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June 17, 2016

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

**Re: ERRATA to correct the 2015 South Dakota Energy Efficiency Plan Status Report  
Annual Filing to Update the Energy Efficiency Adjustment Rider  
Docket No: EL16-019**

Dear Executive Director Van Gerpen:

Otter Tail Power Company (Otter Tail, Company) hereby submits to the South Dakota Public Utilities Commission (Commission), an Errata filing to correct benefit values calculated in the 2015 South Dakota Energy Efficiency Plan (EEP) results. This Errata filing does not impact the Company's 2015 energy and demand savings results, requested financial incentive amount, or the proposed Energy Efficiency Adjustment Rider calculation. Overall the EEP is still cost effective.

Upon Commission Staff's review the avoided costs associated with generation capacity, staff identified some inconsistencies in the \$/kW of avoided costs achieved. Otter Tail reviewed this per staff's request and discovered that winter avoided generation capacity was included for the Company's four heat pump programs. As Otter Tail explained in its June 24, 2013 EEP filing, Docket No EL13-016, the Company is a member of the Midcontinent Independent System Operator (MISO), which only values summer generation capacity. Consistent with MISO and Otter Tail's integrated resource plan, Otter Tail only recognizes the benefit of avoided summer generation capacity from its energy efficiency programs.

Otter Tail has included Appendix A, which includes corrected tables 2 and 3. Otter Tail has highlighted all corrected numbers.

If you or Commission Staff have any questions, please contact Jason Grenier at (218) 739-8639.

Very truly yours,

*/s/ JASON GRENIER*  
Jason Grenier  
Manager  
Market Planning

jch  
Enclosures  
By electronic service