215 South Cascade Street PO Box 496 Fergus Falls, Minnesota 56538-0496 218 739-8200 www.otpco.com (web site)

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SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

April 10, 2006



Patricia Van Gerpen South Dakota Public Utilities Commission State Capitol Building 500 East Capitol Avenue Pierre, SD 57501-5070

RE: SD PUC Docket EL06-005 Otter Tail Power Company's Updated Rate Sheets: Controlled Service-Less than 80 kW. Controlled Service-80 kW & Greater. Controlled Service-Deferred Load.

Dear Patricia:

Enclosed are Otter Tail Power Company's updated Controlled Service – Interruptible Load, 80 kW Capacity and Greater, I-01S, Controlled Service – Interruptible Load, Less Than 80kW Capacity, I-02S, and Controlled Service – Interruptible Load, Deferred Load, I-03S rate schedules, for your files.

The rate schedules, with an approved date of March 24, 2006, by the South Dakota Public Utilities Commission, are effective with services rendered on and after April 1, 2006.

Please note these tariffs are the Third Revised Sheet No. 50, Canceling Second Revised Sheet No. 50, Fourth Revised Sheet No. 50.1, Canceling Third Revised Sheet No. 50.2, and Third Revised Sheet No. 50.2, Canceling Second Revised Sheet No. 50.2, as directed per the Commission.

Sincerely yours,

Dank

Dave Ross Tariff Specialist Regulatory Services

Enclosures

CONTROLLED SERVICE - INTERRUPTIBLE LOAD

Rate Zones 1 & 9

80 kW Capacity and Greater

Controlled Service - 80 kW Capacity & Greater	42-170	
Controlled Service- 80 kW Capacity & Greater (short duration cycling)	42-165	-N-
Penalty	42-199	

<u>APPLICATION OF SCHEDULE:</u> This schedule is applicable for residential or commercial service to any approved permanently connected interruptible load with capacity of 80 kW or greater; such loads are primarily the electric heating portion of alternate fuel heating systems. Electric heating systems may include heat pumps used for both heating and cooling. Domestic electric water heating and/or other permanently connected approved loads may be served under the provisions of this rate schedule. Electric fans, pumps or associated equipment used in the distribution of heat shall be wired for service through the customer's residential, farm, general service, or large general service meter unless approved by Otter Tail Power Company.

Alternate fuel energy heating sources, when service to space heating equipment on this rate is curtailed, cannot be electric except for approved supplemental units on the main use meter.

<u>RATE:</u> Customer Charge: \$5.00, plus:

Energy = November - April: $2.40 \notin$ per kWh

May - October: 2.40¢ per kWh

Penalty: All kWh - 11.50¢ per kWh in addition to the off-peak charge.

Penalty periods are defined as periods when the Company's control equipment has operated to provide a switching signal to switch off customer's controlled service loads during winter or summer peaking conditions. Penalty usage will be recorded on the peak register, and the total register of the dual register meters. Installation of a dual register meter will be at the option of the Company.

<u>CONTROL CRITERIA</u>: Interruptible loads, such as alternate fuel -- 0 to 24 hours service per day and 10 or more hours service to other approved deferred loads. Short-duration cycling is 15-minutes off / 15-minutes on of appropriate cooling equipment during the summer season (May 1-Oct 31).

MONTHLY MINIMUM CHARGE: Customer Charge \$5.00

SOUTH DAKOTA PUBLIC UTILITIES COMMISSION Approved: March 24, 2006 Docket No. EL06-005 EFFECTIVE for services rendered on and after April 1, 2006 in SD

APPROVED: Bernadeen Brutlag Manager, Regulatory Services -N-

-N-

CONTROLLED SERVICE - INTERRUPTIBLE LOAD (Continued)

EQUIPMENT SUPPLIED: Otter Tail will supply and maintain the necessary metering and control equipment. Wiring by the customer shall be such that the meter and associated controlling devices are separate and located adjacent to each other. For large controlled loads, the customer's controllable load interrupting device may, with Otter Tail's approval, be located inside the building adjacent to the customer's main disconnects.

OTHER PROVISIONS:

1. Otter Tail Power Company recommends that the installed capacity of electric space heating equipment be sufficient to heat the structure or specified area during normal winter weather to permit maximum utilization of the rate for the benefit of the customer.

2. If the installed capacity for electric space heating is insufficient to provide adequate heating down to outdoor design temperature during normal winter months, the customer must incorporate his or her own outdoor thermostat in conjunction with Otter Tail's control equipment.

3. The Company reserves the right to substitute central control for time-temperature control and has the right to control loads on this rate during emergencies.

4. The Company shall not be liable for loss or damage caused by normal interruption of service.

CUSTOMER CONNECTION CHARGE: Refer to Rate Schedule, Rate Designation M-61S.

