGREEMENT**

1. THIS AGREEMENT, made this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ by and between the Otter Tail Power Company, a division of Otter Tail Corporation, hereinafter called Otter Tail Power, a corporation, duly organized and existing under and by virtue of the laws of the State of Minnesota, and the \_\_\_\_\_, of \_\_\_\_\_, \_\_\_\_\_, hereinafter called the Municipality, WITNESSETH:
2. That, in consideration of the payments to be made and the mutual covenants herein contained and subject to the terms and conditions of this agreement, Otter Tail Power agrees to supply all municipal electric services to the Municipality, and the Municipality agrees to take and use the services and all electric energy requested therefore, and to pay the rates and charges for Street Lighting, Municipal Pumping and Fire Sirens, all as hereinafter specifically set forth for a term of (1) one year with an effective date of the term to be \_\_\_\_\_, and terminating \_\_\_\_\_, and thereafter shall be renewed for periods of one year each, unless written notice to the contrary is given by either party to the other not less than thirty (30) days before the expiration of this agreement or any renewal thereof.
3. The rates to be charged for the municipal electric service shall be Otter Tail Power's standard rates as determined by its standard rate schedule as specifically filed with and approved by the Public Utilities Commission for Street lighting Municipal Pumping and Fire Sirens and which are in effect at the execution of this agreement and/or such superseding amendments or changes as are approved by the South Dakota Public Utilities Commission during the terms of this agreement.
4. Otter Tail Power is subject to the jurisdiction of the South Dakota Public Utilities Commission and when required by the Commission's Order or Rules and Regulations, may submit this agreement for review and approval.

**STREET LIGHTING**

5. Otter Tail Power agrees to own and operate a street lighting system in the municipality, consisting of supply circuits, control circuits, controls, and brackets and fixtures as provided in this agreement.
6. The Municipality shall have the right to erect, operate, and maintain at its own expense a white way system and/or main street lighting system, ready for connection to Otter Tail Power's supply source. Otter Tail shall supply any necessary meters and make the final connection to its supply system. Otter Tail Power shall supply the necessary electric energy to light such system. The rates, terms and conditions of a white way system and/or main street lighting system, shall be determined by Otter Tail Power's "Outdoor Lighting Energy Only Rate" and/or such superseding amendments or changes as are approved by the South Dakota Utilities Commission during the terms of this agreement.
7. The residential, white way, and main street lighting installation covered by this agreement shall consist of the following:

No. of Units	Type	Lumens	Ownership			Pole		Service		Lamp Renewal By	Monthly Chg. Per Unit
			Fixture	Pole	Wire	Wood	Metal	O/H	U/G		

8. The total number of fixtures shall not be reduced to less than sixty percent of the total as shown in Paragraph 7 above, except by mutual consent of the parties.

Date Filed: November 12, 2002

Effective Date:  
 Order Date:  
 Docket No.:

John Erickson, President Otter Tail Corporation

Otter Tail Power Company  
 Fergus Falls, Minnesota

Section No. 6  
 2<sup>nd</sup> Revised Sheet No. 12  
 Canceling 1<sup>st</sup> Revised Sheet No. 12

Municipal Service Agreement – Continued

9. Fixtures installed after the date of this agreement shall be billed at the schedule of rates in effect at the time of installation and/or such superseding amendments or changes as are approved by the South Dakota Utilities Commission during the terms of this agreement.

**MUNICIPAL PUMPING**

10. Otter Tail Power agrees to furnish electric power and energy to operate the pumps for the Municipality's present water supply system and present sewage system, and such additions to these systems as may be mutually agreed upon, in accordance with the terms and conditions as set forth in this agreement.
11. Electric energy used for lighting, heating, power tools, and other uses necessary for the normal operation of these systems, on approval of Otter Tail Power, may be included. Otter Tail Power shall supply any necessary meters. The Municipality agrees to provide a suitable location for meters to be installed on its premises.
12. The Municipality will pay for all electric energy used for municipal pumping and incidental uses as described in Paragraphs 10 and 11 above, in accordance with the provisions and changes contained in the applicable rate schedule in effect at the execution of this agreement and/or such superseding amendments or changes as are approved by the South Dakota Public Utilities Commission during the terms of this agreement.

