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July 17, 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 Merricourt Wind Project.
Case No. PU-17-141 and PU-17-143
Quarterly Report - Compliance Filing**

Dear Mr. Kahl:

On November 3, 2017 the North Dakota Public Service Commission issued an Order on Settlement in the above-described case. The Settlement Agreement directs Otter Tail Power Company to "provide the Commission quarterly construction progress reports on the Merricourt Project until the project is in service."

This filing is Otter Tail Power Company's quarterly report for the quarter ending June 30, 2019. This report has been electronically filed. Enclosed you will find an original and seven (7) copies.

If you have any questions regarding this report, please contact me at (218) 739-8550, ext. 732 or at hcmahon@otpc.com.

Sincerely,

/s/ HARVEY MCMAHON

Harvey McMahan
Manager, Renewable Energy Construction and Operation

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Enclosures

By electronic filing and US mail

**MERRICOURT WIND DEVELOPMENT QUARTERLY CONSTRUCTION
PROGRESS REPORT**

TO THE

NORTH DAKOTA PUBLIC SERVICE COMMISSION

FOR THE

PERIOD APRIL 1, 2019 THROUGH JUNE 30, 2019

July 17, 2019

Merricourt Project Quarterly Construction Progress Report

As of the end of the 2nd quarter of 2019 there has been no physical construction on the Merricourt wind farm site, which is consistent with the project schedule. The Asset Purchase Agreement (APA) between EDF Renewables Development, Inc. (f/k/a EDF Renewable Development, Inc.) (hereinafter EDF), several of its affiliates, and Otter Tail Power Company (OTP) closed July 16, 2019. Under the Turnkey Engineering, Procurement and Construction Services Agreement notice to proceed is deemed given upon closing of the APA. Interconnection costs are in-line with OTP's original expectations. Total project costs incurred by OTP through June 30, 2019 are in-line with projections.

EDF received the amended Merricourt site certificate in November of 2017. The Commission approved EDF and OTP's joint application for transfer of the amended Merricourt site certificate by EDF to OTP on June 26, 2019. EDF has all project easements updated and signed. EDF has executed contracts for Balance of Plant construction and long-lead time items. EDF and PSC staff, along with a representative of OTP and several EDF contractors, conducted a preconstruction conference call on June 24, 2019. In December 2016, EDF purchased the 5% safe harbor turbines necessary to avail the Merricourt Project of the 100% Production Tax Credit and these turbines are being stored in Colorado at a Vestas facility. OTP anticipates construction to begin in early August 2019 and a construction completion date in 2020, with the in-service date allowing OTP to avail itself of 100% PTCs.