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RECEIVED

JUL 28 2008

PUBLIC SERVICE COMMISSION



**VIA ELECTRONIC DELIVERY**

July 28, 2008

Ms. Illona Jeffcoat-Sacco  
Executive Secretary  
North Dakota Public Service Commission  
600 E. Boulevard Ave., Dept. 408  
Bismarck, ND 58505-0480

Dear Ms. Jeffcoat-Sacco:

For the four-month period ending June 30, 2008, the rate for the Cost of Energy Adjustment is \$.0052 per kWh. Otter Tail Power Company proposes to bill at this rate effective August 1, 2008.

The following additional information is provided:

Average costs from previous month's adjustment:	\$ .024061
Average costs from current month's adjustment:	\$ .021693
Difference – (Increase) Decrease:	\$ .002368

The net effect of this fuel adjustment is to decrease the rate by \$.0024. The total resulting adjustment for the current billing period will then be \$.0052 per kWh.

Details supporting the adjustment are enclosed. The costs reported in the supporting detail are based upon the provisions of the Cost of Energy Adjustment Clause approved by the Commission on May 2, 1983, in Case No. 10,334. Additionally, Midwest ISO Day 2 costs are accounted for as authorized by the Commission's Order in Case No. PU-05-131 issued on August 8, 2007. A detailed schedule of the items included in the calculation is enclosed.

1 **PU-08-609** Filed: 7/28/2008 Pages: 8  
**August 2008 Fuel Cost Adjustment**

Otter Tail Corporation

Ms. Illona Jeffcoat-Sacco  
July 28, 2008  
Page Two

**Otter Tail Power Company submits seven (7) copies each of the following:**

- 1) Calculation of the August 2008 Cost of Energy Adjustment Clause based on the four-month period ending June 2008.
- 2) Monthly Detail of MISO Day 2 Charges by Charge Type for ND FCA marked as Attachment A.
- 3) Monthly MISO Day 2 Charges for ND Fuel Clause Adjustment marked as Attachment B.
- 4) Monthly MISO Day 2 Charges for ND Non-Fuel Clause Adjustment marked as Attachment C.
- 5) Detail of MISO Day 2 Charges by Charge Group for Current Month marked as Attachment D.
- 6) Otter Tail Power Company's Plant Conditions for May and June 2008 marked as Attachment E.

Sincerely,



Jill R. Bjorgum  
Regulatory Transactions Specialist  
Regulatory Services

Enclosures

cc: NDPSC – electronic copy

**NORTH DAKOTA**  
 OTTER TAIL POWER COMPANY  
 COST OF ENERGY ADJUSTMENT  
 FOR BILLING TO BE EFFECTIVE AUGUST 1, 2008

EFFECTIVE 8/01/08  
 CYCLE '1'  
 RATE LEVEL 44

<b>ENERGY COSTS</b>	2008 March	2008 April	2008 May	2008 June	Total This Period
Purchased Power	\$ 3,494,943	\$ 5,849,059	\$ 5,734,293	\$ 2,429,114	\$ 17,507,410
Steam Plant Generation	\$ 6,069,064	\$ 4,995,232	\$ 4,545,056	\$ 4,850,786	\$ 20,460,138
Other Plant Generation	\$ 729,219	\$ 320,346	\$ 10,653	\$ 85,733	\$ 1,145,951
Hydro Plant Generation	\$ -	\$ -	\$ -	\$ -	\$ -
Coyote Coal Conv. Tax	\$ 25,910	\$ 25,074	\$ 25,910	\$ 25,074	\$ 101,968
Less: Intersystem Sales	\$ (2,327,191)	\$ (4,473,736)	\$ (4,396,895)	\$ (1,335,213)	\$ (12,533,034)
Net Retail MISO Day 2	\$ 1,570,933	\$ 597,684	\$ 161,121	\$ 1,575,677	\$ 3,905,415
<b>NET ENERGY COSTS</b>	<b>\$ 9,562,879</b>	<b>\$ 7,313,658</b>	<b>\$ 6,080,139</b>	<b>\$ 7,631,172</b>	<b>\$ 30,587,848</b>

Prior (over) under recovery \$ (6,525,957)

