CONTROL AREA SERVICES AND OPERATIONS TARIFF

OTTER TAIL POWER COMPANY

FERC Electric Tariff, First Revised Volume No. 2
Superseding Original Volume No. 2

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I. COMMON PROVISIONS

1 DEFINITIONS

1.1 Affiliate: With respect to a corporation, partnership, or other entity, each such other corporation, partnership, or other entity that controls, is controlled by, or is under common control directly or indirectly, through one or more intermediaries, with, such corporation, partnership, or other entity.

1.2 Applicable Laws and Regulations: All applicable federal, state and local laws, ordinances, rules and regulations, and all duly promulgated orders and other duly authorized actions of any Governmental Authority having jurisdiction over the Parties, their respective facilities and/or the respective services they provide.

1.3 Applicant: Any Eligible Customer requesting to make a generation, tie-line or substation interconnection to the Company's or other Transmission Owner's Electric System.

1.4 Balancing Authority Agreement: The "Agreement Between Midwest ISO and Midwest ISO Balancing Authorities Relating to Implementation of the TEMT" which was filed October 5, 2004 in Docket Nos. ER04-691-002 and EL02-104-002, and is designated as FERC Electric Tariff, Rate Schedule No. 3.

1.5 Commission: The Federal Energy Regulatory Commission or its successor.

1.6 Company: The Otter Tail Power Company, who is also the Local Balancing Authority Operator as defined herein.

1.7 Company Transmission System: All the facilities owned or controlled by the Company on the Company's side of the Points of Interconnection for the purpose of providing wholesale or unbundled retail transmission service on the Company's Transmission System.

1.8 Confidential Information: Any confidential, proprietary or trade secret information of a plan, specification, pattern, procedure, design, device, list, concept, policy or compilation relating to the present or planned business of a Party, which is designated as Confidential by the Party supplying the information, whether conveyed orally, electronically, in writing, through inspection, or otherwise. Confidential Information shall include, without limitation, all information relating to a Party's technology, research and development, business affairs, and pricing, and any information supplied by either of the Parties to the other prior to the execution of the agreements under this Tariff. Information is Confidential Information only if it is clearly designated or marked in writing as confidential on the face of the document, or, if the information is conveyed orally or by inspection, if the Party providing the information orally informs the Party receiving the information that the information is confidential.

1.9 Customer: Any Eligible Customer (or its designated agent) that (i) executes a Service Agreement, or (ii) requests in writing that the Local Balancing Authority Operator file with the Commission a proposed unexecuted Service Agreement to receive Local Balancing Authority services under this Tariff.

1.10 DOE: The United States Department of Energy.

1.11 Electric System: The interconnected combination of generation, transmission, subtransmission, and distribution components comprising an electric utility, an electric utility and independent power producer ("IPP"), or group of utilities and IPP(s).

1.12 Eligible Customer: Any creditworthy Load Serving Entity, Generator, or Embedded Local Balancing Authority.

1.13 Embedded Local Balancing Authority: A Local Balancing Authority that is wholly surrounded by and whose only boundary ties are with the Local Balancing Authority operated by the Company. An example of an Embedded Local Balancing Authority would be an IPP that has obtained NERC approval and certification to serve as its own Local Balancing Authority but which is physically "embedded" within the Company's Local Balancing Authority. In the event that the Embedded Local Balancing Authority's equipment failed and the IPP was unable to self-provide its required Local Balancing Authority services, it would then be dependent upon the surrounding Local Balancing Authority to provide such Local Balancing Authority services.

1.14 Emergency: Any abnormal system condition that requires automatic or immediate manual action to prevent or limit loss of transmission facilities or generation supply that could adversely affect the reliability of the Company Transmission System or the systems to which the Company Transmission System is directly or indirectly connected; provided however, that the inability of Company or Customers in the Local Balancing Authority to meet their load requirements because of insufficient generation resources shall not constitute an Emergency.

1.15 Facility: The generating and/or transmission facility or facilities together with the other property, facilities, and equipment owned and/or controlled by the Customer on the Customer's side of the Point(s) of Interconnection.

1.16 FERC: The Federal Energy Regulatory Commission, or its successor.

1.17 Force Majeure: Any cause beyond the control of the Party affected, including but not restricted to, acts of God, flood, drought, earthquake, storm, fire, lightning, epidemic, war, riot, civil disturbance or disobedience, labor dispute, labor or material shortage, sabotage, acts of public enemy, explosions, orders, regulations or restrictions imposed by governmental, military, or lawfully established civilian authorities, which, in any of the foregoing cases, by exercise of due diligence such Party could not reasonably have been expected to avoid, and which, by the exercise of due diligence, it has been unable to overcome. No Party shall be relieved of liability for failure of performance to the extent that such failure is due to causes arising out of its own negligence or due to removable or remediable causes which it fails to remove or remedy within a reasonable time. Nothing contained in this Section shall be construed to require a Party to settle any strike or labor dispute. Mere economic hardship of a Party does not constitute Force Majeure. A Force Majeure event does not include an act of negligence or intentional wrongdoing.

1.18 Generating Unit: An individual electric generating unit or group of units and its associated plant and apparatus with common connection points and meters whose electrical output is capable of being separately identified and metered that, in either case, is located within the Company Local Balancing Authority; and capable of producing and delivering net energy (energy in excess of a generating station’s internal power requirements).

1.19 Generator: An entity, including an independent power producer, Commission-certified or self-certified qualifying facility or Commission-certified exempt wholesale generator, that: (i) owns, leases, or otherwise exercises operational control over a Generating Unit(s) located in or dynamically scheduled to the Company's Local Balancing Authority; (ii) generates electricity; and (iii) delivers such energy into or through the Company Local Balancing Authority.

1.20 Good Utility Practice: Any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition. Good Utility Practice is not intended to be limited to the optimum practice, method or act to the exclusion of all others, but rather to be acceptable practices, methods or acts generally accepted in the region.

1.21 Governmental Authorities: Any federal, state, provincial (Canada) or local governmental or tribal authority, court, commission, or any regulatory, administrative or other agency of the government.

1.22 Load Serving Entity: Any entity, including a municipal Electric System and an electric cooperative, authorized or required by law, regulatory authorization or requirement, agreement, or contractual obligation to supply energy, capacity and/or ancillary services to retail or wholesale customers located within the Local Balancing Authority, including an entity that takes service directly from the Local

Balancing Authority to supply its own load within the Local Balancing Authority.

1.23 Local Balancing Authority: An operational entity or Joint Registration Organization, as defined in the NERC Rules of Procedure, which is (i) responsible for compliance to NERC for the subset of NERC Balancing Authority Reliability Standards defined in Midwest ISO's First Revised Rate Schedule FERC No. 3 ("Agreement Between Midwest ISO And Midwest ISO Balancing Authorities Relating To Implementation Of TEMT, As Amended On March 14, 2008") (hereinafter referred to as MISO BA Agreement) for their local area within the Midwest ISO Balancing Authority Area, (ii) a Party to the MISO BA Agreement, excluding the Midwest ISO, and (iii) shown in Appendix A of the MISO BA Agreement.

1.24 Local Balancing Authority Area: The collection of generation, transmission, and loads that are within the metered boundaries of a Local Balancing Authority.

1.25 Local Balancing Authority Area Operator: An individual at an Electric System control center ("Local Balancing Authority"), whose responsibility it is to monitor and control that Electric System in real time. The Local Balancing Authority Operator shall be Otter Tail Power Company.

1.26 Local Balancing Authority Area Services: The required and optional services necessary to support the transmission of capacity and energy from generating units to loads and to maintain reliability within and among affected Local Balancing Authority Areas.

1.27 Local Balancing Authority Transmission System: Includes any electric transmission system located (in whole or part) within the Company's Local

Balancing Authority Area. Certain portions of the Local Balancing Authority Transmission System are owned by the Company and other portions are owned by other Transmission Owners.

1.28 Metering Equipment: All metering equipment currently installed or to be installed at the Facility and/or other metering equipment, including revenue class hourly interval metering equipment.

1.29 MISO: The Midcontinent Independent System Operator, Inc., or its successor.

1.30 MISO TEMT: The open access transmission and energy markets tariff of the Midcontinent Independent System Operator, Inc. on file with FERC, as it may be amended or superseded, under which unbundled retail transmission service is provided on the Transmission System under MISO management.

1.31 NERC: The North American Electric Reliability Corporation, or its successor.

1.32 Net Electric Output: The total electric output of the Facility in excess of (a) the output Customer uses to operate the Facility, and (b) the output Customer uses in the transformation and transmission of electric energy to the Interconnection Point.

1.33 Party(ies) the Local Balancing Authority Operator and the Customer that have executed a Service Agreement.

1.34 Point of Interconnection: The point or points, where the facilities of the Customer interconnect with the facilities of the Company or other Transmission Providers or Load Serving Entities within the Local Balancing Authority.

1.35 Regional Reliability Organization: The Regional Entities established in *Rules Concerning Certification of the Electric Reliability Organization; and Procedures*

for the Establishment, Approval, and Enforcement of Electric Reliability Standards, Order No. 672, 114 FERC ¶ 61,104, *order on reh'g,* Order No. 672-A, 114 FERC ¶ 61,238 (2006) or NERC-approved regional organizations that have been delegated reliability responsibilities by NERC, or its successor organization, to ensure that a defined area of the Bulk Electric System is reliable, adequate, and secure. The Midwest Reliability Organization, or its successor organization, is the Company's Regional Reliability Coordinator.

1.36 Reliability Coordinator: The entity that is the highest level of authority who is responsible for the reliable operation of the Bulk Electric System, has the Wide Area view of the Bulk Electric System, and has the operating tools, processes and procedures, including the authority to prevent or mitigate emergency operating situations in both next day analysis and real-time operations. The Reliability Coordinator has the purview that is broad enough to enable the calculation of Interconnection Reliability Operating Limits, which may be based on the operating parameters of transmission systems beyond any Transmission Operator's vision. The MISO is the Reliability Coordinator for the Company and the Local Balancing Authority Area that the Company operates.

1.37 Required Regulatory Approvals: All Approvals required under Applicable Law to be obtained by a Party by virtue of the execution and delivery of the Service Agreement, including all Approvals required by (i) FERC, or (ii) any Public Utility Commission.

1.38 Self-Supply: The provision by the Customer for said service using the Customer's own resources or resources obtained from third-party agent or entity other than the Local Balancing Authority Operator.

1.39 Self-Supply Provider: The Customer or Customer's third-party entity or agent, other than the Local Balancing Authority Operator, which, on the Customer's behalf has arranged to provide for or provides said self-supply service.

1.40 Service Agreement: The agreement executed by the Local Balancing Authority Operator and the Customer or filed unexecuted under this Tariff, as provided in Attachment A or Attachment B.

1.41 Tariff: The Control Area Services and Operations Tariff of Otter Tail Power Company.

1.42 Transmission Owner: The entity or entities that own transmission facilities located within (in whole or part) the Otter Tail Power Company Local Balancing Authority other than Otter Tail Power Company.

1.43 Transmission Provider: Entity providing transmission service to the Customer that agrees to purchase Local Balancing Authority Services under the Service Agreement. For transmission service over Company's transmission facilities, that entity shall be MISO.

1.44 Transmission Provider's Tariff: The open access transmission tariff of the Transmission Provider on file with FERC, as it may be amended or superseded, under which unbundled retail transmission service is provided on the Transmission Provider's Transmission System, or the equivalent transmission and

ancillary service rates or tariffs established by non-jurisdictional Transmission Providers.

II. LOCAL BALANCING AUTHORITY AREA SERVICES AND OPERATIONS

2 LOCAL BALANCING AUTHORITY AREA SERVICES

2.1 Nature Of Local Balancing Authority Area Services. The Company, as the Local Balancing Authority Operator, shall provide the following Local Balancing Authority Services to Customer pursuant to the rates, terms and conditions specified in this Tariff. These Local Balancing Authority Services shall be available to MISO, to customers under the MISO open access transmission tariff, and to other customers. The Customer shall purchase such Local Balancing Authority Services as required by Attachment A1, and may purchase such additional Local Balancing Authority Services designated as optional services in Attachment A1.

(a) Term. The minimum term of Local Balancing Authority Services shall be one hour and the maximum term shall be specified in the Service Agreement.

(b) Reservation Priority. Local Balancing Authority Services shall be available on a first-come, first-served basis i.e., in the chronological sequence in which each Customer has reserved service.

(c) Service Agreements. The Local Balancing Authority Operator shall offer standard form Service Agreements (Attachments A and B) to an Eligible Customer. Executed Service Agreements that contain the information required under the Tariff shall be filed with the Commission in compliance with applicable Commission regulations. Attachment A is a specific form of Service Agreement for entities within the Local Balancing Authority Area. Attachment B is an umbrella form of Service Agreement

allowing the purchase of ancillary services from the Local Balancing Authority by an entity whether or not it is located within the Local Balancing Authority Area. If the Service Agreement is executed and conforming, the Service Agreement shall be included in Company's Electronic Quarterly Report. If the Service Agreement is executed and non-conforming, the Company shall file the Service Agreement with the Commission. If the Eligible Customer does not execute the Service Agreement, then the Local Balancing Authority Operator may file an unexecuted Service Agreement with the Commission. The Local Balancing Authority Operator shall file any unexecuted Service Agreement with the Commission no later than thirty (30) days after service to the Eligible Customer begins under this Tariff. With regard to unexecuted Service Agreements, the Company and the Customer shall be bound by whatever the Commission determines, subject to rehearing and judicial review. If the Eligible Customer is interconnecting to the Company's Electric System, such Eligible Customer must enter into a Service Agreement with the Company within 60 days prior to facility synchronizing and/or becoming operational.

(d) Sufficiency of Ancillary Services. With regard to transactions under the MISO TEMT under which the Customer is purchasing Local Balancing Authority Services either directly or indirectly from the Company, Company expects that MISO will determine the adequacy of the ancillary services pursuant to Section 3 of its open access transmission tariff subject

to the Customer or the Company challenging that determination either through dispute resolution procedures if applicable or at the Commission. For non-MISO transactions or if MISO does not make the determination, the Company shall determine the adequacy of the customer's ancillary services subject to the dispute resolution procedures prescribed in Section 18 if applicable or to Commission action.

2.2 Local Balancing Authority Services.

(a) Scheduling, System Control and Dispatch Service. The Customer agrees to purchase Scheduling, System Control and Dispatch Service directly from the Local Balancing Authority Operator or indirectly, by making arrangements with the Transmission Provider, who will then make arrangements with the Local Balancing Authority Operator for scheduling the movement of power through, out of, within, or into the Local Balancing Authority. The rates and/or methodology for Scheduling, System Control and Dispatch Service are described in Schedule 1 of this Tariff.

(b) Reactive Power Supply from Generation or Other Sources Service. The Local Balancing Authority Operator agrees to provide Reactive Power Supply from Generation or Other Sources for movements of power through, out of, within, or into the Company's Transmission System. Customer agrees to purchase this service directly from the Local Balancing Authority Operator or indirectly by making arrangements with the Transmission Provider. The rates and/or methodology for Reactive

Power Supply From Generation or Other Sources Service are described in Schedule 2 of this Tariff.

This service is required for maintaining acceptable voltages on the Company's transmission facilities located in the Company's Local Balancing Authority. In order to maintain acceptable voltages, generation facilities under the Local Balancing Authority Operator's control are operated to produce (or absorb) reactive power. The amount of Reactive Power Supply from Generation or Other Sources Service that must be supplied with respect to the Customer's energy schedule will be determined based on the reactive power support necessary to maintain transmission voltages within limits that are generally accepted in the region and consistently adhered to by the Local Balancing Authority Operator.

3 OPERATIONS

3.1 General. For reliability purposes, the MISO has full operational authority for the transmission facilities under its control and is the Reliability Coordinator for its region. As a member of MISO, the Local Balancing Authority Operator follows the directions of the MISO in operating the Local Balancing Authority Transmission System, redispatching generation, providing reactive supply and voltage control from generation sources or other sources, or other ancillary services, and curtailing load, if so directed, in accordance with the MISO TEMT. The MISO has clear authority to direct all actions that affect the facilities under its control, while at the same time, Local Balancing Authorities within the MISO are responsible for operating their Local Balancing Authority Areas in a secure and reliable manner. In the event of a conflict between a Local Balancing Authority's direction and the MISO's direction, the MISO's direction shall be controlling, and, to the extent there is any discrepancy between the functions and responsibilities of the Local Balancing Authority as defined herein, and those defined in the Balancing Authority Agreement, the Balancing Authority Agreement shall prevail.

To this effect, the Company's and Customer's respective performances of the Service Agreement shall comply with the then-existing (or amended) and applicable requirements, directions, manuals, standards, and guidelines of MISO, the Regional Reliability Organization, and NERC (or any successor agency assuming or charged with similar responsibilities related to the operation and reliability of the North American electric interconnected transmission grid). To

the extent that the Service Agreement does not specifically address or provide the mechanisms necessary to comply with such manuals, standards, or guidelines, the Company and Customer shall provide to the other Party all such information as may reasonably be required to comply with such requirements, directions, manuals, standards, or guidelines and shall operate, or cause to be operated, their respective facilities in accordance with such requirements, directions, manuals, standards, or guidelines. Where the Company is assessed, or otherwise incurs costs because of the Customer's failure to comply with the above requirements, directions, manuals, standards, or guidelines, the Customer shall be liable to the Company for those assessments or costs as provided in Sections 3.12 and 3.13.

3.2 Local Balancing Authority Operator. The Local Balancing Authority Operator, consistent with MISO operations protocol and Good Utility Practice, shall have all necessary authority to take whatever action the Local Balancing Authority Operator deems necessary, including giving orders to the Customer, in order to: (1) preserve the public health, safety and welfare; (2) preserve the reliability of the Local Balancing Authority Transmission System; (3) limit or prevent damage to the Local Balancing Authority Transmission System; and (4) expedite the restoration of electric service within the Local Balancing Authority. The Local Balancing Authority Operator shall use reasonable efforts to minimize the effect of such actions or interactions on the Customer.

3.3 Company Obligations. The MISO will have the responsibility to provide functional control and direction of the Company Transmission System, and the Company shall have direct control of the Company Transmission System. The

Company shall operate and control its Local Balancing Authority Area (1) in a safe and reliable manner; (2) in accordance with Good Utility Practice; (3) in accordance with applicable operational and/or reliability criteria, protocols, and directives, including those of MISO, NERC (or any successor agency assuming or charged with similar responsibilities), and the Regional Reliability Organization; and (4) in accordance with the provisions of this Tariff.

3.4 Customer Obligations. The Customer shall operate (1) in a safe and reliable manner; (2) in accordance with Good Utility Practice; (3) in accordance with applicable operational and/or reliability criteria, protocols, and directives, including those of MISO, NERC (or any successor agency assuming or charged with similar responsibilities), and the Regional Reliability Organization; and (4) in accordance with the provisions of this Tariff.

3.5 Generator Obligations. Generators shall inform the MISO of any consequential, negative impacts on the Generator of the direction provided by the MISO to the Generator. Generators shall operate in accordance with the requirements of the Local Balancing Authority of which it is a part and in accordance with all directives of its Local Balancing Authority and Reliability Coordinator, provided that such requirements and directives are not inconsistent with the MISO Reliability Operating Procedures, the MISO TEMT, Good Utility Practice and the NERC and Regional Reliability Organization policies and standards and the directives of the MISO in accordance therewith.

3.6 Coordination with Jointly Owned Units. The MISO may need to provide direction to units connected to facilities within the MISO that are jointly owned.

In such cases, where the multiple owners are transmission owners of the MISO, the joint owners must indicate to the MISO what operating entity the MISO will contact for communicating directives. The MISO, as Reliability Coordinator, will give directions to the designated operating entity for the unit in order to maintain the reliability of the system, regardless of whether one or more of the joint owners are not members of the MISO.

3.7 Coordination with Units Connected to Facilities not Under Operational Control of MISO (e.g., subtransmission or distribution system). The MISO may need to provide direction to generators connected to facilities within the MISO that are not under the direct operational control of the MISO. The MISO will provide this direction as to Company's Local Balancing Authority Area through the Local Balancing Authority Operator. The Local Balancing Authority Operator will provide direction to such generators located in Company's Local Balancing Authority Area in accordance with the MISO Transmission Owners' Agreement and agreements or arrangements between the existing Generator and the Local Balancing Authority Operator.

3.8 FERC, NERC, DOE, MISO, and Regional Reliability Organization Compliance Requirements. Customer shall comply with any and all applicable requirements, rules, or regulations of FERC, NERC, DOE, MISO, and/or the Regional Reliability Organization as presently exist and as may be established. Where operation of a Facility causes the Company to be out of compliance with any such applicable rules, regulations, and/or requirements of FERC, NERC, DOE, MISO, or the Regional Reliability Organization and where the Company is

assessed a penalty, fee, or charge for such non-compliance, Customer agrees to be liable for such penalty, fee, or charge as if the Customer incurred the penalty, fee, or charge itself as provided in Sections 3.12 and 3.13.

3.9 Scheduling and Tagging. When producing capacity and/or energy for use by the Customer or other customers, a Customer with a dynamic schedule to a Balancing Authority that is external to the MISO Balancing Authority Area or a grandfathered agreement as identified in Attachment P to the MISO TEMT must provide the Local Balancing Authority Operator with hourly schedules identifying the amount of output in megawatt hours, and in accordance with the procedures as outlined by NERC, MISO, the Regional Reliability Organization, or any successor agency assuming or charged with similar responsibilities. Accordingly, the Customer will provide "tags" (including the Local Balancing Authority Operator on the tag) of all megawatts scheduled in accordance with the requirements of the NERC. Furthermore, pursuant to NERC Standard TOP-003-0 (or any subsequent revision to such presently existing NERC Standard) such customer shall provide the Local Balancing Authority Operator with planned outage information for scheduled generator outages planned for the next day.

3.10 Operating Expenses. Each Party shall be responsible for all expenses associated with operating and maintaining its own property, equipment, facilities, and appurtenances on its side of the Point of Interconnection, and as necessary to facilitate Local Balancing Authority transactions except that Company may recover all expenses of operating and maintaining its own property, equipment, facilities, and appurtenances as provided under this Tariff.

3.11 Operations for Generation Sources.

(a) Frequency Control. The Customer will operate its Generating Unit consistent with and in accordance to the guidelines and requirements concerning frequency control as outlined by the Local Balancing Authority and in accordance with Good Utility Practice. Generating Units shall be equipped with governors as specified by the Local Balancing Authority for the Local Balancing Authority Area in which the Generating Unit is located, or to which it is dynamically scheduled.

(b) Outages and Interruptions.

(i) Outage Authority and Coordination. Absent the existence or imminence of an Emergency, the Customer may, after notifying the Local Balancing Authority for the Local Balancing Authority Area in which the Generating Unit is located in accordance with Good Utility Practice, and in cooperation with such Local Balancing Authority Operator, remove from service its facilities that may impact such Local Balancing Authority as necessary to perform maintenance or testing or to install or replace equipment. The Customer shall use reasonable efforts to schedule such removal on a date mutually acceptable to all Parties, in accordance with Good Utility Practice.

(ii) Outage Restoration.

a. Unplanned Outage. In the event of an unplanned outage of the Facility that adversely affects other facilities within the

Company's Local Balancing Authority Area, the Customer will use commercially reasonable efforts to promptly restore the Facility to service in accordance with Good Utility Practice.

b. Planned Outage. In the event of a planned outage of the Customer's Facility that adversely affects other facilities within the Company's Local Balancing Authority Area, the Customer will use commercially reasonable efforts to promptly restore the Facility to service in accordance with Good Utility Practice and in accordance with the notice given pursuant to Section 3.11 (b)(i).

(iii) Interruption. If at any time, in the Local Balancing Authority Operator's reasonable judgment, and exercised in accordance with Good Utility Practice, the continued operation of the Customer's Facility would cause an Emergency, the Local Balancing Authority Operator may curtail, interrupt, or reduce scheduled inter-/intra-energy from the Facility until the condition, which would cause the Emergency, is corrected. The Local Balancing Authority Operator shall give the Customer as much notice as is reasonably practicable of the Local Balancing Authority Operator's intention to curtail, interrupt, or reduce scheduled inter-/intra-energy delivery from the Customer's Facility in response to a condition that would cause an Emergency and, where practicable, allow suitable time for the

Customer to remove or remedy such condition before any such curtailment, interruption, or reduction commences. In the event of any curtailment, interruption, or reduction, the Local Balancing Authority Operator shall promptly confer with the Customer regarding the conditions that gave rise to the curtailment, interruption, or reduction, and the Local Balancing Authority Operator shall give the Customer the Local Balancing Authority Operator's recommendation, if any, concerning the timely correction of such conditions. The Local Balancing Authority Operator shall promptly cease the curtailment, interruption, or reduction of scheduled inter-/intra-energy delivery when the condition that would cause the Emergency ceases to exist.

(c) Company, as Local Balancing Authority Operator, Not Responsible for Customer Costs. The Company, as Local Balancing Authority Operator, is not responsible for costs or losses of the Customer associated in any way with such service interruptions or outages.

3.12 Reimbursement of MISO Operations Charges or Penalties. Customer agrees to reimburse the Local Balancing Authority Operator for charges or penalties imposed by the MISO on Local Balancing Authority Operator as a result of the Customer's action or inaction. These costs do not include MISO Schedule 10 charges.

3.13 Other Charges or Penalties. Customer agrees to reimburse the Local Balancing Authority Operator for any charges or penalties in addition to those recovered under Section 3.12 arising from the Customer's action or inaction.

3.14 Operations Agreements. Attachment A contains a Form of Service Agreement for Local Balancing Authority Services and Operations. Even if the Customer does not take any Local Balancing Authority Services, each Customer shall be required to execute such Agreement or request that it be filed on an unexecuted basis. Among other things, this form of service agreement will demonstrate that the Customer is obligated to abide by Sections 3, 4, 5, and 6 of this Tariff. Company shall file the Service Agreement either executed or unexecuted with the Commission with the Company and Customer bound with regard to the unexecuted Service Agreement to whatever the Commission determines is appropriate, subject to rehearing and judicial review as provided in Section 2.1.

4 EMERGENCIES

4.1 Obligations. Each Party will comply with the Emergency procedures of NERC, MISO, the Regional Reliability Organization or any successor agency assuming or charged with similar responsibilities, in addition to Local Balancing Authority and Customer Emergency procedures, as applicable, with respect to Emergencies.

4.2 Notice. Company shall provide the Customer with prompt notification under the circumstances of an Emergency that may reasonably be expected to affect the Customer's operation of its Facility or the joint use facilities, to the extent the Company is aware of the Emergency. The Customer shall provide the Company with prompt notification under the circumstances of an Emergency that may reasonably be expected to affect the Company Transmission System, adjacent transmission system, or the joint use facilities, to the extent the Customer is aware of the Emergency. To the extent the Party becoming aware of an Emergency is aware of the facts of the Emergency, such notification shall describe the Emergency, the extent of the damage or deficiency, its anticipated duration, and the corrective action taken and/or to be taken, and shall be followed as soon as practicable with written notice.

4.3 Immediate Action. In the event of an Emergency, the Party becoming aware of the Emergency may, in accordance with Good Utility Practice and using its reasonable judgment, take such action as is reasonable and necessary to prevent, avoid, or mitigate injury and danger to or loss of, life or property. With the exception of joint use facilities, in the event the Customer has identified an Emergency involving the Local Balancing Authority Transmission System, the

Customer shall obtain the consent of the Local Balancing Authority Operator prior to performing any manual switching operations unless, in the Customer's reasonable judgment, immediate action is required. Party will cease such action as soon as practicable after the end of the Emergency.

4.4 Local Balancing Authority Operator. The Local Balancing Authority Operator may, consistent with MISO operations protocol and/or Good Utility Practice, take whatever actions or inactions with regard to the Local Balancing Authority Transmission System the Company deems necessary during an Emergency in order to: (1) preserve public health, safety, and welfare; (2) preserve the reliability of the Local Balancing Authority Transmission System; (3) limit or prevent damage to the Local Balancing Authority Transmission System; and (4) expedite restoration of electric service within the Local Balancing Authority Area. The Company shall use reasonable efforts to minimize the effect of such actions or inactions on the Customer.

4.5 Customer Authority. The Customer may, consistent with Good Utility Practice, take whatever actions or inactions with regard to the Facility the Customer deems necessary during an Emergency in order to: (1) preserve public health and safety; (2) preserve the reliability of the Facility; (3) limit or prevent damage; and (4) expedite restoration of service. The Customer shall use reasonable efforts to minimize the effect of such actions or inactions on the Local Balancing Authority Transmission System. The Local Balancing Authority Operator shall use reasonable efforts to assist in such actions.

4.6 Emergency Actions by Generator. During an Emergency as declared by the MISO and/or Local Balancing Authority Operator on the Company or Local Balancing Authority Transmission System or on an adjacent transmission system, the Local Balancing Authority Operator has the authority, with respect to Generating Units located in or dynamically scheduled to Company's Local Balancing Authority Area, to direct the Customer to increase or decrease real power production (measured in MW) and/or reactive power production (measured in MVAr), within the design and operational limitations of the Facility equipment in operation at the time, in order to maintain Local Balancing Authority Transmission System security. In the event of such a declaration of an Emergency, determinations that: (1) the Local Balancing Authority Transmission System security is in jeopardy, and (2) there is a need to increase or decrease reactive power production, even if real power production is adversely affected, will be made solely by the Local Balancing Authority Operator or designated representative if such determinations are not made by MISO. The Customer will honor the Local Balancing Authority Operator's orders and directives concerning real power and/or reactive power output within the design limitations of the Facility's equipment in operation at the time, such that the security of the Local Balancing Authority Transmission System is maintained. The Local Balancing Authority Operator shall restore Local Balancing Authority Transmission System conditions to normal as quickly as possible to alleviate any such Emergency. The Local Balancing Authority Operator will take all reasonable steps to equitably allocate among all generating units and other reactive compensation resources the

responsibility to provide reactive power support to the Local Balancing Authority Transmission System.

4.7 Emergency Actions by Load Serving Entity. During an Emergency as declared by the Local Balancing Authority Operator on the Local Balancing Authority Area or Company Transmission System, the Local Balancing Authority Operator has the authority to direct the Customer to shed load in order to maintain Local Balancing Authority Transmission System security. In the event of such a declaration of an Emergency, determinations: (1) that Local Balancing Authority Transmission System security is in jeopardy, and (2) that there is a need to shed load, will be made solely by the Local Balancing Authority Operator or designated representative (unless such determinations have been made by the MISO). The Customer will honor the Local Balancing Authority Operator's orders and directives concerning such load shed, such that the security of the Local Balancing Authority Transmission System is maintained. The Local Balancing Authority Operator shall restore Local Balancing Authority Transmission System conditions to normal as quickly as possible to alleviate any such Emergency. The Local Balancing Authority Operator will take all reasonable steps to equitably allocate among all customers the responsibility to shed load.

4.8 Disconnection in Event of Emergency. The Local Balancing Authority Operator shall have the right to disconnect the Facility without notice if, in the Local Balancing Authority Operator's judgment or Generator's judgment, an Emergency exists and immediate disconnection is necessary to protect persons or

property from damage or interference caused by Customer's Facilities or lack of proper or properly operating system protection facilities. The Customer shall be notified of such disconnection. For purposes of this Section 4.8, system protection facilities may be deemed by the Local Balancing Authority Operator to be not properly operating if the Local Balancing Authority Operator's review under Section 4 discloses irregular or otherwise insufficient maintenance on the system protection facilities or that maintenance records do not exist or are otherwise insufficient to demonstrate that adequate maintenance has been and is being performed. If such maintenance records do not exist or are otherwise insufficient to demonstrate that adequate maintenance has been and is being performed, Customer shall have a reasonable opportunity to demonstrate to the Local Balancing Authority Operator that the system protection facilities are operating properly through alternative documentation or by physical demonstration, provided that such alternative documentation or physical demonstration shall be subject to acceptance by the Local Balancing Authority Operator in the exercise of its reasonable judgment.

4.9 Audit Rights. Each Party shall keep and maintain record of actions taken during an Emergency that may reasonably be expected to impact the other Party's facilities and make such records available for third party independent audit upon the request and expense of the party affected by such action. Any such request for an audit will be no later than twenty-four (24) months following the action taken.

4.10 Limited Liability. Except as provided in Section 10 in this Tariff, no Party shall be liable to any other for any action it takes in responding to an Emergency so

long as such action is made in good faith and consistent with Good Utility Practice.

4.11 Emergency Incident and Disturbance Report. The Customer taking service under a Local Balancing Authority Service and Operations Service Agreement is required to submit Form EIA-417 data within the required reporting time to the Local Balancing Authority Operator as per the reporting criteria set forth in the U.S. Department of Energy, Energy Information Administration, Form EIA-417.

5 METERING

5.1 General. Company or Customer with a Service Agreement for Local Balancing Authority Services and Operations shall provide, install, operate and maintain suitable Metering Equipment necessary to meet its obligations under this Tariff and/or Attachment A2 of the Service Agreement. If necessary, Metering Equipment shall be either located or adjusted, at Company's option, in such manner to account for any transformation or interconnection losses between the location of the meter and the Points of Interconnection. Metering quantities, in analog and/or digital form, shall be provided to Company or Customer upon request. All reasonable costs associated with the administration of Metering Equipment and the provision of metering data to Customer shall be borne by Customer. The costs of administration and of providing metering data shall be separately itemized on Company's invoice to Customer. All reasonable costs associated with either the initial installation of metering, or any changes to Metering Equipment requested by Customer including the actual cost of the Metering Equipment, shall be borne by Customer.

5.2 Meter Failure. Should a meter installed at the Customer's Facility fail to register during any period of time, the Net Electric Output delivered to the Company during such period shall be estimated jointly by the Company and the Customer, in close coordination and cooperation with each other, based on the best information available.

5.3 Billing Adjustments. If at any time, any Metering Equipment is found to be inaccurate by a margin of greater than that allowed under applicable criteria,

rules, and standards of Good Utility Practice, such Metering Equipment will be made accurate or replaced. Meter readings and billings for the period of the inaccuracy will be adjusted insofar as the extent of the meter inaccuracy can be reasonably ascertained. Each Party will comply with any reasonable request of the other Party concerning the sealing of the meters, the presence of a representative of the other Party when the seals are broken and the test are made, and other matters affecting the accuracy of the measurement of electricity delivered from or to the Facility.

5.4 Metering Data. If hourly energy readings are requested by Company, Customer shall report same to Company's representatives as designated pursuant to Section 6 of the Service Agreement, by telephone or electronically or as the Parties otherwise agree, on a schedule to be agreed upon. At Customer's expense, Customer's metered data shall be telemetered to a location designated by Company and one or more locations designated by Customer.

(a) Interval Metering. The Customer will install revenue class hourly interval or other such appropriate Metering Equipment. The equipment shall be capable of storing metering data for 30 days and of providing reading on demand.

(b) Metering Data Reporting. The Customer will provide electronic data formats on a monthly basis for energy delivered during each calendar month as well as total energy delivered per calendar month and will permit continuous reading by the Facility and the Company.

(c) Unit Aggregation. Locations with multiple generating units should have aggregated net output metering.

5.5 Generating Station Service Metering. All plant auxiliary power transformers (non-generator step-down transformers) that are not connected to the low side of the main power transformer and lines directly connected to the Local Balancing Authority Transmission System shall have metering facilities installed to provide bi-directional real and reactive power and energy flow. Metering instrument transformers shall be connected to or compensated to the high side (transmission voltage side) of the power transformer, unless otherwise agreed to by the Parties.

5.6 Substation Station Service Metering. All substation auxiliary power transformers that are not connected to the low side of the main power transformer and lines directly connected to the Local Balancing Authority Transmission System shall have metering facilities installed to provide bi-directional real and reactive power and energy flow. Metering instrument transformers shall be connected to or compensated to the high side (transmission voltage side) of the power transformer, unless otherwise agreed to by the Parties.

6 COMMUNICATIONS AND RTU EQUIPMENT

6.1 General. Company or Customer shall provide, install, own and maintain communication and remote terminal unit equipment ("Communication and RTU Equipment") at facilities necessary to meet its obligations under this Tariff and/or Attachment A3 of the Service Agreement. Generating units five (5) MW or greater, Points of Interconnection establishing new Local Balancing Authority boundaries or Balancing Authority boundaries, and load serving substations or transmission interconnections connected to integrated transmission facilities served at 41.6 kV or above and located within the Company's Local Balancing Authority Area are required to install said Communication and RTU Equipment. Facilities interconnecting with Company-owned facilities will communicate with the Company's EMS system. All reasonable costs associated with the administration of Communication and RTU Equipment shall be borne by Customer. The costs of administration and of providing Communication and RTU Equipment shall be separately itemized on Company's invoice to Customer. All reasonable installation, operations, and maintenance costs associated with either the initial installation of Communication and RTU Equipment, as more fully described in Attachment A3, or any changes to Communication and RTU Equipment requested by Customer, shall be borne by Customer including the costs of the Communication and RTU Equipment. The Customer will be responsible for any costs associated with future changes to Communication and RTU equipment requirements or standards as ordered by NERC, MISO, or any successor agency assuming or charged with similar responsibilities.

6.2 Ownership of Communication and RTU Equipment. Subject to Section 6.1, Company or Customer, shall provide and install Communication and RTU Equipment, as per Company's specifications, necessary to communicate with the Facility. Company or Customer, as mutually agreed and specified in Attachment A3, shall own and maintain Communication and RTU Equipment.

6.3 Requirements.

(a) Customer Obligations. At Customer's expense, Customer shall maintain satisfactory operating communications with the Local Balancing Authority Operator or representative, as designated by Company. At manned generation units, Customer will provide standard voice and facsimile communications at its Facility control room through use of the public telephone system. At unmanned generation units, Customer will provide standard voice communication at its Facility through the use of the public telephone system. Customer will also provide a 4-wire, full duplex data circuit (or circuits) operating at baud rates as reasonably specified by Company. Any required maintenance of such communications equipment shall be performed at Customer's expense, but may be performed by Customer or by Company. Communications and RTU Equipment shall be maintained and activated under, but not be limited to, the following events: system paralleling or separation, scheduled and unscheduled shutdowns, equipment clearances, and hourly and daily load data.

(b) Remote Terminal Unit. An RTU or equivalent data collection and transfer equipment acceptable to both Parties shall be installed by Customer, or by Company at Customer's expense, to gather accumulated and instantaneous data to be telemetered to a location(s) designated by Company through use of a dedicated point-to-point data circuit(s) as indicated in Section 6.3 (a).Customer shall install or facilitate installation of such equipment as soon as practicable, provided that installation shall be accomplished within a time period of no more than 180 days following notice by Company and, as applicable, prior to initial operation of the Facility. The communication protocol for this data circuit(s) will be specified by Company. Instantaneous bi-directional analog real power and reactive power flow information, as described for the specific location in Attachment A2, must be telemetered directly to the location(s) specified by Company.

7 INFORMATION REPORTING

7.1 Information Reporting Obligations. The Customer shall, in accordance with Good Utility Practice, promptly provide to the Local Balancing Authority Operator all relevant information, documents, or data regarding the Customer's facilities and equipment which may reasonably be expected to pertain to the reliability of the facilities and equipment within the Company's Local Balancing Authority Area and which has been reasonably requested by the Local Balancing Authority Operator.

(a) DOE/EIA Form EIA-417 Reporting. The Emergency Incident and Disturbance Report as established by the DOE/EIA in Form 417 must be submitted to the Local Balancing Authority Operator in accordance with the provisions set forth in said form.

8 CONTRACTS AND AGREEMENTS

8.1 Local Balancing Authority Services and Operations Service Agreement. All facilities or entities scheduling within, in, or out of the Company's Local Balancing Authority are required to sign a Service Agreement in the form set forth in Attachment A or Attachment B. Whether the Applicant is seeking interconnection with the Company or another Transmission Owner located within the Company's Local Balancing Authority, the Applicant must enter into such a Service Agreement with the Company no later than 60 days prior to unit(s) synchronization.

III. GENERAL PROVISIONS

9 CREDITWORTHINESS

9.1 Creditworthiness. For the purpose of determining the ability of the Customer to meet its obligations related to service hereunder, the Company may require reasonable credit review procedures. This review shall be made in accordance with standard commercial practices. In addition, the Company may require the Customer to provide and maintain in effect during the term of the Service Agreement, an unconditional and irrevocable letter of credit as security to meet its responsibilities and obligations under the Service Agreement, or an alternative form of security proposed by the Customer and acceptable to the Company and consistent with commercial practices established by the Uniform Commercial Code that protects the Company against the risk of non-payment.

9.2 Customer's Continuing Creditworthiness. In the event Customer's creditworthiness becomes unsatisfactory to Company in its reasonably exercised discretion for amounts for which payment is not otherwise assured, Company may demand that Customer provide, at Customer's option (but subject to Company's acceptance based upon reasonably exercised discretion), either (i) the posting of a letter of credit; (ii) a cash prepayment; (iii) the posting of other acceptable collateral or security by the Customer; (iv) a guarantee agreement executed by a creditworthy entity; or (v) some other mutually agreeable method of satisfying Company. Failure of Customer to provide such reasonably satisfactory assurances of its ability to make payment under the Service Agreement within seven (7) days of demand therefore shall be an event of Default under Section 14

of this Tariff and Company shall have the right to exercise any of the remedies provided for in Section 14.

10 PAYMENTS AND BILLING PROCEDURES

10.1 General. Within a reasonable time after the first day of each month, each Party shall prepare and deliver to the other Party an invoice for those reimbursable services provided to the other Party under the Service Agreement during the preceding month.

10.2 Invoice. Each invoice shall delineate the month in which the services were provided, shall fully describe the services rendered, and shall be itemized to reflect the services performed or provided.

10.3 Payment. Payments for amounts billed under Service Schedules hereto shall be paid so that such payments are received by the Party to be paid on the 20th day of the invoicing month or the tenth (10) day after receipt of the bill, whichever is later. All payments shall be made in immediately available funds payable to the other Party, or by wire transfer to a bank named and account designated by the invoicing Party. If the due date of any payment falls on a Sunday or holiday, payment shall be made on the next business day.

10.4 Disputes. All invoiced amounts shall be paid on or before the invoice payment due date. In the event of a billing dispute, the Local Balancing Authority Operator will continue to provide Local Balancing Authority Services under the Service Agreement as long as the Customer pays disputed amounts on or before the due date. In the event the dispute is resolved in favor of the Party disputing payment, the Party required to pay back disputed amounts shall, within thirty (30) days of resolution of the dispute, make payment with interest as calculated in accordance with Section 10.6.

10.5 Waiver. Payment of an invoice shall not relieve the paying Party from any other responsibilities or obligations it has under the Service Agreement, nor shall such payment constitute a waiver of any claims arising hereunder.

10.6 Interest. Any amount due under the Service Agreement, which is not timely paid, shall accrue interest from the due date of the invoice to the date of payment. When payments are made by mail, invoices shall be considered as having been paid on the date of receipt by the other Party. The interest amount shall be determined using the interest rate applicable to any amount due during a given month and shall be calculated using the methodology for refunds pursuant to Section 35.19(a) of FERC's Regulations, 18 CFR § 35.19(a), or the maximum interest rate permitted under Minnesota law, whichever is less. Interest shall be calculated for the period during which the payment is overdue or the period during which the refund is accruing interest.

10.7 Payment During Dispute. In the event of a billing dispute between the Company and the Customer, each Party shall continue to provide services and pay all invoices pending resolution of the dispute.

10.8 Collection Expenses. Neither Party shall be responsible for the other Party's costs of collecting amounts due under the Service Agreement or Tariff, including attorney fees and expenses and the expenses of arbitration except in the event of a Default as provided in Section 14.

10.9 Record Retention. Each Party shall keep complete and accurate records of its operations under the Service Agreement and shall maintain such data as may be necessary to determine the reasonableness and accuracy of all relevant data,

estimates or invoices submitted to it hereunder. All records regarding the Service Agreement shall be maintained for the current year and entire preceding year, or such longer period as may be required by any Governmental Authorities.

11 ASSIGNMENT

11.1 General. Neither Party shall voluntarily assign its rights nor delegate its duties under the Service Agreement, or any part of such rights or duties, without the written consent of the other Party, which consent shall not be unreasonably withheld, except that such written consent shall not be required in connection with the sale, merger, or transfer of a substantial portion of its properties (or in the case of Company, its transmission facilities) including the facilities which it owns so long as the assignee in such a sale, merger, or transfer assumes directly all rights, duties and obligations arising under the Service Agreement and such assignor shall be, without further action, released from its obligation hereunder. Any such assignment or delegation made without such written consent shall be null and void. In addition, Company, shall be entitled to assign the Service Agreement to an affiliate, subsidiary of Company, or other entity responsible for Local Balancing Authority responsibilities. Assignment is only permitted where the assignee is a creditworthy entity, in accordance with Section 9.

11.2 Assignment. Notwithstanding the foregoing, Customer may assign the Service Agreement executed by the Company and Customer under this Service Agreement (and shall be, without further action, released from obligation hereunder) without Company's prior consent to any future owner of the Customer's facilities, so long as the assignee complies with the provisions of Section 9 and assumes in writing all rights, duties, and obligations arising under the Service Agreement or Tariff. Company shall, if requested by such lenders, execute its standard documents and certificates as may be requested with respect

to the assignment and status of the Service Agreement, provided such documents do not change the rights of Company under the Service Agreement except with respect to providing notice and reasonable opportunity to cure. In the event of any foreclosure by such lenders, the purchasers at such foreclosure or any subsequent purchaser, shall upon request, be entitled to the rights and benefits of (and be bound by) the Service Agreement so long as said purchaser is entitled to interconnect within the Local Balancing Authority Area.

11.3 Customer's Continuing Responsibility. Except as set forth in this Section 11, no assignment or transfer of rights or obligations under the Service Agreement by the Customer shall relieve the Customer from full liability and financial responsibility for the performance therefore after any such transfer or assignment unless and until the transferee or assignee shall agree in writing to assume the obligations and duties of the Customer under this Tariff and applicable agreements and the Company has consented in writing to such assumption; said consent not to be unreasonably withheld or delayed.

11.4 Company's Continuing Responsibility. Except as set forth in this Section 11, no assignment or transfer of rights or obligations under this Tariff by the Company shall relieve the Company from full liability and financial responsibility for the performance therefore after any such transfer or assignment unless and until the transferee or assignee shall agree in writing to assume the obligations and duties of the Company under the Service Agreement and the Customer has consented in writing to such assumption; said consent not to be unreasonably withheld or delayed.

12 INDEMNITY

12.1 General. The Local Balancing Authority Operator and Customer shall indemnify and hold harmless each other, and each other's respective officers, shareholders, stakeholders, managers, representatives, directors, agents and employees, and affiliated and associated companies, from and against any and all loss, liability, damage, cost or expense, including damage and liability for bodily injury to or death of persons, or damage to property of persons (including reasonable attorney's fees and expenses, litigation costs, consultant fees, investigation fees and sums paid in settlements of claims and any such fees and expenses incurred in enforcing this indemnity or collecting any sums due hereunder) (collectively, "Loss") to the extent arising out of, in connection with or resulting from (i) the indemnifying Party's breach of any of the representations or warranties made in, or failure to perform any of its obligations under, the Service Agreement or Tariff; or (ii) the negligence or willful misconduct of the indemnifying Party or its contractors and regardless whether arising under Applicable Laws and Regulations or otherwise; provided, however, that no Party shall have any indemnification obligations under this Section 12.1 with respect to any Loss to the extent the Loss results from the negligence or willful misconduct of the Party seeking indemnity.

12.2 Incidental and Consequential Damages. Neither the Local Balancing Authority Operator or Customer shall be liable in statute, contract, in tort (including negligence), strict liability, or otherwise to the other Party, its agents, representatives, its affiliated and associated companies, and/or its assigns, for any

incidental or consequential loss or damage whatsoever, including, but not limited to, loss of profits or revenue on work not performed, for loss of use of or under-utilization of the other Party's facilities, or loss of use of revenues or loss of anticipated profits, resulting from either Party's performance or nonperformance of an obligation imposed on it by the Service Agreement or Tariff.

12.3 Indemnification Procedures. Any Party seeking indemnification under the Service Agreement or Tariff shall give the other Party notice of such claim promptly but in any event on or before the earlier of the tenth (10^{th}) day after the Party's actual knowledge of such claim or action or the ninetieth (90^{th}) day from commencement of the event or circumstance giving rise to the claim. Such notice shall describe the claim in reasonable detail, and shall indicate the amount (estimated if necessary) of the claim that has been actually and materially prejudiced as a result of the failure to provide such notice, such notice will be a condition precedent to any liability of the other Party under the provisions for indemnification contained in this Section 12. Neither Party may settle or compromise any claim for which indemnification is sought under this Section without prior consent of the other Party; provided, however, said consent shall not be unreasonably withheld or delayed.

13 FORCE MAJEURE

13.1 Notice. The Party unable to carry out an obligation imposed on it by the Service Agreement due to Force Majeure shall notify the other Party in writing or by telephone within a reasonable time after the occurrence of the cause relied on.

13.2 Duration of Force Majeure. Except as set forth in Section 13.4, no Party will be considered in Default as defined in Section 14.1 as to any obligation under the Service Agreement if prevented from fulfilling the obligation due to an event of Force Majeure. A Party shall not be responsible for any non-performance under the Agreement due to Force Majeure whether occurring on the Company Transmission System, Company's other systems, the Facility, the facilities or any connecting Electric System affecting the Party's operations. A Party shall be excused from whatever performance is affected only while a Force Majeure situation exists and while the Party attempts in good faith to alleviate such situation, except with respect to any labor disturbance. As soon as the non-performing Party is able to resume performance of its obligations excused as a result of the occurrence of Force Majeure, such Party shall give prompt notice thereof to the other Party.

13.3 Liability Notwithstanding Force Majeure. Subject to the provisions of Section 12, a Party shall not, however, be relieved of liability for failure of performance if such failure be due to causes arising out of its own negligence or to removable or remediable causes which it fails to remove or remedy with reasonable dispatch.

13.4 Obligation to Make Payments. Any Party's obligation to make payments for services incurred shall not be suspended by Force Majeure.

14 BREACH, CURE AND DEFAULT

14.1 General. A breach of the Service Agreement or Tariff ("Breach") shall occur upon the failure by a Party to perform or observe any material term or condition of the Service Agreement or Tariff. A default ("Default") shall occur upon the failure of a Party in Breach of the Service Agreement or Tariff to cure such Breach in accordance with the provisions of Section 14.4.

14.2 Events of Breach. A Breach shall include:

(a) The failure to pay any amount when due;

(b) The failure to comply with any material term or condition of the Service Agreement or Tariff, including but not limited to any material Breach of a representation, warranty or covenant ;

(c) If a Party: (1) becomes adjudicated bankrupt; (2) files a voluntary petition in bankruptcy under any provision of any federal or state bankruptcy law or consents to the filing of any bankruptcy or reorganization petition against it under any similar law; (3) makes a general assignment for the benefit of its creditors; or (4) consents to the appointment of a receiver, trustee or liquidator;

(d) Assignment of the Service Agreement in a manner inconsistent with the terms of this Tariff;

(e) Failure of either Party to provide access rights, or a Party's attempt to revoke or terminate such access rights, as provided under this Tariff; or

(f) Failure of either Party to provide information or data to the other Party as required under this Tariff, provided the Party entitled to the information or

data requires such information or data to satisfy its obligations under this Tariff or the Service Agreement.

14.3 Continued Operation. In the event of a Breach or Default by either Party, the Parties shall continue to operate and maintain, as applicable, such DC power systems, protection and Metering Equipment, telemetering equipment, SCADA equipment, transformers, secondary systems, communications equipment, building facilities, software, documentation, structural components, and other facilities and appurtenances that are reasonably necessary for the Company to operate and maintain the Local Balancing Authority Transmission System, or for the Customer to operate and maintain its facilities, in a safe and reliable manner.

14.4 Cure and Default. Upon the occurrence of an event of Breach, the Party not in Breach (hereinafter the "Non-Breaching Party"), when it becomes aware of the Breach, shall give written notice of the Breach to the Breaching Party (the "Breaching Party") and to any other person a Party to the Service Agreement identifies in writing to the other Party in advance. Such notice shall set forth, in reasonable detail, the nature of the Breach, and where known and applicable, the steps necessary to cure such Breach. Upon receiving written notice of the Breach hereunder, the Breaching Party shall have thirty (30) days to cure such Breach. If the Breach is such that it cannot be cured within thirty (30) days, the Breaching Party will commence in good faith all steps as are reasonable and appropriate to cure the Breach within such thirty (30) day time period and thereafter diligently pursue such action to completion. In the event the Breaching Party fails to cure the Breach, or to commence reasonable and appropriate steps to cure the Breach,

within thirty (30) days of becoming aware of the Breach, the Breaching Party will be in Default.

14.5 Right to Compel Performance. Notwithstanding the foregoing, upon the occurrence of an event of Default, the non-Defaulting Party shall be entitled to: (1) commence an action to require the Defaulting Party to remedy such Default and specifically perform its duties and obligations hereunder in accordance with the terms and conditions hereof, and (2) exercise such other rights and remedies as it may have in equity or at law. The non-Defaulting Party shall be entitled to recoup its reasonable attorneys' fees related to its actions in response to the Default such as actions to collect monies due.

15 TERMINATION

15.1 Expiration of Term. Except as otherwise specified in this Section 15, (a) Local Balancing Authority Services for the Customer terminates at the conclusion of the Term of the Service Agreement as stated in Section 14.0 of the Service Agreement or at the conclusion of the transaction, if the agreement is for ancillary services under the umbrella service agreement in Attachment B consistent with the agreements and this Tariff.

15.2 Termination. A Party may terminate the Service Agreement upon the Default of other Party. Subject to the limitations set forth in Section 15.3, in the event of a Default, a non-Defaulting Party may terminate the applicable agreement only upon the later of

(a) Its giving of written notice of termination to the other Party; and

(b) For any termination of a Service Agreement filed with FERC, the filing at FERC of a notice of termination for the Service Agreement, which filing must be accepted for filing by FERC.

15.3 Survival of Rights. Termination of the Service Agreement shall not relieve either Party of any of its liabilities and obligations arising hereunder prior to the date that termination becomes effective, and each Party may take whatever judicial or administrative actions as appear necessary or desirable to enforce its rights hereunder subject to collection of reasonable attorneys' fees as provided in Section 14.5.

16 CONFIDENTIALITY

16.1 Term. During the term of the Service Agreement and for a period of three (3) years after the expiration or termination of the Service Agreement, except as otherwise provided in this Section 16 and Section 17, each Party shall hold in confidence and shall not disclose to any person Confidential Information.

16.2 Scope. Confidential Information shall not include information that the receiving Party can demonstrate: (1) is generally available to the public other than as a result of a disclosure by the receiving Party; (2) was in the lawful possession of the receiving Party on a non-confidential basis before receiving it from the disclosing Party; (3) was supplied to the receiving Party without restriction by a third party, who, to the knowledge of the receiving Party, after due inquiry, was under no obligation to the other Party to keep such information confidential; (4) was independently developed by the receiving Party without reference to Confidential Information of the disclosing Party; (5) is, or becomes, publicly known, through no wrongful act or omission of the receiving Party or breach ; or (6) is required, in accordance with Section 16.7 of this Tariff, to be disclosed by any federal or state government or agency or is otherwise required to be disclosed by law or subpoena, or is necessary in any legal proceeding establishing rights and obligations under this agreement. Information designated as Confidential Information will no longer be deemed confidential if the Party that designated the information as confidential notifies the other Party that it no longer is confidential.

16.3 Release of Confidential Information. Neither Party shall release or disclose Confidential Information to any other person, except to its employees, consultants

or to parties who may be or considering providing financing to or equity participation with Customer, on a need-to-know basis in connection with the applicable agreement, so long as such person has first been advised of the confidentiality provisions of this Section 16 and has agreed to comply with such provisions. Notwithstanding the foregoing, a Party providing Confidential Information to any person shall remain primarily responsible for any release of Confidential Information in contravention of this Section 16.

16.4 Rights. Each Party retains all rights, title, and interest in the Confidential Information that each Party discloses to the other Party. The disclosure by each Party to the other Party of Confidential Information shall not be deemed a waiver by either Party or any other person or entity of the right to protect the Confidential Information from public disclosure.

16.5 No Warranties. By providing Confidential Information, neither Party makes any warranties or representations as to its accuracy or completeness. In addition, by supplying Confidential Information, neither Party obligates itself to provide any particular information or Confidential Information to the other Party nor to enter into any further agreements or proceed with any other relationship or joint venture.

16.6 Standard of Care. Each Party shall use at least the same standard of care to protect Confidential Information it receives as that it uses to protect its own Confidential Information from unauthorized disclosure, publication or dissemination. Each Party may use Confidential Information solely to fulfill its

obligations to the other Party under the applicable agreement or to Governmental Authorities having jurisdiction.

16.7 Order of Disclosure. If a Governmental Authority with the right, power, and apparent authority to do so requests or requires either Party, by subpoena, oral deposition, interrogatories, requests for production of documents, administrative order, or otherwise, to disclose Confidential Information, that Party shall provide the other Party with prompt prior written notice to the extent possible of such request(s) or requirement(s) so that the other Party may seek an appropriate protective order or agreement, or waive compliance with the terms of the Service Agreement. Notwithstanding the absence of a protective order or agreement, or waiver, the Party may disclose such Confidential Information which, in the opinion of its counsel, the Party is legally compelled to disclose. Each Party will use reasonable effort to obtain reliable assurance that confidential treatment will be accorded any Confidential Information so furnished.

16.8 Termination of Agreement. Upon termination of the applicable agreement for any reason, each Party shall, within ten (10) days of receipt of a written request from the other Party, use reasonable efforts to destroy, erase, or delete (with such destruction, erasure and deletion certified in writing to the other Party) or return to the other Party, without retaining copies thereof, any and all written or electronic Confidential Information received from the other Party.

16.9 Remedies. Monetary damages would be inadequate to compensate a Party for the other Party's breach of its obligations under this Section 16. Each Party shall be entitled to equitable relief, by way of injunction or otherwise, if the first Party

breaches or threatens to breach its obligations under this Section 16, which equitable relief shall be granted without bond or proof of damages, and the receiving Party shall not plead in defense that there would be an adequate remedy at law. Such remedy shall not be deemed to be an exclusive remedy for the breach of this Section 16, but shall be in addition to all other remedies available at law or in equity. Furthermore, the covenants contained herein are necessary for the protection of legitimate business interests and are reasonable in scope. No Party, however, shall be liable for indirect, incidental or consequential or punitive damages of any nature or kind resulting from or arising in connection with this Section 16.

17 AUDIT RIGHTS

17.1 Audit Rights. Subject to the requirements of confidentiality under Section 16 of this Tariff, either Party shall have the right, during normal business hours, and upon prior reasonable notice to the other Party, to audit each other's accounts and records pertaining to either Party's performance and/or satisfaction of obligations arising under the Service Agreement or Tariff. Any audit authorized by this Section 17.1 shall be performed at the offices where such accounts and records are maintained and shall be limited to those portions of such accounts and records that relate to obligations under the Service Agreement or Tariff.

18 DISPUTES

18.1 Submission. Any claim or dispute, which either Party may have against the other, arising out of the Service Agreement or Tariff shall be submitted in writing to the other Party not later than the latter of sixty (60) days after the circumstances which gave rise to the claim or dispute have taken place or sixty (60) days of discovery of such circumstances. The submission of any claim or dispute shall include a concise statement of the question or issue in dispute, together with relevant facts and documentation to fully support the claim.

18.2 Alternative Dispute Resolution. If any such claim or dispute arises, the Parties shall use their best efforts to resolve the claim or dispute, initially through good faith negotiations or upon the failure of such negotiations, through mutually agreed to Alternative Dispute Resolution ("ADR") techniques, which may include arbitration before one neutral arbitrator conducted in Fergus Falls, Minnesota, in accordance with the rules of the American Arbitration Association's Commercial Arbitration Rules. All negotiations pursuant to these procedures for the resolution of Disputes will be confidential, and shall be treated as compromise and settlement negotiations for purposes of the Federal Rules of Evidence and State Rules of Evidence.

19 MISCELLANEOUS

19.1 Waiver. Any waiver at any time by either Party of its rights with respect to a Default, or with respect to any other matters arising in connection with the Service Agreement shall not be deemed a waiver or continuing waiver with respect to any subsequent Default or other matter.

19.2 Governing Law. The validity, interpretation and performance of the Service Agreement and each of its provisions shall be governed by the applicable laws of the State of Minnesota.

19.3 Amendments. Nothing contained herein shall be construed as affecting in any way the right of the Company or Customer to unilaterally make application to FERC for a change in rates, terms or conditions of service or any other change of this Tariff or the Service Agreements under Sections 205 and 206 of the Federal Power Act and pursuant to FERC's Rules and Regulations promulgated thereunder. The Company reserves the right to file rate schedules with FERC concerning any services the Company deems necessary for reliable and orderly bulk power system management, including but not limited to any standby or related services that may arise from a failure by Customer to meet Local Balancing Authority Service obligations covered by the Service Agreement.

19.4 Grandfathered Agreements. Nothing in this Tariff or a Service Agreement is intended to abrogate pre-existing agreements that were not under the Otter Tail OATT.

SCHEDULE 1

Scheduling, System Control And Dispatch Service

This service is required to schedule the movement of power through, out of, within, or into a Local Balancing Authority. This service can be provided only by the operator of the Local Balancing Authority in which the transmission facilities used for transmission service are located. Scheduling, System Control and Dispatch Service is to be provided directly by the Local Balancing Authority Operator. The Customer must purchase this service from the Local Balancing Authority Operator. The charges for Scheduling, System Control and Dispatch Service are to be based on the rates set forth below.

Basic Charge:

$0.04975/kW-Month

$0.01148/kW-Week

$0.00164/kW-Day

$0.00007/kW-Hour

times the Customer's load coincident with the Local Balancing Authority peak load.

Scheduling, System Control and Dispatch Service under this Schedule 1 will be superseded by MISO's Schedule 1 when the same service is provided pursuant to the Midwest ISO TEMT.

SCHEDULE 2

Reactive Power Supply From Generation or Other Sources Service

In order to maintain transmission voltages on the Company's transmission facilities located in the Local Balancing Authority within acceptable limits, generation facilities and non-generation resources capable of providing this service that are under the control of the Local Balancing Authority Operator are operated to produce (or absorb) reactive power. Thus, if this service is not already provided for under other agreements or tariffs, Reactive Power Supply from Generation or Other Sources Service must be provided for each transaction on the Company's transmission facilities located within the Local Balancing Authority. The amount of Reactive Power Supply from Generation or Other Sources Service that must be supplied with respect to the Customer's energy schedule will be determined based on the reactive power support necessary to maintain transmission voltages within limits that are generally accepted in the region and consistently adhered to by the Local Balancing Authority Operator.

The Local Balancing Authority Operator must provide and the Customer must purchase this service from the Local Balancing Authority Operator. Although the Customer is required to take this ancillary service from the Local Balancing Authority Operator, the Customer may reduce the charge for this service to the extent it can reduce its requirement for reactive supply.

Reactive Power Supply from Generation or Other Sources Service is to be provided directly by the Local Balancing Authority Operator for energy schedules on the Company's transmission facilities unless otherwise supplied through Self-Provision or through pre-existing agreements or tariffs. If Reactive Power Supply from Generation or Other Sources Service is provided to the Customer by the Local Balancing Authority Operator, the Customer shall compensate the Local Balancing Authority Operator for Reactive Power Supply from Generation

or Other Sources Service pursuant to the charges set forth below. However, such rates shall not include any charges associated with the compensation to a generating facility for the supply of reactive power within the power factor range specified in its interconnection agreement.

ATTACHMENT A

Form of Service Agreement for Local Balancing Authority Services and Operations

1.0 THIS SERVICE AGREEMENT is made and entered into this _____ day of _____, 20__, by and between _____ , a [_____] organized and existing under the laws of the State of _____, sometimes hereinafter referred to as "Customer," and Otter Tail Power Company, a division of Otter Tail Corporation, a corporation organized and existing under the laws of the State of Minnesota, sometimes hereinafter referred to as "Company" or "Local Balancing Authority Operator." Customer and Company each may be referred to as a "Party," or collectively as the "Parties."

2.0 The Customer has been determined by the Local Balancing Authority Operator to be a Customer under Section 2 of the Control Area Services and Operations Tariff ("Tariff").

3.0 The Customer agrees to supply information the Local Balancing Authority Operator deems reasonably necessary in accordance with Good Utility Practice in order for it to provide the requested service.

4.0 The Local Balancing Authority Operator agrees to provide and the Customer agrees to take and pay for Local Balancing Authority Services detailed in Attachment A1 in accordance with the provisions of the Tariff and this Service Agreement. The Metering Equipment and Communication and RTU Equipment required for the service is as specified in Attachments A2 and A3, respectively.

5.0 The Local Balancing Authority Operator and the Customer agree to be bound by the terms of this Tariff and to follow orders, directions, and procedures as detailed in such Tariff.

6.0 Any notice, demand or request required or permitted to be given by either Party to the other and any instrument required or permitted to be tendered or delivered by either Party to the other may be so given, tendered or delivered, as the case may be, by depositing the same in any United States Post Office with postage prepaid, for transmission by certified or registered mail, addressed to the Party, or personally delivered to the Party, at the address set out below:

To Company:	**To Customer:**
Manager, System Operations	_____
Otter Tail Power Company	_____
215 South Cascade Street	_____
Fergus Falls, MN 56538-0496	_____

7.0 Subject to Required Regulatory Approval, including, without limitation, acceptance by FERC under Section 205 of the Federal Power Act, the Service Agreement shall become effective when executed by the Parties or the date allowed by the Commission.

8.0 Termination Upon Default. This Service Agreement may be terminated upon a Party's Default in accordance with the provisions of Section 14 of the Tariff.

9.0 Material Adverse Change. In the event of a material change in law or regulation that adversely affects, or may reasonably be expected to adversely affect, either Party's rights and/or obligations under the Service Agreement, the Parties will negotiate in good faith any amendment or amendments to the Service Agreement necessary to adapt the terms of the Service Agreement to such change in law or regulation, and the Company shall file such amendment or amendments with FERC. If, within sixty (60) days after the occurrence of any event described in this Section 9.0, the Parties are unable to reach agreement on any such amendments, the Parties may proceed under Section 18 of the Tariff to resolve any disputes related thereto; and, Company shall have the right to make a unilateral filing with FERC to modify the Service Agreement pursuant to Section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder, and Customer shall have the right to make a unilateral filing with FERC to modify the Service Agreement pursuant to Section 206 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder; provided that each Party shall have the right to protest any such filing by the other Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in the Service Agreement shall limit the rights of the Parties or of FERC under Sections 205 or 206 of the Federal Power Act and FERC's rules and regulations thereunder. For the purposes of this Section 9.0, the term "material" or "materially" shall not include any change to a tariff or rate schedule accepted or approved by FERC. If a Party is unable to fully perform the Service Agreement due to the occurrence of an event described in this Section 9.0 and such inability is not based on economic reasons, such Party shall not be deemed to be in Default of its obligations under the Service Agreement, provided that such Party is seeking dispute resolution under Section 18 of the Tariff or before FERC, to the extent that (i) such Party is unable to perform as a result of such an event and (ii) such Party acts in accordance with its obligations under this Section 9.0.

10.0 The Company shall file the Service Agreement with FERC, if non-conforming or unexecuted. If executed and conforming, this Service Agreement shall be included in Company's Electronic Quarterly Report.

10.1 Nothing contained in the Service Agreement shall be construed as affecting in any way the right of the Company to unilaterally make application to the Commission for a change in rates, terms and conditions, charges, classification of service, Service Agreement, rule or regulation under Section 205 of the Federal Power Act and pursuant to the Commission's rules and regulations promulgated thereunder.

10.2 Nothing contained in the Service Agreement shall be construed as affecting in any

way the ability of any Party receiving service under the Service Agreement to exercise its rights under the Federal Power Act and pursuant to the Commission's rules and regulations promulgated thereunder.

11.0 The applicable provisions of the Service Agreement shall continue in effect after expiration, cancellation, or termination hereof to the extent necessary to provide for final billings, billing adjustments, and the determination and enforcement of liability and indemnification obligations arising from acts or events that occurred while the Service Agreement was in effect.

12.0 Customer Representations. The Customer represents and warrants that it has all requisite authority to enter into the Service Agreement and that it has acquired (or will acquire before transactions hereunder commence) all Required Regulatory Approvals associated with this transaction and related transactions.

13.0 The Tariff is incorporated herein and made part hereof.

14.0 This Service Agreement shall expire on _____, 20__.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed by their duly authorized officers on the day and year first above written.

By:_____	By:_____
Title:_____	Title:_____
Otter Tail Power Company	_____

ATTACHMENT A1

Local Balancing Authority Services Offered, Required, And Selected

Schedule		Load Serving Entity	Generator	Embedded Local Balancing Authority	Customer must initialize here for any Optional services it requests the Local Balancing Authority Operator to provide.
1.	Scheduling, System Control and Dispatch Service	R	R		—
2.	Reactive Power Supply from Generation or Other Sources Service	RS	RS[2]	RS	—

KEY: **R** = Required and provided by the Local Balancing Authority Operator
RS = Required with Self-Supply optional

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[1] While this service allows for Self-Supply provisions, the service is also required to be obtained from the Local Balancing Authority Operator in the event that the Self-Supply Provider fails to provide this service.

[2] If the Generator or its power supply customer is taking transmission service within the Otter Tail Local Balancing Authority Area under an agreement or other applicable tariff, the Generator or its power supply customer, as applicable, is responsible for paying the Local Balancing Authority Operator for this schedule; provided, however, that if generator or its power supply customer is taking transmission service under the MISO TEMT, all reactive service charges related to such service will be provided under the MISO TEMT.

ATTACHMENT A2

Metering Equipment

This Attachment A2 is a part of this Service Agreement between Customer and Otter Tail Power Company, as Local Balancing Authority Operator.

The Metering Equipment necessary to provide Local Balancing Authority Services is to be located

_____.

Metering Equipment to be Furnished by Company

Company, at Customer's expense, will provide, own, operate, and maintain Metering Equipment as required for on-site metering as follows: _____

_____.

Customer and Company hereby acknowledge and agree that the cost listed below is only an estimate and that Customer hereby agrees to and shall reimburse Company for all actual costs, including any applicable taxes associated with the Company's construction of Metering Equipment, or Company's acquisition of any Metering Equipment provided to Company by Customer as set forth in this Attachment A2. The cost for the Metering Equipment is estimated to be $ _____.

Customer hereby agrees to and Customer shall provide reasonable and adequate security, as determined within Company's sole reasonable discretion, for payment and performance of obligations set forth in this Attachment A2.

Metering Equipment to be Furnished by Customer

Customer, at Customer's expense, will provide, own, operate, and maintain Metering Equipment as required for communications from the Customer's Facility to the location specified by Company as follows: _____

ATTACHMENT A3

Communication and RTU Equipment

This Attachment A3 is a part of this Service Agreement between Customer and Otter Tail Power Company, as Local Balancing Authority Operator.

The Communication and RTU Equipment necessary to provide Local Balancing Authority Services is to be located

_____.

Communication and RTU Equipment to be Furnished by Company

Company, at Customer's expense, will provide, own, operate, and maintain Communication and RTU Equipment as required for on-site communications as follows: _____

_____.

Customer and Company hereby acknowledge and agree that the cost listed below is only an estimate and that Customer hereby agrees to and shall reimburse Company for all actual costs, including any applicable taxes associated with the Company's construction of Communication and RTU Equipment, or Company's acquisition of any Communication and RTU Equipment provided to Company by Customer as set forth in this Attachment A3. The cost for the Communication and RTU Equipment is estimated to be $ _____.

Customer hereby agrees to and Customer shall provide reasonable and adequate security, as determined within Company's sole reasonable discretion, for payment and performance of obligations set forth in this Attachment A3.

Communication and RTU Equipment to be Furnished by Customer

Customer, at Customer's expense, will provide, own, operate, and maintain Communication and RTU Equipment as required for communications from the Customer's Facility to the location specified by Company as follows: _____

ATTACHMENT B

Umbrella Form of Service Agreement for Local Balancing Authority Services and Operations

1.0 THIS SERVICE AGREEMENT is made and entered into this _____ day of _____, 20__, by and between _____ , a [_____] organized and existing under the laws of the State of _____, sometimes hereinafter referred to as "Customer," and Otter Tail Power Company, a division of Otter Tail Corporation, a corporation organized and existing under the laws of the State of Minnesota, sometimes hereinafter referred to as "Company" or "Local Balancing Authority Operator." Customer and Company each may be referred to as a "Party," or collectively as the "Parties."

2.0 The Customer has been determined by the Local Balancing Authority Operator to be a Customer under Section 2 of the Tariff.

3.0 Service under this Service Agreement shall be provided by the Local Balancing Authority Operator upon request by an authorized representative of the Customer. The Customer shall submit the attached confirmation form (Attachment B1) to Company to schedule service.

4.0 The Customer agrees to supply information the Local Balancing Authority Operator deems reasonably necessary in accordance with Good Utility Practice in order for it to provide the requested service.

5.0 The Local Balancing Authority Operator agrees to provide and the Customer agrees to take and pay for Local Balancing Authority Services in accordance with the provisions of the Control Area Services and Operations Tariff (hereinafter referred to as "Tariff") and this Service Agreement.

6.0 Any notice, demand or request required or permitted to be given by either Party to the other and any instrument required or permitted to be tendered or delivered by either Party to the other may be so given, tendered or delivered, as the case may be, by depositing the same in any United States Post Office with postage prepaid, for transmission by certified or registered mail, addressed to the Party, or personally delivered to the Party, at the address set out below:

To Company:	**To Customer:**
Director, System Operations	_____
Otter Tail Power Company	_____
215 South Cascade Street	_____
Fergus Falls, MN 56538-0496	_____

7.0 Subject to Required Regulatory Approval, including, without limitation, acceptance by FERC under Section 205 of the Federal Power Act, the Service Agreement shall become effective when executed by the Parties or the date allowed by the Commission.

8.0 Termination Upon Default. This Service Agreement may be terminated upon a Party's Default in accordance with the provisions of Section 14 of the Tariff.

9.0 Material Adverse Change. In the event of a material change in law or regulation that adversely affects, or may reasonably be expected to adversely affect, either Party's rights and/or obligations under the Service Agreement, the Parties will negotiate in good faith any amendment or amendments to the Service Agreement necessary to adapt the terms of the Service Agreement to such change in law or regulation, and the Company shall file such amendment or amendments with FERC. If, within sixty (60) days after the occurrence of any event described in this Section 9.0, the Parties are unable to reach agreement on any such amendments, the Parties may proceed under Section 18 of the Tariff to resolve any disputes related thereto; and, Company shall have the right to make a unilateral filing with FERC to modify the Service Agreement pursuant to Section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder, and Customer shall have the right to make a unilateral filing with FERC to modify the Service Agreement pursuant to Section 206 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder; provided that each Party shall have the right to protest any such filing by the other Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in the Service Agreement shall limit the rights of the Parties or of FERC under Sections 205 or 206 of the Federal Power Act and FERC's rules and regulations thereunder. For the purposes of this Section 9.0, the term "material" or "materially" shall not include any change to a tariff or rate schedule accepted or approved by FERC. If a Party is unable to fully perform the Service Agreement due to the occurrence of an event described in this Section 9.0 and such inability is not based on economic reasons, such Party shall not be deemed to be in Default of its obligations under the Service Agreement, provided that such Party is seeking dispute resolution under Section 18 of the Tariff or before FERC, to the extent that (i) such Party is unable to perform as a result of such an event and (ii) such Party acts in accordance with its obligations under this Section 9.0.

10.0 The Company shall file the Service Agreement with FERC, if nonconforming or unexecuted. If the Service Agreement is conforming and executed, Company shall include the Service Agreement in its Electric Quarterly Report.

10.1 Nothing contained in the Service Agreement shall be construed as affecting in any way the right of the Company to unilaterally make application to the Commission for a change in rates, terms and conditions, charges, classification of service, Service Agreement, rule or regulation under Section 205 of the Federal Power Act and pursuant to the Commission's rules and regulations promulgated thereunder.

10.2 Nothing contained in the Service Agreement shall be construed as affecting in any

way the ability of any Party receiving service under the Service Agreement to exercise its rights under the Federal Power Act and pursuant to the Commission's rules and regulations promulgated thereunder.

11.0 The applicable provisions of the Service Agreement shall continue in effect after expiration, cancellation, or termination hereof to the extent necessary to provide for final billings, billing adjustments, and the determination and enforcement of liability and indemnification obligations arising from acts or events that occurred while the Service Agreement was in effect.

12.0 Customer Representations. The Customer represents and warrants that it has all requisite authority to enter into the Service Agreement and that it has acquired (or will acquire before transactions hereunder commence) all Required Regulatory Approvals associated with this transaction and related transactions.

13.0 The Tariff is incorporated herein and made part hereof.

14.0 This Service Agreement shall expire on _____, 20__.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed by their duly authorized officers on the day and year first above written.

By:_____	By:_____
Title:_____	Title:_____
Otter Tail Power Company	_____

ATTACHMENT B1

Confirmation Form for Local Balancing Authority Services and Operations

1.0 In accordance with the Service Agreement, dated as of _____ by Otter Tail Power company, a division of Otter Tail Corporation ("Company" or "Local Balancing Authority Operator") and _____ ("Customer"), the Customer requests Local Balancing Authority Services.

2.0 Term of Transaction: _____
State Date: _____
Termination Date: _____

3.0 Local Balancing Authority Services to be provided by the Local Balancing Authority Operator:

_____
_____
_____

4.0 Service under this Agreement may be subject to some combination of the charges detailed below, and will be determined in accordance with the terms and conditions of the Tariff.

_____
_____
_____

5.0 Any notice or request made to the Customer regarding this Agreement shall be made to the following representative as indicated below:

Name: _____
Title: _____
Phone: _____
Fax: _____
E-mail:_____

6.0 The Tariff and Service Agreement are incorporated herein and made a part hereof.

IN WITNESS WHEREOF, the Parties have caused this Transaction Specification Sheet to be executed by their respective authorized officials.

OTTER TAIL POWER COMPANY	Customer
By: _____	By: _____
Name: _____	_____
Title: _____	_____
Date: _____	_____

WHOLESALE MARKET-BASED RATE TARIFF
OF
OTTER TAIL POWER COMPANY

SALES OF CAPACITY, ENERGY AND/OR ANCILLARY SERVICE
AND RESALE OF TRANSMISSION RIGHTS

FERC Electric Tariff, First Revised Volume No. 9
Superseding Original Volume No. 9

I. Definitions

The following words and terms used herein shall be understood to have the following meanings:

1. Affiliate: In the case of any exempt wholesale generator defined under Section 32(a) of the Public Utility Holding Company Act of 1935, as amended, "affiliate" is defined in accordance with Section 214 of the Federal Power Act. In the case of any other entity, "affiliate" is defined in accordance with 18 C.F.R. § 161.2(a).

2. Buyer: A purchaser of electric capacity, energy and/or ancillary services or resold transmission rights under this Tariff.

3. Commission: "Commission" means the Federal Energy Regulatory Commission or such successor Federal regulatory agency as may have jurisdiction over this Tariff.

4. Parties: "Parties" mean Seller and Buyer that have entered into a Service Agreement for service pursuant to this Tariff.

5. Seller: "Seller" means Otter Tail Power Company.

6. Tariff: "Tariff" means this wholesale market-based rate tariff, as amended from time to time.

7. Service Agreement: "Service Agreement" means the agreement entered into by Seller and Buyer for service under this Tariff.

8. Transaction: "Transaction" means a particular transaction agreed to by the Parties pursuant to a Service Agreement under this Tariff.

9. Transmission Tariff: "Transmission Tariff" means the Transmission Tariff filed by Otter Tail Power Company in compliance with Order No. 888, as it may be amended from time to time.

II. Sales of Electric Capacity, Energy and/or Ancillary Services

1. Electric Capacity and Energy: Seller may sell electric capacity and/or energy to Buyer under this Tariff from time to time at rates, terms and conditions established by the agreement of the Parties. All such Transactions shall be voluntary.

2. Ancillary Services: Seller may sell the following ancillary services to Buyer under this Tariff from time to time at rates, terms and conditions established by the agreement of the Parties. All such Transactions shall be voluntary.

MISO: Seller offers regulation service and operating reserve service (which include 10-minute spinning reserve and 10-minute supplemental reserve) for sale to the Midcontinent Independent System Operator, Inc. (MISO) and to others that are self-supplying ancillary services to MISO.

Third-party ancillary services: Seller Offers Regulation and Frequency Response Service, Reactive Supply and Voltage Control Service, Energy and Generator Imbalance Service, Operating Reserve-Spinning and Operating Reserve-Supplemental. Sales will not include the following: (1) sales to an RTO or an ISO, i.e., where that entity has no ability to self-supply ancillary services but instead depends on third parties; and (2) sales to a traditional, franchised public utility affiliated with the third-party supplier, or sales where the underlying transmission service is on the system of the public utility affiliated with the third-party supplier. Sales of Operating Reserve-Spinning and Operating Reserve-Supplemental will not include sales to a public utility that is purchasing ancillary services to satisfy its own open access transmission tariff requirements to offer ancillary services to its own customers, except where the Commission has granted authorization. Sales of Regulation and Frequency Response Service and Reactive Supply and Voltage Control Service will not include sales to a public utility that is purchasing ancillary services to satisfy its own open access transmission tariff requirements to offer ancillary services to its own customers, except at rates not to exceed the buying public utility transmission provider's OATT rate for the same service or where the Commission has granted authorization.

III. Rates

All sales shall be made at rates established by agreement between Seller and Buyer.

IV. Other Terms and Conditions

All other terms and conditions shall be established by agreement between Seller and Buyer.

V. Effective Date

This Tariff is effective upon the date authorized by the Commission.

VI. Revisions to the Tariff

Seller may file revisions to this Tariff by notifying Buyer in writing and by unilaterally making the appropriate filing with the Commission pursuant to the provisions of Section 205 of the Federal Power Act; provided, however, that such revision shall not affect the rates, terms and conditions of Transactions entered into prior to the date of such revisions, unless otherwise agreed by the Parties.

VII. Filing and Reporting Requirements

Seller will comply with the current Commission policies and regulations for the filing and/or reporting of Service Agreements and Transactions pursuant to the Tariff.

VIII. Seller Category

Seller is a Category 2 seller, as defined in 18 C.F.R. § 35.36(a)(3), in the Central Region, and is a Category 1 seller, as defined in 18 C.F.R. § 35.36(a)(2), in the Northeast Region, Northwest Region, Southeast Region, Southwest Region, and Southwest Power Pool Region.

IX. Compliance with Commission Regulations

Seller shall comply with the provisions of 18 CFR Part 35, Subpart H, as applicable, and with any conditions the Commission imposes in its orders concerning seller's market-based rate authority, including orders in which the Commission authorizes seller to engage in affiliate sales under this tariff or otherwise restricts or limits the seller's market-based rate authority. Failure to comply with the applicable provisions of 18 CFR Part 35, Subpart H, and with any orders of the Commission concerning seller's market-based rate authority, will constitute a violation of this Tariff.

X. Limitations and Exemptions, Waivers and Blanket Authorizations

The Commission has granted Seller waiver of the following Commission Regulations: (1) Subparts B and C of Part 35 (filing of rate schedules), except for sections 35.12(a), 35.13(b), 35.15 and 35.16; (2) Part 41 (accounts, records and memoranda); (3) Part 101 (uniform system of accounts); and (4) Part 141 (except sections 141.14 & 141.15) (statements and reports). *Otter Tail Power Co.*, Docket No. ER00-3080-000, at 1 and Appendix A (unpublished letter order) (Aug. 11, 2000).

The Commission has granted Seller blanket authorization under Part 34 of the Commission's Regulations for issuances of securities and assumptions of liabilities. *Otter Tail Power Co.*, Docket No. ER00-3080-000, at 1 and Appendix A (unpublished letter order) (Aug. 11, 2000).

SERVICE AGREEMENT UNDER
WHOLESALE MARKET-BASED RATE TARIFF
OF
OTTER TAIL POWER COMPANY
PROVIDING FOR
SALES OF CAPACITY, ENERGY AND/OR ANCILLARY SERVICES
AND RESALE OF TRANSMISSION RIGHTS

1.0 This Service Agreement, dated as of _____, is entered into by and between Otter Tail Power Company ("Seller") and _____ ("Buyer").

2.0 All capitalized terms herein shall have the meaning set forth in Seller's Tariff.

3.0 Seller may provide and Buyer may purchase service under Seller's Tariff.

4.0 Terms and conditions for service shall be set forth in a Master Power Purchase and Sale Agreement ("Master Agreement") and the Master Agreement shall be executed by Seller and Buyer.

5.0 Any notice or request made to or by a Party (Seller or Buyer) regarding this Service Agreement shall be made to the representative of the other Party as indicated below;

Seller:

[Representative]
Otter Tail Power Company
215 South Cascade Street
P.O. Box 496
Fergus Falls, Minnesota 56538-0496
218-739-8200

Buyer:

IN WITNESS WHEREOF, the Parties have caused this Service Agreement to be executed by their respective authorized officials.

Otter Tail Power Company

By:_____
Name

Title:_____

Date:_____

[Insert Buyer Name]

By:_____
Name

Title:_____

Date:_____

TRANSMISSION CAPACITY EXCHANGE AGREEMENT

By and Among

GREAT RIVER ENERGY,
ALLETE, INC., D/B/A MINNESOTA POWER
MINNKOTA POWER COOPERATIVE, INC.
OTTER TAIL POWER COMPANY
AND
NORTHERN STATES POWER COMPANY,
A MINNESOTA CORPORATION

Dated as of December 1, 2010

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TRANSMISSION CAPACITY EXCHANGE AGREEMENT

THIS TRANSMISSION CAPACITY EXCHANGE AGREEMENT ("**Agreement**") is made and entered into and effective at 12:01 a.m. Central Time as of December 1, 2010 (the "**Effective Time**") by and among **Great River Energy**, a cooperative corporation incorporated under the laws of Minnesota, **ALLETE, Inc., d/b/a Minnesota Power**, a Minnesota corporation, **Minnkota Power Cooperative, Inc.**, a Minnesota cooperative corporation, **Otter Tail Power Company**, a corporation organized and existing under the laws of the State of Minnesota, and **Northern States Power Company**, a Minnesota company.

RECITALS

A. The Owners have determined that the Project is necessary to: (i) enhance service reliability for electric customers in Minnesota and the surrounding region; (ii) strengthen the transmission network to meet additional demands for electric power; and (iii) enhance transmission system capacity to support the installation of renewable energy resources;

B. The Owners have further determined that because the Project is regional in nature, it is most efficient and effective for the Owners to provide for the development, construction and operation of the Project in a collaborative manner;

C. Contemporaneously herewith, the Owners have entered into: (i) the Construction Management Agreement; (ii) the Project Participation Agreement; (iii) the Operation and Maintenance Agreement; and (iv) such other agreements as the Owners have deemed necessary;

D. The Project is one of the CapX Projects;

E. Each of the Owners has a Percentage Interest in the Project, as defined below;

F. Each Owner grants to the other Owners all rights and benefits of ownership of the Project Facilities in proportion to each Owner's Percentage Interest, as more particularly described in this Agreement; and

G. The Owners will enter into an Operation and Maintenance Agreement with the Maintenance Providers and Control Center Authorities for the operation and maintenance of the Project Facilities consistent with Applicable Law.

AGREEMENT

In consideration of the foregoing Recitals, the mutual covenants set forth in this Agreement and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, each Owner agrees as follows.

ARTICLE 1
DEFINITIONS AND SCHEDULE

1.1 Definitions. In addition to the other terms defined herein, the following terms, whether in the singular or in the plural, when used herein; in the **Schedules** attached hereto, or in notices given under this Agreement and initially capitalized, have the meanings specified below:

"**Affiliate**" means any Person that, directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, an Owner. For purposes of this Agreement, Aerial Contractors will not be considered an Affiliate of Otter Tail Power Company.

"**Applicable Energy Regulations**" means the rules, Orders, regulations, practices, procedures and protocols established in compliance with Applicable Law by applicable Transmission Providers (such as the Midwest Independent Transmission System Operator, Inc.), electric reliability organizations (such as NERC and the Midwest Reliability Organization) and comparable Persons that are applicable to the Project Facilities (or their operations) or the performance of the obligations of the parties hereunder.

"**Applicable Law**" means (i) any and all laws (including all statutory enactments and common law), ordinances, constitutions, regulations, treaties, rules, codes, standards, Governmental Approvals, requirements and Orders) that: (a) have been adopted, enacted, implemented, promulgated, ordered, issued, entered or deemed applicable by or under the authority of any Governmental Body having jurisdiction over a specified Person (or the properties or assets of such Person); and (b) are applicable to the Project Facilities or the performance of the obligations of the parties hereunder; and (ii) Applicable Energy Regulations.

"CapX 2020 Transmission Capacity Expansion Initiative" means the cooperative efforts of the Owners and other Persons to engage in electric transmission projects designed to reliably serve load and meet the projected growth of electricity requirements in the Transmission Grid in Minnesota and the immediately surrounding region, which efforts are anticipated to include, in the aggregate over a long-term period, the study, planning, coordination, development, construction and ownership of electric transmission facilities.

"CapX Projects" means any of the several transmission projects arising from the CapX 2020 Transmission Capacity Expansion Initiative planning process, including the Project.

"Change-in-Law" means any change in, or enactment of, any Applicable Law or official published policy regarding the interpretation or enforcement of any Applicable Law by a Governmental Body that takes place after the Effective Time and affects or relates to the Project Facilities, or the performance of the obligations of one or more Owners, including the imposition of any new requirement of a Governmental Approval; **provided**, **however**, a change in Applicable Law affecting only a tax payable or any other cost of performance hereunder will not constitute a Change in Law.

"**Control Center Authority"** means a Person designated as a "Control Center Authority" in the Operation and Maintenance Agreement.

"**Effective Time**" will have the meaning given in the first paragraph of this Agreement.

"Electric System" means all physically connected properties and other assets, now or hereafter existing, owned or controlled by an Owner (but excluding the Owner's subsidiaries and their properties and assets), and used for, or pertaining to, the generation, transmission, transformation, distribution, or sale of electric energy, including all additions, extensions, expansions, and improvements. To the extent that an Owner is not the sole owner of or does not control an asset or property, only that Owner's rights or ownership interest in such asset or property will be considered to be part of its Electric System.

"Emergency" means any circumstance or condition that will or could imminently be expected to materially harm the safe and reliable operation of all or a portion of the Project Facilities, the Transmission Grid or otherwise endanger public safety, Property or the environment.

"Facility Capacity" means the then current maximum power that can be transmitted over the Project Facilities, as built, without consideration of constraints imposed by the balance of the Transmission Grid.

"FERC" means the Federal Energy Regulatory Commission, a regulatory Governmental Body of the United States, or any successor thereto.

"Force Majeure" means the occurrence of an event or series of events that is beyond the reasonable control of the Person affected that hinders the performance under contract of such Person and does not result from the fault, negligence, intentional misconduct or willful misconduct of the affected Person or such Person's failure to comply with Applicable Law or Good Utility Practice; and such event or series of events could not have been avoided by the affected Person through the exercise of reasonable diligence, including the expenditure of reasonable monies or the taking of reasonable precautionary measures, including (to the extent that such events satisfy the foregoing criteria), the following:

(i) acts of God or the public enemy;

(ii) expropriation or confiscation of all or any portion of the Project Facilities;

(iii) war, terrorism, rebellion, sabotage, civil unrest or riot;

(iv) fires, explosions, hurricanes, floods, tornadoes, microbursts, other abnormally severe weather events or other natural catastrophes;

(v) actions or inaction of a Governmental Body;

(vi) a Change in Law;

(vii) operating conditions on the Transmission Grid, including Emergencies; and

(viii) strikes and labor disturbances.

"FPA" means the Federal Power Act, originally enacted as Title II of the Public Utilities Act of 1935, as amended, which provides, inter alia, for federal regulation of transmission and the sale at wholesale of electric energy in interstate commerce.

"Good Utility Practice" means any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry in the region during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition in a manner that: (i) is consistent with Applicable Law; (ii) makes due consideration for reliability, safety and protection of the Project Facilities; and (iii) is consistent with manufacturer's recommendations and warranties. Good Utility Practice is not intended to be limited to the optimum practice, method or act to the exclusion of all others, but rather to be a range of acceptable practices, methods or acts generally accepted in the region.

"**Governmental Approval(s)**" means all waivers, franchises, variances, permits, authorizations, certificates, licenses and Orders of or from any Governmental Body having jurisdiction over any Owner or any portion of the Project Facilities, as may be in effect from time to time.

"Governmental Body" means any: (i) nation, state, county, city, town, village, district or other jurisdiction of any nature; (ii) federal, state, local, municipal, foreign or other government; or (iii) governmental or quasi-governmental authority of any nature (including any governmental agency, branch, board, commission, department, instrumentality, office or other entity, and any court), in any such case exercising, or entitled to exercise, administrative, executive, judicial, legislative, police, regulatory or taxing authority or power of any nature over this Agreement, any part of the Project, or any of the Owners. For purposes of this definition, a Person that establishes Applicable Energy Regulations will be deemed to be a Governmental Body; **provided**, **however**, an Owner will never be deemed to be a Governmental Body except when an Owner is a Transmission Provider establishing Applicable Energy Regulations in its capacity as a Person entitled to exercise functional control over a portion of the Transmission Grid in accordance with Applicable Law established by other Governmental Bodies that have jurisdiction over such Owner.

"**Maintenance Provider**" means, with respect to a phase (or portion thereof) of the Project, the Person designated as the "Maintenance Provider" for such phase (or portion thereof) in the Operation and Maintenance Agreement.

"Management Committee" means the Management Committee formed by the Owners with the authority, right and power to oversee, manage and administer the Project.

"**NERC**" means the North American Electric Reliability Corporation, a reliability organization responsible for the oversight of the regional reliability councils established to ensure the reliability and stability of the regions.

"Order" means any judgment, award, decision, directive, consent decree, injunction (whether temporary, preliminary or permanent), ruling, writ or order adopted, enacted, implemented, promulgated, issued, entered or deemed applicable by or under the authority of any Governmental Body or arbitrator (but as to an arbitrator, with respect to injunctive and other equitable relief, only to the extent permitted by this Agreement) that is binding on any Person or its Property under Applicable Law.

"Operation and Maintenance Agreement" means that certain Operation and Maintenance Agreement by and among the Owners and the Maintenance Providers and Control Center Authorities effective as of the Effective Time.

"Owner" means each Person that is a signatory to this Agreement.

"Ownership Rights" will have the meaning set forth in **Section 3.1** of this Agreement.

"Project" means the 230 kV Bemidji-to-Grand Rapids transmission project of the Owners which are signatories to this Agreement as part of the CapX 2020 Transmission Capacity Expansion Initiative and which is comprised of the construction, operation and maintenance of the Project Facilities.

"Percentage Interest" means the individual undivided several interest of an Owner in the Project as set forth on **Schedule 2**.

"**Person**" means any individual, corporation, partnership, limited liability company, association, joint stock company, trust, unincorporated organization, joint venture, Governmental Body or other entity with legal constitution under Applicable Law.

"Project Facilities" means all of the equipment, material, installations, including associated site improvements, appurtenances and structures, real property interests and all other assets (tangible, intangible or mixed) of the Project related to or associated therewith in which one or more of the Owners have any right, title and interest, as described in **Schedule 3, Part A**, including the substations described in **Schedule 3, Part B**.

"Property" means any kind of property or asset, whether real, personal or mixed, or tangible or intangible.

"Reliability Coordinator" means any Person responsible for ensuring the real-time operating reliability of the Transmission Grid under a Transmission Provider Tariff.

"Residual Interest" means a Percentage Interest which is deemed to be .0000001 percent.

"**Term**" has the meaning given in **Section 2.1**.

"Third Party" means any Person that is neither a signatory nor an Affiliate of a signatory to this Agreement.

"Transfer Capability" means the transfer capability of the Transmission Grid after incorporating the Project Facilities, as such transfer capability may change from time to time.

"Transmission Grid" means the electric transmission system with which the Project Facilities will be directly connected and of which they will become a part.

"Transmission Provider" means any Person, including an Owner, that exercises functional control over the operation of a portion of the Transmission Grid as necessary to provide transmission service under a tariff, rate schedule or other agreement.

"Transmission Provider Tariff" means the transmission tariff of a Transmission Provider that governs the rates, terms and conditions of transmission service over that portion of the Transmission Grid over which the Transmission Provider has functional control.

1.2 Schedules. This Agreement consists of this document itself and the following Schedules that are specifically made a part hereof and incorporated herein by reference:

SCHEDULE 1	Generally Applicable Provisions
SCHEDULE 2	Percentage Interests of the Owners
SCHEDULE 3	Project Facilities
SCHEDULE 4	Real Property Interests

ARTICLE 2
TERM

2.1 Term. This Agreement will commence as of the Effective Time; **provided, however,** that on or before the Effective Time, the FERC has issued an Order accepting this Agreement for filing and such Order is final and non-appealable. Following the Effective Time, this Agreement will remain in effect until terminated upon mutual written consent of all Owners (other than an Owner with a Residual Interest) and the FERC's acceptance of a notice of such termination.

2.2 Change in Percentage Interest. **Schedule 2** sets forth each Owner's Percentage Interest as of the Effective Time. Following the Effective Time, the Percentage Interests of the Owners may be adjusted from time to time through the filing at the FERC of a revised **Schedule 2**. Such revision shall be effective as of the latter of (i) the date on which the revised **Schedule 2** is accepted for filing by the FERC or (ii) the date specified by the Owners as the effective date of such revision.

2.3 Forward Contract. The Owners acknowledge and agree that this Agreement is one of several agreements entered into by the Owners in connection with the development, financing, construction and operation of the Project. Each Owner acknowledges and agrees that this Agreement and the other Project-related agreements are "forward contracts" and that the Owners are "forward contract merchants", as those terms are defined in the United States Bankruptcy Code. Each Owner further acknowledges and agrees that this Agreement and the other Project-related agreements form a single, integrated agreement, and this Agreement and the

other Project-related agreements are entered into in reliance on the fact that this Agreement and the other Project-related agreements collectively form a single agreement among the Owners.

ARTICLE 3
RIGHTS AND BENEFITS OF OWNERSHIP

3.1 Rights and Benefits of Ownership. Each Owner grants to the other Owners all rights and benefits of ownership of the Project Facilities and the right to use the Facility Capacity and associated Transfer Capability of the Project Facilities for all purposes necessary and appurtenant to the transmission of electric energy and data for purposes of electric utility communications (except to the extent other purposes are authorized by the Management Committee) and the right to recover each Owner's investment in the Project Facilities through its revenue requirement, in proportion to each Owner's Percentage Interest ("**Ownership Rights**"). Each Owner that owns or will own the Project Facilities described in **Schedule 3, Part B** grants to each other Owner a non-exclusive, perpetual easement over the real property described in **Schedule 4** for the transmission of electric energy and data and will execute and record in all relevant jurisdictions an easement agreement. The rights and benefits of such easement will run with the land.

ARTICLE 4
RATES, CHARGES AND OTHER SERVICES

4.1 No Provision of Transmission Service or Dedication of Electric Systems. This Agreement does not require the provision of any transmission, distribution, interconnection, energy, power or ancillary service by an Owner. Any and all requests for transmission, distribution, interconnection, energy, power, ancillary or any other similar service must be processed under the applicable guideline, schedule, tariff or other arrangement applicable to the Owner to which the request is directed, and all such service over the portion of the Project Facilities under the ownership or control of a public utility as such term is defined in FPA Section 201, will be available on an open access, non-discriminatory basis in accordance with the applicable open access transmission tariff. The exchange of transmission capacity undertaken by each Owner under this Agreement will not constitute the dedication of the undertaking Owner's Electric System or any portion thereof by the undertaking Owner to the public, to any other Owner or to any Third Party. Each Owner's Electric System will at all times be, and remain, in the exclusive ownership, possession and control of that Owner and nothing in this Agreement will be construed to give any other Owner or Third Party any right of ownership, possession or control of such Electric System or any portion thereof.

4.2 No Charge for the Exercise of Ownership Rights. Each Owner will be entitled to the exercise of all rights and benefits associated with such Owner's Ownership Rights provided under **Section 3.1** without the payment of any rate, fee or charge to or by any of the other Owners.

4.3 Charges Not Generally Affected. Nothing in this Agreement establishes the rates and charges paid for transmission service over the Project Facilities. All rates for service utilizing the Facility Capacity of an Owner are governed by the applicable Transmission

Provider's applicable open access transmission tariff or other wholesale or retail tariff or rate schedule.

4.4 Real Power and Transmission Losses. No Owner will have any liability to the other Owners under this Agreement, either directly or indirectly, for real power or transmission losses related to the use of the Project Facilities.

4.5 Interconnection and Transmission Service Requests. No Owner will deny, directly or indirectly, any request for interconnection or transmission service over the Project Facilities associated with the Percentage Interest of any other Owner.

ARTICLE 5
OPERATIONAL SERVICES

5.1 Reliability Coordinator. The Project Facilities will be operated under the authority of one or more Reliability Coordinators or its or their successors in compliance with the then-current functional model of NERC or its successor.

5.2 Seams Management. Each Owner, either directly or through a Control Center Authority or a Maintenance Provider, will arrange, at a minimum, with the applicable Transmission Provider, through tariff service, separate contract or otherwise, in order to coordinate: (i) the sharing of real-time and forecasted information and data, (ii) the development of protocols to calculate total and available transmission capacity, (iii) the adoption of congestion management procedures with respect to constrained transmission facilities and (iv) the coordination of transmission outage procedures.

ARTICLE 6
FORCE MAJEURE

6.1 No Default. No Owner will be considered to be in default in the performance of any obligation under this Agreement when a delay or failure to perform hereunder is due to a Force Majeure.

6.2 Notice and Removal Obligation. If an Owner is unable to fulfill any obligation under this Agreement because of a Force Majeure, such Owner will give prompt written notice of such fact to the Management Committee and will seek to remove such inability with all reasonable dispatch.

ARTICLE 7
REGULATORY AND OTHER CHANGES

7.1 Modification/Waiver of Right to Seek Unilateral Modification. The Owners (other than an Owner with a Residual Interest) collectively shall have the right to modify this Agreement and to file any such modification with FERC under FPA Section 205. Each Owner waives its rights, including its rights under FPA Sections 205 or 206, unilaterally to seek or support a change in the terms or conditions of this Agreement. Other than as set forth in the first sentence of this **Section 7.1** and except as otherwise provided for in **Section 7.4**, each Owner agrees not to make or support a filing or request to change the terms or conditions of this Agreement, and that these covenants and waivers will be binding notwithstanding any regulatory or market changes that may occur after the Effective Time of this Agreement. These waivers shall not be construed to limit an Owner from availing itself of rights under FPA Sections 205 or 206 with respect to any conduct or other contract or agreement.

7.2 Adverse Determination. If, after the Effective Time, FERC or any other Governmental Body determines that all or any part of this Agreement, its operation or effect is unjust, unreasonable, unlawful, imprudent or otherwise not in the public interest, each Owner will be relieved of any obligations hereunder to the extent necessary to comply with or eliminate such adverse determination. The Owners (other than an Owner with a Residual Interest) promptly and in good faith will attempt to renegotiate the terms and conditions of the Agreement to restore the original balance of benefits and burdens contemplated as of the Effective Time.

7.3 Expansion of Obligations. If, after the Effective Time, FERC or any other Governmental Body orders or determines that this Agreement should be interpreted, modified or significantly extended in such a manner that any Owner may be required to extend its obligations under this Agreement to a Third Party, or to incur significant new or different obligations to another Owner or to Third Parties not contemplated by this Agreement, then the Owners will be relieved of their obligations to the extent lawful and necessary to eliminate the effect of that Order or determination, and the Owners (other than an Owner with a Residual Interest) promptly and in good faith will attempt to renegotiate the terms and conditions of the Agreement to restore the original balance of benefits and burdens contemplated as of the Effective Time.

7.4 Rights After Adverse Determination or Expansion of Obligations. If an adverse condition or new obligation exists pursuant to **Sections 7.2 or 7.3**, the Owners (other than an Owner with a Residual Interest) will negotiate in good faith to resolve the condition or obligation for at least sixty (60) calendar days. After that period, if the Owners either cannot agree that renegotiation is feasible or cannot agree to amend this Agreement, then any Owner (other than an Owner with a Residual Interest) may take any action before FERC as it deems appropriate, including the filing of a complaint under FPA Section 206.

ARTICLE 8
MISCELLANEOUS

8.1 No Precedents. Nothing contained in this Agreement will be construed to establish any precedent for any other rate schedule or agreement or to grant any right to or impose any obligation on any Owner beyond the scope and terms of this Agreement. No Owner, by entering into this Agreement, holds itself out to furnish like or similar service to any other person or entity.

8.2 All Available Remedies; No Remedy Exclusive In the event of a breach of this Agreement by an Owner, the other Owners may exercise any remedies now or hereafter existing at law, in equity, or by statute or otherwise, and each and every such remedy will be cumulative and will be in addition to every other such remedy.

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK]

IN WITNESS WHEREOF, the Owners have caused this Agreement be executed as of the date above recited.

GREAT RIVER ENERGY

BY /s/William R. Kaul_____
ITS VP Transmission _____

ALLETE, INC., d/b/a MINNESOTA POWER

BY /s/Alan R. Hodnik_____
ITS President & CEO_____

MINNKOTA POWER COOPERATIVE

BY /s/David Loer_____
ITS President & CEO_____

OTTER TAIL POWER COMPANY

BY /s/Charles S. MacFarlane_____
ITS CEO and President_____

NORTHERN STATES POWER COMPANY,
A MINNESOTA CORPORATION

BY /s/Judy M. Proferi_____
ITS President & CEO_____

SCHEDULE 1

GENERALLY APPLICABLE PROVISIONS

ARTICLE 1
DEFINITIONS

The following terms, whether in the singular or in the plural, when used in this **Schedule 1** or in notices given under any Project Agreement and initially capitalized, have the meanings specified below. All other initially capitalized terms used in this **Schedule 1** have the meanings specified in the Project Participation Agreement, and if not specified therein, then in the Construction Management Agreement, and if not specified therein, then in the Operation and Maintenance Agreement.

"**Arbitration Procedures**" has the meaning given in **Section 3.3** of this **Schedule 1**.

"**Arbitrator**" has the meaning given in **Section 3.4.1** of this **Schedule 1**.

"**Claim Subject to Mandatory Arbitration**" has the meaning given in **Section 3.3.1** of this **Schedule 1**.

"**Complying Party**" has the meaning given in **Section 3.2.5** of this **Schedule 1**.

"**Dispute"** has the meaning given in **Section 3.1** of this **Schedule 1**.

"**Dispute Notice**" has the meaning given in **Section 3.2.1** of this **Schedule 1**.

"**Disputing Parties**" has the meaning given in **Section 3.2.1** of this **Schedule 1**.

"**Initiating Party**" has the meaning given in **Section 3.2.1** of this **Schedule 1**.

"**Responding Parties**" has the meaning given in **Section 3.2.1** of this **Schedule 1**.

ARTICLE 2
NOTICES

2.1 **Notices Generally**. All notices, requests or other communications required under any Project Agreement will be in writing and will be deemed "given": (i) if delivered in person or by courier, upon receipt by the intended recipient or upon the date of delivery (as confirmed by, if delivered by courier, the records of such courier); (ii) if sent by facsimile transmission, when the sender receives confirmation from the sending facsimile machine that such facsimile transmission was transmitted to the facsimile number of the addressee; (iii) if mailed, upon the date of delivery as shown by the return receipt therefor; or (iv) if delivered by a nationally recognized mail delivery service, upon the date of delivery. Notices must be sent to the addresses of the Persons set forth on **Exhibit 1** attached to this **Schedule 1**. Notwithstanding the foregoing, notices of default must be delivered in accordance with **clause (i)** and by any other means described in **clauses (ii)-(iv)** above.

2.2 **Informal Communications**. Informal communications of a routine nature may be given in such manner as the parties deem appropriate.

2.3 **Designation of Different Addresses and Persons**. A party may, at any time, by written notice to each other party, designate different or additional Persons or different addresses for giving of notices, demands or requests to it under a Project Agreement.

ARTICLE 3
DISPUTE RESOLUTION

3.1 **Scope of Dispute Resolution Provisions**. Except for Excluded Matters, or any dispute, claim or controversy arising under **Section 4.4.1(v)** or **Articles 14** or **15** of the **Project Participation Agreement**, the provisions of this **Section 3** will govern any dispute, claim or controversy arising out of, or relating to, a Project Agreement (a "**Dispute**") between or among (i) the Owners under any Project Agreement; (ii) the Owners acting through the Management Committee and the Construction Manager under the Construction Management Agreement; or (iii) the Owners acting through the Management Committee and the Maintenance Providers or Control Center Authorities under the Operation and Maintenance Agreement. The provisions of **Section 3.2** (but not the other provisions of this **Section 3**) will also govern any Dispute arising under **Articles 14** or **15** of the **Project Participation Agreement**.

3.2 **Required Steps Before Initiating Arbitration or Other Remedies**. Except for Excluded Matters or Disputes arising under **Sections 4.4.1(v), 4.1.2.4, 4.2.2.4**, no Owner in any capacity (including as an Owner, a Construction Manager, a Maintenance Provider or a Control Center Authority) may seek any remedy in connection with a Dispute without first complying with the provisions of this **Section 3.2** of this **Schedule 1**; **provided, however**, that an Owner in any capacity (including as an Owner, a Construction Manager, a Maintenance Provider or a Control Center Authority) may, at any time and without first complying with the provisions of this **Section 3.2**, seek appropriate equitable relief, including injunctive relief and specific performance; **provided, further, however**, that neither the Owners nor the Management Committee must first comply with the provisions of this **Section 3.2** prior to exercising or implementing the remedies set forth in **Articles 14** or **15** of the **Project Participation Agreement** for a Default. Any Claim Subject to Mandatory Arbitration will be subject to the additional terms set forth in **Section 3.3** of this **Schedule 1**.

3.2.1 **Notice of Dispute**. Any party wishing to assert a claim or pursue any other remedy in connection with a Dispute (the "**Initiating Party**") will provide written notice (a **"Dispute Notice"**), which must: (i) be dispatched at the same time and in the same manner to all other parties; (ii) describe in reasonable detail the nature of the Dispute; (iii) identify all parties that are indispensable to the resolution of the Dispute (the **"Responding Parties"**); (iv) specify the resolution sought by the Initiating Party; (v) provide the name, title and contact information of the Senior Executive appointed by the Initiating Party; and (vi) indicate the proposed place, date and time (within the limits set forth in **Section 3.2.3** of this **Schedule 1**) for Senior Executives of the Initiating Party and Responding Parties (together, the

"**Disputing Parties**") to conduct an initial meeting to discuss and attempt to resolve the Dispute.

3.2.2 **Appointment of Senior Executives**. Within three (3) Business Days following receipt of a Dispute Notice, each Responding Party will appoint and provide written notice to the other Disputing Parties of a Senior Executive assigned to participate in efforts to settle the Dispute.

3.2.3 **Initial Meeting of Senior Executives**. Within five (5) Business Days following receipt of a Dispute Notice, the Senior Executives will meet in accordance with the place within Hennepin or Ramsey County, Minnesota, date and time specified in the Dispute Notice, unless all Disputing Parties agree to modify one or more of the place, date and time for the initial meeting. Any Senior Executive who is unable to attend the initial meeting in person will be entitled to participate by telephone conference or any other means by which all Senior Executives can simultaneously hear one another. The purpose of the initial meeting will be for the Senior Executives to attempt in good faith to reach a mutually acceptable resolution of the Dispute.

3.2.4 **Additional Meeting of Senior Executives**. If the Disputing Parties are unable to resolve the Dispute at the initial meeting of Senior Executives held in accordance with **Section 3.2.3** of this **Schedule 1**, the Senior Executives will hold at least one (1) additional meeting, which all Senior Executives must attend in person during the ten (10) Business Days following the initial meeting, to continue to attempt in good faith to reach a mutually acceptable resolution of the Dispute (unless the Disputing Parties agree otherwise). If the Disputing Parties have not resolved the Dispute by the end of the additional meeting held in accordance with this **Section 3.2.4** of this **Schedule 1**, then if the Dispute is a Claim Subject to Mandatory Arbitration or if all Disputing Parties agree to resolve the Dispute through binding arbitration, the Disputing Parties will proceed to binding arbitration in accordance with **Section 3.3** of this **Schedule 1**. If the Dispute is not a Claim Subject to Mandatory Arbitration or there is no agreement to resolve the Dispute through binding arbitration, all Disputing Parties will retain all rights and remedies available at law or in equity.

3.2.5 **Deemed Satisfaction of Obligations Under Section 3.2 of this Schedule 1**. If a party has made good faith efforts to comply with the requirements set forth in **Sections 3.2.1** through **3.2.4** of this **Schedule 1** (the "**Complying Party**"), but has been unable to do so because of another party's failure or refusal to comply for a period of not less than fifteen (15) Business Days following delivery of a Dispute Notice, the obligations set forth in **Section 3.2** of this **Schedule 1** will be deemed satisfied for purposes of the Complying Party's right to pursue other remedies or invoke the Arbitration Procedures set forth in **Section 3.3** of this **Schedule 1**, as applicable.

3.2.6 **Tolling of Statute of Limitations**. If an Initiating Party provides the Dispute Notice prior to the expiration of the statute of limitations applicable to the Dispute

that is the subject of the Dispute Notice and otherwise complies with the requirements set forth in **Sections 3.2.1** through **3.2.4** of this **Schedule 1**, then the statute of limitations for such Dispute will be tolled by the number of days that have lapsed between the date of the Dispute Notice and (i) the last additional meeting of Senior Executives held in accordance with **Section 3.2.4** of this **Schedule 1** if the Senior Executives hold one or more additional meetings, (ii) the tenth (10th) Business Day following the initial meeting of Senior Executives held in accordance with **Section 3.2.3** of this **Schedule 1** if the Senior Executives do not hold an additional meeting, or (iii) the fifteenth (15th) Business Day following the Dispute Notice if the Senior Executives do not hold the initial meeting of Senior Executives in accordance with **Section 3.2.3** of this **Schedule 1** on or prior to such date.

3.3 **Arbitration Procedures**. The arbitration provisions set forth in this **Section 3.3** of this **Schedule 1** (the "**Arbitration Procedures**") will be the sole and exclusive remedy for: (i) any Claim Subject to Mandatory Arbitration and (ii) any Dispute that all Disputing Parties agree in writing to submit to binding arbitration. Any provision of these Arbitration Procedures may be modified with respect to a specific arbitration by agreement of all of the Disputing Parties.

3.3.1 **Definition of Claim Subject to Mandatory Arbitration**. For purposes of each Project Agreement, the term "**Claim Subject to Mandatory Arbitration**" means a Dispute (i) for which the Initiating Party's and all other Persons that have brought claims of the same subject matter, sole requested remedy is monetary relief of not more than One Million Dollars ($1,000,000) in the aggregate or (ii) arising under **Section 4.1.2.4** or **4.2.2.4** of the **Project Participation Agreement**.

3.4 **Arbitration Rules**. Any Dispute subject to **Section 3.3** of this **Schedule 1** will be conclusively decided by binding arbitration pursuant to (i) the Commercial Arbitration Rules for all Project Agreements other than the Construction Management Agreement and other than the **Project Participation Agreement** with respect to Disputes arising under **Section 4.1.2.4** or **4.2.2.4** thereof, and (ii) the fast track procedures of the Construction Industry Arbitration Rules for the **Construction Management Agreement** and the **Project Participation Agreement** with respect to Disputes arising under **Section 4.1.2.4** or **4.2.2.4** thereof, in each case of the American Arbitration Association, except as modified and to the extent supplemented below.

3.4.1 **Preliminary Actions to Facilitate Expedited Arbitration Process; Meaning of "Arbitrator"**. Within ninety (90) days following the Effective Time of each Project Agreement, the parties to such Project Agreement will establish and memorialize in writing, for purposes of any Dispute submitted to arbitration in accordance with **Section 3.3** of this **Schedule 1**: (i) a special pool of arbitrators who are pre-qualified to serve on an expedited basis and who will agree to enter into a confidentiality agreement on terms substantially similar to the confidentiality provisions in the applicable Project Agreement and (ii) a process for expedited appointment of an arbitrator with party input. All references to the

"**Arbitrator**" in **Section 3.3** of this **Schedule 1** will be deemed to mean the arbitrator or panel of arbitrators appointed pursuant to the foregoing provisions.

3.4.2 **Demand for Arbitration**. Demand for arbitration will be filed in writing with the parties against whom the claim is made or relief is sought and with the American Arbitration Association. A demand for arbitration must be made within ten (10) Business Days following the last meeting of Senior Executives held in accordance with **Section 3.2.4** of this **Schedule 1** (if the Dispute has not been settled and if the Dispute is subject to the provisions of **Section 3.2.4**), and in any case no later than the date when institution of legal or equitable Proceedings based on the underlying Dispute would be barred by the applicable statutes of limitations (as extended, if applicable, pursuant to **Section 3.2.6** of this **Schedule 1**).

3.4.3 **No Joinder**. No arbitration arising out of, or relating to, a Project Agreement will include, by consolidation, joinder, or in any manner, an additional Person without the written consent of the Disputing Parties, except that additional Person(s) may be joined without all Disputing Parties' consent if: (i) the additional Person(s) have furnished services, labor or materials to the Project and (ii) the joinder of the additional Person(s) will not cause any remedy sought in the arbitration to be other than monetary or the aggregate amount in dispute to be greater than the limit specified in **Section 3.3.1** of this **Schedule 1**. Further, nothing in these Arbitration Procedures will create any privity between the Disputing Parties or create or give rise to a duty owed by one Disputing Party to another that does not otherwise arise by operation of law or by the terms of the contract(s) between the Disputing Parties to which these Arbitration Procedures have been attached and made a part. Consent to arbitration involving an additional Person will not constitute consent to arbitrate any claim, dispute or other matter, or with a Person not named or described in the written consent, and will be subject to all of the terms and limitations set forth in these Arbitration Procedures, including the waiver and other provisions set forth in **3.4.9** of this **Schedule 1**.

3.4.4 **Procedures**. The Arbitrator will establish reasonable procedures and requirements for the arbitration process; **provided, however**, unless all Disputing Parties agree otherwise, the procedures established by the Arbitrator will provide for: (i) a sixty (60) day time standard for case completion (measured from the date of the prehearing meeting convened under **Section 3.4.5** of this **Schedule 1**, or, if the prehearing meeting is waived, from the date of the demand notice delivered under **Section 3.4.2** of this **Schedule 1**); (ii) direct testimony to be submitted in writing, **provided** that the proponent thereof is made available for cross examination; (iii) the requirement of a hearing within thirty (30) calendar days following the Arbitrator's appointment; (iv) a single day hearing, if the Arbitrator deems it reasonable in the circumstances; and (v) a binding decision to be rendered in no more than fourteen (14) days after completion of the hearing.

3.4.5 **Prehearing Meeting**. Unless all Disputing Parties agree otherwise, within five (5) days following appointment of the Arbitrator, the Arbitrator will convene a

prehearing meeting, at which each Disputing Party will present a memorandum disclosing the factual basis of its claims and defenses and all legal issues raised. At the prehearing meeting, the Arbitrator will set a schedule for submissions and hearings consistent with the Arbitrator's powers as set forth in these Arbitration Procedures.

3.4.6 **Discovery**. Subject to any reasonable time limitations and expedition procedures established by the Arbitrator to comply with **Section 3.4.5** of this **Schedule 1**, the Disputing Parties will be entitled to discover all documents and information reasonably necessary for a full understanding of any legitimate issue raised in the arbitration, and the parties may use all methods of discovery available under the Federal Rules of Civil Procedure and will be governed thereby.

3.4.7 **Abuse of Discovery**. If the Arbitrator finds, after affording an opportunity to be heard, that a Disputing Party has abused the discovery process or has failed to act in good faith with regard to discovery or these Arbitration Rules, the Arbitrator will have, in addition to any other powers conferred by law or the Construction Industry Arbitration Rules of the American Arbitration Association, those powers conferred upon trial courts by the Federal Rules of Civil Procedure, subject to the same conditions and limitations set forth therein.

3.4.8 **Rules of Evidence**. The Arbitrator will apply the Federal Rules of Evidence, but construe them liberally to allow for the admission of evidence that is helpful in resolving the Dispute. Rulings on the admission of evidence made by the Arbitrator at the hearing will be final, binding and not subject to any appeal.

3.4.9 **Authority of Arbitrator**. Unless the Disputing Parties agree otherwise, in deciding the substance of the Dispute brought before the Arbitrator, the Arbitrator will have the authority, power and right to award damages and provide for other remedies as are available at law or in equity, except that: (i) with respect to a Claim Subject to Mandatory Arbitration, the Arbitrator will have no authority to award monetary relief greater than that sought by the Initiating Party as stated in its Dispute Notice or to award non-monetary relief (except to the extent otherwise authorized under **Section 3.4.7** of this **Schedule 1**); (ii) the Arbitrator will not have the authority to grant temporary or permanent injunctive relief; (iii) the Arbitrator will have the authority only to interpret and apply the provisions of a Project Agreement; and (iv) in all cases the Arbitrator will have no authority to award Consequential Damages against any Owner under any circumstances other than in accordance with **Section 15.5.2.2** of the **Project Participation Agreement**. All Owners hereby waive their right, if any, to recover such excluded damages in connection with any Dispute sought to be resolved under these Arbitration Procedures.

3.4.10 **Award Final and Binding; No Precedential Effect**. At the time of the award, the Arbitrator will prepare and provide to the Disputing Parties findings of fact and conclusions of law supporting the award. The award of the Arbitrator, as well as the findings of fact and conclusions of law, will be final, binding and not

subject to any appeal, but will have no precedential effect with respect to any matter or Proceeding other than the arbitration to which they relate; **provided**, **however**, that any issue or claim that was or could have been raised in the arbitration by a party to the Project Agreements that were the subject of the Dispute for which the Arbitrator has issued an award, shall be given preclusive effect and shall be deemed to be *res judicata* in any subsequent Proceeding..

3.4.11 **Costs and Expenses**. Except as otherwise decided by the Arbitrator under the provisions of **Section 3.4.7** of this **Schedule 1**, and as otherwise permitted by the terms of any Project Agreement, each Disputing Party will bear its own costs and expenses of the arbitration, including attorneys and expert witness fees, and will equally share the expense of the Arbitrator and the administrative expenses of the arbitration.

3.5 **Enforcement**. These Arbitration Procedures, together with a final award of the Arbitrator, will be enforceable in any state or federal court of competent jurisdiction located in Hennepin or Ramsey County in the State of Minnesota. The enforcement of the Owners' agreement to arbitrate and all procedural aspects thereof, including the construction and interpretation of these Arbitration Procedures, the scope of issues subject to arbitration, allegations of waiver, delay or defenses as to arbitrability, and the rules (except as otherwise provided in these Arbitration Procedures) governing the conduct of the arbitration will be governed by and construed pursuant to the United States Arbitration Act.

3.6 **Confidentiality of Proceedings**. All Proceedings related to resolution of a Dispute pursuant to these Arbitration Procedures, including all documents prepared or obtained during discovery or produced during a hearing or meeting (other than documents already in the public domain) and all testimony or recordings of testimony, including depositions, affidavits and expert reports exchanged by the Disputing Parties or produced during a hearing or meeting, will be deemed to be Confidential Information. In addition to the enforcement powers set forth in **Section 3.5** of this **Schedule 1**, the courts described in **Section 3.5** of this **Schedule 1** will have jurisdiction to enter and enforce such protective orders and to grant and enforce such appropriate injunctive relief sought by a Disputing Party to maintain the confidentiality of the Proceedings and to protect the Disputing Parties from inappropriate disclosure. No bond or other security will be required in connection with such injunctive relief. The prevailing party in any such action will be entitled to all of its reasonable attorneys' fees and other costs and expenses associated with the enforcement of these confidentiality provisions.

ARTICLE 4
MISCELLANEOUS PROVISIONS

4.1 **Headings.** The headings of the articles, sections and subsections of each Project Agreement are intended for the convenience of the Owners only and will in no way be held to explain, modify, construe, limit, amplify or aid in the interpretation of the provisions hereof. The terms "this Agreement," "hereof," "herein," "hereunder," "hereto," "hereby" and similar expressions refer to, as applicable, each Project

Agreement as a whole and not to any particular article, section, subsection or other portion thereof and include the appendices, schedules and exhibits thereto and any document, instrument or agreement executed and/or delivered pursuant thereto unless expressly so limited, and the terms "this Section" or "this Article" refer to the section or article in which such words occur.

4.2 **Scope of Agreement**. Unless the context otherwise requires, all references in a Project Agreement or in any appendix, schedule, exhibit or instrument thereto, to the assets, property interests, operations, business, financial statements, employees, books and records, accounts receivable, accounts payable, contracts or other attributes thereunder will mean such items or attributes as they are used in, apply to, or relate to such Project Agreement.

4.3 **Interpretation**. The Owners have participated jointly in the negotiation and drafting of each Project Agreement. If an ambiguity or question of intent or interpretation arises, each Project Agreement is to be construed as if drafted jointly by the parties and no presumption or burden of proof will arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of such Project Agreement. The terms and phrases used in each Project Agreement, unless the context otherwise requires, are to be interpreted as follows: (i) the words "including," "include" or "includes" mean including without limitation; (ii) reference to any agreement (including a Project Agreement), appendix, schedule, exhibit, instrument or coverage policy means as such is amended, modified or supplemented, including by Change Order, waiver or consent; (iii) reference to any Applicable Law or Applicable Energy Regulation means such Applicable Law or Applicable Energy Regulation as amended, modified, codified or reenacted, in whole or part, and in effect from time to time; (iv) reference to any Owner includes such Owner's successors and assigns, to the extent that such successors and assigns are permitted by the applicable Project Agreement; (v) pronouns in masculine, feminine and neuter genders are to be construed to state and include any other gender; (vi) the words "will" and "shall" have the same meaning; and (vii) unless the context otherwise requires, all defined terms in this **Schedule 1** or in any Project Agreement include the singular and the plural.

4.4 **Relationship of Owners; New Owners**. The covenants, obligations and liabilities of the parties to each Project Agreement are several, and not joint or collective, and nothing contained in any Project Agreement will ever be construed to create an association, joint venture, trust, partnership or other legal relationship, or to impose a trust or partnership covenant (except pursuant to the CapX 2020 Trust, CapX 2020 Trust License and Project Trust Agreement), obligation or liability on or with regard to any of the parties to a Project Agreement. The Owners agree that every Person that desires to acquire an interest in the Project will do so in accordance with the terms of the Project Participation Agreement and will become a signatory to all of the Project Agreements by executing the applicable Transfer Agreement. No member or customer of an Owner or customer of a member of an Owner will be deemed an Owner or party under a Project Agreement, unless such Person has signed a Joinder. Each Owner, the Construction Manager, each Maintenance Provider and each Control Center Authority will be individually responsible for its own covenants, obligations and liabilities in each Project Agreement to which it is

a party. No Owner will be under the control of, or will be deemed to control, any other Owner or the Owners as a group. No Owner acting in any capacity is the agent of, or has a right or power to bind, any other Owner without its express written consent, except to the extent Agency Authority has been granted to the Construction Manager.

4.5 **No Rights or Benefits to Third Parties**. Except as otherwise specifically provided in a Project Agreement, the Owners do not intend to create rights in, or to grant remedies to, any Third Party as a beneficiary of any Project Agreement or to create any duty to, or standard of care on behalf of, any Third Party by any covenant, obligation or undertaking established in any Project Agreement. There are no incidental Third Party beneficiaries to any Project Agreement and, by way of clarification and not of limitation, no Governmental Body, customer or member of an Owner or customer of an Owner's member is an intended or incidental Third Party beneficiary thereof.

4.6 **Binding Obligations**. Each Project Agreement is binding upon and inures to the benefit of the permitted successors and assigns, if any, of the Owners. Owners may assign their rights and obligations under a Project Agreement only in strict accordance with the provisions of the Project Participation Agreement.

4.7 **Severability**. If any term, covenant or condition of a Project Agreement or the application of such term, covenant or condition is held invalid or unenforceable as to any Person or circumstance by any Governmental Body, all other terms, covenants or conditions of such Project Agreement and their application will not be affected thereby, but will remain in force and effect unless such a Governmental Body holds that the provisions are not separable from all other provisions of such Project Agreement. The Owners and each other party to a Project Agreement specifically consent to the "blue-penciling" of such Project Agreement by any Governmental Body to construe as valid and enforceable the terms and conditions of such Project Agreement, consistent with the intent of the parties thereto. Such Governmental Body will have the authority to reform and interpret the terms and conditions of a Project Agreement to find a valid and enforceable construction of such Project Agreement that is consistent with the intent of the parties thereto and hold all invalid and unenforceable provisions, if any, as separable from all other remaining provisions.

4.8 **Amendment and Waiver**. No purported amendment of a Project Agreement will be effective unless in a writing specifically referring to such Project Agreement, which is executed and delivered by all of the parties to such Project Agreement. The terms, conditions, warranties, representations and covenants contained in a Project Agreement, including the documents, instruments and agreements executed and delivered by any of the parties thereto pursuant to such Project Agreement, may be waived only by a written instrument executed by all of the parties thereto waiving compliance. Any such waiver will only be effective in the specific instance and for the specific purpose for which it was given and will not be deemed a waiver of any other provision thereof or of the same breach or default upon any recurrence thereof. No failure on the part of any party to a Project Agreement, as applicable in the circumstances, to exercise, and no delay in exercising, any right thereunder will operate as a waiver thereof nor will any single or

partial exercise of any right thereunder preclude any other or further exercise thereof or the exercise of any other right.

4.9 **Execution in Counterparts and Delivery of Electronic Signatures**. Each Project Agreement may be executed in any number of counterparts. All such counterparts will be deemed to be originals and will together constitute but one and the same instrument. Each Project Agreement will become effective upon its execution by the applicable parties thereto. The executed counterparts of a Project Agreement and any ancillary documents thereto, such as amendments, may be delivered by electronic means, such as email and/or facsimile, and the receiving party may rely on the receipt of such executed counterpart as if the original had been received.

4.10 **Governing Law; Venue; Waiver of Jury Trial**. Each Project Agreement will be governed by and construed in accordance with the laws of the State of Minnesota (exclusive of conflicts of law provisions of any jurisdiction and the principles of comity). With respect to disputes that are not governed by the dispute resolution provisions in **Section 3** of this **Schedule 1** or **Section 18** of the **Project Participation Agreement** or if the dispute resolution provisions in **Section 3** of this **Schedule 1** or **Section 18** of the **Project Participation Agreement** are not enforceable for any reason, the parties to each Project Agreement agree and consent that any Proceeding seeking to enforce any provision of such Project Agreement will be instituted and adjudicated solely and exclusively in any state or federal court of competent jurisdiction located in Hennepin or Ramsey County in the State of Minnesota. Each party to a Project Agreement agrees that each such court will have personal jurisdiction over it with respect to such Proceeding, and waives any objections it may have, and expressly consents, to such personal jurisdiction. EACH PARTY TO A PROJECT AGREEMENT WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH ANY PROJECT AGREEMENT.

