

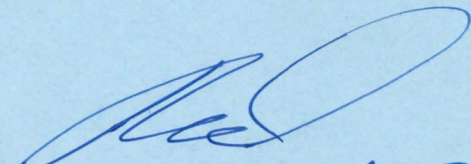
Commissioner Tony Clark

ROD SCHEEL

Tony,

Attached is the presentation reviewed with Commissioner Cramer and Commission staff (Jerry Lien).

Advise if any questions; we believe working together will enable a project to go forward,


1/28/08



*This was dropped
off while I was
out - might need to
be docketed?*

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Luverne to Maple River Generator Lead Project

Presentation to the North Dakota
Public Service Commissioners

January 28, 2008

Utility Representatives

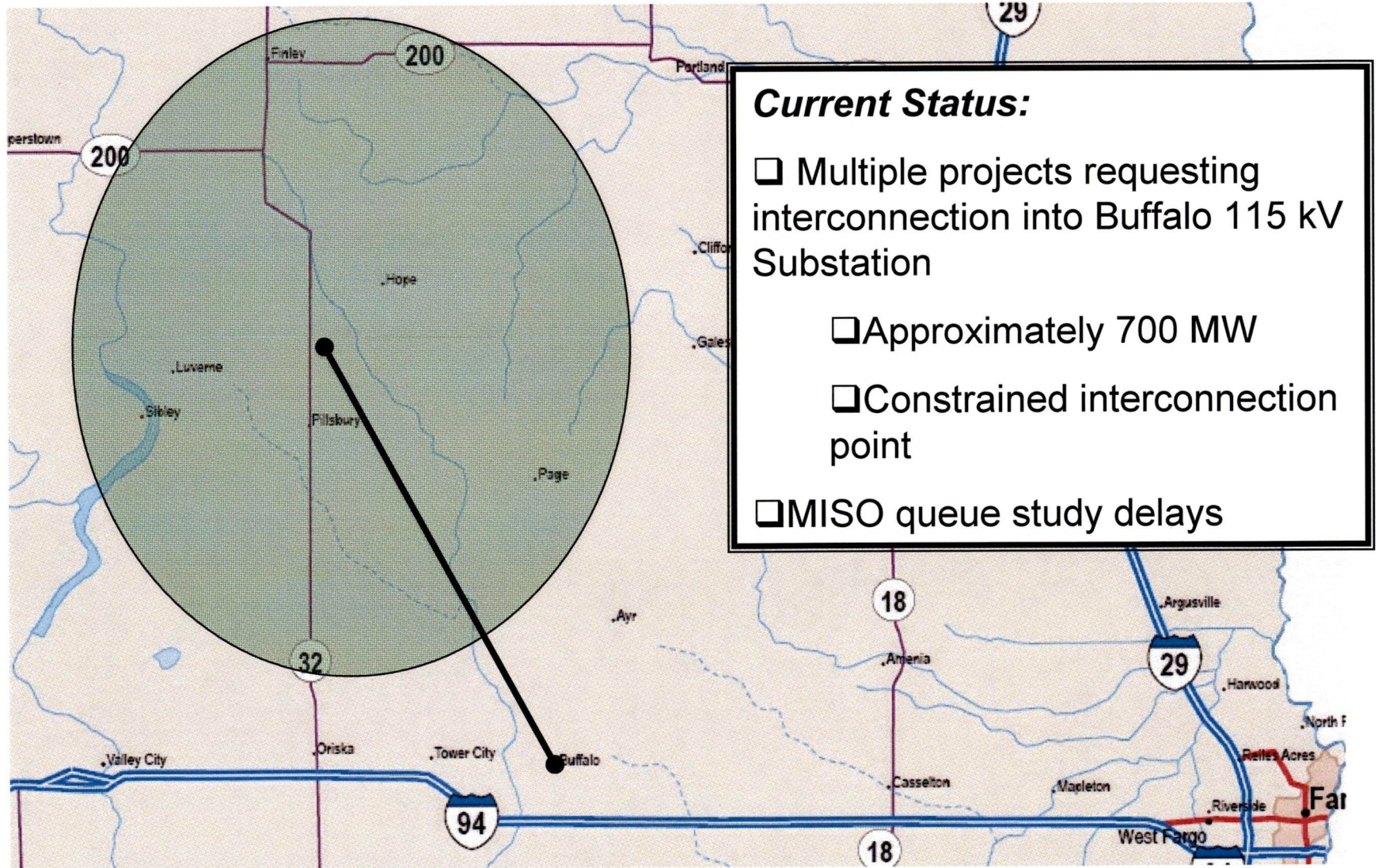
Minnkota Power

- Al Tschepen, Vice President, Planning and System Operations

Otter Tail Power

- John Olson, Attorney and Lobbyist
- Rod Scheel, Vice President, Asset Management
- Todd Wahlund, Director, Risk Management and Business Planning
- Mark Bring, Associate General Counsel