Adjusted Net Energy Costs \$ 24,061,891

**ASSOCIATED ENERGY -- KWH**

Net Generation - Steam	340,695,941	285,521,483	250,598,711	250,111,094	1,126,927,229
Other Plant IC Generation	6,645,337	2,236,191	215,241	352,230	9,448,999
Hydro Plant Generation	2,058,211	2,322,585	2,464,087	2,201,549	9,046,432
Wind	10,635,518	13,722,582	12,253,087	11,744,147	48,355,334
Purchased Power	488,417,260	336,107,052	290,466,414	303,431,218	1,418,421,944
Total Energy	848,452,267	639,909,893	555,997,540	567,840,238	2,612,199,938
Less Intersystem Sales	(474,043,733)	(325,800,359)	(289,147,560)	(308,063,815)	(1,397,055,467)
Net Retail MISO Day 2	8,391,733	(3,969,276)	13,660,395	27,229,020	45,311,872
Net Energy - KWHs	382,800,267	310,140,258	280,510,375	287,005,443	1,260,456,343

Energy Adjusted to Retail Sales (Net Energy X (1.00 - .12)) 1,109,201,582

Delivered Cost per kWh \$ 0.021693

Base Cost per kWh \$ 0.016473

Energy Cost Adjustment -- Per kWh **\$ 0.0052**

**TRUE UP FOR JUNE**

1) Net Energy (kWhs) Less 12% Losses	252,564,790
2) Net Energy Costs for the System -- Most recent month	\$ 7,631,172
3) Base Cost Recovered (1 X Base Cost of Fuel)	\$ 4,160,500
4) Net to be Recovered from COE (2 - 3)	\$ 3,470,672
5) COE Recovery Rate Effective for June	\$ 0.0125
6) Amount Recovered by COE (5 X 1)	\$ 3,157,060
7) Over / (Under) Recovery (4 - 6)	\$ (313,612)
8) Cumulative Over / (Under) Recovery	\$ 6,525,957

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V:\Regulatory\_Services\Cost of Energy\Monthly COE\MISO Allocation\June 2008 MISO Day 2 Allocation.xls\ND Public By Charge Type  
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Monthly Detail of MISO Day 2 Charges by Charge Type for ND FCA  
 June 2008\* includes any adjustments

DoC No.	Line #	Charge Type Description	Acct	Total		FCA		Total	Non-FCA
				Retail	Other	Other	Total		
1	2	DA Asset Energy Amt	555.02	\$	2,626,801.81	\$	\$	2,626,801.81	
5	9	DA Non-asset Energy Amt	555.09	\$	(801,323.75)	\$	\$	(801,323.75)	
12	12	DA Virtual Energy Amt	555.12	\$	-	\$	\$	-	
13	19	RT Asset Energy Amt	555.19	\$	(553,458.71)	\$	\$	(553,458.71)	
22	26	RT Non-Asset Energy Amt	555.26	\$	20,102.66	\$	\$	20,102.66	
27	32	RT Virtual Energy Amt	555.32	\$	-	\$	\$	-	
		<b>ENERGY CHARGES TOTAL</b>		\$	<b>10,161,144.83</b>	\$	\$	<b>1,292,122.01</b>	<b>8,869,022.82</b>
4	1	DA Mkt Admin Amt	555.01	\$	46,750.54	\$	\$	46,750.54	
2	3	DA FBT Congestion Amt	555.03	\$	(78,816.22)	\$	\$	(78,816.22)	
3	4	DA FBT Loss Amt	555.04	\$	569,073.49	\$	\$	569,073.49	
6	5	DA Congestion Rebate on COGA	555.05	\$	-	\$	\$	-	
7	6	DA Losses Rebate on COGA	555.06	\$	-	\$	\$	-	
8	7	DA Congestion Rebate on Option B GFA	555.07	\$	78,457.96	\$	\$	78,457.96	
9	8	DA Losses Rebate on Option B GFA	555.08	\$	(282,504.86)	\$	\$	(282,504.86)	
10	10	DA Revenue Sufficiency Guarantee Distribution Amt	555.10	\$	14,509.21	\$	\$	14,509.21	
11	11	DA Revenue Sufficiency Guarantee Make Whole Pymt Amt	555.11	\$	(2,316.08)	\$	\$	(2,316.08)	
29	13	FTR Mkt Admin Amt	555.13	\$	5,202.09	\$	\$	5,202.09	
28	14	FTR Hourly Allocation Amt	555.14	\$	(82,850.10)	\$	\$	(82,850.10)	
30	15	FTR Monthly Allocation Amt	555.15	\$	(112.67)	\$	\$	(112.67)	
31	16	FTR Monthly Transaction Amt	555.16	\$	12.25	\$	\$	12.25	
19	17	FTR Yearly Allocation Amt	555.17	\$	-	\$	\$	-	
15	18	RT Mkt Admin Amt	555.18	\$	4,040.22	\$	\$	4,040.22	
16	19	RT FBT Congestion Amt	555.20	\$	-	\$	\$	-	
17	21	RT FBT Loss Amt	555.21	\$	-	\$	\$	-	
18	22	RT Congestion Rebate on COGA	555.22	\$	-	\$	\$	-	
14	23	RT Loss Rebate on COGA	555.23	\$	-	\$	\$	-	
20	24	RT Distribution of Losses Amt	555.24	\$	(94,332.76)	\$	\$	(94,332.76)	
21	25	RT Misc Amt	555.25	\$	8,061.03	\$	\$	8,061.03	
21	27	RT Net Inadvertent Amt	555.27	\$	(208.23)	\$	\$	(208.23)	
23	28	RT Revenue Neutrality Uplift Amt	555.28	\$	138,176.58	\$	\$	138,176.58	
24	29	RT Revenue Sufficiency Guarantee First Pass Distribution Amt	555.29	\$	51,165.88	\$	\$	51,165.88	
25	30	RT Revenue Sufficiency Guarantee Make Whole Pymt Amt	555.30	\$	(2,389.26)	\$	\$	(2,389.26)	
26	31	RT Uninstructed Deviation Amt	555.31	\$	2,348.42	\$	\$	2,348.42	
	38	FTR ARR_FTR_TXN	555.38	\$	(25,135.01)	\$	\$	(25,135.01)	
	39	FTR_ARR_ARR_TXN	555.39	\$	25,134.91	\$	\$	25,134.91	
	41	FTR_ARR_STG2_DIST	555.41	\$	(34,719.43)	\$	\$	(34,719.43)	
		<b>ENERGY CHARGES TOTAL</b>		\$	<b>40,922.26</b>	\$	\$	<b>339,547.96</b>	<b>(298,625.70)</b>
<b>TOTAL MISO DAY 2 CHARGES</b>				\$	<b>10,202,067.09</b>	\$	\$	<b>1,631,669.97</b>	<b>8,570,397.12</b>
Less Schedule 16 & 17 (Lines 1, 13, and 18)				\$	-	\$	\$	(55,992.85)	\$
<b>TOTAL FOR ND COST OF ENERGY ADJUSTMENT</b>				\$	<b>10,202,067.09</b>	\$	\$	<b>1,575,677.12</b>	<b>8,570,397.12</b>