**FIRE SIRENS**

13. The Municipality operates fire/warning sirens as listed below:

Location	Metered		Horsepower	Account Number	Billing Amount
	Yes	No			

**GENERAL PROVISIONS**

14. Otter Tail Power shall use due diligence and care in maintaining service, but shall not be liable for loss or damage arising from failure, either partial or total, of the service from any cause, but this shall not be construed to exempt Otter Tail Power from liability for negligence.
15. In case a meter fails to properly record the energy used, an equitable estimate will be made for the energy used during the period in question and shall be based on the best information available.
16. All previous agreements, if any, between the parties hereto, covering the subject matter hereof, are hereby cancelled and terminated as of the effective date specified in Paragraph 2 of this agreement, except as specifically provided in this agreement.

Date Filed: November 12, 2002

Effective Date:  
 Order Date:  
 Docket No.:

John Erickson, President Otter Tail Corporation

Otter Tail Power Company  
Fergus Falls, Minnesota

Section No. 6  
Original Sheet No. 12.1

Municipal Service Agreement – Continued

17. IN WITNESS WHEREOF, the respective parties hereto have caused this agreement to be executed by their proper officers thereunto duly authorized, and the same shall be equally binding to the respective parties and each of their successors and assigns.

OTTER TAIL POWER COMPANY,  
a division of Otter Tail Corporation

In the presence of:

\_\_\_\_\_

By \_\_\_\_\_

Title \_\_\_\_\_

MUNICIPALITY

In the presence of:

\_\_\_\_\_

CITY OF \_\_\_\_\_

By \_\_\_\_\_

Mayor

(Municipal Seal)

(For Company use only)	Date	By
Entered to Billing Record		

Date Filed: November 12, 2002

Effective Date:  
Order Date:  
Docket No.:

John Erickson, President Otter Tail Corporation

Otter Tail Power Company  
Fergus Falls, Minnesota

Section No. 6  
1st Revised Sheet No. 12  
Canceling Original Sheet No. 12 &  
Canc. Orig. Sheet #33, Section #5

Municipal Service Agreement – Continued

- 12. The Municipality will pay for all electric energy used for municipal pumping and incidental uses as described in Paragraphs 10 and 11 above, at the following rate which will apply at each delivery point:
  - (a) First 2500 KWh per month at 6.232¢ per KWh  
Next 1500 KWh per month at 4.584¢ per KWh  
Over 4000 KWh per month at 3.646¢ per KWh
  - (b) Monthly Minimum Charge - \$3.60 for each delivery point (also applies where energy is seasonal)
  - (c) Cost of Energy Adjustment – The energy charges under the above municipal pumping schedule are subject to adjustment for increases or decreases in Otter Tail's average cost for delivering energy to its customers.

The "Cost of Energy Adjustment", as it applies to Otter Tail's retail rate schedules, are subject to revision upon the approval of the appropriate regulatory agency. In the event the "Cost of Energy Adjustment" is revised, the above municipal pumping rate shall be changed to reflect a portion of the "Cost of Energy Adjustment" as a permanent part of each price step of the rate. The billing for municipal pumping will be the same under the price step change as it would have been prior to the revision in the "Cost of Energy Adjustment"; however, the billing will also continue to reflect the most current "Cost of Energy Adjustment".

**FIRE SIRENS**

- 13. The Municipality operates fire/warning sirens of \_\_\_\_ H.P. served and metered as indicated below (check one):
  - \_\_\_\_\_ If served through a metered circuit to another load of the Municipality, the Municipality will pay for this service as a part of the load of said metered circuit. The above fire/warning siren is metered on the \_\_\_\_\_ meter.
  - \_\_\_\_\_ If the siren is served separately, the Municipality will pay a charge at the rate of 60¢ per connected H.P per month. Billing includes all KWh used.

