

**STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION**

**Otter Tail Corporation / Northern Plains
Electric
Jamestown Area
Service Area Agreement**

Case No. PU-09-108

**Otter Tail Corporation
Jamestown Area – Service Area Agreement
Public Convenience & Necessity**

Case No. PU-09-109

ORDER APPROVING ELECTRIC SERVICE AREA AGREEMENT

June 3, 2009

On March 10, 2009, Otter Tail Corporation d/b/a Otter Tail Power Company (Otter Tail) and Northern Plains Electric Cooperative (Northern Plains) filed a joint application for approval of a Service Area Agreement to establish service areas and designate service locations to be served by Otter Tail and Northern Plains within and around the City of Jamestown, North Dakota. Applicants further requested that Otter Tail be issued a certificate of public convenience and necessity authorizing it to extend service to locations within the Otter Tail service area set forth in the agreement.

On March 25, 2009, the Commission issued a Notice of Filing, Notice of Informal Hearing and Notice of Opportunity for Hearing, which provided until May 19, 2009 for receiving written comments or hearing requests. No response has been received. The Notice identified the issues to be considered in this proceeding as whether the Service Area Agreement complies with section 49-03-06 of the North Dakota Century Code (N.D.C.C.), and whether the approval of the Service Area Agreement and resulting certificate issuance are compatible with the public interest.

On May 20, 2009, the Commission discussed the issues with Commission staff and the applicants at an informal hearing. The applicants contend that the agreement will:

1. Create the certainty necessary for both applicants to plan and operate efficiently within the service area granted to them;
2. Establish service areas that will avoid unreasonable duplication of electric facilities;
3. Mandate that both parties provide electric service consistent with applicable standards specified therein, so as to best assure adequate and reliable electric service to customers; and
4. Establish agreements that will help to avoid territorial disputes between the parties regarding their service in and around the City of Jamestown.

Having considered this matter the Commission finds that the Service Area Agreement complies with N.D.C.C. section 49-03-06, and that approval of the Service Area Agreement and resulting certificate issuance are compatible with the public interest. Therefore, the Commission issues the following:

Order

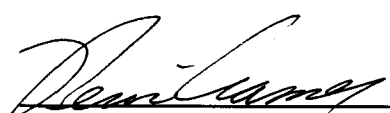
The Commission Orders:

1. The electric service agreement filed jointly by Otter Tail Corporation d/b/a Otter Tail Power Company and Northern Plains Electric Cooperative is APPROVED.
2. Otter Tail Corporation d/b/a Otter Tail Power Company is issued Certificate of Public Convenience and Necessity No. 5401 authorizing the provision of electric service to customers within the agreed-upon service areas around the city of Jamestown.

PUBLIC SERVICE COMMISSION



Tony Clark
Commissioner



Kevin Cramer
President



Brian P. Kalk
Commissioner

PUBLIC SERVICE COMMISSION

STATE OF NORTH DAKOTA

Certificate of Public Convenience and Necessity

Certificate Number 5401

This is to certify that public convenience and necessity require, and permission is granted, for Otter Tail Corporation d/b/a Otter Tail Power Company to provide electric service to customers around the City of Jamestown, North Dakota as established in an electric service agreement negotiated with Northern Plains Electric Cooperative and approved by the Commission in Case No. PU-09-108.

This certificate is issued in accordance with the Order of this Commission dated June 3, 2009, in Case Nos. PU-09-108 and PU-09-109, and is subject to the conditions and limitations noted in the Order.

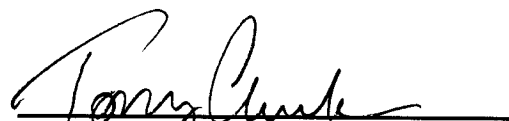
This certificate is conditioned upon Otter Tail Corporation securing the franchise or other authority of the proper municipal or other public authority for the exercise of these rights and privileges.

Bismarck, North Dakota, June 3, 2009.

ATTEST:

PUBLIC SERVICE COMMISSION


Executive Secretary


Commissioner