

215 South Cascade Street  
PO Box 496  
Fergus Falls, Minnesota 56538-0496  
218 739-8200  
[www.otpc.com](http://www.otpc.com) (web site)



November 21, 2024

Mr. Steve Kahl  
Director of Administration/Executive Secretary  
North Dakota Public Service Commission  
State Capitol  
600 East Boulevard, Dept. 408  
Bismarck, ND 58505-0408

**RE: Luverne Wind Energy Center, Steele County, North Dakota  
Case No. PU-18-343  
Wind Decommissioning Plan**

Dear Mr. Kahl:

Enclosed in the above-referenced matter are copies of an updated decommissioning plan for the Otter Tail Power Company's (Otter Tail Power) Luverne Wind Energy Center (Luverne Facility) (a/k/a Ashtabula II). This filing is a five-year update under N.D. Admin. Code 69-09-09-06(3)(c). Otter Tail Power last filed an updated decommissioning plan in 2019.

The decommissioning plan includes Otter Tail Power's updated financial assurance of its decommissioning obligations.

Please contact me at (218) 739-8205 or [wswanson@otpc.com](mailto:wswanson@otpc.com) if you have any questions regarding this filing.

Sincerely,

/s/ WILLIAM SWANSON  
William Swanson  
Manager, Operations and Planning

sjw  
Enclosures  
By electronic filing and U.S. mail

18 PU-18-343 Filed 11/21/2024 Pages: 16  
Updated Decommissioning Plan and Cost Estimate

Otter Tail Power Company  
William Swanson, Mgr. Ops & Planning

**STATE OF NORTH DAKOTA  
PUBLIC SERVICE COMMISSION**

**Otter Tail Power Company  
Decommissioning Plan for  
Luverne (Ashtabula II) Wind  
Energy Center**

**Case No. PU-18-343**

**Updated Decommissioning Plan**

In accordance with N.D. Administration Code Chapter 69-09-09, Otter Tail Power Company (Otter Tail Power) presents an updated Decommissioning Plan for the 49.5 MWh Luverne Facility (a/k/a Ashtabula II), owned by Otter Tail Power in Griggs and Steele Counties, North Dakota.

Otter Tail Power's Luverne Facility consists of 33 General Electric 1.5 MW wind turbines. The facility was commissioned and began commercial operations in September 2009. A Decommissioning Plan was presented at that time in Case PU-08-766.

This updated Decommissioning Plan is provided in accord with revised decommissioning rules approved in Case PU-17-023 and the Commission's Notice in Case PU-17-251 requesting owners of wind conversion facilities to provide updated decommissioning plans. This filing is a five-year update made under N.D. Admin. Code 69-09-09-06(3)(c).

**Anticipated Life of the Facility – N.D. Admin. Code 69-09-09-01 (6)(a)**

The Luverne Facility 1.5 MW turbines have an anticipated useful life of at least 40 years (of which approximately 30 years remain). Anticipated technological updates allow the possibility for the wind site to continue to operate in an efficient manner beyond this time. In accordance with N.D. Admin. Code 69-09-09-04, decommissioning Otter Tail Power's Luverne Wind Facility shall begin within twelve months after the end of the useful life of the facility. Decommissioning shall be completed within twenty-four months after the end of the facility's useful life.

**Decommissioning Cost Estimate – N.D. Admin. Code 69-09-09-01 (6b.)**

Attached as **Exhibit A** is a decommissioning plan and cost estimate prepared by a licensed North Dakota professional engineer as required by N.D. Admin. Code 69-09-09-06. The total estimated cost of decommissioning and restoration at the end of useful life for the facility is \$9,519,840 or \$290,935 per turbine. These are gross figures exclusive of salvage value.

**Decommissioning Cost Estimate Method – N.D. Admin. Code 69-09-09-01 (6)(c)**

The methodology used to prepare the cost estimate is discussed in the attached **Exhibit A** in the Decommissioning Plan.

