

January 26, 2018

The Honorable Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street, N.E.
Washington, DC 20426

RECEIVED
JAN 29 2018
SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

Re: *Otter Tail Power Company*, Docket No. ER17-1191-004
Compliance Filing of Otter Tail Power Company to Submit Executed Version of
the Restated 230 KV Interconnection Agreement Between Otter Tail, Minnkota
Power Cooperative, Inc., and Northern Municipal Power Agency, Designated as
Rate Schedule No. 151

Dear Secretary Bose:

Otter Tail Power Company ("Otter Tail") on March 15, 2017, as amended on May 11, 2017, July 10, 2017, and September 8, 2017, submitted for filing in this proceeding a restated, conforming version of the 230 KV Interconnection Agreement between Otter Tail, Minnkota Power Cooperative, Inc. ("Minnkota"), and Northern Municipal Power Agency ("NMPA"), designated as Rate Schedule No. 151 ("Restated Agreement"). The Commission accepted the Restated Agreement effective May 15, 2017, subject to Otter Tail submitting an executed copy of the Restated Agreement as a compliance filing.¹

To comply with the Commission's directive in the Letter Order, Otter Tail hereby submits the enclosed executed copy of the Restated Agreement.² Aside from the addition of the parties' signatures, the executed copy of the Restated Agreement is unchanged from the Restated Agreement as accepted by the Letter Order. Otter Tail respectfully requests that the Commission accept the executed Restated Agreement as compliant with the requirements of the Letter Order.

¹ *Otter Tail Power Co.*, Letter Order, Docket No. ER17-1191-000, et al. (Oct. 20, 2017) ("Letter Order").

² Pursuant to the Commission's directives in Order No. 714, Otter Tail submits the executed copy of the Restated Agreement as an entire document in PDF format. *Electronic Tariff Filings*, Order No. 714, 2008-2013 FERC Stats. & Regs., Regs. Preambles ¶ 31,276, at P 13 (2008), *final rule*, Order No. 714-A, III FERC Stats. & Regs., Regs. Preambles ¶ 31,356 (2014).

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I. Effective Date

Otter Tail requests that the Commission grant an effective date of May 15, 2017, for the executed Restated Agreement, which is the effective date established by the Commission in the Letter Order when it accepted the unexecuted version of the Restated Agreement.

II. Documents Enclosed

Otter Tail encloses with this transmittal the following attachment:

- Executed copy of the restated, conforming 230 KV Interconnection Agreement between Otter Tail, Minnkota Power Cooperative, Inc., and Northern Municipal Power Agency, designated as Rate Schedule No. 151.

III. Service

A copy of this filing is being served on each person designated on the Commission's official service list for this proceeding, as well as the Minnesota Public Utilities Commission, the South Dakota Public Utilities Commission, and the North Dakota Public Service Commission.

IV. Conclusion

Based on the foregoing, Otter Tail asks that the Commission accept the executed Restated Agreement effective as of the date requested herein.

Respectfully submitted,

/s/ Paul M. Flynn

Paul M. Flynn

Sidney L. Fowler

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CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding, as well as the public service commissions of the states of Minnesota, North Dakota, and South Dakota.

Dated at Washington, D.C., the 26th of January, 2018.

/s/ Sidney L. Fowler
Sidney L. Fowler

**Attorney for
Otter Tail Power Company**

OTTER TAIL POWER COMPANY

RATE SCHEDULE NO. 151

230 KV INTERCONNECTION AGREEMENT

BETWEEN

OTTER TAIL POWER COMPANY

AND

MINNKOTA POWER COOPERATIVE, INC.

230 KV INTERCONNECTION AGREEMENT

between

OTTER TAIL POWER COMPANY

and

MINNKOTA POWER COOPERATIVE, INC.

and

NORTHERN MUNICIPAL POWER AGENCY

230 KV INTERCONNECTION AGREEMENT
between
OTTER TAIL POWER COMPANY
and
MINNKOTA POWER COOPERATIVE, INC.

THIS AGREEMENT, Made this 29th day of July, 1966, between MINNKOTA POWER COOPERATIVE, INC., a Minnesota corporation, hereinafter referred to as "Minnkota," and OTTER TAIL POWER COMPANY, a Minnesota corporation, hereinafter referred to as "Otter Tail," and, effective as of the date, and in accordance with the terms, specified in Article V hereof, NORTHERN MUNICIPAL POWER AGENCY, a political subdivision and municipal corporation of the State of Minnesota, hereinafter referred to as "Agency;"

WITNESSETH:

0.01 WHEREAS, Minnkota, Otter Tail, and Agency, each own, and operate an electric power system consisting of generating stations, transmission lines, and other facilities in Minnesota and North Dakota; and

0.02 WHEREAS, the Parties hereto, and others, have entered into an Agreement, dated February 10, 1961, known as the Upper Mississippi Valley Power Pool Agreement, as amended, hereinafter called "Pool Agreement"; and

0.03 WHEREAS, Minnkota will construct a 212,000 kilowatt thermal power generating unit near Center, North Dakota, hereinafter called "Center No. 1" for operation on or before November 1, 1970; and

0.04 WHEREAS, the Parties hereto, along with others, have completed a study referred to as North Dakota-South Dakota-Western Minnesota Transmission Study No. 157, which study recommended a plan for the development of a 230 KV transmission system in the study area by 1969 designed both to provide an outlet for the Center No. 1 as well as transmission supply for the participating systems; and

0.05 WHEREAS, the Parties and others will construct in accordance with the plan recommended in said study, certain 230 KV transmission lines as detailed in Exhibit A, sheets 1 and 2 attached hereto, and made a part hereof, and hereinafter called "Transmission System"; and

0.06 WHEREAS, Otter Tail, United Power Association and others have entered into a Transmission Service Agreement dated August 17, 1964, which includes an interconnection between Otter Tail and United Power Association at Devils Lake, North Dakota, and provides for the delivery of power and energy to Otter Tail at 115 KV at Devils Lake; and

0.07 WHEREAS, Otter Tail and Agency are parties, along with others, to the Coyote Station No. 1 Transmission Facilities Agreement dated November 30, 1978, as amended ("Coyote Transmission Agreement"), which provides for the construction of certain 345 kV, 230 kV and 115 kV facilities to be used for the transmission system needs of the Parties in serving their loads from the Coyote No. 1 generating unit to the systems of the Parties, and the Parties wish to provide for an equitable division of the cost and ownership of the facilities to be constructed by them in connection with the Coyote Transmission Agreement; and

0.08 WHEREAS, the Parties desire to provide for certain changes to this Agreement to correspond to certain changes to the Coyote Transmission Agreement; and

0.09 WHEREAS, Otter Tail has a \$5,071,788 investment in the Center-Fargo 345 kV transmission line but has no corresponding property ownership, the Parties therefore desire to modify the division of ownership of facilities as previously provided for in Supplement No. 4 to this Agreement; and

0.10 WHEREAS, the Parties wish to provide for operation and maintenance by Minnkota of certain transmission facilities on Otter Tail's behalf; and

0.11 WHEREAS, the Parties desire to provide for scheduling of electrical energy between the Parties and interconnections of the Parties to other systems; and

0.12 WHEREAS, the Parties also desire to provide for the construction of a 230 kV transmission line extending from the Winger 230 kV Substation to the Bemidji, Minnesota area with associated terminal facilities and to provide for further interconnection of their respective electric transmission systems; and

0.13 WHEREAS, the Parties will derive benefits through the interconnection of their respective systems as provided herein; and

0.14 WHEREAS, the Parties have prepared this restated and conforming Agreement to reflect the effects of all amendments and supplements to this Agreement.

NOW, THEREFORE, the Parties agree as follows:

ARTICLE I
INTERCONNECTIONS

1.01 Points of Interconnection. The 230 kilovolt transmission systems of Minnkota, Agency, and Otter Tail will be interconnected at the points designated in Exhibit B-2. The division of ownership of interconnection facilities is designated in Exhibit C-2. If interconnections are added or deleted, Exhibits B-2 and C-2 shall be amended accordingly.

1.02 Ownership and Maintenance. Each Party will own, operate, and maintain the facilities provided by it as shown on Exhibit C-2. The cost or replacement of such facilities will be borne by the Party owning the facilities unless damaged by the negligent act or omission of the other Party, its agents or employees.

1.3 Associated System Facilities. Each Party further agrees to provide in its system the facilities necessary for such telemetering, load control, communication, and relay protection as is necessary to the proper operation of the interconnected systems.

1.04 Provisions for Future Connections. Otter Tail grants Minnkota permission to connect to its 115 KV bus at Winger for a 115 KV line to serve the Thief River Falls area. Otter Tail shall supply substation facilities necessary to accommodate Minnkota's circuit breaker, relay equipment and line connections for such circuit.

Minnkota grants Otter Tail permission to connect to its 230 KV bus at Winger. Minnkota shall supply substation facilities necessary to accommodate Otter Tail's circuit breaker, relay equipment and line connections for such circuit.

