

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



January 12, 2009

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

**SUBJECT: In the Matter of Small Power Production and Cogeneration Rates for
Otter Tail Corporation, d/b/a Otter Tail Power Company**

Dear Ms. Van Gerpen:

Otter Tail Corporation d/b/a Otter Tail Power Company ("Otter Tail") submits this filing for approval of updates to Otter Tail's Rate Schedules P-09S, P-10S, and P-11S, Small Power Producer purchased power rates. These rate schedules set forth the rates under which Otter Tail is obligated to purchase energy and capacity from qualifying facilities.

In this filing, Otter Tail is proposing to update the customer charges, energy, and capacity payments, and Terms and Conditions language. This is the first update to the Small Power Producer rate schedules since Otter Tail's December 14, 1984 filing, because until recently we had no customers on these rates.

The date of this filing is January 12, 2009. The proposed effective date, with South Dakota Public Utilities Commission ("Commission") approval, for these rates is for billings on or after March 1, 2009. Please note that going forward we plan to file updates to the Small Power Producer rate schedules on an annual basis.

Pursuant to South Dakota Codified Laws Section 49-34A-10 and Administrative Rules of South Dakota ("ARSD") Part 20:10:01:02:05, this filing has been electronically submitted to the Commission.

Ms. Patricia Van Gerpen

Page 2

January 12, 2009

If you have any questions, please contact me at (218) 739-8595 or dprazak@otpc.com.

Sincerely,

/s/ DAVID G. PRAZAK

David G. Prazak
Supervisor, Pricing
Regulatory Services

wao
Enclosures
By electronic filing

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

Docket No. _____

In the Matter of Otter Tail Corporation
d/b/a Otter Tail Power Company 's
Rates for Small Power Production
and Cogeneration

**PETITION OF OTTER TAIL CORPORATION
D/B/A OTTER TAIL POWER COMPANY**

I. INTRODUCTION

Otter Tail Corporation, d/b/a Otter Tail Power Company, ("Otter Tail"), hereby applies to the South Dakota Public Utilities Commission ("Commission") for approval of proposed changes to its Small Power Production rate schedules with Rate Designations P-09S, P-10S, and P-11S. These rate schedules set forth the rates under which Otter Tail is obligated to purchase energy and capacity from qualifying facilities (QFs) pursuant to Commission Cogeneration and Small Power Production Order, Docket No. F-3365.

II. GENERAL FILING INFORMATION

A. Name, address, and telephone number of the utility making the filing

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

B. Name, address, and telephone number of the attorney for Otter Tail

Bruce Gerhardson
Associate General Counsel
Otter Tail Corporation
215 South Cascade Street
P.O. Box 496
Fergus Falls, MN 56538-0496
Phone (218) 998-7108
Fax (218) 998-3165

C. Title of utility employee responsible for filing

David G. Prazak
Supervisor, Pricing, Regulatory Services
Otter Tail Power Company
215 South Cascade Street
P.O. Box 496
Fergus Falls, MN 56538-0496
(218) 739-8595

D. The date of filing and the date changes will take effect

The date of this filing is January 12, 2009. Otter Tail proposes that the updated rates for small power production and cogeneration, contained herein, go into effect for bills on or after March 1, 2009.

E. 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 utility's 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 pertaining to changes in rates are not applicable in this filing. Otter Tail requests an expedited and informal proceeding, including any variances that may be necessary.

Pursuant to ARSD 20:10:13:18, Otter Tail will post a Notice of proposed changes

contained in Attachment 1. This Notice will be placed in a conspicuous place in each business office in Otter Tail's affected electric service territory in South Dakota for at least 30 days before the change becomes effective. Otter Tail has also included Attachment 2 to comply with ARSD 20:10:13:26, which requires the Utility to report all rate schedule changes and customer impacts.

III. BACKGROUND

Otter Tail last updated the Small Power Producer rate designations, P-09S, P-10S, and P-11S, on December 14, 1984, per Docket No. F-3365. Since that time Otter Tail has had customers with interest, but no customers have taken service on the Small Power Producer rate schedules. As of November 2008, one customer in South Dakota began taking service on the Occasional Delivery Energy Service rate designation P-09S. The net impact to the customer regarding the proposed rate changes appear to be minimal based on the results contained in Attachment 2.

IV. PROPOSED CHANGES

In this petition, Otter Tail is proposing to update the customer charges, the energy and capacity payments, introduce Renewable Energy Credits (REC's), and update the Terms and Conditions language in each of the Small Power Producer rate schedules. The proposed cost and payment changes are based on Otter Tail's most recent Marginal Cost Study.

A. Customer Charges

The customer charges have been updated to reflect meter costs and customer related costs. Attachment 3 has been provided to support these customer charges. The changes are as follows: Rate Designation P-09S was raised from \$1.40 to \$3.70 per a month, Rate Designation P-10S was raised from \$3.25 to \$8.94 per a month, and Rate Designation P-11S was raised from

\$8.87 to \$8.94 per a month. The proposed customer charges are consistent with Otter Tail's Small Power Producer rate schedules filed recently in Minnesota and North Dakota.

B. Payment Schedules – energy and capacity

Otter Tail is proposing to modify the payment schedule under the three Rate Designations P-09S, P-10S, and P-11S. The proposed payments contained in the rate schedules reflect Otter Tail's avoided costs. The avoided costs are consistent with Otter Tail's Small Power Producer rate schedules as filed recently in Minnesota and North Dakota. Attachments 4 and 5 outline these energy and capacity avoided costs, respectively.

C. Renewable Energy Credits

Renewable Energy Credits (REC's) are being introduced for the first time in the Small Power Producer rates. REC's represent, according to the Midwest Renewable Tracking System website, "the environmental attributes associated with 1 MWh of renewable energy."¹ In addition to the energy payments described above, in section B. Payment Schedules, Otter Tail adds in the REC value to the energy payment. In exchange for the REC payment to the customer, on a per kWh basis, the customer will transfer to Otter Tail ownership of the REC associated with the energy received from the customer's renewable generator. Otter Tail intends to update the value of the REC annually at the same time the avoided cost updates are filed. Additional language regarding the REC has been added in each of the rate schedules discussed in this petition.

