

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

IN THE MATTER OF THE APPLICATION OF)	ORDER APPROVING
OTTER TAIL CORPORATION D/B/A OTTER)	REQUEST FOR AUTHORITY
TAIL POWER COMPANY FOR AUTHORITY TO)	TO USE CURRENT RATE
INCREASE ITS ELECTRIC RATES)	DESIGN
)	EL08-030

On October 31, 2008, Otter Tail Corporation d/b/a Otter Tail Power Company (OTP), filed with the Public Utilities Commission (Commission) an application to increase rates for electric service to customers in its service territory by \$3,883,399 annually or approximately 15.3% based on OTP's 2007 test year. The company states the proposed increase for a residential customer would be \$10.68 per month or 15.0%. The proposed rates may potentially affect approximately 11,700 customers in OTP's service territory.

At its regularly scheduled meeting of November 25, 2008, the Commission found that pursuant to SDCL 49-1A-8, OTP shall be assessed a filing fee as requested by the deputy executive director up to the statutory limit of \$100,000. The Commission further established an intervention deadline of December 19, 2008. Pursuant to SDCL 49-34A-14, the Commission suspended the operation of the schedule of rates proposed by OTP for 90 days beyond November 30, 2008. At its regularly scheduled meeting of February 10, 2009, the Commission further suspended the operation of the schedule of rates proposed by OTP for 60 days beyond February 28, 2009. On April 16, 2009, the Commission received a Request for Authority to Use Current Rate Design when Implementing "Interim" Rate Increase Pursuant to SDCL Section 49-34A-17 on May 1, 2009, and Until Commission Makes Final Determination in this Matter from OTP. On April 17, 2009, the Commission received a supplemental filing to its Request from OTP.

The Commission has jurisdiction in this matter pursuant to SDCL Chapters 1-26 and 49-34A, specifically 49-34A-4, 49-34A-6, 49-34A-8, 49-34A-10, 49-34A-11, 49-34A-12, 49-34A-13, 49-34A-13.1, 49-34A-17, 49-34A-19, and 49-34A-21.

At its regularly scheduled meeting of April 21, 2009, the Commission considered the Request for Authority to Use Current Rate Design when Implementing "Interim" Rate Increase Pursuant to SDCL Section 49-34A-17 on May 1, 2009, and Until Commission Makes Final Determination in this Matter. The Commission voted unanimously to approve the Request for Authority to Use Current Rate Design when Implementing "Interim" Rate Increase Pursuant to SDCL Section 49-34A-17 on May 1, 2009, and Until Commission Makes Final Determination in this Matter. It is therefore

ORDERED, that the Request for Authority to Use Current Rate Design when Implementing "Interim" Rate Increase Pursuant to SDCL Section 49-34A-17 on May 1, 2009, and Until Commission Makes Final Determination in this Matter is hereby approved.

Dated at Pierre, South Dakota, this 8th day of May, 2009.

CERTIFICATE OF SERVICE

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, electronically.

By: *Arlaine Kolbo*

Date: 5/8/09

(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

Dustin M. Johnson
DUSTIN M. JOHNSON, Chairman *dk*

Steve Kolbeck
STEVE KOLBECK, Commissioner

Gary Hanson
GARY HANSON, Commissioner