215 South Cascade Street
PO Box 496
Fergus Falls, Minnesota 56538-0496
218 739-8200
www.otpco.com (web site)

August 19, 2020

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: Merricourt Wind Farm, McIntosh & Dickey County, North Dakota
Case No. PU-19-366
Wind Decommissioning Plan

Dear Mr. Kahl:

This report has been electronically filed. Enclosed in the above-referenced matter are an original and seven (7) copies of the Decommissioning Plan for Otter Tail Power Company's Merricourt Wind Energy Center. The MEWC, which is currently under construction, is anticipated to start commercial operations on October 30, 2020. We appreciate the Commission's timely review of the enclosed materials and look forward to answering any questions the Commission may have.

This filing includes (1) a Decommissioning Plan, (2) a Decommission Cost Estimate prepared by a qualified North Dakota-licensed engineer, and (3) Financial Assurance in the form of a Self-Guaranty. These documents are in same form and format of documents the Commission recently approved for Otter Tail Power Company's other wind generation facilities.

Please contact me at (218) 739-8956, or cstephenson@otpco.com should you have any questions with respect to this filing.

Very truly yours,

/s/ CARY STEPHENSON
Cary Stephenson
Associate General Counsel

cjh
Enclosure
By electronic filing

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

Otter Tail Power Company	**)**	
Decommissioning Plan for	**)**	
Merricourt Wind Energy Center	**)**	**Case. No. PU-19-366**

DECOMMISSIONING PLAN

In accordance with N.D. Administration Code Chapter 69-09-09, Otter Tail Power Company (Otter Tail) presents this Decommissioning Plan for the 150 MW Merricourt Wind Energy Center (MWEC), owned by Otter Tail in Dickey and McIntosh Counties, North Dakota.

Otter Tail's MWEC consists of 75 Vestas V110 2.0 MW Wind Turbines. The facility is scheduled to be commissioned and began commercial operations on or about October 30, 2020.

This decommissioning plan is submitted pursuant to N.D. Admin. Code 69-09-09-06(1), which that "[p]rior to the commencement of operation of a facility, the owner must have an approved decommissioning plan."

This decommissioning plan is premised on the proper treatment of the asset retirement obligation, pursuant to generally accepted accounting principles or "GAAP", associated with the MWEC.

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

MWEC turbines have an anticipated useful life of at least thirty (35) years. Upgrades based on new technology may allow the wind facility to produce efficiently and successfully beyond this period of time. In accordance with N.D. Admin. Code 69-09-09-04, decommissioning the MWEC shall begin within twelve months after the end the useful life of the facility and shall be completed within twenty-four months thereafter.

Based on the anticipated commercial operational date for the MWECS of October 30, 2020. The 35-year analytical end of life of MWEC for purposes of this filing is anticipated to occur in the year 2055.

N.D. Administration Code 69-09-09-01 (6)(b)—Decommissioning & Restoration Cost Estimate.

The total gross (no salvage value) decommissioning cost estimate for the MWEC at the end of the facilities useful life per is $19,477,800. This equates to gross estimated cost per turbine for decommissioning and restoration of $259,704. When anticipated salvages values are included,

the 2020 total net decommissioning cost estimate is $11,527,800. This equates to a net estimated cost per turbine for decommissioning of approximately $153,704.

These estimated costs are drawn from the attached Decommissioning Cost Estimate prepared by a licensed North Dakota professional engineer as required by N.D. Admin. Code 69-09-09-06. All costs are presented in 2020 dollars**.** **Exhibit B** of Cost Estimate identifies individual line items for the total gross cost of decommissioning the facility. **Exhibit A** of the Cost Estimate lists the net project cost of decommissioning if recoupment of salvage value were permissible.

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

Please refer to the Decommissioning Cost Estimate for a description of methodology employed by the engineer preparing the estimate.

Decommissioning Anticipated Activity - N.D. Administration Code 69-09-09-01 (6)(d)

Otter Tail will decommission the MWEC 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. The costs and activities for the removal of the tower and wind turbine components, access roadways, meteorological towers and project substation have been evaluated.

1. Tower and Wind Turbine Components. The turbines are Vestas V110 2 MW (75 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 will be removed from the property.

   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 will likely be cut loose from the turbine blades prior to disposal.

2. Tower and Transformer Foundations. Tower and transformer foundations, conduits and connections immediately at the tower foundation will be removed to a depth of four (4) feet below existing grade, which is the normal location of the construction cold joints between the central pier and the foundation.

   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.

