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Fergus Falls office: 215 S. Cascade Street
P.O. Box 496
Fergus Falls, MN
56538-0496
Fax: 218-998-3165

1-866-410-8780 • www.ottetail.com

May 2, 2008

Reply to Fergus Falls office
Direct: 218-998-7152

VIA ELECTRONIC FILING to IJS @nd.gov and EXPRESS MAIL

Ilona Jeffcoat-Sacco, Executive Secretary
North Dakota Public Service Commission
600 East Boulevard, Dept. 408
Bismarck, ND 58505-0408

Re: Otter Tail Corporation, d/b/a Otter Tail Power Company
Application for a Certificate of Public Convenience & Necessity

Dear Ms. Jeffcoat-Sacco:

Enclosed in the above-referenced matter are an original and seven (7) copies of Otter Tail Corporation's, d/b/a Otter Tail Power Company, Application for a Certificate of Public Convenience & Necessity to construct and own a 48 MW portion of the approximately 200 MW Ashtabula Wind Energy Center and associated 34.5 kV collector line and electrical facilities in Barnes County, referred to in the Application as the "48 MW Otter Tail Project."

Sincerely,

A handwritten signature in blue ink, appearing to read "Mark B. Bring", is written over the word "Sincerely,".

Mark B. Bring
Associate General Counsel
MB/nlo

Enclosures

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF NORTH DAKOTA**

In the Matter of the Application of)
Otter Tail Corporation, d/b/a)
Otter Tail Power Company, a Minnesota)
Corporation, for a Certificate of)
Public Convenience and Necessity For)
the Ashtabula Wind Energy Center Project)

Case No. PU-_____

**APPLICATION FOR
CERTIFICATE OF PUBLIC CONVENIENCE
AND NECESSITY**

Pursuant to N.D.C.C. Chapter 49-03 and N.D.A.C. § 69-02-02-04, Otter Tail Corporation, d/b/a Otter Tail Power Company (“Otter Tail” or “the Company” or “Applicant”), a Minnesota Corporation, respectfully submits this application (“Application”) for a Certificate of Public Convenience and Necessity (“CPCN”) to construct and own a 48 MW portion of the approximately 200 MW Ashtabula Wind Energy Center and associated 34.5 kV collector line and electrical facilities (hereinafter “Otter Tail 48 MW Project”) in Barnes County, North Dakota, being developed by Ashtabula Wind, LLC (“Ashtabula Wind”), a wholly owned subsidiary of FPL Energy, LLC (“FPLE”), a Delaware Limited Liability Company, headquartered in Juno Beach, Florida. The Ashtabula Wind Energy Center is described in detail in the Siting Application of FPL Energy, LLC filed on January 14, 2008 and docketed as Case No. PU-08-32.

The Otter Tail 48 MW Project is not required to extend service to new retail customers of the Company in North Dakota. Rather the Company’s integrated resource modeling calls for up to 280 MW of economic wind energy generation resources.

A. COMMUNICATIONS AND SERVICE

Otter Tail respectfully requests that the following persons be placed on the Commission's official service list for all official communications in this case:

Mark B. Bring
Associate General Counsel
Otter Tail Corporation
215 South Cascade Street
Fergus Falls, MN 56537
Tel. 218-998-7152

Bernadeen Brutlag
Manager, Regulatory Services
Otter Tail Power Company
215 South Cascade Street
Fergus Falls, MN 56537
Tel. 218-739-8289

Al Koeckeritz
Manager, Delivery Projects
Otter Tail Power Company
215 South Cascade Street
Fergus Falls, MN 56537
Tel. 218-739-8416

B. STATUTORY PROVISIONS

The statutory provisions governing the requirement for a public utility to file for and obtain a CPCN are as follows:

49-03-01. Certificate of public convenience and necessity – Secured by electric public utility. No electric public utility henceforth shall begin construction or operation of a public utility plant or system, or of an extension of a plant or system,...without first obtaining from the commission a certificate that public convenience and necessity require or will require such construction and operation....