MISO Generation Queue Requests



Impact on State

- Eastern ND renewable wind and transmission investment in 2008 expected to be in the range of \$400 million to \$700 million
- Proposed projects in region could exceed \$1.5 billion of investment

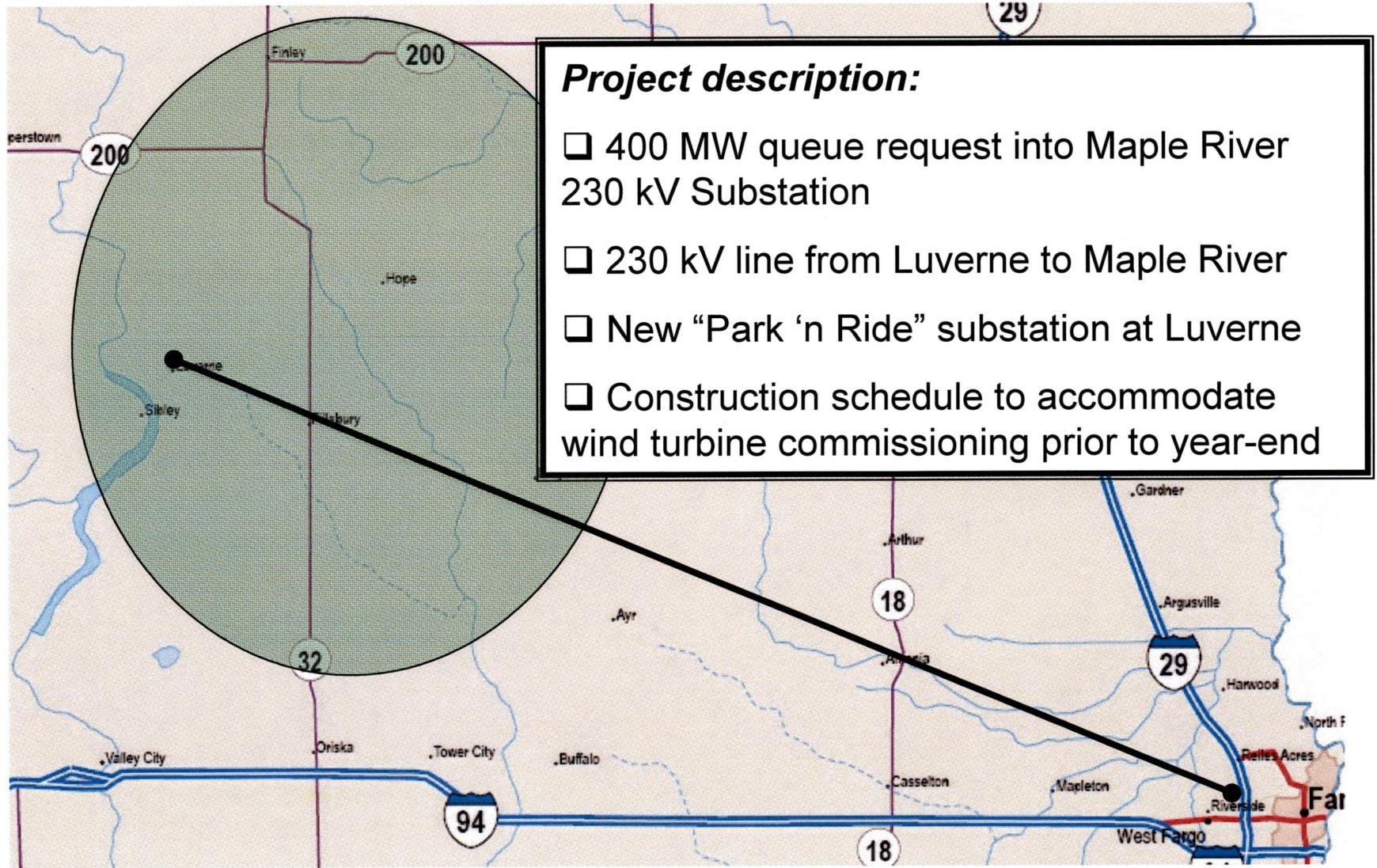
MPC and OTP Project Interest

- Targets for 2008
 - MPC 100-200 MW
 - OTP 60-110 MW
- Neither party has committed to any 2008 projects in the Eastern region of North Dakota
- If built, moves Minnkota and Otter Tail close to compliance with North Dakota REO and Minnesota RES

