



February 28, 2012

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

**RE: Big Stone to Brookings Transmission Line
NSP – MN and OTP Notice of Intent to Construct, Own, Operate and
Maintain**

Dear Ms. Gerpen:

Northern States Power Company, a Minnesota corporation doing business in South Dakota ("NSPM") and Otter Tail Power Company, a Minnesota corporation doing business in South Dakota ("Otter Tail") (collectively, the "Companies"), both incumbent electric transmission owners as defined in SDCL 49-32-19, are hereby each giving notice pursuant to SDCL 49-32-20 of their intent to construct, own, operate and maintain an electric transmission line as further described below.

The Big Stone to Brookings line was approved as a Multi Value Project by the Midwest Independent Transmission System Operator, Inc. ("MISO") Board of Directors on December 8, 2011. The project is identified in Appendix A of MISO's Transmission Expansion Plan 2011. The transmission line and associated facilities will be a 345 kV line between Otter Tail's Big Stone South substation in Grant County and NSPM's Brookings substation in Brookings County. The Companies intend to construct, own, operate and maintain the line in proportion with their respective investment. At this time, the investment percentages for each company have not been finalized. Otter Tail intends to construct, own, operate and maintain the 230 kV transmission lines between the Big Stone substation and the Big Stone South substation.

As with any new transmission project which the Companies are planning to construct, the Companies intend to work with the Commission to review the scope and configuration of the project should the subsequent development of a future contingency or change in circumstance affect the project as currently anticipated. Such contingencies or change in circumstances could include, but would not be limited to, the Companies obtaining all necessary local, state, and federal governmental approvals, the necessary corporate governance approvals for the related capital expenditures, or adequate regulatory treatment to ensure anticipated cost recovery.

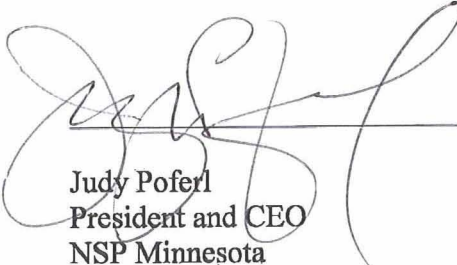
The Companies intend to file an application for a permit to construct the project within 18 months after the date of this notice in accordance with chapter 49-41B.

Further information about the project can be obtained from either Priti Patel at Xcel Energy or Rod Scheel at Otter Tail Power Company.


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Sincerely,



Judy Poferl
President and CEO
NSP Minnesota



Charles S. MacFarlane
President and CEO
Otter Tail Power Company