**GENERAL PROVISIONS**

- 14. Otter Tail shall use due diligence and care in maintaining service, but shall not be liable for loss or damage arising from failure, either partial or total, of the service from any cause, but this shall not be construed to exempt Otter Tail from liability for negligence.
- 15. In case a meter fails to properly record the energy used, an equitable estimate will be made for the energy used during the period in question and shall be based on the best information available.
- 16. All previous agreements, if any, between the parties hereto, covering the subject matter hereof, are hereby cancelled and terminated as of the effective date specified in Paragraph 2 of this agreement, except as specifically provided in this contract.
- 17. IN WITNESS WHEREOF, the respective parties hereto have caused this agreement to be executed by their proper officers thereunto duly authorized, and the same shall be equally binding upon the respective parties and each of their successors and assigns.

OTTER TAIL POWER COMPANY,

In the presence of:

\_\_\_\_\_  
By \_\_\_\_\_  
Corporate Secretary

MUNICIPALITY

In the presence of:

\_\_\_\_\_  
CITY OF \_\_\_\_\_  
By \_\_\_\_\_  
Mayor

(Municipal Seal)



Otter Tail Power Company  
Fergus Falls, Minnesota

Section No. 6  
1st Revised Sheet No. 11  
Canceling Original Sheet No. 11 &  
Canc. Orig. Sheet #32, Section #5

**MUNICIPAL CONTRACT**

1. THIS AGREEMENT, made this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ by and between the Otter Tail Power Company, a Minnesota corporation, hereinafter called Otter Tail, and the \_\_\_\_\_ of \_\_\_\_\_, hereinafter called the Municipality, WITNESSETH:
2. That, in consideration of the payments to be made and the mutual covenants herein contained and subject to the terms and conditions of this contract, Otter Tail agrees to supply all municipal electric services to the Municipality, and the Municipality agrees to take and use the services and all electric energy requested therefore, and to pay the rates and charges for Street Lighting, Municipal Pumping and Fire Sirens, all as hereinafter specifically set forth for a term of (10) years with the effective date of the term to be \_\_\_\_\_.
3. The rates to be charged for the municipal electric service shall be Otter Tail's standard rates as determined by its standard rate schedule as specifically filed with and approved by the Public Utilities Commission for Streetlighting, Municipal Pumping and Fire Sirens and which are in effect at the execution of this agreement.
4. Otter Tail is subject to the jurisdiction of the Public Utilities Commission and when required by the Commission's rules and regulations, may submit this contract for review and approval.

**STREET LIGHTING**

5. Otter Tail agrees to own and operate a streetlighting system in the Municipality, consisting of supply circuits, control circuits, controls and brackets and fixtures as provided in this contract.
6. The municipality shall have the right to erect, operate, and maintain at its own expense a white way system and/or main streetlighting system, ready for connection to Otter Tail's supply source. Otter Tail shall supply any necessary meters, time switches, or photoelectric control equipment, and make the final connection to its supply system. Otter Tail shall supply the necessary electric energy to light such system.
7. On the date that this contract goes into effect, the residential, white way and main streetlighting installation shall consist of the following:

(a) OWNED BY OTTER TAIL				
Number of Luminaries	Luminaries Designation	Lumen Classification	Lamp Renewals By	Monthly Charge Each
(b) OWNED BY MUNICIPALITY				

8. The total number of fixtures shall not be reduced to less than sixty percent of the total as shown in Paragraph 7 above, except by *mutual consent of the parties*.
9. Fixtures installed after the date of this contract shall be billed at the schedule of rates in effect at the time of installation.

**MUNICIPAL PUMPING**

10. Otter Tail agrees to furnish electric power and energy to operate the pumps for the Municipality's present water supply system and present sewage system, and such additions to these systems as may be mutually agreed upon, in accordance with the terms and conditions as set forth in this contract.
11. Electric energy used for lighting, heating, power tools, and other uses necessary for the normal operation of these systems, on approval of Otter Tail, may be included. Any necessary meters shall be installed by and at the expense of Otter Tail. The Municipality agrees to provide a suitable location for meters to be installed on its premises.

