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OCT 02 2008

October 1, 2008

PUBLIC SERVICE COMMISSION

Darrell Nitschke
Directory of Administration
North Dakota Public Service Commission
State Capitol
Bismarck, ND 58505

**RE: Customer Information - Annual Mailing of Rate Summary Brochures
Case No. PU-08-_____**

Dear Mr. Nitschke:

Pursuant to North Dakota Administrative Code 69-09-02-02.1 (6) information to customers annual mailing of existing and available rate schedules, Otter Tail Power Company would like to submit new versions of our rate summary brochures. Enclosed you will find the rate summary for the Residential service, Commercial and general service and Farm service.

Our changes include:

- Additional text to the first page stating that the material contained in the brochures does not reflect interim or final rate increases associated with pending or current rate cases.
- Information for our customers to visit our website at www.otpco.com or call our Customer Service at 800-257-4044 for information about rate case activity, or for specific detail on rates and regulations concerning their electric service.
- Indication that the schedules in this brochure do not include renewable resource adjustment charges.
- Explanation on the reverse side of each summary brochure about the renewable resource adjustment.
- Adding our web site address for a complete list of all available rates.

1 **PU-08-806** Filed: 10/2/2008 Pages: 8
**Rate Summary Brochure - Residential, Commercial,
General and Farm Service**

Otter Tail Corporation

Mr. Darrell Nitschke

Page 2

At this time, we do not intend to update these brochures until final rates are approved by the North Dakota Public Service Commission in our upcoming rate case.

An electronic copy of this filing is being sent to you at dnitschk@nd.gov and to ndpsc@nd.gov. These items are filed for your information. If you have any questions, please contact me at 218-739-8395 or jheinen@otpc.com.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Judy Heinen".

Judy Heinen

Tariff Specialist, Regulatory Services

wao

Enclosures

By electronic filing

Controlled service (deferred load)

Rate Code 197 Short-duration cycling
Rate Code 195 Penalty
Rate Code 199

Application: Approved permanently connected deferred loads served under the conditions provided (primarily thermal storage). Contact Customer Service at 800-257-4044 or our Idea Center at 800-493-3299 for application of various options.

Rate: Customer charge @ \$1.34 plus
Energy: All kwh @ 3.643¢ each
Penalty: All kwh @ 10.088¢ per kwh in addition to off-peak charge.

Monthly minimum charge: \$1.34

Visit www.otpc.com for all available rates.

Cost-of-energy adjustment

A variable charge added to or deducted from the bill each month depending upon current fuel and purchased-power costs. This charge is in addition to the foregoing rate schedules, except dual fuel, and itemized separately on the service bill.

Customer connection charge

Applies to any new customer, name changes at existing points of service, and reconnection following temporary disconnection at the customer's request.

Rate: \$9 for each customer connection.

Late-payment charge

Accounts paid late are subject to a late-payment charge of 1.5% of the unpaid balance. If disconnected for nonpayment, a reconnection charge consisting of the customer connection charge plus direct labor costs for reconnection outside of regular business hours will be required. A cash deposit also may be required.

NSF check charge

A \$5 charge will be made subsequent to a customer's check being returned from the bank because of non-sufficient funds.

Renewable resource adjustment

Recovers investments and expenses associated with adding renewable energy facilities to Otter Tail Power Company's generation resources. These renewable energy resources are part of our least-cost resource plan and help to meet North Dakota's Renewable Energy Objective set forth by the legislature.



Rate information

North Dakota electric rate schedules

Residential service

This brochure briefly summarizes rate schedules applicable to your type of service that have been a basis for billing since November 1, 1999.

The schedules indicated in this brochure do not include state or local taxes, cost-of-energy adjustments, or renewable resource adjustments.

Information reported in this material does not reflect interim or final rate increases associated with pending or current rate cases.

For information about rate case activity, or for specific detail on rates and regulations concerning your electric service, contact Customer Service at 800-257-4044 or visit our web site at www.otpc.com.

Upon request, Otter Tail Power Company will assist you in determining billing for specific load conditions under various rate schedules.



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Residential service

Rate R-01N: Rate Codes

	With direct-control water heating
Zone 1 (Urban)	101-121 201-221
Zone 9 (Rural)	109-129 209-229
	119 219-239

Application: Single-phase service to single-family dwellings and individually metered apartments, condominiums, town houses, or mobile homes for lighting, heating, cooking, refrigeration, space heating, and motors not over 5 H.P.

