

August 9, 2006

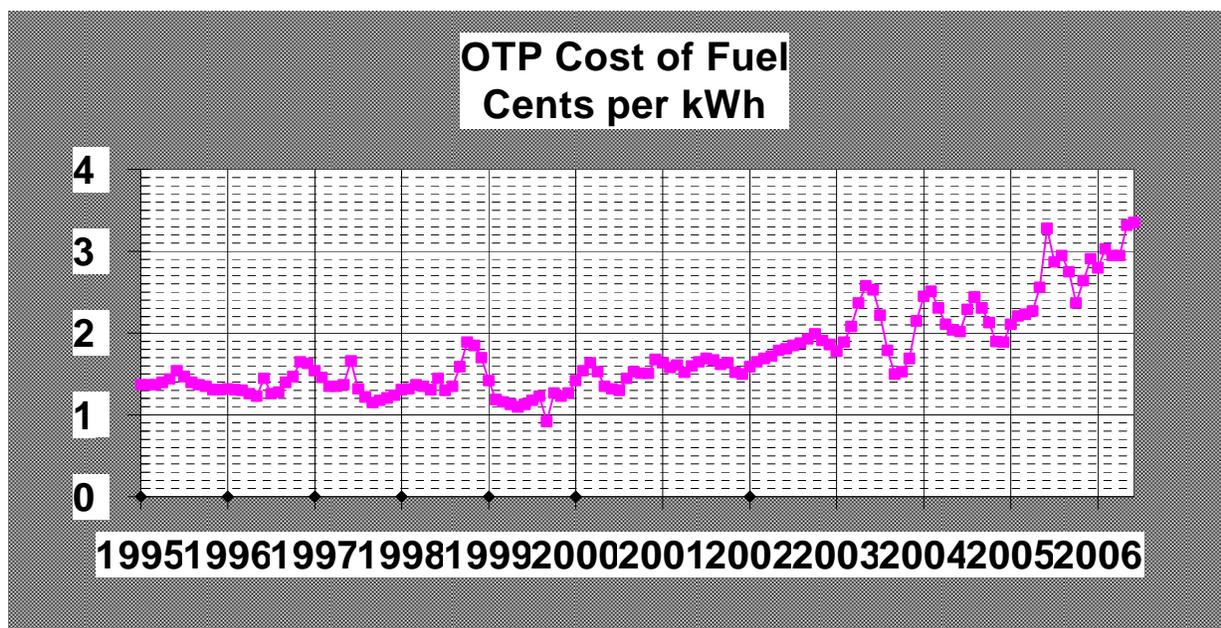
**Otter Tail Corporation
August 2006
Fuel Cost Adjustment**

Case No. PU-06-318

Otter Tail Corporation increased its electric fuel adjustment by 0.02 cents per kWh from 1.67 cents per kWh. The resulting fuel cost adjustment for the month of August is 1.69 cents per kWh.

Combining Otter Tail's Fuel Cost Adjustment with its 1.65 cents per kWh base cost of fuel already included in base tariff rates brings Otter Tail's total average cost of fuel for billing during the month of August to 3.34 cents per kWh as shown on the graph below.

As a result of this change, the electric bill for an Otter Tail residential customer consuming 750 kWh will increase by \$0.15 for bills rendered in the month of August.



JRL/sdh