**Decommissioning Anticipated Activity – N.D. Admin. Code 69-09-09-01 (6)(d)**

Otter Tail Power will decommission the Luverne Facility in accordance with N.D. Admin. Code 69-09-09-05. Decommissioning shall include disassembly of turbines and removal of components, access roads, and the associated collection system. All costs associated with these decommissioning activities have been evaluated individually, as follows:

- 1. Turbine Components.** Wind turbines are GE 1.5 MW mounted on steel tower sections. Estimation for the disassembly includes the steel tower sections, the wind turbine nacelle and components, and the hub and turbine blades. The turbine pad mount transformer and all associated wiring with the turbine is included as well. The estimation is based on the requirement that all materials be removed from site.
- 2. Foundations.** Tower and transformer foundations, along with all connections to the turbine from the foundations, will be removed to a depth of three feet below grade. All site restoration will be reclaimed to the approximate topography that existed prior to construction.
- 3. Access Roads.** Access roads will be removed and returned to pre-existing condition according to Natural Resource Conservation Service (NRCS) recommendations. The exception being a Commission-approved landowner request that the road features remain in place.
- 4. Collection System.** The underground collection system will be removed to a depth of twenty-four inches near the transformers. The remaining underground collection system shall be left in place at a minimum of forty-eight inches below grade to the top of the cables. Any disturbed areas requiring restoration will be reclaimed to the approximate topography that existed prior to construction according to NRCS recommendations. Best recommended practices will be followed for any unspecified restoration.

**Effects of Present and Future Natural Resource Development – N.D. Admin. Code 69-09-09-01 (6)(e)**

Otter Tail Power is committed to providing our customers with reliable renewable energy from wind resources at its Luverne facility. At the end of the facility's useful life Otter Tail Power will return the site to its pre-existing condition in accordance with the N.D. Admin. Code Chapter 69-09-09 and this decommissioning plan. Otter Tail Power does not anticipate that Luverne Wind Facility will materially impact present or future natural resource development with respect to both existing operations or decommissioning.

**Detailed Financial Assurance - N.D. Admin. Code 69-09-09-01 (6)(f)**

Otter Tail Power directly owns the Luverne Facility as described in this filing. Attached as **Exhibit B** is Otter Tail Power's Guaranty for the decommissioning of the Luverne Facility.

William Swanson  
Manager, Operations and Planning  
Otter Tail Power Company

Signed: /s/ WILLIAM SWANSON

Date: November 21, 2024



**OTTERTAIL POWER COMPANY**

**STATE OF NORTH DAKOTA  
PUBLIC SERVICE COMMISSION**

Ottertail Power Company  
Luverne Wind Energy Center- Steele County  
17 January 2024

Case No. PU- -

**DECOMMISSIONING PLAN**

Pursuant to N.D. Admin. Code Ch. 69-09-09, Luverne Wind Energy Center (WEC) provides this decommissioning plan for the 49.5 MW Luverne Wind Energy Center in Steele County, North Dakota.

Luverne WEC within Steele County is comprised of 33 GE 1.5 MW XLE Wind Turbines for a nameplate rating of 49.5 MW. This decommissioning plan is filed pursuant to the Commission's rulemaking in PU-19-291. The decommissioning plan is premised on the proper treatment of the asset retirement obligation, pursuant to generally accepted accounting principles or "GAAP", associated with Luverne WEC.

**N.D. Admin. Code § 69-09-09-01(6)(a) - Anticipated Facility Life**

Luverne WEC turbines have an anticipated useful life of at least thirty-five (35) years. Upgrades based on new technology may allow the wind facility to produce efficiently and successfully well beyond this period. The Luverne Wind WEC became operational in 2009.

Within twelve (12) months after the facility or turbine reaches the end of its useful life, decommissioning shall begin and will be completed within twenty-four (24) months after the facility or turbine reaches the end of its useful life.

Based on the 2009 operational date for the wind energy conversion system (WECS) the end of life is anticipated to occur in 2044.

**N.D. Admin. Code § 69-09-09-01(6)(b) - Decommissioning Cost Estimate**

In accordance with GAAP, Luverne WEC will assess, maintain, and recognize its asset retirement obligation, which includes decommissioning and restoration.

ND Administrative Code requires that decommissioning cost estimates of the wind energy facility asset retirement obligation shall not include the recoupment of the salvage value associated with Luverne WEC components. Thus, the total gross project cost estimate is required to determine the retirement obligation.

Differential costs for waste disposal preparation in excess of the lesser amount of preparation needed for scrap resale is also included in the decommissioning cost estimate.