4.11 **Assignment**. No party to a Project Agreement may assign, sublet or otherwise Transfer its interest in such Project Agreement, except as provided in the **Project Participation Agreement**.

4.12 **Payment in Business Days**. Notwithstanding anything to the contrary in any Project Agreement, if any payment required to be made under a Project Agreement falls due on a day that is not a Business Day, such payment will be due on the next succeeding Business Day.

4.13 **Further Assurances**. Each party to a Project Agreement will use its commercially reasonable efforts to take, or cause to be taken, all actions, and to do, or cause to be done, all things necessary, proper or advisable under Applicable Law to consummate and make effective the transactions contemplated by each Project Agreement to which it is a party in a manner consistent with Applicable Law.

4.14 **Cooperation**. Each Owner will make good faith efforts to cooperate with the other Owners to comply with the terms and conditions of the CapX 2020 Trust License, the Project Agreements and all Critical Permits, Project Construction Contracts, contracts and agreements and other obligations and commitments arising in connection with the Project.

4.15 **Independent Covenants and Obligations**. The obligations of the Owners contained in any Project Agreement are independent covenants, not dependent covenants, and the obligation of any Owner to keep and perform all of the covenants and obligations assumed or imposed on it is not conditioned upon the performance of any other Owner of all or any of the covenants and obligations to be kept and performed by it.

4.16 **Currency**. All payments under all Project Agreements will be made in such currency as is legal tender for the payment of debts in the United States.

4.17 **Entire Agreement**. Each Project Agreement, together with all other Project Agreements, constitutes the entire agreement among the parties thereto with respect to the subject matter thereof, and supersedes all prior oral or written agreements, understandings, representations and warranties, and courses of conduct and dealings among the parties thereto on the subject matter thereof. Each Owner acknowledges and agrees that it would not have entered into any individual Project Agreement in its capacity as an Owner without the execution and delivery of all of the other Project Agreements to which it is a party in its capacity as an Owner.

EXHIBIT 1

NOTICES

TO OWNERS OR DISCRETELY OWNED SUBSTATION OWNERS:

IF TO GREAT RIVER ENERGY:

GREAT RIVER ENERGY
12300 ELM CREEK BOULEVARD
MAPLE GROVE, MN 55369-4718
ATTENTION: WILL KAUL
FAX: 763-445-6701

WITH A MANDATORY COPY TO:

MICHAEL R. NIXT
MOSS & BARNETT
4800 WELLS FARGO CENTER
90 SOUTH 7TH STREET
MINNEAPOLIS, MN 55402
FAX: 612-877-5999

IF TO MINNESOTA POWER:

MINNESOTA POWER
30 WEST SUPERIOR STREET
DULUTH, MN 55802
ATTENTION: BRADLEY W. OACHS, CHIEF OPERATING OFFICER
FAX: 218-723-3989

WITH A MANDATORY COPY TO:

CHRISTOPHER D. ANDERSON, ASSOCIATE GENERAL COUNSEL
MINNESOTA POWER
30 WEST SUPERIOR STREET
DULUTH, MN 55802
FAX: 218-723-3955

IF TO MINNKOTA POWER COOPERATIVE, INC.:

MINNKOTA POWER COOPERATIVE, INC.
1822 MILL ROAD
P.O. BOX 13200
GRAND FORKS, ND 58208-3200
ATTENTION: AL TSCHEPEN
FAX: 701-795-4214

WITH A MANDATORY COPY TO:

WALLY LANG
MINNKOTA POWER COOPERATIVE, INC.
1822 MILL ROAD
P.O. BOX 13200
GRAND FORKS, ND 58208-3200
FAX: 701-795-4214

IF TO OTTER TAIL POWER COMPANY:

OTTER TAIL POWER COMPANY
215 S. CASCADE ST.
P. O. BOX 496
FERGUS FALLS, MN 56538-0496
ATTENTION: RODNEY C. H. SCHEEL
FAX: 218-739-8218

WITH A MANDATORY COPY TO:

JENNIFER O. SMESTAD
OTTER TAIL POWER COMPANY
215 S. CASCADE ST.
P. O. BOX 496
FERGUS FALLS, MN 56538-0496
FAX: 218- 998-3165

IF TO NORTHERN STATES POWER COMPANY:

NORTHERN STATES POWER COMPANY, A MINNESOTA CORPORATION
414 NICOLLET MALL, MP-8
MINNEAPOLIS, MN 55401
ATTENTION: TERESA MOGENSEN, VP OF TRANSMISSION
FAX: 612-573-1815

WITH A MANDATORY COPY TO:

NORTHERN STATES POWER COMPANY, A MINNESOTA CORPORATION
414 NICOLLET MALL, 5TH FLOOR
MINNEAPOLIS, MN 55401
ATTENTION: GENERAL COUNSEL
FAX: 612-573-9025

TO THE CONSTRUCTION MANAGER:
OTTER TAIL POWER COMPANY
215 S. CASCADE ST.
P. O. BOX 496
FERGUS FALLS, MN 56538-0496
ATTENTION: AL KOECKERITZ
FAX: 218-739-8442

TO THE RESPONSIBLE ENTITIES:

IF TO MINNKOTA POWER COOPERATIVE, INC.:

MINNKOTA POWER COOPERATIVE, INC.
1822 MILL ROAD
P.O. BOX 13200
GRAND FORKS, ND 58208-3200
ATTENTION: AL TSCHEPEN
FAX: 701-795-4214

IF TO OTTER TAIL POWER COMPANY:

OTTER TAIL POWER COMPANY
215 S. CASCADE ST.
P. O. BOX 496
FERGUS FALLS, MN 56538-0496
ATTENTION: AL KOECKERITZ
FAX: 218-739-8442

IF TO GREAT RIVER ENERGY:

GREAT RIVER ENERGY
12300 ELM CREEK BOULEVARD
MAPLE GROVE, MN 55369-4718
ATTENTION: WILL KAUL
FAX: 763-445-6701

TO THE AUTHORIZED OWNER REPRESENTATIVES:

FOR GREAT RIVER ENERGY:

REPRESENTATIVE: WILL KAUL
FAX: 763-445-6701
EMAIL: WKAUL@GRENERGY.COM

ALTERNATE: TERRY GROVE
FAX: 763-445-6790
EMAIL: TGROVE@GRENERGY.COM

ADDRESS:
GREAT RIVER ENERGY
12300 ELM CREEK BOULEVARD
MAPLE GROVE, MN 55369-4718

FOR MINNESOTA POWER:

REPRESENTATIVE: MICHAEL A. KLOPP
FAX: 218-720-2685
EMAIL: MKLOPP@MNPOWER.COM

ALTERNATE: CHRISTOPHER FLEEGE
FAX: 218-720-2685
EMAIL: CFLEEGE@MNPOWER.COM

ADDRESS:
MINNESOTA POWER
30 WEST SUPERIOR STREET
DULUTH, MN 55802

FORV MINNKOTA POWER COOPERATIVE, INC.:

REPRESENTATIVE: AL TSCHEPEN
FAX: 701-795-4214
EMAIL: ATSCHEPEN@MINNKOTA.COM

ALTERNATE: WALLY LANG
FAX: 701-795-4214
EMAIL: WLANG@MINNKOTA.COM

ADDRESS:
MINNKOTA POWER COOPERATIVE, INC.
1822 MILL ROAD
P.O. BOX 13200
GRAND FORKS, ND 58208-3200

FOR OTTER TAIL POWER COMPANY:

REPRESENTATIVE: RODNEY C. H. SCHEEL
FAX: 218-739-8218
EMAIL: RSCHEEL@OTPCO.COM

ALTERNATE: TIM ROGELSTAD
FAX: 218-739-8442
EMAIL: TROGELSTAD@OTPCO.COM

ADDRESS:
OTTER TAIL POWER COMPANY
215 S. CASCADE ST.
P. O. BOX 496
FERGUS FALLS, MN 56538-0496

FOR NORTHERN STATES POWER COMPANY:

REPRESENTATIVE: GREG P. CHAMBERLAIN
FAX: 612-573-9430
EMAIL: GREG.P.CHAMBERLAIN@XCELENERGY.COM

ALTERNATE: PRITI PATEL
FAX: 612-318-4334
EMAIL: PRITI.R.PATEL@XCELENERGY.COM

ADDRESS:
NORTHERN STATES POWER COMPANY, A MINNESOTA CORPORATION
414 NICOLLET MALL, MP-8
MINNEAPOLIS, MN 55401

SCHEDULE 2

Percentage Interests of the Owners

Project Owners	Percentage Interests
ALLETE, Inc., d/b/a Minnesota Power	9.3000%
Otter Tail Power	20.0000%
Northern States Power Company, A Minnesota Corporation	26.2000%
Great River Energy	13.0000%
Minnkota Power Cooperative, Inc.	31.5000%

SCHEDULE 3

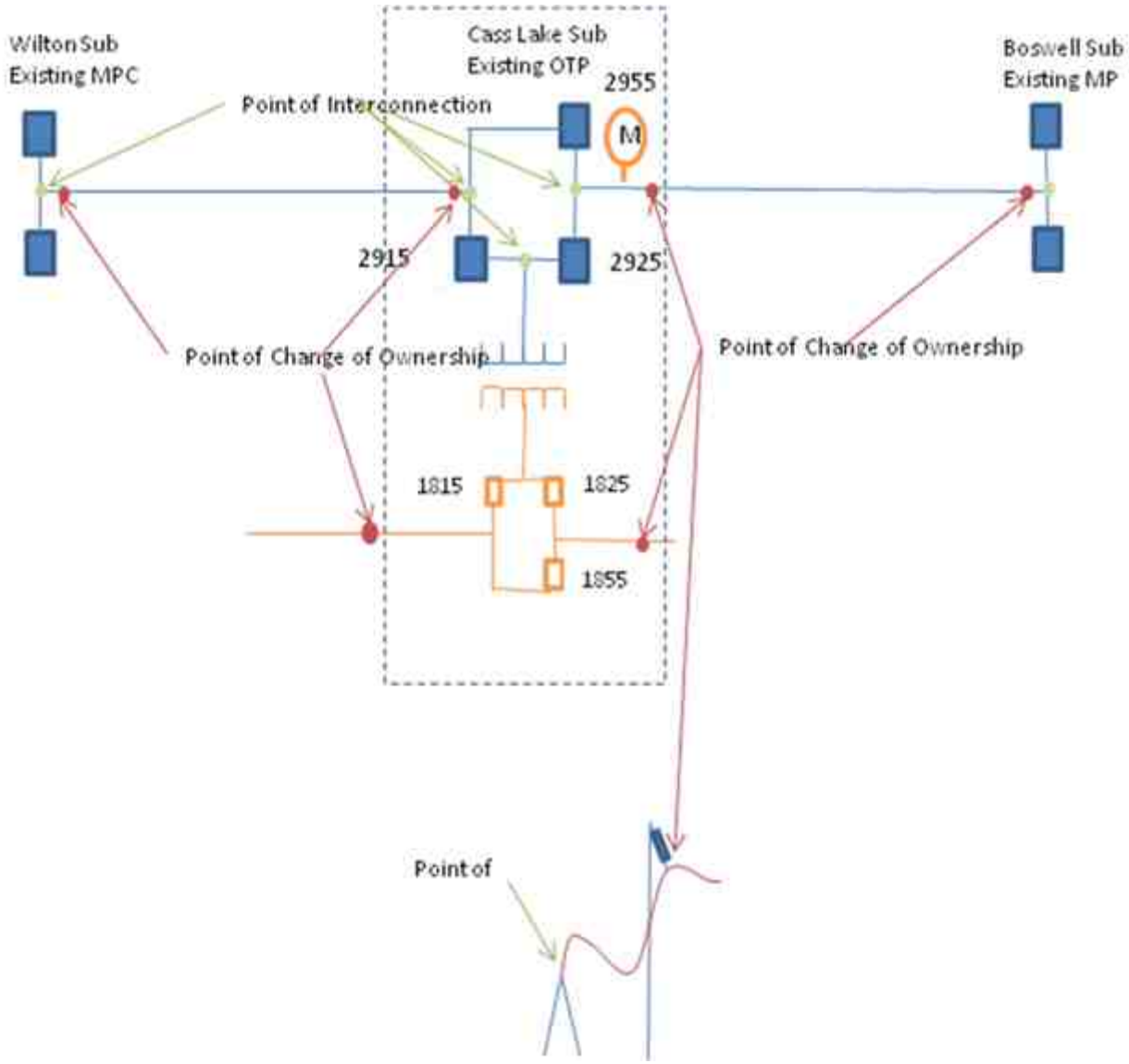
Project Facilities

Part A

Transmission lines	miles	conductor	structure type/s	Sgl/Dbl Circuit
Bemidji-Grand Rapids 230 kV				
230 kV transmission line between MPC's Wilton substation and Otter Tail's Cass Lake substations. All line equipment and facilities between point of change of ownership as shown below.	19.3	795 ACSS 26/7 with OPGW shield	H frame / single pole	Single / Double
230 kV transmission line between Otter Tail's Cass Lake substation and MP's Boswell substation. All line equipment and facilities between point of change of ownership as shown below	51.1	795 ACSS 54/7 with OPGW shield	H frame / single pole	Single

Part B

Substations	Equipment
Wilton	
Wilton substation interconnected with Otter Tail's 115 kV Bemidji line, Otter Tail's Wilton to Winger 230 kV line, OTP's Wilton to Winger 115 kV line. The modified substation will contain equipment and facilities between point of change of ownership as shown below.	Ring bus configuration with (5) 230 kV switches, 2 - 230 kV breakers, Dead-end structure
Cass Lake	
Cass Lake substation interconnected with Otter Tail & MPC's 115 kV Nary Jct line, Otter Tail's Cass Lake Pipeline 115 kV line. The modified substation will contain equipment and facilities between point of change of ownership as shown below	3 - 230 kV breakers and associated switches, 187 MVA 230/115 autotransformer and associated equipment, 3 or 4 - 115 kV breakers, Dead-end structure
Boswell Substation (Grand Rapids Area)	
Boswell substation does not interconnect with any other utilities. The modifications substation will contain equipment and facilities between point of change of ownership as shown below	2 - 230 kV breakers and 5 associated switches, Dead-end structure


Wilton Sub
Existing MPC
Cass Lake Sub
Existing OTP
Boswell Sub
Existing MP
Point of Interconnection
2955
M
2915
2925
Point of Change of Ownership
Point of Change of Ownership
1815
1825
1855
Point of

SCHEDULE 4

Real Property Interests

Wilton Substation

All of that portion of the east half of the southeast quarter (E1/2 SE 1/4), Section Two (2), Township One Hundred Forty-six North (146N), Range Thirty-four West (34W), lying south of the Burlington Northern Railroad right of way, except the following described tract: That part of the SE1/4 of the SE1/4 of Section 2, Township 146, Range 34 described as follows, to-wit: Commencing at the southwest corner of the SE1/4 of the SE1/4 of said section 2, Township 146, Range 34, thence north on the west boundary line of said premises for a distance of 535 feet, thence east on a line parallel with the south boundary of said premises a distance of 285 feet, thence south on a line parallel with the west boundary of said premises a distance of 535 feet to the south boundary of said premises, thence west along the south boundary of said premises a distance of 285 feet to the point of beginning.

Cass Lake Substation

Note: In the following description the East line of Section 17 is assumed to bear North-South. That part of Gov't Lots 2 & 3, Section 17, Township 145, Range 31 described as follows: Commencing at the Northeast corner of Section 17; thence North 87°08' W., on the North line of said Section 17, a distance of 1802.13 ft. to point of beginning of the tract of land to be described; thence South 0°06'45"W., 1013.97 ft.; thence North 89°42'45"W., 660 ft.; thence South 0°06'45"W., 400 ft.; thence North 89°42'45"W., on the North right of way line of the Burlington Northern, Inc. and Soo Line Railroad Co., a distance of 233.8 ft.; thence North 0°06'45"E., 700 ft.; thence South 89°42'45"E., 733.78 ft.; thence North 0°06'45"E., 721.2 ft.; thence South 87°08'E., 160.2 ft. to the point of beginning.

Boswell Substation

All that part of the Southwest Quarter of the Northeast Quarter (SW1/4 of NE1/4) of Section 9, Township 55 North, Range 26 West of the 4th Principal Meridian, Itasca County, Minnesota, described as follows:

Commencing at the east quarter corner of said Section 9; thence North 89 degrees 52 minutes 00 seconds West, assumed bearing, along the east/west quarter line of said Section 9 a distance of 2034.92 feet; thence North 0 degrees 02 minutes 06 seconds West a distance of 206.88 feet to the point of beginning; thence South 89 degrees 57 minutes 54 seconds West a distance of 320.00 feet; thence North 0 degrees 02 minutes 06 seconds West a distance of 456.00 feet; thence North 89 degrees 57 minutes 54 seconds East a distance of 320.00 feet; thence South 0 degrees 02 minutes 06 seconds East a distance of 456.00 feet, more or less, to the point of beginning.

REAL PROPERTY INTERESTS
FACILITIES OWNED AS TENANTS-IN-COMMON

PROJECT NUMBER	EFFECTIVE DATE	TYPE OF DOCUMENT	DATE RECORDED	DOCUMENT #	COUNTY	GRANTOR'S NAME	ABBREVIATED LEGAL DESCRIPTION
BGR 1	24-Jun-11	EASEMENT	18-Jul-11	A000513493	BELTRAMI	MINNKOTA POWER COOP	PT SE 1/4 SE 1/4 S2, T146, R34
BGR 2	7-Jun-11	EASEMENT	18-Jul-11	A000513496	BELTRAMI	HOFLAND, PAUL	PT NE 1/4 NE 1/4 S11, T146, R34
BGR 3	18-May-11	EASEMENT	9-Jun-11	A000512641	BELTRAMI	QUINN, ROGAN	PT NE 1/4 NE 1/4 S11, T146, R34
BGR 4	26-May-11	EASEMENT	19-Jul-11	A000513513	BELTRAMI	KOLKIN, DONAVON	PT SE 1/4 NE 1/4 S11, T146, R34
BGR 5	12-May-11	EASEMENT	9-Jun-11	A000512643	BELTRAMI	ENERSON, KEVIN	PT SE 1/4 NE 1/4 S11, T146, R34
BGR 6	9-Jan-12	EASEMENT	23-Jan-12	A000517596	BELTRAMI	WORMS, CHARLES	SW 1/4 NE 1/4 S11, T146, R34
BGR 7	25-May-11	EASEMENT	19-Jul-11	A000513511	BELTRAMI	LAHMAN, CHARLES	N 1/2 N 1/2 NE 1/4 NW 1/4 SE 1/4 S11, T146, R34
BGR 8	25-May-11	EASEMENT	19-Jul-11	A000513511	BELTRAMI	LAHMAN, CHARLES	S 1/2 N 1/2 NE 1/4 NW 1/4 SE 1/4 S11, T146, R34
BGR 9	27-Apr-11	EASEMENT	9-Jun-11	A000512646	BELTRAMI	ROULETTE, LISA	N 1/2 SE 1/4 NW 1/4 SE 1/4 & S 1/2 NE 1/4 NW 1/4 SE 1/4 S11, T146, R34
BGR 10	6-May-11	EASEMENT	19-Jul-11	A000513515	BELTRAMI	AMBERSON, ALVIN	S 1/2 SE 1/4 NW 1/4 SE 1/4 S11, T146, R34

PROJECT NUMBER	EFFECTIVE DATE	TYPE OF DOCUMENT	DATE RECORDED	DOCUMENT #	COUNTY	GRANTOR'S NAME	ABBREVIATED LEGAL DESCRIPTION
BGR 11	9-Jan-12	EASEMENT	23-Jan-12	A000517597	BELTRAMI	SPRUCE SHADOWS	SW 1/4 SE 1/4 S11, T-146, R34
BGR 12	17-May-11	EASEMENT	9-Jun-11	A000512644	BELTRAMI	REVIERE, JOHNNY	NW 1/4 NE 1/4 S14,T146,R34
BGR 13	4-Jan-12	EASEMENT	24-Feb-12	A000518635	BELTRAMI	TAX FORFEITED	SW 1/4 NE 1/4 S14, T146, R34
BGR 14	11-May-11	EASEMENT	9-Jun-11	A000512642	BELTRAMI	SCHMITT, DONNA	SE 1/4 NE 1/4 S14, T146, R34
BGR 15	27-Oct-11	EASEMENT	17-Nov-11	A000516258	BELTRAMI	HILTZ, ROBERT	PT NE 1/4 SE 1/4 S14, T146, R34
BGR 16	27-Oct-11	EASEMENT	17-Nov-11	A000516258	BELTRAMI	HILTZ, ROBERT	PT NE 1/4 SE 1/4 S14, T146, R34
BGR 17	13-Dec-11	EASEMENT	19-Jan-12	A000517534	BELTRAMI	HILTZ, LESTER	W 1/2 SW 1/4 & GL 3 S13, T146, R34
BGR 18	13-Dec-11	EASEMENT	19-Jan-12	A000517534	BELTRAMI	HILTZ, LESTER	PT GL 5 S24, T146, R34
BGR 19	31-Aug-11	EASEMENT	16-Sep-11	A000514855	BELTRAMI	MOE, RICHARD	PT GL 3 S24, T146, R34
BGR 20	8-Sep-11	EASEMENT	20-Sep-11	A000514942	BELTRAMI	MOE, MELVIN	W1/2 NE 1/4 & NW 1/4 SE 1/4 S24, T146, R34
BGR 21	21-Sep-11	EASEMENT	26-Oct-11	A000515765	BELTRAMI	MRAZEK, TERRI	PT NE 1/4 SE 1/4 S24, T146, R34

PROJECT NUMBER	EFFECTIVE DATE	TYPE OF DOCUMENT	DATE RECORDED	DOCUMENT #	COUNTY	GRANTOR'S NAME	ABBREVIATED LEGAL DESCRIPTION
BGR 22	28-Oct-11	EASEMENT	10-Nov-11	A000516075	BELTRAMI	GROVER, JAMIE	PT NE 1/4 SE 1/4 S24, T146, R34
BGR 23	14-Mar-12	EASEMENT	29-Mar-12	A000519504	BELTRAMI	HAACK, JAMES	PT GL 9 S19, T146, R33
BGR 24	25-Nov-11	EASEMENT	23-Dec-11	A000517032	BELTRAMI	HANSON, ANTHONY	PT GL 9 S19, T146, R33
BGR 25	14-Mar-12	EASEMENT	29-Mar-12	A000519504	BELTRAMI	HAACK, JAMES	PT NE 1/4 SW 1/4 S19, T146, R33
BGR 26	14-Mar-12	EASEMENT	29-Mar-12	A000519504	BELTRAMI	HAACK, JAMES	NW 1/4 SE 1/4 S19, T146, R33
BGR 27	22-May-12	EASEMENT	1-Jun-12	A000521306	BELTRAMI	CARPENTER, DAVID	PT NE 1/4 SE 1/4 S19, T146, R33
BGR 28	24-May-11	EASEMENT	19-Jul-11	A000513512	BELTRAMI	WAY, DALLAS	PT SE 1/4 SE 1/4 S19, T146, R33
BGR 29	31-Jan-12	EASEMENT	15-Mar-12	A000519160	BELTRAMI	GREAT LAKES GAS	PT GL 12 S20, T146, R33
BGR 30	21-Sep-11	EASEMENT	26-Oct-11	A000515764	BELTRAMI	LOXTERCAMP, PAUL	PT GL 12 S20, T146, R33
BGR 31	3-Jan-12	EASEMENT	24-Oct 13	A000535766	BELTRAMI	KANGAS, KEVIN	LOT 1, BLK 1 MARQUETTE HEIGHTS, S20, T143, R33
BGR 32	3-Jan-12	EASEMENT	24-Oct 13	A000535766	BELTRAMI	KANGAS, KEVIN	LOT 2, BLK 1 MARQUETTE HEIGHTS, S20, T143, R33
BGR 33	3-Jan-12	EASEMENT	24-Oct 13	A000535766	BELTRAMI	KANGAS, KEVIN	LOT 3, BLK 1 MARQUETTE HEIGHTS, S20, T143, R33

PROJECT NUMBER	EFFECTIVE DATE	TYPE OF DOCUMENT	DATE RECORDED	DOCUMENT #	COUNTY	GRANTOR'S NAME	ABBREVIATED LEGAL DESCRIPTION
BGR 34	3-Jan-12	EASEMENT	24-Oct 13	A000535766	BELTRAMI	KANGAS, KEVIN	LOT 4, BLK 1 MARQUETTE HEIGHTS, S20, T143, R33
BGR 35	21-Sep-11	EASEMENT	17-Nov-11	A000516257	BELTRAMI	LOFGREN, BRIAN	PT SE 1/4 SW 1/4 S20, T146, R33
BGR 36	30-Sep-11	EASEMENT	10-Nov-11	A000516076	BELTRAMI	LISH, JARRETT	PT SE 1/4 SW 1/4 S20, T146, R33
BGR 37	6-Sep-11	EASEMENT	20-Sep-11	A000514940	BELTRAMI	MOUNTAIN, GARNET	E 1/2 E 1/2 SE 1/4 SW 1/4 S20, T146, R33
BGR 38	15-Jul-11	EASEMENT	28-Jul-11	A000513760	BELTRAMI	HAZELTON, ZACHARY	PT GL 1 S29, T146, R33
BGR 39	15-Jul-11	EASEMENT	28-Jul-11	A000513760	BELTRAMI	HAZELTON, ZACHARY	PT GL 6 S20, T146, R33
BGR 39.1	29-Jun-11	EASEMENT	18-Jul-11	A000513494	BELTRAMI	MEIDINGER, JANICE	PT GL 6 S20, T146, R33
BGR 40	26-May-11	EASEMENT	19-Jul-11	A000513516	BELTRAMI	GOOCH, DAVID	PT N 1/2 NE 1/4 S29, T146, R33
BGR 41	15-Jun-11	EASEMENT	18-Jul-11	A000513497	BELTRAMI	JUDITH NELSON TRUST	PT N 1/2 NE 1/4 S29, T146, R33
BGR 42	1-Sep-11	EASEMENT	20-Sep-11	A000514941	BELTRAMI	DAGUE, KIM	PT NE 1/4 NE 1/4 S29, T146, R33
BGR 45.1	7-Nov-11	PERMIT	NOT RECORDED	P 04-11-17	BELTRAMI	BELTRAMI COUNTY HWY	PT NW 1/4 NW 1/4 S28, T146, R33
BGR 45.2	1-Aug-11	EASEMENT	9-Aug-11	A000513989	BELTRAMI	STEBE, JOHN	PT NW 1/4 NW 1/4 S28, T146, R33

PROJECT NUMBER	EFFECTIVE DATE	TYPE OF DOCUMENT	DATE RECORDED	DOCUMENT #	COUNTY	GRANTOR'S NAME	ABBREVIATED LEGAL DESCRIPTION
BGR 46	1-Aug-11	EASEMENT	9-Aug-11	A000513989	BELTRAMI	STEBE, JOHN	PT SW 1/4 NW 1/4 S28, T146, R33
BGR 47	1-Aug-11	EASEMENT	9-Aug-11	A000513989	BELTRAMI	STEBE, JOHN	NW 1/4 SW 1/4 S28, T146, R33
BGR 48	16-Jun-11	EASEMENT	18-Jul-11	A000513498	BELTRAMI	THORSGARD, ERIC	S 1/2 S 1/2 SE 1/4 NW 1/4 S28, T146, R33
BGR 49	18-Aug-11	EASEMENT	16-Sep-11	A000514857	BELTRAMI	FORTE, JOY BERG	NE 1/4 SW 1/4 S28, T146, R33
BGR 50	27-May-11	EASEMENT	19-Jul-11	A000513517	BELTRAMI	HIRT, JOAN	PT NW 1/4 SE 1/4 S28, T146, R33
BGR 50.1	27-May-11	EASEMENT	19-Jul-11	A000513518	BELTRAMI	FENSKE, ELAINE	PT SW 1/4 SE 1/4 S28, T146, R33
BGR 51	13-Sep-11	EASEMENT	25-Oct-11	A000515715	BELTRAMI	ODYSSEY INVESTMENTS	PT S 1/2 SE 1/4 NE 1/4 & PT NE 1/4 SE 1/4 S28, T146, R33
BGR 54	28-Oct-11	EASEMENT	10-Nov-11	A000516077	BELTRAMI	BEMIDJI COOPERSTIVE ASSN.	N1/2 SW 1/4 SW 1/4 S27, T146, R33
BGR 55	5-Oct-11	LIS PENDENS	5-Oct-11	A000515278	BELTRAMI	JOHNSON, DEBRA	N 1/2 S 1/2 SW 1/4 SW 1/4 S27, T146, R33
BGR 56	5-Oct-11	LIS PENDENS	5-Oct-11	A000515278	BELTRAMI	JOHNSON, DEBRA	S 1/2 1/2 SW 1/4 SW 1/4 S27, T146, R33
BGR 57	5-Oct-11	LIS PENDENS	5-Oct-11	A000515278	BELTRAMI	DAVIDSON, RONALD	PT SW 1/4 S27, T146, R33

PROJECT NUMBER	EFFECTIVE DATE	TYPE OF DOCUMENT	DATE RECORDED	DOCUMENT #	COUNTY	GRANTOR'S NAME	ABBREVIATED LEGAL DESCRIPTION
BGR 58	5-Oct-11	LIS PENDENS	5-Oct-11	A000515278	BELTRAMI	JUSTICE ENTERPRISES	PT S 1/2 SE 1/4 SW 1/4 S27, T146, R33
BGR 59	5-Oct-11	LIS PENDENS	5-Oct-11	A000515278	BELTRAMI	JUSTICE ENTERPRISES	PT S 1/2 SE 1/4 SW 1/4 S27, T146, R33
BGR 59.1	5-Oct-11	LIS PENDENS	5-Oct-11	A000515278	BELTRAMI	JUSTICE ENTERPRISES	LOT 1, BLK 1 MEADOWMONT HEIGHTS
BGR 61	12-Oct-11	EASEMENT	1-Dec-11	A000516518	BELTRAMI	BOYER, MAX	W 1/2 NE 1/4 S34, T146, R33
BGR 62	12-Oct-11	EASEMENT	1-Dec-11	A000516518	BELTRAMI	BOYER, MAX	W 1/2 NE 1/4 S34, T146, R33
BGR 63	31-Aug-11	EASEMENT	16-Sep-11	A000514856	BELTRAMI	HOLTER, MITCHELL	PT E 1/2 NE 1/4 S34, T146, R33
BGR 64	26-May-11	EASEMENT	19-Jul-11	A000513514	BELTRAMI	HOLTER, RICHARD	PT E 1/2 NE 1/4 S34, T146, R33
BGR 65	14-Oct-11	EASEMENT	1-Dec-11	A000516517	BELTRAMI	DAVIS FAMILY TRUST	PT E /12 NE 1/4 S34, T146, R33
BGR 66	20-Apr-11	EASEMENT	9-Jun-11	A000512645	BELTRAMI	DEVRIES, BRADLEY	PT SW 1/4 NW 1/4 S35, T146, R33
BGR 67	5-May-11	EASEMENT	19-Jul-11	A000513519	BELTRAMI	DEVRIES, RANDY	PT SW 1/4 NW 1/4 & PT SE 1/4 NW 1/4 & PT NE 1/4 SW 1/4 S35, T146, R33

PROJECT NUMBER	EFFECTIVE DATE	TYPE OF DOCUMENT	DATE RECORDED	DOCUMENT #	COUNTY	GRANTOR'S NAME	ABBREVIATED LEGAL DESCRIPTION
BGR 68	18-Oct-11	EASEMENT	16-Nov-11	A000516189	BELTRAMI	JOHNSON, RUSTIN	NW 1/4 SW 1/4 S35, T146, R33
BGR 69	4-Oct-11	EASEMENT	10-Nov-11	A000516074	BELTRAMI	BELTRAMI COUNTY HWY	PT N 1/2 SW 1/4 S35, T146, R33
BGR 70	26-Jan-12	PERMIT	NOT RECORDED	LAND CROSSING PERMIT # 144-062-5377	BELTRAMI	MINN DNR	PT NE 1/4 SW 1/4 & SE 1/4 SW 1/4 S35, T146, R33
BGR 71	5-Oct-11	LIS PENDENS	5-Oct-11	A000515278	BELTRAMI	SOLHEIM, GERALD	PT SE 1/4 SW 1/4 S35, T146, R33
BGR 72	5-Oct-11	LIS PENDENS	5-Oct-11	A000515278	BELTRAMI	SOLHEIM, GERALD	W 1/2 SE 1/4 S35, T146, R33
BGR 73	4-Oct-11	EASEMENT	10-Nov-11	A000516074	BELTRAMI	BELTRAMI COUNTY	PT E 1/2 SE 1/4 S35,T146,R33
BGR 74	13-Dec-11	EASEMENT	23-Mar-12	A000519360	BELTRAMI	KONECNE, STEVEN	S 1/2 SE 1/4 SE 1/4 S35, T146, R33
BGR 125	7-Apr-11	EASEMENT	9-Jun-11	A000571137	CASS	FINN, PATRICK	PT GL 2 S18, T145,R31
BGR 126	15-Feb-11	EASEMENT	18-Apr-11	A000569764	CASS	TAX FORFEITED	PT GL 8 S18, T145, R31
BGR 127	21-Feb-11	EASEMENT	28-Mar-11	A000569253	CASS	POTLATCH FOREST	PT GL 9 S18, T145, R31

PROJECT NUMBER	EFFECTIVE DATE	TYPE OF DOCUMENT	DATE RECORDED	DOCUMENT #	COUNTY	GRANTOR'S NAME	ABBREVIATED LEGAL DESCRIPTION
BGR 128	26-Jan-12	PERMIT	NOT RECORDED	LAND CROSSING PERMIT #144-062-5377 WATER CROSSING PERMIT # 144-065-7376	CASS	STATE OF MINN	GL 10 S18, T145, R31
BGR 129	21-Feb-11	EASEMENT	28-Mar-11	A000569253	CASS	POTLATCH FOREST	PT GL 5 S17, T145, R31
BGR 130	21-Feb-11	EASEMENT	28-Mar-11	A000569253	CASS	POTLATCH FOREST	PT GL 6 S17, T145, R31
BGR 131	22-Jun-11	PERMIT	NOT RECORDED	11-42925	CASS	BURLINGTON NORTHERN	PT S17, T145, R31
BGR 131.1	16-Feb-11	EASEMENT	28-Mar-11	A000569255	CASS	ANYWAUSH, JOAN	PT GL 3 S17, 145, R31
BGR 133	10-Jun-11	EASEMENT	13-Jul-11	A000571926	CASS	OTTER TAIL POWER CO	PT GL 2 & PT GL 3 S17, T145, R31
BGR 134	30-Jan-12	EASEMENT	13-Feb-12	A000577776	CASS	ENBRIDGE ENERGY	PT GL 2 S17, T145, R31
BGR 135	8-Jun-11	EASEMENT	13-Jul-11	A000571924	CASS	GEHRKE, HAROLD	PT GL 2 S17, T145, R31
BGR 136	8-Jun-11	EASEMENT	13-Jul-11	A000571924	CASS	GEHRKE, HAROLD	PT GL 1 S17, T145, R31
BGR 137	6-Jun-11	EASEMENT	13-Jul-11	A000571925	CASS	GEHRKE, JERRY	PT GL 1 S17, T145, R31
BGR 138	23-Feb-11	EASEMENT	28-Mar-11	A000569251	CASS	BAIRD, RICHARD	PT GL 1 S17, T145, R31

PROJECT NUMBER	EFFECTIVE DATE	TYPE OF DOCUMENT	DATE RECORDED	DOCUMENT #	COUNTY	GRANTOR'S NAME	ABBREVIATED LEGAL DESCRIPTION
BGR 139	23-Feb-11	EASEMENT	28-Mar-11	A000569258	CASS	CMC PARTNERSHIP	PT GL 1 S16, T145, R31
BGR 140	17-Mar-11	EASEMENT	15-Apr-11	A000569745	CASS	WALTERMANN, PERNELL	PT GL 1 S16, T145, R31
BGR 141	13-Nov-13	PERMIT	NOT RECORDED	WAL402401	CASS	USA	NE ¼ of NW ¼ & PT of NW ¼ of NE ¼ S16, T145, R31
BGR 142	15-Mar-11	EASEMENT	20-Apr-11	A000569833	CASS	AUSTIN PROPERTIES	LOTS 9-12, BLK 13 WEST CASS LAKE
BGR 143	10-Mar-11	EASEMENT	20-Apr-11	A000569832	CASS	LAUSCHE, WILLARD	LOTS 5-8, BLK 13 WEST CASS LAKE
BGR 144	15-Mar-11	EASEMENT	9-Jun-11	A000571140	CASS	CLARK, MAURICE	LOTS 3 & 4, BLK 13 WEST CASS LAKE
BGR 145	16-Mar-11	EASEMENT	20-Apr-11	A000569834	CASS	GROSS, MARLENE	LOTS 1 & 2, BLK 13 WEST CASS LAKE
BGR 146	22-Jun-11	PERMIT	NOT RECORDED	11-42969	CASS	BURLINGTON NORTHERN	PT S16, T145, R31
BGR 147	16-Feb-11	EASEMENT	28-Mar-11	A000569259	CASS	CASS FOREST PRODUCTS	PT SE 1/4 NE 1/4 S16, T145, R31
BGR 147.2	28-Oct-11	LIS PENDENS	28-Oct-11	A000574778	CASS	SCHUSTER, ANTON	LOT 11, BLK 22 WEST CASS LAKE
BGR 148.1	27-JUL-12	EASEMENT	ESTIMATED		CASS	INTERNATIONAL PAPER	LOT 12, BLK 27 WEST CASS LAKE

PROJECT NUMBER	EFFECTIVE DATE	TYPE OF DOCUMENT	DATE RECORDED	DOCUMENT #	COUNTY	GRANTOR'S NAME	ABBREVIATED LEGAL DESCRIPTION
BGR 149	27-JUL-12	EASEMENT	ESTIMATED		CASS	INTERNATIONAL PAPER	PT NE 1/4 SE 1/4 S16, T145, R31
BGR 150	13-Nov-13	PERMIT	NOT RECORDED	WAL402401	CASS	USA	PT of NW ¼ of SW 1/4 S15, T 145, R31
BGR 151	13-Nov-13	PERMIT	NOT RECORDED	WAL402401	CASS	USA	PT of the N ½ of SW ¼ & GL 6 S15, T145, R31
BGR 152	13-Nov-13	PERMIT	NOT RECORDED	WAL402401	CASS	USFS	PT of E ½ of GL 3, S15, T145, R31
BGR 153	14-Jul-11	EASEMENT	28-Jul-11	A000572273	CASS	CITY OF CASS LAKE	PT ALOTMENT NO. 47 S15, T145, R31
BGR 154	14-Jul-11	EASEMENT	28-Jul-11	A000572273	CASS	CITY OF CASS LAKE	PT LOT'S 22 & 23 AUDITORS PLAT NO. 2 S15, T145, R31
BGR 154.1	27-JUL-12	EASEMENT	ESTIMATED		CASS	INTERNATIONAL PAPER	PT LOT'S 1 THRU 6, BLK 42 ORIGINAL PLAT OF CASS LAKE & VACATED W 1/2 EIGHTH AVENUE EAST OF BLOCK 42 & VACATED E 1/2 SEVENTH AVENUE WEST OF BLOCK 42

PROJECT NUMBER	EFFECTIVE DATE	TYPE OF DOCUMENT	DATE RECORDED	DOCUMENT #	COUNTY	GRANTOR'S NAME	ABBREVIATED LEGAL DESCRIPTION
BGR 155	27-JUL-12	EASEMENT	ESTIMATED		CASS	INTERNATIONAL PAPER	PT LOT'S 1 THRU 6, BLK 42 ORIGINAL PLAT OF CASS LAKE & VACATED W 1/2 EIGHTH AVENUE EAST OF BLOCK 42 & VACATED E 1/2 SEVENTH AVENUE WEST OF BLOCK 42
BGR 156	14-Jul-11	EASEMENT	28-Jul-11	A000572273	CASS	CITY OF CASS LAKE	PT GL 2 S15, T145, R31
BGR 157	22-Jun-11	PERMIT	NOT RECORDED	11-42970	CASS	BURLINGTON NORTHERN	PT S15, T145, R31
BGR 158	14-Jul-11	EASEMENT	28-Jul-11	A000572273	CASS	CITY OF CASS LAKE	PT GL 1 S15, T145, R31
BGR 159	13-Nov-13	PERMIT	NOT RECORDED	WAL402401	CASS	USA	NE ¼ of NE ¼ & GL 2, 5, 6, & 7, S14, T145 R31; AND GL 3, 4, 5, & 6, S13, T145, R 30; AND GL 14, 15, 18, & 19, S18, T145 R30

PROJECT NUMBER	EFFECTIVE DATE	TYPE OF DOCUMENT	DATE RECORDED	DOCUMENT #	COUNTY	GRANTOR'S NAME	ABBREVIATED LEGAL DESCRIPTION
BGR 160	26-Jan-12	PERMIT	NOT RECORDED	LAND CROSSING PERMIT # 144-062-5377 WATER CROSSING PERMIT # 144-065-7376	CASS	STATE OF MINN	GL 4 S14, T145, R31
BGR 160.1	6-Apr-11	EASEMENT	9-Jun-11	A000571139	CASS	GANGELHOFF, KAREN	PT NW 1/4 NE 1/4 S14, T145, R31
BGR 161	13-Nov-13	PERMIT	NOT RECORDED	WAL402401	CASS	USA	GL 1, 2, 3, 4, 5, & 6, S13, T145, R31
BGR 162	26-Jan-12	PERMIT	NOT RECORDED	LAND CROSSING PERMIT # 144-062-5377	CASS	STATE OF MINN	GL 5 S18, T145, R30
BGR 164	22-Jun-11	PERMIT	NOT RECORDED	11-42967	CASS	BURLINGTON NORTHERN	PT S18, T145, R30
BGR 165	13-Nov-13	PERMIT	NOT RECORDED	WAL402401	CASS	USA	ALL of S 17, T145, R30

PROJECT NUMBER	EFFECTIVE DATE	TYPE OF DOCUMENT	DATE RECORDED	DOCUMENT #	COUNTY	GRANTOR'S NAME	ABBREVIATED LEGAL DESCRIPTION
BGR 166	13-Nov-13	PERMIT	NOT RECORDED	WAL402401	CASS	USA	ALL of S16, T145, R30
BGR 167	13-Nov-13	PERMIT	NOT RECORDED	WAL402401	CASS	USA	S1/2 of S15, T145, R30
BGR 168	13-Nov-13	PERMIT	NOT RECORDED	WAL402401	CASS	USA	SW ¼ & SW ¼ of SE ¼ S 14, T145, R30
BGR 169	12-Jan-11	PERMIT	NOT RECORDED	LAND CROSSING PERMIT # 144-062-5377	CASS	STATE OF MINN	PT SE 1/4 SE 1/4 S14, T145, R30
BGR 170	26-Jan-12	PERMIT	NOT RECORDED	LAND CROSSING PERMIT # 144-062-5377	CASS	STATE OF MINN	SW 1/4 SW 1/4 & SE 1/4 SW 1/4 & SW 1/4 SE 1/4 S13, T145, R30
BGR 171	26-Jan-12	PERMIT	NOT RECORDED	LAND CROSSING PERMIT # 144-062-5377	CASS	STATE OF MINN	NE 1/4 NW 1/4 & GL 2 & GL 1 S24, T145, R30

PROJECT NUMBER	EFFECTIVE DATE	TYPE OF DOCUMENT	DATE RECORDED	DOCUMENT #	COUNTY	GRANTOR'S NAME	ABBREVIATED LEGAL DESCRIPTION
BGR 172	13-Nov-13	PERMIT	NOT RECORDED	WAL402401	CASS	USA	PT of E ½ of SE 1/4., S13, T145, R30
BGR 173	26-Jan-12	PERMIT	NOT RECORDED	LAND CROSSING PERMIT # 144-062-5377 WATER CROSSING PERMIT # 144-065-7376	CASS	STATE OF MINN	GL 1 & NW 1/4 NE 1/4 S19, T145, R29
BGR 174	13-Nov-13	PERMIT	NOT RECORDED	WAL402401	CASS	USA	E ½ of NE ¼, & NE ¼ of NW 1/4 , S19, T145, R29
BGR 175	13-Nov-13	PERMIT	NOT RECORDED	WAL402401	CASS	USA	RR ROW in Sections 19, 20, 21, 26, 27, 28, 35 & 36, T145, R29

PROJECT NUMBER	EFFECTIVE DATE	TYPE OF DOCUMENT	DATE RECORDED	DOCUMENT #	COUNTY	GRANTOR'S NAME	ABBREVIATED LEGAL DESCRIPTION
BGR 176	13-Nov-13	PERMIT	NOT RECORDED	WAL402401	CASS	USA	All of S20, T145, R 29
BGR 177	13-Nov-13	PERMIT	NOT RECORDED	WAL402401	CASS	USA	All of S21, T145, R 29
BGR 178	13-Nov-13	PERMIT	NOT RECORDED	WAL402401	CASS	USA	NW ¼ of SW ¼ and GL 3, S22, T145, R29
BGR 179	26-Jan-12	PERMIT	NOT RECORDED	LAND CROSSING PERMIT # 144-062-5377	CASS	STATE OF MINN	NE 1/4 SW 1/4 & NW 1/4 SE 1/4 S22, T145, R29
BGR 180	26-Jan-12	PERMIT	NOT RECORDED	LAND CROSSING PERMIT # 144-062-5377	CASS	STATE OF MINN	NW 1/4 SW 1/4 S23, T145, R29
BGR 181	13-Nov-13	PERMIT	NOT RECORDED	WAL402401	CASS	USA	GL 2, S23, T145, R29

PROJECT NUMBER	EFFECTIVE DATE	TYPE OF DOCUMENT	DATE RECORDED	DOCUMENT #	COUNTY	GRANTOR'S NAME	ABBREVIATED LEGAL DESCRIPTION
BGR 182	13-Nov-13	PERMIT	NOT RECORDED	WAL402401	CASS	USA	S ½ of SE ¼, S23, T145, R29
BGR 183	13-Nov-13	PERMIT	NOT RECORDED	WAL402401	CASS	USA	SW 14/ of SW 1/4 , S24, T145, R29
BGR 184	26-Jan-12	PERMIT	NOT RECORDED	LAND CROSSING PERMIT # 144-062-5377	CASS	STATE OF MINN	SE 1/4 SW 1/4 S24, T145, R29
BGR 185	13-Nov-13	PERMIT	NOT RECORDED	WAL402401	CASS	USA	N ½ of NE ¼ of NE ¼, S25, T145, R29
BGR 186	26-Jan-12	PERMIT	NOT RECORDED	LAND CROSSING PERMIT # 144-062-5377	CASS	STATE OF MINN	GL 3 & GL 2 S25, T145, R29
BGR 187	3-Feb-11	EASEMENT	28-Mar-11	A000569254	CASS	WEIDENDORF, GENE	PT GL 1 S30, T145, R28
BGR 188	7-Feb-11	EASEMENT	28-Mar-11	A000569256	CASS	CHASE, NADINE	PT GL 1 S30, T145, R28

PROJECT NUMBER	EFFECTIVE DATE	TYPE OF DOCUMENT	DATE RECORDED	DOCUMENT #	COUNTY	GRANTOR'S NAME	ABBREVIATED LEGAL DESCRIPTION
BGR 189	30-Jan-12	EASEMENT	13-Feb-12	A000577777	CASS	ENBRIDGE ENERGY	PT NE 1/4 NW 1/4 S30, T145, R28
BGR 190	7-Feb-11	EASEMENT	28-Mar-11	A000569256	CASS	CHASE, NADINE	PT NE 1/4 NW 1/4 S30, T145, R28
BGR 191	13-Nov-13	PERMIT	NOT RECORDED	WAL402401	CASS	USA	SE ¼ of NW ¼ & SW ¼ of NE ¼, S30, T145, R 28
BGR 192	26-Jan-12	PERMIT	NOT RECORDED	LAND CROSSING PERMIT # 144-062-5377	CASS	STATE OF MINN	SE 1/4 NE 1/4 S30, T145, R28
BGR 193	26-Jan-12	PERMIT	NOT RECORDED	LAND CROSSING PERMIT # 144-062-5377 WATER CROSSING PERMIT # 144-065-7376	CASS	STATE OF MINN	SW 1/4 NW 1/4 & SE 1/4 NE 1/4 S29, T145, R28
BGR 194	1-Feb-11	EASEMENT	4-Apr-11	A000569419	CASS	STANGEL, LONNIE	PT SE 1/4 NW 1/4 S29, T145, R28
BGR 195	19-Jan-11	EASEMENT	4-Apr-11	A000569418	CASS	LATOURELLE, DONALD	PT SE 1/4 NW 1/4 S29,

PROJECT NUMBER	EFFECTIVE DATE	TYPE OF DOCUMENT	DATE RECORDED	DOCUMENT #	COUNTY	GRANTOR'S NAME	ABBREVIATED LEGAL DESCRIPTION
							T145, R28
BGR 196	13-Nov-13	PERMIT	NOT RECORDED	WAL402401	CASS	USA	SW ¼ of NE ¼, S29, T145, R28
BGR 197	26-Jan-12	PERMIT	NOT RECORDED	LAND CROSSING PERMIT # 144-062-5377	CASS	STATE OF MINN	SW 1/4 NW 1/4 S28, T145, R28
BGR 198	13-Nov-13	PERMIT	NOT RECORDED	WAL402401	CASS	USA	SW ¼ & N ½ of SE ¼, S28, T145, R28
BGR 199	26-Jan-12	PERMIT	NOT RECORDED	LAND CROSSING PERMIT # 144-062-5377 WATER CROSSING PERMIT # 144-065-7376	CASS	STATE OF MINN	NW 1/4 SW 1/4 S27, T145, R28
BGR 200	19-Apr-11	EASEMENT	18-Jul-11	A000572014	CASS	CROAKER, ROGER	PT NE 1/4 SW 1/4 S27, T145, R28
BGR 201	15-Feb-11	EASEMENT	28-Mar-11	A000569260	CASS	DAHL, ARNOLD	SE 1/4 SW 1/4 S27, T145,

PROJECT NUMBER	EFFECTIVE DATE	TYPE OF DOCUMENT	DATE RECORDED	DOCUMENT #	COUNTY	GRANTOR'S NAME	ABBREVIATED LEGAL DESCRIPTION
							R28
BGR 202	18-Jul-11	EASEMENT	4-Nov-11	A000574993	CASS	RURAL CELLULAR CORP	PT NE 1/4 SW 1/4 S27, T145, R28
BGR 203	20-Oct-11	EASEMENT	29-Nov-11	A000575707	CASS	SEE-STAN CORP	PT NE 1/4 SE 1/4 & PT NW 1/4 SE 1/4 & PT N 1/2 SW 1/4 SE 1/4 S27, T145, R28
BGR 204	3-Mar-11	EASEMENT	4-Apr-11	A000569416	CASS	FINN, RONALD	PT N 1/2 SW 1/4 SE 1/4 S27, T145, R28
BGR 205	20-Oct-11	EASEMENT	29-Nov-11	A000575707	CASS	SEE-STAN CORP	LOTS 1 & 2, BLK 1 PLAT OF THE VILLAGE OF BENA & VACATED ALLEY IN BLK 1
BGR 206	4-May-11	LIS PENDENS	4-May-11	A000570178	CASS	STANGEL, DIANA	LOTS 1 & 2, BLK 2 PLAT OF THE VILLAGE OF BENA
BGR 207	8-Feb-11	EASEMENT	9-Jun-11	A000571138	CASS	CITY OF BENA	LOTS 22, 23 & 24, BLK 2 PLAT OF THE VILLAGE OF BENA
BGR 208	8-Feb-11	EASEMENT	9-Jun-11	A000571138	CASS	CITY OF BENA	LOTS 1, 2, 3, 22, 23 & 24, BLK 3 PLAT OF THE VILLAGE OF BENA

PROJECT NUMBER	EFFECTIVE DATE	TYPE OF DOCUMENT	DATE RECORDED	DOCUMENT #	COUNTY	GRANTOR'S NAME	ABBREVIATED LEGAL DESCRIPTION
BGR 209	22-Feb-11	EASEMENT	4-Apr-11	A000569415	CASS	MATTHEES, SHELDON	LOTS 1, 2, 3, 22, 23 & 24, BLK 4 & VACATED STREET NORTHERLY OF BLK 4 & LOTS 15 THRU 21 BLK 4 ALL PLAT OF THE VILLAGE OF BENA
BGR 210	26-Jan-11	EASEMENT	4-Apr-11	A000569417	CASS	CLAUSEN, CLAYTON	PT NE 1/4 SE 1/4 S27, T145, R28
BGR 211	11-Feb-11	EASEMENT	4-Apr-11	A000569414	CASS	BELCOURT, ERNEST	PT SW 1/4 SW 1/4 S26, T145, R28
BGR 212	15-Feb-11	EASEMENT	18-Apr-11	A000569765	CASS	TAX FORFEITED	PT SW 1/4 SW 1/4 S26, T145, R28
BGR 213	26-Jan-12	PERMIT	NOT RECORDED	LAND CROSSING PERMIT # 144-062-5377	CASS	STATE OF MINN	PT SE 1/4 SW 1/4 & PT SE 1/4 SE 1/4 & PT SW 1/4 SE 1/4 S26, T145, R28
BGR 214	13-Nov-13	PERMIT	NOT RECORDED	WAL402401	CASS	USA	SW ¼ & SE ¼, S25, T145 R28
BGR 215	13-Nov-13	PERMIT	NOT RECORDED	WAL402401	CASS	USA	NE ¼ of S36, T145, R28

PROJECT NUMBER	EFFECTIVE DATE	TYPE OF DOCUMENT	DATE RECORDED	DOCUMENT #	COUNTY	GRANTOR'S NAME	ABBREVIATED LEGAL DESCRIPTION
BGR 216	13-Nov-13	PERMIT	NOT RECORDED	WAL402401	CASS	USA	NE ¼ & GL 1, S31, T145, R27
BGR 217	26-Jan-12	PERMIT	NOT RECORDED	LAND CROSSING PERMIT # 144-062-5377	CASS	STATE OF MINN	NE 1/4 NW 1/4 S31, T145, R27
BGR 218	13-Nov-13	PERMIT	NOT RECORDED	WAL402401	CASS	USA	NE ¼ & N ½ of NW ¼, S 32, T145, R27
BGR 219					CASS	BURLINGTON NORTHERN	
BGR 220					CASS	BURLINGTON NORTHERN	

PROJECT NUMBER	EFFECTIVE DATE	TYPE OF DOCUMENT	DATE RECORDED	DOCUMENT #	COUNTY	GRANTOR'S NAME	ABBREVIATED LEGAL DESCRIPTION
BGR 221	26-Jan-12	PERMIT	NOT RECORDED	LAND CROSSING PERMIT # 144-062-5377	CASS	STATE OF MINN	SW 1/4 NW 1/4 & SE 1/4 NW 1/4 & GL 2 & GL 1 S33, T145, R27
BGR 222	26-Jan-12	PERMIT	NOT RECORDED	LAND CROSSING PERMIT # 144-062-5377	CASS	STATE OF MINN	GL 1 & GL 2 & SW 1/4 NE 1/4 & SE 1/4 NE 1/4 S34, T145, R27
BGR 223	13-Nov-13	PERMIT	NOT RECORDED	WAL402401	CASS	USA	NW ¼ of SW ¼ S 35, T145, S27
BGR 224	26-Jan-12	PERMIT	NOT RECORDED	LAND CROSSING PERMIT # 144-062-5377	CASS	STATE OF MINN	NE 1/4 SE 1/4 & GL 2 & NE 1/4 SW 1/4 & NE 1/4 SE 1/4 S35, T145, R27
BGR 225	13-Nov-13	PERMIT	NOT RECORDED	WAL402401	CASS	USA	All of S36, T145, R27
BGR 226	26-Jan-12	PERMIT	NOT RECORDED	LAND CROSSING PERMIT # 144-062-5377	CASS	STATE OF MINN	GL 3 & GL 4 S31, T145, R26

PROJECT NUMBER	EFFECTIVE DATE	TYPE OF DOCUMENT	DATE RECORDED	DOCUMENT #	COUNTY	GRANTOR'S NAME	ABBREVIATED LEGAL DESCRIPTION
BGR 227	13-Nov-13	PERMIT	NOT RECORDED	WAL402401	CASS	USA	E ½ of SW ¼ & SE ¼, S 31, T145, R26
BGR 228	13-Nov-13	PERMIT	NOT RECORDED	WAL402401	CASS	USA	S ½ of SE ¼, & SW ¼ of SW ¼, S32, T145, R26
BGR 229	26-Jan-12	PERMIT	NOT RECORDED	LAND CROSSING PERMIT # 144-062-5377	CASS	STATE OF MINN	SE 1/4 SW 1/4 S32, T145, R26
BGR 230	26-Jan-12	PERMIT	NOT RECORDED	LAND CROSSING PERMIT # 144-062-5377	CASS	STATE OF MINN	SW 1/4 SW 1/4 S33, T145, R26
BGR 231	13-Nov-13	PERMIT	NOT RECORDED	WAL402401	CASS	USA	E ½ of SW ¼, S33, T145, R26
BGR 232	13-Nov-13	PERMIT	NOT RECORDED	WAL402401	CASS	USA	GL 1, 2, 3, & 4, S4, T144, R26
BGR 233	13-Nov-13	PERMIT	NOT RECORDED	WAL402401	CASS	USA	GL 3 & 4, S3, T144, R26
BGR 234	22-Mar-11	EASEMENT	1-Apr-11	A000652830	ITASCA	TAX FORFEITED	GL 5 S3, T144, R26

PROJECT NUMBER	EFFECTIVE DATE	TYPE OF DOCUMENT	DATE RECORDED	DOCUMENT #	COUNTY	GRANTOR'S NAME	ABBREVIATED LEGAL DESCRIPTION
BGR 235	26-Jan-12	EASEMENT	NOT RECORDED	LAND CROSSING PERMIT # 144-062-5377	ITASCA	STATE OF MINN	GL 6 S3, T144, R26
BGR 236	22-Mar-11	EASEMENT	1-Apr-11	A000652830	ITASCA	TAX FORFEITED	GL 5 S2, T144, R26
BGR 237	12-Jan-11	EASEMENT	6-Apr-11	A000652923	ITASCA	SHEFFIELD, ANNA	LOT 12, BLK B AUDITORS SUBSIVISION # 23
BGR 238	12-Jan-11	EASEMENT	6-Apr-11	A000652923	ITASCA	SHEFFIELD, ANNA	LOTS 2 THRU 7, BLK B AUDITORS SUBDIVISION # 23
BGR 239	12-Jan-11	EASEMENT	6-Apr-11	A000652923	ITASCA	SHEFFIELD, ANNA	PT LOT 1, BLK B AUDITORS SUBDIVISION # 23
BGR 240	12-Jan-11	EASEMENT	6-Apr-11	A000652923	ITASCA	SHEFFIELD, ANNA	NW 1/4 SE 1/4 S2, T144, R26
BGR 241	30-Mar-11	EASEMENT	15-Apr-11	A000653167	ITASCA	VILLENEUVE, DAVID	PT W 1/2 SW 1/4 SE 1/4 S2, T144, R26
BGR 242	13-Apr-11	EASEMENT	27-May-11	A000654367	ITASCA	MORRISON, CHARLES	E 1/2 SW 1/4 SE 1/4 S2, T144, R26
BGR 243	13-Apr-11	EASEMENT	27-May-11	A000654367	ITASCA	MORRISON, CHARLES	E 1/2 SW 1/4 SE 1/4 S2, T144, R26
BGR 244	22-Mar-11	EASEMENT	1-Apr-11	A000652830	ITASCA	TAX FORFEITED	SE 1/4 SE 1/4 S2, T144, R26

PROJECT NUMBER	EFFECTIVE DATE	TYPE OF DOCUMENT	DATE RECORDED	DOCUMENT #	COUNTY	GRANTOR'S NAME	ABBREVIATED LEGAL DESCRIPTION
BGR 245	26-Jan-11	EASEMENT	25-Jan-12	A000660908	ITASCA	MILLER, DARRELL	SW 1/4 SW 1/4 S1, T144, R26
BGR 246	26-Jan-11	EASEMENT	25-Jan-12	A000660908	ITASCA	MILLER, DARRELL	NW 1/4 SW 1/4 S1, T144, R26
BGR 247	19-Jan-11	EASEMENT	25-Mar-11	A000652671	ITASCA	MACADAMS, MICHAEL	NE 1/4 SW 1/4 S1, T144, R26
BGR 248	1-Feb-11	EASEMENT	25-Mar-11	A000652672	ITASCA	MILLER, JASON	PT GL 3 S1, T144, R26
BGR 249	11-Mar-11	EASEMENT	7-Apr-11	A000652961	ITASCA	DAIGLE, DAVID	SW 1/4 NE 1/4 S1, T144, R26
BGR 250	26-Jan-12	PERMIT	NOT RECORDED	LAND CROSSING PERMIT # 144-062-5377	ITASCA	STATE OF MINN	GL 2 S1, T144, R26
BGR 251	26-Jan-12	PERMIT	NOT RECORDED	LAND CROSSING PERMIT # 144-062-5377	ITASCA	STATE OF MINN	GL 1 S1, T144, R26
BGR 252	18-Jan-12	EASEMENT	25-Jan-12	A000660910	ITASCA	LUKO, JOHN	GL 4 S6, T144, R25
BGR 253	17-Jan-12	EASEMENT	25-Jan-12	A000660911	ITASCA	LUKO, JOHN	PT GL 4 S31, T145, R25
BGR 254	17-Jan-12	EASEMENT	25-Jan-12	A000660911	ITASCA	LUKO, JOHN	SE 1/4 SW 1/4 S31, T145, R25

PROJECT NUMBER	EFFECTIVE DATE	TYPE OF DOCUMENT	DATE RECORDED	DOCUMENT #	COUNTY	GRANTOR'S NAME	ABBREVIATED LEGAL DESCRIPTION
BGR 255	26-Jan-12	PERMIT	NOT RECORDED	LAND CROSSING PERMIT # 144-062-5377 WATER CROSSING PERMIT # 144-065-7376	ITASCA	STATE OF MINN	GL 6 S31, T145, R25
BGR 256	30-Jan-12	EASEMENT	7-Feb-12	A000661305	ITASCA	ENBRIDGE ENERGY	SE 1/4 SE 1/4 S31, T145, R25
BGR 257	30-Mar-11	EASEMENT	27-May-11	A000654369	ITASCA	AG FOR WATERFOWL	PT SW 1/4 SW 1/4 S32, T145, R25
BGR 258	30-Mar-11	EASEMENT	27-May-11	A000654369	ITASCA	AG FOR WATERFOWL	PT NW 1/4 SW 1/4 S32, T145, R25
BGR 259	26-Jan-12	PERMIT	NOT RECORDED	LAND CROSSING PERMIT # 144-062-5377	ITASCA	STATE OF MINN	PT NW 1/4 SW 1/4 S32, T145, R25
BGR 260	22-Mar-11	EASEMENT	1-Apr-11	A000652830	ITASCA	TAX FORFEITED	NE 1/4 SW 1/4 S32, T145, R25
BGR 261	29-Mar-11	EASEMENT	15-Apr-11	A000653168	ITASCA	DAIGLE, ROBERT ETAL	PT SE 1/4 NW 1/4 S32, T145, R25

PROJECT NUMBER	EFFECTIVE DATE	TYPE OF DOCUMENT	DATE RECORDED	DOCUMENT #	COUNTY	GRANTOR'S NAME	ABBREVIATED LEGAL DESCRIPTION
BGR 262	8-Apr-11	EASEMENT	15-Apr-11	A000653169	ITASCA	VILLENEUVE, JOSEPH	PT SW 1/4 NE 1/4 S32, T145, R25
BGR 263	8-Apr-11	EASEMENT	15-Apr-11	A000653169	ITASCA	VILLENEUVE, JOSEPH	PT SE 1/4 NE 1/4 S32, T145, R25
BGR 264	28-Jan-11	EASEMENT	25-Jul-11	A000655665	ITASCA	VILLENEUVE, LINDA	NE 1/4 SE 1/4 S32, T145, R25
BGR 265	8-Apr-11	EASEMENT	15-Apr-11	A000653169	ITASCA	VILLENEUVE, JOSEPH	NW 1/4 SW 1/4 S33, T145, R25
BGR 266	31-Jan-12	EASEMENT	19-Mar-12	A000662596	ITASCA	GREAT LAKES GAS	NE 1/4 SW 1/4 S33, T145, R25
BGR 267	24-May-11	EASEMENT	15-Jul-11	A000655497	ITASCA	DAIGLE, DAVID	NW 1/4 SE 1/4 S33, T145, R25
BGR 268	24-May-11	EASEMENT	15-Jul-11	A000655497	ITASCA	DAIGLE, DAVID	NE 1/4 SE 1/4 S33, T145, R25
BGR 269	5-Oct-12	EASEMENT	18-Jan-13	A000672161	ITASCA	VILLENEUVE, MATTHEW & PATRICIA	PT of NW ¼ of SW 1/4 , S34, T`145, R25
BGR 270	8-Apr-11	EASEMENT	27-May-11	A000654368	ITASCA	STIYER, NORMAN	PT SW 1/4 NE 1/4 S33, T145, R25
BGR 271	9-Mar-11	EASEMENT	7-Apr-11	A000652964	ITASCA	RAJALA TIMBER CO	PT SW 1/4 NE 1/4 S33, T145, R25
BGR 272	30-Jan-12	EASEMENT	7-Feb-12	A000661306	ITASCA	ENBRIDGE ENERGY	SE 1/4 NE 1/4 S33, T145, R25

PROJECT NUMBER	EFFECTIVE DATE	TYPE OF DOCUMENT	DATE RECORDED	DOCUMENT #	COUNTY	GRANTOR'S NAME	ABBREVIATED LEGAL DESCRIPTION
BGR 273	7-Oct-12	EASEMENT	18-Jan-13	A000672160	ITASCA	VILLENEUVE, DANIEL & ROSETTA	SW ¼ of NW ¼, S34, T145, R25
BGR 274	4-Oct-12	EASEMENT	18-Jan-13	A000672162	ITASCA	VILLENEUVE, MAX & LAVONNE	PT of NW ¼ of SW 1/4 , S34, T`145, R25
BGR 275	26-Jan-12	PERMIT	NOT RECORDED	LAND CROSSING PERMIT # 144-062-5377	ITASCA	STATE OF MINN	NW 1/4 SE 1/4 S34, T145, R25
BGR 276	26-Jan-12	PERMIT	NOT RECORDED	LAND CROSSING PERMIT # 144-062-5377	ITASCA	STATE OF MINN	SW 1/4 SE 1/4 S34, T145, R25
BGR 277	26-Jan-12	PERMIT	NOT RECORDED	LAND CROSSING PERMIT # 144-062-5377	ITASCA	STATE OF MINN	SE 1/4 SE 1/4 S34, T145, R25
BGR 278	26-Jan-12	PERMIT	NOT RECORDED	LAND CROSSING PERMIT # 144-062-	ITASCA	STATE OF MINN	SW 1/4 SW 1/4 S35, T145, R25

PROJECT NUMBER	EFFECTIVE DATE	TYPE OF DOCUMENT	DATE RECORDED	DOCUMENT #	COUNTY	GRANTOR'S NAME	ABBREVIATED LEGAL DESCRIPTION
				5377			
BGR 279	26-Jan-12	PERMIT	NOT RECORDED	LAND CROSSING PERMIT # 144-062-5377	ITASCA	STATE OF MINN	SE 1/4 SW 1/4 S35, T145, R25
BGR 280	22-Mar-11	EASEMENT	1-Apr-11	A000652830	ITASCA	TAX FORFEITED	GL 3 S2, T144, R25
BGR 281	9-Mar-11	EASEMENT	23-Sep-11	A000657278	ITASCA	STABE, JAMES	GL2 S2, T144, R25
BGR 282	14-Feb-12	EASEMENT	9-Mar-12	A000662370	ITASCA	WARNER, VICKI	PT GL 1 S2, T144, R25
BGR 283	3-Feb-11	EASEMENT	6-Apr-11	A000652920	ITASCA	DETJEN, TERRY	PT GL 11 S2, T144, R25
BGR 284	22-Jun-11	EASEMENT	18-Nov-11	A000658931	ITASCA	HELMER, TERRANCE	PT GL5 S1, T144, R25
BGR 285	11-Feb-11	EASEMENT	6-Apr-11	A000652927	ITASCA	SBA STRUCTURES INC	PT GL'S 4 & 5 S1, T144, R25
BGR 286	26-Jan-12	PERMIT	NOT RECORDED	LAND CROSSING PERMIT # 144-062-5377	ITASCA	STATE OF MINN	PT GL'S 4 & 5 S1, T144, R25
BGR 287	3-Feb-11	EASEMENT	7-Apr-11	A000652959	ITASCA	REED, JOHN	PT GL5 S1, T144, R25

PROJECT NUMBER	EFFECTIVE DATE	TYPE OF DOCUMENT	DATE RECORDED	DOCUMENT #	COUNTY	GRANTOR'S NAME	ABBREVIATED LEGAL DESCRIPTION
BGR 288	15-Feb-11	EASEMENT	25-Mar-11	A000652675	ITASCA	O'KEEFE, JOHNNY	GL 6 S1, T144, R25
BGR 289	15-Feb-11	EASEMENT	25-Mar-11	A000652675	ITASCA	O'KEEFE, JOHNNY	GL 7 S1, T144, R25
BGR 290	15-Feb-11	EASEMENT	25-Mar-11	A000652675	ITASCA	O'KEEFE, JOHNNY	PT GL 2 S1, T144, R25
BGR 291	22-Mar-11	EASEMENT	1-Apr-11	A000652830	ITASCA	TAX FORFEITED	GL 1 S1, T144, R25
BGR 292	22-Mar-11	EASEMENT	1-Apr-11	A000652830	ITASCA	TAX FORFEITED	SE 1/4 SE 1/4 S36, T145, R25
BGR 293	22-Mar-11	EASEMENT	1-Apr-11	A000652830	ITASCA	TAX FORFEITED	GL 1 S21, T56, R27
BGR 294	17-Feb-11	EASEMENT	6-Apr-11	A000652924	ITASCA	LEEN, MARK	PT GL 2 S16, T56, R27
BGR 295	2-Feb-11	EASEMENT	7-Apr-11	A000652962	ITASCA	LEEN, DAVID	PT GL 2 S16, T56, R27
BGR 296	2-Feb-11	EASEMENT	7-Apr-11	A000652962	ITASCA	LEEN, DAVID	PT SE 1/4 SE 1/4 S16, T56, R27
BGR 297	8-Apr-11	EASEMENT	15-Apr-11	A000653169	ITASCA	VILLENEUVE, JOSEPH	PT NE 1/4 NE 1/4 S21, T56, R27
BGR 298	23-Feb-11	EASEMENT	7-Apr-11	A000652960	ITASCA	WOHLRABE, MARK	PT NE 1/4 NE 1/4 S21, T56, R27
BGR 299	22-Mar-11	EASEMENT	1-Apr-11	T000055971	ITASCA	TAX FORFEITED	PT NW 1/4 NW 1/4 S22, T56, R27
BGR 301	13-Apr-11	EASEMENT	27-May-11	A000654366	ITASCA	BRINK, RICHARD	PT NE 1/4 NW 1/4 S22, T56, R27

PROJECT NUMBER	EFFECTIVE DATE	TYPE OF DOCUMENT	DATE RECORDED	DOCUMENT #	COUNTY	GRANTOR'S NAME	ABBREVIATED LEGAL DESCRIPTION
BGR 302	1-Feb-11	EASEMENT	25-Mar-11	A000652673	ITASCA	FELTUS, RONALD	PT NW 1/4 NE 1/4 S22, T56, R27
BGR 303	13-Apr-11	EASEMENT	27-May-11	A000654366	ITASCA	BRINK, RICHARD	PT SE 1/4 NW 1/4 S22, T56, R27
BGR 304	13-Apr-11	EASEMENT	27-May-11	A000654366	ITASCA	BRINK, RICHARD	PT SW 1/4 NE 1/4 S22, T56, R27
BGR 305	15-Feb-11	EASEMENT	6-Apr-11	A000652922	ITASCA	BERBEE, PETER	PT SE 1/4 NE 1/4 S22, T56, R27
BGR 306	25-Feb-11	EASEMENT	25-Mar-11	A000652674	ITASCA	SHADLEY, RICHARD	PT SE 1/4 NE 1/4 S22, T56, R27
BGR 307	15-Feb-11	EASEMENT	6-Apr-11	A000652922	ITASCA	BERBEE, PETER	PT NE 1/4 SE 1/4 S22, T56, R27
BGR 308	2-Feb-11	EASEMENT	25-Jul-11	A000655666	ITASCA	MICKLE, CALVIN	PT NW 1/4 SW 1/4 S23, T56, R27
BGR 309	2-Feb-11	EASEMENT	25-Jul-11	A000655666	ITASCA	MICKLE, CALVIN	PT NE 1/4 SW 1/4 S23, T56, R27
BGR 310	2-Feb-11	EASEMENT	25-Jul-11	A000655666	ITASCA	MICKLE, CALVIN	PT SE 1/4 SW 1/4 S23, T56, R27
BGR 311	24-Mar-11	EASEMENT	7-Apr-11	A000652966	ITASCA	EVANS, DAVID	PT SW 1/4 SE 1/4 S23, T56, R27

PROJECT NUMBER	EFFECTIVE DATE	TYPE OF DOCUMENT	DATE RECORDED	DOCUMENT #	COUNTY	GRANTOR'S NAME	ABBREVIATED LEGAL DESCRIPTION
BGR 312	26-Jan-12	PERMIT	NOT RECORDED	LAND CROSSING PERMIT # 144-062-5377	ITASCA	STATE OF MINN	NW 1/4 NE 1/4 S26, T56, R27
BGR 313	8-Feb-11	EASEMENT	25-Mar-11	A000652670	ITASCA	LITTLEWOLF, WOLFGANG	PT NE 1/4 NE 1/4 S26, T56, R27
BGR 314	9-Feb-11	EASEMENT	6-Apr-11	A000652928	ITASCA	OTTO, LAWRANCE	PT NE 1/4 NE 1/4 S26, T56, R27
BGR 315	30-Mar-11	EASEMENT	1-Oct-12	A000668868	ITASCA	ARMSTRONG, RICHARD	PT NE 1/4 NE 1/4 S26, T56, R27
BGR 316	30-Mar-11	EASEMENT	1-Oct-12	A000668868	ITASCA	ARMSTRONG, RICHARD	PT NE 1/4 NE 1/4 S26, T56, R27
BGR 317	15-Feb-11	EASEMENT	25-Mar-11	A000652677	ITASCA	ARMSTRONG, RICHARD	PT NE 1/4 NE 1/4 S26, T56, R27
BGR 318	15-Feb-11	EASEMENT	25-Mar-11	A000652669	ITASCA	ARMSTRONG, RICHARD	PT NE 1/4 NE 1/4 S26, T56, R27
BGR 319	9-Oct-12	EASEMENT	18-Jan-13	A000672159	ITASCA	NOVICKI, LINNEA	PT of NW ¼ of NW 1/4 , S25, T56, R27

PROJECT NUMBER	EFFECTIVE DATE	TYPE OF DOCUMENT	DATE RECORDED	DOCUMENT #	COUNTY	GRANTOR'S NAME	ABBREVIATED LEGAL DESCRIPTION
BGR 320	26-Jan-12	PERMIT	NOT RECORDED	LAND CROSSING PERMIT # 144-062-5377	ITASCA	STATE OF MINN	SE 1/4 NE 1/4 S26, T56, R27
BGR 321	9-Oct-12	EASEMENT	18-Jan-13	A000672159	ITASCA	NOVICKI, LINNEA	SW ¼ of NW ¼, S25, T56, R27
BGR 322	22-Mar-11	EASEMENT	1-Apr-11	A000652830	ITASCA	TAX FORFEITED	PT NW 1/4 SW 1/4 S25, T58, R27
BGR 323	22-Mar-11	EASEMENT	1-Apr-11	A000652830	ITASCA	TAX FORFEITED	NE 1/4 SW 1/4 S25, T56, R27
BGR 324	22-Mar-11	EASEMENT	1-Apr-11	A000652830	ITASCA	TAX FORFEITED	PT SE 1/4 SW 1/4 S25, T56, R27
BGR 325	22-Mar-11	EASEMENT	1-Apr-11	A000652830	ITASCA	TAX FORFEITED	PT SW 1/4 SE 1/4 S25, T56, R27
BGR 326	25-Jan-11	EASEMENT	25-Mar-11	T000055952	ITASCA	BALLING, GERALD	PT SE 1/4 SE 1/4 S25, T56, R27
BGR 327	26-Jan-12	PERMIT	NOT RECORDED	LAND CROSSING PERMIT # 144-062-5377	ITASCA	STATE OF MINN	NW 1/4 NE 1/4 S36, T56, R27

PROJECT NUMBER	EFFECTIVE DATE	TYPE OF DOCUMENT	DATE RECORDED	DOCUMENT #	COUNTY	GRANTOR'S NAME	ABBREVIATED LEGAL DESCRIPTION
BGR 328	26-Jan-12	PERMIT	NOT RECORDED	LAND CROSSING PERMIT # 144-062-5377	ITASCA	STATE OF MINN	NE 1/4 NE 1/4 S36, T56, R27
BGR 329	24-Feb-11	EASEMENT	6-Apr-11	T000055987	ITASCA	JEFF SIRJORD'S BACK 40 LLC	PT GL 1 S31, T56, R26
BGR 330	22-Mar-11	EASEMENT	1-Apr-11	A000652830	ITASCA	TAX FORFEITED	PT GL 2 S31, T56, R26
BGR 331	11-Mar-11	EASEMENT	7-Apr-11	T000055991	ITASCA	MANN, TROY	PT SE 1/4 NW 1/4 S31, T56, R26
BGR 332	11-Mar-11	EASEMENT	7-Apr-11	T000055991	ITASCA	MANN, TROY	PT SW 1/4 NE 1/4 S31, T56, R26
BGR 333	22-Mar-11	EASEMENT	1-Apr-11	A000652830	ITASCA	TAX FORFEITED	NE 1/4 SE 1/4 S31, T56, R26
BGR 334	26-Jan-12	PERMIT	NOT RECORDED	LAND CROSSING PERMIT # 144-062-5377	ITASCA	STATE OF MINN	NW 1/4 SW 1/4 S32, T56, R26
BGR 335	26-Jan-12	PERMIT	NOT RECORDED	LAND CROSSING PERMIT # 144-062-5377	ITASCA	STATE OF MINN	SW 1/4 SW 1/4 S32, T56, R26

PROJECT NUMBER	EFFECTIVE DATE	TYPE OF DOCUMENT	DATE RECORDED	DOCUMENT #	COUNTY	GRANTOR'S NAME	ABBREVIATED LEGAL DESCRIPTION
BGR 336	8-Feb-11	EASEMENT	25-Mar-11	A000652676	ITASCA	DS ENTERPRISES	PT SE 1/4 SW 1/4 S32, T56, R26
BGR 337	3-May-11	EASEMENT	25-Jul-11	A000655667	ITASCA	MN POWER	PT SW 1/4 SE 1/4 S32, T56, R26
BGR 338	3-May-11	EASEMENT	25-Jul-11	A000655668	ITASCA	MN POWER	GL 3 S5, T55, R26
BGR 339	10-May-11	EASEMENT	25-Jul-11	A000655669	ITASCA	WISCONSIN POWER	GL 3 S5, T55, R26
BGR 340	3-May-11	EASEMENT	25-Jul-11	T000056304	ITASCA	MN POWER	PT GL 2 S5, T55, R26
BGR 341	10-May-11	EASEMENT	25-Jul-11	T000056305	ITASCA	WISCONSIN POWER	PT GL 2 S5, T55, R26
BGR 342	3-May-11	EASEMENT	25-Jul-11	T000056303	ITASCA	MN POWER	PT GL 1 S5, T55, R26
BGR 343	3-May-11	EASEMENT	25-Jul-11	A000655668	ITASCA	MN POWER	SE 1/4 NE 1/4 S5, T55, R26
BGR 344	10-May-11	EASEMENT	25-Jul-11	A000655669	ITASCA	WISCONSIN POWER	SE 1/4 NE 1/4 S5, T55, R26
BGR 345	3-May-11	EASEMENT	25-Jul-11	A000655667	ITASCA	MN POWER	PT SW 1/4 NW 1/4 S4, T55, R26
BGR 346	3-May-11	EASEMENT	25-Jul-11	A000655667	ITASCA	MN POWER	PT SE 1/4 NW 1/4 S4, T55, R26
BGR 347	3-May-11	EASEMENT	25-Jul-11	A000655667	ITASCA	MN POWER	PT NE 1/4 SW 1/4 S4, T55, R26
BGR 348	3-May-11	EASEMENT	25-Jul-11	A000655667	ITASCA	MN POWER	SE 1/4 SW 1/4 S4, T55, R26
BGR 349	3-May-11	EASEMENT	25-Jul-11	A000655667	ITASCA	MN POWER	PT NW 1/4 SE 1/4 S4, T55,

PROJECT NUMBER	EFFECTIVE DATE	TYPE OF DOCUMENT	DATE RECORDED	DOCUMENT #	COUNTY	GRANTOR'S NAME	ABBREVIATED LEGAL DESCRIPTION
							R26
BGR 350	8-Jul-11	EASEMENT	15-Jul-11	A000655498	ITASCA	MN POWER	SW 1/4 SE 1/4 S4, T55, R26
BGR 351	8-Jul-11	EASEMENT	15-Jul-11	A000655498	ITASCA	MN POWER	PT NW 1/4 NE 1/4 S9, T55, R26
BGR 352	8-Jul-11	EASEMENT	15-Jul-11	A000655498	ITASCA	MN POWER	PT NE 1/4 NW 1/4 S9, T55, R26
BGR 353	8-Jul-11	EASEMENT	15-Jul-11	A000655498	ITASCA	MN POWER	W 1/2 SW 1/4 NE 1/4 S9, T55, R26

SCHEDULE 1

GENERALLY APPLICABLE PROVISIONS

ARTICLE 1
DEFINITIONS

The following terms, whether in the singular or in the plural, when used in this **Schedule 1** or in notices given under any Project Agreement and initially capitalized, have the meanings specified below. All other initially capitalized terms used in this **Schedule 1** have the meanings specified in the Project Participation Agreement, and if not specified therein, then in the Construction Management Agreement, and if not specified therein, then in the Operation and Maintenance Agreement.

"**Arbitration Procedures**" has the meaning given in **Section 3.3** of this **Schedule 1**.

"**Arbitrator**" has the meaning given in **Section 3.4.1** of this **Schedule 1**.

"**Claim Subject to Mandatory Arbitration**" has the meaning given in **Section 3.3.1** of this **Schedule 1**.

"**Complying Party**" has the meaning given in **Section 3.2.5** of this **Schedule 1**.

"**Dispute**" has the meaning given in **Section 3.1** of this **Schedule 1**.

"**Dispute Notice**" has the meaning given in **Section 3.2.1** of this **Schedule 1**.

"**Disputing Parties**" has the meaning given in **Section 3.2.1** of this **Schedule 1**.

"**Initiating Party**" has the meaning given in **Section 3.2.1** of this **Schedule 1**.

"**Responding Parties**" has the meaning given in **Section 3.2.1** of this **Schedule 1**.

ARTICLE 2
NOTICES

2.1 **Notices Generally**. All notices, requests or other communications required under any Project Agreement will be in writing and will be deemed "given": (i) if delivered in person or by courier, upon receipt by the intended recipient or upon the date of delivery (as confirmed by, if delivered by courier, the records of such courier); (ii) if sent by facsimile transmission, when the sender receives confirmation from the sending facsimile machine that such facsimile transmission was transmitted to the facsimile number of the addressee; (iii) if mailed, upon the date of delivery as shown by the return receipt therefor; or (iv) if delivered by a nationally recognized mail delivery service, upon the date of delivery. Notices must be sent to the addresses of the Persons set forth on **Exhibit 1** attached to this **Schedule 1**. Notwithstanding the foregoing, notices of default must be delivered in accordance with **clause (i)** and by any other means described in **clauses (ii)-(iv)** above.

2.2 **Informal Communications**. Informal communications of a routine nature may be given in such manner as the parties deem appropriate.

2.3 **Designation of Different Addresses and Persons**. A party may, at any time, by written notice to each other party, designate different or additional Persons or different addresses for giving of notices, demands or requests to it under a Project Agreement.

ARTICLE 3
DISPUTE RESOLUTION

3.1 **Scope of Dispute Resolution Provisions**. Except for Excluded Matters, or any dispute, claim or controversy arising under **Section 4.4.1(v)** or **Articles 14** or **15** of the **Project Participation Agreement**, the provisions of this **Section 3** will govern any dispute, claim or controversy arising out of, or relating to, a Project Agreement (a "**Dispute**") between or among (i) the Owners under any Project Agreement; (ii) the Owners acting through the Management Committee and the Construction Manager under the Construction Management Agreement; or (iii) the Owners acting through the Management Committee and the Maintenance Providers or Control Center Authorities under the Operation and Maintenance Agreement. The provisions of **Section 3.2** (but not the other provisions of this **Section 3**) will also govern any Dispute arising under **Articles 14** or **15** of the **Project Participation Agreement**.

3.2 **Required Steps Before Initiating Arbitration or Other Remedies**. Except for Excluded Matters or Disputes arising under **Sections 4.4.1(v), 4.1.2.4, 4.2.2.4**, no Owner in any capacity (including as an Owner, a Construction Manager, a Maintenance Provider or a Control Center Authority) may seek any remedy in connection with a Dispute without first complying with the provisions of this **Section 3.2** of this **Schedule 1**; **provided, however**, that an Owner in any capacity (including as an Owner, a Construction Manager, a Maintenance Provider or a Control Center Authority) may, at any time and without first complying with the provisions of this **Section 3.2**, seek appropriate equitable relief, including injunctive relief and specific performance; **provided, further, however**, that neither the Owners nor the Management Committee must first comply with the provisions of this **Section 3.2** prior to exercising or implementing the remedies set forth in **Articles 14** or **15** of the **Project Participation Agreement** for a Default. Any Claim Subject to Mandatory Arbitration will be subject to the additional terms set forth in **Section 3.3** of this **Schedule 1**.

3.2.1 **Notice of Dispute**. Any party wishing to assert a claim or pursue any other remedy in connection with a Dispute (the "**Initiating Party**") will provide written notice (a "**Dispute Notice**"), which must: (i) be dispatched at the same time and in the same manner to all other parties; (ii) describe in reasonable detail the nature of the Dispute; (iii) identify all parties that are indispensable to the resolution of the Dispute (the "**Responding Parties**"); (iv) specify the resolution sought by the Initiating Party; (v) provide the name, title and contact information of the Senior Executive appointed by the Initiating Party; and (vi) indicate the proposed place, date and time (within the limits set forth in **Section 3.2.3** of this **Schedule 1**) for Senior Executives of the Initiating Party and Responding Parties (together, the

"**Disputing Parties**") to conduct an initial meeting to discuss and attempt to resolve the Dispute.

3.2.2 **Appointment of Senior Executives**. Within three (3) Business Days following receipt of a Dispute Notice, each Responding Party will appoint and provide written notice to the other Disputing Parties of a Senior Executive assigned to participate in efforts to settle the Dispute.

3.2.3 **Initial Meeting of Senior Executives**. Within five (5) Business Days following receipt of a Dispute Notice, the Senior Executives will meet in accordance with the place within Hennepin or Ramsey County, Minnesota, date and time specified in the Dispute Notice, unless all Disputing Parties agree to modify one or more of the place, date and time for the initial meeting. Any Senior Executive who is unable to attend the initial meeting in person will be entitled to participate by telephone conference or any other means by which all Senior Executives can simultaneously hear one another. The purpose of the initial meeting will be for the Senior Executives to attempt in good faith to reach a mutually acceptable resolution of the Dispute.

3.2.4 **Additional Meeting of Senior Executives**. If the Disputing Parties are unable to resolve the Dispute at the initial meeting of Senior Executives held in accordance with **Section 3.2.3** of this **Schedule 1**, the Senior Executives will hold at least one (1) additional meeting, which all Senior Executives must attend in person during the ten (10) Business Days following the initial meeting, to continue to attempt in good faith to reach a mutually acceptable resolution of the Dispute (unless the Disputing Parties agree otherwise). If the Disputing Parties have not resolved the Dispute by the end of the additional meeting held in accordance with this **Section 3.2.4** of this **Schedule 1**, then if the Dispute is a Claim Subject to Mandatory Arbitration or if all Disputing Parties agree to resolve the Dispute through binding arbitration, the Disputing Parties will proceed to binding arbitration in accordance with **Section 3.3** of this **Schedule 1**. If the Dispute is not a Claim Subject to Mandatory Arbitration or there is no agreement to resolve the Dispute through binding arbitration, all Disputing Parties will retain all rights and remedies available at law or in equity.

3.2.5 **Deemed Satisfaction of Obligations Under Section 3.2 of this Schedule 1**. If a party has made good faith efforts to comply with the requirements set forth in **Sections 3.2.1** through **3.2.4** of this **Schedule 1** (the "**Complying Party**"), but has been unable to do so because of another party's failure or refusal to comply for a period of not less than fifteen (15) Business Days following delivery of a Dispute Notice, the obligations set forth in **Section 3.2** of this **Schedule 1** will be deemed satisfied for purposes of the Complying Party's right to pursue other remedies or invoke the Arbitration Procedures set forth in **Section 3.3** of this **Schedule 1**, as applicable.

3.2.6 **Tolling of Statute of Limitations**. If an Initiating Party provides the Dispute Notice prior to the expiration of the statute of limitations applicable to the Dispute

that is the subject of the Dispute Notice and otherwise complies with the requirements set forth in **Sections 3.2.1** through **3.2.4** of this **Schedule 1**, then the statute of limitations for such Dispute will be tolled by the number of days that have lapsed between the date of the Dispute Notice and (i) the last additional meeting of Senior Executives held in accordance with **Section 3.2.4** of this **Schedule 1** if the Senior Executives hold one or more additional meetings, (ii) the tenth (10th) Business Day following the initial meeting of Senior Executives held in accordance with **Section 3.2.3** of this **Schedule 1** if the Senior Executives do not hold an additional meeting, or (iii) the fifteenth (15th) Business Day following the Dispute Notice if the Senior Executives do not hold the initial meeting of Senior Executives in accordance with **Section 3.2.3** of this **Schedule** 1 on or prior to such date.

3.3 **Arbitration Procedures**. The arbitration provisions set forth in this **Section 3.3** of this **Schedule 1** (the "**Arbitration Procedures**") will be the sole and exclusive remedy for: (i) any Claim Subject to Mandatory Arbitration and (ii) any Dispute that all Disputing Parties agree in writing to submit to binding arbitration. Any provision of these Arbitration Procedures may be modified with respect to a specific arbitration by agreement of all of the Disputing Parties.

3.3.1 **Definition of Claim Subject to Mandatory Arbitration**. For purposes of each Project Agreement, the term "**Claim Subject to Mandatory Arbitration**" means a Dispute (i) for which the Initiating Party's and all other Persons that have brought claims of the same subject matter, sole requested remedy is monetary relief of not more than One Million Dollars ($1,000,000) in the aggregate or (ii) arising under **Section 4.1.2.4** or **4.2.2.4** of the **Project Participation Agreement.**

3.4 **Arbitration Rules**. Any Dispute subject to **Section 3.3** of this **Schedule 1** will be conclusively decided by binding arbitration pursuant to (i) the Commercial Arbitration Rules for all Project Agreements other than the Construction Management Agreement and other than the **Project Participation Agreement** with respect to Disputes arising under **Section 4.1.2.4** or **4.2.2.4** thereof, and (ii) the fast track procedures of the Construction Industry Arbitration Rules for the **Construction Management Agreement** and the **Project Participation Agreement** with respect to Disputes arising under **Section 4.1.2.4** or **4.2.2.4** thereof, in each case of the American Arbitration Association, except as modified and to the extent supplemented below.

3.4.1 **Preliminary Actions to Facilitate Expedited Arbitration Process; Meaning of "Arbitrator"**. Within ninety (90) days following the Effective Time of each Project Agreement, the parties to such Project Agreement will establish and memorialize in writing, for purposes of any Dispute submitted to arbitration in accordance with **Section 3.3** of this **Schedule 1**: (i) a special pool of arbitrators who are pre-qualified to serve on an expedited basis and who will agree to enter into a confidentiality agreement on terms substantially similar to the confidentiality provisions in the applicable Project Agreement and (ii) a process for expedited appointment of an arbitrator with party input. All references to the

"**Arbitrator**" in **Section 3.3** of this **Schedule 1** will be deemed to mean the arbitrator or panel of arbitrators appointed pursuant to the foregoing provisions.

3.4.2 **Demand for Arbitration**. Demand for arbitration will be filed in writing with the parties against whom the claim is made or relief is sought and with the American Arbitration Association. A demand for arbitration must be made within ten (10) Business Days following the last meeting of Senior Executives held in accordance with **Section 3.2.4** of this **Schedule 1** (if the Dispute has not been settled and if the Dispute is subject to the provisions of **Section 3.2.4**), and in any case no later than the date when institution of legal or equitable Proceedings based on the underlying Dispute would be barred by the applicable statutes of limitations (as extended, if applicable, pursuant to **Section 3.2.6** of this **Schedule 1**).

3.4.3 **No Joinder**. No arbitration arising out of, or relating to, a Project Agreement will include, by consolidation, joinder, or in any manner, an additional Person without the written consent of the Disputing Parties, except that additional Person(s) may be joined without all Disputing Parties' consent if: (i) the additional Person(s) have furnished services, labor or materials to the Project and (ii) the joinder of the additional Person(s) will not cause any remedy sought in the arbitration to be other than monetary or the aggregate amount in dispute to be greater than the limit specified in **Section 3.3.1** of this **Schedule 1**. Further, nothing in these Arbitration Procedures will create any privity between the Disputing Parties or create or give rise to a duty owed by one Disputing Party to another that does not otherwise arise by operation of law or by the terms of the contract(s) between the Disputing Parties to which these Arbitration Procedures have been attached and made a part. Consent to arbitration involving an additional Person will not constitute consent to arbitrate any claim, dispute or other matter, or with a Person not named or described in the written consent, and will be subject to all of the terms and limitations set forth in these Arbitration Procedures, including the waiver and other provisions set forth in **3.4.9** of this **Schedule 1**.

3.4.4 **Procedures**. The Arbitrator will establish reasonable procedures and requirements for the arbitration process; **provided, however**, unless all Disputing Parties agree otherwise, the procedures established by the Arbitrator will provide for: (i) a sixty (60) day time standard for case completion (measured from the date of the prehearing meeting convened under **Section 3.4.5** of this **Schedule 1**, or, if the prehearing meeting is waived, from the date of the demand notice delivered under **Section 3.4.2** of this **Schedule** 1); (ii) direct testimony to be submitted in writing, **provided** that the proponent thereof is made available for cross examination; (iii) the requirement of a hearing within thirty (30) calendar days following the Arbitrator's appointment; (iv) a single day hearing, if the Arbitrator deems it reasonable in the circumstances; and (v) a binding decision to be rendered in no more than fourteen (14) days after completion of the hearing.

3.4.5 **Prehearing Meeting**. Unless all Disputing Parties agree otherwise, within five (5) days following appointment of the Arbitrator, the Arbitrator will convene a

prehearing meeting, at which each Disputing Party will present a memorandum disclosing the factual basis of its claims and defenses and all legal issues raised. At the prehearing meeting, the Arbitrator will set a schedule for submissions and hearings consistent with the Arbitrator's powers as set forth in these Arbitration Procedures.

3.4.6 **Discovery**. Subject to any reasonable time limitations and expedition procedures established by the Arbitrator to comply with **Section 3.4.5** of this **Schedule 1**, the Disputing Parties will be entitled to discover all documents and information reasonably necessary for a full understanding of any legitimate issue raised in the arbitration, and the parties may use all methods of discovery available under the Federal Rules of Civil Procedure and will be governed thereby.

3.4.7 **Abuse of Discovery**. If the Arbitrator finds, after affording an opportunity to be heard, that a Disputing Party has abused the discovery process or has failed to act in good faith with regard to discovery or these Arbitration Rules, the Arbitrator will have, in addition to any other powers conferred by law or the Construction Industry Arbitration Rules of the American Arbitration Association, those powers conferred upon trial courts by the Federal Rules of Civil Procedure, subject to the same conditions and limitations set forth therein.

3.4.8 **Rules of Evidence**. The Arbitrator will apply the Federal Rules of Evidence, but construe them liberally to allow for the admission of evidence that is helpful in resolving the Dispute. Rulings on the admission of evidence made by the Arbitrator at the hearing will be final, binding and not subject to any appeal.

3.4.9 **Authority of Arbitrator**. Unless the Disputing Parties agree otherwise, in deciding the substance of the Dispute brought before the Arbitrator, the Arbitrator will have the authority, power and right to award damages and provide for other remedies as are available at law or in equity, except that: (i) with respect to a Claim Subject to Mandatory Arbitration, the Arbitrator will have no authority to award monetary relief greater than that sought by the Initiating Party as stated in its Dispute Notice or to award non-monetary relief (except to the extent otherwise authorized under **Section 3.4.7** of this **Schedule 1**); (ii) the Arbitrator will not have the authority to grant temporary or permanent injunctive relief; (iii) the Arbitrator will have the authority only to interpret and apply the provisions of a Project Agreement; and (iv) in all cases the Arbitrator will have no authority to award Consequential Damages against any Owner under any circumstances other than in accordance with **Section 15.5.2.2** of the **Project Participation Agreement**. All Owners hereby waive their right, if any, to recover such excluded damages in connection with any Dispute sought to be resolved under these Arbitration Procedures.

3.4.10 **Award Final and Binding; No Precedential Effect**. At the time of the award, the Arbitrator will prepare and provide to the Disputing Parties findings of fact and conclusions of law supporting the award. The award of the Arbitrator, as well as the findings of fact and conclusions of law, will be final, binding and not

subject to any appeal, but will have no precedential effect with respect to any matter or Proceeding other than the arbitration to which they relate; **provided, however**, that any issue or claim that was or could have been raised in the arbitration by a party to the Project Agreements that were the subject of the Dispute for which the Arbitrator has issued an award, shall be given preclusive effect and shall be deemed to be *res judicata* in any subsequent Proceeding..

3.4.11 **Costs and Expenses**. Except as otherwise decided by the Arbitrator under the provisions of **Section 3.4.7** of this **Schedule 1**, and as otherwise permitted by the terms of any Project Agreement, each Disputing Party will bear its own costs and expenses of the arbitration, including attorneys and expert witness fees, and will equally share the expense of the Arbitrator and the administrative expenses of the arbitration.

3.5 **Enforcement**. These Arbitration Procedures, together with a final award of the Arbitrator, will be enforceable in any state or federal court of competent jurisdiction located in Hennepin or Ramsey County in the State of Minnesota. The enforcement of the Owners' agreement to arbitrate and all procedural aspects thereof, including the construction and interpretation of these Arbitration Procedures, the scope of issues subject to arbitration, allegations of waiver, delay or defenses as to arbitrability, and the rules (except as otherwise provided in these Arbitration Procedures) governing the conduct of the arbitration will be governed by and construed pursuant to the United States Arbitration Act.

3.6 **Confidentiality of Proceedings**. All Proceedings related to resolution of a Dispute pursuant to these Arbitration Procedures, including all documents prepared or obtained during discovery or produced during a hearing or meeting (other than documents already in the public domain) and all testimony or recordings of testimony, including depositions, affidavits and expert reports exchanged by the Disputing Parties or produced during a hearing or meeting, will be deemed to be Confidential Information. In addition to the enforcement powers set forth in **Section 3.5** of this **Schedule 1**, the courts described in **Section 3.5** of this **Schedule 1** will have jurisdiction to enter and enforce such protective orders and to grant and enforce such appropriate injunctive relief sought by a Disputing Party to maintain the confidentiality of the Proceedings and to protect the Disputing Parties from inappropriate disclosure. No bond or other security will be required in connection with such injunctive relief. The prevailing party in any such action will be entitled to all of its reasonable attorneys' fees and other costs and expenses associated with the enforcement of these confidentiality provisions.

ARTICLE 4
MISCELLANEOUS PROVISIONS

4.1 **Headings.** The headings of the articles, sections and subsections of each Project Agreement are intended for the convenience of the Owners only and will in no way be held to explain, modify, construe, limit, amplify or aid in the interpretation of the provisions hereof. The terms "this Agreement," "hereof," "herein," "hereunder," "hereto," "hereby" and similar expressions refer to, as applicable, each Project

Agreement as a whole and not to any particular article, section, subsection or other portion thereof and include the appendices, schedules and exhibits thereto and any document, instrument or agreement executed and/or delivered pursuant thereto unless expressly so limited, and the terms "this Section" or "this Article" refer to the section or article in which such words occur.

4.2 **Scope of Agreement**. Unless the context otherwise requires, all references in a Project Agreement or in any appendix, schedule, exhibit or instrument thereto, to the assets, property interests, operations, business, financial statements, employees, books and records, accounts receivable, accounts payable, contracts or other attributes thereunder will mean such items or attributes as they are used in, apply to, or relate to such Project Agreement.

4.3 **Interpretation**. The Owners have participated jointly in the negotiation and drafting of each Project Agreement. If an ambiguity or question of intent or interpretation arises, each Project Agreement is to be construed as if drafted jointly by the parties and no presumption or burden of proof will arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of such Project Agreement. The terms and phrases used in each Project Agreement, unless the context otherwise requires, are to be interpreted as follows: (i) the words "including," "include" or "includes" mean including without limitation; (ii) reference to any agreement (including a Project Agreement), appendix, schedule, exhibit, instrument or coverage policy means as such is amended, modified or supplemented, including by Change Order, waiver or consent; (iii) reference to any Applicable Law or Applicable Energy Regulation means such Applicable Law or Applicable Energy Regulation as amended, modified, codified or reenacted, in whole or part, and in effect from time to time; (iv) reference to any Owner includes such Owner's successors and assigns, to the extent that such successors and assigns are permitted by the applicable Project Agreement; (v) pronouns in masculine, feminine and neuter genders are to be construed to state and include any other gender; (vi) the words "will" and "shall" have the same meaning; and (vii) unless the context otherwise requires, all defined terms in this **Schedule 1** or in any Project Agreement include the singular and the plural.

4.4 **Relationship of Owners; New Owners**. The covenants, obligations and liabilities of the parties to each Project Agreement are several, and not joint or collective, and nothing contained in any Project Agreement will ever be construed to create an association, joint venture, trust, partnership or other legal relationship, or to impose a trust or partnership covenant (except pursuant to the CapX 2020 Trust, CapX 2020 Trust License and Project Trust Agreement), obligation or liability on or with regard to any of the parties to a Project Agreement. The Owners agree that every Person that desires to acquire an interest in the Project will do so in accordance with the terms of the Project Participation Agreement and will become a signatory to all of the Project Agreements by executing the applicable Transfer Agreement. No member or customer of an Owner or customer of a member of an Owner will be deemed an Owner or party under a Project Agreement, unless such Person has signed a Joinder. Each Owner, the Construction Manager, each Maintenance Provider and each Control Center Authority will be individually responsible for its own covenants, obligations and liabilities in each Project Agreement to which it is

a party. No Owner will be under the control of, or will be deemed to control, any other Owner or the Owners as a group. No Owner acting in any capacity is the agent of, or has a right or power to bind, any other Owner without its express written consent, except to the extent Agency Authority has been granted to the Construction Manager.

4.5 **No Rights or Benefits to Third Parties**. Except as otherwise specifically provided in a Project Agreement, the Owners do not intend to create rights in, or to grant remedies to, any Third Party as a beneficiary of any Project Agreement or to create any duty to, or standard of care on behalf of, any Third Party by any covenant, obligation or undertaking established in any Project Agreement. There are no incidental Third Party beneficiaries to any Project Agreement and, by way of clarification and not of limitation, no Governmental Body, customer or member of an Owner or customer of an Owner's member is an intended or incidental Third Party beneficiary thereof.

4.6 **Binding Obligations**. Each Project Agreement is binding upon and inures to the benefit of the permitted successors and assigns, if any, of the Owners. Owners may assign their rights and obligations under a Project Agreement only in strict accordance with the provisions of the Project Participation Agreement.

4.7 **Severability**. If any term, covenant or condition of a Project Agreement or the application of such term, covenant or condition is held invalid or unenforceable as to any Person or circumstance by any Governmental Body, all other terms, covenants or conditions of such Project Agreement and their application will not be affected thereby, but will remain in force and effect unless such a Governmental Body holds that the provisions are not separable from all other provisions of such Project Agreement. The Owners and each other party to a Project Agreement specifically consent to the "blue-penciling" of such Project Agreement by any Governmental Body to construe as valid and enforceable the terms and conditions of such Project Agreement, consistent with the intent of the parties thereto. Such Governmental Body will have the authority to reform and interpret the terms and conditions of a Project Agreement to find a valid and enforceable construction of such Project Agreement that is consistent with the intent of the parties thereto and hold all invalid and unenforceable provisions, if any, as separable from all other remaining provisions.

4.8 **Amendment and Waiver**. No purported amendment of a Project Agreement will be effective unless in a writing specifically referring to such Project Agreement, which is executed and delivered by all of the parties to such Project Agreement. The terms, conditions, warranties, representations and covenants contained in a Project Agreement, including the documents, instruments and agreements executed and delivered by any of the parties thereto pursuant to such Project Agreement, may be waived only by a written instrument executed by all of the parties thereto waiving compliance. Any such waiver will only be effective in the specific instance and for the specific purpose for which it was given and will not be deemed a waiver of any other provision thereof or of the same breach or default upon any recurrence thereof. No failure on the part of any party to a Project Agreement, as applicable in the circumstances, to exercise, and no delay in exercising, any right thereunder will operate as a waiver thereof nor will any single or

partial exercise of any right thereunder preclude any other or further exercise thereof or the exercise of any other right.

4.9 **Execution in Counterparts and Delivery of Electronic Signatures**. Each Project Agreement may be executed in any number of counterparts. All such counterparts will be deemed to be originals and will together constitute but one and the same instrument. Each Project Agreement will become effective upon its execution by the applicable parties thereto. The executed counterparts of a Project Agreement and any ancillary documents thereto, such as amendments, may be delivered by electronic means, such as email and/or facsimile, and the receiving party may rely on the receipt of such executed counterpart as if the original had been received.

4.10 **Governing Law; Venue; Waiver of Jury Trial**. Each Project Agreement will be governed by and construed in accordance with the laws of the State of Minnesota (exclusive of conflicts of law provisions of any jurisdiction and the principles of comity). With respect to disputes that are not governed by the dispute resolution provisions in **Section 3** of this **Schedule 1** or **Section 18** of the **Project Participation Agreement** or if the dispute resolution provisions in **Section 3** of this **Schedule 1** or **Section 18** of the **Project Participation Agreement** are not enforceable for any reason, the parties to each Project Agreement agree and consent that any Proceeding seeking to enforce any provision of such Project Agreement will be instituted and adjudicated solely and exclusively in any state or federal court of competent jurisdiction located in Hennepin or Ramsey County in the State of Minnesota. Each party to a Project Agreement agrees that each such court will have personal jurisdiction over it with respect to such Proceeding, and waives any objections it may have, and expressly consents, to such personal jurisdiction. EACH PARTY TO A PROJECT AGREEMENT WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH ANY PROJECT AGREEMENT.

4.11 **Assignment**. No party to a Project Agreement may assign, sublet or otherwise Transfer its interest in such Project Agreement, except as provided in the **Project Participation Agreement**.

4.12 **Payment in Business Days**. Notwithstanding anything to the contrary in any Project Agreement, if any payment required to be made under a Project Agreement falls due on a day that is not a Business Day, such payment will be due on the next succeeding Business Day.

4.13 **Further Assurances**. Each party to a Project Agreement will use its commercially reasonable efforts to take, or cause to be taken, all actions, and to do, or cause to be done, all things necessary, proper or advisable under Applicable Law to consummate and make effective the transactions contemplated by each Project Agreement to which it is a party in a manner consistent with Applicable Law.

4.14 **Cooperation**. Each Owner will make good faith efforts to cooperate with the other Owners to comply with the terms and conditions of the CapX 2020 Trust License, the Project Agreements and all Critical Permits, Project Construction Contracts, contracts and agreements and other obligations and commitments arising in connection with the Project.

4.15 **Independent Covenants and Obligations**. The obligations of the Owners contained in any Project Agreement are independent covenants, not dependent covenants, and the obligation of any Owner to keep and perform all of the covenants and obligations assumed or imposed on it is not conditioned upon the performance of any other Owner of all or any of the covenants and obligations to be kept and performed by it.

4.16 **Currency**. All payments under all Project Agreements will be made in such currency as is legal tender for the payment of debts in the United States.

4.17 **Entire Agreement**. Each Project Agreement, together with all other Project Agreements, constitutes the entire agreement among the parties thereto with respect to the subject matter thereof, and supersedes all prior oral or written agreements, understandings, representations and warranties, and courses of conduct and dealings among the parties thereto on the subject matter thereof. Each Owner acknowledges and agrees that it would not have entered into any individual Project Agreement in its capacity as an Owner without the execution and delivery of all of the other Project Agreements to which it is a party in its capacity as an Owner.

EXHIBIT 1

NOTICES

TO OWNERS OR DISCRETELY OWNED SUBSTATION OWNERS:

IF TO GREAT RIVER ENERGY:

GREAT RIVER ENERGY
12300 ELM CREEK BOULEVARD
MAPLE GROVE, MN 55369-4718
ATTENTION: WILL KAUL
FAX: 763-445-6701

WITH A MANDATORY COPY TO:

MICHAEL R. NIXT
MOSS & BARNETT
4800 WELLS FARGO CENTER
90 SOUTH 7TH STREET
MINNEAPOLIS, MN 55402
FAX: 612-877-5999

IF TO MINNESOTA POWER:

MINNESOTA POWER
30 WEST SUPERIOR STREET
DULUTH, MN 55802
ATTENTION: BRADLEY W. OACHS, CHIEF OPERATING OFFICER
FAX: 218-723-3989

WITH A MANDATORY COPY TO:

CHRISTOPHER D. ANDERSON, ASSOCIATE GENERAL COUNSEL
MINNESOTA POWER
30 WEST SUPERIOR STREET
DULUTH, MN 55802
FAX: 218-723-3955

IF TO MINNKOTA POWER COOPERATIVE, INC.:

MINNKOTA POWER COOPERATIVE, INC.
1822 MILL ROAD
P.O. BOX 13200
GRAND FORKS, ND 58208-3200
ATTENTION: AL TSCHEPEN
FAX: 701-795-4214

WITH A MANDATORY COPY TO:

WALLY LANG
MINNKOTA POWER COOPERATIVE, INC.
1822 MILL ROAD
P.O. BOX 13200
GRAND FORKS, ND 58208-3200
FAX: 701-795-4214

IF TO OTTER TAIL POWER COMPANY:

OTTER TAIL POWER COMPANY
215 S. CASCADE ST.
P. O. BOX 496
FERGUS FALLS, MN 56538-0496
ATTENTION: RODNEY C. H. SCHEEL
FAX: 218-739-8218

WITH A MANDATORY COPY TO:

JENNIFER O. SMESTAD
OTTER TAIL POWER COMPANY
215 S. CASCADE ST.
P. O. BOX 496
FERGUS FALLS, MN 56538-0496
FAX: 218- 998-3165

IF TO NORTHERN STATES POWER COMPANY:

NORTHERN STATES POWER COMPANY, A MINNESOTA CORPORATION
414 NICOLLET MALL, MP-8
MINNEAPOLIS, MN 55401
ATTENTION: TERESA MOGENSEN, VP OF TRANSMISSION
FAX: 612-573-1815

WITH A MANDATORY COPY TO:

NORTHERN STATES POWER COMPANY, A MINNESOTA CORPORATION
414 NICOLLET MALL, 5TH FLOOR
MINNEAPOLIS, MN 55401
ATTENTION: GENERAL COUNSEL
FAX: 612-573-9025

TO THE CONSTRUCTION MANAGER:

OTTER TAIL POWER COMPANY
215 S. CASCADE ST.
P. O. BOX 496
FERGUS FALLS, MN 56538-0496
ATTENTION: AL KOECKERITZ
FAX: 218-739-8442

TO THE RESPONSIBLE ENTITIES:

IF TO MINNKOTA POWER COOPERATIVE, INC.:

MINNKOTA POWER COOPERATIVE, INC.
1822 MILL ROAD
P.O. BOX 13200
GRAND FORKS, ND 58208-3200
ATTENTION: AL TSCHEPEN
FAX: 701-795-4214

IF TO OTTER TAIL POWER COMPANY:

OTTER TAIL POWER COMPANY
215 S. CASCADE ST.
P. O. BOX 496
FERGUS FALLS, MN 56538-0496
ATTENTION: AL KOECKERITZ
FAX: 218-739-8442

IF TO GREAT RIVER ENERGY:

GREAT RIVER ENERGY
12300 ELM CREEK BOULEVARD
MAPLE GROVE, MN 55369-4718
ATTENTION: WILL KAUL
FAX: 763-445-6701

TO THE AUTHORIZED OWNER REPRESENTATIVES:

FOR GREAT RIVER ENERGY:

REPRESENTATIVE: WILL KAUL
FAX: 763-445-6701
EMAIL: WKAUL@GRENERGY.COM

ALTERNATE: TERRY GROVE
FAX: 763-445-6790
EMAIL: TGROVE@GRENERGY.COM

ADDRESS:
GREAT RIVER ENERGY
12300 ELM CREEK BOULEVARD
MAPLE GROVE, MN 55369-4718

FOR MINNESOTA POWER:

REPRESENTATIVE: MICHAEL A. KLOPP
FAX: 218-720-2685
EMAIL: MKLOPP@MNPOWER.COM

ALTERNATE: CHRISTOPHER FLEEGE
FAX: 218-720-2685
EMAIL: CFLEEGE@MNPOWER.COM

ADDRESS:
MINNESOTA POWER
30 WEST SUPERIOR STREET
DULUTH, MN 55802

FOR MINNKOTA POWER COOPERATIVE, INC.:

REPRESENTATIVE: AL TSCHEPEN
FAX: 701-795-4214
EMAIL: ATSCHEPEN@MINNKOTA.COM

ALTERNATE: WALLY LANG
FAX: 701-795-4214
EMAIL: WLANG@MINNKOTA.COM

ADDRESS:
MINNKOTA POWER COOPERATIVE, INC.
1822 MILL ROAD
P.O. BOX 13200
GRAND FORKS, ND 58208-3200

FOR OTTER TAIL POWER COMPANY:

REPRESENTATIVE: RODNEY C. H. SCHEEL
FAX: 218-739-8218
EMAIL: RSCHEEL@OTPCO.COM

ALTERNATE: TIM ROGELSTAD
FAX: 218-739-8442
EMAIL: TROGELSTAD@OTPCO.COM

ADDRESS:
OTTER TAIL POWER COMPANY
215 S. CASCADE ST.
P. O. BOX 496
FERGUS FALLS, MN 56538-0496

FOR NORTHERN STATES POWER COMPANY:

REPRESENTATIVE: GREG P. CHAMBERLAIN
FAX: 612-573-9430
EMAIL: GREG.P.CHAMBERLAIN@XCELENERGY.COM

ALTERNATE: PRITI PATEL
FAX: 612-318-4334
EMAIL: PRITI.R.PATEL@XCELENERGY.COM

ADDRESS:
NORTHERN STATES POWER COMPANY, A MINNESOTA CORPORATION
414 NICOLLET MALL, MP-8
MINNEAPOLIS, MN 55401

Bemidji Grand Rapids GR 230kV Project

Project Plan

October 16, 2010

CEII REDACTED

CMA

Appendix B

Bemidji Grand Rapids

Project Design

10-20-10

CEII REDACTED

APPENDIX C-1

CAPX 2020 SUBSTATION DESIGN CRITERIA

CEII AND PRIVILEGED REDACTED

APPENDIX C-2

CAPX 2020 Design Criteria
Transmission Line Design Criteria Guidelines

CEII AND PRIVILEGED REDACTED

APPENDIX D
REIMBURSEMENT OF COST FOR SERVICES

REDACTED CONTAINS PRIVILEGED INFORMATION

APPENDIX E

Pre-Effective Time Management Committee Approved CM Costs

Obtaining title work to obtain easements quickly after the route permit is issued

Surveying properties on the Chippewa National Forest (CNF) for the tree clearing construction

Coordination meetings with the CNF to begin to establish access road plans, Operation and Maintenance plans, and tree clearing data requirements in order to secure the special use permit (SUP)

Design activities to participate in CapX sourcing activities and to support pole spotting for permits related to the MN DNR and Army Corps of Engineers

Participate in Joint CapX and Project-specific construction sourcing activities related to material and services, to include, but not limited to, line contractor and tree clearing contractor selections

EXHIBIT F

FORM OF LIEN WAIVERS AND RELEASES

The Contractor shall provide lien waivers as follows:

a. in the form of attached Exhibit F-1 for the Contractor's lien waivers to be provided with every Application for Payment other than for final payment;

b. in the form of attached Exhibit F-2 for the Contractor's lien waiver to be provided for final payment;

c. in the form of attached Exhibit F-3 for lien waivers from Subcontractors, Sub-subcontractors of every tier, and suppliers to be provided with every Application for Payment other than for final payment; and

d. in the form of attached Exhibit F-4 for lien waivers from Subcontractors, Sub-subcontractors or every tier, and suppliers to be provided for final payment.

EXHIBIT F-1

PARTIAL LIEN WAIVER AND RELEASE
FOR THE CONTRACTOR

_____ (the "Contractor") has furnished or will furnish certain labor, materials, skill, or equipment to Great River Energy, a cooperative corporation incorporated under the laws of Minnesota ("GRE"), ALLETE, Inc., d/b/a Minnesota Power, a Minnesota corporation ("Minnesota Power"), Otter Tail Power Company, a Minnesota corporation ("Otter Tail Power"), and Northern States Power Company, a Minnesota corporation ("NSP-MN"), and Minnkota Power Cooperative, Inc., a Minnesota cooperative corporation ("Minnkota") (GRE, Minnesota Power, Otter Tail Power, Minnkota and NSP-MN are collectively referred to herein as the "Company") on the Bemidji to Grand Rapids Cap X 20/20 Transmission Line Project (the "Project"). In consideration of payments to date and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Contractor waives and releases any right which it now has or in the future may have to claim a mechanic's lien or any other lien rights, and waives and releases all other claims of any kind (whether billed or unbilled), against (a) the real property where the Project is located ; (b) the improvements and other property located thereon; (c) the Company and its members, title company, lenders, successors, assigns, and their employees, officers, and agents; and (d) the surety or sureties of the Company, for anything whatsoever related to the Project through the date hereof, except those claims listed as follows:

- Retainage, if any, in the amount shown on the Application for Payment
- _____

(If a claim is not listed above, it is not reserved, and any claims or potential claims not listed are waived and released.)

In order to induce payment to be made to the undersigned, the Contractor certifies that it has paid all of its subcontractors, suppliers, and employees for all items connected with the above-referenced Project all amounts owed for the Work covered by payments which the Contractor has received for the Project prior to the date hereof; and to the fullest extent permitted by law the Contractor agrees to indemnify, defend and hold harmless the Company and its members, title company, lenders, successors, and assigns from and against all claims, liabilities, damages, losses, costs, and expenses, including attorneys' fees, relating to or arising out of any claims or liens waived or released herein but asserted or pursued after the date hereof by the Contractor or any claims (or related liens) that any of the Contractor's subcontractors (of any tier) or suppliers (of any tier) or employees of the Contractor or any subcontractors (of any tier) have not been paid or relating to the enforcement of this paragraph. The foregoing is in addition to other rights and remedies the Company may have and shall not relieve the Contractor of its obligations under the provisions of its contract with the Company.

The Contractor has executed this waiver voluntarily and with full knowledge of the undersigned's rights under law. This waiver and release shall inure to the benefit of the Company and its successors and assigns and be binding upon the Contractor and its successors and assigns.

Dated: _____
[Date of Pay Application through which waiver and release is effective.]

_____

By: _____
Its: _____

CONTRACTOR'S AFFIDAVIT

STATE OF _____)
) ss.
COUNTY OF _____)

The undersigned, being duly sworn, deposes and says that he/she is the _____ of _____, the Contractor for the work for Great River Energy, a cooperative corporation incorporated under the laws of Minnesota ("GRE"), ALLETE, Inc., d/b/a Minnesota Power, a Minnesota corporation ("Minnesota Power"), Otter Tail Power Company, a Minnesota corporation ("Otter Tail Power"), and Northern States Power Company, a Minnesota corporation ("NSP-MN"), and Minnkota Power Cooperative, Inc., a Minnesota cooperative corporation ("Minnkota") (GRE, Minnesota Power, Otter Tail Power, Minnkota and NSP-MN are collectively referred to herein as the "Company") on the Bemijdi to Grand Rapids Cap X 20/20 Transmission Project (the "Project"); that the total amount of the current contract between the Contractor and the Company, including extras authorized by executed change orders, is $_____, for which the Contractor has received payments to date (prior to the currently requested payment) in the total amount of $_____, with a currently requested payment of $_____ Dollars; that all waivers and releases provided by the Contractor are in the required form, are true, correct and genuine and are delivered unconditionally and that there is no claim either legal or equitable to defeat the validity of said waivers and releases; that the attached sworn statement contains the names of all parties who have furnished material or labor, or both, for said work and all parties having contracts or subcontracts for specific portions of said work or for material entering into the construction thereof and the amount due or to become due to each; and that the items mentioned include all labor, skill, equipment, and material required to complete said work; that there are no other contracts for said work outstanding; and that there is nothing due or to become due to any person for material, labor or other work of any kind done or to be done upon or in connection with the Project other than as stated above or on the attached sworn statement.

Signed this _____ day of _____, 20___.

Signature:_____ Title:_____

Subscribed and sworn to before me this _____ day of _____, 20___.

Notary Signature:_____

EXHIBIT F-2

FINAL LIEN WAIVER AND RELEASE
FOR THE CONTRACTOR

_____ (the "Contractor") has furnished or will furnish certain labor, materials, skill, or equipment to Great River Energy, a cooperative corporation incorporated under the laws of Minnesota ("GRE"), ALLETE, Inc., d/b/a Minnesota Power, a Minnesota corporation ("Minnesota Power"), Otter Tail Power Company, a Minnesota corporation ("Otter Tail Power"), and Northern States Power Company, a Minnesota corporation ("NSP-MN"), and Minnkota Power Cooperative, Inc., a Minnesota cooperative corporation ("Minnkota") (GRE, Minnesota Power, Otter Tail Power, Minnkota and NSP-MN are collectively referred to herein as the "Company") on the Bemidji to Grand Rapids Cap X 20/20 Transmission Project (the "Project"). In consideration of the payments to date and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Contractor waives and releases any right which it now has or in the future may have to claim a mechanic's lien or any other lien rights, and waives and releases all other claims of any kind (whether billed or unbilled) related to the Project, including, without limitation, claims and liens against (a) the real property where the Project is located ; (b) the improvements and other property located thereon; and (c) the Company and its members, title company, lenders, successors, assigns, and their employees, officers, and agents; and (d) the surety or sureties of the Company. The undersigned acknowledges receipt of payment in full for anything and everything in connection with or related to the Project.

In order to induce payment to be made to the Contractor, the Contractor certifies that it has paid all of its subcontractors, suppliers, and employees for all items connected with the Project, and to the fullest extent permitted by law the Contractor agrees to indemnify, defend and hold harmless the Company, its members, title company, lenders, successors, and assigns from and against all claims, liabilities, damages, losses, costs, and expenses, including attorneys' fees, relating to or arising out of any claims or liens waived or released herein but asserted or pursued after the date hereof by the Contractor or any claims (or related liens) that any of the Contractor's subcontractors (of any tier) or suppliers (of any tier) or employees of the Contractor or any subcontractors (of any tier) have not been paid or relating to the enforcement of this paragraph. The foregoing is in addition to other rights and remedies the Company may have and shall not relieve the Contractor of its obligations under the provisions of its contract with the Company.

The Contractor has executed this waiver voluntarily and with full knowledge of the Contractor's rights under law. This waiver and release shall inure to the benefit of the Company and its successors and assigns and be binding upon the Contractor and its successors and assigns.

Dated:_____ _____
[Date of signing.]

By_____
Its_____

CONTRACTOR'S AFFIDAVIT

STATE OF _____)
) ss.
COUNTY OF _____)

The undersigned, being duly sworn, deposes and says that the undersigned is the _____ of _____ who is the Contractor for the work for Great River Energy, a cooperative corporation incorporated under the laws of Minnesota ("GRE"), ALLETE, Inc., d/b/a Minnesota Power, a Minnesota corporation ("Minnesota Power"), Otter Tail Power Company, a Minnesota corporation ("Otter Tail Power"), and Northern States Power Company, a Minnesota corporation ("NSP-MN"), and Minnkota Power Cooperative, Inc., a Minnesota cooperative corporation ("Minnkota") (GRE, Minnesota Power, Otter Tail Power, Minnkota and NSP-MN are collectively referred to herein as the "Company") on the Bemidji to Grand Rapids Cap X 20/20 Transmission Project (the "Project"); that the total amount of the current contract including extras authorized by executed change orders is $_____ for which the Contractor has received the sum total of previous payments to date (prior to the currently requested payment) of $_____, with a currently requested payment of $_____; that all waivers and releases provided by the Contractor are in the required form, are true, correct and genuine and are delivered unconditionally and that there is no claim either legal or equitable to defeat the validity of said waivers and releases; that the attached sworn statement contains the names of all parties who have furnished material or labor, or both, for said work and all parties having contracts or subcontracts for specific portions of said work or for material entering into the construction thereof and the amount due or to become due to each; that the items mentioned include all labor and material required to complete said work; that there are no other contracts for said work outstanding, and that there is nothing due or to become due to any person for material, labor or other work of any kind done or to be done upon or in connection with the Project.

Signed this _____ day of _____, 20___.

Signature:_____ Title:_____

Subscribed and sworn to before me this _____ day of _____, 20___.

Notary Signature:_____

EXHIBIT F-3

PARTIAL LIEN WAIVER AND RELEASE
FOR SUBCONTRACTORS AND SUPPLIERS

_____ has furnished or will furnish certain labor, materials, skill, or equipment to Great River Energy, a cooperative corporation incorporated under the laws of Minnesota ("GRE"), ALLETE, Inc., d/b/a Minnesota Power, a Minnesota corporation ("Minnesota Power"), Otter Tail Power Company, a Minnesota corporation ("Otter Tail Power"), and Northern States Power Company, a Minnesota corporation ("NSP-MN"), and Minnkota Power Cooperative, Inc., a Minnesota cooperative corporation ("Minnkota") (GRE, Minnesota Power, Otter Tail Power, Minnkota and NSP-MN are collectively referred to herein as the "Company") on the Bemidji to Grand Rapids Cap X 20/20 Transmission Project (the "Project"). In consideration of $_____ representing the sum total of payments received by the undersigned for the Project to date and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned waives and releases any right which it now has or in the future may have to claim a mechanic's lien or any other lien rights, and waives and releases all other claims of any kind (whether billed or unbilled), against (a) the real property where the Project is located ; (b) the improvements and other property located thereon; (c) the Company and its members, title company, lenders, successors, assigns_____ and their employees, officers, and agents; and (d) the surety or sureties of the Company or _____, for anything whatsoever related to the Project through the date hereof, except those claims listed as follows:

Retainage in the amount of $_____ (retainage shall be deemed to be zero if no amount is filled in)

_____

_____

(if a claim is not listed above, it is not reserved, and any claims or potential claims not listed are waived and released).

In order to induce payment to be made by the Company to its contractor, the undersigned certifies that it has paid all of its subcontractors, suppliers, and employees for all items connected with the Project, and to the fullest extent permitted by law the undersigned agrees to indemnify, defend, and hold harmless the Company and its members, title company, lenders, successors, assigns, and _____ from and against all claims, liens, liabilities, damages, costs and expenses, including attorneys' fees, related to or arising from any claim by the undersigned for any claims or liens waived or released herein or any claims (or related liens) that any of the undersigned's subcontractors, suppliers or employees have not been paid or relating to the enforcement of this paragraph.

The undersigned has executed this waiver voluntarily and with full knowledge of the undersigned's rights under law. This waiver and release shall inure to the benefit of the Company and its successors and assigns and be binding upon the undersigned and its successors and assigns.

Dated:_____
[Date of Pay Application through which waiver and release is effective.]

_____

By_____
Its_____

SUBCONTRACTOR'S/SUB-SUBCONTRACTOR'S/SUPPLIER'S AFFIDAVIT

STATE OF _____)
) ss.
COUNTY OF _____)

The undersigned, being duly sworn, deposes and says that the undersigned is the _____ of _____ who is the Subcontractor/Sub-subcontractor/Supplier to _____ for the _____ _____ work for Great River Energy, a cooperative corporation incorporated under the laws of Minnesota ("GRE"), ALLETE, Inc., d/b/a Minnesota Power, a Minnesota corporation ("Minnesota Power"), Otter Tail Power Company, a Minnesota corporation ("Otter Tail Power"), and Northern States Power Company, a Minnesota corporation ("NSP-MN"), and Minnkota Power Cooperative, Inc., a Minnesota cooperative corporation ("Minnkota") (GRE, Minnesota Power, Otter Tail Power, Minnkota and NSP-MN are collectively referred to herein as the "Company") on the Bemidji to Grand Rapids Cap X 20/20 Transmission Project (the "Project"); that the total amount of the current contract to which the undersigned is a party relating to the Project including extras authorized by change orders is $_____ for which the party signing this waiver and release has received payments in the total amount to date of $_____, with the most recent payment of $_____ received on _____; that all waivers and releases provided by the party signing this waiver and release are in the required form, are true, correct and genuine and are delivered unconditionally and that there is no claim either legal or equitable to defeat the validity of said waivers and releases; that the attached sworn statement contains the names of all parties who have furnished material or labor, or both, for said work and all parties having contracts or subcontracts for specific portions of said work or for material entering into the construction thereof and the amount due or to become due to each; that the items mentioned include all labor and material required to complete said work according to the contract relating to the Project and to which the party signing the waiver and release is a party; that there are no other contracts for said work outstanding relating to the Project and to which the party signing the waiver and release is a party; and that there is nothing due or to become due to any person for material, labor or other work of any kind done or to be done upon or in connection with the Project other than above stated.

Signed this _____ day of _____, 20___.

Signature:_____ Title:_____

Subscribed and sworn to before me this _____ day of _____, 20___.

