

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

**IN THE MATTER OF THE APPLICATION BY)
OTTER TAIL POWER COMPANY FOR)
AUTHORITY TO INCREASE RATES FOR)
ELECTRIC SERVICE IN SOUTH DAKOTA)**

**ORDER GRANTING
REQUEST FOR AUTHORITY

EL10-011**

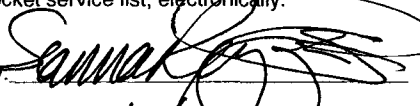
On August 20, 2010, the Commission received an application by Otter Tail Power Company (Otter Tail) for approval to increase rates for electric service in its South Dakota service territory. Otter Tail states that it proposes to increase rates by \$2,755,954 annually or 9.96% based on Otter Tail's 2009 test year. Otter Tail states a typical residential customer will see an increase of \$9.68 per month under the rate design proposed by the Company. The proposed rate may potentially affect approximately 11,700 customers in Otter Tail's service territory. At its regularly scheduled meeting of September 14, 2010, the Commission assessed a filing fee as requested by the Commission Staff up to the statutory limit of \$125,000. Further an intervention deadline of October 8, 2010, was established. Pursuant to SDCL 49-34A-14, the Commission suspended the operation of the schedule of rates proposed by Otter Tail for 180 days beyond August 20, 2010. No interveners filed in this matter. On January 19, 2011, and January 27, 2011, the Commission received a request from Otter Tail for authority to use current rate design when implementing an interim rate increase and implementing an interim rate increase at a level lower than the rate increase identified in Otter Tail's initial application pursuant to SDCL Section 49-34A-17 on February 17, 2011, and until the Commission makes a final determination in this matter.

At its regularly scheduled meeting of February 1, 2011, the Commission considered this matter. The Commission reviewed Otter Tail Power Company's request for authority to use current rate design when implementing an interim rate increase and implementing an interim rate increase at a level lower than the rate increase identified in Otter Tail's initial application. It is therefore

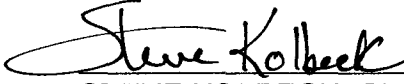
ORDERED, that Otter Tail's request for authority to use current rate design when implementing an interim rate increase and its request to implement an interim rate increase at a level lower than the rate increase identified in their initial application is hereby granted; it is further

ORDERED that Otter Tail keep an accurate account in detail of all amounts received by reason of the increase, specifying by whom and in whose behalf the amounts are paid.


Dated at Pierre, South Dakota, this 9th day of February 2011.

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: 
Date: <u>2/9/11</u>
(OFFICIAL SEAL)


BY ORDER OF THE COMMISSION:



STEVE KOLBECK, Chairman



GARY HANSON, Commissioner



CHRIS NELSON, Commissioner