49-03-01.1. Limitation on electric transmission and distribution lines, extensions, and service by electric public utilities. No electric public utility henceforth shall...extend its electric transmission or distribution lines beyond or outside of the corporate limits of any municipality, nor shall it serve any customer where the place to be served is not located within the corporate limits of a municipality, unless and until, after application, such electric public utility has obtained an order from the commission authorizing such extension and service and a certificate that public convenience and necessity require that permission be given to extend such lines and to serve such customer.¹

¹ For the reasons set forth in Otter Tail's August 8, 2007, application for a CPCN in PU-07-607; Otter Tail's December 2, 2003, application for a CPCN in Case No. PU-2805-03-677 at page 3, footnote 1; Otter Tail's July 31, 2003 memoranda cited therein; and Capital Electric Co-op. v. Public Service Commission, 534 N.W.2d 587 (N.D. 1995), Otter Tail respectfully but expressly reserves the right to challenge the Commission's authority under N.D.C.C. Chapter 49-03-01 to require a CPCN application.

**C. APPLICATION FOR A CERTIFICATE OF PUBLIC
CONVENIENCE AND NECESSITY**

Otter Tail respectfully submits this Application for a Certificate of Public Convenience and Necessity for the Otter Tail 48 MW Project and respectfully requests that the Commission issue a CPCN after a notice of opportunity for hearing is issued in this proceeding, if no party requests a hearing. In support thereof, the Company states as follows:

1. That Applicant's full name and post office address are:

Otter Tail Corporation, d/b/a Otter Tail Power Company
Attn: Mark B. Bring
Associate General Counsel
215 South Cascade Street
Fergus Falls, MN 56537

2. Applicant is a Minnesota corporation duly authorized to do business in the State of North Dakota as a foreign corporation, and is doing business in the State of North Dakota as a public utility subject to the jurisdiction of and regulation by the Commission under N.D.C.C. Title 49, as amended.

3. Applicant's Certificate of Incorporation and Amendments thereto have been previously filed with the Commission. Such Certificate and Amendments are hereby incorporated by reference, as though fully set forth herein.

4. This Application is being made pursuant to the provisions of Chapter 49-03 of the North Dakota Century Code.

The Otter Tail 48 MW Project that is the subject of this Application consists of 48 MW of wind generation equipment and associated 34.5 kV collector line and electrical facilities. **Attachment 1** depicts by diagram the Ashtabula Wind Energy Center with the Otter Tail 48 MW Project in the center of the diagram. The F3A zone in Attachment 1 contains fourteen 1.5 MW turbines (OT-49 to OT-62) with three alternate locations (ALT-1

to ALT-3), fourteen 1.75 MVA transformers, one grounding transformer, and underground 34.5 kV distribution feeder or system to be owned by Otter Tail. The F3B zone in Attachment 1 contains three 1.5 MW turbines (OT-63 to OT-65), three 1.75 MVA transformers and underground 34.5 kV distribution feeder or system to be owned by Otter Tail. The F4 zone in Attachment 1 contains fifteen 1.5 MW turbines (OT-34 to OT-48), fifteen 1.75 MVA transformers, one grounding transformer, and underground 34.5 kV distribution feeder or system to be owned by Otter Tail. Additional Otter Tail underground 34.5 kV distribution feeder or system is also depicted along with two grounding transformers, stretching south from zones F4 and F3A to reach a substation that will be owned by FPLE Energy. **Attachment 2** is a portion of a site plan that more precisely orients the viewer to locations for facilities comprising the Otter Tail 48 MW Project.

5. Applicant seeks authorization to construct and own the Otter Tail 48 MW Project to fulfill a portion of the additional wind energy generation called for by the Applicant's most recent integrated resource modeling. The Company is not extending retail service to any new electric customers in connection with the Otter Tail 48 MW Project.

6. Applicant is an experienced electric generation, transmission and distribution utility with the expertise and resources to construct and own the Otter Tail 48 MW Project. Otter Tail presently serves more than 129,000 retail electric customers in eastern North Dakota, northwestern Minnesota, and northeastern South Dakota.

7. There will be no change to the Applicant's retail electric service area. Otter Tail's retail electric customers will continue to be served by Applicant under applicable tariffs, rules, and regulations on file with the Commission. It is expected that the facilities

that are the subject of this Application will be included in the Applicant's next rate case or in a rate rider filing.

8. Pursuant to N.D.C.C. § 49-22-24, the facilities shall be constructed to comply with the standards of the National Electrical Safety Code.

9. The Commission has indicated it considers ten (10) factors in determining whether to grant a CPCN for a new electric facility.² Applicant provides the following response to each of these factors:

- *From whom does the customer prefer electric service?*

Not applicable. No customer has requested direct retail service and the Ashtabula Wind Energy Center site, including the Otter Tail 48 MW Project, will be served by an electric cooperative corporation.

