

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

Via Fax and Overnight Delivery

February 26, 2004



RECEIVED

FEB 27 2004

**SOUTH DAKOTA PUBLIC
 UTILITIES COMMISSION**

FAX Received FEB 26 2004

Pamela Bonrud, Executive Director
 South Dakota Public Utilities Commission
 State Capitol
 500 East Capitol Street
 Pierre, SD 57501-5070

Dear Ms. Bonrud:

Pursuant to Administrative Rules of South Dakota Part 20:10:13:03, enclosed for filing please find ten (10) copies of Municipal Service Agreements for the City of Hetland, SD, City of Lake Preston, SD and the City of Trent, SD and Otter Tail Power Company's Summary List of Contracts with Deviations Sheet No. 2 and No. 4. The Municipal Service Agreement for the City of Hetland, SD was updated because the old contract will expire on April 1, 2004. The Municipal Service Agreement for the City of Lake Preston, SD was updated because the old contract will expire on April 1, 2004. The Municipal Service Agreement for the City of Trent, SD was updated because the old contract will expire on April 1, 2004. None of the new agreements contain any rates, terms and or conditions that would be considered a deviation from Otter Tail Power Company's tariff. Therefore Otter Tail Power Company respectfully requests that the City of Hetland, City of Lake Preston and the City of Trent be removed from Otter Tail Power Company's Summary List of Contracts with Deviations.

If you have any questions regarding this filing, please contact me at 218-739-8838.

Sincerely,

A handwritten signature in black ink that reads 'Ron Spangler Jr.' with a stylized flourish at the end.

Ron Spangler Jr.
 Supervisor, Revenue Requirements
 Regulatory Services Department
rlspangler@otpco.com

Enclosures

Cc: Bernadeen Brutlag, Manager, Regulatory Services
 Bruce Gerhardson, Associate General Counsel

SUMMARY OF CONTRACTS WITH DEVIATIONS

| <u>CUSTOMER</u> | <u>CLASS OF SERVICE</u> | <u>EXECUTION AND EXPIRATION DATES</u> | <u>NON-STANDARD RATES</u> | |
|--|-------------------------|---------------------------------------|--|---|
| Town of Toronto Toronto | Street Light | 1/1/1995 1/1/2005 | Streetlight Change-out Program: \$6.30 for HPS9 fixtures. Contract period of 10 years. | |
| Village of Twin Brooks Twin Brooks | Street Light | 6/1/1997 6/1/2007 | Seasonal light on flagpole: \$2.03 Contract period of 10 years. | D |
| Town of Ward Ward | Street Light | 5/1/2001 5/1/2011 | Contract period of 10 years. | |
| City of Waubay Waubay | Street Light | 1/2/2003 1/2/2013 | Contract period of 10 years. Otter Tail Power Company Owned - Metered: \$4.25 for HPS9 fixture. | |
| Town of Wentworth Wentworth | Street Light | 7/1/2002 7/1/2012 | Contract period of 10 years. | |
| Valley Queen Cheese Main Plant- Milbank | Bulk Interruptible | 1/1/2002 1/1/2007 | See 1st Revised Sheet No. 50.7 Code 42-680 | |

9. Fixtures installed after the date of this agreement shall be billed at the schedule of rates in effect at the time of installation and/or such superseding amendments or changes as are approved by the South Dakota Utilities Commission during the terms of this agreement.

MUNICIPAL PUMPING

10. Otter Tail Power agrees to furnish electric power and energy to operate the pumps for the Municipality's present water supply system and present sewage system, and such additions to these systems as may be mutually agreed upon, in accordance with the terms and conditions as set forth in this agreement.
11. Electric energy used for lighting, heating, power tools, and other uses necessary for the normal operation of these systems, on approval of Otter Tail Power, may be included. Otter Tail Power shall supply any necessary meters. The Municipality agrees to provide a suitable location for meters to be installed on its premises.
12. The Municipality will pay for all electric energy used for municipal pumping and incidental uses as described in Paragraphs 10 and 11 above, in accordance with the provisions and changes contained in the applicable rate schedule in effect at the execution of this agreement and/or such superseding amendments or changes as are approved by the South Dakota Public Utilities Commission during the terms of this agreement.