1.05 Jamestown Interconnection. The Parties agree to interconnect their transmission facilities at 230 kV at a point located in the NE ¼ of the SE ¼, Section 17, Township 41, Range 63, Stutsman County, North Dakota (hereinafter referred to as the "Jamestown Interconnection"). Facilities required for said connection, including structures and equipment for switching, metering, relay and control, shall be provided and installed by Otter Tail in accordance with specifications as agreed between the Parties.

Connection of facilities under this Section 1.05 shall be made on or about August, 1970. Metering of electric power and energy at such interconnection shall be as of 230 kV, or referred thereto.

1.06 Bemidji Transmission Line. The Parties agree to the construction of a 230 kV transmission line extending from the Winger 230 kV Substation to the Bemidji, Minnesota area with associated terminal facilities and to provide for further interconnection of their electric transmission systems as follows.

- a. Facilities Provided By Minnkota. Minnkota will provide at its own expense, the following described facilities as shown on Exhibits D, E, F, and F-1 to this Agreement.
 1. At the Winger Substation near Winger, Minnesota, three 230 kV circuit breakers, associated relay, control and switching equipment and terminal structures.
 2. A 230 kV, 954 MCM, ACSR transmission line to extend from the 230 kV Winger Substation approximately 35 miles in an easterly direction to a point near Shevlin, Minnesota where it will be connected to Otter Tail's line described in Section 1.06.b.1 hereof.
 3. At the Wilton Substation near Bemidji, Minnesota, the site, control house, chain link fence and all site grading and improvements.
 4. At the Buffalo Substation near Buffalo, North Dakota the site, site grading and improvements, chain link fence, all 230 kV switching facilities, 230 kV terminal structures and microwave extension for communication, relaying and control.
 5. At the Jamestown Substation near Jamestown, North Dakota, the 230 kV line relaying equipment.
- b. Facilities Provided by Otter Tail. Otter Tail will provide at its own expense, the following described facilities as shown on Exhibits, D, E, F, and F-1 attached hereto.
 1. A 230 kV, 954 MCM, ACSR transmission line to extend from the Wilton 230 kV Substation approximately 17 miles in a westerly direction to a point near Shevlin, Minnesota where it will be connected to Minnkota's line described in Section 1.06.a.2 hereof.
 2. At the Wilton Substation near Bemidji, Minnesota, a 230 kV terminal structure, 230 kV switching equipment and 125,000 kVA of 230 to 115 kV transformation capacity. Additionally, Otter Tail will provide two 115 kV circuit breakers with associated relay, control and switching equipment, 115 kV bus and terminal structures and 115 kV billing accuracy metering equipment for the 230/115 kV delivery.
 3. At the Buffalo Substation near Buffalo, North Dakota, 40,000 kVA of 230 to 41.6 kV transformation capacity, 41 kV facilities including metering and all other protective and control equipment at the substation. Additionally, Otter Tail will provide the control house.
 4. At the Jamestown Substation near Jamestown, North Dakota, two 230 kV circuit breakers and associated switching equipment and structures.

- c. Design Requirements. To assure that the facilities described in this Section 1.06 are compatible and of the same general quality throughout, the overall design will be mutually established by the Parties in sufficient detail to permit each Party to proceed independently with engineering and construction of its portion of each project.
- d. Completion Schedule. Subject to accidents, strikes, litigations, delays in securing delivery of equipment or other causes beyond the reasonable control of the Parties, including financing, appropriate regulatory approval, the procuring of the necessary rights of way, materials and labor and the obtaining of all the necessary governmental authorizations and permits, the installation of the facilities by the Parties, as above described in this Section 1.06, shall be completed and in service on the below listed schedule, and should the installation of any of said facilities be delayed beyond said dates due to any of the aforesaid causes, it shall nevertheless be completed as soon thereafter as possible.

Buffalo 230 kV Substation	September 1975
Winger 230 kV Substation	October 1976
Wilton 230 kV Substation	October 1976
Winger-Wilton 230 kV Transmission Line	October 1976
Jamestown 230 kV Substation	September 1976

- e. Metering of electric power and energy at the Buffalo and Shevlin Interconnections shall be as of 230kV, or referred thereto.

ARTICLE II

OPERATION

2.01 Use of Transmission Facilities.

a. The interconnection of transmission facilities will effect savings in capital investment by the Parties. In consideration thereof, each Party will allow the other to transmit electric power and energy through its system between the several points of interconnection as defined in this Agreement to the extent that such system has capacity in excess of that required for its own needs.

b. Each of the Parties is contributing to the development of the facilities shown in Exhibit A, which are intended to have a long-term benefit to each of the Parties, by the construction of facilities not necessarily of direct benefit to the constructing Party or providing a direct connection to its system. In recognition thereof:

- 1. Otter Tail agrees that the transmission facilities presently installed and committed to be installed in North Dakota and Minnesota, as shown on Exhibit A, are

adequate to deliver the output of Center No. 1 to Minnkota's service area and Minnkota's interconnecting points to adjacent systems, and Minnkota shall not be obligated to install additional transmission facilities to provide transmission outlets including transmission backup for Center No. 1.

2. Otter Tail further agrees that capacity to deliver to the 115 kilovolt substation bus at Devils Lake, North Dakota, and Winger, Minnesota, shall be supplied to Minnkota in amounts equal to those required at these respective points at the time of first full utilization of Center No. 1 for Minnkota's member cooperative loads, but not to exceed 37.5 MVA at Devils Lake and 62.5 MVA at Winger. The capacity specified at Devils Lake in this paragraph 2 is subject to capacity of 75 MVA being available to Otter Tail pursuant to the Transmission Service Agreement between United Power Association, Otter Tail, and others dated August 17, 1964. Until such time as the capacity commitment is established at Devils Lake and Winger, Otter Tail will furnish capacity as required by Minnkota but not to exceed 37.5 MVA at Devils Lake and 62.5 MVA at Winger. These capacities shall be provided by Otter Tail for Minnkota commencing when Center No. 1 is first placed in service and continuing for a period of 35 years.

3. The Parties recognize that when additional facilities are required in the future to serve the Parties' loads, such additional facilities shall be provided by the Parties generally in proportion to their increased transmission requirements in excess of the transmission capacities provided by the facilities shown in Exhibit A.

c. Each of the Parties will accept at the points of interconnection defined in this Agreement electric power and energy from the other Party and deliver an equivalent amount of electric power and energy, adjusted for net additional losses if any, at its points of interconnection to other adjacent systems to the extent that such Party has capacity therefore in excess of its own needs and obligations.

2.02 Service Conditions.

a. The Parties agree to so operate their systems interconnected hereunder that, when either Party is transmitting electric power and energy through the other Party's system, the transmitting Party's input of electric power and energy into the other Party's system shall at all times be approximately equal to the amount of electric power and energy withdrawn therefrom, adjusted for losses actually incurred, by the transmitting Party.

b. The transfer of electric power and energy between interconnections will sometimes be through displacement rather than directly between the interconnections. It is recognized that this may have a material effect on the flow of power and energy through the aforesaid interconnections and may make it virtually impossible to make reasonably accurate estimates of the losses actually incurred in any specific transaction. In view thereof, the Parties agree that losses incurred will be ignored unless such losses are significant, in which event the Parties will establish an equitable formula for determining the adjustments to be made to compensate for losses.

2.03 Points of Metering. The transfer of power and energy shall be measured by metering equipment at the locations and at the voltages as shown in Exhibit C-2. Where the transfer of power and energy occurs at a point removed from the point of metering, automatic compensating equipment shall be installed to compensate for transmission and/or transformation losses.

2.04 Meter Readings. Each Party will read its meters regularly, at times to be mutually agreed upon, and promptly forward a duplicate copy of such meter readings to the other Party. The demand charts recorded by the meters at the foregoing locations shall be available at all reasonable times to authorized employees and agents of each of the Parties hereto for the purposes of this Agreement.

2.05 Meter Tests, Accuracy, and Adjustments.

a. Each meter used hereunder shall, by comparison with accurate standards, be tested and calibrated by the Party owning the meter at approximate intervals of 12 months. If a

meter shall be found inaccurate, it shall be restored to an accurate condition or an accurate meter substituted.

b. Either Party shall have the right to request that a special test of metering equipment be made at any time. If any test, made at a Party's request, discloses that the metering equipment tested is registering within 2% of normal, the Party requesting the test shall bear the expense thereof. The expense of all other tests shall be borne by the Party owning the metering equipment.

c. The result of all tests and calibrations shall be open to examination by both Parties, and a report of every test shall be furnished immediately to each Party. Any meter tested and found to be not more than 2% above or below normal shall be considered to be accurate. If, as a result of any test, any meter is found to register in excess of 2% either above or below normal, then the readings of such meter previously taken shall be corrected according to the percentage of inaccuracy so found, but no such correction shall extend beyond 60 days previous to the day on which inaccuracy is discovered by such test.

d. Should any such metering equipment at any time fail to register, or should the registration thereof be so erratic as to be meaningless, the power and energy delivered shall be determined from the best information available.