D. Other changes

Otter Tail has proposed language changes to the Term and Conditions of the Small Power Producer Rate Schedules to reflect changes since our last filing. For example, language changes

¹ Midwest Renewable Energy Tracking System (M-RETS) in their Introduction to Certificate-based Renewable Energy Trading http://www.m-rets.com/resources/MRETS_Overview_for_Webinar.final.pdf

were made to improve clarity and consistency among our Small Power Production rate schedules.

E. Rate Schedules Attachments

The proposed rate schedule changes are provided in Attachment 6 (“Red-line” versions) and Attachment 7 (“Clean” versions).

V. CONCLUSION

Based on the foregoing reasons, Otter Tail respectfully requests that the proposed modifications to the rate schedules with Rate Designations P-09S, P-10S, and P-11S become effective as of March 1, 2009.

Date: January 12, 2009

Respectfully submitted:

OTTER TAIL CORPORATION,
d/b/a Otter Tail Power Company

/s/ DAVID G. PRAZAK

David G. Prazak
Supervisor, Pricing
215 South Cascade Street
P.O. Box 496
Fergus Falls, MN 56538-0496
Phone (218) 739-8595

Bruce Gerhardson
Associate General Counsel
Otter Tail Corporation
215 South Cascade Street
P. O. Box 496
Fergus Falls, MN 56538-0496
(218) 998-7108

On January 12, 2009, Otter Tail Corporation d/b/a Otter Tail Power Company, filed with the South Dakota Public Utilities Commission revised Rate Designations P-09S, P-10S, and P-11S, which affect Otter Tail Power's Small Power Producers & Cogeneration electric customers in South Dakota. The revised rates and South Dakota rules and regulations are available in this office for inspection. Please inquire at the cashier's desk.

ARSD 20:10:13:26 Report to commission of tariff schedule changes on notice.

1 Utility Name: OTTER TAIL CORPORATION
D/B/A OTTER TAIL POWER COMPANY
PO Box 496
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Section & Volume No.	Class of Service	New Sheet No.
Section 3 Volume 1	Occasional Delivery Energy Service, Rate Designation P-09S	70.8
Section 3 Volume 1	Time of Delivery Energy Service, Rate Designation P-10S	70.9
Section 3 Volume 1	Dependable Service, Rate Designation P-11S	71

3 Description of Change: Otter Tail updated the Customer Charge, and Energy and Capacity payment rates. We also added language concerning the Renewable Energy Credits and made other updates to our Terms and Conditions to make the language clearer for the customer and Utility.

4 Reason for Change: Otter Tail had not updated the Small Power Producer and Cogeneration rates since 1984. The rates now reflect updated Customer and avoided Energy and Capacity costs.

5 Present Rates Please see Rate Schedules

6 Proposed Rates Please see Rate Schedules

7 Effective Date of Rate: March 1, 2009

8 Approximation of annual amount of increase or decrease in revenue.

Otter Tail currently has one customer on the Occasional Delivery Energy Service, Rate Designation P-09S. This customer took service on the rate in November of 2008 and has received one full month of billing. Below is a summary of this customers generation, charges, and payments. Based on the one month of generation the customer will see an increase in payments based on the proposed Customer and Energy charges.

Present Rates		Rate	\$ Amount
# of Bills	1	-\$1.40	-\$1.40
kWhs generated	164	\$0.01670	\$2.74
Total payment to Customer			\$1.34

Proposed Rates		Rate	\$ Amount
# of Bills	1	-\$3.70	-\$3.70
kWhs generated	164	\$0.03335	\$5.47
Total payment to Customer			\$1.77

9 Points affected: Otter Tail currently has 1 Small Power Producer customer.

10 Number of customers whose cost of service will be affected and annual amounts of either increase or decrease.
Please see above #8.

11 Statement of facts, expert opinions, documents and exhibits to support the proposed changes.

Otter Tail has included Attachments in this filing to support all rate changes and costs.

**OTTER TAIL POWER COMPANY
CALCULATION OF ANNUAL CUSTOMER-RELATED MARGINAL UNIT COST**

	P-09S <u>Net Metering</u> kWh Meter	P-10S / P11S <u>Time of Day / Dependable</u> Time of Day Meter
	--- (2009 Dollars per Customer) ---	
<u>a) Investment - Meter Costs</u>		
(1) Meter Cost Investment per Customer	\$75.00	\$275.00
(2) With General Plant Loading (1) x 1.0000	75.00	275.00
(3) Annual Economic Charge Related to Capital Investment	9.00%	9.00%
(4) A&G Loading (Plant Related)	0.16%	0.16%
(5) Total Carrying Charge Meters (3) + (4)	9.16%	9.16%
(6) Total Annualized Meter Costs (2) x (5)	6.87	25.18
<u>b) Investment - Meter Service Drops</u>		
(7) Service Cost Investment per Customer	\$0.00	\$0.00
(8) With General Plant Loading (1) x 1.0000	0.00	0.00
(9) Annual Economic Charge Related to Capital Investment	7.72%	7.72%
(10) A&G Loading (Plant Related)	0.16%	0.16%
(11) Total Carrying Charge Services (9) + (10)	7.88%	7.88%
(12) Total Annualized Service Costs (8) x (11)	0.00	0.00
<u>c) O&M - Meter, Customer Accounts Expenses, Customer Service</u>		
(13) Meter and CT O&M Expenses	7.80	7.80
(14) Customer Accounts Expenses	62.47	62.47
(15) Customer Service and Informational Expenses	1.47	1.47
(16) With A&G Loading [(13)+(14)+(15)] x 1.1425 (Non-plant Related)	81.97	81.97
(17) Customer-Related Costs (6) + (16)	88.84	107.15
Working Capital		
(18) Materials and Supplies (2) x 1.34%	1.01	1.01
(19) Prepayments (2) x 0.130%	0.10	0.10
(20) Cash Working Capital (16) x -0.31%	-0.25	-0.25
(21) Revenue Requirement for Working Capital [(18)+(19)+(20)] x 12.19%	0.10	0.10
(22) Total Annual Marginal Customer-Related Costs (17) + (21)	\$88.94	\$107.26
Total Marginal Cost per a Month (22) / 12	\$7.41	\$8.94

