215 South Cascade Street
PO Box 496
Fergus Falls, Minnesota 56538-0496
218 739-8200
www.otpco.com (web site)

May 1, 2012

Darrell Nitschke
Executive Secretary/Director of Administration
North Dakota Public Service Commission
State Capitol - 600 East Boulevard
Bismarck, ND 58505-0480

RE: Otter Tail Power Company's Annual Report

Dear Mr. Nitschke:

Enclosed is Otter Tail Power Company's ("Otter Tail's") 2011 Annual Report for North Dakota. As in past years, I am also enclosing a copy of Otter Tail Corporation's 2011 Annual Report to Shareholders and FERC Form 1. I am also forwarding an electronic copy of the North Dakota Annual Report in pdf format by email to you at dnitschk@nd.gov and to ndpsc@nd.gov.

Pages 1-3 of Otter Tail's report reflect the operating statement, rate base, and cost of capital values based on current rates from Otter Tail's most recent general rate case (Case No. PU-08-862). Pages 4-5 reflect operating statement and rate base values, including wind assets. The pages which include wind assets are provided for reference purposes only, as the revenue requirements for wind are determined through a separate cost recovery process which uses different periods for calculations and has a true-up mechanism for prior period under- and over-collections.

As shown on page 2 of the attached report, Otter Tail earned 11.32 percent ROE in 2011 through base rates. Two contributing factors for the 11.32 percent earnings were weather and the capitalization of Administrative & General ("A&G") expenses.

Beginning January 1, 2011, Otter Tail began capitalizing A&G expense related to construction projects. This change was, in part, the result of a review of the accounting for costs for the construction of assets where Otter Tail is the construction agent for multi-owner capital projects. Otter Tail has begun a period where it expects significant capital expenditures on projects of this type. The change is necessary to ensure appropriate recovery of A&G costs from the other parties to these projects and thus will appropriately reduce costs that would otherwise be borne by Otter Tail's ratepayers over the long term.

1 PU-12-170 Filed 05/01/2012 Pages: 17
2011 Annual Report for North Dakota
Otter Tail Power Company
Stuart Tommerdahl

For the current period, the change decreases Otter Tail's expensed A&G costs and increases, to a lesser extent, capitalized A&G costs. For the multi-owner projects, the increase to capitalized A&G costs includes only Otter Tail's share.

There were two additional one-time events which influenced operating results for 2011: 1) a change in MISO schedule 1 revenue allocation to participating Transmission Owners; and and 2) liquidation of an injuries and damages reserve.

If you have questions on the information provided, don't hesitate to contact me at (218) 739-8279 or stommerdahl@otpco.com.

