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December 13, 2024



Mr. Will Seuffert
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East
Suite 350
St. Paul, MN 55101-2147

**RE: In the Matter of the Petition of Otter Tail Power Company for Exemption
from Certificate of Need for the 50 MW Solway Solar Project in Beltrami
County, Minnesota
Docket No. E017/M-24-404
Initial Filing**

Dear Mr. Seuffert:

Otter Tail Power Company (Otter Tail Power or Company) hereby submits to the Minnesota Public Utilities Commission (Commission) its Petition in the above-referenced matter. Please note that the issues raised in this Petition concerning Otter Tail Power's Solway Solar Project relate to and overlap with the Company's December 9, 2024, filing in this docket seeking a determination that the Solway Solar Project is eligible for inclusion in the Company's Renewable Resource Cost Recovery Rider. Given this overlap it may be efficient to combine the two filings in any notice the Commission might issue for comments and reply comments.

We have electronically filed this document with the Commission and copies have been served on all parties on the attached service list. A Certificate of Service is also enclosed. Please contact me at 218-739-8956 or cstephenson@otpc.com if you have any questions regarding this filing.

Sincerely,

/s/ CARY STEPHENSON
Cary Stephenson
Associate General Counsel

sjw
Enclosures
By electronic filing
c: Service List

**STATE OF MINNESOTA
BEFORE THE
MINNESOTA PUBLIC UTILITIES COMMISSION**

**In the Matter of the Petition of
Otter Tail Power Company for
Exemption from Certificate of Need
for the 50 MW Solway Project in
Beltrami County, Minnesota**

Docket No. E017/M-24-404

SUMMARY OF FILING

On December 13, 2024, Otter Tail Power Company (Otter Tail Power or Company) submitted a Petition to the Minnesota Public Utilities Commission (Commission) seeking a determination that the Company's Solway Solar Project is exempt from the Certificate of Need (CN) Requirement of Minn. Stat. § 216B.243. Otter Tail Power is currently developing the Solway Solar Project, a 50-megawatt solar energy conversion facility in Lammers Township, Beltrami County, Minnesota. Otter Tail Power seeks confirmation that the Project is exempt from the CN Requirement of Minn. Stat. § 216B.243 under Minn. Stat. § 216B.2422, subd. 5 (Bidding Exemption), and/or Minn. Stat. § 216B.243, subd. 9 (RES/CFS Exemption).

**STATE OF MINNESOTA
BEFORE THE
MINNESOTA PUBLIC UTILITIES COMMISSION**

**In the Matter of the Petition of Otter
Tail Power Company for Exemption
from Certificate of Need for the
50 MW Solway Solar Project in
Beltrami County, Minnesota**

Docket No. E017/M-24-404

PETITION

I. INTRODUCTION

Otter Tail Power Company (Otter Tail Power, or the Company) respectfully submits this Petition to the Minnesota Public Utilities seeking a determination that the Company's Solway Solar Project is exempt from the Certificate of Need (CN) Requirement of Minn. Stat. § 216B.243.

Otter Tail Power is an investor-owned electric utility that provides electricity and energy services in Minnesota, North Dakota, and South Dakota. Otter Tail Power is currently developing the Solway Solar Project (Project), a solar energy conversion facility with a 50-megawatt (MW) alternating current (AC) capacity at the point of interconnection, in Lammers Township, Beltrami County, Minnesota.

Pursuant to Minn. Stat. § 216B.243, a CN is required prior to construction of a "large energy facility," as defined in Minn. Stat. § 216B.2421, subd. 2(1), unless the facility falls within a statutory exemption from the CN requirements. A "large energy facility" is defined, in relevant part, as "any electric power generating plant or combination of plants at a single site with a combined capacity of 50,000 kilowatts or more and transmission lines directly associated with the plant that are necessary to interconnect the plant to the transmission system."¹ The proposed Project qualifies as a "large electric power generating plant,"² as defined by Minn. Stat. § 216E.03, subd. 1, and falls within the definition of a "large energy facility." Accordingly, the Project requires a CN from the Commission unless an exemption applies.