2.06 Use of the System. The investment by the Parties in portions of the transmission system described in the Coyote Transmission Agreement and this Agreement shall be consideration for the use by the Parties of the entire transmission system described therein and herein. The Parties also agree to coordinate the operation, planning, and construction of their respective existing and future transmission facilities, including interconnections with the systems of others, for the mutual benefit of the Parties.

ARTICLE III

GENERAL

3.01 Correction of Trouble. In the event that the interconnected operation of the systems herein contemplated results in trouble on either Party's system, including but not limited to interruptions, grounds, radio or telephone interference, unreasonable surges, or objectionable voltage fluctuations, where such trouble is caused by the method of operation or the facilities employed by the other Party, its customers, or third party suppliers connected to its lines, such trouble shall be corrected by the Party on or through whose system it originates within a reasonable time after written notice thereof.

3.02 Indemnity. Each Party agrees to defend, indemnify, and hold harmless any other Party against any and all claims, liability, loss, damage, or expense caused by or resulting from the negligent acts or omissions of the indemnifying Party, its employees or agents.

3.03 Limitations. It is agreed that no Party shall be liable, because of the exercise of the rights granted herein, for any claim for injuries or damages arising from the construction, operation, and maintenance of the other Party's system, except where such claim shall have been occasioned by negligence of itself, its agents or employees, or for delays not reasonably within its control, including inability to secure or replace materials or supplies necessary to perform the work contemplated herein, nor shall any such delay be deemed a breach of any obligations under this Agreement.

3.04 Arbitration.

a. Any controversy, claim, counterclaim, dispute, difference, or misunderstanding arising out of or relating to any question of fact to be determined under this Agreement, or the breach thereof, shall be settled by arbitration in accordance with the rules of the American Arbitration Association. The Party desiring arbitration shall demand such arbitration by giving written notice to the other Party setting forth the point or points in dispute. The decision or award of the arbitrator shall be final and binding upon the Parties and the Parties shall do such acts as the arbitration decision or award may require of them. Judgment upon any award rendered by the

arbitrator may be entered in any court having jurisdiction and execution issued thereon. This provision shall survive the termination of this Agreement.

b. Costs incurred in connection with the arbitration shall be paid in equal parts by the Parties unless the award shall specify a different division of costs.

3.05 Right of Access. Each of the Parties will give authorized agents and employees of the other Parties the right to enter its premises at all reasonable times for the purpose of reading or checking meters, for constructing, testing, repairing, renewing, exchanging, or removing any or all of its equipment which may be located on the property of the other Party or performing any work incident to rendering the service hereby contracted for.

3.06 Successors and Assigns. This Agreement shall be binding upon the respective Parties, their successors and assigns, on and after the effective date hereof.

3.07 Notices. Any notices, demands, or requests, required or authorized by the Agreement, shall be deemed properly given if mailed, postage prepaid, to the Vice President, Electrical, Otter Tail Power Company, Fergus Falls, Minnesota, on behalf of Otter Tail, and to the General Manager, Minnkota Power Cooperative, Inc., Grand Forks, North Dakota, on behalf of Minnkota, and to the General Manager, Northern Municipal Power Agency, Thief River Falls, Minnesota, on behalf of Agency. The designation of the persons to be notified or the address of such person may be changed at any time by similar notice.

3.08 Term of Agreement. This Agreement shall continue in effect from the date first above mentioned and until January 1, 2005, and, if not then terminated by not less than 48 months prior written notice given by either Party to the other Party, shall continue in full force and effect until so terminated.

3.09 Regulation and Administrative Approval. This Agreement is subject to the regulation of any governmental regulatory body or bodies having jurisdiction thereof, and shall be of no force and effect unless it is approved by the Administrator of the Rural Electrification Administration.

ARTICLE IV

COYOTE TRANSMISSION FACILITIES

4.01 Percentage Participation of Otter Tail and Minnkota in the Coyote Transmission

Agreement costs will be as follows:

	Otter Tail	Minnkota
115 kV Tie Lines	35	30
Coyote-Center 345 kV Lines	35	30
Center 345 kV Substation	35	30
Maple River 345 kV Substation	35	30
Conversion of Center-Maple River 230 kV Line to 345 kV	27.5	55
Conversion of Jamestown and Buffalo Substations to 345 kV	47.5	35

Center-Maple River 345 kV Line

4.02 Minnkota has acquired or will acquire right of way easements by purchase or condemnation together with all associated permits, licenses and property rights associated therewith for modification and uprating of the Center-Maple River transmission line from 230 to 345 kV and will contract for the construction thereof in the sole name of Minnkota and be the sole owner thereof.

345 kV Substation Sites

4.03 Minnkota will provide the unimproved sites for the Center, Maple River, and Buffalo 345 kV substations. Otter Tail will provide the unimproved site for the Jamestown 345 kV substation.

Center 345 kV Substation

4.04 Otter Tail will provide and maintain a 300 MVA 345/230 kV substation near the Milton R. Young Station at Center, North Dakota to provide termination and protection for the two Coyote-Center 345 kV lines, the Center-Maple River 345 kV line and the Center-Square Butte 230 kV line. Space only shall be provided for connection of three additional 345 kV lines and one future generator unit. The

general arrangement of the facilities to be installed at the Center 345 kV substation shall be in accordance with Exhibit G attached hereto.

Maple River 345 kV Substation

4.05 Otter Tail will provide and maintain a 600 MVA 345/230 kV substation at the existing Maple River substation site near Fargo, North Dakota, to provide termination and protection for the Center-Maple River 345 kV line, two 300 MVA 345/230 kV transformers and connection to the existing 230 kV Maple River substation. The general arrangement of the facilities to be installed at the Maple River substation shall be in accordance with Exhibit H attached hereto.

Jamestown 345 kV Substation

4.06 Otter Tail will provide, construct and maintain a 345/115/41.6 kV substation at the existing Jamestown substation site near Fried, North Dakota. The general arrangement of the facilities to be installed at the Jamestown 345 kV substation shall be in accordance with Exhibit C-2 attached hereto.

Buffalo 345 kV Substation

4.07 Minnkota will provide, construct and maintain all 345 kV switching facilities, 345 kV terminal structures and microwave extension for communication, relaying and control at the existing Buffalo substation near Buffalo, North Dakota.

Otter Tail will provide, construct and maintain the 345/115/41.6 kV transformation and all 115 kV and lower voltage facilities including metering and all other protective and control equipment at the substation including the control house. The general arrangement of the facilities to be installed in the Buffalo 345 kV substation shall be in accordance with Exhibit F-1 attached hereto.

Transmission Line Protective Relaying

4.08 To the extent that Minnkota's existing 230 kV transmission line protective relays at the Center-Jamestown and Maple River Substations can be utilized at 345 kV, these relays will be furnished and maintained by Minnkota.

ARTICLE V

COYOTE PROJECT TRANSMISSION

5.01 Effective as of the closing date of the sale of the Coyote Project Transmission, Minnkota assigned, transferred, conveyed, set over, and relinquished to Agency Minnkota's 100% undivided ownership interest in the modifications and additions to the existing Minnkota 230 kV transmission line extending from the Center 345 kV substation to the Maple River 345 kV substation for 345 kV operation (the "Coyote Project Transmission"), and all of its right, title and interest in this Agreement as it pertains to the Coyote Project Transmission.

5.02 Agency shall be a party to this Agreement, effective as of the closing date of the Coyote Project Transmission referenced in section 5.01, with respect to the Coyote Project Transmission, and wherever used in this Agreement or any exhibits attached hereto, the word "Minnkota" or "Parties," as such terms relate to the Coyote Project Transmission on and after such closing date, shall be read as or shall include, as the case may be, "Agency."

5.03 Effective as of the closing date of the Coyote Project Transmission referenced in section 5.01, Minnkota shall no longer be a party to this Agreement insofar as it pertains to the Coyote Project Transmission.

5.04 Participation in Facilities. Participation of Otter Tail and Agency in the ownership of certain transmission, substation and communication facilities constructed in connection with the Coyote Station Agreement is:

<u>Item</u>	<u>Owner</u>	<u>Percent Ownership</u>	<u>Cost</u>
Maple River 345 kV Substation	Otter Tail	88.476	\$ 3,319,618
	Agency	<u>11.524</u>	<u>432,397</u>
		100.000	\$ 3,752,015
Buffalo Substation Uprate to 345 kV	Otter Tail	91.693	\$ 878,236
	Agency	<u>8.307</u>	<u>79,569</u>
		100.000	\$ 957,805
Jamestown Substation Uprate to 345 kV	Otter Tail	87.927	\$ 1,778,476
	Agency	<u>12.073</u>	<u>244,191</u>
		100.000	\$ 2,022,667

Center 345 kV Substation	Otter Tail	77.063	\$ 3,302,288
	Agency	<u>22.937</u>	<u>982,885</u>
		100.000	\$ 4,285,173
Center-Maple River Line Uprate to 345 kV	Otter Tail	22.602	\$ 5,071,788
	Agency	<u>77.398</u>	<u>17,367,806</u>
		100.000	\$22,439,594
Coyote 345/115 kV Substation	Montana-Dakota	95.169	\$ 5,392,826
	Northwestern	2.958	167,640
	Minnesota Power	1.480	83,845
	Otter Tail	0.176	9,970
	Agency	<u>0.217</u>	<u>12,313</u>
		100.000	\$ 5,666,594
Communication and Control	Montana-Dakota	66.915	\$ 230,957
	Otter Tail	6.394	22,068
	Agency	<u>26.691</u>	<u>92,124</u>
		100.000	\$ 345,149

5.05. Agency to Otter Tail. Agency agrees to transfer ownership to Otter Tail of Agency's interest in the Center-Maple River 345 kV transmission line from the Jamestown substation westward a distance of approximately 47.74 miles to and including structure number 454. Agency will provide a Bill of Sale to Otter Tail itemizing the units of property being transferred. Agency will also provide to Otter Tail a transfer of easement rights such that Otter Tail will have adequate access rights to its property.

