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April 15, 2019



Steve Kahl  
Director of Administration/Executive  
Secretary  
North Dakota Public Service Commission  
State Capitol  
Bismarck, ND 58505

**RE: Otter Tail Power Company's Application for Astoria Natural Gas Project.  
Case No. PU-17-140  
Quarterly Report - Compliance Filing**

Dear Mr. Kahl:

On November 3, 2017 the North Dakota Public Service Commission issued an Order on Settlement and approved a Settlement Agreement between Otter Tail and Advocacy Staff in the above-described case. The Settlement Agreement requires Otter Tail to "provide the Commission quarterly construction progress reports on the Astoria Project until the project is in service."

Enclosed are an original and seven (7) copies of Otter Tail's quarterly report for the quarter ending March 31, 2019. This report has also been electronically filed.

If you have any questions regarding this report, please contact me at (605) 862-6306 or at [kphinney@otpco.com](mailto:kphinney@otpco.com).

Sincerely,

A handwritten signature in black ink, appearing to read "Kirk Phinney", written over a horizontal line.

Kirk Phinney  
Manager, Supply Engineering

mmo  
Enclosures  
By electronic filing and US  
mail

70 PU-17-140 Filed 04/18/2019 Pages: 4  
Otter Tail Power Astoria Project, Quarterly Progress Report - 1 Jan. through 31 March 2019  
Otter Tail Power Company

**ASTORIA NATURAL GAS PROJECT  
QUARTERLY CONSTRUCTION PROGRESS REPORT**

**TO THE**

**NORTH DAKOTA PUBLIC SERVICE COMMISSION**

**FOR THE**

**PERIOD JANUARY 1 THROUGH MARCH 31, 2019**

**April 15, 2019**

## **Astoria Natural Gas Project Quarterly Construction Progress Report**

Otter Tail Power Company (OTP) submits this report on the Astoria Natural Gas Project in compliance with the North Dakota Public Service Commission’s November 3, 2017 Order on Settlement in Case Number PU-17-140, which requires OTP to provide the Commission quarterly construction progress reports on the Astoria Natural Gas Project until the project is in service. This report concerns project activities through March 31, 2019.

Project activities for the first quarter of 2019 focused on detailed design, equipment procurement, and pre-construction activities.

The chart below provides the number and type of major procurements identified for the project, the number of active procurements, and the number of procurements for which contracts have been executed. For clarity, active procurements are those for which specifications are under development, proposals have been requested, or proposal responses are under review.

<b>Procurement Type</b>	<b>Project Total</b>	<b>Active</b>	<b>Executed</b>
Major equipment supply agreements	10	7	3
Service agreements	6	2	2
Interconnection-related agreements	6	2	4
Site utilities	4	3	1

In the first quarter of 2019, OTP entered into agreements for the natural gas equipment supply and pre-engineered metal buildings. All agreements relating to transmission interconnection were also executed and submitted to FERC. To date, only two major equipment supply agreements remain to be issued for proposals. Procurement bids and lead times to date are within the project budget and schedule.

Preconstruction activities included the completion several required activities as stipulated in various permits. Also, this quarter, requests for proposals were issued for the 2019 initial site work/civil construction.

The focus for the second quarter of 2019 will be the continued detailed design and procurement of the remaining major equipment. Start of construction will also commence in the 2<sup>nd</sup> quarter of 2019.