



Public Service Commission

State of North Dakota

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19 March 2009

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Re: PSC Case No. PU-09-108 and PSC Case No. PU-09-109

Dear Ms. Olson:

Thank you for your filings in the captioned cases.

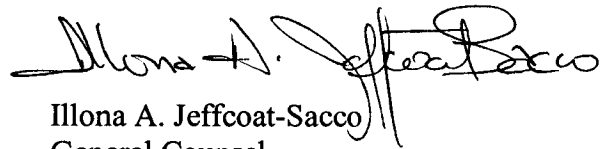
I wanted to bring to your attention that the law does not require the Public Service Commission to execute service area agreements and the Commission has not made a practice of doing so. Service area agreements are agreements between an investor owned utility and a cooperative. The Commission is not a party to the agreement.

These agreements must be filed for Commission approval. If an agreement is approved, the Commission will indicate its approval by order, not by signing the agreement. Consequently, it is not necessary for the agreement to include a Commission signature line, or for you to file more than one executed original with your application.

Of the three you sent, I have docketed one original agreement in Case No. PU-09-108 (the service area agreement case). I have docketed a copy of the agreement in Case No. PU-09-109 (the public convenience and necessity case). I am returning two original service area agreements to you. In the future, please draft the service area agreements without a Commission signature line and file one original, executed agreement with your application.

Thank you for your attention to this matter. If you have any questions, please do not hesitate to call.

Best regards,


Ilona A. Jeffcoat-Sacco
General Counsel

Enclosures

c. w/o encl: Bruce Gerhardson
J. Bruce Gibbens

2 **PU-09-109** Filed: 3/19/2009 Pages: 1
Letter to Otter Tail re. Filing Procedures for Service Area Agreements

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Letter to Otter Tail re. Filing Procedures for Service Area Agreements

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