3. Tower 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

   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, land owners often request that the aggregate surface material be stockpiled on the site for the land owner's future use. This practice has not been assumed in the gross 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 most cases 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.

4. 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. Collection cables at this depth shall remain in place.

   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 considered.

5. Project Substation Electrical Components. Substation decommissioning will be performed after disconnection of the transmission line. The main transformer, circuit breakers, and switch gear equipment within the area will be removed, although buried

wiring more than 24 inches below grade may be abandoned in place. The concrete foundations will be removed to a depth of four (4) feet below existing grade.

6. Meteorological Tower. 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.

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

Otter Tail is committed to providing our customers with reliable renewable energy from wind resources at the MWEC. At the end of the facility's useful life Otter Tail 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 does not anticipate that MWEC will materially impact present or future natural resource development with respect to both existing operations or decommissioning.

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

Otter Tail directly owns the Merricourt Wind Energy Center as described in this filing. Attached this Decommissioning Plan is Otter Tail's financial assurance for the decommissioning of the MWEC.

Harvey McMahon
Manager, Renewable Energy Construction
and Operations Wind Generation Development
Otter Tail Power Company

Signed: */s/ HARVEY MCMAHON*
Date: August 19, 2020

07 August 2020

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

Regarding: Decommissioning Cost Estimate – Merricourt Wind Energy Center

North Dakota Public Service Commission:

Per the request of Ottertail Power Company and its operating entity Merricourt Wind Energy Center (MWEC), AE2S is pleased to submit the Decommissioning and Restoration Cost Estimate for the MWEC located in McIntosh and Dickey Counties, North Dakota.

The estimate is based on information gathered from historical data and previous decommissioning estimates submitted by AE2S to the ND PSC.

The 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, MT and developing offices in CO, Utah, 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 has been involved in wind energy development for 20+ years in various capacities and roles.

The Process:

AE2S has compiled several previous WEC decommissioning reports and used this learned experience to derive a draft cost estimate. The 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.

All costs are presented in current (2020) dollars.

Advanced Engineering and Environmental Services, Inc.
4050 Garden View Drive Suite 200 • Grand Forks, ND 58201 • (t) 701-746-8087 • (f) 701-746-0370

Methodology:

The cost estimate methodology is based primarily on previous experience developing decommissioning and restoration cost estimates for ND-based wind energy conversion systems (WECS's), which is fundamentally based on industry and contractor input of decommissioning WEC facilities.

The methodology is further supported with empirical observations and data from similar types of restoration projects of large areas of common development, such as rural water installations and road construction.

The estimate of cost was developed on a per turbine basis and then aggregated into a total project cost based on the number of turbines in the WEC.

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.

In a practical sense, the decommissioning project would realize direct salvage value, bartered trade-offs between the landowners and the WECS owner, and other income streams that reduce the net decommissioning project costs relative to the competing option of sending these waste streams to a licensed and regulated landfill.

Salvage value of steel is realized by sending recyclable steel materials to local steel scrap vendors, which is a highly distributed industry with 1,337 businesses in the United States listed in NAICS Code 509302000 – Metal Scrap. The distributed nature of the scrap industry affords realistic opportunity for the decommissioning agent to sell the scrap steel for cash value. Selling scrap steel to a scrap vendor provides many benefits that reduce the net decommissioning project cost:

- Direct revenue from the sale of the scrap materials
- Reduced processing costs, as scrap yards accept larger pieces than landfills
- Lower haul and shipping costs, as scrap yards or similar custody transfer locations are generally closer to a WECS than a regulated landfill (the scrap purchaser may pick up the scrap at the WECS site)

The value of the scrap would be between $18,000 and $35,000 based on fluctuating market conditions, a median value of $26,000 was used for the scrap material cash value. A total cost value of $102,000 is the determined cost of preparing, loading, hauling, and disposing of scrap steel materials.

Advanced Engineering and Environmental Services, Inc.
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The bartered trade-offs generally considered the reality that landowners desire the aggregate road surface and crane pad surface and accept offers to leave the materials on-site, thereby reducing the decommissioning expense of recovering and shipping the materials off site. A total cost value of $4,000 is the determined cost of loading, hauling, and off-site stockpiling of salvaged aggregate materials.

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.

Please see the attached Exhibit A providing a detailed cost breakdown of the work required to complete the decommissioning process, including offsets related to scrap value, bartered trade-offs, and other income streams that offset the decommissioning costs. This value is presented for reference and not for purposes of meeting North Dakota regulatory requirements.

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

Please see the attached Exhibit B 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 MWEC.

Sincerely,

AE2S, Inc.