**Energy Payment Schedule
Otter Tail Power Company**

	Summer June 01 to September 30		Winter October 01 to May 31		<u>Annual</u>
	<u>On-Peak</u>	<u>Off-Peak</u>	<u>On-Peak</u>	<u>Off-Peak</u>	
	System Incremental Energy Costs (Dollars per MWh) for Rates 903 and 904	47.48	27.73	39.41	
Weighted Average of all Periods (mills per kWh)	-	-	-	-	30.346
Sum of weighted Marginal Energy Costs (\$ per kWh)	-	-	-	-	0.03035
Renewable Energy Credit (\$ per kWh)	-	-	-	-	0.00300
Total Sum of Weighted Marginal Energy Costs (\$ per kWh) for Rate 902	-	-	-	-	<u><u>0.03335</u></u>

CAPACITY PAYMENT SCHEDULE
 OTTER TAIL POWER COMPANY

Year of Filing	2009
Year of Deficit	2009
Inflation Rate	0.03
Cost of Capital	0.0915
Project Life (Years)	35

Contract Term (Years)	Multiplier	\$/kW-Month Gross Capacity Rate	\$/kW-Month Net Capacity Rate	\$/kW-Month Net Levelized Rate
1	0.6731	\$11.35	\$7.64	\$0.00
2	0.6838	\$11.35	\$7.76	\$7.76
3	0.6945	\$11.35	\$7.88	\$7.88
4	0.7051	\$11.35	\$8.00	\$8.00
5	0.7156	\$11.35	\$8.12	\$8.12
6	0.7261	\$11.35	\$8.24	\$8.24
7	0.7365	\$11.35	\$8.36	\$8.36
8	0.7468	\$11.35	\$8.48	\$8.48
9	0.7571	\$11.35	\$8.59	\$8.59
10	0.7673	\$11.35	\$8.71	\$8.71
11	0.7774	\$11.35	\$8.82	\$8.82
12	0.7874	\$11.35	\$8.94	\$8.94
13	0.7974	\$11.35	\$9.05	\$9.05
14	0.8073	\$11.35	\$9.16	\$9.16
15	0.8171	\$11.35	\$9.27	\$9.27
16	0.8268	\$11.35	\$9.38	\$9.38
17	0.8364	\$11.35	\$9.49	\$9.49
18	0.8460	\$11.35	\$9.60	\$9.60
19	0.8554	\$11.35	\$9.71	\$9.71
20	0.8648	\$11.35	\$9.82	\$9.82
21	0.8741	\$11.35	\$9.92	\$9.92
22	0.8834	\$11.35	\$10.03	\$10.03
23	0.8926	\$11.35	\$10.13	\$10.13
24	0.9017	\$11.35	\$10.23	\$10.23
25	0.9108	\$11.35	\$10.34	\$10.34
26	0.9198	\$11.35	\$10.44	\$10.44
27	0.9288	\$11.35	\$10.54	\$10.54
28	0.9377	\$11.35	\$10.64	\$10.64
29	0.9466	\$11.35	\$10.74	\$10.74
30	0.9555	\$11.35	\$10.85	\$10.85
31	0.9644	\$11.35	\$10.95	\$10.95
32	0.9733	\$11.35	\$11.05	\$11.05
33	0.9822	\$11.35	\$11.15	\$11.15
34	0.9911	\$11.35	\$11.25	\$11.25
35	1.0000	\$11.35	\$11.35	\$11.35

Attachment 6
Redlined Rate Schedules

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

Rates Zone 1 & 9

Code 902

AVAILABILITY: Available to any qualifying facility not exceeding 100 kW of generating capacity.

METERING CHARGE: ~~\$1.40~~3.70 per month

R

PAYMENT SCHEDULE: ~~Effective May 1, 1984~~ ~~1.670~~3.335~~¢~~ per kWh

R

SPECIAL CONDITIONS OF SERVICE:

The minimum contracted term of service is 12 months.

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

TERMS AND CONDITIONS:

The use of this rate 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 will be compensated monthly for all energy received from the SQF less the ~~metering~~ Customer Charge. The schedule for these payments is subject to annual review. C
2. If the SQF is located at a site outside of the Company's service territory and energy is delivered to the Company through facilities owned by another utility, energy payments will be adjusted downward reflecting losses occurring between the point of metering and the point of delivery.
3. If required, a separate meter will be furnished, owned and maintained by the Company to measure the energy to the Company. Separate monthly charges may apply for any additional metering installed by the Company at the Customer's request. C
C
C
4. The SQF shall make provisions for the installation of Company owned on-site metering. All energy received from and delivered to the Company shall be separately metered. On site use of the SQF output shall be unmetered for purposes of compensation unless the SQF desires to sell all its generated output to, and purchase all of its energy from, the Company. C

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION
~~2009~~1987, in SD
Approved: ~~October 30, 1987~~
Docket No. ~~F-3691~~
Brutlag
Regulatory Services

EFFECTIVE for services rendered on
and after ~~November~~ March 1,

APPROVED: ~~Jay D. Myster~~ Bernadeen
Corporate Secretary Manager,

-
-
5. In the event the SQF desires wheeling by the Company of the SQF output, arrangements will be made subject to special consideration.