PAYMENT: Bills will be due ten days after the billing date; net payment will be accepted through the 21st day. On the 22nd day after billing an account with an unpaid balance of \$5.00 or more (after allowance for any EMP credit) will be considered late and a late payment charge will apply. The late payment charge shall be 1.5% of the unpaid balance plus a collection charge of \$2.00, except that a customer with at least 12 successive payments of regular bills prior to the 22nd day after the billing date shall not be billed a late payment charge. Where a customer is disconnected for nonpayment of a bill, a reconnection charge will be made; the charge will be the Customer Connection Charge as provided for in Rate M-61S, or any amendments or superseding provisions applicable thereto, plus direct labor costs for reconnection outside of regular business hours. A \$10.00 charge will be made subsequent to a customer's check being returned from the bank because of nonsufficient funds.

CONTRACT PERIOD: Not less than one year, unless otherwise authorized by Otter Tail Power Company.

<u>REGULATIONS</u>: General Rules and Regulations govern use under this schedule.

ADJUSTMENT FOR MUNICIPAL PAYMENTS: Bills under this rate schedule may be subject to adjustment for certain payments to municipalities as provided in the General Rules and Regulations.

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Otter Tail Corporation d/b/a OTTER TAIL POWER COMPANY Fergus Falls, Minnesota ELECTRIC RATE SCHEDULE Section No. 3, Volume I Fourth Revised Sheet No. 50.1 Canceling Third Sheet No. 50.1 Rate Designation I-02S, Page 1 of 2

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CONTROLLED SERVICE

Less Than 80 kW Capacity Rate Zones 1 & 9

Controlled Service With Credit-Closed to New Customers	42-180	
Controlled Service Without Credit	42-190	
Controlled Service (short duration cycling)	42-185	-N·
Penalty	42-199	

<u>APPLICATION OF SCHEDULE:</u> This rate schedule is applicable for residential or commercial service to any approved permanently connected interruptible load or loads that can be served under the limited conditions provided; such loads are primarily the electric heating portion of alternate fuel heating systems. Electric heating systems may include heat pumps used for both heating and cooling. Domestic electric water heating and/or other permanently connected approved loads may be served under the provisions of this rate schedule. Electric fans, pumps or associated equipment used in the distribution of heat shall be wired for service through the customer's residential, farm, general service, or large general service meter unless approved by Otter Tail Power Company.

Alternate fuel energy heating sources, when service to space heating equipment on this rate is curtailed, cannot be electric except for approved supplemental units on the main use meter.

<u>CONTROL CRITERIA</u>: Interruptible loads, such as alternate fuel--0 to 24 hours service per day and 10 or more hours service to other approved deferred loads. Short-duration cycling is 15-minutes off / 15-minutes on of appropriate cooling equipment during the summer season (May 1-Oct 31).

RATE: Customer Charge: \$1.75, plus:

November-April =

First 5000kWh - 3.300¢ per kWh (less .4¢ per kWh for first three years-closed)ExcesskWh - 3.000¢ per kWh (less .7¢ per kWh for first three years-closed)

May-October =

First 1500kWh - 3.150ϕ per kWh (less $.4\phi$ per kWh for first three years-closed)ExcesskWh - 2.850ϕ per kWh (less $.7\phi$ per kWh for first three years-closed)

Penalty:All kWh - 11.500¢ per kWh in addition to the off-peak charge.

Penalty periods are defined as periods when the Company's control equipment has operated to provide a switching signal to switch off customer's controlled service loads during winter or summer peaking conditions. Penalty usage will be recorded on the peak register, and the total register of the dual register meters. Installation of a dual register meter will be at the option of the Company.

FUEL ADJUSTMENT CLAUSE: Does not apply.

SOUTH DAKOTA PUBLIC UTILITIES COMMISSION Approved: March 24, 2006 Docket No. EL06-005 EFFECTIVE for services rendered on and after April 1, 2006 in SD

CONTROLLED SERVICE (Continued)

MONTHLY MINIMUM CHARGE: Customer Charge \$1.75

FIRST THREE YEARS: (Closed to New Customers). Three years following the date service is first supplied on this rate.

EQUIPMENT SUPPLIED: Otter Tail will supply and maintain the necessary metering and control equipment. Wiring by the customer shall be such that the meter and associated controlling devices are separate and located adjacent to each other. For large controlled loads, the customer's controllable load interrupting device may, with Otter Tail's approval, be located inside the building adjacent to the customer's main disconnects.

OTHER PROVISIONS:

1. Otter Tail Power Company recommends that the installed capacity of electric space heating equipment be sufficient to heat the structure or specified area during normal winter weather to permit maximum utilization of the rate for the benefit of the customer.

2. If the installed capacity for electric space heating is insufficient to provide adequate heating down to outdoor design temperature during normal winter months, the customer must incorporate his or her own outdoor thermostat in conjunction with Otter Tail's control equipment.

3. The Company reserves the right to substitute central control for time-temperature control and has the right to control loads on this rate during emergencies.