Very truly yours,

/s/ *STUART TOMMERDAHL*
Stuart Tommerdahl
Manager, Regulatory Administration

dm
Enclosures
By electronic service and overnight mail

ELECTRIC

ANNUAL REPORT

OF

OTTER TAIL POWER COMPANY

TO THE

PUBLIC SERVICE COMMISSION OF NORTH DAKOTA

FOR THE

YEAR ENDED DECEMBER 31, 2011

INDEX **Page**

Operating Statement - Base Rates

Line No.	Description	(A) 2011 Total Company	(B) 2011 North Dakota	(C) N. D. % (B / A)	
	Operating Revenues:				
1	Residential	97,836,311	43,922,211	44.89%	
2	Small Commercial and Industrial	49,982,528	21,681,679	43.38%	
3	Large Commercial and Industrial	125,473,835	49,407,844	39.38%	
4	Other Retail	5,653,229	2,497,231	44.17%	
5	Total Retail Revenue	278,945,902	117,508,967	42.13%	
6	Other Electric Revenue	18,348,820	7,499,092	40.87%	(1)
7	Total Revenue	297,294,722	125,008,059	42.05%	
	Operating Expenses:				
8	Production Expenses	127,445,472	53,506,257	41.98%	
9	Transmission Expenses	13,413,182	5,496,394	40.98%	
10	Distribution Expenses	15,086,326	6,772,976	44.89%	
11	Customer Accounting Expenses	11,743,265	5,078,179	43.24%	
12	Customer Service and Information Expenses	8,062,763	1,101,687	13.66%	
13	Sales Expenses	577,700	167,108	28.93%	
14	Administration and General Expenses	31,697,138	13,089,540	41.30%	(2);(3)
15	Charitable Contributions	533,089	0	0.00%	
16	Depreciation Expense	31,978,652	13,546,595	42.36%	
17	General Taxes	9,339,872	3,991,035	42.73%	
18	Total Operating Expenses	249,877,459	102,749,771	41.12%	
19	Net Operating Income Before Income Taxes	47,417,263	22,258,288	46.94%	
	Income Tax Expense:				
20	Investment Tax Credit	(854,924)	(363,370)	42.50%	
21	Deferred Income Taxes	11,428,987	4,927,635	43.12%	
22	Income Taxes	351,894	641,759	182.37%	
23	Total Income Tax Expense	10,925,957	5,206,024	47.65%	
24	Net Regulated Earnings	36,491,306	17,052,264	46.73%	

(1) Includes $150,408 due to a change in MISO Schedule 1 revenue allocation to participating Transmission Owners.

(2) Effective January 1, 2011, Otter Tail Power Company began capitalizing Administrative and General (A&G) expense related to construction projects. This has facilitated recovery of appropriate A&G costs from other participants in multi-owner capital projects. For the current period, the change decreases Otter Tail's expensed A&G costs and increases, to a lesser extent, capitalized A&G costs. The increase to capitalized A&G costs includes only OTP's share for the multi-owner projects.

(3) Includes a one-time liquidation of an injuries and damages reserve.

Rate Base and Return on Equity - Base Rates

Line No.	Description	(A) 2011 Total Company	(B) 2011 North Dakota	(C) N. D. % (B / A)
1	Plant in Service	1,084,424,346	460,914,778	42.50%
2	Net Capitalized Items - Big Stone Plant	0	0	0.00%
3	Accumulated Depreciation	(523,963,909)	(221,423,573)	42.26%
4	Net Plant in Service	560,460,437	239,491,204	42.73%
5	Plant Held for Future Use	29,657	13,048	44.00%
6	Construction Work in Progress	38,248,412	3,899,339	10.19%
7	Materials and Supplies	15,230,969	6,513,889	42.77%
8	Fuel Stocks	10,796,507	4,388,157	40.64%
9	Prepayments	(27,891,314)	(11,918,280)	42.73%
10	Customer Advances	(511,240)	(218,459)	42.73%
11	Cash Working Capital	7,767,048	1,999,094	25.74%
12	Accumulated Deferred Income Taxes	(130,066,493)	(54,285,891)	41.74%
13	Total Average Rate Base	474,063,983	189,882,102	40.05%
	ACTUAL			
14	Rate of Return on Average Rate Base (page 1, Line 24 /line 13)	7.70%	8.98%	
15	Less: Weighted Cost of Ltd (Page 3, line 1 (D))	3.05%	3.05%	
16	Weighted Cost of Pref. Stock (Page 3 line 2 (D))	0.00%	0.00%	
17	Weighted Return on Equity	4.65%	5.93%	
18	% of Equity to Capital Structure (Page 3, line 3 (B))	52.41%	52.41%	
19	Return on Equity (Page 3, line 4 (D))	8.87%	11.32%	

Average Weighted Cost of Capital - Base Rates

Line No.	Description	(A) Average Balance	(B) Ratio	(C) Cost	(D) Weighted Cost
1	Long Term Debt	308,847,931	47.59%	6.40%	3.05%
2	Preferred Equity	0	0.00%	0.00%	0.00%
3	Common Equity	340,075,842	52.41%	11.32%	5.93%
4	Total	648,923,773	100.00%		8.98%

