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VIA ELECTRONIC FILING

August 27, 2009

Ms. Patricia Van Gerpen
Executive Director
South Dakota Public Utilities Commission
Capitol Building, 1st Floor
500 East Capitol Avenue
Pierre SD 57501-5070

Dear Ms. Van Gerpen:

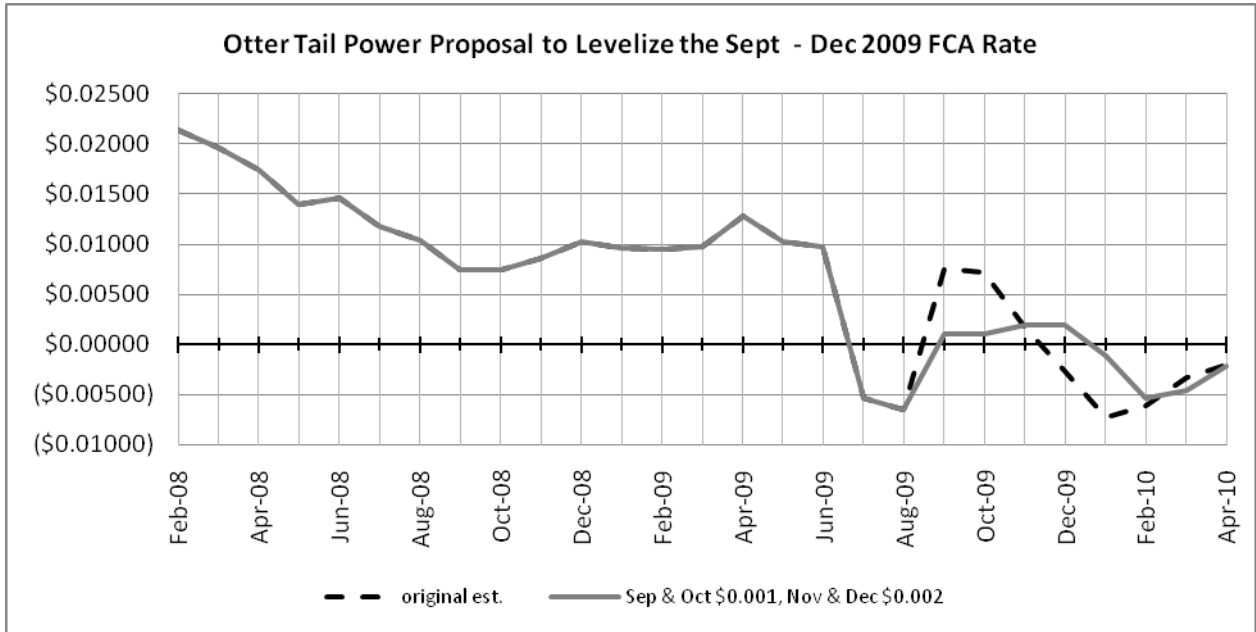
RE: Otter Tail Power Company Request to Levelize the Fuel Adjustment Clause Rider Rate for September 2009 through December 2009 - Revised

Pursuant to Administrative Rules of South Dakota Past 20:10:13:20, Otter Tail Power Company ("Otter Tail") respectfully requests permission to file for approval on less than 30 days notice its request for the South Dakota Public Utilities Commission allow Otter Tail to vary from its Fuel Adjustment Clause (FAC) Rider tariff, Section 13.01 Sheet Nos. 1-3. Otter Tail requests the ability to use a fixed FAC rate for the months of September 2009 through December 2009 to mitigate the impacts of the over/under collection caused by the change of the cost of energy in base rates in its recently approved rate case (Docket No. EL08-30). The impact is evident as shown by the fact that the calculated rate for September 2009 is a 216% increase over the August 2009 FAC rate. The proposed variance from the calculation of Otter Tail's tariff will limit the impacts on customers. Since the September rate goes into effect on September 1, Otter Tail is requesting expedited processing of this request.

Otter Tail is proposing to use a fixed FAC rate of \$0.001 for the months of September and October and a fixed FAC rate of \$0.002 for the months of November and December. Due to the use of a substantially lower than calculated rate for the months of September and October, a higher rate than currently estimated is necessary for the months of November and December to help levelize the impacts on rate payers.

Chart 1 below shows Otter Tail's historical FAC rates for 18 months and compares Otter Tail's proposal to its estimate of FAC rates going forward until April 2010. As is shown in Chart 1, Otter Tail's proposal is anticipated to levelize the FAC rate, minimizing the swing in costs charged to customers through the FAC.

CHART 1



Because this is a change to the FAC rate and not a change in the methodology for calculating the rate, the over/under calculation will eventually correct for any differences.

For the foregoing reasons, Otter Tail respectfully requests that the South Dakota Public Utilities Commission grant Otter Tail permission to file for approval on less than 30 days notice, grant Otter Tail permission to utilize a fixed FAC rate of \$0.001 for the months of September and October 2009 and a fixed FAC rate of \$0.002 for November and December 2009.

If you have any questions, please contact me at 218-739-8607 or at PBeithon@otpc.com.

Sincerely,

/s/ PETE BEITHON
Pete Beithon
Manager, Regulatory Economics
Regulatory Services