

Gary Hanson, Chair Chris Nelson, Vice Chair Kristie Fiegen, Commissioner

SOUTH DAKOTA PUBLIC UTILITIES COMMISSION

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November 16, 2011

Patricia Van Gerpen Executive Director SD Public Utilities Commission 500 E. Capitol Ave. Pierre, SD 57501

Re: EL10-015 - In the Matter of the Petition of Otter Tail Power Company to Establish a Transmission Cost Recovery Tariff

Dear Ms. Van Gerpen:

On November 5, 2010, the Commission received a petition from Otter Tail Power Company (Otter Tail) requesting approval to establish a Transmission Cost Recovery tariff mechanism (TCR). After extended negotiations on part of Otter Tail and Commission Staff, the parties have entered into a settlement stipulation establishing a mutually agreeable framework for the TCR. Please find the attached:

- 1) Joint Motion for Approval of Settlement Stipulation
- 2) Executed Settlement Stipulation; and
- 3) Staff memo in support of settlement stipulation.

OTP and Commission Staff request approval of these documents as resolution of all issues presented in Commission Docket EL10-015.

Sincerely,

Ryan Soye / Staff Attorney