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Offer Tail Power Company  
Monthly MISO Day 2 Charges for ND Fuel Clause Adjustment  
January - December 2008  
Includes Any Adjustments

Doc No.	Line #	Charge Type Description	ACT	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	YEAR TO DATE
		<b>Day Ahead &amp; Real Time Asset &amp; Non Asset Energy &amp; Loss</b>														
1	2	DA Asset Energy Amt	555.02	\$ 4,381,994.18	\$ 6,453,828.27	\$ 3,800,146.98	\$ 2,756,081.31	\$ 2,610,138.79	\$ 2,626,801.81	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22,628,791.34
3	4	DA FBT Loss Amt	555.04	\$ 1,029,052.98	\$ 1,285,087.21	\$ 1,325,481.58	\$ 1,091,662.89	\$ 445,377.59	\$ 569,073.49	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,725,755.84
5	9	DA Non-asset Energy Amt	555.09	\$ (104,227.57)	\$ (79,350.06)	\$ (644,466.42)	\$ (777,798.77)	\$ (726,564.50)	\$ (801,323.43)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (3,133,731.07)
13	19	RT Asset Energy Amt	555.19	\$ (336,707.29)	\$ (1,662,688.39)	\$ (2,279,682.00)	\$ (2,106,127.57)	\$ (1,323,473.39)	\$ (653,458.71)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (8,282,138.55)
14	24	RT Distribution of Losses Amt	555.24	\$ (221,976.42)	\$ (380,805.74)	\$ (207,619.69)	\$ (57,370.11)	\$ (49,627.27)	\$ (94,332.76)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (1,011,731.69)
16	21	RT FBT Loss Amt	555.21	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
22	26	RT Non-Asset Energy Amt	555.26	\$ (12,884.12)	\$ 9,755.75	\$ 27,498.66	\$ 15,455.11	\$ 855.35	\$ 20,102.66	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60,773.41
		<b>TOTAL</b>		\$ 4,739,241.76	\$ 5,585,626.04	\$ 2,021,389.11	\$ 921,922.96	\$ 986,706.57	\$ 1,766,862.74	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,987,719.18
		<b>Virtual Energy</b>														
12	12	DA Virtual Energy Amt	555.12	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
27	32	RT Virtual Energy Amt	555.32	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		<b>TOTAL</b>		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		<b>Schedules 16 &amp; 17</b>														
4	1	DA Mkt Admin Amt	555.01	\$ 59,860.37	\$ 81,913.83	\$ 47,809.47	\$ 46,740.13	\$ 37,612.51	\$ 46,750.54	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 320,786.85
19	16	RT Mkt Admin Amt	555.18	\$ 3,644.33	\$ 5,357.74	\$ 4,043.42	\$ 4,933.79	\$ 3,737.63	\$ 4,040.22	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,957.13
29	13	FTR Mkt Admin Amt	555.13	\$ 3,769.55	\$ 4,022.82	\$ 3,202.85	\$ 2,202.59	\$ 2,459.34	\$ 5,202.09	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,859.24
		<b>TOTAL</b>		\$ 67,374.25	\$ 91,494.39	\$ 55,055.74	\$ 53,876.51	\$ 43,809.48	\$ 55,992.85	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 387,602.22
		<b>Congest &amp; FTRs</b>														
2	3	DA FBT Congestion Amt	555.03	\$ 40,280.69	\$ 11,880.26	\$ 30,672.12	\$ 44,840.10	\$ (13,793.55)	\$ (78,816.22)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,063.40
15	20	RT FBT Congestion Amt	555.20	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
28	14	FTR Hourly Allocation Amt	555.14	\$ (6,557.65)	\$ 10,715.87	\$ (5,165.07)	\$ (640.82)	\$ (84.22)	\$ (82,850.10)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (84,581.99)
30	15	FTR Monthly Allocation Amt	555.15	\$ (14,795.15)	\$ (941.93)	\$ (202.53)	\$ (36.32)	\$ (33.78)	\$ (112.67)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (16,122.38)
32	17	FTR Yearly Allocation Amt	555.17	\$ -	\$ -	\$ -	\$ (1,564.19)	\$ (653,053.78)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (654,617.97)
31	16	FTR Monthly Transaction Amt	555.16	\$ -	\$ (198.21)	\$ 27.93	\$ 14.36	\$ 88.12	\$ 12.25	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (55.55)
36	38	FTR ARR FTR TXN	555.38	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (25,135.01)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (25,135.01)
39	39	FTR ARR TXN	555.39	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,134.91	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 25,134.91
