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May 22, 2019

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

Dear Executive Director Van Gerpen:

**RE: In the Matter of Otter Tail Power Company's 2017-2019 Energy Efficiency Plan
Docket No. EL16-020
Extension Request**

Otter Tail Power Company (Otter Tail or the Company) requests the South Dakota Public Utilities Commission (SDPUC) to review the Company's proposed South Dakota Energy Efficiency Plan (EEP or the Plan) for 2020. The 2020 plan is proposed as an extension of the 2017-2019 plan.

On April 11, 2019, the Deputy Commissioner of the Minnesota Department of Commerce approved a one-year extension of each investor-owned utilities 2017-2019 Conservation Improvement Program (CIP) plans. Otter Tail is requesting this extension to maintain the planning efficiencies between Otter Tail's Minnesota and South Dakota service jurisdictions, resulting in development and evaluation cost savings for South Dakota customers. No program changes have been made from the 2017-2019 Plan to the 2020 Plan. Both the 2019 and 2020 budgets include the SDPUC approved spending provision of an additional \$250,000 contained in the SDPUC's December 12, 2018 Order.

Otter Tail's proposed extension of the 2017-2019 Plan for an additional year presents projects for all customer classes and major end uses. The Plan includes projects intended to achieve approximately 11,336,203 kWh in annual energy savings at an approximate total cost of \$699,000 or less than a penny per kWh over the lifetime of the energy efficiency investments. Otter Tail's program evaluation modeling results continue to demonstrate that the Plan passes all cost effectiveness tests. Appendix A has been included to provide each program's budget, participation goals, energy savings goals, and demand savings goals for 2020. Appendix A also includes benefit-cost test results for each program.

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If the 2020 Plan is approved, Otter Tail plans to file a new three-year energy efficiency plan with the SDPUC on or before July 1, 2020. This plan will include detailed program descriptions, spending and participation goals, as well as cost-effective test results for 2021-2023.

We are available to meet with the Commission as well as Staff on the details of this filing.

If you have any questions, please feel free to contact me at 218-739-8639.

Sincerely,

/s/ JASON GRENIER
Jason Grenier
Manager, Market Planning

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Enclosures
By electronic service