Source: Actual year COSS, p. 17-a

Operating Statement - With Wind

Line No.	Description	(A) 2011 Total Company	(B) 2011 North Dakota	(C) N. D. % (B / A)		(D) 2010 North Dakota	(E) Annual Change (B-D / D)
	Operating Revenues:						
1	Residential	104,833,862	47,340,183	45.16%		44,712,612	5.88%
2	Small Commercial and Industrial	53,489,594	23,336,676	43.63%		23,163,735	0.75%
3	Large Commercial and Industrial	137,001,249	53,863,041	39.32%		52,109,049	3.37%
4	Other Retail	6,008,520	2,674,319	44.51%		2,641,038	1.26%
5	Total Retail Revenue	301,333,225	127,214,219	42.22%		122,626,434	3.74%
6	Other Electric Revenue	18,348,820	7,464,720	40.68%	(1)	6,045,316	23.48%
7	Total Revenue	319,682,045	134,678,939	42.13%		128,671,750	4.67%
	Operating Expenses:						
8	Production Expenses	129,825,460	54,505,959	41.98%		52,493,516	3.83%
9	Transmission Expenses	13,413,182	5,496,394	40.98%		4,838,305	13.60%
10	Distribution Expenses	15,086,326	6,772,976	44.89%		7,055,780	-4.01%
11	Customer Accounting Expenses	11,743,265	5,078,179	43.24%		5,100,856	-0.44%
12	Customer Service and Information Expenses	8,062,763	1,101,687	13.66%		998,245	10.36%
13	Sales Expenses	577,700	167,108	28.93%		542,195	-69.18%
14	Administration and General Expenses	32,101,907	13,263,610	41.32%	(2);(3)	13,550,326	-2.12%
15	Charitable Contributions	533,089	0	0.00%		0	N/A
16	Depreciation Expense	42,343,580	17,906,784	42.29%		16,202,197	10.52%
17	General Taxes	10,184,876	4,331,185	42.53%		3,924,184	10.37%
18	Total Operating Expenses	263,872,148	108,623,881	41.17%		104,705,604	3.74%
19	Net Operating Income Before Income Taxes	55,809,897	26,055,058	46.69%		23,966,146	8.72%
	Income Tax Expense:						
20	Investment Tax Credit	(854,924)	(362,633)	42.42%		(3,831,722)	-90.54%
21	Deferred Income Taxes	16,805,399	6,809,516	40.52%		4,979,402	36.75%
22	Income Taxes	(3,369,847)	(631,723)	18.75%		1,738,217	-136.34%
23	Total Income Tax Expense	12,580,629	5,815,160	46.22%		2,885,897	101.50%
24	Net Regulated Earnings	43,229,269	20,239,898	46.82%		21,080,249	-3.99%

Rate Base - With Wind

Line No.	Description	(A) 2011 Total Company	(B) 2011 North Dakota	(C) N. D. % (B / A)	(D) 2010 North Dakota	(E) Annual Change
1	Plant in Service	1,352,264,773	573,589,877	42.42%	553,633,467	3.60%
2	Net Capitalized Items - Big Stone Plant	0	0	0.00%	3,911	-100.00%
3	Accumulated Depreciation	(551,411,347)	(233,021,736)	42.26%	(217,580,698)	7.10%
4	Net Plant in Service	800,853,426	340,568,141	42.53%	336,056,680	1.34%
5	Plant Held for Future Use	29,657	13,048	44.00%	13,047	0.01%
6	Construction Work in Progress	38,248,412	3,904,156	10.21%	1,602,393	143.65%
7	Materials and Supplies	16,483,830	7,060,806	42.83%	6,994,026	0.95%
8	Fuel Stocks	10,796,507	4,388,157	40.64%	3,233,046	35.73%
9	Prepayments	(27,891,314)	(11,860,963)	42.53%	(12,232,582)	-3.04%
10	Customer Advances	(511,240)	(217,408)	42.53%	(183,368)	18.56%
11	Cash Working Capital	7,081,304	1,822,885	25.74%	886,569	105.61%
12	Accumulated Deferred Income Taxes	(204,530,364)	(85,843,174)	41.97%	(87,789,433)	-2.22%
13	Total Average Rate Base	640,560,219	259,835,647	40.56%	248,580,378	4.53%