ARTICLE VI

OPERATION AND MAINTENANCE SERVICE

6.01. Operation and Maintenance Service (O&M). Minnkota agrees to operate, maintain and replace the Otter Tail portion of the Center-Jamestown 345 kV line in accordance with the normal practices of the industry. The maintenance to be performed will be determined on the basis of air inspections and/or ground inspections. Required emergency inspections, repairs and maintenance will be performed as soon as practical upon discovery of the need thereof.

Minnkota will perform all maintenance and operational inspections, either with its own crew or with crews hired under special contract.

6.02. Minnkota will purchase and stock at convenient locations, an adequate supply of necessary transmission line materials, such as insulators, conductor, shield wire, other supporting structural members and special hardware which shall remain the property of Minnkota.

6.03 Billing Calculation for O&M Service. The following procedure shall be utilized to determine the amount of monthly payment due Minnkota by Otter Tail for O&M work performed by Minnkota for Otter Tail's account and associated with Otter Tail's interest in the Center-Jamestown 345 kV transmission line:

$$\text{Monthly O\&M Payment} = \frac{\text{Total Monthly Actual Minnkota Transmission System O\&M Cost}}{\text{Total Adjusted Transmission Line Mileage}} \times \text{Adjusted Otter Tail 345 kV Transmission Line Mileage}$$

Where

* Total monthly actual Minnkota transmission system O&M costs are equal to the sum of all expenses included in the FPC Uniform Systems of Accounts, Accounts Numbers 563 Overhead Line Expenses and 571 Maintenance of Overhead Lines.

* Adjusted total transmission line mileage is the sum of:

$$\frac{69 \text{ kV and } 41 \text{ kV}}{1.0} + \frac{115 \text{ kV and } 230 \text{ kV}}{1.5} + \frac{345 \text{ kV}}{2} \quad \text{Miles in the Minnkota System}$$

* Adjusted Otter Tail 345 kV line mileage is equal to:

Otter Tail Investment in Center-Jamestown 345 kV line
Negotiated Value of 345 kV Line Per Mile (\$165,000)

$$= \frac{\$5,071,788}{165,000} = 30.74 \text{ Miles}$$

For example, for the 12 month period,
January 1 to December 31, 1985

$$\text{The sum of monthly O\&M payments} = \frac{\$1,435,065}{2551.3 \text{ miles}} \times 30.74 \text{ miles} = \$17,290.75$$

6.04 Otter Tail shall promptly pay Minnkota for each month's service within fifteen (15) days after receipt of billing therefor.

ARTICLE VII
FACILITY OWNERSHIP

7.01 The Parties are to be individually the sole owners of separate segments of the facilities constructed pursuant to the Coyote Transmission Agreement and Articles IV and V of this Agreement. There is attached hereto as Exhibits I and J and made a part hereof, a listing of the cost of constructing such facilities and the division of ownership. Appropriate documents to accomplish said division, as required by counsel for the Parties, will be executed and delivered, conveying the separate segments, free of liens. In the event that the desired ownership of discrete system components cannot be achieved in proportion to ownership requirements, it is the intent that the Parties will adjust ownership proportions of future facilities to compensate for such difference.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed as of the day and year first above written.

ATTEST
(SEAL) Stacie M. Hebert
STACIE M. HEBERT

ATTEST
(SEAL) Joel L. Larson
JOEL L. LARSON

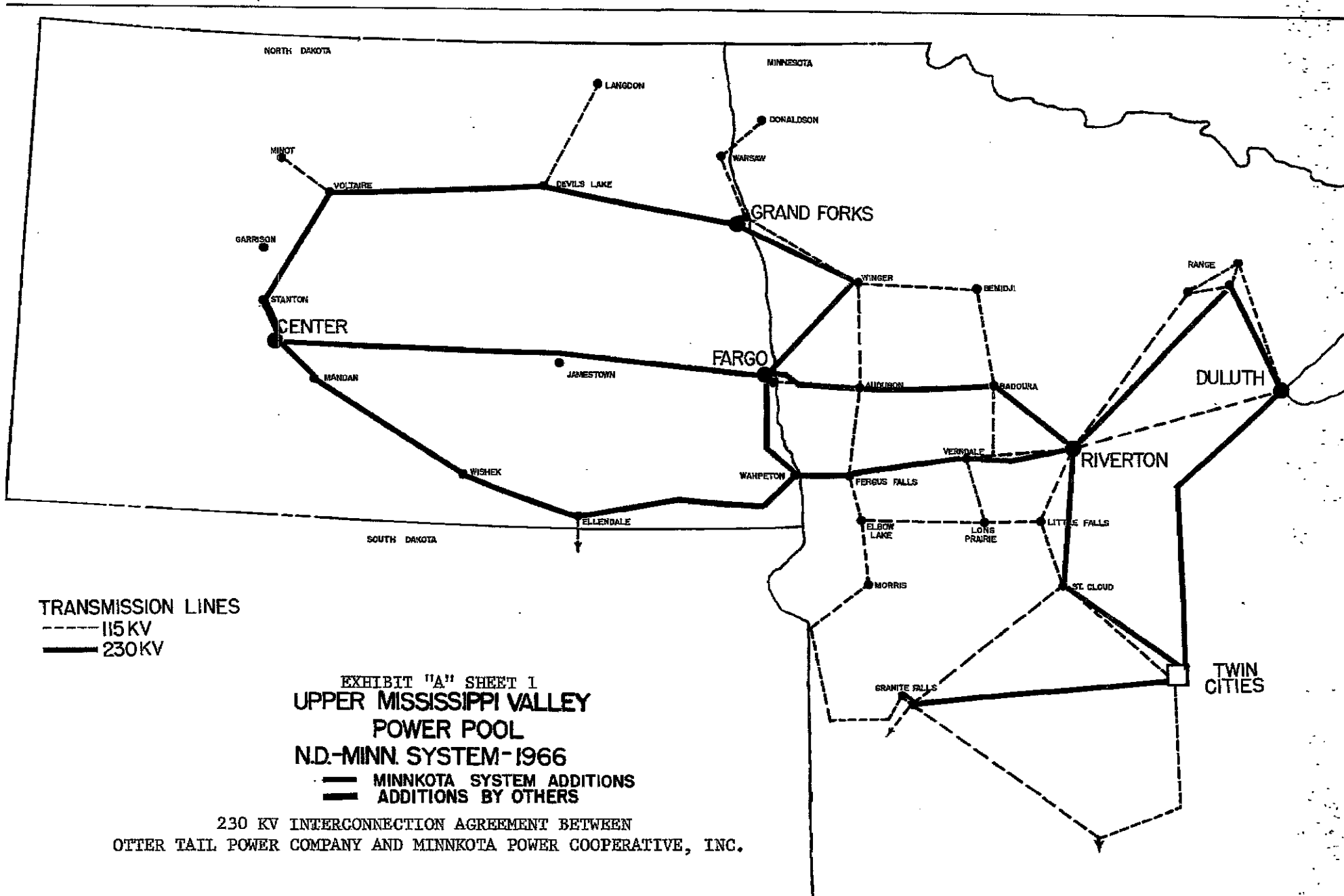
ATTEST
(SEAL) [Signature]

OTTER TAIL POWER COMPANY
By JoAnn M. Thompson
JOANN M. THOMPSON

MINNKOTA POWER COOPERATIVE, INC.
By Lowell Stave
Lowell STAVE

NORTHERN MUNICIPAL POWER AGENCY
By [Signature]

Exhibit A



NORTH DAKOTA

MINNESOTA

MINOT

LANGDON

DONALDSON

VOLTAIRE

DEVILS LAKE

WARSAW

GRAND FORKS

GARRISON

STANTON

YINGER

RANGE

CENTER

FARGO

BEMIDJI

MANDAN

JAMESTOWN

AUDUBON

RADOURA

DULUTH

WISHEK

WANPETON

VERSDALE

RIVERTON

SOUTH DAKOTA

ELLEDDALE

FERGUS FALLS

ELBOW LAKE

LONG PRAIRIE

LITTLE FALLS

MORRIS

ST. CLOUD

GRANITE FALLS

TWIN CITIES

EXHIBIT A - Sheet 2

230 KV Interconnection Agreement between Otter Tail Power Company and
Minnkota Power Cooperative, Inc.

Facilities to be Provided by the Parties

Minnkota Power Cooperative, Inc.