Otter Tail Power seeks confirmation that the Project is exempt from the CN Requirement of Minn. Stat. § 216B.243. The Project falls under two distinct statutory provisions: Minn. Stat. § 216B.2422, subd. 5 (Bidding Exemption), and Minn. Stat.

¹ Minn. Stat. § 216B.2421, subd. 2(1).

² Pursuant to Minn. Stat. § 216E.01, subd. 5, a site permit is required for a large electric generating plant. The Project falls within the definition of a "large electric power generating plant" and therefore requires a site permit from the Commission prior to construction. Otter Tail Power applied for a site permit for the Project on October 11, 2024 in MPUC Docket No. E017/GS-24-309.

§ 216B.243, subd. 9 (RES/CFS Exemption). Otter Tail Power respectfully requests that the Minnesota Public Utilities Commission (Commission) find that the Project satisfies the criteria for exemption under Minn. Stat. §§ 216B.2422, subd. 5, and alternatively Minn. Stat. 216B.243, subd. 9, and requests a determination from the Commission that the requirements for a CN do not apply to the Project.

II. SUMMARY OF FILING

Pursuant to Minn. Rules 7829.1300, subp. 1, a summary of the filing accompanies this Petition.

III. GENERAL FILING INFORMATION

Pursuant to Minn. Rules 7829.1300, subp. 3, the following information is provided.

A. Name, address, and telephone number of utility

(Minn. Rules 7829.1300, subp. 3(A))

Otter Tail Power Company
215 South Cascade Street
P.O. Box 496
Fergus Falls, Minnesota 56538-0496
(218) 739-8200

B. Name, address, and telephone number of utility attorney

(Minn. Rules 7829.1300, subp. 3(B))

Cary Stephenson
Associate General Counsel
Otter Tail Power Company
215 South Cascade Street
P.O. Box 496
Fergus Falls, Minnesota 56538-0496
(218) 739-8956

C. Date of filing and proposed effective date of rates

(Minn. Rules 7829.1300, subp. 3(C))

The date of this filing is December 13, 2024. No rates or changes to rates are proposed by this filing.

D. Statutes controlling schedule for processing the filing

(Minn. Rules 7829.1300, subp. 3(D))

This filing is a “miscellaneous tariff filing” as defined by Minn. Rule 7829.0100, subp. 11. No determination of Otter Tail Power’s overall revenue requirement is necessary under Minn. Stat. §§ 216B.1691 or 216B.1645. Minn. Rule, 7829.1400, subps. 1 and 4 permit comments in response to a miscellaneous tariff filing to be filed within 30 days and reply comments to be filed no later than 10 days thereafter. The past practice of the Commission, however, is to issue a notice setting a schedule for comments and reply comments from interested parties.

E. Title of utility employee responsible for filing

(Minn. Rules 7829.1300, subp. 3(E))

Preston Riewer
Manager, Engineering
Development Engineering Construction
Otter Tail Power Company
215 South Cascade Street
P.O. Box 496
Fergus Falls, MN 56537-0496
(218) 739-8582

Nathan Jensen
Manager, Resource Planning
Otter Tail Power Company
215 South Cascade Street
P.O. Box 496
Fergus Falls, Minnesota 56538-0496
(218) 739-8989

F. Service List

(Minn. Rules 7829.0700)

Otter Tail Power requests that the following persons be placed on the Commission’s official service list for this matter and that any trade secret comments, requests, or information be provided to the following on behalf of Otter Tail Power:

Preston Riewer
Manager, Engineering
Development Engineering Construction
Otter Tail Power Company
215 South Cascade Street
P.O. Box 496
Fergus Falls, MN 56538-0496
(218) 739-8582
priewer@otpc.com

Cary Stephenson
Associate General Counsel
Otter Tail Power Company
215 South Cascade Street
P.O. Box 496
Fergus Falls, MN 56538-0496
(218) 739-8956
cstephenson@otpc.com

We request that all communications regarding this proceeding, including data requests, also be directed to:

Regulatory Filing Coordinator
Otter Tail Power Company
215 South Cascade Street
P.O. Box 496
Fergus Falls, MN 56538-0496
regulatory_filing_coordinators@otpc.com

G. Service on other parties

(Minn. Rules 7829.1300, subp. 2; Minn. Rules 7829.0600)

Pursuant to Minn. Rule 7829.1300, subp. 2, Otter Tail Power served a copy of this Petition on the Division of Energy Resources of the Department of Commerce and the Residential Utilities Division of the Office of the Attorney General. A summary of the filing prepared in accordance with Minn. Rule 7829.1300, subp. 1 was served on all parties on Otter Tail Power's general service list.