SMALL POWER PRODUCER RIDER (Continued)

TERMS AND CONDITIONS: (Continued)

6. The customer shall pay for any increased capacity of the distribution equipment serving him and made necessary by the installation of his generator.
7. Power and energy purchased by the SQF from the Company shall be under the available retail rates for the purchase of electricity.
8. The generator output must be compatible with the Utility system. The customer's 60 hertz generator output must be at the voltage and phase relationship of the existing service or of one mutually agreeable to the Company and the customer. C
9. The customer will provide equipment to maintain a 100% power factor (+ or - 10%) during periods of generator operation.
10. The Company reserves the right to disconnect the customer's generator from its system if it interferes with the operation of the Company's equipment or with the equipment of other company customers.
11. The Customer is required to follow the Company's interconnection process which requires that ~~P~~prior to installation, a detailed diagram of the generator and related equipment must be furnished to the Company for its approval. C
12. The customer shall execute an electric service agreement with the Company which may include, among other provisions, a minimum term of service.
13. The SQF shall indemnify and save harmless the Company from and against any and all claims for damages to property and injury or death to persons which may arise out of or be caused by the erection, maintenance, presence, operation or removal of the SQF or by any related act or omission of the SQF, its employees, agents, contractors or subcontractors. The SQF will keep in force, liability insurance against personal or property damage due to the installation, interconnection and operation of its electric generating facilities. The minimum amount of insurance coverage will be \$300,000.

-
-
14. Equipment shall be provided by the customer that provides a ~~positive~~ means of preventing feedback to the Company during an outage or interruption of that system- as well as a visible means to disconnect the generator from the Utility that is readily accessible by Utility employees. C
C
C
15. The customer shall install, own and maintain all equipment deemed necessary by the Company to assure proper parallel operation of the system.
16. Except in cases of emergency, the customer will be notified in advance, personally or by telephone, whenever a disconnection of their generating facility is necessary. They will also be advised of the reason for, and the estimated duration of, the outage.
17. Any renewable energy credits associated with the renewable energy sold to the Company will be transferred to the Company. The kWh price has been adjusted by an additional payment of \$3.00/MWh (\$0.00300/kWh), to account for renewable energy. C
C
C

SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION
20091987, in SD
Approved: ~~October 30, 1987~~
Docket No. ~~F-3694~~
Brutlag
Regulatory Services

EFFECTIVE for services rendered on
and after ~~November~~ March 1,

APPROVED: ~~Jay D. Myster~~ Bernadeen
Corporate Secretary Manager,

SMALL POWER PRODUCER RIDER
~~TEMPERATURE-TIME OF DELIVERY ENERGY SERVICE~~ C

Rates Zone 1 & 9 Code 903

AVAILABILITY: Available to any qualifying facility not exceeding 100 kW of generating capacity.

METERING CHARGE: ~~\$3.25~~8.94 per month R

PAYMENT SCHEDULE:

	Summer		
	<u>On-Peak</u>	<u>Off-Peak</u>	
Effective May 1, 1984	2.035.048 <u>8</u> ¢ per kWh	1.483.073 <u>3</u> ¢ per kWh	<u>R</u>
	Winter		
	<u>On-Peak</u>	<u>Off-Peak</u>	
Effective May 1, 1984	2.304.241 <u>1</u> ¢ per kWh	1.732.403 <u>3</u> ¢ per kWh	<u>R</u>

SPECIAL CONDITIONS OF SERVICE:

The minimum contracted term of service is 12 months.

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

DEFINITIONS:

Summer On-Peak: ~~May 1 through October 31~~June through September, including those hours from ~~6:00~~6:00 a.m. to 10:00 p.m., Monday through ~~Saturday~~Friday when the outside temperature exceeds 80 degrees F., excluding holidays. C
C

Summer Off-Peak: All other hours.

Winter On-Peak: ~~November 1 through April 30~~October through May, including those hours from ~~7:00~~7:00 a.m. to 10:00 p.m., Monday through ~~Saturday~~Friday when the outside temperature is less than 0 degrees F., excluding holidays. C
C

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~~2009~~1987, in SD
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Regulatory Services

EFFECTIVE for services rendered on
and after ~~November~~March 1,

APPROVED: ~~Jay D. Myster~~Bernadeen
Corporate SecretaryManager,

Winter Off-Peak: All other hours.

Holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

SMALL POWER PRODUCER RIDER (Continued)

TERMS AND CONDITIONS:

The use of this rate 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 will be compensated monthly for all energy received from the SQF less the ~~metering~~ Customer eCharge. The schedule for these payments is subject to annual review. C
C
2. If the SQF is located at a site outside of the Company's service territory and energy is delivered to the Company through facilities owned by another utility, energy payments will be adjusted downward reflecting losses occurring between the point of metering and the point of delivery.
3. If required, a separate meter will be furnished, owned and maintained by the Company to measure the energy to the Company. Separate monthly charges may apply for any additional metering installed by the company at the Customer's request. C
C
C
4. The SQF shall make provisions for the installation of Company owned on-site metering. All energy received from and delivered to the Company shall be ~~separately~~ metered. On site use of the SQF output shall be unmetered for purposes of compensation unless the SQF desires to sell all its generated output to, and purchase all of its energy from, the Company. C
C
5. In the event the SQF desires wheeling by the Company of the SQF output, arrangements will be made subject to special consideration.
6. The customer shall pay for any increased capacity of the distribution equipment serving him and made necessary by the installation of his generator.
7. Power and energy purchased by the SQF from the Company shall be under the available retail rates for the purchase of electricity.

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Corporate SecretaryManager,

-
-
8. The generator output must be compatible with the Utility system. The customer's 60 hertz generator output must be at the voltage and phase relationship of the existing service or of one mutually agreeable to the Company and the customer. C
 9. The customer will provide equipment to maintain a 100% power factor (+ or - 10%) during periods of generator operation.
 10. The Company reserves the right to disconnect the customer's generator from its system if it interferes with the operation of the Company's equipment or with the equipment of other company customers.