1970	Center - Fargo 230 KV line	210 miles
1969	Fargo - Winger 230 KV line	66 miles
1969	Winger - Grand Forks 230 KV line	64 miles
*1969	Fargo - Wahpeton 230 KV line	55 miles
*1969	Center - Heskett 230 KV line	23 miles
1969	Fargo 230 KV substation including six 230 KV circuit breakers and one 115/69 KV trans- former (Excluding 230/115 KV transformation.)	
1969	Winger 230 KV substation including one 230 KV circuit breaker (Excluding 230/115 KV transformation.)	
1969	Grand Forks - two 230 KV circuit breakers	

Otter Tail Power Company

1969	Fargo - Audubon 230 KV line conversion	48 miles
*1969	Wahpeton 230 KV substation including one 230 KV circuit breaker and 230/41.6 KV transformer	
1969	Winger 230/115 KV transformer (75/100/125 MVA) and 115 KV circuit breaker	
1969	Fergus Falls - one 230 KV circuit breaker	
1969	Fergus Falls - Henning 230 KV line conversion	33 miles
1969	Henning 230/41.6 KV substation	

* May be installed earlier by separate agreement.

Exhibit B-2

EXHIBIT B-2

230 INTERCONNECTION AGREEMENT
between
OTTER TAIL POWER COMPANY
and
MINNKOTA POWER COOPERATIVE, INC.

Points of Interconnection

a. Wahpeton Interconnection. The systems of Otter Tail and Minnkota will be interconnected at 230 kV at a point near Wahpeton, North Dakota, where Minnkota's Fargo-Wahpeton 230 kV line connects to Otter Tail's Wahpeton 230 kV Substation located north of Wahpeton, North Dakota. (Sec. 33, Twp. 133N., R. 47W., Richland County, North Dakota.)

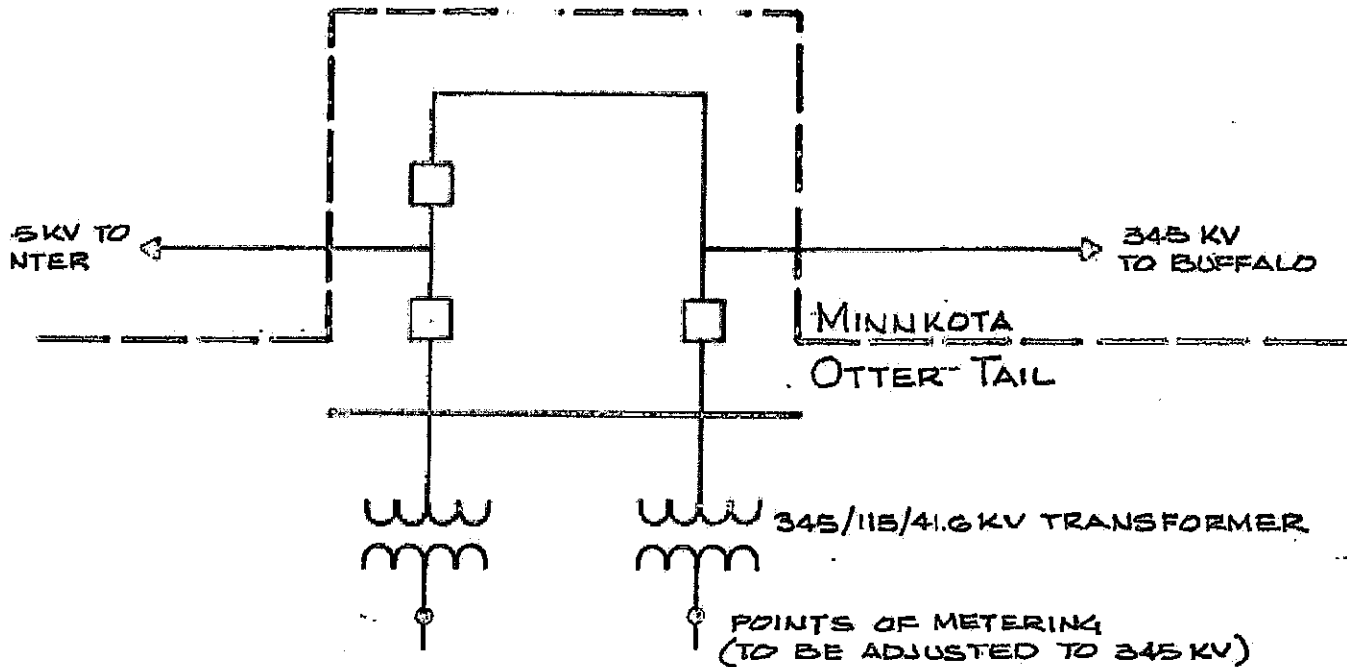
b. Winger Interconnection. The systems of Otter Tail and Minnkota will be interconnected at 230 kV at the Winger Substation located near Winger, Minnesota. (S. 1/2 of Sec. 9, Twp. 147N., R. 42W., Polk County, Minnesota.)

c. Jamestown Interconnection. The systems of Otter Tail and Minnkota will be interconnected at 230 kV at Otter Tail's Jamestown Substation located near Jamestown, North Dakota. (NE 1/4 of SE 1/4 Sec. 17, Twp. 41N., R. 63W., Stutsman County, North Dakota.)

d. Buffalo Interconnection. The systems of Otter Tail and Minnkota will be interconnected at 230 kV at the Buffalo Substation located near Buffalo, North Dakota. (N.E. 1/4 of N.E. 1/4, Sec. 8, Twp. 140N., R. 54W., Cass County, North Dakota.)

e. Shevlin Interconnection. The systems of Otter Tail and Minnkota will be interconnected at 230 kV at a location near Shevlin, Minnesota. (N.E. 1/4 of N.W. 1/4 of Sec. 11, Twp. 146N., R. 37W., Clearwater County, Minnesota.)

Exhibit C-2



MINNKOTA
 LINE PROTECTION AND CONTROL TERMINALS

OTTER TAIL
 MICROWAVE AND MULTIPLEX CHANNELS
 SUPERVISORY CONTROL AND TRANSFORMER
 PROTECTION TERMINALS

EXHIBIT "C-2"

SUPPLEMENT NO. 4 TO THE 230 KV
 INTERCONNECTION AGREEMENT BETWEEN
 OTTER TAIL POWER COMPANY AND
 MINNKOTA POWER COOPERATIVE INC.

JAMESTOWN 345 KV SUBSTATION
 EXHIBIT "C-2"
 MINNKOTA POWER COOPERATIVE INC.