Rate: (Urban) Customer charge @ \$4.74
(Rural) Customer charge @ \$5.65
plus First 1000 kwh @ 6.977¢ each
Next 1000 kwh @ 5.474¢ each
Excess kwh @ 4.675¢ each

Water-heating credit: \$2.00 credit applied to all bills having direct-control water heating.

Monthly minimum charge:

(Urban) \$4.74
(Rural) \$5.65

Residential service (controlled demand)

Rate R-03N: Rate Code 241

Application: This schedule is available to customers with approved demand-control systems and is applicable for single-phase service through one meter for lighting, heating, water heating, cooking, refrigeration, air conditioning, and incidental domestic power.

Rate: Customer charge @ \$9.38

Billing demand:
Winter: November-April \$7.32 per kw of billing demand
Summer: May-October \$3.69 per kw of billing demand
Energy:
All kwh @ 2.909¢ each

Monthly minimum charge: \$9.38

Billing demand determination: The demand will be determined based on the peak 1-hour demand reading during the winter controlled period for the most recent 12 months. An estimated demand will be used for new customers until the actual controlled demand is established.

Water heating (off-peak)

Rate R-91N: Rate Code 191

Application: Service to water heaters of 40 or more gallons with heating elements of not less than 30 watts nor more than 150 watts per gallon. Minimum of 10 hours of service available in a 24-hour period.

Rate: Customer charge @ \$1.34 plus
All kwh per month @ 4.015¢ each

Monthly minimum charge: \$1.34

Controlled service (interruptible load)

Application: Approved permanently connected interruptible loads served under the conditions provided (primarily electric heating portion of alternate fuel). Contact Customer Service at 800-257-4044 or our Idea Center at 800-493-3299 for application of various options.

(80 kw capacity and greater)

Rate I-01N: Rate Code 170
165 Short-duration cycling
199 Penalty

Rate: Customer charge @ \$4.74 plus

Energy:
Nov.-April: All kwh @ 2.253¢ each
May-Oct.: All kwh @ 2.253¢ each
Penalty: All kwh @ 10.088¢ per kwh in addition to off-peak charge

Monthly minimum charge: \$4.74

(Less than 80 kw capacity)

Rate I-02N: Rate Codes 180 (Closed to new customers.)
185 Short-duration cycling
190 Without credit
199 Penalty

Rate: Customer charge @ \$3.78 plus

Energy:
Nov.-April First 5000 kwh @ 3.097¢
(Less .383¢ per kwh 1st 3 years of installation.
Closed to new customers.)
Excess kwh @ 2.815¢ each
(Less .67¢ per kwh 1st 3 years of installation.
Closed to new customers.)

May-Oct. First 1500 kwh @ 2.956¢
(Less .383¢ per kwh 1st 3 years of installation. Closed to new customers.)
Excess kwh @ 2.675¢ each
(Less .67¢ per kwh 1st 3 years of installation.
Closed to new customers.)

Penalty: All kwh @ 10.088¢ per kwh in addition to off-peak charge.

Monthly minimum charge: \$3.78

Electric climate control (closed to new customers)

Rate G-93N: Rate Codes 493, 494

Application: Heating and general service if customer has approved electric space-heating and air-conditioning or electric cooking or process heating.

Rate: The minimum billing under E shall be the greater of 10% of the total kwh used during the month or 300 kwh (but not to exceed total kwh used). If space-heating installation is not total and is less than 30% of the total connected load, no less than 50% of total kwh, but not less than 300 kwh, shall be billed at the E portion of the rate. The rate shall apply as follows:

Customer charge: \$7.56 plus

H. First 200 kwh used per month per installed heating kw during 8 heating months of October - May: 4.626¢ per kwh

A.C. First 200 kwh used per month per installed 5000 Btu of air-conditioning during 4 months of June - September: 4.626¢ per kwh

C. Next 30 kwh used per month per installed kw of cooking, process heating, food heating, and water-heating equipment: 4.626¢ per kwh

E. Next 1000 kwh @ 9.912¢ each
Next 1000 kwh @ 8.585¢ each
Excess kwh @ 6.899¢ each

Except - all kwh in excess of 200 kwh per month per kw of billing demand @ 5.098¢ per kwh.

Monthly minimum charge: \$7.56

Water heating (off-peak)

Rate R-91N: Rate Code 191

Application: Service to water heaters of 40 or more gallons with heating elements of not less than 30 watts nor more than 150 watts per gallon. Minimum of 10 hours of service available in a 24-hour period.