41	41	FTR ARR STGZ DIST	555.41	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		<b>TOTAL</b>		\$ 18,927.89	\$ 21,455.99	\$ 25,322.45	\$ 42,613.13	\$ (666,877.21)	\$ (196,486.27)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (34,719.43)
		<b>RSG &amp; Make Whole Payments</b>														
10	10	DA Revenue Sufficiency Guarantees Distribution Amt	555.10	\$ 16,648.68	\$ 23,072.69	\$ 14,489.31	\$ 5,156.11	\$ 4,925.42	\$ 14,509.21	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 78,801.42
11	11	DA Revenue Sufficiency Guarantees Make Whole Pymt Amt	555.11	\$ -	\$ (442.29)	\$ (2,034.49)	\$ (30.40)	\$ -	\$ (2,316.08)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (4,833.26)
24	29	RT Revenue Sufficiency Guarantees First Pass Distribution Amt	555.29	\$ 34,488.11	\$ 78,635.96	\$ 93,421.93	\$ 112,487.38	\$ 30,729.29	\$ 51,185.88	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 400,728.55
25	30	RT Revenue Sufficiency Guarantees Make Whole Pymt Amt	555.30	\$ -	\$ -	\$ -	\$ -	\$ (121.55)	\$ (2,389.26)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2,510.81)
		<b>TOTAL</b>		\$ 51,136.79	\$ 101,066.36	\$ 105,876.75	\$ 117,613.09	\$ 35,535.16	\$ 60,989.76	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 472,198.90
		<b>Revenue Neutrality Uplift</b>														
23	28	RT Revenue Neutrality Uplift Amt	555.28	\$ 108,425.46	\$ 133,352.41	\$ 76,232.16	\$ 67,563.96	\$ 38,736.90	\$ 138,176.58	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 562,487.47
		<b>TOTAL</b>		\$ 108,425.46	\$ 133,352.41	\$ 76,232.16	\$ 67,563.96	\$ 38,736.90	\$ 138,176.58	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 562,487.47
		<b>Other Charges</b>														
20	25	RT Misc Amt	555.25	\$ (216.16)	\$ 28.34	\$ 0.05	\$ -	\$ (356.39)	\$ 8,061.03	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,516.87
21	27	RT Net Inadvertent Amt	555.27	\$ (12,746.68)	\$ (12,888.77)	\$ 32,105.90	\$ 32,616.22	\$ 7,416.41	\$ (208.23)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 46,294.85
26	31	RT Unstructured Deviation Amt	555.31	\$ (1,595.95)	\$ 9.63	\$ 30.36	\$ 3,193.92	\$ (2,696.69)	\$ 2,348.42	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,289.78
		<b>TOTAL</b>		\$ (14,548.70)	\$ (12,680.80)	\$ 32,136.31	\$ 35,812.14	\$ 4,361.33	\$ 10,201.22	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 55,111.50
		<b>Grandfathered Charge Types</b>														
6	5	DA Congestion Rebate on COGA	555.05	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
7	6	DA Losses Rebate on COGA	555.06	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8	7	DA Congestion Rebate on Option B GFA	555.07	\$ (40,120.49)	\$ (11,385.64)	\$ (30,355.12)	\$ (44,437.66)	\$ 13,745.67	\$ 78,457.96	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (34,095.28)
9	8	DA Losses Rebate on Option B GFA	555.08	\$ (512,095.79)	\$ (629,453.99)	\$ (639,648.42)	\$ (543,404.04)	\$ (221,084.95)	\$ (282,504.86)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2,848,192.00)
17	22	RT Congestion Rebate on COGA	555.22	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
18	23	RT Loss Rebate on COGA	555.23	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		<b>TOTAL</b>		\$ (562,216.24)	\$ (640,839.62)	\$ (690,003.54)	\$ (587,841.70)	\$ (207,339.28)	\$ (204,046.90)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (2,882,287.28)
		<b>TOTAL MISO DAY 2 CHARGES - Fuel Clause Adjustment</b>		\$ 4,414,340.21	\$ 5,279,304.77	\$ 1,625,988.98	\$ 651,560.09	\$ 204,930.95	\$ 1,631,659.97	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,807,794.97
		<b>Less Schedules 16 &amp; 17 (Lines 1, 13, and 18)</b>		\$ (67,374.25)	\$ (91,494.39)	\$ (55,055.74)	\$ (53,876.51)	\$ (43,809.48)	\$ (55,992.85)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (367,602.22)
		<b>TOTAL FOR MIN COST OF ENERGY ADJUSTMENT</b>		\$ 4,346,965.96	\$ 5,187,810.38	\$ 1,570,933.24	\$ 597,683.58	\$ 161,121.47	\$ 1,575,667.12	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,440,192.75

