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Otter Tail Power Company (“Otter Tail” or “Company”) respectfully submits this resource plan filing to the Minnesota Public Utilities Commission (Commission) for approval under MN Statute §216B.2422 and MN Rules Part 7843. The plan (“preferred plan” or “base case”) presented in this filing identifies the anticipated demand and energy service needs of the Company's customers and details specific action items that Otter Tail intends to complete within the first five years of the planning period, as well as potential resources that might be used in the following 10 years.

This resource plan filing is intended to identify the Company's likely courses of action that are designed to meet the requirements of the statutes and rules, satisfy the Commission's goals in implementing its responsibilities, and allow the Company to continue providing reliable, low-cost electricity to meet the service requirements and the desires of customers, while minimizing potential adverse environmental and socioeconomic impacts in an increasingly competitive industry. There are considerable unknowns and variables, outside the control of Otter Tail, which will impact the actual resources selected and implemented in the future. Any long-range plan is subject to change because it represents an optimal plan based on numerous forecasts and assumptions at a specific point in time. This fact is supported by the changes in the long-range plan of this filing compared to the prior Company resource plans approved by the Commission.

This plan has been developed under the rules and regulations applicable to an investor-owned utility operating in the State of Minnesota. About 50% of Otter Tail's retail load is located in Minnesota. From that perspective, only about 50% of the resource additions of this resource plan are applicable to the State of Minnesota, with the exception of the Minnesota Conservation Improvement Plan (CIP) which is 100%. The remaining 50% of the plan must be developed in accordance with the rules and regulation of the states of North Dakota and South Dakota. Some Minnesota laws oppose laws of other jurisdictions, thus the potential necessity to develop separate resource plans for non-Minnesota loads. However, as has been the case historically, the jurisdictional differences have not yet resulted in the need for separate preferred plans. In other words, a preferred plan has been able to be developed that complies with the requirements of all jurisdictions served by Otter Tail.

Greater detail of underlying assumptions and descriptions of significant components, activities, or issues associated with this resource plan are documented within the appendices to this filing. Appendix A of the document includes a checklist cross-reference. Within the checklist are the five-year action plan items from Otter Tail's previous resource plan filing in 2005 (Docket No. E-017/RP-05-968) and identification of updates on the status of those action items. The second part of the checklist pertains to the Commission's Order with respect to the filing, and where documentation complying with the Order can be found. The last part of the checklist identifies the resource plan filing requirements identified in the statutes and rules, and refers to the appropriate sections where this filing complies with the requirements.

Appendix B provides a copy of the Electric Utility Report and includes detail on the December 2009 Long-range Sales and Demand Forecasts. Appendices C and D present descriptions of the existing resources owned or contracted by the Company and the potential resources available to the Company, respectively. Environmental issues are explored in Appendix E. Significant assumptions including wholesale market energy forecast prices, capital costs, fuel prices, and other relevant information that was used in the development of this resource plan are presented in Appendix F. Otter Tail's Renewable Energy Objective/Renewable Energy Standard (REO/RES) compliance strategy is discussed in Appendix G and an update on Otter Tail's C-BED efforts is provided in Appendix H. The Company's triennial

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Minnesota CIP Plan was conducted in tandem with this filing and is filed with the Commission at the same time as this resource plan.