

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

IN THE MATTER OF THE PETITION OF OTTER) ORDER APPROVING TARIFF
TAIL POWER COMPANY, A DIVISION OF) REVISIONS
OTTER TAIL CORPORATION, TO REVISE ITS)
FUEL ADJUSTMENT CLAUSE TARIFF TO) EL03-024
ACCOMMODATE PURCHASED ENERGY)
FROM RENEWABLE RESOURCES)

On September 25, 2003, Otter Tail Power Company, a Division of Otter Tail Corporation (Otter Tail), filed with the Public Utilities Commission (Commission) a petition for approval to revise its Fuel Adjustment Clause Tariff. The revisions were requested to permit the inclusion of purchase power costs related to renewable energy purchases. On April 1, 2003, Otter Tail entered into a Power Purchase Agreement with FPL Energy to purchase the electric energy generated by 14 wind turbines with an approximate output of 21 megawatts. Otter Tail believes that approval of the inclusion of the costs of energy purchased from renewable sources is appropriate because when it is competitively priced, renewable energy is an appropriate addition to Otter Tail's resource mix. The proposed tariff sheet is:

Section No. 3, Volume I, 6th Revised Sheet No. 98-Super. 52, Canceling 5th Revised Sheet No. 52, Rate Designation M-60S

At its regularly scheduled meeting of November 4, 2003, the Commission considered approval of the petition to revise Otter Tail's fuel adjustment clause tariff. Commission Staff recommended approval.

The Commission finds that it has jurisdiction over this matter pursuant to SDCL Chapter 49-34A, specifically SDCL 49-34A-25. Further, the revisions are just and reasonable and shall be approved. As the Commission's final decision in this matter, it is therefore

ORDERED, that Otter Tail's revised tariff as described above is approved and shall be effective as of the date of this order.

Dated at Pierre, South Dakota, this 13th day of November, 2003.

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>DeLaine Kolbe</u>
Date: <u>11/14/03</u>
(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

Robert K. Sahr
ROBERT K. SAHR, Chairman

Gary Hanson
GARY HANSON, Commissioner

James A. Burg
JAMES A. BURG, Commissioner