Rate: Customer charge @ \$1.34 plus
All kwh per month @ 4.015¢ each

Monthly minimum charge: \$1.34

Visit www.otpc.com for all available rates.

Cost-of-energy adjustment

A variable charge added to or deducted from the bill each month depending upon current fuel and purchased-power costs. This charge is in addition to the foregoing rate schedules, except dual fuel, and itemized separately on the service bill.

Customer connection charge

Applies to any new customer, name changes at existing points of service, and reconnection following temporary disconnection at the customer's request.

Rate: \$9 for each customer connection.

Late-payment charge

Accounts paid late are subject to a late-payment charge of 1.5% of the unpaid balance. If disconnected for nonpayment, a reconnection charge consisting of the customer connection charge plus direct labor costs for reconnection outside of regular business hours will be required. A cash deposit also may be required.

NSF check charge

A \$5 charge will be made subsequent to a customer's check being returned from the bank because of non-sufficient funds.

Renewable resource adjustment

Recovers investments and expenses associated with adding renewable energy facilities to Otter Tail Power Company's generation resources. These renewable energy resources are part of our least-cost resource plan and help to meet North Dakota's Renewable Energy Objective set forth by the legislature.



Rate information

North Dakota electric rate schedules

Commercial and general service

This brochure briefly summarizes rate schedules applicable to your type of service that have been a basis for billing since November 1, 1999.

The schedules indicated in this brochure do not include state or local taxes, cost-of-energy adjustments, or renewable resource adjustments.

Information reported in this material does not reflect interim or final rate increases associated with pending or current rate cases.

For information about rate case activity, or for specific detail on rates and regulations concerning your electric service, contact Customer Service at 800-257-4044 or visit our web site at www.otpc.com.

Upon request, Otter Tail Power Company will assist you in determining billing for specific load conditions under various rate schedules.



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General service

Rate G-01N: Rate Codes

Zone 1 (Urban)	401	With direct-control water heating
Zone 9 (Rural)	409	
	451	
	459	

Application: Single- or three-phase (by contract in rural areas) service supplied through one meter to nonresidential customers for lighting, power, cooking, heating, and other ordinary uses.

Rate: (Urban) Customer charge @ \$6.65
 (Rural) Customer charge @ \$7.95
 Plus
 First 1000 kwh @ 9.15¢ each
 Next 1000 kwh @ 8.05¢ each
 Excess kwh per month @ 6.58¢ each
 Except - all kwh in excess of 200 kwh per month per kw of billing demand @ 4.928¢

Water-heating credit: \$2 credit applied to all bills having direct-control water heating.

Monthly minimum charge:

(Urban) - \$ 6.65 for lighting, small motors, and ordinary appliances plus kva charge for all other connected load of -

57.438¢ per kva - first 20 kva
 28.719¢ per kva - additional kva

(Rural) - \$7.95 for 10 kva of transformer capacity plus 71.797¢ for each additional kva of capacity required.

Billing Demand: Maximum load in kw as measured by a demand meter for any fifteen-minute period during the month for which the bill is rendered. Minimum billing demand will not be considered less than 3 kw.

Large general service

Rate C-02N: Rate Codes

Transmission Service	632
Primary Service	602
Secondary Service	603

Application: Single- or three-phase service supplied through on meter to nonresidential customers.

Rate:

Demand	Transmission Service	Primary Service	Secondary Service
First 100 kw	\$7.23 each	\$8.04 each	\$8.33 each
Excess kw plus	\$5.65 each	\$6.51 each	\$6.80 each

Energy:
 Over 360 kw per kw of demand @ 2.935¢
 Next 700,000 kwh per kw of demand @ 3.784¢
 Excess kwh @ 2.979¢

Monthly minimum charge: The billing demand charge.

Billing demand: Maximum load in kw as measured by a demand meter for any fifteen-minute period during the month for which the bill is rendered and adjusted for excess reactive demand. The minimum billing demand shall not be less than the greater of:

80 kw or 25% of first 500 kw
 50% of next 500 kw
 75% of excess kw

of billing demand in excess of 1,000 kw, established in preceding eleven months.

Excess reactive demand: The billing demand is increased by one kw for each whole 10 kvar of reactive demand in excess of 50% of the measured kw demand.