South Dakota Public Utilities Commission

**WEEKLY FILINGS**

For the Period of November 14, 2002 through November 20, 2002

If you need a complete copy of a filing faxed, overnight expressed, or mailed to you, please contact Delaine Kolbo within five business days of this report. Phone: 605-773-3705 Fax: 605-773-3809

**ELECTRIC**

**EL02-024 In the Matter of the Filing by Otter Tail Power Company for Approval of Tariff Revisions.**

Otter Tail Power Company filed a petition for approval of proposed changes to its standard Municipal Contract form. The form currently used may create deviations from Otter Tail's Outdoor Lighting Tariff. The changes proposed in this filing would create a standard form, which will be consistent among the three states in which Otter Tail provides retail electric service.

Staff Analyst: Michele Farris

Staff Attorney: Kelly Frazier

Date Docketed: 11/15/02

Intervention Deadline: 12/06/02

**NATURAL GAS**

**NG02-009 In the Matter of the Application of Berkland Organization, Yankton, South Dakota, for a Master Metering Variance Request for an Apartment Building Located at 110 West 6th Street, Yankton, South Dakota.**

Application by Berkland Organization, represented by Dennis K. Berkland, requesting a variance to Master Metering Rules pursuant to ARSD 20:10:26, for property located at 110 W. 6th St., Yankton, South Dakota. Mr. Berkland is renovating the heating system of the triplex in question and wishes it to be served by one natural gas meter instead of the existing three.

Staff Analyst: Michele Farris

Staff Attorney: Kelly Frazier

Date Docketed: 11/20/02

Intervention Deadline: 12/06/02

**TELECOMMUNICATIONS**

**TC02-185 In the Matter of the Filing for Approval of an Amendment to an Interconnection Agreement between Qwest Corporation and PrairieWave Telecommunications, Inc.**

On November 14, 2002, the Commission received a filing of LIS Inter Local Calling Area Facility Amendment to the Interconnection Agreement between Qwest Corporation f/k/a U S WEST (Qwest) and PrairieWave Telecommunications, Inc. f/k/a McLeodUSA Telecom Development, Inc. f/k/a Dakota Telecom, Inc. According to the parties, this is an Amendment to the Interconnection Agreement approved by the Commission in Docket TC97-126, effective October 21, 1998. The Interconnection Agreement in TC97-126 was originally between U S WEST Communications, Inc.,

Dakota Telecom, Inc. and Dakota Telecommunications Systems, Inc. U S WEST subsequently changed its name to Qwest. Dakota Telecom, Inc. subsequently changed its name to McLeodUSA Telecom Development, Inc. and again changed its name to PrairieWave. Dakota Telecommunications Systems, Inc. is not a party to the November 14, 2002, filing. According to the parties, the Amendment is made in order to add to the agreement the terms, conditions and rates for LIS Inter Local Calling Area (LCA) Facility as set forth in Attachment 1, attached to the Amendment. Any party wishing to comment on the agreement may do so by filing written comments with the Commission and the parties to the agreement no later than December 4, 2002. Parties to the agreement may file written responses to the comments no later than twenty days after the service of the initial comments.

Staff Attorney: Kelly Frazier

Date Docketed: 11/14/02

Initial Comments Due: 12/04/02

- TC02-186 In the Matter of ACS Systems, Inc. Failure to Submit a Report and Pay the Gross Receipts Tax.**
- TC02-187 In the Matter of America's Tele-Network Corp. Failure to Submit a Report and Pay the Gross Receipts Tax.**
- TC02-188 In the Matter of Big Planet, Inc. Failure to Submit a Report and Pay the Gross Receipts Tax.**
- TC02-189 In the Matter of Capsule Communications, Inc. Failure to Submit a Report and Pay the Gross Receipts Tax.**
- TC02-190 In the Matter of CEO Telecommunications, Inc. Failure to Submit a Report and Pay the Gross Receipts Tax.**
- TC02-191 In the Matter of Cybertel Communications Corp. Failure to Submit a Report and Pay the Gross Receipts Tax.**
- TC02-192 In the Matter of EqualNet Corporation Failure to Submit a Report and Pay the Gross Receipts Tax.**
- TC02-193 In the Matter of Federal TransTel, Inc. Failure to Submit a Report and Pay the Gross Receipts Tax.**
- TC02-194 In the Matter of Global TeleLink Services, Inc. d/b/a South Dakota GTS Failure to Submit a Report and Pay the Gross Receipts Tax.**
- TC02-195 In the Matter of IPVoice Communications, Inc. Failure to Submit a Report and Pay the Gross Receipts Tax.**
- TC02-196 In the Matter of Maxtel USA, Inc. Failure to Submit a Report and Pay the Gross Receipts Tax.**

