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May 31, 2024

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

**RE: 2023 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. The Company will pass all North Dakota allocated REC sale proceeds on to North Dakota customers.

We will continue to look for optimal sale opportunities in the REC market for our inventory of North Dakota RECs for the benefit of our retail customers.

1 PU-24-216 Filed 05/31/2024 Pages: 5  
2023 Annual Renewable Energy Objective Status Report  
Otter Tail Power Company  
Mikayla Thompson, Business Specialist

Mr. Kahl  
May 31, 2024  
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If there are questions regarding information contained in the attached report, please feel free to contact me at 218-739-8545 or [mmthompson@otpc.com](mailto:mmthompson@otpc.com). Copies will be sent to you via USPS.

Sincerely,

*/s/ MIKAYLA THOMPSON*  
Mikayla Thompson  
Business Specialist

sjw  
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 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, 2023 – December 31, 2023, 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, 2023 – December 31, 2023</b>			
<b>Resource</b>	<b>Total kWh</b>	<b>ND Percentage<sup>2</sup></b>	<b>ND kWh</b>
FPLE ND Wind II	56,791,144	43.46%	24,679,181
Customer A	4,873,257	43.45%	2,117,402
FPLE Langdon	63,483,495	43.38%	27,540,344
OTP Langdon	104,743,533	43.36%	45,412,459
Ashtabula Wind	123,214,615	43.40%	53,473,004
Luverne Wind	159,461,710	43.43%	69,251,511
Merricourt Wind	594,736,675	43.32%	257,644,179
North Dakota TailWinds	1,523,800	100.00%	298,600
OTP Owned Hydro	8,846,247	43.28%	3,828,661
WAPA Hydro	28,534,449	43.17%	12,317,064 <sup>3</sup>
Ashtabula Wind III	163,228,331	43.47%	70,949,069
GSA, Pembina	-	0.00%	-
Small DG in M-RETS	1,420	42.58%	604

<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, 2023 – December 31, 2023**

North Dakota Retail Sales	2,509,916,669 kWh
Less Hydro Energy Adjustment	- 16,145,725
Net ND Retail Sales for REO Compliance	2,493,770,944
North Dakota Renewable Energy	551,366,354
ND REO Compliance Percentage Potential <sup>4</sup>	22.11%
ND REO RECs Retired for 2023 Compliance	0

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