Notary Signature:_____

EXHIBIT F-4

FINAL LIEN WAIVER AND RELEASE FOR SUBCONTRACTORS, SUB-SUBCONTRACTORS, AND SUPPLIERS

_____ has furnished or will furnish certain labor, materials, skill, or equipment to Great River Energy, a cooperative corporation incorporated under the laws of Minnesota ("GRE"), ALLETE, Inc., d/b/a Minnesota Power, a Minnesota corporation ("Minnesota Power"), Otter Tail Power Company, a Minnesota corporation ("Otter Tail Power"), and Northern States Power Company, a Minnesota corporation ("NSP-MN"), and Minnkota Power Cooperative, Inc., a Minnesota cooperative corporation ("Minnkota") (GRE, Minnesota Power, Otter Tail Power, Minnkota and NSP-MN are collectively referred to herein as the "Company") on the Bemidji to Grand Rapids Project (the "Project"). In consideration of $_____ representing the sum total of payments to date and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned waives and releases any right which it now has or in the future may have to claim a mechanic's lien or any other lien rights, and waives and releases all other claims of any kind (whether billed or unbilled) related to the Project, including, without limitation, claims and liens against (a) the real property where the Project is located ; (b) the improvements and other property located thereon; (c) the Company and its members, title company, lenders, successors, assigns, _____, and their employees, officers, and agents; and (d) the surety or sureties of the Company or _____. The undersigned acknowledges receipt of payment in full for anything and everything in connection with or related to the Project.

In order to induce payment to be made by the Company to its contractor, the undersigned certifies that it has paid all of its subcontractors, suppliers, and employees for all items connected with the above-referenced Project, and to the fullest extent permitted by law the undersigned agrees to indemnify, defend, and hold harmless the Company and its members, title company, lenders, successors, assigns, and _____ from and against all claims, liens, liabilities, damages, costs and expenses, including attorneys' fees, related to or arising from any claim by the undersigned for any claims or liens waived or released herein or any claims (or related liens) that any of the undersigned's subcontractors (of any tier), suppliers (of any tier), or employees have not been paid or relating to the enforcement of this paragraph.

The undersigned has executed this waiver and release voluntarily and with full knowledge of the undersigned's rights under law. This waiver and release shall inure to the benefit of the Company and its successors and assigns and be binding upon the undersigned and its successors and assigns.

Dated:_____
[Date of signing.]

_____

By_____
Its_____

SUBCONTRACTOR'S/SUB-SUBCONTRACTOR'S/SUPPLIER'S AFFIDAVIT

STATE OF _____)
) ss.
COUNTY OF _____)

The undersigned, being duly sworn, deposes and says that he/she is the _____ of _____ who is the Subcontractor/Sub-subcontractor/Supplier to _____ for the _____ _____ work Great River Energy, a cooperative corporation incorporated under the laws of Minnesota ("GRE"), ALLETE, Inc., d/b/a Minnesota Power, a Minnesota corporation ("Minnesota Power"), Otter Tail Power Company, a Minnesota corporation ("Otter Tail Power"), and Northern States Power Company, a Minnesota corporation ("NSP-MN"), and Minnkota Power Cooperative, Inc., a Minnesota cooperative corporation ("Minnkota") (GRE, Minnesota Power, Otter Tail Power, Minnkota and NSP-MN are collectively referred to herein as the "Company") on the Bemidji to Grand Rapids Cap X 20/20 Project (the "Project"); that the total amount of the current contract to which the undersigned is a party relating to the Project including change orders is $_____ for which the party signing this waiver and release has received the sum total of payments received as of this date of $_____; that all waivers and releases provided by the party signing this waiver and release are in the required form, are true, correct and genuine and are delivered unconditionally and that there is no claim either legal or equitable to defeat the validity of said waivers and releases; that the attached sworn statement contains the names of all parties who have furnished material or labor, or both, for said work and all parties having contracts or subcontracts for specific portions of said work or for material entering into the construction thereof and the amount due or to become due to each; that the items mentioned include all labor and material required to complete said work; that there are no other contracts for said work outstanding; and that there is nothing due or to become due to any person for material, labor or other work of any kind done or to be done upon or in connection with the Project.

Signed this _____ day of _____, 20___.

Signature:_____ Title:_____

Subscribed and sworn to before me this _____ day of _____, 20___.

Notary Signature:_____

Appendix F -2 (to the CMA)

Application for Deposit

Date of Application: _____

Total of Actual Costs through : *(Insert Date)*	$	-
Current Month's Forecast (Updated)	$	-
Following Month's Forecast (Updated)	$	-
Month Succeeding the Following Month's Forecast (Initial Request)	$	-
Actuals to Date Plus Forecast:	**$**	**-**
Less Total Deposits to date (update each month):	$	-
Less Total Trust Account Interest Credits to date *(update each month)*:	$	-
Less Total Sales Tax Refund Credits to date *(update with each refund)*:	$	-
Other Adjustments to date *(update each month)*:	$	-
Total Credits to Construction Fund to Date:	**$**	**-**
NET DEPOSIT REQUIRED: *(Actuals to Date Plus Forecast Less Total Credits to Date)*	**$**	**-**

Partners:	Owner's Asset Ownership %	Partner Share of Deposit:
Xcel		$ -
OTP		$ -
GRE		$ -
MP		$ -
MPC		$ -

*.=Net Deposit Required * Asset ownership %*

Appendix F-3
To
Construction Management Agreement for Bemidji – Grand Rapids 230KV Line.

Form of
Project Change Request
Request #: _____

Date _____

Per the requirements of the Construction Management Agreement (CMA) Otter Tail Power Company as Construction Manager submits this Project Change Request to the Owners. The Project change is for the following:

Category of Change:

- ☐ Approved Design Change
- ☐ Project Budget Change
- ☐ Project Plan Change
- ☐ Maximum CM Cost Change
- ☐ Owner Directed Project Change
- ☐ Other: _____

Description of the Change: _____

_____

_____

_____

CONSTRUCTION MANAGER:

OTTER TAIL POWER COMPANY

BY _____

ITS _____

ATTACHMENT

Attached will be a copy of the Documentation for the Project Change Request

Form of Appendix F-4 (Progress Report) to CMA

BEMIDJI - GRAND RAPIDS TRANSMISSION EXPANSION

Monthly Progress Report for (Insert past month for reporting)

(Insert Date)

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Appendix A Lien Waivers (Construction Manager Liens)

Appendix B Financial Summary Report

- B - 1 Summary of CM Payroll for Services
- B - 2 Copies of Invoices
- B - 3 Variance
- B - 4 Updated Forecast

1.0 Permits

1.1 State Permits

Permit/Decision	Jurisdiction	Status
Minnesota State Approvals		

1.1.1 State Permitting Status Update

1.2 Federal Permit

Permit/Decision	Jurisdiction	Status
Federal Approvals		

1.2.1 Federal Permitting Status Update

2.0 Project Real Property (Right-of-Way)

2.1 Land Management (Right of Way)

# of landowner's	# Contacted		Easements Acquired		$ Paid/Received		
	Monthly	Total	Monthly	Total	Monthly	Total	% Complete

3.0 Procured Materials[1]

Materials	Ordered	Delivered last month	Delivered Total	Remaining	% Delivered

[1]CMA 3.2.2.2 & 6.2.3 & 8.2.1(ii)

4.0 Progress of Services and Construction[2]

4.1 Sourcing -

4.2 Detailed Design Engineering Firm -

4.3 Tribal –

4.4 Discrete Substation Owner update

Discrete Facility 1

Description of Work	Date of Work	Cost
		$0
		$0
		$0
		$0
	Total	$0

Discrete Facility 2

Description of Work	Date of Work	Cost
		$0
		$0
		$0
		$0
	Total	$0

Discrete Facility 3

Description of Work	Date of Work	Cost
		$0
		$0
		$0
		$0
	Total	$0

[2] CMA 6.2.3 & 8.2.1(ii)

4.5 Underlying Facilities Update

	Direct / Adjacent	Indirect / Remote	Owner

4.6 Additional Site Information

Description of Progress of Services and Construction Work
INSERT SITE AND/OR CONTRACTOR PICTURE(S) HERE

5.0 Safety

Safety	Month	Project to Date
Hours Worked		
FTE's (People)		
Near Miss		
OSHA Recordable		
Injury		
Illness		
OSHA Rate Calculation		

Monthly Summary

Vehicle Accidents	Month	Project to Date
Incident		
Damage Value		

Monthly Summary

Material Damage	Month	Project to Date
Incident		
Damage Value		

Monthly Summary

6.0 Commissioning and Inspections[3]

6.1 Line

6.1.1 Inspections

6.1.2 Commissioning

6.2 Substation

6.2.1 Inspections

6.2.2 Commissioning

6.3 Environmental Inspections

[3] CMA 6.2.3 & 8.2.1(viii)

7.0 Schedule of inspections, tests, and approvals of Construction work

Inspection Description	Date/Time	Approval	Location

Tests	Date/Time	Approval	Location

Construction Work	Date/Time	Approval	Location

8.0 Project Change Request

Request #	Description	Date Submitted	Date Approved	Status

9.0 Contractor and Subcontractor[4]

9.1 Contractor List

Contracting Parties	Title	Date	Contract Price

[4] CMA 6.2.3 & 8.2.1(ii)

9.2 Contractor Change Orders[5]

#	Description	Date Submitted	Date Approved	Value of Change Order	Updated Contract Price
					0
					0
					0
					0
					0
					0
					0
					0
					0
					0
					0
				Total	0

#	Description	Date Submitted	Date Approved	Value of Change Order	Updated Contract Price
					0
					0
					0
				Total	0

[5] CMA 8.2.1 (ix)

10.0 Claims/Disputes[6]

Any Claims or Disputes regarding the performance of Construction Work or Services
INSERT TABLE OF ANY CLAIMS OR DISPUTES (include facts and circumstances)

[6] CMA 6.2.3 & 8.2.1(ii)

11.0 Liens filed against Project[7]

Contractor	Description of Lien	Value of Lien	Status

[7] CMA 6.2.3 & 8.2.1(ii)

12.0 Significant issues [8]

12.1 Unresolved change orders:

12.2 Other significant issues

[8] CMA 6.2.3 & 8.2.1(ii)

13.0 Significant Events in the next 30 days[9]

Event/Description	Date	Time	Location

[9] CMA 6.2.3 & 8.2.1(ii)

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recast until end of Project

	Actual	<-- Actual	Forecast -->	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	
	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	to ——>	Grand Total:
f-Line										$ -
P.R.										$ -
										$ -
										$ -
ses, Permits, Land Mgmt										$ -
ing										$ -
										$ -
										$ -
										$ -
ation										$ -
										$ -
										$ -
										$ -
										$ -
										$ -
well 230kV Line Total:	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
osts										
										$ -
										$ -
										$ -
										$ -
										$ -
2008)										$ -
TTR - CapX Costs Total	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total- Joint Costs:	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

hip % (updated 10/18/10)	Actual	<-- Actual	Forecast -->	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	
Asset Ownership %:	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	to ——>	Grand Total:
29.31%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
15.67%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
14.54%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
9.47%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
31.00%	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

rlying Facilities,										Grand Total:
P										$ -
										$ -
										$ -
lying Facilities										$ -
derlying Facilities										$ -
C Underlying Facilities										$ -
& Underlying Fac Total	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

T by Owner:	Actual	<-- Actual	Forecast -->	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	
	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	to ——>	Grand Total:
XCEL	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
OTP	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	
GRE	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	

APPENDIX G
TO
CONSTRUCTION MANAGEMENT AGREEMENT

PROJECT MANAGER

Primary

Al Koeckeritz
Otter Tail Power Company
215 S. Cascade St.
P. O. Box 496
Fergus Falls, MN 56538-0496
Phone: 218-739-8416
Fax: (218) 739-8442
Email: akoeckeritz@otpco.com

Alternate

Todd Langston
Otter Tail Power Company
215 S. Cascade St.
P. O. Box 496
Fergus Falls, MN 56538-0496
Phone 218-739-8679
Fax: 218-739-8442
Email: tlangston @otpco.com

APPENDIX H
TO
CONSTRUCTION MANAGEMENT AGREEMENT

PROJECT CONSTRUCTION CONTRACT PROVISIONS

FOR USE WITH CAPX2020 AGREEMENTS AND PURCHASE ORDERS THAT ARE SUBJECT TO RUS REQUIREMENTS. THIS EXHIBIT SHOULD BE LISTED AS AN EXHIBIT IN SECTION 2 OF THE AGREEMENT. DELETE ALL INSTRUCTIONAL TEXT WHEN PREPARING OR ELECTRONICALLY TRADING THIS EXHIBIT.

EXHIBIT ____
BUY AMERICAN AND EEOC PROVISIONS

This is Exhibit ____ to the ____ **[ENTER THE APPROPRIATE NAME OF THE AGREEMENT]** (the "Agreement") dated ____ **[ENTER THE DATE OF THE AGREEMENT].**

I. Capitalized words, phrases and other expressions used herein that are not otherwise defined in this Exhibit are as defined in the Agreement. The capitalized words, phrases or other expressions used herein shall have the following meanings:

"Administrator" shall mean the Administrator of the Rural Utilities Service of the United States of America and his or her duly authorized representative or any other person in whom or authority in which may be vested the duties and functions which the Administrator is now authorized by law to perform.

"Bidder" shall mean **[CHOOSE APPROPRIATE DESIGNATION OF VENDOR AS USED IN THE AGREEMENT, SUCH AS "CONTRACTOR," "SUPPLIER," "CONSULTANT," OR "AGENCY"].**

"Contract" shall mean the "Agreement."

"Owner" shall mean the "Company."

II. In addition to the requirements set forth in the Agreement, Bidder shall comply with the following clauses:

BUY AMERICAN MATERIALS AND SUPPLIES

In the performance of this Contract there shall be furnished only such unmanufactured articles, materials, and supplies as have been mined or produced in the United States or in any eligible country, and only such manufactured articles, materials, and supplies as have been manufactured in the United States or in any eligible country substantially all from articles, materials, or supplies mined, produced or manufactured, as the case may be, in the United States or in any eligible country; provided that other articles, materials, or supplies may be used in the event and to the extent that the Administrator shall expressly in writing authorize such use pursuant to the provisions of the Rural

Electrification Act of 1938, being Title IV of Public Resolution No. 122, 75th Congress, approved June 21, 1938. For the purposes of this section, an "eligible country" is any country that applies with respect to the United States an agreement ensuring reciprocal access for United States products and services and suppliers to the markets of that country, as determined by the Unites States Trade Representative. The Bidder agrees to submit to the Owner such certificates with respect to compliance with the foregoing provision as the Administrator from time to time may require.

EQUAL OPPORTUNITY CLAUSE

a. *Bidder's Representations.*

The Bidder represents that:

[THE VENDOR SHOULD PLACE A CHECK MARK IN THE APPROPRIATE LINE FOR AGREEMENTS SUBJECT TO RUS REQUIEMENTS]. *It has__, does not have__, 100 or more employees, and if it has, that it has__, has not__ furnished the Equal Employment Opportunity-Employers Information Report EEO-1, Standard Form 100, required of employers with 100 or more employees pursuant to Executive Order 11246 of September 24, 1965, and Title VII of the Civil Rights Act of 1964.*

The Bidder agrees that it will obtain, prior to the award of any subcontract for more than $10,000 hereunder to a subcontractor with 100 or more employees, a statement, signed by the proposed subcontractor, that the proposed subcontractor has filed a current report on Standard Form 100.

The Bidder agrees that if it has 100 or more employees and has not submitted a report on Standard Form 100 for the current reporting year and that if this Contract will amount to more than $10,000, the Bidder will file such report, as required by law, and notify, the owner in writing of such filing prior to the Owner's acceptance of this Contract.

b. *Equal Opportunity Clause. During the performance of this Contract, the Bidder agrees as follows:*

(1) The Bidder will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The Bidder will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to, the following: Employment, upgrading demotions or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection of training, including apprenticeship. The Bidder agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this Equal Opportunity Clause.

(2) The Bidder will, in all solicitations or advertisements for employees placed by or on behalf of the Bidder, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

(3) The Bidder will send to each labor union or representative of workers, with which it has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representative of the Bidder's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(4) The Bidder will comply with all provisions of Executive Order 11246 of September 24, 1965, and the rules, regulations and relevant orders of the Secretary of Labor.

(5) The Bidder will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to its books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(6) In the event of the Bidder's noncompliance with the Equal Opportunity Clause of this Contract or with any of the said rules, regulations, or orders, this Contract may be canceled, terminated, or suspended in whole or in part, and the Bidder may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as provided by law.

(7) The Bidder will include this Equal Opportunity Clause in every subcontract or purchase order unless exempted by the rules, regulations, or order of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The Bidder will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance; provided, however, that in the event the Bidder becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency, the Bidder may request the United States to enter into such litigation to protect the interests of the United States.

c. Certificate of Nonsegregated Facilities. The Bidder certifies that it does not maintain or provide for its employees any segregated facilities at any of its

establishments, and that it does not permit its employees to perform their services at any location, under its control, where segregated facilities are maintained. The Bidder certifies further that it will not maintain or provide for its employees any segregated facilities at any of its establishments, and that it will not permit its employees to perform their services at any location, under its control, where segregated facilities are maintained. The Bidder agrees that a breach of this certification is a violation of the Equal Opportunity Clause in this Contract. As used in this certification, the term "segregated facilities" means any waiting rooms, work areas, restrooms and washrooms, restaurants and other eating areas, timeclocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees which are segregated by explicit directive or are in fact segregated on the basis of race, color, religion, or national origin, because of habit, local custom, or otherwise. The Bidder agrees that (except where it has obtained identical certifications from proposed subcontractors for specific time periods) it will obtain identical certifications from proposed subcontractors prior to the award of subcontracts exceeding $10,000 which are not exempt from the provisions of the Equal Opportunity Clause, and that it will retain such certifications in its files.

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APPENDIX I
TO
CONSTRUCTION MANAGEMENT AGREEMENT

INSURANCE PLAN

REDACTED CONTAINS PRIVILEGED INFORMATION

CMA Appendix J
Bemidji Grand Rapids 230kV Project
Credited Underlying System Improvements

CEII REDACTED

EXHIBIT G TO PROJECT PARTICIPATION AGREEMENT
AND
APPENDIX K TO CONSTRUCTION MANAGEMENT AGREEMENT

FORM OF ADMINISTRATIVE AGENT AGREEMENT

THIS ADMINISTRATIVE AGENT AGREEMENT (this "**Agreement**") is entered into and effective at 12:01 a.m. Central Time as of _____, 20__ (the "**Effective Time**") by and among Great River Energy, a cooperative corporation incorporated under the laws of Minnesota, ALLETE, Inc., d/b/a Minnesota Power, a Minnesota corporation, Minnkota Power Cooperative, Inc., a Minnesota cooperative corporation, Otter Tail Power Company, a corporation organized and existing under the laws of the State of Minnesota, and Northern States Power Company, a Minnesota corporation (collectively, the "**Participants**").

RECITALS

A. The Participants have agreed to participate in an electric transmission project (the "**Project**").

B. In connection with the Project, the Participants, as tenants in common, have obtained and benefit from certain agreements pursuant to which the Participants have the right to construct, operate, maintain, use, rebuild, relocate and remove transmission lines with towers, structures, poles, foundations, crossarms, cables, wires, guys, supports, counterpoises, fixtures, and equipment related to such lines, together with communication equipment relating to the operation of such lines (the "**Transmission Facilities**"), including but not limited to electric line easement agreements described on the attached **Exhibit A** (the "**Easements**").

C. The Participants are desirous of appointing an administrative agent to act on behalf of the Participants in connection with certain matters relating to the Easements, pursuant to the terms and conditions set forth herein.

AGREEMENT

In consideration of the foregoing Recitals, the definitions of which are incorporated by reference herein, the mutual covenants set forth in this Agreement and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, each Participant agrees as follows.

1. Appointment of Administrative Agent. The Construction Period Administrative Agent and the Operating Phase Administrative Agents, as hereinafter defined, shall be referred to collectively as the "**Administrative Agent**".

a. Appointment of Construction Period Administrative Agent. Otter Tail Power Company is hereby appointed as the administrative agent to act on behalf of the

Participants in certain matters relating to all of the Easements until the completion of construction of the Project (the "**Construction Period Administrative Agent**").

b. Appointment of Operating Phase Administrative Agents. After the completion of construction of the Project, the entity set forth in **Exhibit A** in the column entitled "Operating Phase Administrative Agent" is hereby appointed as the administrative agent to act on behalf of the Participants in certain matters relating to the Easement set forth in **Exhibit A** in the column entitled "Date of Easement" and in the same row as the name of such entity (the "**Operating Phase Administrative Agent**").

2. Authority of Administrative Agent. The Administrative Agent shall be authorized to act on behalf of the Participants in the following matters, and undertake the following tasks, relating to the applicable Easements:

a. Undertake day-to-day, ministerial operational activities and make day-to-day, ministerial operational decisions relating to the Easements in the ordinary course of business, including but not limited to: a) authorizing payments to landowners for damages to landscaping, roads and driveways, livestock, crops, fields and other landowner property caused in connection with the construction or maintenance of the Transmission Facilities, b) approving or denying landowner requests to plant trees or construct other improvements within the Easements, in accordance with good utility practices, and c) obtaining insurance relating to the Easements;

b. Grant amendments to the Easements to correct non-substantive errors or to match the actual location of the Transmission Facilities with the legally described Easement areas;

c. Undertake any other ministerial matters relating to the Easements;

d. Any other activity specifically authorized by a certificate from the management committee for the Participants.

The Administrative Agent shall undertake the foregoing activities in a commercially reasonable manner, properly, adequately, safely and economically, and in accordance with good utility practices, on behalf of the Participants.

3. Limits on Authority. The Administrative Agent shall not be authorized to act on behalf of the Participants except as specifically authorized in paragraph 2 above. Without limiting the foregoing, the Administrative Agent is expressly not authorized to:

a. Mortgage, grant liens against, or otherwise encumber the Easements;

b. Transfer, assign, sell or otherwise dispose of any interests in the Easements;

c. Appear on behalf of the Participants in litigation relating to the Easements.

4. Notice to Owners. Promptly upon the completion of construction of the Project, or upon the appointment of any successor Administrative Agent, the Participants shall deliver written notice to each owner of the real property subject to the Easements setting forth the identity and contact information of the Administrative Agent.

5. Counterparts. This Agreement may be executed in two or more counterparts, each of which will be deemed an original, but all of which together shall constitute one and the same instrument.

The remainder of this page is intentionally blank.

IN WITNESS WHEREOF, the Participants have caused this Agreement to be executed as of the date above recited.

GREAT RIVER ENERGY

BY_____
ITS_____

ALLETE, INC., d/b/a MINNESOTA POWER

BY_____
ITS_____

MINNKOTA POWER COOPERATIVE, INC.

BY_____
ITS_____

OTTER TAIL POWER COMPANY

BY_____
ITS_____

NORTHERN STATES POWER COMPANY, a Minnesota corporation

BY_____
ITS_____

[SIGNATURE PAGE TO ADMINISTRATIVE AGENT AGREEMENT]

EXHIBIT A
TO
ADMINISTRATIVE AGENT AGREEMENT

ELECTRIC LINE EASEMENTS

DATE OF EASEMENT	RECORDING INFORMATION OF MEMORANDUM	GRANTOR	LEGAL DESCRIPTION	OPERATING PHASE ADMINISTRATIVE AGENT

APPENDIX L
TO
CONSTRUCTION MANAGEMENT AGREEMENT

SALES AND USE TAX OBLIGATIONS

1. GENERAL. The Construction Manager will perform the obligations set forth in this **Appendix L** in connection with Sales Tax obligations of the Owners arising from the procurement of Procured Materials and the performance of Construction Work for the Facilities ("**Project Sales Tax**") through Final Completion of the Facilities, the Discretely Owned Substations Assets and the Credited Underlying System Improvements, or as otherwise directed by the Management Committee.

2. IMPLEMENT SALES TAX PLAN. The Project has received a determination (the "**Determination Letter**") from the Minnesota Department of Revenue, Policy Services and Taxpayer Programs Unit, Sales and Use Tax Division ("**MNDOR**"). The Determination Letter authorizes the Construction Manager to obtain a separate Minnesota tax identification number assigned to the Project (the "**Project EIN**"). The Construction Manager will, as agent of the Owners, use or make reference to the Project EIN in its actions to collect and remit Project Sales Tax, file relevant Sales Tax returns, prepare and submit applications to or make petition for relevant exemptions from Sales Tax, and seek capital equipment refunds of Project Sales Tax. When directed by the Management Committee in writing, the Construction Manager will file final Sales Tax returns with respect to Project Sales Taxes and provide written notice to the MNDOR requesting the cancellation of the Project EIN for all purposes other than with respect to matters pertaining to Project Sales Taxes then pending or that may subsequently arise. The Construction Manager will provide each Owner with written notice of the termination of the Project EIN in time to enable each such Owner to file all future Sales Tax returns and corresponding applications for refund requests with respect to Project-related matters on a timely basis.

3. RECORDKEEPING RESPONSIBILITIES. The Construction Manager will: (i) in accordance with **Section 7.19.1** of the Agreement, (a) account for all Project Sales Taxes by creating and maintaining work papers and summary financial reports that identify Project Sales Tax paid by date, vendor, purchase order and invoice, (b) review invoices, purchase orders and corresponding supporting documentation for Procured Materials or Construction Work to determine eligibility for capital equipment refunds of, or exemption from, Sales Tax, (c) reflect the Construction Manager's determination of such eligibility on the summary financial reports to be distributed by the Construction Manager to the Management Committee, and (d) distribute summary financial reports reflecting such determination with respect to invoices paid in the Prior Month, prior to the end of the Current Month (or as soon thereafter as is practicable); (ii) report each Owner's share of the Project Sales Tax paid or remitted to the Owners in accordance with **Section 6.2.3(iv)** of the Agreement; and (iii) provide each Owner with access to such records, reports, working papers and supporting documentation in accordance with **Section 7.19.3** of the Agreement.

4. OTHER RESPONSIBILITIES. The Construction Manager will: (i) timely remit all Project Sales Taxes, (ii) file all Sales Tax returns and capital equipment refund claims with respect to Project Sales Taxes paid; and (iii) seek refunds or recoveries of such Project Sales Taxes when appropriate. For purposes of refunds or recoveries of Project Sales Tax, the Construction Manager will file applications for such refunds under Applicable Law based on the financial summary reports approved by the Management Committee. The Construction Manager will promptly deposit refunds of Project Sales Taxes in the Main Trust Account for credit to each applicable Owner in accordance with such Owner's Asset Ownership Percentage in effect at the time the relevant capital equipment refund request was submitted. The Construction Manager will work with the relevant Governmental Body to seek favorable resolution of all investigations, inquiries, examinations or audits of Project Sales Tax matters. The Construction Manager may settle any such investigation, inquiry, examination or audit without approval of the Management Committee: (i) with respect to any resolution that would increase the amount of Sales Tax payable, in an amount not to exceed the threshold then set in **Section 7.12.2.5** for settling or consenting to the entry of judgments for uninsured claims, and (ii) with respect to any resolution that would reduce the amount of any Project Sales Tax refund, in an amount not to exceed the threshold then set in **Section 7.12.2.5** for releasing any Third Party from liability or potential liability.

5. ASSISTANCE TO OWNERS. The Construction Manager will provide reasonable assistance and documentation to the Owners (individually or collectively) in connection with any review, audit, investigation or similar process of any Governmental Body relating to Project Sales Taxes in order to address the issues identified by any reviewing Person.

6. EFFECT OF AUDITS, INVESTIGATIONS OR ADJUSTMENTS. If a relevant Governmental Body conducts an examination of Project Sales Taxes during the relevant statute of limitations pertaining to same, which examination results in an adjustment (increase or decrease) to the Project Sales Taxes paid or payable or capital equipment refund received or requested, said adjustment will be treated as having occurred in the relevant fiscal period corresponding to the invoice for which such Project Sales Tax obligation or recovery relates and will be apportioned among the Owners (and their successors) based on the Asset Ownership Percentage then in effect.

CAPX 2020
BEMIDJI – GRAND RAPIDS PROJECT

EXHIBIT R TO PROJECT PARTICIPATION AGREEMENT
APPENDIX M TO CONSTRUCTION MANAGEMENT AGREEMENT
APPENDIX J TO OPERATION MANAGEMENT AGREEMENT

TERM SHEET FOR TRANSMISSION (NON-DISTRIBUTION) UNDERBUILD FACILITIES

The following reflects the underlying terms and conditions (the "**Terms**") that have been agreed to by the Owners of the Bemidji-Grand Rapids Project (the "**Project**") with respect to certain transmission (non-distribution) underbuild facilities.

The Terms set forth below refer to the potential relocation and demolition of existing non-Project transmission lines (the "**Underbuild Line(s)**") that are owned by certain Owners ("**Underbuild Owner(s)**") in order to comply with Applicable Law and Good Utility Practice due to the anticipated proximity of the Underbuild Line(s) with Project Facilities to be constructed pursuant to the Project Plan. As a consequence, the Underbuild Line(s) will, if constructed, be co-located on certain Project Facilities notwithstanding the fact that the Underbuild Line(s): (i) will not constitute Project Facilities and (ii) will be owned by the Underbuild Owners.

The Owners contemplate that construction and demolition of the Underbuild Line(s) could affect up to approximately 2½ miles of the Project Facilities, including approximately twenty-five structures. There is no certainty that some or all of the potential Underbuild Line work will occur. The projected CM Costs of these Underbuild Line(s), which has been included in the Pre-Construction Estimated Project Budget and in establishing the Maximum CM Cost Amount, are anticipated to be deminimious in relation to the total CM Costs, the Project Plan and the scope of the Project. Based on the foregoing the Terms below are agreed upon.

This Term Sheet constitutes an expression of mutual intent of the Owners and the Underbuild Owner(s) to incorporate the Terms set forth below within a final definitive agreement for the Underbuild Line(s). However, the Owners and the Underbuild Owner(s) will be bound to these Terms only upon completion of negotiations and execution and delivery of such a definitive agreement and ancillary documents thereto. Capitalized terms used but not defined as part of the Terms have the meanings given in the Project Agreements.

TERMS AND CONDITIONS
FOR
UNDERBUILD LINES

1. **Scope of Understanding**

- These Terms are to be interpreted in a manner consistent with incorporation of the terms of the Project Agreements and the applicable ancillary agreements, instruments and documents arising from the Project Agreements.

2. **Design Standards**

- The Underbuild Owner's design standards then in effect will be used for construction of the Underbuild Line, so long as these standards are consistent with Applicable Law and Good Utility Practice.

3. **Title to Underbuild Line Assets**

- The Underbuild Owner(s) will own all Property associated with the Underbuild Line. Such Property includes the cross-arms (but specifically excludes the towers and other structures upon which the cross-arms are located) conductors, insulators, SCADA and other communications equipment.

4. **Risk of Loss**

- Except as set forth in paragraph 15 below arising from termination of the Facilities due to destruction, the Underbuild Owner will have all risk of loss with respect to the Underbuild Line Property.

5. **Existing Land Property Interests**

- The Underbuild Owner will retain its rights in and to all real Property interests corresponding to the existing non-Project transmission line, subject to the immediately following paragraph.

- The Underbuild Owner will provide, without charge, reasonable assistance to the Owners in obtaining Project Real Property interests to the extent required, needed or desirable for Facilities affected by the Underbuild Line(s).

6. **Project Land Property Interests**

- The Owners will grant the Underbuild Owner a perpetual, royalty free easement over the applicable Facilities and Project Real Property for electric transmission, operations, repair, maintenance and other associated matters associated with Good Utility Practice and Applicable Law to the extent corresponding to the Underbuild Line(s).

7. **Underbuild Lines and Upgrades**

- No upgrades of voltage, capacity, capability or quality of materials is anticipated. If there are such upgrades, the incremental cost of such upgrades will be at the sole expense and obligation of the Underbuild Owner, and no Percentage Interest credit attributable to such incremental costs will be given to such Owner.

8. **Construction and Demolition Responsibility**

- The Underbuild Line(s) will be constructed, and demolition of the existing non-Project transmission lines that are being replaced by the Project will be performed, as if each were a part of the Facilities. The Construction Manager will assume duties and provide its services with respect to the Underbuild Line.

- To the extent construction (or demolition) of the existing non-Project transmission lines or the Underbuild Lines affects the substation of any Underbuild Owner, the Underbuild Owner will have the right to elect to self-perform the portion of such Construction Work that is within such Owner's substation.

- All construction and demolition will be planned and coordinated by the Construction Manager of the Project with the Underbuild Owner, consistent with Good Utility Practice and Applicable Law.

9. **Payment Responsibility**

- Except as described in Section 7 above with respect to upgrades, the cost of demolition of the existing non-Project transmission lines and construction of the Underbuild Lines will constitute CM Costs and such work corresponding with same shall constitute Construction Work.

- The Asset Ownership Percentage will be used to determine the Owners' payment amounts during the Construction Work. (This is an intended departure from the Percentage Interest that would be used for Discretely Owned Substation Assets and Credited Underlying System Improvements due to the low amount of expenditures and administrative efficiency.)

10. **Percentage Interest Credit**

- Payments made by the Owners for or associated with the Underbuild Lines will be given Percentage Interest (as opposed to Asset Ownership Percentage) credit in the Project.

- The determination of CM Costs corresponding the Construction Work relating to the Underbuild Lines (including demolition of the existing non-Project transmission lines) will be computed in good faith using commercially reasonable efforts as part of the final reconciliation of the Project interests of the Owners. (This allocation can be based on budgeted/contracted amounts paid.)

11. **Coordination and Cooperation Principles**

- The following provisions of the Project Agreements will be, to the extent reasonably related and applicable to the Underbuild Line and the Underbuild Owner, incorporated to the definitive agreement for the Underbuild Line(s):

  > Insurance Requirements
  > Schedule of Construction Work
  > Cooperation
  > Access rights
  > Commissioning

> Inspection
> Construction Work Warranties
> Environmental Indemnity
> Termination

12. **Indemnification/Liability Matters**

- The principles set forth in the Project Agreements will apply with respect to all liability issues, including indemnification, limits of liability, third party claims and rights of contribution.

13. **Operations and Maintenance – Vegetation Management**

- The Owners, through their applicable Maintenance Provider(s) will be responsible for the cost and performance of vegetation management of the Facilities in accordance with the Project Agreements.

- The Underbuild Owner will be responsible for the cost and performance of supplemental vegetation management (exceeding that performed by the Owners with respect to the Facilities) that it is required to perform with respect to the Underbuild Line(s) to comply with Applicable Law, including NERC and other standards.

- If the non-Project transmission line Property that the Underbuild Line(s) will replace is not contiguous with the Facilities, the cost and responsibility of all vegetation management with respect to such Property remains exclusively with the Underbuild Owner.

14. **Operations and Maintenance – Repair, Replacement, Outages**

- Except as described in Section 13 above with respect to vegetation management performed by the Owners on the Facilities that benefits the Underbuild Owner with respect to the Underbuild Lines, the Underbuild Owner will be responsible for the cost and performance of Underbuild Line operations, maintenance, repair and replacement. The Underbuild Owner(s) and the Owners and their agents will perform, cooperate in and coordinate their respective operations, maintenance, repair and replacement obligations in accord with Applicable Law and Good Utility Practice.

- Outages will be the responsibility of the titleholder to the affected Facilities and Underbuild Line(s). The cooperation and coordination principle referenced in Section 11 above will apply.

15. Termination, Decommissioning, Condemnation and Destruction

- If the Project Facilities upon which the Underbuild Line(s) are co-located are permanently terminated for:

  (i) decommissioning, the Underbuild Owner shall have the option to either (a) purchase the decommissioned Facilities on which the Underbuild Line is located and real Property interests associated therewith for nominal consideration, or (b) require the Owners at their expense to construct for the Underbuild Owner a new transmission line of like kind and quality to replace the service provided by the Underbuild Line either at the then existing location of the Underbuild Line or prior non-Project transmission line location, whichever is more economical at the time of decommissioning of the Facilities.

  (ii) condemnation, the Underbuild Owner shall have the right to claim its rights pursuant to the condemnation in accordance with Applicable Law and the Owners will not have any obligation, financial or otherwise, with respect to the Underbuild Line or the Underbuild Owner after the date of such termination, and

  (iii) destruction, (a) the Owners will have the obligation at their expense to complete demolition and disposal of the Facilities and Underbuild Line assets and to restore the towers, exclusive of cross-arms, for use by the Underbuild Owner, and (b) the Underbuild Owner will have the responsibility at its expense to restore the remaining Underbuild Line assets. The Owners and the Underbuild Owner will cooperate and make reasonable commercial efforts to assure that the real Property interests necessary for the Underbuild

Owner's continued operation of the Underbuild Line on the Property once occupied by the Facilities are conveyed to the Underbuild Owner.

- If the Underbuild Lines are temporarily or permanently terminated for any reason, the Underbuild Owner is responsible to perform and pay all costs related to all repair, replacement, decommissioning, demolition and other termination in relation to the Underbuild Line.

16. **No Rights to Terminate Easement**

- The easement granted to the Underbuild Owner to operate the Underbuild Line on the Facilities will run with the land and may not be terminated unless the Underbuild Line is no longer operated on the Project Real Property with the Facilities. Absent such termination, the Owners' remedies for breach and/or default under the definitive agreement will be limited to money damages and/or equitable remedies, such as injunction or specific performance.

17. **Project Agreements**

- The Project Agreements may be amended to address the matters affected by the definitive agreement(s) related to the Underbuild Line.

BEMIDJI - GRAND RAPIDS TRANSMISSION PROJECT

OPERATION AND MAINTENANCE AGREEMENT

Dated as of December 1, 2010

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OPERATION AND MAINTENANCE AGREEMENT

THIS OPERATION AND MAINTENANCE AGREEMENT (this "**Agreement**") is entered into and effective at 12:01 a.m. Central Time as of December 1, 2010 (the "**Effective Time**"), by and among **Great River Energy**, a cooperative corporation incorporated under the laws of Minnesota ("**GRE**"), **ALLETE, Inc., d/b/a Minnesota Power**, a Minnesota corporation ("**Minnesota Power**"), **Minnkota Power Cooperative, Inc.**, a Minnesota cooperative corporation ("**Minnkota**"), **Otter Tail Power Company**, a corporation organized and existing under the laws of the State of Minnesota ("**Otter Tail Power**"), **Northern States Power Company**, a Minnesota company ("**NSP**") as Owners; and **Minnkota** and **GRE**, each in its capacity as a Maintenance Provider; and **Minnkota, Minnesota Power** and **Otter Tail Power**, each in its capacity as a Control Center Authority.

RECITALS

A. The Owners are constructing the Facilities the Discretely Owned Substation Assets and the Credit Underlying System Improvements associated therewith to: (i) enhance service reliability for electric customers in Minnesota and the surrounding region; (ii) strengthen the transmission network to meet additional demands for electric power; and (iii) enhance transmission system capacity to support the installation of renewable energy resources;

B. Contemporaneously herewith, the Owners have entered into: (i) the Project Participation Agreement; (ii) the Transmission Capacity Exchange Agreement; (iii) the Construction Management Agreement; and (iv) such other agreements as the Owners have deemed necessary;

C. The Owners wish to provide for the efficient and reliable: (i) exercise of day-to-day operational control of the Facilities, utilizing the existing resources of the Owners to the maximum extent possible and (ii) performance of maintenance, repair, restoration and other services for the Facilities;

D. Day-to-day operational control over the existing Transmission Grid in the areas where the Facilities will be constructed is currently exercised by Control Center Authorities operated by certain of the Owners;

E. Maintenance, repair, restoration and other services for the existing Transmission Grid in the areas where the Facilities will be constructed are currently performed by certain of the Owners;

F. The Owners desire to enter into this Agreement with the Control Center Authorities to provide day-to-day operational control of the Facilities and each Control Center Authority desires to provide such services in accordance with the terms and subject to the conditions of this Agreement over the Applicable Segments of the Facilities; and

G. The Owners desire to enter into this Agreement with the Maintenance Providers to: (i) assure a seamless transition from construction to commercial operation of the Facilities and (ii) provide maintenance, repair, restoration and other services, and each Maintenance

Provider desires to assure such transition and to provide such services in accordance with the terms and subject to the conditions of this Agreement for the Applicable Segments of the Facilities.

AGREEMENT

In consideration of the foregoing recitals, the mutual covenants set forth in this Agreement and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, each Owner and each Responsible Entity agree as follows.

ARTICLE 1
DEFINITIONS

1.1 **Definitions**. In addition to the other terms defined herein, the following terms, whether in the singular or in the plural, when used herein; in **Schedule 1, Generally Applicable Provisions**; in the appendices attached hereto; or in notices given under this Agreement and initially capitalized, have the meanings specified below:

"**Administrative Agent Agreement**" means that certain Administrative Agent Agreement, by and among the Owners, the Construction Manager and the Maintenance Providers, dated as of the Effective Time.

"**Affiliate**" means any Person that, directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, an Owner. For purposes of this Agreement, Aerial Contractors will not be considered an Affiliate of Otter Tail Power.

"**Agency Authority**" has the meaning given in **Section 2.4**.

"**Agreement**" means this Operation and Maintenance Agreement, as it may be supplemented or amended.

"**Applicable Energy Regulations**" means the rules, Orders, regulations, practices, procedures and protocols established in compliance with Applicable Law by applicable Transmission Providers (such as the Midwest Independent Transmission System Operator, Inc.), electric reliability organizations (such as the North American Electric Reliability Corporation and the Midwest Reliability Organization) and comparable Persons that are applicable to the Services, the Maintenance Services, the Control Center Services, and the Construction Work; the Facilities, the Discretely Owned Substation Assets; and the Credited Underlying System Improvements (or their respective operations); or the performance of the obligations of the parties hereunder.

"**Applicable Law**" means: (i) any and all laws (including all statutory enactments and common law), ordinances, constitutions, regulations, treaties, rules, codes, standards, Governmental Approvals, requirements and Orders that (a) have been adopted, enacted, implemented, promulgated, ordered, issued, entered or deemed applicable by or under the authority of any Governmental Body having jurisdiction over a specified Person (or the Properties of such Person) and (b) are applicable to the Construction Management Services, the

Real Property Management Services, the Construction Work; Maintenance Services, and the Control Center Services; and the Facilities, the Discretely Owned Substation Assets, and the Credited Underlying System Improvements (or their respective operations); or the performance of the obligations of the Parties (each in its respective capacities hereunder) under this Agreement; and (ii) Applicable Energy Regulations.

"**Applicable Segment**" means the Segment(s) for which a Maintenance Provider or a Control Center Authority is responsible under this Agreement, as more particularly set forth in **Appendix A**.

"**Approved Budget Variance**" has the meaning given in **Section 7.5**.

"**Asset Ownership Percentage**" has the meaning given in **Section 3.1.3.1.2** of the **Project Participation Agreement**.

"**Billing Cycle**" has the meaning given in **Section 6.2.1**.

"**Budget Deadlock**" has the meaning given in **Section 7.2**.

"**Budget Overrun**" means any expenditure or the incurrence of a Capital Expense (contingent or realized) that will or would reasonably be expected to cause a then current Capital Budget to be exceeded.

"**Business Day**" means any day other than a Saturday, Sunday or federal holiday.

"**Capital Budget**" has the meaning given in **Section 7.1**.

"**Capital Expenses**" means expenses incurred in connection with Capital Improvements.

"**Capital Improvements**" means capital additions or modifications to the Facilities undertaken: (i) in accordance with the Capital Budget after the applicable Phase In-Service Date for such Facilities at the direction of the E&O Committee or (ii) as a consequence of an Emergency, in either case, for the purpose of maintaining Facility Capacity or the reliability of the Facilities in accordance with Good Utility Practice. Capital Improvements exclude: (i) work undertaken pursuant to the Construction Management Agreement or the Construction Agreements in accordance with the Project Plan and (ii) Upgrades.

"**CapX 2020 Substation Design Criteria**" means the criteria established in: (i) Control and Protective Design Criteria for Substations, Revision 0, dated December 12, 2006; (ii) Physical Design Criteria for Substations, Revision 0, dated December 12, 2006; and (iii) Civil Performance Criteria for Substations, Revision 0, dated December 12, 2006; copies of which are set forth in **Appendix C-1**, as such criteria are amended by the Management Committee.

"**CapX 2020 Transmission Capacity Expansion Initiative**" means the cooperative efforts of the Owners and other Persons to engage in electric transmission projects designed to reliably serve load and meet the projected growth of electricity requirements in the Transmission Grid in Minnesota and the immediately surrounding region, which efforts are anticipated to

include, in the aggregate over a long-term period, the study, planning, coordination, development, construction and ownership of electric transmission facilities.

"**CapX 2020 Transmission Line Design Criteria Guidelines**" means the requirements established in the CapX 2020 Transmission Line Design Criteria Guidelines, Revision 3, dated April 19, 2010, a copy of which is set forth in **Appendix C-2**, as such requirements are amended by the Management Committee.

"**CapX Design Criteria**" means: (i) CapX 2020 Substation Design Criteria and (ii) CapX 2020 Transmission Line Design Criteria Guidelines.

"**CapX Project**" means any of the several transmission projects arising from the CapX 2020 Transmission Capacity Expansion Initiative planning process, including the Project.

"**Cause**" has the meaning given in **Section 13.2.1.2**.

"**CEII**" has the meaning given in **Section 12.6.2**.

"**Chair**" means the representative of an Owner who acts as the Chair of the Management Committee in accordance with **Section 3.2.3.5** of the **Project Participation Agreement**.

"**Change in Law**" means any change in, or enactment of, any Applicable Law or official published policy regarding the interpretation or enforcement of any Applicable Law by a Governmental Body that takes place after the Effective Time and affects or relates to the Maintenance Services, the Control Center Services, or the performance of the obligations of one or more Owners or one or more Responsible Entities under this Agreement, including the imposition of any new requirement of a Governmental Approval; **provided, however**, a change in Applicable Law affecting only a tax payable or any other cost of performance hereunder will not constitute a Change in Law.

"**Changed Circumstance**" means a: (i) Force Majeure or (ii) change in the scope of the Maintenance Services or the Control Center Services directed by the Management Committee that was not contemplated in the current expense forecast or Capital Budget at the time such forecast was provided or such Capital Budget was approved by the Management Committee, which change impairs the ability of the applicable Responsible Entity to perform its obligations with respect to its Applicable Segments within the applicable forecast or Capital Budget.

"**Commencement Date**" means the date on which an NCL Final Environmental Order exists; **provided**, that such date occurs prior to the Final Completion Date, as defined in the Construction Management Agreement, of all of the Facilities, Discretely Owned Substation Assets, and Credited Underlying System Improvements (excluding the NCL Transmission Line).

"**Confidential Information**" has the meaning given in **Section 12.1**.

"**Construction Agreements**" means all contracts, agreements or arrangements establishing the terms of performance of any part of the Construction Work, but specifically excluding the Construction Management Agreement and the Real Property Agreements.

"Construction Management Agreement" means that certain Construction Management Agreement by and among all of the Owners and the Construction Manager, effective as of the Effective Time.

"Construction Management Services" means the services to coordinate, manage, administer, oversee, and enforce the performance of Construction Work through Final Completion of all of the Facilities, the Discretely Owned Substation Assets and the Credited Underlying System Improvements.

"Construction Manager" means Otter Tail Power, solely in its capacity as Construction Manager under the Construction Management Agreement.

"Construction Work" means all activities that are necessary, desirable or incidental to designing and constructing all of the Facilities, the Discretely Owned Substation Assets and the Credited Underlying System Improvements, placing them in service and achieving Final Completion in accordance with Good Utility Practice and the Project Plan, other than: (i) the services to be provided under the Construction Management Agreement by the Construction Manager and (ii) the obligations of the Owners (individually or collectively through the Management Committee) under the Construction Management Agreement.

"Contractor" means any Person with whom some or all of the Owners enter into a Project Construction Contract. Reference to an Owner as a "Contractor" excludes any reference to such Owner in any other capacity.

"Control Center Authority" means each Person designated as a "Control Center Authority" in this Agreement, which Person, when acting under this Agreement in such capacity, will have day-to-day operational control over Applicable Segments, including a Person that executes a joinder in a form acceptable to such Person and the Management Committee to become a Control Center Authority hereunder. Reference to a Control Center Authority will generally refer to the rights and obligations of all Control Center Authorities, each in respect of any Applicable Segment for which it is responsible under this Agreement; **provided, however,** reference to a Control Center Authority excludes reference to such Person in any other capacity, including as an Owner, a Maintenance Provider, a Maintenance Subcontractor, a Discretely Owned Substation Owner or an owner of a Credited USI Owner.

"Control Center Costs" has the meaning given in **Section 4.2.**

"Control Center Records" has the meaning given in **Section 5.12.2.**

"Control Center Services" has the meaning given in **Section 2.2.**

"Credited Underlying System Improvements" means (i) the underlying system improvements identified in **Appendix J** and, if the Commencement Date occurs, the NCL Transmission Line, (ii) all Property interests that arise from the work under any Project Construction Contract with respect to the Credited Underlying System Improvements, and (iii) all Real Property Agreements providing for the acquisition of real property interests for Credited Underlying System Improvements, in all cases, the Credited USI Costs of which will be paid or credited as provided in the Project Participation Agreement, but title to which will vest in the

Credited USI Owner constructing such Credited Underlying System Improvement. Credited Underlying System Improvements will not constitute part of the Facilities or the Discretely Owned Substation Assets.

"**Credited USI Owner**" means the Owners set forth on **Appendix J** of the **Construction Management Agreement** who own the Credited Underlying System Improvements. Reference to a Credited USI Owner excludes any references to a Credited USI Owner in any other capacity.

"**Damages**" means any loss, charge, deficiency, tax, fine, interest, assessment, judgment, award, demand, liability, penalty or cost and expense, including amounts paid in settlement, reasonable attorneys' and other professional fees and reasonable costs of investigation.

"**Debt**" means for any Person, without duplication:

(i) indebtedness of such Person for borrowed money;

(ii) obligations of such Person evidenced by bonds, debentures, notes, mortgages or other similar instruments;

(iii) obligations of such Person to pay (a) amounts due under financing leases, (b) the deferred purchase price of Property or services (other than accounts payable in the ordinary course of business), or (c) obligations under capitalized or operating leases;

(iv) obligations of such Person under direct or indirect guarantees in respect of, and obligations (contingent or otherwise) of such Person to purchase or otherwise acquire, or otherwise to assure a creditor against loss in respect of, indebtedness or obligations of another Person;

(v) obligations of such Person under interest rate or currency protection agreements or other hedging instruments;

(vi) obligations of such Person to purchase securities (or other Property) that arise out of, or in connection with, the sale of the same or substantially similar securities (or Property); and

(vii) deferred obligations of such Person to reimburse any bank or other Person in respect of amounts paid or advanced under a letter of credit or other instrument.

"**Discretely Owned Existing Substation**" has the meaning given in the definition of Discretely Owned Substation Assets.

"**Discretely Owned New Substation**" has the meaning given in the definition of Discretely Owned Substation Assets.

"**Discretely Owned Substation Assets**" means: (i) a new substation to be constructed in accordance with the Project Plan (a "**Discretely Owned New Substation**"); (ii) improvements to be constructed in accordance with the Project Plan to an existing substation (a "**Discretely**

Owned Existing Substation"); (iii) all Property interests that arise from the work performed under any Project Construction Contract with respect to any Discretely Owned Substation Assets and (iv) all Real Property Agreements providing for the acquisition of real property interests for Discretely Owned Substation Assets, in all cases, the Discretely Owned Substation Costs of which will be paid or credited as provided in the Project Participation Agreement, but title to which will vest in one or more but less than all, of the Owners. Discretely Owned Substation Assets will not constitute part of the Facilities.

"**Discretely Owned Substation Owner**" means an Owner that owns a Discretely Owned Substation Asset.

"**Discretionary Upgrade**" means an Upgrade undertaken by one or more of the Owners without investment by a Third Party. Improvements resulting from Maintenance Services or Capital Improvements are not Discretionary Upgrades.

"**E&O Chair**" means the chair of the E&O Committee.

"**Effective Time**" has the meaning given in the first paragraph of this Agreement.

"**Emergency**" means any circumstance or condition that will or could imminently be expected to materially harm the safe and reliable operation of all or a portion of the Facilities, the Discretely Owned Substation Assets, the Credited Underlying System Improvements, the Transmission Grid or otherwise endanger public safety, Property or the environment.

"**Engineering and Operating Committee**" or "**E&O Committee**" means the Engineering and Operating Committee established pursuant to the Project Participation Agreement, which committee has been granted delegated authority by the Management Committee to undertake the obligations and exercise the rights accorded to it under this Agreement.

"**Equipment and Materials**" means equipment, supplies and materials incorporated into the Facilities together with tools, consumables and other supplies and materials to be used in the performance of the Maintenance Services, including Inventory.

"**Facilities**" means: (i) as more particularly identified in **Appendix A**, as it may be updated with respect to each Phase upon its Phase In-Service Date, all of the Equipment and Materials, installations and facilities, including associated site improvements, appurtenances and structures procured, installed or constructed as part of the Project that are located on Project Real Property (other than real property owned separately by the Discretely Owned Substation Owners or the Credited USI Owners or the easements granted to the other Owners by the Discretely Owned Substation Owners or the Credited USI Owners pursuant to the Transmission Easement Agreements); (ii) Capital Improvements, Upgrades in which all of the Owners have Asset Ownership Percentages, and Discretionary Upgrades if the Management Committee has decided pursuant to **Section 4.4.2(iii)** of the **Project Participation Agreement** that such Discretionary Upgrade will become part of the Facilities; and (iii) all Property interests that arise in connection with the Project from any Project Agreement or related to any of the foregoing. The Facilities do not include Credited Underlying System Improvements, Discretely Owned Substation Assets,

Non-Project Upgrades, and Discretionary Upgrades, except as otherwise provided in the immediately preceding sentence.

"**Facility Capacity**" means the then current maximum power that can be transmitted over the Facilities, the Discretely Owned Substation Assets and, as applicable, the Credited Underlying System Improvements, as built, without consideration of constraints imposed by the balance of the Transmission Grid.

"**FERC**" means the Federal Energy Regulatory Commission, a regulatory Governmental Body of the United States, or any successor thereto.

"**FERC Standards of Conduct**" has the meaning given in **Section 12.6.1**.

"**Final Completion**" with respect to the Facilities, the Discretely Owned Substation Assets (or applicable Phase) and, as applicable, the Credited Underlying System Improvements, means the determination of the Management Committee that "Final Completion" has been achieved in accordance with **Section 11.4** of the **Construction Management Agreement**.

"**Final Order**" means an Order as to which: (i) no request for stay is pending before the issuing Governmental Body, no such stay is in effect, and, if any deadline for filing any such request is designated by Applicable Law, such deadline has passed; (ii) no petition for rehearing or reconsideration of such action is pending before the issuing Governmental Body, and if any deadline for filing any such petition is designated by Applicable Law, such deadline has passed; (iii) the issuing Governmental Body does not have the action under reconsideration on its own motion; and (iv) no appeal to a court, or request for stay by a court, of the issuing Governmental Body's action is pending or in effect, and, if any deadline for filing any such appeal or request is designated by Applicable Law, such deadline has passed.

"**Financial Records**" has the meaning given in **Section 7.10.1**.

"**Financial Summary Report**" has the meaning given in **Section 7.9.2**.

"**Financing**" means (i) Debt on terms acceptable to an Owner, the proceeds of which are intended to be used, in whole or in part, to finance the costs of construction of the Facilities (including Capital Improvements and Upgrades that become part of the Facilities) the Discretely Owned Substation Assets or the Credited Underlying System Improvements or; (ii) Debt as to which the Liens (including Permitted Owner Liens) of one or more Financing Parties have previously been perfected and which Liens will attach to or encumber that Owner's Asset Ownership Percentage; (iii) Debt heretofore or hereafter secured under a mortgage, deed of trust or security agreement or instrument which grants a lien on substantially all of the tangible property of any Owner; or (iv) any refinancing, renewal, or continuation, in whole or in part, of any of the foregoing.

"**Financing Parties**" means any and all lenders, bondholders, underwriters and financing institutions, including credit enhancers and institutional investors, providing or facilitating a Financing and any trustee(s) or agent(s) acting on any of their behalf, and any successors, assigns or other transferees of any of the foregoing.

"Financing Party Agent" means any Person designated by a Financing Party to provide advice to such Financing Party with respect to the condition, operation or maintenance of the Facilities as it relates to an Owner that has or will receive Financing from such Financing Party.

"First Phase In-Service Date" has the meaning given in **Section 2.5.1**.

"First Responder Services" has the meaning set forth in **Section 3.1**.

"Force Majeure" means the occurrence of an event or series of events that is beyond the reasonable control of the Person affected that hinders the performance under contract of such Person and does not result from the fault, negligence, intentional misconduct or willful misconduct of the affected Person or such Person's failure to comply with Applicable Law or Good Utility Practice; and such event or series of events could not have been avoided by the affected Person through the exercise of reasonable diligence, including the expenditure of reasonable monies or the taking of reasonable precautionary measures, including (to the extent that such events satisfy the foregoing criteria), the following:

(i) acts of God or the public enemy;

(ii) expropriation or confiscation of all or any portion of Facilities, Discretely Owned Substation Assets, the Credited Underlying System Improvements, or Project Real Property;

(iii) war, terrorism, rebellion, sabotage, civil unrest or riot;

(iv) fires, explosions, hurricanes, floods, tornadoes, microbursts, other abnormally severe weather events or other natural catastrophes;

(v) actions or inaction of a Governmental Body;

(vi) a Change in Law;

(vii) conditions at, on or affecting the Project Real Property that could not have been reasonably anticipated, including the existence of Hazardous Substances or archeological materials;

(viii) operating conditions on the Transmission Grid, including Emergencies; and

(ix) strikes and labor disturbances.

Under no circumstance will an event of Force Majeure excuse a Person's obligations to make payments when due under this Agreement, unless such Force Majeure event results in a failure of the Federal Reserve wire system or other failure of the banking system that deprives a Person of access to otherwise available funds.

"Funding Amount" has the meaning given in **Section 6.1**.

"**GAAP**" means generally accepted accounting principles practiced in the United States of America, as in effect from time to time, applied on a consistent basis.

"**Good Reason**" has the meaning given in **Section 13.2.1.4.**

"**Good Utility Practice**" means any of the practices, methods or acts engaged in or approved by a significant portion of the electric utility industry in the region during the relevant time period, or any of the practices, methods or acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition in a manner that: (i) is consistent with Applicable Law; (ii) makes due consideration for reliability, safety and protection of the Transmission Grid; and (iii) is consistent with manufacturer's recommendations and warranties. Good Utility Practice is not intended to be limited to the optimum practice, method or act to the exclusion of all others, but rather to be a range of acceptable practices, methods or acts generally accepted in the region.

"**Governmental Approvals**" means all waivers, franchises, variances, permits, authorizations, certificates, licenses and Orders of or from any Governmental Body having jurisdiction over any Owner, Maintenance Provider, Control Center Authority, the Maintenance Services, the Control Center Services or any portion of the Facilities, the Discretely Owned Substation Assets or the Credited Underlying System Improvements, including those listed on **Appendix H**, as may be in effect from time to time.

"**Governmental Body**" means any: (i) nation, state, county, city, town, village, district or other jurisdiction of any nature; (ii) federal, state, local, municipal, foreign or other government; or (iii) governmental or quasi-governmental authority of any nature (including any governmental agency, branch, board, commission, department, instrumentality, office or other entity, and any court), in any such case exercising, or entitled to exercise, administrative, executive, judicial, legislative, police, regulatory or taxing authority or power of any nature over this Agreement, any part of the Project, the performance of the Services, the Construction Work, the Project Real Property, the Construction Manager or any of the Parties. For purposes of this definition, a Person that establishes Applicable Energy Regulations will be deemed to be a Governmental Body; **provided, however**, an Owner will never be deemed to be a Governmental Body except when an Owner is a Transmission Provider establishing Applicable Energy Regulations in its capacity as a Person entitled to exercise functional control over a portion of the Transmission Grid in accordance with Applicable Law established by other Governmental Bodies that have jurisdiction over such Owner.

"**GRE**" has the meaning given in the first paragraph of this Agreement.

"**Hazardous Substances**" means petroleum hydrocarbons, including crude oil or any fraction thereof, asbestos, radon, polychlorinated biphenyls (PCBs), methane and all other substances which now are or in the future may be defined by Applicable Law as "hazardous substances," "hazardous wastes," "extremely hazardous wastes," "toxic substances," "infectious wastes," "biohazardous wastes," "medical wastes," "radioactive wastes" or which are otherwise

listed, defined or regulated in any manner pursuant to any Applicable Law that pertains to the protection of human health and safety or the environment.

"**Indemnified Person**" has the meaning given in **Section 11.1.5**.

"**Indemnifying Person**" has the meaning given in **Section 11.1.5**.

"**Independent Accountants**" has the meaning given in **Section 7.10.3**.

"**Inflation Factor**" means the percentage obtained by determining the change in the unadjusted, non-seasonal Consumer Price Index/All Urban Consumers (1982-84=100), published in the National Income and Product Account by the U. S. Department of Commerce, Bureau of Labor Statistics during the period in question. To the extent available on a timely basis the percentage change will be calculated using the final adjusted value for the applicable date of determination. If such final adjusted value is unavailable on a timely basis, then the preliminary value for the date of determination will be used and subsequently adjusted when the final adjusted value for such date is published. If such final adjusted value is subsequently determined to be incorrect, then it will be adjusted when the corrected final adjusted value for such date is published.

"**Initial Term**" has the meaning given in **Section 13.1.2**.

"**Insolvency Event**" means, with respect to the Person: (i) the Person's (a) failure to generally pay its debts as they become due, (b) admission in writing of its inability to pay its debts as they become due or (c) making a general assignment for the benefit of creditors; (ii) any Proceeding being instituted by or against the Person seeking: (a) to adjudicate it as bankrupt or insolvent, (b) liquidation, winding up, reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any Applicable Law relating to bankruptcy, insolvency, reorganization or relief of debtors or (c) the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its Property and, in the case of any such Proceeding instituted against the Person, either such Proceeding remains undismissed for a period of thirty (30) days or any of the actions sought in such Proceeding occur; or (iii) the Person's taking any action to authorize any of the actions set forth above in this definition.

"**Interconnection Agreement**" means an agreement providing for the terms and conditions pursuant to which the Facilities, or any portion thereof, are interconnected with the Transmission Grid.

"**Inventory**" means the Equipment and Materials for spare parts and replacements that are acquired and stored in accordance with the Inventory Plan.

"**Inventory Plan**" has the meaning given in **Section 2.5.3**.

"**Invoice**" means an invoice submitted by a Responsible Entity to the Owners, in a form approved by the E&O Committee, which is to be used to request funds pursuant to **Sections 6.2.1** and **6.5**.

"**Joint Project Activities**" has the meaning given in **Section 3.7**.

"**Late Payment Rate**" means the lesser of: (i) the Prime Rate plus two percent (2%) per annum or (ii) the highest per annum interest rate allowed by Applicable Law.

"**Lien**" means any lien (including mechanic's liens, materialmen's liens and supplier's liens), security interest, option, easement, restriction on transferability, defect of title or other claim, demand, charge or encumbrance of any nature whatsoever, including any restriction on the use, voting, transfer, receipt of income or other exercise of any attributes of ownership.

"**Local Agent**" means a Maintenance Subcontractor, designated by a Maintenance Provider to a Control Center Authority, to provide First Responder Services.

"**Maintenance Costs**" has the meaning in **Section 3.2.1**.

"**Maintenance Provider**" means each Person designated as a "Maintenance Provider" in this Agreement, including a Person that executes a joinder substantially in a form acceptable to such Person and the Management Committee to become a Maintenance Provider hereunder. Reference to a Maintenance Provider will generally refer to the rights and obligations of all Maintenance Providers, each in respect of any Applicable Segment for which it is responsible under this Agreement; **provided, however**, reference to a Maintenance Provider excludes reference to such Party in any other capacity.

"**Maintenance Records**" has the meaning given in **Section 5.12.1**.

"**Maintenance Report**" has the meaning given in **Section 7.9.1**.

"**Maintenance Services**" has the meaning given in **Section 2.1**.

"**Maintenance Subcontract**" means each contract, purchase order or arrangement between one or more Maintenance Providers and a Maintenance Subcontractor establishing the terms of performance of a portion of the Maintenance Services, including the purchase of Equipment and Materials, but excluding Master Contracts.

"**Maintenance Subcontract Documents**" has the meaning in **Section 5.12.1**.

"**Maintenance Subcontractor**" means a Third Party subcontractor that executes a Maintenance Subcontract with one or more Maintenance Providers.

"**Major Construction Event**" means an undertaking to design, procure, install or construct: (i) Capital Improvements to the Facilities or a portion thereof, the cost of which exceeds Two Hundred Fifty Thousand Dollars ($250,000) or (ii) an Upgrade.

"**Management Committee**" means the Management Committee established pursuant to the Project Participation Agreement.

"**Master Contract**" has the meaning given in **Section 3.6.1.1**.

"**Master Notification List**" has the meaning given in **Section 15.4**.

"**Material Adverse Event**" has the meaning given in **Section 5.10**.

"**Minnesota Power**" has the meaning given in the first paragraph of this Agreement.

"**Minnkota**" has the meaning given in the first paragraph of this Agreement.

"**Mobilization Plan**" has the meaning given in **Section 2.5.2**.

"**Mobilization Services**" has the meaning given in **Section 2.5.4.2**.

"**Month**" means a calendar month.

"**NCL Agreements**" means that certain NCL Agreement, by and among the Owners, the Construction Manager and Otter Tail Power, effective as of the Effective Time and that certain NCL Agreement, by and among the Owners, the Construction Manager and Minnkota, effective as of the Effective Time.

"**NCL Final Environmental Order**" shall mean that the lead U.S. federal agency conducting the review of the impact of the NCL Transmission Line on the environment has issued an Order allowing the construction of the NCL Transmission Line substantially as contemplated by the NCL Agreements and it has become a Final Order.

"**NCL Transmission Line**" means the Nary to Cass Lake transmission line defined in **Section 4.6** of the **Project Participation Agreement**

"**NERC**" means the North American Electric Reliability Corporation, a reliability organization responsible for the oversight of the regional reliability councils established to ensure the reliability and stability of the regions.

"**Non-Project Upgrade**" means an Upgrade undertaken by some but not all of the Owners, with the investment of a Third Party. Improvements resulting from Maintenance Services or Capital Improvements are not Non-Project Upgrades. A Non-Project Upgrade will not constitute part of the Facilities.

"**NSP**" has the meaning given in the first paragraph of this Agreement.

"**Operating Year**" means the twelve (12) Month calendar year; **provided, however**, the first Operating Year shall begin on the First Phase In-Service Date and end on December 31 of that year.

"**Order**" means any judgment, award, decision, directive, consent decree, injunction (whether temporary, preliminary or permanent), ruling, writ or order adopted, enacted, implemented, promulgated, issued, entered or deemed applicable by or under the authority of any Governmental Body or arbitrator (but as to an arbitrator, with respect to injunctive and other equitable relief, only to the extent permitted by this Agreement) that is binding on any Person or its Property under Applicable Law.

"**Otter Tail Power**" has the meaning given in the first paragraph of this Agreement.

"**Owner**" means each Person that is identified as an "Owner" in this Agreement; **provided, however,** the term "Owner": (i) excludes any Person whose Asset Ownership Percentage becomes zero (without regard to any Residual Interest) in accordance with the terms of the Project Participation Agreement from and after the effective date when its Asset Ownership Percentage became zero (without regard to any Residual Interest); **provided, further,** that any such Person whose Asset Ownership Percentage becomes zero (without regard to any Residual Interest) is not released from its obligations under (a) this Agreement to the extent the same arose, accrued or first became performable prior to the effective date when its Asset Ownership Percentage became zero (without regard to any Residual Interest) and (b) the Transmission Capacity Exchange Agreement and (ii) includes a Person that later executes a Transfer Agreement in accordance with the provisions of the Project Participation Agreement from and after the date set forth in such Transfer Agreement. Reference to an "Owner" means an owner of an Asset Ownership Percentage under the Project Participation Agreement and excludes reference to such Person in any other capacity, including serving as a Responsible Entity, Discretely Owned Substation Owner, NCL Owner or Credited USI Owner (except for purposes of **Article 14** of the **Project Participation Agreement.**

"**Party**" means any Owner or Responsible Entity, each in its separate capacity, that executes this Agreement (collectively, the "**Parties**").

"**Percentage Interest**" means the individual undivided several interest of an Owner as determined by the Project Participation Agreement as of the time such determination is applicable under this Agreement.

"**Permitted Liens**" has the meaning given in **Section 3.12.**

"**Permitted Owner Lien**" means a Lien against (i) the Asset Ownership Percentage of any Owner that such Owner grants, or has granted, to a Financing Party; (ii) a Discretely Owned Substation Asset owned by a Discretely Owned Substation Owner that such Discretely Owned Substation Owner grants, or has granted, to a Financing Party; or (iii) a Credited Underlying System Improvement owned by a Credited USI Owner that such Credited USI Owner grants, or has granted, to a Financing Party.

"**Person**" means any individual, corporation, partnership, limited liability company, association, joint stock company, trust, unincorporated organization, joint venture, Governmental Body or other entity with legal constitution under Applicable Law.

"**Phase**" means each distinct segment of the Facilities and, as applicable, the Discretely Owned Substation Assets (including, without duplication and as appropriate, the associated rights to Project Real Property appurtenant thereto) that the Project Plan specifies is (or is designed to be) separately constructed, commissioned, energized and placed into service, as more particularly identified in **Appendix A.**

"**Phase In-Service Date**" means the date on which a Phase is placed in service and the Construction Manager turns over responsibility for the Phase to the applicable Maintenance

Providers and the Control Center Authorities for the performance of the Maintenance Services and the Control Center Services, respectively.

"Prime Rate" means the per annum (365 or 366 days, as appropriate) prime rate as published on the last banking day of the applicable Month in the "Money Rates" table of *The Wall Street Journal*; **provided, however**, if more than one such prime rate is published, the mean will be used for purposes of this Agreement, until the Management Committee specifies a different reference publication or equivalent bank rate.

"Proceeding" means any suit, litigation, arbitration, hearing, audit, investigation or other action (whether civil, criminal, administrative or investigative) commenced, brought, conducted, heard by or before, or otherwise involving, any Governmental Body or arbitrator.

"Project" means the Facilities, the Discretely Owned Substation Assets, the Credited Underlying System Improvements, the Project Real Property and all other Property related to or associated therewith in which any Owner has any right, title or interest, including the Governmental Approvals, the Project Agreements, the Procured Materials, the Construction Agreements, and the Real Property Agreements.

"Project Agreements" means this Agreement, the Project Participation Agreement, the Construction Management Agreement, the Transmission Capacity Exchange Agreement, the Transmission Easement Agreements, and any other contract or agreement designated as a "Project Agreement" by the Management Committee, which in no event may include Construction Agreements (other than those for the Discretely Owned Substation Assets, the Underlying System Improvements and the NCL Agreements), Real Property Agreements, or any other contract, agreement, instrument, or arrangement providing for the acquisition of any Property (except for Transmission Easement Agreements).

"Project Construction Contract" means each contract, agreement or arrangement between the Owners, on the one hand, and any Person, on the other hand, establishing the terms of performance of any part of the Construction Work, but specifically excluding the Construction Management Agreement and the Real Property Agreements.

"Project Design Book" means the compilation, both in electronic and hard copy, of documents, drawings, GPS coordinates, route maps, access routes and associated contact information, and information that reflects the final specifications and design of the Facilities , the Discretely Owned Substation Assets and the Credited Underlying System Improvements (or applicable Phase), including "as built" design, engineering and construction documents, required to be delivered by any Contractor in accordance with the provisions of the applicable Project Construction Contract.

"Project Insurance" means the insurance coverages required to be obtained in accordance with **Appendix I**.

"Project Participation Agreement" means that certain Project Participation Agreement by and among all of the Owners, effective as of the Effective Time.

"**Project Plan**" means the schedule for execution of the Construction Work and the scope of work for the Facilities, the Discretely Owned Substation Assets and the Credited Underlying System Improvements.

"**Project Real Property**" means (i) the fee interests, licenses, rights-of-way, easements, access rights, and other real property interests to be acquired in accordance with the Project Plan for the Facilities, the Discretely Owned Substation Assets or the Credited Underlying System Improvements; (ii) the easements granted by the Discretely Owned Substation Owners pursuant to the Transmission Easement Agreements; and (iii) the easements granted by the Credited USI Owners pursuant to the Transmission Easement Agreements.

"**Project Representative**" has the meaning given in **Section 5.11**.

"**Property**" means any kind of property or asset, whether real, personal, mixed, tangible or intangible.

"**Proposed Capital Budget**" has the meaning given in **Section 7.1**.

"**Real Property Agreements**" means contracts, agreements, instruments or arrangements pursuant to which the Project Real Property described in **clause (i)** of the definition thereof has been acquired.

"**Real Property Management Services**" means all services required to acquire the Project Real Property required to complete the Project, including the Discretely Owned Substation Assets.

"**Renewal Term**" has the meaning given in **Section 13.1.2**.

"**Residual Interest**" means the obligation of a Discretely Owned Substation Owner that is in default of its obligations under the Project Participation Agreement to remain a party to the Transmission Capacity Exchange Agreement and continue to fulfill its obligations thereunder as if it has a .0000001 Asset Ownership Percentage.

"**Responsible Entity**" has the meaning given in **Section 2.5.1**.

"**SCADA System**" means a supervisory control and data acquisition system.

"**Scheduled Maintenance Plan**" has the meaning given in **Section 2.5.3**.

"**Scheduled Maintenance Services**" has the meaning given in **Section 3.1**.

"**Scheduled Outage**" means a planned interruption or reduction of the Facilities' capability to provide transmission services that is coordinated in advance with the Owners and with the applicable Transmission Provider in accordance with the Applicable Energy Regulations.

"**Segment**" means a line segment that is a portion of the Facilities and is specified in **Appendix A** (including, without duplication and as appropriate, the corresponding Project Real Property appurtenant thereto).

"**Services Plan Review**" has the meaning given in **Section 5.7.**

"**Tariff**" has the meaning given in **Section 14.2.1.2.**

"**Term**" has the meaning given in **Section 13.1.2**.

"**Third Party**" means any Person that is neither a signatory nor an Affiliate of a Party to this Agreement.

"**Third Party Claim**" means any claim asserted by a Third Party, other than a Third Party Environmental Claim, and resulting Damages, including claims arising from: (i) personal injury to persons, including death; (ii) theft or loss of or damage to Property; or (iii) violations of Applicable Law.

"**Third Party Environmental Claim**" means any claim asserted by a Third Party, and resulting Damages, arising from: (i) the spill, discharge or other release of a Hazardous Substance into the environment or (ii) conditions related to Hazardous Substances that give rise to strict or vicarious liability, in each case, that give rise to personal injury to individuals, including death, loss of or damage to property, or other liability under Applicable Law.

"**Transfer Capability**" means the transfer capability of the Transmission Grid after incorporating the Facilities, the Discretely Owned Substation Assets and, as applicable, the Credited Underlying System Improvements, as such transfer capability may change from time to time.

"**Transmission Capacity Exchange Agreement**" means that certain Transmission Capacity Exchange Agreement, by and among the Owners, effective as of the Effective Time.

"**Transmission Easement Agreements**" means those certain Transmission Easement Agreements, dated as of the Effective Time, by and among each (i) Discretely Owned Substation Owner and (ii) Credited USI Owner, and the other Owners.

"**Transmission Grid**" means the electric transmission system (including the Credited Underlying System Improvements) to which the Facilities the Discretely Owned Substation Assets will be directly interconnected and of which they will become a part.

"**Transmission Information**" has the meaning given in **Section 12.6.1.**

"**Transmission Provider**" means any Person, including an Owner, that exercises functional control over the operation of a portion of the Transmission Grid as necessary to provide transmission service under a tariff, rate schedule or other agreement.

"**Underbuild Line(s)**" has the meaning given in **Section 3.15.**

"**Underbuild Owner(s)**" has the meaning given in **Section 3.15**.

"**Unscheduled Maintenance Services**" has the meaning given in **Section 3.1**.

"**Unscheduled Outage**" means any interruption or removal from service of the Facilities other than as the result of a Scheduled Outage.

"**Upgrade**" means a capital addition or modification to a Phase undertaken after the Phase In-Service Date that increases Facility Capacity or Transfer Capability or is required because of an interconnection request, whether such Upgrade is a Discretionary Upgrade or a Non-Project Upgrade.

"**Work Authorization**" means a written instrument authorizing the performance of the Maintenance Services described therein.

1.2 **Generally Applicable Provisions.** **Schedule 1, Generally Applicable Provisions,** contains dispute resolution and other general provisions, all of which are incorporated by reference as if set forth herein in their entirety.

ARTICLE 2
ENGAGEMENT AND MOBILIZATION

2.1 **Engagement of each Maintenance Provider.** Each Owner hereby appoints and retains each Maintenance Provider, on the terms and conditions set forth herein, to provide the services set forth in **Article 3**, the other provisions of this Agreement as applicable to a Maintenance Provider and to perform its obligations under the Administrative Agent Agreement (the "**Maintenance Services**") with respect to the Applicable Segments set forth in **Appendix A**. Each Maintenance Provider hereby accepts such appointment and, except as provided in **Section 2.3**, agrees to perform the Maintenance Services as an independent contractor. In providing the Maintenance Services, each Maintenance Provider recognizes the necessity of a close working relationship among the Maintenance Providers, the Control Center Authorities, the Transmission Provider(s), and the Owners. The fact that an Owner is serving in any other capacity under this Agreement or as a Transmission Provider does not in any way change, modify or release such Owner from its rights, interests and obligations in its capacity as an Owner under this Agreement.

2.2 **Engagement of each Control Center Authority.** Each Owner hereby appoints and retains each Control Center Authority, on the terms and conditions set forth herein, to provide the services set forth in **Article 4** and the other provisions of this Agreement, as applicable to Control Center Authorities (the "**Control Center Services**") with respect to the Applicable Segments set forth in **Appendix A**. Each Control Center Authority hereby accepts such appointment and agrees to perform the Control Center Services as an independent contractor. In providing the Control Center Services, each Control Center Authority recognizes the necessity of a close working relationship among the Maintenance Providers, the Control Center Authorities, the Discretely Owned Substation Owners, the Transmission Providers and the Owners. The fact that an Owner is serving in any other capacity under this Agreement or as a Transmission Provider, does not in

any way change, modify or release such Owner from its rights, interests and obligations in its capacity as an Owner under this Agreement.

2.3 **Agency Authority**. Subject to the terms and conditions set forth in this Agreement, each Owner designates and appoints each Maintenance Provider as its designated and disclosed agent for and on behalf of each Owner to purchase Equipment and Materials and services from Maintenance Subcontractors. Each Maintenance Provider accepts such appointment and agrees to execute such authority and to act on behalf of each Owner in connection with the foregoing purchases.

2.4 **Agency Authority Limited**. The applicable Maintenance Provider's agency authority to act as agent for and on behalf of each Owner is specifically set forth in **Section 2.3** (**"Agency Authority"**). No authority to act as an agent hereunder is created, implied or bestowed on a Maintenance Provider by this Agreement for any other purpose whatsoever. In those matters where a Maintenance Provider will exercise Agency Authority and act as the agent for and on behalf of the Owners: (i) the Maintenance Services will be undertaken as a disclosed agent for and on behalf of each of the Owners and (ii) the Agency Authority of each Maintenance Provider is limited to binding the Owners severally (and not jointly) except with the prior written consent of the Management Committee.

2.5 **Mobilization**.

2.5.1 **Commencement of Services**. Although this Agreement is effective as of the Effective Time, because the Facilities will be constructed and energized in Phases, the Parties recognize that services to be provided under this Agreement will not be needed until a reasonable time prior to energization of the first Phase In-Service Date (**"First Phase In-Service Date"**), and then are likely only to be necessary from those Maintenance Providers and Control Center Authorities with assigned responsibility for maintenance or operation of a Segment in such Phase as set forth in **Appendix A** (each, a **"Responsible Entity"**). Thereafter, a reasonable period of time prior to the energization of each subsequent Phase In-Service Date, services hereunder will be required of the Responsible Entities for each Applicable Segment of each such subsequent Phase.

2.5.2 **Mobilization Plan**. The E&O Committee shall determine when each Responsible Entity shall commence performance of its respective assigned services hereunder, and the E&O Committee, in coordination with such Responsible Entities, shall develop a Phase-by-Phase mobilization plan (the **"Mobilization Plan"**) that describes the Mobilization Services to be required of the Responsible Entities, the schedule for performance of such services, and an associated expense forecast of the cost thereof by a date specified by the E&O Committee reasonably in advance of the First Phase In-Service Date. The applicable Responsible Entities may propose amendments of the Mobilization Plan to the E&O Committee as necessary until the last Phase has been energized, which amendments are subject to the approval of the E&O Committee.

2.5.3 **Plans**. The E&O Committee, in coordination with the Responsible Entities and Discretely Owned Substation Owners, as appropriate, shall develop an: (i) initial rolling five (5) Operating Year scheduled maintenance plan (the **"Scheduled Maintenance Plan"**) and (ii) initial inventory plan (**"Inventory Plan"**). Both the initial Scheduled Maintenance Plan and the initial Inventory Plan must be accompanied by forecasts of the annual cost thereof. Maintenance Providers shall include within the forecasted cost of Scheduled Maintenance Services, a forecasted annual contingency for the performance of Unscheduled Maintenance Services. A Maintenance Provider may amend the portion of the Scheduled Maintenance Plan as it relates to its Applicable Segments and the associated forecast on notice to each member of the E&O Committee. The Inventory Plan may be amended by the E&O Committee from time to time.

2.5.4 **Mobilization Services**.

2.5.4.1 Services by Maintenance Providers. At the request of the E&O Committee prior to any Phase In-Service Date for which a Maintenance Provider will have assigned responsibilities, such Maintenance Provider shall: (i) assist the E&O Committee and the Owners to effect an orderly transition from construction to energization, to commissioning, and to operations, including coordinating as necessary with the applicable Construction Manager, Control Center Authorities, other Maintenance Providers, Discretely Owned Substation Owners, and the applicable Transmission Providers; (ii) procure (to the extent not previously procured by or made available from the Construction Manager) and store and establish inventory controls for the Inventory in accordance with the Inventory Plan; (iii) provide training to its personnel as necessary for the performance of the Maintenance Services; (iv) in consultation with the applicable Control Center Authority, establish a mutually satisfactory plan for data communications; and (v) provide such other services as agreed to by the Maintenance Provider and the E&O Committee.

2.5.4.2 Services by Control Center Authorities. At the request of the E&O Committee, prior to any Phase In-Service Date for which a Control Center Authority will have assigned responsibility, such Control Center Authority shall: (i) assist the E&O Committee and the Owners to effect an orderly transition from construction, to energization, to commissioning, and to operations, including coordinating as necessary with the applicable Construction Manager, Maintenance Providers, Control Center Authorities, Discretely Owned Substation Owners, and the applicable Transmission Providers; (ii) provide training to its personnel as necessary for the performance of the Control Center Services; (iii) in consultation with the Maintenance Providers, establish a mutually satisfactory plan for data communications; (iv) integrate the Phases into the applicable computer systems, including its SCADA System; and (v) provide such other services as

agreed to by the Control Center Authority and the E&O Committee (collectively, the services described in **Sections 2.5.4.1** and **2.5.4.2**, the "**Mobilization Services**").

2.5.5 **Compensation**. The Owners agree to compensate each Maintenance Provider for the Mobilization Services it provides at the request of the E&O Committee, in accordance with **Appendix D**. Reimbursement of each Control Center Authority for Mobilization Services it provides is subject to **Section 4.2**. Each Responsible Entity agrees to provide to the E&O Committee from time to time on request an expense forecast of the cost for it to provide the requested Mobilization Services.

ARTICLE 3
MAINTENANCE SERVICES AND OTHER OBLIGATIONS

3.1 **Maintenance Services.** From and after each Phase In-Service Date, each applicable Maintenance Provider shall provide substantially similar services with respect to the Applicable Segments that it provides for its own transmission lines, including vegetation management, outage scheduling services, security and other planned services (the "**Scheduled Maintenance Services**"); maintenance, repair and restoration services that become necessary but are not scheduled (the "**Unscheduled Maintenance Services**"); and first responder services, such as observation, inspection and assessment services, at the request of a Control Center Authority, to determine the physical condition of the Applicable Segment, switching and other services in the event of an Emergency to isolate equipment in support of system restoration or to maintain safety until the applicable Maintenance Provider can complete permanent repairs to the Applicable Segment ("**First Responder Services**"), and such other services as are provided for in this Agreement, or otherwise agreed to by the Maintenance Provider and the E&O Committee.

3.1.1 **Scheduled Maintenance Plan**.

3.1.1.1 Annual Update. No later than June 1 of each Operating Year after the First Phase In-Service Date, each Maintenance Provider shall update its portion of the Scheduled Maintenance Plan and the associated annual expense forecast (including a forecasted contingency for Unscheduled Maintenance Services) of the cost thereof for the immediately following five (5) Operating Years and deliver it to each member of the E&O Committee. The E&O Committee will review each Maintenance Provider's update in cooperation with the Maintenance Providers, and prepare a consolidated updated Scheduled Maintenance Plan, broken down by Applicable Segments.

3.1.1.2 Subsequent Changes. Each Maintenance Provider shall notify each other Maintenance Provider and the E&O Committee of any material changes required in the Scheduled Maintenance Plan (together with any change in the forecasted cost thereof) as promptly as possible after learning of the necessity of such changes.

3.1.2 **Unscheduled Maintenance Services**.

3.1.2.1 Work Authorizations. Unless Good Utility Practice (including practices applicable to Emergency conditions) otherwise requires, the Maintenance Providers shall obtain an executed Work Authorization from the E&O Committee before performing Unscheduled Maintenance Services.

3.1.2.2 Conditions Warranting Immediate Unscheduled Maintenance Services. If the Maintenance Provider observes conditions with respect to Applicable Segments that warrant immediate Unscheduled Maintenance Services for which no Work Authorization has been issued, then such Maintenance Provider shall perform such Unscheduled Maintenance Services, including temporary repairs, and immediately notify each member of the E&O Committee of the conditions found and Unscheduled Maintenance Services performed.

3.1.2.3 Management Committee Determination. The E&O Committee may at any time provide the applicable Maintenance Provider with a description of specific Unscheduled Maintenance Services and request that Maintenance Provider provide each member of the E&O Committee with an estimate of the cost and schedule for performing such proposed Unscheduled Maintenance Services. If the Management Committee, upon consultation with the E&O Committee, votes to approve the projected cost and schedule, the E&O Committee shall issue a Work Authorization and such Maintenance Provider shall proceed to perform such Unscheduled Maintenance Services in accordance with such Work Authorization and the other applicable provisions of this Agreement. A Maintenance Provider may decline to provide such Unscheduled Maintenance Services, in which case the E&O Committee may seek other sources to perform the Unscheduled Maintenance Services and thereafter contract for such performance. The applicable Maintenance Provider shall cooperate with the Person that will provide such Maintenance Services.

3.1.3 **First Responder Services**.

3.1.3.1 Performance of First Responder Services. A Maintenance Provider shall use Good Utility Practice to plan for and schedule staffing and equipment sufficient for 24 hours per day, 7 days per week availability for First Responder Services. When a Control Center Authority requires a Maintenance Provider to perform First Responder Services, the Control Center Authority shall contact the individual designated by the Maintenance Provider (or its Local Agent) on the Master Notification List.

3.1.3.2 Maintenance Provider Responsibilities. Upon the request of the Control Center Authority, the applicable Maintenance Provider shall mobilize to perform the First Responder Services and shall use reasonable efforts to perform such services within the time frame requested by the Control Center Authority in accordance with the terms and conditions of this Agreement. Such Maintenance Provider shall provide status reports as reasonably requested by the Control Center Authority. Maintenance Providers and Control Center Authorities shall promptly notify each other of any material change in the timeframe needs or estimates, together with the reason for such change.

3.1.3.3 Alternate Resources. If a Maintenance Provider cannot timely perform First Responder Services when requested by the Control Center Authority, the Maintenance Provider shall promptly advise the Control Center Authority of its inability to timely perform the requested services. The Control Center Authority may enlist an alternative provider of First Responder Services and the Maintenance Provider will have no further responsibility to provide the requested First Responder Services.

3.1.4 **Inventory and Warehousing**.

3.1.4.1 Requirements. To the extent not otherwise made available to it by the Construction Manager or another Maintenance Provider, each Maintenance Provider shall procure the Inventory required for the performance of the Maintenance Services in accordance with the Inventory Plan. To the extent applicable, Inventory procured by a Maintenance Provider shall comply with CapX Design Criteria. Each Maintenance Provider, with respect to its Applicable Segments, shall prepare and provide to the E&O Committee on request, a forecast for the type, number and warehousing locations for Inventory, a reconciliation of the Inventory levels, and any recommendations for changes thereto to the E&O Committee.

3.1.4.2 Inventory Plan. At the request of the E&O Committee, each Maintenance Provider shall deliver an update to the Inventory Plan for the next two (2) Operating Years to the E&O Committee. As part of each Services Plan Review, the E&O Committee will review all updates to the Inventory Plan in consultation with the Maintenance Providers. The E&O Committee will develop a consolidated updated Inventory Plan, broken down by Applicable Segments by August 1 of such Operating Year. The Maintenance Providers shall implement the updated Inventory Plan.

3.1.4.3 Sharing Inventory. The Maintenance Providers shall cooperate with each other to provide available items of Inventory to a Maintenance

Provider in need of such items; recognizing that the maintenance of the Facilities as a whole, not just any individual Segment, is of the highest priority to the Owners. If such items of Inventory are not available from another Maintenance Provider, the Maintenance Provider requiring such item may contact the maintenance providers at other CapX Projects to inquire whether the item is available. If such items are provided to a Maintenance Provider from another Maintenance Provider or a maintenance provider from another CapX Projects unless otherwise agreed by the applicable parties, the Maintenance Provider receiving such items shall immediately order substantially similar replacement items. Replacement items will be delivered to the Person providing the items.

3.1.4.4 Owner's Inventory. A Maintenance Provider may, but is not obligated to, use spare parts, materials or equipment from other inventories it maintains in connection with its other business operations that are unrelated to the Facilities; **provided**, that if any such items are used for the Facilities, the replacement cost thereof constitutes a Maintenance Cost and will be reimbursed in accordance with the provisions of **Appendix D**.

3.1.4.5 Surplus Inventory. Subject to **Section 3.11**, Inventory procured exclusively for the Facilities and paid for by the Owners but no longer needed by a Maintenance Provider for its Applicable Segments should be offered to other Maintenance Providers or otherwise disposed of at the direction of the E&O Committee.

3.1.5 **Capital Improvements**. At the request of the E&O Committee, a Maintenance Provider shall undertake or arrange for the engineering, procurement, construction or installation of Capital Improvements to the extent specified in the Capital Budget. The E&O Committee and the Maintenance Providers shall work together to establish written guidelines, requirements and protocols that will govern the performance of and payment allocation for such Capital Improvements.

3.2 Costs.

3.2.1 **Maintenance Costs**. Except as otherwise provided in this Agreement, the costs incurred by a Maintenance Provider in the performance of the Maintenance Services (including the Project's allowable share of Joint Project Activities as determined by the Management Committee) ("**Maintenance Costs**") will be reimbursable in accordance with **Appendix D** and include, without duplication, the following:

(i) amounts incurred by a Maintenance Provider in connection with the performance of the Maintenance Services with respect to its Applicable Segments, as determined in accordance with **Appendix D**;

(ii) amounts due to third party contractors (including subcontractors), consultants, legal counsel and other Persons performing portions of the Maintenance Services in connection and in accordance with this Agreement;

(iii) costs related to the acquisition of Equipment and Materials, including Inventory in accordance with the Inventory Plan;

(iv) costs of insurance procured in accordance with **Appendix I**, as it may be amended by the Management Committee, as provided therein or in **Appendix D**;

(v) costs of the Maintenance Provider attributable to the Maintenance Services and relating to discharging and paying any liability, loss, damage, or expense, including attorneys' fees and other costs of defending, settling or otherwise administering Third Party Claims or Third Party Environmental Claims, except to the extent the Maintenance Provider is obligated to indemnify the Owners pursuant to **Section 11.1.2**;

(vi) sales and use taxes and other taxes arising from and payable to any Governmental Body, payments in lieu of taxes, and fees related to Governmental Approvals arising out of the performance of the Maintenance Services, Real Property Agreements or otherwise attributable to the performance of the Maintenance Services, excluding income, gross receipts, franchise or taxes similarly imposed or assessed on the results of operations of any Maintenance Provider or any Owner;

(vii) any other costs incurred by the Maintenance Provider in connection with the performance of the Maintenance Services, including (net of any reductions or adjustments received with respect thereto) rental charges, royalties and fees, professional services fees and costs incurred in connection with, or arising out of, performance bonds, security, utilities, safety, transport, storage and telecommunications;

(viii) costs that are (a) stated to be Maintenance Costs pursuant to this Agreement or (b) determined by the Management Committee to be Maintenance Costs;

(ix) costs of insurance deductibles and self-insured retentions as provided in **Appendix I**, as it may be amended by the Management Committee, or **Appendix D**;

(x) the costs incurred in connection with winding-up activities as described in **Section 13.2.2.4** and costs incurred in connection with termination of a Maintenance Provider or a Control Center Authority as described in **Section 13.2.2.5**.

3.2.2 **Costs Not Chargeable to Project**. The provisions of **Section 3.2.1** to the contrary notwithstanding, the following do not constitute Maintenance Costs:

(i) costs of the Maintenance Provider associated with the preparation or negotiation of (a) Project Agreements or amendments thereto or (b) the commercial terms and conditions of any subcontract with an Affiliate or amendments or change orders thereto;

(ii) costs incurred by each Owner in performing functions of the Management Committee, the E&O Committee or any other committee established pursuant to any Project Agreement, and expenses of its personnel while performing such functions;

(iii) costs of insurance (including premiums, deductibles and self-insured retentions) purchased by any individual Owner except as specifically provided in **Appendix I**, as it may be amended by the Management Committee;

(iv) costs incurred by a Maintenance Provider in connection with its indemnification obligations set forth in **Article 11**;

(v) the cost of complying with conditions specified in any Governmental Approval obtained by an Owner granted or issued by Final Order that are not generally applicable to the Owners collectively, but are imposed on an individual Owner;

(vi) without duplication of the costs described in **clause (iv)** above, costs that arise from the Maintenance Provider's failure to perform its obligations in accordance with this Agreement, which failure is the result of the Maintenance Provider's (a) gross negligence (in an aggregate amount equal to or less than the limit of liability set forth in **Section 14.2.1**) or (ii) willful misconduct or intentional misconduct; and

(vii) costs that are excluded as Maintenance Costs by the express terms of this Agreement.

3.2.3 **Insurance Proceeds Not Constituting Maintenance Costs**. To the extent that proceeds of insurance required to be procured pursuant to **Appendix I** are paid or recovered in respect of Maintenance Costs, such proceeds will be deducted or offset against the amount of Maintenance Costs incurred therefor.

3.3 Standard of Care. Each Maintenance Provider shall perform the Maintenance Services and maintain the Applicable Segments in a prudent, efficient and careful manner using the Maintenance Provider's judgment based on its experience in maintaining, repairing and restoring transmission facilities, and in all material respects in accordance with: (i) Applicable Law; (ii) Good Utility Practice; (iii) this Agreement and the Interconnection Agreements; (iv) the requirements of applicable insurance policies then in effect and

which have been secured by or provided to the Maintenance Provider; and (v) the Real Property Agreements.

3.4 **Instructions and Reliance**. A Maintenance Provider may request: (i) a meeting with the E&O Committee or Management Committee or (ii) instruction from the E&O Committee or Management Committee, in each case prior to taking action (to the extent practicable) with respect to any material matter contemplated by this Agreement. All requests for a meeting or instruction must be in writing, specifically reference this **Section 3.4** and describe the matter requiring discussion or instruction. The notice must be delivered to the Chair or the E&O Chair, as appropriate. The Management Committee or E&O Committee, as appropriate, shall meet with the Maintenance Provider or issue its written instructions, in either case within ten (10) days after receipt of the request therefor. Meetings may be telephonic. The Maintenance Provider may defer action (to the extent practicable) that is dependent upon such discussion or instruction pending such meeting or receipt of written instructions from the Management Committee or E&O Committee, as appropriate.

3.5 [redacted]

3.6 **Contracting Responsibilities.**

3.6.1 **Maintenance Subcontracts**.

3.6.1.1 [redacted]

3.6.1.2 Administration and Reporting. The applicable Maintenance Provider shall administer and enforce, in all material respects, for the benefit of the Owners, the terms of the agreement under which services, Equipment and Materials, or both, are procured.

3.6.1.3 Title to Equipment and Materials. Transfer of title and passage and assumption of risk of loss of Equipment and Materials procured by a Maintenance Provider for the Facilities will be determined in accordance with **Appendix B**, except as otherwise determined by the E&O Committee.

3.6.1.4 Discounts. Each Maintenance Provider shall use commercially reasonable efforts to secure available discounts, rebates or similar economic advantages that may be available in connection with procuring services, Equipment and Materials, or both.

3.7 Joint Project Activities and Costs. The Owners may desire, from time to time, to engage in activities on a joint and cooperative basis with other CapX Projects and reserve the right to adjust the scope of such activities as the Management Committee, after consultation with each Maintenance Provider, may determine. The joint and cooperative work described in this **Section 3.7** constitutes "**Joint Project Activities.**" If the Management Committee advises a Maintenance Provider from time to time in writing of activities that constitute Joint Project Activities, such Maintenance Provider shall take such actions as necessary to facilitate, coordinate, implement, monitor or assess Joint Project Activities. The applicable Maintenance Provider shall review the performance of and assess the ongoing benefits to the Owners from Joint Project Activities and the allocation to the Owners of the costs thereof. If a Maintenance Provider determines that any portion of the Joint Project Activities is not progressing satisfactorily, is no longer a sufficient benefit to the Owners, or the costs of such Joint Project Activities are no longer justified or equitably allocated, such Maintenance Provider shall refer the matter to the Management Committee for further consideration.

3.8 Claims Against Third Parties. Unless otherwise directed by the E&O Committee, a Maintenance Provider, on notice to the E&O Committee, has the authority to investigate, present, prosecute, settle, or enforce any and all claims on behalf of the Owners against: (i) any Maintenance Subcontractor arising out of a Maintenance Subcontract; **provided** that the reasonable value of such claim does not exceed fifty thousand dollars ($50,000) and (ii) the counterparty to any Master Contract in respect of services, Equipment and Materials, or both, purchased by such Maintenance Provider for the Facilities. Maintenance Providers that pursue or defend such claims shall duly and regularly keep the Owners reasonably informed as to the progress of such claims. The prosecution, enforcement and defense of all other claims will be conducted as determined by the Management Committee.

3.9 Safety Precautions and Requirements. Each Maintenance Provider shall have, implement and comply with a quality assurance/quality control program, a safety program, a fire protection program, an accident prevention program, substance abuse

program, a waste disposal program, an environmental and Hazardous Substances controls program and any other comparable programs necessary to comply with Applicable Law and Good Utility Practice. The applicable Maintenance Provider shall, as quickly as practicable, notify the Chair orally of all serious injuries suffered by individuals in the performance of Maintenance Services. Each Maintenance Provider shall require each Maintenance Subcontractor to timely report and maintain an up-to-date log of such incidents suffered in the performance of Maintenance Services. The applicable Maintenance Provider shall promptly give notice to the E&O Chair of any hazardous conditions on the Project Real Property immediately after it becomes aware of such conditions. If a Maintenance Provider must use Hazardous Substances in connection with performance of the Maintenance Services, it shall handle, process, treat, transport and dispose of such Hazardous Substances in compliance with Applicable Law.

3.10 Switching and Tagging. The applicable Maintenance Provider shall execute all switching, tagging, blocking and clearances in the performance of its Maintenance Services in accordance with the applicable Control Center Authority's switching, tagging, blocking and clearance procedures then in effect. Each Control Center Authority shall provide the then current version of such requirements to the applicable Maintenance Providers on request. If the Control Center Authority and a Maintenance Provider for an Applicable Segment are not the same entity, the Maintenance Provider's personnel executing such procedures must be trained by the applicable Control Center Authority prior to performing such services.

3.11 Sale, Transfer or Disposition of Assets. No Maintenance Provider may sell, transfer, or dispose of any Property in which any Owner has an Asset Ownership Percentage without a vote of the Management Committee approving such action, except for replacements and dispositions of Property in the ordinary course of business in accordance with Good Utility Practice. Except as may otherwise be required by Applicable Law, any such sale, transfer or disposal of Property with a value in excess of Twenty-Five Thousand Dollars ($25,000) may only be made upon thirty (30) days' prior notice to the Owners.

3.12 Liens. A Maintenance Provider shall make reasonable commercial efforts not to permit any unsatisfied Liens filed in connection with its Maintenance Services with respect to Applicable Segments to remain in effect other than: (i) Liens for taxes or assessments not yet delinquent; (ii) Liens for workers' compensation awards, unemployment insurance and other types of social benefit obligations not yet delinquent; (iii) unperfected Liens incurred in the ordinary course of business and not in connection with the borrowing of money; including Liens arising from the employment of labor or the acquisition of Equipment and Materials; and (iv) Permitted Owner Liens (collectively, **"Permitted Liens"**); **provided, however**, the Maintenance Provider will not be required to discharge or otherwise satisfy a Lien filed by others in connection with the Maintenance Services as long as it is timely contesting such Lien in accordance with Applicable Law and the Property subject to such Lien is not subject to imminent sale or foreclosure. If any such Lien (other than Permitted Liens) has not been discharged or otherwise satisfied within one hundred twenty (120) days of its perfection, the Maintenance Provider, after consultation with the Management Committee, shall make adequate provision to discharge or otherwise satisfy such Lien. The cost to discharge or otherwise satisfy a

Lien of record is a Maintenance Cost, except to the extent the filing of the Lien was caused by the gross negligence, intentional misconduct or willful misconduct of the Maintenance Provider.

3.13 **Administrative Agent Agreement**. On the date on which the Effective Time occurs, the Maintenance Providers shall execute and deliver to the Owners the Administrative Agent Agreement.

3.14 **Enforcement of Construction Agreement Warranties After Final Completion**. Immediately following the Final Completion of all of the Facilities and the Discretely Owned Substation Assets, the E&O Committee will be entitled to designate any one or more of the Maintenance Providers to administer and enforce the warranty and other provisions of the Construction Agreements related to the Facilities. Any such Maintenance Provider shall enforce the applicable warranties as necessary on behalf of the Owners.

3.15 **Transmission (Non-Distribution) Underbuild Facilities**. If the Construction Work performed for the Facilities requires the relocation and demolition of existing non-Project transmission lines identified in the Project Plan (the "**Underbuild Line(s)**") that are owned by certain Owners (the "**Underbuild Owner(s)**") in order to comply with Applicable Law and Good Utility Practice due to the anticipated proximity of the Underbuild Line(s) to the Project Facilities to be constructed pursuant to the Project Plan, the Owners and the Underbuild Owner(s) agree to negotiate and execute a definitive agreement for such Underbuild Line matters generally in accordance with the Term Sheet for Transmission (Non-Distribution) Underbuild Facilities attached hereto and incorporated by reference herein as **Appendix J**. If such a definitive agreement is executed and delivered by the Owners and an Underbuild Owner, to the extent an Underbuild Line is co-located within the Applicable Segment of either or both of a Maintenance Provider or Control Center Authority hereunder, each such Responsible Entity, as applicable, shall be obligated to perform the applicable obligations of the Owners under such definitive agreement(s) that apply to the services that are rendered by such Responsible Entity on behalf of the Owners under this Agreement.

ARTICLE 4
CONTROL CENTER SERVICES AND OTHER OBLIGATIONS

4.1 **Control Center Services**. From and after each Phase In-Service Date, the applicable Control Center Authority shall provide, pursuant to Applicable Energy Regulations and subject to the requirements of applicable Governmental Bodies, including applicable tariffs and agreements that govern or otherwise affect a Control Center Authority, comparable services with respect to the Applicable Segments that it provides with respect to the other transmission facilities for which it exercises day-to-day operational control, for example:

(i) accepting and maintaining physical operation of the transmission lines;

(ii) monitoring alarms;

(iii) accommodating, as necessary, the effect of Upgrades and Capital Improvements;

(iv) dispatching the applicable Maintenance Provider (or Local Agent) to perform First Responder Services;

(v) cooperating and coordinating with the applicable Transmission Providers, the applicable Maintenance Providers and Discretely Owned Substation Owners and the E&O Committee to schedule outages and accommodate Unscheduled Outages;

(vi) training Maintenance Provider personnel that will be executing switching, tagging, blocking and clearances on Applicable Segments; and

(vii) performing such other services as are set forth in this Agreement, or are as otherwise requested by the E&O Committee and agreed to by the Control Center Authority.

4.2 **Control Center Costs.** Nothing in this Agreement is intended to limit any Control Center Authority from being compensated for services provided hereunder in accordance with Applicable Energy Regulations. If, and to the extent, a Control Center Authority is entitled to be reimbursed, pursuant to tariff or otherwise, for the actual costs it expends to perform the Control Center Services allocable to the Applicable Segments, such Control Center Authority will not be entitled to any further reimbursement hereunder. If, and to the extent, a Control Center Authority is not entitled to be reimbursed, pursuant to tariff or otherwise, for the actual costs it expends to perform the Control Center Services allocable to the Applicable Segments, except as otherwise provided in this Agreement, such Control Center Authority will be entitled to be reimbursed for costs expended by it in the performance of the Control Center Services allocable to the Applicable Segments, which costs will be determined and calculated in a manner agreed to by the Parties that fairly allocates to the Owners the actual cost of the percentage effort expended by the Control Center Authority to perform the unreimbursed Control Center Services as compared with the actual cost of the entire Control Center Authority effort to perform similar services without regard to the Persons for whom such services are performed (the "**Control Center Costs**").

4.3 **Standard of Care.** Each Control Center Authority shall perform the Control Center Services in a prudent, efficient and careful manner using the Control Center Authority's judgment based on its experience in operating transmission facilities, and in all material respects in accordance with: (i) Applicable Law; (ii) Good Utility Practice; (iii) this Agreement; and (iv) the requirements of applicable insurance policies then in effect that have been secured by or provided to the Control Center Authority.

ARTICLE 5
RESPONSIBLE ENTITY OBLIGATIONS

5.1 **Compliance Requirements.** Each Responsible Entity acknowledges the importance of: (i) compliance with NERC reliability standards applicable to the Facilities and the Responsible Entities and (ii) diligent implementation of procedures designed to meet

such standards. The Owners and the Responsible Entities agree to comply with the provisions of **Appendix G**. Upon the request of a Responsible Entity, each other Party shall provide the applicable Responsible Entity with information in its possession that such Responsible Entity may reasonably require to fulfill its obligations under this **Section 5.1**.

5.2 **Change in the Scope of Maintenance Services**. The Management Committee may, at any time, request an adjustment to the scope of Maintenance Services to be provided by a Maintenance Provider hereunder. Any such adjustment in the scope of Maintenance Services must be in writing and signed by the affected Parties. In the event of any material change in the scope of services to be provided by a Responsible Entity hereunder, the applicable expense forecast, the Capital Budget, or both, and, if applicable, the Scheduled Maintenance Plan, will be equitably adjusted.

5.3 **Governmental Approvals**. Each Responsible Entity shall take whatever actions are necessary or desirable (as determined by the E&O Committee) to maintain or otherwise fulfill the performance and compliance requirements under and in connection with the Governmental Approvals with respect to the Facilities. Each Owner shall provide its support, cooperation and assistance in connection therewith.

5.4 **Insurance Obligations**. Each Responsible Entity shall comply with applicable insurance obligations imposed on it in **Appendix I**, as it may be modified by the Management Committee from time to time.

5.5 **Timely Performance**. Each Responsible Entity shall notify the E&O Committee promptly of any circumstance that has become known to such Responsible Entity that has or will have the potential to limit the ability of such Responsible Entity to timely perform the Maintenance Services or Control Center Services, as applicable. Any such Responsible Entity shall identify any actions that it has taken or proposes to take to overcome any such circumstance.

5.6 **Transmitting Data**. Prior to the applicable Phase In-Service Date, each Maintenance Provider and the Control Center Authority for a Segment shall establish the categories of data that each Maintenance Provider will provide to the Control Center Authority and the means, methods and protocols pursuant to which such data must be transmitted. Each Maintenance Provider shall thereafter transmit the required data in accordance therewith.

5.7 **Services Plan Review**. The E&O Committee shall convene, and the Responsible Entities shall attend, periodic meetings not less frequently than annually, at mutually agreeable times and places, to, among other things, review the performance of Maintenance Services, Control Center Services, compliance with Applicable Law, opportunities for efficiencies, and cost savings in connection therewith (each, a "**Services Plan Review**"). Services Plan Review meetings may be held telephonically. The initial agenda for each such meeting will be proposed by the E&O Committee. Any Responsible Entity may suggest additional items for the agenda and the E&O Committee will amend the agenda to include such items.

5.8 Technical Guidelines. With respect to an Applicable Segment, except as otherwise specified by the E&O Committee, a Responsible Entity shall use and comply with the technical guidelines applicable to the other transmission facilities owned by the Responsible Entity in the region.

5.9 Safety and Training Programs. Continuing throughout the Term, each Responsible Entity shall train its personnel in any and all services to be performed by such Responsible Entity under this Agreement. The Responsible Entity shall provide sufficient training to assure that, as is applicable to the tasks assigned, its personnel are knowledgeable of Applicable Energy Regulations and Good Utility Practice and capable of performing in compliance therewith.

5.10 Material Adverse Events. If there is a Changed Circumstance, an Emergency or a Third Party Claim (whether insured or uninsured) ("**Material Adverse Event**") that affects the performance of its services under this Agreement, the Responsible Entity shall give prompt written notice of the occurrence of such Material Adverse Event and provide its assessment of the impact thereof to the E&O Chair. If the additional costs caused by a Material Adverse Event are expected to cause the Capital Budget to be exceeded, the E&O Committee may request that the Management Committee expedite a vote to consider whether to approve such Budget Overrun. Adjustments arising from Material Adverse Events will be specifically identified and the Maintenance Provider shall provide detailed information concerning the actual impact of each such Material Adverse Event and amount expended as a result thereof together with each subsequent Invoice until the full impact of such Material Adverse Event is known and incurred.

5.11 Labor and Personnel. The Responsible Entity shall provide and make available all labor and professional managerial field service, administrative and other personnel as are reasonably necessary to perform the services required of it hereunder, which may be the employees of the Responsible Entity, its Affiliates or subcontractors. Each Responsible Entity shall appoint a project representative ("**Project Representative**") that will have oversight responsibility for the performance of services hereunder. Each Responsible Entity shall identify the Project Representative (and associated contact information) on the Master Notification List. Each Responsible Entity will be bound by the written communications, directions, requests and decisions made by its Project Representative.

5.12 Service Records.

5.12.1 **Retention of Maintenance Records.** Each Maintenance Provider shall, in accordance with its standard document retention practices, keep and retain, or cause to be kept and retained: (i) the as-built drawings and the portions of the Project Design Book provided to it by the Construction Manager, including currently-marked drawings showing the location of all portions of the Facilities for which it is providing Maintenance Services; (ii) maintenance and repair records for the Applicable Segment; (iii) records required to be maintained pursuant to Applicable Energy Regulations with respect to the Applicable Segments; (iv) all Maintenance Subcontracts and all invoices, amendments and change orders thereto, all records relating to Project Insurance or claims

thereunder in which the Maintenance Provider is involved (collectively, "**Maintenance Subcontract Documents**"); and (v) other documents related to the performance of the Maintenance Services as requested by the E&O Committee ("**Maintenance Records**").

5.12.2 **Retention of Control Center Records**. Each Control Center Authority shall, in accordance with its standard document retention practices, keep and maintain, or cause to be kept and maintained, for inspection by any Owner or its designated representatives: (i) logs, SCADA System data and similar information and (ii) records required to be maintained pursuant to Applicable Energy Regulations, in each case, only with respect to the Applicable Segments ("**Control Center Records**").

5.12.3 **Inspection**. Subject to Applicable Law, each Responsible Entity shall make all Maintenance Records or Control Center Records it is required to retain under this Agreement available for inspection and audit by any Owner at such Responsible Entity's principal place of business or other agreed location. Any Owner, at its own expense, will be entitled to audit or otherwise inspect (and copy) such records during business hours on at least five (5) Business Days' notice to the Responsible Entity. Each Owner understands that an audit or inspection involves planning and resources by the custodian of such records. Accordingly, each Owner agrees that it will endeavor to coordinate its requests for inspection or audit with the other Owners and the Responsible Entities, as applicable, agree to cooperate with such audit or inspection upon request.

5.13 End of Term Obligations. Upon expiration of the Term, or any earlier termination of the services of any Responsible Entity, certain of the services required of such Responsible Entity may not have been entirely performed and additional services may be necessary. Accordingly, upon the request of the E&O Committee, each Owner and each Responsible Entity agrees to negotiate the terms and conditions for specific post-termination transition services on substantially the same payment and liability terms as are set forth in this Agreement.

ARTICLE 6
FUNDING FOR SERVICES

6.1 Payment. Each Responsible Entity is entitled to be reimbursed for Maintenance Costs or Control Center Costs expended by it in the performance of the Maintenance Services or the Control Center Services, as appropriate (the "**Funding Amount**"), except as expressly otherwise provided herein. Subject to **Section 14.2**, a Responsible Entity shall: (i) be responsible for costs incurred by it in the performance of the Maintenance Services or the Control Center Services, as appropriate, that arise from its gross negligence (in an aggregate amount not to exceed the limit of liability set forth in **Section 14.2.1**), willful misconduct, or intentional misconduct and (ii) not seek reimbursement from the Owners for such costs. To the extent applicable to its compensation hereunder, each Responsible Entity shall accurately record on a daily basis the type of services performed on behalf of

the Owners, the employment classification of the individuals performing such services, and the time spent by each such individual.

6.2 Invoices.

6.2.1 **Invoices**. Except as otherwise provided hereunder, Responsible Entities will be entitled to submit Invoices to each Owner on a periodic basis to be determined by the E&O Committee (the "**Billing Cycle**"). Each Responsible Entity should submit an Invoice for the services performed hereunder by the twentieth (20^{th}) day following the end of each Billing Cycle.

6.2.2 **Supporting Documentation**. Subject to **Section 7.10.2**, within ten (10) days of the submission of each Invoice, each Maintenance Provider shall provide the following information to the extent reasonable available to it:

(i) the basis for the amount invoiced in accordance with the provisions of **Appendix D** for Mobilization Services or Maintenance Services or **Section 4.2** for Control Center Services, as applicable;

(ii) sales and use tax information as required by the Owners to secure sales tax refunds;

(iii) documentation reasonably required by an Owner to identify asset replacements and associated values for tax or accounting purposes; and

(iv) such other information as may be reasonably requested by the E&O Committee.

If information requested pursuant to **clause (iii)** or **(iv)** is not reasonably available at the time it submits its Invoice, the Responsible Entity shall submit such information with its next succeeding Invoice.

6.2.3 **Limited Representations**. The delivery of an Invoice by a Responsible Entity constitutes a representation to the Owners that: (i) the services reflected in such Invoice have been performed; (ii) any Equipment and Materials reflected as having been delivered have been delivered; and (iii) the amounts reflected as having been paid have been paid. The foregoing representations are subject to specific qualifications expressed by the Responsible Entity in any such Invoice.

6.3 Accounts. Each Invoice must specify with particularity the account (and all other relevant information) to which the Owners are to make payments in respect to that Invoice. The Owners will be entitled to rely on the accuracy of the information provided by the Responsible Entity. A Responsible Entity's books and records of account with respect to the provision of services hereunder and the cost thereof must be current, complete, true and correct in all material respects. All such books and records must be organized and indexed, and kept in a consistent manner.

6.4 **Payments**. Except with respect to those amounts properly withheld or offset hereunder, each Owner shall make full payment, in immediately available funds, of its Asset Ownership Percentage of the amounts invoiced by the Responsible Entity in Invoices. Payments are to be made by the twentieth (20^{th}) day following receipt of the Invoice.

6.5 **Final Payment**. Within ninety (90) days after the termination of this Agreement with respect to any Responsible Entity, such Responsible Entity shall submit a final Invoice to each Owner that documents amounts due hereunder through the date of termination together with any termination amount permitted pursuant to **Section 13.2**.

6.6 **Notice of Dispute and Withholding**. Without prejudicing an Owner's other rights under this Agreement, for purposes of determining the amount of payment to which the Responsible Entity is entitled in respect of an Invoice hereunder, an Owner shall promptly notify the Responsible Entity concerning any invoiced amount or portion thereof that it disputes (including where the Owner contends that there is a deficiency with respect to such Invoice or the accompanying documentation) and the basis for such dispute as soon as reasonably practicable with the objective of allowing time to resolve such dispute prior to the date on which payment with respect to the disputed matter would otherwise be due; **provided, however**, except as provided in the next sentence, an Owner must make timely payment of invoiced amounts pending resolution of disputed amounts. An Owner also may, after issuing a notice to the Responsible Entity, withhold all or any portion of any payment: (i) in accordance with **Section 6.8** or (ii) to such extent of an undisputed overdue amount due to such Owner from the Responsible Entity under this Agreement.

6.7 **Payment Not Acceptance**. Payments hereunder will neither constitute acceptance of the services provided by a Responsible Entity nor foreclose any right of audit or dispute with respect to such payments. Except as provided in **Section 6.6**, **6.8** or **8.6**, no Owner will withhold any amounts, including disputed amounts, from its payments in respect of an Invoice. Upon audit or other discovery, the applicable Responsible Entity shall refund any amount paid by an Owner in excess of amounts properly due hereunder within fifteen (15) Business Days of demand therefor.

6.8 **Optional Payment by Owners**. If a Maintenance Provider defaults or neglects to fulfill its obligation to make undisputed payments of amounts required to be paid to a Third Party under any Maintenance Subcontract, then the Owners (acting collectively through the E&O Committee) may cause such obligation to be satisfied by paying such amounts. To the extent the amount of such payments has previously been paid to the Maintenance Provider, the Owners may set off such amounts against the Funding Amount next due by the Owners to the Maintenance Provider.

6.9 **Amounts to be Deposited**. Within fifteen (15) Business Days of receipt, a Maintenance Provider shall pay to the Owners, by depositing the following sums as directed by the E&O Committee:

(i) funds recovered from Maintenance Subcontractors and other counterparties, including backcharges and damages, except with respect to

amounts recovered in respect of an indemnification obligation owed to the Responsible Entity on the part of a Maintenance Subcontractor or other counterparty;

(ii) proceeds of the sale of surplus Equipment and Materials; and

(iii) any other amounts received by a Maintenance Provider arising out of or in connection with this Agreement, which amounts are to accrue to the benefit of the Owners, collectively.

ARTICLE 7
FINANCIAL MATTERS AND REPORTS

7.1 **Capital Budget**. Not later than June 1 of each Operating Year, each Maintenance Provider shall deliver to the E&O Committee a three (3)-year capital expense budget describing Capital Improvements that it recommends and the Maintenance Costs anticipated to be incurred by it to effect such Capital Improvements (a "**Proposed Capital Budget**"). Not later than August 1 of each Operating Year, the E&O Committee will prepare and deliver to the Management Committee for its approval, in cooperation with the Maintenance Providers, a consolidated Proposed Capital Budget broken down by Applicable Segments, for the subsequent three (3) Operating Years. The E&O Committee will make recommendations to the Management Committee with respect to the consolidated Proposed Capital Budget with the goal of receiving an affirmative vote of the Management Committee of the consolidated Proposed Capital Budget by September 1 of each Operating Year. If the Management Committee does not vote to approve the consolidated Proposed Capital Budget, the E&O Committee will work with the Maintenance Providers to promptly re-submit a revised consolidated Proposed Capital Budget to the Management Committee for its approval. Once the Management Committee approves a consolidated Proposed Capital Budget, it will become the capital budget (the "**Capital Budget**"), subject to amendment by vote of the Management Committee from time to time.

7.2 **Budget Deadlock**. If by December 1 prior to any Operating Year after the Effective Time, the Management Committee does not vote to approve a Capital Budget for the next Operating Year, (a "**Budget Deadlock**"), then for the forthcoming Operating Year, until the Management Committee votes to approve such budget, the unapproved budget proposed will not be implemented, but the Capital Budget for such Operating Year, as applicable, previously approved by the Management Committee as part of the three (3) year rolling Capital Budget process will remain in full force and effect until the Management Committee votes to approve a new Capital Budget. If the applicable Operating Year is not covered by a Capital Budget, then to the extent necessary, until a new Capital Budget is approved, the Capital Budget currently in effect will be adjusted by changes in the Inflation Factor from the commencement of the then-current Operating Year plus the cost of Capital Improvements that are required for the Facilities to be maintained so as to meet the requirements of Applicable Law.

7.3 **Limitation on Expenditures.** Except as provided below, each Capital Budget is intended to constitute the control document for each Maintenance Provider pursuant to which such Maintenance Provider may incur Capital Expenses. No Maintenance Provider may incur Capital Expenses that will cause a Budget Overrun, unless: (i) pursuant to an Approved Budget Variance in accordance with **Section 7.5**; (ii) in connection with a Material Adverse Event; (iii) necessary for compliance with Applicable Law; or (iv) necessary for compliance with the requirements of **Appendix G**.

7.4 **Expense Forecast Overruns.** If at any time during an Operating Year a Responsible Entity anticipates that its forecast of the annual cost of providing Maintenance Services or Control Center Services, as applicable, is no longer accurate, it shall promptly notify the Chair, specify the underlying facts and circumstances and provide an updated forecast of the amounts that are to be reimbursed by the Owners.

7.5 **Capital Budget Overruns.** If a Maintenance Provider or the E&O Committee has notified the Chair that it anticipates a Budget Overrun, the Management Committee will issue written directions to the Maintenance Provider with respect to how it is to proceed within thirty (30) days after the date on which the Chair received such notification. The Management Committee is not obligated to authorize a proposed Budget Overrun, except to the extent necessary to ensure an equitable adjustment in the Capital Budget to reflect the reasonable value of any increased costs incurred in connection with a Material Adverse Event or as otherwise required to ensure compliance with: (i) Applicable Law and (ii) the requirements of **Appendix G**. If the Management Committee does not approve an overrun request, the E&O Committee shall provide express direction to the Maintenance Provider of the actions to be taken or refrained from by way of reducing services to be provided so as to allow the Responsible Entities to be able to operate within the Capital Budget. If the Maintenance Provider does not believe that the direction provided by the Management Committee will allow it to perform its obligations in accordance with **Section 3.3**, the Maintenance Provider may, by written notice, decline to further perform the affected obligations and the Management Committee shall thereafter find a replacement provider. If the Management Committee approves such Budget Overrun, such approval will constitute an "**Approved Budget Variance**," which shall contain a detailed description of the changes to the Capital Budget required thereby.

7.6 **Meetings.** At a Party's request, any Responsible Entity and the E&O Committee shall meet, among other things:

(i) to review the performance of services under this Agreement; and to discuss any expense forecast, the Capital Budget, or both, the status of any Scheduled Maintenance Plan or any Inventory Plan;

(ii) to discuss any Material Adverse Event and the impact thereof on expense forecasts, the Capital Budget, or both, the Mobilization Plan, the Scheduled Maintenance Plan or the Inventory Plan, as applicable; or

(iii) to review the costs incurred pursuant to **Section 8.9**.

7.7 **Not Responsible for Forecasts**. The expense forecasts and the Capital Budget prepared by a Responsible Entity represent its reasonable commercial judgment as to the amounts reflected therein in light of its experience and the application of estimation practices consistent with Good Utility Practice. Each Owner acknowledges that the Responsible Entities (individually or collectively) that seek reimbursement hereunder do not have control over the cost of labor, materials, equipment, competitive bidding, or market or negotiating conditions pursuant to which the assumptions in such forecasts and the Capital Budget relate. Accordingly, no Responsible Entity warrants or represents that bid results, negotiated prices, or the monetary impact of Material Adverse Events or Unscheduled Maintenance Services will be accurately forecasted or budgeted. The Responsible Entities will not be liable to any Owner for the inaccuracy of any such expense forecast or Capital Budget.

7.8 **Prudency Review Undertaking**. The applicable Responsible Entity shall provide reasonable assistance and documentation to the Owners (individually or collectively) in connection with any prudency review or similar process relating to matters within the scope of this Agreement in order to address the issues identified by any reviewing Person, including any Governmental Body. Subject to **Section 4.2**, as applicable, services under this **Section 7.8** provided for the benefit of less than all of the Owners will be charged to and payable by each such individual Owner benefiting from the performance of such services. To the extent services provided under this **Section 7.8** are provided to the Owners collectively, the cost of providing such services are Maintenance Costs or Control Center Costs, as applicable.

7.9 **Reporting Obligations**.

7.9.1 **Maintenance Reports**. Maintenance Providers shall prepare and furnish to the E&O Committee for submission to the Management Committee a report (each a "**Maintenance Report**") within fifteen (15) days following the close of each calendar quarter following the First Phase In-Service Date (or at such other times as may otherwise be directed by the E&O Committee) for their Applicable Segments. The E&O Committee, in cooperation with the Maintenance Providers, will develop the form and format for the Maintenance Report and identify the specific topics (*e.g.*, safety, major repairs, Capital Improvements, and warranty items) to be reported upon.

7.9.2 **Financial Summary Reports**. Each Responsible Entity shall deliver to the E&O Committee a financial summary report substantially in the form attached hereto in **Appendix F-2** (the "**Financial Summary Report**"). Financial Summary Reports shall be delivered quarterly or as more particularly provided by the E&O Committee. Except as otherwise required by the E&O Committee, the Financial Summary Report will provide: (i) a summary of actual Maintenance Costs or Control Center Costs, as appropriate, that have been incurred during the Operating Year and which are to be reimbursed by the Owners; (ii) a comparison of actual costs to date to the then current forecast and updated forecasted costs to the then current forecast; and (iii) the amount of and explanation for any funds deposited in accordance with **Section 6.9**. Each Maintenance Provider shall,

when applicable, provide similar data with respect to Capital Improvements and the Capital Budget. The E&O Committee is entitled to modify the form of the Financial Summary Report at any time.

7.10 Financial Record Retention and Audit.

7.10.1 **Financial Record Retention**. Each Responsible Entity submitting Invoices hereunder shall, in accordance with its standard document retention practices, keep and retain, or cause to be kept and retained with respect to the Applicable Segments: (i) payroll records, daily time sheets and other related personnel records related to the performance of services hereunder; (ii) Maintenance Subcontract Documents; (iii) agreements (together with amendments and change orders), invoices, receipts and similar documentation (other than Maintenance Subcontract Documents) for Maintenance Services or Equipment and Materials purchased for use in connection with Facilities, including Master Contracts; (iv) any other records and books of account; records of monies expended, obligations incurred, credits accrued or that otherwise relate to the Facilities, including documents used by the Responsible Entity to accumulate financial and statistical data in connection with services performed under this Agreement; and (v) with respect to any Control Center Authority that presents Invoices to the Owners, such books and records as will reasonably allow the Owners to determine the fairly allocated actual cost of the Control Center Authority's performance of such services ("**Financial Records**").

7.10.2 **Record Availability**. Each Responsible Entity shall make all Financial Records it is required to retain under this Agreement pursuant to **Section 7.10.1** available to the Independent Accountants for inspection (and copying) and audit. Such Financial Records will be available to the Independent Accountants at the Responsible Entity's principal place of business or other agreed location upon at least five (5) Business Days' notice. Responsible Entities shall not make Financial Records (other than Maintenance Subcontract Documents) available to any Owner, except in accordance with a protocol adopted by the Management Committee that will be designed to avoid use of such information by the receiving Owner in manner that could violate Applicable Law.

7.10.3 **Independent Audit**. The Management Committee is entitled to engage a public accounting firm experienced in utility and regulated industry accounting (the "**Independent Accountants**") to conduct an agreed upon procedure determined by the Management Committee of Maintenance Costs, Capital Expenses, and, if applicable, Control Center Costs expended or incurred under this Agreement during any fiscal period. To the extent applicable, such reports must be prepared in accordance with GAAP; **provided, however,** interim internal financial reports may be presented subject to year-end adjustments and may lack footnotes and other required GAAP presentation items. The Management Committee shall furnish any report of the Independent Accountants to each Owner promptly following receipt. The Owners and Responsible Entities shall reasonably cooperate with the Independent Accountants. If the results of any such audit

indicate that a reconciliation of amounts paid or received by any Party is necessary, the Independent Accountants shall provide a reconciliation statement to each Party indicating the amounts to be paid or received, if any, by each Party. The Parties shall promptly make the payments required by the reconciliation statement within fifteen (15) Business Days of receipt of such reconciliation statement.

7.11 **Final Completion Report**. Each Responsible Entity shall prepare and distribute to the Management Committee and each Owner a final completion report within a commercially reasonable period of time following termination of this Agreement as to such Responsible Entity, which must include a complete cost report for the Maintenance Services or Control Center Services, as applicable, performed during the last twelve (12) Months, together with a documentation of any amounts that may be due to such Responsible Entity upon termination as provided in **Sections 13.2.2.4** and **13.2.2.5**.

ARTICLE 8
OWNERS' RIGHTS AND DUTIES

8.1 **Owners Act Through Committee**. Oversight and management of matters arising under this Agreement by the Owners will, except as otherwise provided in this Agreement, be determined by the Management Committee or, to the extent of its delegated authority, the E&O Committee.

8.1.1 **Restriction on Rights, Duties and Responsibilities of the Management Committee**. Notwithstanding anything to the contrary in this Agreement, neither the Management Committee nor the E&O Committee will have the power or authority to direct the means, manner or methodology used by any Maintenance Provider to carry out the Maintenance Services or any Control Center Authority to carry out the Control Center Services.

8.1.2 **Rights**. In carrying out the duties and responsibilities set forth in this **Article 8**, the Management Committee and, by delegation, the E&O Committee (unless otherwise indicated below), has:

(i) the right to receive such information (subject to **Section 7.10.2**) from each Maintenance Provider and each Control Center Authority as the Management Committee or the E&O Committee may reasonably request;

(ii) the right to inspect the Facilities during the Term at reasonable times without unduly hindering ongoing performance of the Maintenance Services, which right will extend, to the Owners, and to their respective invitees, including Financing Parties, and Financing Party Agents (as required in connection with an Owner's Financing); and

(iii) the right to inspect and audit Maintenance Records maintained by each Maintenance Provider under this Agreement and Control Center Records maintained by each Control Center Authority.

8.1.3 **Management Committee**. In all matters concerning or arising under this Agreement that require instruction or a vote of the Management Committee to be effective, each Owner will be bound by the written communications, directions, requests and decisions made by the Management Committee.

8.1.4 **E&O Committee**. In all matters concerning or arising under this Agreement that require instruction or decision of the E&O Committee to be effective, each Owner will be bound by the written communications, directions, requests and decisions made by the E&O Committee.

8.2 Authorized Personnel. Each Owner, Maintenance Provider and Control Center Authority, in its respective capacity, shall identify on the Master Notification List the names and contact information of the individuals who are authorized to sign documents such as contracts, certificates, Governmental Approvals, and affidavits on their behalf, and to fully bind such Person to the provisions of such documents.

8.3 Property Interests. All Property of the Owners (which includes any and all rights and licenses, express or implied) that arise as a result of the performance of the Maintenance Services and the Control Center Services accrues to the benefit of the Owners as set forth in the Project Agreements. During the Term, each Owner hereby authorizes each Maintenance Provider to use all such Property rights and interests relating to the Applicable Segments for which it is responsible as necessary for each Maintenance Provider to properly perform the Maintenance Services on such terms as approved and permitted by this Agreement and the other Project Agreements.