- *What electric suppliers are operating in the general area?*

Not applicable. The Otter Tail 48 MW Project will not provide direct retail service in competition with any other retail electric suppliers in the area.

- *What electric supply lines exist within a two-mile radius of the location to be served and when were they constructed?*

Not applicable. The Otter Tail 48 MW Project will not provide direct retail service.

- *What customers are served by electric suppliers within at least a two-mile radius of the location to be served?*

Not applicable. The Otter Tail 48 MW Project will not provide direct retail service.

- *What are the differences, if any, between the electric suppliers available to serve the area with respect to reliability of service?*

² See testimony of Jerry Lein of the Commission staff, presented to the Interim Electric Industry Competition Committee, April 24, 2000.

Not applicable. The Otter Tail 48 MW Project will not provide direct retail service.

- *Which of the available electric suppliers will be able to serve the location in question more economically and still earn an adequate return on its investment?*

Not applicable. The Otter Tail 48 MW Project will not extend the Company's retail electric service. However, construction and ownership of the Otter Tail 48 MW Project will fulfill a portion of the additional wind energy generation called for by the Applicant's most recent integrated resource modeling.

- *Would approval of the application result in wasteful duplication of investment or services?*

No.

- *Is it probable that the location in question will be included within the corporate limits of a municipality within the foreseeable future?*

No. The Otter Tail 48 MW Project is well outside the corporate limits of any municipality.

- *Will the service by either of the electric suppliers in the area unreasonably interfere with the service or system of the other?*

Not applicable. The Otter Tail 48 MW Project does not extend, and will not provide, retail electric service.

As indicated here, most of the ten criteria typically used by the Commission to review a CPCN application are inapplicable, and the Otter Tail 48 MW Project satisfies the few remaining criteria.

10. Applicant believes it is in the public interest that Applicant be granted a Certificate of Public Convenience and Necessity for the authority it requests herein, and that public

