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February 18, 2011



Ms. Patricia Van Gerpen  
Executive Director  
South Dakota Public Utilities Commission  
500 East Capitol  
Pierre, SD 57501

**Re: In the Matter of the Petition of Otter Tail Power Company to Establish a  
Transmission Cost Recover Rider  
SDPUC Docket No. EL10-015**

Dear Ms. Van Gerpen:

This letter is being filed in response to the February 15, 2011 letter from Ryan Soye. In his letter he requests Commission clarification of how existing Administrative Rules should be applied to Transmission Rider filings, notably ARSD 20:10:13:15 (addressing reporting and notice requirements), ARSD 20:10:13:24 (addressing that tariffs are “effective unless suspended,”) and other rules contained within ARSD 20:10:13.

Following review of Mr. Soye’s letter, review of the applicable rules, and conversation with Staff, Otter Tail Power (“OTP”) agrees that the notice requirements contained within ARSD 20:10:13:15 and the “effective unless suspended” rule contained within ARSD 20:10:13:24 should apply to OTP’s Transmission Cost Recovery (“TCR”) tariff filing. OTP does not believe other rules such as ARSD 20:10:13:51 through ARSD 20:10:13:102 apply to the TCR filing. It is OTP’s view that these other rules apply only to general rate increase requests.

With respect to notice requirements, OTP requests that it be afforded a reasonable opportunity to provide the notice required under ARSD 20:10:13:26 and any other general notice requirements. OTP does not object to the Staff’s request for suspension of the tariff pursuant to SDCL 49-34A-14 to allow for sufficient time to review the Petition. OTP requests that a procedural schedule for the matter be established as soon as reasonably practicable and agrees that the 180 day suspension period covered under SDCL 49-34A-14 should commence upon OTP completing the notices contemplated under the rules. OTP will send confirmation to the Commission when the notice requirements have been met.

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OTP intends to participate by telephone at the Commission's Tuesday, February 22 Agenda Meeting where this matter will be heard. OTP will be prepared to respond to any Commission questions at that time.

Very truly yours,

*/s/ Bruce Gerhardson*  
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Associate General Counsel  
Otter Tail Power Company  
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BGG/dm

c: Service List