

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

Otter Tail Corporation
Advance Determination of Prudence
Application

Case No. PU-06-481

NOTICE OF HEARING

January 10, 2007

On November 14, 2006 Otter Tail Power Company (Otter Tail) filed an application for advance determination of prudence of Otter Tail's participation and ownership interest in the Big Stone II Generating Plant, Case No. PU-06-481.

On November 15, 2006 Montana-Dakota Utilities Co. (Montana-Dakota) filed an application for advance determination of prudence of Montana-Dakota's participation and ownership interest in the Big Stone II Generating Plant, Case No. PU-06-482.

Otter Tail and Montana-Dakota along with five other utilities are proposing to construct a 630 MW pulverized coal facility located adjacent to the existing Big Stone Plant in Big Stone City, South Dakota. Otter Tail and Montana-Dakota each will own 19.33 percent of Big Stone Unit II.

The companies are requesting that the Commission determine the construction of Big Stone Unit II generating station to be reasonable and prudent in order to provide the basis for future rate stability proposals the companies will present to the commission.

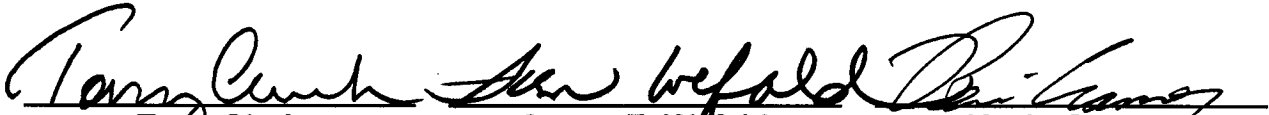
A **public hearing** on this matter will be held beginning **April 17, 2007 at 9:00 a.m. CST** in the Commission hearing room, State Capitol, 12th Floor, Bismarck, North Dakota 58505. You can listen to a broadcast of the hearing on the Commission's website at <http://www.psc.state.nd.us/psc/media/comm-live.html>.

Issues to be considered in this matter include:

1. Whether the resource addition is reasonable and prudent.
2. Whether the applicants have need for additional generating resources.
3. What alternatives exist for meeting additional generation needs.

For more information contact the Public Service Commission, State Capitol, Bismarck, North Dakota 58505, 701-328-2400 or Relay North Dakota 1-800-366-6888 TTY. If you require any auxiliary aids or services, such as readers, signers, or Braille materials, please notify, Illona Jeffcoat-Sacco, Executive Secretary, at least 24 hours in advance.

PUBLIC SERVICE COMMISSION



Tony Clark **Susan E. Wefald** **Kevin Cramer**
Commissioner **President** **Commissioner**