

# Memorandum

To: Commissioners Christmann, Haugen-Hoffart and Fedorchak

From: Chris Hanson, Public Utility Analyst

Date: June 27, 2023

Re: Otter Tail Power Company (OTP), 115kV Substation and Transmission Line-Walsh&GF, Case No. PU-23-228

On June 16, 2023, as per North Dakota Century Code (NDCC) Chapter 49-03.1, OTP filed an Application for a Certificate of Public Convenience and Necessity (Application) with the North Dakota Public Service Commission (Commission) to construct and operate a 115kV Substation and Transmission Line (the system) in Grand Forks and Walsh Counties.

On May 8, 2023, MDU submitted the requisite Application Fee of \$10,000.

A motion issuing a Notice of Opportunity for Hearing had been added to the Commission meeting on June 28, 2023.

This project includes a newly constructed 115 kV substation near Ardoch, North Dakota and approximately six (6) miles of 115 kV electric transmission line which will run through Grand Forks County and will terminate at an existing Minnkota substation located in Walsh County. This project will provide a new power source into the surrounding area and provide additional support to the integrated system and is part of the MISO approved transmission upgrades.

OTP has indicated they have entered into a purchase agreement for the land for the new substation but have not obtained all land rights for the 115 kV transmission line. They have indicated they will obtain the land rights prior to beginning of construction but have not expressed the means they will use to obtain these rights.

This project is estimated to cost a total of \$6.25 million and will be recovered through rates from OTP electric customers, with approximately 40% of the project paid by North Dakota customers. Pending approval, this project will begin in the 3<sup>rd</sup> quarter of 2023 and be completed in 2024.

Staff is considering the need to have an informal meeting with OTP, to discuss these matters further.

CH

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Public Service Commission Staff  
Chris Hanson