Miscellaneous

Line No.	Description	(A) 2011	(B) 2010	(C) 2009	(D) 2008	(E) 2007	(F) 2006
	Customer Related (ND):						
	Year End # of Customers						
1	Residential	44,554	44,424	44,340	44,222	44,319	44,343
2	Commercial	11,152	11,170	11,194	11,277	11,271	11,211
3	Industrial	918	896	878	843	826	815
4	Other	506	509	532	536	520	525
5	Total	57,130	56,999	56,944	56,878	56,936	56,894
	KWH's Sold						
6	Residential	620,333,270	588,526,166	600,554,154	568,278,543	553,508,219	534,576,036
7	Commercial	300,862,002	301,965,143	318,238,797	301,585,437	298,698,198	285,337,128
8	Industrial	849,256,868	823,343,090	751,574,603	709,550,579	709,886,478	686,826,359
9	Other	32,138,905	31,276,297	31,552,451	30,499,320	30,727,584	30,850,754
10	Sub	1,802,591,045	1,745,110,696	1,701,920,005	1,609,913,879	1,592,820,479	1,537,590,277
11	Unb	(6,735,687)	1,283,596	4,072,195	9,168,347	4,191,000	1,872,000
12	Total	1,795,855,358	1,746,394,292	1,705,992,200	1,619,082,226	1,597,011,479	1,539,462,277
13	Reliability Indices (1)						
14	SAIDI (total minutes)	105.6	92.9	62.1	68.1	65.8	59.8
15	SAIFI (frequency)	1.6	1.6	1.1	1.2	1.2	1.4
16	CAIDI (duration)	67.9	57.0	56.9	58.4	54.4	43.2

(1) Beginning in 2006, Otter Tail began using a new interruption monitoring system. The new IMS allows use of the more common definition of a service interruption (longer than 5 minutes). With the changed definition, the frequency of measured interruptions decreases while the length of recorded interruptions increases. Total minutes of interruptions is generally comparable with historic

Otter Tail Power Company May 2012 Annual Report to the North Dakota Public Service Commission

Report on Status of Smart Metering

Pursuant to the North Dakota Public Service Commission ("Commission") Order dated August 8, 2007 ("Order") in Case No. PU-06-290, Otter Tail Power Company ("Otter Tail" or the "Company") submits its report on the status of Smart Metering. Ordering paragraph no. 2 of the Order required that:

> **"Each jurisdictional electric utility shall include in its annual reports to the Commission, beginning with reports filed for 2007, a discussion of progress towards the feasibility of making smart metering available for all customers."**

"Smart Grid" and "Smart Metering" terms have been used interchangeably as the utility industry moves to adopt changes that make sense for each of the utilities' service areas. Otter Tail's reports to the Commission in 2008 and 2009 provided a review of the status of technology available for "Smart Metering." This year we will update our "Smart Grid" applications that we provided in the Company's 2010 and 2011 reports to the Commission.

Otter Tail has used technology to improve employee productivity and customer service for many years. "Smart Grid" investments occur in many aspects of our work and our mission, which is to produce and deliver electricity as reliably, economically, and environmentally responsibly as possible to the balanced benefit of customers, shareholders, and employees, and to improve the quality of life in the area in which we do business.

The following list includes some of the "Smart Grid" type applications that are in use at Otter Tail and are further described in sections I through IX below.

- Section I - Peak-Shaving Technologies
- Section II - Energy Storage Systems
- Section III - Time-varying Rates
- Section IV - Electricity Metering
- Section V - Protective Relaying
- Section VI - Power Profiler
- Section VII - Interruption Monitoring System
- Section VIII - Mobile Data Pilot Project
- Section IX - Bill Analyzer

I. Peak-Shaving Technologies

Otter Tail has a long history of installing peak-shaving technologies at customer premises. This legacy started with electric water heaters back in the 1940s that were controlled with time-clocks set to avoid energy usage during the morning and evening highest load periods each day. In the 1980's this legacy system was updated with a radio control system. Beginning in 2003, Otter Tail began to replace the radio control system with an updated radio control system. This update was completed in 2007. The updated system allows Otter Tail to send a signal out to groups of customers during periods of high demand which includes capacity constraints or high energy prices. When the signal is received by a radio typically near the customer's meter socket, the customer's system automatically reduces their controllable load.