IV. THE SOLWAY SOLAR PROJECT

Otter Tail Power will construct and own the Project and utilize energy produced by the Project to meet the needs of its customers. The Project's details, including anticipated cost, anticipated levelized cost of energy, and construction schedule are included in the Company's December 9, 2024, Petition requesting inclusion of the Project in the

Company's Renewable Resource Cost Recovery Rider (Renewable Resource Rider). As noted therein, the Solway Solar Project will be a solar energy conversion facility with a 50-megawatt (MW) alternating current (AC) capacity at the point of interconnection, in Lammers Township, Beltrami County, Minnesota. The nameplate capacity of the Project will be up to 66 MW. Otter Tail Power proposes to interconnect the Project using existing interconnection rights at the Solway Combustion Turbine facility through a surplus interconnection.

Otter Tail will be limited to 50 MWs of injection rights based on its existing MISO interconnection rights. Otter Tail plans to size the Project slightly larger, at up to 66 MW, to minimize the overall effects of electrical losses and maximize the amount of production delivered to the POI during solar production hours. The as-built nameplate capacity of the Project will be determined during final engineering phases, based on the panels selected, to minimize the overall levelized cost of energy to customers.

The Project will partially replace energy production from Coyote Station, a coal-powered facility in North Dakota, a portion of which currently serves Otter Tail Power's Minnesota customers.³ The Project is necessary to meet the growing demand for additional renewable resources required to meet the Carbon-free Energy Standard (CFS) and Renewable Energy Standard (RES)⁴ set forth in Minn. Stat. 216B.1691. The law requires all Minnesota electric utilities to generate or procure sufficient electricity from carbon-free resources to provide retail customers in Minnesota with 100 percent carbon-free electric energy by 2040. Otter Tail Power also has an obligation to provide reliable, low-cost electricity to meet customers' need, while avoiding adverse impacts. This Project will not only help Otter Tail Power get closer to the targets set forth by the Minnesota legislature but also continue to provide low-cost and reliable energy to our Minnesota customers.

IRP Order

The Project is necessary to meet the growing demand for additional renewable resources required to meet the CFS and RES set forth in Minnesota Statutes and other clean energy requirements in Minnesota, which are further described in Otter Tail Power's recently approved Integrated Resource Plan (IRP).⁵ On July 22, 2024, the

³ See In the Matter of Otter Tail Power's 2023–2037 Integrated Resource Plan, Docket No. E017/RP-21-339 (IRP Docket), Order Modifying Otter Tail Power's 2023–2037 Integration Resource Plan (July 22, 2024) (eDocket No. [20247-208805-01](#)) (IRP Order).

⁴ The RES is also known as the Eligible Energy Technology Standard (EETS) based on 2023 legislative amendments made to Minn. Stat. § 216B.1691. Otter Tail Power's December 9, 2024, Renewable Resource Rider Eligibility Filing in this docket utilized the EETS terminology.

⁵ See In the Matter of Otter Tail Power's 2023–2037 Integrated Resource Plan, Docket No. E017/RP-21-339 (IRP Docket), Order Modifying Otter Tail Power's 2023–2037 Integration Resource Plan (July 22, 2024) (eDocket No. [20247-208805-01](#)) (IRP Order).

