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February 1, 2019

Ms. Patricia Van Gerpen, Executive Director  
South Dakota Public Utilities Commission  
State Capitol Building  
500 East Capitol Avenue  
Pierre, SD 57501-5070

**RE: In the Matter of Otter Tail Power Company's Rates for Small Power Production and Cogeneration  
Docket No. EL19-**

Dear Ms. Van Gerpen:

Otter Tail Power Company (Otter Tail) submits this filing for approval of updates to Otter Tail's Small Power Producer Riders, Sections 12.01, 12.02, and 12.03 of our Tariff Book. These rate schedules set forth the rates under which Otter Tail is obligated to purchase energy and capacity from qualifying facilities.

In this filing, Otter Tail is proposing to update the energy and capacity payments, and the renewable energy credit values. The Small Power Producer Payment Schedules were last updated in Docket No. EL18-002. At the same time Otter Tail is introducing two important changes: it is introducing the split for the REC rate to solar and non-solar renewable energy credits, while updating RECs and SRECs values for the 2019.

The date of this filing is February 1, 2019. The proposed effective date, with Commission approval, for these rates is with billings on or after April 1, 2019. As directed by Order F-3365, Otter Tail plans to file the Small Power Producer rates every two years or annually as warranted.

Pursuant to South Dakota Codified Laws Section 49-34A-10 and Administrative Rules of South Dakota (ARSD) Part 20:10:01:02:05, this filing has been electronically submitted to the Commission. If you have any questions, please contact me at (218) 739-8799 or [sfedje@otpco.com](mailto:sfedje@otpco.com).

Sincerely,

*/s/ SVETLANA A. FEDJE*  
Svetlana A. Fedje  
Pricing Analyst  
Regulatory Administration

jch  
Enclosures  
By electronic service

*An Equal Opportunity Employer*