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June 30, 2015

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

**Re: In the Matter of Otter Tail Power Company's 2014 South Dakota Jurisdictional Report to the South Dakota Public Utilities Commission  
Docket No. EL14-090**

Dear Ms. Van Gerpen:

Enclosed you will find the 2014 Annual Report for Otter Tail Power Company ("Otter Tail") which is being submitted pursuant to the Settlement Stipulations approved by the Commission in Otter Tail's 2014 Transmission Cost Recovery Rider ("TCR"), Docket No. EL14-090. The report provides the regulated returns for Otter Tail for calendar year 2014 on an actual and normalized basis with 2013 actual year regulated results also being provided for comparative purposes. Results provided in this report include the financial impacts of the South Dakota TCR for 2014 and 2013.

Key contributors to the increase in Otter Tail's return on equity for 2014 include a lower equity percentage of the capital structure in 2014, an increase in energy sales in South Dakota due to the return on-line of a large ethanol plant that had been off-line in 2013, as well as increases in the percentage of energy sales in other jurisdictions that impacted cost allocations across jurisdictions.

Also enclosed is a Request for Confidential Treatment of Exhibits 5 and 6 and Addendum 4.

If you have any questions regarding this filing, please contact me at 218-739-8385 or [bhaugen@otpc.com](mailto:bhaugen@otpc.com).

Sincerely,

*/s/ BRYCE C. HAUGEN*  
Bryce C. Haugen  
Regulatory Administration

nlo  
Enclosures  
By electronic filing

*An Equal Opportunity Employer*