- TC02-197 In the Matter of NeTel, Inc. d.b.a Tel3 Failure to Submit a Report and Pay the Gross Receipts Tax.**
- TC02-198 In the Matter of NTERA, Inc. Failure to Submit a Report and Pay the Gross Receipts Tax.**
- TC02-199 In the Matter of Pac-West Telecomm Inc. Failure to Submit a Report and Pay the Gross Receipts Tax.**
- TC02-200 In the Matter of Premiere Network Services, Inc. Failure to Submit a Report and Pay the Gross Receipts Tax.**
- TC02-201 In the Matter of RapTel Communications, LLC Failure to Submit a Report and Pay the Gross Receipts Tax.**
- TC02-202 In the Matter of Sterling Time Company Failure to Submit a Report and Pay the Gross Receipts Tax.**
- TC02-203 In the Matter of StormTel, Inc. Failure to Submit a Report and Pay the Gross Receipts Tax.**
- TC02-204 In the Matter of TalkNow, Inc. Failure to Submit a Report and Pay the Gross Receipts Tax.**
- TC02-205 In the Matter of United Services Telephone, LLC Failure to Submit a Report and Pay the Gross Receipts Tax.**
- TC02-206 In the Matter of West End Communications Inc. Failure to Submit a Report and Pay the Gross Receipts Tax.**

The above companies shall appear on 12/19/02, at 10:00 a.m. in the Cactus Conference Room, State Capitol Building, Pierre, South Dakota, to show cause why action should not be taken against the company for failure to comply with SDCL Chapter 49-1A.

Finance Officer: Terri Iverson  
Staff Attorney: Karen Cremer  
Date Docketed: 11/15/02  
Hearing Date: 12/19/02

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Fergus Falls, Minnesota 56538-0496  
218 739-8200  
www.otpc.com (web site)

**RECEIVED**

DEC 23 2002

**SOUTH DAKOTA PUBLIC  
UTILITIES COMMISSION**



December 20, 2002

Deb Elofson, Executive Director  
South Dakota Public Utilities Commission  
State Capitol  
500 East Capitol Street  
Pierre, SD 57501-5070

**RE: SD PUC Docket EL02-024 In the Matter of the filing by Otter Tail  
Power Company for approval of tariff revisions, Sample form, Municipal  
Service Agreement**

Dear Ms. Elofson:

Enclosed you will find an approved copy of Otter Tail Power Company's Sample Form, Municipal Service Agreement, Sheet No's 11, 12 and 12.1 for your files. This sample form has an approval date of December 19, 2002, and an effective date of December 19, 2002.

If you have any questions regarding this filing, please contact me at 218-739-8838.

Sincerely,

A handwritten signature in black ink that reads "Ron Spangler Jr." with a stylized flourish at the end.

Ron Spangler Jr.  
Supervisor, Revenue Requirements  
Regulatory Services Department  
[rlspangler@otpc.com](mailto:rlspangler@otpc.com)

Enclosures

Cc: Bernadeen Brutlag, Manager, Regulatory Services



Otter Tail Power Company  
Fergus Falls, Minnesota

Section No. 6  
2<sup>nd</sup> Revised Sheet No. 12  
Canceling 1<sup>st</sup> Revised Sheet No. 12

Municipal Service Agreement – Continued

- 9. Fixtures installed after the date of this agreement shall be billed at the schedule of rates in effect at the time of installation and/or such superseding amendments or changes as are approved by the South Dakota Utilities Commission during the terms of this agreement.