Controlled service (interruptible load)

Application: Approved permanently connected interruptible loads served under the conditions provided (primarily electric heating portion of alternate fuel). Contact Customer Service at 800-257-4044 or our Idea Center at 800-493-3299 for application of various options.

(80 kw capacity and greater)

Rate I-01N: Rate Code

170	165 Short-duration cycling
199	Penalty
	Customer charge @ \$4.74 plus

Energy:
 Nov.-April: All kwh @ 2.253¢ each
 May-Oct.: All kwh @ 2.253¢ each
 Penalty: All kwh @ 10.088¢ per kwh in addition to off-peak charge

Monthly minimum charge: \$4.74

(Less than 80 kw capacity)

Rate I-02N: Rate Codes

180	(Closed to new customers.)
185	Short-duration cycling
199	Penalty
	Without credit
	Customer charge @ \$3.78 plus

Rate: Customer charge @ \$3.78 plus

Energy:
 Nov.-April: First 5000 kwh 3.097¢
 (Less .383¢ per kwh 1st 3 years of installation.
 Closed to new customers.)
 Excess kwh @ 2.815¢ each
 (Less .67¢ per kwh 1st 3 years of installation.
 Closed to new customers.)

May-Oct. First 1500 kwh @ 2.956¢
 (Less .383¢ per kwh 1st 3 years of installation.
 Closed to new customers.)
 Excess kwh @ 2.675¢ each
 (Less .67¢ per kwh 1st 3 years of installation.
 Closed to new customers.)

Penalty: All kwh @ 10.088¢ per kwh in addition to off-peak charge
Monthly minimum charge: \$3.78

Controlled service (deferred load)

Application: Approved permanently connected deferred loads served under the conditions provided (primarily thermal storage). Contact Customer Service at 800-257-4044 or our Idea Center at 800-493-3299 for application of various options.

Rate I-03N: Rate Code

197	195 Short-duration cycling
199	Penalty
	Customer charge @ \$1.34 plus

Energy:
 All kwh @ 3.643¢ each
 Penalty: All kwh @ 10.088¢ per kwh in addition to off-peak charge

Monthly Minimum Charge: \$1.34

Irrigation service

Rate M-03N: Rate Codes 703
Option I 706
Option II 705
Off-Peak 704
Intermediate
On-Peak

Application: Service to customers for pumping water to irrigate land during the irrigation season—April 15 to November—subject to specific regulations regarding irrigation pumping.

Rate: Annual fixed charge equal to 18% of the Company's investment costs resulting from the added irrigation pumping load. Billed in five equal monthly installments from May through September of each year plus:

- Option 1 Connected load charge: .29¢ per hp per month (May through September)
 and
 Energy charge: All kwh @ 3.912¢ each or
- Option 2 Off-peak energy @ 2.639¢ per kwh
 Intermediate peak energy @ 5.508¢ per kwh
 On-peak energy @ 7.756¢ per kwh

Time and temperature is the controlling factor in determining which energy charges are applicable. Otter Tail Power Company service representatives have details.

Monthly minimum charge: One-fifth of annual fixed charge.

Visit www.otpc.com for all available rates.

Cost-of-energy adjustment

A variable charge added to or deducted from the bill each month depending upon current fuel and purchased-power costs. This charge is in addition to the foregoing rate schedules, except dual fuel, and itemized separately on the service bill.

Customer connection charge

Applies to any new customer, name changes at existing points of service, and reconnection following temporary disconnection at the customer's request.

Rate: \$9 for each customer connection.

Late-payment charge

Accounts paid late are subject to a late-payment charge of 1.5% of the unpaid balance. If disconnected for nonpayment, a reconnection charge consisting of the customer connection charge plus direct labor costs for reconnection outside of regular business hours will be required. A cash deposit also may be required.

NSF check charge

A \$5 charge will be made subsequent to a customer's check being returned from the bank because of non-sufficient funds.

Renewable resource adjustment

Recovers investments and expenses associated with adding renewable energy facilities to Otter Tail Power Company's generation resources. These renewable energy resources are part of our least-cost resource plan and help to meet North Dakota's Renewable Energy Objective set forth by the legislature.



Rate information

North Dakota electric rate schedules

Farm service

This brochure briefly summarizes rate schedules applicable to your type of service that have been a basis for billing since November 1, 1999.

The schedules indicated in this brochure do not include state or local taxes, cost-of-energy adjustments, or renewable resource adjustments.

Information reported in this material does not reflect interim or final rate increases associated with pending or current rate cases.