SMALL POWER PRODUCER RIDER (Continued)

TERMS AND CONDITIONS: (Continued)

11. The Customer is required to follow the Company's interconnection process which requires that pPrior to installation, a detailed diagram of the generator and related equipment must be furnished to the Company for its approval. C
12. The customer shall execute an electric service agreement with the Company which may include, among other provisions, a minimum term of service.
13. The SQF shall indemnify and save harmless the Company from and against any and all claims for damages to property and injury or death to persons which may arise out of or be caused by the erection, maintenance, presence, operation or removal of the SQF or by any related act or omission of the SQF, its employees, agents, contractors or subcontractors. The SQF will keep in force, liability insurance against personal or property damage due to the installation, interconnection and operation of its electric generating facilities. The minimum amount of insurance coverage will be \$300,000.
14. Equipment shall be provided by the customer that provides a ~~positive~~ means of preventing feedback to the Company during an outage or interruption of that system as well as a visible means to disconnect the generator from the Utility that is readily accessible by Utility employees. C
C
C
15. The customer shall install, own and maintain all equipment deemed necessary by the Company to assure proper parallel operation of the system.
16. Except in cases of emergency, the customer will be notified in advance, personally or by telephone, whenever a disconnection of their generating facility is necessary. They will also be advised of the reason

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APPROVED: ~~Jay D. Myster~~ Bernadeen

Corporate Secretary Manager,

for, and the estimated duration of, the outage.

17. Any renewable energy credits associated with the renewable energy sold to the Company will be transferred to the Company. The kWh price has been adjusted by an additional payment of \$3.00/MWh (\$0.00300/kWh), to account for renewable energy.

C
C
C

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Regulatory Services

EFFECTIVE for services rendered on
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APPROVED: ~~Jay D. Myster~~ Bernadeen

Corporate Secretary Manager,

**SMALL POWER PRODUCER RIDER
 DEPENDABLE SERVICE**

Rates Zone 1 & 9 Code 904

AVAILABILITY: Available to any qualifying facility not exceeding 100 kW of generating capacity which is capable of delivering power and energy to the Company on a dependable basis.

METERING CHARGE: ~~\$8.878.94~~ per month R

PAYMENT SCHEDULE: For deliveries commencing on ~~May 1, 1984~~ R

Contract	<u>Term</u>	<u>Capacity Payment</u>	<u>Summer Energy Payment</u>		
	60 mos.	\$ 7.728.12 per kW	<u>On-Peak</u>	<u>Off-Peak</u>	R
	1.15¢ per kWh 1.70¢ per kWh				
	120 mos.	\$ 8.69.71 per kW	1.155.048¢ per kWh	1.703.073¢ per kWh	R
kWh					
	180 mos.	\$ 9.65.27 per kW	1.15¢ per kWh	1.70¢ per kWh	R
	240 mos.	\$ 10.56.9.82 per kW	<u>Winter Energy Payment</u>		R
kWh					
	1.15¢ per kWh 1.70¢ per kWh				
	300 mos.	\$ 11.42.10.34 per kW	1.15¢ per kWh	1.70¢ per kWh	R
	360 mos.	\$ 12.15.10.85 per kW	<u>On-Peak</u>	<u>Off-Peak</u>	R
kWh					
	1.15¢ per kWh 1.70¢ per kWh				
	420 mos.	\$ 12.82.11.35 per kW	1.154.241¢ per kWh	1.702.403¢ per kWh	R

Energy payment will be adjusted annually to reflect energy costs.

Total capacity payment equals (accredited capacity value of the QF) times C
 (capacity ~~factor~~ratio) times (appropriate levelized capacity paymentrate). C

Capacity Ratio equals (Qualifying Facility on-peak capacity factor) C
65% C

The Capacity Ration shall not exceed a value of 1 C

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 19872009, in SD
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 Docket No. F-3691
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 APPROVED: Jay D. Myster Bernadeen
 Corporate Secretary Manager,

or
If the Qualifying Facility is dispatchable by Otter Tail
And tested under the Midwest Reliability Organization (MRO),
then the capacity ratio automatically equals 1.

C
C
C
C

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. If a qualifying facility does not meet the 20% capacity factor requirement for service in any month, the compensation will be based on the energy payment only.~~
- ~~3. In the event that a qualifying facility terminates service, the Dependable Service severance penalty payment will be determined as follows:~~

C
C

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and after ~~November~~ March 1,

APPROVED: ~~Jay D. Myster~~ Bernadeen
Corporate Secretary Manager,

SMALL POWER PRODUCER RIDER (Continued)

SPECIAL CONDITIONS OF SERVICE: (Continued)

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:

<u>Months of Payments</u>	<u>Contract Term Filled</u>
0 - 119	60
120 - 179	120
180 - 239	180
240 - 299	240
300 - 359	300
360 - 420	360

The difference between the actual payments made and the recalculated payments must be repaid with interest. The interest rate used will be the average prime interest rate during the contract period prior to the severance.

43. Qualifying facility may select a total of 30 scheduled maintenance days per year, to be taken in two periods, neither of which shall be less than one week in duration at a time agreeable to Otter Tail. A 30-day prior notice must be given to Otter Tail before a scheduled maintenance period can be established.

Capacity payment for a monthly period in which scheduled maintenance has occurred will be the greater of the capacity payment using the regular billing procedure or the average billing capacity payment since the previous month in which a scheduled maintenance period occurred.

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

DEFINITIONS:

Dependable Service: Qualifying facility can deliver power at a minimum of ~~2065%~~ on-peak capacity factor in each month; can deliver power during the Company's winter and summer system peaks; and is accredited C

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Corporate Secretary Manager,

according to ~~Section 5.2 of the Mid-Continent Area Power Pool Engineering Handbook~~ the Midwest Reliability Organization (MRO). C
C

SMALL POWER PRODUCER RIDER (Continued)

DEFINITIONS: (Continued)

Capacity Factor: The number of kilowatthours delivered during the month divided by the product of the accredited capacity times the number of hours in the month. The maximum capacity factor is 1.0.

Summer On-Peak: ~~May 1 through October 31~~ June through September including those hours from ~~8~~6:00 a.m. to 10:00 p.m., Monday through ~~Saturday~~Friday, excluding holidays. C
C

Summer Off-Peak: All other hours.