Exhibit D

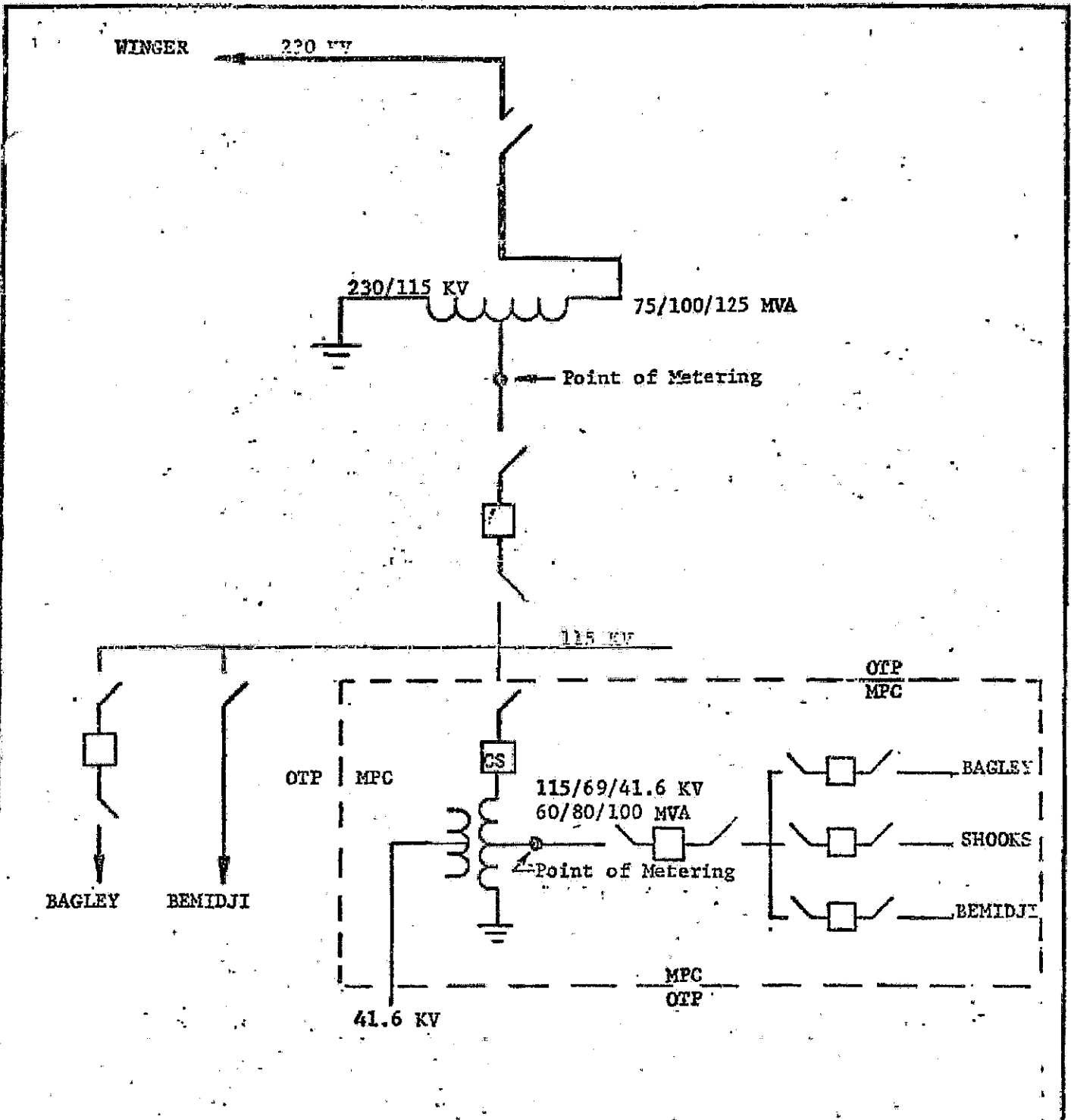


EXHIBIT "D"
 Supplement No. 3 to the 230 KV
 Interconnection Agreement between
 Otter Tail Power Company and
 Minnkota Power Cooperative, Inc.

WILTON 230/115 KV SUBSTATION			
EXHIBIT "D"			
MINNKOTA POWER COOPERATIVE, INC			
<small>GRAND FORKS, NORTH DAKOTA</small>			
	<small>DRAWN</small>	<small>DATE</small>	
<small>DATE</small>	<small>REVISION</small>	<small>CHECKED</small>	<small>SCALE</small>
		<small>SHEET</small>	<small>OF</small>

Exhibit E

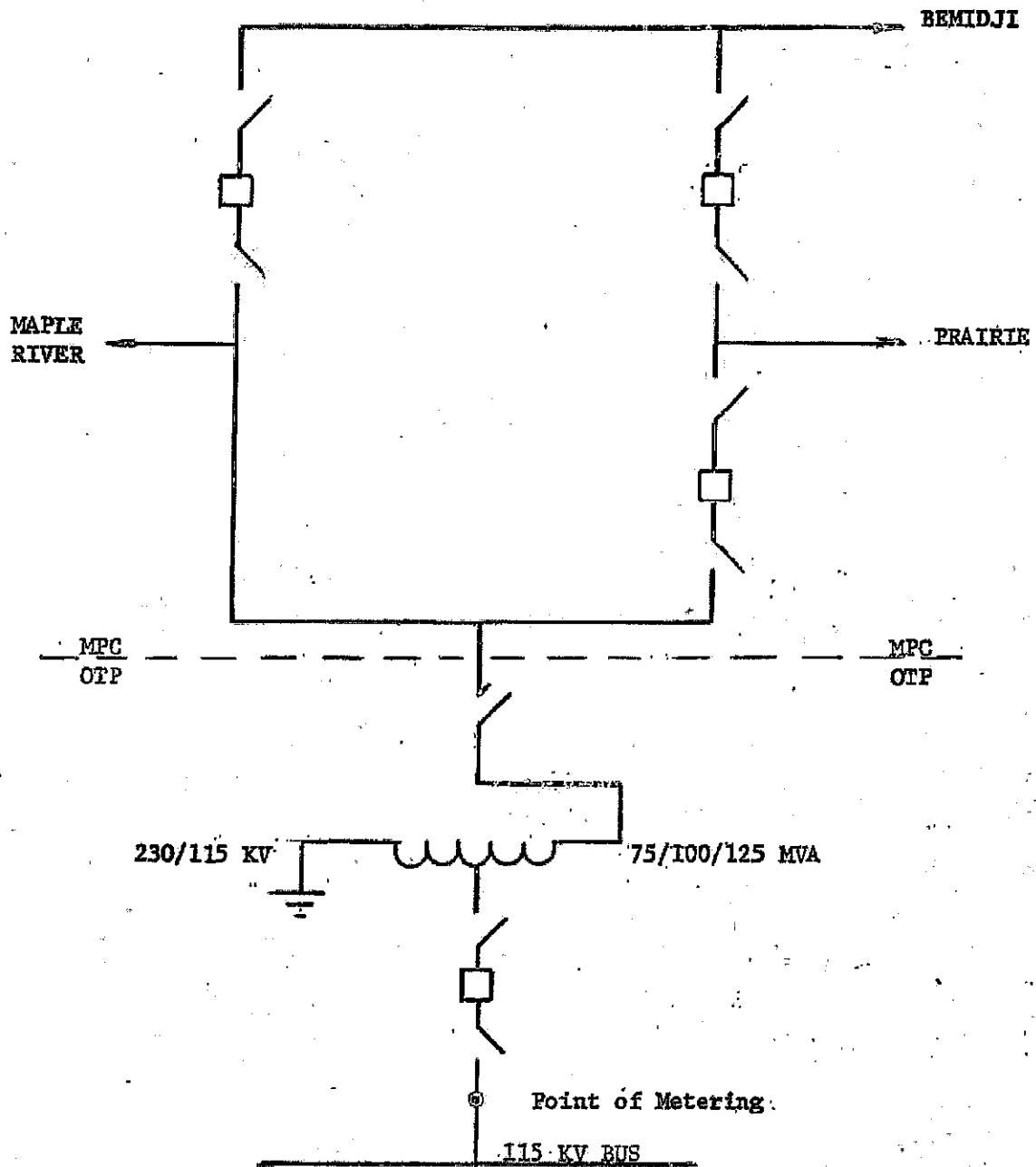


EXHIBIT "E"

Supplement No. 3 to the 230 KV
Interconnection Agreement between
Otter Tail Power Company and
Minnkota Power Cooperative, Inc.

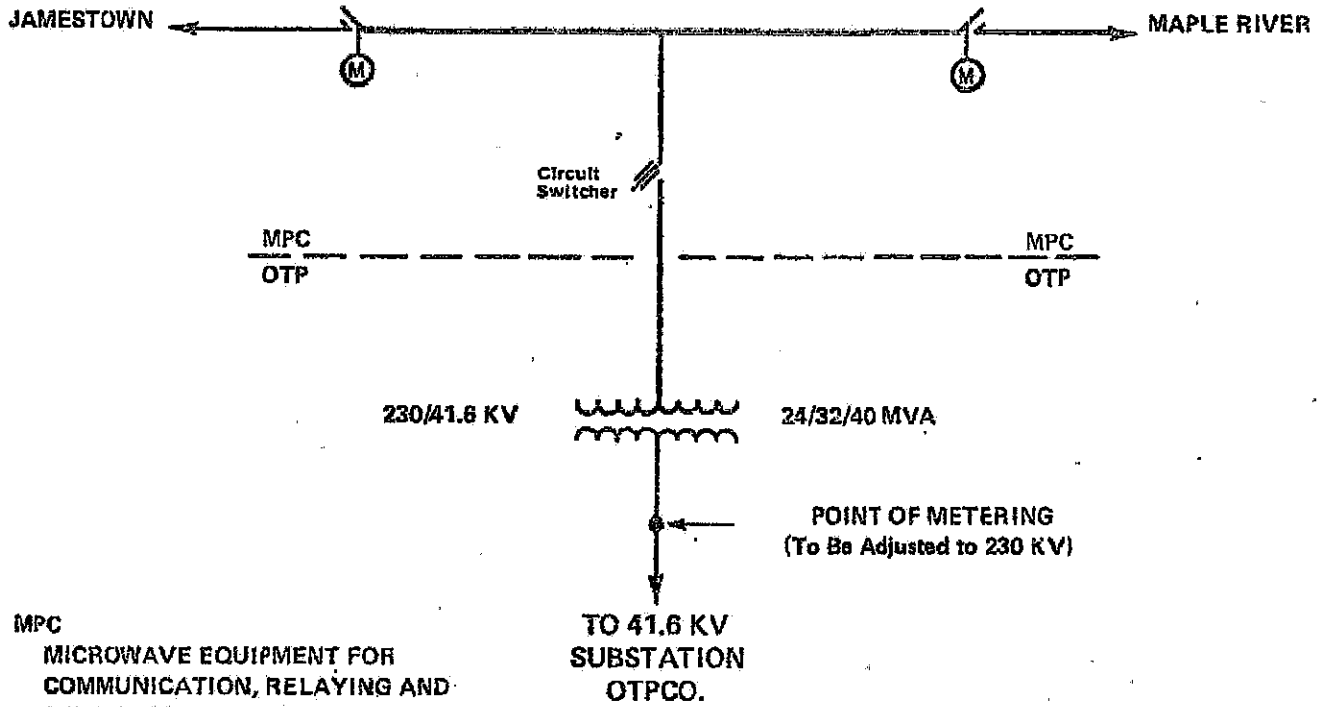
WINGER 230/115 KV SUBSTATION

EXHIBIT "E"

MINNKOTA POWER COOPERATIVE, INC
GRAND FORKS, NORTH DAKOTA

		DRAWN	DATE		
DATE	REVISION	CHECKED	SCALE	SHEET	OF

Exhibit F



MPC
 MICROWAVE EQUIPMENT FOR
 COMMUNICATION, RELAYING AND
 SUPERVISOR CONTROL
 SUBSTATION SITE

OTP
 TRANSFER TRIP RECEIVERS
 SUPERVISORY CONTROL
 CONTROL HOUSE

EXHIBIT "F"

Supplement No. 3 to the 230 KV
 Interconnection Agreement between Otter
 Tail Power Company and Minnkota Power
 Cooperative, Inc.