The 2023 Net Present Worth (NPW) gross cost of decommissioning and restoration at the end of the asset's life per Exhibit A is estimated to be approximately \$9,600,840. The estimated gross cost per turbine for decommissioning and restoration is approximately \$290,935.

Pursuant to N.D. Admin Code § 69-09-09-06, the decommissioning cost estimate has been prepared by a licensed North Dakota professional engineer. Further cost details are provided in Exhibit A attached hereto and incorporated by reference.

#### **N.D. Admin. Code § 69-09-09-01(6)(c) - Decommissioning Cost Estimate Method**

The decommissioning process generates waste materials that include ferrous metals (turbine tower and concrete foundation reinforcing steel), non-ferrous electrical conductors and cables, and processed aggregate materials (aggregate road and maintenance pad surfacing materials). These products have direct and indirect economic value.

While there are efforts to develop methods to recycle the composite materials used to construct the wind turbine blades, none is yet commercially viable; the wind turbine blades must therefore be sent to a landfill.

See attached Exhibit A for a listing of individual line items for the total gross cost of decommissioning the asset. All costs are presented as net present worth (NPW) in 2023 dollars.

An aggregated construction cost increase of 25% for the period from 2019 (the date of the first decommissioning cost estimate) to August 2023, with some subjective evaluation of individual line items for consistency with previous decommissioning reports, is used to calculate 2023 NPW costs.

#### **N.D. Admin. Code § 69-09-09-01(6)(d) - Decommissioning Activities**

Decommissioning of turbines and towers includes dismantling of turbine components and transportation of the dismantled components offsite. The costs and activities for the removal of the tower and wind turbine components, access roadways, meteorological towers and project substation have been evaluated.

Tower and Wind Turbine Components. The WECS has (33) GE 1.5 MW XLE turbines on tubular steel towers. Activities have been estimated for dismantling the turbines, tower sections and wind turbine blades. Removal of the tower wiring and transformer is also included. All components would be removed from the property. Salvage value of the steel components is assumed, and landfill charges are not included.

The composite materials used to construct the turbine blades currently have no salvage or recycling value. The root end metal fabrication component has scrap value and is assumed to be cut loose from the turbine blades prior to disposal. The composite materials of the blades can be disposed as demolition waste and typical municipal waste landfills can accept the material. Therefore, special hauling costs or tipping fees are not included.



Tower and Transformer Foundations. Tower and transformer foundations, conduits and connections immediately at the tower foundation will be removed to a depth of approximately four (4) feet below existing grade, which is the normal location of the construction cold joint between the central pier and the foundation and is therefore a convenient depth. This depth exceeds the 36” minimum depth per § NDCC 69-09-09 (1) (c).

This work will consist of sufficiently excavating around the foundations to provide access to, and a working platform around, the foundation. Each foundation is to be pulverized to the prescribed minimum depth, all exposed reinforcing steel is cut flush to the top surface of the remaining concrete and all demolition debris is properly disposed. All excavation is to then be backfilled full-depth with native soils and graded to match surrounding contours and will be restored to conditions that will support vegetation.

Tower Access Roads. It is feasible that the landowners may elect to leave the access roadways in place in lieu of removal during decommissioning; however, the decommissioning plan and costs assume that access roadways will be completely removed and the site restored to its native predevelopment surface profile condition.

The cost estimates assume that the aggregate surface road material will be stripped and removed from the site to an appropriate disposal location. In practice, the landowner will request that the aggregate surface material be stockpiled on the site for the landowner’s future use. This practice has not been assumed in the cost estimates.

Typical practice to construct the access roads and aggregate surface pads is to fold the existing topsoil to the side and then to blend it into the existing grade. In theory, there is sufficient, recoverable quantities of topsoil on the site to completely restore the roads and foundation pad. However, an allowance for imported topsoil is included in the decommissioning costs.

Typical access roads are constructed with a geotextile fabric placed between the subgrade and the aggregate surface material. The geotextile fabric will also be removed and properly disposed. Remaining subgrade will be worked to provide decompaction and graded to match the existing contours. Roadway areas will be covered with topsoil recovered from the site (or imported, as needed) and seeded to establish temporary vegetative cover.

The aggregate surface working pad around the foundations will be removed prior to excavation, and the surface will be restored in a manner similar to the access roads. The topsoil allowance for each turbine site will cover as-needed costs of imported topsoil.