For information about rate case activity, or for specific detail on rates and regulations concerning your electric service, contact Customer Service at 800-257-4044 or visit our web site at www.otpc.com.

Upon request, Otter Tail Power Company will assist you in determining billing for specific load conditions under various rate schedules.



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Farm service

Rate F-61N: Rate Codes	361	371
		With direct-control water heating

Application: Single-phase service to farm customers for general farm and home uses, including lighting, incidental appliances, refrigeration, cooking, and power for motors.

Rate: Customer charge @ \$7.51 plus

First 150 kwh @ 7.647¢ each
 Next 1450 kwh @ 5.762¢ each
 Excess kwh @ 4.675¢ each

Water-heating credit: \$2 credit applied to all bills having direct-control water heating.

Monthly minimum charge: \$7.51 for 25 kva of transformer capacity plus 71.797¢ for each additional kva of capacity required.

Water heating (off-peak)

Rate R-91N: Rate Code 191

Application: Service to water heaters of 40 or more gallons with heating elements of not less than 30 watts nor more than 150 watts per gallon. Minimum of 10 hours of service available in a 24-hour period.

Rate: Customer charge @ \$1.34 plus
 All kwh per month @ 4.015¢ each

Monthly minimum charge: \$1.34

Farm service

(with farm home on controlled-demand rate)

Rate: R-03N: Rate Code 241
 F-61N: Rate Code 361

Application: The electricity used in the farm home for residential uses will be billed at the residential controlled-demand rate if an approved controlled-demand system is installed and all other rules and requirements specified in that rate are satisfied. The electricity used for farm purposes will be billed at farm rate 361, provided the customer gives notice to this effect and installs (at the customer's expense) the proper wiring necessary for separate metering of the farm home and the farm uses.

Home use:

Rate R-03N: Rate Code 241
 Customer charge \$9.38
 Billing demand:
 Winter: November-April
 \$7.32 per kw of billing demand
 Summer: May-October
 \$3.69 per kw of billing demand
 Energy: All kwh @ 2.909¢ each

Monthly minimum charge: \$9.38

Farm use:

Rate F-61N: Rate Code 361

(See Regular Farm Service)

241 rate billing demand determination: The demand will be determined based on the peak 1-hour demand reading during the winter controlled period for the most recent 12 months. An estimated demand will be used for new customers until the actual controlled demand is established.

Controlled service (interruptible load)

Application: Approved permanently connected interruptible loads served under the conditions provided (primarily electric heating portion of alternate fuel). Contact Customer Service at 800-257-4044 or our Idea Center at 800-493-3299 for application of various options.

(80 kw capacity and greater)

Rate I-01N: Rate Code 170
 Rate Code 165 Short-duration cycling
 199 Penalty

Rate: Customer charge @ \$4.74 plus

Energy:

Nov.-April: All kwh @ 2.253¢ each
 May-Oct.: All kwh @ 2.253¢ each

Penalty: All kwh @ 10.088¢ per kwh in addition to off-peak charge

Monthly minimum charge: \$4.74

(Less than 80 kw capacity)

Rate I-02N: Rate Codes

With credit

180 (Closed to new customers.)

185 Short-duration cycling

190

Without credit

199 penalty

Rate: Customer charge @ \$3.78 plus

Energy:

Nov.-April First 5000 kwh @ 3.097¢
 (Less .383¢ per kwh 1st 3 years of installation.
 Closed to new customers.)

Excess kwh @ 2.815¢ each

(Less .67¢ per kwh 1st 3 years of installation.
 Closed to new customers.)

First 1500 kwh @ 2.956¢

(Less .383¢ per kwh 1st 3 years of installation.
 Closed to new customers.)

Excess kwh @ 2.675¢ each

(Less .67¢ per kwh 1st 3 years of installation.
 Closed to new customers.)

Penalty: All kwh @ 10.088¢ per kwh in

addition to off-peak charge

Monthly minimum charge: \$3.78

Controlled service (deferred load)

Application: Approved permanently connected deferred loads served under the conditions provided (primarily thermal storage). Contact Customer Service at 800-257-4044 or our Idea Center at 800-493-3299 for application of various options.

Rate I-03N: Rate Code 197

195 Short-duration cycling

199 Penalty

Rate: Customer charge @ \$1.34 plus

Energy: All kwh @ 3.643¢ each

Penalty: All kwh @ 10.088¢ per kwh in addition to off-peak charge.

Monthly minimum charge: \$1.34