07 Aug 20

Jay Kleven, PE (ND PE 4685)

Advanced Engineering and Environmental Services, Inc.
4050 Garden View Drive Suite 200 • Grand Forks, ND 58201 • (t) 701-746-8087 • (f) 701-746-0370

EXHIBIT A- NET COSTS WITH SALVAGE

Merricourt Wind Energy Center
Decommissioning Cost Estimate – Merricourt Wind
McIntosh and Dickey Counties, ND

Facility Information:

Facility Location	McIntosh and Dickey Counties, ND
Facility Size	150 MW
Technology	Vestas V110 (2.0MW)
Number of Turbines	75

WTG Decommissioning Costs – Net Costs with offsets:

Cost Item	2020
1. SWPP/Erosion Control (Each)	$2,200
2. Fluid Removal (each)	$6,600
3. Turbine Hub and Nacelle Removal (each)	$46,000
4. Tower Removal (each)	$24,000
5. Down-tower wiring and equipment (each)	$6,600
6. Turbine Foundation Removal (each)	$38,300
7. Access Roadway Removal (each)	$10,200
8. Earthwork, backfill, seeding (each)	$15,300
9. Topsoil Import (each)	$3,300
WTG Decommissioning Subtotal (each)	$152,500
Total WTG Decommissioning Costs	**$11,437,500**

Other Project Decommissioning Costs:

10. Project Substation Removal	$75,000
11. Meteorological Tower Removal (2)	$15,300
Other Decommissioning Subtotal	**$90,300**
PROJECT NET COSTS	**$11,527,800**
Average Net Cost per WTG	**$153,704**

EXHIBIT B- TOTAL COSTS WITH LANDFILL DISPOSAL

Merricourt Wind Energy Center
Decommissioning Cost Estimate – Merricourt Wind
McIntosh and Dickey Counties, ND

Facility Information:

Facility Location	McIntosh and Dickey Counties, ND
Facility Size	150 MW
Technology	Vestas V110 (2.0MW)
Number of Turbines	75

WTG Decommissioning Costs – Total Costs with no offsets:

Cost Item	2020
1. SWPP/Erosion Control (Each)	$2,200
2. Fluid Removal (each)	$6,600
3. Turbine Hub and Nacelle Removal (each)	$46,000
4. Tower Removal (each)	$24,000
5. Down-tower wiring and equipment (each)	$6,600
6. Turbine Foundation Removal (each)	$38,300
7. Access Roadway Removal (each)	$10,200
8. Earthwork, backfill, seeding (each)	$15,300
9. Topsoil Import (each)	$3,300
10. Prepare, load, haul, dispose/landfill of waste	102,000
11. Load, haul, stockpile aggregate surface materials	$4,000
WTG Decommissioning Subtotal (each)	$258,500
Total WTG Decommissioning Costs	**$19,387,500**

Other Project Decommissioning Costs:

12. Project Substation Removal	$75,000
13. Meteorological Tower Removal (2)	$15,300
Other Decommissioning Subtotal	$90,300
PROJECT TOTAL COSTS	**$19,477,800**
Average Total Cost per WTG	**$259,704**

OTTER TAIL POWER COMPANY
SELF-GUARANTY
(Merricourt Wind Facility)

THIS SELF-GUARANTY (this **"Guaranty"**), dated as of August 17, 2020 (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 of 75 Vestas 2 MW wind turbines and associated equipment at its Merricourt Wind Facility, as more fully described in Case Nos. PU-17-141, PU17-143 and PU 19-144.

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

C. WHEREAS, Guarantor will directly or indirectly benefit from the Merricourt Wind Facility.

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

E. NOW THEREFORE, in consideration of the foregoing premises, and for other good and valuable consideration, the receipts 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 irrevocably 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 Nineteen Million Four Hundred Seventy Seven Thousand, Eight Hundred Dollars (U.S. $19,477,800) (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 ten (10) days after commencement of the proceeding.

(e) Guarantor agrees to remains to be bound under this guarantee notwithstanding any or all of the following: amendment or modification of the decommissioning plan, amendment of 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 conditioned 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 October 30, 2058; 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:	TO COMMISSION:
Otter Tail Power Company 215 South Cascade Street Fergus Falls, MN 56538-0496 Attn: Treasurer	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 North Dakota District Court, Burleigh County 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 August 17, 2020, but it is effective as of the Effective Date.

OTTER TAIL POWER COMPANY

DocuSigned by:

By: Timothy Rogelstad
534882AB2C144D1...

Name: Timothy J. Rogelstad

Its: President