Invited to Maple River Generator
Lead Project

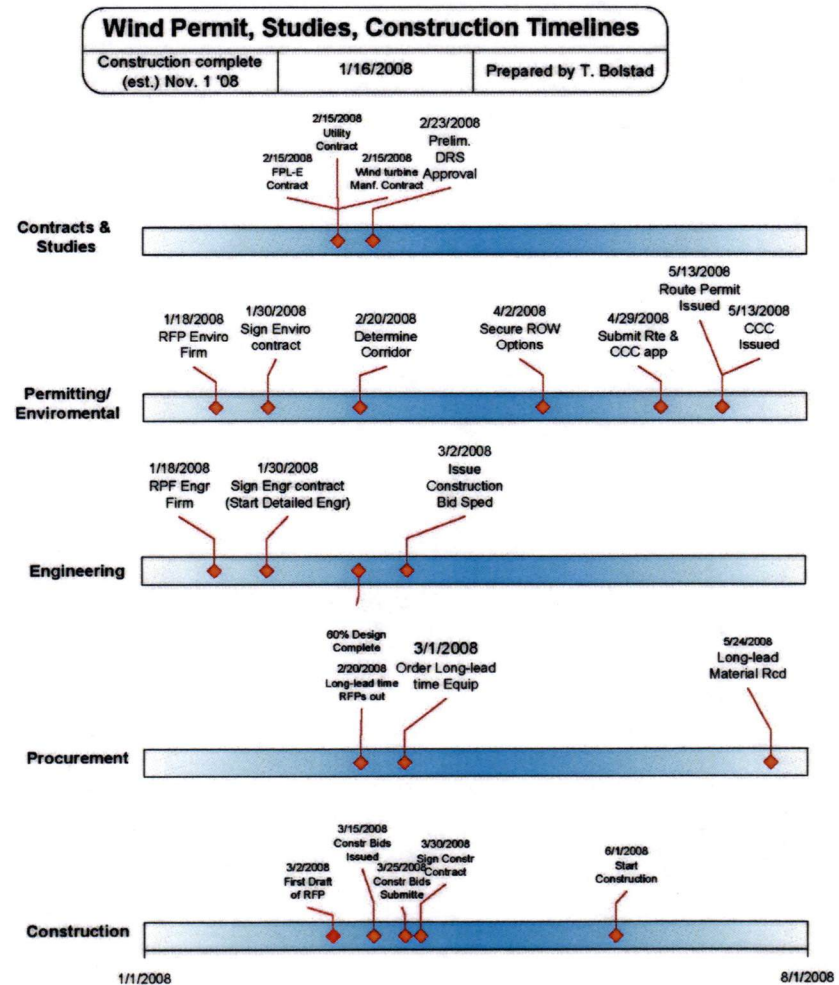
Generation Outlet Solution

Luverne to Maple River Generator Lead



Project Schedule

- Project schedule is very tight, compression of timelines will be needed to ensure project completion by Dec 31, 2008
- Construction to begin by June 1



Assistance Needed

- Expedited permitting process and approvals
 - Compress timelines
 - Work together in pre-file development of ND PSC permit filings
 - If needed, provide permits conditioned with deferred data submittals
 - Combine submittal and review of CCC (Certificate of Corridor Compatibility), Route Permit, and PCN (Certificate of Public Convenience & Necessity)
 - Combine proceedings (public meetings) to minimize duplicate effort
- Support rate recovery treatment (Otter Tail Power Company)
- Potential assistance on land and right of way issues
- Commitment to support extension of state tax incentives
- Project success will be dependent on the State of North Dakota Agencies working in close cooperation with the project partners

Next Steps

- Project Team will be meeting with North Dakota Public Service Commission (PSC) staff Wednesday, January 30, 2008
- Review the specific steps in permitting process
- Arrive at plans to allow permits being granted by May 15, 2008