BUFFALO 230/41.6 KV SUBSTATION

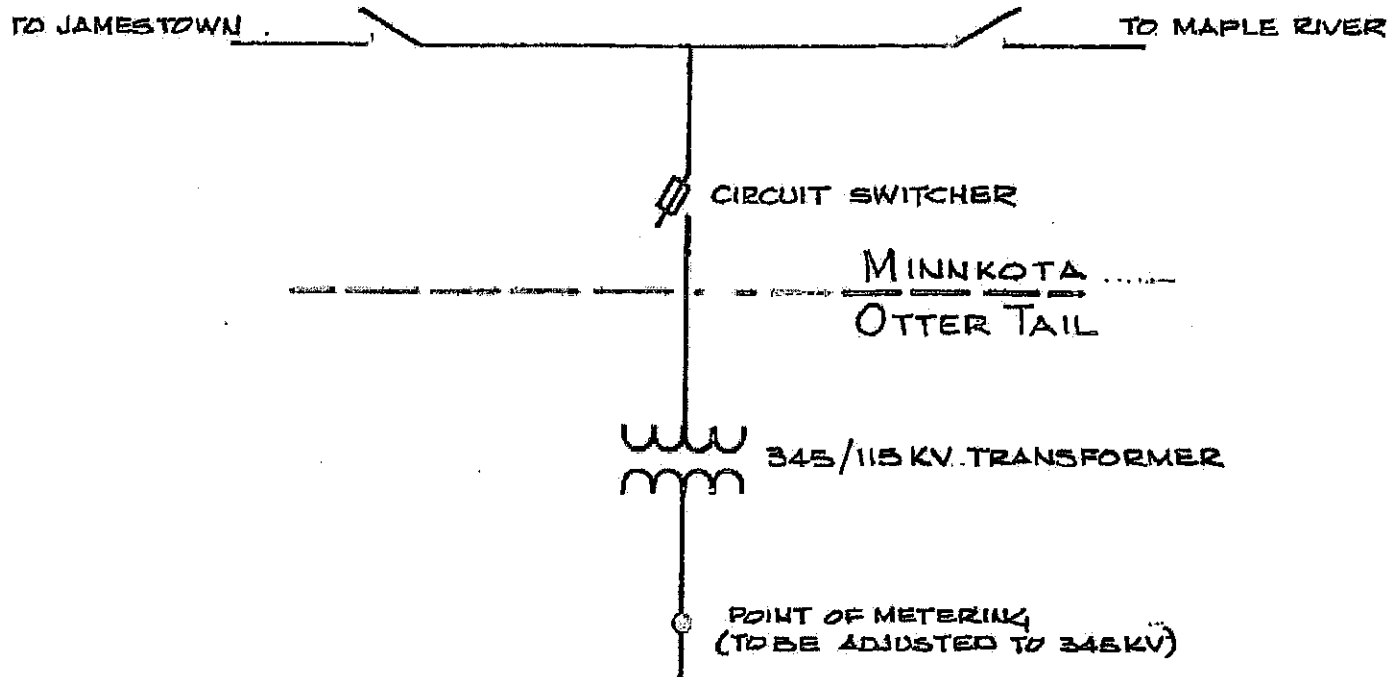
EXHIBIT "F"

MINNKOTA POWER COOPERATIVE, INC.

GRAND FORKS, NORTH DAKOTA

DATE	REVISION	DRAWN	DATE	CHECKED	SCALE
					SHEET OF

Exhibit F-1



MINNKOTA

MICROWAVE EQUIPMENT AND MULTIPLEX CHANNELS,
345KV STRUCTURES, BUS AND SWITCHING EQUIPMENT,
SITE AND FENCE

OTTER TAIL

TRANSFORMER PROTECTION TERMINALS,
TRANSFER TRIP RECEIVERS,
SUPERVISORY CONTROL EQUIPMENT,
CONTROL HOUSE AND BATTERIES

EXHIBIT "F-1"

SUPPLIMENT NO. 4 TO THE 230 KV
INTERCONNECTION AGREEMENT BETWEEN
OTTER TAIL POWER COMPANY AND
MINNKOTA POWER COOPERATIVE INC.

BUFFALO 345KV SUBSTATION

EXHIBIT "F-1"

MINNKOTA POWER COOPERATIVE INC.

Exhibit G

345 KV TO
COYOTE

345 KV TO
COYOTE

300 MVA
345/230 KV

OTTER TAIL
MINNKOTA

345 KV TO
JAMESTOWN

230 KV TO
SQUARE BUTTE

EXHIBIT "G"

SUPPLEMENT NO. 4 TO THE 230 KV
INTERCONNECTION AGREEMENT
BETWEEN OTTER TAIL POWER COMPANY
AND MINNKOTA POWER COOPERATIVE INC.

CENTER 345 KV SUBSTATION
EXHIBIT "G"
MINNKOTA POWER COOPERATIVE INC

Exhibit H

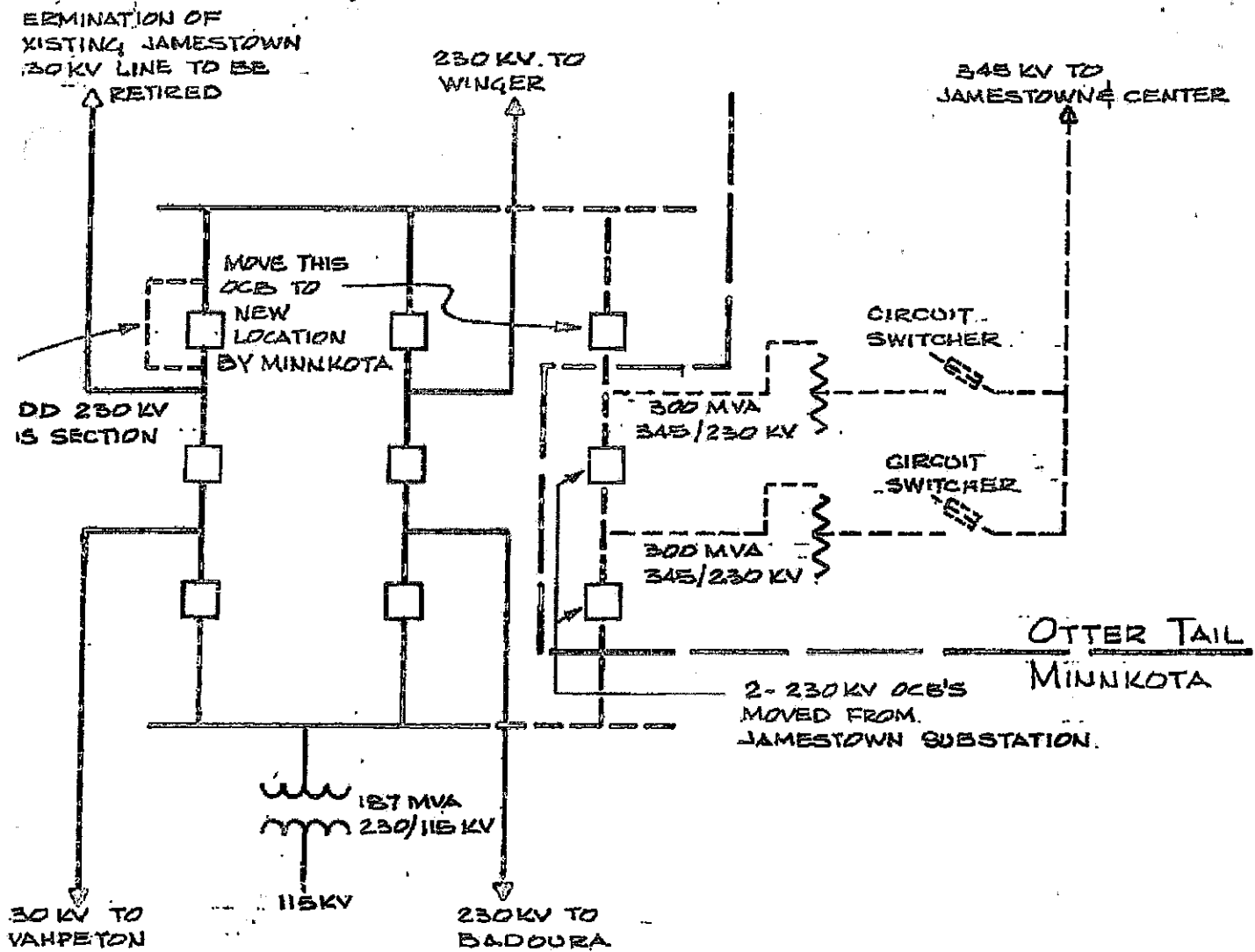


EXHIBIT "H"

SUPPLEMENT NO. 4 TO THE
 230 KV INTERCONNECTION AGREEMENT
 BETWEEN OTTER TAIL POWER COMPANY AND
 MINNKOTA POWER COOPERATIVE INC.