Offer Tail Power Company  
Monthly MISO Day 2 Charges for ND Fuel Clause Adjustment  
January - December 2008  
Includes Any Adjustments

Public Document - Trade Secret Data Has Been Excised

Doc No.	Line #	Charge Type Description	Acct	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	YEAR TO DATE	
		V:\Regulatory_Services\Cost of Energy\Monthly COE\MISO Allocation\WIN and ND MISO Day 2 Allocation by FCA and Non FCA 2008.xls\ND Public Non-FAC 2008															
		7/16/2008 11:51															
		Other Tail Power Company															
		Monthly MISO Day 2 Charges for ND Non-Fuel Clause Adjustment															
		January - December 2008															
		Includes Any Adjustments															
		<b>Day Ahead &amp; Real Time Asset &amp; Non Asset Energy &amp; Loss</b>															
1	2	DA Asset Energy Amt	555 02														
3	4	DA FBT Loss Amt	555 04														
5	9	DA Non-asset Energy Amt	555 09														
13	19	RT Asset Energy Amt	555 19														
14	24	RT Distribution of Losses Amt	555 24														
16	21	RT FBT Loss Amt	555 21														
22	26	RT Non-Asset Energy Amt	555 26														
		<b>TOTAL</b>														\$ 17,294,026.30	
		<b>Virtual Energy</b>															
12	12	DA Virtual Energy Amt	555 12														
27	32	RT Virtual Energy Amt	555 32														
		<b>TOTAL</b>														\$ (76,348.16)	
		<b>Schedules 16 &amp; 17</b>															
4	1	DA Mkt Admin Amt	555 01														
19	18	RT Mkt Admin Amt	555 18														
29	13	FTR_Mkt Admin Amt	555 13														
		<b>TOTAL</b>														\$ 113,505.68	
		<b>Congest &amp; FTRs</b>															
2	3	DA FBT Congestion Amt	555 03														
15	20	RT FBT Congestion Amt	555 2														
30	14	FTR Hourly Allocation Amt	555 14														
32	15	FTR Monthly Allocation Amt	555 15														
32	17	FTR Yearly Allocation Amt	555 17														
31	16	FTR Monthly Transaction Amt	555 16														
	38	FTR_ARR_FTR_TXN	555 38														
	39	FTR_ARR_ARR_TXN	555 39														
	41	FTR_ARR_STG2_DIST	555 41														
		<b>TOTAL</b>														\$ (1,044,877.50)	
		<b>RS&amp;G &amp; Make Whole Payments</b>															
10	10	DA Revenue Sufficiency Guarantee Distribution Amt	555 1														
11	11	DA Revenue Sufficiency Guarantee Make Whole Pymt Amt	555 11														
24	29	RT Revenue Sufficiency Guarantee First Pass Distribution Amt	555 29														
25	30	RT Revenue Sufficiency Guarantee Make Whole Pymt Amt	555 3														
		<b>TOTAL</b>														\$ (376,451.64)	
		<b>Revenue Neutrality Uplift</b>															
23	28	RT Revenue Neutrality Uplift Amt	555 28														
		<b>TOTAL</b>														\$ 52,809.30	
		<b>Other Charges</b>															
20	25	RT Misc Amt	555 25														
21	27	RT Net Inadvertent Amt	555 27														
26	31	RT Uninstructed Deviation Amt	555 31														
		<b>TOTAL</b>														\$ 3,094.83	
		<b>Grandfathered Charge Types</b>															
6	5	DA Connection Rebate on COGA	555 05														
7	6	DA Losses Rebate on COGA	555 06														
8	7	DA Congestion Rebate on Option B GFA	555 07														
9	8	DA Losses Rebate on Option B GFA	555 08														
17	22	RT Connection Rebate on COGA	555 22														
18	23	RT Loss Rebate on COGA	555 23														
		<b>TOTAL</b>														\$ -	
		<b>TOTAL MISO DAY 2 CHARGES - Non-Fuel Clause Adjustment</b>														\$ -	
		Less Schedule 16 & 17 (Lines 1, 13, and 18)														\$ -	
		<b>TOTAL FOR MN COST OF ENERGY ADJUSTMENT</b>														\$ 15,985,758.81	