Commission issued the IRP Order which, among other things, authorized the Company to develop plans for replacement energy for the portion of Coyote Station used to serve Otter Tail Power's Minnesota customers and make progress toward the Minnesota CFS by adding 200–300 MWs of solar resources with a commercial operation date of November 1, 2027, or as soon as practicable thereafter.⁶

The IRP Order also established criteria to be used in Otter Tail Power's future resource acquisitions. Pursuant to Ordering Paragraph 13 of the IRP Order, the Company must use an acquisition process that:

- a. uses a minimum of three bidders for both of the major components of Astoria Station on-site fuel storage project and evaluates at least five proposals for all other resource acquisition projects;
- b. ensures that the request for proposals (RFP) or procurement process is consistent with the Commission's then-most recent IRP order and direction regarding size, type, and timing unless changed circumstances dictate otherwise;
- c. ensures that the RFP or procurement process includes the option for both power purchase agreements (PPA) and build–transfer proposals unless Otter Tail Power can demonstrate why either a PPA or build–transfer proposal is not feasible;
- d. provides the Department of Commerce (Department) and other stakeholders with notice of RFP or procurement process issuances;
- e. notifies the Department and other stakeholders of material deviations from initial timelines;
- f. updates the Commission, the Department, and other stakeholders regarding changes in the timing or need that occur between IRP proceedings;
- g. where Otter Tail Power or an affiliate proposes a project,
 - i. requires Otter Tail Power to create separate teams for the Otter Tail Power project and for evaluation of the bids received, and
 - ii. engages an independent auditor, if required to by the Department and the [Office of the Attorney General–Residential Utilities Division (OAG)], to oversee the bid process and provide a report for the Commission;
- h. includes in the RFP or procurement process a plan to address the impact of material delays or changes of circumstances on the bid process; and
- i. ensures that any RFP or procurement process documents for peaking resources issued are technology neutral.
- j. The commission will evaluate whether a cap is appropriate in any future process to approve a project or cost recovery for a particular project.⁷

⁶ IRP Order at Ordering Para. 11.

⁷ IRP Order at Ordering Para. 13.

V. RESOURCE PROCUREMENT AND SELECTION

A. Procurement Process

On August 16, 2024, Otter Tail Power submitted a compliance filing with the Commission describing the process and criteria the Company will use to evaluate competitive solar resources projects required by the IRP Order.⁸ As described in the Procurement Process Filing, Otter Tail Power anticipates a three-step process (Procurement Process) to acquire the Commission-authorized solar resources in a manner consistent with the IRP Order.⁹

In the first step of the Procurement Process, Otter Tail Power provided notice to the Department and other stakeholders that the Company was in the process of procuring certain solar resources and described how the Company would evaluate and select solar projects. Otter Tail Power's Procurement Process Filing satisfies the first step of the Procurement Process.

In the second step of the Procurement Process, Otter Tail Power applied the evaluation criteria described in the Procurement Process filing to the competitive project list to select one or more solar resource proposals to present to the Commission in step three, noted below. Otter Tail Power made a second compliance filing on September 16, 2024, identifying selected projects and the basis for selection (Selection Filing). The Selection Filing was primarily to notify the Department and other stakeholders that Otter Tail Power had made a selection and the basis for that selection, and, in cases where Otter Tail Power proposes its own project(s), to permit the Department and OAG to request a third-party audit if both deem it necessary.¹⁰ The Department and the OAG, in their joint letter filed October 18, 2024, concluded that an independent auditor was not necessary for the projects identified in the Selection Filing.

The third step in the Procurement Process requires Otter Tail Power to seek approval and recovery for the selected project or projects through the Company's Renewable Resource Cost Recovery Rider (Renewable Resource Rider). As noted in the Procurement Process Filing, this third step provides detailed project information and explaining why the proposed project or projects are in the public interest and warrant inclusion in the Company's Renewable Resource Rider. Specifically, this filing includes

⁸ IRP Docket, Compliance Filing at 3 (August 16, 2024) (eDocket No. [20248-209572-01](#))(Procurement Process Filing). As noted therein, the Company's solar procurement efforts significantly pre-date the IRP Order. Those efforts were in alignment with the Company's initial IRP filing in 2021 which included 150 MW of new solar generation in the Company's initial preferred plan.

⁹ The RFP filing was made in compliance with Ordering Paragraph 13(d) of the IRP Order, requiring the Company to notice of RFP or procurement process issuances to the Department and other stakeholders.

