MOLBERT LAURIS N

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if no longer

subject to

Section 16.

Form 4

February 27, 2007

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

SECURITIES

OMB

OMB APPROVAL

3235-0287 Number:

January 31, Expires: 2005 Estimated average

0.5

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

Form 4 or Form 5 Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, obligations Section 17(a) of the Public Utility Holding Company Act of 1935 or Section may continue. 30(h) of the Investment Company Act of 1940 See Instruction

1(b).

(Print or Type Responses)

1. Name and Ad MOLBERT I	*	rting Person *	2. Issuer Name and Ticker or Trading Symbol OTTER TAIL CORP [OTTR]	5. Relationship of Reporting Person(s) to Issuer (Check all applicable)			
(Last)	(First)	(Middle)	3. Date of Earliest Transaction	(Check an applicable)			
			(Month/Day/Year)	Director 10% Owner			
215 S CASCADE ST (Street)			02/23/2007	X Officer (give title Other (specify below)			
				COO & Exec Vice Pres			
			4. If Amendment, Date Original	6. Individual or Joint/Group Filing(Check			
			Filed(Month/Day/Year)	Applicable Line)			
FERGUS FALLS, MN 56537-2801				_X_ Form filed by One Reporting Person Form filed by More than One Reporting Person			

(City)	(State) (Zip) Tabl	e I - Non-D	erivative S	Securi	ties Acqu	iired, Disposed of	, or Beneficiall	y Owned
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transactio Code (Instr. 8)	(Instr. 3, 4	sposed	of (D)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
Common Stock	02/23/2007		M M	Amount 20,000	A	\$ 26.25	20,000	D	
Common Stock	02/23/2007		S	16,790	D	\$ 34	3,210	D	
Common Stock	02/23/2007		S	3,210	D	\$ 34.02	0 (1)	D	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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number.

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transactic Code (Instr. 8)	5. Number of orDerivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exer Expiration D (Month/Day/	ate	7. Title and Amount of Underlying Securities (Instr. 3 and 4)		
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
Stock Options (right to buy)	\$ 26.25	02/23/2007		M	20,000	(2)	04/08/2011	Common Stock	50,000	

Reporting Owners

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

MOLBERT LAURIS N 215 S CASCADE ST FERGUS FALLS, MN 56537-2801

COO & Exec Vice Pres

Signatures

/s/ Lauris N Molbert by Debra J Lill
-POA

02/27/2007

**Signature of Reporting Person

Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- Exercise on the 2001 Stock Option Grant with a remaining balance of 30,000 stock options with an expiration date of 4/8/2011. See below for other holdings: 1. Direct holding of 14,685 shares of Common Stock held jointly with his wife in "street name" with Wells
- Fargo. 2. Direct holding of 4,919 shares of Common Stock which is a grant of Performance Shares. 3. Direct holding of 5,500 shares of Common Stock which is a grant of Restricted Stock. 4. Indirect holding of 207.7261 shares of Common Stock held by ESOP.
- (2) The options became exercisable in four equal annual installments on the anniversaries of the date of grant, beginning April 8, 2002.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

Reporting Owners 2