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PUBLIC SERVICE COMMISSION



VIA ELECTRONIC FILING AND OVERNIGHT DELIVERY

May 20, 2009

Mr. Darrell Nitschke,
Director of Administration/Executive Secretary
North Dakota Public Service Commission
State Capitol
600 E. Boulevard Ave., Dept. 408
Bismarck, ND 58505-0408

**Re: Public Service Commission Federal
2007 EISA Standards Investigation
Case No. PU-09-20**

Otter Tail's Comments on Federal 2007 EISA Standards Investigation

Dear Mr. Nitschke:

On May 11, 2009, the Commission held a workshop regarding the above-referenced case. At the conclusion of the workshop, the Commission set a period of ten days for receiving comments. Enclosed are the comments of Otter Tail Corporation d/b/a Otter Tail Power Company.

An electronic copy is being sent to you at dnitschk@nd.gov and at ndpsc@nd.gov today. Otter Tail Power Company has provided an original and seven copies of Otter Tail's comments in the above-referenced Case.

11 PU-09-20 Filed: 5/20/2009 Pages: 4
Comments of Otter Tail Corporation d-b-a Otter Tail Power Company

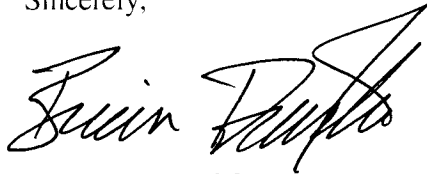
Otter Tail Corporation

Brian Draxton, Mgr., Resource Planning

Darrell Nitschke
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May 20, 2009

Please contact me at 218-739-8417 or bhdraxten@otpc.com if you have any questions regarding this filing.

Sincerely,

A handwritten signature in black ink, appearing to read "Brian Draxten". The signature is stylized with a large, sweeping initial "B" and "D".

Brian Draxten, Manager
Resource Planning

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Enclosures

STATE OF NORTH DAKOTA
BEFORE THE
PUBLIC SERVICE COMMISSION

Public Service Commission
Federal 2007 EISA Standards
Investigation

Case No. PU-09-20

COMMENTS OF OTTER TAIL POWER COMPANY

I. BACKGROUND

On December 19, 2007, the federal Energy Independence and Security Act of 2007 (EISA) was enacted. The Act amends the Public Utility Regulatory Policies Act of 1979 (PURPA) to require each state regulatory authority to consider adopting suggested energy policy standards.

On November 19, 2008, in Case No, PU-08-884, the North Dakota Public Service Commission (Commission) opened a rulemaking proceeding regarding energy efficiency and load management. A workshop was conducted on January 5, 2009.

On May 11, 2009, in Case No PU-09-20, a workshop was held in the Commission Hearing Room, 12th Floor, State Capitol, Bismarck, ND 58505. The issues considered were:

1. Whether the Commission should adopt any or all of the standards suggested by the Act;
2. Whether the Commission should adopt different or modified standards from those described in the Act; and,
3. What compensation, if any, should be made available to consumers under PURPA section 122 for their reasonable expenses incurred by participating or intervening in this proceeding.

II. COMMENTS

Otter Tail Corporation d/b/a Otter Tail Power Company (Otter Tail or Company), has assembled comments for the Commission and others to make an informed decision on (1) integrated resource planning and (2) rate design modifications to promote energy efficiency investments referred to in Section 532 of the EISA.

Otter Tail is currently required to file an Integrated Resource Plan (IRP) in Minnesota every two years. While an IRP is not currently required by the North Dakota Public Service Commission, the Company sends a copy of its Minnesota IRP to the Commission. Our IRP is a least cost plan for our entire system. It is our belief that this plan gives the Commission sufficient information to monitor Otter Tail's plan to acquire sufficient capacity and energy to supply the electric needs of all our customers.

If the Commission feels there is a need for more North Dakota-specific information with regard to the IRP, Otter Tail is willing to work with the Commission to determine the scope of the additional information required.

Otter Tail has filed a plan with the Commission to initiate energy efficiency programs for North Dakota customers. This plan includes financial recovery of costs and incentives for Otter Tail.

The demand and energy savings resulting from these programs have been included as a resource in past resource plans and will be included in the IRP to be filed in Minnesota in the 4th Quarter of 2009. If North Dakota does not accept the energy efficiency programs filed by Otter Tail, the related demand and energy savings will need to be removed from the Company's IRP.

III. CONCLUSION

Otter Tail wants to commend the Commission for setting up a workshop to discuss these issues in a public setting and provide written comments. The company believes it was a valuable meeting.

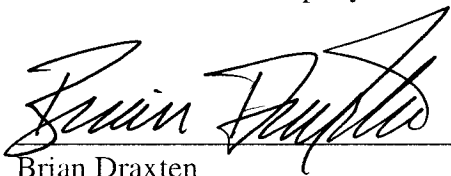
Therefore, Otter Tail recommends that the current practice of providing the Commission with a copy of each of Otter Tail's IRP filings in Minnesota be continued and deemed sufficient to meet the requirements of EISA Section 532.

Otter Tail also recommends that the current energy efficiency programs filed with the Commission be approved as rate design modifications to promote energy efficiency investments meeting the requirements of EISA Section 5322.

May 20, 2009

Respectfully submitted:

Otter Tail Corporation d/b/a
Otter Tail Power Company



Brian Draxten
Manager, Resource Planning
Otter Tail Power Company
215 South Cascade Street
Fergus Falls, MN 56538-0496