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December 14, 2005

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SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

Heather Forney, Acting Executive Director
South Dakota Public Utilities Commission
Capitol Building, 1st floor
500 East Capitol Avenue
Pierre, SD 57501-5070

Re: Otter Tail Power Company — Request for Approval of a Power Purchase Agreement and Waiver of its Fuel Clause Tariff; Docket No. EL05-018

Dear Ms. Forney:

I am writing on behalf of Otter Tail Power Company to update the Commission on the status of the above matter. Because this matter was unable of being completed in 2005, turbine prices for the project have increased significantly. The increased pricing, combined with the regulatory issues raised in Minnesota in this matter, has significantly changed the nature of the proposed project from the one originally filed. As a result, after careful consideration, Otter Tail is respectfully withdrawing its Petition in the above matter. Otter Tail is doing the same in dockets presently pending before the Minnesota Public Utilities Commission and the North Dakota Public Service Commission.

Accordingly, Otter Tail respectfully requests that the matter be dismissed without prejudice.

Otter Tail remains committed to adding renewable generation resources to its portfolio when economically and technologically prudent.

On behalf of Otter Tail, we extend our sincere thanks to the Commission for its consideration of this proposal. Should you have any questions, please do not hesitate to call.

Very truly yours,

LINDQUIST & VENNUM P.L.L.P.


Todd J. Guerrero

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