

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

LeRoy Koppendrayer

Chair

Gregory Scott

Commissioner

Marshall Johnson

Commissioner

Phyllis Reha

Commissioner

Ellen Gavin

Commissioner

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Brian Carlson  
Otter Tail Power Company  
215 South Cascade Street  
P.O. Box 496  
Fergus Falls, MN 56538-0496

SERVICE DATE: MARCH 28, 2003  
DOCKET NO. E-017/S-03-153

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In the Matter of a Petition by Otter Tail Power Company for Approval of its Capital Structure and Permission to Issue Securities for Calendar-Year 2003

The above entitled matter has been considered by the Commission and the following disposition made:

**Recommendations Excluding the Rights Plan:**

**Approved the Company's estimated capital structure. Approval is effective until the end of March 2004, unless changed by Commission Order;**

**Approved the Company's equity contingency of plus/minus 10 percent around its 2003 equity ratio. Equity ratios outside this range may not exceed a period of 60 days without prior Commission approval;**

**Approved the Company's total capitalization contingency of 10 percent above its 2003 capitalization. The Company may not exceed its total capitalization plus 10 percent for a period longer than 60 days without prior Commission approval;**

**Approved any issuance of securities beginning January 1, 2003 and continuing until March 31, 2004 that would not result in an equity ratio outside the approved range or a total capitalization exceeding its approved cap for more than 60 days; and**

**The Company is required to obtain prior approval for issuance of any securities in calendar year 2003 that would result in an equity ratio outside the approved range or a total capitalization exceeding its approved cap for more than 60 days.**

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**Recommendations Regarding the Rights Plan:**

**The Company is allowed to forego prior Commission approval to issue securities under the Rights Plan and is required to refile a revised capital structure petition for review and approval by the Commission within six months after a Triggering Event; and**

**If the Company either amends or terminates its Rights Plan prior to January 27, 2007, the Company should notify the Commission as soon as possible after such decision is made, and no later than the Company's next earliest capital structure filing following such termination or amendment.**

The Commission agrees with and adopts the recommendations of the Department of Commerce which are attached and hereby incorporated in the Order.

BY ORDER OF THE COMMISSION

Burl W. Haar  
Executive Secretary

(S E A L)

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