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July 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 June 30, 2020. 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

cjh
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 APRIL 1 THROUGH JUNE 30, 2020

July 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 June 30, 2020.

Project activities for the second quarter of 2020 focused on administration of various supply agreements, delivery and receipt of major equipment and materials, construction activities, and development of the commissioning plan.

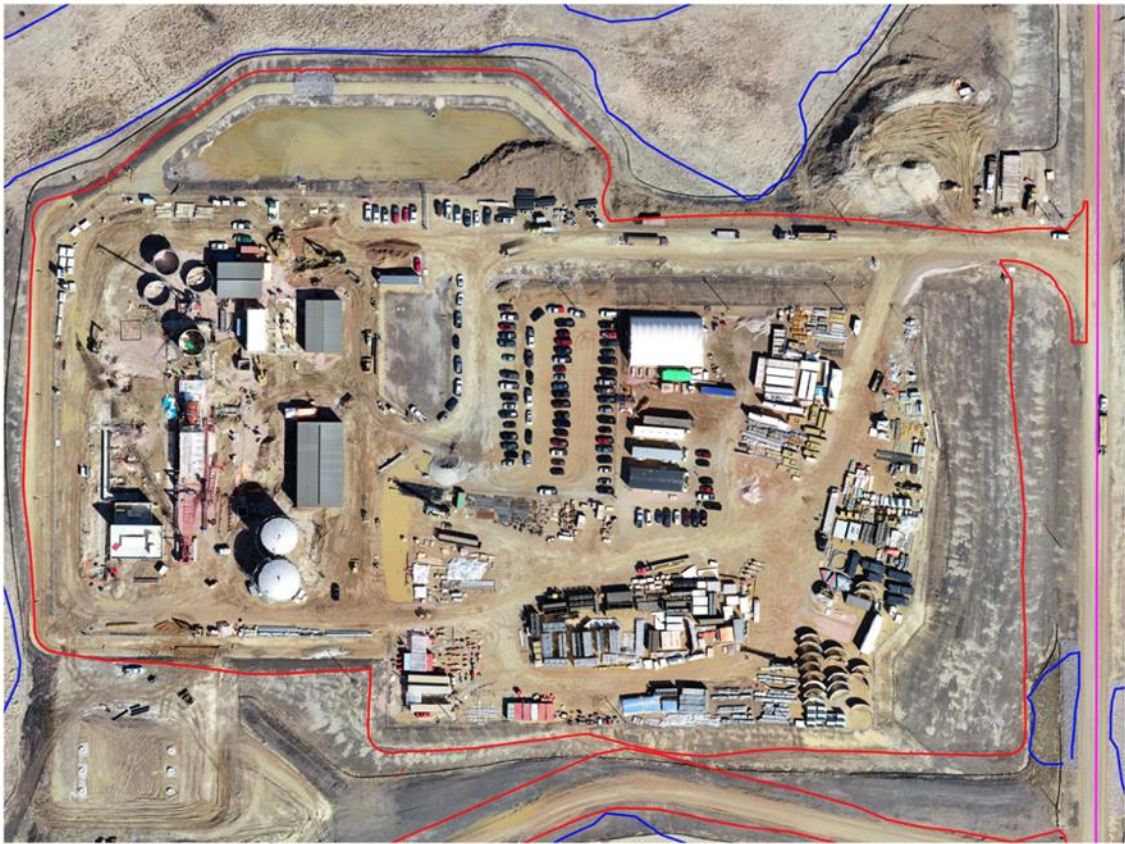
All major procurements identified for the project have been completed. All the major equipment and materials for the project were delivered to the project site by the end of the quarter. Many of the equipment supply agreements include technical field service, startup support, and training, which will occur in upcoming months. With the completion of major procurements, most of the project costs are known, and the project continues to be within budget and on schedule.

Completed construction activities during the quarter included combustion turbine and generator alignment; gas transmission line tie-in and gas yard construction; generator step-up transformer installation; unit auxiliary transformer installation; combustion turbine enclosure erection; exhaust duct and stack erection/insulation; underground duct bank installation; installation of major equipment foundations; internal combustion turbine piping installation; and setting of equipment skids. Construction activities commencing and continuing into third quarter are air inlet ductwork erection, cable tray installation, generator tie-line construction, piping between all equipment skids, and cable pulling and terminating.

Managing implications of the COVID-19 pandemic continued in the second quarter of 2020. The project is an essential critical infrastructure project and work will continue as planned. OTP, its suppliers, and contractors continue to take measures to prevent the spread of COVID-19. Those measures include, but are not limited to, screening of new workers arriving on-site, testing, social distancing, wearing cloth face coverings, additional cleaning, and contact tracing. Over time, reporting of the number of personnel on-site who have been diagnosed with COVID-19 can be confusing. For example, as of this writing, there have been 17 confirmed cases at the site since the

first known case. However, three of those infected individuals have recovered, and are working on-site after a recovery period and a demonstrated period of being symptom free. By the time this report is submitted, it is possible that additional cases will be identified and that some infected individuals will have recovered and returned to the site. Additionally, some of the infected individuals may decide not to return to the site for reasons other than COVID-19. Therefore, quarterly updates on the number of active cases will likely not be meaningful. OTP continues to work with the contractors on-site, the South Dakota Department of Health and local County Emergency management representatives to take precautions to ensure the safety of individuals working on on-site. While project schedule and cost have not been significantly impacted at this time due to COVID-19, both could be impacted and will remain a risk for the project for the foreseeable future.

The focus for the third quarter of 2020 will be continued COVID-19 impact mitigation efforts. Also, in the third quarter of 2020, all systems needed for first fire of the unit will be turned over to commissioning, which means construction will be completed on these systems. Commissioning efforts will begin and will progress through check-out of equipment; energization of equipment; startup of plant utilities such as compressed air, water, and fire protection; and back feeding power from the permanent generator tie line.



SDR

500 ft

Site activity near beginning of quarter 3/30/2020



Site activity near end of quarter 7/1/2020