Public Document - Trade Secret Data Has Been Excised

V:\Regulatory_Services\Cost of Energy\Monthly COE\MISO Allocation\June 2008 MISO Day 2 Allocation.xls\ND Public By Charge Group		Other Tall Power Company							
Detail of MISO Day 2 Charges by Charge Group for Current Month		June 08** Includes any adjustments							
DoC No.	Line #	(A) Acct	(B) Retail Debits	(C) Retail Credits	(D) Retail Adjustments	(E) Net Retail	(F) Net Intersystem	(G) Total	(H)** Charge types with MWH for Retail
	<b>Day Ahead &amp; Real Time Asset &amp; Non-Asset Energy &amp; Loss</b>								
1	2	DA Asset Energy Amt	\$ 20,617,180.13	\$ (11,980,378.32)	\$ -	\$ 8,636,801.81	\$ -	\$ 8,636,801.81	458,458
3	4	DA FBT Loss Amt	\$ 569,329.07	\$ (256.58)	\$ -	\$ 569,072.49	\$ -	\$ 569,072.49	(404,113)
5	9	DA Non-asset Energy Amt	\$ 1,102,349.10	\$ -	\$ -	\$ 1,102,349.10	\$ -	\$ 1,102,349.10	9,029
13	19	RT Asset Energy Amt	\$ 653,278.87	\$ (1,127,557.58)	\$ (79,180.00)	\$ (553,458.71)	\$ -	\$ (553,458.71)	(22,858)
14	24	RT Distribution of Losses Amt	\$ -	\$ (94,392.13)	\$ 59.37	\$ (94,332.76)	\$ -	\$ (94,332.76)	16,783
16	21	RT FBT Loss Amt	\$ 555.21	\$ -	\$ -	\$ 555.21	\$ -	\$ 555.21	-
22	26	RT Non-Asset Energy Amt	\$ 322,652.54	\$ (302,549.98)	\$ -	\$ 20,102.56	\$ -	\$ 20,102.56	5,871
		<b>TOTAL</b>	\$ 24,573,465.96	\$ (20,727,482.59)	\$ (79,120.63)	\$ 1,766,862.74	\$ -	\$ 1,766,862.74	488,141
		<b>Virtual Energy</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
12	12	DA Virtual Energy Amt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
27	32	RT Virtual Energy Amt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		<b>TOTAL</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
		<b>Schedule 16 &amp; 17</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4	1	DA Mkt Admin Amt	\$ 46,750.54	\$ -	\$ -	\$ 46,750.54	\$ -	\$ 46,750.54	-
19	16	RT Mkt Admin Amt	\$ 4,037.74	\$ (0.13)	\$ 2.61	\$ 4,040.22	\$ -	\$ 4,040.22	-
29	19	RT Mkt Admin Amt	\$ 55,590.37	\$ (0.13)	\$ 2.61	\$ 55,592.85	\$ -	\$ 55,592.85	-
		<b>TOTAL</b>	\$ 106,378.65	\$ (0.26)	\$ 5.22	\$ 106,383.61	\$ -	\$ 106,383.61	-
		<b>Congest &amp; FTRs</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	3	DA FBT Congestion Amt	\$ 39,463.29	\$ (118,279.51)	\$ -	\$ (78,816.22)	\$ -	\$ (78,816.22)	-
15	20	RT FBT Congestion Amt	\$ 555.20	\$ -	\$ -	\$ 555.20	\$ -	\$ 555.20	-
28	14	FTR Hourly Allocation Amt	\$ 32,125.07	\$ (114,976.13)	\$ 0.96	\$ (82,850.10)	\$ -	\$ (82,850.10)	-
30	15	FTR Monthly Allocation Amt	\$ -	\$ (119.27)	\$ 0.60	\$ (118.67)	\$ -	\$ (118.67)	-
32	17	FTR Yearly Allocation Amt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
31	16	FTR Monthly Transaction Amt	\$ 9,688.77	\$ (9,676.98)	\$ (0.54)	\$ 12.25	\$ -	\$ 12.25	-
38	38	FTR_ARR_FTR_TXN	\$ 15,044.57	\$ (40,179.58)	\$ -	\$ (25,135.01)	\$ -	\$ (25,135.01)	-
39	39	FTR_ARR_ARR_TXN	\$ 40,179.48	\$ (15,044.57)	\$ -	\$ 25,134.91	\$ -	\$ 25,134.91	-
41	41	FTR_ARR_STGZ_DIST	\$ -	\$ (34,719.43)	\$ -	\$ (34,719.43)	\$ -	\$ (34,719.43)	-
		<b>TOTAL</b>	\$ 136,501.18	\$ (332,988.47)	\$ 1.02	\$ (196,486.27)	\$ -	\$ (196,486.27)	-