¹⁰ See IRP Order at Ordering Para. 13(g)(ii).

“a full narrative description and financial analysis demonstrating that the project selected was competitively superior to other alternatives available to Otter Tail Power.”¹¹

B. Selection Process

As described in the Selection Filing, of the many projects presented, Otter Tail Power competitively evaluated eight solar project proposals consistent with the IRP Order and the Commission’s directive regarding size, type, and timing.¹² Of the eight solar project proposals considered, Otter Tail Power evaluated six PPA proposals and two self-build options. No build-transfers proposals were evaluated because all proposals received were too high cost to make the final list of eight projects. Otter Tail Power evaluated the solar project proposals using the following criteria:

1. levelized cost of energy to Otter Tail customers;
2. indication of site commitment;
3. status of generation interconnection;
4. location of interconnection and impact of delivery to Otter Tail customers including potential project curtailment;
5. project permitting status;
6. anticipated commercial operation date to ensure utilization of the tax incentives and be consistent with the resource plan;
7. evidence of resource (resource assessment of wind/solar);
8. developer’s experience in developing energy facilities.
9. other public interest benefits/considerations.¹³

On September 16, 2024, Otter Tail Power filed its Selection Filing, in accordance with step two of the Procurement Process, identifying selection of the Solway Solar Project and describing the basis for the Company’s selection.¹⁴

VI. APPLICATION OF EXEMPTION CRITERIA TO THE PROPOSED PROJECT

Otter Tail Power seeks confirmation that the Project is exempt from the CN Requirement of Minn. Stat. § 216B.243 under Minn. Stat. § 216B.2422, subd. 5. (Bidding Exemption). Alternatively, Otter Tail Power requests the Commission find the Project is exempt from the CN requirements under Minn. Stat. § 216B.243, subd. 9. (CFS/RES Exemption). Each of these exemptions is described more fully in the following sections.

¹¹ See IRP Order at Ordering Para. 12.

¹² See IRP Order at Ordering Para. 13(a) and (b).

¹³ IRP Docket, Compliance Filing, August 16, 2024, p. 5 (eDocket No. [20248-209572-01](#)) (Process Filing).

¹⁴ IRP Docket, Compliance Filing, September 16, 2024 (eDocket No. [20249-210248-02](#))(Selection Filing).

A. Minn. Stat. § 216B.2422, subd. 5

Under Minn. Stat. § 216B.2422, subd. 5, utilities are authorized to “select resources to meet its projected energy demand through a bidding process approved or established by the commission. . . . if an electric power generating plant, as described in section 216B.2421, subdivision 2, clause (1), is selected in a bidding process approved or established by the commission, a certificate of need proceeding under section 216B.243 is not required.”¹⁵

The IRP Order authorized Otter Tail Power to pursue adding 200–300 MWs of solar resources by November 1, 2027, to meet system capacity needs and to comply with Minnesota’s CFS and established the bidding process for selecting such resources.¹⁶

As described in detail above, Otter Tail Power developed its three-step Procurement Process in accordance with the bidding process established in the IRP Order. In addition, the Project qualifies as a carbon-free solar resource authorized by the IRP Order that will enable Otter Tail Power to make progress towards compliance with Minnesota’s CFS and the Commission’s directive that Otter Tail Power acquire or build no less than 200 MW of renewable solar resources with a commercial operation date of November 1, 2027, or as soon as practicable thereafter.

Otter Tail Power selected the Project through the three-step Procurement Process developed in accordance with the IRP Order; thus, the Project is exempt from the CN requirements under Minn. Stat. § 216B.2422, subd. 5.

B. Minn. Stat. § 216B.243, subd. 9

In 2023, the Minnesota Legislature amended the objectives set forth in Minn. Stat. § 216B.1691 to include additional milestones for renewable energy as well as creating new CFS.¹⁷ Minn. Stat. § 216B.243, subd. 9, provides that the CN requirement of Minn. Stat. § 216B.243 does not apply to “a solar electric generation facility that is intended to be used to meet the obligations of section 216B.1691; provided that, after notice and comment, the commission determines that the facility is a reasonable and prudent approach to meeting a utility’s obligations under that section.” Thus, if the Commission determines that the proposed Project is a reasonable and prudent approach to meet Otter Tail Power’s renewable energy obligations, the Project is exempt from the CN requirement. As a solar electric generation facility intended to be used to meet Otter Tail Power’s CFS, solar energy standard (SES) and RES obligations set forth in Minn. Stat. § 216B.1691, subd. 2a, 2f and 2g, the Project falls under the exemption described in Minn.