Collection System and Cables. The cable trenches provide for a minimum cover of 40 inches over the cables, with at least 36 inches of earthen materials and topsoil in all areas other than road crossings. Due to the nature and depth of the cable trenches, the physical removal of the collection cabling is not viewed as a required activity and costs are thus not included in the decommissioning costs of the Luverne Wind Energy Center.

Underground collection conduit and cables from within the foundation excavation will be removed and disposed or more likely sold for salvage value. The costs are ancillary to the foundation removal and are included in the foundation removal costs. Scrap value is not explicitly considered.



Project Substation Electrical Components. At WECS where a substation is present, the substation decommissioning will be performed after disconnection from the transmission line. The main transformer, circuit breakers, and switch gear equipment within the area will be removed, although buried wiring may be abandoned in place, and the concrete foundations will be removed to a depth of three (3) feet below existing grade.

The Luverne WEC has a dedicated substation and decommissioning costs are applicable.

Meteorological Tower. At WECS where meteorological towers are present, the towers will be decommissioned by lowering the towers and disconnecting the cables and tower from the foundations. The foundations will then be uncovered and removed from the site to be disposed of at a landfill operation.

The Luverne WEC does not have a dedicated meteorological tower present and decommissioning costs are not applicable.

**N.D. Admin. Code § 69-09-09-01(6)(e) - Effects of Present and Future Natural Resource Development.**

Business operations at Luverne Wind Energy Center focus on harnessing wind resources during the facility's useful life until that time when the site will be restored in accordance with Commission's rules through the decommissioning process. Luverne Wind Energy Center has been developed to not impact the present or future development of natural resources during operation or decommissioning.



17 January 2024

North Dakota Public Service Commission  
600 E. Boulevard, Dept. 408  
Bismarck, ND 58505-0480

Regarding: Decommissioning Estimate - Luverne Wind Energy Center

North Dakota Public Service Commission,

Per the request of Luverne Wind Energy Center, AE2S is pleased to submit the following Decommissioning Cost Estimate for the Luverne Wind Energy Center located in Steele County, North Dakota. The estimate is based on information gathered from historical data and previous decommissioning estimates submitted by AE2S to the ND PSC. AE2S team believes that the estimate is a conservative budgetary cost to complete the work.

Background: AE2S

AE2S is an employee-owned engineering firm headquartered in Grand Forks, ND with offices throughout ND, MT, SD, MN, and developing offices in CO, UT, WI. AE2S provides environmental engineering specializing in water and wastewater treatment, distribution, and collection; general civil engineering, with staff with civil engineering and structural engineering experience in a broad spectrum of commercial and industrial industries including the wind energy development sector.

AE2S routinely manages large rural water projects, which is an asset of experience for surface restoration of cultivated fields and other rural land use functions.

AE2S staff who prepared this report have been involved in wind energy development for 20+ years in various capacities and roles.

The Process:

During the initial phase of the work, AE2S compiled previous decommissioning reports and notes, and had discussions about experience and other similar projects. A draft version of the decommissioning report was developed and distributed for all parties to review. The final decommissioning estimate was created after discussion and agreement by all parties.

Methodology:

The estimate of cost was developed on a per turbine basis. AE2S had completed earlier decommissioning cost estimates for ND-based wind energy conversion systems (WECS) and used that historical data for the respective costs for each phase of the wind turbine decommissioning. AE2S provided input on the specifics of performing this work within the state of North Dakota.



Please see the attached Exhibit A providing a detailed cost breakdown of the work required to complete the decommissioning process, exclusive of salvage value and inclusive of additional costs to prepare and ship all waste streams to regulated landfills. It is this value that is used to establish compliance with ND statues and regulations.

These breakdowns address the cost for each respective phase of the decommissioning process for the wind power facility. The decommissioning cost estimate is reasonable, and it is our conclusion that the costs include the scope of work needed to properly decommission the Luverne Wind Energy Center.