		<b>RSG &amp; Make Whole Payments</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10	10	DA Revenue Sufficiency Guarantee Distribution Amt	\$ 14,513.16	\$ -	\$ (3.95)	\$ 14,509.21	\$ -	\$ 14,509.21	-
11	11	DA Revenue Sufficiency Guarantee Make Whole Pymt Amt	\$ -	\$ (2,316.08)	\$ -	\$ (2,316.08)	\$ -	\$ (2,316.08)	-
24	24	RT Revenue Sufficiency Guarantee First Pass Distribution Amt	\$ 41,988.71	\$ -	\$ 6,579.17	\$ 51,165.88	\$ -	\$ 51,165.88	-
25	30	RT Revenue Sufficiency Guarantee Make Whole Pymt Amt	\$ -	\$ (2,389.26)	\$ -	\$ (2,389.26)	\$ -	\$ (2,389.26)	-
		<b>TOTAL</b>	\$ 56,501.87	\$ (4,705.34)	\$ 6,575.22	\$ 60,969.75	\$ -	\$ 60,969.75	-
		<b>Revenue Neutrality Uplift</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
23	28	RT Revenue Neutrality Uplift Amt	\$ 140,953.59	\$ (6,600.22)	\$ 3,823.21	\$ 138,176.58	\$ -	\$ 138,176.58	-
		<b>TOTAL</b>	\$ 140,953.59	\$ (6,600.22)	\$ 3,823.21	\$ 138,176.58	\$ -	\$ 138,176.58	-
		<b>Other Charges</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
20	25	RT Miso Amt	\$ 8,051.03	\$ -	\$ -	\$ 8,051.03	\$ -	\$ 8,051.03	-
21	27	RT Net Inherent Amt	\$ 7,819.81	\$ (3,680.59)	\$ (4,347.45)	\$ -	\$ -	\$ -	-
26	31	RT Unallocated Derivation Amt	\$ 2,348.42	\$ -	\$ -	\$ 2,348.42	\$ -	\$ 2,348.42	-
		<b>TOTAL</b>	\$ 18,229.26	\$ (3,680.59)	\$ (4,347.45)	\$ 10,201.22	\$ -	\$ 10,201.22	-
		<b>Grandfathered Charge Types</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
6	5	DA Congestion Rebate on COGA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
7	6	DA Losses Rebate on COGA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
8	7	DA Congestion Rebate on Option B GFA	\$ 97,459.85	\$ (19,001.89)	\$ -	\$ 78,457.96	\$ -	\$ 78,457.96	-
9	8	DA Losses Rebate on Option B GFA	\$ -	\$ (282,504.86)	\$ -	\$ (282,504.86)	\$ -	\$ (282,504.86)	-
17	22	RT Congestion Rebate on COGA	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
18	23	RT Loss Rebate on COGA	\$ 97,459.85	\$ (301,506.75)	\$ -	\$ (204,046.90)	\$ -	\$ (204,046.90)	-
		<b>TOTAL</b>	\$ 194,919.70	\$ (584,012.50)	\$ -	\$ (389,092.80)	\$ -	\$ (389,092.80)	-
		<b>TOTAL MISO DAY 2 CHARGES</b>	\$ 23,081,700.08	\$ (21,376,964.09)	\$ (73,068.02)	\$ 1,631,668.97	\$ 8,570,397.12	\$ 10,202,067.09	488,141
		<b>Less Schedule 16 &amp; 17 (Lines 1, 13, and 18)</b>	\$ (55,990.37)	\$ 0.13	\$ (2.61)	\$ (55,992.85)	\$ -	\$ (55,992.85)	-
		<b>TOTAL FOR ND COST OF ENERGY ADJUSTMENT</b>	\$ 23,025,709.71	\$ (21,376,963.96)	\$ (73,068.63)	\$ 1,575,677.12	\$ -	\$ 1,575,677.12	-
		<b>Net MISO Charges for Retail = (E) + (C) + (D)</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
		<b>Net KWH for Retail = ((E) + (H)) / 1,000</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
		<b>* covers time period of 05-29-08 to 06-29-08 ** increased for losses of 2.8%</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
		<b>Net MISO KWH (adjusted)</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
		<b>MISO Book Totals</b>	\$ 1,648,745.75	\$ 29,702.143	\$ -	\$ 1,678,447.89	\$ -	\$ 1,678,447.89	29,702.143
		<b>June Adjustments</b>	\$ (73,068.63)	\$ (2,473.122)	\$ -	\$ (75,541.755)	\$ -	\$ (75,541.755)	-
		<b>Total MISO</b>	\$ 1,575,677.12	\$ 27,229.020	\$ -	\$ 1,602,906.140	\$ -	\$ 1,602,906.140	29,702.143

