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May 10, 2017

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William Swanson Astoria Station Project Manager Otter Tail Power Company 215 S. Cascade St. Fergus Falls MN 56538

RE: EL17-017 - IN THE MATTER OF THE FILING BY OTTER TAIL POWER COMPANY REGARDING ITS NOTIFICATION OF INTENT TO APPLY FOR A PERMIT FOR AN ENERGY CONVERSION FACILITY

On May 9, 2017, the South Dakota Public Utilities Commission (Commission) issued the enclosed Order Designating Affected Area, Designating Local Review Committee Granting Request to Defer Prefiled Testimony, and Scheduling Prehearing Conference in response to a Notification of Intent filed by Otter Tail Power Company (Otter Tail) on April 4, 2017. Otter Tail proposes to construct, own, and operate a simple-cycle combustion gas turbine consisting of one combustion turbine generator, one stack, standard equipment enclosures, balance-of-plant equipment, and associated facilities near Astoria, South Dakota, referred to as the Astoria Station Project (Project). The Project is described in more detail in the enclosed Order and the Notification of Intent.

You have received a copy of this Order and the other enclosed materials because our contacts with local governments in the area indicate you currently hold one of the offices designated to serve on the local review committee (Committee) for the Project. The responsibilities of the Committee are essentially to assess the potential social and economic effects of the proposed generating facility, assess the surrounding area's ability to absorb those effects and arrive at recommendations and mitigation measures deemed necessary. Copies of the laws defining the Committee's duties in detail are enclosed for your reference.

At this time, Otter Tail has only filed a notice of its intent to file an application for a permit, as it must do at least six months prior to its permit application. This means that Otter Tail can file its actual application for a permit on or after October 4, 2017. Within seven months after the actual application is filed, the Committee is required to file a final report with the Commission containing its findings and its recommendations. If the Commission so approves, the Committee may employ outside persons, such as consultants, to assist it in performing the duties and the expenses of this will be paid from the initial fee that Otter Tail will be required to file with its application. Expense and compensation payments to the committee members themselves, however, are the responsibility of the units of government which the members represent.

The Committee's first step is generally to meet and select a chairperson. While the Committee is an independent body separate from Commission Staff, Staff is available to answer any questions the committee may have. Should you need to contact Staff, please do not hesitate to contact Kristen Edwards or Amanda Reiss or Darren Kearney or Jon Thurber. Our phone number is 800-332-1782 or 605-773-3201.

The Notice of Intent, Order and all other documents in the case are on file in the Commission's office in the Capitol Building in Pierre and may also be accessed on the Commission's Web site at www.puc.sd.gov under "Commission Actions," "Commission Dockets," "Electric Dockets," "2017 Electric Dockets," "EL17-017."

Please do not hesitate to contact me should you have any questions or concerns.

Sincerely,

Kristen N. Edwards

Staff Attorney

enc.

cc/enc. - Service list EL17-017