¹⁵ Minn. Stat. § 216B.2422, subd. 5(a)–(b).

¹⁶ IRP Order at 17–18.¹⁷ See Minn. Stat. § 216B.1691, subd. 2g.

¹⁷ See Minn. Stat. § 216B.1691, subd. 2g.

Stat. § 216B.243, subd. 9. When determining whether a facility is a reasonable and prudent approach to meeting a utility’s renewable energy and carbon-free energy obligations, the Commission must consider:

1. the size of the facility relative to a utility’s total need for renewable resources;
2. alternative approaches for supplying the renewable energy to be supplied by the proposed facility;
3. the facility’s ability to promote economic development, as required under section 216B.1691, subdivision 9;
4. the facility’s ability to maintain electric system reliability;
5. impacts on ratepayers; and
6. other criteria as the commission may determine are relevant.¹⁸

The proposed Project is a reasonable and prudent approach for Otter Tail Power to meet its obligation under the CFS considering the factors listed in Minn. Stat. § 216B.243, subd. 9 for the reasons discussed below.

Size

The size of the Project is appropriate for Otter Tail Power’s goals. The addition of 50 MW of renewable generation to Otter Tail Power’s system will help the Company meet its renewable and carbon-free energy goals. It will contribute to meeting the 200-300 MWs of solar energy the Commission identified in the IRP Order. Additionally, the Project will add diversity to the Company’s portfolio of renewable resources by adding an increment of Company-owned generation in Minnesota.

Alternative Approaches to the Renewable Energy to be Supplied by the Project

The Project will help Otter Tail Power continue to satisfy the requirements of Minn. Stat. § 216B.1691, subd. 2a and 2g.¹⁹ Minn. Stat. § 216B.1691, subd. 2a requires, in relevant part, that the Company “must generate or procure sufficient electricity generated by an eligible energy technology to provide its retail customers in Minnesota” so that “at least” 55 percent “of the electric utility’s total retail electric sales to retail customers in Minnesota are generated by eligible energy technologies” by the end of 2035.²⁰ Section 216B.1691 subd. 2g provides that by the end of 2040, “each electric utility must generate or procure sufficient electricity generated from a carbon-free energy technology” so that 100 percent “of the electric utility’s total retail electric sales to retail customers in

¹⁸ Minn. Stat. § 216B.243, subd. 9.

¹⁹ As noted in the Company’s December 9, 2024, filing in this docket, the Company is currently in compliance with the large-scale solar standard set forth in Minn. Stat. § 216B.1691 subd.2f.

²⁰ Minn. Stat. § 216B.1691, subd. 2a.

Minnesota” are generated by carbon-free energy technologies.²¹ Further, the Project is directly aligned with Minnesota’s energy goal that ten percent of the retail electric sales in Minnesota be generated by solar energy by 2030.²² The Project will partially replace energy production from Coyote Station, a coal-powered facility in North Dakota, a portion of which currently serves Otter Tail Power’s Minnesota customers.²³ The Project is also needed to make progress toward the Minnesota carbon free standard and to fulfill the Commission’s requirement, from Otter Tail Power’s 2023–2037 Integrated Resource Plan, that Otter Tail Power acquire or build no less than 200 MWs and up to 300 MWs of solar resources with a commercial operation date of November 1, 2027, or as soon as practicable thereafter.²⁴

As discussed in the Selection Filing, Otter Tail Power evaluated eight solar projects totaling 1,054.1 MW. Solway Solar was selected primarily because its levelized cost of energy (LCOE) was significantly lower than six of the other projects evaluated. Other considerations were also factored into the decision, such as status of interconnection, permitting status, and others. In addition to the low LCOE, Solway Solar also has submitted a surplus interconnection, submitted the site permit, and study work has been completed showing a favorable impact from Locational Marginal Prices for customers.