4. The Company shall not be liable for loss or damage caused by normal interruption of service.

PAYMENT: Bills will be due ten days after the billing date; net payment will be accepted through the 21st day. On the 22nd day after billing an account with an unpaid balance of \$5.00 or more (after allowance for any EMP credit) will be considered late and a late payment charge will apply. The late payment charge shall be 1.5% of the unpaid balance plus a collection charge of \$2.00, except that a customer with at least 12 successive payments of regular bills prior to the 22nd day after the billing date shall not be billed a late payment charge. Where a customer is disconnected for nonpayment of a bill, a reconnection charge will be made; the charge will be the Customer Connection Charge as provided for in Rate M-61S, or any amendments or superseding provisions applicable thereto, plus direct labor costs for reconnection outside of regular business hours.

A \$10.00 charge will be made subsequent to a customer's check being returned from the bank because of nonsufficient funds.

CONTRACT PERIOD: Not less than one year, unless otherwise authorized by Otter Tail Power Company.

REGULATIONS: General Rules and Regulations govern use under this schedule.

ADJUSTMENT FOR MUNICIPAL PAYMENTS: Bills under this rate schedule may be subject to adjustment for certain payments to municipalities as provided in the General Rules and Regulations.

EFFECTIVE for services rendered on and after April 1, 2006 in SD

CONTROLLED	SERVICE ·	DEFERRED LOAD
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Rate Zones 1 & 9		
Deferred Loads	42-197	
Deferred Loads (Short Duration Cycling)	42-195	-N-
Penalty	42-199	

<u>APPLICATION OF SCHEDULE:</u> This schedule is applicable for residential or commercial service to any approved permanently connected deferred loads that can be served under the limited conditions provided; such loads are primarily thermal storage. Deferred loads may include heat pumps used for both heating and cooling. Domestic electric water heating and/or other permanently connected approved loads may be served under the provisions of this rate schedule. Electric fans, pumps or associated equipment used in the distribution of heat shall be wired for service through the customer's residential, farm, general service, or large general service meter unless approved by Otter Tail Power Company.

<u>RATE:</u> Customer Charge: \$1.75, plus:

Energy: 3.369¢ per kWh

Penalty: All kWh - 11.50¢ per kWh in addition to the off-peak charge. On-Peak periods are defined as periods when the Company's control equipment has operated to provide a switching signal to switch off customer's controlled service loads during winter or summer peaking conditions. Peak usage will be recorded on the peak register, and the total register of the dual register meters. Installation of a dual register meter will be at the option of the Company.

CONTROL CRITERIA: Deferred loads such as thermal storage – minimum of 10 to 24 hours of service per 24-hour period. Short-duration cycling is 15-minutes off / 15-minutes on of appropriate cooling equipment during the summer season (May 1-Oct 31).

MONTHLY MINIMUM CHARGE: \$1.75

FUEL ADJUSTMENT CLAUSE: The energy charges under this schedule are subject to a Fuel Adjustment Clause as provided in Rate M-60S, or any amendments or superseding provisions applicable thereto.

EQUIPMENT SUPPLIED: Otter Tail will supply and maintain the necessary metering and control equipment. Wiring by the customer shall be such that the meter and associated controlling devices are separate and located adjacent to each other. For large controlled loads, the customer's controllable load interrupting device may, with Otter Tail's approval, be located inside the building adjacent to the customer's main disconnects.

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APPROVED: Bernadeen Brutlag Manager, Regulatory Services -N-

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CONTROLLED SERVICE - DEFERRED LOAD (Continued)

OTHER PROVISIONS:

1. Otter Tail Power Company recommends that the installed capacity of electric space heating equipment be sufficient to heat the structure or specified area during normal winter weather to permit maximum utilization of the rate for the benefit of the customer.

2. If the installed capacity for electric space heating is insufficient to provide adequate heating down to outdoor design temperature during normal winter months, the customer must incorporate his or her own outdoor thermostat in conjunction with Otter Tail's control equipment.

3. The Company reserves the right to substitute central control for time-temperature control and has the right to control loads on this rate during emergencies.

4. The Company shall not be liable for loss or damage caused by normal interruption of service.

CUSTOMER CONNECTION CHARGE: Refer to Rate Schedule, Rate Designation M-61S.

PAYMENT: Bills will be due ten days after the billing date; net payment will be accepted through the 21st day. On the 22nd day after billing an account with an unpaid balance of \$5.00 or more (after allowance for any EMP credit) will be considered late and a late payment charge will apply. The late payment charge shall be 1.5% of the unpaid balance plus a collection charge of \$2.00, except that a customer with at least 12 successive payments of regular bills prior to the 22nd day after the billing date shall not be billed a late payment charge. Where a customer is disconnected for nonpayment of a bill, a reconnection charge will be made; the charge will be the Customer Connection Charge as provided for in Rate M-61S, or any amendments or superseding provisions applicable thereto, plus direct labor costs for reconnection outside of regular business hours. A \$10.00 charge will be made subsequent to a customer's check being returned from the bank because of nonsufficient funds.

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