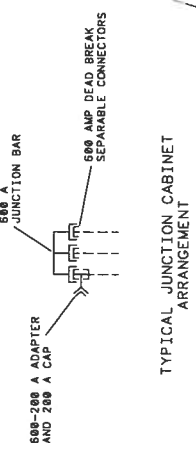
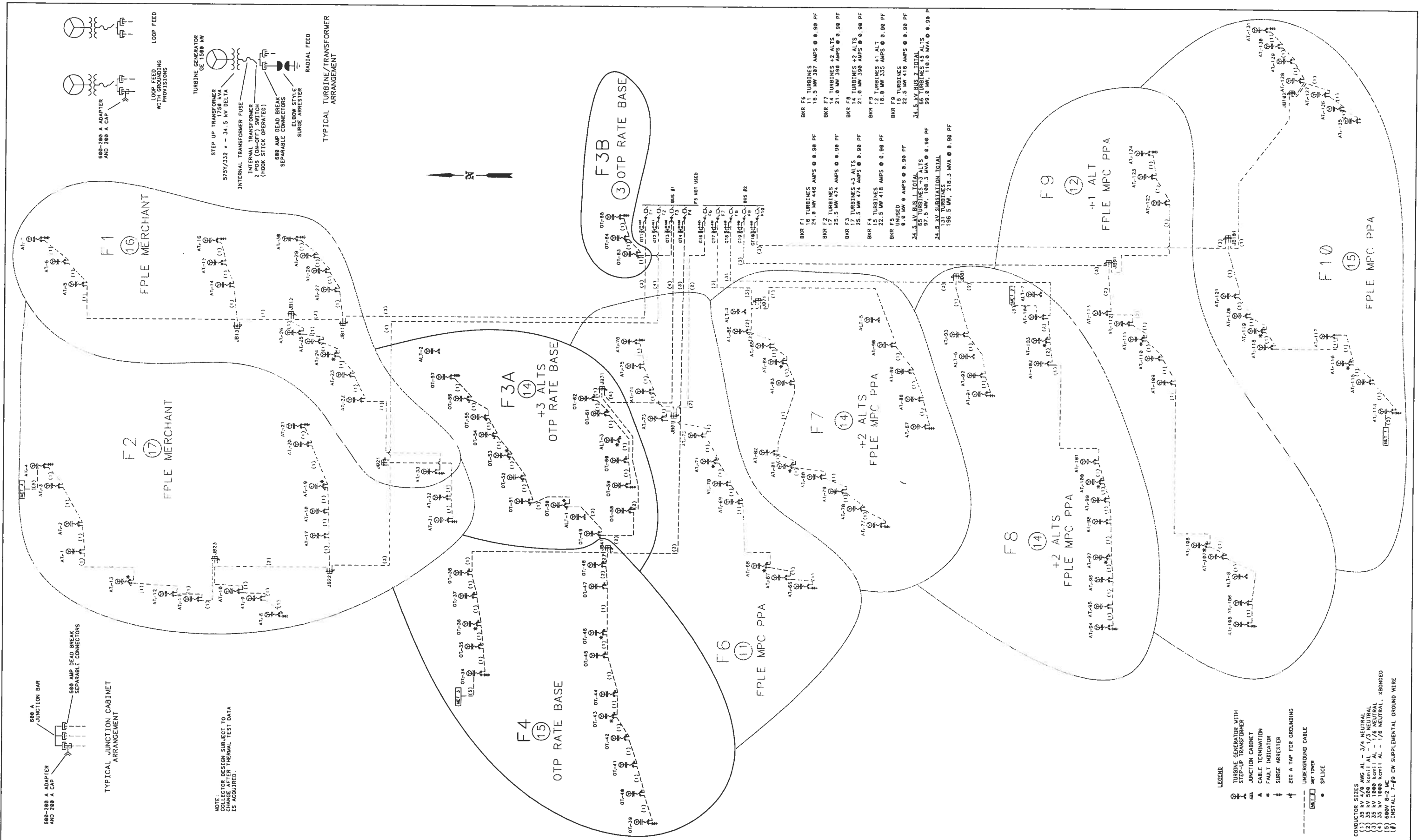
convenience and necessity require or will require such construction and operation. Various attributes of renewable electric generation ownership, including the availability of wind tax incentives and a reasonable rate of return on invested capital, indicate that at least some of the identified need for renewable electric generation be satisfied through ownership by Otter Tail, as opposed to power purchase agreements. Given these various attributes of ownership and the corresponding energy value provided to our consumers, public convenience and necessity require Otter Tail's construction and operation of this particular project. Pursuant to N.D.C.C. § 49-03-02, Otter Tail requests the Commission grant the requested Application not more than 20 days after a notice of opportunity for hearing is issued in this proceeding, if no party requests a hearing. **Attachment 3** provides a form of Notice of Opportunity for Hearing for the convenience of the Commission and staff.

11. Supporting Documents

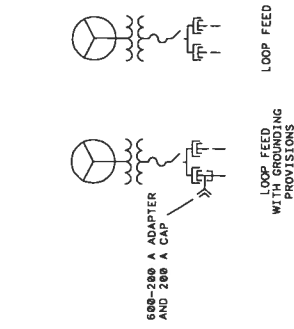
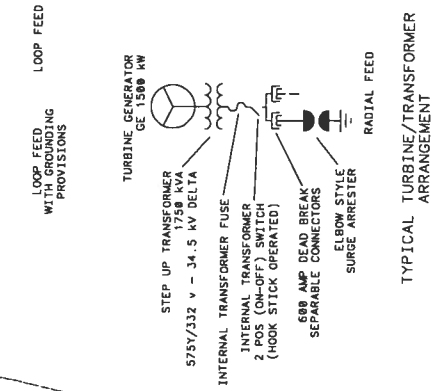
As described in more detail above, the following attachments enclosed with this Application are required by N.D.C.C. § 49-03-01, et seq.

<u>Attachment</u>	<u>Description</u>
1	Ashtabula Wind Energy Center Collector System Diagram
2	Site Plan with Otter Tail 48 MW Project Facility Locations
3	Form of Notice of Opportunity for Hearing

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NOTE: COLLECTOR DESIGN SUBJECT TO CHANGE. THERMAL TEST DATA IS ACQUIRED.



