

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

**Otter Tail Power Company
Deferred Accounting – Langdon Repowering Project
Application**

Case No. PU-25-226

ORDER

January 7, 2026

Preliminary Statement

On July 16, 2025, Otter Tail Power Company (OTP) filed an application for deferred accounting treatment for the difference between the calculated Langdon repower project depreciation included in base rates and the calculated depreciation expense based on the currently approved depreciable life of the asset.

On August 27, 2025, the Commission issued a Notice of Opportunity for Hearing providing until October 10, 2025, to receive comments or request for hearing. No comments or requests for hearing were received.

The Notice stated that the issue to be considered in this proceeding is whether the Commission should grant deferred accounting treatment for the difference in depreciation calculation.

The Notice stated that, if deemed appropriate, the Commission can determine the matter without a hearing.

On December 17, 2025, the Commission discussed this matter with OTP during an informal hearing.

Discussion

OTP's application for deferred accounting treatment asserts that a calculation error during its most recent general rate proceeding (Case No. PU-23-342) resulted in a depreciable life of 18 years being assumed for the Langdon Wind Repowering Project while the depreciation expense used assumed a useful life of 35 years. OTP asserts that the resulting mismatch is causing them to under-collect approximately \$416,963 from North Dakota customers.

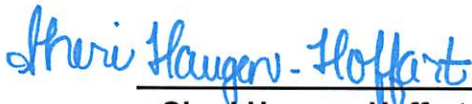
OTP's application seeks approval to track and defer the under-collected amount from 2025 and going forward, and would provide the option to seek recovery in a future renewable rider or general rate increase filing.

Having considered the matter, the Commission finds this expense was the result of an inadvertent calculation error, and the application for deferred accounting treatment should be approved.

Order

The Commission Orders OTP's application for deferred accounting treatment is APPROVED.

PUBLIC SERVICE COMMISSION



**Sheri Haugen-Hoffart
Commissioner**



**Randy Christmann
Chair**



**Jill Kringstad
Commissioner**