

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

Otter Tail Power Company
Advance Determination of Prudence -CapX2020 Group 1
Application

Case No. PU-09-676

Northern States Power Company
Advance Determination of Prudence -CapX2020 Group 1
Application

Case No. PU-09-678

AFFIDAVIT OF SERVICE BY CERTIFIED MAIL

STATE OF NORTH DAKOTA
COUNTY OF BURLEIGH

Cara DeSaye deposes and says that:

she is over the age of 18 years and not a party to this action and, on the **21st** day of **September, 2011**, she deposited in the United States Mail, at Bismarck, North Dakota, two envelopes with certified postage, return receipt requested, fully prepaid, securely sealed and containing a photocopy of:

Notice of Hearing

The envelopes were addressed as follows:

Mark Bring
Otter Tail Power Company
215 S Cascade St
PO Box 496
Fergus Falls MN 56538-0496

Zeviel Simpser
Briggs and Morgan
2200 IDS Center
80 S 8th St
Minneapolis MN 55402-2157

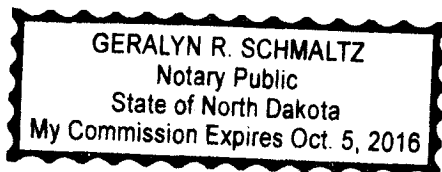
Cert. No. 7010 1060 0001 0644 3607

Cert. No. 7010 1060 0001 0644 3614

Each address shown is the respective addressee's last reasonably ascertainable mailing address, and each email address is the respective addressee's last reasonably ascertainable electronic mailing address.

Subscribed and sworn to before me
this **21st** day of **September, 2011**.

SEAL



Cara DeSaye

Geraldine Bohm

Notary Public

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NOTICE OF HEARING

September 20, 2011

On October 5, 2009, Northern States Power Company (Xcel Energy) and Otter Tail Power Company (Otter Tail) each filed an application for advance determination of prudence for each applicant's respective participation and ownership in the following three high voltage transmission line projects:

- A 250-mile long, 345 kV transmission line between Fargo, North Dakota and the northwest quadrant of the Twin Cities in Minnesota (the Fargo Project).
- A 200-mile long, 345 kV transmission line between eastern South Dakota and the southeast Quadrant of the Twin Cities in Minnesota (the Brookings Project).
- A 68-mile long, 230 kV transmission line between Bemidji, Minnesota and Grand Rapids, Minnesota (the Bemidji Project).

Xcel Energy's October 5, 2009, application also requested an advance determination of prudence for a 150-mile long, 345 kV transmission line between La Crosse, Wisconsin and the southeast Twin Cities area in Minnesota and two associated 161 kV lines in the Rochester, Minnesota area (the La Crosse Project).

On October 6, 2011, the Commission granted a conditional advance determination of prudence for Otter Tail's investment in and construction of the Fargo, Brookings and Bemidji Projects and granted advance determination of prudence for Xcel Energy's investment in and construction of the Fargo, Brookings, Bemidji, and La Crosse Projects. The Commission ordered that Otter Tail and Xcel Energy (Applicants) make a filing providing additional information on the resolution of cost allocation issues relevant to the Brookings Project, including the impact on North Dakota. The Commission also ordered that Applicants make a filing evidencing the continued

prudence of the Brookings Project and seeking Commission confirmation of continued prudence of the Project prior to Applicants executing a legally binding investment commitment for the major procurement and construction of the Brookings Project.

On April 29, 2011, Applicants made a compliance filing with the Commission relevant to the Brookings Project cost allocation issues and also provided evidence supporting the continued prudence of the Brookings Project. Applicants seek Commission confirmation of continued prudence of the Brookings Project.

On July 25, 2011, a hearing was held in the Commission Hearing Room at the State Capitol in Bismarck, North Dakota.

On August 23, Applicants filed with the Commission an executed Settlement Agreement on Continued Prudence between Applicants and Advocacy Staff for Case No. PU-09-676 and Case No. PU-09-678.

The Commission will hold a **consolidated public hearing** for consideration of the Settlement Agreement on Continued Prudence beginning **October 26, 2011 at 1:30 p.m. CDT** in the **Commission hearing room, State Capitol, 12th Floor, Bismarck, North Dakota 58505**. The issue to be considered in this matter is whether the Settlement Agreement should be approved and adopted by the Commission for confirmation of the continued prudence of Applicant's Brookings Project.

For more information or a copy of the Settlement Agreement, contact the Public Service Commission, State Capitol, Bismarck, North Dakota 58505, 701-328-2400 or 877-245-6685 (toll free in North Dakota), or Relay North Dakota 1-800-366-6888 TTY.

If you require any auxiliary aids or services, such as readers, signers, or Braille materials, please notify the Commission at least 24 hours in advance of the hearing.

PUBLIC SERVICE COMMISSION


Kevin Cramer
Commissioner


Tony Clark
Chairman


Brian P. Kalk
Commissioner