

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

This **AGREEMENT**, is made and entered into by Otter Tail Power Company, of 215 S. Cascade Street, Fergus Falls, MN 56537-2897, hereinafter referred to as **Otter Tail**, and Badger Municipal Electric, of PO Box 127, Badger, SD 57214, hereinafter referred to as **Badger**; jointly referred to as the Parties.

The Parties hereto agree to be bound by all terms, conditions, promises, and obligations herein contained, which include the following:

1. The Parties to this Agreement are electric utilities as defined by South Dakota statute and are actively engaged in furnishing electric services within the state.
2. Pursuant to state law, the South Dakota Public Utilities Commission (SD PUC) has established the assigned service territories of each electric utility operating within the state. The SD PUC prepared, or caused to be prepared, maps showing the boundaries of the assigned service territories for each electric utility.
3. The purpose of this Agreement is to verify and update all existing service territory mapping data for use in a Geographic Information System (GIS). Throughout this process, all mapping data, including: initial territorial agreements, maps, and all territory change agreements, have been compiled and reviewed for accuracy. A legal description was formulated by the SD PUC staff and sent to the Parties for review and verification.
4. The mapping data contained in the attached legal description (Exhibit A) and the corresponding map (Exhibit B) accurately represent the service territories currently served by the Parties.
5. For purposes of this agreement, it is understood that any customer receiving service from an electric utility on whose service territory that customer does not reside shall continue receiving service from said utility as long as they are receiving service under the terms of the grandfather provision in SDCL 49-34A-42 or a legal service rights exception approved by the Commission.
6. Under this Agreement, any changes made to mapping data are to be deemed intentional and a result of the review and exchange of information between the SD PUC staff and the Parties hereto. Any changes in mapping data should be considered a request by the Parties on the SD PUC, for approval of change in service territory according to state law. If approved by the SD PUC, the revised mapping data shall hereafter constitute the controlling service territory designations of the Parties; and as evidence of such territorial designations, the Parties and the SD PUC shall maintain the territorial mapping data and this Agreement.

7. Unless agreed to by the Parties and approved by the SD PUC, no changes or updates of mapping data under this Agreement shall change the service provider for any South Dakota consumer. Further, the Parties agree to the continued existence and validity of all service territory exceptions previously established according to state law.

8. This Agreement shall be binding upon the Parties and their successors, assigns, agents and representatives.

9. Approval of this Agreement by the SD PUC shall not in any way constitute a determination by the SD PUC as to the merits of any allegations or contentions that may arise as a result of this Agreement and shall not foreclose the SD PUC from the review of any allegations or contentions that may arise hereafter.

10. This Agreement shall not foreclose the ability of the Parties hereto, to modify the service territory as established in this Agreement through the processes provided under the laws of the State of South Dakota.

Otter Tail Power Company

By: Scott Swice

Title: Operations Manager

Date: 10/15/14

Badger Municipal Electric

By: Myron Kuehn

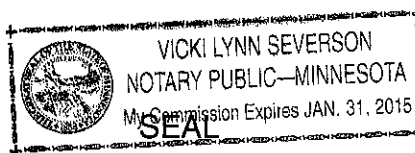
Title: Board Chairman

Date: 12-11-13

OTTER TAIL POWER COMPANY

ON this 15th day of October, 2014, before me, the signing officer, personally appeared Scott J. Wiese, who acknowledged himself/herself to be the Operations Manager of Otter Tail Power Company, and being authorized so to do, executed the foregoing instrument for the purposes therein contained. In witness whereof, I hereunto set my hand and official seal.

Vicki Lynn Severson
Notary Public
My Commission Expires: Jan. 31, 2015



BADGER MUNICIPAL ELECTRIC

ON this 11th day of December 2013, before me, the signing officer, personally appeared Myron Andersen, who acknowledged himself/herself to be the Board Chairman for Bader Municipal Electric and being authorized so to do, executed the foregoing instrument for the purposes therein contained. In witness whereof, I hereunto set my hand and official seal.

Courtney Pederson

Notary Public

My Commission Expires: June 4th, 2014

SEAL