**MUNICIPAL PUMPING**

- 10. Otter Tail Power agrees to furnish electric power and energy to operate the pumps for the Municipality's present water supply system and present sewage system, and such additions to these systems as may be mutually agreed upon, in accordance with the terms and conditions as set forth in this agreement.
- 11. Electric energy used for lighting, heating, power tools, and other uses necessary for the normal operation of these systems, on approval of Otter Tail Power, may be included. Otter Tail Power shall supply any necessary meters. The Municipality agrees to provide a suitable location for meters to be installed on its premises.
- 12. The Municipality will pay for all electric energy used for municipal pumping and incidental uses as described in Paragraphs 10 and 11 above, in accordance with the provisions and changes contained in the applicable rate schedule in effect at the execution of this agreement and/or such superseding amendments or changes as are approved by the South Dakota Public Utilities Commission during the terms of this agreement.

**FIRE SIRENS**

- 13. The Municipality operates fire/warning sirens as listed below:

Location	Metered		Horsepower	Account Number	Billing Amount
	Yes	No			

**GENERAL PROVISIONS**

- 14. Otter Tail Power shall use due diligence and care in maintaining service, but shall not be liable for loss or damage arising from failure, either partial or total, of the service from any cause, but this shall not be construed to exempt Otter Tail Power from liability for negligence.
- 15. In case a meter fails to properly record the energy used, an equitable estimate will be made for the energy used during the period in question and shall be based on the best information available.
- 16. All previous agreements, if any, between the parties hereto, covering the subject matter hereof, are hereby cancelled and terminated as of the effective date specified in Paragraph 2 of this agreement, except as specifically provided in this agreement.

Otter Tail Power Company  
Fergus Falls, Minnesota

Section No. 6  
Original Sheet No. 12.1

Municipal Service Agreement – Continued

17. IN WITNESS WHEREOF, the respective parties hereto have caused this agreement to be executed by their proper officers thereunto duly authorized, and the same shall be equally binding to the respective parties and each of their successors and assigns.

OTTER TAIL POWER COMPANY,  
a division of Otter Tail Corporation

In the presence of:

\_\_\_\_\_

By \_\_\_\_\_

Title \_\_\_\_\_

MUNICIPALITY

In the presence of:

\_\_\_\_\_

CITY OF \_\_\_\_\_

By \_\_\_\_\_

Mayor

(Municipal Seal)

(For Company use only)	Date	By
Entered to Billing Record		



**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF SOUTH DAKOTA**

**IN THE MATTER OF THE PETITION OF OTTER ) ORDER APPROVING TARIFF  
TAIL POWER COMPANY FOR APPROVAL OF ) REVISIONS  
TARIFF REVISIONS ) EL02-024**

On November 15, 2002, the Public Utilities Commission (Commission) received an application from Otter Tail Power Company (OTP) requesting approval to revise certain tariff schedules. OTP asked for approval of the following revised tariff sheets of its Electric Rate Schedule:

- Section No. 6, Second Revised Sheet No. 11, Cancelling First Revised Sheet No. 11
- Section No. 6, Second Revised Sheet No. 12, Cancelling First Revised Sheet No. 12
- Section No. 6, Original Sheet No. Sheet No. 12.1

OTP's Petition in this matter states, in part, that "[t]he changes proposed in this filing would create a standard form, which will be consistent among the three states in which Otter Tail provides retail electric service. These changes will also allow contracts, where the only deviation is the term of the contract, to be removed at the time of the contract renewal from Otter Tail's Summary of Contracts with Deviations List."

At its regularly scheduled December 19, 2002, meeting, the Commission considered approval of the application. OTP explained the tariff revisions. Commission Staff recommended approval.

The Commission has jurisdiction over this matter pursuant to SDCL Chapter 49-34A. The Commission voted unanimously to approve the tariff sheets. The Commission finds the filing is just and reasonable and shall be approved. As the Commission's final decision in this matter, it is therefore

ORDERED, that OTP's aforementioned tariff sheets as described above are approved and shall be effective for service rendered on and after the date of this Order.

Dated at Pierre, South Dakota, this 3<sup>rd</sup> day of January, 2003.

<b>CERTIFICATE OF SERVICE</b>
The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, by facsimile or by first class mail, in properly addressed envelopes, with charges prepaid thereon.
By: <u>Helaine Kelbo</u>
Date: <u>1/6/03</u>
(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

James A. Burg  
JAMES A. BURG, Chairman

Pam Nelson  
PAM NELSON, Commissioner

Robert K. Sahr  
ROBERT K. SAHR, Commissioner