The tariffs and related loads that are part of the peak-shaving technologies applied by customers and controlled by Otter Tail include: electric water heaters, dual fuel heating systems, thermal storage systems, air conditioning, residential demand control, commercial demand control, and irrigation systems. Otter Tail has approximately 41,000 meters installed associated with a demand response tariff and has demonstrated over 100 MW of control during the coldest days in the winter, or approximately 12-15 percent of the Company's on peak capacity needs. Winter demand response based on the load management system was accredited at 85 MW for MISO's 2011-2012 Planning Year. Otter Tail had 15 MW of accredited demand response capacity for the 2011 summer season.

The system and supporting tariff that allows the most flexibility for the customer is the Residential Demand Controller ("RDC"). A radio receiver mounted near the customer meter socket receives the signal when system demand is high. A demand controller installed in the home reacts to this signal by reducing the customer demand to a level preselected by the customer. A set station installed in the living area identifies that the customer is being controlled, shows the demand level that is being maintained by the demand controller, and in cases where the connected load does not reduce home demand to the preselected level, the set station signals to the customer that further action is required to reduce non-controlled load. At this point the customer has the choice to either increase their preselected demand or reduce demand by turning off lights, electric appliances or any heating equipment that may not be connected to the demand controller. In exchange for controlling their demand, customers receive a rate that is up to 30 percent lower than the firm residential service rate on all the electricity used in the home.

II. Energy Storage System

As noted above, Otter Tail's Peak-Shaving Technologies include Energy Storage Systems which are known as "Thermal Storage" or "Deferred Load" systems. These include under floor heating, brick storage furnaces, and brick room heaters. Customers and contractors are advised to size thermal storage systems to heat or cool adequately during the maximum control period allowed by the tariff on which it is installed (14-16 continuous hours depending on the tariff used). These systems store energy by charging during off-peak periods and heat is available for discharge into the home or business as needed. Otter Tail continues to explore opportunities associated with distributed energy storage systems.

III. Time-varying rates

Otter Tail's definition of time-varying rates includes any tariff that charges a customer based on when electricity is used and or controlled. The following table presents the rates, number of meters, and tariff sections for time-varying rates currently provided by Otter Tail. As shown, there are 2,236 installed meters on Time of Use Rates across the Company's service territory.

Time of Use Rate	**Number of Meters**	**Tariff Section**
Large General Service	804	10.03
Commercial Time-of-Use	42	10.04
Large General Service - Time of Day	31	10.05
Standby Service - Option A Firm	1	11.01
Irrigation Service	218	11.02
Real Time Pricing Rider	1	14.02
Fixed Time of Delivery Service	1,139	14.07
Total Time of Use	***2,236***	***NA***

Demand response tariffs require the customers to limit or stop usage during peaking periods in response to an automated control system signal provided by Otter Tail. Otter Tail may require a control period in response to capacity, economic, or reliability conditions. The following tariffs are part of Otter Tail's accredited demand response, and this demand response resource consists of 40,862 installed meters across the Company's service territory.

Rate	**Number of Meters**	**Tariff Section**
Residential Demand Control	6,341	9.02
Water Heating Control Rider	17,805	14.01
Controlled Service, Interruptible Load, CT Metering Rider ("Large Dual Fuel")	851	14.04
Controlled Service, Interruptible Load, Self-Contained Metering Rider ("Small Dual Fuel")	13,356	14.05
Controlled Service Deferred Load Rider ("Thermal Storage")	1,677	14.06
Air Conditioning Control Rider	832	14.08
Total Direct Control	***40,862***	***NA***

Otter Tail is researching two new demand response tariffs for inclusion in our portfolio. The Minnesota Public Utilities Commission granted the Company's proposal for a commercial air

conditioning cycling tariff in Minnesota as part of a pilot program. The pilot program will run through September 2013 and if successful, the Company would submit a request for approval of full implementation in the state of Minnesota and similar requests for implementation in North Dakota and South Dakota. In addition, a demand response rate targeting commercial and industrial customers who are able to shed load during periods of high demand is also in research and development. Review of other demand response rates, programs, and related technology is part of our regular research and development plan.