PRELIMINARY
NOT FOR CONSTRUCTION

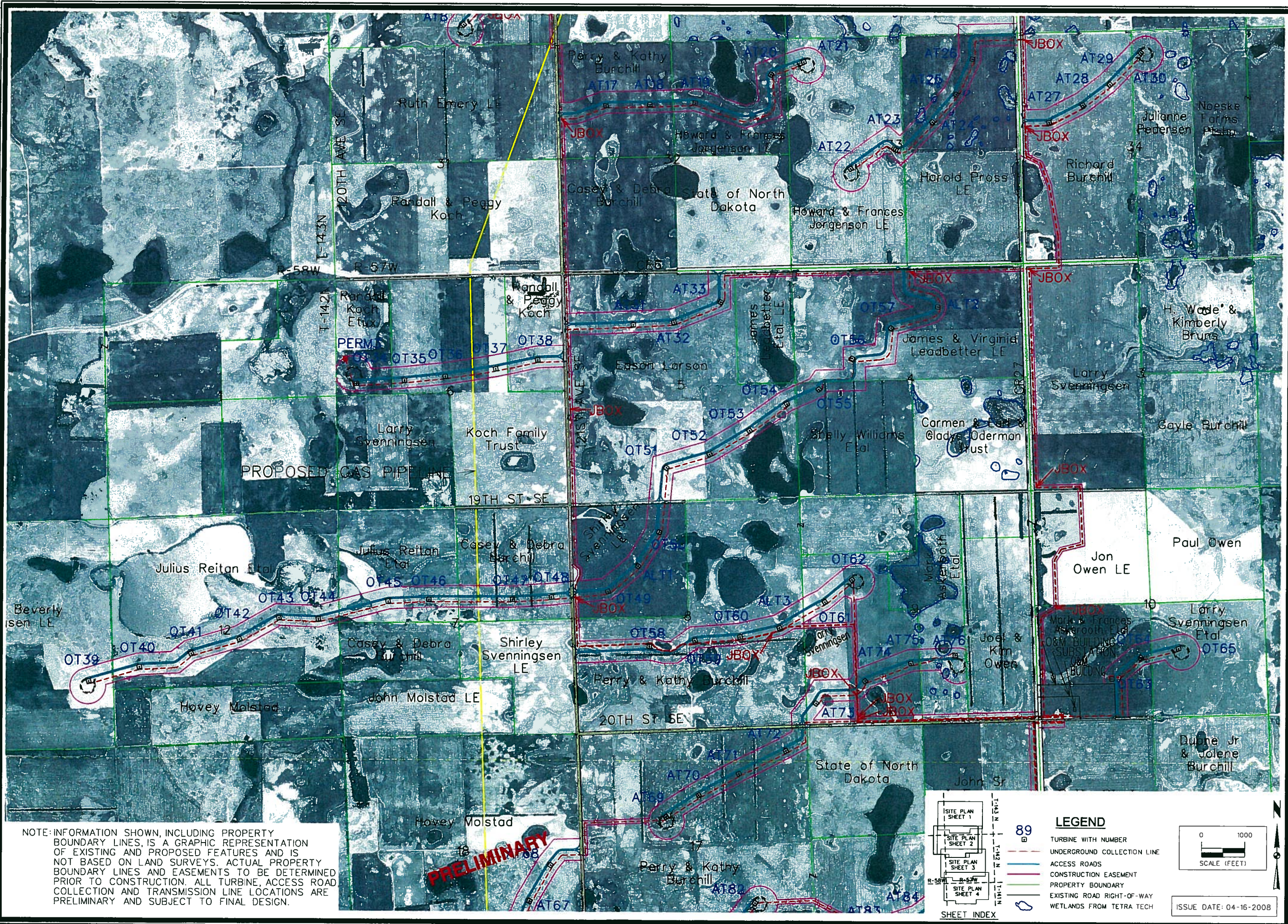
P & E ENGINEERING CO.
POWER SYSTEM ANALYSIS AND DESIGN
245 S. 5th
P.O. Box 820
Cedar Rapids, IA 50447
Office: 515-888-3063
FAX: 515-888-3138
peengr@peengr.com



REV NO.	DESCRIPTION	ENG	DWN	CHKD	DATE	ENG: P&E
G	SPLIT DRAWINGS BY PPA	P&E	MCR	ARP	04/24/08	DRAWN: MCR
B	REVISED CABLE SIZE, ADDED JUNCTION BOXES, ADDED SUPPLEMENTAL GROUNDS	P&E	MCR	ARP	03/04/08	CHKD: ARP
C	UPDATED ARRAY	P&E	MCR	ARP	03/13/08	APPR: ARP
D	UPDATED DESIGN FOR NEW PPA	P&E	MCR	ARP	04/10/08	DATE: 02/25/08
E	REVISED LAYOUTS FOR NEW CABLE AMPACITY	P&E	MCR	ARP	04/14/08	
F	ADDED GROUNDDING PROVISIONS TO OTP TURBINES	P&E	MCR	ARP	04/22/08	