FIRE SIRENS

13. The Municipality operates fire/warning sirens as listed below:

| Location | Metered | | Horsepower | Account Number | Billing Amount |
|-----------|---------|----|------------|----------------|----------------|
| | Yes | No | | | |
| Fire Hall | X | | 5 | 027189 | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |

GENERAL PROVISIONS

14. Otter Tail Power shall use due diligence and care in maintaining service, but shall not be liable for loss or damage arising from failure, either partial or total, of the service from any cause, but this shall not be construed to exempt Otter Tail Power from liability for negligence.
15. In case a meter fails to properly record the energy used, an equitable estimate will be made for the energy used during the period in question and shall be based on the best information available.
16. All previous agreements, if any, between the parties hereto, covering the subject matter hereof, are hereby cancelled and terminated as of the effective date specified in Paragraph 2 of this agreement, except as specifically provided in this agreement.

17. IN WITNESS WHEREOF, the respective parties hereto have caused this agreement to be executed by their proper officers thereunto duly authorized, and the same shall be equally binding to the respective parties and each of their successors and assigns.

OTTER TAIL POWER COMPANY,
a division of Otter Tail Corporation

In the presence of:

[Handwritten Signature]

By [Handwritten Signature: Mack Heiland]
Title [Handwritten Signature: VP/ Customer Service]

MUNICIPALITY

In the presence of:

[Handwritten Signature: Shirley Chamley]
M.F.O.

CITY OF TRENT
By [Handwritten Signature]
President

(Municipal Seal)

| (For Company use only) | Date | By |
|---------------------------|------|----|
| Entered to Billing Record | | |

South Dakota Public Utilities Commission
WEEKLY FILINGS
For the Period of February 26, 2004 through March 3, 2004

If you need a complete copy of a filing faxed, overnight expressed, or mailed to you, please contact
Delaine Kolbo within five business days of this report. Phone: 605-773-3201

ELECTRIC

EL04-006 In the Matter of the Filing by Otter Tail Power Company for Approval of Tariff Revisions.

Application by Otter Tail Power Company (Otter Tail) for approval to revise its tariffed Summary List of Contracts with Deviations. The existing contract with the City of Hetland will expire on April 1, 2004. Otter Tail states the new agreement does not contain any deviations from Otter Tail's currently filed tariff and therefore requests that reference to a contract with the City of Hetland be removed from the Summary List of Contracts with Deviations.

Staff Analyst: Dave Jacobson
Staff Attorney: Karen Cremer
Date Filed: 02/26/04
Intervention Deadline: 03/19/04

EL04-007 In the Matter of the Filing by Otter Tail Power Company for Approval of Tariff Revisions.

Application by Otter Tail Power Company (Otter Tail) for approval to revise its tariffed Summary List of Contracts with Deviations. The existing contract with the City of Lake Preston will expire on April 1, 2004. Otter Tail states the new agreement does not contain any deviations from Otter Tail's currently filed tariff and therefore requests that reference to a contract with the City of Lake Preston be removed from the Summary List of Contracts with Deviations.

Staff Analyst: Dave Jacobson
Staff Attorney: Karen Cremer
Date Filed: 02/26/04
Intervention Deadline: 03/19/04

EL04-008 In the Matter of the Filing by Otter Tail Power Company for Approval of Tariff Revisions.

Application by Otter Tail Power Company (Otter Tail) for approval to revise its tariffed Summary List of Contracts with Deviations. The existing contract with the City of Trent will expire on April 1, 2004. Otter Tail states the new agreement does not contain any deviations from Otter Tail's currently filed tariff and therefore requests that reference to a contract with the City of Trent be removed from the Summary List of Contracts with Deviations.

Staff Analyst: Dave Jacobson
Staff Attorney: Karen Cremer
Date Filed: 02/26/04
Intervention Deadline: 03/19/04

EL04-009 In the Matter of the Application of East River Electric Power Cooperative, Inc. for a Transmission Upgrade to the Sioux Falls Area 115 kV Transmission Project.

On February 27, 2004, East River Electric Power Cooperative filed for approval an application for its proposed Sioux Falls Area 115 kilovolt Transmission Upgrade Project. The proposed project would convert approximately 36 miles of an existing East River 69 kilovolt transmission line and 7 existing East River 69 kilovolt distribution substations to 115 kilovolts. The project is needed for East River to be able to continue to adequately and reliably serve the growing electrical needs of its member distribution systems in the Sioux Falls area.

