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January 28, 2022



Ms. Patricia Van Gerpen, Executive Director South Dakota Public Utilities Commission State Capitol Building 500 East Capitol Avenue Pierre, SD 57501-5070 PUBLIC – TRADE SECRET DATA HAS BEEN EXCISED

RE: In the Matter of Otter Tail Power Company's Rates for Small Power Production and Cogeneration
Docket No. EL22-

Initial Filing

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 (REC) 2022 values. The Small Power Producer Payment Schedules were last updated in Docket No. EL21-001. Moreover, Otter Tail is offering and Optional Production Meter option to the customers who wish to track their generation at the site.

The date of this filing is January 28, 2022. The proposed effective date, with Commission approval, for these rates is with billings on or after April 1, 2022. 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 <a href="mailto:sfedje@otpco.com">sfedje@otpco.com</a>.

Sincerely,

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

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