

Memorandum

To: Commissioners Fedorchak, Christmann, and Haugen-Hoffart
From: Adam Renfandt
Date: October 31, 2022
Subject: Decommissioning Plan & Financial Assurance for Ashtabula Wind III, LLC,
Case No. PU-11-171

On October 25, 2022, Otter Tail Power Company (OTP) filed a decommissioning plan and financial assurance for the Ashtabula III, LLC (Ashtabula) facility it is in the process of purchasing from NextEra Energy, Inc. Prior to the asset transfer to OTP, OTP must have an approved decommissioning plan and financial assurance. In this case, OTP is scheduled to take ownership of the facility by January 3, 2023. Ashtabula consists of 39 1.6 MW turbines with a nameplate capacity of 62.4 MW.

The decommissioning cost estimate is \$10,268,310, or \$263,290 per turbine. The estimate is based on decommissioning the turbines by disassembling the components and hauling them away for disposal. OTP also filed a decommissioning financial assurance in the form of a self-guaranty for the cost estimate excluding salvage value offsets. OTP can propose a self-guaranty because it is an electric public utility per the Commission's rules.

Staff has reviewed the decommissioning plan and self-guaranty and recommends approval.