8.4 Owner Governmental Approvals and Licenses. Each Owner shall comply with any condition applicable solely to it under the terms of any Governmental Approval that becomes a Final Order, and the costs and expenses associated with compliance with such condition(s) will be the sole liability and obligation of such Owner.

8.5 Owner's Insurance Requirements. The Owners shall comply with the insurance obligations imposed on the Owners in **Appendix I**, as it may be modified by the Management Committee from time to time.

8.6 Right to Carry Out Services. If any Maintenance Provider fails to perform Maintenance Services in accordance with this Agreement and fails, within a thirty (30) day period after receipt of written notice from the E&O Committee, to commence and continue correction of such default or neglect with diligence and promptness, the E&O Committee may, after such thirty (30) day period, give each Maintenance Provider a second written notice to correct such deficiencies within a second fifteen (15) day period. If a Maintenance Provider fails to commence and continue to correct such deficiencies within such second fifteen (15) day period, the E&O Committee may, without prejudice to other remedies it may have hereunder, arrange for the correction of such deficiencies and will be entitled to recover the costs and expenses incurred (which amounts constitute Maintenance Costs) in furtherance thereof to the extent each Maintenance Provider has been paid any amounts therefor.

8.7 **Access Rights**. Each Owner hereby grants to each Maintenance Provider rights of access, ingress and egress to and from the Applicable Segments, at no cost, for the purpose performance of the Maintenance Services and other services directed by the E&O Committee. The Management Committee shall provide (or cause to be provided) to each Maintenance Provider: route maps; GPS coordinates for structures erected on Project Real Property; a list of access restrictions applicable to the Maintenance Providers (and Local Agents); and contact information for landowners of Project Real Property.

8.8 **Required Information**. An Owner shall provide information requested by a Maintenance Provider that is known and readily available to it, including specifications, documents and drawings of existing above ground structures and facilities, subsurface conditions (including plats or borings identifying the position of cables, lines, pipes or other underground objects), or other conditions relevant to the performance of the Maintenance Services. The information so provided is furnished as a courtesy and the Owner providing it does not guarantee the accuracy of such information and is not liable for any inaccuracy or omission therein contained, except to the extent of its gross negligence, willful misconduct or intentional misconduct.

8.9 **E&O Committee Functions**. The provisions of this Agreement require the E&O Committee from time to time to, among other things, consolidate expense forecasts or proposed Capital Budgets, proposed Scheduled Maintenance Plans, proposed Inventory Plans, or other aspects of the Maintenance Services or Control Center Services. The E&O Committee is entitled to employ the services of one or more of the Responsible Entities to provide such services and the cost thereof shall constitute a Maintenance Cost or Control Center Cost, as applicable.

8.10 **Owner Obligations Several**. The obligation of each Owner to make payments to the applicable Responsible Entities under this Agreement is a several (and not joint) obligation (to the extent of its Asset Ownership Percentage). The failure of any Owner to pay any amount for which it is obligated hereunder will not relieve any other Owner from its several payment obligations hereunder.

8.11 **Funding for Extraordinary Events**. If: (i) upon the occurrence of a Material Adverse Event or the necessity of other Unscheduled Maintenance Services or (ii) a Maintenance Provider desires to take advantage of discounts, rebates or similar economic advantages, and in each case, the expenditures resulting from such causes are materially in excess of the amounts it usually and customarily incurs before invoicing, then the Maintenance Provider may request the Management Committee to direct the Owners to make the estimated funds needed for such purposes available to the Maintenance Provider. The Management Committee will act within five (5) Business Days of its receipt of the Maintenance Provider's written request accompanied by reasonable documentation and support. If the Management Committee so directs, the Owners shall deposit the estimated amount as determined by the Management Committee within seven (7) Business Days of receipt by each Owner of a notice specifying the estimated amount needed.

8.12 **Sales Tax Refunds**. Except as otherwise directed by the Management Committee, each Owner will be responsible for securing any refund of Sales Taxes to which it may be entitled in accordance with Applicable Law, which refunds may be retained by each such Owner as its individually owned Property. Each Maintenance Provider shall provide reasonable assistance to each Owner in connection with such Owner's efforts to secure Sales Tax refunds in connection with the Equipment and Materials procured or the services performed hereunder.

ARTICLE 9
MAJOR CONSTRUCTION EVENTS; OTHER MAJOR EVENTS

9.1 **Undertaking Major Construction Events**. The Owners and the Maintenance Providers recognize that the Transmission Grid is dynamically evolving and, during the Term, Major Construction Events are likely to occur. The Management Committee is empowered under the Project Participation Agreement to determine, in the best interests of the Owners, the most efficient and cost-effective approach to undertaking Major Construction Events. The Maintenance Providers, as part of the Maintenance Services, will consult and cooperate with the Management Committee as reasonably necessary to allow the Management Committee to plan and implement Major Construction Events. The Management Committee will select the Person(s) that will undertake such construction and will negotiate the terms and conditions of any necessary agreements.

9.2 **Payments**. Notwithstanding anything to the contrary herein, Maintenance Providers are not expected to advance (subject to reimbursement) the cost of Major Construction Events to the extent any such event or services exceeds Five Hundred Thousand Dollars ($500,000). Accordingly, the Management Committee and any applicable Maintenance Provider shall agree to an acceptable funding mechanism for such events and services prior to implementation of any Maintenance Services therefor as promptly as reasonably possible upon a Maintenance Provider's notification to the Management Committee that such services are necessary. It is the express intent of the Owners that Maintenance Providers are not expected to bear the working capital costs of funding such events.

ARTICLE 10
REPRESENTATIONS AND WARRANTIES

10.1 **Representations and Warranties of each Responsible Entity**. Each Responsible Entity, on and as of the Effective Time, makes the following representations and warranties, which representations and warranties survive the execution and delivery of this Agreement:

10.1.1 **Organization and Good Standing**. It is, as set forth in the preamble to this Agreement, an agency, non-profit corporation, cooperative, association, municipal corporation, political subdivision, limited liability company, corporation or a similar Person organized, existing and in good standing under the laws of the state of its formation or incorporation, as the case may be, and is authorized to conduct business in each state in which authorization may be required to perform its obligations under this Agreement.

10.1.2 **Power and Authority**. It has the power and authority to enter into and perform this Agreement and is not prohibited from entering into this Agreement or discharging and performing all covenants and obligations on its part to be performed under and pursuant to this Agreement.

10.1.3 **Authorization**. It has taken all action required by Applicable Law and its governing documents, including its charter, in order to approve, execute and deliver this Agreement.

10.1.4 **No Violation**. The execution and delivery of this Agreement by it, the performance by it of its obligations hereunder, and the consummation by it of the transactions contemplated herein do not and will not: (i) contravene any Applicable Law in effect as of the Effective Time or any Order in effect as of the Effective Time of any Governmental Body or arbitrator having jurisdiction over it or its Property or (ii) result in a breach or violation of any of the terms and provisions of, or constitute a default under, any indenture, mortgage, deed of trust or other agreement in effect as of the Effective Time and to which it is a party or by which it or its Property is bound.

10.1.5 **Approvals and Consents**. No approval, consent or authorization of any Governmental Body or other Person is required for the execution and delivery by each Maintenance Provider of this Agreement or the performance by it of its obligations hereunder, except such approvals, consents or authorizations that have been given or obtained by it and are in full force and effect.

10.1.6 **Binding Effect**. This Agreement has been executed and delivered by it. Assuming that each other Person executing and delivering this Agreement has all the requisite power and authority, and has taken all necessary action to execute and deliver this Agreement, this Agreement is legal, valid and binding obligation on it and is enforceable in accordance with its terms, except as limited by laws of general applicability limiting the enforcement of creditor's rights (e.g., bankruptcy, insolvency, moratorium) or by the exercise of judicial discretion in accordance with general principles of equity.

10.2 Representations and Warranties of Owners. Each Owner, severally and not jointly, on or as of the Effective Time makes the following representations and warranties, which representations and warranties survive the execution and delivery of this Agreement:

10.2.1 **Organization and Good Standing**. Such Owner is, as set forth in the preamble to this Agreement, an agency, non-profit corporation, cooperative, association, municipal corporation, political subdivision, limited liability company, corporation or a similar Person organized, existing and in good standing under the laws of the state of its formation or incorporation, as the case may be, and is authorized to conduct business in each state in which authorization may be required to perform its obligations under this Agreement.

10.2.2 **Power and Authority**. Such Owner has the power and authority to enter into and perform this Agreement and is not prohibited from entering into this Agreement or discharging and performing all covenants and obligations on its part to be performed under and pursuant to this Agreement.

10.2.3 **Authorization**. Such Owner has taken all action required by Applicable Law and its governing documents in order to approve, execute and deliver this Agreement.

10.2.4 **No Violation**. The execution and delivery of this Agreement by such Owner, the performance by such Owner of its obligations hereunder, and the consummation by such Owner of the transactions contemplated herein do not and will not: (i) contravene any Applicable Law in effect as of the Effective Time or any Order in effect as of the Effective Time of any Governmental Body or arbitrator having jurisdiction over such Owner or its Property or (ii) result in a breach or violation of any of the terms and provisions of, or constitute a default under, any indenture, mortgage, deed of trust or other agreement in effect as of the Effective Time and to which such Owner is a party or by which it or its Property is bound.

10.2.5 **Approvals and Consents**. No approval, consent or authorization of any Governmental Body or other Person is required for the execution and delivery by such Owner of this Agreement, or the performance by such Owner of its obligations hereunder, except: (i) such approvals, consents or authorizations that have been given or obtained by such Owner and are in full force and effect or (ii) as set forth in **Section 12.1.5** of the **Project Participation Agreement**.

10.2.6 **Binding Effect**. This Agreement has been executed and delivered by such Owner. Assuming that the other Owners and each Maintenance Provider have all the requisite power and authority, and have taken all necessary action to execute and deliver this Agreement, this Agreement is the legal, valid and binding obligation of such Owner enforceable in accordance with its terms, except as limited by laws of general applicability limiting the enforcement of creditor's rights (e.g., bankruptcy, insolvency, moratorium) or by the exercise of judicial discretion in accordance with general principles of equity.

ARTICLE 11
INDEMNIFICATION

11.1 Third Party Indemnification.

11.1.1 **Indemnification by the Owners**. To the maximum extent permitted by Applicable Law, each Owner shall, severally to the extent of its individual Percentage Interest, defend, indemnify and hold harmless each Responsible Entity, its Affiliates, and its respective directors, officers, shareholders, members, partners, employees, and agents from and against Third Party Claims and Third Party Environmental Claims arising from the Project, except to the extent such claims arise from the act or omission of the Responsible Entity for which the

Owners are indemnified under **Section 11.1.2** or for which there is contributory negligence under **Section 13.1.3**.

11.1.2 **Indemnification by the Applicable Responsible Entity**. To the maximum extent permitted by Applicable Law, each Responsible Entity, except to the extent otherwise provided in **Appendix G**, shall defend, indemnify and hold harmless each Owner and each other Responsible Entity and their Affiliates and their respective directors, officers, shareholders, members, partners, employees and agents from and against:

(i) Third Party Claims arising from the applicable Responsible Entity's negligent act or omission, gross negligence, intentional misconduct or willful misconduct in connection with the performance of or failure to perform its obligations under this Agreement; **provided**, that the liability of the applicable Responsible Entity to defend, indemnify and hold harmless for a Third Party Claim arising from the applicable Responsible Entity's negligent act or omission (but not gross negligence, intentional misconduct, or willful misconduct) will not exceed the amount of proceeds recovered from Project Insurance with respect to such Third Party Claim; and

(ii) Third Party Environmental Claims, except (a) claims described in **clause (ii)** of the definition of Third Party Environmental Claim other than to the extent exacerbated by the gross negligence, intentional misconduct or willfulness misconduct of the applicable Responsible Entity and (b) claims subject to **Section 11.2**, unless arising from the applicable Responsible Entity's negligent act or omission, gross negligence, intentional misconduct or willful misconduct, arising out of, or in connection with, the performance of or failure to perform its obligations under this Agreement. The applicable Responsible Entity's liability to defend, indemnify and hold harmless for a Third Party Environmental Claim arising from its negligent act or omission (but not gross negligence, intentional misconduct or willful misconduct) will not exceed the amount of proceeds recovered from Project Insurance with respect to such Third Party Environmental Claim.

11.1.3 **Contributory Negligence**. With respect to Third Party Claims and Third Party Environmental Claims alleging a negligent act or omission or gross negligence (but not intentional misconduct or willful misconduct) by the Indemnifying Person under **Section 11.1.1** or **11.1.2**, such Indemnifying Person will not be responsible for that portion of any award as to which it is determined (whether in the Proceeding brought by the Third Party or in any subsequent Proceeding commenced by a Person to determine the allocation of liability) that another Person was negligent or grossly negligent to the extent of the specific percentage of negligence or gross negligence allocated pursuant to a judgment rendered in the

Proceeding to such other Person; **provided, however**, the foregoing will not relieve the Indemnifying Person of its obligation to defend the Indemnified Person(s) in any such Third Party Claim in accordance with **Section 11.1.1** or **11.1.2**, as applicable.

11.1.4 **Capacity of Persons**. The provisions in this **Article 11** apply to a Party solely in its specified capacity and not to such Party acting in any other capacity.

11.1.5 **Conduct of Claims**. Any Person or its officers, directors, employees or agents entitled to indemnification under this Agreement for any Third Party Claim or Third Party Environmental Claim ("**Indemnified Person(s)**") shall, promptly after the receipt of notice of any legal action or claim against such Indemnified Person in respect of which indemnification may be sought pursuant to this **Article 11**, notify the Person from whom it seeks indemnity ("**Indemnifying Person(s)**") of such Third Party Claim or Third Party Environmental Claim. The Indemnifying Person(s) is not obligated to indemnify the Indemnified Person(s) with respect to any such claim if the Indemnified Person(s): (i) fails to notify the Indemnifying Person(s) thereof in accordance with the provisions of this **Section 11.1.5** in sufficient time to permit the Indemnifying Person(s) timely to defend against such matter and to make a timely response thereto, including any responsive motion or answer to a complaint, petition, notice or other legal, equitable or administrative process relating to the action or claim and (ii) such failure causes material prejudice to the defense of, or otherwise damages, the Indemnifying Person(s). If a Third Party Claim or a Third Party Environmental Claim is made or brought against the Indemnified Person(s), the Indemnifying Person(s) may, or if so requested by the Indemnified Person(s) shall, assume the defense thereof with counsel of its selection reasonably acceptable to the Indemnified Person(s). In such circumstances, the Indemnified Person(s) shall: (i) at no cost or expense to the Indemnified Person(s), cooperate with the Indemnifying Person(s) and provide the Indemnifying Person(s) with such information and assistance as the Indemnifying Person(s) reasonably requests in connection with such claim and (ii) at its own expense, have the right to participate and be represented by counsel of its own choice in such claim. If the Indemnifying Person(s) assumes the defense of such claim: (a) the Indemnifying Person(s) will not be liable for any settlement thereof that is made without its consent and (b) the Indemnifying Person(s) shall control any settlement of such Third Party Claim; **provided, however**, that the Indemnifying Person(s) shall not conclude any settlement that requires any action or forbearance from action or payment (unless paid in full by the Indemnifying Person(s)) or admission by the Indemnified Person(s) or any of its Affiliates without the prior approval of the Indemnified Person(s). The obligations of an Indemnifying Person(s) will not extend to any loss, damage or expense of whatever kind and nature (including all related costs and expenses) to the extent the same results from the taking, after the receipt of notice of such claim against the Indemnified Person(s), by the Indemnified Person(s) of any action (unless required by Applicable Law or applicable legal process) that materially prejudices the successful defense of the claim, without the prior written consent of the Indemnifying Person(s) (such

consent not to be required in a case where the Indemnifying Person(s) has not assumed the defense of the Third Party Claim). The Indemnified Person(s) agrees to afford the Indemnifying Person(s) or its counsel the opportunity to be present at, and to participate in, conferences with all Persons, including Governmental Bodies, asserting any such claim against the Indemnified Person(s) covered by the indemnity contained in **Section 11.1.1** or **11.1.2**, as applicable, or conferences with representatives of or counsel for such Person(s).

11.2 Limitation of Applicable Indemnity. **Section 11.1.2** is inapplicable to Third Party Claims and Third Party Environmental Claims arising with respect to any Discretely Owned Substation Asset or Credited Underlying System Improvement.

11.3 Insurer Obligations. The provisions of this **Article 11** and **Article 14** are not to be construed so as to relieve any insurer of its obligation to pay any insurance claims in accordance with insurance policies obtained in accordance with **Appendix I**.

11.4 Indemnification Costs. Damages incurred in connection with Third Party Claims and Third Party Environmental Claims constitute Maintenance Costs or Control Center Costs if applicable except to the extent the applicable Responsible Entity is obligated to indemnify the Owners therefor pursuant to this **Article 11**.

ARTICLE 12
CONFIDENTIALITY PROVISIONS

12.1 Confidential Information. Each Owner and each Responsible Entity has a proprietary interest in information that will be furnished or exchanged under this Agreement. Each Owner and each Responsible Entity shall keep in confidence and shall not: (i) disclose any such information which in good faith is proprietary and which if written (including electronic information) is specifically marked as "confidential," or if oral, is identified by the declarant as "confidential," which declaration is followed by written notice confirming such declaration ("**Confidential Information**"), without the prior written permission of the disclosing Party or (ii) use Confidential Information for a purpose unrelated to the Facilities, the Discretely Owned Substation Assets, the Credited Underlying System Improvements or the CapX 2020 Transmission Capacity Expansion Initiative, except as provided herein. Each Owner and each Responsible Entity agrees to the disclosure by the other Parties (without regard to the capacities of such Parties hereunder) to this Agreement of Confidential Information to their respective consultants, representatives and to such other Persons as may be necessary for each Party to perform its respective obligations under this Agreement, any other Project Agreement, Maintenance Subcontract, Real Property Agreement or, in the case of an Owner, to finance or sell or otherwise transfer an Asset Ownership Percentage. Each Owner and each Responsible Entity is responsible for requiring any Third Party (excluding officers, directors, employees and counsel of each Owner and each Responsible Entity (and those of its Affiliates) who, in each case, will be informed of the requirement to comply with the terms of this **Section 12.1**) to whom it wishes to disclose Confidential Information to enter into a confidentiality agreement prior to any disclosure of Confidential Information on reasonable terms and conditions that are similar to the terms of this **Article 12** or are

otherwise customary for confidentiality agreements for similarly situated Persons receiving confidential information comparable to the Confidential Information. Each Owner and Responsible Entity agrees with respect to Confidential Information, to hold the same confidential for three (3) years from the earlier to occur of its original disclosure or the termination of this Agreement in its entirety. The provisions of this **Article 12** will not apply to information which the receiving Party can substantiate is:

(a) information that, at the time of disclosure by the disclosing Party, is publicly available, or information that later becomes publicly available through no act or omission of the receiving Party or its representative in violation of the terms hereof;

(b) information that the receiving Party can demonstrate was in its possession prior to disclosure by the disclosing Party (subject to **clause (c)** hereof);

(c) information received by the receiving Party from a Third Party that, to the best of the receiving Party's knowledge, was not under an obligation to maintain such information on a confidential basis;

(d) information that the receiving Party either independently developed or had independently developed for it and was not obtained, in whole or in part, from the disclosing Party; or

(e) information that the disclosing Party authorizes the receiving Party to disclose.

Master Contracts are confidential documents of the applicable Maintenance Provider and no Maintenance Provider is under any obligation to make such Master Contracts available for any purpose to any Person in connection with this Agreement, except as provided in **Section 7.10.2**.

12.2 **Required Disclosure**. If an Owner or Responsible Entity (or any Affiliate of such Person): (i) is required by Applicable Law or an arbitrator to disclose Confidential Information or (ii) discloses any Confidential Information in connection with any Proceeding before any Governmental Body with jurisdiction over an Owner's rates, operations or other aspects of its business, it shall provide reasonable prior notice of such impending disclosure to the other Parties (without regard to the capacities of such Parties) to this Agreement, as appropriate, and shall cooperate with the original disclosing Party in its efforts (if any) to obtain an appropriate protective Order or other similar remedy. If, in the absence of a protective Order or other similar remedy, the receiving Party nonetheless (a) in the opinion of its counsel, is required by Applicable Law or (b) determines that it is necessary, in order to get the action or relief it seeks before a Governmental Body, to disclose such Confidential Information, then it may so disclose such Confidential Information without liability hereunder; **provided, however,** the receiving Party shall furnish only that portion of material which is legally necessary to be disclosed and, upon the original disclosing Party's request, cooperate, to the extent permitted by Applicable Law at the disclosing Party's expense, to obtain assurances that

confidential treatment, if possible, will be accorded to such information. Confidential Information subject to this **Article 12** may be used in any arbitration or other Proceeding relating to this Agreement.

12.3 Public Disclosure Laws. Each Owner and each Responsible Entity intend that nothing in this Agreement will: (i) cause Confidential Information that would otherwise have been exempt from public access or inspection to become subject to public access or inspection under any Applicable Law regarding public access to information or (ii) make unavailable or waive any exception to or protection under Applicable Law that would otherwise enable any Owner or Responsible Entity to preserve the confidentiality of Confidential Information.

12.4 Public Disclosure. If an Owner or a Responsible Entity intends to make, directly or indirectly, any material public comment, statement, or communication (such as a press release) with respect to, or otherwise to disclose or to permit the disclosure of a material non-public aspect of the Project or any of the material terms, conditions, or other material aspects of this Agreement, it shall use reasonable commercial efforts to first provide to the other Parties the content of the proposed disclosure, and the time and place that the disclosure will be made and provide a reasonable opportunity to comment on the proposed disclosure; **provided**, that no such public comment, statement or communication may contain Confidential Information, except as required by Applicable Law.

12.5 Inadequate Remedy at Law. Monetary damages alone would be inadequate to compensate a Party (each in its respective capacities hereunder) for the breach of the obligations of another Party (in a specific capacity hereunder) under this **Article 12**. Each Party accordingly agrees that the original disclosing Party will be entitled to specific performance and other equitable relief by way of an Order granting an injunction or otherwise if the receiving Party breaches or threatens to breach its obligations under this **Article 12**, which specific performance or other equitable relief will be granted without bond or proof of Damages and in addition to any other remedies that the original disclosing Party may have under Applicable Law, and the receiving Party shall not plead in defense that there would be an adequate remedy at law.

12.6 Additional Regulatory Requirements.

12.6.1 **Compliance with FERC Standards of Conduct**. Each Responsible Entity shall not, directly or indirectly, reveal any non-public transmission function information (as defined in 18 C.F.R. §§ 358.3j, as such rules may be interpreted, amended, or replaced by FERC from time to time, and hereinafter referred to as "**Transmission Information**") in a manner that violates 18 C.F.R. §§ 358.6 and 358.7, as such rules may be interpreted, amended, or replaced by FERC from time to time (the "**FERC Standards of Conduct**"). To the extent applicable, a disclosure (inadvertent or otherwise) of Transmission Information by a Responsible Entity must be appropriately addressed by such Person pursuant to 18 C.F.R. § 358.7 or any successor provision.

12.6.2 **Critical Energy Infrastructure**. Each Responsible Entity certifies for itself and its representatives who may be granted access to "critical energy infrastructure information" ("**CEII**") as defined in 18 C.F.R. § 388.113(c)(1) or any successor provision that: (i) it and each of its representatives are aware of the requirements of 18 C.F.R. Part 388 with regard to CEII and (ii) it has no reason to believe that it or its representatives would be restricted from access to CEII. To the extent applicable, a disclosure (inadvertent or otherwise) of CEII by a Responsible Entity must be appropriately addressed by such Person pursuant to 18 C.F.R. § 358.7 or any successor provision.

12.7 **Business Ethics**. Each Responsible Entity, in performing its respective obligations under this Agreement, shall establish and maintain in effect appropriate business standards, procedures and controls to avoid: (i) any real or apparent impropriety that might materially and adversely affect the reputation of any of the Owners or (ii) violation of any Applicable Law. Responsible Entities shall require compliance by their respective employees, subcontractors and suppliers with the obligations set forth in this **Section 12.7**. Such obligations include establishing precautions to prevent the making, receiving, providing or offering any gifts, entertainment, payments, loans or other consideration that could constitute any real or apparent impropriety that might adversely affect the reputation of any of the Owners or violate any Applicable Law.

ARTICLE 13
TERM AND TERMINATION OF AGREEMENT

13.1 **Term of Agreement**.

13.1.1 **Effective Time**. This Agreement will become effective and be in full force and effect as of the Effective Time.

13.1.2 **Term**. This Agreement is effective as of the Effective Time and, if not earlier terminated pursuant to this **Article 13**, will continue for a period of one (1) year from the First Phase In-Service Date (the "**Initial Term**"), and shall thereafter continue for successive one-year renewal terms (each, a "**Renewal Term**" and, collectively with the Initial Term, the "**Term**"); **provided, however**: (i) the Owners may terminate this Agreement in its entirety or may terminate the services of any one or more of the Responsible Entities upon giving such Person(s) not less than ninety (90) days' written notice, in each case, prior to the scheduled termination date of the Initial Term or any Renewal Term and (ii) any Responsible Entity may cease to be a Party hereto on not less than three hundred sixty-five (365) days' written notice prior to the scheduled termination date of the Initial Term or any Renewal Term. At any time this Agreement is terminated as to all Responsible Entities, this Agreement will be deemed to have terminated in its entirety as of the last such termination. Upon the termination of any Responsible Entity, the Owners may engage a Person to become a Responsible Entity hereunder and assume responsibility for some or all of the Applicable Segments for which the Person being replaced was previously responsible: (a) upon the replacement Person's execution of a joinder in a form

acceptable to such Person and the Management Committee and (b) on notice to, but without the consent of, the other Responsible Entities. The E&O Committee has the authority to keep **Appendix A** up-to-date to reflect any termination or replacement of a Party or any reassignment or responsibilities among the Responsible Entities to allocate responsibility for some or all of the Applicable Segments of such a terminated Person to one or more of the remaining Responsible Entities, as applicable, without the consent of the other Responsible Entities.

13.2 Termination.

13.2.1 **Rights of Termination**. Prior to the expiration of the Term, this Agreement may be terminated only as follows:

13.2.1.1 Voluntary Termination of this Agreement. This Agreement may be terminated at any time for any reason or no reason upon the written direction of the Management Committee to terminate this Agreement countersigned by each Responsible Entity, as applicable.

13.2.1.2 Termination by Owners for Cause. Subject to a Responsible Entity's opportunity to cure (if applicable) as provided in **Section 13.2.1.3**, the Management Committee may terminate the appointment of any Responsible Entity for one or more of the following reasons ("**Cause**") upon not less than three (3) Business Days' prior written notice to such Party, if such Party has:

(i) failed to follow any material policy or directive of the Management Committee of which such Party had knowledge or of which such Person should have had knowledge;

(ii) failed or refused to perform any obligation under this Agreement, which failure or refusal results in a material adverse effect on or related to the Facilities or any of the Owners; or

(iii) experienced an Insolvency Event.

13.2.1.3 Opportunity to Cure. Notwithstanding anything in this Agreement to the contrary, the events described in **clauses (i) and (ii)** of **Section 13.2.1.2** above will not constitute Cause unless and until such Responsible Entity has failed to cure such default within thirty (30) days after delivery of notice from the Management Committee asserting one or more such events have occurred, or, in the case of a curable default which cannot be cured within thirty (30) days, has failed to: (i) initiate, within such thirty (30) days, actions reasonably likely to cure such default and (ii) diligently pursue such cure to completion within ninety (90) days after notice to such Responsible Entity, as applicable, concerning such default.

13.2.1.4 Termination by Responsible Entity. A Responsible Entity may cease to be a Party to this Agreement and terminate responsibility to perform obligations under this Agreement (except to the extent an obligation has been incurred or is of a nature that survives under this Agreement) for Good Reason upon not less than thirty (30) days' written notice to the Management Committee. "Good Reason" means:

(i) failure of the Owners to make any payment to such Responsible Entity as required hereunder and the Owners' failure to cure such default within fifteen (15) days of the date of receipt of a notice by such applicable Responsible Entity to each Owner, the E&O Chair, and the Chair demanding cure; or

(ii) failure or refusal of an Owner, the Management Committee or the E&O Committee, as applicable, to perform any obligation under this Agreement, which failure or refusal results in a material adverse effect on such Responsible Entity, as applicable; **provided, however**, such failure or refusal will not constitute Good Reason unless and until such Owner, the Management Committee or the E&O Committee, as applicable, has failed to cure such default within thirty (30) days after delivery of a notice from such Responsible Entity, or, in the case of a curable default which cannot be cured within thirty (30) days, has failed to: (i) initiate, within such thirty (30) days, actions reasonably likely to cure such default and (ii) diligently pursue such cure to completion within ninety (90) days after such notice concerning such default.

13.2.2 **Transition**.

13.2.2.1 Duties Upon Termination. If a Person ceases to be a Responsible Entity under this Agreement, such Responsible Entity, subject to the contrary provisions of an Order of a Governmental Body or arbitrator shall:

(i) promptly and cooperatively assist in the transition process to the Person designated by the Management Committee to undertake the performance of such Person's duties hereunder, including the transfer as the Management Committee may direct of all (a) uncommitted funds provided by the Owners, if any, in its possession; (b) documents possessed or under the control of such Person, including records, contracts, reports, studies, business plans, forecasts and budgets and other financial accounting records related to the Facilities; (c) Property of the Owners; and (d) other confidential, proprietary or other records related to the Facilities or the Owners that are

in the possession of such Responsible Entity, as directed by the Management Committee; and

(ii) promptly complete its other responsibilities hereunder, including the timely compilation and transmittal of reports and timely submittal of Invoices to each Owner.

13.2.2.2 Property Rights. Upon expiration of the Term or the earlier termination of a Responsible Entity under this Agreement, such Responsible Entity shall provide to each Owner a copy of all technical studies, reports, contracts, drawings, specifications and other similar data, and other similar information that is in the possession or under the control of such Person relating to its obligations under this Agreement. All such information and instruments constitute the Property of the Owners.

13.2.2.3 Wind-Up and Cooperation Following Termination. Upon termination of this Agreement, the Owners shall promptly and cooperatively assist each Responsible Entity, at the request of each such Responsible Entity, with the process of winding-up the Maintenance Services or Control Center Services, as applicable, including notification of appropriate Governmental Bodies, payment of all remaining outstanding obligations and liabilities associated with the Maintenance Services, Control Center Services or otherwise arising under this Agreement or the activities arising hereunder. The Owners and each Responsible Entity shall use commercially reasonable efforts to cooperate and complete the wind-up process as expeditiously as possible.

13.2.2.4 Third Party Costs and Expenses of Wind-Up. The E&O Committee shall advise each Maintenance Provider of the actions to be taken, if any, with respect to Maintenance Subcontracts in connection with any termination of this Agreement or a Maintenance Provider. Costs and expenses incurred in connection therewith will constitute Maintenance Costs.

13.2.2.5 Termination Payment for Maintenance Providers. Upon a termination of Maintenance Provider pursuant to **Sections 13.2.1.1**, **13.2.1.2** or **13.2.1.4**, such Maintenance Provider will be entitled, in addition to all other amounts due hereunder (including under **Section 6.1**) as of the date of termination and regardless of the reason for termination, to payment, from each Owner severally up to its Asset Ownership Percentage, of all costs and expenses reasonably incurred by such Maintenance Provider as a direct result of such termination for: (i) all relocation and severance costs incurred with respect to such Maintenance Provider's employees that such Maintenance Provider is contractually or legally obligated to pay such employees, or that are

incurred with the prior written consent of the Owners in accordance with established personnel policies of such Maintenance Provider and (ii) the costs reasonably incurred by such Maintenance Provider to demobilize its operations with respect to the Maintenance Services, as applicable; **provided, however,** such costs will be billed in accordance with **Appendix D**.

13.2.2.6 Termination Payment for Control Center Authorities. Upon a termination of a Control Center Authority pursuant to **Sections 13.2.1.1, 13.2.1.2** or **13.2.1.4**, to the extent such Control Center Authority is then providing Control Center Services for which it is being compensated by the Owners under this Agreement pursuant to **Section 4.2** and not pursuant to Applicable Energy Regulations, such Control Center Authority will be entitled, in addition to all other amounts due hereunder (including under **Section 6.1**) as of the date of termination and regardless of the reason for termination, to payment, from each Owner severally up to its Asset Ownership Percentage, of all costs and expenses reasonably incurred by such Control Center Authority in respect of the Control Center Services described above, as a direct result of such termination for: (i) all relocation and severance costs incurred with respect to such Control Center Authority's employees that such Control Center Authority is contractually or legally obligated to pay such employees, or that are incurred with the prior written consent of the Owners in accordance with established personnel policies of such Control Center Authority and (ii) the costs reasonably incurred by such Control Center Authority to demobilize its operations with respect to the Control Center Services, as applicable; **provided, however**, such costs will be billed in accordance with **Appendix D**.

ARTICLE 14
LIMITATIONS OF LIABILITY

14.1 Limitation on Consequential Damages. No Party will be liable to any other Party under this Agreement for any special, incidental, consequential, indirect, exemplary, treble, or punitive Damages (including loss of revenue, loss of profits, diminution in value, cost of capital, loss of goodwill or increased operating costs), indirect damages, punitive damages or any other penalty; **provided, however,** the foregoing exclusion will not apply to liability to indemnify for Damages arising from any Third Party Claim or Third Party Environmental Claim pursuant to **Section 11.1**.

14.2 Responsible Entity Limits of Liability.

14.2.1 [redacted]

[redacted]

[redacted]

[redacted]

[redacted]

14.2.2 **Liability Exclusions**. NOTWITHSTANDING ANYTHING IN THIS AGREEMENT TO THE CONTRARY, A MAINTENANCE PROVIDER SHALL HAVE NO LIABILITY TO THE OWNERS FOR DAMAGES SUFFERED OR INCURRED BY THE OWNERS TO THE EXTENT RESULTING FROM:

(i) the Maintenance Provider's reliance upon, or compliance with, any agreement, waiver, consent, approval, instruction, direction or communication given to the Maintenance Provider by the Management Committee, the E&O Committee or all of the Owners, in writing, except to the extent caused by the negligence (but only to the extent of Project Insurance), gross negligence, intentional misconduct or willful misconduct of the Maintenance Provider;

(ii) the Maintenance Provider's compliance with any written instruction, direction or parameter given by the Construction Manager prior to the turnover of responsibility for the Applicable Segments to the Maintenance Provider (except: (i) if the Construction Manager and the Maintenance Provider are the same Person or (ii) to the extent caused by the negligent act or omission (but only to the extent of insurance coverage therefor pursuant to **Appendix I**), gross negligence, willful misconduct or intentional misconduct of the Maintenance Provider);

(iii) failure of any Party (other than the Maintenance Provider) to comply with the provisions of any Project Agreement;

(iv) the absence, lapse or voidance of any required approval of a Governmental Body or any warranty, other than any such absence, lapse or voidance resulting from the Maintenance Provider's negligence (but only to the extent of insurance coverage therefor pursuant to **Appendix I**), gross negligence, willful misconduct or intentional misconduct;

(v) a design or construction defect in the Facilities or any component incorporated therein, or the violation or infringement of the intellectual property rights of any Person by performance of the Maintenance Services with respect to the Facilities or any component, equipment or process thereof, as designed, engineered, and constructed (excluding software, processes or materials selected solely by the Maintenance Provider and utilized solely by the Maintenance Provider in performing the Maintenance Services); or

(vi) any event or condition that existed with respect to the Facilities, Project Real Property prior to the applicable Phase In-Service Date, including any conditions involving Hazardous Substances.

14.2.3 **Limited Recourse**. The obligations of a Party to this Agreement are obligations of that Party only, and no recourse will be available against any director, officer, shareholder, member, partner, employee, or agent of that Party or of its Affiliates in connection therewith.

ARTICLE 15
MISCELLANEOUS PROVISIONS

15.1 Survival. Schedule 1, Sections 2.4, 3.7, 3.8, 3.11, 3.12, 4.5, 5.4, 5.12, 5.13, 6.2, 6.5, 6.6, 6.7, 6.10, 7.10, 7.11, 8.7, and **8.10, Articles 11, 12, 13, 14,** and **15,** and **Appendices B, D, G** and **I,** and all other sections providing for indemnification or limitation or protection against liability of any party will survive the termination, cancellation or expiration of this Agreement as to any Party or in its entirety.

15.2 Forward Contracts; Single Agreement. The Owners and the Responsible Entities acknowledge and agree that this Agreement and the other Project Agreements are "forward contracts" and that the Owners and the Responsible Entities are "forward contract merchants," as those terms are defined in the United States Bankruptcy Code. The Owners and the Responsible Entities further acknowledge and agree that this Agreement and the other Project Agreements form a single, integrated agreement, and this Agreement and the other Project Agreements are entered into in reliance on the fact that this Agreement and the other Project Agreements collectively form a single agreement among the Owners.

15.3 Delinquent Payments. Payments not made when due under this Agreement will bear interest from the due date thereof until the date paid at the Late Payment Rate.

15.4 Master Notification List. Within ninety (90) days of the Effective Time, the E&O Committee shall assemble and distribute a master list of the key personnel (and contact

information) (the "**Master Notification List**") of each Party (in each capacity hereunder) to this Agreement that may need to be contacted in connection with the performance of services or obligations under this Agreement. Each Party shall provide such information to the E&O Chair and use its best efforts to keep such information current. The information on the Master Notification List will be effective and may be relied upon by any Party giving notice unless and until notice of a change is given to the E&O Chair. Each time the E&O Chair receives changed information, it shall promptly issue an updated Master Notification List to each Party (in each capacity hereunder) hereto.

15.5 Force Majeure. No Party (in any capacity) will be liable hereunder to the extent that its performance of an obligation hereunder is delayed or prevented by an event of Force Majeure. Such Party shall use its commercially reasonable efforts to overcome the limitations imposed by the occurrence of such event of Force Majeure and to mitigate the consequences of its inability to perform on the other Parties.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Owners, the Maintenance Providers and the Control Center Authorities have caused this Agreement to be executed as of the date above recited.

OWNERS:

GREAT RIVER ENERGY

BY _____
ITS Vice President

ALLETE, INC., d/b/a MINNESOTA POWER

BY _____
ITS _____

MINNKOTA POWER COOPERATIVE, INC.

BY _____
ITS _____

OTTER TAIL POWER COMPANY

BY _____
ITS _____

NORTHERN STATES POWER COMPANY, a Minnesota corporation

BY _____
ITS _____

MAINTENANCE PROVIDERS:

GREAT RIVER ENERGY

BY _____
ITS Vice President

MINNKOTA POWER COOPERATIVE, INC.

BY _____
ITS _____

CONTROL CENTER AUTHORITIES:

ALLETE, INC., d/b/a MINNESOTA POWER

BY _____
ITS _____

MINNKOTA POWER COOPERATIVE, INC.

BY _____
ITS _____

OTTER TAIL POWER COMPANY

BY _____
ITS _____

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GREAT RIVER ENERGY

BY_____
ITS_____

ALLETE, INC., d/b/a MINNESOTA POWER

BY_____
ITS President & CEO

MINNKOTA POWER COOPERATIVE, INC.

BY_____
ITS_____

OTTER TAIL POWER COMPANY

BY_____
ITS_____

NORTHERN STATES POWER COMPANY, a Minnesota corporation

BY_____
ITS_____

MAINTENANCE PROVIDERS:

GREAT RIVER ENERGY

BY_____
ITS_____

MINNKOTA POWER COOPERATIVE, INC.

BY_____
ITS_____

CONTROL CENTER AUTHORITIES:

ALLETE, INC., d/b/a MINNESOTA POWER

BY_____
ITS President & CEO

MINNKOTA POWER COOPERATIVE, INC.

BY_____
ITS_____

OTTER TAIL POWER COMPANY

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ITS_____

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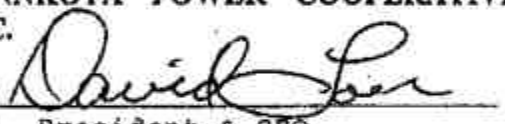
ITS_____

ALLETE, INC., d/b/a MINNESOTA POWER

BY_____
ITS_____

MINNKOTA POWER COOPERATIVE, INC.

BY 
ITS President & CEO

OTTER TAIL POWER COMPANY

BY_____
ITS_____

NORTHERN STATES POWER COMPANY, a Minnesota corporation

BY_____
ITS_____

MAINTENANCE PROVIDERS:

GREAT RIVER ENERGY

BY_____
ITS_____

MINNKOTA POWER COOPERATIVE, INC.

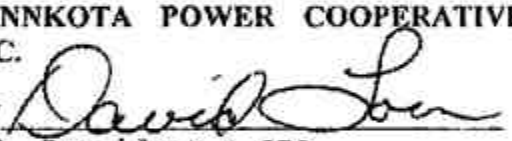
BY
ITS President & CEO

CONTROL CENTER AUTHORITIES:

ALLETE, INC., d/b/a MINNESOTA POWER

BY_____
ITS_____

MINNKOTA POWER COOPERATIVE, INC.

BY 
ITS President & CEO

OTTER TAIL POWER COMPANY

BY_____
ITS_____

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OWNERS:

GREAT RIVER ENERGY

BY_____
ITS_____

ALLETE, INC., d/b/a MINNESOTA POWER

BY_____
ITS_____

MINNKOTA POWER COOPERATIVE, INC.

BY_____
ITS_____

OTTER TAIL POWER COMPANY

BY_____
ITS CEO and President

NORTHERN STATES POWER COMPANY, a Minnesota corporation

BY_____
ITS_____

MAINTENANCE PROVIDERS:

GREAT RIVER ENERGY

BY_____
ITS_____

MINNKOTA POWER COOPERATIVE, INC.

BY_____
ITS_____

CONTROL CENTER AUTHORITIES:

ALLETE, INC., d/b/a MINNESOTA POWER

BY_____
ITS_____

MINNKOTA POWER COOPERATIVE, INC.

BY_____
ITS_____

OTTER TAIL POWER COMPANY

BY_____
ITS CEO and President

IN WITNESS WHEREOF, the Owners, the Maintenance Providers and the Control Center Authorities have caused this Agreement to be executed as of the date above recited.

OWNERS:

GREAT RIVER ENERGY

BY_____
ITS_____

ALLETE, INC., d/b/a MINNESOTA POWER

BY_____
ITS_____

MINNKOTA POWER COOPERATIVE, INC.

BY_____
ITS_____

OTTER TAIL POWER COMPANY

BY_____
ITS_____

NORTHERN STATES POWER COMPANY, a Minnesota corporation

BY_____
ITS_____

Judy M. Poferl
President & CEO
NSP-Minnesota

MAINTENANCE PROVIDERS:

GREAT RIVER ENERGY

BY_____
ITS_____

MINNKOTA POWER COOPERATIVE, INC.

BY_____
ITS_____

CONTROL CENTER AUTHORITIES:

ALLETE, INC., d/b/a MINNESOTA POWER

BY_____
ITS_____

MINNKOTA POWER COOPERATIVE, INC.

BY_____
ITS_____

OTTER TAIL POWER COMPANY

BY_____
ITS_____

DISCRETELY OWNED SUBSTATION OWNERS:

ACKNOWLEDGED AND AGREED FOR PURPOSES OF SECTION 2.5.3

ALLETE, INC. d/b/a MINNESOTA POWER

BY _____
ITS President & CEO

MINNKOTA POWER COOPERATIVE, INC.

BY _____
ITS _____

OTTER TAIL POWER COMPANY

BY _____
ITS _____

DISCRETELY OWNED SUBSTATION OWNERS:

ACKNOWLEDGED AND AGREED FOR PURPOSES OF SECTION 2.5.3

ALLETE, INC. d/b/a MINNESOTA POWER

BY_____
ITS_____

MINNKOTA POWER COOPERATIVE, INC.

BY_____
ITS President & CEO

OTTER TAIL POWER COMPANY

BY_____
ITS_____

DISCRETELY OWNED SUBSTATION OWNERS:

ACKNOWLEDGED AND AGREED FOR PURPOSES OF SECTION 2.5.3

ALLETE, INC. d/b/a MINNESOTA POWER

BY_____
ITS_____

MINNKOTA POWER COOPERATIVE, INC.

BY_____
ITS_____

OTTER TAIL POWER COMPANY

BY
ITS CEO and President

SCHEDULE 1

GENERALLY APPLICABLE PROVISIONS

ARTICLE 1
DEFINITIONS

The following terms, whether in the singular or in the plural, when used in this **Schedule 1** or in notices given under any Project Agreement and initially capitalized, have the meanings specified below. All other initially capitalized terms used in this **Schedule 1** have the meanings specified in the Project Participation Agreement, and if not specified therein, then in the Construction Management Agreement, and if not specified therein, then in the Operation and Maintenance Agreement.

"Arbitration Procedures" has the meaning given in **Section 3.3** of this **Schedule 1. "**

Arbitrator" has the meaning given in **Section 3.4.1** of this **Schedule 1.**

"Claim Subject to Mandatory Arbitration" has the meaning given in **Section 3.3.1** of this **Schedule 1.**

"Complying Party" has the meaning given in **Section 3.2.5** of this **Schedule 1.**

"Dispute" has the meaning given in **Section 3.1** of this **Schedule 1.**

"Dispute Notice" has the meaning given in **Section 3.2.1** of this **Schedule 1.**

"Disputing Parties" has the meaning given in **Section 3.2.1** of this **Schedule 1.**

"Initiating Party" has the meaning given in **Section 3.2.1** of this **Schedule 1.**

"Responding Parties" has the meaning given in **Section 3.2.1** of this **Schedule 1.**

ARTICLE 2
NOTICES

2.1 **Notices Generally.** All notices, requests or other communications required under any Project Agreement will be in writing and will be deemed "given": (i) if delivered in person or by courier, upon receipt by the intended recipient or upon the date of delivery (as confirmed by, if delivered by courier, the records of such courier); (ii) if sent by facsimile transmission, when the sender receives confirmation from the sending facsimile machine that such facsimile transmission was transmitted to the facsimile number of the addressee; (iii) if mailed, upon the date of delivery as shown by the return receipt therefor; or (iv) if delivered by a nationally recognized mail delivery service, upon the date of delivery. Notices must be sent to the addresses of the Persons set forth on **Exhibit 1** attached to this **Schedule 1.** Notwithstanding the foregoing, notices of default must be delivered in accordance with **clause** (i) and by any other means described in **clauses (ii)-(iv)** above.

2.2 **Informal Communications.** Informal communications of a routine nature may be given in such manner as the parties deem appropriate.

2.3 **Designation of Different Addresses and Persons.** A party may, at any time, by written notice to each other party, designate different or additional Persons or different addresses for giving of notices, demands or requests to it under a Project Agreement.

ARTICLE 3
DISPUTE RESOLUTION

3.1 **Scope of Dispute Resolution Provisions.** Except for Excluded Matters, or any dispute, claim or controversy arising under **Section 4.4.l(v) or Articles 14 or 15** of the **Project Participation Agreement,** the provisions of this **Section 3** will govern any dispute, claim or controversy arising out of, or relating to, a Project Agreement (a **"Dispute")** between or among (i) the Owners under any Project Agreement; (ii) the Owners acting through the Management Committee and the Construction Manager under the Construction Management Agreement; or (iii) the Owners acting through the Management Committee and the Maintenance Providers or Control Center Authorities under the Operation and Maintenance Agreement. The provisions of **Section 3.2** (but not the other provisions of this **Section 3)** will also govern any Dispute arising under **Articles 14 or 15** of the **Project Participation Agreement.**

3.2 **Required. Steps Before Initiating Arbitration or Other Remedies.** Except for Excluded Matters or Disputes arising under **Sections 4.4.l(v), 4.1.2.4, 4.2.2.4,** no Owner in any capacity (including as an Owner, a Construction Manager, a Maintenance Provider or a Control Center Authority) may seek any remedy in connection with a Dispute without first complying with the provisions of this **Section 3.2** of this **Schedule 1; provided, however,** that an Owner in any capacity (including as an Owner, a Construction Manager, a Maintenance Provider or a Control Center Authority) may, at any time and without first complying with the provisions of this **Section 3.2,** seek appropriate equitable relief, including injunctive relief and specific performance; **provided, further, however,** that neither the Owners nor the Management Committee must first comply with the provisions of this **Section 3.2** prior to exercising or implementing the remedies set forth in **Articles 14 or 15** of the **Project Participation Agreement** for a Default. Any Claim Subject to Mandatory Arbitration will be subject to the additional terms set forth in **Section 3.3** of this **Schedule 1.**

3.2.1 **Notice of Dispute.** Any party wishing to assert a claim or pursue any other remedy in connection with a Dispute (the **"Initiating Party")** will provide written notice (a **"Dispute Notice"),** which must: (i) be dispatched at the same time and in the same manner to all other parties; (ii) describe in reasonable detail the nature of the Dispute; (iii) identify all parties that are indispensable to the resolution of the Dispute (the **"Responding Parties");** (iv) specify the resolution sought by the Initiating Party; (v) provide the

name, title and contact information of the Senior Executive appointed by the Initiating Party; and (vi) indicate the proposed place, date and time (within the limits set forth in **Section 3.2.3** of this **Schedule 1)** for Senior Executives of the Initiating Party and Responding Parties (together, the **"Disputing Parties")** to conduct an initial meeting to discuss and attempt to resolve the Dispute.

3.2.2 **Appointment of Senior Executives.** Within three (3) Business Days following receipt of a Dispute Notice, each Responding Party will appoint and provide written notice to the other Disputing Parties of a Senior Executive assigned to participate in efforts to settle the Dispute.

3.2.3 **Initial Meeting of Senior Executives.** Within five (5) Business Days following receipt of a Dispute Notice, the Senior Executives will meet in accordance with the place within Hennepin or Ramsey County, Minnesota, date and time specified in the Dispute Notice, unless all Disputing Parties agree to modify one or more of the place, date and time for the initial meeting. Any Senior Executive who is unable to attend the initial meeting in person will be entitled to participate by telephone conference or any other . means by which all Senior Executives can simultaneously hear one another. The purpose of the initial meeting will be for the Senior Executives to attempt in good faith. to reach a mutually acceptable resolution of the Dispute.

3.2.4 **Additional Meeting of Senior Executives.** If the Disputing Parties are unable to resolve the Dispute at the initial meeting of Senior Executives held in accordance with **Section 3.2.3** of this **Schedule 1,** the Senior Executives will hold at least one additional meeting, which all Senior Executives must attend in person during the ten (10) Business Days following the initial meeting, to continue to attempt in good faith to reach a mutually acceptable resolution of the Dispute (unless the Disputing Parties agree otherwise). If the Disputing Parties have not resolved the Dispute by the end of the additional meeting held in accordance with this **Section 3.2.4** of this **Schedule 1,** then if the Dispute is a Claim Subject to Mandatory Arbitration or if all Disputing Parties agree to resolve the Dispute through binding arbitration, the Disputing Parties will proceed to binding arbitration in accordance with **Section 3.3** of this **Schedule 1.** If the Dispute is not a Claim Subject to Mandatory Arbitration or there is no agreement to resolve the Dispute through binding arbitration, all Disputing Parties will retain all rights and remedies available at law or in equity.

3.2.5 **Deemed Satisfaction of Obligations Under Section 3.2 of this Schedule 1.** If a party has made good faith efforts to comply with the requirements set forth in **Sections 3.2.1** through **3.2.4** of this **Schedule 1** (the **"Complying Party"),** but has been unable to do so because of another party's failure or refusal to comply for a period of not less than fifteen (15) Business Days following delivery of a Dispute Notice, the obligations set forth in **Section 3.2** of this **Schedule 1** will be deemed satisfied for purposes of the Complying Party's

right to pursue other remedies or invoke the Arbitration Procedures set forth in **Section 3.3** of this **Schedule 1,** as applicable.

3.2.6 **Tolling of Statute of Limitations.** If an Initiating Party provides the Dispute Notice prior to the expiration of the statute of limitations applicable to the Dispute that is the subject of the Dispute Notice and otherwise complies with the requirements set forth in **Sections 3.2.1** through **3.2.4** of this **Schedule 1,** then the statute of limitations for such Dispute will be tolled by the number of days that have lapsed between the date of the Dispute Notice and (i) the last additional meeting of Senior Executives held in accordance with **Section 3.2.4** of this **Schedule 1** if the Senior Executives hold one or more additional meetings, (ii) the tenth (10th) Business Day following the initial meeting of Senior Executives held in accordance with **Section 3.2.3** of this **Schedule 1** if the Senior Executives do not hold an additional meeting, or (iii) the fifteenth (15th) Business Day followingthe Dispute Notice if the Senior Executives do not hold the initial meeting of Senior Executives in accordance with **Section 3.2.3** of this **Schedule 1** on or prior to such date.

3.3 **Arbitration Procedures.** The arbitration provisions set forth in this **Section 3.3** of this **Schedule 1** (the **"Arbitration Procedures")** will be the sole and exclusive remedy for: (i) any Claim Subject to Mandatory Arbitration and (ii) any Dispute that all Disputing Parties agree in writing to submit to binding arbitration. Any provision of these Arbitration Procedures may be modified with respect to a specific arbitration by agreement of all of the Disputing Parties.

3.3.1 **Definition of Claim Subject to Mandatory Arbitration.** For purposes of each Project Agreement, the term **"Claim Subject to Mandatory Arbitration"** means a Dispute (i) for which the Initiating Party's and all other Persons that have brought claims of the same subject matter, sole requested remedy is monetary relief of not more than One Million Dollars ($1,000,000) in the aggregate or (ii) arising under **Section 4.1.2.4** or **4.2.2.4** of the **Project Participation Agreement.**

3.4 **Arbitration Rules.** Any Dispute subject to **Section 3.3** of this **Schedule 1** will be conclusively decided by binding arbitration pursuant to (i) the Commercial Arbitration Rules for all Project Agreements other than the Construction Management Agreement and other than the **Project Participation Agreement** with respect to Disputes arising under **Section 4.1.2.4** or **4.2.2.4** thereof, and (ii) the fast track procedures of the Construction Industry Arbitration Rules for the **Construction Management Agreement** and the **Project Participation Agreement** with respect to Disputes arising under **Section 4.1.2.4** or **4.2.2.4** thereof, in each case of the American Arbitration Association, except as modified and to the extent supplemented below.

3.4.1 **Preliminary Actions to Facilitate Expedited Arbitration Process; Meaning of "Arbitrator".** Within ninety (90) days following the Effective Time of each Project Agreement, the parties to such Project Agreement will establish and memorialize in writing, for purposes of any Dispute submitted to arbitration in

accordance with **Section 3.3** of this **Schedule 1:** (i) a special pool of arbitrators who are pre-qualified to serve on an expedited basis and who will agree to enter into a confidentiality agreement on terms substantially similar to the confidentiality provisions in the applicable Project Agreement and (ii) a process for expedited appointment of an arbitrator with party input. All references to the **"Arbitrator" in Section 3.3** of this **Schedule 1** will be deemed to mean the arbitrator or panel of arbitrators appointed pursuant to the foregoing provisions.

3.4.2 **Demand for Arbitration.** Demand for arbitration will be filed in writing with the parties against whom the claim is made or relief is sought and with the American Arbitration Association. A demand for arbitration must be made within ten (10) Business Days following the last meeting of Senior Executives held in accordance with **Section 3.2.4** of this **Schedule 1** (if the Dispute has not been settled and if the Dispute is subject to the provisions of **.Section 3.2.4),** and in any case no later than the date when institution of legal or equitable Proceedings based on the underlying Dispute would be barred by the applicable statutes of limitations (as extended, if applicable, pursuant to **Section 3.2.6** of this **Schedule 1).**

3.4.3 **No Joinder.** No arbitration arising out of, or relating to, a Project Agreement will include, by consolidation, joinder, or in any manner, an additional Person without. the written consent of the Disputing Parties, except that additional Person(s) may be joined without all Disputing Parties' consent if: (i) the additional Person(s) have furnished services, labor or materials to the Project and (ii) the joinder of the additional Person(s) will not cause any remedy sought in the arbitration to be other than monetary or the aggregate amount in dispute to be greater than the limit specified in **Section 3.3.1** of this **Schedule 1.** Further, nothing in theseArbitration Procedures will create any privity between the Disputing Parties or create or give rise to a duty owed by one Disputing Party to another that does not otherwise arise by operation of law or by the terms of the contract(s) between the Disputing Parties to which these Arbitration Procedures have been attached and made a part. Consent to arbitration involving an additional Person will not constitute consent to arbitrate any claim, dispute or other matter, or with a Person not named or described in the written consent, and will be subject to all of the terms and limitations set forth in these Arbitration Procedures, including the waiver and other provisions set forth in **3.4.9** of this **Schedule 1.**

3.4.4 **Procedures.** The Arbitrator will establish reasonable procedures and requirements for the arbitration process; **provided, however,** unless all Disputing Parties agree otherwise, the procedures established by the Arbitrator will provide for: (i) a sixty (60) day time standard for case completion (measured from the date of the prehearing meeting convened under **Section 3.4.5** of this **Schedule 1,** or, if the prehearing meeting is waived, from the date of the demand notice delivered under **Section 3.4.2** of this **Schedule 1);** (ii) direct testimony to be submitted in writing, **provided**

that the proponent thereof is made available for cross examination; (iii) the requirement of a hearing within thirty (30) calendar days following the Arbitrator's appointment; (iv) a single day hearing, if the Arbitrator deems it reasonable in the circumstances; and (v) a binding decision to be rendered in no more than fourteen (14) days after completion of the hearing.

3.4.5 **Prehearing Meeting.** Unless all Disputing Parties agree otherwise, within five (5) days following appointment of the Arbitrator, the Arbitrator will convene a prehearing meeting, at which each Disputing Party will present a memorandum disclosing the factual basis of its claims and defenses and all legal issues raised. At the prehearing meeting, the Arbitrator will set a schedule for submissions and hearings consistent with the Arbitrator's powers as set forth in these Arbitration Procedures.

3.4.6 **Discovery.** Subject to any reasonable time limitations and expedition procedures established by the Arbitrator to comply with **Section 3.4.5** of this **Schedule 1,** the Disputing Parties will be entitled to discover all documents and information reasonably necessary for a full understanding of any legitimate issue raised in the arbitration, and the parties may use all methods of discovery available under the Federal Rules of Civil Procedure and will be governed thereby.

3.4.7 **Abuse of Discovery.** If the Arbitrator finds, after affording an opportunity to be heard, that a Disputing Party has abused the discovery process or has failed to act in good faith with regard to discovery or these Arbitration Rules, the Arbitrator will have, in addition to any other powers conferred by law or the Construction Industry Arbitration Rules of the American Arbitration Association, those powers conferred upon trial courts by the Federal Rules of Civil Procedure, subject to the same conditions and limitations set forth therein.

3.4.8 **Rules of Evidence.** The Arbitrator will apply the Federal Rules of Evidence, but construe them liberally to allow for the admission of evidence that is helpful in resolving the Dispute. Rulings on the admission of evidence made by the Arbitrator at the hearing will be final, binding and not subject to any appeal.

3.4.9 **Authority of Arbitrator.** Unless the Disputing Parties agree otherwise, in deciding the substance of the Dispute brought before the Arbitrator, the Arbitrator will have the authority, power and right to award damages and provide for other remedies as are available at law or in equity, except that: (i) with respect to a Claim Subject to Mandatory Arbitration, the Arbitrator will have no authority to award monetary relief greater than that sought by the Initiating Party as stated in its Dispute Notice or to award non-monetary relief (except to the extent otherwise authorized under **Section 3.4.7** of this **Schedule 1);** (ii) the Arbitrator will not have the authority to grant temporary or permanent injunctive relief; (iii) the Arbitrator will have the authority only to interpret and apply the provisions of a Project Agreement; and (iv) in all cases the Arbitrator will have no authority to award Consequential Damages against any Owner under any circumstances other than in accordance with **Section 15.5.2 2** of the **Project**

Participation Agreement. All Owners hereby waive their right, if any, to recover such excluded damages in connection with any Dispute sought to be resolved under these Arbitration Procedures.

3.4.10 **Award Final and Binding; No Precedential Effect.** At the time of the award, the Arbitrator will prepare and provide to the Disputing Parties findings of fact and conclusions of law supporting the award. The award of the Arbitrator, as well as the findings of fact and conclusions of law, will be final, binding and not subject to any appeal, but will have no precedential effect with respect to any matter or Proceeding other than the arbitration to which they relate; **provided, however,** that any issue or claim that was or could have been raised in the arbitration by a party to the Project Agreements that were the subject of the Dispute for which the Arbitrator has issued an award, shall be given preclusive effect and shall be deemed to be *res judicata* in any subsequent Proceeding.

3.4.11 **Costs and Expenses.** Except as otherwise decided by the Arbitrator under the provisions of **Section 3.4.7** of this **Schedule 1,** and as otherwise permitted by the terms of any Project Agreement, each Disputing Party will bear its own costs and expenses of the arbitration, including attorneys and expert witness fees, and will equally share the expense of the Arbitrator and the administrative expenses of the arbitration.

3.5 **Enforcement.** These Arbitration Procedures, together with a final award of the Arbitrator, will be enforceable in any state or federal court of competent jurisdiction located in Hennepin or Ramsey County in the State of Minnesota. The enforcement of the Owners' agreement to arbitrate and all procedural aspects thereof, including the construction and interpretation of these Arbitration Procedures, the scope of issues subject to arbitration, allegations of waiver, delay or defenses as to arbitrability, and the rules (except as otherwise provided in these Arbitration Procedures) governing the conduct of the arbitration will be governed by and construed pursuant to the United StatesArbitration Act.

3.6 **Confidentiality of Proceedings.** All Proceedings related to resolution of a Dispute pursuant to these Arbitration Procedures, including all documents prepared or obtained during discovery or produced during a hearing or meeting (other than documents already in the public domain) and all testimony or recordings of testimony, including depositions, affidavits and expert reports exchanged by the Disputing Parties or produced during a hearing or meeting, will be deemed to be Confidential Information. In addition to the enforcement powers set forth in **Section 3.5** of this **Schedule 1,** the courts described in **Section 3.5** of this **Schedule 1** will have jurisdiction to enter and enforce such protective orders and to grant and enforce such appropriate injunctive relief sought by a Disputing Party to maintain the confidentiality of the Proceedings and to protect the Disputing Parties from inappropriate disclosure. No bond or other security will be required in connection with such injunctive relief. The prevailing party in any such action will be entitled to all of its reasonable attorneys' fees and other costs and expenses associated with the enforcement of these confidentiality provisions.

ARTICLE 4
MISCELLANEOUS PROVISIONS

4.1 **Headings.** The headings of the articles, sections and subsections of each Project Agreement are intended for the convenience of the Owners only and will in no way be held to explain, modify, construe, limit, amplify or aid in the interpretation of the provisions hereof. The terms "this Agreement," "hereof," "herein," "hereunder," "hereto," "hereby" and similar expressions refer to, as applicable, each Project Agreement as a whole and not to any particular article, section, subsection or other portion thereof and include the appendices, schedules and exhibits thereto and any document, instrument or agreement executed and/or delivered pursuant thereto unless expressly so limited, and the terms "this Section" or "this Article" refer to the section or article in which such words occur.

4.2 **Scope of Agreement.** Unless the context otherwise requires, all references in a Project Agreement or in any appendix, schedule, exhibit or instrument thereto, to the assets, property interests, operations, business, financial statements, employees, books and records, accounts receivable, accounts payable, contracts or other attributes thereunder will mean such items or attributes as they are used in, apply to, or relate to such Project Agreement.

4.3 **Interpretation.** The Owners have participated jointly in the negotiation and drafting of each Project Agreement. If an ambiguity or question of intent or interpretation arises, each Project Agreement is to be construed as if drafted jointly by the parties and no presumption or burden of proof will arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of such Project Agreement. The terms and phrases used in each Project Agreement, unless the context otherwise requires, are to be interpreted as follows: (i) the words "including," "include" or "includes" mean including without limitation; (ii) reference to any agreement (including a Project Agreement), appendix, schedule, exhibit, instrument or coverage policy means as such is amended, modified or supplemented, including by Change Order, waiver or consent; (iii) reference to any Applicable Law or Applicable Energy Regulation means such Applicable Law or Applicable Energy Regulation as amended, modified, codified or reenacted, in whole or part, and in effect from time to time; (iv) reference to any Owner includes such Owner's successors and assigns, to the extent that such successors and assigns are permitted by theapplicable Project Agreement; (v) pronouns in masculine, feminine and neuter genders are to be construed to state and include any other gender; (vi) the words "will" and "shall" have the same meaning; and (vii) unless the context otherwise requires, all defined terms in this **Schedule 1** or in any Project Agreement include the singular and the plural.

4.4 **Relationship of Owners; New Owners.** The covenants, obligations and liabilities of the parties to each Project Agreement are several, and not joint or collective, and nothing contained in any Project Agreement will ever be construed to create an association, joint venture, trust, partnership or other legal relationship, or to impose a trust or partnership covenant (except pursuant to the CapX 2020 Trust, CapX 2020

Trust License and ProjectTrust Agreement), obligation or liability on or with regard to any of the parties to a Project Agreement. The Owners agree that every Person that desires to acquire an interest in the Project will do so in accordance with the terms of the Project Participation Agreement and will become a signatory to all of the Project Agreements by executing the applicable Transfer Agreement. No member or customer of an Owner or customer of a member of an Owner will be deemed an Owner or party under a Project Agreement, unless such Person has signed a Joinder. Each Owner, the Construction Manager, each Maintenance Provider and each Control Center Authority will be individually responsible for its own covenants, obligations and liabilities in each Project Agreement to which it is a party. No Owner will be under the control of, or will be deemed to control, any other Owner or the Owners as a group. No Owner acting in any capacity is the agent of, or hasa right or power to bind, any other Owner without its express written consent, except to the extent Agency Authority has been granted to the Construction Manager.

4.5 **No Rights or Benefits to Third Parties.** Except as otherwise specifically provided in a Project Agreement, the Owners do not intend to create rights in, or to grant remedies to, any Third Party as a beneficiary of any Project Agreement or to create any duty to, or standard of care on behalf of, any Third Party by any covenant, obligation or undertaking established in any Project Agreement. There are no incidental Third Party beneficiaries to any Project Agreement and, by way of clarification and not of limitation, no Governmental Body, customer or member of an Owner or customer of an Owner's member is an intended or incidental Third Party beneficiary thereof.

4.6 **Binding Obligations.** Each Project Agreement is binding upon and inures to the benefit of the permitted successors and assigns, if any, of the Owners. Owners may assign their rights and obligations under a Project Agreement only in strict accordance with the provisions of the Project Participation Agreement.

4.7 **Severability.** If any term, covenant or condition of a Project Agreement or the application of such term, covenant or condition is held invalid or unenforceable as to any Person or circumstance by any Governmental Body, all other terms, covenants or conditions of such Project Agreement and their application will not be affected thereby, but will remain in force and effect unless such a Governmental Body holds that the provisions are not separable from all other provisions of such Project Agreement. The Owners and each other party to a Project Agreement specifically consent to the "blue-penciling" of such Project Agreement by any Governmental Body to construe as valid and enforceable the terms and conditions of such Project Agreement, consistent with the intent of the parties thereto. Such Governmental Body will have the authority to reform and interpret the terms and conditions of a Project Agreement to find a valid and enforceable construction of such Project Agreement that is consistent with the intent of the parties thereto and hold all invalid and unenforceable provisions, if any, as separable from all other remaining provisions.

4.8 **Amendment and Waiver.** No purported amendment of a Project Agreement will be effective unless in a writing specifically referring to such Project Agreement, which is executed and delivered by all of the parties to such Project Agreement. The terms,

conditions, warranties, representations and covenants contained in a Project Agreement, including the documents, instruments and agreements executed and delivered by any of the parties thereto pursuant to such Project Agreement, may be waived only by a written instrument executed by all of the parties thereto waiving compliance. Any such waiver will only be effective in the specific instance and for the specific purpose for which it wasgiven and will not be deemed a waiver of any other provision thereof or of the same breach or default upon any recurrence thereof. No failure on the part of any party to a Project Agreement, as applicable in the circumstances, to exercise, and no delay in exercising, any right thereunder will operate as a waiver thereof nor will any single or partial exercise of any right thereunder preclude any other or further exercise thereof orthe exercise of any other right.

4.9 **Execution in Counterparts and Delivery of Electronic Signatures.** Each Project Agreement may be executed in any number of counterparts. All such counterparts will be deemed to be originals and will together constitute but one and the same instrument. Each Project Agreement will become effective upon its execution by the applicable parties thereto. The executed counterparts of a Project Agreement and any ancillary documents thereto, such as amendments, may be delivered by electronic means, such as email and/or facsimile, and the receiving party may rely on the receipt of such executed counterpart as if the original had been received.

4.10 **Governing Law; Venue; Waiver of Jury Trial.** Each Project Agreement will be governed by and construed in accordance with the laws of the State of Minnesota (exclusive of conflicts of law provisions of any jurisdiction and the principles of comity). With respect to disputes that are not governed by the dispute resolution provisions in **Section 3** of this **Schedule 1 or Section 18** of the **Project Participation Agreement** or if the dispute resolution provisions in **Section 3** of this **Schedule 1 or Section 18** of the **Project Participation Agreement** are not enforceable for any reason, the parties to each Project Agreement agree and consent that any Proceeding seeking to enforce any provision of such Project Agreement will be instituted and adjudicated solely and exclusively in any state or federal court of competent jurisdiction located in Hennepin or Ramsey County in the State of Minnesota. Each party to a Project Agreement agrees thateach such court will have personal jurisdiction over it with respect to such Proceeding, and waives any objections it may have, and expressly consents, to such personal jurisdiction. EACH PARTY TO A PROJECT AGREEMENT WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH ANY PROJECT AGREEMENT.

4.11 **Assignment.** No party to a Project Agreement may assign, sublet or otherwise Transfer its interest in such Project Agreement, except as provided in the **Project Participation Agreement.**

4.12 **Payment in Business Days.** Notwithstanding anything to the contrary in any Project Agreement, if any payment required to be made under a Project Agreement falls due on

a day that is not a Business Day, such payment will be due on the next succeeding BusinessDay.

4.13 **Further Assurances.** Each party to a Project Agreement will use its commercially reasonable efforts to take, or cause to be taken, all actions, and to do, or cause to be done,all things necessary, proper or advisable under Applicable Law to consummate and make effective the transactions contemplated by each Project Agreement to which it is a party in a manner consistent with Applicable Law.

4.14 **Cooperation.** Each Owner will make good faith efforts to cooperate with the other Owners to comply with the terms and conditions of the CapX 2020 Trust License, the Project Agreements and all Critical Permits, Project Construction Contracts, contracts and agreements and other obligations and commitments arising in connection with the Project.

4.15 **Independent Covenants and Obligations.** The obligations of the Owners contained in any Project Agreement are independent covenants, not dependent covenants, and the obligation of any Owner to keep and perform all of the covenants and obligations assumed or imposed on it is not conditioned upon the performance of any other Owner of all or any of the covenants and obligations to be kept and performed by it.

4.16 **Currency.** All payments under all Project Agreements will be made in such currency as is legal tender for the payment of debts in the United States.

4.17 **Entire Agreement.** Each Project Agreement, together with all other Project Agreements, constitutes the entire agreement among the parties thereto with respect to the subject matter thereof, and supersedes all prior oral or written agreements, understandings, representations and warranties, and courses of conduct and dealings among the parties thereto on the subject matter thereof. Each Owner acknowledges and agrees that it would not have entered into any individual Project Agreement in its capacity as an Owner without the execution and delivery of all of the other Project Agreements to which it is a party in its capacity as an Owner.

EXHIBIT 1

NOTICES

TO OWNERS OR DISCRETELY OWNED SUBSTATION OWNERS:

IF TO GREAT RIVER ENERGY:

GREAT RIVER ENERGY
12300 ELM CREEK BOULEVARD
MAPLE GROVE, MN 55369-4718
ATTENTION: PRITI PATEL
VP & CHIEF TRANSMISSION OFFICER

WITH A MANDATORY COPY TO:

DONNA STEPHENSON
12300 ELM CREEK BOULEVARD
MAPLE GROVE, MN 55369-4718

IF TO MINNESOTA POWER:

MINNESOTA POWER
30 WEST SUPERIOR STREET
DULUTH, MN 55802
ATTENTION: JOSH SKELTON,
CHIEF OPERATING OFFICER - MP
FAX: 218-313-4414

WITH A MANDATORY COPY TO:

MAGGIE THICKENS,
ALLETE VICE PRESIDENT, CHIEF LEGAL OFFICER AND CORPORATE SECRETARY
MINNESOTA POWER
30 WEST SUPERIOR STREET
DULUTH, MN 55802
FAX: 218-723-3960

IF TO MINNKOTA POWER COOPERATIVE, INC.:

MINNKOTA POWER COOPERATIVE,INC.
5301 32ND AVE
GRAND FORKS, ND 58201
ATTENTION: LOWELL STAVE
CHIEF OPERATING OFFICER
FAX: 701-795-4214

WITH A MANDATORY COPY TO:
GERAD PAUL
GENERAL COUNSEL
MINNKOTA POWER COOPERATIVE, INC.
5301 32ND AVE SOUTH
GRAND FORKS, ND 58201
FAX: 701-795-4214

IF TO OTTER TAIL POWER COMPANY:

OTTER TAIL POWER COMPANY
215 S. CASCADE ST.
P. 0. BOX 496
FERGUS FALLS, MN 56538-0496
ATTENTION: VICE PRESEIDENT,
ASSET MANAGEMENT

WITH A MANDATORY COPY TO:

ASSOCIATE GENERAL COUNSEL
OTTER TAIL POWER COMPANY
215 S. CASCADE ST.
P. 0. BOX 496
FERGUS FALLS, MN 56538-0496

IF TO NORTHERN STATES POWER COMPANY:

NORTHERN STATES POWER COMPANY, A MINNESOTA CORPORATION
414 NICOLLET MALL, 414-6
MINNEAPOLIS, MN 55401
ATTENTION: MICHAEL LAMB, SVP TRANSMISSION

WITH A MANDATORY COPY TO:

NORTHERN STATES POWER COMPANY, A MINNESOTA CORPORATION401
NICOLLET MALL, 8TH FLOOR
MINNEAPOLIS, MN 55401 ATTENTION: GENERAL COUNSEL

TO THE RESPONSIBLE ENTITIES:

IF TO MINNKOTA POWER COOPERATIVE. INC.:

MINNKOTA POWER COOPERATIVE, INC.
5201 32nd AVE SOUTH
GRAND FORKS, ND 58201
ATTENTION: LOWELL STAVE, CHIEF OPERATING OFFICER
FAX: 701-795-4214

IF TO GREAT RIVER ENERGY:

GREAT RIVER ENERGY
12300 ELM CREEK BOULEYARD
MAPLE GROVE, MN 55369-4718
ATTENTION: TODD BUTKOWSKI
FAX: 763-445-6701

IF TO OTTER TAIL POWER COMPANY:

OTTER TAIL POWER COMPANY
215 S. CASCADE ST.
P. 0. BOX 496
FERGUS FALLS, MN 56538-0496
ATTENTION: MANAGER, TRANSMISSION PLANNING

IF TO MINNESOTA POWER:

MINNESOTA POWER
30 WEST SUPERIOR STREET
DULUTH, MN 55802
ATTENTION: JOSH SKELTON, CHIEF OPERATING OFFICER - MP
FAX: 218-313-4414

TO THE AUTHORIZED OWNER REPRESENTATIVES:

FOR GREAT RIVER ENERGY:

REPRESENTATIVE: TODD BUTKOWSKI
EMAIL:
TBUTKOWSKI@GRENERGY.COM

ALTERNATE: PAUL HAMEL
EMAIL:
PHAMEL@GRENERGY.COM

ADDRESS:
GREAT RIVER ENERGY
12300 ELM CREEK BOULEVARDMAPLE GROVE, MN 55369-4718

FOR MINNESOTA POWER:

REPRESENTATIVE: SCOTT HOBERG
FAX: 218-720-2685
EMAIL:
SHOBERG@MNPOWER.COM

ALTERNATE: KARA HENDERSON
FAX: 218-720-2685
EMAIL:
KHENDERSON@MNPOWER.COM

ADDRESS: MINNESOTA POWER
30 WEST SUPERIOR STREETDULUTH, MN 55802

FOR MINNKOTA POWER COOPERATIVE,INC.:

REPRESENTATIVE: LOWELL STAVE
FAX: 701-795-4214
EMAIL:
LSTAVE@MINNKOTA.COM

ALTERNATE: GERAD PAUL
FAX: 701-795-4214
EMAIL: GPAUL@MINNKOTA.COM

ADDRESS:
MINNKOTA POWER COOPERATIVE, INC.
5301 32ND AVE SOUTH
GRAND FORKS, ND 58201

FOR OTTER TAIL POWER COMPANY:

REPRESENTATIVE: JOANN THOMPSON
EMAIL: JTHOMPSON@OTPCO.COM

ALTERNATE: JASON WEIERS
EMAIL: JWEIERS@OTPCO.COM

ADDRESS:
OTTER TAIL POWER COMPANY
215 S. CASCADE ST.
P. 0. BOX 496
FERGUS FALLS, MN 56538-0496

FOR NORTHERN STATES POWER COMPANY:

REPRESENTATIVE: JASON STANDING
FAX: 612-573-9430
EMAIL: JASON.T.STANDING@XCELENERGY.COM

ALTERNATE: ROGER HARGREAVES
FAX: 612-318-4334
EMAIL: ROGER.D.HARDGREAVES@XCELENERGY.COM

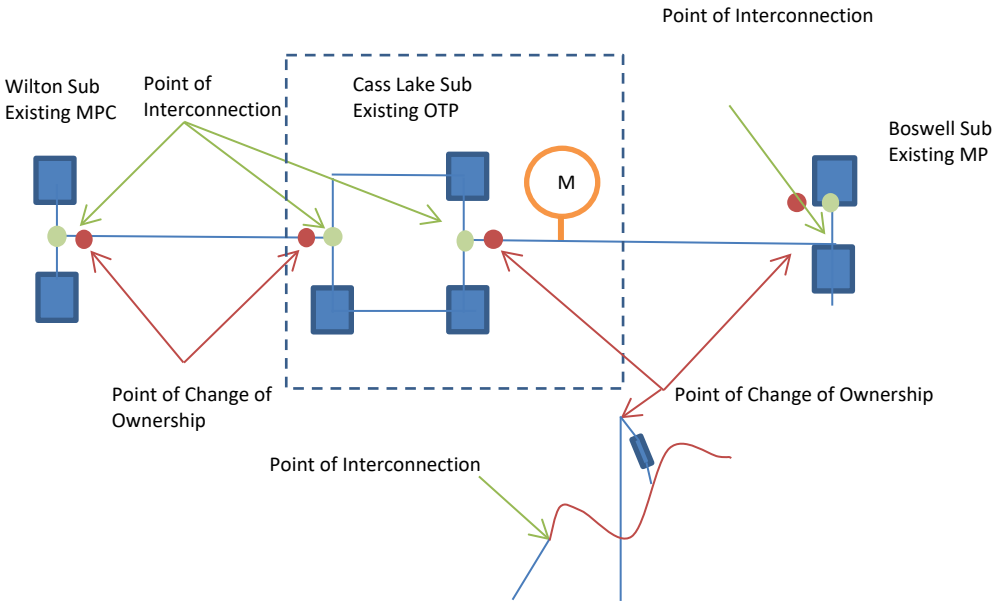
ADDRESS:
NORTHERN STATES POWER COMPANY, A MINNESOTA CORPORATION
414 NICOLLET MALL,414-6
MINNEAPOLIS, MN 55401

OMA - Appendix A

Bemidji – Grand Rapids Project

		NERC Compliance Responsibility			Interconnection Coordinator		Control Center Authority	Maintenance Provider				
Transmission lines	**Ownership**	**TOP**	**TO**	**TP**	**MISO**	**MPC**		**First Responder**	**Vegetation Management**	**Patrols Aerial and ground**	**Unscheduled Maintenance / Restoration**	**Scheduled Maintenance**
230 kV transmission line between MPC's Wilton substation and Otter Tail's Cass Lake substation. All line equipment and facilities between point of change of ownership as shown below	Bemidji CapX Participants	OTP	MPC	OTP	OTP	MPC	OTP	MPC	MPC	MPC	MPC	MPC
230 kV transmission line between Otter Tail's Cass Lake substation and MP's Boswell substation. All line equipment and facilities between point of change of ownership as shown below.	Bemidji CapX Participants	MP	GRE	MP	MP	MPC	MP	GRE	GRE	GRE	GRE	GRE

MPC – Minnkota Power Cooperative
OTP – Otter Tail Power
MP – Minnesota Power
GRE – Great River Energy



APPENDIX B
TO
OPERATION AND MAINTENANCE AGREEMENT

TITLE AND RISK OF LOSS MATRIX

Risk of loss of spare parts and other items of Inventory procured by or for the Owners while in transit remains with the Owners, except as otherwise provided in the purchase order(s) for such items.

Risk of loss of spare parts and other items of Inventory procured by or specifically for the Owners (including under Master Contracts) but stored by a Maintenance Provider on property owned or controlled by such Maintenance Provider remains with the Owners, except to the extent such items are covered by insurance maintained by such Maintenance Provider and such Maintenance Provider actually receives proceeds of insurance in respect of such items (after satisfaction of deductibles and self-insured retentions).

Risk of loss of spare parts and other items of Inventory procured by, or from existing inventory of, a Maintenance Provider is borne by the Maintenance Provider until such Maintenance Provider has irrevocably committed to provide such items to the Owners.

APPENDIX C-1

CAPX 2020 SUBSTATION DESIGN CRITERIA

CEII AND PRIVILEGED REDACTED

APPENDIX C-2

CAPX 2020 Design Criteria
Transmission Line Design Criteria Guidelines

CEII AND PRIVILEGED REDACTED

APPENDIX D

REIMBURSEMENT OF COST FOR SERVICES

REDACTED CONTAINS PRIVILEGED INFORMATION

OPERATION AND MAINTENANCE AGREEMENT
APPENDIX E

INTENTIONALLY RESERVED

Appendix F
CapX Bemidji-Grant Rapids O & M Financial Summary Report
5/31/2011

	Account #		Actuals January	February	March	Q1 Totals	April	May	June	Q2 Totals	July	August	September	Q3 Totals	October	November	December	Q4 Totals	Total Actuals/Forecast	Total Budget	Variance
	416320	10	500.00			500.00				-				-				-	500.00	1000	(500.00)
	416320	20	285.00			285.00				-				-				-	285.00	570	(285.00)
	416320	21	280.00			280.00				-				-				-	280.00	560	(280.00)
	416320	30	1,000.00			1,000.00				-				-				-	1,000.00	1000	-
	416320	41				-				-				-				-	-		-
	416320	42				-				-				-				-	-		-
	416320	45				-				-				-				-	-		-
	416320	110	75.00			75.00				-				-				-	75.00		75.00
	416320	160	15.00			15.00				-				-				-	15.00		15.00
	416320	170				-				-				-				-	-		-
	416320	0	345.00			345.00				-				-				-	345.00	870	(525.00)
otal			2,500.00	-	-	2,500.00	-	-	-	-	-	-	-	-	-	-	-	-	2,500.00	4,000.00	(1,500.00)
			4,000.00	-	-	4,000.00	-	-	-	-	-	-	-	-	-	-	-	-			
			(1,500.00)	-	-	(1,500.00)	-	-	-	-	-	-	-	-	-	-	-	-			(1,500.00)

Owner																				
re	31.5%	787.50	-	-	787.50	-	-	-	-	-	-	-	-	-	-	-	-	787.50		
	26.2%	655.00	-	-	655.00	-	-	-	-	-	-	-	-	-	-	-	-	655.00		
	20.0%	500.00	-	-	500.00	-	-	-	-	-	-	-	-	-	-	-	-	500.00		
	13.0%	325.00	-	-	325.00	-	-	-	-	-	-	-	-	-	-	-	-	325.00		
	9.3%	232.50	-	-	232.50	-	-	-	-	-	-	-	-	-	-	-	-	232.50		
otal		2,500.00	-	-	2,500.00	-	-	-	-	-	-	-	-	-	-	-	-	2,500.00		

rdance with Article 6.9 of the OMA

APPENDIX G

NERC REQUIREMENTS

Section 1.1 General

The Owners and Responsible Entities are committed to maintaining and operating the Facilities in full compliance with Applicable Energy Regulations, including NERC reliability standards. Because the Facilities are commonly owned, the Owners have identified the Segments that comprise the Facilities and have assigned responsibility for each Segment to the specific Responsible Entity set forth in **Appendix A**. The Owners have also developed a Checklist of NERC Standards Applicability, the form of which is attached as Exhibit 1 to this **Appendix G,** which shall serve solely as an advisory guide for the Responsible Entities and shall not in any way operate to modify ownership or compliance responsibilities of the Owners and Responsible Entities (including, without limitation, the responsibilities assigned pursuant to **Appendix A**). Each Discretely Owned Substation Asset Owner is responsible for NERC compliance with respect to its own Discretely Owned Substation Assets.

The Owners intend that responsibility for compliance with NERC reliability standards applicable to the Facilities be managed in a way that (i) is compatible with the compliance programs and existing compliance responsibilities of each of the Owners and Responsible Entities, (ii) minimizes the collective and individual exposure of the Owners and Responsible Entities to liability for NERC-related violations and penalties, and (iii) avoids unnecessary duplication of NERC compliance efforts. The Owners further intend to satisfy the NERC Rules of Procedure (NERC ROP, Section 501.1.4.3) requiring that only one party be responsible for compliance with the applicable reliability standard requirements for each line Segment.

The Owners will conduct a periodic review of **Appendix A, this Appendix G** and the Checklist of NERC Standards in accordance with **Section 1.2.2** of this Appendix. The Owners agree to promptly modify Appendix A and the Checklist of NERC Standards Applicability as necessary and in accordance with **Sections 1.2.2** and **1.4** to reflect any changes to Applicable Energy Regulations, changes in Responsible Entities or changes in the specific NERC reliability standards for which the Responsible Entity is responsible. For the avoidance of doubt, the Owners do not intend that the periodic review and update of the Checklist of NERC Standards Applicability represents an amendment to this **Appendix G**, rather any such update is intended only to allow the Checklist of NERC Standards to remain current as an advisory guide for the Responsible Entities. Further, and for the avoidance of doubt, any such update to the Checklist of NERC Standards Applicability shall not operate to modify ownership or compliance responsibilities of the Owners and Responsible Entities.

Section 1.2 Assigned Responsibilities

1.2.1 Responsible Entity Responsibilities. Each Responsible Entity shall be responsible for compliance with Applicable Energy Regulations, including the NERC Transmission Owner ("TO"), Transmission Operator ("TOP"), and Transmission Planner ("TP") reliability standards

and associated required regulatory reporting identified as its responsibility in **Appendix A** as such standards and reporting requirements relate to the Segments for which such Responsible Entity is responsible. Each Responsible Entity shall advise all appropriate Governmental Bodies of its assigned responsibilities and provide such other information as the Governmental Bodies require. Notwithstanding anything to the contrary herein, an Owner that is not named as the Responsible Entity for NERC TO, TOP or TP compliance shall not be responsible to Governmental Bodies for compliance obligations of a "Transmission Owner," "Transmission Operator" or "Transmission Planner" under NERC reliability standards applicable to such line Segment. The foregoing, shall not, however, release any Owner from, or modify the pro-rata contribution to, the obligations expressly set forth in **Section 1.3.1** of this **Appendix G**.

1.2.2 E&O Committee Responsibilities. Compliance by the E&O Committee with this **Section 1.2.2** is a collective responsibility of the Owners. For the avoidance of doubt, the Owners do not intend that the E&O Committee be constituted as a NERC Registered Entity, but rather that the Responsible Entities identified in **Appendix A** shall be responsible for performing, or causing to be performed and reporting, or causing to be reported, such ratings and other information as may be required by the Applicable Energy Regulations, including NERC reliability standards. The responsibilities of the E&O Committee are as follows:

(i) The E&O Committee shall, not less than annually, approve the physical ratings of the Facilities, utilizing the approved CapX2020 - Bemidji facility rating methodology. Such approved physical ratings shall be used by Responsible Entities for their reporting under Section 1.2.1.

(ii) The E&O Committee shall, not less than annually, assess the Checklist of NERC Standards Applicability and recommend, as it determines appropriate, modifications for consideration by the Management Committee. Any such modifications will be subject to a Level B Vote of the Management Committee.

(iii) The E&O Committee shall, not less than annually, assess the allocation of responsibilities for compliance with Applicable Energy Regulations, including NERC reliability standards, under Appendix A. Such assessment shall take place in connection with a Services Plan Review. The E&O Committee shall recommend, as it determines appropriate, modifications to: (A) the assignments of responsibility for NERC reliability standards in **Appendix A**, and (B) this **Appendix G**, for consideration by the Management Committee. Except as expressly set forth herein to the contrary, any such modifications shall be subject to a Level C Vote of the Management Committee. The assessment by the E&O Committee must be sufficiently timely and comprehensive to evaluate and respond to changes in Applicable Energy Regulations. The E&O Committee shall make such recommendations to the Management Committee from time to time as it deems necessary to assure that the responsibilities for compliance with Applicable Energy Regulations have been allocated to foster overall compliance in as efficient and cost effective a manner as possible.

Section 1.3 Compliance Failure

1.3.1 Responsibility. If a Governmental Body concludes that there has been failure to comply with Applicable Energy Regulations or required regulatory reporting and such failure relates to a Segment, responsibility for economic penalties imposed on account of such failure will be as follows:

(i) if the failure arises from the gross negligence, willful misconduct or intentional misconduct of the Responsible Entity that is responsible for such Segment and compliance with the applicable standard, such Responsible Entity shall bear full responsibility for such violation;

(ii) if the failure arises because the written procedures adopted by the Responsible Entity that is responsible for such Segment are found to be deficient, such Responsible Entity shall bear full responsibility for such violation; or

(iii) if the failure arises from any cause other than as described in **clause (i) or (ii)** above, each of the Owners shall bear responsibility in accordance with their respective Asset Ownership Percentages.

For the avoidance of doubt, if a Governmental Body concludes that there has been a failure to comply with Applicable Energy Regulations or required regulatory reporting, including a failure to comply with NERC reliability standards, relating to Discretely Owned Substation Assets, such a failure is the sole responsibility of the Discretely Owned Substation Asset Owner, provided, however, that if the event investigation by the applicable Governmental Body determines that any such violation was caused in whole or in part by a failure of the Facilities to comply with Applicable Energy Regulations, including NERC reliability standards, then (a) if the Facilities' failure to comply is the sole cause of such violation, then the Owners shall bear full responsibility for such violation in accordance with this Section 1.3.1, or (b) if the Facilities' failure to comply is only partially responsible for such violation, then responsibility shall be apportioned between the Discretely Owned Substation Asset Owner and the other Owners as set forth in the provisions of Section 1.3.2.3.2 and 1.3.2.3.3.

1.3.2 Enforcement.[1] If any violation of Applicable Energy Regulations, including NERC reliability standards, are either self-certified or reported by a Responsible Entity or alleged by a Governmental Body and such violation is of the nature described in **Section 1.3.1(iii)** of this **Appendix G** (**"Possible Violations"**), then the Responsible Entity for the Segment or Segments to which such Possible Violations relate is entitled to contribution from the Owners for the economic penalty that could be imposed as a consequence of such Possible Violations by complying with the procedures set forth in this **Section 1.3.2**.

[1] This **Section 1.3.2** is intended to address the Midwest Reliability Organization's compliance and enforcement process in effect as of the Effective Time as shown in **Attachment 1** to this **Appendix G**.

1.3.2.1 Notice of Possible Violations. If a Responsible Entity either: (i) self-certifies or reports the existence of a Possible Violation to a Governmental Body or (ii) receives a formal written advisement that a Governmental Body believes there is a Possible Violation pertaining to the Facilities (*e.g.*, a Notice of Potential Violation issued by the Midwest Reliability Organization), then the Responsible Entity, within thirty (30) days of delivering or receiving any such certification, report, or notice, shall give notice to the other Owners, the Chair and the E&O Chair (a) describing such Possible Violation in reasonable detail; (b) indicating whether the Possible Violation involves only the Facilities (or a portion thereof) or other transmission facilities as well as the Facilities (or a portion thereof).

1.3.2.2 Contribution. The Responsible Entity shall specify one of the following alternatives in any notice provided to the Owners pursuant to **Section 1.3.2.1**: (i) it is thereby demanding contribution from the Owners pursuant to **Section 1.3.1(iii)**; or (ii) it will not demand contribution pursuant to **Section 1.3.1(iii)**. If the Responsible Entity either (a) fails to give the notice required pursuant to **Section 1.3.2.1** or (b) gives notice that it will not demand contribution from the Owners, then, it shall bear the full responsibility for any such Possible Violations.

1.3.2.3 Settlement.

1.3.2.3.1 Facilities Only Settlement. If the Responsible Entity intends to pursue a settlement of Possible Violations and has given notice that it will demand contribution from the Owners, then, subject to **Section 1.3.2.3.4**, if the Possible Violations involve only the Facilities (or a portion thereof), the Responsible Entity is entitled to enter into such settlement. The Owners shall bear their share of any economic penalty assessed and/or costs associated with any remedies approved in lieu of assessed penalty in such settlement in proportion to their respective Asset Ownership Percentage upon issuance of a final notice (*e.g.* Notice of Penalty Payment Due issued by the Midwest Reliability Organization) by the Governmental Bodies confirming the terms of such settlement and a decision by the Management Committee not to further appeal the matter, subject only to right of any Owner to challenge the categorization of the conduct of the Responsible Entity as falling within the requirements of **Section 1.3.1(iii)** pursuant to the dispute resolution procedures set forth in **Section 3** of **Schedule 1** to this Agreement.

1.3.2.3.2 Apportionment of Certain Settlements. If the Responsible Entity intends to pursue a settlement of Possible Violations and has given notice that it will demand contribution from the Owners, then, subject to **Section 1.3.2.3.4**, if the violations involve both the Facilities (or a portion thereof) and transmission facilities other than the Facilities, upon reaching a settlement it intends to accept, it shall request that the Governmental Bodies with which it has reached agreement apportion responsibility for each violation as between the affected Facilities and the other transmission facilities of the Responsible Entity

implicated in such violations. The Responsible Entity shall not communicate its views of the appropriate apportionment to such Governmental Bodies in any manner whatsoever, without the prior approval of the Management Committee pursuant to a Level C Vote. The Responsible Entity shall disclose to the Owners all reports prepared by Governmental Bodies that relate to their investigations, evaluations, or conclusions about the Possible Violations, any written responses or other written defenses presented to such Governmental Bodies by the Responsible Entity and the full and complete written terms of the proposed settlement (including correspondence and memoranda relating thereto). The apportionment of responsibility by the Governmental Bodies will be final and binding on the Responsible Entities and the Owners. The Owners shall bear their share of any economic penalty and/or costs associated with any remedies adopted in lieu of economic penalty assessed in such settlement to the affected Facilities in proportion to their respective Asset Ownership Percentages upon issuance of a final, non-appealable Order confirming the terms of such settlement, subject only to the right of any Owner to challenge the categorization of the conduct of the Responsible Entity as falling within the requirements of **Section 1.3.1(iii)** pursuant to the dispute resolution procedures set forth in **Article 3** of **Schedule 1** to this Agreement.

1.3.2.3.3 Failure to Apportion. If a Governmental Body refuses or fails to apportion responsibility for a violation, then the Responsible Entity demanding contribution and the Owners shall attempt to reach a fair allocation of any economic penalty imposed on account of such violation. If an acceptable allocation is not reached, the Responsible Entity or any Owner may utilize the dispute resolution procedures set forth in **Article 3** of **Schedule 1** to this Agreement to establish the fair allocation of such penalty. The Responsible Entity has the burden of proving its entitlement to contribution and the fair allocation of the penalty by a preponderance of the evidence.

1.3.2.3.4 Limitation on Settlement. Notwithstanding anything to the contrary herein, no Responsible Entity has the authority to enter into a settlement of any Possible Violation that could constitute an admission of culpability by any Owner (other than the Owner that is and solely in its capacity as the Responsible Entity) without the prior written consent of such Owner.

1.3.2.4 Contest. If the Responsible Entity and any Governmental Body considering Possible Violations do not reach a settlement and at any point the Responsible Entity contests any finding of violation or penalty before a Governmental Body that has final administrative power to impose such penalty (*e.g.*, the Federal Energy Regulatory Commission), the Responsible Entity shall give notice to the Owners, the Chair and the E&O Chair prior to initiating such contest and thereafter it shall not oppose the intervention or other participation before such Governmental Body or in respect of any appeal of the decision of such Governmental Body by another Owner.

1.3.2.5 Independent Rights of Owners.

1.3.2.5.1 Actions in Defense. Nothing in this **Appendix G** shall be construed to prevent or restrict any Owner that becomes subject to any request, inquiry or investigation of a Governmental Body from taking any action (or determining not to take any action) it deems appropriate in connection therewith; **provided**, **however**, no such Owner has the authority to take any action, including entering into any settlement, that could constitute an admission of culpability by any other Owner without the prior written consent of such Owner.

1.3.2.5.2 Contribution for Misallocation. If a penalty is paid, in whole or in part, by an Owner for a violation of Applicable Energy Regulations, which violation arises from the operation or maintenance of any Segment of the Facilities for which another Owner, as a Responsible Entity, had the responsibility for compliance with Applicable Energy Regulations, then if the penalty imposed on the Owner exceeds the amount it would have borne had the penalty been allocated as provided pursuant to **Section 1.3.1** of this **Appendix G,** then such Owner will be entitled to contribution from the other Owner under **Section 16.2.3** of the **Project Participation Agreement**, the Responsible Entity, or both, as appropriate.

Section 1.4 Certain Amendments.

Notwithstanding anything in the Agreement (including this **Appendix G**) to the contrary: (i) the Owners will be entitled to make the administrative changes to **Appendix A** to comply with the provisions of **Section 1.1** of this **Appendix G** with the consent of the E&O Committee, subject to a Level A Vote of the Management Committee and (ii) the E&O Committee, subject to a Level B Vote of the Management Committee, will be entitled to amend the provisions of **Section 1.2** of this **Appendix G**; **provided**, **however**, any such amendment that imposes additional obligations on a party (in any capacity) or reduces the obligation of a party (in any capacity) must also be consented to by such affected party, and further provided that any change to required Management Committee voting levels set forth in Section 1.2 may only be made upon a Level C Vote of the Management Committee. If the Management Committee determines changes should be made to Appendix A or this Appendix G, other than Exhibit 1 of this Appendix G, the necessary filings shall be made and approved by the applicable Governmental Body for the changes to become effective.

EXHIBIT 1

Form of Checklist of NERC Standards Applicability

	Accountable NERC Functional Registry			Obligations Applicable to			
Standard	TO	TOP	TP	Facilities (line) - Potential for Sharing Penalties*	Discretely Owned Substation Assets**	Both - Potential for Sharing Penalties ***	
CIP-002	TO	TOP			NO		
CIP-003	TO	TOP			NO		
CIP-004	TO	TOP			NO		
CIP-005	TO	TOP			NO		
CIP-006	TO	TOP			NO		
CIP-007	TO	TOP			NO		
CIP-008	TO	TOP			NO		
CIP-009	TO	TOP			NO		
CIP-010	TO	TOP			NO		
CIP-011	TO	TOP			NO		
CIP-013	TO	TOP			NO		Supply Chain Risk Management Standard. All requirements effective 7/1/2020
CIP-014	TO	TOP			NO		
COM-001		TOP			NO		
COM-002		TOP				YES	
EOP-004	TO	TOP		YES			
EOP-005	TO	TOP			NO		
EOP-008		TOP			NO		
EOP-010		TOP			NO		
EOP-011		TOP				YES	
FAC-001	TO					YES	
FAC-002	TO		TP			YES	
FAC-003	TO			YES			
FAC-008	TO			YES			

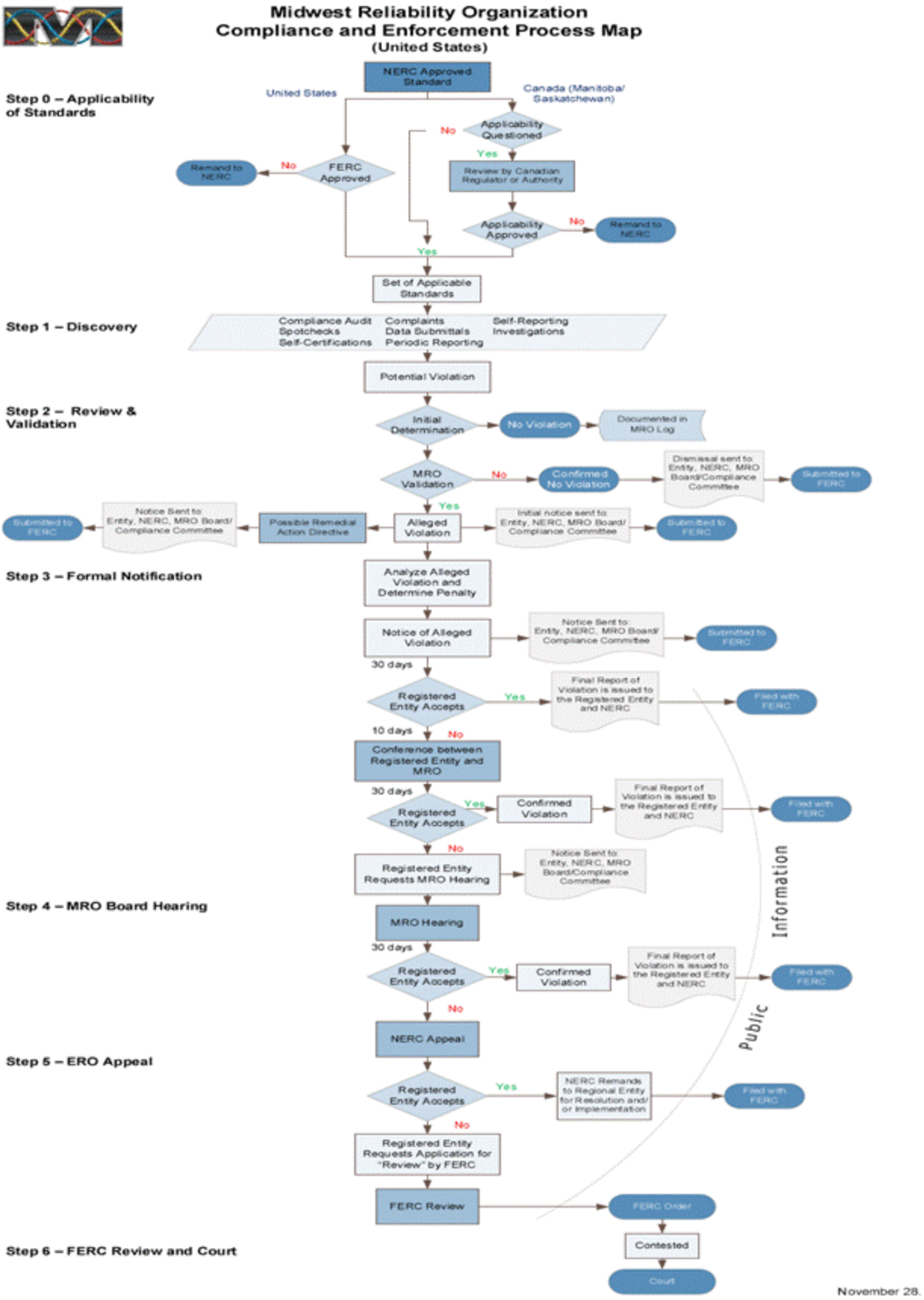
	Accountable NERC Functional Registry			Obligations Applicable to			
Standard	TO	TOP	TP	Facilities (line) - Potential for Sharing Penalties*	Discretely Owned Substation Assets**	Both - Potential for Sharing Penalties ***	
FAC-014		TOP	TP	YES			
IRO-001		TOP				YES	
IRO-010	TO	TOP			NO		
IRO-017		TOP	TP			YES	
MOD-001		TOP				YES	
MOD-004			TP			YES	
MOD-008		TOP				YES	
MOD-020			TP		NO		
MOD-026			TP		NO		
MOD-027			TP		NO		
MOD-028		TOP		N/A	N/A	N/A	MISO doesn't use currently
MOD-029		TOP		N/A	N/A	N/A	MISO doesn't use currently
MOD-030		TOP				YES	
MOD-031			TP		NO		
MOD-032	TO		TP	YES			
PER-003		TOP			NO		
PER-005		TOP			NO		
PRC-001		TOP			NO		
PRC-002	TO				NO		
PRC-004	TO				NO		
PRC-005	TO				NO		
PRC-006	TO				NO		
PRC-008	TO				NO		
PRC-010	TO		TP		NO		
PRC-011	TO				NO		
PRC-015	TO				NO		
PRC-016	TO				NO		
PRC-017	TO				NO		
PRC-018	TO				NO		
PRC-023	TO				NO		

	Accountable NERC Functional Registry			Obligations Applicable to			
Standard	TO	TOP	TP	Facilities (line) - Potential for Sharing Penalties*	Discretely Owned Substation Assets**	Both - Potential for Sharing Penalties ***	
PRC-025	TO				NO		
PRC-026	TO				NO		Applicable requirements R2, R3, and R4 effective 1/1/2020
PRC-027	TO				NO		All requirements effective 10/1/2020
TOP-001		TOP			NO		
TOP-002		TOP		YES			
TOP-003	TO	TOP		YES			
TOP-010		TOP			NO		
TPL-001			TP			YES	
TPL-007			TP		NO		R1, R2 in effect. R5 becomes effective 1/1/19
VAR-001		TOP			NO		

* - Standards in this column are recognized as applicable to ongoing operations of the Facilities. This agreement assumes potential for sharing of penalties resulting from standards violations directly associated with the Facilities, as specified in **Section 1.3** of this **Appendix G**.

** - Standards in this column apply to each Owner's Discretely Owned Substation Assets. Penalties from violations of these standards would be borne by the Discretely Owned Substation Asset Owner.

*** - Standards in this column require consideration of both the Facilities and the Discretely Owned Substation Assets. There is potential for sharing of penalties arising from an event, as specified in **Section 1.3** of this **Appendix G**.


Midwest Reliability Organization
Compliance and Enforcement Process Map
(United States)
Step 0 – Applicability of Standards
NERC Approved Standard
United States
Canada (Manitoba/ Saskatchewan)
Applicability Questioned
No
Yes
Remand to NERC
No
FERC Approved
Review by Canadian Regulator or Authority
Applicability Approved
No
Remand to NERC
Yes
Set of Applicable Standards
Step 1 – Discovery
Compliance Audit
Spotchecks
Self-Certifications
Complaints
Data Submittals
Periodic Reporting
Self-Reporting
Investigations
Potential Violation
Step 2 – Review & Validation
Initial Determination
No Violation
Documented in MRO Log
MRO Validation
No
Confirmed No Violation
Dismissal sent to: Entity, NERC, MRO Board/Compliance Committee
Submitted to FERC
Yes
Alleged Violation
Initial notice sent to: Entity, NERC, MRO Board/ Compliance Committee
Submitted to FERC
Possible Remedial Action Directive
Notice Sent to: Entity, NERC, MRO Board/ Compliance Committee
Submitted to FERC
Step 3 – Formal Notification
Analyze Alleged Violation and Determine Penalty
Notice of Alleged Violation
Notice Sent to: Entity, NERC, MRO Board/ Compliance Committee
Submitted to FERC
30 days
Registered Entity Accepts
Yes
Final Report of Violation is issued to the Registered Entity and NERC
Filed with FERC
10 days
No
Conference between Registered Entity and MRO
30 days
Registered Entity Accepts
Yes
Confirmed Violation
Final Report of Violation is issued to the Registered Entity and NERC
Filed with FERC
No
Registered Entity Requests MRO Hearing
Notice Sent to: Entity, NERC, MRO Board/Compliance Committee
Step 4 – MRO Board Hearing
MRO Hearing
30 days
Registered Entity Accepts
Yes
Confirmed Violation
Final Report of Violation is issued to the Registered Entity and NERC
Filed with FERC
No
Step 5 – ERO Appeal
NERC Appeal
Registered Entity Accepts
Yes
NERC Remands to Regional Entity for Resolution and/ or Implementation
Filed with FERC
No
Registered Entity Requests Application for "Review" by FERC
FERC Review
FERC Order
Contested
Court
Step 6 – FERC Review and Court
Information
Public
November 28,

OPERATION AND MAINTENANCE AGREEMENT
APPENDIX H

INTENTIONALLY RESERVED

APPENDIX I
OPERATION AND MAINTENANCE AGREEMENT

INSURANCE PLAN

REDACTED CONTAINS PRIVILEGED INFORMATION

CAPX 2020
BEMIDJI – GRAND RAPIDS PROJECT

EXHIBIT R TO PROJECT PARTICIPATION AGREEMENT
APPENDIX M TO CONSTRUCTION MANAGEMENT AGREEMENT
APPENDIX J TO OPERATION MANAGEMENT AGREEMENT

TERM SHEET FOR TRANSMISSION (NON-DISTRIBUTION) UNDERBUILD FACILITIES

The following reflects the underlying terms and conditions (the "**Terms**") that have been agreed to by the Owners of the Bemidji-Grand Rapids Project (the "**Project**") with respect to certain transmission (non-distribution) underbuild facilities.

The Terms set forth below refer to the potential relocation and demolition of existing non-Project transmission lines (the "**Underbuild Line(s)**") that are owned by certain Owners ("**Underbuild Owner(s)**") in order to comply with Applicable Law and Good Utility Practice due to the anticipated proximity of the Underbuild Line(s) with Project Facilities to be constructed pursuant to the Project Plan. As a consequence, the Underbuild Line(s) will, if constructed, be co-located on certain Project Facilities notwithstanding the fact that the Underbuild Line(s): (i) will not constitute Project Facilities and (ii) will be owned by the Underbuild Owners.

The Owners contemplate that construction and demolition of the Underbuild Line(s) could affect up to approximately 2½ miles of the Project Facilities, including approximately twenty-five structures. There is no certainty that some or all of the potential Underbuild Line work will occur. The projected CM Costs of these Underbuild Line(s), which has been included in the Pre-Construction Estimated Project Budget and in establishing the Maximum CM Cost Amount, are anticipated to be deminimious in relation to the total CM Costs, the Project Plan and the scope of the Project. Based on the foregoing the Terms below are agreed upon.

This Term Sheet constitutes an expression of mutual intent of the Owners and the Underbuild Owner(s) to incorporate the Terms set forth below within a final definitive agreement for the Underbuild Line(s). However, the Owners and the Underbuild Owner(s) will be bound to these Terms only upon completion of negotiations and execution and delivery of such a definitive agreement and ancillary documents thereto. Capitalized terms used but not defined as part of the Terms have the meanings given in the Project Agreements.

TERMS AND CONDITIONS
FOR
UNDERBUILD LINES

1. **Scope of Understanding**

- These Terms are to be interpreted in a manner consistent with incorporation of the terms of the Project Agreements and the applicable ancillary agreements, instruments and documents arising from the Project Agreements.

2. **Design Standards**

- The Underbuild Owner's design standards then in effect will be used for construction of the Underbuild Line, so long as these standards are consistent with Applicable Law and Good Utility Practice.

3. **Title to Underbuild Line Assets**

- The Underbuild Owner(s) will own all Property associated with the Underbuild Line. Such Property includes the cross-arms (but specifically excludes the towers and other structures upon which the cross-arms are located) conductors, insulators, SCADA and other communications equipment.

4. **Risk of Loss**

- Except as set forth in paragraph 15 below arising from termination of the Facilities due to destruction, the Underbuild Owner will have all risk of loss with respect to the Underbuild Line Property.

5. **Existing Land Property Interests**

- The Underbuild Owner will retain its rights in and to all real Property interests corresponding to the existing non-Project transmission line, subject to the immediately following paragraph.

- The Underbuild Owner will provide, without charge, reasonable assistance to the Owners in obtaining Project Real Property interests to the extent required, needed or desirable for Facilities affected by the Underbuild Line(s).

6. **Project Land Property Interests**	• The Owners will grant the Underbuild Owner a perpetual, royalty free easement over the applicable Facilities and Project Real Property for electric transmission, operations, repair, maintenance and other associated matters associated with Good Utility Practice and Applicable Law to the extent corresponding to the Underbuild Line(s).
7. **Underbuild Lines and Upgrades**	• No upgrades of voltage, capacity, capability or quality of materials is anticipated. If there are such upgrades, the incremental cost of such upgrades will be at the sole expense and obligation of the Underbuild Owner, and no Percentage Interest credit attributable to such incremental costs will be given to such Owner.
8. **Construction and Demolition Responsibility**	• The Underbuild Line(s) will be constructed, and demolition of the existing non-Project transmission lines that are being replaced by the Project will be performed, as if each were a part of the Facilities. The Construction Manager will assume duties and provide its services with respect to the Underbuild Line. • To the extent construction (or demolition) of the existing non-Project transmission lines or the Underbuild Lines affects the substation of any Underbuild Owner, the Underbuild Owner will have the right to elect to self-perform the portion of such Construction Work that is within such Owner's substation. • All construction and demolition will be planned and coordinated by the Construction Manager of the Project with the Underbuild Owner, consistent with Good Utility Practice and Applicable Law.

9. **Payment Responsibility**

- Except as described in Section 7 above with respect to upgrades, the cost of demolition of the existing non-Project transmission lines and construction of the Underbuild Lines will constitute CM Costs and such work corresponding with same shall constitute Construction Work.

- The Asset Ownership Percentage will be used to determine the Owners' payment amounts during the Construction Work. (This is an intended departure from the Percentage Interest that would be used for Discretely Owned Substation Assets and Credited Underlying System Improvements due to the low amount of expenditures and administrative efficiency.)

10. **Percentage Interest Credit**

- Payments made by the Owners for or associated with the Underbuild Lines will be given Percentage Interest (as opposed to Asset Ownership Percentage) credit in the Project.

- The determination of CM Costs corresponding the Construction Work relating to the Underbuild Lines (including demolition of the existing non-Project transmission lines) will be computed in good faith using commercially reasonable efforts as part of the final reconciliation of the Project interests of the Owners. (This allocation can be based on budgeted/contracted amounts paid.)

11. **Coordination and Cooperation Principles**

- The following provisions of the Project Agreements will be, to the extent reasonably related and applicable to the Underbuild Line and the Underbuild Owner, incorporated to the definitive agreement for the Underbuild Line(s):

  > Insurance Requirements
  > Schedule of Construction Work
  > Cooperation
  > Access rights
  > Commissioning

> Inspection
> Construction Work Warranties
> Environmental Indemnity
> Termination

12. Indemnification/Liability Matters

- The principles set forth in the Project Agreements will apply with respect to all liability issues, including indemnification, limits of liability, third party claims and rights of contribution.

13. Operations and Maintenance – Vegetation Management

- The Owners, through their applicable Maintenance Provider(s) will be responsible for the cost and performance of vegetation management of the Facilities in accordance with the Project Agreements.

- The Underbuild Owner will be responsible for the cost and performance of supplemental vegetation management (exceeding that performed by the Owners with respect to the Facilities) that it is required to perform with respect to the Underbuild Line(s) to comply with Applicable Law, including NERC and other standards.

- If the non-Project transmission line Property that the Underbuild Line(s) will replace is not contiguous with the Facilities, the cost and responsibility of all vegetation management with respect to such Property remains exclusively with the Underbuild Owner.

14. Operations and Maintenance – Repair, Replacement, Outages

- Except as described in Section 13 above with respect to vegetation management performed by the Owners on the Facilities that benefits the Underbuild Owner with respect to the Underbuild Lines, the Underbuild Owner will be responsible for the cost and performance of Underbuild Line operations, maintenance, repair and replacement. The Underbuild Owner(s) and the Owners and their agents will perform, cooperate in and coordinate their respective operations, maintenance, repair and replacement obligations in accord with Applicable Law and Good Utility Practice.

- Outages will be the responsibility of the titleholder to the affected Facilities and Underbuild Line(s). The cooperation and coordination principle referenced in Section 11 above will apply.

15. Termination, Decommissioning, Condemnation and Destruction

- If the Project Facilities upon which the Underbuild Line(s) are co-located are permanently terminated for:

  (i) decommissioning, the Underbuild Owner shall have the option to either (a) purchase the decommissioned Facilities on which the Underbuild Line is located and real Property interests associated therewith for nominal consideration, or (b) require the Owners at their expense to construct for the Underbuild Owner a new transmission line of like kind and quality to replace the service provided by the Underbuild Line either at the then existing location of the Underbuild Line or prior non-Project transmission line location, whichever is more economical at the time of decommissioning of the Facilities.

  (ii) condemnation, the Underbuild Owner shall have the right to claim its rights pursuant to the condemnation in accordance with Applicable Law and the Owners will not have any obligation, financial or otherwise, with respect to the Underbuild Line or the Underbuild Owner after the date of such termination, and

  (iii) destruction, (a) the Owners will have the obligation at their expense to complete demolition and disposal of the Facilities and Underbuild Line assets and to restore the towers, exclusive of cross-arms, for use by the Underbuild Owner, and (b) the Underbuild Owner will have the responsibility at its expense to restore the remaining Underbuild Line assets. The Owners and the Underbuild Owner will cooperate and make reasonable commercial efforts to assure that the real Property interests necessary for the Underbuild

Owner's continued operation of the Underbuild Line on the Property once occupied by the Facilities are conveyed to the Underbuild Owner.

- If the Underbuild Lines are temporarily or permanently terminated for any reason, the Underbuild Owner is responsible to perform and pay all costs related to all repair, replacement, decommissioning, demolition and other termination in relation to the Underbuild Line.

16. **No Rights to Terminate Easement**

- The easement granted to the Underbuild Owner to operate the Underbuild Line on the Facilities will run with the land and may not be terminated unless the Underbuild Line is no longer operated on the Project Real Property with the Facilities. Absent such termination, the Owners' remedies for breach and/or default under the definitive agreement will be limited to money damages and/or equitable remedies, such as injunction or specific performance.

17. **Project Agreements**

- The Project Agreements may be amended to address the matters affected by the definitive agreement(s) related to the Underbuild Line.

ITA BILLING DISPUTE RESOLUTION AGREEMENT

This Agreement is made as of the 17th day of December, 2015 regarding the Integrated Transmission Agreement dated as of March 31, 1986, as amended (the "ITA") among Missouri Basin Municipal Power Agency (now doing business as Missouri River Energy Services, or "MRES"), Western Minnesota Municipal Power Agency ("Western Minnesota") and Otter Tail Power Company ("Otter Tail"), a true copy of which is attached hereto as Attachment A. MRES is a body corporate and politic, organized under Chapter 28E of the Code of Iowa and existing under the intergovernmental cooperation statutes of the States of Iowa, Minnesota, North Dakota and South Dakota. Western Minnesota is a municipal corporation and political subdivision of the State of Minnesota, organized and existing under Minnesota Statutes Annotated, Sections 453.51 through 453.62. Otter Tail is a Minnesota corporation. MRES, Western Minnesota, and Otter Tail are each, individually, a "Party" and collectively are the "Parties."

WHEREAS, MRES, Western Minnesota, and Otter Tail have entered into the ITA as of March 31, 1986 and amended the ITA by Amendment No. 1, dated as of December 28, 1988, to avoid duplication of transmission facilities and provide for the establishment, use, operation, and planning of an Integrated Transmission System ("ITS") consisting of transmission facilities owned by Western Minnesota and transmission facilities owned by Otter Tail;

WHEREAS, the ITA provides that a Party that is under-invested in the ITS shall, under certain defined circumstances, make a carrying charge payment, determined as prescribed by the ITA, to the other Party;

WHEREAS, the ITA provides that MRES shall pay Otter Tail for MRES's allocable share of Otter Tail's operation and maintenance ("O&M") expenses attributed to the ITS, determined in the manner prescribed by the ITA;

WHEREAS, MRES has objected to Otter Tail's calculation of either or both of the ITA carrying charge or ITA O&M expense payment for each of the calendar years from 2003 through 2015;

WHEREAS MRES has preserved such objections notwithstanding its payment to Otter Tail for such years of the ITA O&M expense payments as calculated by Otter Tail;

WHEREAS, representatives of MRES and representatives of Otter Tail have met to discuss in good faith and resolve MRES's objections regarding the ITA carrying charges and ITA O&M expenses;

WHEREAS, representatives of MRES and representatives of Otter Tail have agreed upon the calculation under the ITA of the disputed ITA carrying charges and disputed ITA O&M expenses for all calendar years from 2003 through 2014, and the final payments to be made to resolve all disputes concerning these charges for all such years;

WHEREAS, representatives of MRES and representatives of Otter Tail have agreed upon a process to resolve in 2016, after final cost and load data becomes available, any disputes concerning the calculation under the ITA of the ITA carrying charges and ITA O&M expenses for calendar year 2015;

WHEREAS, the ITA terminates by its own terms, and pursuant to proper notice given, at 11:59 p.m. on December 31, 2015;

WHEREAS, such termination shall not relieve any Party of its responsibility with respect to ITA carrying charges and ITA O&M payments for calendar year 2015 as described in section 2 below, nor shall it relieve any Party of its responsibility to make the payments described in sections 1 and 3 below; and

WHEREAS, MRES and Otter Tail also have identified, and agreed to correct, an oversight whereby MRES failed for a number of years to report, and pay for, station load (served by Otter Tail) at the FibroMinn power plant in Benson, Minnesota.

NOW, THEREFORE, MRES, Western Minnesota, and Otter Tail agree as follows:

1. On or before December 31, 2015, Otter Tail shall pay MRES, by ACH payment to MRES's designated account, the sum of $1,300,248, in final resolution of all disputes, objections, and claims of MRES, Western Minnesota, and Otter Tail concerning the ITA carrying charges and ITA O&M payments for the calendar years 2003 through 2014.

2. No later than April 30, 2016, MRES and Otter Tail shall, upon review of final 2015 cost, load, and other relevant data, agree on the final determination of ITA carrying charges and ITA O&M payments for calendar year 2015, and the Parties shall agree on which Party shall make final payment to the other for ITA carrying charges and ITA O&M payments for calendar year 2015. That final payment shall be paid on or before April 30, 2016.

3. On or before December 31, 2015, MRES shall pay Otter Tail, by ACH payment to Otter Tail's designated account, the sum of $572,595 to reimburse Otter Tail for the cost of energy used, but not reported by MRES, for station service at the FibroMinn power plant, as supplied by Otter Tail, for the time period from November 6, 2006 through June 30, 2014, calculated as the energy used by FibroMinn over this time period multiplied by Otter Tail's applicable hourly real-time Locational Marginal Prices in effect during this time period.

4. The Parties agree that the calculations of ITA carrying charges and ITA O&M expense payments provided in sections 1 and 2 are (or, for the calendar year 2015 final payment, shall be) determined in accordance with the terms of the ITA.

5. The Parties agree that they previously agreed upon, and have no dispute regarding, the ITA carrying charges and ITA O&M expense payments for any years prior to 2003.

6. Upon receipt of the payment prescribed by sections 1 and 2, MRES and Western Minnesota, on behalf of themselves and their officers, directors, agents, successors, and assigns, and each of them, hereby fully release and discharge Otter Tail and its direct and indirect parent companies, direct and indirect subsidiary companies, officers, directors, agents, successors, and assigns, and each of them, from any and all known and unknown charges, claims, demands, suits, causes of actions, obligations, controversies, debts, costs, expenses, damages, losses, and liabilities of any nature whatsoever, known or unknown, which either MRES and Western Minnesota has, or may have had, against Otter Tail, whether or not apparent or yet to be discovered, or which may hereafter develop, for any acts or omissions related to or arising from the ITA. To the extent, receipt of payment is not completed as prescribed by sections 1 and 2, the dispute resolution provisions of the ITA shall govern.

7. Upon receipt of 1) MRES's ITA O&M expense payment in January 2016 for December 2015 service under the ITA, 2) payment, if any, required from MRES to Otter Tail pursuant to section 2, and 3) payment from MRES pursuant to section 3, Otter Tail, on behalf of itself and its predecessors, successors, direct and indirect parent companies, direct and indirect subsidiary companies, officers, directors, agents, and assigns, and each of them, hereby fully release and discharge MRES and Western Minnesota and their Members, predecessors, successors, officers, directors, agents, and assigns, and each of them, from any and all known and unknown charges, claims, demands, suits, causes of actions, obligations, controversies, debts, costs, expenses, damages, losses, and liabilities of any nature whatsoever, known or unknown, which Otter Tail has, or may have had, against either MRES and Western Minnesota, whether or not apparent or yet to be discovered, or which may hereafter develop, for any acts or omissions related to or arising from the ITA.

8. Capitalized terms used in this agreement, and not otherwise defined in this agreement, have the meanings provided in the ITA.

IN WITNESS WHEREOF, the Parties have caused this agreement to be executed as of the day, month, and year first written above, in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same document.

Signature Page to December 17, 2015 ITA Billing Dispute Resolution Agreement

MISSOURI RIVER ENERGY SERVICES

By: */s/ Raymond J. Wahle*

Name: Raymond J. Wahle

Title: Director of Power Supply and Operations

WESTERN MINNESOTA MUNICIPAL POWER AGENCY

By: */s/ Raymond J. Wahle*

Name: Raymond J. Wahle

Title: 2nd Assistant Secretary

OTTER TAIL POWER COMPANY

By: */s/ Timothy Rogelstad*

Name: Timothy Rogelstad

Title: President

Attachment A

INTEGRATED TRANSMISSION AGREEMENT

AMONG

MISSOURI BASIN MUNICIPAL POWER AGENCY

WESTERN MINNESOTA MUNICIPAL POWER AGENCY,

AND

OTTER TAIL POWER COMPANY

Dated As Of December 28, 1988

THIS AGREEMENT, Made and entered into this 31st day of March, 1986, among Missouri Basin Municipal Power Agency, a body corporate and politic organized under Chapter 28E of the Code of Iowa and existing under the intergovernmental cooperation statutes of the States of Iowa, Minnesota, South Dakota and North Dakota, hereinafter called the "Agency," Western Minnesota Municipal Power Agency, a municipal corporation and political subdivision of the State of Minnesota, herein called "Western Minnesota" and Otter Tail Power Company, a Minnesota corporation, herein called "Otter Tail," such parties being herein referred to individually as "Party" or collectively as "Parties".

WITNESSETH

WHEREAS, the Agency is engaged in the generation and transmission of electric power and energy; and

WHEREAS, Otter Tail is engaged in the business of generating, transmitting and distributing electric power and energy in the States of Minnesota, North Dakota and South Dakota; and

WHEREAS, certain Minnesota Municipalities and one South Dakota municipality listed in Exhibit A attached hereto and made a part hereof are members of the Agency and presently are interconnected with Otter Tail's transmission system (the "Municipalities"); and

WHEREAS, Western Minnesota was organized under Minnesota Statutes Annotated, Section 453.31 through 453.62 to provide, among other things, a means for those Minnesota cities which are members of Western Minnesota to secure and obtain financing for

an adequate, economic and reliable supply of energy and transmission service; and

WHEREAS, the Municipalities, other than Big Stone City, South Dakota are members of Western Minnesota; and

WHEREAS, the Agency and Otter Tail are both members of the Mid-Continent Area Power Pool, and as such have a responsibility to provide transmission facilities to further the purposes for which MAPP was created; and

WHEREAS, this Agreement is being entered into to avoid duplication of transmission facilities and contemplates the establishment, planning and utilization of an Integrated Transmission System ("ITS") to deliver electric power and energy to the Municipalities and Otter Tail's customers located in the area encompassed by the ITS; and

WHEREAS, the Agency and each of the Municipalities have agreements which provide, among other matters, for a long-term power supply; and by contract the Agency is responsible for securing reliable and economic transmission for the Municipalities; and

WHEREAS, Western Minnesota will be required to purchase certain transmission facilities owned by Otter Tail in order to establish the ITS; and

WHEREAS, the Agency has requested Western Minnesota to provide the financing required to facilitate the purchase of such Otter Tail transmission facilities as are required to establish the ITS; and

WHEREAS, Western Minnesota has agreed to obtain such financing and purchase the necessary transmission facilities to establish the ITS, sell the capacity of such facilities to the Agency for a period sufficient for the Agency to repay such initial investment and to designate the Agency as its agent for all other purposes required for the Agency and Western Minnesota to be able to carry out the terms of this Agreement and provide transmission service to the Municipalities; and

WHEREAS, additions to the ITS as required will be made by the Parties with the intent that Otter Tail on the one hand and the Agency and Western Minnesota, on the other, will ultimately own facilities proportionate to the use by Otter Tail and the Agency of the ITS.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, it is agreed by the Parties as follows:

ARTICLE I
DEFINITIONS

1.1 AGENCY DEMAND: Agency Demand shall mean the total integrated electrical demand of the Municipalities on the ITS as measured at the ITS Points of Delivery during a specific hour.

1.2 AGENCY ENERGY: Agency Energy shall mean the total electrical energy consumed by the Municipalities during a Year as determined at the ITS Points of Delivery.

1.3 AGENCY INTERRUPTIBLE DEMAND: Agency Interruptible Demand shall mean Interruptible Demand included in Agency Demand and adjusted to the ITS Points of Delivery.

1.4 ANNUAL DEMAND RATIO: The Annual Demand Ratio shall mean the ratio of each Party's demand to the ITS Demand for a given year as computed in Section 5.04.

1.5 AREA CONTROL ERROR: Area Control Error shall have the meaning set forth in the definition thereof in the National Electric Reliability Council Operating Guidelines.

1.6 COMMITTEE: Committee shall mean the Administrative Committee established pursuant to Article IV.

1.7 EQUALIZATION RATIO: Equalization Ratio shall mean the ratio described in Section 5.04 and used to determine the over or under investment by a Party in the ITS for a given Year.

1.8 FERC: FERC shall mean the Federal Energy Regulatory Commission or such other agency or department of the Federal Government as may succeed to the duties and responsibilities thereof.

1.9 HANDY-WHITMAN INDEX: The Handy-Whitman Index for any Year shall mean the Handy-Whitman Index to July 1 of that Year for Electric Transmission Facilities in the North Central Region published by Whitman, Requardt and Associates, Baltimore, Maryland or, if such index shall fail to be published, the index which is generally recognized within the electric utility industry as the successor thereto.

1.10 INTERRUPTIBLE DEMAND: Interruptible Demand shall mean the demand associated with an electric service provided by either Otter Tail or the Municipalities to loads which are itemized in Exhibit L and the services for which meet all of the following criteria:

1.10.1 The load associated with such demand must be located within the ITS Area.

1.10.2 The load must be billing demand metered at regular intervals, of at most one hour long, by magnetic tape, electronic metering, or other metering methods agreed to by the Committee.

1.10.3 The load must be served by Otter Tail or the Municipalities through the ITS only with the capacity of the ITS as determined in accordance with Sections 3.1, 3.2 and 3.3.

1.10.4 The load must be served by Otter Tail or the Municipalities under an interruptible rate tariff or an interruptible rate contract.

1.10.5 The load must be capable of being shed directly by remote control in ten minutes or less and of being shed in an appropriate mode to provide extended load relief over a period of at least four hours.