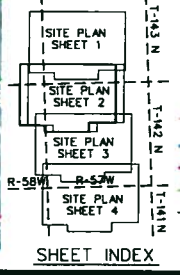
CLIENT/PROJECT:	FPL ENERGY ASHTABULA WIND ENERGY CENTER
TITLE:	OTP COLLECTOR SYSTEM ONE—LINE DIAGRAM
SCALE:	N/A
DRAWING NUMBER:	E8556-500A
REVISION NUMBER:	G

W:\P\DATE 18
V:\p\11-07-07\1070775\1070775.dwg
R-1077
11/30/07
4/16/08
1:30:20 AM
S:\J\1077
DWG: 1070775-000-070775 GE B.S1

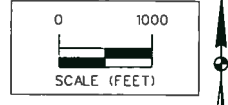


NOTE: INFORMATION SHOWN, INCLUDING PROPERTY BOUNDARY LINES, IS A GRAPHIC REPRESENTATION OF EXISTING AND PROPOSED FEATURES AND IS NOT BASED ON LAND SURVEYS. ACTUAL PROPERTY BOUNDARY LINES AND EASEMENTS TO BE DETERMINED PRIOR TO CONSTRUCTION. ALL TURBINE, ACCESS ROAD COLLECTION AND TRANSMISSION LINE LOCATIONS ARE PRELIMINARY AND SUBJECT TO FINAL DESIGN.

PRELIMINARY



- LEGEND**
- 89 [Symbol] TURBINE WITH NUMBER
 - [Symbol] UNDERGROUND COLLECTION LINE
 - [Symbol] ACCESS ROADS
 - [Symbol] CONSTRUCTION EASEMENT
 - [Symbol] PROPERTY BOUNDARY
 - [Symbol] EXISTING ROAD RIGHT-OF-WAY
 - [Symbol] WETLANDS FROM TETRA TECH



ISSUE DATE: 04-16-2008

FPL ENERGY - ASHTABULA WIND ENERGY CENTER (GE ARRAY)

PRELIMINARY SITE PLAN

BARNES COUNTY, NORTH DAKOTA

SNYDER & ASSOCIATES

1751 MADISON AVENUE
COUNCIL BLUFFS, IOWA 51503
712-322-3202

MARK	REVISION	DATE	BY
2	MOVED SHEET & UPDATED WETLANDS	4/16/08	DW
1	RENUMBERED TURBINES	4/10/08	DW

Engineer: JWK Checked By: MCG Scale: 1"= Field Bc:
Technician: DW Date: 11-30-07
Project No: 107.0775
File No:

MARYVILLE, MO
ATLANTA, GA
ANGENY, IA
CEDAR RAPIDS, IA
ST. JOSEPH, MO
816-344-3322
515-266-0384

1070775

Sheet 2 of 4

**STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION**

**Otter Tail Corporation, d/b/a
Otter Tail Power Company,
Application for a Certificate of
Public Convenience and Necessity**

Case No. PU-_____

NOTICE OF OPPORTUNITY FOR HEARING

_____, 2008

On _____, 2008, Otter Tail submitted an application for a Certificate of Public Convenience and Necessity for the Otter Tail 48 MW Project. Otter Tail states that issuance of a CPCN would serve the public interest. Otter Tail is a public utility under Title 49 of the North Dakota Century Code, headquartered at 215 South Cascade Street, Fergus Falls, Minnesota.

The issues to be considered in this matter are:

1. Fitness and ability of the applicant to provide service;
2. Adequacy of the proposed service;
3. Technical, financial and managerial ability of the applicant to provide service.

Those interested are invited to comment on this application in writing. Persons desiring a hearing must file a written request identifying their interest in the proceeding and the reasons for requesting a hearing. Comments and requests for hearing must be received by **[insert date]**. If deemed appropriate, the Commission can determine the matter without a hearing.

For more information contact the Public Service Commission, State Capitol, Bismarck, North Dakota 58505, 701-224-2400, 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.

PUBLIC SERVICE COMMISSION

**Anthony T. Clark
Commissioner**

**Susan E. Wefald
President**

**Kevin Cramer
Commissioner**