Sincerely,

AE2S, LLC



Jay Kleven, PE (ND PE-4685)



**EXHIBIT A- TOTAL COSTS WITH LANDFILL DISPOSAL**

Luverne Wind Energy Center  
 Decommissioning Cost Estimate - Luverne Wind  
 Steele County, ND

Facility Information:

Facility Location	Steele County, ND
Facility Size	49.5 MW
Technology	GE XLE Turbines (1.5 MW)
Number of Turbines	33

WTG Decommissioning Costs – Total Costs with no offsets:

Cost Item	2023 NPW
1. SWPP/Erosion Control	\$4,880
2. Remove oil/grease	\$6,750
3. Remove Contaminated Soil	\$1,880
4. Nacelle and Hub Removal	\$55,190
5. Tower Removal	\$23,500
6. Down-tower equipment and wiring	\$7,130
7. Removal of underground cables (24" below grade)	\$10,250
8. Foundation Removal (3' below grade)	\$39,570
9. Remove & Restore Access Road & Crane Pad	\$7,280
10. Earthwork, backfilling, seeding	\$12,380
11. Topsoil Import	\$4,920
12. Load, haul, stockpile aggregate surface materials	\$4,750
13. Remove COM tower	\$3,750
14. Prepare, load, haul, dispose/landfill of waste	\$106,250
WTG Decommissioning Subtotal (each)	\$288,480
<b>Total WTG Decommissioning Costs</b>	<b>\$9,519,840</b>

Other Project Decommissioning Costs:

14. Project Substation Removal	\$81,000
15. Meteorological Tower Removal	Not Applicable
<b>Other Decommissioning Subtotal</b>	
<b>PROJECT TOTAL COSTS</b>	<b>\$9,600,840</b>
<b>Average Total Cost per WTG</b>	<b>\$290,935</b>

## OTTER TAIL POWER COMPANY GUARANTY (Luverne Wind Energy Center)

THIS GUARANTY (this "**Guaranty**"), dated as of November 19, 2024, (the "**Effective Date**"), is made by OTTER TAIL POWER COMPANY, a Minnesota corporation ("**Guarantor**"), in favor of the NORTH DAKOTA PUBLIC SERVICE COMMISSION ("**Commission**").

### RECITALS

**A.** WHEREAS, Guarantor is the owner and obligor of 33 General Electric 1.5 MW wind turbines and associated equipment at its Luverne Wind Energy Center (a/k/a Ashtabula II) (Luverne Facility), as more fully described in its revised decommissioning plan on file with the Commission in Case No. PU-18-343.

**B.** WHEREAS, Guarantor is required to provide the financial assurance to the Commission supporting the decommissioning of the Luverne Wind Energy Center pursuant to N.D.C.C. 49-02-07 and Section 69-09-09-08 of the North Dakota Administrative Code (the "**Statute**");

**C.** WHEREAS, Guarantor will directly or indirectly benefit from the Luverne Facility; and

**D.** WHEREAS, Guarantor wishes to issue the Guaranty to Commission in compliance with the Statute.

**E.** NOW THEREFORE, in consideration of the foregoing premises, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Guarantor hereby agrees for the benefit of Commission as follows:

1. **GUARANTY.** Subject to the terms and conditions hereof, Guarantor hereby absolutely and irrevocable guarantees the timely payment when due of all obligations owing to Commission under the Statute on or after the Effective Date (the "**Obligations**"). This Guaranty shall constitute a guarantee of payment and not of collection. The liability of Guarantor under the Guaranty shall be subject to the following limitations:

(a) Notwithstanding anything herein to the contrary, the maximum aggregate obligation and liability of Guarantor under the Guaranty, and the maximum recovery from Guarantor under this Guaranty, shall in no event exceed Nine Million Five Hundred Nineteen Thousand, Eight Hundred Forty U.S. Dollars (\$9,519,840) (the "**Maximum Recovery Amount**").

(b) The obligation and liability of Guarantor under this Guaranty is specifically limited to payments due and owing, as well as costs of collection and enforcement of this Guaranty (including attorney's fees) to the extent reasonably and actually incurred by the Commission where the Commission is a prevailing party in an enforcement

or collection action. Litigation and administrative costs are not limited by indebtedness reflected by the above listed financial assurance. In no event, however, shall Guarantor be liable for or obligated to pay any consequential, indirect, incidental, lost profit, special, exemplary, punitive, equitable or tort damages.