1.10.6 The entity serving an Interruptible Demand must test and document its ability to interrupt a load within ten minutes and maintain interruption for at least four hours at least one time during each season for which credit is desired. The Agency and the Municipalities, on the one hand, and Otter Tail, on the other, shall make available to the other documentation of its respective test or tests upon request.

1.10.7 Interruptible Demand, for the purposes of this contract, will not include:

A. Distributed interruptible loads (not individually demand metered).

B. Entire Municipalities.

C. Groups of several individual customers.

1.10.8 Whenever the load associated with an Interruptible Demand no longer meets the criteria of subsections 1.10.1 through 1.10.6, it shall be removed from Exhibit L.

1.11 ITS: ITS shall mean the Intergrated Transmission System as established by the Agreement and described in Article II and shall include any and all facilities heretofore or hereafter listed in Exhibit B or C.

1.12 ITS AREA: ITS Area shall mean the geographic area described in Article II in which the ITS is located.

1.13 ITS DEMAND: ITS Demand for a given period of time shall mean the coincident sum of the Agency Demand and Otter Tail Demand for such period as described in Section 5.4.

1.14 ITS POINT OF DELIVERY: ITS Point of Delivery is defined as the interconnection point at which a Municipality or an Otter Tail load receives its electrical energy from the ITS.

1.15 ITS POINT OF INPUT MEASUREMENT: ITS Point of Input Measurement shall mean a point at which power flow is measured for the purposes described in Article V. The ITS Points of Input Measurement are listed in Exhibit G.

1.16 ITS POINT OF INTERCONNECTION: ITS Point of Interconnection shall mean a point at which bulk electric power and energy can be delivered to the ITS.

1.17 ITS POINT OF MEASUREMENT: ITS Point of Measurement shall mean a point at which a Municipality or Otter Tail measures its electrical energy delivered from the ITS.

1.18 JOINT TRANSMISSION SYSTEM: Joint Transmission System shall mean the bulk transmission system created by the Missouri Basin Systems Group Pooling Agreement dated January 31, 1963, and which is cooperatively operated by the Agency, Basin Electric Power Cooperative, Western Area Power Administration, and Heartland Consumers' Power District.

1.19 MAPP: MAPP shall mean the Mid-Continent Area Power Pool or such other organization as shall succeed to the duties, functions and responsibilities thereof.

1.20 NORMAL ACCOUNTING PROCEDURES: Normal Accounting Procedures shall mean those accounting procedures and policies which are in compliance with the FERC Uniform System of Accounts for Public Utilities and Licensees under the Federal Power Act and, to the extent not inconsistent with such accounting procedure and policies, generally accepted accounting principles.

1.21 O&M RATIO: O&M Ratio shall mean the ratio of Agency Energy to the Agency and Otter Tail Energy computed in accordance with Section 7.4 and used to determine the payments required of the Agency for operation and maintenance of the ITS.

1.22 OTTER TAIL DEMAND: Otter Tail Demand shall mean the total integrated electrical demand for which Otter Tail has responsibility on the ITS as determined at the ITS Points of Delivery during a specific hour.

1.23 OTTER TAIL ENERGY: Otter Tail Energy shall mean the amount of energy used in the calculation of the O&M Ratio as defined in section 7.4.

1.24 OTTER TAIL INTERRUPTIBLE DEMAND: Otter Tail Interruptible Demand shall mean Interruptible Demand included in Otter Tail Demand and adjusted to the ITS Point of Delivery.

1.25 PRUDENT UTILITY PRACTICE: Prudent Utility Practice shall mean, at a particular time, any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts {including, but not limited to, the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry prior thereto) known at the time the decision was made, could have been expected to accomplish the desired result at the lowest reasonable cost consistent with reliability, safety and expediency. In applying the standard of Prudent Utility Practice to any matter under this Agreement, equitable consideration shall be given to the circumstances, requirements and obligations of each of the Parties. Prudent Utility Practice is not intended to be limited to the optimum practice, method or act to the exclusion of others, but rather is a spectrum of possible practices, methods or acts which could have been expected to accomplish the desired result at the lowest reasonable cost consistent with reliability, safety and expediency. Prudent Utility Practice includes due regard for manufacturers' warranties and the requirements of governmental agencies which have jurisdiction.

1.26 YEAR: Year shall mean a calendar year.

ARTICLE II

INTEGRATED TRANSMISSION SYSTEM & INTERCONNECTIONS

2.1 The Parties hereby establish the ITS to be used by the Agency and Otter Tail to:

2.1.1 Deliver the electric power and energy requirements to all customers for which Otter Tail has responsibility in the ITS Area and to the Municipalities.

2.1.2 Obtain the benefits of coordinating the planning of those transmission facilities needed by the Parties to provide such requirements;

2.1.3 Avoid the construction of duplicate facilities by any Party.

2.2 The ITS shall initially consist of the facilities of Otter Tail listed in Exhibit B and the facilities of Western Minnesota listed in Exhibit C.

2.2.1 Western Minnesota has by separate agreement-appointed the Agency as its agent to perform all duties, make all payments and otherwise carry out all of its responsibilities arising from this Agreement as a result of Western Minnesota's ownership of the facilities listed in Exhibit C on the date of this Agreement. For purposes of this Agreement, the Agency is empowered and shall be understood to exercise in accordance with Prudent Utility Practice any right and carry out any responsibility attributable to Western Minnesota's

ownership interest in ITS facilities as set forth in Article III through VIII.

2.2.2 The Agency shall be primarily responsible for the acquisition or construction of any new facilities and additions or replacements to Western Minnesota's facilities listed in Exhibit C. All such changes also shall be reflected in Exhibit C together with a designation of the facilities or portions thereof owned by the Agency.

2.2.3 If at anytime, Western Minnesota shall have conveyed to the Agency its full title and all legal interest in such facilities included in Exhibit C and shall have notified Otter Tail, then as of such date of notification, Western Minnesota will no longer be a Party to this Agreement and the Agreement shall be amended to reflect that fact.

2.2.4 Changes in Exhibits Band C shall be required when a Party acquires or constructs new facilities to be included in the ITS or retires, makes additions to or replaces existing facilities in accordance with the procedures implemented pursuant to Articles IV and VI. Changes to Exhibits B and C may be made only in a document approved annually by the Committee. Exhibits B and C, as appropriate, shall be restated annually to incorporate such changes.

2.2.5 Any reference in Articles II and V through VII to an investment responsibility of a Party other

than Otter Tail shall be deemed to be the Agency's responsibility for purposes of this Agreement.

2.3 The Parties recognize that any charges assessed annually under Article V to achieve equalization constitute a carrying charge on the amount of either Party's under investment and does not constitute a payment in return for transfer of an ownership interest in the payee Party's facilities.

2.4 The Agency and Otter Tail shall provide such facilities as are necessary for the proper conduct of telemetering, load and voltage control, communications, metering and relay protection in the operation of the ITS in accordance with Prudent Utility Practice. At interconnections, each Party shall assume responsibility according to its ownership thereof for providing and maintaining the switching and protective equipment necessary to protect the systems of the Agency, the Municipalities and Otter Tail.

2.5 The ITS Points of Delivery to the Municipalities are identified in Exhibit D.

2.6 The ITS Points of Delivery to the loads for which Otter Tail has responsibility are identified in Exhibit E.

2.7 The Points of Interconnection to the ITS are identified in Exhibit F.

2.8 The Parties agree that the Agency shall be credited for input capacity into the ITS of an initial amount of 72 MW plus the 52 MW provided in Section 3.4.1 for total input capacity of 124 MW. Should the adjusted total Agency Demand as described in Section 5.4.3.1 exceed 124 MW during the ITS peak hour of the 30 hours described in Section 5.4.2, the Agency shall provide input capacity for such excess adjusted total Agency Demand. The Committee shall determine how the Agency shall provide such input capacity.

ARTICLE III

USE

3.1 The Agency and Otter Tail shall first have the right to use the ITS in the following priorities.

3.1.1 To deliver, pro rata, the firm power and energy requirements to Otter Tail's firm retail and firm wholesale customers and to the Municipalities for firm loads; and

3.1.2 To deliver, pro rata, nonfirm power and energy to distributed interruptible loads (not individually demand metered) of Otter Tail and the Municipalities.

3.2 In the event that capacity is available in the ITS after the services described in Section 3.1 have been provided, Otter Tail or the Agency may use the excess capacity to deliver nonfirm power and energy to Otter Tail's and the Municipalities' loads as appropriate, which qualify as Interruptible Demand.

3.3 For purposes of allocating excess capacity to be used in accordance with Section 3.2, Otter Tail and the Agency each will be initially entitled to use such excess capacity up to its respective proportion of such capacity as determined by the then-current Equalization Ratio. The amount of excess capacity available at any time and the procedure under which such Parties may schedule the use of such excess capacity shall be determined in accordance with Article VII. Whenever either Party does not exercise its right to use its entire share of such excess capacity, such unused amount shall be available for use by the

other Party at no cost. The other Party shall be allowed to exercise its right to reclaim and use its share of such capacity after 6 months' written notice.

3.4 Surplus Capacity.

3.4.1 In view of Western Minnesota's and Otter Tail's respective ownership interest in the ITS, any system capacity surplus to that used in section 3.1 and 3.2 is hereby allocated between the Agency and Otter Tail in accordance with the initial Equalization Ratio. However, it is acknowledged that the Agency has a limited need for such surplus capacity from those facilities listed on Schedules B and C. Therefore, Western Minnesota hereby transfers to Otter Tail all of its right, title and interest in any such surplus capacity, to the extent it relates to facilities listed on Exhibits B and C on the effective date of this Agreement, in return for 52 MW of additional input capacity delivered to the Integrated Transmission System from Otter Tail over and above the 72 MW of input capacity credited to the Agency in Section 2.8. The delivery to Otter Tail of the power and energy associated with the 52 MW of additional input capacity will be made to Otter Tail at its interconnections with other utilities, or such other interconnections to which Otter Tail has rights, in such amounts and locations as is mutually acceptable. Otter Tail's use of such surplus capacity shall not exceed in any calendar year 10% of the Agency's total rights in the ITS (including the surplus capacity transferred to Otter Tail for such calendar year) or such greater amount as in the opinion of the Agency's bond counsel, will not adversely affect the exclusion of interest on the Agency's Transmission Project Revenue Bonds, 1986 Series A and 1988

Series A from gross income for Federal and State of Minnesota income tax purposes.

3.4.2 For any additional capacity resulting from the addition or replacement facilities to Exhibits B or C, Otter Tail and the Agency will be entitled to use such surplus capacity up to their respective proportion of such capacity as determined by the then-current Equalization Ratio. Whenever either Party does not exercise its right to use its entire share of such surplus

capacity, such unused amount shall be available for use by the other Party at no cost until reclaimed by the Party yielding such capacity.

3.5 Where one Party (Tapping Party) desires to interconnect a load of its customer with the ITS facilities of the other Party (Owning Party) for the purpose of delivering power and energy to such load, the following rules shall apply:

3.5.1 The Tapping Party shall provide at its expense the switching equipment needed to interconnect the Owning Party's line and the tap line.

3.5.2 The Tapping Party shall reimburse the Owning Party for all expenses incurred by the Owning Party as a result of this connection or any preparations therefor.

3.5.3 Upon termination of the interconnection, the Tapping Party shall, at its expense, remove its property and restore the Owning Party's facilities to original condition or a condition satisfactory to both Parties.

3.6 The Parties are hereby licensed and permitted to conduct necessary construction, operation and maintenance, repair, rebuild, additional attachments or equipment or removal of poles, wires, cables and appurtenant fixtures and apparatus for any purpose or use provided that any such activity shall conform to Prudent Utility Practice and the requirements of the National Electric Safety Code. Any incremental costs to allow such attachments or other equipment shall be borne by the Party making such attachment or addition and such costs shall be determined by the Committee.

ARTICLE IV
ADMINISTRATIVE COMMITTEE

4.1 The activities of the Parties pursuant to this Agreement shall be coordinated under the direction of the Committee. No action of the Committee shall become binding upon any Party until documented and signed by both Committee members. The Committee shall review and attempt to resolve any and all matters relating to this Agreement, including any and all disputes arising in connection herewith. Any disputes not resolved by the Committee within 60 days after such dispute has been first raised shall be resolved under the provisions of Section 9.4.

4.2 Otter Tail shall appoint a representative to the Committee and shall designate an alternate. The Agency and Western Minnesota shall jointly appoint a single representative and designate an alternate. Such representative shall act as its Party's member on the Committee. Each representative may invite guests from his organization, or elsewhere, to attend and participate (but not vote) in meetings of the Committee.

4.3 The responsibilities of the Committee shall include, but are not necessarily limited to, the following:

4.3.1 Establishing procedures consistent with the provisions hereof to govern the coordination of the activities of the Parties pursuant to this Agreement.

4.3.2 Conducting meetings at least twice annually and, more frequently if necessary, upon the written call of either member of the Committee.

4.3.3 Establishing and maintaining the criteria for determining the need for new facilities within the ITS.

4.3.4 Reviewing the Parties' estimates of future loads to be imposed upon the ITS.

4.3.5 Reviewing the status of interruptible loads which qualify as Interruptible Demand listed in Exhibit L and changing such exhibit as requested by a Party.

4.3.6 Preparing a 15-year forecast in even numbered years and a five-year forecast annually of the estimated future load requirements for which each Party is responsible in the ITS Area, and as required, providing an engineering analysis that determines possible additions, major replacements and retirements to the ITS. No Party shall become obligated to make such identified system additions, major replacements or retirements until such changes are incorporated into such Party's construction program.

4.3.7 Preparing annual construction programs for facilities described in Section 4.3.6 which the Parties become obligated to construct. Such programs shall designate the facilities to be provided by each Party.

4.3.8 Assuring that Prudent Utility Practice is followed for the design and construction of all ITS facilities, for the acquisition of all permits and licenses, for the routing and siting of and the acquisition of rights of way for such facilities and

assuring that such activities are consistent with the Agreement.

4.3.9 Furnishing the management of the Parties with the minutes of Committee meetings within ten working days after each meeting.

4.3.10 Preparing and publishing other reports, forecasts, and long-range plans as may be required.

4.3.11 Reviewing regularly the methods prescribed herein for determining and applying the Equalization Ratio and the O&M Ratio and recommending revisions to such methods, if appropriate.

4.3.12 Reviewing any FERC accounting changes that would affect this Agreement and recommending conforming revisions to the Agreement or exhibits, if necessary.

4.3.13 Reviewing the adequacy and accuracy of meters used that would affect the implementation and administration of this Agreement and recommending corrective actions, if necessary.

4.3.14 Reviewing the appropriateness of the carrying charge provisions of Sections 5.10 and 5.11 of this Agreement and recommending revisions, if necessary.

4.3.15 Reviewing the appropriateness of the distribution and transformer loss provisions of the Agreement and recommending revisions, if necessary.

4.3.16 Determining salvage values and disposal procedures if needed. Such values and costs will not be considered in the valuation of the ITS.

4.3.17 Reviewing the liability insurance maintained by the Parties attributable to the ITS facilities pursuant to Section 8.3.

4.3.18 Determining as appropriate the procedures to be used to reduce load when transmission capacity is not available.

4.3.19 Performing such other action as may be required in connection with the ITS in accordance with the terms of this Agreement.

ARTICLE V
EQUALIZATION

5.1 Equalization is defined as the condition in which the combined investment of Western Minnesota and the Agency on the one hand, and that of Otter Tail, on the other, in the ITS facilities is in proportion to their use of the ITS as such use is measured in Section 5.4. On the effective date of this Agreement, initial equalization will be deemed to have occurred.

5.2 To maintain equalization, the Agency's and Otter Tail's investment responsibility for ownership in the ITS will be determined annually as explained in this Article. A sample calculation is shown in Exhibit H. The Agency shall assume all investment responsibility of Western Minnesota after the effective date of this Agreement.

5.3 Otter Tail's and the Agency's respective investment responsibilities for each Year will be determined by applying their respective Equalization Ratios for the immediately

preceding Year determined in accordance with Section 5.4 to the value of the ITS for such Year, determined in accordance with Sections 5.5 through 5.9. The difference between a Party's investment as shown on Exhibit B or C, as appropriate for the Year of calculation, and its investment responsibility for such Year shall constitute the amount of such Party's respective over or under investment for purposes of assessing carrying charges under Sections 5.10 and 5.11.

5.4 The Equalization Ratio for each Party shall be the average of the Annual Demand Ratio of such Party for the Year of computation and each of the four preceding Years. The Annual Demand Ratio of each Party for each of the Years 1981-1985 is identified in Exhibit J.

5.4.1 The Annual Demand Ratio for each Party for a given Year will be jointly calculated by the Parties in the May immediately following the end of such Year.

5.4.2 The Annual Demand Ratio will be determined as an average of the hourly demand ratios as determined in Section 5.4.3 for the 30 hours during the three peak billing months in one season, initially the winter season, for which the total net energy input to the ITS is greatest. The three billing months to be considered the peak billing months for the summer or winter season will be determined by the Committee. The three winter billing months to be considered for the initial winter season will be the December of the Year for which the demand ratio is being calculated and the January and February that immediately follow. However, if load information acceptable to both Parties is not available for any of these 30 time periods (because of data errors), it will be

necessary to substitute the next highest load hour in place of each unacceptable hour.

(because of data errors), it will be necessary to substitute the next highest load hour in place of each unacceptable hour.

5.4.3 The demand ratio for a given hour for each Party shall be equal to the ratio of such Party's adjusted total demand to the adjusted total ITS Demand for such hour and will be calculated by the following method.

5.4.3.1 The total Agency Demand will be adjusted for a given hour by subtracting the total Agency Interruptible Demand from the total Agency Demand, each adjusted for losses to the ITS Points of Delivery pursuant to the loss factor established under Section 5.4.3.4, for Interruptible Demands and as set forth in Exhibit K for transformation losses, as appropriate.

5.4.3.2 The total Otter Tail Demand will be adjusted for a given hour by subtracting the Otter Tail Interruptible Demand from the total Otter Tail Demand, each adjusted for losses to the ITS Points of Delivery pursuant to the loss factor established under Section 5.4.3.4 for Interruptible Demands and Section 5.4.3.7 for the ITS loss percentage that is shown in the calculation procedure of Exhibit H to determine Otter Tail's Demand, as appropriate.

5.4.3.3 The total ITS Demand for a given hour shall be the sum of the adjusted total Agency Demand and the adjusted total Otter Tail Demand.

5.4.3.4 Each metered Interruptible Demand will be increased by an agreed upon adjustment factor before the subtractions required under Sections 5.4.3.1 and 5.4.3.2. This adjustment factor will initially be as shown in Exhibit L. Changes to these loss percentages shall be approved by the Committee and shall be reflected in changes to Exhibit L.

5.4.3.5 The Agency will provide a metered demand history for each of its Municipalities for the three months under examination. These metered values must be of integrated time periods from which hourly demand can be calculated. Such Agency Demand will be adjusted to the ITS Point of Delivery by an appropriate factor to account for step-down transformer losses. The factors to be used initially are shown in Exhibit K. Changes to this exhibit shall be approved by the Committee.

5.4.3.6 Both the Agency and Otter Tail will provide a metered history of their Interruptible Demands for the three months under examination. These metered values must be of integrated time periods from which hourly demand can be calculated.

5.4.3.7 For each Year beginning on the effective date of this Agreement until a loss determination study acceptable to the Committee is performed, it will be assumed that the input to the ITS for

purpose of Section 5.4.3.2 is 5% greater than the load within the ITS Area. A loss determination study relating to this calculation may be requested by either the Agency or by Otter Tail. Such studies shall be made at intervals of not less than two years. Changes to this loss percentage shall be approved by the Committee and will be used in the equalization calculation.

5.5 The value of the facilities included 1n the annual calculation as the value of a Party's actual investment in the ITS for purposes of Section 5.3 and as represented in Exhibit H shall be the values included in the then-current Exhibits B and C.

5.6 Replacements and additions to the ITS shall be included in the annual calculation for the Year such property is placed in service.

5.7 The depreciate cost of the facilities initially included in the ITS is originally set at the amounts shown in Exhibits B and C on the effective date of this Agreement. The replacement cost of such facilities as well as facilities added to or removed from Exhibits B or C in compliance with Section 6.3 shall be determined annually for purposes of the annual equalization calculation by using the Handy-Whitman Index for the appropriate Year except that additions will not be indexed in the Year of initial inclusion to the ITS. Such replacement cost shall then be depreciated in accordance with Sections 5.8 and 5.9 to determine the value of each Party's ITS facilities for the Year of calculation.

5.8 The depreciation rate used to calculate the depreciated replacement cost of substations included in the ITS will be the simple average of Otter Tail's depreciation rates for Account 353 for the Year of calculation and the four preceding Years as reported in Otter Tail's FERC Form No. 1. The depreciation rate used to calculate depreciated replacement cost for transmission lines will be the average of Otter Tail's depreciation rates for Account 355 and Account 356 in the Year of calculation and the four preceeding Years as reported in Otter Tail's FERC Form No. 1 and as illustrated in Exhibit I.

5.9 All facilities in the ITS will have a minimum value of 30% of replacement cost assigned as depreciated replacement cost in the annual calculation.

5.10 When neither Party is under-invested, as determined in accordance with Section 5.5, by an amount which is more than 2% of the investment responsibility of the Party with the least investment responsibility as determined by the equalization calculation in Section 5.3, the Parties will be considered to be in equalization and no carrying charge payment will be required.

5.11 When a Party is under-invested by an amount which equals more than 2% of the amount of the investment responsibility of the Party with the least investment responsibility as determined in accordance with Section 5.3, the under-invested Party will be required to pay a carrying charge to the other Party. When a carrying charge payment is required, it shall be calculated on the the amount which exceeds the 2% permissible under-investment amount described in Section 5.10 above.

5.11.1 The carrying charge shall be a rate equal to the simple average of the discount rate on fifty-two week

United States Treasury bills ("T-Bills") for the previous year, plus 5%. For example:

10.0%

+12.0%

+8.0%

+10.0%

40.0% / 4 = 10.0 + 5.0 = 15%

5.11.2 The rates to be averaged shall be the discount rate on T-Bills auctioned during the calendar weeks in which March 31, June 30, September 30, and December 31 fall. Should the T-Bill auction not be held during such week, the rate from the auction most recently preceding such date shall be used.

5.11.3 This deficit payment shall be calculated in May of the Year following the Year for which the equalization calculation in Section 5.3 is made. The overinvested Party shall render a statement to the under-invested Party for such amount. The under-invested Party shall pay the statement within 30 days after billing. No interest on the deficit payment will be assessed if paid within 30 days after billing.

5.12 The under-invested Party shall invest in new property to the extent new additions are required as determined by the Parties. In any Year when such new additions, sufficient to maintain a balance of ownership, are not required, the Party with more than the required ownership share may offer to sell and the other Party may purchase such ITS facilities to maintain a balance of ownership responsibility if the amount of the under-investment equals more than 2% of the investment responsibility of the Party with the least investment responsibility. If a Party's actual investment has been less than 90% of its investment responsibility for five consecutive Years, the Party with more than the required ownership share

shall offer to sell and the other Party shall purchase the ITS facilities offered by the over-invested Party in the sixth Year to attain equalization. The sale price shall be equal to the cost of such facilities as reflected in Exhibit B or C as such exhibits may exist in the Year of such offer. The selling Party may also include in the sale price any additional out-of-pocket expense due to tax liability incurred by the selling Party solely because of the transaction. However, the purchasing Party then has the option to purchase the facilities, or to continue to be under-invested and to pay the relevant carrying charge. Any payment for tax liability made by the buying Party solely because of the transaction will not be included in Exhibits B and C. Exhibits B and C shall be amended to reflect such sale.

ARTICLE VI

REPLACEMENTS, ADDITIONS AND RETIREMENTS

6.1 Replacements and additions for purposes of this Agreement are divided into the two general categories: first, minor replacements; and, second, additions, uprates and approved replacements.

6.2 Minor Replacements.

6.2.1 A minor replacement is defined as a construction project which has a cost not exceeding $10,000 in 1985 dollars. The $10,000 threshold will be adjusted annually thereafter at Year end for use in the following Year by applying the total transmission plant index in the most recent Handy-Whitman Index. The adjusted replacement threshold will be recorded annually in Exhibit O.

6.2.2 If the Agency requests, and Otter Tail agrees, Otter Tail will act as the Agency's contractor to make

required minor replacements on all of the Agency's ITS facilities.

6.2.2.1 Otter Tail shall provide such services under its normal billing schedule for custom work applied in the same manner as it would account for such costs in performing comparable work for others. Such schedule shall permit Otter Tail to charge the Agency for its direct cost incurred to provide minor replacements. Such direct cost shall include, but not be limited to, direct labor, vehicles and materials (including applicable loadings), plus out-of pocket expenses, and an overhead rate of 20% of previously listed costs.

6.2.2.2 Such Agreement shall be subject to cancellation upon a 60-day notice by either Party.

6.2.3 The cost of minor replacements shall not be included in adjustment of the value of ITS facilities for purposes of Section 5.5.

6.3 Additions, uprates and approved replacements.

6.3.1 Additions, uprates and approved replacements made by a Party for the benefit of the ITS shall be added to the value of that Party's ITS facilities as set forth in Exhibit B or C, as appropriate, at capitalized cost as approved by the Committee.

6.3.2 Capitalized cost is defined as follows:

6.3.2.1 For Work Performed By Agency Or Otter Tail Employees - that cost as accumulated by Normal Accounting Procedures including loadings normally used plus a loading of 20% to cover A & G expenses.

6.3.2.2 For Work Performed By Outside Contractors - those costs paid to contractors for construction of additions, upgrade or approved replacements.

6.3.2.3 The Party which owns a new addition, uprate or replacement shall make available upon request for audit the cost records of such facilities.

6.3.2.4 Costs for additions, uprates and replacements shall be broken down in the detail set forth in Sections 6.5.2 and 6.5.3.

6.3.2.5 No Party may include an amount as Allowance for Funds Used During Construction (AFUDC) in the valuation of such Party's additions, uprates or replacements for purposes of Section 5.3.

6.4 Property damage replacements excluding minor replacements criteria as defined in Section 6.2.1 will be automatically included at full capitalized cost in Exhibits B and C in the annual equalization calculation for the Year following the construction of such replacements.

6.5 Retirements.

6.5.1 If an entire line or substation is taken out of service, the entire value of such facility shall be deducted from Exhibit B or C, as appropriate.

6.5.2 If less than an entire line is retired from service, credit for the retired portion of such lines shall be deducted from Exhibits B and C according to the following percentages:

1. Conductors	36%
2. Insulators	9%
3. Crossarms	5%
4. Poles	50%

6.5.3 If less than an entire substation is retired from service, credit for the retired portion of such substations shall be deducted from Exhibits B and C according to the following percentages:

1. Transformers	30%
2. Breakers	20%
3. Other	50%

6.5.4 The specific percentages listed in Sections 6.5.2 and 6.5.3 shall apply only to the original facilities that are listed in Exhibits B and C as they exist on the effective date of this Agreement.

6.5.5 If not all of the facilities of a particular subcategory of Exhibits B and C are retired, an appropriate pro rata share of retirement will be taken out of Exhibits B and C by approval of the Committee.

6.6. The Agency and Otter Tail shall give each other reasonable notice prior to commencement of any right-of-way or survey work on the ITS facilities.

6.7 The following procedures will apply when either Party uses an independent contractor to perform design engineering or construction work on additions, uprates or replacement.

6.7.1 Otter Tail shall be included on the Agency bidder list for construction contracts.

6.7.2 The Agency shall be included on the Otter Tail bidder list for construction contracts.

6.7.3 Should either of the Parties submit the lowest responsive bid on a project and such bid is not accepted, the cost of the addition, uprate or replacement for inclusion in Exhibit B or C for purposes of Section 5.3 shall be the amount of that Party's bid.

6.7.4 If either Party issues a Request for Proposal for design engineering, it shall issue it to the other Party as well as any other appropriate engineering firms and evaluate the other Party's proposal on the same basis as the rest of the proposals.

6.7.5 Either Party, when acting as a bidder or proposer, shall be considered to be an independent contractor.

6.8 When either Party expends funds that affect the equalization calculation, the other Party shall have the right to audit at its own expense all internal records relating to these expenditures.

6.9 Design engineering will conform to prevailing construction standards in the ITS at the time a facility is designed.

6.10 Historic practice within the ITS shall be the basis for planning studies performed to provide recommendations to the Committee.

ARTICLE VII
OPERATION OF THE ITS

7.1 Scheduling and Power and Energy Supply.

7.1.1 Each Party shall have the responsibility for scheduling the power and energy requirements of its load within the ITS. The Parties shall be responsible for regulation and load control for their loads within the ITS consistent with the National Electric Reliability Council's Principles and Operating Guides.

7.1.2 The Agency and Otter Tail shall make available to the ITS, an amount of power and energy equal to the amount to be delivered at its respective ITS Points of Delivery plus an adjustment for losses in transmission equal to the actual transmission losses of the ITS, as determined by the Committee. Said adjustment for losses shall initially be 4.5%, applied to energy only.

7.1.3 In the event that the meters measuring deliveries of demand and energy hereunder are located on the step-down side of any transformation equipment, the registrations of all such meters shall initially be increased as established by the Committee and set forth in Exhibit K as such exhibit exists from time to time.

7.2 Each Party shall maintain a power factor of not less than 95% leading or lagging at each of its ITS Points of Delivery; however, the power factor correction equipment for two or more Points of Delivery may be centrally located subject to approval by the Committee.

7.3 Operation and Maintenance of ITS Facilities.

7.3.1 Otter Tail shall operate all ITS facilities.

7.3.2 Otter Tail shall maintain the Agency's ITS facilities for an initial term of five years after the effective date of this Agreement and thereafter unless it receives written notice from the Agency that the Agency intends to assume responsibility for such maintenance functions. Such notice shall become effective three years after receipt by Otter Tail and shall not be given during the initial term of five Years. If the Agency should exercise this option, the Agency agrees that this includes all Agency and Western Minnesota facilities and further that it will perform this maintenance according to Prudent Utility Practice and on a uniform basis throughout such facilities.

7.3.3 Otter Tail shall have the authority to perform emergency replacements of the ITS facilities included in Exhibit C as needed. Costs of emergency replacement, excluding operating and maintenance costs for Agency-owned facilities, shall be billed to the Agency. Such work shall be billed in accordance with Section 6.2.2.

7.4 Operation and Maintenance Costs.

7.4.1 The Agency shall pay Otter Tail monthly for the Agency's allocable share of Otter Tail's operating and maintenance expenses of the ITS. Such payment shall compensate Otter Tail for the Agency's allocable portion of the following expenses:

7.4.1.1 Transmission operation and maintenance.

7.4.1.2 The transmission portion of specified administrative and general accounts.

7.4.1.3 Transmission portion of depreciation of general plant.

7.4.1.4 Transmission portion of property tax on general plant.

7.4.1.5 Indirect costs at a fixed rate of 10% of previously listed costs, to include such items as:

a. Providing access and use of Otter Tail's inventory of repair parts.

b. Providing working funds for operation and maintenance.

c. Providing compensation for the investment used to provide operation and maintenance services.

7.4.2 Operation and maintenance costs for purposes of this Agreement shall include only costs properly attributable to the expenses set forth in Section 7.4.1 according to Normal Accounting Procedures. Otter Tail shall follow the same policy for expensing and capitalizing expenditures outside or inside the ITS.

7.4.3 The monthly amount the Agency shall pay Otter Tail for operation and maintenance expenses shall be determined by the Committee after the reconciliation explained in 7.4.4 below and at such other times as the Committee deems appropriate.

7.4.4 In May of the Year following the Year for which the Agency has paid operation and maintenance expenses to Otter Tail, the Committee shall reconcile the amount paid by the Agency for such Year with the allocable amount owing for such Year. The allocable amount actually owing for such Year shall be determined by multiplying Otter Tail's operation and maintenance expenses identified under Section 7.4.1 by the O&M Ratio. The reconciliation shall be performed by subtracting the amount actually paid for the Year from the allocable amount. A sample reconciliation calculation is set forth in Exhibit M.

7.4.4.1 If the Agency exercises the option set forth in Section 7.3.2 to perform the maintenance on its ITS facilities, the Agency's allocable payment and reconciliation thereof shall thereafter be based only on Otter Tail's allocable operation expenses as set forth under Section 7.4.1 and calculated in the format shown for the operation column on Exhibit M.

7.4.4.2 For purposes of calculating the O&M Ratio, Otter Tail's Energy shall be equal to the sum of the following for the Year of calculation:

a. Otter Tail's total retail energy sales as they would appear on Otter Tail's FERC Form No. 1 at page 304 or a comparable page if such sales are not reflected on page 304 in future versions of page 304 or a successor to Form No. 1; plus

b. All energy sold or wheeled by Otter Tail to entities other than the Agency or the Municipalities pursuant to rate schedules on file with FERC. The amount of such sales or wheeling shall include but not be limited to Otter Tail's sales or wheeling to state institutions, Indian agencies, municipal customers other than the Municipalities but shall not include nonfirm energy sold or wheeled pursuant to MAPP schedules. The sales or wheeling to be used currently can be found on pages 310 and 332 of FERC Form No. 1.

7.4.4.3 The Otter Tail retail energy computed under Section 7.4.4.2a shall be increased by a distribution and transformation loss percentage equal to a weighted average of the average comparable losses of the Municipalities for a comparable period as agreed upon annually by the

Committee. For the first Year of calculation, such loss percentage shall be 7.5%. An example of the calculation of the O&M Ratio is shown in Exhibit N.

7.4.5 The Parties agree that the charges for operation and maintenance expenses in the foregoing sections of Article VII do not include adjustments for expenses which are partially or completely covered by insurance reimbursement or property damage reserves. The Parties further agree that the Committee will review the impact of these items and make such adjustments as are necessary for an equitable sharing of costs.

7.5 Metering.

7.5.1 Each Party will read or cause to be read its meters within the ITS Area on a monthly basis at agreed upon times. Each Party will provide the other with such readings and data as are necessary for the purposes of this Agreement or as may be required by the Committee.

7.5.2 Each meter used for the purposes of the Demand Ratio calculation shown in Exhibit H shall be tested and calibrated by the Party owning the meter at approximate intervals of twelve months. If a meter shall be found inaccurate, it shall be restored to an accurate condition or an accurate meter shall be substituted. The Parties shall have the right to request that a special test of metering equipment be made at any time. If any test, made at a Party's request, discloses that the

metering equipment tested is registering within 2% of normal, the Party requesting the test shall bear the expenses thereof. The expenses of all other tests shall be borne by the Party owning the meter.

7.5.3 If, as a result of any test, any meter is found to register in excess of 2% either above or below normal, the readings of such meter previously taken shall be corrected according to the percentage of inaccuracy so found, but no such correction shall extend beyond the previous test. If any metering equipment fails to register or if the meter registration is erratic, the capacity and energy delivered shall be determined by the Committee.

ARTICLE VIII

GENERAL

8.1 The Parties shall use all reasonable care to provide continuous delivery of electric power and energy unless they are prevented from doing so for the following reasons:

8.1.1 Interruptions or reductions due to uncontrollable forces which, by exercise of due diligence and foresight, could not reasonably have been avoided. The term "uncontrollable forces'' shall be deemed to mean any cause beyond the control of the Party affected, including, but not limited to, failure of facilities, flood, earthquake, storm, fire, lightning, epidemic, pestilence, war, riots, civil disturbance, labor

disturbance, sabotage, and restraint by court or public authority. The Party rendered unable to fulfill any obligation by reason of uncontrollable forces shall exercise due diligence to remove such inability with all reasonable dispatch; provided, however, that the settlement of strikes or lockouts shall be entirely within the discretion of the Party having the difficulty and that the above requirement that any interruption or reduction of service due to uncontrollable forces shall be remedied with the exercise of due diligence, shall not require the settlement of strikes or lockouts by acceding to the demands of opposing parties when such course is inadvisable in the discretion of the Party having the difficulty.

8.1.2 Temporary interruptions or reductions which are reasonably necessary for the purposes of maintenance, repairs, replacements, installation of equipment, or investigation and inspection. Each Party shall give the other Party reasonable advance notice of such interruptions or reductions, except in case of an emergency as determined by the Party creating the interruption or reduction, and shall remove the cause thereof with all reasonable dispatch.

8.2 Liability.

8.2.1 Each Party shall be responsible for its own facilities and personnel used in the performance of this Agreement and none of the Parties shall be responsible

to another for damage to or loss of property, wherever located, personal injury or loss of life unless such damage or loss is occasioned by its own negligence or willful misconduct (or by the negligence of its officers, directors, employees or agents) and shall indemnify and hold harmless the other Parties from the consequences thereof.

8.2.2 Notwithstanding any language to the contrary herein, no Party shall have liability to another for any indirect, special, consequential, loss of revenue or other such damages of any type from any cause howsoever arising.

8.2.3 Furthermore, nothing in this Agreement shall be construed to be or shall in fact give any third party beneficiary or related rights to any customers, members or other entity dealing with any Party.

8.2.4 In the event that any Party becomes liable to a non-Party third person solely because of the Party's investment in the ITS and participation in the ITS and not for any reason relating to such Party's negligence or willful misconduct, such Party shall be entitled to indemnification and contribution from the Party found primarily liable in accordance with its respective proportion of the then-current Equalization Ratio.

8.2.5 The provisions of this Section 8.2 shall not be construed to relieve any insurer of its obligation to pay insurance proceeds in accordance with the terms and conditions of valid and collectible insurance.

8.3 Insurance.

8.3.1 During the term of this Agreement, Otter Tail and the Agency shall maintain in force primary and excess general liability insurance policies which will cover, among other things, activities associated with the ITS.

8.3.2 Otter Tail shall name the Agency and Western Minnesota as additional insureds under such primary and excess general liability insurance policies. The Agency also shall name Otter Tail and Western Minnesota as additional insureds under any primary and excess general liability insurance policy it procures with respect to the Agency's or Western Minnesota's interests in the ITS. Each Party shall bear the costs of any insurance policy it procures and maintains in force pursuant to this Section 8.3.

8.3.3 Each Party shall furnish the others with Certificates of Insurance confirming the existence of the policies discussed in this Section 8.3. Each Party shall notify the others immediately if its policy or policies are cancelled or substantially changed. The Party whose policy was cancelled or substantially changed shall undertake to replace such policies with coverages at least equal to or better than the coverages of the cancelled or changed policies unless the Committee waives such requirement.

8.3.4 Each Party may procure such other insurances of any type of coverage relating to the ITS which it deems necessary. The Party procuring such insurance shall bear the expenses thereof.

8.4 Any and all responsibilities, obligations, actions and inactions of the Parties hereunder shall be performed in a manner consistent with Prudent Utility Practice.

8.5 Interest shall be assessed on the balance of all statements outstanding longer than 30 days. The interest rate shall be the interest rate portion of the carrying charge calculated in Section 5.11.1.

8.6 A waiver by either Party of the other Party's default shall not be deemed waiver of any other or subsequent defaults.

8.7 Each of the Parties shall give authorized agents and employees of the other Party the right to enter upon its transmission facilities at all reasonable times for the purpose of reading or checking meters, for constructing, testing, repairing, renewing, exchanging or removing any and all of its equipment which may be located on the property of the other Party or performing any work incident to rendering service under this Agreement.

8.8 Any notices, demands or requests required or authorized by this Agreement to be delivered by one Party to another shall be properly delivered if mailed postage prepaid to the Secretary of Otter Tail, the General Manager of the Agency, or the President of Western Minnesota at the address of the Agency, respectively.

8.9 This Agreement shall be binding upon and inure to the benefit of the Parties, their successors and assigns.

8.10 This Agreement shall not be interpreted to limit the right of any Party hereafter to design, construct, acquire or own any facilities it deems desirable.

8.11 Notwithstanding any other provisions of this Agreement, the Parties do not intend to create hereby any joint venture, partnership, association taxable as a corporation, or other entity for the conduct of any business for profit. The Parties agree to timely take all voluntary actions necessary to be excluded from treatment as a partnership under the Internal Revenue Code of 1954, as amended.

8.12 The validity, interpretation, and performance of this Agreement shall be governed by the laws of the State of Minnesota.

8.13 This Agreement may be amended only by a written instrument duly executed by the Parties hereto. Schedules may be added to all exhibits except Exhibit A for periodic updates without amendment to the Agreement.

8.14 The descriptive headings of the various articles and sections of this Agreement have been inserted for convenience of reference only and shall in no way modify or restrict any of the terms and provisions hereof.

8.15 This Agreement and the rights and obligations of the Parties hereunder are subject to prior receipt by the Parties of all requisite governmental and regulatory approvals.

8.16 This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

8.17 If any other governmental agency or court of competent jurisdiction holds that any provision of this Agreement is invalid, or if, as a result of a change in any Federal or state law or constitutional provision or any rule and regulation promulgated pursuant thereto, any provision of this Agreement is rendered invalid or results in the impossibility of performance thereof, the remainder of this Agreement shall not be affected thereby and shall continue in full force and effect.

8.17.1 In the event any provision of this Agreement is so held invalid or impossible to perform, the Parties hereto shall promptly renegotiate in good faith new provisions to restore this Agreement as nearly as possible to its original intent and effect.

8.17.2 In this connection, the Parties recognized that they have bargained at arms length in good faith and on equal terms for economic benefits to each Party which are closely interrelated and which produce an overall result which is considered by the Parties to be just and reasonable. In recognition thereof, if any provision of this Agreement is held invalid, and such holding alters the economic benefits flowing to either Party, the Parties' renegotiation shall attempt to restore the overall economic benefits to each Party to

the levels provided for in this Agreement as originally executed. If such benefits cannot be restored through good faith negotiations, the Parties may agree to terminate this Agreement in a manner which does not disrupt electric service to either the Municipalities or Otter Tail's loads.

8.18 This Agreement shall constitute the entire understanding between the Parties hereto, superseding any and all previous understandings, oral or written, pertaining to the subject matter contained herein.

8.19 Execution of this Agreement shall not change the service territory of any Party.

ARTICLE IX
DEFAULT

9.1 The occurrence of the following conditions shall be "Events of Default" under this Agreement except that the following shall not constitute an Event of Default if any Party notifies the other Parties it has assumed the responsibilities of the defaulting Party under this Agreement within 15 days after the occurrence of any of the following actions:

9.1.1 Failure by a Party to make any payment to any other Party required under this Agreement within one year after the date on which such payment becomes due; or

9.1.2 The occurrence of a declared Event of default under any underlying bond resolution or financing

document providing for funds used in financing the construction or ownership by any Party of any facilities hereby or hereafter included in the ITS; or

9.1.3 The inability or admission in writing by any Party of its inability to pay its debts generally as they become due, or the making of an assignment for the benefit of, or entry into any composition or arrangement with, its creditors; or

9.1.4 The authorization or filing by any Party of a voluntary petition in bankruptcy or commencement by any Party of proceedings relating thereto under any bankruptcy, reorganization, readjustment of debts, insolvency, dissolution, liquidation, or other similar law of any jurisdiction, or indication by such Party in any such proceedings of its approval thereof, consent thereto or acquiescence therein; or

9.1.5 The adjudication of any Party as a bankrupt or insolvent on a petition in bankruptcy or insolvency proceedings filed against it; or

9.1.6 The commencement of any proceeding against any Party seeking the appointment of a receiver, trustee, or liquidator of any Party of all or substantially all of its assets, or its dissolution, with or without its authorization, consent, or application; or

9.1.7 An order, judgment or decree entered by any court of competent jurisdiction partitioning among the members of any Party all or any portion of the assets of such Party.

9.2 Upon the occurrence of an Event of Default described in Section 9.1, the non-defaulting Party or Parties shall have only the following remedies: commence an action for equitable relief, including injunction, declaratory judgment or specific performance; or commence an action for money damages; or elect to terminate this Agreement pursuant to Section 9.3 provided that an Event of Default under Section 9.1.1 shall not give the non- defaulting party the right to terminate.

9.3 Termination.

9.3.1 If any Party shall have the right to terminate this Agreement pursuant to Section 9.2, such Party may give the other Parties written notice of its intent to terminate. Termination as specified in the notice of intent to terminate shall not occur if such default is cured or the conditions causing such default are removed within 120 days from receipt of such notice to terminate, which time may be extended by the Party serving the notice.

9.3.2 In the event of termination of this Agreement upon the occurrence of an Event of Default under Section 9.1, and provided that it is a non-defaulting Party, Otter Tail shall have the right to purchase the facilities of the Integrated Transmission System at their then current value as set forth in the most recent revision of Schedule C. Such right shall mature upon the defaulting Party failing to cure according to Section 9.3.1.

9.4 Resolution of Disputes; Arbitration.

9.4.1 If the Committee cannot resolve a dispute within 60 days after it has first been discussed, the representatives shall immediately report such failure to agree and the nature of the dispute to the Chief Executive Officer of Otter Tail and the General Manager of the Agency, as appropriate. The Chief Executive Officer of Otter Tail and the General Manager of the Agency shall attempt to resolve such dispute within 30 days after referral. Unless both the Chief Executive Officer of Otter Tail and the General Manager of the Agency agree otherwise, any disputes not resolved after such 30 day period shall be submitted for resolution in accordance with Section 9.4.2.

9.4.2 Any controversy, claim, counterclaim, dispute, difference or misunderstanding arising out of or relating to this Agreement or the breach thereof shall be settled by arbitration except disputes involving (a) indemnification or damages based on tortious conduct, (b) those Events of Default defined in Section 9.01 or (c) any dispute, the subject matter of which falls within the jurisdiction of the FERC. Matters which fall within the jurisdiction of the FERC shall be referred to the FERC.

9.4.2.1 Any party may call for submission of the dispute to arbitration. Such call shall be binding on the other Parties. The Parties shall

continue to carry out their responsibilities under this Agreement pending the final decision of the arbitration.

9.4.2.2 The Party calling for arbitration shall give notice to the other Parties. Such notice shall, in adequate detail, set forth the nature of the dispute, the issues to be arbitrated, and the remedy sought by such arbitration. Within fifteen (15) days from receipt of such notice the Party against whom arbitration is sought may, by notice to the first Party, prepare its own statement of the nature of the dispute, the issues to be arbitrated and the remedy sought by such arbitration proceedings. Thereafter, the Party first submitting its statement to the matter at issue shall have ten (10) days in which to submit a rebuttal statement to the other Party. These statements shall collectively constitute the submittal statement for arbitration.

9.4.2.3 Within ten (10) days following the submission of the rebuttal statement, the Parties shall meet for the purpose of selecting one impartial arbitrator. In the event the Parties shall be unable to agree on the selection of the arbitrator at such meeting, then they shall immediately request the American Arbitration Association (or a similar organization if the

American Arbitration Association should not at that time exist) to provide a list of impartial arbitrators, the number of which shall be one more than there are sides to the dispute. The arbitrator selected above, if any, and all arbitrators on such list shall be available to serve and shall be skilled and experienced in the field of the dispute, and no person shall be eligible for appointment as an arbitrator who is a director, officer, or employee of any of the Parties to the dispute or is otherwise interested in the matter to be arbitrated. Within 30 days after the date of receipt of such list, the Parties to the arbitration shall take turns striking names from said list. The last name remaining on said list shall be the selected arbitrator. Within ten days after such selection, such Parties shall submit to such arbitrator the written notice and submittal statement prepared pursuant to Section 9.4.2.2.

9.4.2.4 Except as otherwise provided in this Section 9.4.2.2, the arbitration shall be governed by the Commercial Arbitration Rules of the American Arbitration Association (or a similar organization if the American Arbitration Association should not at that time exist) from time to time in force, except that, if such rules and practices as herein

modified shall conflict with the laws of the State of Minnesota then in force, such laws shall govern. This agreement to arbitrate shall be specifically enforceable. The findings, decision and award of the arbitrator upon any question submitted to the arbitrator hereunder shall be final and binding upon the Parties to the extent and in the manner provided by the Minnesota Uniform Arbitration Act, Minnesota Statutes §§ 572.05- 572.30.

9.4.2.5 The arbitrator shall have no authority to determine issues not included in the submittal statement. The arbitrator shall not have jurisdiction to add to, detract from, or alter in any way the provisions of this Agreement.

9.4.2.6 The award of the arbitrator shall include findings with respect to the issues involved in the dispute. The arbitrator may not grant any remedy or relief which is inconsistent with this Agreement. The arbitrator shall also specify the time within which the Party shall comply with the arbitrator's award. In no event shall the award of the arbitrator contain findings on issues not contained in, or grant a remedy beyond that sought in, the submittal statement.

9.4.2.7 All fees, expenses and costs of the arbitrator and arbitration shall be shared equally

by the Parties, unless the decision of the arbitrator specifies some other apportionment of such fees and expenses. All other expenses and costs of the arbitration shall be borne by the Party incurring those expenses and costs.

ARTICLE X
TERM

10.1 This Agreement shall become effective on the later to occur of the date when this Agreement has been accepted for filing by all relevant regulatory agencies without changes unacceptable to any Party or on the date Western Minnesota purchases and Otter Tail delivers title to the facilities listed in Exhibit C, which date shall be March 31, 1986. The Agreement shall remain in effect until January 1, 2016 and, if not then terminated by five years prior written notice given by any Party to the others shall continue in full force and effect until so terminated.

10.2 Upon acceptance of this Agreement by the FERC for filing without changes unacceptable to any Party, Otter Tail shall no longer provide service to each of the Municipalities under its currently-effective FERC "Rate Schedule for Firm Wheeling Electric Service, Based Upon Fully Allocated Costs."

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the day and year first written.

ATTEST:

Secretary

MISSOURI BASIN MUNICIPAL POWER AGENCY

President,
Board of Directors

ATTEST:

Secretary

WESTERN MINNESOTA MUNICIPAL POWER AGENCY

President,
Board of Directors

ATTEST:

Secretary

OTTER TAIL POWER COMPANY

President

Effective December 28, 1988

EXHIBIT A
MUNICIPALITIES CONNECTED TO INTEGRATED TRANSMISSION SYSTEM

City of Alexandria, Minnesota
City of Barnesville, Minnesota
City of Benson, Minnesota
City of Big Stone City, South Dakota
City of Breckenridge, Minnesota
City of Detroit Lakes, Minnesota
Village of Elbow Lake, Minnesota
City of Henning, Minnesota
City of Lake Park, Minnesota
City of Ortonville, Minnesota

EXHIBIT B
OTTER TAIL FACILITIES

DESCRIPTION	KV	MILES	CONDUCTOR TYPE	SUBS; REPL COST LINES; REPL COST PER MILE	VINTAGE	DEPRECIATED REPLACEMENT COST
TAMARAC SUB				606,703	1984	$593,113
PELICAN RAPIDS 115 KV SUB				656,474	1955	215,324
FRAZEE SUB				656,474	1955	215,324
KERKHOVEN 115 KV SUB				352,551	1966	202,505
GRACEVILLE 115 KV SUB				960,397	1973	702,243
BENSON 115 KV SUB				1,203,536	1973	880,026
HOOT LAKE 115 KV SUB				2,601,584	1969	1,669,176
BIG STONE 230 KV SUB				2,591,828	1975	2,011,256
ALEXANDRIA SUB				681,761	1980	605,484
MORRIS 115 KV SUB - 60%				466,826	1955	153,119
BIG STONE CITY HWY 12 SUB				681,147	1978	574,343
HENNING 230 KV SUB				821,860	1968	508,896
RUSH LAKE 230 KV SUB				674,709	1975	523,574
WALDEN 115 KV SUB				595,690	1973	435,569
ORTONVILLE 115 KV SUB				792,010	1957	295,261
CORMORANT JCT TO FRAZEE	115	15.17	N/A	95,541	1968	880,194
CORMORANT JCT TO PELICAN	115	16.00	N/A	95,541	1955	469,297
HOOT LAKE TO CITY LIMIT	115	1.59	N/A	90,123	1952	42,989
EDGETOWN JCT TO HOOT LAKE	115	1.62	N/A	95,541	1951	46,433
ALEXANDRIA TO METERING POINT	115	5.09	N/A	97,266	1962	232,046
MORRIS TO WALDEN	115	13.69	N/A	94,893	1970	848,954
WALDEN TO BENSON	115	19.80	N/A	94,893	1970	1,227,851
BENSON TO KERKHOVEN	115	25.48	N/A	78,147	1983	1,899,200
MORRIS TO GRACEVILLE TAP	115	15.43	N/A	83,539	1951	386,703
GRACEVILLE TO GRACEVILLE TAP	115	5.21	N/A	83,539	1971	294,483
ORTONVILLE TO HWY 12	115	3.14	N/A	106,869	1974	250,301
HWY 12 TO JCT STRUCTURE CPA	115	1.33	N/A	106,869	1953	42,641
HWY 12 TO BIG STONE	115	2.03	N/A	106,869	1974	161,819
BOUNDARY TO MORRIS	115	2.92	N/A	90.123	1952	78,948
ORTONVILLE TO N. OLD HWY 12	115	0.60	N/A	61,820	1984	36,235
ORTONVILLE TO S. OLD HWY 12	115	0.56	N/A	83,539	1951	14,035
RUNESTONE LAKE MARY	41.6	0.10	4/0 ACSR	29,608	1965	1,593
RUNESTONE HUDSON	41.6	4.45	4/0 ACSR	29,608	1965	70,884
CARLOS JCT.	41.6	10.85	4/0 ACSR	29,608	1965	172,829
RUNESTONE CARLOS	41.6	2.30	4/0 ACSR	29,608	1965	36,637
RUNESTONE BELLE RIVER	41.6	0.50	4/0 ACSR	29,608	1965	7,964
RUNESTONE SO. PARKERS	41.6	8.19	4/0 ACSR	29,608	1965	130,458
PARKERS PRAIRIE	41.6	3.00	3/0 ACSR	27,185	1955	25,937
LAKE REGION PARKERS	41.6	0.75	3/0 ACSR	27,185	1955	6,259
	41.6	1.50	266.8 ACSR	29,608	1955	13,634
ELMO	41.6	1.00	3/0 ACSR	27,185	1955	8,346
	41.6	6.50	266.8 ACSR	29,608	1973	139,103

DESCRIPTION	KV	MILES	CONDUCTOR TYPE	SUBS: REPL COST LINES: REPL COST PER MILE	VINTAGE	DEPRECIATED REPLACEMENT COST
LAKE REGION OAK VA.	41.6	5.00	3/0 ACSR	27,185	1955	41,72
41.6 KV LINE TO HENNING	41.6	2.00	3/0 ACSR	27,185	1955	16,69
	41.6	4.00	3/0 ACSR	27,185	1950	32,62
RUNESTONE LA CRANDE	41.6	14.70	336 ACSR	33,295	1980	432,90
CARFIELD	41.6	2.50	4/0 ACSR	29,608	1980	65,47
41.6 KV LINE TO BRANDON	41.6	5.25	1/0 ACSR	25,335	1965	71,55
	41.6	2.25	3/0 ACSR	27,185	1965	32,90
LAKE ADLEY	41.6	0.50	2/0 ACSR	27,185	1951	4,07
URBANK	41.6	9.00	2/0 ACSR	27,185	1951	73,40
MILLERVILLE	41.6	6.50	2/0 ACSR	27,185	1955	54,24
41.6 KV LINE TO BRANDON	41.6	7.60	3/0 ACSR	27,185	1955	63,42
	41.6	0.40	3/0 ACSR	27,185	1955	3,33
BRANDON JCT.	41.6	0.40	266.8 ACSR	29,608	1962	5,55
RUNESTONE BRANDON	41.6	2.50	3/0 ACSR	27,185	1957	24,00
EVANSVILLE	41.6	2.50	3/0 ACSR	27,185	1957	24,00
ERDAHL JCT.	41.6	7.00	3/0 ACSR	27,185	1957	67,21
POMME DE TERRE	41.6	5.00	3/0 ACSR	27,185	1957	48,00
RUNESTONE SANFORD	41.6	1.50	3/0 ACSR	27,185	1957	14,43
41.6 KV LINE TO ELBOW LAKE JCT.	41.6	3.50	3/0 ACSR	27,185	1957	33,60
ELBOW LAKE MUNICIPAL	41.6	0.25	266.8 ACSR	29,608	1968	4,49
ELBOW LAKE JCT.	41.6	2.20	266.8 ACSR	29,608	1972	45,57
ASHBY JCT.	41.6	1.00	266.8 ACSR	29,608	1968	17,98
CATS EYE	41.6	4.00	266.8 ACSR	29,608	1966	66,45
LAKE REGION TEN MILE	41.6	6.00	266.8 ACSR	29,608	1983	169,43
DALTON	41.6	5.75	266.8 ACSR	29,608	1984	166,31
CASCADE JCT.	41.6	5.40	266.8 ACSR	29,608	1948	47,96
41.6 KV LINE EXTENDING TO HOOT LAKE	41.6	2.30	266.8 ACSR	29,608	1948	20,42
WENDELL	41.6	5.50	2/0 ACSR	27,185	1949	44,85
NASHUA JCT.	41.6	1.00	3/0 ACSR	27,185	1970	17,76
	41.6	1.80	2/0 ACSR	27,185	1970	31,97
TRAVERSE WENDELL	41.6	4.00	3/0 ACSR	27,185	1941	32,62
HERMAN	41.6	11.70	3/0 ACSR	27,185	1941	95,42
DONNELLY	41.6	10.00	3/0 ACSR	27,185	1941	81,55
AGRALITE DONNELLY	41.6	2.20	3/0 ACSR	27,185	1959	23,88
MORRIS 5 MILE JCT.	41.6	4.00	3/0 ACSR	27,185	1941	32,62
41.6 KV LINE TO THE MORRIS 41.6 KV	41.6	1.50	266.8 ACSR	29,608	1941	13,32
41.6 KV LINE TO HOOT LAKE	41.6	1.48	266.8 ACSR	29,608	1954	13,14
DIVERSION RURAL	41.6	1.18	266.8 ACSR	29,608	1954	10,48
FRIBERG RURAL	41.6	3.00	266.8 ACSR	29,608	1954	26,64
TAPLIN GORGE	41.6	0.17	266.8 ACSR	29,608	1954	1,51
ELIZABETH	41.6	5.80	266.8 ACSR	29,608	1960	72,55
LAKE REGION CARLISLE	41.6	0.90	266.8 ACSR	29,608	1960	11,25
ROTHSAY TAP	41.6	5.00	266.8 ACSR	29,608	1960	62,54
ERHARD	41.6	2.00	266.8 ACSR	29,608	1954	17,76
LAKE REGION ERHARD	41.6	1.30	266.8 ACSR	29,608	1954	11,54
PELICAN RAPIDS	41.6	5.00	266.8 ACSR	29,608	1953	44,41
PELICAN RAPIDS 41.6	41.6	1.00	266.8 ACSR	29,608	1975	22,76
LAKE PARK	41.6	5.00	266.8 ACSR	29,608	1952	44,41

DESCRIPTION	KV	MILES	CONDUCTOR TYPE	SUBS: REPL COST LINES: REPL COST PER MILE	VINTAGE	DEPRECIATED REPLACEMENT COST
LAKE REGION LAKE EUNICE	41.6	1.00	266.8 ACSR	29,608	1967	17,297
ERIE	41.6	5.25	266.8 ACSR	29,608	1956	51,311
DETROIT LAKES	41.6	2.60	266.8 ACSR	29,608	1980	68,089
DETROIT LAKES IND PARK	41.6	0.25	266.8 ACSR	29,608	1956	2,442
RURAL DETROIT LAKES	41.6	1.75	266.8 ACSR	29,608	1956	17,104
LAKE REGION BURLINGTON	41.6	2.50	266.8 ACSR	29,608	1975	56,921
	41.6	2.00	3/0 ACSR	27,185	1963	26,739
FRAZEE	41.6	4.00	3/0 ACSR	27,185	1967	63,526
41.6 KV LINE TO FRAZEE	41.6	0.30	266.8 ACSR	29,608	1967	5,189
LAKE REGION FRAZEE	41.6	0.70	477 AL	33,158	1980	20,530
	41.6	1.20	477 AL	33,158	1981	36,113
VERGAS JCT.	41.6	3.40	477 AL	33,158	1971	76,278
LAKE REGION PERHAM	41.6	4.60	477 AL	33,158	1971	103,199
LAKE REGION DENT	41.6	0.50	477 AL	33,158	1975	12,749
PINE LAKE	41.6	2.00	477 ACSR	36,978	1977	60,289
PERHAM NW	41.6	1.00	477 AL	33,158	1980	29,328
PERHAM	41.6	1.00	477 AL	33,158	1980	29,328
OTTO JCT.	41.6	5.00	477 AL	33,158	1957	58,557
LAKE REGION OTTO	41.6	2.00	477 AL	33,158	1976	52,529
41.6 KV LINE TO RUSH LAKE 230 KV SU	41.6	4.50	477 AL	33,158	1976	118,189
	41.6	0.50	266.8 ACSR	29,608	1976	11,726
NEW YORK MILLS	41.6	2.25	3/0 ACSR	27,185	1957	21,604
	41.6	0.50	266.8 ACSR	29,608	1973	10,700
CPA NEW YORK MILLS	41.6	1.50	266.8 ACSR	29,608	1968	26,971
DEER CREEK	41.6	2.00	266.8 ACSR	29,608	1964	30,490
	41.6	7.90	1/0 ACSR	25,335	1964	103,055
OTTERTAIL	41.6	4.50	1/0 ACSR	25,335	1983	108,740
	41.6	3.50	3/0 ACSR	27,185	1953	28,544
41.6 KV LINE TO THE HENNING SUBSTAT	41.6	4.00	3/0 ACSR	27,185	1980	96,181
LAKE REGION HENNING	41.6	2.00	266.8 ACSR	29,608	1955	18,179
VINING	41.6	4.75	266.8 ACSR	29,608	1969	88,657
CLITHERAL	41.6	5.00	266.8 ACSR	29,608	1968	89,904
LAKE REGION STALKER LAKE	41.6	3.30	266.8 ACSR	29,608	1968	59,336
BATTLE LAKE	41.6	0.50	266.8 ACSR	29,608	1968	8,990
LAKE REGION BATTLE LAKE	41.6	0.50	266.8 ACSR	29,608	1973	10,700
MAINE JCT.	41.6	2.00	266.8 ACSR	29,608	1973	42,801
UNDERWOOD	41.6	6.00	266.8 ACSR	29,608	1965	95,574
LAKE REGION UNDERWOOD	41.6	0.75	266.8 ACSR	29,608	1977	18,102
AURDAL RURAL	41.6	2.25	266.8 ACSR	29,608	1965	35,840
41.6 KV LINE TO HOOT LAKE	41.6	0.50	3/0 ACSR	27,185	1958	5,115
	41.6	5.40	266.8 ACSR	29,608	1958	60,163
BARRETT	41.6	4.80	266.8 ACSR	29,608	1983	135,551
HOFFMAN JCT.	41.6	6.00	266.8 ACSR	29,608	1979	153,024
HOFFMAN	41.6	4.10	266.8 ACSR	29,608	1981	110,175
KENSINGTON	41.6	6.40	266.8 ACSR	29,608	1955	58,173
FARWELL	41.6	4.50	266.8 ACSR	29,608	1955	40,903
RUNESTONE HOLMES CITY	41.6	0.50	266.8 ACSR	29,608	1974	11,042
RUNESTONE WHITE BEAR	41.6	6.70	266.8 ACSR	29,608	1955	60,900

DESCRIPTION	KV	MILES	CONDUCTOR TYPE	SUBS: REPL COST LINES: REPL COST PER MILE	VINTAGE	DEPRECIATED REPLACEMENT COST
CYRUS	41.6	10.00	266.8 ACSR	29,608	1947	88,823
SALOMEN 41.6 KV	41.6	6.25	4/0 ACSR	29,608	1960	78,183
RUNESTONE FRAMNAS	41.6	2.00	266.8 ACSR	29,608	1948	17,765
CYRUS JCT.	41.6	5.20	266.8 ACSR	29,608	1948	46,188
RUNESTONE ROSEVILLE	41.6	13.50	266.8 ACSR	29,608	1957	141,175
41.6 KV LINE TO HOFFMAN JCT.	41.6	2.00	266.8 ACSR	29,608	1948	17,765
NORTH EAST MORRIS	41.6	0.20	2/0 CU	29,608	1946	1,776
MORRIS STEEL BUS	41.6	1.80	2/0 CU	29,608	1984	52,065
41.6 KV LINE TO THE MORRIS 5 MILE S	41.6	4.50	266.8 ACSR	29,608	1941	39,970
MORRIS NW	41.6	2.00	266.8 ACSR	29,608	1959	23,651
MORRIS 41.6 KV	41.6	5.00	266.8 ACSR	29,608	1960	62,546
SE MORRIS	41.6	4.50	266.8 ACSR	29,608	1961	59,369
MORRIS DOWNTOWN	41.6	2.20	266.8 ACSR	29,608	1966	36,548
41.6 KV LINE EXTENDING TO THE STEEL	41.6	0.40	266.8 ACSR	29,608	1948	3,553
HANCOCK	41.6	6.50	266.8 ACSR	29,608	1969	121,329
AGRALITE HANCOCK	41.6	3.50	266.8 ACSR	29,608	1954	31,088
CLONTARF	41.6	3.00	3/0 ACSR	27,185	1954	24,467
	41.6	8.00	266.8 ACSR	29,608	1954	71,059
BENSON SEED CO.	41.6	3.10	266.8 ACSR	29,608	1954	27,535
41.6 KV LINE TO BENSON	41.6	1.30	266.8 ACSR	29,608	1954	11,547
AGRALITE DOME BENSON	41.6	1.14	266.8 ACSR	29,608	1968	20,498
AGRALITE CASHELL	41.6	1.00	266.8 ACSR	29,608	1968	17,981
	41.6	2.00	266.8 ACSR	29,608	1968	35,961
	41.6	3.80	1/0 ACSR	25,335	1968	58,466
DEGRAFF	41.6	5.75	1/0 ACSR	25,335	1958	54,818
AGRALITE KILDARE	41.6	2.00	1/0 ACSR	25,335	1955	15,556
MURDOCK	41.6	4.50	1/0 ACSR	25,335	1959	45,535
KERKHOVEN JCT.	41.6	1.75	2 ACSR	25,335	1954	13,301
	41.6	3.80	1/0 ACSR	25,335	1983	91,825
MURDOCK TO KERKHOVEN JCT.	41.6	0.50	266.8 ACSR	29,608	1965	7,964
KERKHOVEN 41.6 KV	41.6	0.70	266.8 ACSR	29,608	1965	11,150
BENSON MUNICIPAL	41.6	0.25	266.8 ACSR	29,608	1968	4,495
DANVERS	41.6	5.50	266.8 ACSR	29,608	1955	49,993
MOYER	41.6	10.00	266.8 ACSR	29,608	1963	145,611
HOLLOWAY	41.6	0.50	266.8 ACSR	29,608	1963	7,281
MILAN JCT.	41.6	2.25	266.8 ACSR	29,608	1957	23,529
APPLETON	41.6	4.25	266.8 ACSR	29,608	1978	105,485
AGRALITE SHIBLE LAKE	41.6	1.25	266.8 ACSR	29,608	1973	31,025
NW APPLETON	41.6	0.15	266.8 ACSR	29,608	1978	3,723
41.6 KV LINE TO THE APPLETON 115 KV	41.6	0.25	266.8 ACSR	29,608	1978	6,205
AGRALITE FAIRFIELD	41.6	20.50	2/0 CU	29,608	1961	270,460
AGRALITE ARTICHOKE JCT.	41.6	4.00	4/0 ACSR	29,608	1961	52,773
AGRALITE ALBERTA	41.6	12.00	2 F CU	27,185	1961	145,364
AGRALITE ALBERTA TO ALBERTA JCT.	41.6	4.00	266.8 ACSR	29,608	1985	118,431
41.6 KV LINE TO MORRIS	41.6	0.10	266.8 ACSR	29,608	1961	1,319
OTP ALBERTA	41.6	1.50	266.8 ACSR	29,608	1946	13,323
CHOKIO	41.6	6.00	266.8 ACSR	29,608	1946	53,294
EAST RIVER DUMONT	41.6	2.50	266.8 ACSR	29,608	1983	78,600

DESCRIPTION	KV	MILES	CONDUCTOR TYPE	SUBS: REPL COST LINES: REPL COST PER MILE	VINTAGE	DEPRECIATED REPLACEMENT COST
JOHNSON	41.6	3.70	266.8 ACSR	29,608	1966	61,46
41.6 KV LINE TO GRACEVILLE	41.6	5.00	266.8 ACSR	29,608	1964	76,22
	41.6	0.50	266.8 ACSR	29,608	1968	8,99
CLINTON	41.6	9.00	266.8 ACSR	29,608	1973	192,60
CLINTON	41.6	3.00	266.8 ACSR	29,608	1973	64,20
ORTON, MUN, BURDICK	41.6	10.00	266.8 ACSR	29,608	1954	88,82
41.6 KV LINE EXT. TO ORTONVILLE 41.	41.6	1.00	266.8 ACSR	29,608	1951	8,88
BIG STONE CITY MUN, E	41.6	1.00	2/0 ACSR	27,185	1955	8,34
BIG STONE QUARRY JCT.	41.6	2.00	2/0 ACSR	27,185	1977	44,32
HWY 12 JCT.	41.6	0.50	477 AL	33,158	1980	14,66
BIG STONE CITY MUN, W	41.6	1.60	1/0 ACSR	25,335	1952	12,16
BIG STONE PLANT JCT.	41.6	1.10	477 AL	33,158	1975	28,04
LINE TO BIG STONE QUARRY JCT.	41.6	1.00	2/0 ACSR	27,185	1966	15,25
MILBANK NORTH JCT.	41.6	9.00	2/0 ACSR	27,185	1953	73,40
MILBANK NORTHWEST	41.6	3.00	477 ACSR	36,978	1982	103,24
MILBANK SOUTH	41.6	4.00	1/0 ACSR	25,335	1965	54,52
MILBANK SOUTH JCT.	41.6	0.80	1/0 ACSR	25,335	1965	10,90
MILBANK SO JCT.	41.6	2.30	2/0 ACSR	27,185	1960	26,41
41.6 KV LINE TO MILBANK NO. JCT.	41.6	1.00	477 ACSR	36,978	1980	32,70
41.6 KV LINE TO THE HWY 12 115 KV S	41.6	7.50	477 ACSR	36,978	1980	245,30
						$25,520,58.

EXHIBIT C
AGENCY FACILITIES

DESCRIPTION	KV	MILES	CONDUCTOR TYPE	SUBS: REPL COST LINES: REPL COST PER MILE	VINTAGE	DEPRECIATED REPLACEMENT COST
APPLETON 115 KV SUB				656,474	1983	$627,864
FERGUS FALLS 230 KV SUB				1,446,675	1969	928,187
AUDUBON 230 KV SUB				2,230,860	1982	2,880,946
ELBOW LAKE GRANT CO 115 KV SUB				298,688	1963	151,190
ELBOW LAKE 115 KV SUB				880,999	1983	765,114
BRANDON 115 KV SUB				718,171	1962	348,169
AUDUBON TO CORMORANT JCT	115	9.10	N/A	95,541	1955	266,913
PELICAN TO EDGETOWN JCT	115	20.54	N/A	95,541	1955	602,460
HOOT LAKE TO GRANT CO TAP	115	21.58	N/A	90,123	1952	583,457
GRANT CO TAP TO ELBOW LAKE	115	3.63	N/A	90,532	1962	154,030
ELBOW LAKE TO BRANDON	115	16.62	N/A	90,529	1962	705,203
BRANDON TO ALEXANDRIA	115	15.31	N/A	97,266	1962	697,963
GRANT CO TAP TO BOUNDARY	115	23.59	N/A	90,123	1952	637,801
S. OLD HWY 12 TO GRACEVILLE TAP	115	24.08	N/A	83,539	1951	603,487
N. OLD HWY 12 TO NEW ORTONVILLE	115	2.24	N/A	61,820	1984	135,279
NEW ORTONVILLE TO ODESSA	115	4.90	N/A	61,820	1984	295,922
ODESSA TO CORRELL	115	8.65	N/A	61,820	1984	522,393
CORRELL TO APPLETON	115	6.08	N/A	61,820	1984	367,185
ELBOW LAKE TAP	115	0.94	N/A	61,820	1962	27,237
						$10,500,000

AMMENDMENT #1 ADDITION

TURTLE LAKE TO NIRSCHL ROAD	230	10.97	N/A	144,629	1969	911,147
						$911,147

Effective December 28, 1988

EXHIBIT D
MUNICIPALITIES' ITS POINTS OF DELIVERY

Alexandria - 115 kV

Barnesville - 41.6 kV

Benson - 41.6 kV

Big Stone City - 41.6 kV

Breckenridge - 41.6 kV

Detroit Lakes - 41.6 kV

Elbow Lake - 41.6 kV

Henning - 41.6 kV

Lake Park - 41.6 kV

Ortonville - 41.6 kV

EXHIBIT E
OTTER TAIL'S ITS POINTS OF DELIVERY

Lake Park Rest Home - 41.6 kv
Dalton Jct. - 41.6 kv
CPA Underwood - 41.6 kv
CPA Lake Eunice - 41.6 kv
Detroit Lakes Rural - 41.6 kv
Diversion Rural - 41.6 kv
CPA Elizabeth - 41.6 kv
Elizabeth - 41.6 kv
Rothsay - 41.6 kv
Erhard - 41.6 kv
Pelican Rapids - 41.6 kv
CPA Frazee - 41.6 kv
CPA Perham - 41.6 kv
Pine Lakes - 41.6 kv
Perham NW - 41.6 kv
Rush-Otter Tail Lake - 41.6 kv
CPA Rush Lake - 41.6 kv
CPA New York Mills - 41.6 kv
Ottertail - 41.6 kv
Vining - 41.6 kv
CPA Stalker Lake - 41.6 kv
CPA Battle Lake - 41.6 kv
Underwood - 41.6 kv
CPA Ten Mile - 41.6 kv
CPA Sanford - 41.6 kv
Erdahl - 41.6 kv
Wendell - 41.6 kv
Traverse Wendell - 41.6 kv
CPA Brandon - 41.6 kv
Millerville - 41.6 kv
CPA LaGrande - 41.6 kv
Lake Ripley - 41.6 kv
CPA Lake Mary - 41.6 kv
Carlos Jct. - 41.6 kv
CPA Belle River - 41.6 kv
Parkers Prairie - 41.6 kv
Elmo - 41.6 kv
Donnelly - 41.6 kv
Morris 5 Mi. Jct. - 41.6 kv
Morris Downtown - 41.6 kv
NE Morris - 41.6 kv
Cyrus - 41.6 kv
CPA Holmes City - 41.6 kv
Kensington - 41.6 kv
CPA Roseville - 41.6 kv

Hoot Lake - 41.6 kv
Aurdal Rural - 41.6 kv
Audubon - 41.6 kv
Detroit Lakes Gravel Pit - 41.6 kv
CPA Burlington - 41.6 kv
Friberg Rural - 41.6 kv
Taplin Gorge - 41.6 kv
CPA Carlisle - 41.6 kv
CPA Rothsay - 41.6 kv
CPA Erhard - 41.6 kv
Frazee - 41.6 kv
Vergas Jct. - 41.6 kv
CPA Dent - 41.6 kv
CPA Evergreen - 41.6 kv
Perham - 41.6 kv
CPA Otto - 41.6 kv
New York Mills - 41.6 kv
Deer Creek - 41.6 kv
CPA Henning - 41.6 kv
Clitherall - 41.6 kv
Battle Lake - 41.6 kv
Maine Tap - 41.6 kv
CPA Oak Valley - 41.6 kv
Ashby Jct. - 41.6 kv
Pomme DeTerre Gravel Pit - 41.6 kv
Elbow Lake - 41.6 kv
Nashua Tintah Jct. - 41.6 kv
Evansville - 41.6 kv
Brandon - 41.6 kv
Garfield - 41.6 kv
Urbank - 41.6 kv
Alexandria Rural - 41.6 kv
CPA Hudson - 41.6 kv
CPA Carlos - 41.6 kv
CPA S. Parkers Prairie Jct. - 41.6 kv
CPA Parkers Prairie - 41.6 kv
Herman - 41.6 kv
CPA Donnelly - 41.6 kv
Morris Steel Sub - 41.6 kv
CPA Walden - 41.6 kv
CPA Framnas - 41.6 kv
CPA White Bear - 41.6 kv
Farwell - 41.6 kv
Hoffman - 41.6 kv
Hoffman Jct. - 41.6 kv

Barrett - 41.6 kv
CPA Shible Lake - 41.6 kv
Milan Jct. - 41.6 kv
CPA Moyer - 41.6 kv
Hancock - 41.6 kv
Clontarf - 41.6 kv
CPA Dome Pipeline Benson - 41.6 kv
CPA Clinton - 41.6 kv
CPA Kildare - 41.6 kv
Kerkhoven - 41.6 kv
Clinton - 41.6 kv
Johnson - 41.6 kv
Chokio - 41.6 kv
CPA Alberta - 41.6 kv
CPA Fairfield - 41.6 kv
So. Milbank - 41.6 kv

Appleton - 41.6 kv
Appleton Plant - 41.6 kv
Holloway - 41.6 kv
Danvers - 41.6 kv
CPA Hancock - 41.6 kv
Benson - 41.6 kv
CPA Cashell - 41.6 kv
Degraff - 41.6 kv
Murdock - 41.6 kv
Benson Seed Co. - 41.6 kv
CPA Graceville - 41.6 kv
EREC Dumont - 41.6 kv
Alberta - 41.6 kv
CPA Artichoke Jct. - 41.6 kv
NW Milbank - 41.6 kv

EXHIBIT F
POINTS OF INTERCONNECTION TO THE ITS

41.6 kv

Inside ITS	Outside ITS
Cascade Jct. East	South Cascade
Hoot Lake	Central
Hoot Lake	Buse
North Cleveland Jct.	North Cleveland
Lake Park	Hitterdahl
Audubon	Audubon
Tamarac	Tansem
Frazee	Evergreen
Evergreen Jct.	Butler
Appleton	South Appleton Jct.
Graceville	Dumont
Graceville	Graceville
Big Stone Quarry Jct.	East Cold Springs Quarry
Milbank South Jct.	Milbank West Quarry Jct.
Hoot Lake	Hoot Lake #1

115 kv

Inside ITS	Outside ITS
Edgetown Jct.	Edgetown
Audubon	Ulrich
Nelson	Douglas County
Kerkhoven	Kerkhoven Jct.
Big Stone	Marietta
Hoot Lake	Hoot Lake #3
Hoot Lake	Hoot Lake #2

230 kv

Inside ITS	Outside ITS
Fergus Falls	Wahpeton
Fergus Falls	Henning
Henning	Fergus Falls
Henning	Rush Lake Jct.
Rush Lake	Rush Lake Jct.
Morris	Granite Falls
Morris	Moorhead
Big Stone	Browns Valley
Big Stone	Blair
Big Stone	Big Stone Plant

EXHIBIT C
ITS POINTS OF INPUT MEASUREMENT

This exhibit provides a list of the boundaries used to calculate the total input to the Integrated Transmission System and the source of the required hourly demand readings at those boundaries.

Location		Piece of Equipment	Metering Type	Source
Audubon	MN	Breaker 555	OTP SCADA	SCDATA
Audubon	MN	Breaker 1415	OTP SCADA	SCDATA
Lake Park	MN	Municipal Load	MBMP Metering	MBMP
Fergus	MN	Breaker 2285	OTP SCADA	SCDATA
Rush Lake/ Wing River	MN	Control Area Tie	Telemetering	MWHDATA
Edgetown	MN	Switch 1431	OTP SCADA	SCDATA
Edgetown	MN	Switch 1429	OTP SCADA	SCDATA
Hoot Lake	MN	Breaker 235	OTP SCADA	SCDATA
Hoot Lake	MN	Breaker 175	OTP SCADA	SCDATA
Hoot Lake	MN	Breaker 495	OTP SCADA	SCDATA
Alexandria/ Douglas Co,	MN	Control Area Tie	Telemetering	MWHDATA
Kerkhoven	MN	Control Area Tie	Telemetering	MWHDATA
Morris	MN	Control Area Tie	Telemetering	MWHDATA
Big Stone	SD	Breaker 1675	OTP SCADA	SCDATA
Ortonville	MN	Breaker 335	OTP SCADA	SCDATA
Big Stone Cty	SD	East Municipal Load	MBMP Metering	MBMP
Graceville	MN	Breaker 565	OTP SCADA	SCDATA
Graceville	MN	Breaker 585	OTP SCADA	SCDATA
Appleton	MN	Breaker 835	OTP SCADA	SCDATA
Hoot Lake	MN	Unit #1 Generation	Telemetering	SCHDATA
Hoot Lake	MN	Unit #2 Generation	Telemetering	SCHDATA
Hoot Lake	MN	Unit #3 Generation	Telemetering	SCHDATA
Taplin Gorge	MN	Hydro Generation	Meters	REPORTS
Hoot Lake	MN	Hydro Generation	Meters	REPORTS

EXHIBIT H
CALCULATION OF DEMAND RATIO

1. SAMPLE CALCULATION OF THE ANNUAL DEMAND RATIO

This exhibit provides a sample calculation of the determination of the Agency demand ratio for one specific hour. The hour chosen was hour ending 1900 on December 17, 1985.

Calculation of the Agency Demand in the ITS

The hourly demand for each Agency load in the ITS was obtained by averaging the demand for the appropriate two half hour periods. These half hour demand readings were obtained from meter data supplied by the Agency. Each demand was then adjusted to its ITS point of delivery by multiplying by the appropriate factor.

Location		Half Hour 1 Demand	Half Hour 2 Demand	Hourly Demand		Loss Factor		Result
Alexandria	MN	25681	25350	25516	X	1.015	=	25898
Barnesville *	MN	2906	2906	2906	X	1.015	=	2950
Benson	MN	4278	4294	4286	X	1.020	=	4372
Big Stone City	SD	2303	2344	2324	X	1.015	=	2358
Detroit Lakes*	MN	17580	17580	17580	X	1.000	=	17580
Elbow Lake	MN	3040	2976	3008	X	1.000	=	3008
Henning	MN	1517	1464	1491	X	1.015	=	1513
Lake Park	MN	1261	1302	1282	X	1.015	=	1301
Ortonville	MN	4966	4767	4867	X	1.015	=	4939
			Total MBMP Demand				=	63919

All demand values are shown in kw

*Estimated Values

Calculation of approved interruptible loads

Approved MBMP interruptible loads

None given	=	0 kw
Total Approved MBMP Interruptible Load	=	0 kw

Approved OTP interruptible loads

Customer	Location			Hourly Demand (kw)
Valley Queen Dairy	Milbank	SD	=	2349
FCH Hardware	Milbank	SD	=	539
Total Approved OTP Interruptible Load	=			2888 kw

Total Net Input to the ITS

Location	Piece of Equipment	MW Input to the ITS
Audubon MN	Breaker 555	25.1
Audubon MN	Breaker 1415	-12.9
Lake Park MN	Municipal Load	1.30
Fergus MN	Breaker 2285	132.8
Rush Lake/	Control Area	-49.
Wing River MN	Tie	
Edgetown MN	Switch 1431	-15.2
Edgetown MN	Switch 1429	-6.0
Hoot Lake MN	Breaker 235	-6.4
Hoot Lake MN	Breaker 175	0.0
Hoot Lake MN	Breaker 495	-3.8
Alexandria/	Control Area	-3.
Douglas Co. MN	Tie	
Kerkhoven MN	Control Area	-6.
	Tie	
Morris MN	Control Area	37.
	Tie	
Big Stone SD	Breaker 1675	100.5
Ortonville MN	Breaker 335	-6.1
Big Stone	Municipal Load (East)	1.86
City SD		
Graceville MN	Breaker 565	-2.7
Graceville MN	Breaker 585	-4.4
Appleton MN	Breaker 835	-6.4
Hoot Lake MN	Unit #1 Generation	0.0
Hoot Lake MN	Unit #2 Generation	56.
Hoot Lake MN	Unit #3 Generation	0.0
Taplin Gorge MN	Hydro Generation	0.500
Hoot Lake MN	Hydro Generation	0.675

Total Net Input to the ITS = 233.83 MW

Calculation of Total ITS Demand

The Total ITS Demand is determined by reducing the Total Net Input to the ITS by the amount of transmission and subtransmission losses occurring within it. This is done by dividing the Total Net Input by a fixed percentage (in this case 5%).

Total ITS Demand

= Total Net Input to the ITS/ (1 + loss percentage)
= 233.83 / 1.05
= 222.7 MW

Calculation of the MBMP hourly demand ratio

$$\text{Ratio} = \frac{\text{Adjusted Total MBMP Demand}}{\text{Adjusted Total ITS Demand}}$$

$$= \frac{\text{Total MBMP Demand - (approved MBMP interruptible load)*(1.015)}}{\text{Total ITS Demand - (approved OTP and MBMP interruptible load(*(1.015)}}$$

$$= \frac{63.919\text{MW} - (0.0)\#(1.015)\text{MW}}{222.7\ \text{MW} - (2.888)*(1.015)\text{MW}}$$

$$= 0.291$$

Final result is that the MBMP hourly demand ratio is 29.1%

2. AGENCY - OTTER TAIL ITS ANNUAL EQUALIZATION CALCULATION
(Sample Calculation)

(1)	Substations		$15,000,000
(1)	Lines	+	35,000,000
	Total ITS Value		$50,000,000
	Agency Demand Ratio	x	25%
	Agency Investment Requirement		$12,500,000
(2)	Agency Investment	-	$12,000,000
	Agency Under-Investment (Over-Investment)		$ 500,000
	Zero-Payment Range - 2% Band	-	$ 250,000
	Under-Investment in Excess of Zero-Payment Range		$ 250,000

(1) Per Exhibit B and C.
(2) Per Exhibit C.

EXHIBIT J
HISTORIC ANNUAL DEMAND RATIOS

YEAR		RATIO
1981		29.15%
1982		29.15
1983		29.15
1984		29.00
1985		29.30
	=	145.75%

Demand Ratio for 1985 Equalization Calculation = 145.75
= 29.15%

EXHIBIT I
SUMMARY OF TRANSMISSION LINE DEPRECIATION RATES

	355 ACCOUNT			356 ACCOUNT			
Year	Rate	Dep. Base	Weighting	Rate	Dep. Base	Weighting	Composite
1980	2.42	$13,737	.52	2.11	$12,776	.48	2.27
1981	2.21	13,860	.51	2.08	13,279	.49	2.15
1982	2.27	15,329	.51	2.12	14,496	.49	2.20
1983	2.34	26,130	.53	2.16	23,166	.47	2.26
1984	3.02	25,646	.58	2.21	18,671	.42	2.68
							11.56
							÷5
Composite five-year average depreciation rate for lines.							2.31

Effective December 28, 1988

EXHIBIT K
AGENCY ITS POINTS OF DELIVERY ADJUSTMENT FACTOR

This exhibit provides a list of the factor which shall be used to adjust the metered municipal loads to the ITS Point of Delivery.

Location	Circuit	Factor to Adjust Metered Value to the ITS Point of Delivery
Alexandria, MN	Cir. 1	1.000(D)
Alexandria, MN	Cir. 2	1.000(D)
Barnesville, MN	Cir. 1	1.015(C)
Barnesville, MN	Cir. 2	1.015(C)
Benson, MN	Cir. 1	1.020
Benson, MN	Cir. 2	1.020
Big Stone City, SD	Cir. 1	1.015
Big Stone City, SD	Cir. 2	1.015
Breckenridge, MN	Cir. 1	1.015
Breckenridge, MN	Cir. 2	1.015
Detroit Lakes, MN	Industrial Park	1.000(A)
Detroit Lakes, MN	Frazee	1.015(B)
Detroit Lakes, MN	Audubon	1.015(B)
Elbow Lake, MN	City	1.000(A)
Henning, MN	City	1.015
Lake Park, MN	City	1.015
Ortonville, MN	Cir. 1	1.015
Ortonville, MN	Cir. 2	1.015

(A) These meter readings are already metered at the high side of the transformer.

(B) WAPA meters these at the low side of the transformer. However, any meter data obtained for Detroit Lakes from MBMPA will already be converted to the high side.

(C) Administrative Committee will determine further adjustment factor to adjust load to Tamarac.

(D) Metering compensated to reflect high side readings as of July 1988.

EXHIBIT L
INTERRUPTIBLE LOADS

Interruptible Load	Owning Party	Adjustment Factor to ITS Point of Delivery
FOK Warehouse	Otter Tail	1.015
Valley Queen	Otter Tail	1.015
Quadrant	Otter Tail	1.015

EXHIBIT M
ANNUAL ADJUSTMENT FOR OPERATION AND MAINTENANCE EXPENSES
(Sample Calculation Based on 1984)

Annual Payment from Agency for Operation and Maintenance Expenses		Total O & M Amount	Maintenance	Operation
(1) Transmission O & M Expense - Total System		$2,955,605	$1,365,507	$1,590,098
(1&2) Transmission Portion of A & G Accts. 920, 921, 926, 935 - Total System	+	1,317,899	545,372	772,527
(3) Transmission Portion of Depreciation of General Plant - Total System	+	123,457	51,089	72,368
(4) Transmission Portion of Property Tax of General Plant - Total System	+	61,356	25,390	35,966
Total Transmission-Related Expenses Before Indirect Costs		4,458,317	1,987,358	2,470,959
Indirect Costs @ 10%	+	445,832	198,736	247,096
Total Transmission-Related Expenses		4,904,149	2,186,094	2,718,055
(5) Agency Percent of Total	x	10.8%	10.8%	10.8%
Annual Payment from Agency for Operation & Maintenance Expenses		$ 529,648	$ 236,098	$ 293,550

Reconciliation with Monthly Payments		
Monthly Payment (Estimated)		$ 40,000
Number of Payments in Previous Year	x	12
Annual Payment Made		480,000
Annual Payment Requirement	-	529,648
Additional Payment Due		$ 49,648

(1) Costs as reported on Page 321 of FERC Form No. 1.

(2) Transmission portion shall be calculated by applying Otter Tail's transmissio labor ratio to the costs in the identified A & G Accounts. Labor ratio shall b transmission O & M labor compared to total O & M labor excluding sales and A & as detailed on Page 354 of FERC Form No. 1.

(3) Transmission portion shall be calculated by applying Otter Tail's transmissio labor ratio to the total depreciation of general plant as detailed on Page 334 o FERC Form No. 1.

(4) Transmission portion shall be calculated by applying Otter Tail's transmissio labor ratio to the General Plant portion of FERC Account No. 408.1 (excludin coal conversion taxes). The General Plant portion shall be calculated by apply ing the ratio of Otter Tail's general plant compared to total plant to the tota in Account 408.1 (excluding coal conversion taxes). Plant balances shall be a reported on Pages 202-204 of FERC Form No. 1.

(5) As calculated in Exhibit N.

EXHIBIT N
O & M RATIO
(Sample Calculation)

Description		MWH
(1) OTP Retail		2,707,345
Wheeling		
Institutions and Agencies	+	22,796
Municipals (Non-Agency)	+	37,760
Supplemental	+	8,130
		2,776,031
(2) Agency Municipals		334,910

$$\text{Agency O\&M Ratio} = \frac{334,910}{334,910 + 2,776,031} = .108$$

(1) Otter Tail retail MWH adjusted per loss percentage as defined in Section 7.04.4.3.
(2) As defined in 1.02.

NOTE: All values at the ITS Point of Delivery.

Effective December 28, 1988

EXHIBIT O
MINOR REPLACEMENT THRESHOLD

Year	July Index	Threshold
1986	241	$10,084
1987	249	$10,419
1988	280 (1)	$11,716

(1) Total Transmission Plant Cost Index for July 1, 1988 in the COST TRENDS OF ELECTRIC UTILITY CONSTRUCTION, NORTH CENTRAL REGION of the Handy-Whitman Bulletin No. 127 (Section E-3, page 18, line 33).

AMENDMENT TO ITA BILLING DISPUTE RESOLUTION AGREEMENT

This Amendment to the ITA Billing Dispute Resolution Agreement is made as of the 8th day of February, 2016 among Missouri Basin Municipal Power Agency (doing business as Missouri River Energy Services ("MRES")), Western Minnesota Municipal Power Agency ("Western Minnesota") and Otter Tail Power Company ("Otter Tail").

WHEREAS, MRES, Western Minnesota, and Otter Tail entered into the ITA Billing Dispute Resolution Agreement ("Agreement") as of December 17, 2015 to resolve disputes as to the calculation of charges assessed under the March 31, 1986 Integrated Transmission Agreement ("ITA") among MRES, Western Minnesota and Otter Tail; and

WHEREAS, the ITA terminated as of December 31, 2015, and MRES, Western Minnesota, and Otter Tail (collectively, "the Parties") wish to avoid any uncertainty as to the terms of the ITA referenced in the Agreement by amending the Agreement to attach a copy of the ITA to the Agreement.

NOW, THEREFORE, MRES, Western Minnesota, and Otter Tail agree as follows:

1. The first sentence of the Agreement is hereby revised to read as follows:

   "This Agreement is made as of the 17th day of December, 2015 regarding the Integrated Transmission Agreement dated as of March 31, 1986, as amended (the "ITA") among Missouri Basin Municipal Power Agency (now doing business as Missouri River Energy Services, or "MRES"), Western Minnesota Municipal Power Agency ("Western Minnesota") and Otter Tail Power Company ("Otter Tail"), a true copy of which is attached hereto as Attachment A."

2. The Agreement is further amended by attaching thereto as Attachment A a copy of the ITA, as amended.

3. In all other respects, the Agreement is unchanged.

IN WITNESS WHEREOF, the Parties have caused this agreement to be executed as of the day, month, and year first written above, in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same document.

Signature Page to February 8th, 2016 Amendment to ITA Billing Dispute Resolution Agreement

MISSOURI RIVER ENERGY SERVICES

By: Raymond J Wahle

Name: Raymond J. Wahle

Title: Director of Power Supply and Operations

WESTERN MINNESOTA MUNICIPAL POWER AGENCY

By: Raymond J Wahle

Name: Raymond J. Wahle

Title: 2nd Assistant Secretary

OTTER TAIL POWER COMPANY

By: JoAnn M Thompson

Name: JoAnn M. Thompson

Title: Vice President, Asset Management

CERTIFICATE OF CONCURRENCE

OF

OTTER TAIL POWER COMPANY

This is to certify that Otter Tail Power Company assents to and concurs in the rate schedule described below, which Northern States Power Company, a Minnesota corporation filed on August 28, 2014 in Docket No. ER14-2724-000, and hereby files this Certificate of Concurrence in lieu of the filing of the rate schedule specified.

Designated Filing Company ("DFC"):	Northern States Power Company, a Minnesota corporation
DFC Tariff Title:	Transmission Tariffs
DFC Tariff Program:	Electric TCS and MBR
DFC Tariff Record Adopted by Reference:	594-NSP, CAPX-Big Stone-So Brkngs-CMA-AGMT

CONCURRENCE

OF

OTTER TAIL POWER COMPANY

This is to certify that Otter Tail Power Company assents to and concurs in the rate schedule described below, which Northern States Power Company, a Minnesota corporation filed on February 14, 2017 in Docket No. ER17-970-000, and hereby files this Concurrence in lieu of the filing of the rate schedule specified.

Designated Filing Company ("DFC"):	Northern States Power Company, a Minnesota corporation
DFC Tariff Title:	Transmission and Service Agreements Tariff
DFC Tariff Program:	Electric TCS and MBR
DFC Tariff Record Adopted by Reference:	647-NSP, CAPX-Multi-Hawks Nest Const Agrmt

CONCURRENCE

OF

OTTER TAIL POWER COMPANY

This is to certify that Otter Tail Power Company assents to and concurs in the rate schedule described below, which Northern States Power Company, a Minnesota corporation filed on September 29, 2016 in Docket No. ER16-2693-000, and hereby files this Concurrence in lieu of the filing of the rate schedule specified.

Designated Filing Company ("DFC"):	Northern States Power Company, a Minnesota corporation
DFC Tariff Title:	Transmission Tariffs
DFC Tariff Program:	Electric TCS and MBR
DFC Tariff Record Adopted by Reference:	536-NSP, CAPX-BRKGS-CMA-AGMT

CERTIFICATE OF CONCURRENCE

OF

OTTER TAIL POWER COMPANY

This is to certify that Otter Tail Power Company assents to and concurs in the rate schedule described below, and hereby files this Certificate of Concurrence in lieu of the filing of the rate schedule specified.

Designated Filing Company ("DFC"):	Northern States Power Company, a Minnesota corporation
DFC Tariff Title:	Transmission and Service Agreements Tariff
DFC Tariff Program:	Electric TCS and MBR
DFC Tariff Record Adopted by Reference:	757-NSP, CAPX-BRKGS-CMA-AGMT

CERTIFICATE OF CONCURRENCE

OF

OTTER TAIL POWER COMPANY

This is to certify that Otter Tail Power Company assents to and concurs in the rate schedule described below, and hereby files this Certificate of Concurrence in lieu of the filing of the rate schedule specified.

Designated Filing Company ("DFC"):	Northern States Power Company, a Minnesota corporation
DFC Tariff Title:	Transmission and Service Agreements Tariff
DFC Tariff Program:	Electric TCS and MBR
DFC Tariff Record Adopted by Reference:	537-NSP, CAPX-BRKGS-OMA-AGMT

CERTIFICATE OF CONCURRENCE

OF

OTTER TAIL POWER COMPANY

This is to certify that Otter Tail Power Company assents to and concurs in the rate schedule described below, and hereby files this Certificate of Concurrence in lieu of the filing of the rate schedule specified.

Designated Filing Company ("DFC"):	Northern States Power Company, a Minnesota corporation
DFC Tariff Title:	Transmission and Service Agreements Tariff
DFC Tariff Program:	Electric TCS and MBR
DFC Tariff Record Adopted by Reference:	538-NSP, CAPX-BRKGS-TCEA-AGMT

CERTIFICATE OF CONCURRENCE

OF

OTTER TAIL POWER COMPANY

This is to certify that Otter Tail Power Company assents to and concurs in the rate schedule described below, and hereby files this Certificate of Concurrence in lieu of the filing of the rate schedule specified.

Designated Filing Company ("DFC"):	Northern States Power Company, a Minnesota corporation
DFC Tariff Title:	Transmission and Service Agreements Tariff
DFC Tariff Program:	Electric TCS and MBR
DFC Tariff Record Adopted by Reference:	686-NSP, CapX MURA Agreement

CERTIFICATE OF CONCURRENCE

OF

OTTER TAIL POWER COMPANY

This is to certify that Otter Tail Power Company assents to and concurs in the rate schedule described below, which Northern States Power Company, a Minnesota corporation filed on August 28, 2014 in Docket No. ER14-2725-000, and hereby files this Certificate of Concurrence in lieu of the filing of the rate schedule specified.

Designated Filing Company ("DFC"):	Northern States Power Company, a Minnesota corporation
DFC Tariff Title:	Transmission Tariffs
DFC Tariff Program:	Electric TCS and MBR
DFC Tariff Record Adopted by Reference:	595-NSP, CAPX-Big Stone-So Brkngs-OMA-AGMT

CERTIFICATE OF CONCURRENCE
OF
OTTER TAIL POWER COMPANY

This is to certify that Otter Tail Power Company assents to and concurs in the rate schedule described below, and hereby files this Certificate of Concurrence in lieu of the filing of the rate schedule specified.

Designated Filing Company ("DFC"):	Northern States Power Company, a Minnesota corporation
DFC Tariff Title:	Transmission and Service Agreements Tariff
DFC Tariff Program:	Electric TCS and MBR
DFC Tariff Record Adopted by Reference:	307-NSP, CAPX_Fargo_R-R_Phase-1_OMA_Agmt

Otter Tail Power Company

/s/ Stacie Hebert
Stacie Hebert
Manager, FERC/RTO Policy

CERTIFICATE OF CONCURRENCE

OF

OTTER TAIL POWER COMPANY

This is to certify that Otter Tail Power Company assents to and concurs in the rate schedule described below, which Northern States Power Company, a Minnesota corporation filed on November 4, 2020, in Docket No. ER21-315-000, and hereby files this Certificate of Concurrence in lieu of the filing of the rate schedule specified.

Designated Filing Company ("DFC"):	Northern States Power Company, a Minnesota corporation
DFC Tariff Title:	Transmission and Service Agreements Tariff
DFC Tariff Program:	Electric TCS and MBR
DFC Tariff Record Adopted by Reference:	596-NSP, CAPX-Big Stone-So Brkngs-TCEA-Schedule-1

Otter Tail Power Company

/s/ Stacie Hebert
Stacie Hebert
Manager, FERC/RTO Policy

CERTIFICATE OF CONCURRENCE

OF

OTTER TAIL POWER COMPANY

This is to certify that Otter Tail Power Company assents to and concurs in the rate schedule described below, which Northern States Power Company, a Minnesota corporation filed on December 17, 2020, in Docket No. ER21-677-000, and hereby files this Certificate of Concurrence in lieu of the filing of the rate schedule specified.

Designated Filing Company ("DFC"):	Northern States Power Company, a Minnesota corporation
DFC Tariff Title:	Transmission and Service Agreements Tariff
DFC Tariff Program:	Electric TCS and MBR
DFC Tariff Record Adopted by Reference:	598-NSP, Manitoba U.S. Interface TCRA

Otter Tail Power Company

/s/ Stacie Hebert
Stacie Hebert
Manager, FERC/RTO Policy

CERTIFICATE OF CONCURRENCE

OF

OTTER TAIL POWER COMPANY

This is to certify that Otter Tail Power Company assents to and concurs in the rate schedule described below, and hereby files this Certificate of Concurrence in lieu of the filing of the rate schedule specified.

Designated Filing Company ("DFC"):	Northern States Power Company, a Minnesota corporation
DFC Tariff Title:	Transmission and Service Agreements Tariff
DFC Tariff Program:	Electric TCS and MBR
DFC Tariff Record Adopted by Reference:	304-NSP, GRE-Multi-Pty_JPZ Agreement

OTTER TAIL POWER COMPANY

RATE SCHEDULE NO. 151

230 KV INTERCONNECTION AGREEMENT

BETWEEN

OTTER TAIL POWER COMPANY

AND

MINNKOTA POWER COOPERATIVE, INC.

230 KV INTERCONNECTION AGREEMENT

between

OTTER TAIL POWER COMPANY

and

MINNKOTA POWER COOPERATIVE, INC.

and

NORTHERN MUNICIPAL POWER AGENCY

230 KV INTERCONNECTION AGREEMENT
between
OTTER TAIL POWER COMPANY
and
MINNKOTA POWER COOPERATIVE, INC.

THIS AGREEMENT, Made this 29th day of July, 1966, between MINNKOTA POWER COOPERATIVE, INC., a Minnesota corporation, hereinafter referred to as "Minnkota," and OTTER TAIL POWER COMPANY, a Minnesota corporation, hereinafter referred to as "Otter Tail," and, effective as of the date, and in accordance with the terms, specified in Article V hereof, NORTHERN MUNICIPAL POWER AGENCY, a political subdivision and municipal corporation of the State of Minnesota, hereinafter referred to as "Agency;"

WITNESSETH:

0.01 WHEREAS, Minnkota, Otter Tail, and Agency, each own, and operate an electric power system consisting of generating stations, transmission lines, and other facilities in Minnesota and North Dakota; and

0.02 WHEREAS, the Parties hereto, and others, have entered into an Agreement, dated February 10, 1961, known as the Upper Mississippi Valley Power Pool Agreement, as amended, hereinafter called "Pool Agreement"; and

0.03 WHEREAS, Minnkota will construct a 212,000 kilowatt thermal power generating unit near Center, North Dakota, hereinafter called "Center No. l" for operation on or before November 1, 1970; and

0.04 WHEREAS, the Parties hereto, along with others, have completed a study referred to as North Dakota-South Dakota-Western Minnesota Transmission Study No. 157, which study recommended a plan for the development of a 230 KV transmission system in the study area by 1969 designed both to provide an outlet for the Center No. 1 as well as transmission supply for the participating systems; and

0.05 WHEREAS, the Parties and others will construct in accordance with the plan recommended in said study, certain 230 KV transmission lines as detailed in Exhibit A, sheets 1 and 2 attached hereto, and made a part hereof, and hereinafter called "Transmission System"; and

0.06 WHEREAS, Otter Tail, United Power Association and others have entered into a Transmission Service Agreement dated August 17, 1964, which includes an interconnection between Otter Tail and United Power Association at Devils Lake, North Dakota, and provides for the delivery of power and energy to Otter Tail at 115 KV at Devils Lake; and

0.07 WHEREAS, Otter Tail and Agency are parties, along with others, to the Coyote Station No. 1 Transmission Facilities Agreement dated November 30, 1978, as amended ("Coyote Transmission Agreement"), which provides for the construction of certain 345 kV, 230 kV and 115 kV facilities to be used for the transmission system needs of the Parties in serving their loads from the Coyote No. 1 generating unit to the systems of the Parties, and the Parties wish to provide for an equitable division of the cost and ownership of the facilities to be constructed by them in connection with the Coyote Transmission Agreement; and

0.08 WHEREAS, the Parties desire to provide for certain changes to this Agreement to correspond to certain changes to the Coyote Transmission Agreement; and

0.09 WHEREAS, Otter Tail has a $5,071,788 investment in the Center-Fargo 345 kV transmission line but has no corresponding property ownership, the Parties therefore desire to modify the division of ownership of facilities as previously provided for in Supplement No. 4 to this Agreement; and

0.10 WHEREAS, the Parties wish to provide for operation and maintenance by Minnkota of certain transmission facilities on Otter Tail's behalf; and

0.11 WHEREAS, the Parties desire to provide for scheduling of electrical energy between the Parties and interconnections of the Parties to other systems; and

0.12 WHEREAS, the Parties also desire to provide for the construction of a 230 kV transmission line extending from the Winger 230 kV Substation to the Bemidji, Minnesota area with associated terminal facilities and to provide for further interconnection of their respective electric transmission systems; and

0.13 WHEREAS, the Parties will derive benefits through the interconnection of their respective systems as provided herein; and

0.14 WHEREAS, the Parties have prepared this restated and conforming Agreement to reflect the effects of all amendments and supplements to this Agreement.

NOW, THEREFORE, the Parties agree as follows:

ARTICLE I

INTERCONNECTIONS

1.01 Points of Interconnection. The 230 kilovolt transmission systems of Minnkota, Agency, and Otter Tail will be interconnected at the points designated in Exhibit B-2. The division of ownership of interconnection facilities is designated in Exhibit C-2. If interconnections are added or deleted, Exhibits B-2 and C-2 shall be amended accordingly.

1.02 Ownership and Maintenance. Each Party will own, operate, and maintain the facilities provided by it as shown on Exhibit C-2. The cost or replacement of such facilities will be borne by the Party owning the facilities unless damaged by the negligent act or omission of the other Party, its agents or employees.

1.3 Associated System Facilities. Each Party further agrees to provide in its system the facilities necessary for such telemetering, load control, communication, and relay protection as is necessary to the proper operation of the interconnected systems.

1.04 Provisions for Future Connections. Otter Tail grants Minnkota permission to connect to its 115 KV bus at Winger for a 115 KV line to serve the Thief River Falls area. Otter Tail shall supply substation facilities necessary to accommodate Minnkota's circuit breaker, relay equipment and line connections for such circuit.

Minnkota grants Otter Tail permission to connect to its 230 KV bus at Winger. Minnkota shall supply substation facilities necessary to accommodate Otter Tail's circuit breaker, relay equipment and line connections for such circuit.

1.05 Jamestown Interconnection. The Parties agree to interconnect their transmission facilities at 230 kV at a point located in the NE ¼ of the SE ¼, Section 17, Township 41, Range 63, Stutsman County, North Dakota (hereinafter referred to as the "Jamestown Interconnection"). Facilities required for said connection, including structures and equipment for switching, metering, relay and control, shall be provided and installed by Otter Tail in accordance with specifications as agreed between the Parties.

Connection of facilities under this Section 1.05 shall be made on or about August, 1970. Metering of electric power and energy at such interconnection shall be as of 230 kV, or referred thereto.

1.06 Bemidji Transmission Line. The Parties agree to the construction of a 230 kV transmission line extending from the Winger 230 kV Substation to the Bemidji, Minnesota area with associated terminal facilities and to provide for further interconnection of their electric transmission systems as follows.

a. Facilities Provided By Minnkota. Minnkota will provide at its own expense, the following described facilities as shown on Exhibits D, E, F, and F-1 to this Agreement.

1. At the Winger Substation near Winger, Minnesota, three 230 kV circuit breakers, associated relay, control and switching equipment and terminal structures.
2. A 230 kV, 954 MCM, ACSR transmission line to extend from the 230 kV Winger Substation approximately 35 miles in an easterly direction to a point near Shevlin, Minnesota where it will be connected to Otter Tail's line described in Section 1.06.b.1 hereof.
3. At the Wilton Substation near Bemidji, Minnesota, the site, control house, chain link fence and all site grading and improvements.
4. At the Buffalo Substation near Buffalo, North Dakota the site, site grading and improvements, chain link fence, all 230 kV switching facilities, 230 kV terminal structures and microwave extension for communication, relaying and control. 5. At the Jamestown Substation near Jamestown, North Dakota, the 230 kV line relaying equipment.

b. Facilities Provided by Otter Tail. Otter Tail will provide at its own expense, the following described facilities as shown on Exhibits, D, E, F, and F-1 attached hereto.

1. A 230 kV, 954 MCM, ACSR transmission line to extend from the Wilton 230 kV Substation approximately 17 miles in a westerly direction to a point near Shevlin, Minnesota where it will be connected to Minnkota's line described in Section 1.06.a.2 hereof.
2. At the Wilton Substation near Bemidji, Minnesota, a 230 kV terminal structure, 230 kV switching equipment and 125,000 kVA of 230 to 115 kV transformation capacity. Additionally, Otter Tail will provide two 115 kV circuit breakers with associated relay, control and switching equipment, 115 kV bus and terminal structures and 115 kV billing accuracy metering equipment for the 230/115 kV delivery.
3. At the Buffalo Substation near Buffalo, North Dakota, 40,000 kVA of 230 to 41.6 kV transformation capacity, 41 kV facilities including metering and all other protective and control equipment at the substation. Additionally, Otter Tail will provide the control house.
4. At the Jamestown Substation near Jamestown, North Dakota, two 230 kV circuit breakers and associated switching equipment and structures.

c. Design Requirements. To assure that the facilities described in this Section 1.06 are compatible and of the same general quality throughout, the overall design will be mutually established by the Parties in sufficient detail to permit each Party to proceed independently with engineering and construction of its portion of each project.

d. Completion Schedule. Subject to accidents, strikes, litigations, delays in securing delivery of equipment or other causes beyond the reasonable control of the Parties, including financing, appropriate regulatory approval, the procuring of the necessary rights of way, materials and labor and the obtaining of all the necessary governmental authorizations and permits, the installation of the facilities by the Parties, as above described in this Section 1.06, shall be completed and in service on the below listed schedule, and should the installation of any of said facilities be delayed beyond said dates due to any of the aforesaid causes, it shall nevertheless be completed as soon thereafter as possible.

Buffalo 230 kV Substation	September 1975
Winger 230 kV Substation	October 1976
Wilton 230 kV Substation	October 1976
Winger-Wilton 230 kV Transmission Line	October 1976
Jamestown 230 kV Substation	September 1976

e. Metering of electric power and energy at the Buffalo and Shevlin Interconnections shall be as of 230kV, or referred thereto.

ARTICLE II

OPERATION

2.01 Use of Transmission Facilities.

a. The interconnection of transmission facilities will effect savings in capital investment by the Parties. In consideration thereof, each Party will allow the other to transmit electric power and energy through its system between the several points of interconnection as defined in this Agreement to the extent that such system has capacity in excess of that required for its own needs.

b. Each of the Parties is contributing to the development of the facilities shown in Exhibit A, which are intended to have a long-term benefit to each of the Parties, by the construction of facilities not necessarily of direct benefit to the constructing Party or providing a direct connection to its system. In recognition thereof:

1. Otter Tail agrees that the transmission facilities presently installed and committed to be installed in North Dakota and Minnesota, as shown on Exhibit A, are

adequate to deliver the output of Center No. 1 to Minnkota's service area and Minnkota's interconnecting points to adjacent systems, and Minnkota shall not be obligated to install additional transmission facilities to provide transmission outlets including transmission backup for Center No. 1.

2. Otter Tail further agrees that capacity to deliver to the 115 kilovolt substation bus at Devils Lake, North Dakota, and Winger, Minnesota, shall be supplied to Minnkota in amounts equal to those required at these respective points at the time of first full utilization of Center No. 1 for Minnkota's member cooperative loads, but not to exceed 37.5 MVA at Devils Lake and 62.5 MVA at Winger. The capacity specified at Devils Lake in this paragraph 2 is subject to capacity of 75 MVA being available to Otter Tail pursuant to the Transmission Service Agreement between United Power Association, Otter Tail, and others dated August 17, 1964. Until such time as the capacity commitment is established at Devils Lake and Winger, Otter Tail will furnish capacity as required by Minnkota but not to exceed 37.5 MVA at Devils Lake and 62.5 MVA at Winger. These capacities shall be provided by Otter Tail for Minnkota commencing when Center No. 1 is first placed in service and continuing for a period of 35 years.

3. The Parties recognize that when additional facilities are required in the future to serve the Parties' loads, such additional facilities shall be provided by the Parties generally in proportion to their increased transmission requirements in excess of the transmission capacities provided by the facilities shown in Exhibit A.

c. Each of the Parties will accept at the points of interconnection defined in this Agreement electric power and energy from the other Party and deliver an equivalent amount of electric power and energy, adjusted for net additional losses if any, at its points of interconnection to other adjacent systems to the extent that such Party has capacity therefore in excess of its own needs and obligations.

2.02 Service Conditions.

a. The Parties agree to so operate their systems interconnected hereunder that, when either Party is transmitting electric power and energy through the other Party's system, the transmitting Party's input of electric power and energy into the other Party's system shall at all times be approximately equal to the amount of electric power and energy withdrawn therefrom, adjusted for losses actually incurred, by the transmitting Party.

b. The transfer of electric power and energy between interconnections will sometimes be through displacement rather than directly between the interconnections. It is recognized that this may have a material effect on the flow of power and energy through the aforesaid interconnections and may make it virtually impossible to make reasonably accurate estimates of the losses actually incurred in any specific transaction. In view thereof, the Parties agree that losses incurred will be ignored unless such losses are significant, in which event the Parties will establish an equitable formula for determining the adjustments to be made to compensate for losses.

2.03 Points of Metering. The transfer of power and energy shall be measured by metering equipment at the locations and at the voltages as shown in Exhibit C-2. Where the transfer of power and energy occurs at a point removed from the point of metering, automatic compensating equipment shall be installed to compensate for transmission and/or transformation losses.

2.04 Meter Readings. Each Party will read its meters regularly, at times to be mutually agreed upon, and promptly forward a duplicate copy of such meter readings to the other Party. The demand charts recorded by the meters at the foregoing locations shall be available at all reasonable times to authorized employees and agents of each of the Parties hereto for the purposes of this Agreement.

2.05 Meter Tests, Accuracy, and Adjustments.

a. Each meter used hereunder shall, by comparison with accurate standards, be tested and calibrated by the Party owning the meter at approximate intervals of 12 months. If a

meter shall be found inaccurate, it shall be restored to an accurate condition or an accurate meter substituted.

b. Either Party shall have the right to request that a special test of metering equipment be made at any time. If any test, made at a Party's request, discloses that the metering equipment tested is registering within 2% of normal, the Party requesting the test shall bear the expense thereof. The expense of all other tests shall be borne by the Party owning the metering equipment.

c. The result of all tests and calibrations shall be open to examination by both Parties, and a report of every test shall be furnished immediately to each Party. Any meter tested and found to be not more than 2% above or below normal shall be considered to be accurate. If, as a result of any test, any meter is found to register in excess of 2% either above or below normal, then the readings of such meter previously taken shall be corrected according to the percentage of inaccuracy so found, but no such correction shall extend beyond 60 days previous to the day on which inaccuracy is discovered by such test.

d. Should any such metering equipment at any time fail to register, or should the registration thereof be so erratic as to be meaningless, the power and energy delivered shall be determined from the best information available.

2.06 Use of the System. The investment by the Parties in portions of the transmission system described in the Coyote Transmission Agreement and this Agreement shall be consideration for the use by the Parties of the entire transmission system described therein and herein. The Parties also agree to coordinate the operation, planning, and construction of their respective existing and future transmission facilities, including interconnections with the systems of others, for the mutual benefit of the Parties.

ARTICLE III

GENERAL

3.01 Correction of Trouble. In the event that the interconnected operation of the systems herein contemplated results in trouble on either Party's system, including but not limited to interruptions, grounds, radio or telephone interference, unreasonable surges, or objectionable voltage fluctuations, where such trouble is caused by the method of operation or the facilities employed by the other Party, its customers, or third party suppliers connected to its lines, such trouble shall be corrected by the Party on or through whose system it originates within a reasonable time after written notice thereof.

3.02 Indemnity. Each Party agrees to defend, indemnify, and hold harmless any other Party against any and all claims, liability, loss, damage, or expense caused by or resulting from the negligent acts or omissions of the indemnifying Party, its employees or agents.

3.03 Limitations. It is agreed that no Party shall be liable, because of the exercise of the rights granted herein, for any claim for injuries or damages arising from the construction, operation, and maintenance of the other Party's system, except where such claim shall have been occasioned by negligence of itself, its agents or employees, or for delays not reasonably within its control, including inability to secure or replace materials or supplies necessary to perform the work contemplated herein, nor shall any such delay be deemed a breach of any obligations under this Agreement.

3.04 Arbitration.

a. Any controversy, claim, counterclaim, dispute, difference, or misunderstanding arising out of or relating to any question of fact to be determined under this Agreement, or the breach thereof, shall be settled by arbitration in accordance with the rules of the American Arbitration Association. The Party desiring arbitration shall demand such arbitration by giving written notice to the other Party setting forth the point or points in dispute. The decision or award of the arbitrator shall be final and binding upon the Parties and the Parties shall do such acts as the arbitration decision or award may require of them. Judgment upon any award rendered by the

arbitrator may be entered in any court having jurisdiction and execution issued thereon. This provision shall survive the termination of this Agreement.

b. Costs incurred in connection with the arbitration shall be paid in equal parts by the Parties unless the award shall specify a different division of costs.

3.05 Right of Access. Each of the Parties will give authorized agents and employees of the other Parties the right to enter its premises at all reasonable times for the purpose of reading or checking meters, for constructing, testing, repairing, renewing, exchanging, or removing any or all of its equipment which may be located on the property of the other Party or performing any work incident to rendering the service hereby contracted for.

3.06 Successors and Assigns. This Agreement shall be binding upon the respective Parties, their successors and assigns, on and after the effective date hereof.

3.07 Notices. Any notices, demands, or requests, required or authorized by the Agreement, shall be deemed properly given if mailed, postage prepaid, to the Vice President, Electrical, Otter Tail Power Company, Fergus Falls, Minnesota, on behalf of Otter Tail, and to the General Manager, Minnkota Power Cooperative, Inc., Grand Forks, North Dakota, on behalf of Minnkota, and to the General Manager, Northern Municipal Power Agency, Thief River Falls, Minnesota, on behalf of Agency. The designation of the persons to be notified or the address of such person may be changed at any time by similar notice.

3.08 Term of Agreement. This Agreement shall continue in effect from the date first above mentioned and until January 1, 2005, and, if not then terminated by not less than 48 months prior written notice given by either Party to the other Party, shall continue in full force and effect until so terminated.

3.09 Regulation and Administrative Approval. This Agreement is subject to the regulation of any governmental regulatory body or bodies having jurisdiction thereof, and shall be of no force and effect unless it is approved by the Administrator of the Rural Electrification Administration.

ARTICLE IV

COYOTE TRANSMISSION FACILITIES

4.01 Percentage Participation of Otter Tail and Minnkota in the Coyote Transmission Agreement costs will be as follows:

	Otter Tail	Minnkota
115 kV Tie Lines	35	30
Coyote-Center 345 kV Lines	35	30
Center 345 kV Substation	35	30
Maple River 345 kV Substation	35	30
Conversion of Center-Maple River 230 kV Line to 345 kV	27.5	55
Conversion of Jamestown and Buffalo Substations to 345 kV	47.5	35

Center-Maple River 345 kV Line

4.02 Minnkota has acquired or will acquire right of way easements by purchase or condemnation together with all associated permits, licenses and property rights associated therewith for modification and uprating of the Center-Maple River transmission line from 230 to 345 kV and will contract for the construction thereof in the sole name of Minnkota and be the sole owner thereof.

345 kV Substation Sites

4.03 Minnkota will provide the unimproved sites for the Center, Maple River, and Buffalo 345 kV substations. Otter Tail will provide the unimproved site for the Jamestown 345 kV substation.

Center 345 kV Substation

4.04 Otter Tail will provide and maintain a 300 MVA 345/230 kV substation near the Milton R. Young Station at Center, North Dakota to provide termination and protection for the two Coyote-Center 345 kV lines, the Center-Maple River 345 kV line and the Center-Square Butte 230 kV line. Space only shall be provided for connection of three additional 345 kV lines and one future generator unit. The

general arrangement of the facilities to be installed at the Center 345 kV substation shall be in accordance with Exhibit G attached hereto.

Maple River 345 kV Substation

4.05 Otter Tail will provide and maintain a 600 MVA 345/230 kV substation at the existing Maple River substation site near Fargo, North Dakota, to provide termination and protection for the Center-Maple River 345 kV line, two 300 MVA 345/230 kV transformers and connection to the existing 230 kV Maple River substation. The general arrangement of the facilities to be installed at the Maple River substation shall be in accordance with Exhibit H attached hereto.

Jamestown 345 kV Substation

4.06 Otter Tail will provide, construct and maintain a 345/115/41.6 kV substation at the existing Jamestown substation site near Fried, North Dakota. The general arrangement of the facilities to be installed at the Jamestown 345 kV substation shall be in accordance with Exhibit C-2 attached hereto.

Buffalo 345 kV Substation

4.07 Minnkota will provide, construct and maintain all 345 kV switching facilities, 345 kV terminal structures and microwave extension for communication, relaying and control at the existing Buffalo substation near Buffalo, North Dakota.

Otter Tail will provide, construct and maintain the 345/115/41.6 kV transformation and all 115 kV and lower voltage facilities including metering and all other protective and control equipment at the substation including the control house. The general arrangement of the facilities to be installed in the Buffalo 345 kV substation shall be in accordance with Exhibit F-1 attached hereto.

Transmission Line Protective Relaying

4.08 To the extent that Minnkota's existing 230 kV transmission line protective relays at the Center-Jamestown and Maple River Substations can be utilized at 345 kV, these relays will be furnished and maintained by Minnkota.

ARTICLE V

COYOTE PROJECT TRANSMISSION

5.01 Effective as of the closing date of the sale of the Coyote Project Transmission, Minnkota assigned, transferred, conveyed, set over, and relinquished to Agency Minnkota's 100% undivided ownership interest in the modifications and additions to the existing Minnkota 230 kV transmission line extending from the Center 345 kV substation to the Maple River 345 kV substation for 345 kV operation (the "Coyote Project Transmission"), and all of its right, title and interest in this Agreement as it pertains to the Coyote Project Transmission.

5.02 Agency shall be a party to this Agreement, effective as of the closing date of the Coyote Project Transmission referenced in section 5.01, with respect to the Coyote Project Transmission, and wherever used in this Agreement or any exhibits attached hereto, the word "Minnkota" or "Parties," as such terms relate to the Coyote Project Transmission on and after such closing date, shall be read as or shall include, as the case may be, "Agency."

5.03 Effective as of the closing date of the Coyote Project Transmission referenced in section 5.01, Minnkota shall no longer be a party to this Agreement insofar as it pertains to the Coyote Project Transmission.

5.04 Participation in Facilities. Participation of Otter Tail and Agency in the ownership of certain transmission, substation and communication facilities constructed in connection with the Coyote Station Agreement is:

Item	Owner	Percent Ownership	Cost
Maple River 345 kV	Otter Tail	88.476	$ 3,319,618
Substation	Agency	11.524	432,397
		100.000	$ 3,752,015
Buffalo Substation	Otter Tail	91.693	$ 878,236
Uprate to 345 kV	Agency	8.307	79,569
		100.000	$ 957,805
Jamestown Substation	Otter Tail	87.927	$ 1,778,476
Uprate to 345 kV	Agency	12.073	244,191
		100.000	$ 2,022,667

Center 345 kV Substation	Otter Tail	77.063	$ 3,302,288
	Agency	22.937	982,885
		100.000	$ 4,285,173
Center-Maple River Line Uprate to 345 kV	Otter Tail	22.602	$ 5,071,788
	Agency	77.398	17,367,806
		100.000	$22,439,594
Coyote 345/115 kV Substation	Montana-Dakota	95.169	$ 5,392,826
	Northwestern	2.958	167,640
	Minnesota Power	1.480	83,845
	Otter Tail	0.176	9,970
	Agency	0.217	12,313
		100.000	$ 5,666,594
Communication and Control	Montana-Dakota	66.915	$ 230,957
	Otter Tail	6.394	22,068
	Agency	26.691	92,124
		100.000	$ 345,149

5.05. Agency to Otter Tail. Agency agrees to transfer ownership to Otter Tail of Agency's interest in the Center-Maple River 345 kV transmission line from the Jamestown substation westward a distance of approximately 47.74 miles to and including structure number 454. Agency will provide a Bill of Sale to Otter Tail itemizing the units of property being transferred. Agency will also provide to Otter Tail a transfer of easement rights such that Otter Tail will have adequate access rights to its property.

ARTICLE VI

OPERATION AND MAINTENANCE SERVICE

6.01. Operation and Maintenance Service (O&M). Minnkota agrees to operate, maintain and replace the Otter Tail portion of the Center-Jamestown 345 kV line in accordance with the normal practices of the industry. The maintenance to be performed will be determined on the basis of air inspections and/or ground inspections. Required emergency inspections, repairs and maintenance will be performed as soon as practical upon discovery of the need thereof.

Minnkota will perform all maintenance and operational inspections, either with its own crew or with crews hired under special contract.

6.02. Minnkota will purchase and stock at convenient locations, an adequate supply of necessary transmission line materials, such as insulators, conductor, shield wire, other supporting structural members and special hardware which shall remain the property of Minnkota.

6.03 Billing Calculation for O&M Service. The following procedure shall be utilized to determine the amount of monthly payment due Minnkota by Otter Tail for O&M work performed by Minnkota for Otter Tail's account and associated with Otter Tail's interest in the Center-Jamestown 345 kV transmission line:

$$\text{Monthly O\&M Payment} = \frac{\text{Total Monthly Actual Minnkota Transmission System O\&M Cost}}{\text{Total Adjusted Transmission Line Mileage}} \times \text{Adjusted Otter Tail 345 kV Transmission Line Mileage}$$

Where

* Total monthly actual Minnkota transmission system O&M costs are equal to the sum of all expenses included in the FPC Uniform Systems of Accounts, Accounts Numbers 563 Overhead Line Expenses and 571 Maintenance of Overhead Lines.

* Adjusted total transmission line mileage is the sum of:

$$\frac{\text{69 kV and 41 kV}}{1.0} + \frac{\text{115 kV and 230 kV}}{1.5} + \frac{\text{345 kV}}{2} \quad \text{Miles in the Minnkota System}$$

* Adjusted Otter Tail 345 kV line mileage is equal to:

$$\frac{\text{Otter Tail Investment in Center-Jamestown 345 kV line}}{\text{Negotiated Value of 345 kV Line Per Mile (\$165,000)}}$$

$$= \frac{\$5,071,788}{165,000} = 30.74 \text{ Miles}$$

For example, for the 12 month period, January 1 to December 31, 1985

$$\text{The sum of monthly O\&M payments} = \frac{\$1,435,065}{2551.3 \text{ miles}} \times 30.74 \text{ miles} = \$17,290.75$$

6.04 Otter Tail shall promptly pay Minnkota for each month's service within fifteen (15) days after receipt of billing therefor.

ARTICLE VII

FACILITY OWNERSHIP

7.01 The Parties are to be individually the sole owners of separate segments of the facilities constructed pursuant to the Coyote Transmission Agreement and Articles IV and V of this Agreement. There is attached hereto as Exhibits I and J and made a part hereof, a listing of the cost of constructing such facilities and the division of ownership. Appropriate documents to accomplish said division, as required by counsel for the Parties, will be executed and delivered, conveying the separate segments, free of liens. In the event that the desired ownership of discrete system components cannot be achieved in proportion to ownership requirements, it is the intent that the Parties will adjust ownership proportions of future facilities to compensate for such difference.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed as of the day and year first above written.

ATTEST

(SEAL) Stacie M. Hebert

STACIE M. HEBERT

OTTER TAIL POWER COMPANY

By JoAnn M. Thompson

JOANN M. THOMPSON

ATTEST

(SEAL) Joel L. Larson

JOEL L. LARSON

MINNKOTA POWER COOPERATIVE, INC.

By Lowell Stave

Lowell Stave

ATTEST

(SEAL)

NORTHERN MUNICIPAL POWER AGENCY

By

Exhibit A

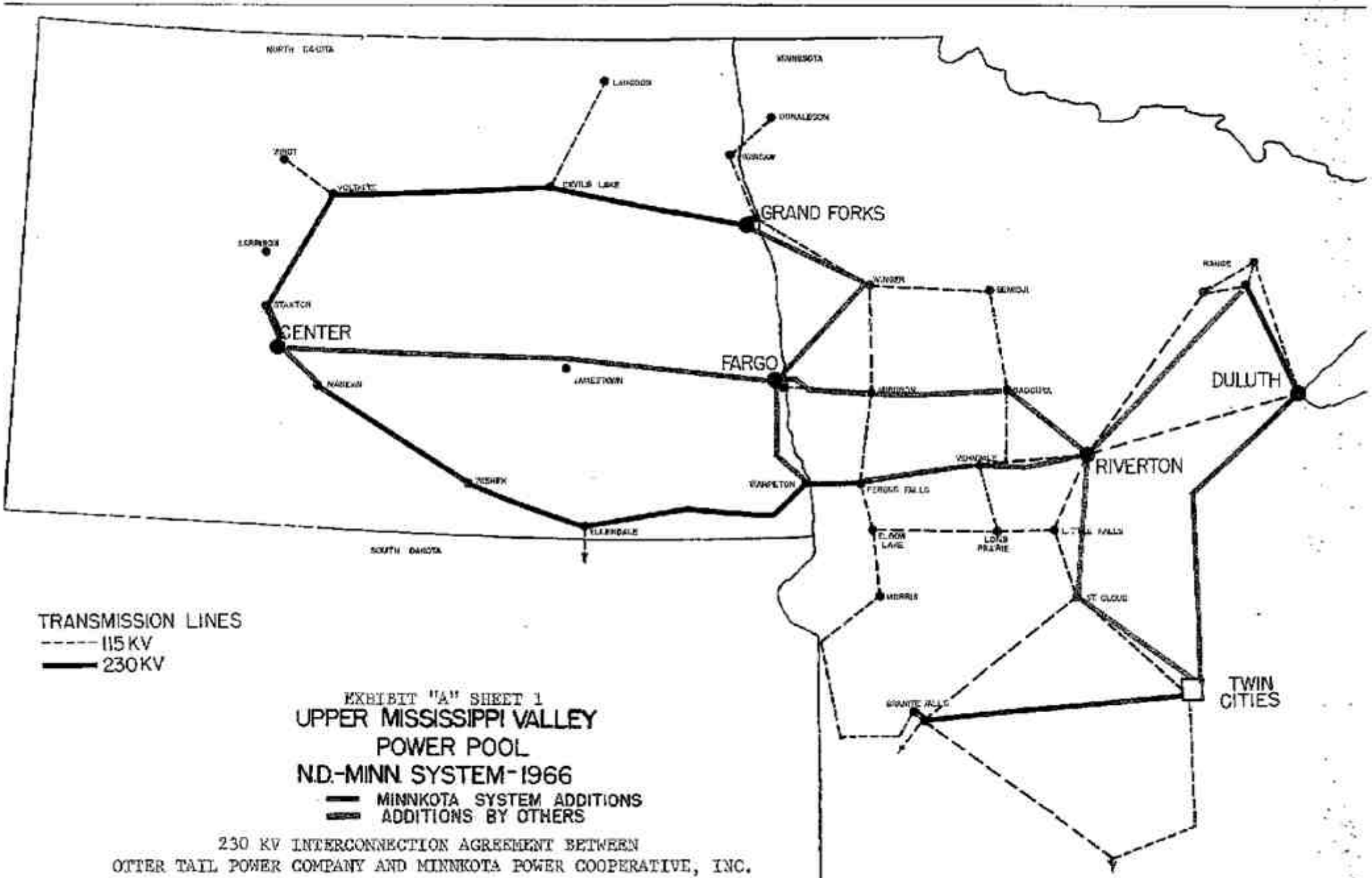


EXHIBIT "A" SHEET 1

UPPER MISSISSIPPI VALLEY POWER POOL

N.D.-MINN. SYSTEM - 1966

MINNKOTA SYSTEM ADDITIONS
ADDITIONS BY OTHERS

230 KV INTERCONNECTION AGREEMENT BETWEEN
OTTER TAIL POWER COMPANY AND MINNKOTA POWER COOPERATIVE, INC.

EXHIBIT A - Sheet 2

230 KV Interconnection Agreement between Otter Tail Power Company and Minnkota Power Cooperative, Inc.

Facilities to be Provided by the Parties

Minnkota Power Cooperative, Inc.

