

**REVISED DECISION OPTION
Proposed by Staff
Thursday April 9th, 2026**

DOCKET NUMBER 25-338

ANALYST Austin Li

DATE/TIME SUBMITTED 4:10pm April 6th, 2026

TITLE Staff Revised Decision Options

ATTACHMENT No

SUBJECT In the Matter of Otter Tail Power Company’s Petition for Approval of the Distributed Solar Energy Standard Projects

DECISION OPTIONS

Project Approval

1. Approve Otter Tail Power’s investment in the Fergus Falls and Parkers Prairie Projects. (Otter Tail, Department)

Qualification Towards the DSES

2. Approve the qualification of both projects for application toward Otter Tail Power’s DSES obligations. (Otter Tail, Department)

Cost Recovery

3. Approve future cost recovery of the Projects through the RRCR Rider, subject to Commission review and approval of specific costs to be presented by Otter Tail Power in a future prudence filing under Minn. Stat. Section 216B.1645, subd. 2a. (Otter Tail, Department)

AND

Reporting Requirements

4. Require that Otter Tail follow a reporting requirement framework that includes the following reports: (Department, Otter Tail)
 - a) Pre-construction filing: this filing shall be filed 30 days before the start of construction and shall include:
 - I. Final site summary
 - II. Interconnection application status
 - III. Expected study milestones
 - IV. Prevailing wage rate and apprenticeship compliance plan
 - V. Tax credit eligibility pathway

- b) Semi-annual construction status reports: these filings shall be filed 180 days after the start of construction, with updates every 180 days thereafter, and shall include:
 - I. Schedule progress
 - II. Interconnection updates
 - III. Variance explanations (for more than 10% increase in cost or schedule)
 - IV. Prevailing wage rate and compliance summary to date
- c) Post-commercial operation date compliance report: this filing shall be filed 90 days after the start of operations and shall include:
 - I. Final built capacity
 - II. Actual in-service date
 - III. Total capital and owner's costs
 - IV. Updated revenue-requirement inputs for RRCR
 - V. Confirmation of renewable energy credit (REC) retirement for DSES
 - VI. Final prevailing wage rate and documentation
- d) The timing and frequency of this reporting shall be determined by the Executive Secretary through the issuance of a notice. (Staff clarification)

AND

- 5. Require that Otter Tail's future prudence filing include: (Department, Otter Tail)
 - a) Complete cost breakdown
 - b) Tax credit assumptions
 - c) Documentation that shows that all federal incentives and labor compliance costs are reflected in the final customer impact