- (c) In the event that the Guarantor no longer meets the financial assurance requirements set forth by the Statute provided as a condition for acceptance, or is disallowed from continuing as a guarantor, the obligor shall promptly notify the Commission by certified mail and establish alternative financial assurance acceptable to the Commission.
- (d) Guarantor agrees to notify the Commission by certified mail, of a voluntary or involuntary proceeding under the title 11 (Bankruptcy), United States Code, naming guarantor as debtor, within then (10) days after commencement of the proceeding.
- (e) Guarantor agrees to remain to be bound under this guarantee notwithstanding any or all of the following: amendment or modification of the decommissioning plan, amendment or modification of the site certificate, the extension or reduction of the time of performance for decommissioning and remediation, or any other modification or alteration of the obligation of the owner or operator.

## 2. **DEMANDS AND PAYMENT.**

- (a) If obligor fails to complete the decommissioning and remediation as required by the Statute the terms and conditions of the site certificate, and to the reasonable satisfaction of the Commission, Commission may present a written demand to Guarantor calling for Guarantor's payment to be used for the decommissioning and remediation of the above-listed of the Project (a "**Payment Demand**"). Guarantor hereby agrees that demands for payment may be based and are payable on projection of costs or their actual accrual and the liability for payment is not contingent on the costs having been presently sustained. The Guarantor agrees to make prompt payment upon demand of the full amount, or portions thereof, requested by the Commission.
- (b) Guarantor's obligation hereunder to pay any particular Overdue Obligation(s) to Commission is condition upon Guarantor's receipt of a signed statement that the Commission has ordered the payment, in whole or in part, of the guaranty and accompany a Payment Demand. Such Payment Demand must reasonably identify the decommissioning and remediation obligation(s) the Obligor has failed to satisfy.
- (c) After issuing a Payment Demand in accordance with the requirement specified in Section 2(b) above, Commission shall not be required to issue any further notices or make any further demands with respect to the Overdue Obligation(s) specified in that Payment Demand, and Guarantor shall be required to make payment with respect to the Overdue Obligation(s) specified in that Payment Demand within five (5) Business Days after Guarantor receives such demand. As used herein, the term "**Business Days**" shall mean all weekdays (i.e. Monday through Friday) other

than any weekdays during which commercial banks or financial institutions are authorized to be closed to the public in the State of North Dakota.

3. **REPRESENTATIONS AND WARRANTIES.** Guarantor represents and warrants that:

- (a) it is a corporation duly organized and validly existing under the laws of the State of Minnesota and has the corporate power and authority to execute, deliver and carry out the terms and provisions of the Guaranty;
- (b) no authorization, approval, consent or order of, or registration of filing with, any court or other governmental body having jurisdiction over Guarantor is required on the part of Guarantor for the execution and delivery of the Guaranty; and
- (c) this Guaranty constitutes a valid and legally binding agreement of Guarantor, enforceable against Guarantor in accordance with the terms hereof, except as the enforceability thereof may be limited by the effect of any applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditor's rights generally and by general principles of equity.

4. **RESERVATION OF CERTAIN DEFENSES.** Without limiting Guarantor's own defenses and rights hereunder, Guarantor reserves to itself all rights, setoffs, counterclaims and other defenses to which it is or may be entitled.

5. **AMENDMENT OF GUARANTY.** No term or provision of this Guaranty shall be amended, modified, altered, waived or supplemented except in a writing signed by Guarantor and Commission.

6. **WAIVERS AND CONSENTS.** Subject to and in accordance with the terms and provisions of Guaranty:

- (a) Except as required in Section 2 above, Guarantor hereby waives (i) notice of appearance of this Guaranty; (ii) presentment and demand concerning the liabilities of Guarantor; and (iii) any right to require that any action or proceeding be brought against any other person, or to require that Commission seek enforcement of any performance against any other person, prior to any action against Guarantor under the terms hereof.
- (b) No delay by Commission in the exercise of (or failure by Commission to exercise) any rights hereunder shall operate as a waiver of such rights, a waiver of any other rights or a release of Guarantor from its obligations hereunder (with the understanding, however, that the foregoing shall not be deemed to constitute a waiver by Guarantor of any rights or defenses which Guarantor may at any time have pursuant to or in connection with any applicable statutes of limitation).
- (c) Without notice to or the consent of Guarantor, and without impairing or releasing Guarantor's obligations under this Guaranty, Commission may; (i) change the manner, place or terms for payment of all or any of the Obligations (including renewals, extensions, or other alterations of the Obligations); (ii) release any person (other than Guarantor) from liability for payment of all or any of the

Obligations; or (iii) receive, substitute, surrender, exchange or release any collateral or other security for any or all of the Obligations.