Otter Tail Power Company  
Plant Conditions

**Plant Conditions for June 2008****Big Stone:**

The unit generated 297,741 net MWh for the month. Availability was 100% and our equivalent availability was 97.8%. Fuel prices were about 1% under budget.

**Coyote:**

The Unit generated 144,911 MWh net for the month of June. Availability for the month was 62.1% due to the scheduled spring outage, a voltage regulator card failure and a boiler circulating pump replacement. Fuel costs were 6% above budget for the month, with a significant increase on the 2<sup>nd</sup> quarter fuel price from the mine. The main driver to that increase was the significant increase to the light fuel oil index in the second quarter.

**Hoot Lake:**

Unit 2 generated 6,223 MWh net in June. This generation was 80.5 percent below budget for the month. It had an availability and equivalent availability of 22.8 percent. The Unit's net capacity factor was 16.6 percent. The plant was scheduled to come back on line on May 26<sup>th</sup>, but the outage was extended due to delays in the generator work. There were additional forced outages to address vibration issues in the generator. Fuel costs were about 5% over budget.

Unit 3 generated 41,149 MWh net, which was 3.15 percent below budget for the month. The Unit had an availability and equivalent availability of 96.4 percent. The net capacity factor for June was 78.3 percent. Fuel costs were about 5% over budget.

**Plant Conditions for May 2008****Big Stone:**

The unit generated 219,315 net MWh for the month. Availability was 70.2% and our equivalent availability was 67.3%. The Unit came down for its scheduled spring maintenance on May 21<sup>st</sup>. Fuel prices were about 3% under budget.

**Coyote:**

The Unit generated 266,013 mWh net for the month May. Availability for the month was 97.5% due to a cyclone tube leak which carried over from the month of April. Fuel costs were 5% above budget for the month, with a significant increase on the 2<sup>nd</sup> quarter fuel price from the mine. The main driver to that increase was the significant increase to the light fuel oil index in the second quarter.

**Hoot Lake:**

Unit 3 generated 45,399 MWh net for the month of May. The Unit had an availability and equivalent availability of 99.7 percent. The net capacity factor for April was 83.6 percent. Unit 2 has been offline all of the month of April for scheduled outage. The plant was scheduled to come back on line on May 26<sup>th</sup>, but the outage was extended due to delays in the generator work. Fuel costs were about 7% over budget.