



215 South Cascade Street
Fergus Falls MN 56537
Telephone: 800-664-1259
www.ottertail.com

October 16, 2009

Elizabeth M. Murphy
Secretary
Securities and Exchange Commission
100 F Street NE
Washington, DC 20549-1090

Dear Ms. Murphy:

Subject: Comments on Notice and Access Model **File # S7-22-09**

I'm responding on behalf of Otter Tail Corporation, an issuer with roughly 43,000 shareholders, of which about 65% are held beneficially and have roughly 54% of our shares held in retail accounts. We appreciate the SEC's efforts to evaluate the effectiveness of the notice and access model which has resulted in proposals to make the notice more clear as well encouraging more education to inform shareholders about participation under the model. More importantly, the discussion lends itself to looking at other possible regulatory impediments to the voting process beyond the notice & access model.

As a brief background, Otter Tail has utilized the notice & access model the last two years for beneficial holders only since we had routine proposals acted on and were encouraged about potential cost savings that could be achieved through the notice model. Also, with discretionary voting we were fairly assured of achieving normal returns from our beneficial positions. Our voting returns typically have run in the mid-80 percent range. We have not used the model for our registered holders, however, mainly due to the concern that some holders would confuse the notice with the proxy card which could lead to lowered voter participation.

Over the past two elections, we have not experienced any reductions in our voting results from using the model. However, with the passage of Rule 452, we are concerned this will have a negative effect on our returns as we have identified roughly a third of our beneficial share holdings at risk to no voting with the elimination of discretionary voting. Therefore, we are uncertain, at this point, what impact this rule will have on our future use of the model

In terms of the proposed rule change to make the notice more distinguishable, we feel it is prudent to change the look of the notice so that it clearly does not look like a proxy card. The current design lends itself to confusion since it somewhat resembles a proxy card. For example, meeting proposals are displayed in a fashion which look like you can vote for them on the notice. In fact, in a number of instances we have seen where shareholders have marked the notice and returned it thinking it was a proxy card. However, we do feel that it is beneficial to have a design that all companies adhere to so



215 South Cascade Street
Fergus Falls MN 56537
Telephone: 800-664-1259
www.ottertail.com

that shareholders will become accustomed to the design and will be able to easily recognize it as a notice and not a proxy card.

Wording on the notice, in our opinion, should be standard for all companies which the goal again of making it easily recognizable as a notice. We also agree that it would be beneficial to use an insert which will assist in educating shareholders the reason for using the notice model as well as emphasizing that it is not a proxy card. However, we feel there should be flexibility in the language used in the insert to allow companies to describe in their own words what the notice is and why they are using it.

We also feel reducing the amount of time from 40 days to 30 days for sending the notice would encourage more issuers to use the notice model. The current 40 day rule makes it very challenging for issuers to comply with, especially companies that have early annual meeting dates and struggle to have the proxy material ready in time for the notice mailing.

Wanting to be a good steward of our resources, we appreciate being able to print fewer proxy materials that is afforded under the notice model. However, we have experienced marginal cost savings at best. Even though our printing costs have been reduced by about 25%, the processing fees have remained essentially the same. Therefore, we feel there needs to be more effort in reducing processing fees that are charged by Broadridge. Perhaps if there was more competition for providing solicitation services, additional cost efficiencies could be realized. Certainly the way it is structured now, cost inducement alone would not be a factor in utilizing the notice model for a company our size since we aren't able to achieve meaningful cost savings from reduced printing quantities alone.

In summary, well making the notice clearer and sending additional information explaining the purpose of the notice model will assist in educating the shareholder on the purpose of the model, we are doubtful that those efforts alone will have a meaningful impact on voting participation. The bottom line is that it is difficult to obtain beneficial retail account votes regardless if you send a notice or the actual proxy material. In order to improve the process, there needs to be an improved structure for communicating with beneficial holders which affords companies the ability to contact holders directly. The current OBO-NOBO structure is simply too costly and is not effective for improving shareholder participation in the voting process, especially in this case where additional education is needed on the use of the Internet in the proxy process. And, with the adoption of Rule 452, we are very concerned what impact the existing structure will have on our ability to directly engage beneficial retail accounts on the need for their vote.

Thanks again for your willingness to seek additional input to improve shareholder participation in the proxy process. Please feel free to contact me directly at 218-739-8481 or lhanson@ottertail.com with any questions or additional information on any of the items discussed.

Loren Hanson



215 South Cascade Street
Fergus Falls MN 56537
Telephone: 800-664-1259
www.ottertail.com

Assistant Secretary