7. **TERMINATION.**

- (a) Unless terminated earlier, this Guaranty and the Guarantor's obligations hereunder will terminate automatically and immediately at 11:59:59 p.m. Central Prevailing Time September 1, 2052; three years after the predicted useful life of the facility), or upon complete decommissioning; *provided, however,* that no such termination shall affect Guarantor's liability with respect to any Obligation incurred prior to the time the termination is effective, which Obligation shall remain subject to the Guaranty.
- (b) The Guarantor shall notify the Commission one (1) year prior to the above-listed termination date to ensure decommissioning has occurred to the satisfaction of the Statute of the Commission.
- (c) Guarantor may terminate this guarantee by sending notice by certified mail to the Commission, provided that this guarantee may not be terminated unless and until the obligor obtains, and the Commission approves, alternative financial assurance.

8. **NOTICE.** Any Payment Demand, notice, request, instruction, correspondence or other document to be given hereunder (herein collectively called ("**Notice**") by Commission to Guarantor, or by Guarantor to Commission, as applicable, shall be in writing and may be delivered either by (i) U.S. Certified mail with postage prepaid and return receipt requested, or (ii) recognized nationwide courier service with delivery receipt requested, in either case to be delivered to the following address (or to such other U.S. address as may be specified via Notice provided by Guarantor or Commission, as applicable, to the other in accordance with the requirements of this Section 8):

TO GUARANTOR Otter Tail Power Company 215 South Cascade Street Fergus Falls, MN 56538-0496 Attn: Treasurer	TO COMMISSION North Dakota Public Service Commission 600 East Boulevard Avenue Bismarck, North Dakota 58505 Attn: Dept. 0408
[Tel: (218) 739-8200 - for use in connection with courier deliveries]	[Tel: (701) 328-2400 - for use in connection with courier deliveries]


Any Notice given accordance with this Section 8 will (i) if delivered during the recipient's normal business hours on any given Business Day, be deemed received by the designated recipient on such date, and (ii) if not delivered during the recipients' normal business hours on any given Business Day, be deemed received by the designated recipient at the start of the recipient's normal business hours on the next Business Day after such delivery.

9. **MISCELLANEOUS.**

- (a) This Guaranty shall in all respects be governed by, and construed in accordance with, the law of the State of North Dakota, without regard to principles of conflicts of laws thereunder.
- (b) This Guaranty shall be binding upon Guarantor and its successors and permitted assigns and inure to the benefit of and be enforceable by Commission and its successors and permitted assigns. Guarantor may not assign this Guaranty in part or in whole without the prior written consent of Commission. Commission may not assign its rights or benefits under the Guaranty in part or in whole without the prior written consent of Guarantor.
- (c) This Guaranty embodies the entire agreement and understanding between Guarantor and Commission and supersedes all prior agreements and understandings relating to the subject matter hereof.
- (d) The headings in the Guaranty are for purposes of reference only, and shall not affect the meaning hereof. Words importing and singular number hereunder shall include the plural number and vice versa, and any pronouns used herein shall be deemed to cover all genders. The term "person" as used herein means any individual, corporation, partnership, joint venture, limited liability company, association, joint-stock company, trust, unincorporated association, or government (or any agency or political subdivision thereof).
- (e) Commission (by its acceptance of this Guaranty) and Guarantor each hereby irrevocably: (i) consents and submits to the exclusive jurisdiction of the South Central Judicial District, the Burleigh County District Court for the purpose of any suit, action or other proceeding arising out of this Guaranty or the subject matter hereof or any of the transaction contemplated hereby brought by Commission, Guarantor or their respective successors or assigns; and (ii) waives (to the fullest extent permitted by applicable law) and agrees not to assert any claim that it is not personally subject to the jurisdiction of the above-named court, that the suit, action or proceeding is brought in an inconvenient forum, that the venue of the suit, action or proceeding is improper or that this Guaranty or the subject matter hereof may not be enforced in or by such court.

IN WITNESS WHEREOF, the Guarantor has executed this Guaranty on November 19, 2024, but it is effective as of the Effective Date.

OTTER TAIL POWER COMPANY

By:   
Name: Timothy J. Rogelstad  
Its: President