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January 15, 2020

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 required 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 December 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@otpc.com.

Sincerely,

/s/ KIRK PHINNEY
Kirk Phinney
Manager, Supply Engineering

rah
Enclosures
By electronic filing and US mail

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

TO THE

NORTH DAKOTA PUBLIC SERVICE COMMISSION

FOR THE

PERIOD OCTOBER 1 THROUGH DECEMBER 31, 2019

January 15, 2020

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 December 31, 2019.

Project activities for the fourth quarter of 2019 focused on detailed design, construction and installation procurement, supply agreement administration and oversight, and 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.

Procurement Type	Project Total	Active	Executed
Major equipment supply agreements	10	0	10
Service agreements	6	0	6
Interconnection-related agreements	6	0	6
Site utilities	4	0	4

Proposals were received and reviewed, and an agreement awarded, for the general work contract in the fourth quarter of 2019. This agreement includes installation of all equipment and materials for the remainder of the project in 2020 and is the last major procurement to be awarded. Supply agreement administration and oversight was a focal point this quarter, with manufacturing of major equipment underway. With the award of all major agreements completed, most of the project costs are known, and the project continues to be within budget and on schedule.

Construction activities for the quarter included the completion of 2019 duct bank installation, site civil surfacing, permanent and temporary fencing, construction and backup power source, septic system installation, select underground piping, and tank erection. Foundations completed included the stack, power distribution center, turbine control building, cold storage building, maintenance building, administration building, generator setup transformer, unit auxiliary transformer, and

combustion turbine generator foundation and piers. Erection of the administration, cold storage, and maintenance buildings began in the quarter and will continue into the next quarter.

The focus for the first quarter of 2020 will be continued administration and oversight of supply agreements and their corresponding manufacturing progress. The 2020 general work contractor will mobilize to begin duct bank, underground piping, and foundation installation. Installation will be completed on the three permanent buildings. Shipment of OTP-procured equipment will also begin. This includes the combustion turbine and generator, which are currently scheduled for delivery at the end of the quarter.

22834.00 Astoria Station Plant

9/27/2019, 11:16 AM



SDR

500 ft

Site activity near beginning of quarter 9/27/2019



Site activity near end of quarter 12/23/2019