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CANADIAN WIND, DMI INNOVATION

DMI Industries Opens Ontario's First Fully Dedicated Wind Tower Facility

Fort Erie, Ontario (Aug. 23, 2006) – The first fully dedicated wind tower manufacturing plant in Ontario is now fully operational and filling orders. DMI Industries, an operating company of Otter Tail Corporation (NASDAQ: OTTR), officially opened its newly refurbished facility in Fort Erie, Ontario, during a ribbon cutting ceremony today.

DMI is a West Fargo, N.D.-based diversified heavy steel manufacturer with a primary focus in wind tower fabrication. With its two plants, in West Fargo and Fort Erie, the company now has one of the largest tower manufacturing capacities in North America.

“DMI is pleased to be contributing to the economies of Fort Erie, Ontario and Canada while improving service and lowering costs for our customers,” said DMI President Lars Møller. “Thanks to support from the governments of Ontario and Canada, wind energy development is strong and DMI is here to meet the increasing demand.”

DMI acquired the manufacturing plant in Fort Erie in October 2005 and immediately began renovating and modernizing it for state-of-the-art heavy steel wind tower fabrication. DMI contracted with 50 local and regional companies to complete the facility upgrade, and 100 local and regional suppliers contribute to the plant's day-to-day operations. DMI hired a local workforce and trained the Canadian employees in its West Fargo, N.D. facility.

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Tower manufacturing began in Fort Erie in May 2006. The plant has an annual capacity of 400-500 wind tower sections with potential to double that. The facility brings DMI closer to its customers in Canada and the northern tier of the United States, and the geographic proximity will help lower the costs of delivery to sites and reduce the overall expense of wind energy development. DMI's corporate headquarters will remain in West Fargo.

"The McGuinty government is creating a green energy marketplace that is attracting investment and jobs across Ontario," said Ontario Minister of Energy Dwight Duncan. "We are very pleased that DMI has chosen to invest in Fort Erie and is already considering expanding its workforce."

DMI currently employs 429 people, including 110 in Fort Erie. The local workforce includes general managers, supervisors, human resource and accounting specialists, and welding and steel forming technicians. DMI expects to hire 10-15 additional employees for the facility by the end of 2006, and there is potential for up to 100 more by the end of 2007. Møller said growth will depend on the Canadian government's commitment to the Wind Power Production Incentive (WPPI) and Ontario's ongoing commitment to renewable and wind energy development.

"We are extremely pleased that DMI Industries selected Fort Erie as its Canadian manufacturing base," said Mayor Wayne Redekop. "Our community has the facilities, the location, the logistics and a great labor force for supporting DMI's operation. Together, we form a successful business development partnership on the leading edge of alternative energy technology."

Since 1999, DMI has delivered more than 1,800 towers for major players in the wind energy industry such as ENERCON GmbH, GE Wind Energy, Lagerway, Mitsubishi, NEG Micon, Nordex, Siemens Wind Power and Vestas.

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DMI also has capabilities to produce equipment for industries such as agricultural processing, ethanol production, oil and gas extraction, processing and refining, and water and waste water processing.

Otter Tail Corporation has interests in diversified operations that include an electric utility, plastics, manufacturing, health services, food ingredient processing and other businesses. Corporate offices are located in Fergus Falls, Minn., and Fargo, N.D. The latest investor and other information is available at www.ottertail.com.