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June 1, 2021

Steve Kahl  
Executive Secretary  
North Dakota Public Service Commission  
Department 408  
600 East Boulevard Avenue  
Bismarck, ND 58505-0480

**RE: 2020 ANNUAL RENEWABLE ENERGY OBJECTIVE STATUS REPORT**

Dear Mr. Kahl:

This document is the report of Otter Tail Power Company (Otter Tail or Company), to the North Dakota Public Service Commission on the Company's efforts and status on compliance with the North Dakota Renewable and Recycled Energy Objective contained in N.D.C.C. §49-02-24 through §49-02-26 and §49-02-28 through §49-02-34. This report is required annually commencing on June 30, 2009.

In general, renewable energy credits (RECs) are either retired or sold to demonstrate compliance with the various renewable energy standards and objectives in the states in which the Company operates and to ensure an orderly and accurate accounting of RECs across the industry. Consistent with the letter from Commission staff dated May 6, 2016, where investor-owned utilities, including Otter Tail, were instructed to "establish a systematic program to sell all RECs remaining after 2015 and all RECs generated after 2015", the Company plans to continue to sell all or as many of the North Dakota RECs as possible that are generated each year going forward. No RECs will be retired for 2020 or beyond for North Dakota Renewable and Recycled Energy Objective compliance. The Company will pass all North Dakota allocated REC sale proceeds on to North Dakota customers.

Since May 1, 2010, the Company has sold over 3.3 million North Dakota RECs generated during the 2008-2020 period, producing North Dakota customer credits of approximately \$2.7 million. In future years, we will continue to look for optimal sale opportunities in the REC market for our inventory of North Dakota RECs, and timely sell them for the benefit of our retail customers.

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If there are questions regarding information contained in the attached report, please feel free to contact me or Mikayla Osterman at (218-739-8545) or [rsynsteliem@otpc.com](mailto:rsynsteliem@otpc.com). An original and 7 copies will be sent to you via USPS.

Sincerely,

*/s/ RANDY SYNSTELIEN*  
Randy Synsteliem  
Principal Resource Planner

cjh  
Enclosures  
By Electronic filing and USPS

## INTRODUCTION

Pursuant to North Dakota Century Code §49-02-34, Otter Tail Power Company (Otter Tail or Company), makes this information filing electronically to the North Dakota Public Service Commission. This filing is the Company's eight annual report on efforts to meet the state renewable and recycled energy objective that 10% of all electricity sold at retail be obtained from renewable and recycled energy sources by 2020.<sup>1</sup>

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<sup>1</sup> N.D.C.C. §49-02-28.

## NORTH DAKOTA RENEWABLE AND RECYCLED ENERGY

The following data is for the January 1, 2020 – December 31, 2020 time period. The data assumes that energy from renewable energy resources is allocated across the Otter Tail system based on retail sales kWh. The exception to this allocation methodology is that TailWinds energy is based on the amount of wind energy sold under the green pricing program in North Dakota. Pursuant to N.D.C.C. §49-02-34, the hydroelectric energy shown in the table below does not count toward compliance, but can be subtracted from retail sales before calculating the percentage of compliance.

<b>North Dakota Renewable and Recycled Energy MWh Generated During the Period January 1, 2020 – December 31, 2020</b>			
<b>Resource</b>	<b>Total kWh</b>	<b>ND Percentage<sup>2</sup></b>	<b>ND kWh</b>
FPLE ND Wind II	41,534,487	36.22%	15,041,780
Customer A	9,958,353	36.41%	3,625,700
FPLE Langdon	73,090,335	36.40%	26,608,525
OTP Langdon	141,293,943	36.40%	51,436,406
Ashtabula Wind	143,735,743	36.39%	52,311,721
Luverne Wind	173,806,348	36.37%	63,216,203
North Dakota TailWinds	449,200	100.0%	339,600
OTP Owned Hydro	22,590,632	36.28%	8,196,720
WAPA Hydro	29,972,320	36.34%	10,891,803 <sup>3</sup>
Ashtabula Wind III	206,442,474	36.37%	75,085,012
GSA, Pembina	252,717	36.51%	92,270
Small DG in M-RETS	534	35.65%	191

<sup>2</sup> Energy is allocated to jurisdictions based on monthly jurisdictional retail sales.

<sup>3</sup> The WAPA hydroelectric energy is an allocation to five Native American tribes.

**North Dakota Renewable and Recycled Energy Compliance  
January 1, 2020 – December 31, 2020**

North Dakota Retail Sales	1,739,848,375 kWh
Less Hydro Energy Adjustment	- 19,088,523
Net ND Retail Sales for REO Compliance	1,720,759,852
North Dakota Renewable Energy	305,981,287
<sup>4</sup> ND REO Compliance Percentage Potential	17.78%
ND REO RECs Retired for 2020 Compliance	0

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<sup>4</sup> OTP may sell RECs to third parties. RECs sold to third parties would not be eligible for regulatory compliance.