1970	Center - Fargo 230 KV line	210 miles
1969	Fargo - Winger 230 KV line	66 miles
1969	Winger - Grand Forks 230 KV line	64 miles
*1969	Fargo - Wahpeton 230 KV line	55 miles
*1969	Center - Heskett 230 KV line	23 miles
1969	Fargo 230 KV substation including six 230 KV circuit breakers and one 115/69 KV transformer (Excluding 230/115 KV transformation.)	
1969	Winger 230 KV substation including one 230 KV circuit breaker (Excluding 230/115 KV transformation.)	
1969	Grand Forks - two 230 KV circuit breakers	

Otter Tail Power Company

1969	Fargo - Audubon 230 KV line conversion	48 miles
*1969	Wahpeton 230 KV substation including one 230 KV circuit breaker and 230/41.6 KV transformer	
1969	Winger 230/115 KV transformer (75/100/125 MVA) and 115 KV circuit breaker	
1969	Fergus Falls - one 230 KV circuit breaker	
1969	Fergus Falls - Henning 230 KV line conversion	33 miles
1969	Henning 230/41.6 KV substation	

* May be installed earlier by separate agreement.

Exhibit B-2

EXHIBIT B-2

230 INTERCONNECTION AGREEMENT
between
OTTER TAIL POWER COMPANY
and
MINNKOTA POWER COOPERATIVE, INC.

Points of Interconnection

a. Wahpeton Interconnection. The systems of Otter Tail and Minnkota will be interconnected at 230 kV at a point near Wahpeton, North Dakota, where Minnkota's Fargo-Wahpeton 230 kV line connects to Otter Tail's Wahpeton 230 kV Substation located north of Wahpeton, North Dakota. (Sec. 33, Twp. 133N., R. 47W., Richland County, North Dakota.)

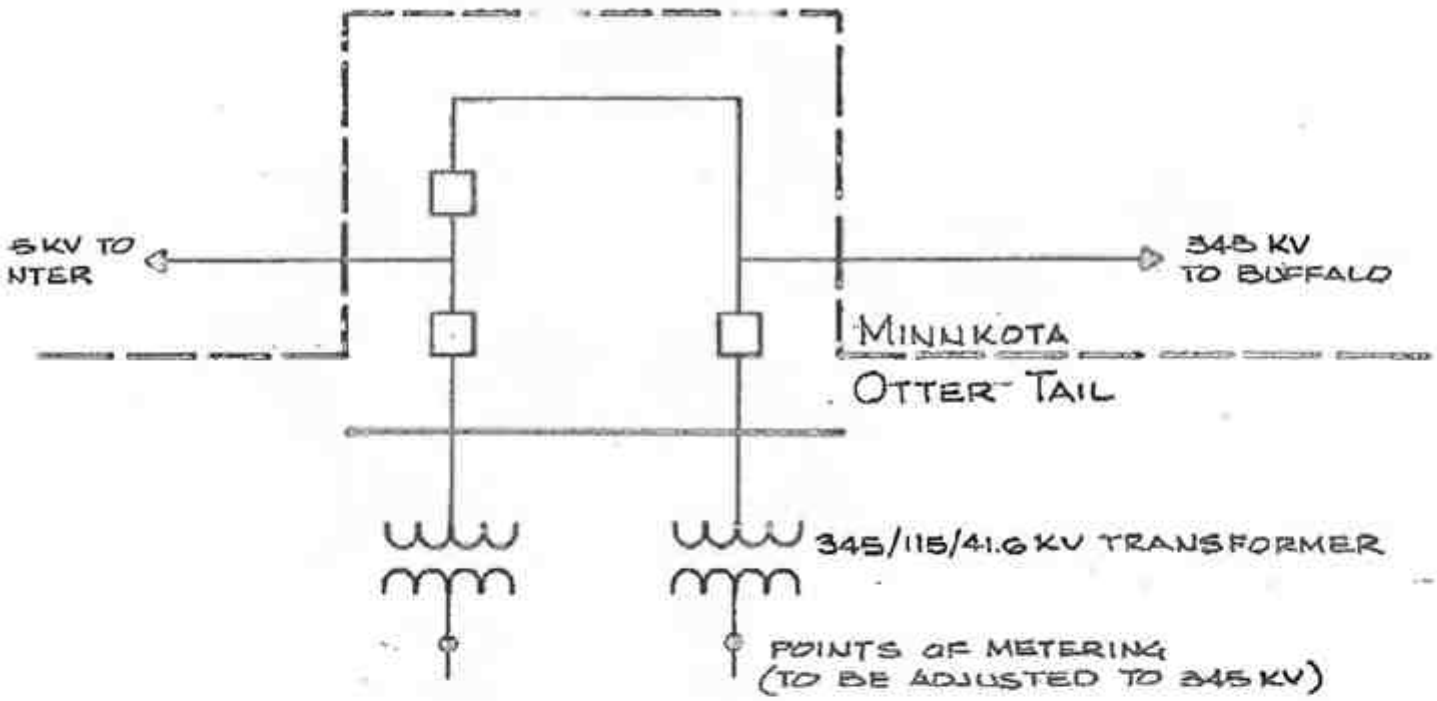
b. Winger Interconnection. The systems of Otter Tail and Minnkota will be interconnected at 230 kV at the Winger Substation located near Winger, Minnesota. (S. 1/2 of Sec. 9, Twp. 147N., R. 42W., Polk County, Minnesota.)

c. Jamestown Interconnection. The systems of Otter Tail and Minnkota will be interconnected at 230 kV at Otter Tail's Jamestown Substation located near Jamestown, North Dakota. (NE 1/4 of SE 1/4 Sec. 17, Twp. 41N., R. 63W., Stutsman County, North Dakota.)

d. Buffalo Interconnection. The systems of Otter Tail and Minnkota will be interconnected at 230 kV at the Buffalo Substation located near Buffalo, North Dakota. (N.E. 1/4 of N.E. 1/4, Sec. 8, Twp. 140N., R. 54W., Cass County, North Dakota.)

e. Shevlin Interconnection. The systems of Otter Tail and Minnkota will be interconnected at 230 kV at a location near Shevlin, Minnesota. (N.E. 1/4 of N.W. 1/4 of Sec. 11, Twp. 146N., R. 37W., Clearwater County, Minnesota.)

Exhibit C-2



MINNKOTA

LINE PROTECTION AND CONTROL TERMINALS

OTTER TAIL

MICROWAVE AND MULTIPLEX CHANNELS
SUPERVISORY CONTROL AND TRANSFORMER
PROTECTION TERMINALS

EXHIBIT "C-2"

SUPPLEMENT NO. 4 TO THE 230 KV
INTERCONNECTION AGREEMENT BETWEEN
OTTER TAIL POWER COMPANY AND
MINNKOTA POWER COOPERATIVE INC.

JAMESTOWN 345 KV SUBSTATION

EXHIBIT "C-2"

MINNKOTA POWER COOPERATIVE INC.

Exhibit D

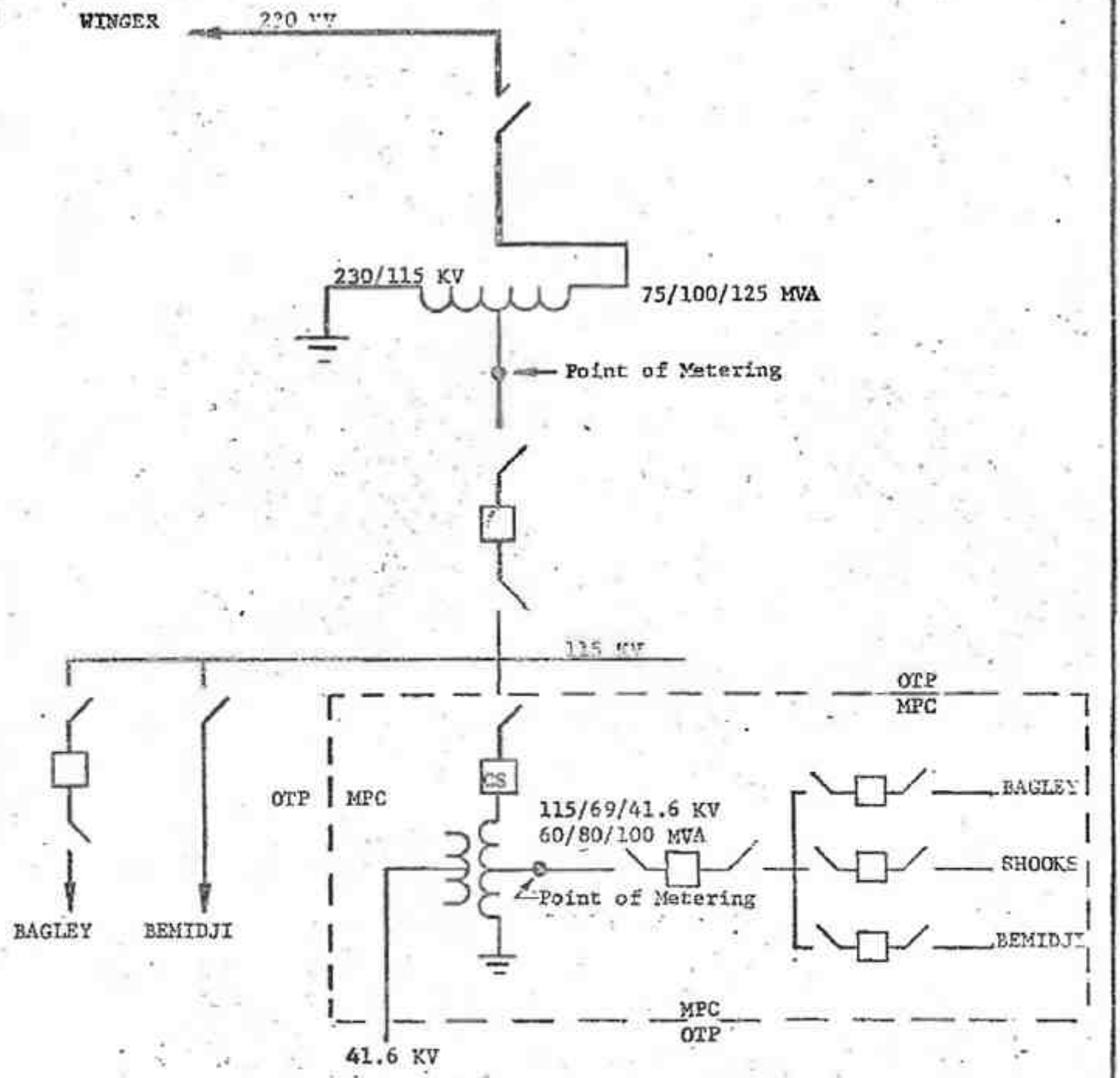


EXHIBIT "D"
Supplement No. 3 to the 230 KV
Interconnection Agreement between
Otter Tail Power Company and
Minnkota Power Cooperative, Inc.

WILTON 230/115 KV SUBSTATION

EXHIBIT "D"

MINNKOTA POWER COOPERATIVE, INC
GRAND FORKS, NORTH DAKOTA

DATE	REVISION	DRAWN	DATE	SHEET OF
		CHECKED	SCALE	

Exhibit E

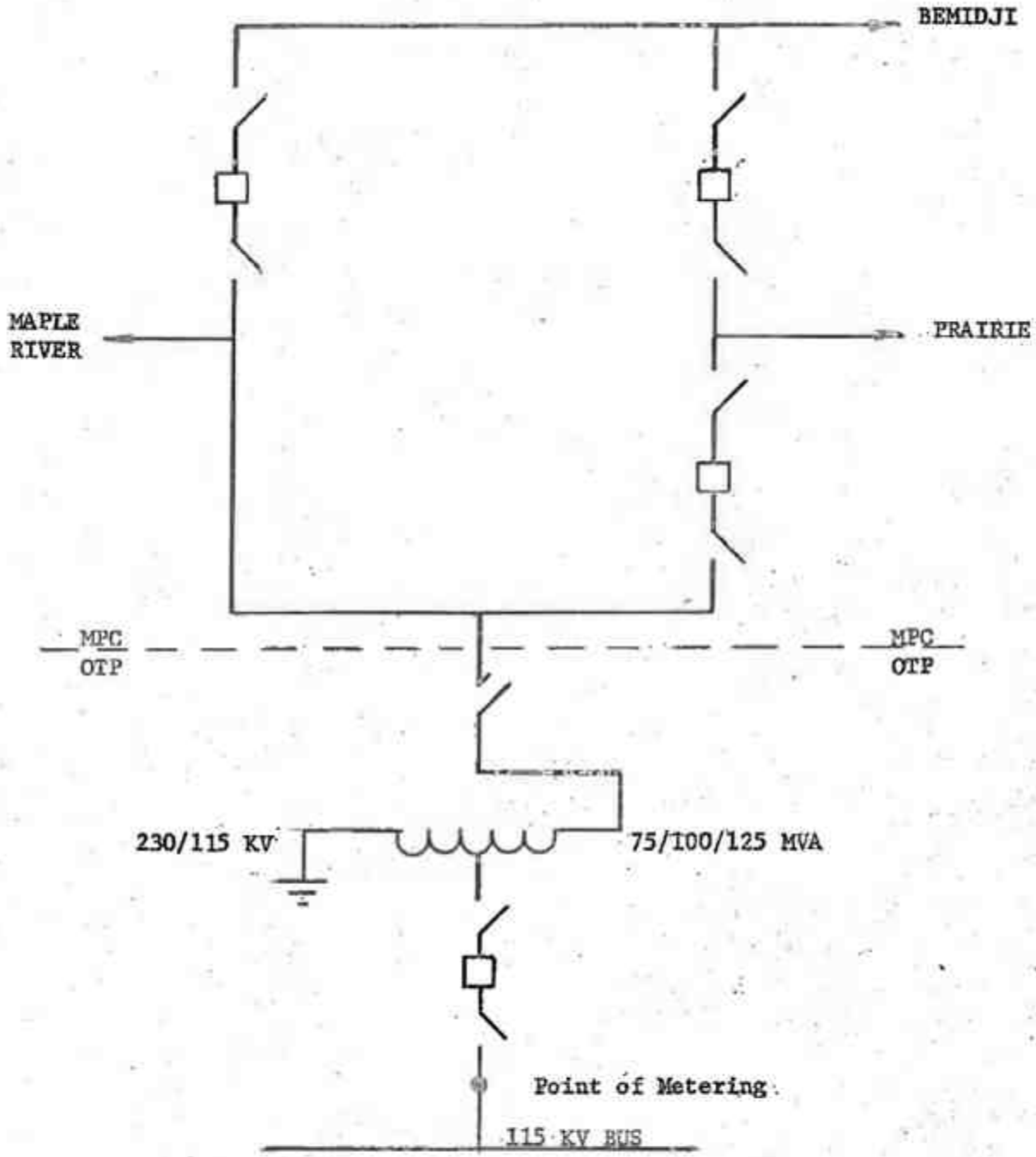


EXHIBIT "E"
Supplement No. 3 to the 230 KV Interconnection Agreement between Otter Tail Power Company and Minnkota Power Cooperative, Inc.

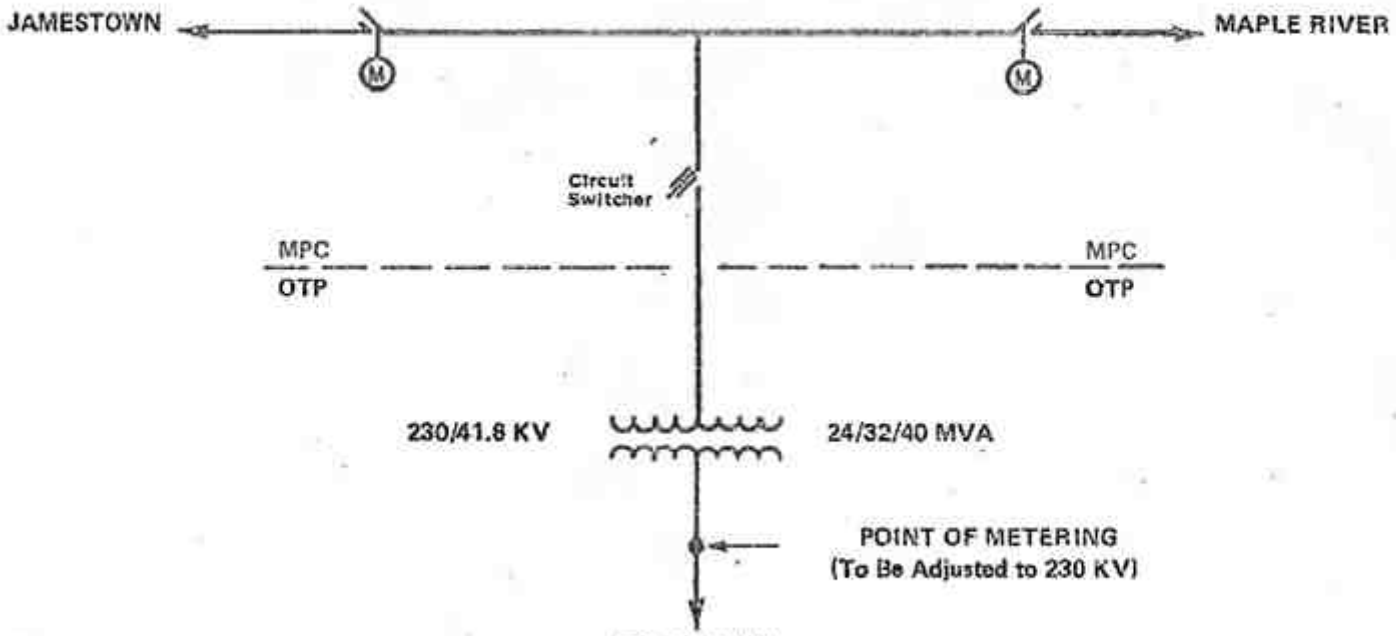
WINGER 230/115 KV SUBSTATION

EXHIBIT "E"

MINNKOTA POWER COOPERATIVE, INC
GRAND FORKS, NORTH DAKOTA

DATE	REVISION	DRAWN	DATE	SHEET OF
		CHECKED	SCALE	

Exhibit F



MPC
MICROWAVE EQUIPMENT FOR COMMUNICATION, RELAYING AND SUPERVISOR CONTROL.
SUBSTATION SITE

OTP
TRANSFER TRIP RECEIVERS
SUPERVISORY CONTROL
CONTROL HOUSE

EXHIBIT "F"

Supplement No. 3 to the 230 KV Interconnection Agreement between Otter Tail Power Company and Minnkota Power Cooperative, Inc.

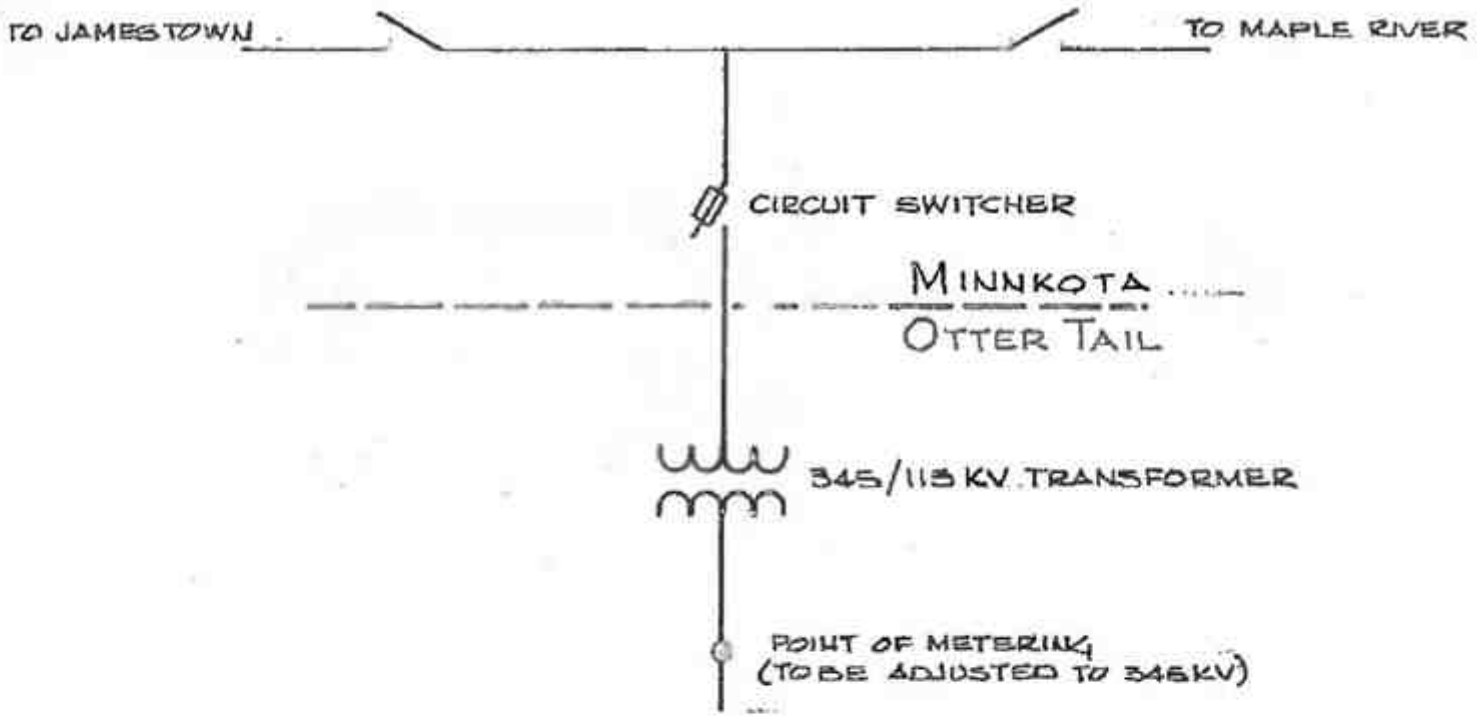
BUFFALO 230/41.6 KV SUBSTATION

EXHIBIT "F"

MINNKOTA POWER COOPERATIVE, INC.
GRAND FORKS, NORTH DAKOTA

DATE	REVISION	DRAWN	DATE	SHEET OF
		CHECKED	SCALE	

Exhibit F-1



MINNKOTA

MICROWAVE EQUIPMENT AND MULTIPLEX CHANNELS,
345KV STRUCTURES, BUS AND SWITCHING EQUIPMENT,
SITE AND FENCE

OTTER TAIL

TRANSFORMER PROTECTION TERMINALS,
TRANSFER TRIP RECEIVERS,
SUPERVISORY CONTROL EQUIPMENT,
CONTROL HOUSE AND BATTERIES

EXHIBIT "F-1"

SUPPLIMENT NO. 4 TO THE 230 KV
INTERCONNECTION AGREEMENT BETWEEN
OTTER TAIL POWER COMPANY AND
MINNKOTA POWER COOPERATIVE INC.

BUFFALO 345KV SUBSTATION

EXHIBIT "F-1"

MINNKOTA POWER COOPERATIVE INC.

Exhibit G

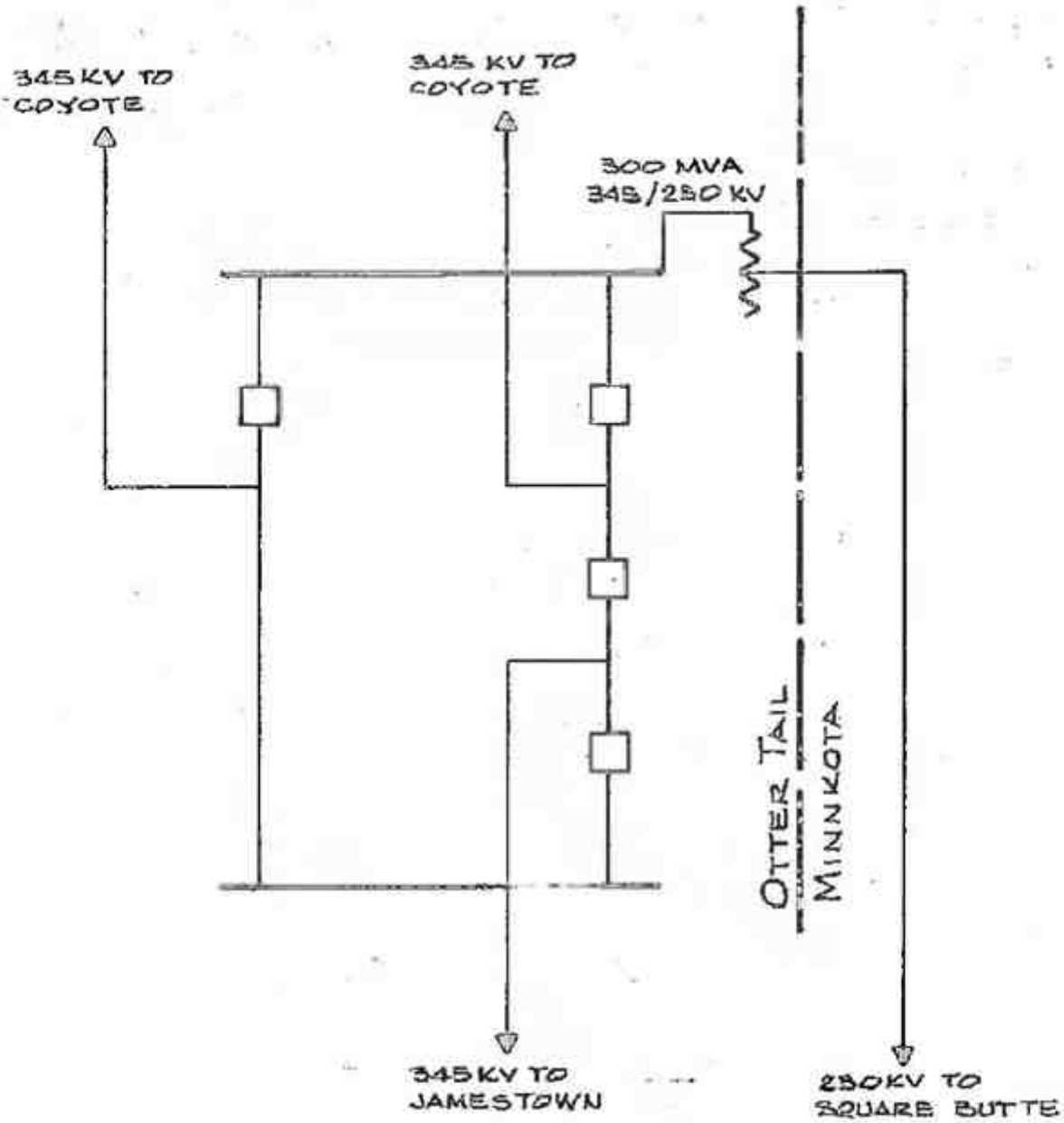
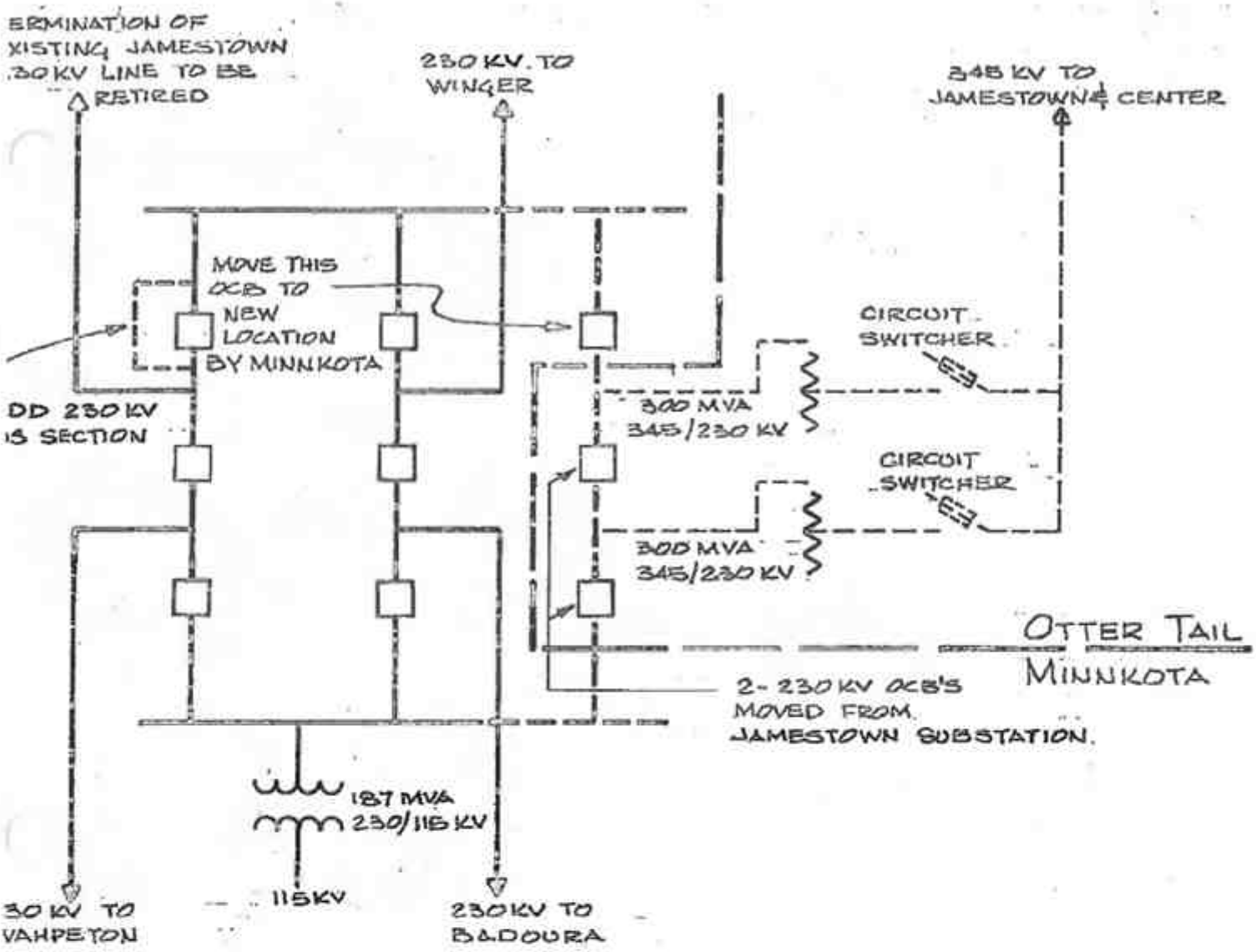


EXHIBIT "G"

SUPPLEMENT NO. 4 TO THE 230 KV
INTERCONNECTION AGREEMENT
BETWEEN OTTER TAIL POWER COMPANY
AND MINNKOTA POWER COOPERATIVE INC.

CENTER 345 KV SUBSTATION
EXHIBIT "G"
MINNKOTA POWER COOPERATIVE INC

Exhibit H



EXISTING ———————

ADDITIONS — — — — —

DIVISION OF
OWNERSHIP ——— ———

EXHIBIT "H"

UPPLIMENT NO. 4 TO THE
30 KV INTERCONNECTION AGREEMENT
BETWEEN OTTER TAIL POWER COMPANY AND
MINNKOTA POWER COOPERATIVE INC.

MAPLE RIVER 345 KV SUBSTATION
EXHIBIT "H"

MINNKOTA POWER COOPERATIVE INC.

Exhibit I

EXHIBIT "I"

SUPPLEMENT NO. 4 TO 230 KV INTERCONNECTION AGREEMENT

TENTATIVE DIVISION OF OWNERSHIP
OF
COYOTE TRANSMISSION FACILITIES

Item	Tentative Owner(s)	Tentative % Ownership	Estimated Cost $1,000's	
Two Coyote 115 KV Tie Lines	Montana-Dakota	100.00		$ 100
Two Coyote-Center 345 KV Lines	Montana-Dakota	46.50	$9,410	
	Northwestern	23.50	4,755	
	Minnesota Power	11.80	2,378	
	Otter Tail	18.20	3,684	
		100.00		20,227
Center 345 KV Substation	Otter Tail	100.00		8,552
Maple River 345 KV Substation	Otter Tail	100.00		4,990
Jamestown 345 KV Substation	Otter Tail	100.00		2,000
Buffalo 345 KV Substation	Otter Tail	47.75	955	
	Minnkota	52.25	1,045	
		100.00		2,000
Uprate Center-Maple River 230 KV Line to 345 KV	Minnkota	100.00		23,368
				$61,237

Exhibit J

EXHIBIT "J" TO SUPPLEMENT NO. 6 TO THE
230 KV INTERCONNECTION AGREEMENT
BETWEEN OTTER TAIL, MINNKOTA
AND NORTHERN

OTP-MPC/NMPA-SQUARE BUTTE OWNERSHIP AND
MAINTENANCE RESPONSIBILITIES FOR THE
COYOTE PROJECT

I. OTP Ownership and Maintenance Responsibilities at the Center, Jamestown, Buffalo and Maple River 345 kV Substations:

1. All 345 kV Air Circuit Breakers
2. All 345 kV Line Switches
3. All 345 kV Breaker Disconnect Switches
4. All 345 kV Circuit Switches
5. Five 345 kV Transformers:
   - Two 345/115/41.6 kV Transformers at Jamestown
   - One 345/115/41.6 kV Transformer at Buffalo
   - Two 345/230/13.8 kV Transformers at Maple River
6. All 345 kV Coupling Capacitor Voltage Transformers (CCVT)
7. All 345 kV Potential Transformers (PT)
8. All 345 kV Current Transformers (CT)
9. All 345 kV Line Traps
10. All 345 kV Control Houses
11. Maple River 230 kV Line Switches 694 and 684
12. Maintenance only (not ownership) of the real estate of the Center and Maple River 345 kV Substations
13. All Control House Battery Banks
14. All Other Equipment, Material and Real Estate Associated with the 345 kV Substations Except as Specifically Designated to MPC/NMPA and/or Square Butte as per Items II and III of this listing.

II. MPC/NMPA Ownership and Maintenance Responsibilities Within OTP's 345 kV Substations

A. Center 345 kV:

1. Panel 7W - Jamestown Line Transfer Trip
2. Panel 8W - Jamestown Line Secondary Relaying
3. Panel 9W - Jamestown Line Primary Relaying
4. Panel 10W - Overall, 345 kV Bus and 230 kV Tie Line Different Relays
5. Panel 11W - 345 and 13.8 kV Metering
6. Panel 13E - ACB 3245 Control, Breaker Failure, Reclosing and Synchrocheck
7. Panel 14E - ACB 3235 Control Breaker Failure, Reclosing and Synchrocheck

8. Panel 15 E- ACB 3215 Control, Breaker Failure, Reclosing and Synchrocheck
9. Panel 17E - Annunciator and Mod Control
10. Communication Equipment (Fiber Optics to Square Butte)
11. Telephone Communication Systems (MPC/NMPA, PBX Extension)
12. MPC/NMPA Supervisory Remote Station
13. Control House KWHR Meter (From MPC/NMPA to OTP)
14. Compressor House KWHR Meter from MPC/NMPA to OTP)
15. Panel W19 - Transformer Protection (NOTE: This was originally designed to be owned by OTP but with MPC/NMPA now owning the Transformer, Panel W19 will be modified and moved to be MPC/NMPA's Panel 6W.)
16. 345/230/13.8 kV Transformer and Associated 230 kV Disconnect Switch 2219
17. General Electric 24/7.2 kV Grounding Transformer
18. All 13.8 kV Equipment and Material at the Center 345 station except as specifically designated to Square Butte as per Item III of this listing.

B. Jamestown 345 kV:

1. Panel 1N - Center Line Primary Relaying
2. Panel 2N - Center Line Secondary Relaying
3. Panel 3N - ACB 3115 Control, Breaker Failure
4. Panel 4N - ACB 3125 Control, Breaker Failure, Reclosing and Synchrocheck
5. Panel 5N - ACB 3135 Control, Breaker Failure, Reclosing and Synchrocheck
6. Panel 6N - 345 kV Transfer Trip
7. Panel 7N - Maple River-Buffalo Line Westinghouse Relaying
8. MPC/NMPA Supervisory Remote Station

C. Buffalo 345 kV:

1. Panel 4 - Jamestown-Maple River Line Westinghouse Relaying
2. Panel 5 - 345 kV Transfer Trip
3. Panel 6 - MPC/NMPA Supervisory Remote Station
4. Telephone Communication Systems (Dantel)
5. Microwave Equipment

D. Maple River 345 kV:

1. Panel E10 - OCB 67 Control, Breaker Failure, Reclosing and Synchrocheck
2. Panel E11 - OCB 68 Control, Breaker Failure, and Synchrocheck
3. Panel E12 - OCB 69 Control, Breaker Failure

and Synchrocheck
4. Panel E14 - Annunciator
5. Panel W15 - Buffalo-Jamestown Line Westinghouse Relaying
6. Panel W10 - Metering and Transfer Trip
7. Panel W11 - MPC/NMPA Supervisory Remote Station
8. Telephone Communication Systems (MPC/NMPA PBX Extension and Dantel Extension)
9. Two Control House KWHR Meters (MPC/NMPA to OTP)
10. 230 kV OCB's 67, 68, and 69 and Associated Disconnect Switches and Bus Work (i.e., all 230 kV Equipment and Material up to, but not including, Transformer Disconnect Switches 684 and 694)

III. Square Butte Ownership and Maintenance Responsibilities Within OTP's 345 kV Substations

A. Center 345 kV:

1. 13.8 kV OCB 085 and Associated Disconnect Switches
2. Underground 13.8 kV Cable from OCB 085
3. 13.8 kV Metering CT's and PT's
4. Neutral Grounding Resistor and CT
5. Ground Disconnect Switch 8514
6. Grounding Transformer Fused Disconnect 8511
7. Panel 16E - 13.8 kV Control and Protection
8. Control House KWHR Meter (from Square Butte to OTP)
9. Compressor House KWHR Meter (from Square Butte to OTP)
10. 50 KVA, Single Phase, 13.8 kV/240 VAC Westinghouse Padmount Transformer Located Directly East of the Control House.

IV. Sharing of major maintenance costs for Center and Maple River 345/230/13.8 kV transformers.

A. Center. Should the Center 345/230/13.8 kV transformer require major maintenance involving removal of the transformer from its substation foundation slab to an off site service shop, Otter Tail and Minnkota will each bear 50 percent of the cost of said repair including removal, transportation, shop work and reinstallation at the Center 345 kV substation.

B. Maple River. Should either or both Maple River 345/230/13.8 kV transformers require major maintenance involving removal of the transformer from its substation foundation slab to an off site service shop, Otter Tail will pay 75 percent and Minnkota 25 percent of the cost of said repair including removal, transportation, shop work and reinstallation at the Maple River substation.

OTTER TAIL POWER COMPANY

RATE SCHEDULE NO. 168

INTERCONNECTION AND TRANSMISSION SERVICE AGREEMENT

BETWEEN

EAST RIVER ELECTRIC POWER COOPERATIVE, INC.

AND

OTTER TAIL POWER COMPANY

INTERCONNECTION AND TRANSMISSION SERVICE AGREEMENT
BETWEEN
EAST RIVER ELECTRIC POWER COOPERATIVE, INC.
MADISON, SOUTH DAKOTA
AND
OTTER TAIL POWER COMPANY
FERGUS FALLS, MINNESOTA

This agreement, made this 8th day of January 1973, by East River Electric Power Cooperative, Inc., (hereinafter called "East River"), a cooperative corporation incorporated under the laws of the State of South Dakota, and Otter Tail Power Company (hereinafter called "Otter Tail"), a Minnesota corporation, which corporations are referred to herein individually as party and collectively as parties, WITNESSETH:

WHEREAS, Otter Tail in cooperation with Montana-Dakota Utilities Co. of Bismarck, North Dakota and Northwestern Public Service Company of Huron, South Dakota is constructing a 440 megawatt generating plant (hereinafter called "Big Stone Plant"), in the vicinity of Big Stone City, South Dakota and

WHEREAS, East River has constructed a substation near Gary, South Dakota (hereinafter called "Blair Substation") which connect to the transmission system of the United States Bureau of Reclamation (hereinafter called "Bureau"), and

WHEREAS, a 230 KV transmission interconnection between the Big Stone Plant of Otter Tail and the Bureau at the Blair Substation is desired, and

WHEREAS, East River and Otter Tail entered into a Transmission Service Agreement dated June 13, 1969, providing for interconnection of transmission facilities between East River and Otter Tail at Britton, South Dakota, and transmission services to East River's Hillhead Substation in South Dakota; and East River (as agent for Lyon-Lincoln Electric Cooperative, Inc., and Traverse Electric Cooperative, Inc.) and Otter Tail entered into a Transmission Service Agreement with Lyon-Lincoln Electric

Cooperative, Inc., and Traverse Electric Cooperative, Inc., dated February 6, 1964, which provides for transmission services to certain loads of Traverse Electric Cooperative, Inc., in the State of Minnesota for the account of East River, and

WHEREAS, the parties hereto desire to terminate the two Transmission Service Agreements referred to above and to provide for the conditions under which: Otter Tail will continue to provide transmission services to certain loads of Traverse Electric Cooperative, Inc., and East River's Hillhead Substation in South Dakota; emergency service by both parties will be made available at the Britton interconnection; and additional facilities will be provided by East River at the Blair Substation to interconnect the Big Stone Plant of Otter Tail with the Bureau 230 KV transmission system at the Blair Substation.

NOW, THEREFORE, in consideration of the mutual covenants herein set forth, the parties hereto agree as follows:

ARTICLE I

TRANSMISSION SERVICES

1-1 SERVICES PROVIDED. Subject to the provisions hereof, Otter Tail agrees to deliver to East River over the Otter Tail transmission system, in a normal load pattern, and East River agrees to receive the entire power and energy requirements which East River acquires from any power supplier, for delivery to Traverse Electric Cooperative, Inc., at points of delivery specified in Exhibit "A" attached hereto and made a part hereof and for delivery to Lake Region Electric Association, Inc., at East River's Hillhead Substation in South Dakota as described in Exhibit "A".

It is understood and agreed that the necessity for adequate and reliable electric service and proper planning and projection of future service requirements, together with

the other commitments of Otter Tail's integrated system, place limitations on the transmission capacity of Otter Tail's integrated system, and that the transmission services agreed to be provided by Otter Tail hereunder are planned for and related and limited to the preset retail loads of the named Cooperatives, and to their normal growth including service to new and presently non-existing loads which may develop in the service area of the named Cooperatives.

1-2 POINTS OF INPUT TO OTTER TAIL. East River shall arrange for delivery of electric power and energy to Otter Tail from the Bureau, other power suppliers or other transmission systems at such point or points of interconnection between Otter Tail and the Bureau, other power suppliers or other transmission systems as Otter Tail may agree to from time to time. The amount of power and energy delivered to Otter Tail shall be equal to the amount delivered by Otter Tail to East River at the points of delivery listed in Exhibit "A", plus 5.5 per cent to compensate for transmission losses.

1-3 CONNECTION OF FACILITIES. East River shall own, operate and maintain the substations set forth in Exhibit "A" to enable East River to receive power and energy, including switching and protective equipment necessary to protect the system of Otter Tail. The parties shall enter into separate connection agreements in the form of Exhibit "D" attached hereto and made a part hereof for each point of delivery listed in Exhibit "A". Additional terms relevant to the Dome Pipeline Point of Interconnection are set forth in Exhibit "G."

All devices installed by East River for the purpose of regulating voltage from the points of delivery shall be installed on the load side of the metering equipment.

1-4 METERING. The delivery of electric power and energy to the East River substations set forth in Exhibit "A" shall be at a transmission voltage of approximately

41,600 volts and shall be metered at approximately 12,500 volts. To compensate for transformer losses the meter readings shall be multiplied by a factor of 1.02. When applied to transformers associated with deliveries to loads specified under Exhibit "A" of this contract, the meter readings taken on or after November 20, 1986 shall be multiplied by a factor of 1.013. East River may at its option and expense install loss compensation devices at the Points of Metering of Exhibit "A" as an alternative to the use of the transformer loss factor. Such compensating devices shall be of a design and with settings approved by Otter Tail.

Except for meters and metering equipment furnished, owned, read and maintained by the Bureau or unless otherwise specified herein, East River shall furnish, own, read and maintain the meters and metering equipment at the East River substations, set forth in Exhibit "A". Meters shall be equipped to provide recorded demand and kilowatt hours.

At the Britton interconnection, Otter Tail shall furnish, own, read and maintain the meters, and East River shall furnish, own and maintain the metering transformers.

All meters shall be read monthly at times mutually agreed upon and a copy of the readings shall be forwarded to the other party. Metering records shall be available to authorized agents and employees of either party for purposes of this agreement.

Each party shall make annual tests, inspections and adjustments of its meters at its own expense and shall advise the other party promptly of the results of any tests showing inaccuracy of more than two per cent (2%) above or below calibrated standards. Each party shall make additional tests of its meters at the request of the other party, but the expense of such tests shall be borne by the party requesting such tests if the meter is found to be within 2 percent (2%) of calibrated standards. Meters shall be left in a correctly adjusted condition after testing. Representatives of any affected party shall be

afforded the opportunity to be present at all routine or special tests. If any test shows that a meter is inaccurate by more than two percent (2%), the meter shall be recalibrated and the readings of such meter previously taken shall be corrected according to the percentage of inaccuracy so found, but no such correction shall extend beyond 60 days previous to the day on which the inaccuracy is discovered by such tests. If any metering equipment at any time fails to register, or if the registration thereof is so erratic as to be meaningless, the power and energy delivered shall be determined from the best information available.

1-5 FIRMING SERVICE. In the event of failure of the transmission facilities of the Bureau or of any other power supplier to deliver electric service for East River at the normal points of delivery to Otter Tail's system, Otter Tail agrees to make available alternate facilities on its system to reroute such electric service for delivery to East River.

ARTICLE II

BRITTON INTERCONNECTION

2-1 OWNERSHIP OF FACILITIES. The ownership of the facilities at the Britton interconnection shall be as shown in Exhibit "B" attached hereto and made a part hereof.

East River hereby grants to Otter Tail permission to place its structures and equipment necessary for the Britton interconnection upon the substation property of East River as a consideration of this agreement and without additional charge therefore.

2-2 EMERGENCY SERVICE. Each party agrees to furnish to the other emergency energy at the Britton interconnection up to such amounts as will not, in the sole judgment of the supplying party, endanger its facilities or interfere with its obligations to its consumers.

Each of the parties, when receiving emergency service at the Britton interconnection, shall through its agreement with the Bureau or other power suppliers, arrange for the delivery to the other party of the amount of electric energy so received plus seven per cent (7%) thereof to compensate for transmission losses.

2-3 ADDITIONAL INTERCONNECTIONS FOR EMERGENCY SERVICE. The parties agree to establish additional points of interconnection for emergency service at the Lake Preston interconnection, as more fully set forth in Exhibit "F," Exhibit "H," and Exhibit "I" attached hereto and incorporated herein, and at the Victor Interconnection, as more fully set forth in Exhibit "I."

ARTICLE III

BLAIR SUBSTATION INTERCONNECTION FACILITIES

3-1 East River shall install, own, operate and maintain additions to its Blair Substation to provide for the termination of Otter Tail's 230 KV line from the Big Stone Plant. The facilities to be provided and the connections thereof shall be as shown in Exhibit "C" attached hereto and made a part of this contract. Said facilities shall establish a direct interconnection between Otter Tail and the Bureau. Electric power and energy scheduled between Otter Tail and the Bureau shall be allowed to flow through this interconnection as a consideration of this agreement up to the capability of the installed facilities.

3-2 East River hereby grants Otter Tail permission to place its structures and equipment necessary for the interconnection specified herein upon the Blair Substation property as a consideration of this agreement and without additional charge. All such structures and equipment shall meet the Environmental Criteria for Electric Transmission

Systems of the United States, Department of Interior and the Rural Electrification Administration.

3-3 Additions to the Blair Substation specified in Exhibit "C" shall be completed on or about September 1, 1974.

3-4 The investment by East River hereinafter referred to as "Blair Substation Investment" in the facilities specified in Exhibit "C" entitled "Blair Substation Interconnection Facilities" shall include the total costs incurred by East River. East River may include in such costs a charge for administrative overhead not to exceed fifteen per cent (15%) of the payroll cost of East River employees and five per cent (5%) of the cost of material provided by East River. All other costs, including costs incurred from the Bureau of Reclamation in the development and testing of the interconnection, professional engineering services, and the contract price of an independent contractor for equipment, materials, labor and supervision for the construction of the interconnection facilities, shall be included without adding any charge for administrative overhead.

3-5 Metering equipment shall be provided at the Blair Substation as specified in Exhibit "C". Specifications of metering equipment and connections shall be approved by Otter Tail and the Bureau. Meters and telemetering equipment shall be provided by the Bureau or Otter Tail and shall be mounted in space provided by East River. Installation of meters and telemetering equipment shall be by the supplier of such devices. East River shall supply, install, own and maintain the supervisory equipment as required by the Bureau.

3-6 Otter Tail shall also install communication facilities upon the Blair Substation property consisting of one microwave tower with associated guy wires, footings, anchors, and equipment building located as indicated in Exhibit "C (Supplement

No. 2)" and Exhibit "E (F.L. Blair Microwave site)" attached hereto and made a part hereof.

ARTICLE IV

COMPENSATION TO OTTER TAIL FOR TRANSMISSION SERVICES

4.1 East River shall pay to Otter Tail one and one-half mills ($0.0015) per kilowatt hour for all kilowatt hours delivered by Otter Tail to the East River substations set forth in Exhibit "A".

4-2 East River shall pay to Otter Tail an additional one mill ($0.001) per kilowatt hour for all kilowatt hours delivered by Otter Tail to the East River substations set forth in Exhibit "A" in respect of which Otter Tail is not paid a one mill per kilowatt hour wheeling charge by the party supplying such energy to East River.

4-3 East River shall make transmission payments to Otter Tail under Sections 4-1 and 4-2 for each monthly billing period following the effective date of this contract. Beginning with the first full monthly period following September 1, 1974, or the date of completion of the "Blair Substation Interconnection Facilities," whichever occurs later, the amounts payable to Otter Tail for transmission services under Sections 4-1 and 4-2, shall be reduced by a transmission credit equal to .010833 times the "Blair Substation Investment" per month. Commencing with the month that preparations are begun for the installation of interconnection facilities at the Lake Preston Interconnection, Otter Tail shall further reduce the amounts payable to Otter Tail for transmission services under Sections 4-1 and 4-2 by $21.66 per month. This further reduction shall continue until the first full month after the Lake Preston Interconnection has been discontinued and facilities removed.

4-4 The amount by which any transmission credit due to East River under Section 4-3 exceeds any transmission payment due to Otter Tail under Sections 4-1 and 4-2 in any monthly billing period shall be applied as follows:

(a) Upon request of East River, Otter Tail will pay to East River the amount of such excess transmission credit; provided, however, that the total of the amounts to be so paid by Otter Tail shall be limited to the total of the transmission payments by East River to Otter Tail under Sections 4-1 and 4-2 which have actually been made previously and were not offset or reduced by transmission credits.

(b) Any excess transmission credits which are not repaid to East River under(a) shall be accumulated and used only to reduce future transmission payments due to Otter Tail under Sections 4-1 and 4-2 during the remainder of the term of this agreement.

4-5 All billings for amounts due under this contract shall be made monthly and all billings are due and payable when rendered.

ARTICLE V

GENERAL

5-1 PREVIOUS CONTRACTS OR AGREEMENTS. Upon execution of this contract, the Transmission Service Agreement between Lyon-Lincoln Electric Cooperative, Inc., and Traverse Electric Cooperative, Inc. and Otter Tail, dated February 6, 1964 and the Transmission Service Agreement between East River and Otter Tail, dated June 13, 1969 and all previous communications and negotiations pertaining thereto between said parties, either verbal or written, not herein contained, shall be void and of no effect.

5-2 This contract shall become effective as provided herein and shall remain in effect until midnight of November 30, 2012, and if then not terminated by not less than 24 months' prior written notice given by either party to the other, shall continue in full force and effect until so terminated; provided, however, that the provision of this contract concerning the Britton Interconnection shall remain in effect until February 1, 2012, and if not then terminated by not less than 24 months' prior written notice given by either party to the other, shall continue in full force and effect until so terminated.

Upon termination of those provisions of this contract concerning the Blair Substation interconnection facilities, or upon termination of the Western-Otter Tail Contract No. 14-06-600-615A which provides for Otter Tail's interconnection at the Blair Substation to Western, Otter Tail shall have the right and obligation to purchase the facilities in the Blair Substation and the easements and other rights hereinafter described which are necessary to continue the transmission interconnection with Western (being those facilities related to the Blair Substation set forth and described in Exhibit "C" attached hereto and made a part hereof) and the easements and other rights hereinafter described. The purchase price thereof shall be the "Blair Substation Investment" less depreciation at the rate of 2.75% per year, but in no event shall the price be less than 25% of the "Blair Substation Investment." No additional charge shall be made or payment due for easements or other rights hereinafter described. Upon purchase of the said facilities, Otter Tail shall have and acquire perpetual rights and easements for the purpose of operating, maintaining, repairing, replacing, and removing the then existing interconnection facilities and Otter Tail's then existing transmission line, together with its supporting structures including poles, crossarms, wires, insulators, guy wires, anchors, and other necessary equipment in connection therewith and the right of ingress and egress

for such purposes, upon, over, and across the following tract or parcel of land now owned in fee by East River:

> The Southwest Quarter of Southwest Quarter (SW- ¼ SW- ¼) of Section Sixteen (16), Township One Hundred Sixteen (116) North, Range Forty-Seven (47), West of Fifth (5th) Principal Meridian, except highway right of way, Deuel County, South Dakota

and East River agrees to make, execute, acknowledge, and deliver to Otter Tail or cause the same to be done, all such further instruments and conveyances and to take or cause to be taken all such further actions as may be reasonably requested by Otter Tail to effectuate its purchase of the Blair Substation interconnection facilities and the acquisition of said rights and easements. Purchase by Otter Tail of the Blair Substation facilities hereunder shall terminate transmission credits under Paragraph 4-3 of this Agreement.

5-3 It is understood and agreed that deliveries to East River under this agreement will be made as specified in Exhibit "A" hereof. The parties agree that Exhibit "A" will be supplemented if necessary to provide additional points of delivery from Otter Tail's system or changes in the agreed substation capacity specified therein, provided that such changes are necessary for the services agreed to be provided under Section 1-1 of Article 1 and provided that East River gives Otter Tail sufficient notice of such changes to permit Otter Tail to provide adequate capacity in its system.

5-4 The facilities to be furnished by the parties hereunder and set forth in the Exhibits attached hereto may vary during the term hereof. Accordingly each of such exhibits may be amended by agreement of the parties in writing to provide for the

modification of such facilities and when any such exhibit is so amended and attached hereto it shall become a part of this contract.

5-5 Neither party shall be considered to be in default in respect of any obligation hereunder, if prevented from fulfilling such obligation by reason of uncontrollable forces, the term uncontrollable forces being deemed for the purpose of this contract to mean any cause beyond the control of the party affected, including but not limited to, acts of God, failure of facilities, flood, earthquake, storm, lightning, fire, epidemic, war, riot, civil disturbances, labor disputes and strikes, sabotage and restraint by court or public authority. Either party rendered unable to fulfill any obligation by reason of uncontrollable forces shall exercise all reasonable means to remove such inability with all reasonable dispatch.

5-6 Otter Tail shall not be liable or responsible for any torts, debts or liabilities of East River and East River shall not be liable or responsible for any torts, debts or liabilities of Otter Tail.

5-7 Nothing contained in this contract shall be construed to render East River or Otter Tail liable for any claims, demands, costs, losses, causes of action, damages or liabilities of whatsoever kind or nature, arising out of or resulting from the construction, operation or maintenance of the other's facilities.

5-8 This instrument contains the entire agreement between the parties and no statement, promises or inducements made by any party hereto or agent or officer of either party hereto, which is not contained in this written contract, shall be valid or binding; the contract may not be enlarged, modified or altered except in writing, signed by the proper officers of the parties hereto and endorsed hereon.

5-9 This agreement shall inure to the benefit of and be binding upon the assignees and successors of the respective parties hereto.

5-10 This agreement is subject to the approval of the Administrator of the Rural Electrification Administration and any regulatory body or bodies having jurisdiction thereof.

IN WITNESS WHEREOF, the parties have ca used this agreement to be executed as of the day and year first above written.

Attest: _____
Title: COO

EAST RIVER ELECTRIC POWER COOPERATIVE, INC.

By: _____
President CEO

Attest: Stacie Hebert
Title: Mgr. FERC/RTO Policy

OTTER TAIL POWER COMPANY

By: John D Thompson
Vice President, Electrical Asset Mgmt.

Exhibit A

EXHIBIT "A"
TRANSMISSION SERVICE AGREEMENT BETWEEN
EAST RIVE ELECTRIC POWER COOPERATIVE, INC.
AND
OTTER TAIL POWER COMPANY

NAME OF SUBSTATION	AGREED SUB CAPACITY	LOCATION OF POINTS OF DELIVERY FROM OTTER TAIL POWER COMPANY'S SYSTEM	VOLTAGE	LOCATION OF POINTS OF METERING	VOLTAGE
Beardsley	3,750 kVA	At or near the NE corner of the NE 1/4 of Sec. 6, T 124 M., R 48 W., Big Stone County, Minnesota	41,600	At or near the NE corner of the NE 1/4 of Sec. 6, T 124 N., R 48 W., Big Stone County, Minnesota	7,200/12,500
Doran	1,500 kVA	At or near the SE corner of Sec. 5, T 131 N., R 46 W., Wilkin County Minnesota	41,600	At or near the SE corner of Sec. 20 T 131 N., R 46 W., Wilkin County, Minnesota	7,200/12,500
Graceville	2,500 kVA	Near the SW corner of the SE 1/4, Sec. 4, T 124 N., R 46 W., Big Stone County Minnesota	41,600	Near the SW corner of Sec. 34, T 125 N., R 46 W., Traverse County, Minnesota	7,200/12,500
Wendell	2,500 kVA	Near the SW corner of Sec. 30, T 129 N., R 43 W., Grant County, Minnesota	41,600	Near the NE corner of Sec. 36, T 129 N., R 45 W., Traverse County, Minnesota	7,200/12,500
Wheaton	7,500 kVA	At or near the NE corner of the NW 1/4 of the NW 1/4 of Sec. 29, T 127 N., R 46 W., Traverse County, Minnesota	41,600	At or near the NE corner of the NW 1/4 of the NW 1/4 of Sec. 29, T 127 N., R 46 W., Traverse County Minnesota	7,200/12,500
Hillhead	3,750 kVA	The NE 1/4 of Sec. 34, T 128 N., R 54 W., 8 miles north of Lake City on Highway 23, Marshall County, South Dakota	41,600	The NE 1/4 of Sec. 34, T 128 N., R 54 W., 8 miles north of Lake City on Highway 23, Marshall County, South Dakota	72,000/12,500
Dumont	3,750 kVA	At or near the NE corner of the NW 1/4, Sec. 6, T 124 N., R 44 W., Stevens County Minnesota	41,600	The SW corner of the SW 1/4 of Sec.17, T 126N., R44 W., Stevens County, Minnesota	7,200/12,500

Dome	5,000 kVA	SW corner of the SW 1/4 of Sec. 14, T 128 N., R 47 W., Traverse County Minnesota	41,600	Near the SE corner of the NE 1/4 of Sec. 19, T 128 N., R 47 W., Traverse County, Minnesota	4,160
Veblen	5,000 kVA	At or near NE corner of the NE ¼ of Section 23, Township 128 North, Range 53 West, Marshall County, South Dakota	41,600	Near the SE corner of the SE 1/4 of Sec. 14, T 128 N., R 53 W., Marshall County, South Dakota	7,200/12,500

Exhibit B

EXHIBIT "B"

INTERCONNECTION AND TRANSMISSION SERVCE AGREEMENT
BETWEEN
EAST RIVER ELECTRIC COOPERATIVE, INC.
AND
OTTER TAIL POWER COMPANY
BRITTON INTERCONNECTION

Items Provided, by East River:

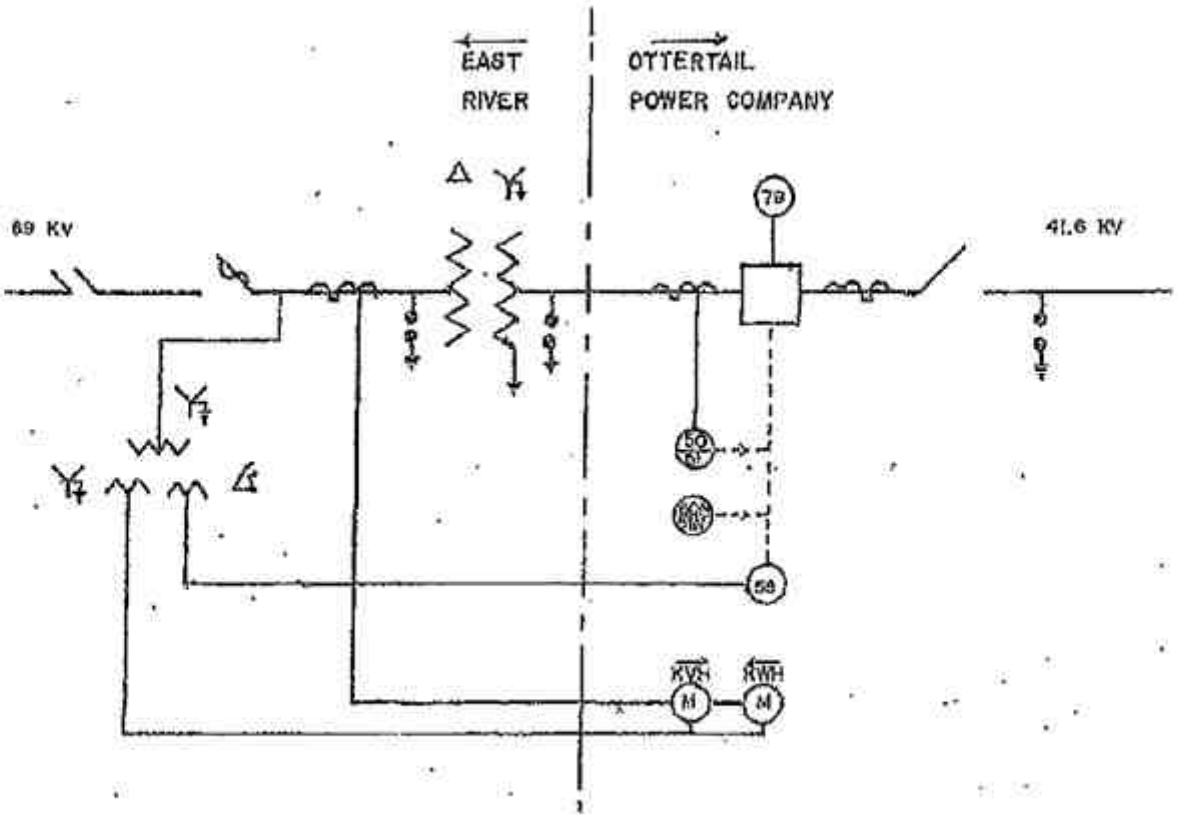
(1) Transformer, 7000 KVA, 69000 to 43800 volts with lightning arresters, two 2½% no load taps above and two 2½% no load taps below 69000 and meter accuracy bushing current transformers in 69 KV bushings.

(2) Substation site, site development, concrete foundations for East River and Otter Tail equipment, fencing, etc.

(3) Three 69 KV potential transformers
(4) Station service, single phase 120-240 volts.
(5) 69 KV switching equipment and support structures

Items Provided by Otter Tail:

(1) 41.6 KV oil circuit breaker with relays.
(2) 41.6 KV switching equipment and supporting structures. (3). Meters and associated wiring.



F.L. BLAIR SUBSTATION
L&N LOAD CONTROL BOUNDARY
EQUIPMENT REPLACEMENT

PURPOSE:

Western has begun a replacement program to modernize the load control boundary telemetry equipment associated with its East Load Control Area. This equipment is outdated and has exceeded its useful life.

HISTORY:

Under the terms of the contract, East River was responsible for providing Western with the load control boundary telemetry values from F.L. Blair. This included hardware compatible with the equipment chosen for the rest of the Western load control area and communications medium to the Watertown Dispatch Center. At East Rivers expense Western provided and installed the L&N equipment and ownership was turned over to Western. Western has provided maintenance for the L&N equipment, since that time. No other related fees have been collected. In other instances similar to this one the customer has retained ownership of the equipment and Western has charged an annual maintenance fee of $1000. This fee was based on maintaining equipment at Watertown as well as the substation equipment.

CURRENTLY:

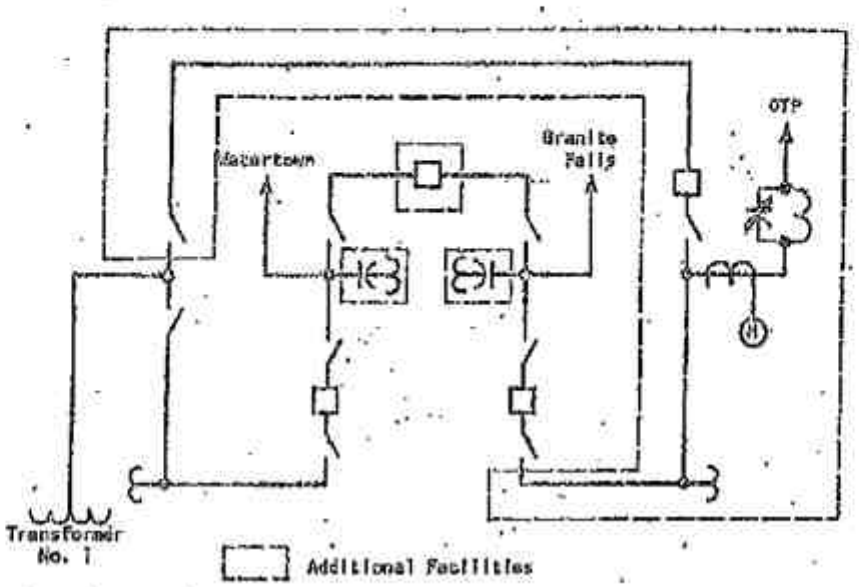
Western has begun to replace L&N equipment with: Sioux City, Spencer, Creston and Denison substations completed. F.L. Blair has been moved up on the replacement list to respond to Ottertails request to have the equipment replaced by the end of the year.

ISSUES:

- Who/what determines the need for replacement? Is it required?
- Who has the responsibility to replace the L&N load control equipment?
- Is a maintenance fee in order?
- Can the existing SCADA RTU be used to provide the information?

Exhibit C

BLAIR SUBSTATION INTERCONNECTION FACILITIES Exhibit "C"



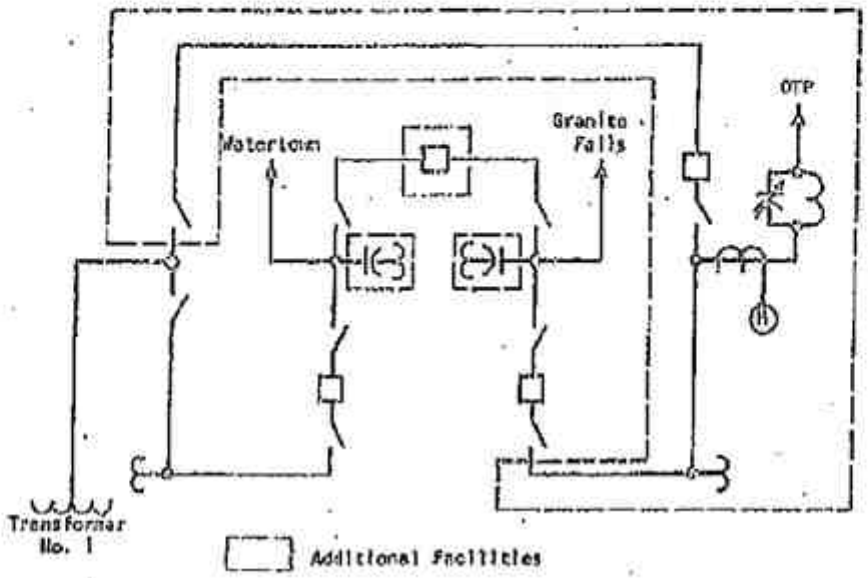
ADDITIONAL EQUIPMENT – EAST RIVER

2 - 230 kv OCB
2 - 230 kv Disconnect Switches
6 - 230 kv Capacitor Potential Devices
3 - 230 kv Potential Transformers
3 - 230 kv Current Transformer (Wound)
1 - 230 kv Terminal Structure
1 - Lot - 230 kv Substation Bus
1 - Control Panel, including Line Relays and Carrier Terminal (OTP – Big Stone Line)
1 - Line Trap
1 - Coupling Capacitor w/ Carrier Accessories
1 - Lot - Supervisory, as required, to USBR

ADDITIONAL EQUIPMENT – BY OTTER TAIL POWER COMPANY OR UNITED STATES BUREAU OF RECLAMATION

1 Set - Revenue Meters
1 Set - Telemetering Equipment
1 Lot - Supervisory, as required, to OTP

BLAIR SUBSTATION INTERCONNECTION FACILITIES EXHIBIT "C"



ADDITIONAL EQUIPMENT - BY EAST RIVER

2 - 230 kv CCB
2 - 230 kv Disconnect Switches
6 - 230 kv Capacitor Potential Devices
3 - 230 kv Potential Transformers
3 - 230 kv Current Transformer (Wound)
1 - 230 kv Terminal Structure
1 Lot - 230 kv Substation Bus
1 - Control Panel, including Line Relays and Carrier Terminal (OTP - Big Stone Line)
1 - Line Trap
1 - Coupling Capacitor w/ Carrier Accessories
1 Lot - Supervisory, as required, to USDR

ADDITIONAL EQUIPMENT - BY OTTER TAIL POWER COMPANY OR UNITED STATES BUREAU OF RECLAMATION ("WESTERN")

1 Set - Revenue Meters
1 Set - Telemetering Equipment
1 Lot - Supervisory, as required, to OTP

EXHIBIT "C"
INTERCONNECTION AND TRANSMISSION SERVICE AGREEMENT
between
EAST RIVER ELECTRIC POWER COOPERATIVE, INC.
and
OTTER TAIL POWER COMPANY
Supplement No. 2

Exhibit D

EXHIBIT "D"

INTERCONNECTION AND TRANSMISSION SERVICE AGREEMENT
BETWWEN
EAST RIVER POWER COORPERATIVE, INC.
AND
OTTER TAILPOWER COMPANY

ELECTRIC LINE CONNECTING AGREEMENT

1. Otter Tail is the owner of an electric transmission line to which the East River Electric Power Cooperative, Inc., wishes to connect for the purpose of receiving deliveries of electric power and energy pursuant and subject to the Interconnection and Transmission Service Agreement between East River Electric Power Cooperative, Inc. and Otter Tail Power Company dated _____. Otter Tail agrees to permit said connection to its line in accordance with the terms concerning ownership of the connecting facilities specified herein.

2. The line connection hereunder is located at

_____
(Quarter, Section, Township, Range, County, State)

3. Electric power and energy delivered at the specified connection shall be three phase alternating current approximately _____ volts.

4. East River shall install, own and maintain in Otter Tail's line a junction pole or structure of a design approved by Otter Tail for the purpose of supporting and terminating the lines of the parties and providing for the East River connection thereof. In addition thereto East River shall install, own and maintain switching equipment at the point of connection complete

with the supporting structures therefore as listed below:

a. One gang operated, three-pole air break switch in each of Otter Tail's lines _____ and _____ from said point of connection.

b. A gang operated, three-pole air break switch in East River's tap line from said point of connection.

c. A three pole oil circuit breaker in East River's tap line from said point of connection.

Said switching equipment shall be of standard make and design with voltage and current ratings approved by Otter Tail. Otter Tail will provide insulation and fittings as required for the support or termination of its lines on East River's structures.

5. East River shall reimourse Otter Tail for all expenses incurred as a result of this connection or any preparations therefore.

6. East River shall, at its own expense, maintain and keep in repair its structures, attachments and equipment. Otter Tail shall cooperate in temporarily releasing the use of its transmission lines when possible for normal maintenance of East River's equipment connected to said lines. East River shall reimburse Otter Tail for all switching costs including labor incurred for such line switching. Upon request by East River, Otter Tail shall perform maintenance work on the East River electrical installations and equipment specified herein. East River shall reimburse Otter Tail for all costs incurred in the performance of such maintenance work, including administrative and general expenses.

7. Operation of the switches specified herein which

are located in Otter Tail's transmission lines shall be done only upon specific orders from Otter Tail's system dispatchers at Fergus Falls Employees of Otter Tail shall have access at all times to operate East River switching equipment specified hereunder. East River shall operate the switching equipment specified herein without delay when so requested by Otter Tail's dispatchers. No charge shall be made by East River to Otter Tail for switching performed hereunder.

8. If East River decides to discontinue use of its connection to Otter Tail's line or if the connection is no longer usable in its present location, East River shall, at its own expense, remove its property, installed in conformance with this Agreement and restore Otter Tail's line and supporting structures to their original condition or that condition satisfactory with Otter Tail.

9. If it shall be determined by the parties hereto that it has become necessary for Otter Tail to relocate its transmission line serving the connection specified herein to eliminate interference with other, utilities, with conflicting rights of way such as roads, ditches, etc., or for similar reasons, East River, if it wishes to continue to receive service, shall at its own expense, relocate the connecting facilities specified under Paragraph 4 hereof and build the necessary connecting lines to such relocated point of connection as may be agreed between the parties hereto.

10. Each party shall pay any and all taxes levied and assessed on their respective properties as specified by the Agreement.

11. Otter Tail does not in any manner warrant or covenant unto East River the existence or validity of any easement,

covenant unto East River the existence or validity of any easement, franchise or other authorization for the erection, maintenance or repair of East River installations specified herein. East River shall procure all necessary easements, franchise or authorization required for the construction, operation and maintenance of its structures, wires, equipment, guys or other installations.

IN WITNESS WHEREOF, the parties have caused this agreement to be executed as of this _____ day of _____, 19___.

EAST RIVER ELECTRIC POWER COOPERATIVE, INC.

Attest: _____
Title: _____

By: _____
President

OTTER TAIL POWER COMPANY

Attest: _____
Title: _____

By: _____
Vice President, Electrical

Exhibit D
Supplement No. 1
Dome Pipeline Point
of Interconnection

INTERCONNECTION AND TRANSMISSION SERVICE AGREEMENT
Between
EAST RIVER ELECTRIC POWER COOPERATIVE, INC.
Madison, South Dakota
and
OTTER TAIL POWER COMPANY
Fergus Falls, Minnesota

1. Otter Tail is the owner of an electric transmission line to which East River Electric Power Cooperative, Inc. wishes to connect for the purpose of receiving delivery of electric power and energy pursuant and subject to the Interconnection and Transmission Service Agreement between East River Electric Power Cooperative, Inc., and Otter Tail Power Company, dated January 8, 1973, and Supplement No. 1 thereto. Otter Tail agrees to permit said interconnection to its line in accordance with the terms concerning ownership of connecting facilities specified herein.

2. The line connection hereunder is to be located in Section Fourteen (14), Township One Hundred Twenty Eight (128) North, Range Forty Seven (47) West, Traverse County, Minnesota (hereinafter called the "Dome Pipeline Point of Interconnection").

3. Electric power and energy delivered at the specified connection shall be 3-phase alternating current of approximately 41,600 volts.

4. East River shall install, own and maintain in Otter Tail's line a junction pole or structure of a design approved by Otter Tail for the purpose of supporting and terminating the lines of the parties and for providing for the East River connection thereof. In addition thereto,

East River shall install, own and maintain switching equipment at the point of interconnection complete with the supporting structures therefore as listed below:

a. One gang-operated, 3-pole airbreak switch in each of Otter Tail's lines north and south from said point of interconnection.

b. A gang-operated, 3-pole airbreak switch in East River's tap line from said point of interconnection.

Said switching equipment shall be of standard make and design with voltage and current ratings approved by Otter Tail. Otter Tail will provide insulators and fittings as required for the support or termination of Otter Tail's lines on East River's structures.

5. East River shall, at its own expense, maintain and keep in repair its structures, attachments and equipment. Otter Tail shall cooperate in temporarily releasing the use of its transmission line when possible for normal maintenance of East River's equipment connected to said lines. East River shall reimburse Otter Tail for all switching costs, including labor, incurred for such line switching. Upon request by East River, Otter Tail shall perform maintenance work on the East River electrical installations and equipment specified herein. East River shall reimburse Otter Tail for all costs incurred in the performance of such maintenance work, including administrative and general expense.

6. Operation of the switches specified herein, which are located in Otter Tail's transmission lines, shall be done only upon specific

orders from Otter Tail's system dispatchers at Fergus Falls, Minnesota. Employees of Otter Tail shall have access at all times to operate East River switching equipment specified hereunder. East River shall operate the switching equipment specified herein without delay when so requested by Otter Tail's dispatchers. No charge shall be made by East River to Otter Tail for switching performed hereunder.

7. If it shall be determined by the parties hereto that it has become necessary for Otter Tail to relocate or change the normal operating voltage level of its transmission line serving the connections specified herein to eliminate interference with other utilities, with conflicting rights of way, such as roads, ditches, to increase the capacity of its transmission system, or for any other reason, East River, if it wishes to continue to receive service, shall, at its own expense, relocate the connecting facilities specified under paragraph 4 hereof and build the necessary connecting lines to such relocated point of connection as may be agreed between the parties hereto and provide facilities to receive electric service at the new voltage level.

8. Each party shall pay any and all taxes levied and assessed on their respective properties as specified by the Agreement.

9. Otter Tail does not in any manner warrant or covenant unto East River the existence or validity of any easement, franchise, or other authorization for the erection, maintenance or repair of East River installation specified herein. East River shall procure all necessary

easements, franchise or authorization required for the construction, operation and maintenance of its structures, wires, equipment guy wires or other installations.

10. As a consideration of this Agreement, and without additional compensation therefore, East River agrees to provide substation space and access to electrical circuits in the substation of East River located at the Dome Pipeline Pumping Station for the installation by Otter Tail of any voltage correction or reactive supply equipment which Otter Tail may wish to utilize. Meter readings of kilovar demand shall be adjusted to take into account the effect of any voltage correction or reactive power supply apparatus which may be installed by Otter Tail on the load side of the meters.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of this 20th day of February, 19 79.

EAST RIVER ELECTRIC POWER COOPERATIVE, INC.

By _____
President

ATTEST:

_____
(Title)

OTTER TAIL POWER COMPANY

By _____
Vice President-Electrical

ATTEST:

_____
(Title) Corporate Secretary

EXHIBIT "D"

INTERCONNECTION AND TRANSMISSION SERVICE AGREEMENT
BETWEEN
EAST RIVER ELECTRIC POWER COOPERATIVE, INC.
AND
OTTER TAIL POWER COMPANY

SUPPLEMENT NO. 2
ELECTRIC LINE CONNECTING AGREEMENT

1. Otter Tail is the owner of an electric transmission line to which the East River Electric Power Cooperative, Inc., wishes to connect for the purpose of receiving deliveries of electric power and energy pursuant and subject to the Interconnection and Transmission Service Agreement between East River Electric Power Cooperative, Inc., and Otter Tail Power Company dated January 8, 1973, as supplemented. Otter Tail agrees to permit said connection to its line in accordance with the terms concerning ownership of the connecting facilities specified herein.

2. The line connection hereunder is located at:

The northeast corner of the Northwest Quarter (NW¼) of Section Six (6), Township One Hundred Twenty-Four (124) North, Range Forty-Four (44) West of Fifth (5th) Principal Meridian, Stevens County, Minnesota.

3. Electric power and energy delivered at the specified connection shall be three phase alternating current approximately 41,600 volts.

4. East River shall install, own, and maintain in Otter Tail's line a junction pole or structure of a design approved by Otter Tail for providing for the East River connection thereof. In addition thereto East River shall install, own, and maintain switching equipment at the point of connection complete with the supporting structures therefore as listed below:

a. One gang-operated, three-pole air break switch in each of Otter Tail's lines east and west from said point of connection.

b. A gang-operated, three-pole air break switch in East River's tap line from said point of connection.

Said switching equipment shall be of standard make and design with voltage and current ratings approved by Otter Tail. Otter Tail will provide insulation and fittings as required for the support or termination of its lines on East River's structures.

5. East River shall reimburse Otter Tail for all expenses incurred as a result of this connection or any preparations therefore.

6. East River shall, at its own expense, maintain and keep in repair its structures, attachments, and equipment. Otter Tail shall cooperate in temporarily releasing the use of its transmission lines when possible for normal maintenance of East River's equipment connected to said lines. East River shall reimburse Otter Tail for all switching costs including labor incurred for such line switching. Upon request by East River, Otter Tail shall perform maintenance work on the East River electrical installations and equipment specified herein. East River shall reimburse Otter Tail for all costs incurred in the performance of such maintenance work, including administrative and general expenses.

7. Operation of the switches specified herein which are located in Otter Tail's transmission lines shall be done only upon specific orders from Otter Tail's system dispatchers at Fergus Falls. Employees

of Otter Tail shall have access at all times to operate East River switching equipment specified hereunder. East River shall operate the switching equipment specified herein without delay when so requested by Otter Tail's dispatchers. No charge shall be made by East River to Otter Tail for switching performed hereunder.

8. If East River decides to discontinue use of its connection to Otter Tail's line or if the connection is no longer usable in its present location, East River shall, at its own expense, remove its property, installed in conformance with this Agreement, and restore Otter Tail's line and supporting structures to their original condition or that condition satisfactory with Otter Tail.

9. If it shall be determined by the Parties hereto that it has become necessary for Otter Tail to relocate its transmission line serving the connection specified herein or if Otter Tail changes the normal operating voltage level of its transmission line, East River, if it wishes to continue to receive service, shall at its own expense, relocate and/or replace the connecting facilities specified under Paragraph 4 hereof and build the necessary connecting lines to such relocated point of connection as may be agreed between the Parties hereto and provide facilities to receive electric service at the new voltage level.

10. Each party shall pay any and all taxes levied and assessed on their respective properties as specified by the Agreement.

11. Otter Tail does not in any manner warrant or covenant unto East River the existence or validity of any easement, franchise, or other authorization for the erection, maintenance, or repair of East River installations specified herein. East River shall procure all necessary easements, franchise, or authorization required for the construction, operation, and maintenance of its structures, wires, equipment, guys, or other installations.

IN WITNESS WHEREOF, the Parties have caused this agreement to be executed as of this 13th day of August, 1983

EAST RIVER ELECTRIC POWER COOPERATIVE, INC.

By _____
President

ATTEST:

_____
(Title)

OTTER TAIL POWER COMPANY

By _____
Vice President
Engineering & Operations

ATTEST:

_____
(Title)

EXHIBIT "D"

INTERCONNECTION AND TRANSMISSION SERVICE AGREEMENT
BETWEEN
EAST RIVER ELECTRIC POWER COOPERATIVE, INC.
AND
OTTER TAIL POWER COMPANY
SUPPLEMENT NO. 4
ELECTRIC LINE CONNECTING AGREEMENT
GRACEVILLE POINT OF INTERCONNECTION

1. Otter Tail is the owner of an electric transmission line to which the East River Electric Power Cooperative, Inc., wishes to connect for the purpose of receiving deliveries of electric power and energy pursuant and subject to the Interconnection and Transmission Service Agreement between East River Electric Power Cooperative, Inc. and Otter Tail Power Company dated January 8, 1973, as supplemented. Otter Tail agrees to permit said connection to its line in accordance with the terms concerning ownership of the connecting facilities specified herein.

2. The line connection hereunder is located at or near the SW corner of the SE¼, Section 4, T 124 N., R 46 W., Big Stone County, Minnesota.

3. Electric power and energy delivered at the specified connection shall be three phase alternating current approximately 41,600 volts.

4. East River shall install, own and maintain in Otter Tail's line a junction pole or structure of a design approved by Otter Tail for the purpose of supporting and terminating the lines of the Parties and providing for the East River connection thereof. In addition thereto East River shall install, own and maintain switching equipment at the point of connection complete with the supporting structures therefore as listed below:

a. One gang operated, three-pole air break switch in each of Otter Tail's lines east and west from said point of connection.

b. A gang operated, three-pole air break switch in East River's tap line from said point of connection.

Said switching equipment shall be of standard make and design with voltage and current ratings approved by Otter Tail. Otter Tail will provide insulation and fittings as required for the support or termination of its lines on East River's structures.

5. East River shall reimburse Otter Tail for all expenses incurred as a result of this connection or any preparations therefore.

6. East River shall, at its own expense, maintain and keep in repair its structures, attachments and equipment. Otter Tail shall cooperate in temporarily releasing the use of its transmission lines when possible for normal maintenance of East River's equipment connected to said lines. East River shall reimburse Otter Tail for all switching costs including labor incurred for such line switching. Upon request by East River, Otter Tail shall perform maintenance work on the East River electrical installations and equipment specified herein. East River shall reimburse Otter Tail for all costs incurred in the performance of such maintenance work, including administrative and general expenses.

7. Operation of the switches specified herein which are located in Otter Tail's transmission lines shall be done only upon specific orders from Otter Tails' system dispatchers at Fergus Falls. Employees of Otter Tail shall have access at all times to operate East River switching equipment specified hereunder. East River shall operate the switching equipment specified herein

without delay when so requested by Otter Tail's dispatchers. No charge shall be made by East River to Otter Tail for switching performed hereunder.

8. If East River decides to discontinue use of its connection to Otter Tail's line or if the connection is no longer usable in its present location, East River shall, at its own expense, remove its property, installed in conformance with this Agreement and restore Otter Tail's line and supporting structures to their original condition or that condition satisfactory with Otter Tail.

9. If it shall be determined by the Parties hereto that it has become necessary for Otter Tail to relocate its transmission line serving the connection specified herein to eliminate interference with other utilities, with conflicting rights of way such as roads, ditches, etc., or for similar reasons, East River, if it wishes to continue to receive service, shall at its own expense, relocate the connecting facilities specified under Paragraph 4 hereof and build the necessary connecting lines to such relocated point of connection as may be agreed between the Parties hereto.

10. Each Party shall pay any and all taxes levied and assessed on their respective properties as specified by the Agreement.

11. Otter Tail does not in any manner warrant or covenant unto East River the existence or validity of any easement, franchise or other authorization for the erection, maintenance or repair of East River installations specified herein. East River shall procure all necessary easements, franchise or authorization

required for the construction, operation and maintenance of its structures, wires, equipment, guys or other installations.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of this 10th day of September, 1986.

EAST RIVER ELECTRIC POWER COOPERATIVE, INC.

By _____
President

ATTEST:

_____
(Title) Secretary

OTTER TAIL POWER COMPANY

By _____
Vice President
Engineering and Operations

ATTEST:

_____
(Title)

EXHIBIT "D"

Beardsley, MN. Substation

INTERCONNECTION AND TRANSMISSION SERVICE AGREEMENT
BETWEEN
EAST RIVER ELECTRIC POWER COOPERATIVE, INC.
AND
OTTER TAIL POWER COMPANY

ELECTRIC LINE CONNECTING AGREEMENT

1. Otter Tail is the owner of an electric transmission line that East River Electric Power Cooperative, Inc. (hereinafter referred to as East River), is presently connected to in the vicinity of Beardsley, Minnesota. East River will be abandoning this connection and wishes to reconnect to Otter Tail again for the purpose of receiving deliveries of electric power and energy pursuant and subject to the interconnection and transmission service agreement between East River and Otter Tail, dated January 8, 1973, as supplemented. Otter Tail agrees to permit said connection to its line in accordance with the terms concerning ownership of the connecting facilities specified herein.

2. The line connection hereunder is located at or near the N.E. corner of the NE1/4 of Section 6, T. 124 N., R. 48 W., Big Stone County, Minnesota.

3. Electric power and energy delivered at the specified connection shall be three-phase alternating current approximately 41,600 volts.

4. East River shall install, own, and maintain in Otter Tail's line a junction pole or structure of a design approved by Otter Tail for the purpose of supporting and terminating the lines of the parties and providing for the East River connection thereof. In addition thereto, East River shall install, own, and maintain switching equipment at the point of connection complete with the supporting structures therefore as listed below:

a. One gang-operated, three-pole air break switch in each of Otter Tail's lines East and West from said point of connection.

Said switching equipment shall be of standard make and design with voltage and current ratings approved by Otter Tail. Otter Tail will provide insulation and fittings as required for the support or termination of its lines on East River's structures.

5. East River shall, at its own expense, maintain and keep in repair its structures, attachments, and equipment. Otter Tail shall cooperate in temporarily releasing the use of its transmission lines when possible for normal maintenance of East River's equipment connected to said lines. East River shall reimburse Otter Tail for all switching costs including labor incurred for such line switching. Upon request by East River, Otter Tail shall perform maintenance work on the East River electrical installations and equipment specified herein. East River shall reimburse Otter Tail for all costs incurred in the performance of such maintenance work, including administrative and generation expenses.

6. Operation of the switches specified herein which are located in Otter Tail's transmission lines shall be done only upon specific orders from Otter Tail's system dispatchers at Fergus Falls. Employees of Otter Tail shall have access at all times to operate East River switching equipment specified hereunder. East River shall operate the switching equipment specified herein without delay when so requested by Otter Tail's dispatchers. No charge shall be made by East River to Otter Tail for switching performed hereunder.

7. If East River decides to discontinue use of its connection to Otter Tail's line or if the connection is no longer usable in its present location, East River shall, at its own expense, remove its property, installed in conformance with this Agreement and restore Otter Tail's line and supporting structures to their original condition or that condition satisfactory with Otter Tail.

8. If it shall be determined by the parties hereto that it has become necessary for Otter Tail to relocate its transmission line serving the connection specified herein to eliminate interference with other utilities, with conflicting rights of way, such as roads, ditches, etc., or for similar reasons, East River, if it wishes to continue to receive service, shall at its own expense, relocate the connecting facilities specified under Paragraph 4 hereof and build the necessary connecting lines to such relocated point of connection as may be agreed between the parties hereto.

9. Each party shall pay any and all taxes levied and assessed on their respective properties as specified by the Agreement.

10. Otter Tail does not in any manner warrant or covenant unto East River the existence or validity of any easement, franchise or other authorization for the erection, maintenance, or repair of East

River installations specified herein. East River shall procure all necessary easements, franchise, or authorization required for the construction, operation, and maintenance of its structures, wires, equipment, guys, or other installations.

IN WITNESS WHEREOF, the parties have caused this agreement to be executed as of this 7th day of January, 1993.

EAST RIVER ELECTRIC POWER COOPERATIVE, INC.

By _____
President

ATTEST:

_____

Title Secretary

OTTER TAIL POWER COMPANY

By _____
Vice President, Electrical

ATTEST:

_____

Title _____

EXHIBIT "D"

Wendell, MN. Substation

INTERCONNECTION AND TRANSMISSION SERVICE AGREEMENT
BETWEEN
EAST RIVER ELECTRIC POWER COOPERATIVE, INC.
AND
OTTER TAIL POWER COMPANY

ELECTRIC LINE CONNECTING AGREEMENT

1. Otter Tail is the owner of an electric transmission line that East River Electric Power Cooperative, Inc. (hereinafter referred to as East River), is presently connected to in the vicinity of Wendell, Minnesota. East River will be abandoning this connection and wishes to reconnect to Otter Tail again for the purpose of receiving deliveries of electric power and energy pursuant and subject to the interconnection and transmission service agreement between East River and Otter Tail, dated January 8, 1973, as supplemented. Otter Tail agrees to permit said connection to its line in accordance with the terms concerning ownership of the connecting facilities specified herein.

2. The line connection hereunder is located at or near the S.W. corner of Section 30, T. 129 N., R. 43 W., Grant County, Minnesota.

3. Electric power and energy delivered at the specified connection shall be three-phase alternating current approximately 41,600 volts.

4. East River shall install, own, and maintain in Otter Tail's line a junction pole or structure of a design approved by Otter Tail for the purpose of supporting and terminating the lines of the parties and providing for the East River connection thereof. In addition thereto, East River shall install, own, and maintain switching equipment at the point of connection complete with the supporting structures therefore as listed below:

a. One gang-operated, three-pole air break switch in each of Otter Tail's lines North and South from said point of connection.

b. One gang-operated, three-pole air break switch in East River's tap line West from said point of connection.

Said switching equipment shall be of standard make and design with voltage and current ratings approved by Otter Tail. Otter Tail will provide insulation and fittings as required for the support or termination of its lines on East River's structures.

5. East River shall, at its own expense, maintain and keep in repair its structures, attachments, and equipment. Otter Tail shall cooperate in temporarily releasing the use of its transmission lines when possible for normal maintenance of East River's equipment connected to said lines. East River shall reimburse Otter Tail for all switching costs including labor incurred for such line switching. Upon request by East River, Otter Tail shall perform maintenance work on the East River electrical installations and equipment specified herein. East River shall reimburse Otter Tail for all costs incurred in the performance of such maintenance work, including administrative and generation expenses.

6. Operation of the switches specified herein which are located in Otter Tail's transmission lines shall be done only upon specific orders from Otter Tail's system dispatchers at Fergus Falls. Employees of Otter Tail shall have access at all times to operate East River switching equipment specified hereunder. East River shall operate the switching equipment specified herein without delay when so requested by Otter Tail's dispatchers. No charge shall be made by East River to Otter Tail for switching performed hereunder.

7. If East River decides to discontinue use of its connection to Otter Tail's line or if the connection is no longer usable in its present location, East River shall, at its own expense, remove its property, installed in conformance with this Agreement and restore Otter Tail's line and supporting structures to their original condition or that condition satisfactory with Otter Tail.

8. If it shall be determined by the parties hereto that it has become necessary for Otter Tail to relocate its transmission line serving the connection specified herein to eliminate interference with other utilities, with conflicting rights of way, such as roads, ditches, etc., or for similar reasons, East River, if it wishes to continue to receive service, shall at its own expense, relocate the connecting facilities specified under Paragraph 4 hereof and build the necessary connecting lines to such relocated point of connection as may be agreed between the parties hereto.

9. Each party shall pay any and all taxes levied and assessed on their respective properties as specified by the Agreement.

10. Otter Tail does not in any manner warrant or covenant unto East River the existence or validity of any easement, franchise or other authorization for the erection, maintenance, or repair of East River installations specified herein. East River shall procure all necessary easements, franchise, or authorization required for the construction, operation, and maintenance of its structures, wires, equipment, guys, or other installations.

IN WITNESS WHEREOF, the parties have caused this agreement to be executed as of this 2nd day of December, 19 93

EAST RIVER ELECTRIC POWER COOPERATIVE, INC.

By Wayne Wright
President

ATTEST: Keith Klepperi

Title Secr.

OTTER TAIL POWER COMPANY

By
Vice President, Electrical

ATTEST: Lloyd J. Nyle

Title Secretary

EXHIBIT "D"

INTERCONNECTION AND TRANSMISSION SERVICE AGREEMENT
BETWEEN
EAST RIVER ELECTRIC POWER COOPERATIVE, INC.
AND
OTTER TAIL POWER COMPANY
SUPPLEMENT NO. 7

ELECTRIC LINE CONNECTING AGREEMENT
VEBLEN POINT OF INTERCONNECTION

1. Otter Tail is the owner of an electric transmission line to which the East River Electric Power Cooperative, Inc., desired to connect in 2007 for the purpose of receiving deliveries of electric power and energy pursuant and subject to the Interconnection and Transmission Service Agreement between East River Electric Power Cooperative, Inc., and Otter Tail Power Company dated January 8, 1973, as supplemented. In 2007, Otter Tail agreed to permit said connection to its line in accordance with the terms concerning ownership of the connecting facilities specified herein.

2. The line connection is located at or near NE corner of the NE ¼ of Section 23, Township 128 North, Range 53 West, Marshall County, South Dakota.

3. Electric power and energy delivered at the specified connection is three phase alternating current approximately 41,600 volts.

4. East River has installed, owns, and maintains in Otter Tail's line a junction structure of a design approved by Otter Tail for the purpose of supporting and terminating the lines of the Parties and providing for the East River connection.

In addition, East River installed, owns, and maintains switching equipment adjacent to the point of connection, complete with the poles a following supporting structures collectively, the "Switching Equipment":

a. Two individual group operated vertical break switches in Otter Tail's line at said point of connection.

The Switching Equipment is of the standard make and design with voltage and current ratings and has been approved by Otter Tail. Otter Tail provided insulation and fittings required for the support of termination of its lines on East River's structures.

5. In 2008, East River timely reimbursed Otter Tail for all expenses incurred as a result of this connection or any preparations therefore.

6. East River has and shall continue, at its own expense, maintain and keep in repair its structures, attachments, and equipment. Otter Tail has and shall continue to cooperate in temporarily releasing the use of its transmission lines when possible for normal maintenance of East River's equipment connected to said lines. East River shall reimburse Otter Tail for all switching costs, including labor incurred for such line switching. Upon reasonable request and prior notification by East River, Otter Tail shall perform maintenance work on the East River electrical installations and equipment specified herein. East River shall reimburse Otter Tail for all costs incurred in the performance of such maintenance work, including administrative and general expenses.

7. Operation of the switch specified herein is located in Otter Tail's transmission line shall be done only upon specific orders from Otter Tail's system dispatchers at Fergus Falls. Employees of Otter Tail shall have access at all times to

operate East River Switching Equipment. East River shall promptly operate the Switching Equipment when requested by Otter Tail's dispatchers. No charge shall be made by East River to Otter Tail for switching performed hereunder.

8. If East River decides to discontinue use of its connection to Otter Tail's line, or if the connection is no longer usable in its present location, East River shall, at its own expense, remove its property, installed in conformance with this Agreement and restore Otter Tail's line and supporting structures to their original condition or that condition satisfactory with Otter Tail.

9. If it shall be determined by the Parties hereto that it has become necessary for Otter Tail to relocate its transmission line serving the connection specified herein to eliminate interference with other utilities, with conflicting rights of way such as road, ditches, etc., or for similar reasons, East River, if it wishes to continue to receive service, shall at its own expense, relocate the connecting facilities specified under Paragraph 4 hereof and build the necessary connecting lines to such relocated point of connection as may be agreed between the Parties hereto.

10. Each Party shall pay any and all taxes levied and assessed on their respective properties as specified by the Agreement.

11. Otter Tail does not in any manner warrant or covenant unto East River the existence or validity of any easement, franchise or other authorization for the erection, maintenance or repair of East River installations specified herein. East River shall procure all necessary easements, franchise or authorization required for the construction, operation, and maintenance of its structures, wires, equipment, guys or other installations.

EXHIBIT "D"

The effective date of this Agreement is the 1st day of October, 2007.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of this 4th day of August, 2011.

EAST RIVER ELECTRIC POWER COOPERATIVE, INC.

By _____
President

ATTEST:

_____
Secretary
(Title)

OTTER TAIL POWER COMPANY

By _____
Vice President
Asset Management

ATTEST:

_____
(Title)

Exhibit E

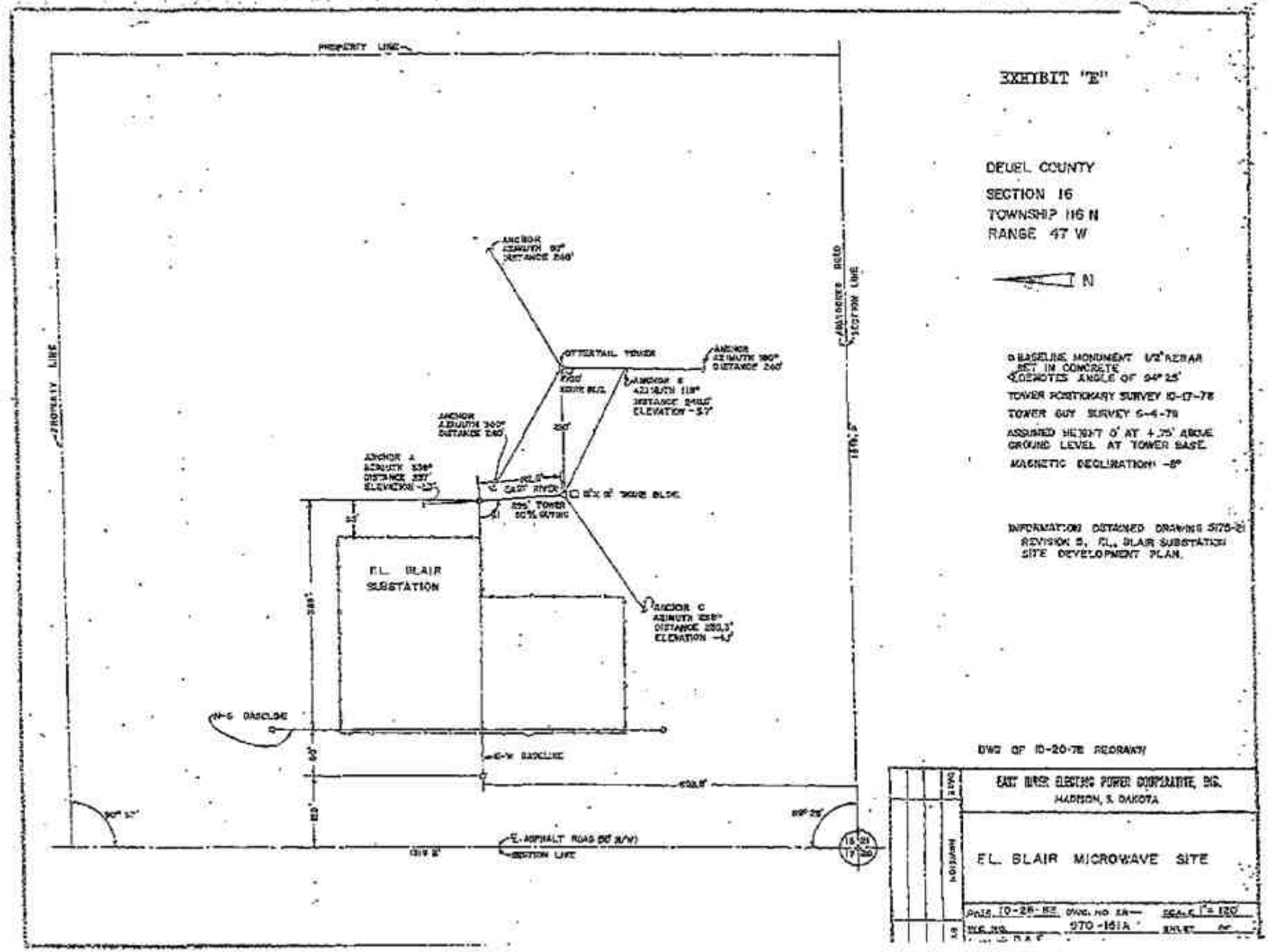


EXHIBIT "E"
DEUEL COUNTY
SECTION 16
TOWNSHIP 116 N
RANGE 47 W
N
PROPERTY LINE
ANCHOR AZIMUTH 90° DISTANCE 240'
OTTERTAIL TOWER
ANCHOR AZIMUTH 180° DISTANCE 240'
ANCHOR B AZIMUTH 118° DISTANCE 240' ELEVATION -5.7'
ANCHOR AZIMUTH 360° DISTANCE 240'
ANCHOR A AZIMUTH 338° DISTANCE 237' ELEVATION -13'
EAST RIVER
85'x 85' HOUSE BLDG.
EL BLAIR SUBSTATION
ANCHOR C AZIMUTH 238° DISTANCE 200.3' ELEVATION -4.3'
N-S BASELINE
E-W BASELINE
E. ASPHALT ROAD (66' R/W)
SECTION LINE
SECTION LINE
DWG OF 10-20-78 REDRAWN
EAST RIVER ELECTRIC POWER COOPERATIVE, INC.
MADISON, S. DAKOTA
EL BLAIR MICROWAVE SITE
DATE 10-26-78 DWG. NO. 28-
270-161A
SCALE 1" = 120'
DRAWN BY

Exhibit F

EXHIBIT F

TRANSMISSION SERVICE AGREEMENT
BETWEEN
EAST RIVER ELECTRIC COOPERATIVE INC.
AND
OTTER TAIL POWER COMPANY
SUPPLEMENT NO. 3

LAKE PRESTON INTERCONNECTION

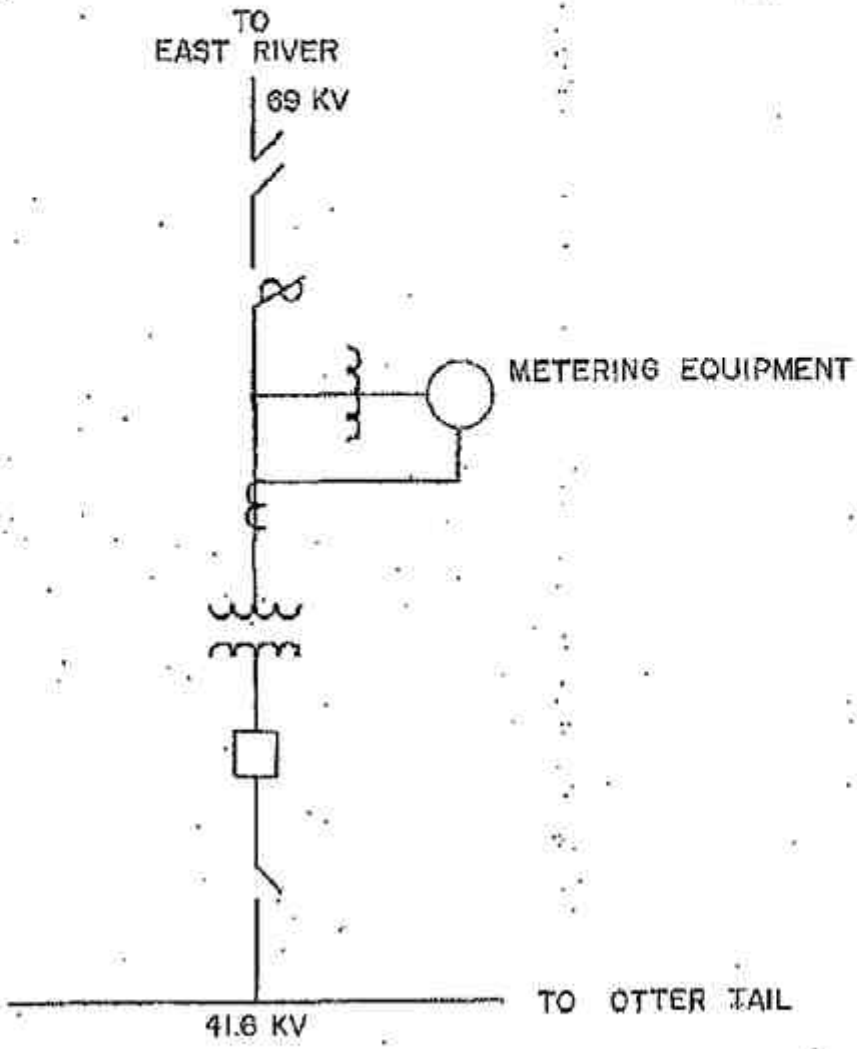


Exhibit G

Supplement 1

SUPPLEMENT NO. 1
to the
INTERCONNECTION AND TRANSMISSION SERVICE AGREEMENT
Between
EAST RIVER ELECTRIC POWER COOPERATIVE, INC.
Madison, South Dakota
and
OTTER TAIL POWER COMPANY
Fergus Falls, Minnesota

1. This Supplement made this 20th day of February 1978, between East River Electric Power Cooperative, Inc. a corporation duly organized, created and existing under and by virtue of the laws of the State of South Dakota, and a REA financed cooperative, herein called East River, its successors and assigns, and Otter Tail Power Company, a corporation duly organized, created and existing under and by virtue of the laws of the State of Minnesota, hereinafter called Otter Tail, its successors and assigns, which corporations are referred to herein individually as party and collectively as parties.

WITNESSETH:

2. WHEREAS, the parties hereto have entered into a contract known as Interconnection and Transmission Service Agreement between East River Electric Power Cooperative, Inc., Madison, South Dakota, and Otter Tail Power Company, Fergus Falls, Minnesota, dated the 8th day of January, 1973, hereinafter called the Original Contract providing among other things for the delivery of electric power and energy in a normal load pattern to the retail loads of Traverse Electric Cooperative, Inc. of Wheaton, Minnesota; and

3. WHEREAS, East River desires to establish an interconnection on the Otter Tail Power Company transmission system in Section 14, Township 128 North, Range 47 West, Traverse County, Minnesota (hereinafter called the "Dome Pipeline Point of Interconnection"); and

4. WHEREAS, the parties agree that transmission service to the load requirements of the Dome Pipeline Point of Interconnection is not provided under Exhibit A of the Original Contract; and

5. WHEREAS, it is the intent of the parties that the rate established for service to the Dome Pipeline Point of Interconnection represent Otter Tail's fully allocated cost; and

6. WHEREAS, the parties desire to provide service to the Dome Pipeline Point of Interconnection under the terms and conditions set forth in the Original Contract and as provided by this Supplement No. 1, thereto:

7. NOW, THEREFORE, in consideration of the mutual covenants set forth herein and in the said Original Contract, the parties hereto agree as follows:

8. Otter Tail does hereby grant to East River permission to interconnect, construct and maintain the Dome Pipeline Point of Interconnection to Otter Tail Power Company's transmission line.

9. To establish the Dome Pipeline Point of Interconnection in Section Fourteen (14), Township One Hundred Twenty Eight (128) North, Range Forty Seven (47) West for delivery of electric power and energy from Otter Tail

to East River at a nominal 41,600 volts, 3-phase, 60-hertz East River will:

(1) assume costs for any required construction assistance furnished by Otter Tail at the Dome Pipeline Point of Interconnection as specified in Exhibit D.

(2) execute the attached Exhibit D entitled, "Dome Pipeline Point of Interconnection".

10. East River shall compensate Otter Tail for transmission services to the Dome Pipeline Point of Interconnection in the amount and manner prescribed in Article IV of the Original Contract.

11. In addition to the compensation provided for in paragraph 10 above, East River will pay Otter Tail at the rate of $.40 per KW of peak demand per month but not less than $700.00 per month for the term of this Supplement No. 1 to provide for the allocated costs of providing services specified herein to the Dome Pipeline Point of Interconnection. Peak demand shall be the greatest rate at which energy is delivered by Otter Tail to East River during any interval of 15 consecutive minutes occurring during the month for which the bill is rendered. Metered quantities of a 30 minute interval demand meter shall be multiplied by a factor of 1.015 to adjust to a 15-minute interval period. Electric service to be provided under this Agreement shall be limited to providing starting requirements of electric motors not in excess of 2000 hp per motor.

12. Should Dome Pipeline Corporation, its successors or assigns, cease to take power and energy over the Dome Pipeline Point of Interconnection, East River will continue the facilities payment to Otter Tail in the amount of $700.00 per month for the duration of this Supplement.

13. East River shall provide or cause to be provided the reactive power requirements at the Dome Pipeline Point of Interconnection. If, in any monthly billing period, Otter Tail supplies reactive power in excess of one kvar for each three kilowatts of peak demand, East River shall reimburse Otter Tail at the rate of fifteen cents ($0.15) per kvar for all such excess kvars. East River agrees to install or cause to be installed a meter suitable for the determination of kvar demand.

14. East River agrees to support Otter Tail in its filing of this Agreement and Rate Schedule with the Federal Energy Regulatory Commission and on seeking approval thereof by said Commission.

15. Subject to the terms of paragraph 17 hereof, this Supplement shall become effective on the date of its execution and shall remain in effect concurrently with the Original Contract and shall terminate coincidentally therewith.

16. Except as expressly modified by this Supplement, the Original Contract shall remain in full force and effect and this Supplement shall be subject to all the provisions of the Original Contract except as herein modified.

17. All terms and conditions set forth herein become binding upon written approval of the Administrator of the Rural Electrification Administration and acceptance for filing by the Federal Energy Regulatory Commission.

IN WITNESS WHEREOF, the parties hereto have caused this Supplement to be executed the day and year first above written.

DATE February 20th 1978

EAST RIVER ELECTRIC POWER COOPERATIVE, INC.

By _____
President

ATTEST:

_____
(Title)

OTTER TAIL POWER COMPANY

By _____
Vice President - Electrical

ATTEST:

_____
(Title) Corporate Secretary

Exhibit H

SUPPLEMENT NO. 3
to the
INTERCONNECTION AND TRANSMISSION SERVICE AGREEMENT
Between
EAST RIVER ELECTRIC POWER COOPERATIVE, INC.
Madison, South Dakota
and
OTTER TAIL POWER COMPANY
Fergus Falls, Minnesota

1. This Agreement made this 6th day of June, 1985, by East River Electric Power Cooperative, Inc. (hereinafter called "East River"), a cooperative corporation incorporated under the laws of the state of South Dakota, and Otter Tail Power Company (hereinafter called "Otter Tail"), a Minnesota corporation, which corporations are referred to herein individually as Party and collectively as Parties.

WITNESSETH:

2. WHEREAS, the Parties have entered into an Interconnection and Transmission Service Agreement dated January 8, 1973, Supplement No. 1 thereto dated February 20, 1978, and Supplement No. 2 thereto dated June 10, 1983 (hereinafter together called the Original Contract), which contract provides for certain transmission services by each Party for the other, the intent being that such services by each Party will be generally equal to services provided by the other Party; and

3. WHEREAS, the Parties desire to provide for an additional point of interconnection for emergency service.

4. NOW, THEREFORE, in consideration of the mutual covenants herein set forth, the Parties agree as follows:

5. LAKE PRESTON INTERCONNECTION. The Parties agree to establish an interconnection for emergency services located near the SE corner Section 23, Township 111 N, Range 55 W, Kingsbury County, South Dakota, near Lake Preston, South Dakota. Said interconnection shall consist of the electrical equipment and connections described in Exhibit F (hereto attached). All costs associated with establishing the Lake Preston Interconnection shall be borne by Otter Tail. Completion of facilities shall be as determined by Otter Tail.

6. EMERGENCY SERVICE. Each Party agrees to furnish to the other emergency energy at the Lake Preston interconnection in accordance with provisions of Article 2-2 of the Original Contract for the Britton interconnection.

7. OPERATION. Operation of facilities at the Lake Preston interconnection shall be as agreed between the System Operations departments of East River and Otter Tail and shall conform to requirements of the supplier of emergency energy.

8. METERING. Delivery of electrical energy shall be at 69 KV at the Lake Preston interconnection. Meters and metering equipment shall be owned, maintained, and read by Otter Tail at the Lake Preston interconnection. Metering shall otherwise conform with the provision of Article 1-4 of the Original Contract.

9. TERM. This Supplement No. 3 shall terminate coincidentally with the Original Contract as amended.

10. EFFECTIVE DATE. Subject to the terms of Paragraph 11 hereof, this Supplement shall become effective on the date of its execution.

11. APPROVAL. This Agreement is subject to the approval of the Administrator of the Rural Electrification Administration and any regulatory body or bodies having jurisdiction thereof.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed the day and year first above written.

EAST RIVER ELECTRIC POWER COOPERATIVE, INC.

BY _____
President

ATTEST:

_____
(Title) Secretary

OTTER TAIL POWER COMPANY

By _____
Vice President, Engineering & Operations

ATTEST:

_____
(Title)

Exhibit I

SUPPLEMENT NO. 4
to the
INTERCONNECTION AND TRANSMISSION SERVICE AGREEMENT
Between
EAST RIVER ELECTRIC POWER COOPERATIVE, INC.
Madison, South Dakota
and
OTTER TAIL POWER COMPANY
Fergus Falls, Minnesota

THIS AGREEMENT, made this 10th day of September, 1986, by and between Otter Tail Power Company, a Minnesota corporation (hereinafter referred to as "Otter Tail"), and East River Electric Power Cooperative, Inc. (hereinafter referred to as "East River"), a cooperative corporation incorporated under the laws of South Dakota, which corporations are referred to herein individually as Party and collectively as Parties.

WITNESSETH

WHEREAS, the Parties have entered into an Interconnection and Transmission Service Agreement dated January 8, 1973, as supplemented; and

WHEREAS, Supplement No. 3 (dated June 6, 1985) to said Interconnection and Transmission Service Agreement ("Original Contract"), provides for an interconnection of transmission facilities for emergency service near Lake Preston; and

WHEREAS, the Parties desire to further agree as to facilities at the Lake Preston Interconnection; and

WHEREAS, the Graceville Point of Delivery has been relocated; and

WHEREAS, the Parties wish to provide for an additional point of interconnection for emergency service;

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the Parties agree as follows:

1.0 LAKE PRESTON FACILITIES

1.1 East River hereby grants to Otter Tail the right to install, maintain, repair, replace, and remove, on East River's Lake Preston Substation Site located in the SE Corner, Section 23, Township 111N, Range 55W, Kingsbury County, South Dakota, a transformer, circuit breaker, disconnect switches, control wiring, appropriate foundations, line poles, and all other associated equipment and cables used in conjunction therewith. These facilities shall be installed with the sub site. Permission is also granted to permit Otter Tail to grade and level that portion of the substation site which will be used for construction of the interconnecting substation. The costs of such equipment, installation, grading and leveling will be paid by Otter Tail.

The material and equipment installed in said Lake Preston Interconnection Substation by Otter Tail shall be, and remain, personal property of Otter Tail, and shall not become a part of the real estate nor a part of the property of East River.

1.2 Otter Tail agrees to coordinate its installation of the facilities within the Interconnection Substation Site with East River approval.

1.3 Neither Party hereto shall permit any mechanic's, laborer's, or materialman's lien to stand unsatisfied against the premises of

either of the Parties in connection with any work performed on East River's Substation Site at the direction or acquiescence of said Party, except in the case of a bonafide dispute with the mechanic, laborer, or materialman filing such lien. The Party responsible for such dispute shall promptly cause the dispute to be resolved and the lien discharged. Each Party hereto agrees to indemnify and hold harmless the other Party from any such claim, including interest, attorney's fees, and all other litigation expenses related thereto.

1.4 Otter Tail will restore the premises of the Lake Preston Interconnection Substation to reasonable condition after any activity by Otter Tail on the site, or upon the removal of any equipment either during the term hereof or within a reasonable time after the expiration of this Agreement at its own expense.

1.5 East River warrants that it has title to the Lake Preston Interconnection Substation Site.

1.6 Each Party shall pay all taxes or assessments levied against its own equipment and property.

1.7 In the event of an emergency in which Otter Tail cannot perform the required repair or replacement, East River may perform the necessary maintenance work on the aforesaid transmission facilities of Otter Tail which are adversely affecting the operation of the East River transmission system and within 15 days of the billing thereof, Otter Tail shall reimburse East River for the costs incurred.

1.8 Each Party will indemnify and hold harmless the other Party from and against any and all claims, liabilities, losses, damages, or expenses caused by, or resulting from, the negligent acts or omissions of the indemnifying Party, its agents, servants, or employees.

2.0 GRACEVILLE POINT OF DELIVERY

2.1 Revision of Exhibit "A". Exhibit "A as revised by Supplement No. 2 is hereby deleted and replaced by Exhibit "A" to this Supplement No. 4 hereto attached and made a part hereof.

2.2 Revision of the Graceville Exhibit "D". Exhibit "D", Graceville, Minnesota Substation of the Original Contract is hereby deleted and replaced by Exhibit "D" to this Supplement No. 4, hereto attached and made a part hereof.

3.0 VICTOR INTERCONNECTION

3.1 The Parties agree to establish an interconnection for emergency services located near the SW Corner of Section 8, Township 128N, Range 49W, Roberts County, South Dakota, near Victor, South Dakota. Said interconnection shall consist of the tap structure, a three-pole air break switch in Otter Tail's line west from the tap, a three-pole air break switch in East River's connecting line, a 41.6 kV connecting line approximately six miles long and transformation, switching, metering, and protective equipment at the location of East River's Victor Substation. All costs associated with establishing the Victor Interconnection shall be borne by

East River. Completion of facilities shall be as determined by East River.

3.2 Each Party agrees to furnish to the other emergency energy at the Lake Preston interconnection in accordance with provisions of Article 2-2 of the Original Contract for the Britton interconneotion.

3.3 Operation of facilities at the Victor interconneotion shall be as agreed between the System Operations departments of East River and Otter Tail and shall conform to requirements of the supplier of emergency energy.

3.4 Delivery of electrical energy shall be at 41.6 kV at the Victor interconnection. Meters and metering equipment shall be owned, maintained, and read by East River at the Victor interconnection. Metering shall otherwise conform with the provisions of Article 1-4 of the Original Contract.

4.0 GENERAL

4.1 Subject to the terms of Paragraph 4.4 hereof this Agreement shall become effective on the date of its execution and shall terminate coincidentally with the Original Contract.

4.2 No waiver or a breach of any of the agreements or provisions contained in this contract shall be construed to be a waiver of any subsequent breach of the same, or of any other common provision of the contract.

4.3 Except as expressly modified by this Supplement, the Original Contract shall remain in full force and effect and

this Supplement shall be subject to all the applicable provisions of the Original Contract except as herein provided or modified.

4.4 This Agreement is subject to the approval of the Administrator of the Rural Electrification Administration and any regulatory body having jurisdiction thereof.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed as of the date and year first above written.

EAST RIVER ELECTRIC POWER COOPERATIVE, INC.

President

Secretary

OTTER TAIL POWER COMPANY

Vice President, Engineering & Operations

Secretary

COYOTE l STATION

TRANSMISSION FACILITIES

AGREEMENT

BY AND BETWEEN

MINNESOTA POWER & LIGHT COMPANY

MINNKOTA POWER COOPERATIVE, INC.

MONTANA-DAKOTA UTILITIES CO.

NORTHWESTERN PUBLIC SERVICE COMPANY

NORTHERN MUNICIPAL POWER AGENCY

AND

OTTER TAIL POWER COMPANY

DATED AS OF NOV. 30, 1978

THIS AGREEMENT is made as of NOVEMBER 30, 1978, by and between MINNESOTA POWER & LIGHT COMPANY, a Minnesota corporation ("Minnesota Power"), MINNKOTA POWER COOPERATIVE, INC., a Minnesota corporation ("Minnkota"), MONTANA-DAKOTA UTILITIES CO., a Delaware corporation ("Montana-Dakota"), NORTHWESTERN PUBLIC SERVICE COMPANY, a Delaware corporation ("Northwestern"), NORTHERN MUNICIPAL POWER AGENCY, a political subdivision and municipal corporation of the State of Minnesota ("Agency"), and OTTER TAIL POWER COMPANY, a Minnesota corporation ("Otter Tail"), which are sometimes referred to collectively herein as the "Owners" or "Parties" or individually as the "Owner" or "Party".

RECITALS

0.1 WHEREAS, the Parties, excluding Agency, heretofore entered into the Agreement for Sharing Ownership of Generating Plant, dated as of July 1, 1977 (the "Basic Agreement"), as supplemented by "Supplemental Agreement No. 1 to Agreement for Sharing Ownership of Coyote Generating Unit No. 1" dated as of November 30, 1978, and "Coyote Station Agreement for Sharing Ownership of Generating Unit No. 1, Amendment No. 2" dated March 1, 1981; (collectively with the Basic Agreement, the "Agreement for Sharing Ownership"), to provide for the construction and sharing of ownership by them of a lignite-fueled electric generating plant, rated nominally at 400 MW, located in Mercer County, North Dakota (the "Coyote 1 Station"); and

0.2 WHEREAS the transmission systems of the Parties shown in Exhibit "A" are presently interconnected at various locations with capacity levels useful as hereinafter provided for transfer of Coyote l Station capacity; and

0.3 WHEREAS it is the Parties intention to use the capacity levels of the presently interconnected transmission systems for transfer of Coyote 1 Station capacity so long as such capacity is not required by the owning Party for its own use, or for use in satisfying prior commitments; and

0.4 WHEREAS the Parties have determined that certain additional facilities (hereinafter specified in Section 1.1), are required to provide necessary additional transmission service from the Coyote l Station to the present electric systems of the Parties and to provide the capability for transfer of synchronizing power needed for the level of system reliability and stability specified by the Mid-Continent Area Reliability Coordination Agreement. Said existing and additional facilities are shown on Exhibit "A" and made a part hereof; and

0.5 WHEREAS the Parties have agreed to share the costs, and to divide the ownership of the facilities as hereinafter provided;

0.6 WHEREAS Otter Tail, Minnkota, Montana-Dakota, Northwestern and Minnesota Power, together with Knife River Coal Mining Company, a Minnesota corporation ("Knife River"), have entered into the "Coyote Plant Coal Agreement" dated as of January 1, 1978 (the "Coal Agreement");

0.7 WHEREAS Minnkota wishes to transfer to Agency its ownership interest in the Project Transmission (as that term is defined in this Agreement), the other Parties have consented to such transfer, and the Parties have amended this Agreement to make Agency a party hereto and to reflect the transfer of Minnkota's interest in the Project Transmission to Agency;

0.8 WHEREAS the Parties determined that certain changes had to be made and that additional or substitute facilities were required to provide necessary additional transmission service from the Coyote 1 Station to the present electric system of the Parties, and that such

changes, substitutions, and additional facilities would be shown on a revised exhibit to this Agreement and described herein;

0.9 WHEREAS the Parties desire to supplement this Agreement to provide for an equitable division of the cost and ownership of the facilities constructed by them, and to acknowledge changes, substitutions, and additions to this Agreement;

0.10 WHEREAS the Parties have agreed upon the meaning of this Agreement with respect to the Jamestown Reactor addition to the Center to Maple River transmission line;

0.11 WHEREAS Minnesota Power has agreed to transfer to Montana-Dakota its ownership interest in the Coyote 1 Station and in this Agreement, the other Parties have consented to such transfer, and the Parties have amended this Agreement to reflect such transfer;

0.12 WHEREAS the Parties have determined that the Center to Maple River 345 kV transmission line became unavailable and inadequate for use in providing transmission service from the Coyote 1 Station to the electric systems of the Parties, due to unforeseen flooding; a reroute of the 345 kV transmission line (also referred to herein as the "Horsehead Lake reroute") was necessary and constituted necessary additional or substitute facilities; and the Parties have amended this Agreement to reflect the equitable division of the cost and ownership of such reroute facilities;

0.13 WHEREAS the Parties have prepared this restated and conforming Agreement to reflect the effects of all amendments and supplements to this Agreement;

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained, the Parties hereby agree as follows:

ARTICLE I.

REQUIRED TRANSMISSION FACILITIES

1.1 In addition to the substation on the site of the Coyote 1 Station (the "Plant Substation") and existing facilities of the Parties as shown on Exhibit "A", the Parties agree that the following major facilities are required to provide the necessary transmission service from the Coyote 1 Station to the present electric systems of the Parties:

1.11 The Center 345 to 230 kV substation to be located adjacent to Minnkota's Milton R. Young Station near Center, North Dakota.

1.12 A 345 to 230 kV substation to be located adjacent to Minnkota's Maple River substation near Fargo, North Dakota.

1.13 Modification and additions to Otter Tail's Jamestown substation located near Jamestown, North Dakota for 345 kV operation, and installation of 345 kV reactors at Jamestown, North Dakota, as shown on Exhibit "D" attached hereto and described in Article VII to this Agreement, if reliability and operating voltage levels of the Center-Maple River 345 kV line are deemed by the Parties to be unacceptable.

1.14 Modification of Otter Tail's and Minnkota's Buffalo substation located near Buffalo, North Dakota for 345 kV operation.

1.15 One single circuit wood pole 345 kV transmission line extending from the Coyote 1 Station substation to the Center 345 kV substation, a distance of approximately 32 miles. This single-circuit 345 kV transmission line shall include single-phase tripping on the Coyote to Center 345 kV line in lieu of the second 345 kV line that had originally been contemplated between

the Parties and the Rural Electrification Administration. The Parties shall share all costs associated with additional facilities deemed necessary to make single-pole switching operate reliably in proportion to their ownership share of the Coyote 1 Station. The Parties shall initially proceed with the construction of one single circuit wood pole 345 kV line from Coyote to Center, and then initiate a study of alternatives to construction of a second line. Following this study the Parties shall actively pursue negotiations for contractual arrangements on feasible alternatives revealed by the study, in an attempt to provide an optimum transmission system in the vicinity.

1.16 Modification and additions to the existing Minnkota 230 kV transmission line for 345 kV operation, extending from the Center 345 kV substation to the Maple River 345 kV substation, a distance of approximately 212 miles.

1.17 Two 115 kV tie lines extending from the existing Montana-Dakota Beulah-Dickinson 115 kV line to the Plant Substation, a distance of approximately one mile.

1.2 The facilities specified herein (Section 1.11 through 1.17) will be constructed by the Parties essentially as detailed in Exhibit "C" attached hereto.

1.3 Additional or substitute facilities may be required in the future to provide transmission service from the Coyote 1 Station to the electric systems of the Parties. If any facility described herein becomes unavailable or inadequate for such use before the expiration of this Agreement, the facilities required to provide such necessary transmission service shall be

added or substituted and the Parties shall enter into a supplement to this Agreement to designate such facilities and to provide for the construction and the ownership thereof.

ARTICLE II.

CONSTRUCTION AND COST SHARING OF FACILITIES

2.1 The Plant Substation is a part of the Plant and Plant Property under Section 3.1(e) and other provisions of the Basic Agreement and its cost and ownership are to be shared by the Parties as provided in the Basic Agreement.

