

215 South Cascade Street
PO Box 496
Fergus Falls, Minnesota 56538-0496
218 739-8200
www.otpco.com (web site)



VIA ELECTRONIC DELIVERY

July 28, 2009

Ms. Patricia Van Gerpen
Executive Director
Public Utilities Commission
State of South Dakota
Pierre, SD 57501

Dear Ms. Van Gerpen:

Enclosed is the detail of the determination of the fuel adjustment factor for the three months ending June 2009. The new adjustment factor is applicable on bills dated on and after August 3, 2009 (Billing Cycle 1).

The calculation was made in compliance with the Fuel Adjustment Clause Rider, Electric Rate Schedule – Section 13.01, as approved by the South Dakota Public Utilities Commission at their June 23, 2009, commission meeting (Docket No. EL08-030). A detail schedule of the items included in the calculation is enclosed. Otter Tail Power Company requests confidential treatment of columns (F) and (G) of the detail schedule pursuant to ARSD Part 20:10:01:41 due to the competitive nature of the data in those columns. Otter Tail Power Company is requesting confidential treatment for a period of at least 12 months and will request an extension in the future if necessary. Contact Pete Beithon, Manager of Regulatory Economics at: (218) 739-8607, 215 South Cascade Street, Fergus Falls, MN 56537 with any questions of concerns regarding the confidentiality request.

Revenue from Cost of Energy Adjustment for June 2009:

Total Sales in South Dakota	28,503,668 kWh
Sales Subject to Fuel Adjustment	26,852,751 kWh
Average Rate During Period	\$.00977
Revenue in Period	\$262,393.18
Energy Cost Adjustment Rate Level 70 - Effective 8/3/09	(\$0.00653)
Energy Cost Adjustment Rate Level 42 – Effective 8/3/09	\$.00645

In this filing, Otter Tail Power Company (“Otter Tail”) has included two energy adjustment rates. The first energy adjustment rate is for all customers under standard rates under rate level 70. The second energy adjustment rate is for rate level 42 and is for municipal customers currently under a 10-year municipal service contract based on rates in effect at the time of execution of the contract. With the implementation of new rates as a result of Otter Tail’s recent rate case in