Winter On-Peak: ~~November 1 through April 30~~ October through May including those hours from ~~6~~7:00 a.m. to 10:00 p.m., Monday through ~~Saturday~~Friday, excluding holidays. C
C

Winter Off-Peak: All other hours.

Holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

TERMS AND CONDITIONS:

The use of this rate 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 will be compensated monthly for all energy received from the SQF less the ~~metering~~ Customer eCharge. The schedule for these payments is subject to annual review. C
C
2. If the SQF is located at a site outside of the Company's service territory and energy is delivered to the Company through facilities owned by another utility, energy payments will be adjusted downward reflecting losses occurring between the point of metering and the point of delivery.

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Corporate Secretary Manager,

-
-
3. If required, a separate meter will be furnished, owned and maintained by the Company to measure the energy to the Company. Separate monthly charges may apply for any additional metering installed by the Company at the Customer's request. C
C
C
 4. The SQF shall make provisions for the installation of Company owned on-site metering. All energy received from and delivered to the Company shall be separately metered. On site use of the SQF output shall be unmetered for purposes of compensation unless the SQF desires to sell all its generated output to, and purchase all of its energy from, the Company. C
C
 5. In the event the SQF desires wheeling by the Company of the SQF output, arrangements will be made subject to special consideration.
 6. The customer shall pay for any increased capacity of the distribution equipment serving him and made necessary by the installation of his generator.

SMALL POWER PRODUCER RIDER (Continued)

TERMS AND CONDITIONS: (Continued)

7. Power and energy purchased by the SQF from the Company shall be billed under the available retail rates for the purchase of electricity. C
8. The generator output must be compatible with the Utility system. The customer's 60 hertz generator output must be at the voltage and phase relationship of the existing service or of one mutually agreeable to the Company and the customer. C
9. The customer will provide equipment to maintain a 100% power factor (+ or - 10%) during periods of generator operation.
10. The Company reserves the right to disconnect the customer's generator from its system if it interferes with the operation of the Company's equipment or with the equipment of other company customers.
11. The Customer is required to follow the Company's interconnection process which requires that pPrior to installation, a detailed diagram of the generator and related equipment must be furnished to the Company for its approval. C
12. The customer shall execute an electric service agreement with the Company which may include, among

other provisions, a minimum term of service and generator capacity rating.

13. The SQF shall indemnify and save harmless the Company from and against any and all claims for damages to property and injury or death to persons which may arise out of or be caused by the erection, maintenance, presence, operation or removal of the SQF or by any related act or omission of the SQF, its employees, agents, contractors or subcontractors. The SQF will keep in force liability insurance against personal or property damage due to the installation, interconnection, and operation of its electric generating facilities. The minimum amount of insurance coverage will be \$300,000.
14. Equipment shall be provided by the customer that provides a ~~positive~~ means of preventing feedback to the Company during an outage or interruption of that system as well as a visible means to disconnect the generator from the Utility that is readily accessible by Utility employees. C
C
C
15. The customer shall install, own and maintain all equipment deemed necessary by the Company to assure proper parallel operation of the system.
16. Except in cases of emergency, the customer will be notified in advance, personally or by telephone, whenever a disconnection of their generating facility is necessary. They will also be advised of the reason for, and the estimated duration of, the outage.
17. Any renewable energy credits associated with the renewable energy sold to the Company will be transferred to the Company. The kWh price has been adjusted by an additional payment of \$3.00/MWh (\$0.00300/kWh), to account for renewable energy. C
C
C

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Corporate Secretary Manager,

Attachment 7
Clean Rate Schedules

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

Rates Zone 1 & 9

Code 902

AVAILABILITY: Available to any qualifying facility not exceeding 100 kW of generating capacity.

METERING CHARGE: \$3.70 per month

R

PAYMENT SCHEDULE: 3.335¢ per kWh

R

SPECIAL CONDITIONS OF SERVICE:

The minimum contracted term of service is 12 months.

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

TERMS AND CONDITIONS:

The use of this rate 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 will be compensated monthly for all energy received from the SQF less the Customer Charge. The schedule for these payments is subject to annual review. C
C
2. If the SQF is located at a site outside of the Company's service territory and energy is delivered to the Company through facilities owned by another utility, energy payments will be adjusted downward reflecting losses occurring between the point of metering and the point of delivery.
3. If required, a separate meter will be furnished, owned and maintained by the Company to measure the energy to the Company. Separate monthly charges may apply for any additional metering installed by the Company at the Customer's request. C
C
C
4. The SQF shall make provisions for the installation of Company owned on-site metering. All energy received from and delivered to the Company shall be separately metered. On site use of the SQF output shall be unmetered for purposes of compensation unless the SQF desires to sell all its generated output to, and purchase all of its energy from, the Company. C
5. In the event the SQF desires wheeling by the Company of the SQF output, arrangements will be made subject to special consideration.

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SMALL POWER PRODUCER RIDER (Continued)

TERMS AND CONDITIONS: (Continued)

6. The customer shall pay for any increased capacity of the distribution equipment serving him and made necessary by the installation of his generator.
7. Power and energy purchased by the SQF from the Company shall be under the available retail rates for the purchase of electricity.
8. The generator output must be compatible with the Utility system. The customer's 60 hertz generator output must be at the voltage and phase relationship of the existing service or of one mutually agreeable to the Company and the customer. C
9. The customer will provide equipment to maintain a 100% power factor (+ or - 10%) during periods of generator operation.
10. The Company reserves the right to disconnect the customer's generator from its system if it interferes with the operation of the Company's equipment or with the equipment of other company customers.
11. The Customer is required to follow the Company's interconnection process which requires that prior to installation, a detailed diagram of the generator and related equipment must be furnished to the Company for its approval. C
12. The customer shall execute an electric service agreement with the Company which may include, among other provisions, a minimum term of service.
13. The SQF shall indemnify and save harmless the Company from and against any and all claims for damages to property and injury or death to persons which may arise out of or be caused by the erection, maintenance, presence, operation or removal of the SQF or by any related act or omission of the SQF, its employees, agents, contractors or subcontractors. The SQF will keep in force, liability insurance against personal or property damage due to the installation, interconnection and operation of its electric generating facilities. The minimum amount of insurance coverage will be \$300,000.
14. Equipment shall be provided by the customer that provides a means of preventing feedback to the Company during an outage or interruption of that system as well as a visible means to disconnect the generator from the Utility that is readily accessible by Utility employees. C
C
C
15. The customer shall install, own and maintain all equipment deemed necessary by the Company to assure proper parallel operation of the system.