IV. Electricity Meters

Otter Tail has approximately 167,486 installed electricity meters across a three state area that includes Minnesota, North Dakota and South Dakota. The majority of the meters are read and collected by Otter Tail employees or contracted meter readers who enter meter readings into a handheld meter reading processor. The handheld processor also has a probe which allows the meter reader to collect time of day meter readings electronically by attaching the probe to a port on the face of the meter.

Otter Tail has installed 60 meters with an encoder receiver transmitter ("ERT") register which allows the handhelds with a special transmitter receiver module to read meters as the meter reader walks by the area, which is an example of a mobile Automated Meter Reading ("AMR") application. These special meters have been installed in areas where access to the customers meter was difficult and time consuming.

The largest group of AMR type metering, are the meters where Otter Tail collects fifteen minute kWh and demand meter information (interval data) using cell phones or land line phones. This allows Otter Tail to contact the meter and download meter interval data on a daily, weekly or monthly basis. For example, each Tuesday Otter Tail calls approximately 370 meters and downloads the most recent seven day meter data from each meter. Of the approximate 370 meters, 185 meters are billed using the interval data that is collected remotely.

Approximately 0.25 percent of Otter Tail electricity metering is operating in a way that Otter Tail would describe as AMR. Otter Tail met with MDU to learn more about their fixed network AMR system and the Company is actively reviewing AMR and Advanced Metering Infrastructure ("AMI") alternatives available to the Company to determine whether the cost benefit analysis would justify an investment in AMR or AMI.

V. Protective Relaying

The first "smart" protective relays were developed and installed in the mid 1980's. Otter Tail was involved with the first installation on high voltage transmission lines of the devices designed by Schweitzer Engineering Labs ("SEL"). These devices provided system data during faults, giving personnel information on fault location. The SEL relays also provide sub-cycle information about the fault that enables engineers to review the fault record and evaluate whether the relay tripped the breaker properly. This information is used by the Company's System

Operations department to isolate the faulted line section quickly and reduce outage duration on the Company's transmission system.

Before the use of the SEL fault locating relays, each time a line tripped, it required a long process of switching and re-energizing the line section by section to determine which section of the transmission line experienced the fault.

The technology used for remote communication to protective relays in Otter Tail's substations has improved greatly since the mid 1980's, allowing advance monitoring of the transmission grid by Otter Tail and the Midwest Independent System Operator ("MISO").

Otter Tail has been participating in the North American SynchroPhasor initiative by installing special relays and related communications in one substation in 2010 and a few more substations in 2011. This reliability project is being coordinated by MISO for the region.

SynchroPhasors are precise grid measurements now available from monitors called Phasor Measurement Units ("PMU"). PMU measurements are taken at high speed. Typically 30 observations per second compared to one every 4 seconds using conventional technology. Each measurement is time-stamped according to a common time reference. Time stamping allows SynchroPhasors from different utilities to be time-aligned (or "synchronized") and combined together providing a precise and comprehensive view of the entire interconnection. SynchroPhasors enable a better indication of grid stress, and can be used to trigger corrective actions to maintain reliability.

VI. Power Profiler

The Power Profiler is a fee-based on-line program offered to customers with interval metering. Commercial or industrial customers are the main users of this program.

The program allows "day after," "week after," or "month after" 15-minute interval energy and demand usage to be displayed in a variety of graphical formats. Otter Tail's larger customers have found this data to be valuable to identify and reduce demand peaks by fine-tuning equipment operation and altering work schedules.

The Power Profiler has nine detailed reports as bar graphs, line graph or data output.

- Peak day demand
- 24 hour profile
- kVA / power factor
- Daily peaks
- Detail profile
- Daily totals
- Peaks report
- Statistics report
- Comparison graph

Customers using Power Profiler are learning how to manage their energy and demand profiles based on information from this online tool.