2.2 Montana-Dakota through Fidelity Gas Company, a wholly owned subsidiary will acquire right of way easements, together with all associated permits, licenses and property rights associated therewith, for the two Coyote to Center 345 kV transmission lines (Section 1.15), and will contract for the construction of said lines, subject to ultimate division among the Parties as herein provided.

2.3 Minnkota has acquired or will acquire right of way easements together with all associated permits, licenses and property rights associated therewith, for the modification and uprating of the Center-Maple River transmission line from 230 to 345 kV (Section 1.16) and will contract for the construction thereof in the sole name of Minnkota and will be the sole owner thereof.

2.4 Otter Tail or Minnkota has acquired or will acquire sites and all associated permits for the construction, additions and modification of the Center 345 kV and Maple River 345 kV substations (Section 1.11 and 1.12) and will provide for the construction thereof.

2.5 Otter Tail or Minnkota will provide for the construction and modification of the Jamestown and Buffalo substation (Section 1.13 and 1.14). The portion of the cost of the

construction and modification of the Jamestown and Buffalo substations chargeable to the Parties as Coyote 1 related costs will be determined as follows:

Cost allocable to Coyote Parties shall be 50 percent of the following:

(a) Total cost of construction (except transformers) less original cost of salvageable materials and equipment removed (except transformers), plus

(b) The cost of 345 kV transformers of equal capacity to existing 230 kV units less the original cost of the existing 230 kV transformers.

2.6 Montana-Dakota will be responsible for the construction of and will be the sole owner of the 115 kV transmission lines connecting to the Plant Substation.

2.7 The costs of acquiring or constructing the facilities described above in ARTICLE I will be shared by the Parties in proportion to the percentages shown below:

PERCENTAGE PARTICIPATION IN COSTS

Item	Otter Tail & Minnkota	Montana Dakota	Northwestern	Minnesota Power
115 kV Tie Lines	65	20	10	5
Coyote-Center 345 kV Lines	65	20	10	5
Center 345 kV substation	65	20	10	5
Maple River 345 kV substation	65	20	10	5
Convert the Center-Maple River 230 kV line to 345 kV	82.5	10	5	2.5
Convert the Jamestown and Buffalo substations to 345 kV	82.5	10	5	2.5

2.8 The Parties agree that Otter Tail will act as Transmission Facilities Coordinator for purposes of this Agreement. As construction costs pursuant to this Agreement are incurred

by any of the Parties, they will be billed to the Coordinator, Otter Tail. The Coordinator will reimburse that Party for the billing that Party has rendered. The Coordinator will then bill each Party in accordance with its percentage participation as shown in Section 2.7.

2.9 The Parties individually will ultimately be the sole owners of separate segments of the facilities to be constructed pursuant to ARTICLE II, such segments to be determined so that the facilities described above in Section 1.11 through l.17 inclusive, will be funded by the Parties in the proportions (based upon costs) provided for in Section 2.7 of this Agreement. There is attached hereto as "Revised Exhibit B" and made a part hereof, detailing the cost of constructing or providing such facilities and the Parties' agreement to a final division of ownership of the facilities for purposes of transfer of respective interests.

2.10 The Parties having agreed on such final division of ownership of the facilities and the determination of costs for purposes of such division, further agree that they shall forthwith sell, assign, transfer, convey, and quit claim to one another, that portion of the facilities described in "Revised Exhibit B," and this Agreement, all of the right of way easements, together with all associated permits, licenses, and property rights associated with the facilities, free from the lien of the Parties' Indentures, as said Indentures have been amended and supplemented. Appropriate documents to accomplish said division, as required by counsel for the Parties, will be executed and delivered, conveying the separate segments free of liens.

2.11 Said transfers and conveyances shall be made without payment to any Party, therefore, except that the Parties recognize and agree that their respective ownership of any portion of the transmission or their required contribution toward the final cost of the transmission facilities is determined in accordance with this Agreement or any Supplement hereto.

2.12 In the event all of the costs of all of the transmission facilities and of the lines transferred to any of the Parties in accord with Sections 2.9 through 2.12 of this Agreement are such that the portion of the lines described in "Revised Exhibit B," hereto, sold and conveyed to any of the Parties, hereby exceeds the portion of said line to which any of the Parties is entitled pursuant to this Agreement, or any Supplement hereto, such Party agrees forthwith to retransfer and reconvey free from mortgage liens of such Party and without payment to the Party whose portions of the line sold and conveyed to it pursuant thereto, the cost of which is in excess of the portion of said line to which it is entitled pursuant to this Agreement or any Supplement hereto.

ARTICLE III.

LICENSE RIGHTS, MAINTENANCE AND OPERATING LIMITATIONS

3.1 Each Party agrees that the addition of the facilities specified herein (Section 1.11 through 1.17) are adequate, together with existing facilities to deliver the full output of the Coyote 1 Plant to the Parties at Coyote, Center, Heskett, Ellendale and Maple River. Each Party agrees that the facilities shown on Exhibit "A" are subject to a license and right to use the same hereby granted by each Party to each of the other Parties to provide the transmission service to the delivery points specified above. Should the facilities of a Party be overloaded by Coyote l power delivery schedules, said Party shall be held harmless by the Party or Parties causing the overloaded condition. Each Party shall be the sole judge as to the overloading of its facilities.

3.2 Each Party shall have the right to tap at its own expense the Plant Substation and the other facilities shown on Exhibit "A" for deliveries to its own loads. Such taps shall not interfere with the use of such facilities by its owner (s) or to provide the necessary transmission service from the Coyote l Station to the electric systems of the Parties.

3.3 Each of the respective Owners of the facilities described above in ARTICLE I shall bear its own costs of maintenance and property taxes, including all capital expenditures and maintenance expenses, associated with the portions of such facilities owned by it and shall keep them in serviceable condition. If ownership of Plant Property changes the Parties shall, as a part of the Agreement providing for such change, negotiate appropriate transfers of transmission property to correspond to the change in ownership of Plant Property.

3.4 At the request of the Owner thereof, any other Party may maintain any of the facilities described above in ARTICLE I. As such Party incurs costs for such maintenance, they may be billed to the Owner and will be due upon billing. The term "costs" shall mean fully allocated costs and include reasonable overhead, administrative and general and fixed costs.

3.5 The Design Review Committee of the Mid-Continent Area Reliability Coordination Agreement in its approval dated January 6, 1977 of the Coyote 1 Transmission Study, imposed operating restrictions on the systems of the Parties. Prior to commercial operation of the Coyote 1 Station, the Parties agree to perform Operating Studies to determine the specific operating limitations, if any, required to meet the then current System Design Standards promulgated by the Mid-Continent Area Reliability Coordination Agreement. Should generation level reductions be required by said established operating limitations, the Parties agree to minimize impact to existing generating stations of the Parties by making any required generation reductions, to the maximum possible extent, at the Coyote 1 Station.

3.6 It is specifically agreed by the Parties to this Agreement that, irrespective of the other provisions of this Agreement, the Center-to-Heskett and the Heskett-to-Ellendale 230 kV lines as referred to herein and as set out on Exhibit "A" to this Agreement, shall be considered as facilities to provide transmission service hereunder only until the capacity in the Center-to-

Heskett line is needed by Minnkota Power Cooperative for its use or for use in satisfying prior capacity commitments made by Minnkota Power Cooperative or until the capacity in the Heskett-to-Ellendale 230 kV line is needed by Montana-Dakota Utilities Co. for its use or for use in satisfying prior capacity commitments by Montana-Dakota Utilities Co.; and if said line or lines become unavailable for the reason stated herein for Coyote 1 transmission, neither Minnkota Power Cooperative nor Montana-Dakota Utilities Co. shall be obligated, as the case may be, to provide or share in, in any manner, directly or indirectly, for the construction of facilities or substitute facilities which may be necessitated by the unavailability of the Center-to-Heskett or the Heskett-to-Ellendale lines for Coyote 1 transmission purposes.

ARTICLE IV.

SYSTEM OPERATION AND LOSSES

4.1 It is the intent of the Parties to operate their respective systems including the facilities associated with the Coyote 1 Station to minimize, in accordance with good practice, the occurrence of hardship to other systems due solely to line losses, electrical disturbances and real and reactive power flows.

4.2 Each Party will provide in its system the facilities necessary for such telemetering, load control, communication, billing metering, and relay protection which are necessary for proper operation of the transmission facilities contemplated hereunder.

4. 3 Losses on Coyote Station Substation, and lines from Coyote to Center will be provided by the Parties in proportion to the schedules of Coyote 1. Losses occurring on other portions of the systems of the Parties, will be provided by the Parties in accordance with the schedules and flows resulting from operation of Coyote 1 and Young No. 1 generating units which are delivered to the systems of the Parties or to others. Such losses will be determined on

the basis of the average of incremental losses on the system of a Party resulting from the aggregate of losses due to schedules of the other Parties.

4.4 Losses will be determined on the basis of schedules and incorporated into the loss schedules between Otter Tail and the other Parties. After the fact corrections for energy losses will be made for deviations from scheduled amounts.

ARTICLE V.

GENERAL

5.1 Any sale by any Owner of any of the facilities described above in ARTICLE I shall, unless specifically consented to in writing by the other Parties, reserve to the other Parties, and except from such sale, the license, rights and obligations set forth above in Section 3.1 and 3.2, so that said license, rights, and obligations shall survive any such sale and continue in effect for the full term of this Agreement.

5.2 No Party shall be held responsible or liable for any loss or damage resulting from failure to perform its obligations hereunder as a result of any cause beyond its control.

5.3 Each Party shall defend, indemnify, and hold harmless the other Party or Parties from and against any and all claims, liability, loss, damage, injury, or expense sustained by any third person, including any employee of the Parties, caused by or resulting from the negligent acts or omissions of a Party, its employees or agents.

5.4 This Agreement is not intended to and shall not create rights of any character whatsoever in favor of any person, corporation, association, or entity other than the Parties hereto, and the obligations herein assumed are solely for the use and benefit of the Parties.

5.5 This Agreement shall be binding upon and inure to the benefit of the Parties, their successors and assigns, except that this Agreement shall not be assigned by one Party without the written consent of the other Parties, which consent shall not be unreasonably withheld.

5.6 Any notices, demands, or requests, required or authorized by this Agreement, shall be given by personal service, telegraph, or mailed postage prepaid to the following officers of the Parties, namely: to the President, Minnesota Power & Light Company, 30 West Superior Street, Duluth, Minnesota 55802, if to Minnesota Power; to the Manager, Minnkota Power Cooperative, Inc., Post Office Box 1318, Grand Forks, North Dakota 58201, if to Minnkota; to the President, Montana-Dakota Utilities Co., 400 North Fourth Street, Bismarck, North Dakota 58501, if to Montana-Dakota; to the President, Northwestern Public Service Company, Northwest National Bank Building, Huron, South Dakota 57350, if to Northwestern; and to the President, Otter Tail Power Company, 215 South Cascade Street, Fergus Falls, Minnesota 56537, if to Otter Tail. The designation of the persons to be notified or the address of such person may be changed at any time by similar notice.

5.7 This Agreement and any amendments thereto is subject to the regulation of any regulatory body having jurisdiction thereof, including the approval in writing by the Administrator of the Rural Electrification Administration.

5. 8 This Agreement shall not become effective unless the Coyote Station-Agreement for Sharing Ownership of Generating Unit No. 1, dated July 1, 1977 becomes effective and until all necessary governmental approvals as required by Section 5.7 have been secured.

5.9 This Agreement may not be altered or amended save by a written document signed by all of the Parties signatory hereto.

5.10 This Agreement shall terminate upon the termination of the Coyote Station-Agreement for Sharing Ownership of Generating Unit No. 1, dated July l, 1977.

ARTICLE VI.

TRANSFER OF PROJECT TRANSMISSION

6.1 Otter Tail, Montana-Dakota, Northwestern, and Minnesota Power hereby consent to the transfer of Minnkota's Ownership Share (as that term is defined in the Agreement for Sharing Ownership), its 100% undivided ownership interest in the modifications and additions to the existing Minnkota 230kV transmission line extending from the Center 345kV substation to the Maple River 345kV substation for 345kV operation (the "Project Transmission"), and all of its right, title and interest in the Agreement for Sharing Ownership and the Coal Agreement and this Agreement as it pertains to the Project Transmission, and hereby waive any and all rights of purchase of Minnkota's Ownership Share pursuant to Article 5 of the Agreement for Sharing Ownership with respect to the sale by Minnkota to Agency contemplated by the Power Supply Coordination Agreement, dated as of March 1, 1981, between Minnkota and Agency (the "Coordination Agreement") and all such rights of purchase in the event of any future repurchase by Minnkota from Agency of said Ownership Share pursuant to the Coordination Agreement.

6.2 Minnesota Power, Montana-Dakota, Northwestern and Otter Tail hereby specifically consent to the sale of the Project Transmission.

6.3 Knife River has consented to the assignment by Minnkota of its rights, duties, obligations, responsibilities and interest in the Coal Agreement to Agency; Agency hereby assumes all liabilities and obligations of Minnkota under the Coal Agreement and Knife River has consented to release Minnkota from its liabilities and obligations under the Coal Agreement.

6.4 Agency shall be a party to the Agreement for Sharing Ownership and Coal Agreement and wherever used in the Agreement for Sharing Ownership and the Coal Agreement or any exhibits attached thereto, the word "Minnkota" and "Minnkota Power Cooperative, Inc." shall be read as "Agency".

6.5 Agency shall be a party to this Agreement with respect to the Project Transmission and wherever used in this Agreement or any exhibits attached thereto, the word "Minnkota", "Owner" or "Owners" or "Party" or "Parties" as such terms relate to the Project Transmission shall be read as or shall include, as the case may be, "Agency".

6.6 Minnkota shall no longer be a party to the Agreement for Sharing Ownership or the Coal Agreement or this Agreement insofar as it pertains to the Project Transmission.

6.7 This ARTICLE VI shall become effective only upon the closing of the sale of the Ownership Share and Project Transmission under the terms of the Coordination Agreement.

ARTICLE VII

JAMESTOWN REACTORS

7.1 As provided in Section 1.13 to this Agreement, 345 kV reactors are to be installed at Jamestown, North Dakota, as shown on Exhibit D attached hereto, if reliability and operating voltage levels of the Center-Maple River 345 kV line are deemed by the Parties to be unacceptable. The Center-Maple River 345 kV line has experienced numerous inadvertent service interruptions due to line to ground faults of an unknown nature resulting in unacceptable levels of reliability prior to November 1, 1982, following which additional modifications were completed under provisions of Paragraph 1.16 of this Agreement. Also, the Center-Maple River 345 kV line has experienced abnormally high operating voltages during its initial period of operation with closer control of the Coyote Station bus voltage and improved coordination with

other coal field generation plants being undertaken in an attempt to alleviate this condition. It is agreed that the purpose of the Jamestown reactor installation would be to alleviate both of the above unacceptable operating conditions should they persist. The Jamestown Reactor will facilitate single pole switching on the Center to Jamestown section of the Center to Maple River 345 kV Line, and will provide improved voltage regulation for the entire system. The Parties are not bound by this agreement to share in costs to facilitate single pole switching on the Jamestown to Maple River section of the Center to Maple River 345 kV Line.

7.2 Costs of construction and installation of the Jamestown reactors shall be divided on the basis of 50% assigned to the Coyote ownership shares and 50% assigned to Agency and Otter Tail.

7.3 Furthermore, the Parties wish to recognize that with the advent of numerous line to ground faults on the Center-Maple River 345 kV transmission line, there is a potential risk that the operational life of the Center Substation 345/230 kV transformer may be significantly diminished and therefore may require additional maintenance and future replacement. It is agreed that the cost of repair or replacement of the Center transformer shall be borne by the Parties in proportion to their ownership share of the Coyote 1 Station should failure occur before June 1, 1989, and the failure be reasonably attributable to the previously stated numerous line to ground faults on the Center-Maple River 345 kV transmission line.

ARTICLE VIII

MINNESOTA POWER TRANSFER TO MONTANA-DAKOTA

8.1 Minnesota Power has agreed to sell, transfer, convey, and assign to Montana-Dakota its entire 5 percent undivided share of the Coyote 1 Station, including but not limited to, all plant property, substation and transmission facilities and property and all lignite coal and

interest in lignite coal fuel supply and all right, title and interest in the Agreement for Sharing Ownership, the Coal Agreement and this Agreement. A written Purchase Agreement dated July 3, 1985 between Minnesota Power and Montana-Dakota has been entered into providing for a three part sale, under which one-fourth of Minnesota Power's interests were transferred on September 5, 1985, one-fourth are to be transferred on or about May 2, 1986, and the remaining one-half of Minnesota Power's interests are to be transferred on about May 2, 1988. Otter Tail, Agency, and Northwestern have consented to this sale and waived any rights of first refusal to any proportionate share of Minnesota Power's undivided interest in the Coyote 1 Station.

8.2 Minnesota Power has assigned, and Montana-Dakota has assumed, Minnesota Power's rights and liabilities under the Agreement for Sharing Ownership, this Agreement, and the Coal Agreement, in the respective proportions of ownership transfer as set forth in the Purchase Agreement to become effective on the respective closing dates for each portion of the sale as described above. Knife River has consented to the assignment by Minnesota Power of Minnesota Power's rights, duties, obligations, responsibilities and interest in the Coal Agreement to Montana-Dakota.

8.3 Effective as of the first closing under the Purchase Agreement, Section 3.3 of the Agreement for Sharing Ownership shall be amended to read as follows:

> Section 3.3 Otter Tail, Agency, Montana-Dakota, Northwestern and Minnesota Power shall be the Owners and their Ownership Shares, unless and until changed in accordance with the provisions of this Agreement, shall be as follows:
>
> | | |
> |---|---|
> | Otter Tail | -35% |
> | Agency | -30% |
> | Montana-Dakota | -21.25% |
> | Northwestern | -10% |
> | Minnesota Power | -3.75% |

8.4 Effective upon the second closing under the Purchase Agreement, Section 3.3 of the Agreement for Sharing Ownership shall be amended to read as follows:

> Section 3.3 Otter Tail, Agency, Montana-Dakota and Northwestern shall be the owners and their Ownership Shares, unless and until changed in accordance with the provisions of the Agreement, shall be as follows:
>
> | | |
> |---|---|
> | Otter Tail | -35% |
> | Agency | -30% |
> | Montana-Dakota | -22.5% |
> | Northwestern | -10% |
> | Minnesota Power | -2.5% |

8.5 Effective upon the third closing under the Purchase Agreement, Section 3.3 of the Agreement for Sharing Ownership shall be amended to read as follows:

> Section 3.3 Otter Tail, Agency, Montana-Dakota and Northwestern shall be the owners and their Ownership Shares unless and until changed in accordance with the provisions of the Agreement, shall be as follows:
>
> | | |
> |---|---|
> | Otter Tail | -35% |
> | Agency | -30% |
> | Montana-Dakota | -25% |
> | Northwestern | -10% |

8.6 This Agreement and the Coal Agreement are hereby amended to reflect this modification in ownership shares under the Agreement for Sharing Ownership.

6.8 Minnesota Power shall no longer be a party to the Agreement for Sharing Ownership, this Agreement, or the Coal Agreement following the third closing under the Purchase Agreement.

ARTICLE IX

CENTER-TO-MAPLE RIVER 345 KV REROUTE

9.1 The Parties agree that the reroute of the Center-to-Maple River 345 kV transmission line (also referred to herein as the "Horsehead Lake reroute"), described in section 1.16 of this Agreement by Agency, through its agent, Minnkota, in response to unforeseen

flooding, was required to provide the necessary transmission service from the Coyote 1 Station to the present electric systems of the Parties.

9.2 The Parties further agree that said reroute, which is 10.69 miles long and begins at structure 400 and extends through structure 448 as illustrated in Exhibit E, constituted necessary added or substitute facilities under section 1.3 of this Agreement, and did not constitute customary capital expenditure or maintenance expense under section 3.3 of this Agreement.

9.3 The Parties further agree that the cost of construction of the reroute facilities shall be as set forth on Exhibit F attached hereto (which is consistent with, and based upon, Revised Exhibit B to this Agreement). The Parties agree to forward their respective share of said costs to Minnkota, as agent for Agency.

9.4 The Parties further agree that each Party shall have undivided ownership in the reroute facilities in an amount equal to the respective Party's share of costs set forth in section 9.3 and attached Exhibit F. In the event the Parties need title documentation for specific property, Minnkota, as agent for Agency, will work with the Parties to provide the required documentation.

9.5 Operation and Maintenance Service (O&M). Agency, through its agent, Minnkota, agrees to operate, maintain and replace each Party's owned portion of the reroute facilities in accordance with the normal practices of the industry. The maintenance to be performed will be determined on the basis of air inspections and/or ground inspections. Required emergency inspections, repairs and maintenance will be performed as soon as practical upon discovery of the need thereof.

9.6 Agency, through its agent, Minnkota, will perform all maintenance and operational inspections, either with its own crew or with crews hired under special contract.

9.7 Agency, through its agent, Minnkota, will purchase and stock at convenient locations, an adequate supply of necessary transmission line materials, such as insulators, conductor, shield wire, other supporting structural members and special hardware which shall remain the property of Minnkota.

9.8 Billing Calculation for O&M Service. The following procedure shall be utilized to determine the amount of annual payment due Agency by the Parties for O&M work performed by Minnkota on Agency's behalf for the Parties' account and associated with the Parties' interests in the reroute portion of the line:

Annual O&M Payment	=	Total Annual Actual Minnkota Transmission System O&M Cost / Total Adjusted Transmission Line Mileage	x	The Parties' Adjusted 345 kV Transmission Line Ownership

Where

- Total annual actual Minnkota transmission system O&M costs are equal to the sum of all expenses included in the FPC Uniform Systems of Accounts, Accounts Numbers 563 Overhead Line Expenses and 571 Maintenance of Overhead Lines.
- Adjusted total transmission line mileage is the sum of:

$$\frac{\text{69 kV and 41 kV}}{1.0} + \frac{\text{115kV and 230 kV}}{1.5} + \frac{\text{345 kV}}{2} \quad \text{Miles in the Minnkota System}$$

As of Jan. 1, 2001: $\frac{2128.15}{1.0} + \frac{587.97}{1.5} + \frac{214.32}{2.0} = 2{,}627.4$ Miles

- Each Party's adjusted 345 kV line mileage is equal to:

$$\frac{\text{Each party's investment in the Horsehead Lake reroute}}{\text{Total investment in the Horsehead Lake reroute}} \times \text{Horsehead Lake reroute length}$$

or

MPC/Agency	$\frac{\$4,205,030}{\$5,425,845}$	x	10.69	=	8.28 miles
OTPC	$\frac{\$746,054}{\$5,425,845}$	x	10.69	=	1.47 miles
MDU	$\frac{\$339,115}{\$5,425,845}$	x	10.69	=	0.67 miles
NWPS	$\frac{\$135,646}{\$5,425,842}$	x	10.69	=	0.27 miles

- For example, the year 2000 O&M payment would be calculated as:

The OTPC annual O&M payment	=	$\frac{\$2,308,152.10}{2,627.4 \text{ miles}}$	x	1.47 miles	=	$1,291.38
The MDU annual O&M payment	=	$\frac{\$2,308,152.10}{2,627.4 \text{ miles}}$	x	0.67 miles	=	$588.59
The NWPS annual O&M payment	=	$\frac{\$2,308,152.10}{2,627.4 \text{ miles}}$	x	0.27 miles	=	$237.19

The Parties shall promptly pay Minnkota for each year's service within fifteen (15) days after receipt of billing therefor.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed by their duly authorized officers as of the day and year first above written.

MINNESOTA POWER & LIGHT COMPANY

(CORPORATE SEAL)

In Presence of:

By _____
President

_____

_____
Secretary

MINNKOTA POWER COOPERATIVE, INC.

(CORPORATE SEAL)

In Presence of:

By _____
President

_____

_____
Asst. Secretary

MONTANA-DAKOTA UTILITIES CO.

(CORPORATE SEAL)

In Presence of:

By _____
President

_____

_____
Secretary

NORTHWESTERN PUBLIC SERVICE CO.

(CORPORATE SEAL)

In Presence of:

By _____
President

_____

_____

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed by their duly authorized officers as of the day and year first above written.

MINNESOTA POWER & LIGHT COMPANY

(CORPORATE SEAL)

In Presence of:

By_____
President

_____
Secretary

MINNKOTA POWER COOPERATIVE, INC.

(CORPORATE SEAL)

In Presence of:

By_____
President

_____
Secretary

MONTANA-DAKOTA UTILITIES CO.

(CORPORATE SEAL)

In Presence of:

By_____
President

_____
Secretary

NORTHWESTERN PUBLIC SERVICE CO.

(CORPORATE SEAL)

In Presence of:

By_____
President

_____

IN WITNESS WHEREOF, the Partics hereto have caused this Agreement to be duly executed by their duly authorized officers as of the day and year first above written.

MINNESOTA POWER & LIGHT COMPANY

(CORPORATE SEAL)

In Presence of:

By_____
President

_____

_____
Secretary

MINNKOTA POWER COOPERATIVE, INC.

(CORPORATE SEAL)

In Presence of:

By_____
President

_____

_____
Secretary

MONTANA-DAKOTA UTILITIES CO.

(CORPORATE SEAL)

In Presence of:

By_____
President

_____

_____
Secretary

~~NORTHWESTERN PUBLIC SERVICE CO.~~
NorthWestern Energy

(CORPORATE SEAL)

In Presence of:

By_____
President

_____
Secretary

Secretary

NORTHERN MUNICIPAL POWER AGENCY

(CORPORATE SEAL)

In Presence of:

By _____
President

_____
Secretary

OTTER TAIL POWER CO.

(CORPORATE SEAL)

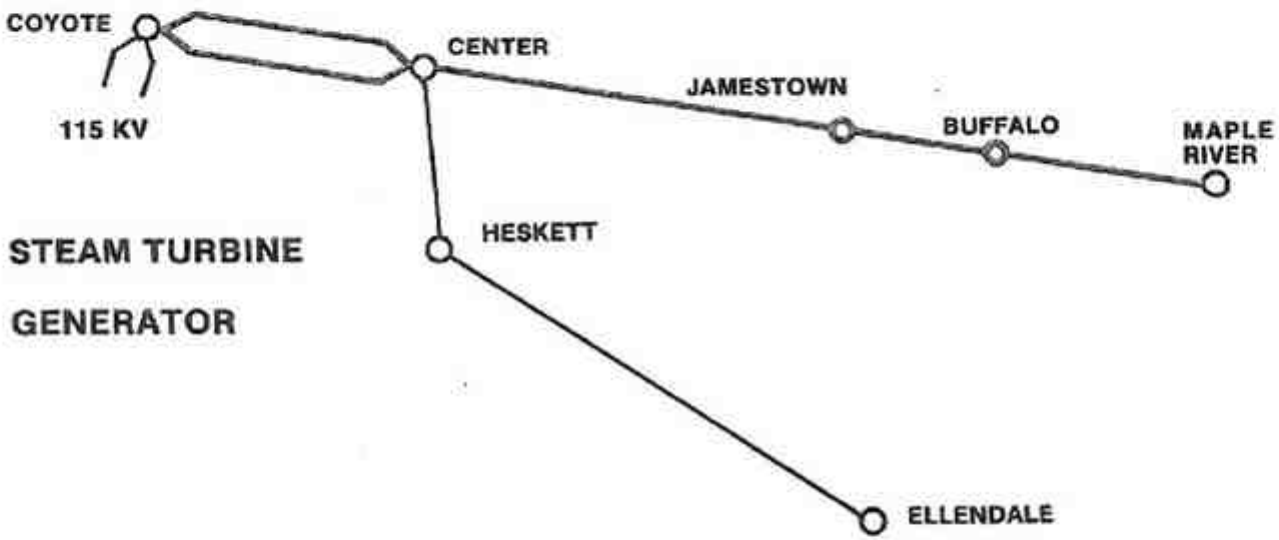
Otter Tail Power Company CORPORATE SEAL Minnesota

In Presence of:

By _____
President

_____
Secretary

Exhibit A



——— EXISTING FACILITIES (230KV EXCEPT WHERE NOTED OTHERWISE)

——— 345KV FACILITIES ASSOCIATED WITH COYOTE NO. 1 (NEW OR UPRATED FROM EXISTING 230KV FACILITIES)

EXHIBIT "A"

COYOTE PLANT TRANSMISSION FACILITIES AGREEMENT BETWEEN MINNESOTA POWER, MINNKOTA, MONTANA DAKOTA, NORTHWESTERN AND OTTER TAIL

Exhibit B

REVISED EXHIBIT B
AMENDMENT NO. 2
TO THE COYOTE TRANSMISSION FACILITIES AGREEMENT

DIVISION OF OWNERSHIP OF COYOTE TRANSMISSION FACILITIES

Item	Owner(s)	Per Cent Ownership	2/29/84 Installed Cost
Maple River 345KV Substation	Otter Tail and Northern Municipal Power Agency	100.0	3,752,015
Buffalo Substation 230KV to 345KV Uprate	Otter Tail and Northern Municipal Power Agency	100.0	957,805
Jamestown Substation 230KV to 345KV Uprate	Otter Tail and Northern Municipal Power Agency	100.0	2,022,667
Center 345KV Substation	Otter Tail and Northern Municipal Power Agency	100.0	4,285,173
Uprate Center-Maple River 230KV Line to 345KV	Otter Tail and Northern Muncipal Power Agency	100.0	22,439,594
Coyote-Center 345KV Line	Northwestern	66.667	3,041,100
	Minnesota Power	33.333	1,520,527
		100.0	4,561,627
Coyote 345/115KV Substation	Montana-Dakota	95.169	5,392,826
	Northwestern	2.958	167,640
	Minnesota Power	1.480	83,845
	Otter Tail	0.176	9,970
	Northern Municipal Power Agency	0.217	12,313
		100.0	5,666,594
Coyote 345KV Tie Line	Montana-Dakota	100.0	621,239
Two Coyote 115KV Tie Lines	Montana-Dakota	100.0	172,469
Microwave Communications and Control	Montana-Dakota	66.915	230,957
	Otter Tail	6.394	22,068
	Northern Municipal Power Agency	26.691	92,124
		100.0	345,149

Exhibit C

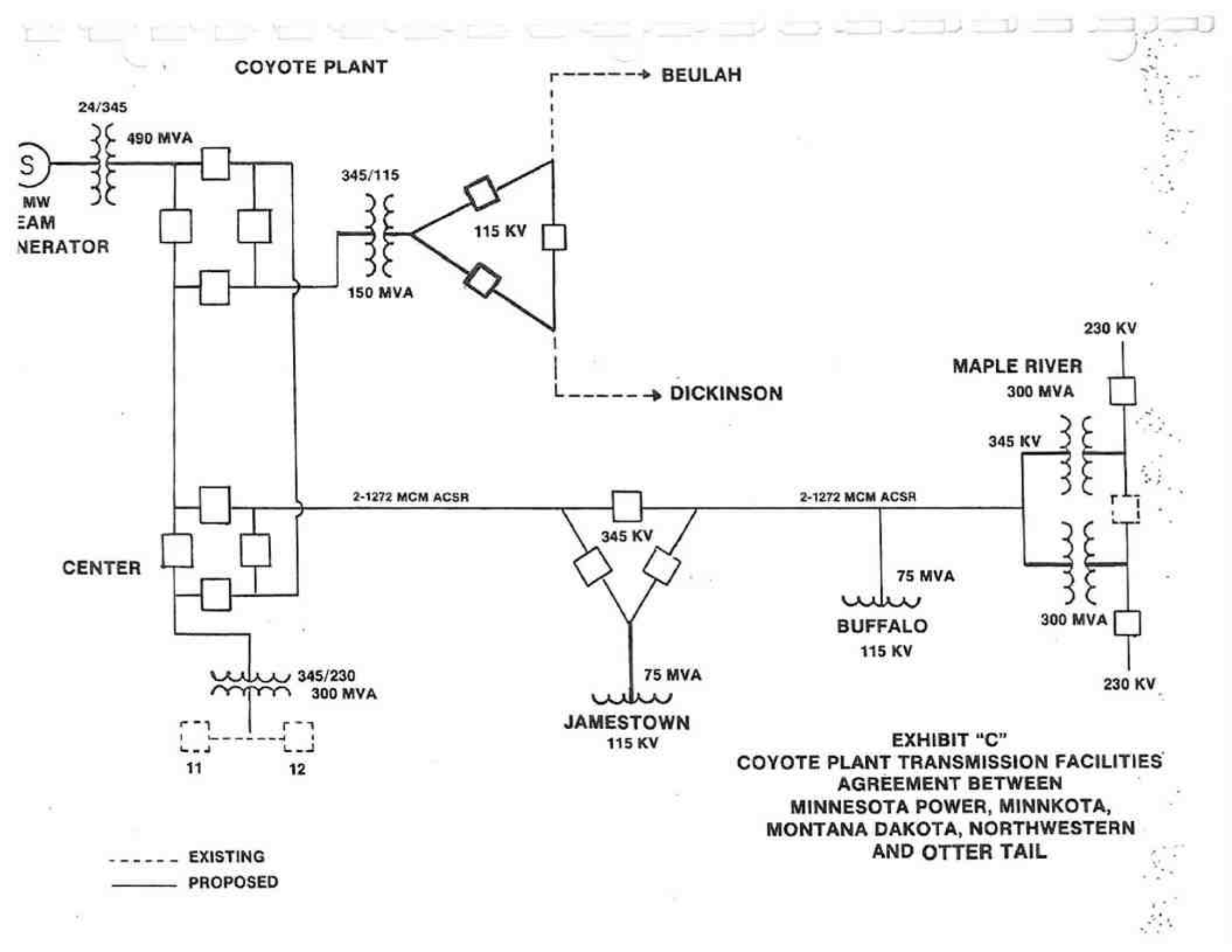


EXHIBIT "C"
COYOTE PLANT TRANSMISSION FACILITIES
AGREEMENT BETWEEN
MINNESOTA POWER, MINNKOTA,
MONTANA DAKOTA, NORTHWESTERN
AND OTTER TAIL

Exhibit D

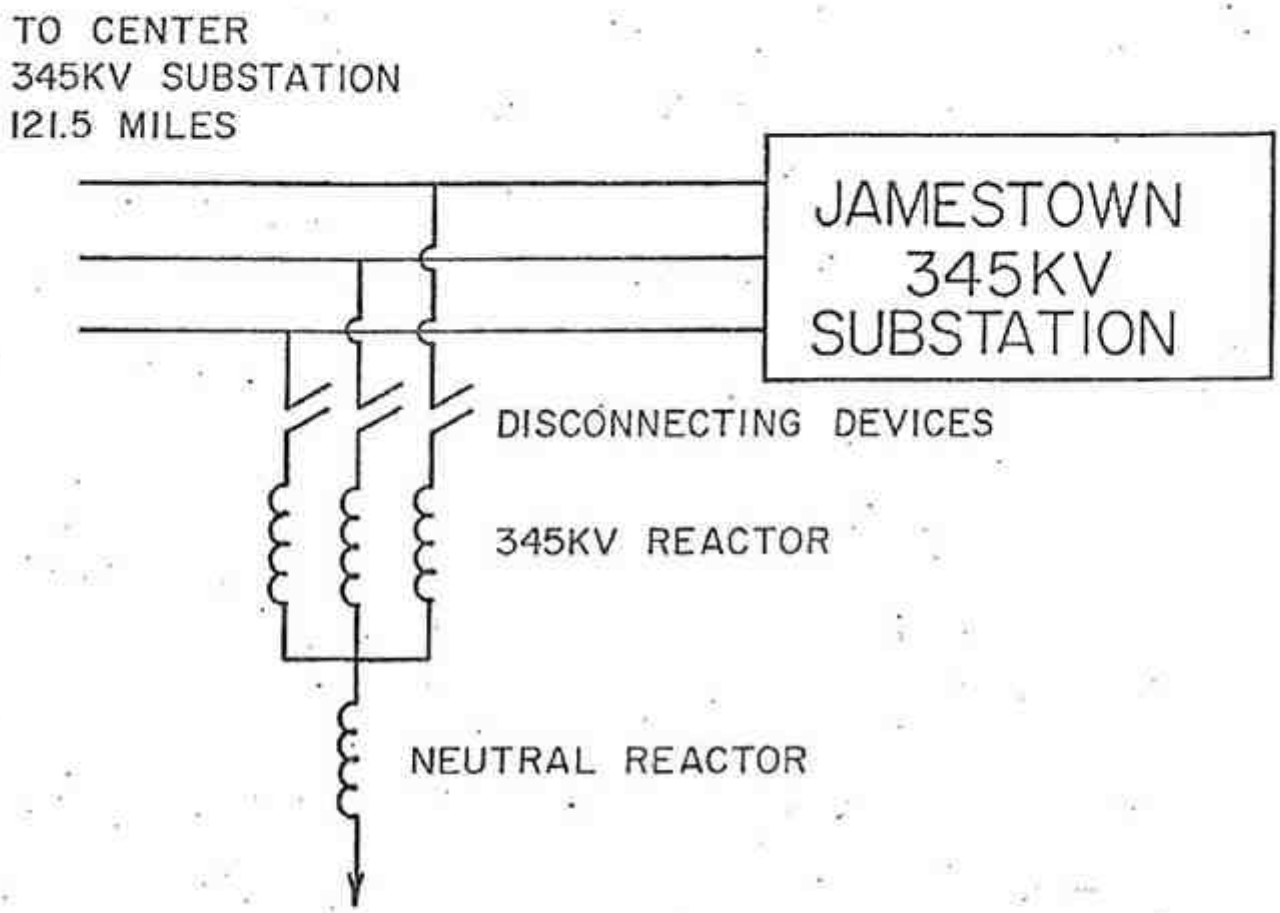
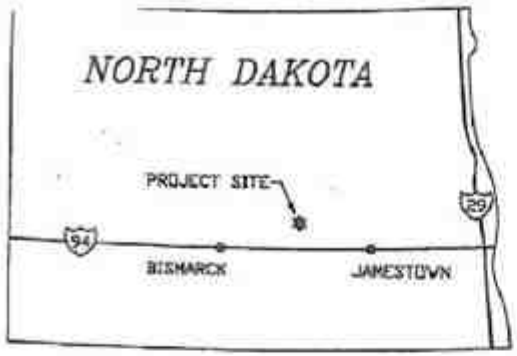
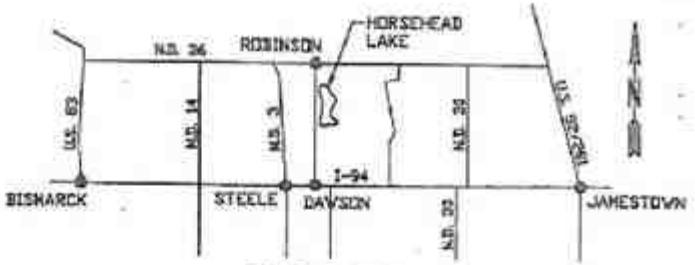


EXHIBIT A
SUPPLEMENTAL AGREEMENT NO. 1
TO THE COYOTE TRANSMISSION
FACILITIES AGREEMENT

Exhibit E



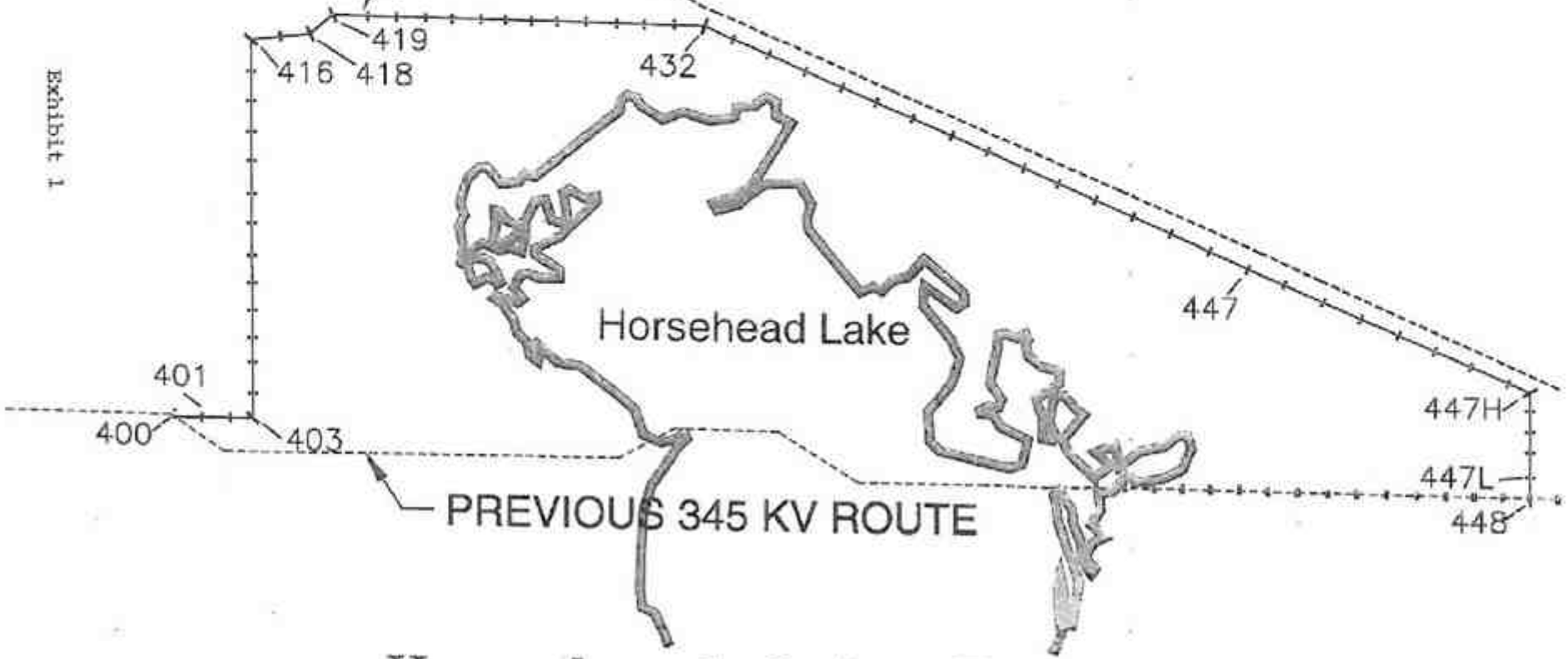


ROAD GUIDE

10.69 MILE REROUTE

W.A.P.A. 230 KV LINE

Exhibit 1



Horsehead Lake Re-route
Kidder County, North Dakota

Exhibit F

ALLOCATION OF COSTS
345 KV REROUTE AROUND
HORSEHEAD LAKE

Ownership Responsibility		Allocation MPC/NMPA	OTPC	MDU	NWPS
230 kV Portion (50%)					
Minnkota (100% x 50%)		50%			
345 kV Uprate Portion (50%)					
NMPA	(55.0% x 50%)	27.5%			
Otter Tail	(27.5% x 50%)		13.75%		
MDU	(12.5% x 50%)			6.25%	
NWPS	(5.0% x 50%)				2.5%
		77.5%	13.75%	6.25%	2.5%
Cost of Reroute $5,425,845		$4,205,030	$746,054	$339,115	$135,646

NOTE: The 50/50 split between 230 kV and 345 kV responsibility is based on previous agreement and past practices. The 345 kV uprate split is documented in Exhibit B of the Coyote 1 Station Transmission Facilities Agreement as amended.

Exhibit 2

BIG STONE PLANT

TRANSMISSION FACILITIES

AGREEMENT

BY AND BETWEEN

OTTER TAIL POWER COMPANY

MONTANA-DAKOTA UTILITIES CO.

AND

NORTHWESTERN PUBLIC SERVICE COMPANY

DATED AS OF APRIL 3, 1972

THIS AGREEMENT is made as of April 3, 1972, by and between OTTER TAIL POWER COMPANY, a Minnesota corporation ("Otter Tail"), MONTANA-DAKOTA UTILITIES CO., a Delaware corporation ("Montana-Dakota"), and NORTHWESTERN PUBLIC SERVICE COMPANY, a Delaware corporation ("Northwestern"), which are sometimes referred to collectively herein as the "Owners" or "Parties" or individually as the "Owner" or "Party".

RECITALS

A. The Parties heretofore entered into the Agreement for Sharing Ownership of Generating Plant, dated as of January 7, 1970 (the "Basic Agreement"), to provide for the construction and sharing of ownership by them of a lignite-fueled electric generating plant located in Grant County, South Dakota (the "Big Stone Plant").

B. The Parties have determined that certain facilities (hereinafter specified in Par. 1.1), and certain contracts to arrange for the use of facilities (hereinafter specified in Par. C), are required to provide necessary transmission service from the Big Stone Plant to the present electric systems of the Parties.

C. The following contracts have been entered into to arrange for the use of facilities to provide necessary transmission service from the Big Stone Plant to the present electric systems of the Parties:

i. U.S. Department of the Interior, Bureau of Reclamation Facilities Contract with Northwestern Public Service Company (Huron Substation Additions), Contract No. 14-06-600-616A, dated April 12, 1973.

ii. U.S. Department of the Interior, Bureau of Reclamation Interconnection Contract with Otter Tail Power Company (230 KV Interconnection at

Gary Substation) (115 KV Interconnection at Forman Substation), Contract No. l4-06-600-615A, dated April 12, 1973.

iii. Interconnection and Transmission Service Agreement Between East River Electric Power Cooperative, Inc. and Otter Tail, dated January 8, 1973.

iv. 230 KV Interconnection Agreement Between Otter Tail Power Company and Minnkota Power Cooperative, Inc., Supplement No. 2, dated August 7, 1970.

D. The Parties have agreed to share the costs, and to divide the ownership of the facilities as hereinafter provided.

AGREEMENTS

In consideration of the premises and the mutual covenants herein contained, the Parties hereby agree as follows:

ARTICLE I.

REQUIRED TRANSMISSION FACILITIES

1.1. The cost of the facilities required to provide necessary transmission service from the Big Stone Plant to the electric systems of the Parties will be shared in the proportions provided for Plant Property in Section 3.3 of the Basic Agreement.

1.2. In addition to the substation on the site of the Big Stone Plant (the "Plant Substation") and the contracts to arrange for the use of transmission facilities listed in Par. C, above, the Parties agree that the following major facilities are required to provide necessary transmission service from the Big Stone Plant to the present electric systems of the Parties:

1 .21. Additions to the substation of the U.S. Bureau of Reclamation (Bureau) located at or adjacent to Huron, South Dakota. (Huron Substation).

1.22. Addition to the Otter Tail substation located at or adjacent to Forman, North Dakota. (Forman Substation).

1.23. Additions to the Otter Tail substation located at or adjacent to Hankinson, North Dakota. (Hankinson Substation).

1.24. Additions to the substation of East River Electric Power Cooperative, Inc. (East River) located at or adjacent to Gary, South Dakota. (Gary Substation, also called "Blair Substation").

1.25. A 230 KV transmission line running from the Plant Substation to the Hankinson Substation. (Hankinson Line).

1.26. A 230 KV transmission line running from the Plant Substation to the Gary Substation. (Gary Line).

1.27. Two 115 KV transmission lines running from the Plant Substation to points near Ortonville, Minnesota, to connect with Otter Tail's 115 KV lines to Ortonville and Canby, Minnesota, respectively. (115 KV Transmission Lines).

1.3. Additional or substitute facilities may be required in the future to provide necessary transmission service from the Big Stone Plant to the electric systems of the Parties. If any facility described in Pars. 1.21 through 1.27 becomes unavailable or inadequate for such use before the expiration of the Basic Agreement, the facilities required to provide such necessary transmission service shall be added or substituted and the Parties shall enter into a supplement to this Agreement to designate such facilities and providing for the cost and the ownership thereof to be shared by the Parties.

1.4. The facilities described in Pars. 1.21 through 1.27, inclusive, and any facilities designated as required under Par. 1.3, are hereinafter collectively referred to as the "facilities described above in ARTICLE I". The term "facility" or "facilities" when used in this Agreement includes the contracts to arrange for the use of transmission facilities listed in Par. C, above.

ARTICLE II.

ACQUISITION OF FACILITIES AND SHARING COSTS OF ACQUISITION

2.1. The Plant Substation is part of the Plant and Plant Property under Sections l.l(s), (t) and other provisions of the Basic Agreement and its cost and ownership are to be shared by the Parties as provided in the Basic Agreement.

2.2. Otter Tail will acquire right of way easements by purchase or condemnation, together with all associated permits, licenses and property rights associated therewith, with reference to the facilities described above in ARTICLE I (except the Huron Substation, Par. 1.21) and will contract for the acquisition, construction or use thereof in the sole name of Otter Tail, subject to ultimate division among the Parties as herein provided.

2.3. Northwestern will contract for the acquisition, construction or arrangement for the use of the Huron Substation (Par. 1.21) in the sole name of Northwestern and will be the sole owner thereof, subject to the provisions of this Agreement.

2.4. Otter Tail will be the sole owner of the 115 KV Transmission Lines (Par. 1.27), the contractual arrangements for the use of the Gary Substation (Par. 1.24), and the additions to the Forman and Hankinson Substations (Pars. 1.22 and 1.23), subject to the provisions of this Agreement.

2.5. The Parties individually will ultimately be the sole owners of separate segments of the Hankinson and Gary Lines (Pars. 1.25 and 1.26), such segments to be determined so that

the facilities described above in Pars. 1.21 through 1.27, inclusive, will be owned by the Parties in the proportions (based upon costs) provided for Plant Property in Section 3.3 of the Basic Agreement. There is attached hereto as Exhibit A and made a part hereof, an estimate of the cost of constructing or providing such facilities and a tentative division of ownership of the Hankinson and Gary Lines. The final division of ownership of the Hankinson and Gary Lines will be made when there has been determined the total cost of constructing or providing all the facilities described above in Pars. 1.21 through 1.27, inclusive. Appropriate documents to accomplish said division, as required by counsel for the Parties, will be executed and delivered, conveying the separate segments, free of liens.

2.6. The costs of acquiring or constructing any of the facilities described above in ARTICLE I will be shared by the Parties in the same proportions provided for Plant Property in Section 3.3 of the Basic Agreement. As costs are incurred by any of the Parties, they will be billed to the Project and shared by the other Parties in the same manner as for Project Expenditures under Article 12 of the Basic Agreement. The amount of the "Blair Substation Investment" as defined in the Otter Tail-East River Agreement (Par. C, iii, above) for the Gary Substation, will be considered as incurred by Otter Tail on September 1, 1974, or the date of completion of the "Blair Substation Interconnection Facilities" thereunder, whichever occurs later, and for the purpose of Pars. 2.4 and 2.5 of this Agreement the additions so made shall be considered as owned by Otter Tai1.

ARTICLE III.

LICENSE RIGHTS AND MAINTENANCE

3.1. The facilities described above in ARTICLE I are subject to a license and right to use the same hereby granted by each Party to each of the other Parties to provide transmission

service from the Big Stone Plant to the electric systems of the Parties for the term of the Basic Agreement, or such lesser period as may be provided in the respective contracts (Par. C, above) entered into to arrange for their use for such purposes.

3.2. In consideration of the utilization of and interconnection to Otter Tail's system to provide necessary transmission service from the Big Stone Plant to the electric systems of the Parties, Otter Tail shall have the right for the term on the Basic Agreement, to tap at Otter Tail's expense the Plant Substation and the facilities described above in ARTICLE I as they may be revised from time to time under Par. 1.3 for deliveries to its own loads. Such taps shall not interfere with the use of such facilities to provide necessary transmission service from the Big Stone Plant to the electric systems of the Parties.

3.3. Each of the respective Owners of the facilities described above in ARTICLE I shall bear its own costs of maintenance and property taxes, including all capital expenditures and maintenance expenses, associated with the portions of such facilities owned by it and shall keep them in serviceable condition. If ownership of Plant Property changes the Parties shall, as a part of the Agreement providing for such change, negotiate appropriate transfers of transmission property to correspond to the change in ownership of Plant Property.

3.4. At the request of the Owner thereof, Otter Tail will maintain any of the facilities described above in ARTICLE I (except the Huron Substation). As Otter Tail incurs costs for such maintenance, they may be billed to the Owner and will be due upon billing. The term "costs" shall mean fully allocated costs and include reasonable overhead, administrative and general and fixed costs.

ARTICLE IV.

GENERAL

4.1. Any disposition by any Owner of any of the facilities described above in ARTICLE I shall, unless specifically consented to in writing by the other Parties, reserve to the other Parties, and except from such disposition, the license, rights and obligations set forth above in Pars. 3.1, 3.2, and 3.3 so that said license, rights, and obligations shall survive any such disposition and continue in effect for the period contemplated in Par. 3.1.

4.2. This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the Parties hereto.

4.3. This Agreement shall terminate upon the termination of the Basic Agreement.

ARTICLE V.

TRANSFER OF HANKINSON LINE

5.1. Otter Tail shall forthwith sell, assign, transfer, convey and quitclaim to MontanaDakota the portion of the Hankinson Line described in Exhibit B hereto and all of the right-of-
way easements, together with all associated permits, licenses and property rights associated with that portion of the Hankinson Line, free from the lien of the Indenture date July 1st, 1936, between Otter Tail and First Trust Company of Saint Paul and Louis S. Headley as Trustees, as said Indenture has been amended and supplemented.

5.2 Said transfer and conveyance shall be made without payment by Montana-Dakota therefor except that Montana-Dakota recognizes, and the Parties agree, that the final cost, as determined pursuant to this Agreement, of that portion of the Hankinson Line described on Exhibit B hereto, shall be offset against, and constitutes a part of, Montana-Dakota's 20% share of the final cost of all the Transmission Facilities as provided in this Agreement; and that

Montana-Dakota's ownership of the Hankinson Line, pursuant to this Agreement, is limited to 45.45 miles, the cost of which 45.45 miles is equal to 20% of the final cost of all the Transmission Facilities as determined in accordance with this Agreement.

5.3 This transfer and conveyance is the final division of ownership of the Hankinson Line as all costs have been determined and such appropriate documents to accomplish this final division, as required by counsel for the Parties, shall be executed and delivered conveying the balance of said line to Montana-Dakota free of liens as provided in this Agreement.

ARTICLE VI.

TRANSFER OF 115 KV TRANSMISSION LINES

6.1 Otter Tail agrees to sell and assign to Cooperative Power Association ("CPA") the 115 KV Transmission Lines, as described in Exhibit C, and associated easements, permits, licenses and property rights by appropriate instruments, subject to this Agreement.

6.2 Otter Tail shall obtain from Otter Tail, Montana-Dakota and Northwestern, acting jointly, an easement for right-of-way of those portions of said 115 KV Transmission Lines which are located on the Big Stone Plant property owned by them as tenants in common.

6.3 Otter Tail shall obtain the release of said 115 KV Transmission Lines and associated right-of-way easements (other than the right-of-way easement referred to in 6.2 above), permits, licenses and property rights from the lien of its Indenture of Mortgage.

6.4 Otter Tail shall obtain the consent of the Trustees under the respective mortgage indentures of Otter Tail, Montana-Dakota and Northwestern to the grant of the right-of-way easement referred to in 6.2 above.

6.5 Otter Tail, Montana-Dakota and Northwestern agree that, concurrently with said sale of said 115 KV Transmission Lines by Otter Tail to CPA, they will jointly grant to CPA an easement for right-of-way of those portions of said Lines which are located on the Big Stone Plant property owned by them as tenants in commons, including the right of ingress and egress to operate, inspect, maintain, preserve and repair said Lines, which Easement Agreement shall be in substantially the form of Exhibit D hereto.

6.6 Montana-Dakota and Northwestern agree to use their best efforts to obtain from the Trustees of their respective mortgage indentures consents to the grant of the right-of-way easement provided for in section 6.5 hereof.

ARTICLE VII.

TRANSFER OF GARY LINE

7.1 Otter Tail shall forthwith sell, assign, transfer, convey, and quit claim to Northwestern the portion of the Gary Line described in Exhibit E hereto and all of the right-of-way easements, together with all associated permits, licenses and property rights associated with that portion of the Gary Line, free from the lien of the Indenture dated July 1, 1936, between Otter Tail and First Trust Company of Saint Paul and Louis S. Headley as Trustee, as said Indenture has been amended and supplemented.

7.2 Said transfer and conveyance shall be made without payment by Northwestern.

ARTICLE VIII.

TRANSFER OF GARY LINE

8.1 Northwestern shall forthwith assign, transfer, convey, and quit claim to Otter Tail the following described property:

That portion of the Big Stone to Gary 230 KV transmission line commencing at a point in the Northwest Quarter (NW¼) of Section Nine (S9), Township One Hundred Seventeen North (T117N), Range Forty-seven West (R47W) of the Fifth (5th) Principal Meridian, (Antelope Township) Deuel County, South Dakota. Said point being 315.6 feet South of structure number 207, thence in a Northerly direction 2.10 pole miles to a point in the Northeast Quarter (NE¼) of Section Thirty-three (S33), Township One Hundred Eighteen North (T118N), Range Forty-seven West (R47W) of the Fifth (5th) Principal Meridian, (Adams Township) Grant County, South Dakota. Said point being 482.4 feet North of structure number 191.

Said line to include all equipment described in and constituting a part of said transmission line between the point of commencement and terminating point, and together with all easements and associated permits, licenses and property rights in connection with said portion of said transmission line.

free from the lien of the Indenture dated August 1, 1940, between Northwestern and the Chase Manhattan Bank (National Association) and Vincent J. Marino, as Trustees, as said Indenture has been amended and supplemented.

8.2 Otter Tail shall forthwith assign, transfer, convey, and quit claim to MontanaDakota approximately 2.1 miles of its Big Stone Plant-Hankinson 230 KV transmission line described as follows:

That portion of the Hankinson to Big Stone 230 KV transmission line commencing at a point in the Southwest Quarter (SW¼) of Section Twenty-three (S23), Township One Hundred Twenty-seven North (T127N), Range Fifty West (R50W) of the Fifth (5th) Principal Meridian (Hart Township), Roberts County, South Dakota. Said point being 97.2 feet South of structure number 195, thence in a Northerly direction 2.10 pole miles to a point in the Southeast Quarter (SE¼) of Section Eleven (S11), Township One Hundred Twenty-seven North (T127N), Range Fifty West (R50W) of the Fifth (5th) Principal Meridian (Hart Township), Roberts County, South Dakota. Said point being 190.8 feet North of structure number 179.

Said line to include all equipment described in and constituting a part of said transmission line between the point of commencement and terminating point, and together with all easements and associated permits, licenses and property rights in connection with said portion of said transmission line.

free from the lien of the Indenture dated July 1, 1936, between Otter Tail and First Trust Company of Saint Paul and Louis S. Headley as Trustees, as said Indenture has been amended and supplemented.

8.3 Said transfers and conveyances shall be made in consideration of establishing ownership interest in the Big Stone Plant Transmission Facilities in proportion to the Parties ownership interest in the Big Stone Plant, without further payment by any Party.

ARTICLE IX.

TRANSFER OF BIG STONE TO GARY 230 KV TRANSMISSION LINE

9.1 Northwestern shall forthwith assign, transfer, convey, and quit claim to Otter Tail the following described property:

> That portion of the Big Stone to Gary 230 KV transmission line commencing at a point in the Northeast Quarter (NE¼) of Section Thirty-three (S33), Township One Hundred Eighteen North (T118N), Range Forty-seven West (R47W) of the Fifth (5th) Principal Meridian, (Adams Township) Grant County, South Dakota. Said point being 482.4 feet North of structure number 191, thence in a Northerly direction 5.0 pole miles to a point in the Northwest Quarter (NW¼) of Section Four (S4), Township One Hundred Eighteen North (T118N), Range Forty-seven West (R47W) of the Fifth (5th) Principal Meridian, (Adams Township) Grant County, South Dakota. Said point being 207.6 feet South of structure number 150.
>
> Said line to include all equipment described in and constituting a part of said transmission line between the point of commencement and terminating point, and together with all easements and associated permits, licenses and property rights in connection with said portion of said transmission line.

free from the lien of the Indenture dated August 1, 1940, between Northwestern and the Chase Manhattan Bank (National Association) and Vincent J. Marino, as Trustees, as said Indenture has been amended and supplemented.

9.2 Said transfers and conveyances shall be made in consideration of establishing ownership interest in the Big Stone Plant Transmission Facilities in proportion to the Parties ownership interest in the Big Stone Plant, without further payment by any Party.

IN WITNESS WHEREOF, The Parties hereto have caused their names to be hereunto subscribed by their officers thereunto duly authorized on _____, 1974, intending thereby that this Agreement shall be effective as of its date, namely April 3, 1972.

(CORPORATE SEAL)

In Presence of:

OTTER TAIL POWER COMPANY

By _____
Its President

And _____
Its Vice Pres. Asset Mgmt.

(CORPORATE SEAL).

In Presence of:

_____

MONTANA-DAKOTA UTILITIES CO.

By _____
Its President

And _____
Its _____

(CORPORATE SEAL).

In Presence of:

_____

_____

NORTHWESTERN PUBLIC SERVICE COMPANY

By _____
Its President

And _____
Its _____

IN WITNESS WHEREOF, The Parties hereto have caused their names to be hereunto subscribed by their officers thereunto duly authorized on _____ 2017 ~~1974~~; intending thereby that this Agreement shall be effective as of its date, namely April 3, 1972.

OTTER TAIL POWER COMPANY

(CORPORATE SEAL).

In Presence of:

By_____
Its President

_____

And_____
Its _____

_____

MONTANA-DAKOTA UTILITIES CO.

(CORPORATE SEAL).

In Presence of:

By_____
Its President

_____

And_____
Its Vice President - Electric S

_____

NORTHWESTERN PUBLIC SERVICE COMPANY

(CORPORATE SEAL).

In Presence of:

By_____
Its President

_____

And_____
Its _____

_____

IN WITNESS WHEREOF, The Parties hereto have caused their names to be hereunto subscribed by their officers thereunto duly authorized on _____, 1974, intending thereby that this Agreement shall be effective as of its date, namely April 3, 1972.

OTTER TAIL POWER COMPANY

(CORPORATE SEAL).

In Presence of:

_____

_____

By _____
Its President

And _____
Its _____

MONTANA-DAKOTA UTILITIES CO.

(CORPORATE SEAL).

In Presence of:

_____

_____

By _____
Its President

And _____
Its _____

~~NORTHWESTERN PUBLIC SERVICE COMPANY~~
NorthWestern Energy

(CORPORATE SEAL).

In Presence of:
Paul Mantz
Paul Mantz

By _____
Its President

And _____
Its Vice President
Transmission
Authorized Cashier

STATE OF MINNESOTA)
) SS
COUTY OF OTTER TAIL.)

On this 12 day of January, ~~1974~~ 2018, before me, a Notary Public within and for said County, personally appeared Tim Rogelstad and John Thompson to me personally known, who, being each by me duly sworn did say that they are respectively the President and the Vice President and Asst Manager of the corporation named in the foregoing instrument, and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors and said Tim Rogelstad and John Thompson acknowledged said instrument to be the free act and deed of said corporation.

DEBORAH A. KLEVEN
Notary Public-Minnesota
My Commission Expires Jan 31, 2020

Deborah A Kleven
Notary Public, Otter Tail Co., MN
My Commission Expires: 1/31/2020

(NOTARIAL SEAL).

STATE OF NORTH DAKOTA)
) SS
COUNTY OF BURLEIGH)

On this _____ day of _____, in the year 1974, before me a Notary Public within and for said County, personally appeared _____ and _____, known to me to be the President and the _____ of MONTANA-DAKOTA UTILITIES CO., the corporation that is described in and that executed the within instrument, and acknowledged to me that such corporation executed the same.

_____
Notary Public, Burleigh Co., ND
My Commission Expires:

(NOTARIAL SEAL).

STATE OF MINNESOTA)
) SS
COUTY OF OTTER TAIL)

On this _____ day of _____, 1974, before me, a Notary Public within and for said County, personally appeared _____ and _____ to me personally known, who, being each by me duly sworn did say that they are respectively the President and the _____ of the corporation named in the foregoing instrument, and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors and said _____ and _____ acknowledged said instrument to be the free act and deed of said corporation.

_____
Notary Public, Otter Tail Co., MN
My Commission Expires: _____

(NOTARIAL SEAL).

STATE OF NORTH DAKOTA)
) SS
COUNTY OF BURLEIGH)

On this 21 day of December, in the year ~~1974~~ 2017, before me a Notary Public within and for said County, personally appeared Nicole Kivisto and Jay Skabo, known to me to be the President and the VP- Electric Supply of MONTANA-DAKOTA UTILITIES CO., the corporation that is described in and that executed the within instrument, and acknowledged to me that such corporation executed the same.

Denys Schwartz
Notary Public, Burleigh Co., ND
My Commission Expires: 12/31/18

(NOTARIAL SEAL).

DENYS SCHWARTZ
Notary Public
State of North Dakota
My Commission Expires December 31, 2018

STATE OF SOUTH DAKOTA)
) SS
COUNTY OF ~~BEADLE~~ Hughes)

On this 19th day of December, 2017, ~~1974~~, before me, Teresa Bray the undersigned office, personally appeared Michael Cashell (Vice President) and (President) Robert Rowe, who acknowledged themselves to be the President and the Vice President, of NORTHWESTERN PUBLIC SERVICE COMPANY, a corporation, and that they, as such President and Vice President being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by themselves as such President and Vice President. In witness whereof I hereunto set my hand and official seal.

Teresa J Bray
Notary Public, ~~Beadle Co., SD~~
My Commission Expires: 1/21/2021

(NOTARIAL SEAL).

BIG STONE TRANSMISSION SHARING

Facility	Cost	OWNERSHIP MDU	OTP	NWPS
Hankinson Substation	$ 564, 864		$ 564, 864	
Forman Substation	446,250		446,250	
Huron Substation	989,216			$ 989,216
Gary Substation	518,083		518,083	
Hankinson Line				
approx. 70 miles	1,925,423			
From Plant Substation				
North - approx. 45.45 miles		$1,247,048		
From Hankinson Substation				
South - approx. 24.72 miles			678,375	
Gary Line				
approx. 34 miles	1,359,798			
From Plant substation				1,037,238
South - approx. 25.27 miles				
From Gary Substation				
North - approx. 7.86 miles			322,560	
115 kV Lines	431,608		431,608	
TOTALS	$6,235,242	$1,247,048	$2,961,740	$2,026,454
	100%	20%	47 1/2%	32 1/2%

EXHIBIT "A" TO BIG STONE PLANT TRANSMISSION FACILITIES AGREEMENT

EXHIBIT B

Grant County, South Dakota, Township 121, Range 47

That portion of the Big Stone-Hankinson 230 KV Transmission Line originating at the face of the supporting steel deadhead structure located in the Big Stone Plant 230 KV Substation in Section 12, Township 121, Range 47, Grant County, South Dakota, and running in a general northerly direction 39.69 pole miles, more or less, to a point on the south section line of Section 13, Township 126, Range 50, in Roberts County, South Dakota, which is 2,601 feet west of the east section line of said Section 13, and said point also being 2,843 feet east of the west section line of said Section 13, including all equipment described in and constituting a part of said Transmission Line between said originating and terminating points.

Roberts County, South Dakota, Township 126, Range 50

Beginning at a point on the section line common to Sections 13 and 24, Township 126, Range 50, said point being the point of origin for the center line of the electric transmission line herein described; thence Northerly, to a point in said Section 13, which point is 2,789 feet East of the West section line and 1,379 feet North of the South section line; thence deflecting to the Left, at an angle of 53°51', to a point on the section line common to Sections 13 and 14, located 3,357 feet North of the South section line; thence continuing on same course, to a point in said Section 14, located 2,540 feet East of the West section line and 101 feet South of the North section line; thence deflecting to the Right, at an angle of 53°37'30", to a point on the section line common to Sections 11 and 14, located 2,539 feet East of the West section line; thence continuing on same course, to a point on the section line common to Sections 2 and 11, located 2,498 feet East of West section line; thence continuing on same course, to a point in Section 2, located 2,517 feet East of West section line and 20 feet South of North section line; thence deflecting to the Right at an angle of 0°26', to a point on the section line common to Section 2, Township 126, Range 50 (Grant Township) and Section 35, Township 127, Range 50 (Hart Township) located 2,519 feet East of the West section line; thence continuing on same course, to a point on the section line common to Sections 26 and 35, located 2,513 feet East of the West section line; thence continuing on same course, to a point on the section line common to Sections 23 and 26, located 2,523 feet East of the West section line; thence continuing on same course, to a point in said Section 23, located 98 feet North of the South section line and 2,523 feet East of the West section line; thence deflecting to the Left, at an angle of 0°35', to a point in said Section 23, located 1,214 feet North of the South section line thereof, which point is further designated as being the point of termination of the center line of the electric transmission line as described herein.

Said line to include all equipment described in and constituting a part of said Transmission Line between said originating and terminating points, and together with all easements and associated permits, licenses, and property rights in connection with said portion of said Transmission Line.

EXHIBIT C
CENTER LINE DESCRIPTIONS FOR EASEMENTS BEING ASSIGNED TO C.P.A.

Big Stone-Ortonville 115 KV Tie Line

Approximately 5.17 miles of 115 KV transmission line in Grant County, South Dakota, and Big Stone County, Minnesota, known as the Big Stone-Ortonville Tie-Line, being a high voltage electric transmission line supported, in general, on wood (H) frame structures, the center line of which transmission line begins at a point in the Big Stone 230 KV substation at the face of the supporting steel dead end structure. Said beginning point is further described as being located in Section 12, Township 121, Range 47 (Big Stone Twp.), Grant County, South Dakota, at a point 1,727 feet North of South Section line and 1, 865 feet East of West Section line; the line proceeds thence Southeasterly, to a point in said Section 12, 1,602 feet North of South Section line and 1,992 feet East of West Section line; thence deflecting to the Right, at an angle of 05°03'30", to a point on the section line common to Sections 12 and 13, 1,660 feet West of East Section line; thence continuing on same course, to a point in said Section 13, 120 feet South of North Section line and 1,534 feet West of East Section line; thence deflecting to the Left, at an angle of 07°36', to a point on the Section line common to Section 13, Twp. 121, Range 47 (Big Stone Twp.) AND Section 18, Twp. 121, Range 46 (Big Stone Twp.), 1,203 feet South of North Section line; thence continuing on same course, to a point in said Section 18, 2,364 feet South of North Section line and 1,621 feet East of West Section line; thence deflecting to the Right, at an angle of 54°33'20", to a point on the Section line common to Sections 18 and 19, 1,622 feet East of the West Section line; thence continuing on the same course, to a point in said Section 19, 1,219 feet South of North Section line and 1,622 feet East of West Section line; thence deflecting to the Left, at an angle of 89°50', to a point on the Section line common to Section 19 and 20, 1,234 feet South of North Section line; thence continuing on the same course, to a point in said Section 20, 1,216 feet South of North Section line and 2,181 feet East of West Section line; thence deflecting to the Left, at an angle of 32°24', to a point on the Section line common to Sections 20 and 17, 1,146 feet West of East Section line; thence continuing on same course, to a point in said Section 17, 186 feet North of South Section line and 844 feet West of East Section line; thence deflecting to the Right, at an angle of 03°10', to a point on the section line common to Section 17, Twp. 121, Range 46 (Big Stone Twp.) Grant County, South Dakota and Section 16, Twp. 121, Range 46 (Ortonville Twp.) Big Stone County, Minnesota, 644 feet North of South Section line; thence continuing on same course to a point in said Section 16, 867 feet North of South Section line and 427 feet East of West Section line; thence deflecting to the Right, at an angle of 48°07', to a point on the Section line common to Sections 16 and 21, 2,734 feet East of West Section line; thence continuing on same course, to a point in said Section 21, 371 feet South of North Section line and 3,720 feet East of West Section line; thence deflecting to the Left, at an angle of 70°44', to a point on the Section line common to said Sections 16 and 21, 1,772 feet West of East Section line; thence continuing on same course, to a point in said Section 16, 2,060 feet North of South Section line and 84 feet West of East Section line; thence deflecting to the Left, at an angle of 76°39', for a distance of 35 feet, to a point in said Section 16, 109 feet West of East Section line and 2,087 feet North of South Section Line (transmission line station 273.50) and there terminating. Said point of termination being the point of connection of the aforesaid portion of newly constructed electric transmission line with an

existing potion of electric transmission line formerly known as the Otter Tail Power Company's Ortonville-Canby 115 KV line.

Big Stone-Canby 115 KV Tie Line

Approximately 7.37 miles of 115 KV transmission line in Grant County, South Dakota, Big Stone County, Minnesota, and Lac Qui Parle County, Minnesota, known as the Big Stone-Canby Tie Line, being a high voltage electric transmission line supported, in general, on wood (H) frame structures, the center line of which transmission line begins at a point in the Big Stone 230 KV substation at the face of the supporting steel dead end structure. Said beginning point is further described as being located in Section 12, Township 121, Range 47 (Big Stone Twp.), Grant County, South Dakota, at a point 1,720 feet North of South section line and 1,747 feet East of West section line; thence Southeasterly to a point on the section line common to Sections 12 and 13, 1,795 feet West of East Section line; thence continuing on same course, to a point in said Section 13, 120 feet South of North Section line and 1,673 feet West of East Section line; thence deflecting to the left, at an angle of 09°34'14", to a point on the Section line common to Sections 13, Twp. 121, Range 47 (Big Stone Twp.) AND Section 18, Twp. 121, Range 46 (Big Stone Twp.) 1,303 feet South of North Section line; thence continuing on same course, to a point in said Section 18, 2,393 feet South of North Section line and 1,521 feet East of West Section line; thence deflecting to the Right, at an angle of 54°33', to a point on the Section line common to Sections 18 and 19, 1,522 feet East of West Section line; thence continuing on same course, to a point in said Section 19, 1,213 feet North of South Section line and 1,522 feet East of West Section line; thence deflecting to the Left, at an angle of 90°07'40", to a point on the Section line common to Sections 19 and 20, 1,211 feet North of South Section line; thence continuing on same course, to a point in said Section 20, 151 feet East of West Section line and 1,213 feet North of South Section line; thence deflecting to the Left, at an angle of 00°07'20", to a point in said Section 20, 1,278 feet North of South Section line and 103 feet West of East Section line; thence deflecting to the Right, at an angle of 39°38'40", to a point on the Section line common to said Section 20, Twp. 121, Range 46 (Big Stone Twp.), Grant County, South Dakota, AND Section 21, Twp. 121, Range 46 (Ortonville Twp.) Big Stone County, Minnesota, 1,194 feet North of South Section line; thence continuing on same course, to point on the Section line common to said Section 21, Twp. 121, Range 46 (Ortonville Twp.) Big Stone County, Minnesota, and Section 28, Twp. 121, Range 46 (Yellow Bank Twp.), Lac Qui Parle County, Minnesota, 1,402 feet East of West Section line; thence continuing on same course, to a point in said Section 28, 69 feet South of North Section line and 1,472 feet East of West Section line; thence deflecting to the Right, at an angle of 13°37'40", to a point in said Section 28, 208 feet North of South Section line and 146 feet West of East Section line; thence deflecting to the Left, at an angle of 08°40', to a point on the Section line common to Sections 28 and 27, 61 feet North of South Section line; thence continuing on same course to a point on the Section line common to Sections 27 and 34, 60 feet East of West Section line; thence continuing on same course to a point in said Section 34, 2,625 feet North of South Section line and 2,593 feet West of East Section line; thence deflecting to the Left, at an angle of 13°13'20", to a point on the Section line common to Sections 34 and 35, 1,027 feet North of South Section line; thence continuing on same course, to a point in said Section 35, 404 ft. North of South Section line and 1,015 feet East of West Section line; thence deflecting to the Left, at an angle of 08°03'40", to a point on the

South Section line of said Section 35, 1,503 feet East of West Section line, and there terminating. Said point of termination being the point of connection of the aforesaid portion of newly constructed electric transmission line with existing portion of electric transmission line formerly known as the Otter Tail Power Company's Ortonville-Canby 115 KV line.

EXHIBIT D

EASEMENT AGREEMENT

This Easement Agreement, made as of _____, 1976, by and between OTTER TAIL POWER COMPANY, a Minnesota corporation having its principal office at Fergus Falls, Minnesota, ("Otter Tail"); MONTANA-DAKOTA UTLITITES CO., a Delaware corporation having its principal office at Bismarck, North Dakota, ("Montana-Dakota"); and NORTHWESTERN PUBLIC SERVICE COMPANY, a Delaware corporation having its principal office at Huron, South Dakota ("Northwestern"), Otter tail, Montana-Dakota and Northwestern being sometimes hereinafter referred to jointly as the "GRANTORS", and COOPERATIVE POWER ASSOCIATION, a Minnesota cooperative corporation, sometimes hereinafter referred to as the "GRANTEE";

WITNESSETH THAT:

WHEREAS, The GRANTORS heretofore enter into an Agreement for Sharing Ownership of Generating Plant dated as of January 7, 1970, (the "Basic Agreement"), to provide for the construction and sharing of ownership by them of a lignite-fueled electric generating plant located in Grant County, South Dakota, (the "Big Stone Plant"); and

WHEREAS, The GRANTORS thereafter entered into a Transmission Facilities Agreement made as of April 3, 1972, (the "Facilities Agreement"), to provide for the division of ownership and expenses of the transmission facilities with respect to the Big Stone Plant, including, but not limited to, the 115 KV Transmission Lines hereinafter described; and

WHEREAS, Concurrently herewith Otter Tail is selling and transferring to the Grantee certain 115 KV Transmission lines, viz., the so-called Big Stone-Ortonville 115 KV Tie Line approximately 5.17 miles in length, the center line of which is described in Exhibit 1 hereto, and the so-called Big Stone-Canby 115 KV Tie Line approximately 7.37 miles in length, the center line of which is described in Exhibit 2 hereto; and is concurrently selling and assigning to the GRANTEE the easements, permits, licenses and property rights associated with said Transmission Lines; and

WHEREAS, Approximately 1.79 miles of said Big Stone-Ortonville Line from the point of beginning to a point on the Section Line common to Section 18 and 19 of Township 121, Range 47 (Big Stone Township), 1,622 feet East of the West Section Line as described in Exhibit A hereto, and approximately 1.75 miles of said Big Stone-Canby Line from the point of beginning to a point on the Section Line common to said Section 18 and 19 which is 1,522 feet East of the West Section Line as described in Exhibit B hereto, are located upon the following-described portions of the Big Stone Plant Site jointly owned by the GRANTOR:

Section Twelve (12), Township One Hundred Twenty-One (121) North, Range Fortyseven (47) West of the Fifth Principal Meridian;

that part of the Northeast Quarter of the Northeast Quarter (NE 1/4 of NE 1/4) of Section Thirteen (13), Township One Hundred Twenty-one (121), Range Forty-seven (47) north of Whetstone Creek; and

all of the West Half (W-1/2) of Section Eighteen (18), Township One Hundred Twentyone (121), Range Forty-six (46) Northerly of the present right-of-way of the Chicago, Milwaukee, St. Paul and Pacific Railroad except the Southwest Quarter of the Southwest Quarter (SW 1/4 of SW 1/4) and except Hay's Outlot, as the same is described of record in Plat Envelope #719 in the Office of the Register of Deeds of Grant County, South Dakota, and except a tract in the Southwest corner of the Northwest Quarter of the Southwest Quarter (NW 1/4 of SW 1/4) of said Section Eighteen (18) described as follows: commencing at the Southwest corner of the Northwest Quarter of the Southwest Quarter of said Section 18, thence North 45 rods, thence East 16 rods, thence South 45 rods, thence West 16 rods to the place of beginning;

all in Grant County, South Dakota; and

WHEREAS, The GRANTORS desire to provide the GRANTEE with the right to have said portions of said 115 KV Transmission Lines remain as presently located upon said abovedescribed portions of the Big Stone Plant Site, provided, however, that the GRANTORS, as required by paragraph 4.1 of the Facilities Agreement, reserve to themselves and except from the rights granted hereby the license, rights and obligations set forth in paragraphs 3.1, 3.2 and 3.3 of the Facilities Agreement so that said license, rights and obligations shall survive the grant made hereby and continue in effect for the period contemplated in said paragraph 3.1; which paragraphs 3.1, 3.2 and 3.3 of the Facilities Agreement are as follows:

"3.1. The facilities described above in ARTICLE I are subject to a license and right to use the same hereby granted by each Party to each of the other Parties to provide transmission service from the Big Stone Plant to the electric systems of the Parties for the term of the Basic Agreement, or such lesser period as may be provided in the respective contracts (Par. C, above) entered into to arrange for their use for such purposes.

"3.2. In consideration of the utilization of and interconnection to Otter Tail's system to provide necessary transmission service from the Big Stone Plant to the electric systems of the Parties, Otter Tail shall have the right for the term on the Basic Agreement, to tap at Otter Tail's expense the Plant Substation and the facilities described above in ARTICLE I as they may be revised from time to time under Par. 1.3 for deliveries to its own loads. Such taps shall not interfere with the use of such facilities to provide necessary transmission service from the Big Stone Plant to the electric systems of the Parties.

"3.3. Each of the respective Owners of the facilities described above in ARTICLE I shall bear its own costs of maintenance and property taxes, including all capital expenditures and maintenance expenses, associated with the portions of such facilities owned by it and shall keep them in serviceable condition. If ownership of Plant Property changes the Parties shall, as a part of the Agreement providing for such change, negotiate appropriate

transfers of transmission property to correspond to the change in ownership of Plant Property."

The 115 Transmission Lines described above in this Easement Agreement are included in the facilities described in ARTICLE I of the Facilities Agreement referred to in paragraph 3.1 thereof. The contracts described in paragraph C referred to in said paragraph 3.1 of the Facilities Agreement were entered into to arrange for the use of facilities to provide necessary transmission service from the Big Stone Plant to the present electric systems of the GRANTORS and are described as follows:

"i. U.S. Department of the Interior, Bureau of Reclamation Facilities Contract with Northwestern Public Service Company (Huron Substation Additions), Contract No. 14-06-600-616A, dated April 12, 1973.

"ii. U.S. Department of the Interior, Bureau of Reclamation Interconnection Contract with Otter Tail Power Company (230 KV Interconnection at Gary Substation) (115 KV Interconnection at Forman Substation), Contract No. 14-06-600-615A, dated April 12, 1973.

"iii. Interconnection and Transmission Service Agreement Between East River Electric Power Cooperative, Inc. and Otter Tail, dated January 8, 1973.

"iv. 230 KV Interconnection Agreement Between Otter Tail Power Company and Minnkota Power Cooperative, Inc., Supplement No. 2, dated August 7, 1970.";

The term of the Basic Agreement runs to December 31, 2015, unless sooner terminated or extended in accordance with the provisions of the Basic Agreement or as the parties to the Basic Agreement shall hereafter specify; and

WHEREAS, This Easement Agreement and the rights hereby granted have been consented to by First Trust Company of Saint Paul and D.L. Doyon, as Trustees under the Indenture of Mortgage of Otter Tail dated July 1, 1936, as amended and supplemented, and by Chemical Bank and K. Mehl, as Trustees under the Indenture of Mortgage of Montana-Dakota dated May 1, 1939, as amended and supplemented, and by The Chase Manhattan Bank (National Association) and J.J. O'Connell, as Trustees under the Indenture of Mortgage of Northwestern dated August 1, 1940, as amended and supplemented.

NOW, THEREFORE, For and in consideration of the sum of Ten and no/100ths Dollars ($10.00) and other good and valuable consideration paid to each of the GRANTORS by the GRANTEE, the receipt of which is hereby acknowledged, the GRANTORS hereby sell, convey and grant unto the GRANTEE a non-exclusive easement and right-of-way over, across, through and under said portions of the Big Stone Plant Site described above solely for the uses and purposes and subject to the terms hereinafter set forth.

This easement and right-of-way are for the purpose of granting to the GRANTEE the right to have said Transmission Lines remain as presently located upon the lands described above

and the right, through its a gents and representatives, to have ingress to and egress from said Lines and the various portions thereof on and over such lands for the purpose of operation, inspection, maintenance, preservation and repair of said Transmission Lines.

The GRANTORS except from the rights hereby granted to the GRANTEE, and expressly reserve to themselves, the license, rights and obligations set forth in paragraphs 3.1, 3.2 and 3.3 of the Facilities Agreement as above set forth so that said license, rights and obligations shall survive the grant made hereby and continue in effect for the period contemplated in said paragraph 3.1 of the Facilities Agreement.

Subject to the limitations expressly set forth herein, this easement and right-of-way shall inure to the benefit of and shall be binding upon the GRANTORS, the GRANTEE and their respective successors and assigns.

IN WITNESS WHEREOF, GRANTORS and GRANTEE have caused this Easement Agreement to be executed in their respective corporate names and_their respective corporate seals to be here unto affixed and attested by their duly authorized officers, all as of the day and year first above written.

OTTER TAIL POWER COMPANY

ATEST:

By_____

_____ Its_____

Its_____

(CORPORATE SEAL)

MONTANA-DAKOTA UTILITIES CO.

ATEST:

By_____

_____ Its_____

Its_____

(CORPORATE SEAL)

NORTHWESTERN PUBLIC SERVICE COMPANY

ATEST:

By_____

_____ Its_____

Its_____

(CORPORATE SEAL)

COOPERATIVE POWER ASSOCIATION

ATEST:

By_____

_____ Its_____

Its_____

(CORPORATE SEAL)

EXHIBIT E

In Grant and Deuel Counties, South Dakota:

Approximately 25.27 miles of 230 KV transmission line in Grant County and Deuel County, South Dakota, known as the Big Stone-Gary 230 kv Transmission Line, being a high-voltage electric transmission line supported, in general, on wood (H) frame structures, the center line of which Transmission Line begins at a point in the Big Stone 230 kv Substation at the face of the supporting steel deadend structure. Said beginning point is further described as the face of the supporting steel deadhead structure located in the Big Stone Plant 230 kv Substation in Section 12, Twp. 121, Range 47 (Big Stone Twp.) Grant County, South Dakota, at a point 1570 ft. East of West Section line and 1471 ft. North of South Section line; thence Easterly, to a point in the NE 1/4 of SW 1/4 of said Section 12, located 1820 ft. East of West Section line and 1474 ft. North of South Section line; thence deflecting to the Right, at an angle of 44°31'54", to a point on the Section line common to Sections 12 and 13, located 1934 ft. West of East Section line; thence continuing on same course, to a point in the NW 1/4 of the NE l/4 of said Section 13, located 1810 ft. West of East Section line and 120 ft. South of North Section line; thence deflecting to the Left, at an angle of 8°51'30", to a point on the Section line common to Section 13, Twp. 121, Range 47 (Big Stone Twp.) and Section 18, Twp. 121, Range 46 (Big Stone Twp.), located 1401 ft. South of North Section line; thence continuing on same course, to a point in the SE 1/4 of NW 1/4 of said Section 18, located 1420 ft. East of West Section line and 2420 ft. South of North Section line; thence deflecting to the Right, at an angle of 54°33'20", to a point on the Section line common to Sections 18 and 19, located 1422 ft. East of West Section line; thence continuing on same course, to a point in the SE 1/4 of SW 1/4 of said Section 19, located 1422 ft. East of West Section line and 1126 ft. North of South Section line; thence deflecting to the Left, at an angle of 90°06'40", to a point on the Section line common to Sections 19 and 20, located 1111 ft. North of South Section line; thence continuing on same course, to a point in the SW 1/4 of SW 1/4 of said Section 20, located 152 ft. East of West Section line and 1113 ft. North of South Section line; thence deflecting to the Left, at an angle of 0°07'20", to a point in said SW 1/4 of SW 1/4 of said Section 20, located 1157 ft. East of West Section line and 1126 ft. North of South Section line; thence deflecting to the Right, at an angle of 90°18', to a point on the Section line common to Sections 20 and 29, located 1160 ft. East of West Section line; thence continuing on same course, to a point on the Section line common to Sections 29 and 32, located 1175 ft. East of West Section line; thence continuing on same course, to a point on the Section line common to Section 32, Twp. 121, Range 46 (Big Stone Twp.) and Section 4, Twp. 120, Range 47 (Alban Twp.), located 1179 ft. East of Southwest corner of said Section 32; thence continuing on same course to a point in the SE 1/4 of SW 1/4 of said Section 4, located 1913 ft. East of West Section line and 360 ft. North of South Section line; thence deflecting to the Left, at an angle of 32°09'40", to a point on the Section line common to Sections 4 and 9, located 2136 ft. East of West Section line; thence continuing on same course, to a point in the NE 1/4 of NW 1/4 of said Section 9, located 2465 ft. East of West Section line and 521 ft. South of North Section line; thence deflecting to the Right, at an angle of 32°15'20", to a point on the Section line common to sections 9 and 16, located 2468 ft. East of West Section line; thence continuing Southerly, to a point on the Section line common to Sections 16 and 21, located 2502 ft. East of West Section line; thence continuing Southerly, to a point in the NE 1/4 of NW 1/4 of said Section 21, located 2502 ft. East of West Section line and 100 ft. South of North Section

line; thence deflecting to the Right, at an angle of 0°54'20", to a point on the Section line common to Sections 21 and 28, located 2393 ft. East of West Section line; thence continuing on same course, to a point in the NE 1/4 of SW 1/4 of said Section 28, located 2436 ft. East of West Section line and 5 ft. South of the North line of said NE 1/4 of SW 1/4; thence Southwesterly, in a straight line, to a point in said NE 1/4 of SW 1/4, located 2012 ft. East of West Section line and 1410 ft. North of South Section line; thence Southerly, in a straight line, to a point on the Section line common to Sections 28 and 33, located 2013 ft. East of West Section line; thence continuing on same course, to a point in the SE 1/4 of SW 1/4 of said Section 33, located 1934 ft. East of West Section line and 99 ft. North of South Section line; thence deflecting to the Left, at an angle of 20°34'20", to a point on the Section line common to Section 33, Twp. 120, Range 47 (Alban Twp.) and Section 4, Twp. 119; Range 47 (Vernon Twp.), located 1969 ft. East of West Section line; thence continuing on same course, to a point in the SE 1/4 of NW 1/4 of said Section 4, located 2504 ft. East of West Section line and 1531 ft. South of North Section line; thence deflecting to the Right, at an angle of 18°56', to a point on the Section line common to Sections 4 and 9, located 2525 ft. East of West Section line; thence continuing on same course, to a point on the Section line common to Sections 9 and 16, located 2532 ft. East of West Section line; thence continuing Southerly, to a point on the Section line common to Sections 16 and 21, located 2538 ft. East of West Section line; thence continuing Southerly, to a point on the Section line common to Sections 21 and 28, located 2512 ft. East of West Section line; thence continuing Southerly, to a point on the Section line common to Sections 28 and 33, located 2500 ft. East of West Section line; thence continuing Southerly, to a point on the Section line common to Section 33, Twp. 119, Range 47 (Vernon Twp.) and Section 4, Twp. 118, Range 47 (Adams Twp.), located 2517 ft. East of West Section line; thence continuing Southerly, to a point on the Section line common to Sections 4 and 9, located 2503 ft. East of West Section line; thence continuing Southerly, to a point on the Section line common to Sections 9 and 16, located 2497 ft. East of West Section line; thence continuing Southerly, to a point on the Section line common to Sections 16 and 21, located 2493 ft. East of West Section line; thence continuing Southerly, to a point on the Section line common to Sections 21 and 28, located 2497 ft. East of West Section line; thence continuing Southerly, to a point in the SE 1/4 of SW 1/4 of said Section 28, located 2532 ft. East of West line and 897 ft. North of South Section line; thence deflecting to the Left at an angle of 14°10'40", to a point on the Section line common to Sections 28 and 33, located 2764 ft. East of West Section line; which point is also described as being 2466 ft. West of East Section line; thence continuing on same course to a point in the NW 1/4 of NE 1/4 of said Section 33, located 2208 ft. West of East Section line and 1041 ft. South of North Section line; thence deflecting to the Right, at an angle of 19°06', to a point on the Section line common to Section 33, Twp. 118, Range 47 (Adams Twp.) Grant County and Section 4, Twp. 117, Range 47 (Antelope Valley Twp.) Deuel County, located 2598 ft. West of East Section line; thence continuing on same course, to a point in the SE 1/4 of NW 1/4 of said Section 4, located 2513 ft. East of West Section line and 1479 ft. South of North Section line; thence deflecting to the Left, at an angle of 5°39'30", to a point on the Section line common to Sections 4 and 9, located 2521 ft. East of West Section line; thence continuing on same course to a point in the SE 1/4 of NW 1/4 of said Section 9, located 1704 ft. South of the North Section line and 2518 ft. East of West Section line, which point is further designated as being the point of termination of the center line of, the electric Transmission Line as described herein.

Said Line to include all equipment described in and constituting a part of said Transmission Line between said originating and terminating points, and together with all

easements and associated permits, licenses and property rights in connection with said portion of said Transmission Line.

Department of Energy
Western Area Power Administration
Watertown Operations Office
P.O. Box 790
1330 41st Street SE
Watertown, South Dakota 57201-0790

6520.13

DEC 28 2017

B6203.BL

Contract No. 17-UGPR-88

JoAnn Thompson
Vice President, Asset Management
Otter Tail Power Company
215 South Cascade Street
Fergus Falls, MN 56537

Dear Ms. Thompson:

In 1970, Western Area Power Administration ("WAPA") entered into an agreement with East River Electric Power Cooperative, Inc. ("East River") dated April 6, 1970 ("1970 Agreement"), which provided for, among other things, East River to establish a new interconnection along WAPA's Granite Falls – Watertown 230-kV Transmission Line called the F.L. Blair Substation. That 1970 Agreement and a successor agreement to the original 1970 Agreement executed in 2013 between WAPA and East River ("2013 Agreement"[1]) and another successor agreement to the 2013 Agreement executed in 2017 between WAPA, East River, and Southwest Power Pool ("SPP") ("2017 Agreement"[2]) addressed certain obligations of East River and conveyed certain rights to WAPA regarding the 230-kV facilities at the F.L. Blair Substation used to sectionalize WAPA's Granite Falls – Watertown 230-kV Transmission Line.

In 1973, East River entered into a separate agreement with Otter Tail Power Company ("OTP") which provided for, among other things, the transfer of ownership ("Transfer") of certain 230-kV facilities in the F.L. Blair Substation from East River to OTP (Interconnection and Transmission Service Agreement, "ITSA") – including some of the same 230-kV facilities encompassed under the original 1970 Agreement and successor agreements between WAPA and East River referenced above. Prior to January 1, 2018, OTP and East River are planning to execute an agreement ("Purchase Agreement") governing aspects of the purchase and Transfer, and indicating agreement to effectuate this ownership Transfer after obtaining the required approvals from the governing regulatory agencies. The

[1] WAPA Contract No. 13-UGPR-2033 executed on November 12, 2013
[2] WAPA Contract No. 13-UGPR-2033.1 executed on April 3, 2017 and filed through FERC Docket No. ER17-1439-000.

effective date of that Transfer of ownership from East River to OTP is referred to herein as the "Closing Date". The facilities to be transferred under the Purchase Agreement from East River to OTP include 230-kV Breakers 182 and 482, 230-kVDisconnect Switches 481 and 183, 230-kV bus work and other associated facilities in the F.L. Blair Substation, hereinafter called the "Purchased Assets", as further described in Appendix A. In order to agree with the ownership Transfer to OTP, WAPA and OTP agree to certain responsibilities and certain rights related to the Purchased Assets previously established in the 2017 Agreement between East River, WAPA, and SPP as outlined herein.

Further, WAPA and OTP have verbally agreed to update two existing agreements between them[3,4] in the near future to address certain interconnection, operations, maintenance, and ownership provisions (referred to herein as "Interconnection Agreement" and "Maintenance Agreement"). It is the intent and the agreement of WAPA and OTP to incorporate the provisions of numbered Paragraphs (3) through (7) below into updates of these two existing agreements, and any other such acceptable agreement.

Therefore, in recognition of the transfer of the Purchased Assets, WAPA and OTP hereby agree to the following terms and conditions:

1. This Letter Agreement, Contract No. 17-UGPR-88 ("Letter Agreement"), shall be effective on the date of signature by OTP and shall terminate on December 31, 2019, unless the term is extended pursuant to sub-Paragraph (1.2) below, or unless terminated sooner by mutual agreement between OTP and WAPA.

1.1 From the effective date of this Letter Agreement, but prior to the Closing Date, WAPA and OTP agree that the obligations under numbered Paragraphs (3) through (7) below shall not apply to OTP or WAPA.

1.2 In the event that the updated Interconnection Agreement and updated Maintenance Agreement, and any other such acceptable agreement, have not been executed by the applicable parties prior to the termination date of this Letter Agreement, WAPA and OTP agree that this Letter Agreement term shall extend for consecutive 1 year terms until those updated agreements are executed incorporating the rights and obligations under numbered Paragraphs (3) through (7) below.

[3] Contract No. 05-UGPR-72: Contract for Interconnection and Load Control Boundary dated April 1, 2006 between WAPA and OTP.
[4] Contract No. 05-UGPR-71: Contract for Facilities Maintenance and Coordination dated April 1, 2006 between WAPA and OTP.

2. WAPA and OTP shall execute an updated Interconnection Agreement and an updated Maintenance Agreement, and any other such acceptable agreement, documenting, among other things, specific interconnection, operations, maintenance, and ownership arrangements, inclusive of OTP's obligations and WAPA's rights related to the Purchased Assets, as set forth herein within one (1) year following the Closing Date for the Transfer of the Purchased Assets.

3. The Purchased Assets are considered to be part of the facilities that sectionalize WAPA's Granite Falls – Watertown 230-kV Transmission Line.

4. General Interconnection Contract Provisions ("GICPs") effective September 26, 2013, attached hereto as Appendix B, with the exception of those specifically excluded as not applicable in this Paragraph (4), are made part of this Letter Agreement for the Purchased Assets the same as if they had been expressly set forth herein. In the event these GICPs differ from the requirements of this Letter Agreement, specific terms set forth in the Letter Agreement shall prevail. For purposes of this Letter Agreement, GICPs 2 through 13, Provisions 15 through 27, and Provision 33 shall not apply to the Purchased Assets. GICP 14 shall apply until such time that the Purchased Assets are no longer part of the facilities that sectionalize WAPA's Granite Falls – Watertown 230-kV Transmission Line, unless otherwise mutually agreed to in writing by WAPA and OTP.

5. Due to prior arrangements between East River and WAPA documented in the 1970 Agreement, the 2013 Agreement, and the 2017 Agreement, and that OTP would be a successor to certain rights, duties and obligations of East River as a result of the Transfer of the Purchased Assets under the Purchase Agreement, OTP hereby grants WAPA a license to use, without charge to WAPA, the Purchased Assets in delivering electric energy of WAPA or other co-suppliers to East River and Minnesota Valley Cooperative Light and Power Association ("Minnesota Valley") into the 230-kV system of East River at the F.L. Blair Substation for the purpose of delivering electric energy into the systems of East River and Minnesota Valley at 69 kV until such time that the Purchased Assets are no longer part of the facilities that sectionalize WAPA's Granite Falls – Watertown 230-kV Transmission Line, unless otherwise mutually agreed to in writing by WAPA and OTP. OTP's license to WAPA for use of the Purchased Assets shall not extend to any third party, unless otherwise agreed to in writing by OTP.

6. OTP and WAPA have agreed to the following operating arrangements at the F.L. Blair Substation:

6.1 Dispatch Jurisdiction "J" refers to the entity authorized to direct switching and other operations required in placing and removing the protection required for Clearances, Hot Line Orders, and Special Conditions. The "J" on a WAPA dispatch, switching, or

operating diagram identifies the last point of WAPA's dispatching responsibility and the beginning of OTP's dispatching responsibility.

6.2 Dual Dispatch Jurisdiction "DJ" refers to manually operated equipment (disconnects for example) that can be operated by WAPA or OTP with advance notification and concurrence of the other party.

6.3 Operational Jurisdiction "OJ" refers to the party having normal remote supervisory control of the equipment for such things as Trip/Close, Recloser On/Off, Hot Line Order On/Off, Communications (pilot relaying) switch On/Off, etc.

6.4 Shared Control means that both WAPA and OTP have normal remote supervisory control of the equipment and that WAPA or OTP can operate the equipment with proper notification and concurrence of the other party.

6.4 Shared Operational Jurisdiction means that WAPA or OTP can both operate the device with notification and concurrence of the other entity.

6.5 WAPA currently has Operational Jurisdiction and Dispatch Jurisdiction of the 230-kV equipment within the F.L. Blair Substation.

6.6 Following the Closing Date, WAPA will have Operational Jurisdiction of all of the SCADA controlled facilities connected to the Watertown and Granite Falls 230-kV lines located within the F.L. Blair Substation ("FB"). In addition, WAPA will have Operational Jurisdiction of the 230-kV Terminal of KV1A 230/69-kV Transformer. OTP will have Operational Jurisdiction of all of the SCADA controlled facilities connected to the Big Stone 230-kV line within the F.L. Blair Substation. In order to accomplish this Operational Jurisdiction, OTP and WAPA agree to certain shared operations. There will be Shared Operational Jurisdiction of FB 182 and FB 482, when WAPA is switching or OTP is switching. There will also be Shared Control of FB 182 and FB 482 between WAPA and OTP. Disconnects FB 483 and FB 181 will be Dual Dispatch Jurisdiction. OTP has Dispatch Jurisdiction of the equipment on the Big Stone 230-kV line side of Disconnects FB 483 and FB 181. WAPA has Dispatch Jurisdiction of all other 230-kV equipment within the F.L. Blair Substation.

7. Metering and Tie Line Arrangements: WAPA currently owns the Boundary Area (BA) metering and metering Remote Terminal Unit ("RTU") at the F.L. Blair Substation on the Big Stone 230-kV line. East River currently owns the communications path for the BA metering and metering RTU. Based on OTP discussions with East River, OTP does not expect that the Transfer of the Purchased Assets will impact the existing ownership arrangements of this metering or communication equipment. Nonetheless, ownership arrangements of the BA metering, metering RTU, and associated communication paths will be documented within an updated Interconnection Agreement and/or Maintenance Agreement, as applicable.

If the above arrangements are satisfactory, both originals of this Letter Agreement may be signed and dated by the appropriate authorized official. Please note, WAPA requires all signatures be attested and OTP's corporate seal affixed to each original. Please return one signed original of this Letter Agreement to this office and retain one signed original for your records. As provided in numbered Paragraph (1) above, this Letter Agreement becomes effective as of the date of signature by OTP. If OTP does not execute and return this Letter Agreement within 90 days of the date stamped above, this Letter Agreement shall become null and void. Unless otherwise agreed to by the parties in writing, any changes or alterations made to this Letter Agreement shall render it null and void.

Sincerely,

Lloyd A. Linke
Vice President of Operations for
Upper Great Plains Region,
Western Area Power Administration

Enclosures:
Appendix A – Purchased Assets
Appendix B – General Interconnection Contract Provisions dated September 26, 2013.

IN DUPLICATE

Otter Tail Power Company CORPORATE SEAL Minnesota

OTTER TAIL POWER COMPANY

By _____

Title VP Asset Mgmt.

Address 215 South Cascade Street

Fergus Falls, MN 56537

Attest:

By Jason J Weiss

Title Manager, Delivery Planning

This Letter Agreement is executed this 28 day of December, 2017.

bcc:
B4060.BL
B4062.BL
B4404.BL
B6203.BL
B8000.BL
(w/electronic copy of enclosures)

Appendix A

PURCHASED ASSETS

EQUIPMENT:

- Two 230 kV Breakers
  - 182 and 482
- Two 230 kV Disconnect Switches
  - 183 and 481
- One 230 kV Ground Switch
  - 480
- Three 230 kV Potential Transformers (PTs)
  - KV2A
- Three 230 kV Current Transformers (CTs)
  - QV4A
- One 230 kV Terminal Structure
- 230 kV Bus Work
- Control Panel with Line Relays including fiber communications to Big Stone
- Associated structural material

The equipment listed above is located in Section 16, Township 116N, Range 47W, in Deuel County, SD.

CUI/CEII Redacted

Appendix B

General Interconnection Contract Provisions (GICP)

Effective September 26, 2013

WESTERN AREA POWER ADMINISTRATION
GENERAL INTERCONNECTION CONTRACT PROVISIONS

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* Added Subsection Headings for Clarification, Revised September 26, 2013

1. APPLICABILITY: These General Interconnection Contract Provisions (Provisions) shall be a part of the contract to which they are attached. In the event these Provisions differ from requirements of the contract, specific terms set forth in the contract shall prevail.

2. CHARACTER OF SERVICE: Electric energy supplied or transmitted under the contract, if any, and interconnected systems will be three-phase, alternating current, at a nominal frequency of sixty (60) hertz (cycles per second).

3. CONTINUITY OF SERVICE: Interconnection service will be provided continuously, pursuant to the provisions of the contract, except for: (1) fluctuations, interruptions, or reductions due to uncontrollable forces, as defined in Provision 22 (Uncontrollable Forces) herein, (2) fluctuations, interruptions, or reductions due to operation of devices installed for power system protection; and (3) temporary fluctuations, interruptions, or reductions, which, in the opinion of the party supplying the service, are necessary or desirable for the purposes of maintenance, repairs, replacements, installation of equipment, or investigation and inspection. The party supplying service, except in case of emergency, will give the party to whom service is being provided reasonable advance notice of such temporary interruptions or reductions and will remove the cause thereof with diligence.

4. METERING:

4.1 The total electric power and energy supplied or transmitted under the contract, if any, will be measured by metering equipment to be furnished and maintained by Western, a designated representative of Western, or where situations deem it appropriate as determined by Western, by the Contractor or its agent(s). In the event metering equipment is furnished and maintained by the Contractor or its agent(s) and the equipment is used for billing and other accounting purposes by Western, the Contractor shall ensure that the metering equipment complies with applicable metering policies established by Western.

4.2 Meters shall be secured by appropriate security measures and meters shall not be accessed except when the meters are to be inspected, tested, adjusted, or repaired. Representatives of affected parties shall be afforded reasonable opportunity to be present upon such occasions. Metering equipment shall be inspected and tested each year by the party responsible for meter maintenance, unless a different test interval is determined in accordance with good utility practices by an applicable regional metering policy, or as agreed upon by the parties. Meters shall also be tested at any reasonable time upon request by a party hereto, or by an affected supplemental power supplier, transmission agent, or control area operator. Any metering equipment found to be damaged, defective, or inaccurate shall be repaired and readjusted or replaced by the party responsible for meter maintenance as soon as practicable. Meters found with security breaches shall be tested for tampering and, if appropriate, meter readings shall be adjusted by Western pursuant to Provision 4.3 below.

4.3 Except as otherwise provided in Provision 4.4 hereof, should any meter that is used by Western for billing or other accounting purposes fail to register accurately, the electric power and energy supplied or transmitted during the period of failure to register accurately, shall, for billing purposes, be estimated by Western from the best available information.

4.4 If inspections and tests of a meter used by Western for billing or other accounting purposes disclose an error exceeding 2 percent, or a lesser range in error as agreed upon by the parties, then a correction based upon the inaccuracy found shall be made to the service records for the period of inaccuracy as determined by Western. If the period of inaccuracy cannot be determined, the inaccuracy shall be assumed to have existed during the entire monthly billing period immediately preceding the billing period in which the inspection or test was made and the resulting correction shall be made accordingly.

4.5 Any correction in billing or other accounting information that results from a correction in meter records shall be made in a subsequent monthly bill rendered by Western to Contractor. Payment of such bill shall constitute full adjustment of any claim between the parties arising out of inaccurate metering equipment.

5. CONSTRUCTION, OPERATION, AND MAINTENANCE OF POWER SYSTEMS:

5.1 Contractor's Power System: The Contractor shall, and, if applicable, shall require each of its members or transmission agents to construct, operate, and maintain its power system in a manner which, as determined by Western, will not interfere with the operation of the system of Western or its transmission agents over which electric services are furnished to the Contractor under the contract, and in a manner which will coordinate with the protective relaying and other protective arrangements of the system(s) of Western or Western's transmission agents. Western may reduce or discontinue furnishing services to the Contractor if, after notice by Western, the Contractor fails or refuses to make such changes as may be necessary to eliminate an unsatisfactory condition on the Contractor's power system which is determined by Western to interfere significantly under current or probable conditions with any service supplied from the power system of Western or from the power system of a transmission agent of Western. Such a reduction or discontinuance of service will not relieve the Contractor of liability for any minimum charges provided for in the contract during the time said services are reduced or discontinued. Nothing in this Provision shall be construed to render Western liable in any manner for any claims, demands, costs, losses, causes of action, damages, or liability of any kind or nature arising out of or resulting from the construction, operation, or maintenance of the Contractor's power system.

5.2 Western's Power System: Western shall construct, operate, and maintain its power system in a manner which, as determined by the Contractor, will not interfere with the operation of the system of the Contractor over which services are furnished to Western

under the contract, and in a manner which will coordinate with the protective relaying and other protective arrangements of the system of the Contractor. The Contractor may reduce or discontinue furnishing services to Western if, after notice by the Contractor, Western fails or refuses to make such changes as may be necessary to eliminate an unsatisfactory condition on Western's power system which is determined by the Contractor to interfere significantly under current or probable conditions with any service supplied from the power system of the Contractor or from the power system. Such a reduction or discontinuance of service will not relieve Western of liability for any minimum charges provided for in the contract during the time said services are reduced or discontinued. Nothing in this Provision shall be construed to render the Contractor liable in any manner for any claims, demands, costs, losses, causes of action, damages, or liability of any kind or nature arising out of or resulting from the construction, operation, or maintenance of Western's power system.

6. BILLING AND PAYMENT:

6.1 Payments of bills issued by a party pursuant to this contract are due and payable by the payor by the date specified on the individual bills for collection, which shall be not sooner than twenty (20) calendar days from the date of issuance, or the next business day thereafter if said day is a Saturday, Sunday, or Federal holiday. Bills shall be considered paid when payment is received by issuing party. Bills will be paid electronically or via the Automated Clearing House method of payment unless a written request to make payments by mail is agreed upon by the parties. Should the parties agree to accept payments by mail, these payments will be accepted as timely and without assessment of the charge provided for in Provision 6.3 if a United States Post Office first class mail postmark indicates the payment was mailed at least three (3) calendar days before the due date.

6.2 The parties agree that net billing procedures will be used for payments due Western by the Contractor and for payments due the Contractor by Western for the sale or exchange of electric power and energy, use of transmission facilities, operation and maintenance of electric facilities, and other services. Payments due one party in any month shall be offset against payments due the other party in such month, and the resulting net balance shall be paid to the party in whose favor such balance exists. The parties shall exchange such reports and information that either party requires for billing purposes. Net billing shall not be used for any amounts due which are in dispute.

6.3 Bills not paid in full by the Contractor by the due date specified on the individual bills for collection shall bear a charge of five hundredths percent (0.05%) of the principal sum unpaid for each day payment is delinquent, to be added until the amount due is paid in full. Western will also assess a fee of twenty-five dollars ($25.00) for processing a late payment. Payments received will first be applied to the charges for late payment assessed on the principal and then to payment of the principal. Western will make payments, including any interest for late payments, in accordance with the Prompt Payment Act, 31 U.S.C. §§ 3901-3907, as amended or supplemented.

6.4 The billing party shall have the right, upon not less than fifteen (15) business days advance written notice, to suspend furnishing the services specified in the contract for nonpayment of bills in full when due, and to refuse to resume such services so long as any part of the amount due remains unpaid. Such a suspension of service will not relieve the delinquent party of liability for minimum charges during the time service is so suspended. The rights reserved herein shall be in addition to all other remedies available to the parties either by law or in equity, for the breach of any of the terms hereof.

7. DESIGN APPROVAL:

7.1 Design Approval for Work in Western's Facilities: All facilities, construction, and installation by the Contractor pursuant to the contract shall be subject to the approval of Western. Facilities interconnections shall normally conform to Western's current "General Requirements for Interconnection," in effect upon the signing of the contract document providing for each interconnection, copies of which are available from Western. At least ninety (90) calendar days, unless otherwise agreed, prior to the date the Contractor proposes to commence construction or to incur an obligation to purchase facilities to be installed pursuant to the contract, whichever date is the earlier, the Contractor shall submit, for the approval of Western, detailed designs, drawings, and specifications of the facilities the Contractor proposes to purchase, construct, and install. The Contractor assumes all risks for construction commenced or obligations to purchase facilities incurred prior to receipt of approval from Western. Western's review and approval of designs and construction work in no way implies that Western is certifying that the designs meet the Contractor's needs.

7.2 Design Approval for Work in Contractor's Facilities: All facilities, construction, and installation by Western pursuant to the contract shall be subject to the approval of the Contractor. At least ninety (90) calendar days, unless otherwise agreed, prior to the date Western proposes to commence construction or to incur an obligation to purchase facilities to be installed pursuant to the contract, whichever date is the earlier, Western shall submit, for the approval of the Contractor, detailed designs, drawings, and specifications of the facilities Western proposes to purchase, construct, and install. Western assumes all risks for construction commenced or obligations to purchase facilities incurred prior to receipt of approval from Contractor. The Contractor's review and approval of designs and construction work in no way implies that the Contractor is certifying that the designs meet Western's needs.

8. INSPECTION AND ACCEPTANCE:

8.1 Inspection and Acceptance by Western in Western's Facilities: Western shall have the right to inspect the materials and work furnished by the Contractor, its agents,

employees, and subcontractors pursuant to the contract. Such inspections shall be at reasonable times at the work site. Any materials or work that Western determines is defective or not in accordance with designs, drawings, and specifications, as approved by Western, shall be replaced or modified, as directed by Western, at the sole expense of the Contractor before the new facilities are energized.

8.2 Inspection and Acceptance by the Contractor in the Contractor's Facilities: The Contractor shall have the right to inspect the materials and work furnished by Western pursuant to the contract. Such inspections shall be at reasonable times at the work site. Any materials or work that the Contractor determines is defective or not in accordance with designs, drawings, and specifications, as approved by the Contractor, shall be replaced or modified, as directed by the Contractor, at the sole expense of Western before the new facilities are energized.

9. AS-BUILT DRAWINGS:

9.1 As-Built Drawings Provided by the Contractor to Western: Within a reasonable time, as determined by the Parties, after the completion of construction and installation of facilities pursuant to the contract, the Contractor shall submit to Western marked as-built prints of all Western drawings affected by changes made pursuant to the contract and reproducible drawings the Contractor has prepared showing facilities of Western. The Contractor's drawings of Western facilities shall use drawing title blocks, drawing numbers, and shall be prepared in accordance with drafting standards all as approved by Western. Western may prepare, revise, or complete said drawings and bill the Contractor if the Contractor fails to provide such drawings to Western within 60 calendar days after notification from Western, or other time period as agreed upon by Western and the Contractor.

9.2 As-Built Drawings Provided by Western to the Contractor: Within a reasonable time, as determined by the Parties, after the completion of construction and installation of facilities pursuant to the contract, Western shall submit to the Contractor marked as-built prints of all Contractor drawings affected by changes made pursuant to the contract and reproducible drawings Western has prepared showing facilities of the Contractor. Western's drawings of Contractor facilities shall use drawing title blocks, drawing numbers, and shall be prepared in accordance with drafting standards all as approved by the Contractor. The Contractor may prepare, revise, or complete said drawings and bill Western if Western fails to provide such drawings to the Contractor within 60 calendar days after notification from the Contractor, or other time period as agreed upon by the Contractor and Western.

10. EQUIPMENT OWNERSHIP MARKERS:

10.1 If requested by Western, the Contractor shall identify all movable equipment and, to the extent agreed upon by the parties, all other salvageable facilities constructed or installed on the United States right-of-way or in Western substations pursuant to the

contract which are owned by the Contractor, by permanently affixing thereto suitable markers clearly identifying the Contractor as the owner of said equipment and facilities.

10.2 If requested by the Contractor, Western shall identify all movable equipment and, to the extent agreed upon by the parties, all other salvageable facilities constructed or installed on the Contractor's right(s)-of-way or in the Contractor's substations pursuant to the contract which are owned by Western, by permanently affixing thereto suitable markers clearly identifying Western as the owner of said equipment and facilities.

11. CHANGES TO SYSTEM OR USE OF FACILITIES:

11.1 The Contractor shall notify Western of any proposed system change or changes to the use of facilities relating to the facilities governed by the contract.

11.2 Western shall notify the Contractor of any proposed system change or changes to the use of facilities relating to the facilities governed by the contract.

12. CHANGES TO CONTROL FACILITIES:

12.1 Changes to Western Control Facilities: If at any time during the term of the contract, Western determines that changes or additions to control, relay, or communications facilities are necessary to maintain the reliability or control of Western's transmission system, and said changes or additions are entirely or partially required because of the Contractor's equipment installed under the contract, such changes or additions shall, after consultation with the Contractor, be made by Western with all costs or a proportionate share of all costs, as determined by Western, to be paid by the Contractor. Western shall notify the Contractor in writing of the necessary changes or additions and the estimated costs to be paid by the Contractor. If the Contractor fails to pay its share of said estimated costs, Western shall have the right, after giving sixty (60) calendar days' written notice to the Contractor, to terminate the applicable facility installation provisions to the contract and require the removal of the Contractor's facilities.

12.2 Changes to Contractor Control Facilities: If at any time during the term of the contract, the Contractor determines that changes or additions to control, relay, or communications facilities are necessary to maintain the reliability or control of the Contractor's transmission system, and said changes or additions are entirely or partially required because of Western's equipment installed under the contract, such changes or additions shall, after consultation with Western, be made by the Contractor with all costs or a proportionate share of all costs, as determined by the Contractor, to be paid by Western. The Contractor shall notify Western in writing of the necessary changes or additions and the estimated costs to be paid by Western. If Western fails to pay its share of said estimated costs, the Contractor shall have the right after giving sixty (60) calendar days' written notice to Western, to terminate the applicable facility installation provisions to the contract and require the removal of Western's facilities.

13. MODIFICATION OF INTERCONNECTION FACILITIES: Any party may undertake modifications to its facilities. If a party plans to undertake a modification that reasonably may be expected to affect the other parties' facilities, that party shall provide to the other parties sufficient information regarding such modification so that the other parties may evaluate the potential impact of such modification prior to commencement of the work. Such information shall include information concerning the timing of such modifications. The party desiring to perform such work shall use reasonable efforts to provide the relevant drawings, plans, and specifications to the other parties at least ninety (90) calendar days in advance of the commencement of the work or such shorter period upon which the parties may agree, which agreement shall not unreasonably be withheld, conditioned or delayed. The parties shall modify the contract, as necessary, to conform to the new facilities arrangements.

14. TRANSMISSION RIGHTS:

14.1 If the contract involves an installation which sectionalizes a Western transmission line or bus, Contractor hereby agrees to provide a transmission path to Western across such sectionalizing facilities at no cost or expense to Western and allow Western use of such sectionalizing facilities as necessary for Western to utilize its transmission line or bus as it had prior to the interconnection. Said transmission path shall be at least equal, in terms of capacity and reliability, as determined by Western using good utility practices, to the path in the Western transmission line or bus prior to the installation pursuant to the contract.

14.2 If Western decides, in its sole discretion, to increase the rating of the sectionalized transmission line or bus referenced in Provision 14.1 above, Western will give ninety (90) calendar days' written notice to Contractor of its intent to increase the rating and identify the date the rating increase is required. Contractor agrees to modify its facilities by this date, or a mutually agreeable alternative date, so that the transmission path shall be equal, in terms of capacity and reliability, as determined by Western using good utility practices, to the path in the rest of the Western transmission line or bus. Unless otherwise agreed to, Contractor shall be responsible for the costs of said modifications.

14.3 If the contract involves an installation which sectionalizes a Contractor transmission line or bus, Western hereby agrees to provide a transmission path to Contractor across such sectionalizing facilities at no cost or expense to Contractor and allow Contractor use of such sectionalizing facilities as necessary for Contractor to utilize its transmission line or bus as it had prior to the interconnection. Said transmission path shall be at least equal, in terms of capacity and reliability, as determined by Contractor using good utility practices, to the path in the Contractor transmission line or bus prior to the installation pursuant to the contract.

14.4 If Contractor decides, in its sole discretion, to increase the rating of the sectionalized transmission line or bus referenced in Provision 14.3 above, Contractor

will give ninety (90) calendar days' written notice to Western of its intent to increase the rating and identify the date the rating increase is required. Western agrees to modify its facilities by this date, or a mutually agreeable alternative date, so that the transmission path shall be equal, in terms of capacity and reliability, as determined by Contractor using good utility practices, to the path in the rest of the Contractor transmission line or bus. Unless otherwise agreed to, Western shall be responsible for the costs of said modifications.

14.5 Ownership of bus facilities by the Contractor in Western's substations at the points of interconnection specified in the contract does not permit Contractor or third parties to make other connections to these bus facilities without Western's prior approval. Western further retains the right to modify or expand its system and facilities as necessary, including making connections to the Contractor's bus facilities in Western's substations without the Contractor's approval, in accordance with good utility practices.

14.6 Ownership of bus facilities by Western in Contractor's substations at the points of interconnection specified in the contract does not permit Western or third parties to make other connections to these bus facilities without Contractor's prior approval. The Contractor further retains the right to modify or expand its system and facilities as necessary, including making connections to Western's bus facilities in the Contractor's substations without Western's approval, in accordance with good utility practices.

14.7 Any other allowed use of Western's bus facilities by the Contractor, and/or any other allowed use of the Contractor's bus facilities by Western, must be explicitly granted in the contract.

15. CONSTRUCTION AND SAFETY PROCEDURES:

15.1 The Contractor hereby acknowledges that it is aware of the hazards inherent in high-voltage electric lines and substations, and hereby assumes full responsibility at all times for the adoption and use of necessary safety measures required to prevent accidental harm to personnel engaged in the construction, inspection, testing, operation, maintenance, replacement, or removal activities of the Contractor pursuant to the contract. Relating to the work to be performed by the Contractor under the contract, the Contractor and the authorized employees, agents, and subcontractors of the Contractor shall comply with all applicable safety laws and building and construction codes, including the provisions of Chapter 1 of the current Power System Operations Manual, entitled Power System Switching Procedure, and the Occupational Safety and Health Administration regulations, Title 29 C.F.R. §§ 1910 and 1926, as amended or supplemented. In addition to the safety program required herein, upon request of Western, the Contractor shall provide sufficient information to demonstrate that the Contractor's safety program is satisfactory to Western.

15.2 The Contractor and its authorized employees, agents, and subcontractors shall familiarize themselves with the location and character of all the transmission facilities of

Western and interconnections of others relating to the work performed by the Contractor under the contract. Prior to starting any construction, installation, or removal work, the Contractor shall submit a plan of procedure to Western which shall indicate the sequence and method of performing the work in a safe manner. No work shall be performed by the Contractor, its employees, agents, or subcontractors until written authorization to proceed is obtained from Western. Such written authorization or rejection of the plan of procedure must be provided to the Contractor within thirty (30) days of receipt of any plan of procedure.

15.3 At all times when the Contractor, its employees, agents, or subcontractors are performing activities of any type pursuant to the contract, such activities shall be under supervision of a qualified employee, agent, or subcontractor of the Contractor who shall be authorized to represent the Contractor in all matters pertaining to the activity being performed. The Contractor and Western will keep each other informed of the names of their designated representatives at the site.

15.4 Upon completion of its work, the Contractor shall remove from the vicinity of the right-of-way of the United States all buildings, rubbish, used materials, concrete forms, and other like material belonging to the Contractor or used under the Contractor's direction, and in the event of failure to do so the same may be removed by Western at the expense of the Contractor.

15.5 In the event the Contractor, its employees, agents, or subcontractors fail to comply with any requirement of this Provision 15, or Provision 8 (Inspection and Acceptance) herein, Western or an authorized representative may issue an order to stop all or any part of the work until such time as the Contractor demonstrates compliance with the provision at issue. The Contractor, its employees, agents, or subcontractors shall make no claim for compensation or damages resulting from such work stoppage.

16. ENVIRONMENTAL COMPLIANCE: Facilities installed under the contract by any party shall be constructed, operated, maintained, replaced, transported, and removed subject to compliance with all applicable laws, including but not limited to the National Historic Preservation Act of 1966, 16 U.S.C. §§ 470x-6, the National Environmental Policy Act of 1969, 42 U.S.C. §§ 4321-4347, the Endangered Species Act of 1973, 16 U.S.C. §§ 1531-1544, and the Archaeological Resources Protection Act of 1979, 16 U.S.C. §§ 470aa-470mm, and the regulations and executive orders implementing these laws, as they may be amended or supplemented, as well as any other existing or subsequent applicable laws, regulations, and executive orders.

17. RESPONSIBILITY FOR REGULATED MATERIALS: When a party owns equipment containing regulated material located on the other party's substation, switchyard, right-of-way, or other property, the equipment owner shall be responsible for all activities related to regulated materials in such equipment that are necessary to meet the requirements of the Toxic Substances Control Act, 15 U.S.C. §§ 2601-2692, the Resource Conservation and Recovery Act, 42 U.S.C. §§ 6901-6992k, the

Comprehensive Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. §§ 9601-9675, the Oil Pollution Act of 1990, 33 U.S.C. §§ 2702-2761, the Clean Water Act, 33 U.S.C. §§ 1251-1387, the Safe Drinking Water Act, 42 U.S.C. §§ 300f-j26, and the regulations and executive orders implementing these laws, as they may be amended or supplemented, and any other existing or subsequent applicable laws, regulations, and executive orders. Each party shall label its equipment containing regulated material in accordance with appropriate laws and regulations. If the party owning the equipment does not perform activities required under appropriate laws and regulations within the time frame specified therein, the other party may perform or cause to be performed the required activities after notice to and at the sole expense of the party owning the equipment.

18. AUTHORIZED REPRESENTATIVES OF THE PARTIES: Each party to the contract, by written notice to the other, shall designate the representative(s) who is (are) authorized to act in its behalf with respect to those matters contained in the contract which are the functions and responsibilities of the authorized representatives of the parties. Each party may change the designation of its authorized representative(s) upon oral notice given to the other, confirmed promptly by written notice.

19. NOTICES: Any notice, demand, or request specifically required by the contract or these Provisions to be in writing shall be considered properly given when delivered in person or sent by postage prepaid registered or certified mail, commercial delivery service, facsimile, electronic, prepaid telegram or by other means with prior agreement of the parties, to each party's authorized representative at the principal offices of the party. The designation of the person to be notified may be changed at any time by similar notice. Where facsimile or electronic means are utilized for any communication covered by this Provision, the sending party shall keep a contemporaneous record of such communications and shall verify receipt by the other party.

20. EFFECT OF SECTION HEADINGS: Section headings or Provision titles appearing in the contract or exhibits are inserted for convenience only and shall not be construed as interpretations of text.

21. OPERATING GUIDELINES AND PROCEDURES: The parties to the contract may agree upon and put into effect from time to time, such other written guidelines and procedures as may be required in order to establish the methods of operation of the power system to be followed in the performance of the contract.

22. UNCONTROLLABLE FORCES: No party to the contract shall be considered to be in default in performance of any of its obligations under the contract, except to make payment as specified in Provision 6 (Billing and Payment) herein, when a failure of performance shall be due to an uncontrollable force. The term "uncontrollable force" means any cause beyond the control of the party affected, including but not restricted to, failure of or threat of failure of facilities, flood, earthquake, storm, fire, lightning, epidemic, war, riot, civil disturbance or disobedience, labor dispute, labor or material

shortage, sabotage, restraint by court order or public authority and action or nonaction by, or failure to obtain the necessary authorizations or approvals from, any governmental agency or authority, which by exercise of due diligence such party could not reasonably have been expected to avoid and which by exercise of due diligence it shall be unable to overcome. Nothing contained herein shall be construed to require a party to settle any strike or labor dispute in which it may be involved. Any party rendered unable to fulfill any of its obligations under the contract by reason of an uncontrollable force shall give prompt written notice of such fact to the other party and shall exercise due diligence to remove such inability with all reasonable dispatch. Such party shall give written notice to the other party of the removal of the uncontrollable force as soon as practicable.

23. LIABILITY:

23.1 The Contractor hereby agrees to indemnify and hold harmless Western, its employees, agents, or contractors from any loss or damage and from any liability on account of personal injury, death, or property damage, or claims for personal injury, death, or property damage of any nature whatsoever and by whomsoever made arising out of the Contractors', its employees', agents', or subcontractors' construction, operation, maintenance, or replacement activities under the contract.

23.2 Western is liable only for negligence on the part of its officers and employees in accordance with the Federal Tort Claims Act, 28 U.S.C. §§ 1346(b), 1346(c), 2401(b), 2402, 2671, 2672, 2674-2680, as amended or supplemented.

24. COOPERATION OF CONTRACTING PARTIES: If, in the operation and maintenance of their respective power systems or electrical equipment and the utilization thereof for the purposes of the contract, it becomes necessary by reason of any emergency or extraordinary condition for either party to request the other to furnish personnel, materials, tools, and equipment for the accomplishment thereof, the party so requested shall cooperate with the other and render such assistance as the party so requested may determine to be available. The party making such request, upon receipt of properly itemized bills from the other party, shall reimburse the party rendering such assistance for all costs properly and reasonably incurred by it in such performance, including administrative and general expenses, such costs to be determined on the basis of current charges or rates used in its own operations by the party rendering assistance. Issuance and payment of bills for services provided by Western shall be in accordance with Provision 6 (Billing and Payment) herein. Western shall pay bills issued by the Contractor for services provided as soon as the necessary vouchers can be prepared which shall normally be within twenty (20) calendar days.

25. TRANSFER OF INTEREST IN CONTRACT: No voluntary transfer of the contract or of the rights of an entity under the contract shall be made without the prior written approval of all parties, such approval not to be unreasonably withheld or delayed.

26. CHOICE OF LAW AND FORUM: Federal law shall control the obligations and procedures established by this contract and the performance and enforcement thereof. The forum for litigation arising from this contract shall exclusively be a Federal court of the United States, unless the parties agree to pursue alternative dispute resolution.

27. WAIVERS: Any waivers at any time by either party to the contract of its rights with respect to a default or any other matter arising under or in connection with the contract shall not be deemed a waiver with respect to any subsequent default or matter.

28. CONTINGENT UPON APPROPRIATIONS AND AUTHORIZATION:

28.1 Where activities provided for in the contract or these Provisions extend beyond the current fiscal year, continued expenditures by Western are contingent upon Congress making the necessary appropriations required for the continued performance of Western's obligations under the contract and these Provisions. In case such appropriation is not made, the Contractor and/or all other signatories to this contract hereby releases Western from its obligations under the contract and these Provisions, and from all liability due to the failure of Congress to make such appropriation.

28.2 In order to receive and expend funds advanced from the Contractor, and/or all other signatories to this contract, necessary for the continued performance of the obligations of Western under the contract, additional authorization may be required. In case such authorization is not received, Contractor, and/or all other signatories to this contract, hereby releases Western from those contractual obligations and from all liability due to the lack of such authorization.

29. COVENANT AGAINST CONTINGENT FEES: The Contractor and/or all other signatories to this contract warrants that no person or selling agency has been employed or retained to solicit or secure the contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by the Contractor and/or all other signatories to this contract for the purpose of securing business. For breach or violation of this warranty, Western shall have the right to annul the contract without liability or in its discretion to deduct from the contract price or consideration the full amount of such commission, percentage, brokerage, or contingent fee.