SMALL POWER PRODUCER RIDER (Continued)

TERMS AND CONDITIONS: (Continued)

16. Except in cases of emergency, the customer will be notified in advance, personally or by telephone, whenever a disconnection of their generating facility is necessary. They will also be advised of the reason for, and the estimated duration of, the outage.
17. Any renewable energy credits associated with the renewable energy sold to the Company will be transferred to the Company. The kWh price has been adjusted by an additional payment of \$3.00/MWh (\$0.00300/kWh), to account for renewable energy. C
C
C

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

C

Rates Zone 1 & 9 Code 903

AVAILABILITY: Available to any qualifying facility not exceeding 100 kW of generating capacity.

METERING CHARGE: \$8.94 per month

R

PAYMENT SCHEDULE:

Summer	
<u>On-Peak</u>	<u>Off-Peak</u>
5.048¢ per kWh	3.073¢ per kWh
Winter	
<u>On-Peak</u>	<u>Off-Peak</u>
4.241¢ per kWh	2.403¢ per kWh

R

R

SPECIAL CONDITIONS OF SERVICE:

The minimum contracted term of service is 12 months.

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

DEFINITIONS:

Summer On-Peak: June through September, including those hours from 8:00 a.m. to 10:00 p.m., Monday through Friday, excluding holidays.

C

C

Summer Off-Peak: All other hours.

Winter On-Peak: October through May, including those hours from 7:00 a.m. to 10:00 p.m., Monday through Friday, excluding holidays.

C

C

Winter Off-Peak: All other hours.

Holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

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Manager, Regulatory Services

SMALL POWER PRODUCER RIDER (Continued)

TERMS AND CONDITIONS:

The use of this rate 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 will be compensated monthly for all energy received from the SQF less the Customer Charge. The schedule for these payments is subject to annual review. C
C
2. If the SQF is located at a site outside of the Company's service territory and energy is delivered to the Company through facilities owned by another utility, energy payments will be adjusted downward reflecting losses occurring between the point of metering and the point of delivery.
3. If required, a separate meter will be furnished, owned and maintained by the Company to measure the energy to the Company. Separate monthly charges may apply for any additional metering installed by the company at the Customer's request. C
C
C
4. The SQF shall make provisions for the installation of Company owned on-site metering. All energy received from and delivered to the Company shall be metered. On site use of the SQF output shall be unmetered for purposes of compensation unless the SQF desires to sell all its generated output to, and purchase all of its energy from, the Company. C
C
5. In the event the SQF desires wheeling by the Company of the SQF output, arrangements will be made subject to special consideration.
6. The customer shall pay for any increased capacity of the distribution equipment serving him and made necessary by the installation of his generator.
7. Power and energy purchased by the SQF from the Company shall be under the available retail rates for the purchase of electricity.
8. The generator output must be compatible with the Utility system. The customer's 60 hertz generator output must be at the voltage and phase relationship of the existing service or of one mutually agreeable to the Company and the customer. C
9. The customer will provide equipment to maintain a 100% power factor (+ or - 10%) during periods of generator operation.

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Manager, Regulatory Services

SMALL POWER PRODUCER RIDER (Continued)

TERMS AND CONDITIONS: (Continued)

10. The Company reserves the right to disconnect the customer's generator from its system if it interferes with the operation of the Company's equipment or with the equipment of other company customers.
11. The Customer is required to follow the Company's interconnection process which requires that prior to installation, a detailed diagram of the generator and related equipment must be furnished to the Company for its approval. C
12. The customer shall execute an electric service agreement with the Company which may include, among other provisions, a minimum term of service.
13. The SQF shall indemnify and save harmless the Company from and against any and all claims for damages to property and injury or death to persons which may arise out of or be caused by the erection, maintenance, presence, operation or removal of the SQF or by any related act or omission of the SQF, its employees, agents, contractors or subcontractors. The SQF will keep in force, liability insurance against personal or property damage due to the installation, interconnection and operation of its electric generating facilities. The minimum amount of insurance coverage will be \$300,000.
14. Equipment shall be provided by the customer that provides a means of preventing feedback to the Company during an outage or interruption of that system as well as a visible means to disconnect the generator from the Utility that is readily accessible by Utility employees. C
C
C
15. The customer shall install, own and maintain all equipment deemed necessary by the Company to assure proper parallel operation of the system.
16. Except in cases of emergency, the customer will be notified in advance, personally or by telephone, whenever a disconnection of their generating facility is necessary. They will also be advised of the reason for, and the estimated duration of, the outage.
17. Any renewable energy credits associated with the renewable energy sold to the Company will be transferred to the Company. The kWh price has been adjusted by an additional payment of \$3.00/MWh (\$0.00300/kWh), to account for renewable energy. C
C
C

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Approved:
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APPROVED: Bernadeen Brutlag
Manager, Regulatory Services

**SMALL POWER PRODUCER RIDER
 DEPENDABLE SERVICE**

Rates Zone 1 & 9 Code 904

AVAILABILITY: Available to any qualifying facility not exceeding 100 kW of generating capacity which is capable of delivering power and energy to the Company on a dependable basis.