VII. Interruption Monitoring System

In order to monitor and improve the reliability of Otter Tail's electrical system, an Interruption Monitoring System ("IMS") was installed and commissioned in mid-2004. Voltage and interruption monitoring devices manufactured by Sensus have been installed on each of the 725 distribution feeders in the Otter Tail system. These intelligent field devices report interruptions, over and under voltage alarms and power reliability status using the commercial cellular networks (GPRS and 1XRTT).

Web based analysis and application tools allow reporting, alarm notifications and graphical status updates. Otter Tail's reliability engineer uses the IMS for reporting reliability indices and for further analysis as he works with the Company's Area Engineers to propose projects to improve reliability. These devices are also utilized for power quality analysis at some of Otter Tail's industrial and commercial customer locations to aid in the investigation of power quality issues and allow for alarm notifications to be sent directly to customers.

In 2009 Otter Tail added a graphical mapping tool which integrates IMS data with Google mapping on which each feeder is shown as a black dot. The dot changes to red when an interruption occurs, yellow for a momentary interruption that has been restored, and green for a sustained interruption that has been restored. This tool has provided an overall view of the status of the Otter Tail system in real time.

The Google mapping is available for use by front line customer service employees along with management and engineering employees who have found this information helpful in response to customer interruption questions and for restoration of service.

In 2010 Otter Tail began work on a project that would provide interruption information to all customers on Otter Tail's web site. This is an expansion of the Company's current capabilities. After working closely with the vendor to finalize details necessary to ensure the product operates as intended, Otter Tail made the interruption information available to customers in the first quarter of 2011.

In 2012 Otter Tail will be investigating required activities to integrate Otter Tail's IMS real time interruption data into a Geographic Information System ("GIS") that is under development.

VIII. Mobile Data Pilot Project

In mid-2008, Otter Tail began a Mobile Data Pilot Project to a few field Service Representatives in the Milbank Customer Service Center ("CSC") area and in 2009 this pilot was expanded to a few Service Representatives in the Morris CSC. In 2010 Otter Tail completed the roll out of the

Mobile Data System to the entire service territory to allow Service Representatives to directly access needed information in ways that they have not had the opportunity before.

The goal of this project is to improve productivity and efficiency while enhancing customer satisfaction by providing Service Representatives with “real time” information with the use of a mobile computer in Company vehicles.

Data available from the Mobile Data System will include:

- Company email
- Customer Information Systems (the Company’s billing system)
- Customer Service Guide
- Load management real time control information
- Interruption monitoring system
- Ability to display and update maps and prints of Otter Tail’s electrical system
- Otter Tail Power Company website
- Bill Analyzer, and other on-line tools

These systems assist the Service Representatives as they provide customer service in areas such as supporting rates, handling customer’s questions, and meeting conservation and demand side management objectives and restoration of service.

IX. Bill Analyzer

Bill Analyzer is a program that is available to residential customers through the Otter Tail website, which allows customers to analyze their energy usage and billing, input home profile data, and compare their usage with other comparable customers. The purpose of this tool is to help residential customers, who have the desire to better understand their energy bill, to understand what steps they could take to reduce energy use and manage cost.

After a simple registration process a customer can review 25 months of billing history, provide personal information about their home, appliances, and living habits, and review payment information. The analytic engine uses weather data and customer provided information to calculate probable reasons for changes in usage. By entering their home profile, the customer can determine how their usage is broken out by applications and see how their usage compares to other customers with comparable size homes. Bill Analyzer is an Aclara tool and features include:

Bill center - Customer account with amount due, due date, last payment, and graphs to compare energy use.

Bill highlights - Factors that may have contributed to a change in the electric bill. If customers need more details they can dig deeper with bill analysis.

Bill history and analysis - Provides 25 months of history and allows customers to compare statements from any two billing cycles.

Home energy center - Includes an energy audit for the home. After the audit is complete, customers can create a plan to save energy.

A counterpart to the Bill Analyzer web self-service tool is a version used by Customer Service employees to answer customer questions about energy use and billing.

In 2010 Otter Tail contracted with Integral Analytics to conduct measurement and verification of energy savings associated with Bill Analyzer usage. The evaluation indicates that Bill Analyzer saves an average 296 kWhs per year per participant overall, or approximately 1.5 to 2 percent of their energy usage.