

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

<b>IN THE MATTER OF THE FILING BY OTTER</b>	)	<b>ORDER APPROVING TARIFF</b>
<b>TAIL CORPORATION D/B/A OTTER TAIL</b>	)	<b>REVISIONS</b>
<b>POWER COMPANY FOR APPROVAL OF</b>	)	
<b>REVISIONS TO ITS VOLUNTARY</b>	)	<b>EL06-006</b>
<b>RENEWABLE ENERGY RIDER</b>	)	

On February 15, 2006, the Public Utilities Commission (Commission) received an application from Otter Tail Corporation d/b/a Otter Tail Power Company (OTP) requesting approval of revisions to its Voluntary Renewable Energy Rider which would reduce the cost to consumers for purchasing a 100 kWh block of renewable energy. The Application would also remove reference to a termination date for the program. The Application requests an effective date of September 1, 2005, and Otter Tail is proposing to refund to customers the difference between the amounts actually collected since that time and the new proposed rates. OTP asked for approval of the following tariff sheets of its Electric Rate Schedule:

Section No. 3, Volume I, 1<sup>st</sup> Revised Sheet No. 91.5, Canceling Original Sheet No. 91.5, Rate Designation M-15S, pages 1 of 2 and 2 of 2.

OTP's Petition in this matter states, in part, that "[t]he proposed revised Rider reduces the renewable rate from \$2.60 per 100 kWh to \$1.60 per 100 kWh, due to changes in the costs."

At its regularly scheduled April 11, 2006, meeting, the Commission considered approval of the application. OTP appeared via teleconference. Commission Staff recommended approval, subject to the following conditions:

- (i) That OTP submit annually to the Commission the Minnesota Public Utilities Commission order approving OTP's composite energy rate and, also, data on any planned acquisitions of new wind power or contract changes to existing wind power contracts;
- (ii) That OTP understands that should costs exceed rates for the renewable program, OTP would not be able to recover those deficits retroactively; and
- (iii) That OTP submit a summary report to the Commission of the refund when the refund is complete.

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

ORDERED, that OTP's aforementioned tariff sheets as described above are approved and shall be effective for service rendered on and after September 1, 2005, subject to the following conditions:

- (i) That OTP submit annually to the Commission the Minnesota Public Utilities Commission order approving OTP's composite energy rate and, also, data on any planned acquisitions of new wind power or contract changes to existing wind power contracts;

- (ii) That OTP understands that should costs exceed rates for the renewable program, OTP would not be able to recover those deficits retroactively; and
- (iii) That OTP submit a summary report of the refund to the Commission when the refund is complete.

Dated at Pierre, South Dakota, this 25<sup>th</sup> day of April, 2006.

<b>CERTIFICATE OF SERVICE</b>
The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, by facsimile or by first class mail, in properly addressed envelopes, with charges prepaid thereon.
By: <u>Helaine Kolbo</u>
Date: <u>4/27/06</u>
(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

Robert K. Sahr  
ROBERT K. SAHR, Chairman

Dustin M. Johnson  
DUSTIN M. JOHNSON, Commissioner

Gary Hanson  
GARY HANSON, Commissioner