METERING CHARGE: \$8.94 per month R

PAYMENT SCHEDULE: R

Contract	<u>Term</u>	<u>Capacity Payment</u>	<u>Summer Energy Payment</u>		
	60 mos.	\$ 8.12 per kW	<u>On-Peak</u>	<u>Off-Peak</u>	R
	120 mos.	\$ 8.71 per kW	5.048¢ per kWh	3.073¢ per kWh	R
	180 mos.	\$ 9.27 per kW			R
	240 mos.	\$ 9.82 per kW	<u>Winter Energy Payment</u>		R
	300 mos.	\$10.34 per kW			R
	360 mos.	\$10.85 per kW	<u>On-Peak</u>	<u>Off-Peak</u>	R
	420 mos.	\$11.35 per kW	4.241¢ per kWh	2.403¢ per kWh	R

Energy payment will be adjusted annually to reflect energy costs.

Total capacity payment equals (accredited capacity value of the QF) times C
 (capacity ratio) times (appropriate levelized capacity rate). C

Capacity Ratio equals (Qualifying Facility on-peak capacity factor) C
 65% C

The Capacity Ration shall not exceed a value of 1 C

or C

If the Qualifying Facility is dispatchable by Otter Tail C
 And tested under the Midwest Reliability Organization (MRO), C
 then the capacity ratio automatically equals 1. C

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 Manager, Regulatory Services

SMALL POWER PRODUCER RIDER (Continued)

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:

<u>Months of Payments</u>	<u>Contract Term Filled</u>
0 - 119	60
120 - 179	120
180 - 239	180
240 - 299	240
300 - 359	300
360 - 420	360

The difference between the actual payments made and the recalculated payments must be repaid with interest. The interest rate used will be the average prime interest rate during the contract period prior to the severance.

3. Qualifying facility may select a total of 30 scheduled maintenance days per year, to be taken in two periods, neither of which shall be less than one week in duration at a time agreeable to Otter Tail. A 30-day prior notice must be given to Otter Tail before a scheduled maintenance period can be established.

Capacity payment for a monthly period in which scheduled maintenance has occurred will be the greater of the capacity payment using the regular billing procedure or the average billing capacity payment since the previous month in which a scheduled maintenance period occurred.

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Manager, Regulatory Services

SMALL POWER PRODUCER RIDER (Continued)

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

DEFINITIONS:

Dependable Service: Qualifying facility can deliver power at a minimum of 65% on-peak capacity factor in each month; can deliver power during the Company's winter and summer system peaks; and is accredited according to the Midwest Reliability Organization (MRO). C
C
C

Capacity Factor: The number of kilowatthours delivered during the month divided by the product of the accredited capacity times the number of hours in the month. The maximum capacity factor is 1.0.

Summer On-Peak: June through September including those hours from 8:00 a.m. to 10:00 p.m., Monday through Friday, excluding holidays. C
C

Summer Off-Peak: All other hours.

Winter On-Peak: October through May including those hours from 7:00 a.m. to 10:00 p.m., Monday through Friday, excluding holidays. C
C

Winter Off-Peak: All other hours.

Holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

TERMS AND CONDITIONS:

The use of this rate 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 will be compensated monthly for all energy received from the SQF less the Customer Charge. The schedule for these payments is subject to annual review. C
C
2. If the SQF is located at a site outside of the Company's service territory and energy is delivered to the Company through facilities owned by another utility, energy payments will be adjusted downward reflecting losses occurring between the point of metering and the point of delivery.

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Manager, Regulatory Services

SMALL POWER PRODUCER RIDER (Continued)

TERMS AND CONDITIONS: (Continued)

3. If required, a separate meter will be furnished, owned and maintained by the Company to measure the energy to the Company. Separate monthly charges may apply for any additional metering installed by the Company at the Customer's request. C
C
C
4. The SQF shall make provisions for the installation of Company owned on-site metering. All energy received from and delivered to the Company shall be metered. On site use of the SQF output shall be unmetered for purposes of compensation unless the SQF desires to sell all its generated output to, and purchase all of its energy from, the Company. C
C
5. In the event the SQF desires wheeling by the Company of the SQF output, arrangements will be made subject to special consideration.
6. The customer shall pay for any increased capacity of the distribution equipment serving him and made necessary by the installation of his generator.
7. Power and energy purchased by the SQF from the Company shall be billed under the available retail rates for the purchase of electricity. C
8. The generator output must be compatible with the Utility system. The customer's 60 hertz generator output must be at the voltage and phase relationship of the existing service or of one mutually agreeable to the Company and the customer. C
9. The customer will provide equipment to maintain a 100% power factor (+ or - 10%) during periods of generator operation.
10. The Company reserves the right to disconnect the customer's generator from its system if it interferes with the operation of the Company's equipment or with the equipment of other company customers.
11. The Customer is required to follow the Company's interconnection process which requires that prior to installation, a detailed diagram of the generator and related equipment must be furnished to the Company for its approval. C
12. The customer shall execute an electric service agreement with the Company which may include, among other provisions, a minimum term of service and generator capacity rating.

SMALL POWER PRODUCER RIDER (Continued)

TERMS AND CONDITIONS: (Continued)

13. The SQF shall indemnify and save harmless the Company from and against any and all claims for damages to property and injury or death to persons which may arise out of or be caused by the erection, maintenance, presence, operation or removal of the SQF or by any related act or omission of the SQF, its employees, agents, contractors or subcontractors. The SQF will keep in force liability insurance against personal or property damage due to the installation, interconnection, and operation of its electric generating facilities. The minimum amount of insurance coverage will be \$300,000.
14. Equipment shall be provided by the customer that provides a means of preventing feedback to the Company during an outage or interruption of that system as well as a visible means to disconnect the generator from the Utility that is readily accessible by Utility employees. C
C
C
15. The customer shall install, own and maintain all equipment deemed necessary by the Company to assure proper parallel operation of the system.
16. Except in cases of emergency, the customer will be notified in advance, personally or by telephone, whenever a disconnection of their generating facility is necessary. They will also be advised of the reason for, and the estimated duration of, the outage.
17. Any renewable energy credits associated with the renewable energy sold to the Company will be transferred to the Company. The kWh price has been adjusted by an additional payment of \$3.00/MWh (\$0.00300/kWh), to account for renewable energy. C
C
C