MAPLE RIVER 345 KV SUBSTATION
 EXHIBIT "H"

MINNKOTA POWER COOPERATIVE INC.

Exhibit I

EXHIBIT "I"

SUPPLEMENT NO. 4 TO 230 KV INTERCONNECTION AGREEMENT

TENTATIVE DIVISION OF OWNERSHIP
OF
COYOTE TRANSMISSION FACILITIES

<u>Item</u>	<u>Tentative Owner(s)</u>	<u>Tentative % Ownership</u>	<u>Estimated Cost \$1,000's</u>	
Two Coyote 115 KV Tie Lines	Montana-Dakota	100.00		\$ 100
Two Coyote-Center 345 KV Lines	Montana-Dakota	46.50	\$9,410	
	Northwestern	23.50	4,755	
	Minnesota Power	11.80	2,378	
	Otter Tail	18.20	3,684	
		<u>100.00</u>		20,227
Center 345 KV Substation	Otter Tail	100.00		8,552
Maple River 345 KV Substation	Otter Tail	100.00		4,990
Jamestown 345 KV Substation	Otter Tail	100.00		2,000
Buffalo 345 KV Substation	Otter Tail	47.75	955	
	Minnkota	52.25	1,045	
		<u>100.00</u>		2,000
Uprate Center- Maple River 230 KV Line to 345 KV	Minnkota	100.00		<u>23,368</u>
				\$61,237

Exhibit J

EXHIBIT "J" TO SUPPLEMENT NO. 6 TO THE
230 KV INTERCONNECTION AGREEMENT
BETWEEN OTTER TAIL, MINNKOTA
AND NORTHERN

OTP-MPC/NMPA-SQUARE BUTTE OWNERSHIP AND
MAINTENANCE RESPONSIBILITIES FOR THE
COYOTE PROJECT

- I. OTP Ownership and Maintenance Responsibilities at the Center, Jamestown, Buffalo and Maple River 345 kV Substations:
1. All 345 kV Air Circuit Breakers
 2. All 345 kV Line Switches
 3. All 345 kV Breaker Disconnect Switches
 4. All 345 kV Circuit Switches
 5. Five 345 kV Transformers:
 - Two 345/115/41.6 kV Transformers at Jamestown
 - One 345/115/41.6 kV Transformer at Buffalo
 - Two 345/230/13.8 kV Transformers at Maple River
 6. All 345 kV Coupling Capacitor Voltage Transformers (CCVT)
 7. All 345 kV Potential Transformers (PT)
 8. All 345 kV Current Transformers (CT)
 9. All 345 kV Line Traps
 10. All 345 kV Control Houses
 11. Maple River 230 kV Line Switches 694 and 684
 12. Maintenance only (not ownership) of the real estate of the Center and Maple River 345 kV Substations
 13. All Control House Battery Banks
 14. All Other Equipment, Material and Real Estate Associated with the 345 kV Substations Except as Specifically Designated to MPC/NMPA and/or Square Butte as per Items II and III of this listing.
- II. MPC/NMPA Ownership and Maintenance Responsibilities Within OTP's 345 kV Substations
- A. Center 345 kV:
1. Panel 7W - Jamestown Line Transfer Trip
 2. Panel 8W - Jamestown Line Secondary Relaying
 3. Panel 9W - Jamestown Line Primary Relaying
 4. Panel 10W - Overall, 345 kV Bus and 230 kV Tie Line Different Relays
 5. Panel 11W - 345 and 13.8 kV Metering
 6. Panel 13E - ACB 3245 Control, Breaker Failure, Reclosing and Synchrocheck
 7. Panel 14E - ACB 3235 Control Breaker Failure, Reclosing and Synchrocheck

8. Panel 15 E- ACB 3215 Control, Breaker Failure, Reclosing and Synchrocheck
9. Panel 17E - Annunciator and Mod Control
10. Communication Equipment (Fiber Optics to Square Butte)
11. Telephone Communication Systems (MPC/NMPA, PBX Extension)
12. MPC/NMPA Supervisory Remote Station
13. Control House KWHR Meter (From MPC/NMPA to OTP)
14. Compressor House KWHR Meter from MPC/NMPA to OTP)
15. Panel W19 - Transformer Protection (NOTE: This was originally designed to be owned by OTP but with MPC/NMPA now owning the Transformer, Panel W19 will be modified and moved to be MPC/NMPA's Panel 6W.)
16. 345/230/13.8 kV Transformer and Associated 230 kV Disconnect Switch 2219
17. General Electric 24/7.2 kV Grounding Transformer
18. All 13.8 kV Equipment and Material at the Center 345 station except as specifically designated to Square Butte as per Item III of this listing.

B. Jamestown 345 kV:

1. Panel 1N - Center Line Primary Relaying
2. Panel 2N - Center Line Secondary Relaying
3. Panel 3N - ACB 3115 Control, Breaker Failure
4. Panel 4N - ACB 3125 Control, Breaker Failure, Reclosing and Synchrocheck
5. Panel 5N - ACB 3135 Control, Breaker Failure, Reclosing and Synchrocheck
6. Panel 6N - 345 kV Transfer Trip
7. Panel 7N - Maple River-Buffalo Line Westinghouse Relaying
8. MPC/NMPA Supervisory Remote Station

C. Buffalo 345 kV:

1. Panel 4 - Jamestown-Maple River Line Westinghouse Relaying
2. Panel 5 - 345 kV Transfer Trip
3. Panel 6 - MPC/NMPA Supervisory Remote Station
4. Telephone Communication Systems (Dantel)
5. Microwave Equipment

D. Maple River 345 kV:

1. Panel E10 - OCB 67 Control, Breaker Failure, Reclosing and Synchrocheck
2. Panel E11 - OCB 68 Control, Breaker Failure, and Synchrocheck
3. Panel E12 - OCB 69 Control, Breaker Failure

and Synchrocheck

4. Panel E14 - Annunciator
5. Panel W15 - Buffalo-Jamestown Line
Westinghouse Relaying
6. Panel W10 - Metering and Transfer Trip
7. Panel W11 - MPC/NMPA Supervisory Remote Station
8. Telephone Communication Systems (MPC/NMPA PBX Extension
and Dante1 Extension)
9. Two Control House KWHR Meters (MPC/NMPA to OTP)
10. 230 kV OCB's 67, 68, and 69 and Associated Disconnect
Switches and Bus Work (i.e., all 230 kV Equipment and
Material up to, but not including, Transformer Disconnect
Switches 684 and 694)

III. Square Butte Ownership and Maintenance Responsibilities Within OTP's 345 kV Substations

A. Center 345 kV:

1. 13.8 kV OCB 085 and Associated Disconnect Switches
2. Underground 13.8 kV Cable from OCB 085
3. 13.8 kV Metering CT's and PT's
4. Neutral Grounding Resistor and CT
5. Ground Disconnect Switch 8514
6. Grounding Transformer Fused Disconnect 8511
7. Panel 16E - 13.8 kV Control and Protection
8. Control House KWHR Meter (from Square Butte to
OTP)
9. Compressor House KWHR Meter (from Square Butte to
OTP)
10. 50 KVA, Single Phase, 13.8 kV/240 VAC Westinghouse
Padmount Transformer Located Directly East of the
Control House.

IV. Sharing of major maintenance costs for Center and Maple River 345/230/13.8 kV transformers.

- A. Center. Should the Center 345/230/13.8 kV transformer
require major maintenance involving removal of the
transformer from its substation foundation slab to an
off site service shop, Otter Tail and Minnkota will
each bear 50 percent of the cost of said repair
including removal, transportation, shop work and
reinstallation at the Center 345 kV substation.
- B. Maple River. Should either or both Maple River
345/230/13.8 kV transformers require major maintenance
involving removal of the transformer from its
substation foundation slab to an off site service shop,
Otter Tail will pay 75 percent and Minnkota 25 percent
of the cost of said repair, including removal,
transportation, shop work and reinstallation at the
Maple River substation.