Economic Development

Construction of the Project will last approximately 12 to 14 months and will employ 70 to 80 construction workers at peak. Otter Tail Power will pay prevailing wages for applicable construction jobs in the Project area. The Project will support multiple employment sectors (i.e., utilities, construction, manufacturing) and provide employment opportunities during the duration of construction and operation. During construction, local businesses may experience increases in revenue due to increased purchase of goods and services. Local construction crew expenditures will result in temporary, positive impacts on local economies.

Long-term benefits of the Project include ensuring continued, reliable electric service for communities serviced by the Project and economic benefits through incremental increases in revenues from utility property taxes. Additionally, the Project will support increases in renewable energy production and enhance the capacity for the

²¹ Minn. Stat. § 216B.1691, subd. 2g.

²² See Minn. Stat. § 216B.1691 subd. 2f.

²³ *In the Matter of Otter Tail Power Power’s 2023–2037 Integrated Resource Plan*, Docket No. E017/RP-21-339, Order Modifying Otter Tail Power Power’s 2023–2037 Integration Resource Plan at 13-15 (July 22, 2024) (eDocket No. [20247-208805-01](#)).

²⁴ *In the Matter of Otter Tail Power Power’s 2023–2037 Integrated Resource Plan*, Docket No. E-017/RP-21-339, Order Modifying Otter Tail Power Power’s 2023–2037 Integration Resource Plan at 20 (July 22, 2024) (eDocket No. [20247-208805-01](#)).

energy industry (including Otter Tail Power) to accommodate growing communities, which will benefit local economies.

Reliability

First, interconnection of the Project will follow the Midcontinent Independent System Operator (MISO) process, which is designed to ensure that new generation does not impact the reliability of the grid. In the surplus interconnection process, MISO will evaluate reactive power, short circuit/fault duty, and stability analyses.

Second, MISO will operate the system such that the energy produced by the Project will be reliably integrated. Our participation in MISO is a key element in our efforts to maintain system reliability including with this Project.

Impacts on Ratepayers

Overall ratepayer costs are reasonable in light of available alternatives. Exact impact to ratepayers will be dependent on factors outside of Otter Tail Power's control such as market energy prices, and fuel costs for alternative resources. Otter Tail Power is confident that the fuel cost savings attributed to Solway Solar will offset most if not all of the rate base increase caused by the project.

VII. CONCLUSION

As described in this Petition, the Project is exempt from the CN requirement under Minn. Stat. §§ 216B.2422, subd. 5 and 216B.243, subd. 9. Otter Tail Power respectfully requests that the Commission find that the Project satisfies the criteria for exemption pursuant to Minn. Stat. § 216B.2422, subd. 5, and is therefore exempt from the notice and comment proceedings required under Minn. Stat. § 216B.243, subd. 9.

Dated: December 13, 2024

Respectfully submitted,

OTTER TAIL POWER COMPANY

By: /s/ CARY STEPHENSON

Cary Stephenson

Associate General Counsel

Otter Tail Power Company

215 S. Cascade Street

P.O. Box 496

Fergus Falls, MN 56537

(218) 739-8956

cstephenson@otpc.com

CERTIFICATE OF SERVICE

**RE: In the Matter of the Petition of Otter Tail Power Company for
Exemption from Certificate of Need for the 50 MW Solway Solar
Project in Beltrami County, Minnesota
Docket No. E017/M-24-404**

I, Stacy Wahlund, hereby certify that I have this day served a copy of the following, or a summary thereof, on Will Seuffert and Sharon Ferguson by e-filing, and to all other persons on the attached service list by electronic service or by First Class Mail.

**Otter Tail Power Company
Initial Filing**

Dated this **13th** day of **December, 2024**.

