

215 South Cascade Street
PO Box 496
Fergus Falls, Minnesota 56538-0496
218 739-8200
www.otpco.com (web site)

November 30, 2016



Patricia Van Gerpen,
Executive Director
South Dakota Public Utilities Commission
500 East Capitol Avenue
Pierre, SD 57501-5070

**RE: In the Matter of the filing by Otter Tail Power Company regarding its 2017-2019 Energy Efficiency Partnership Triennial Plan
Docket No. EL16-020
Compliance Filing**

Dear Executive Director Van Gerpen:

On November 22, 2016, the South Dakota Public Utilities Commission (Commission) met and approved Otter Tail Power Company's (Otter Tail or the Company) 2017-2019 Energy Efficiency Partnership (EEP) Triennial Plan in Docket No. EL16-020. In its November 28, 2016 Order the Commission requested Otter Tail use the Company's weighted average cost of capital, 8.5 percent, as the discount rate when calculating the Total Resource Cost test and, for its residential lighting pilot program for students, estimate the number of students receiving LED light bulbs that reside in Otter Tail's service territory and only claim energy savings for those students. Enclosed you will find the final version of Otter Tail's EEP Appendix A tables using Otter Tail's weighted average cost of capital as the discount rate for the Total Resource Cost test and assuming 50 percent of students receiving LED light bulbs reside within Otter Tail's service territory as requested by the Commission.

Otter Tail appreciates the Commission's continued commitment to supporting Otter Tail's EEP. Otter Tail looks forward to working with our South Dakota customers on energy efficiency investment in 2017 and beyond.

If you have any questions, please contact me at (218) 739-8639 or jgrenier@otpco.com.

Sincerely,

/s/ JASON GRENIER
Jason Grenier, Manager
Market Planning

jch
Enclosure
By electronic filing