30. CONTRACT WORK HOURS AND SAFETY STANDARDS: The contract, to the extent that it is of a character specified in Section 103 of the Contract Work Hours and Safety Standards Act (Act), 40 U.S.C. § 3701, as amended or supplemented, is subject to the provisions of the Act, 40 U.S.C. §§ 3701-3708, as amended or supplemented, and to regulations promulgated by the Secretary of Labor pursuant to the Act.

31. EQUAL OPPORTUNITY EMPLOYMENT PRACTICES: Section 202 of Executive Order No. 11246, 30 Fed. Reg. 12319 (1965), as amended by Executive Order No.

12086, 43 Fed. Reg. 46501 (1978), as amended or supplemented, which provides, among other things, that the Contractor and/or all other signatories to this contract will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin, is incorporated herein by reference the same as if the specific language had been written into the contract, except that Indian Tribes and tribal organizations may apply Indian preference to the extent permitted by Federal law.

32. USE OF CONVICT LABOR: The Contractor and/or all other signatories to this contract agree not to employ any person undergoing sentence of imprisonment in performing the contract except as provided by 18 U.S.C. § 3622(c), as amended or supplemented, and Executive Order No. 11755, 39 Fed. Reg. 779 (1973), as amended or supplemented.

33. DISPUTE RESOLUTION: In the event of a dispute arising out of or relating to this contract such party (the "Disputing Party") shall provide the other signatories with written notice of the dispute or claim ("Notice of Dispute"). Such dispute or claim shall be referred to a designated senior representative of each party for resolution on an informal basis as promptly as practicable after receipt of the Notice of Dispute by the other party. Each designated senior representative shall have authority to make decisions on the party's behalf with respect to that party's rights and obligations under the contract. In the event the designated representatives are unable to resolve the claim or dispute through unassisted or assisted negotiations within thirty (30) calendar days of the other party's receipt of the Notice of Dispute, such claim or dispute may, upon mutual agreement of the parties, be submitted to an individual or organization for alternative dispute resolution. In the event the parties do not agree to submit such claim or dispute for alternative dispute resolution, each party may exercise whatever rights and remedies it may have in equity or at law consistent with the terms of this contract. Neither the giving of a Notice of Dispute, nor the pendency of any dispute resolution process as described in this Provision, shall relieve a party of its obligations under this contract, extend any notice period described in this contract, or extend any period in which a party must act as described in this contract. Notwithstanding the requirements of this Provision, any party may terminate this contract in accordance with its provisions, or pursuant to an action at equity. The issue of whether such a termination is proper shall not be considered a dispute hereunder.

CERTIFICATE OF CONCURRENCE

OF

OTTER TAIL POWER COMPANY

This is to certify that Otter Tail Power Company assents to and concurs in the rate schedule described below, and hereby files this Certificate of Concurrence in lieu of the filing of the rate schedule specified.

Designated Filing Company ("DFC"):	Northern States Power Company, a Minnesota corporation
DFC Tariff Title:	Transmission and Service Agreements Tariff
DFC Tariff Program:	Electric TCS and MBR
DFC Tariff Record Adopted by Reference:	749-NSP, CAPX2020-Brookings2 Joint Dev Agmt

CERTIFICATE OF CONCURRENCE

OF

OTTER TAIL POWER COMPANY

This is to certify that Otter Tail Power Company assents to and concurs in the rate schedule described below, and hereby files this Certificate of Concurrence in lieu of the filing of the rate schedule specified.

Designated Filing Company ("DFC"):	Northern States Power Company, a Minnesota corporation
DFC Tariff Title:	Transmission and Service Agreements Tariff
DFC Tariff Program:	Electric TCS and MBR
DFC Tariff Record Adopted by Reference:	766-NSP, CAPX JDA Alex-Big Oaks

Service Agreements

OTTER TAIL POWER COMPANY

SERVICE AGREEMENT NO. 3

BETWEEN

OTTER TAIL POWER COMPANY

AND

MISSOURI RIVER ENERGY SERVICES

SERVICE AGREEMENT FOR CONTROL AREA SERVICES AND OPERATIONS AGREEMENT

1.0 THIS SERVICE AGREEMENT is made and entered into this 6th day of December, 2002, by and between Missouri River Energy Services, a municipal joint action agency formed under Chapter 28E of the Iowa Code and existing under the joint action laws of the States of Iowa, Minnesota, North Dakota and South Dakota, sometimes hereinafter referred to as "Customer," and Otter Tail Power Company, a subsidiary of Otter Tail Corporation, a corporation organized and existing under the laws of the State of Minnesota, sometimes hereinafter referred to as "Company" or "Control Area Operator." Customer and Company each may be referred to as a "Party," or collectively as the "Parties."

2.0 The Customer has been determined by the Control Area Operator to be a Customer under Section 2 of the Control Area Services and Operations Tariff ("Tariff").

3.0 The Customer agrees to supply information the Control Area Operator deems reasonably necessary in accordance with Good Utility Practice in order for it to provide the requested service.

4.0 The Control Area Operator agrees to provide and the Customer agrees to take and pay for Control Area Services detailed in Attachment A1 in accordance with the provision of this Service Agreement effective as of July 5, 2002.

5.0 The Control Area Operator and the Customer agree to be bound by the terms of this Service Agreement.

6.0 Any notice, demand or request required or permitted to be given by either Party to the other and any instrument required or permitted to be tendered or delivered by either Party to the other may be so given, tendered or delivered, as the case may be, by depositing the same in any United State Post Office with postage prepaid, for transmission by certified or registered mail, addressed to the Party, or personally delivered to the Party, at the address set out below.

To Company:

Manager, System Operations
Otter Tail Power Company
PO Box 496
215 South Cascade Street
Fergus Falls, MN 56538-0496

To Customer:

Director, Power Supply and Operations
Missouri River Energy Services
PO Box 84610
Sioux Falls, SD 57118-4610

7.0 Subject to required regulatory authorizations, including, without limitation, acceptance by FERC under Section 205 of the Federal Power Act, the Service Agreement shall become effective when executed by the Parties or the date allowed by the Commission.

8.0 Termination upon default. This Service Agreement may be terminated upon a Party's Default in accordance with the provisions of Section 24 of the Tariff.

9.0 Material adverse change. In the event of a material change in law or regulation that adversely affects, or may reasonably be expected to adversely affect, either Party's rights and/or obligations under this Service Agreement, the Parties will negotiate in good faith any amendment or amendments to the Service Agreement necessary to adapt the terms of the Service Agreement to such change in law or regulation, and the Company shall file such amendment or amendments with FERC. If, within sixty (60) days after the occurrence of any event described in this Section 9.0, the Parties are unable to reach agreement on any such amendments, the Parties may proceed under Section 28 of the Tariff to resolve any disputes related thereto; and, Company shall have the right to make a unilateral filing with FERC to modify the Service Agreement pursuant to Section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder, and Customer shall have the right to make a unilateral filing with FERC to modify the Service Agreement pursuant to Section 206 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder; provided that each Party shall have the right to protest any such filing by the other Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in the Service Agreement shall limit the rights of the Parties or of FERC under Sections 205 or 206 of the Federal Power Act and FERC's rules and regulations thereunder. For the purposes of this Section 9.0, the term "material" or "materially" shall not include any change to a tariff or rate schedule accepted or approved by FERC. If a Party is unable to fully perform the Service Agreement due to the occurrence of an event described in this Section 9.0 and such inability is not based on economic reasons, such Party shall not be deemed to be in Default to fits obligations under the Service Agreement, provided that such Party is seeking dispute resolution under Section 28 of the Tariff or before FERC, to the extent that (i) such Party is unable to perform as a result of such an event and (ii) such Party acts in accordance with its obligations under this Section 9.0.

10.0 The Company shall file the Service Agreement with FERC.

10.1 Nothing contained in the Service Agreement shall be construed as affecting in any way the right of the Company to unilaterally make application to the Commission for a change in rates, terms and conditions, charges, classification of service, Service Agreement, rule or regulation under Section 205 of the Federal Power Act and pursuant to the Commission's rules and regulations promulgated thereunder.

10.2 Nothing contained in the Service Agreement shall be construed as affecting in any way the ability of any Party receiving service under the Service Agreement to exercise its rights under the Federal Power Act and pursuant to the Commission's rules and regulations promulgated thereunder.

11.0 The applicable provisions of the Service Agreement shall continue in effect after expiration, cancellation, or termination hereof to the extent necessary to provide for final billings, billing adjustments, and the determination and enforcement of liability and indemnification obligations arising from acts or events that occurred while the Service Agreement was in effect.

12.0 Customer Representations. The Customer represents and warrants that it has all requisite authority to enter into the Service Agreement and that it has acquired (or will acquire before transactions hereunder commence) all Required Regulatory Approvals associated with this transaction and related transactions.

13.0 The Tariff is incorporated herein and made part hereof.

14.0 Either party may terminate services under this Service Agreement by providing written notice to the other party at least 12 months prior to the termination date sought, subject to regulatory approval.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed by their duly authorized officers on the day and year first above written.

By: */s/ Rodney C. H. Scheel*
Rodney C. H. Scheel

Title: Vice President, Asset Management

OTTER TAIL POWER COMPANY

By: */s/ Raymond J. Wahle*
Raymond J. Wahle

Title: Director, Power Supply and Operations

MISSOURI RIVER ENERGY SERVICES

ATTACHMENT A1

Control Area Services Offered, Required, and Selected

Schedule	Load Serving Entity	Generator	Services Required for Missouri River Energy Services (MRES)	Customer must initialize here for any Optional services it requests the Control Area Operator to provide.
1. Scheduling, System Control and Dispatch Service	R	R	R[1]	___
2. Reactive Power Supply from Generation Sources Service	RS	RS	RS[2]	___

KEY: R = Required and provided by the Control Area Operator
RS = Required with Self-Supply optional

[1]This service is required but is satisfied if MRES obtains and pays for Schedule 1 service under the Midcontinent Independent System Operator, Inc. ("MISO") Open Access Transmission, Energy, and Operating Reserve Markets Tariff ("TEMT").

[2] This service is required but is satisfied if MRES obtains and pays for Schedule 2 service under the MISO TEMT

SERVICE AGREEMENT FOR CONTROL AREA SERVICES AND OPERATIONS AGREEMENT

BETWEEN

CENTRAL POWER ELECTRIC COOPERATIVE, INC.

AND

OTTER TAIL POWER COMPANY

HAS BEEN REMOVED AND REFILED AS
OTTER TAIL POWER COMPANY SERVICE AGREEMENT NO. 51

Otter Tail Power Company Service Agreement No. 4

Service Agreement for Control Area Services and Operations Agreement
Between
East River Electric Power Cooperative, Inc.
and
Otter Tail Power Company

Service Agreement for Control Area Services and Operations Agreement

1.0 THIS SERVICE AGREEMENT is made and entered into this 4th day of September, 2002, by and between East River Electric Power Cooperative, Inc., a cooperative corporation incorporated under the laws of the State of South Dakota, sometimes hereinafter referred to as "Customer," and Otter Tail Power Company, a division of Otter Tail Corporation, a corporation organized and existing under the laws of the State of Minnesota, sometimes hereinafter referred to as "Company" or "Control Area Operator." Customer and Company each may be referred to as a "Party," or collectively as the "Parties."

2.0 The Customer has been determined by the Control Area Operator to be a Customer under Section 2 of the Control Area Services and Operations Tariff (''Tariff").

3.0 The Customer agrees to supply information the Control Area Operator deems reasonably necessary in accordance with Good Utility Practice in order for it to provide the requested service.

4.0 The Control Area Operator agrees to provide and the Customer agrees to take and pay for Control Area Services detailed in Attachment A1 in accordance with the provisions of the Tariff and this Service Agreement effective as of July 5, 2002.

5.0 The Control Area Operator and the Customer agree to be bound by the terms of this Tariff and to follow orders, directions, and procedures as detailed in such Tariff.

6.0 Any notice, demand or request required or permitted to be given by either Party to the other and any instrument required or permitted to be tendered or delivered by either Party to the other may be so given, tendered or delivered, as the case may be by depositing the same in any United States Post Office with postage prepaid, for transmission by certified or registered mail, addressed to the Party, or personally delivered to the Party, at the address set out below:

To Company:	To Customer:
Manager, System Operations	General Manager
Otter Tail Power Company	East River Electric Power Cooperative, Inc.
215 South Cascade Street	P.O. Box 227
Fergus Falls, MN 56538-0496	Madison, SD 57042

7.0 Subject to required regulatory authorizations, including, without limitation, acceptance by FERC under Section 205 of the Federal Power Act, the Service Agreement shall become effective when executed by the Parties or the date allowed by the Commission.

8.0 Termination Upon Default. This Service Agreement may be terminated upon a Party's Default in accordance with the provisions of Section 24 of the Tariff.

9.0 Material Adverse Change. In the event of a material change in law or regulation that adversely affects, or may reasonably be expected to adversely affect, either Party's rights and/or obligations under the Service Agreement, the Parties will negotiate in good faith any amendment or amendments to the Service Agreement necessary to adapt the terms of the Service Agreement to such change in law or regulation, and the Company shall file such amendment or amendments with FERC. If, within sixty (60) days after the occurrence of any event described in this Section 9.0, the Parties are unable to reach agreement on any such amendments, the Parties may proceed under Section 28 of the Tariff to resolve any disputes related thereto; and, Company shall have the right to make a unilateral filing with FERC to modify the Service Agreement pursuant to Section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder, and Customer shall have the right to make a unilateral filing with FERC to modify the Service Agreement pursuant to Section 206 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder; provided that each Party shall have the right to protest any such filing by the other Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in the Service Agreement shall limit the rights of the Parties or of FERC under Sections 205 or 206 of the Federal Power Act and FERC's rules and regulations thereunder. For the purposes of this Section 9.0, the term "material" or "materially" shall not include any change to a tariff or rate schedule accepted or approved by FERC. If a Party is unable to fully perform the Service Agreement due to the occurrence of an event described in this Section 9.0 and such inability is not based on economic reasons, such Party shall not be deemed to be in Default of its obligations under the Service Agreement, provided that such Party is seeking dispute resolution under Section 28 of the Tariff or before FERC, to the extent that (i) such Party is unable to perform as a result of such an event and (ii) such Party acts in accordance with its obligations under this Section 9.0.

10.0 The Company shall file the Service Agreement with FERC.

10.1 Nothing contained in the Service Agreement shall be construed as affecting in any way the right of the Company to unilaterally make application to the Commission for a change in rates, terms and conditions, charges, classification of service, Service Agreement, rule or regulation under Section 205 of the Federal Power Act and pursuant to the Commission's rules and regulations promulgated thereunder.

10.2 Nothing contained in the Service Agreement shall be construed as affecting in any way the ability of any Party receiving service under the Service Agreement to exercise its rights under the Federal Power Act and pursuant to the Commission's rules and regulations promulgated thereunder.

11.0 The applicable provisions of the Service Agreement shall continue effect after expiration, cancellation, or termination hereof to the extent necessary to provide for final billings, billing adjustments, and the determination and enforcement of liability and indemnification obligations arising from acts or events that occurred while the Service Agreement was in effect.

12.0 Customer Representations. The Customer represents and warrants that it has all requisite authority to enter into the Service Agreement and that it has acquired (or will acquire before transactions hereunder commence) all Required Regulatory Approvals associated with this transaction and related transactions.

13.0 The Tariff is incorporated herein and made part hereof.

14.0 Either party may terminate services under this Service Agreement by providing written notice to the other party at least 12 months prior to the termination date sought, subject to regulatory approval.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed by their duly authorized officers on the day and year first above written.

By:_____	By:_____
Rodney C. H. Scheel	Jeffrey L. Nelson
Title: Vice President, Asset Management	Title: General Manager
OTTER TAIL POWER COMPANY	**EAST RIVER ELECTRIC POWER COOPERATIVE, INC.**

ATTACHMENT A1

Control Area Services Offered, Required, And Selected

Schedule	Load Serving Entity	Services Required for East River Electric Power Cooperative, Inc. (EREC)	Customer must initialize here for any Optional services it requests the Control Area Operator to provide.
1. Scheduling, System Control and Dispatch Service	R	X[1]	__
2. Reactive Power Supply from Generation Sources Service	RS	X[2]	__

KEY: R = Required and provided by the Control Area Operator
RS = Required with Self-Supply optional

[1] Effective January 1, 2018, East River Electric Power Cooperative, Inc. shall satisfy its obligation to take this required service by obtaining, and paying for, Schedule 1 service under the Midcontinent Independent System Operator, Inc. ("MISO") Open Access Transmission, Energy, and Operating Reserves Markets Tariff ("TEMT").

[2] Effective January 1, 2018, East River Electric Power Cooperative, Inc. shall satisfy its obligation to take this required service by obtaining Schedule 2 service under the MISO TEMT.

SERVICE AGREEMENT FOR ANCILLARY SERVICES FOR OTTER TAIL POWER COMPANY

BETWEEN

UNITED STATES
DEPARTMENT OF ENERGY
WESTERN AREA POWER ADMINISTRATION

AND

OTTER TAIL POWER COMPANY

HAS BEEN TERMINATED

OTTER TAIL POWER COMPANY SERVICE AGREEMENT NO. 10

SERVICE AGREEMENT FOR CONTROL AREA SERVICES AND OPERATIONS

BETWEEN

OTTER TAIL POWER COMPANY

AND

FPL ENERGY NORTH DAKOTA WIND II, LLC

ATTACHMENT A

Form of Service Agreement for Control Area Services and Operations Agreement

1.0 THIS SERVICE AGREEMENT is made and entered into this 10th day of September 2003, by and between FPL Energy North Dakota Wind II, LLC, a Delaware limited liability company, sometimes hereinafter referred to as "Customer," and Otter Tail Power Company, a division of Otter Tail Corporation, a corporation organized and existing under the laws of the State of Minnesota, sometimes hereinafter referred to as "Company" or "Control Area Operator." Customer and Company each may be referred to as a "Party," or collectively as the "Parties."

2.0 The Customer has been determined by the Control Area Operator to be a Customer under Section 1.23 of the Control Area Services and Operations Tariff ("Tariff").

3.0 The Customer agrees to supply information the Control Area Operator deems reasonably necessary in accordance with Good Utility Practice in order for it to provide the requested service.

4.0 The Control Area Operator agrees to provide and the Customer agrees to take and pay for Control Area Services detailed in Attachment A1 in accordance with the provisions of the Tariff and this Service Agreement.

5.0 The Control Area Operator and the Customer agree to be bound by the terms of this Tariff and to follow orders, directions, and procedures as detailed in such Tariff.

6.0 Any notice, demand or request required or permitted to be given by either Party to the other and any instrument required or permitted to be tendered or delivered by either Party to the other may be so given, tendered or delivered, as the case may be, by depositing the same in any United States Post Office with postage prepaid, for transmission by certified or registered mail, addressed to the Party, or personally delivered to the Party, at the address set out below:

To Company:

Manager, System Operations
Otter Tail Power Company
215 South Cascade Street
Fergus Falls, MN 56538-0496

To Customer:

FPL Energy North Dakota Wind II
Attn: Business Management
700 Universe Blvd.
Juno Beach, FL 33408

GEN-3-1-1.0013

7.0 Subject to required regulatory authorizations, including, without limitation, acceptance by FERC under Section 205 of the Federal Power Act, the Service Agreement shall become effective when executed by the Parties or the date allowed by the Commission.

8.0 Termination Upon Default. This Service Agreement may be terminated upon a Party's Default in accordance with the provisions of Section 24 of the Tariff.

9.0 Material Adverse Change. In the event of a material change in law or regulation that adversely affects, or may reasonably be expected to adversely affect, either Party's rights and/or obligations under the Service Agreement, the Parties will negotiate in good faith any amendment or amendments to the Service Agreement necessary to adapt the terms of the Service Agreement to such change in law or regulation, and the Company shall file such amendment or amendments with FERC. If, within sixty (60) days after the notice of occurrence of any event described in this Section 9.0 is received by the customer, the Parties are unable to reach agreement on any such amendments, the Parties may proceed under Section 28 of the Tariff to resolve any disputes related thereto; and, Company shall have the right to make a unilateral filing with FERC to modify the Service Agreement pursuant to Section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder, and Customer shall have the right to make a unilateral filing with FERC to modify the Service Agreement pursuant to Section 206 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder; provided that each Party shall have the right to protest any such filing by the other Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in the Service Agreement shall limit the rights of the Parties or of FERC under Sections 205 or 206 of the Federal Power Act and FERC's rules and regulations thereunder. For the purposes of this Section 9.0, the term "material" or "materially" shall not include any change to a tariff or rate schedule accepted or approved by FERC. If a Party is unable to fully perform the Service Agreement due to the occurrence of an event described in this Section 9.0 and such inability is not based on economic reasons, such Party shall not be deemed to be in Default of its obligations under the Service Agreement, provided that such Party is seeking dispute resolution under Section 28 of the Tariff or before FERC, to the extent that (i) such Party is unable to perform as a result of such an event and (ii) such Party acts in accordance with its obligations under this Section 9.0.

10.0 The Company shall file the Service Agreement with FERC.

10.1 Nothing contained in the Service Agreement shall be construed as affecting in any way the right of the Company to unilaterally make application to the Commission for a change in rates, terms and conditions, charges, classification of service, Service Agreement, rule or regulation under Section 205 of the Federal Power Act and pursuant to the Commission's rules and regulations promulgated thereunder.

10.2 Nothing contained in the Service Agreement shall be construed as affecting in any way the ability of any Party receiving service under the Service Agreement to

exercise its rights under the Federal Power Act and pursuant to the Commission's rules and regulations promulgated thereunder.

11.0 The applicable provisions of the Service Agreement shall continue in effect after expiration, cancellation, or termination hereof to the extent necessary to provide for final billings, billing adjustments, and the determination and enforcement of liability and indemnification obligations arising from acts or events that occurred while the Service Agreement was in effect.

12.0 Customer Representations. The Customer represents and warrants that it has all requisite authority to enter into the Service Agreement and that it has acquired (or will acquire before transactions hereunder commence) all Required Regulatory Approvals associated with this transaction and related transactions.

13.0 The Tariff is incorporated herein and made part hereof.

14.0 This Service Agreement shall expire on December 31, 2028.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed by their duly authorized officers on the day and year first above written.

FPL ENERGY NORTH DAKOTA WIND II, LLC

By: _____
Rodney C. H. Scheel

Title: Vice President, Asset Management

By: Rita W. Costantino

Title: Assistant Secretary

Otter Tail Power Company, a division of
Otter Tail Corporation

ATTACHMENT A1

Control Area Services Offered, Required, And Selected

Schedule		Load Serving Entity	Generator	Services Required for Customer	Customer must initialize here for any Optional services it requests the Control Area Operator to provide.
1.	Scheduling, System Control and Dispatch Service	R	R	X[1]	—
2.	Reactive Power Supply from Generation Sources Service	RS	RS[2]	X[1]	—
3A.	Load Regulation and Frequency Response Service	RS	—	—	—
3B.	Generator Regulation and Frequency Response Service	—	RS	X[1]	—
4A.	Energy Imbalance Service	RS	RS	X[1]	—
4B.	Generator Backup Supply Service	—	O	O	
5.	Operating Reserve – Spinning Reserve Service	RS	RS[3]	X[1]	—
6.	Operating Reserve – Supplemental Reserve Service	RS	RS[3]	X[1]	—
9A.	Dynamic Scheduling Service	O	O	O	
9B.	Short-Interval Scheduling Service	O	O	O	

KEY: **R** = Required and provided by the Control Area Operator
RS = Required with Self-Supply optional
O = Optional Service

[1] Under the provisions of the Purchase Power Agreement between the Generator and Company, the Company is responsible for taking Transmission Service within the Otter Tail Control Area under the MISO open access transmission tariff ("MISO OATT"). Therefore, all applicable ancillary service charges will be provided under the MISO OATT and will be the responsibility of the Transmission Customer. If the Company ceases to be the purchaser of the output of the Generator, all applicable ancillary service charges will no longer be the responsibility of the Company, but will become the responsibility of the Generator.

ATTACHMENT A2

Metering Equipment

This Attachment A2 is a part of this Service Agreement between Customer and Otter Tail Power Company, as Control Area Operator.

The Metering Equipment necessary to provide Control Area Services is addressed and provided for under the MISO three-party interconnection agreement between MISO, FPL Energy North Dakota Wind II, LLC, and Otter Tail Power Company.

ATTACHMENT A3

Communication and RTU Equipment

This Attachment A3 is a part of this Service Agreement between Customer and Otter Tail Power Company, as Control Area Operator.

The Communication and RTU Equipment necessary to provide Control Area Services is addressed and provided for under the MISO three-party interconnection agreement between MISO, FPL Energy North Dakota Wind II, LLC, and Otter Tail Power Company.

OTTER TAIL POWER COMPANY SERVICE AGREEMENT NO. 12

SERVICE AGREEMENT FOR CONTROL AREA SERVICES AND OPERATIONS

BETWEEN

OTTER TAIL POWER COMPANY

AND

BORDERLINE WIND, LLC

COPY

Service Agreement for Control Area Services and Operations
Between
Otter Tail Power Company and
Borderline Wind, LLC

1.0 THIS SERVICE AGREEMENT is made and entered into this 14 day of January, 2004, by and between Borderline Wind, LLC, a Minnesota limited liability company, sometimes hereinafter referred to as "Customer," and Otter Tail Power Company, a division of Otter Tail Corporation, a corporation organized and existing under the laws of the State of Minnesota, sometimes hereinafter referred to as "Company" or "Control Area Operator." Customer and Company each may be referred to as a "Party," or collectively as the "Parties."

2.0 The Customer has been determined by the Control Area Operator to be a Customer under Section 1.23 of the Control Area Services and Operations Tariff ("Tariff").

3.0 The Customer agrees to supply information the Control Area Operator deems reasonably necessary in accordance with Good Utility Practice in order for it to provide the requested service.

4.0 The Control Area Operator agrees to provide and the Customer agrees to take and pay for Control Area Services detailed in Attachment A1 in accordance with the provisions of the Tariff and this Service Agreement.

5.0 The Control Area Operator and the Customer agree to be bound by the terms of this Tariff and to follow orders, directions, and procedures as detailed in such Tariff.

6.0 Any notice, demand or request required or permitted to be given by either Party to the other and any instrument required or permitted to be tendered or delivered by either Party to the other may be so given, tendered or delivered, as the case may be, by depositing the same in any United States Post Office with postage prepaid, for transmission by certified or registered mail, addressed to the Party, or personally delivered to the Party, at the address set out below:

To Company:	**To Customer:**
Manager, System Operations	**Jay Gislason, President**
Otter Tail Power Company	**Borderline Wind LLC**
215 South Cascade Street	**129 Main Ave.**
Fergus Falls, MN 56538-0496	**Gary, SD 57237**

7.0 Subject to required regulatory authorizations, including, without limitation, acceptance by FERC under Section 205 of the Federal Power Act, the Service Agreement shall become effective when executed by the Parties or the date allowed by the Commission.

8.0 Termination Upon Default. This Service Agreement may be terminated upon a Party's Default in accordance with the provisions of Section 24 of the Tariff.

9.0 Material Adverse Change. In the event of a material change in law or regulation that adversely affects, or may reasonably be expected to adversely affect, either Party's rights and/or obligations under the Service Agreement, the Parties will negotiate in good faith any amendment or amendments to the Service Agreement necessary to adapt the terms of the Service Agreement to such change in law or regulation, and the Company shall file such amendment or amendments with FERC. If, within sixty (60) days after the occurrence of any event described in this Section 9.0, the Parties are unable to reach agreement on any such amendments, the Parties may proceed under Section 28 of the Tariff to resolve any disputes related thereto; and, Company shall have the right to make a unilateral filing with FERC to modify the Service Agreement pursuant to Section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder, and Customer shall have the right to make a unilateral filing with FERC to modify the Service Agreement pursuant to Section 206 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder; provided that each Party shall have the right to protest any such filing by the other Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in the Service Agreement shall limit the rights of the Parties or of FERC under Sections 205 or 206 of the Federal Power Act and FERC's rules and regulations thereunder. For the purposes of this Section 9.0, the term "material" or "materially" shall not include any change to a tariff or rate schedule accepted or approved by FERC. If a Party is unable to fully perform the Service Agreement due to the occurrence of an event described in this Section 9.0 and such inability is not based on economic reasons, such Party shall not be deemed to be in Default of its obligations under the Service Agreement, provided that such Party is seeking dispute resolution under Section 28 of the Tariff or before FERC, to the extent that (i) such Party is unable to perform as a result of such an event and (ii) such Party acts in accordance with its obligations under this Section 9.0.

10.0 The Company shall file the Service Agreement with FERC.

10.1 Nothing contained in the Service Agreement shall be construed as affecting in any way the right of the Company to unilaterally make application to the Commission for a change in rates, terms and conditions, charges, classification of service, Service Agreement, rule or regulation under Section 205 of the Federal Power Act and pursuant to the Commission's rules and regulations promulgated thereunder.

10.2 Nothing contained in the Service Agreement shall be construed as affecting in any way the ability of any Party receiving service under the Service Agreement to exercise its rights under the Federal Power Act and pursuant to the Commission's rules and regulations promulgated thereunder.

11.0 The applicable provisions of the Service Agreement shall continue in effect after expiration, cancellation, or termination hereof to the extent necessary to provide for final billings, billing adjustments, and the determination and enforcement of liability and indemnification obligations arising from acts or events that occurred while the Service Agreement was in effect.

12.0 Customer Representations. The Customer represents and warrants that it has all requisite authority to enter into the Service Agreement and that it has acquired (or will acquire before transactions hereunder commence) all Required Regulatory Approvals associated with this transaction and related transactions.

13.0 The Tariff is incorporated herein and made part hereof.

14.0 This Service Agreement shall expire on December 31, 2028.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed by their duly authorized officers on the day and year first above written.

OTTER TAIL POWER COMPANY,
A DIVISION OF OTTER TAIL CORPORATION

By: _____
Rodney C. H. Scheel

Title: Vice President, Asset Management

BORDERLINE WIND, LLC

By: _____
Jay Gislason

Title: President

ATTACHMENT A1

Control Area Services Offered, Required, And Selected

Schedule		Load Serving Entity	Generator	Services Required for Customer	Customer must initialize here for any Optional services it requests the Control Area Operator to provide.
1.	Scheduling, System Control and Dispatch Service	R	R	X[1]	—
2.	Reactive Power Supply from Generation Sources Service	RS	RS[2]	X[1]	—
3A.	Load Regulation and Frequency Response Service	RS	—	—	—
3B.	Generator Regulation and Frequency Response Service	—	RS	X[1]	—
4A.	Energy Imbalance Service	RS	RS	X[1]	
4B.	Generator Backup Supply Service	—	O	O	
5.	Operating Reserve – Spinning Reserve Service	RS	RS[3]	X[1]	—
6.	Operating Reserve – Supplemental Reserve Service	RS	RS[3]	X[1]	—
9A.	Dynamic Scheduling Service	O	O	O	
9B.	Short-Interval Scheduling Service	O	O	O	

KEY: **R** = Required and provided by the Control Area Operator
RS = Required with Self-Supply optional
O = Optional Service

[1] Under the provisions of the Purchase Power Agreement between the Generator and Company, the Company is responsible for taking Transmission Service within the Otter Tail Control Area under the MISO open access transmission tariff ("MISO OATT"). Therefore, all applicable ancillary service charges will be provided under the MISO OATT and will be the responsibility of the Transmission Customer. If the Company ceases to be the purchaser of the output of the Generator, all applicable ancillary service charges will no longer be the responsibility of the Company, but will become the responsibility of the Generator.

ATTACHMENT A2

Metering Equipment

This Attachment A2 is a part of this Service Agreement between Customer and Otter Tail Power Company, as Control Area Operator.

The Metering Equipment necessary to provide Control Area Services is addressed and provided for under the MISO three-party interconnection agreement between MISO, Borderline Wind, LLC, and Otter Tail Power Company.

ATTACHMENT A3

Communication and RTU Equipment

This Attachment A3 is a part of this Service Agreement between Customer and Otter Tail Power Company, as Control Area Operator.

The Communication and RTU Equipment necessary to provide Control Area Services is addressed and provided for under the MISO three-party interconnection agreement between MISO, Borderline Wind, LLC, and Otter Tail Power Company.

OTTER TAIL POWER COMPANY SERVICE AGREEMENT NO. 39

SERVICE AGREEMENT FOR LOCAL BALANCING AUTHORITY SERVICES AND OPERATIONS

BETWEEN

OTTER TAIL POWER COMPANY

AND

GRANT COUNTY WIND, LLC

COPY

Service Agreement for Local Balancing Authority Services and Operations

Between
OTTER TAIL POWER COMPANY and
GRANT COUNTY WIND, LLC

1.0 THIS SERVICE AGREEMENT is made and entered into this 7th day of January, 2010 by and between **Grant County Wind, LLC**, a limited liability company organized and existing under the laws of the State of Delaware, sometimes hereinafter referred to as "Customer," and **Otter Tail Power Company**, a division of Otter Tail Corporation, a corporation organized and existing under the laws of the State of Minnesota, sometimes hereinafter referred to as "Company" or "Local Balancing Authority Operator." Customer and Company each may be referred to as a "Party," or collectively as the "Parties."

2.0 The Customer has been determined by the Local Balancing Authority Operator to be a Customer under Section 2 of the Control Area Services and Operations Tariff ("Tariff").

3.0 The Customer agrees to supply information the Local Balancing Authority Operator deems reasonably necessary in accordance with Good Utility Practice in order for it to provide the requested service.

4.0 The Local Balancing Authority Operator agrees to provide and the Customer agrees to take and pay for Local Balancing Authority Services detailed in Attachment A1 in accordance with the provisions of the Tariff and this Service Agreement. The Metering Equipment and Communication and RTU Equipment required for the service is as specified in Attachments A2 and A3, respectively.

5.0 The Local Balancing Authority Operator and the Customer agree to be bound by the terms of this Tariff and to follow orders, directions, and procedures as detailed in such Tariff.

6.0 Any notice, demand or request required or permitted to be given by either Party to the other and any instrument required or permitted to be tendered or delivered by either Party to the other may be so given, tendered or delivered, as the case may be, by depositing the same in any United States Post Office with postage prepaid, for transmission by certified or registered mail, addressed to the Party, or personally delivered to the Party, at the address set out below:

To Company:

Manager, System Operations
Otter Tail Power Company
215 South Cascade Street
Fergus Falls, MN 56538-0496

To Customer:

Edgar Persons
Grant County Wind, LLC
10343 110th St
Kensington, MN 56343

7.0 Subject to Required Regulatory Approval, including, without limitation, acceptance by FERC under Section 205 of the Federal Power Act, the Service Agreement shall become effective when executed by the Parties or the date allowed by the Commission.

8.0 Termination Upon Default. This Service Agreement may be terminated upon a Party's Default in accordance with the provisions of Section 14 of the Tariff.

9.0 Material Adverse Change. In the event of a material change in law or regulation that adversely affects, or may reasonably be expected to adversely affect, either Party's rights and/or obligations under the Service Agreement, the Parties will negotiate in good faith any amendment or amendments to the Service Agreement necessary to adapt the terms of the Service Agreement to such change in law or regulation, and the Company shall file such amendment or amendments with FERC. If, within sixty (60) days after the occurrence of any event described in this Section 9.0, the Parties are unable to reach agreement on any such amendments, the Parties may proceed under Section 18 of the Tariff to resolve any disputes related thereto; and, Company shall have the right to make a unilateral filing with FERC to modify the Service Agreement pursuant to Section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder, and Customer shall have the right to make a unilateral filing with FERC to modify the Service Agreement pursuant to Section 206 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder; provided that each Party shall have the right to protest any such filing by the other Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in the Service Agreement shall limit the rights of the Parties or of FERC under Sections 205 or 206 of the Federal Power Act and FERC's rules and regulations thereunder. For the purposes of this Section 9.0, the term "material" or "materially" shall not include any change to a tariff or rate schedule accepted or approved by FERC. If a Party is unable to fully perform the Service Agreement due to the occurrence of an event described in this Section 9.0 and such inability is not based on economic reasons, such Party shall not be deemed to be in Default of its obligations under the Service Agreement, provided that such Party is seeking dispute resolution under Section 18 of the Tariff or before FERC, to the extent that (i) such Party is unable to perform as a result of such an event and (ii) such Party acts in accordance with its obligations under this Section 9.0.

10.0 The Company shall file the Service Agreement with FERC, if non-conforming or unexecuted. If executed and conforming, this Service Agreement shall be included in Company's Electronic Quarterly Report.

10.1 Nothing contained in the Service Agreement shall be construed as affecting in any way the right of the Company to unilaterally make application to the Commission for a change in rates, terms and conditions, charges, classification of service, Service Agreement, rule or regulation under Section 205 of the Federal Power Act and pursuant to the Commission's rules and regulations promulgated thereunder.

10.2 Nothing contained in the Service Agreement shall be construed as affecting in any

way the ability of any Party receiving service under the Service Agreement to exercise its rights under the Federal Power Act and pursuant to the Commission's rules and regulations promulgated thereunder.

11.0 The applicable provisions of the Service Agreement shall continue in effect after expiration, cancellation, or termination hereof to the extent necessary to provide for final billings, billing adjustments, and the determination and enforcement of liability and indemnification obligations arising from acts or events that occurred while the Service Agreement was in effect.

12.0 Customer Representations. The Customer represents and warrants that it has all requisite authority to enter into the Service Agreement and that it has acquired (or will acquire before transactions hereunder commence) all Required Regulatory Approvals associated with this transaction and related transactions.

13.0 The Tariff is incorporated herein and made part hereof.

14.0 This Service Agreement shall remain in effect so long as the Customer's ten wind turbines with each turbine having a nameplate capacity rating of 2.0 MW, for a total capacity of 20 MW, connecting to the Company's Transmission System on its 41.6 kV line approximately 13 miles south of the Hilbow Lake 115/41.6 kV substation in Minnesota. This Service Agreement shall automatically terminate at such time as the Customer's generator ceases to be operational.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed by their duly authorized officers on the day and year first above written.

OTTER TAIL CORPORATION
d/b/a OTTER TAIL POWER COMPANY

By: _____
Rodney G. H. Scheel

Title: Vice President, Asset Management

GRANT COUTNTY WIND, LLC

By: _____

Title: Chief Manager

ATTACHMENT A1

Local Balancing Authority Services Offered, Required, And Selected

	Schedu e	Load Serving Entity	Generator	Embedded Local Balancing Authority	Customer must initialize here for any Optional services it requests the Local Balancing Authority Operator to provide.
1.	Scheduling, System Control and Dispatch Service	R	R	RS[1]	—
2.	Reactive Power Supply from Generation or Oth r Sources Service	RS	RS[2]	RS	—

KEY: **R** = Required and provided by the Local Balancing Authority Operator
RS = Required with Self-Supply optional

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[1] While this service allows for Self-Supply provisions, the service is also required to be obtained from the Local Balancing Authority Operator in the event that the Self-Supply Provider fails to provide this service. If the Generator or its power supply customer is taking transmission service within the Otter Tail Local Balancing Authority Area under an agreement or other applicable tariff, the Generator or its power supply customer, as applicable, is responsible for paying the Local Balancing Authority Operator for this service; provided, however, that if Generator or its power supply customer is taking transmission service under the MISO TEMT, charges related to such service will be provided under the MISO TEMT.

[2] If the Generator or its power supply customer is taking transmission service within the Otter Tail Local Balancing Authority Area under an agreement or other applicable tariff, the Generator or its power supply customer, as applicable, is responsible for paying the Local Balancing Authority Operator for this schedule; provided, however, that if Generator or its power supply customer is taking transmission service under the MISO TEMT, all reactive service charges related to such service will be provided under the MISO TEMT.

ATTACHMENT A2

Metering Equipment

This Attachment A2 is a part of this Service Agreement between Customer and Otter Tail Power Company, as Local Balancing Authority Operator.

The Metering Equipment necessary to provide Local Balancing Authority Services is addressed and provided for under the interconnection agreement between the Midwest Independent Transmission System Operator, Inc., Otter Tail Power Company, and Customer entered into on September 23, 2009.

Otter Tail Power company will make available real time meter information from the Customer to the Transmission Provider, but is not accountable for validity of the information, any errors or timeliness of the data. Any fines or penalties assessed to Otter Tail Power Company in regards to this information shall be the responsibility of the Customer.

ATTACHMENT A3

Communication and RTU Equipment

This Attachment A3 is a part of this Service Agreement between Customer and Otter Tail Power Company, as Local Balancing Authority Operator.

The Communication and RTU Equipment necessary to provide Local Balancing Authority Services is addressed and provided for under the interconnection agreement between the Midwest Independent Transmission System Operator, Inc., Otter Tail Power Company, and Customer entered into on September 23, 2009.

Otter Tail Power Company will make available real time SCADA information from the Customer to the Transmission Provider, but is not accountable for validity of the information, any errors or timeliness of the data. Any fines or penalties assessed to Otter Tail Power Company in regards to this information shall be the responsibility of the Customer.

OTTER TAIL POWER COMPANY

SERVICE AGREEMENT NO. 46

FACILITIES SERVICE AGREEMENT

BETWEEN

OTTER TAIL POWER COMPANY

AND

RUGBY WIND, LLC

FACILITIES SERVICE AGREEMENT
between
OTTER TAIL POWER COMPANY
AND
RUGBY WIND, LLC

This Facilities Service Agreement ("Service Agreement") dated February 1, 2011 is entered into, by and between Otter Tail Power Company ("Owner") and Rugby Wind, LLC ("Customer") to compensate the Owner for changes and additions to its electric system ("Facilities") necessary for the Customer's interconnection of its electric generating facility to the Owner's transmission system. Owner and Customer are also each referred to as a "Party," and collectively as the "Parties."

WHEREAS, the Parties have entered into a amended and restated Large Generator Interconnection Agreement dated October 8, 2008 for MISO Queue Number G380 ("LGIA"); and

WHEREAS, the installation of Customer's generating facility on the Owner's transmission system has required Owner to install the Facilities, which consist of various Network Upgrades and Interconnection Facilities on its transmission system, in order for Owner to maintain transmission system stability and reliability for the interconnection and operation of Customer's generating facility; and

WHEREAS, the Owner is willing to operate and maintain the Facilities for so long as Customer's generating facility remains in commercial operation and is providing electricity to the transmission system; and

WHEREAS, the Customer advanced certain payments to Owner in connection with constructing the Facilities and Owner has elected to repay Customer in accordance with Option 1 under Section III.A.2.d(1) of Attachment FF to the Midwest Independent Transmission System Operator, Inc.'s ("Midwest ISO") Open Access Transmission, Energy and Operating Reserve Markets Tariff ("Tariff") in effect at the time of execution of the LGIA, which requires Customer to make certain additional payments to Owner; and

WHEREAS, Attachment FF in effect at the time of execution of the LGIA requires the Parties to enter into a service agreement if Option 1 is selected;

WHEREAS, Owner has notified Customer that it has elected Option 1.

NOW THEREFORE, the Parties agree that the repayment by Customer to the Owner for installing, operating and maintaining the Facilities shall be subject to the following terms and conditions.

Capitalized terms used in this Service Agreement that are not otherwise defined herein shall have the meaning provided in the LGIA.

The effective date of this Service Agreement shall be February 1, 2011, or such other date as it is permitted to become effective by the Federal Energy Regulatory Commission ("Commission"),

whichever is later ("Effective Date"), and shall continue for twenty (20) years after the Effective Date, or until terminated earlier by mutual agreement.

Each month during the term of this Agreement, Customer shall pay Owner the sum of Six-Thousand, Two Hundred and Eighty-Seven Dollars and Two Cents, determined as follows:

Description	Amount
Network Upgrades Costs	$380,663.62
Customer's Share	86.66%
Customer's Responsibility	$329,883.09
Attachment GG Fixed Charge Rate	22.87%
Annual Revenue Requirement	$75,444.26
Monthly Revenue Requirement	$6,287.02

By February 25, 2011, Customer shall provide security in the form specified in Appendix A hereto, and otherwise reasonably acceptable to Owner. Customer shall maintain such assurance of security until all monthly payments prescribed by this Agreement are paid in full. Owner will make payment to Customer for the amount of the Network Upgrade Costs set forth above ("Owner Payment") within ten (10) days of Owner's receipt of acceptable evidence of security. Beginning within thirty (30) days after the Effective Date, Customer shall make payment to Owner by the 10th day of each calendar month ("Due Date") for a total of 240 months, unless this Service Agreement is terminated earlier by mutual agreement.

Default

Customer shall be in Default if it (i) fails to make the monthly payment within ten (10) days after the Due Date (ii) fails to provide adequate proof of security as set forth above and in Appendix A, or (iii) terminates operation of Customer's Generating Facility prior to the end of the 240 months referred to above. In the event of Default, Customer shall promptly pay to Owner the present worth value of the monthly payments for all months remaining in the twenty-year term of this Service Agreement, with such present worth determined using the interest rate set forth in 35 C.F.R. § 35.19a.

Assignment

This Service Agreement shall inure to the benefit of and be binding upon each Party's successors and permitted assigns. No Party shall assign this Service Agreement or such Party's related contractual rights without the prior written consent of the other Party, which prior written consent shall not be unreasonably withheld or delayed; provided, however, any Party may, with ten (10) days written notice to the other Party, and without written consent of the other Party, assign or transfer this Service Agreement to (i) its affiliate or subsidiary; or (ii) a successor to all or substantially all the properties and assets of such Party; provided that the assignee is at least as creditworthy as the assigning Party. No assignment of this Service Agreement shall release or discharge either Party from its future obligations hereunder unless all such obligations are assumed by the successor or assignee of that Party.

Transmission Service

Owner is a transmission-owning member of the Midwest ISO and transmission service across Owner's transmission facilities is provided under the Tariff. Nothing in this Service Agreement conveys a right to transmission service under the Tariff. Customer shall obtain transmission service subject to the rates, terms and conditions of the Tariff, as in effect at the time such service is sought or obtained, under a separate agreement.

Other

This Service Agreement represents the entire agreement between Owner and Customer with reference to payment terms for the Facilities provided by Owner for Customer under the LGIA. This Service Agreement and its terms shall be subject to approval, if applicable, by the Commission. This Service Agreement and its terms shall also be subject to, as applicable, the Tariff, as amended from time to time.

Owner shall not be considered in default as to any obligation under this Service Agreement if prevented from fulfilling the obligation due to an event of Force Majeure. However, if Owner's performance under this Service Agreement is hindered by an event of Force Majeure, it shall make all reasonable efforts to perform its obligations under this Service Agreement. An event of Force Majeure means any act of God, labor disturbance, act of the public enemy, war, act of terrorism, insurrection, riot, fire, storm or flood, explosion, breakage of or accident to machinery or equipment, any curtailment, order, regulation or restriction imposed by governmental, military or lawfully established civilian authorities, or any other cause beyond Owner's reasonable control. Economic hardship is not considered a Force Majeure event.

In no event shall Owner or its suppliers be liable under this Service Agreement or under any cause of action related to the subject matter of this Service Agreement, whether based on contract, warranty, tort (including negligence), strict liability, indemnity, or otherwise for any incidental, special, punitive or consequential damages including, but not limited to, loss of use, increased costs of purchased or replacement power, interest charges, inability to operate at full capacity, lost profits, or claims of Customer's customers. Owner shall not be liable to the Customer for damages caused by interruption of service, voltage or frequency variations, single phase to three phase lines, reversal of phase rotation, or carrier-current frequencies imposed by Owner for system operations or equipment control except such as result from the failure of Owner to exercise Good Utility Practice in furnishing the service. Customer should install the

proper protective equipment if such occurrences might damage its apparatus. Owner's total liability to Customer for all claims arising out of or related to the subject matter of this Service Agreement, whether based on contract, warranty, tort (including negligence), strict liability, indemnity, or otherwise shall not exceed the amount paid by Customer to Owner during the month in which the claim arose. The remedies set forth in this Service Agreement are the Customer's sole and exclusive remedies.

Contacts

Owner's Representative and Address	Customer's Representative and Address
Otter Tail Power Company	Rugby Wind, LLC
Dean Pawlowski, Principal Engineer	c/o Iberdrola Renewables
215 South Cascade Street	Director Transmission – Origination (Midwest)
P.O. Box 496	701 4th Ave S. Suite 10101
Fergus Falls, MN 56538-0496	Minneapolis, MN 55415
(218) 739-8947	(612) 886-3541

Otter Tail Corporation
Jennifer O. Smestad, Associate General Counsel
215 South Cascade Street
P.O. Box 496
Fergus Falls, MN 56538-0496
(218) 998-7144

IN WITNESS WHEREOF, the Parties have caused this Service Agreement to be executed by their respective authorized officials.

OTTER TAIL POWER COMPANY	RUGBY WIND, LLC
By: /s/Rodney C. H. Scheel	By:_____
Name: Rodney C. H. Scheel	Name:_____
Title: Vice President, Asset Management	Title:_____

Appendix A

The Customer shall provide a United States company parental guarantee or letter of credit that is reasonably acceptable to Transmission Owner and shall be provided to Owner in an amount sufficient to cover the applicable present value of the revenue requirements for the remaining term of this Service Agreement.

In addition:

1. Any guarantee must be made by an entity that meets the creditworthiness requirements of Owner, and must contain terms and conditions that guarantee payment of any amount that may be due from Customer.

2. Any letter of credit must be issued by a financial institution reasonably acceptable to Owner and must specify a reasonable expiration date.

OTTER TAIL POWER COMPANY SERVICE AGREEMENT NO. 43

SERVICE AGREEMENT FOR LOCAL BALANCING AUTHORITY SERVICES AND OPERATIONS

BETWEEN

OTTER TAIL POWER COMPANY

AND

RUGBY WIND, LLC

COPY

Service Agreement for Local Balancing Authority Services and Operations{ TC

"ATTACHMENT A Form of Service Agreement for Local Balancing Authority Services and

Operations" \f C \l "5"}

Between
OTTER TAIL POWER COMPANY and
RUGBY WIND, LLC

1.0 THIS SERVICE AGREEMENT is made and entered into this 16 day of July, 2009 by and between **RUGBY Wind, LLC**, a limited liability company organized and existing under the laws of the State of Oregon, sometimes hereinafter referred to as "Customer," and **Otter Tail Power Company**, a division of Otter Tail Corporation, a corporation organized and existing under the laws of the State of Minnesota, sometimes hereinafter referred to as "Company" or "Local Balancing Authority Operator." Customer and Company each may be referred to as a "Party," or collectively as the "Parties."

2.0 The Customer has been determined by the Local Balancing Authority Operator to be a Customer under Section 2 of the Control Area Services and Operations Tariff ("Tariff").

3.0 The Customer agrees to supply information the Local Balancing Authority Operator deems reasonably necessary in accordance with Good Utility Practice in order for it to provide the requested service.

4.0 The Local Balancing Authority Operator agrees to provide and the Customer agrees to take and pay for Local Balancing Authority Services detailed in Attachment A1 in accordance with the provisions of the Tariff and this Service Agreement. The Metering Equipment and Communication and RTU Equipment required for the service is as specified in Attachments A2 and A3, respectively.

5.0 The Local Balancing Authority Operator and the Customer agree to be bound by the terms of this Tariff and to follow orders, directions, and procedures as detailed in such Tariff.

6.0 Any notice, demand or request required or permitted to be given by either Party to the other and any instrument required or permitted to be tendered or delivered by either Party to the other may be so given, tendered or delivered, as the case may be, by depositing the same in any United States Post Office with postage prepaid, for transmission by certified or registered mail, addressed to the Party, or personally delivered to the Party, at the address set out below:

To Company:	To Customer:
Manager, System Operations Otter Tail Power Company 215 South Cascade Street Fergus Falls, MN 56538-0496	Rugby Wind, LLC c/o Iberdrola Renewables, Inc. Attn: Contracts Manager 1125 NW Couch St Portland, OR 97209

7.0 Subject to Required Regulatory Approval, including, without limitation, acceptance by FERC under Section 205 of the Federal Power Act, the Service Agreement shall become effective when executed by the Parties or the date allowed by the Commission.

8.0 Termination Upon Default. This Service Agreement may be terminated upon a Party's Default in accordance with the provisions of Section 14 of the Tariff.

9.0 Material Adverse Change. In the event of a material change in law or regulation that adversely affects, or may reasonably be expected to adversely affect, either Party's rights and/or obligations under the Service Agreement, the Parties will negotiate in good faith any amendment or amendments to the Service Agreement necessary to adapt the terms of the Service Agreement to such change in law or regulation, and the Company shall file such amendment or amendments with FERC. If, within sixty (60) days after the occurrence of any event described in this Section 9.0, the Parties are unable to reach agreement on any such amendments, the Parties may proceed under Section 18 of the Tariff to resolve any disputes related thereto; and, Company shall have the right to make a unilateral filing with FERC to modify the Service Agreement pursuant to Section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder, and Customer shall have the right to make a unilateral filing with FERC to modify the Service Agreement pursuant to Section 206 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder; provided that each Party shall have the right to protest any such filing by the other Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in the Service Agreement shall limit the rights of the Parties or of FERC under Sections 205 or 206 of the Federal Power Act and FERC's rules and regulations thereunder. For the purposes of this Section 9.0, the term "material" or "materially" shall not include any change to a tariff or rate schedule accepted or approved by FERC. If a Party is unable to fully perform the Service Agreement due to the occurrence of an event described in this Section 9.0 and such inability is not based on economic reasons, such Party shall not be deemed to be in Default of its obligations under the Service Agreement, provided that such Party is seeking dispute resolution under Section 18 of the Tariff or before FERC, to the extent that (i) such Party is unable to perform as a result of such an event and (ii) such Party acts in accordance with its obligations under this Section 9.0.

10.0 The Company shall file the Service Agreement with FERC, if non-conforming or unexecuted. If executed and conforming, this Service Agreement shall be included in Company's Electronic Quarterly Report.

10.1 Nothing contained in the Service Agreement shall be construed as affecting in any way the right of the Company to unilaterally make application to the Commission for a change in rates, terms and conditions, charges, classification of service, Service Agreement, rule or regulation under Section 205 of the Federal Power Act and pursuant to the Commission's rules and regulations promulgated thereunder.

10.2 Nothing contained in the Service Agreement shall be construed as affecting in any way the ability of any Party receiving service under the Service Agreement to exercise its rights under the Federal Power Act and pursuant to the Commission's rules and regulations promulgated thereunder.

11.0 The applicable provisions of the Service Agreement shall continue in effect after expiration, cancellation, or termination hereof to the extent necessary to provide for final billings, billing adjustments, and the determination and enforcement of liability and indemnification obligations arising from acts or events that occurred while the Service Agreement was in effect.

12.0 Customer Representations. The Customer represents and warrants that it has all requisite authority to enter into the Service Agreement and that it has acquired (or will acquire before transactions hereunder commence) all Required Regulatory Approvals associated with this transaction and related transactions.

13.0 The Tariff is incorporated herein and made part hereof.

14.0 This Service Agreement shall remain in effect so long as the Customer's 71wind turbines with each turbine having a nameplate capacity rating of 2.1 MW, for a total capacity of 150 MW, connecting to the Company's Transmission System at its 230 kV substation ("Rugby Substation") in Rugby, North Dakota. This Service Agreement shall automatically terminate at such time as the Customer's generator ceases to be operational.

IN WITNESS WHERROF, the Parties hereto have caused this Agreement to be duly executed by their duly authorized officers on the day and year first above written.

OTTER TAIL CORPORATION
d/b/a OTTER TAIL POWER COMPANY

By: _____
Rodney C. H. Scheel

RUGBY WIND, LLC

By: _____
Don Furman
Senior Vice President
Iberdrola Renewables

Title: Vice President, Asset Management

Title: _____

ATTACHMENT A1

Local Balancing Authority Services Offered, Required, And Selected{ TC "ATTACHMENT A1 Local Balancing Authority Services Offered, Required, And Selected" \f C \l "5"}

	Schedule	Load Serving Entity	Generator	Embedded Local Balancing Authority	Customer must initialize here for any Optional services it requests the Local Balancing Authority Operator to provide.
1.	Scheduling, System Control and Dispatch Service	R	R	RS[1]	—
2.	Reactive Power Supply from Generation or Other Sources Service	RS	RS[2]	RS	—

KEY: **R** = Required and provided by the Local Balancing Authority Operator
RS = Required with Self-Supply optional

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[1] While this service allows for Self-Supply provisions, the service is also required to be obtained from the Local Balancing Authority Operator in the event that the Self-Supply Provider fails to provide this service. If the Generator or its power supply customer is taking transmission service within the Otter Tail Local Balancing Authority Area under an agreement or other applicable tariff, the Generator or its power supply customer, as applicable, is responsible for paying the Local Balancing Authority Operator for this service; provided, however, that if Generator or its power supply customer is taking transmission service under the MISO TEMT, charges related to such service will be provided under the MISO TEMT.

[2] If the Generator or its power supply customer is taking transmission service within the Otter Tail Local Balancing Authority Area under an agreement or other applicable tariff, the Generator or its power supply customer, as applicable, is responsible for paying the Local Balancing Authority Operator for this schedule; provided, however, that if Generator or its power supply customer is taking transmission service under the MISO TEMT, all reactive service charges related to such service will be provided under the MISO TEMT.

ATTACHMENT A2

Metering Equipment{ TC "ATTACHMENT A2 Metering Equipment" \f C \l "5"}

This Attachment A2 is a part of this Service Agreement between Customer and Otter Tail Power Company, as Local Balancing Authority Operator.

The Metering Equipment necessary to provide Local Balancing Authority Services is addressed and provided for under the interconnection agreement between the Midwest Independent Transmission System Operator, Inc., Otter Tail Power Company, and Customer entered into on October 8, 2008.

ATTACHMENT A3

Communication and RTU Equipment{ TC "ATTACHMENT A3 Communication and RTU Equipment" \f C \l "5"}

This Attachment A3 is a part of this Service Agreement between Customer and Otter Tail Power Company, as Local Balancing Authority Operator.

The Communication and RTU Equipment necessary to provide Local Balancing Authority Services is addressed and provided for under the interconnection agreement between the Midwest Independent Transmission System Operator, Inc., Otter Tail Power Company, and Customer entered into on October 8, 2008.

OTTER TAIL POWER COMPANY SERVICE AGREEMENT NO. 47

SERVICE AGREEMENT FOR LOCAL BALANCING AUTHORITY SERVICES AND OPERATIONS

BETWEEN

OTTER TAIL POWER COMPANY

AND

ASHTABULA WIND II, LLC

Service Agreement for Local Balancing Authority Services and Operations

Between
OTTER TAIL POWER COMPANY and
ASHTABULA WIND II, LLC

1.0 THIS SERVICE AGREEMENT is made and entered into this 10th day of September, 2009 by and between **Ashtabula Wind II, LLC**, a limited liability company organized and existing under the laws of the State of Delaware, sometimes hereinafter referred to as "Customer," and **Otter Tail Power Company**, a division of Otter Tail Corporation, a corporation organized and existing under the laws of the State of Minnesota, sometimes hereinafter referred to as "Company" or "Local Balancing Authority Operator." Customer and Company each may be referred to as a "Party," or collectively as the "Parties."

2.0 The Customer has been determined by the Local Balancing Authority Operator to be a Customer under Section 2 of the Control Area Services and Operations Tariff ("Tariff").

3.0 The Customer agrees to supply information the Local Balancing Authority Operator deems reasonably necessary in accordance with Good Utility Practice in order for it to provide the requested service.

4.0 The Local Balancing Authority Operator agrees to provide and the Customer agrees to take and pay for Local Balancing Authority Services detailed in Attachment A1 in accordance with the provisions of the Tariff and this Service Agreement. The Metering Equipment and Communication and RTU Equipment required for the service is as specified in Attachments A2 and A3, respectively.

5.0 The Local Balancing Authority Operator and the Customer agree to be bound by the terms of this Tariff and to follow orders, directions, and procedures as detailed in such Tariff.

6.0 Any notice, demand or request required or permitted to be given by either Party to the other and any instrument required or permitted to be tendered or delivered by either Party to the other may be so given, tendered or delivered, as the case may be, by depositing the same in any United States Post Office with postage prepaid, for transmission by certified or registered mail, addressed to the Party, or personally delivered to the Party, at the address set out below:

To Company:

Manager, System Operations
Otter Tail Power Company
215 South Cascade Street
Fergus Falls, MN 56538-0496

To Customer:

Business Manager
NEXTera Energy Resources, Inc.
700 Universe Blvd.
Juno Beach, FL 33408-0428

7.0 Subject to Required Regulatory Approval, including, without limitation, acceptance by FERC under Section 205 of the Federal Power Act, the Service Agreement shall become effective when executed by the Parties or the date allowed by the Commission.

8.0 Termination Upon Default. This Service Agreement may be terminated upon a Party's Default in accordance with the provisions of Section 14 of the Tariff.

9.0 Material Adverse Change. In the event of a material change in law or regulation that adversely affects, or may reasonably be expected to adversely affect, either Party's rights and/or obligations under the Service Agreement, the Parties will negotiate in good faith any amendment or amendments to the Service Agreement necessary to adapt the terms of the Service Agreement to such change in law or regulation, and the Company shall file such amendment or amendments with FERC. If, within sixty (60) days after the occurrence of any event described in this Section 9.0, the Parties are unable to reach agreement on any such amendments, the Parties may proceed under Section 18 of the Tariff to resolve any disputes related thereto; and, Company shall have the right to make a unilateral filing with FERC to modify the Service Agreement pursuant to Section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder, and Customer shall have the right to make a unilateral filing with FERC to modify the Service Agreement pursuant to Section 206 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder; provided that each Party shall have the right to protest any such filing by the other Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in the Service Agreement shall limit the rights of the Parties or of FERC under Sections 205 or 206 of the Federal Power Act and FERC's rules and regulations thereunder. For the purposes of this Section 9.0, the term "material" or "materially" shall not include any change to a tariff or rate schedule accepted or approved by FERC. If a Party is unable to fully perform the Service Agreement due to the occurrence of an event described in this Section 9.0 and such inability is not based on economic reasons, such Party shall not be deemed to be in Default of its obligations under the Service Agreement, provided that such Party is seeking dispute resolution under Section 18 of the Tariff or before FERC, to the extent that (i) such Party is unable to perform as a result of such an event and (ii) such Party acts in accordance with its obligations under this Section 9.0.

10.0 The Company shall file the Service Agreement with FERC, if non-conforming or unexecuted. If executed and conforming, this Service Agreement shall be included in Company's Electronic Quarterly Report.

10.1 Nothing contained in the Service Agreement shall be construed as affecting in any way the right of the Company to unilaterally make application to the Commission for a change in rates, terms and conditions, charges, classification of service, Service Agreement, rule or regulation under Section 205 of the Federal Power Act and pursuant to the Commission's rules and regulations promulgated thereunder.

10.2 Nothing contained in the Service Agreement shall be construed as affecting in any way the ability of any Party receiving service under the Service Agreement to exercise its rights under the Federal Power Act and pursuant to the Commission's rules and regulations promulgated thereunder.

11.0 The applicable provisions of the Service Agreement shall continue in effect after expiration, cancellation, or termination hereof to the extent necessary to provide for final billings, billing adjustments, and the determination and enforcement of liability and indemnification obligations arising from acts or events that occurred while the Service Agreement was in effect.

12.0 Customer Representations. The Customer represents and warrants that it has all requisite authority to enter into the Service Agreement and that it has acquired (or will acquire before transactions hereunder commence) all Required Regulatory Approvals associated with this transaction and related transactions.

13.0 The Tariff is incorporated herein and made part hereof.

14.0 This Service Agreement shall remain in effect so long as the Customer's 80 wind turbines with each turbine having a nameplate capacity rating of 1.5 MW, for a total capacity of 120 MW, connecting within the Company's Control Area and to **Minnkota Power Cooperative, Inc.'s** 230 kV transmission system in Cass County, North Dakota at Minnkota Power Cooperative Inc.'s 230 kV busbar located in the Maple River substation remains operational. This Service Agreement shall automatically terminate at such time as the Customer's generator ceases to be operational.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed by their duly authorized officers on the day and year first above written.

OTTER TAIL POWER COMPANY

By: _____
Rodney C. H. Scheel

Title: Vice President, Asset Management

ASHTABULA WIND II, LLC

By: _____
F. Allen Wiley

Title: Vice President

ATTACHMENT A1

Local Balancing Authority Services Offered, Required, And Selected

Schedule		Load Serving Entity	Generator	Embedded Local Balancing Authority	Customer must initialize here for any Optional services it requests the Local Balancing Authority Operator to provide.
1.	Scheduling, System Control and Dispatch Service	R	R	RS[1]	
2.	Reactive Power Supply from Generation or Other Sources Service	RS	RS[2]	RS	

KEY: R = Required and provided by the Local Balancing Authority Operator
RS = Required with Self-Supply optional

[1] While this service allows for Self-Supply provisions, the service is also required to be obtained from the Local Balancing Authority Operator in the event that the Self-Supply Provider fails to provide this service. If the Generator or its power supply customer is taking transmission service within the Otter Tail Local Balancing Authority Area under an agreement or other applicable tariff, the Generator or its power supply customer, as applicable, is responsible for paying the Local Balancing Authority Operator for this service; provided, however, that if Generator or its power supply customer is taking transmission service under the MISO TEMT, charges related to such service will be provided under the MISO TEMT.

[2] If the Generator or its power supply customer is taking transmission service within the Otter Tail Local Balancing Authority Area under an agreement or other applicable tariff, the Generator or its power supply customer, as applicable, is responsible for paying the Local Balancing Authority Operator for this schedule; provided, however, that if Generator or its power supply customer is taking transmission service under the MISO TEMT, all reactive service charges related to such service will be provided under the MISO TEMT.

ATTACHMENT A2

Metering Equipment

This Attachment A2 is a part of this Service Agreement between Customer and Otter Tail Power Company, as Local Balancing Authority Operator.

The Metering Equipment necessary to provide Local Balancing Authority Services is addressed and provided for under (1) the interconnection agreement between Minnkota Power Cooperative, Inc. and Customer entered into on August 12, 2009, of which Company has been given a copy and (2) under the supplemental agreement to address metering, communications, and RTU between Minnkota Power Cooperative, Inc., Customer, and Company.

ATTACHMENT A3

Communication and RTU Equipment

This Attachment A3 is a part of this Service Agreement between Customer and Otter Tail Power Company, as Local Balancing Authority Operator.

The Communication and RTU Equipment necessary to provide Local Balancing Authority Services is addressed and provided for under (1) the interconnection agreement between Minnkota Power Cooperative, Inc. and Customer entered into on August 12, 2009, of which Company has been given a copy and (2) under the supplemental agreement to address metering, communications, and RTU between Minnkota Power Cooperative, Inc., Customer, and Company.

OTTER TAIL POWER COMPANY SERVICE AGREEMENT NO. 48

SERVICE AGREEMENT FOR LOCAL BALANCING AUTHORITY SERVICES AND OPERATIONS

BETWEEN

OTTER TAIL POWER COMPANY

AND

ASHTABULA WIND III, LLC

COPY

Service Agreement for Local Balancing Authority Services and Operations

Between
OTTER TAIL POWER COMPANY and
ASHTABULA WIND III, LLC

1.0 THIS SERVICE AGREEMENT is made and entered into this 17 day of March 2014 by and between **Ashtabula Wind III, LLC**, a limited liability company organized and existing under the laws of the State of Delaware, sometimes hereinafter referred to as "Customer," and **Otter Tail Power Company**, a corporation organized and existing under the laws of the State of Minnesota, sometimes hereinafter referred to as "Company" or "Local Balancing Authority Operator." Customer and Company each may be referred to as a "Party," or collectively as the "Parties."

2.0 The Customer has been determined by the Local Balancing Authority Operator to be a Customer under Section 2 of the Control Area Services and Operations Tariff ("Tariff").

3.0 The Customer agrees to supply information the Local Balancing Authority Operator deems reasonably necessary in accordance with Good Utility Practice in order for it to provide the requested service.

4.0 The Local Balancing Authority Operator agrees to provide and the Customer agrees to take and pay for Local Balancing Authority Services detailed in Attachment A1 in accordance with the provisions of the Tariff and this Service Agreement. The Metering Equipment and Communication and RTU Equipment required for the service is as specified in Attachments A2 and A3, respectively.

5.0 The Local Balancing Authority Operator and the Customer agree to be bound by the terms of this Tariff and to follow orders, directions, and procedures as detailed in such Tariff.

6.0 Any notice, demand or request required or permitted to be given by either Party to the other and any instrument required or permitted to be tendered or delivered by either Party to the other may be so given, tendered or delivered, as the case may be, by depositing the same in any United States Post Office with postage prepaid, for transmission by certified or registered mail, addressed to the Party, or personally delivered to the Party, at the address set out below:

To Company:

Manager, System Operations
Otter Tail Power Company
215 South Cascade Street
Fergus Falls, MN 56538-0496

To Customer:

Business Manager
Ashtabula Wind III, LLC
700 Universe Blvd.
Juno Beach, FL 33408-0428

7.0 Subject to Required Regulatory Approval, including, without limitation, acceptance by FERC under Section 205 of the Federal Power Act, the Service Agreement shall become effective when executed by the Parties or the date allowed by the Commission.

8.0 Termination Upon Default. This Service Agreement may be terminated upon a Party's Default in accordance with the provisions of Section 14 of the Tariff.

9.0 Material Adverse Change. In the event of a material change in law or regulation that adversely affects, or may reasonably be expected to adversely affect, either Party's rights and/or obligations under the Service Agreement, the Parties will negotiate in good faith any amendment or amendments to the Service Agreement necessary to adapt the terms of the Service Agreement to such change in law or regulation, and the Company shall file such amendment or amendments with FERC. If, within sixty (60) days after the occurrence of any event described in this Section 9.0, the Parties are unable to reach agreement on any such amendments, the Parties may proceed under Section 18 of the Tariff to resolve any disputes related thereto; and, Company shall have the right to make a unilateral filing with FERC to modify the Service Agreement pursuant to Section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder, and Customer shall have the right to make a unilateral filing with FERC to modify the Service Agreement pursuant to Section 206 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder; provided that each Party shall have the right to protest any such filing by the other Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in the Service Agreement shall limit the rights of the Parties or of FERC under Sections 205 or 206 of the Federal Power Act and FERC's rules and regulations thereunder. For the purposes of this Section 9.0, the term "material" or "materially" shall not include any change to a tariff or rate schedule accepted or approved by FERC. If a Party is unable to fully perform the Service Agreement due to the occurrence of an event described in this Section 9.0 and such inability is not based on economic reasons, such Party shall not be deemed to be in Default of its obligations under the Service Agreement, provided that such Party is seeking dispute resolution under Section 18 of the Tariff or before FERC, to the extent that (i) such Party is unable to perform as a result of such an event and (ii) such Party acts in accordance with its obligations under this Section 9.0.

10.0 The Company shall file the Service Agreement with FERC, if non-conforming or unexecuted. If executed and conforming, this Service Agreement shall be included in Company's Electronic Quarterly Report.

10.1 Nothing contained in the Service Agreement shall be construed as affecting in any way the right of the Company to unilaterally make application to the Commission for a change in rates, terms and conditions, charges, classification of service, Service Agreement, rule or regulation under Section 205 of the Federal Power Act and pursuant to the Commission's rules and regulations promulgated thereunder.

10.2 Nothing contained in the Service Agreement shall be construed as affecting in any

way the ability of any Party receiving service under the Service Agreement to exercise its rights under the Federal Power Act and pursuant to the Commission's rules and regulations promulgated thereunder.

11.0 The applicable provisions of the Service Agreement shall continue in effect after expiration, cancellation, or termination hereof to the extent necessary to provide for final billings, billing adjustments, and the determination and enforcement of liability and indemnification obligations arising from acts or events that occurred while the Service Agreement was in effect.

12.0 Customer Representations. The Customer represents and warrants that it has all requisite authority to enter into the Service Agreement and that it has acquired (or will acquire before transactions hereunder commence) all Required Regulatory Approvals associated with this transaction and related transactions.

13.0 The Tariff is incorporated herein and made part hereof.

14.0 This Service Agreement shall remain in effect so long as the Customer's 39 wind turbines (with each turbine having a nameplate capacity rating of 1.6 MW, for a total capacity of 62.4 MW), connecting to the Transmission System at Minnkota Power Cooperative's Maple River 230 kV substation in Cass County, North Dakota remains operational and the Company remains the Local Balancing Authority Area Operator. This Service Agreement shall automatically terminate at such time as all of the Customer's 39 wind turbines ceases to be operational.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed by their duly authorized officers on the day and year first above written.

OTTER TAIL POWER COMPANY

By: _____
Timothy Rogelstad

Title: Vice President, Asset Management

ASHTABULA WIND III, LLC

By: _____

Title: Rebecca J. Kujawa
Vice President

ATTACHMENT A1

Local Balancing Authority Services Offered, Required, And Selected

	Schedule	Load Serving Entity	Generator	Embedded Local Balancing Authority	Customer must initialize here for any Optional service it requests the Local Balancing Authority Operator to provide.
1.	Scheduling, System Control and Dispatch Service	R	R	RS[1]	
2.	Reactive Power Supply from Generation or Other Sources Service	RS	RS[2]	RS	

KEY: R = Required and provided by the Local Balancing Authority Operator
RS = Required with Self-Supply optional

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[1] While this service allows for Self-Supply provisions, the service is also required to be obtained from the Local Balancing Authority Operator in the event that the Self-Supply Provider fails to provide this service. If the Generator or its power supply customer is taking transmission service within the Otter Tail Local Balancing Authority Area under an agreement or other applicable tariff, the Generator or its power supply customer, as applicable, is responsible for paying the Local Balancing Authority Operator for this service; provided, however, that if Generator or its power supply customer is taking transmission service under the MISO TEMT, charges related to such service will be provided under the MISO TEMT.

[2] If the Generator or its power supply customer is taking transmission service within the Otter Tail Local Balancing Authority Area under an agreement or other applicable tariff, the Generator or its power supply customer, as applicable, is responsible for paying the Local Balancing Authority Operator for this schedule; provided, however, that if Generator or its power supply customer is taking transmission service under the MISO TEMT, all reactive service charges related to such service will be provided under the MISO TEMT.

ATTACHMENT A2

Metering Equipment

This Attachment A2 is a part of this Service Agreement between Customer and Otter Tail Power Company, as Local Balancing Authority Operator.

The Metering Equipment necessary to provide Local Balancing Authority Services is to be located at Minnkota Power Cooperative's Maple River 230 kV substation bus and compensated to the Point of Interconnection.

Customer is responsible for coordinating the design, installation, and check-out of Metering Equipment with the Local Balancing Authority. If required, the Local Balancing Authority shall review and approve Metering Equipment to confirm it has an appropriate level of awareness of the Customer's generation for reliable operations of the Local Balancing Authority. Such approval shall not be unreasonably withheld.

Metering Equipment to be Furnished by Company

Company, at Customer's expense, will provide, own, operate, and maintain Metering Equipment as required for on-site metering as follows: The Customer is not interconnected to the Company's transmission system. Therefore, this requirement is not applicable.

Customer and Company hereby acknowledge and agree that the cost listed below is only an estimate and that Customer hereby agrees to and shall reimburse Company for all actual costs, including any applicable taxes associated with the Company's construction of Metering Equipment, or Company's acquisition of any Metering Equipment provided to Company by Customer as set forth in this Attachment A2. The cost for the Metering Equipment is estimated to be $ Not applicable.

Customer hereby agrees to and Customer shall provide reasonable and adequate security, as determined within Company's sole reasonable discretion, for payment and performance of obligations set forth in this Attachment A2. Not applicable

Metering Equipment to be Furnished by Customer:

Customer, at Customer's expense, will provide, own, operate, and maintain Metering Equipment as required for communications from the Customer's Facility to the location specified by Company as follows: All Metering Equipment shall be owned, installed and maintained in accordance with the generator interconnection agreement between Customer and Minnkota Power Cooperative date December 14, 2010 at no cost to Company. Pursuant to Section 5 of the Tariff, Customer shall provide authorization to the Metering Equipment, if requested.

ATTACHMENT A3

Communication and RTU Equipment

This Attachment A3 is a part of this Service Agreement between Customer and Otter Tail Power Company, as Local Balancing Authority Operator.

The Communication and RTU Equipment necessary to provide Local Balancing Authority Services is addressed as follows: Customer agrees to maintain satisfactory operating communications with the Local Balancing Authority Operator and MISO. Customer shall make arrangements to provide to MISO and the Local Balancing Authority Operator the following: RTU/SCADA capability and data from Customer Interconnection Facilities (as that term is defined in the MISO TEMT) that includes, but is not limited to, MW, MVAr, MWhr, MVARhr, volts, and amps.

Communication and RTU Equipment to be Furnished by Company

Company, at Customer's expense, will provide, own, operate, and maintain Communication and RTU Equipment as required for on-site communications as follows: Not applicable.

Customer and Company hereby acknowledge and agree that the cost listed below is only an estimate and that Customer hereby agrees to and shall reimburse Company for all actual costs, including any applicable taxes associated with the Company's construction of Communication and RTU Equipment, or Company's acquisition of any Communication and RTU Equipment provided to Company by Customer as set forth in this Attachment A3. The cost for the Communication and RTU Equipment is estimated to be $ Not applicable.

Customer hereby agrees to and Customer shall provide reasonable and adequate security, as determined within Company's sole reasonable discretion, for payment and performance of obligations set forth in this Attachment A3. Not applicable

Otter Tail Power Company Service Agreement No. 51

Service Agreement for Control Area Services and Operations Agreement

Between

Central Power Electric Cooperative, Inc.

and

Otter Tail Power Company

Service Agreement for Control Area Services and Operations Agreement

1.0 THIS SERVICE AGREEMENT is made and entered into this 4th day of September, 2002, by and between Central Power Electric Cooperative, Inc. a corporation organized and existing under the laws of the State of North Dakota, sometimes hereinafter referred to as "Customer," and Otter Tail Power Company, a division of Otter Tail Corporation, a corporation organized and existing under the laws of the State of Minnesota, sometimes hereinafter referred to as "Company" or "Control Area Operator." Customer and Company each may be referred to as a "Party," or collectively as the "Parties."

2.0 The Customer has been determined by the Control Area Operator to be a Customer under Section 2 of the Control Area Services and Operations Tariff ("Tariff").

3.0 The Customer agrees to supply information the Control Area Operator deems reasonably necessary in accordance with Good Utility Practice in order for it to provide the requested service.

4.0 The Control Area Operator agrees to provide and the Customer agrees to take and pay for Control Area Services detailed in Attachment A1 in accordance with the provisions of the Tariff and this Service Agreement effective as of July 5, 2002.

5.0 The Control Area Operator and the Customer agree to be bound by the terms of this Tariff and to follow orders, directions, and procedures as detailed in such Tariff.

6.0 Any notice, demand or request required or permitted to be given by either Party to the other and any instrument required or permitted to be tendered or delivered by either Party to the other may be so given, tendered or delivered, as the case may be, by depositing the same in any United States Post Office with postage prepaid, for transmission by certified or registered mail, addressed to the Party, or personally delivered to the Party, at the address set out below:

To Company:	**To Customer:**
Manager, System Operations	**General Manager**
Otter Tail Power Company	**Central Power Electric Cooperative, Inc.**
215 South Cascade Street	**525 20th Avenue, SW**
Fergus Falls, MN 56538-0496	**Minot, ND 58701**

7.0 Subject to required regulatory authorizations, including, without limitation, acceptance by FERC under Section 205 of the Federal Power Act, the Service Agreement shall become effective when executed by the Parties or the date allowed by the Commission.

8.0 Termination Upon Default. This Service Agreement may be terminated upon a Party's Default in accordance with the provisions of Section 24 of the Tariff.

9.0 Material Adverse Change. In the event of a material change in law or regulation that adversely affects, or may reasonably be expected to adversely affect, either Party's rights and/or obligations under the Service Agreement, the Parties will negotiate in good faith any amendment or amendments to the Service Agreement necessary to adapt the terms of the Service Agreement to such change in law or regulation, and the Company shall file such amendment or amendments with FERC. If, within sixty (60) days after the occurrence of any event described in this Section 9.0, the Parties are unable to reach agreement on any such amendments, the Parties may proceed under Section 28 of the Tariff to resolve any disputes related thereto; and, Company shall have the right to make a unilateral filing with FERC to modify the Service Agreement pursuant to Section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder, and Customer shall have the right to make a unilateral filing with FERC to modify the Service Agreement pursuant to Section 206 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder; provided that each Party shall have the right to protest any such filing by the other Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in the Service Agreement shall limit the rights of the Parties or of FERC under Sections 205 or 206 of the Federal Power Act and FERC's rules and regulations thereunder. For the purposes of this Section 9.0, the term "material" or "materially" shall not include any change to a tariff or rate schedule accepted or approved by FERC. If a Party is unable to fully perform the Service Agreement due to the occurrence of an event described in this Section 9.0 and such inability is not based on economic reasons, such Party shall not be deemed to be in Default of its obligations under the Service Agreement, provided that such Party is seeking dispute resolution under Section 28 of the Tariff or before FERC, to the extent that (i) such Party is unable to perform as a result of such an event and (ii) such Party acts in accordance with its obligations under this Section 9.0.

10.0 The Company shall file the Service Agreement with FERC.

10.1 Nothing contained in the Service Agreement shall be construed as affecting in any way the right of the Company to unilaterally make application to the Commission for a change in rates, terms and conditions, charges, classification of service, Service Agreement, rule or regulation under Section 205 of the Federal Power Act and pursuant to the Commission's rules and regulations promulgated thereunder.

10.2 Nothing contained in the Service Agreement shall be construed as affecting in any way the ability of any Party receiving service under the Service Agreement to exercise its rights under the Federal Power Act and pursuant to the Commission's rules and regulations promulgated thereunder.

11.0 The applicable provisions of the Service Agreement shall continue in effect after expiration, cancellation, or termination hereof to the extent necessary to provide for final billings, billing adjustments, and the determination and enforcement of liability and indemnification obligations arising from acts or events that occurred while the Service Agreement was in effect.

12.0 Customer Representations. The Customer represents and warrants that it has all requisite authority to enter into the Service Agreement and that it has acquired (or will acquire before transactions hereunder commence) all Required Regulatory Approvals associated with this transaction and related transactions.

13.0 The Tariff is incorporated herein and made part hereof.

14.0 Either party may terminate services under this Service Agreement by providing written notice to the other party at least 12 months prior to the termination date sought, subject to regulatory approval.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed by their duly authorized officers on the day and year first above written.

By: */s/ Rodney C.H.Scheel*	By: */s/ Gary M. Williamson*
Rodney C. H. Scheel	Gary M. Williamson
Title: Vice President, Asset Management	Title: General Manager
OTTER TAIL POWER COMPANY	**CENTRAL POWER ELECTRIC COOPERATIVE, INC.**

ATTACHMENT A1

Control Area Services Offered, Required, And Selected

Schedule		Load Serving Entity	Services Required for Central Power Electric Cooperative (CPEC)	Customer must initialize here for any Optional services it requests the Control Area Operator to provide.
1.	Scheduling, System Control and Dispatch Service	R	X[1]	—
2.	Reactive Power Supply from Generation Sources Service	RS	X[2]	—

KEY: **R** = Required and provided by the Control Area Operator
RS = Required with Self-Supply optional

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[1] Effective January 1, 2016, CPEC shall satisfy its obligation to take this required service by obtaining, and paying for, Schedule 1 service under the Midcontinent Independent System Operator, Inc. ("MISO") Open Access Transmission, Energy, and Operating Reserves Markets Tariff ("TEMT"). CPEC is presently paying a transmission scheduling and dispatch charge under the "Integrated Systems Scheduling and Dispatching Agreement Between Central Power Electric Cooperative and Otter Tail Power Company executed on August 21, 1975" ("Grandfathered Scheduling and Dispatching Agreement"). In recognition that CPEC shall obtain and pay for Schedule 1 service under the MISO TEMT on and after January 1, 2016, which includes recovery of certain FERC Account No. 561 subaccount expenses reported to MISO by Otter Tail, Otter Tail shall reduce the charges under the Grandfathered Scheduling and Dispatching Agreement by the amount of such FERC Account No. 561 subaccount expenses otherwise included in such charges.

[2] Effective January 1, 2016, CPEC shall satisfy its obligation to take this required service by obtaining Schedule 2 service under the MISO TEMT.

OTTER TAIL POWER COMPANY SERVICE AGREEMENT NO. 52

SERVICE AGREEMENT FOR LOCAL BALANCING AUTHORITY SERVICES AND OPERATIONS

BETWEEN

OTTER TAIL POWER COMPANY

AND

LAKESWIND POWER PARTNERS, LLC

COPY

Service Agreement for Local Balancing Authority Services and Operations

Between
OTTER TAIL POWER COMPANY and
LAKESWIND POWER PARTNERS, LLC

1.0 THIS SERVICE AGREEMENT is made and entered into this 10 day of DEC, 2013 by and between **Lakeswind Power Partners, LLC**, a limited liability company organized and existing under the laws of the Minnesota, sometimes hereinafter referred to as "Customer," and **Otter Tail Power Company**, a corporation organized and existing under the laws of the State of Minnesota, sometimes hereinafter referred to as "Company" or "Local Balancing Authority Operator." Customer and Company each may be referred to as a "Party," or collectively as the "Parties."

2.0 The Customer has been determined by the Local Balancing Authority Operator to be a Customer under Section 2 of the Control Area Services and Operations Tariff ("Tariff").

3.0 The Customer agrees to supply information the Local Balancing Authority Operator deems reasonably necessary in accordance with Good Utility Practice in order for it to provide the requested service.

4.0 The Local Balancing Authority Operator agrees to provide and the Customer agrees to take and pay for Local Balancing Authority Services detailed in Attachment A1 in accordance with the provisions of the Tariff and this Service Agreement. The Metering Equipment and Communication and RTU Equipment required for the service is as specified in Attachments A2 and A3, respectively.

5.0 The Local Balancing Authority Operator and the Customer agree to be bound by the terms of this Tariff and to follow orders, directions, and procedures as detailed in such Tariff.

6.0 Any notice, demand or request required or permitted to be given by either Party to the other and any instrument required or permitted to be tendered or delivered by either Party to the other may be so given, tendered or delivered, as the case may be, by depositing the same in any United States Post Office with postage prepaid, for transmission by certified or registered mail, addressed to the Party, or personally delivered to the Party, at the address set out below:

To Company:

Manager, System Operations
Otter Tail Power Company
215 South Cascade Street
Fergus Falls, MN 56538-0496

To Customer:

Cameron Baynard
Lakeswind Power Partners, LLC
24 Waterway Avenue, Suite 800
The Woodlands, TX 77380

7.0 Subject to Required Regulatory Approval, including, without limitation, acceptance by FERC under Section 205 of the Federal Power Act, the Service Agreement shall become effective when executed by the Parties or the date allowed by the Commission.

8.0 Termination Upon Default. This Service Agreement may be terminated upon a Party's Default in accordance with the provisions of Section 14 of the Tariff.

9.0 Material Adverse Change. In the event of a material change in law or regulation that adversely affects, or may reasonably be expected to adversely affect, either Party's rights and/or obligations under the Service Agreement, the Parties will negotiate in good faith any amendment or amendments to the Service Agreement necessary to adapt the terms of the Service Agreement to such change in law or regulation, and the Company shall file such amendment or amendments with FERC. If, within sixty (60) days after the occurrence of any event described in this Section 9.0, the Parties are unable to reach agreement on any such amendments, the Parties may proceed under Section 18 of the Tariff to resolve any disputes related thereto; and, Company shall have the right to make a unilateral filing with FERC to modify the Service Agreement pursuant to Section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder, and Customer shall have the right to make a unilateral filing with FERC to modify the Service Agreement pursuant to Section 206 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder; provided that each Party shall have the right to protest any such filing by the other Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in the Service Agreement shall limit the rights of the Parties or of FERC under Sections 205 or 206 of the Federal Power Act and FERC's rules and regulations thereunder. For the purposes of this Section 9.0, the term "material" or "materially" shall not include any change to a tariff or rate schedule accepted or approved by FERC. If a Party is unable to fully perform the Service Agreement due to the occurrence of an event described in this Section 9.0 and such inability is not based on economic reasons, such Party shall not be deemed to be in Default of its obligations under the Service Agreement, provided that such Party is seeking dispute resolution under Section 18 of the Tariff or before FERC, to the extent that (i) such Party is unable to perform as a result of such an event and (ii) such Party acts in accordance with its obligations under this Section 9.0.

10.0 The Company shall file the Service Agreement with FERC, if non-conforming or unexecuted. If executed and conforming, this Service Agreement shall be included in Company's Electronic Quarterly Report.

10.1 Nothing contained in the Service Agreement shall be construed as affecting in any way the right of the Company to unilaterally make application to the Commission for a change in rates, terms and conditions, charges, classification of service, Service Agreement, rule or regulation under Section 205 of the Federal Power Act and pursuant to the Commission's rules and regulations promulgated thereunder.

10.2 Nothing contained in the Service Agreement shall be construed as affecting in any

way the ability of any Party receiving service under the Service Agreement to exercise its rights under the Federal Power Act and pursuant to the Commission's rules and regulations promulgated thereunder.

11.0 The applicable provisions of the Service Agreement shall continue in effect after expiration, cancellation, or termination hereof to the extent necessary to provide for final billings, billing adjustments, and the determination and enforcement of liability and indemnification obligations arising from acts or events that occurred while the Service Agreement was in effect.

12.0 Customer Representations. The Customer represents and warrants that it has all requisite authority to enter into the Service Agreement and that it has acquired (or will acquire before transactions hereunder commence) all Required Regulatory Approvals associated with this transaction and related transactions.

13.0 The Tariff is incorporated herein and made part hereof.

14.0 This Service Agreement shall remain in effect so long as the Customer's 32 GE 1.5 MW XLE Wind Turbine Generators (WTGs) with WindCONTROL (the "Wind Control System"). Individual turbines will have a dynamic maximum output between 1.5MW and 1.6MW. The Generating Facility will have a fixed rating of 49.99 MW. The Generating Facility shall not exceed a Net MW Limit of 50 MW. The project is interconnecting to Great River Energy's Transmission System at its 115 kV Tamarac substation ("Substation") in Clay County, Minnesota, which is within Otter Tail Power's Local Balancing Area, remain operational.

This Service Agreement shall automatically terminate at such time as the Customer's generators cease to be operational.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed by their duly authorized officers on the day and year first above written.

OTTER TAIL POWER COMPANY

By: _____
Tim Rogelstad

Title: Vice President, Asset Management

Lakeswind Power Partners, LLC

By: _____
Shane Letts

Title: President

ATTACHMENT A1

Local Balancing Authority Services Offered, Required, And Selected

	Schedule	Load Serving Entity	Generator	Embedded Local Balancing Authority	Customer must initialize here for any Optional services it requests the Local Balancing Authority Operator to provide.
1.	Scheduling, System Control and Dispatch Service	R	R	RS[1]	
2.	Reactive Power Supply from Generation or Other Sources Service	RS	RS[2]	RS	

KEY: **R** = Required and provided by the Local Balancing Authority Operator
RS = Required with Self-Supply optional

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[1] While this service allows for Self-Supply provisions, the service is also required to be obtained from the Local Balancing Authority Operator in the event that the Self-Supply Provider fails to provide this service.

[2] If the Generator or its power supply customer is taking transmission service within the Otter Tail Local Balancing Authority Area under an agreement or other applicable tariff, the Generator or its power supply customer, as applicable, is responsible for paying the Local Balancing Authority Operator for this schedule; provided, however, that if Generator or its power supply customer is taking transmission service under the MISO TEMT, all reactive service charges related to such service will be provided under the MISO TEMT.

ATTACHMENT A2

Metering Equipment

This Attachment A2 is a part of this Service Agreement between Customer and Otter Tail Power Company, as Local Balancing Authority Operator.

The Metering Equipment necessary to provide Local Balancing Authority Services is to be located at Great River Energy's Tamarac substation on the 115 kV bus and compensated to the Point of Interconnection.

Customer is responsible for coordinating the design, installation, and check-out of Metering Equipment with the Local Balancing Authority. If required, the Local Balancing Authority shall review and approve Metering Equipment to confirm it has an appropriate level of awareness of the Customer's generation for reliable operations of the Local Balancing Authority. Such approval shall not be unreasonably withheld.

Metering Equipment to be Furnished by Company

Company, at Customer's expense, will provide, own, operate, and maintain Metering Equipment as required for on-site metering as follows: The Customer is not interconnected to the Company's transmission system. Therefore, this requirement is not applicable.

Customer and Company hereby acknowledge and agree that the cost listed below is only an estimate and that Customer hereby agrees to and shall reimburse Company for all actual costs, including any applicable taxes associated with the Company's construction of Metering Equipment, or Company's acquisition of any Metering Equipment provided to Company by Customer as set forth in this Attachment A2. The cost for the Metering Equipment is estimated to be $ Not applicable.

Customer hereby agrees to and Customer shall provide reasonable and adequate security, as determined within Company's sole reasonable discretion, for payment and performance of obligations set forth in this Attachment A2.

Metering Equipment to be Furnished by Customer

Customer, at Customer's expense, will provide, own, operate, and maintain Metering Equipment as required for communications from the Customer's Facility to the location specified by Company as follows: _Customer's Metering Equipment is provided for in the Generator Interconnection Agreement between Customer and Great River Energy dated 10/2/2012 and designated as _Service Agreement No. 2085 under the MISO Tariff a copy of which cane be found at https://www.misoenergy.org/Library/Repository/Contract%20Legal%20Regulatory/Interconnection%20Agreement/Great%20River%20Energy-Lakeswind%20Power%20Partners%20LLC%20GIA%20G619%20SA2085%202nd%20Rev%20PUBLIC%20VER.pdf

ATTACHMENT A3

Communication and RTU Equipment

This Attachment A3 is a part of this Service Agreement between Customer and Otter Tail Power Company, as Local Balancing Authority Operator.

The Communication and RTU Equipment necessary to provide Local Balancing Authority Services is addressed as follows: Customer agrees to maintain satisfactory operating communications with the Local Balancing Authority Operator and MISO. Customer shall make arrangements to provide to MISO and the Local Balancing Authority Operator the following: RTU/SCADA capability and data from Customer Interconnection Facilities (as that term is defined in the MISO TEMT) that includes, but is not limited to, MW, MVAr, MWhr, MVARhr, volts, and amps.

Communication and RTU Equipment to be Furnished by Company
Company, at Customer's expense, will provide, own, operate, and maintain Communication and RTU Equipment as required for on-site communications as follows: ___Not applicable__

Customer and Company hereby acknowledge and agree that the cost listed below is only an estimate and that Customer hereby agrees to and shall reimburse Company for all actual costs, including any applicable taxes associated with the Company's construction of Communication and RTU Equipment, or Company's acquisition of any Communication and RTU Equipment provided to Company by Customer as set forth in this Attachment A3. The cost for the Communication and RTU Equipment is estimated to be $ _Not applicable_____.

Customer hereby agrees to and Customer shall provide reasonable and adequate security, as determined within Company's sole reasonable discretion, for payment and performance of obligations set forth in this Attachment A3.

OTTER TAIL POWER COMPANY SERVICE AGREEMENT NO. 53

SERVICE AGREEMENT FOR LOCAL BALANCING AUTHORITY SERVICES AND OPERATIONS

BETWEEN

OTTER TAIL POWER COMPANY

AND

ASHTABULA WIND, LLC

COPY

Service Agreement for Local Balancing Authority Services and Operations

Between
OTTER TAIL POWER COMPANY and
ASHTABULA WIND, LLC

1.0 THIS SERVICE AGREEMENT is made and entered into this 27 day of February, 2009 by and between **Ashtabula Wind, LLC**, a limited liability company organized and existing under the laws of the State of Delaware, sometimes hereinafter referred to as "Customer," and **Otter Tail Power Company**, a division of Otter Tail Corporation, a corporation organized and existing under the laws of the State of Minnesota, sometimes hereinafter referred to as "Company" or "Local Balancing Authority Operator." Customer and Company each may be referred to as a "Party," or collectively as the "Parties."

2.0 The Customer has been determined by the Local Balancing Authority Operator to be a Customer under Section 2 of the Control Area Services and Operations Tariff ("Tariff").

3.0 The Customer agrees to supply information the Local Balancing Authority Operator deems reasonably necessary in accordance with Good Utility Practice in order for it to provide the requested service.

4.0 The Local Balancing Authority Operator agrees to provide and the Customer agrees to take and pay for Local Balancing Authority Services detailed in Attachment A1 in accordance with the provisions of the Tariff and this Service Agreement. The Metering Equipment and Communication and RTU Equipment required for the service is as specified in Attachments A2 and A3, respectively.

5.0 The Local Balancing Authority Operator and the Customer agree to be bound by the terms of this Tariff and to follow orders, directions, and procedures as detailed in such Tariff.

6.0 Any notice, demand or request required or permitted to be given by either Party to the other and any instrument required or permitted to be tendered or delivered by either Party to the other may be so given, tendered or delivered, as the case may be, by depositing the same in any United States Post Office with postage prepaid, for transmission by certified or registered mail, addressed to the Party, or personally delivered to the Party, at the address set out below:

To Company:

Manager, System Operations
Otter Tail Power Company
215 South Cascade Street
Fergus Falls, MN 56538-0496

To Customer:

Shannon Davidson
FPL Energy Operating Services, Inc.
700 Universe Blvd.
Juno Beach, FL 33408-0428

PLT-/3-1-1-0020

7.0 Subject to Required Regulatory Approval, including, without limitation, acceptance by FERC under Section 205 of the Federal Power Act, the Service Agreement shall become effective when executed by the Parties or the date allowed by the Commission.

8.0 Termination Upon Default. This Service Agreement may be terminated upon a Party's Default in accordance with the provisions of Section 14 of the Tariff.

9.0 Material Adverse Change. In the event of a material change in law or regulation that adversely affects, or may reasonably be expected to adversely affect, either Party's rights and/or obligations under the Service Agreement, the Parties will negotiate in good faith any amendment or amendments to the Service Agreement necessary to adapt the terms of the Service Agreement to such change in law or regulation, and the Company shall file such amendment or amendments with FERC. If, within sixty (60) days after the occurrence of any event described in this Section 9.0, the Parties are unable to reach agreement on any such amendments, the Parties may proceed under Section 18 of the Tariff to resolve any disputes related thereto; and, Company shall have the right to make a unilateral filing with FERC to modify the Service Agreement pursuant to Section 205 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder, and Customer shall have the right to make a unilateral filing with FERC to modify the Service Agreement pursuant to Section 206 or any other applicable provision of the Federal Power Act and FERC's rules and regulations thereunder; provided that each Party shall have the right to protest any such filing by the other Party and to participate fully in any proceeding before FERC in which such modifications may be considered. Nothing in the Service Agreement shall limit the rights of the Parties or of FERC under Sections 205 or 206 of the Federal Power Act and FERC's rules and regulations thereunder. For the purposes of this Section 9.0, the term "material" or "materially" shall not include any change to a tariff or rate schedule accepted or approved by FERC. If a Party is unable to fully perform the Service Agreement due to the occurrence of an event described in this Section 9.0 and such inability is not based on economic reasons, such Party shall not be deemed to be in Default of its obligations under the Service Agreement, provided that such Party is seeking dispute resolution under Section 18 of the Tariff or before FERC, to the extent that (i) such Party is unable to perform as a result of such an event and (ii) such Party acts in accordance with its obligations under this Section 9.0.

10.0 The Company shall file the Service Agreement with FERC, if non-conforming or unexecuted. If executed and conforming, this Service Agreement shall be included in Company's Electronic Quarterly Report.

10.1 Nothing contained in the Service Agreement shall be construed as affecting in any way the right of the Company to unilaterally make application to the Commission for a change in rates, terms and conditions, charges, classification of service, Service Agreement, rule or regulation under Section 205 of the Federal Power Act and pursuant to the Commission's rules and regulations promulgated thereunder.

10.2 Nothing contained in the Service Agreement shall be construed as affecting in any

way the ability of any Party receiving service under the Service Agreement to exercise its rights under the Federal Power Act and pursuant to the Commission's rules and regulations promulgated thereunder.

11.0 The applicable provisions of the Service Agreement shall continue in effect after expiration, cancellation, or termination hereof to the extent necessary to provide for final billings, billing adjustments, and the determination and enforcement of liability and indemnification obligations arising from acts or events that occurred while the Service Agreement was in effect.

12.0 Customer Representations. The Customer represents and warrants that it has all requisite authority to enter into the Service Agreement and that it has acquired (or will acquire before transactions hereunder commence) all Required Regulatory Approvals associated with this transaction and related transactions.

13.0 The Tariff is incorporated herein and made part hereof.

14.0 This Service Agreement shall remain in effect so long as the Customer's 99 wind turbines with each turbine having a nameplate capacity rating of 1.5 MW, for a total capacity of 148.5 MW, connecting within the Company's Control Area and to **Minnkota Power Cooperative, Inc.'s** 230 kV transmission system in Cass County, North Dakota at Minnkota Power Cooperative Inc.'s 230 kV busbar located in the Maple River substation remains operational. This Service Agreement shall automatically terminate at such time as the Customer's generator ceases to be operational.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed by their duly authorized officers on the day and year first above written.

OTTER TAIL CORPORATION
d/b/a OTTER TAIL POWER COMPANY

By: _____
Rodney C. H. Scheel

Title: Vice President, Asset Management

ASHTABULA WIND, LLC

By: _____
JOHN W. KETCHUM

Title: VICE PRESIDENT

ATTACHMENT A1

Local Balancing Authority Services Offered, Required, And Selected

	Schedule	Load Serving Entity	Generator	Embedded Local Balancing Authority	Customer must initialize here for any Optional services it requests the Local Balancing Authority Operator to provide.
1.	Scheduling, System Control and Dispatch Service	R	R	RS[1]	____
2.	Reactive Power Supply from Generation or Other Sources Service	RS	RS[2]	RS	____

KEY: **R** = Required and provided by the Local Balancing Authority Operator
RS = Required with Self-Supply optional

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[1] While this service allows for Self-Supply provisions, the service is also required to be obtained from the Local Balancing Authority Operator in the event that the Self-Supply Provider fails to provide this service. If the Generator or its power supply customer is taking transmission service within the Otter Tail Local Balancing Authority Area under an agreement or other applicable tariff, the Generator or its power supply customer, as applicable, is responsible for paying the Local Balancing Authority Operator for this service; provided, however, that if Generator or its power supply customer is taking transmission service under the MISO TEMT, charges related to such service will be provided under the MISO TEMT.

[2] If the Generator or its power supply customer is taking transmission service within the Otter Tail Local Balancing Authority Area under an agreement or other applicable tariff, the Generator or its power supply customer, as applicable, is responsible for paying the Local Balancing Authority Operator for this schedule; provided, however, that if Generator or its power supply customer is taking transmission service under the MISO TEMT, all reactive service charges related to such service will be provided under the MISO TEMT.

ATTACHMENT A2

Metering Equipment

This Attachment A2 is a part of this Service Agreement between Customer and Otter Tail Power Company, as Local Balancing Authority Operator.

The Metering Equipment necessary to provide Local Balancing Authority Services is addressed and provided for under (1) the interconnection agreement between Minnkota Power Cooperative, Inc. and Customer entered into on October 17, 2008, of which Company has been given a copy and (2) under the supplemental agreement to address metering, communications, and RTU between Minnkota Power Cooperative, Inc., Customer, and Company.

OTTER TAIL POWER COMPANY SERVICE AGREEMENT NO. 54

OPERATING SERVICES AGREEMENT

BETWEEN

CENTRAL POWER ELECTRIC COOPERATIVE

AND

OTTER TAIL POWER COMPANY

OPERATING SERVICES AGREEMENT BETWEEN

CENTRAL POWER ELECTRIC COOPERATIVE

AND OTTER TAIL POWER COMPANY

1.0 THIS SERVICE AGREEMENT is made and entered into effective January 1st, 2019, by and between Central Power Electric Cooperative, Inc a corporation organized and existing under the laws of the State of North Dakota, sometimes herein referred to as "Central Power", and Otter Tail Power Company, a subsidiary of Otter Tail Corporation, a Minnesota corporation organized and existing under the laws of the State of Minnesota, sometimes hereinafter referred to as "Otter Tail." Central Power and Otter Tail may be hereinafter referred to individually as a "Party" or collectively as the "Parties."

2.0 As provided in Section 3.0, below, Central Power requests and Otter Tail agrees that Otter Tail shall provide around the clock, operating and remote monitoring and control services for Central Power's facilities and associated equipment as identified in Exhibit A – Central Power Facilities Transferred to Otter Tail Functional Control. The parties agree as an administrative matter to conform Exhibit A to any changes in Central Power's facilities for which Otter Tail provides Operating Services. Exhibit A shall be updated when Central Power acquires or constructs new facilities, retires existing facilities, modifies existing facilities and requests Otter Tail to either provide or cease Operating Services to Central Power for those facilities, or if Central Power determines that it is in Central Power's best interest to transfer operational control of Central Power owned facilities from Otter Tail's operational jurisdiction to another operating entity as outlined in Section 6.3.

3.0 DESCRIPTION OF OPERATING SERVICES PROVIDED.

3.1 Operating Services are hereby defined as: providing services personnel who are accountable for providing switching instructions and power system modeling as necessary to maintain end use customer service continuity during normal and maintenance conditions, providing supervisory control and data acquisition (SCADA) based operations by remotely monitoring, controlling, and responding to information that is transmitted and processed via electronic communications between Central Power's facilities and Otter Tail's control center located in Fergus Falls, MN, providing hardware and software maintenance and support of Otter Tail's Energy Management System ("EMS"), providing hardware and software maintenance and support to perform real-time operating and contingency studies for the operating horizon, providing support of NERC compliance activities as related to primary and backup control center functionality and functions of registered Transmission Operators (TOPs), providing telecommunication equipment and services to support the TOPs functions, and other associated services. Otter Tail services personnel will report equipment problems and alarms from the SCADA equipment to appropriate Central Power personnel and request assistance from Central Power when needed according to Central Power operating personnel listings. Otter Tail will also work with Central Power's member cooperatives as appropriate to perform routine line switching tasks and on call procedures. Otter Tail will also coordinate with Central Power as necessary to perform various tasks not specifically defined above through procedures established by and between the Parties for purposes of providing Operating Services for Central Power's facilities.

4.0 **CHARGES FOR OPERATING SERVICES PROVIDED UNDER THIS AGREEMENT.**

In performing these duties, Central Power agrees to compensate Otter Tail as follows:

4.1 Monthly Charge. Central Power shall make monthly payments to Otter Tail via ACH payment to an account directed by Otter Tail to compensate Otter Tail for its ongoing costs related to the performance of Operating Services for each calendar year this Agreement is in effect. Upon the effective date of this Agreement, the annual charge is $242,451 as calculated per Exhibit B – Loads Identified for Operating Service Charge Calculation and Exhibit C – Operating Services Formula Rate Methodology. The charge is calculated using a FERC Form 1 based methodology that is consistent with what Otter Tail currently charges others for similar services. Central Power shall pay the annual fee in twelve equal monthly installments. Otter Tail will issue an invoice monthly for the services. Payments from Central Power to Otter Tail will be due 30 days after receipt of each invoice. The list of loads included in Exhibit B will be updated annually on July 1 to correspond with changes to the Central Power facilities transferred to Otter Tail's functional control as listed in the most current Exhibit A and per Otter Tail agreements with other entities that transfer other entity's facilities to Otter Tail's functional control. All loads used to calculate the value "Central Power Percent of Total" in Exhibit C will be updated annually on July 1 using full year load data from the previous year for both Otter Tail's total load and for all loads listed on the updated Exhibit B. All other inputs to Exhibit C from Otter Tail's FERC Form 1 will be updated annually on July 1 using the annual FERC Form 1 data from the

previous year. The new charge as per the updated Exhibit A, Exhibit B, and Exhibit C take effect on January 1 of the following year.

4.1.1. "Central Power Percent of Total". Central Power's energy ratio will be updated annually on July 1 by dividing the total annual energy from the previous year for all Central Power loads listed in the updated Exhibit B by the total annual energy from the previous year for all loads served by facilities operated by Otter Tail.

5.0 NOTICES

5.1 Any notice, demand, request, or communication required or authorized by this Agreement shall be mailed by certified mail, return receipt requested, with postage prepaid, to Parties as follows:

For Central Power:

Manager, Operations & Engineering
Central Power Electric Cooperative, Inc.
525 20th Avenue Southwest
Minot, ND 58701
(701) 852-4407

For Otter Tail:

Manager, System Operations
Otter Tail Power Company
215 South Cascade
Fergus Falls, MN 56537
(218) 739-8200

6.0 GENERAL PROVISIONS

6.1 Central Power agrees to provide equipment and system information reasonably necessary in accordance with Prudent Utility Practice (as defined in Section 6.11 below) in order for it to provide the requested Operating Services as described above.

6.2 Effective Date, Initial Term and Termination. This Agreement is effective as of January 1, 2019 and shall remain in effect for an initial term of four years, through December 31, 2022. Either party may terminate this Agreement effective as of December 31, 2022 by providing notice to the other party at least twenty-four (24) months prior to December 31, 2022. After the initial four-year term, this Agreement shall continue in effect indefinitely thereafter unless and until terminated by a notice provided by a Party at least twenty-four (24) months prior to the requested effective termination date, unless otherwise terminated as provided herein. Upon termination, all costs incurred up to the effective date of termination, as calculated through the methodology described in Exhibit C after appropriate corrections have been made to Exhibits A & B, will be paid by Central Power to Otter Tail within thirty (30) days of the termination date.

6.3 Central Power shall retain the right to remove selected facilities from Otter Tail's operational jurisdiction when Central Power determines that it is in its best interest to have another entity provide operating, remote monitoring, and control services for selected facilities. Central Power shall provide at least 3 months' notice of intent to remove selected facilities from Otter Tail's operational jurisdiction.

6.4 Breach and Default. Upon the occurrence of an event of material breach of this Agreement, the Party not in breach, when it becomes aware of the material breach, shall give written notice of the material breach to the alleged breaching Party. Such notice shall set forth, in reasonable detail, the nature of the breach, and where known and applicable, the steps necessary to mitigate such breach. Upon receiving written notice of the alleged material breach, the breaching Party shall have thirty (30) days to agree to and/or mitigate such breach. In the event the alleged breaching Party fails to agree to and/or mitigate the material breach within thirty (30) days of becoming aware of the breach, the breaching Party will be in default.

6.5 Other Agreements and Obligations. This Agreement is intended to replace the current Integrated Systems Scheduling & Dispatching Agreement effective since August 21, 1975 and the current Operating Services Agreement effective since October 5, 2015 between Central Power and Otter Tail. Nothing in this Agreement is intended to modify or change any obligations or rights under any tariff, rate schedule, or any other contract. This Agreement does not in any way provide transmission service or address rates, terms or conditions of transmission service or indicate in any way that transmission service is available or properly awarded. It does not entitle either Party to receive any other services. No contract path or capacity rights on either Party's transmission system are granted in this Agreement. This Contract does not provide for transmission, generation interconnection, or energy arrangements.

6.6 FERC Filing. The terms of this Agreement are subject to FERC approval, and it shall be filed with FERC by Otter Tail. If the FERC does not approve this Agreement, in

part or in its entirety, the Parties shall participate in discussions with each other to determine the appropriate steps to be taken to effectuate the Parties' intent.

6.7 Severability. If any provision of this Agreement is held invalid, illegal or unenforceable in any jurisdiction, then the Parties agree, to the fullest extent permitted by law, that the validity, legality and enforceability of the remaining provisions hereof in such or any other jurisdiction, and of such provision in any other jurisdiction, shall not in any way be affected or impaired thereby. With respect to the provision held invalid, illegal or unenforceable, the Parties will amend this Agreement as necessary to affect the original intent of the Parties as closely as possible.

6.8 Complete Agreement. This Agreement constitutes the entire agreement among the Parties with respect to the subject matter of this Agreement and supersedes other prior agreements and understandings or operating procedures, both written and oral, between the Parties with respect to the subject matter of this Agreement.

6.9 Amendments. This Agreement may be amended, supplemented or otherwise modified only by written agreement of the Parties.

6.10 Modification. Nothing in this Agreement is intended to modify or limit the right of Otter Tail to submit under Section 205 of the Federal Power Act ("FPA") unilateral changes to this Agreement or the right of Central Power to seek changes to this Agreement under FPA Section 206. This Agreement shall be subject to, and deemed amended by, any changes lawfully put into effect pursuant to the FPA.

6.11 Liability Limitation. Otter Tail shall not be liable under this Agreement for any incidental, special, punitive or consequential damages including, but not limited to, loss of use, costs of purchased or replacement power, interest charges, or lost profits. Otter Tail shall not be liable to Central Power for damages caused by interruption of service, system voltage or frequency variations, or reversal of phase rotation, imposed upon the system by Otter Tail during its performance of services; except such as resulting from the failure of Otter Tail to exercise Prudent Utility Practice in providing the service. "Prudent Utility Practice" shall mean any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision is made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety, and expedition. Prudent Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather, is intended to include acceptable practices, methods, or acts generally accepted in the region, including those practices required by Federal Power Act Section 215(a)(4). Each Party's total liability to the other Party for all claims arising out of or related to this Agreement shall not exceed the annual charge established in Section 4.1 for the single calendar year in which the claim arose. The remedies in this Agreement are the Parties' sole and exclusive remedies.

6.12 Liability Limitation. Central Power shall not be liable under this Agreement for any incidental, special, punitive or consequential damages including, but not limited to,

loss of use, costs of purchased or replacement power, interest charges, or lost profits. Central Power shall not be liable to Otter Tail for damages caused by interruption of service, system voltage or frequency variations, or reversal of phase rotation, imposed upon the system by Central Power during its performance of services; except such as resulting from the failure of Central Power to exercise Prudent Utility Practice in providing the service. "Prudent Utility Practice" shall mean any of the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision is made, could have been expected to accomplish the desired result at a reasonable cost consistent with good business practices, reliability, safety, and expedition. Prudent Utility Practice is not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather, is intended to include acceptable practices, methods, or acts generally accepted in the region, including those practices required by Federal Power Act Section 215(a)(4). Each Party's total liability to the other Party for all claims arising out of or related to this Agreement shall not exceed the annual charge established in Section 4.1 for the single calendar year in which the claim arose. The remedies in this Agreement are the Parties' sole and exclusive remedies.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their respective authorized officials.

OTTER TAIL POWER COMPANY

By: _____
JoAnn M. Thompson

Title: Vice President, Asset Management

Date: October 26, 2018

CENTRAL POWER ELECTRIC POWER COOPERATIVE

By: _____

Title: General Manager

Date: 10/30/18

Exhibit A - Central Power Facilities Transferred to Otter Tail Functional Control

Location	Equipment	Ownership and Maintenance Responsibility	Transmission Operator (TOP) Responsibility
Amoco	41.6 kV line switch 852	CPEC	Otter Tail
Balta	115 kV line switches 1833 & 1834	CPEC	Otter Tail
Barton	41.6 kV line switches 771 & 772	CPEC	Otter Tail
Cleveland	41.6 kV line switch 896	CPEC	Otter Tail
Coleharbor	41.6 kV line switches 764 & 766	CPEC	Otter Tail
	115/41.6 kV transformer	CPEC	Otter Tail
	41.6 kV breakers 835, 845, 855 & 865	CPEC	Otter Tail
Dunning	41.6 kV breaker disconnect switches 820, 830, 840, 850, 860, 870, 880 & 890	CPEC	Otter Tail
	41.6 kV bypass switches 803, 804, 806 & 807	CPEC	Otter Tail
Dwight	41.6 kV line switches 682 & 683	CPEC	Otter Tail
Esmond	115kV line switches 1861 & 1862	CPEC	Otter Tail
Fort Totten	41.6 kV line switches 663 & 664	CPEC	Otter Tail
Gackle	41.6 kV line switches 861, 862 & 863	CPEC	Otter Tail
Gackle E Tap	41.6 kV line switches 879 & 881	CPEC	Otter Tail
Gackle W. Jct	41.6 kV line switches 857, 858 & 859	CPEC	Otter Tail
	41.6 kV breaker 865	CPEC	Otter Tail
	41.6 kV disconnect switches 960 & 970	CPEC	Otter Tail
Gackle Jct.	41.6 kV bypass switch 807	CPEC	Otter Tail
	41.6 kV line switches 874 & 876	CPEC	Otter Tail
Geneseo	41.6 kV line switches 471 & 472	CPEC	Otter Tail

Goodrich	41.6 kV line switches 581 & 582	CPEC	Otter Tail
Granville	41.6 kV line switch T-43	CPEC	Otter Tail

Exhibit A - Central Power Facilities Transferred to Otter Tail Functional Control

Location	Equipment	Ownership and Maintenance Responsibility	Transmission Operator (TOP) Responsibility
	230/41.6 kV Transformer #1 & #2	CPEC	Otter Tail
	41.6 kV breakers 315, 325, 335, 345, 355 & 365	CPEC	Otter Tail
	41.6 kV breaker disconnect switches 310, 330, 340, 350, 360, 370, 380, 410 & 420	CPEC	Otter Tail
	41.6 kV disconnect switches 320 & 390	CPEC	Otter Tail
	41.6 kV bypass switches 301, 302 & 303	CPEC	Otter Tail
	41.6 kV ground banks	CPEC	Otter Tail
Hankinson Ethanol	41.6 kV station service transformer	CPEC	Otter Tail
Hankinson Distribution	41.6 kV line switches 417, 418 & 419	CPEC	Otter Tail
Harvey 230 kV	41.6 kV line switch 421 & 422	CPEC	Otter Tail
	230 kV breaker 2985	CPEC	Otter Tail
	230/115/41.6 kV Transformer	CPEC	Otter Tail
	115 kV breaker 1875	CPEC	Otter Tail
	115 kV breaker disconnect switches 1860 & 1870	CPEC	Otter Tail
	41.6 kV breakers 415, 435, 445 & 455	CPEC	Otter Tail
	41.6 kV breaker disconnect switches 410, 420, 450, 460, 470, 480, 510 & 520	CPEC	Otter Tail
	41.6 kV bypass switches 403, 404 & 406	CPEC	Otter Tail
	41.6 kV ground bank	CPEC	Otter Tail

Exhibit A - Central Power Facilities Transferred to Otter Tail Functional Control

Location	Equipment	Ownership and Maintenance Responsibility	Transmission Operator (TOP) Responsibility
Hoving	115 kV line switches	CPEC	Otter Tail
	1363, 1364 & 1360 115 kV circuit breaker	CPEC	Otter Tail
	1365 115/41.6 kV transformer	CPEC	Otter Tail
	41.6 kV breaker 585	CPEC	Otter Tail
	41.6 kV breaker disconnect switch 580	CPEC	Otter Tail
Jud	41.6 kV line switches	CPEC	Otter Tail
Kensal	872 & 873 41.6 kV line switch	CPEC	Otter Tail
Kramer	283 41.6 kV line switches	CPEC	Otter Tail
Lansford	836 & 837 41.6 kV line switches	CPEC	Otter Tail
Maxbass	661 & 662 41.6 kV line switches	CPEC	Otter Tail
McClusky	657, 658 41.6 kV line switches	CPEC	Otter Tail
Medina	557 & 559 41.6 kV line switches	CPEC	Otter Tail
Mercer	892 & 893 41.6 kV line switches	CPEC	Otter Tail
Millarton	526 & 527 41.6 kV line switches	CPEC	Otter Tail
Milnor	753 & 754 41.6 kV line switch	CPEC	Otter Tail
Minndak	531 115 kV line switches	CPEC	Otter Tail
Mooreton	1529, 1531 & 1532 41.6 kV line switches	CPEC	Otter Tail
Newburg	486 & 487 41.6 kV switches 823 & 824	CPEC	Otter Tail
Red River	115 kV line switches	CPEC	Otter Tail
Regan	1681, 1682 & 1683 41.6 kV line switches	CPEC	Otter Tail
Rock Lake	543 & 566 41.6 kV line switches 219 & 222	CPEC	Otter Tail

Exhibit A - Central Power Facilities Transferred to Otter Tail Functional Control

Location	Equipment	Ownership and Maintenance Responsibility	Transmission Operator (TOP) Responsibility
Rolette	115 kV breaker 1715	CPEC	Otter Tail
	115 kV line switch 1710	CPEC	Otter Tail
	115/69/41.6 kV transformer	CPEC	Otter Tail
	69 kV breaker 875	CPEC	Otter Tail
	69 kV breaker disconnect switches 870 & 880	CPEC	Otter Tail
	41.6 kV breaker 915	CPEC	Otter Tail
	41.6 kV breaker disconnect switches 910 & 920	CPEC	Otter Tail
	41.6 kV disconnect switch 710	CPEC	Otter Tail
	41.6 kV ground bank	CPEC	Otter Tail
	41.6 kV station service transformer	CPEC	Otter Tail
Souris	41.6 kV line switch 378	CPEC	Otter Tail
Turtle Lake	41.6 kV line switches 882 & 883	CPEC	Otter Tail
Tyler	41.6 kV line switches 536 & 556	CPEC	Otter Tail
Underwood	115 kV line switches 1584 & 1586	CPEC	Otter Tail
	230 kV breaker 2615	CPEC	Otter Tail
	230 kV breaker disconnect 2610	CPEC	Otter Tail
	230/41.6 kV Transformer	CPEC	Otter Tail
	41.6 kV breakers 615, 625, 635, 655 & 665	CPEC	Otter Tail
	41.6 kV breaker disconnects 610, 620, 630, 640, 650, 660, 670, 680 & 690	CPEC	Otter Tail
	41.6 kV bypass switches 602, 603, 604 & 606	CPEC	Otter Tail
	41.6 kV station service transformer	CPEC	Otter Tail
Wahpeton - Pro Gold	41.6 kV Ground Fault Neutralizer (GFN)	CPEC	Otter Tail
	115 kV line switches		

Exhibit A - Central Power Facilities Transferred to Otter Tail Functional Control

Location	Equipment	Ownership and Maintenance Responsibility	Transmission Operator (TOP) Responsibility
Washburn	41.6 kV line switches 562 & 563	CPEC	Otter Tail
Wyndmere	41.6 kV breakers 545, 555 & 575	CPEC	Otter Tail
	41.6 kV breaker disconnect switches 530, 540, 550, 560, 570, & 580	CPEC	Otter Tail
	41.6 kV bypass switches 503, 504, & 507	CPEC	Otter Tail
Wyndmere North	41.6 kV line switches 544 and 546	CPEC	Otter Tail
Wyndmere South	41.6 kV line switches 652 & 653	CPEC	Otter Tail

Exhibit B - Loads Identified for Operating Service Charge Calculation

CPEC Location	kV Level	HV Source	2024 Load (MWHr)
Barton	41.6	Bottineu 115	4864.34
Kramer	41.6	Bottineu 115	11867.44
Souris	41.6	Bottineu 115	11323.50
Willow City	41.6	Bottineu 115	5364.77
Kensal*	41.6	Carrington 115	7782.63
Fort Totten	41.6	Devils Lake SW 115	7513.00
Dome Maxbass	41.6	Dunning 115	10272.41
Lansford	41.6	Dunning 115	7653.19
Newburg	41.6	Dunning 115	17524.81
Wyndmere North	41.6	Frontier 230	6054.28
Geneseo	41.6	Hankinson 230	9199.85
Hankinson Ethanol South	41.6	Hankinson 230	81025.67
Hankinson Ethanol North	41.6	Hankinson 230	0.00
Hankinson South	41.6	Hankinson 230	15695.09
Mooreton	41.6	Hankinson 230	9422.67
Amoco	41.6	Jamestown 345	590.28
Medina	41.6	Jamestown 345	6834.44
Gackle	41.6	Jamestown PP 115	7172.84
Jud	41.6	Jamestown PP 115	1952.94
Millarton	41.6	Jamestown PP 115	13842.78
Rolette	41.6	Rolette 115	7754.32
Rock Lake	41.6	Rolla 115	4728.46
Balta	115	Rugby 115	7440.32
Colenarbor	41.6	Underwood 230	7018.31
Goodrich	41.6	Underwood 230	2072.14
McClusky	41.6	Underwood 230	1871.69
Mercer	41.6	Underwood 230	3749.80
Polarware **	41.6	Underwood 230	42.49
Turtle Lake	41.6	Underwood 230	5572.32
Washburn	41.6	Underwood 230	3318.50
Butte	41.6	Voltaire 115	143.53
Dwight	41.6	Wahpeton 230	21.08
Minndak 1	115	Wahpeton 230	60434.48
Minndak 2	115	Wahpeton 230	47934.16
Red River	115	Wahpeton 230	12437.87
Tyler	115	Wahpeton 230	6758.04
Wahpeton - Cargill 1	115	Wahpeton 230	2126.01
Wahpeton - Cargill 2	115	Wahpeton 230	150778.75
Wyndmere South	41.6	Wahpeton 230	6895.23
		CPEC Load Total:	567054.43

Notes

*This load will be removed from Exhibit B in accordance with the terms of the Operating Services Agreement.

**This load is split 50/50 between OTP and CPEC. The energy total accounted for in this exhibit reflects one half of the total, CPEC's portion.

Exhibit B - Loads Identified for Operating Service Charge Calculation

Other Operations Location	kV Level	HV Source	
N/A			

Other Operations Total: 0.00

OTP Total Sales of Electricity: 5681268.00

Exhibit C – Operating Services Formula Rate Methodology

The cost of providing Operating Services to Central Power will be calculated every year using the following methodology:

- The value "Central Power Percent of Total" shall be calculated by the formula: (Total annual CPEC MWhr operated by OTP)/(OTP Total Sales of Electricity + Total annual CPEC MWhr operated by OTP + Future loads MWhr operated by OTP for other entities) where:
  - "Total annual CPEC MWhr operated by OTP" is the value obtained by summing the annual energy values of Central Power's substation loads detailed in the updated Exhibit B.
  - "OTP Total Sales of Electricity" is the total annual MWhr of all Otter Tail load as identified in OTP FERC Form 1 page 304-43.
  - "Future loads MWhr operated by OTP for other entities" is the value of other entities loads, should Otter Tail begin providing Operating Services to new entities. These loads will also be listed in Exhibit B.

- "Central Power's Annual Costs" shall then be calculated by multiplying the value "Central Power Percentage of Total", as calculated above, with the "Total Expenses" row of the "Operating Service Charge Calculation" below.

Exhibit C - Operating Service Charge Calculation

FF1 Ref	Operating Service Charge Calculation		FERC Form1 2024 Value
	Total Transmission O&M Expense		
321-112	Total Transmission O&M Expense		$ 35,305,551
321-85	LESS Schedule 1 Charges (FERC 561.1)		$ (71,084)
321-86	LESS Schedule 24 Charges (FERC 561.2)		$ (2,175,345)
321-88	LESS Schedule 10 Charges (FERC 561.4)		$ (1,272,983)
321-90	LESS Transmission Service Studies		$ (1,069)
321-91	LESS Generation Interconnection Studies		$ (3,354)
321-93	LESS FERC 562 - Trans Exp / Station Expense		$ (403,959)
321-94	LESS FERC 563 - Trans Exp / Overhead Lines Expense		$ (254,215)
321-96	LESS FERC 565 - Trans Exp / Trans of Elec by Others		$ (23,477,129)
321-97	LESS FERC 566 - Trans Exp / Misc Trans Expense		$ (1,164,656)
321-98	LESS FERC 567 - Trans Exp / Rents		$ (80,360)
	LESS Other Expenses		$ -
321-101	LESS FERC 568 - Mtce Sprvsn & Engr		$ (424,711)
321-104	LESS FERC 569.2 - Trans Exp / Mtce of Computer Software		$ (739,779)
321-107	LESS FERC 570 - Mtce of Substation Equipment		$ (1,405,182)
321-108	LESS FERC 571 - Mtce of Overhead Lines		$ (2,898,946)
321-109	LESS FERC 572 - Mtce of Underground Lines		$ (18)
321-110	LESS FERC 573 - Mtce of Misc Transmission Plant		$ (143)
		Residual O&M:	$ 932,618
	A&G Accounts		
323-181	FERC 920 - Admin & Gen Salaries		$ 31,748,663
323-182	FERC 921 - Office Supplies & Exp		$ 11,855,696
323-187	FERC 926 - Pension & Benefits		$ 1,165,675
323-196	FERC 935 - Mtce of Gen'l Plant		$ 2,857,792
		Total System A&G:	$ 47,627,826
	Calculation of Transmission Labor Ratio		
354-28	Total O&M Labor		$ 75,209,847
354-27	LESS A&G Labor		$ 35,107,149
			$ 40,102,698
354-21	Transmission O&M	$ 185,218	$ 7,011,676
		Transmission Labor Ratio:	**0.46%**
	A&G FERC Accounts 920,921,926,935		$ 219,088
	Calculation of General Plant Ratio		
207-99	Total General Plant		$ 127,743,780
207-104	Total Electric Plant in Service		$ 3,222,767,301
		General Plant Ratio:	**3.96%**
	Depreciation of General Plant		
336-10	Total General Plant Depreciation:		$ 3,461,274
			$ 137,198
	Total Expenses		
	O&M Expense		$ 932,618
	A&G Accounts		$ 219,088
	Depreciation of Gen Plt		$ 137,198
			$ 1,288,904
	Indirect Costs =	10.00%	$ 128,890
	Total Expenses =		$ 1,417,794
	CPEC Percentage of Load		
	OTP Total Sales of Electricity		5,681,268
	Total annual CPEC MHhr operated by OTP		567,054
	Other Operations		0
	CPEC Percent of Total =		9.075%
	Annual Payment Required from CPEC to OTP for O&M:		$ 128,669

CERTIFICATE OF CONCURRENCE

OF

OTTER TAIL POWER COMPANY

This is to certify that Otter Tail Power Company assents to and concurs in the rate schedule described below, and hereby files this Certificate of Concurrence in lieu of the filing of the rate schedule specified.

Designated Filing Company ("DFC"):	Northern States Power Company, a Minnesota corporation
DFC Tariff Title:	Transmission and Service Agreements Tariff
DFC Tariff Program:	Electric TCS and MBR
DFC Tariff Record Adopted by Reference:	727-NSP, CAPX_Fargo_R-R_Phase-1_CMA_Agmt

CERTIFICATE OF CONCURRENCE

OF

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This is to certify that Otter Tail Power Company assents to and concurs in the rate schedule described below, and hereby files this Certificate of Concurrence in lieu of the filing of the rate schedule specified.

Designated Filing Company ("DFC"):	Northern States Power Company, a Minnesota corporation
DFC Tariff Title:	Transmission and Service Agreements Tariff
DFC Tariff Program:	Electric TCS and MBR
DFC Tariff Record Adopted by Reference:	307-NSP, CAPX_Fargo_R-R_Phase-1_OMA_Agmt

CERTIFICATE OF CONCURRENCE

OF

OTTER TAIL POWER COMPANY

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Designated Filing Company ("DFC"):	Northern States Power Company, a Minnesota corporation
DFC Tariff Title:	Transmission and Service Agreements Tariff
DFC Tariff Program:	Electric TCS and MBR
DFC Tariff Record Adopted by Reference:	775-NSP, Big Oaks – Underbuild Owner Line

CERTIFICATE OF CONCURRENCE

OF

OTTER TAIL POWER COMPANY

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Designated Filing Company ("DFC"):	Northern States Power Company, a Minnesota corporation
DFC Tariff Title:	Transmission and Service Agreements Tariff
DFC Tariff Program:	Electric TCS and MBR
DFC Tariff Record Adopted by Reference:	281-NSP, CAPX_Fargo_TCEA_Agmt