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June 1, 2022



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

RE: 2021 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 2021 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 3.5 million North Dakota RECs generated during the 2008-2021 period, producing North Dakota customer credits of approximately \$3.3 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.

Mr. Kahl
June 1, 2022
Page 2

If there are questions regarding information contained in the attached report, please feel free to contact me at 218-739-8477 or rsynsteliem@otpc.com or Mikayla Thompson at 218-739-8545 or mmthompson@otpc.com. An original and copies will be sent to you via USPS.

Sincerely,

/s/ RANDY SYNSTELIEN
Randy Synsteliem
Manager Renewable Development

kaw
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 2020.¹

¹ N.D.C.C. §49-02-28.

NORTH DAKOTA RENEWABLE AND RECYCLED ENERGY

The following data is for the January 1, 2021 – December 31, 2021, 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 Tail *Winds* 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.

North Dakota Renewable and Recycled Energy MWh Generated During the Period January 1, 2021 – December 31, 2021			
Resource	Total kWh	ND Percentage²	ND kWh
FPLE ND Wind II	40,507,571	34.99%	14,174,355
Customer A	9,346,121	35.49%	3,316,475
FPLE Langdon	72,822,633	35.29%	25,697,941
OTP Langdon	144,102,709	35.33%	50,907,220
Ashtabula Wind	139,378,713	35.33%	49,246,318
Luverne Wind	174,858,893	35.35%	61,810,962
Merricourt Wind	501,569,960	35.19%	176,523,012
North Dakota Tail <i>Winds</i>	449,200	100.0%	339,600
OTP Owned Hydro	14,298,507	35.87%	5,128,499
WAPA Hydro	28,660,032	35.41%	10,148,121 ³
Ashtabula Wind III	202,334,328	35.31%	71,453,149
GSA, Pembina	194,253	33.67%	65,413
Small DG in M-RETS	1,000	35.33%	353

² Energy is allocated to jurisdictions based on monthly jurisdictional retail sales.

³ The WAPA hydroelectric energy is an allocation to five Native American tribes.

**North Dakota Renewable and Recycled Energy Compliance
January 1, 2021 – December 31, 2021**

North Dakota Retail Sales	1,687,922,529 kWh
Less Hydro Energy Adjustment	- 15,276,620
Net ND Retail Sales for REO Compliance	1,687,922,529
North Dakota Renewable Energy	453,534,797
⁴ ND REO Compliance Percentage Potential	27.11%
ND REO RECs Retired for 2021 Compliance	0

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