Staff Analyst: Michele Farris
Staff Attorney: Karen Cremer
Date Filed: 02/27/04
Intervention Deadline: 03/19/04

TELECOMMUNICATIONS

TC04-039 In the Matter of the Request of Qwest Corporation for Certification Regarding its Use of Federal Universal Service Support.

On February 27, 2004, Qwest Corporation (Qwest) provided information constituting Qwest's plan for the use of its federal universal service support and to otherwise verify that Qwest will use all federal universal service support received in a manner that is consistent with the federal universal service provisions of 47 U.S.C. Section 254.

Staff Analyst: Harlan Best
Staff Attorney: Karen Cremer
Date Docketed: 02/27/04
Intervention Deadline: 03/19/04

TC04-040 In the Matter of the Joint Application of Sioux Valley Telephone Company and Hills Telephone Company, Inc. Regarding the Sale by Sioux Valley Telephone Company of its Valley Springs, East Valley Springs and North Larchwood Exchanges to Hills Telephone Company, Inc.

On March 2, 2004, Hills Telephone Company, Inc. (Hills) and Sioux Valley Telephone Company (Sioux Valley) filed a joint application for the sale of the local telephone exchange facilities serving the Valley Springs, East Valley Springs, and North Larchwood local exchanges from Sioux Valley to Hills.

Staff Analyst: Harlan Best
Staff Attorney: Karen Cremer
Date Docketed: 03/02/04
Intervention Deadline: 03/19/04

**You may receive this listing and other PUC publications via our website or via internet e-mail.
You may subscribe or unsubscribe to the PUC mailing lists at <http://www.state.sd.us/puc>**

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA**

IN THE MATTER OF THE FILING BY OTTER) ORDER APPROVING TARIFF
TAIL POWER COMPANY FOR APPROVAL OF) REVISIONS
TARIFF REVISIONS)
)
) EL04-008

On February 26, 2004, the Public Utilities Commission (Commission) received a filing by Otter Tail Power Company (Otter Tail) for approval of tariff revisions regarding a Contract with Deviations with the City of Trent. A new contract replaces a contract between the parties which terminates on April 1, 2004. The new contract does not deviate from Otter Tail's filed tariff. This filing removes the contract from the summary list of contracts with deviations. Otter Tail filed the following tariff sheet for Commission approval:

Section No. 4, Eighth Revised Sheet No. 4, Cancelling Seventh Revised Sheet No. 4

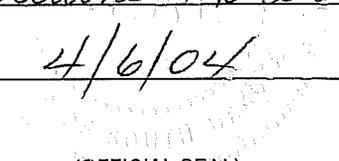
At its March 23, 2004, meeting, the Commission considered the request for approval of the revised tariff sheet. Commission Staff recommended approval.

The Commission finds that it has jurisdiction over this matter pursuant to SDCL 49-34A, specifically, 49-34A-6, 49-34A-8, 49-34A-10, and 49-34A-11. Further, the Commission finds that Otter Tail's request for approval of tariff revisions is just and reasonable and shall be approved. As the Commission's final decision in this matter, it is therefore

ORDERED, that the request seeking approval of tariff revisions is hereby granted. It is further

ORDERED, that the above referenced tariff sheet is effective for service rendered on and after April 1, 2004.

Dated at Pierre, South Dakota, this 5th day of April, 2004.

| | |
|--|-----------------------|
| CERTIFICATE OF SERVICE | |
| The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, by facsimile or by first class mail, in properly addressed envelopes, with charges prepaid thereon. | |
| By: | <u>Melaine Kallas</u> |
| Date: | <u>4/6/04</u> |
|  (OFFICIAL SEAL) | |

BY ORDER OF THE COMMISSION:

Robert K. Sahr
ROBERT K. SAHR, Chairman

Gary Hanson
GARY HANSON, Commissioner

Otter Tail Power Company,
a division of Otter Tail Corporation
Fergus Falls, Minnesota

SUMMARY OF CONTRACTS WITH DEVIATIONS

Section No. 4
Eighth Revised Sheet No. 4
Canceling Seventh Revised Sheet No.4

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