



March 5, 2012

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

**RE: Otter Tail Power Company and Montana-Dakota Notice of Intent to Construct,  
Own, Operate and Maintain Big Stone South-Ellendale Transmission Line**

Dear Ms. Gerpen:

Montana-Dakota Utilities Co., a Division of MDU Resources Group, Inc. (“Montana-Dakota”) and Otter Tail Power Company, a Minnesota corporation doing business in South Dakota ” (Otter Tail Power Company, collectively with Montana-Dakota, 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 certain electric transmission lines and associated facilities as further described below.

The Big Stone South to Ellendale line was approved as a Multi Value Project (“MVP”) 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 Power Company’s Big Stone South Substation in Grant County, South Dakota and Montana-Dakota’s Ellendale substation in Dickey County, North Dakota (these upgrades and facilities constitute MVP Number 2220). Montana-Dakota and Otter Tail Power Company also intend to construct, own, operate and maintain a portion of 230 kV facilities between Otter Tail Power Company’s Big Stone South Substation and the existing Big Stone Plant Switchyard (the facilities are a portion of MVP Number 2221).

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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 this notice in accordance with chapter 49-41B.

Further information about the Project can be obtained from either Andrea Stomberg at Montana-Dakota or Rod Scheel at Otter Tail Power Company, and their contact information is listed below.

**Montana-Dakota**

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Montana-Dakota Utilities Co.  
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**Otter Tail Power Company**

Rod Scheel  
Vice President, Asset Management  
Otter Tail Power Co.  
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Sincerely,

/s/ Tamie Aberle

Tamie Aberle  
Regulatory Affairs Manager  
Montana-Dakota Utilities Co.

/s/ Pete Beithon

Pete Beithon  
Manager, Regulatory Recovery  
Otter Tail Power Company