/s/ STACY WAHLUND
Stacy Wahlund
Regulatory Filing Coordinator
Otter Tail Power Company
215 South Cascade Street
Fergus Falls MN 56537
(218) 739-8338

#	First Name	Last Name	Email	Organization	Agency	Address	Delivery Method	Alternate Delivery Method	View Trade Secret	Service List Name
1	Ray	Choquette	rchoquette@agp.com	Ag Processing Inc.		12700 West Dodge Road PO Box 2047 Omaha NE, 68103-2047 United States	Electronic Service		No	M-24-404
2	Generic	Commerce Attorneys	commerce.attorneys@ag.state.mn.us		Office of the Attorney General - Department of Commerce	445 Minnesota Street Suite 1400 St. Paul MN, 55101 United States	Electronic Service		Yes	M-24-404
3	Sharon	Ferguson	sharon.ferguson@state.mn.us		Department of Commerce	85 7th Place E Ste 280 Saint Paul MN, 55101-2198 United States	Electronic Service		No	M-24-404
4	Paula	Foster	pfoster@otpc.com	Otter Tail Power Company		215 S Cascade St PO Box 496 Fergus Falls MN, 56538-0496 United States	Electronic Service		Yes	M-24-404
5	Jessica	Fyhrie	jfyhrie@otpc.com	Otter Tail Power Company		PO Box 496 Fergus Falls MN, 56538-0496 United States	Electronic Service		No	M-24-404
6	Amber	Grenier	agrenier@otpc.com	Otter Tail Power Company		215 S. Cascade St. Fergus Falls MN, 56537 United States	Electronic Service		Yes	M-24-404
7	Derek	Haugen	dhaugen@otpc.com	Otter Tail Power Company		215 South Cascade Street PO Box 496 Fergus Falls MN, 56538-0496 United States	Electronic Service		Yes	M-24-404
8	Adam	Heinen	aheinen@dakotaelectric.com	Dakota Electric Association		4300 220th St W Farmington MN, 55024 United States	Electronic Service		No	M-24-404
9	Nick	Kaneski	nick.kaneski@enbridge.com	Enbridge Energy Company, Inc.		11 East Superior St Ste 125 Duluth MN, 55802 United States	Electronic Service		No	M-24-404
10	James D.	Larson	james.larson@avantenergy.com	Avant Energy Services		220 S 6th St Ste 1300 Minneapolis MN, 55402 United States	Electronic Service		No	M-24-404
11	Kavita	Maini	kmaini@wi.rr.com	KM Energy Consulting, LLC		961 N Lost Woods Rd Oconomowoc WI, 53066 United States	Electronic Service		No	M-24-404
12	Andrew	Moratzka	andrew.moratzka@stoel.com	Stoel Rives LLP		33 South Sixth St Ste 4200 Minneapolis MN, 55402 United States	Electronic Service		No	M-24-404
13	Matthew	Olsen	molsen@otpc.com	Otter Tail Power Company		215 South Cascade Street Fergus Falls	Electronic Service		No	M-24-404

#	First Name	Last Name	Email	Organization	Agency	Address	Delivery Method	Alternate Delivery Method	View Trade Secret	Service List Name
						MN, 56537 United States				
14	Generic Notice	Regulatory	regulatory_filing_coordinators@otpc.com	Otter Tail Power Company		215 S. Cascade Street Fergus Falls MN, 56537 United States	Electronic Service		Yes	M-24-404
15	Generic Notice	Residential Utilities Division	residential.utilities@ag.state.mn.us		Office of the Attorney General - Residential Utilities Division	1400 BRM Tower 445 Minnesota St St. Paul MN, 55101-2131 United States	Electronic Service		Yes	M-24-404
16	Will	Seuffert	will.seuffert@state.mn.us		Public Utilities Commission	121 7th PI E Ste 350 Saint Paul MN, 55101 United States	Electronic Service		Yes	M-24-404
17	Cary	Stephenson	cstephenson@otpc.com	Otter Tail Power Company		215 South Cascade Street Fergus Falls MN, 56537 United States	Electronic Service		Yes	M-24-404
18	Stuart	Tommerdahl	stommerdahl@otpc.com	Otter Tail Power Company		215 S Cascade St PO Box 496 Fergus Falls MN, 56537 United States	Electronic Service		No	M-24-404