

2021 Sustainability Report

GRI Content Index

The following disclosures are in accordance with GRI Standards at the Core level.

GRI Standard Disclosures

General Disclosures

Name of the organization	102-1	Otter Tail Power Company
Activities, brands, products, and services	102-2	About Us
Location of headquarters	102-3	About Us
Location of operations	102-4	About Us
Ownership and legal form	102-5	About Us
Markets served	102-6	About Us
Scale of the organization	102-7	About Us Otter Tail Corporation Annual Report* , Item 1. Business
Information about employees and other workers	102-8	About Us Safety & Training
Supply chain	102-9	Our Suppliers Otter Tail Corporation Code of Business Ethics*
Significant changes to the organization and its supply chain	102-10	None
Precautionary principle or approach	102-11	Otter Tail Corporation Annual Report* , Item 1A. Risk factors.
External initiatives	102-12	Edison Electric Institute; EEI ESG/Sustainability Report
Membership of associations	102-13	Our industry membership associations include Edison Electric Institute, Lignite Energy Council, and North Central Electric Association.
Statement from senior decision-maker	102-14	Message from Tim Rogelstad
Key impacts, risks, and opportunities	102-15	Otter Tail Corporation Annual Report* , Item 1A. Risk factors.
Values, principles, standards, and norms of behavior	102-16	Our Vision, Our Mission, Our Core Values Otter Tail Corporation Code of Business Ethics*
List of stakeholder groups	102-40	About This Report
Collective bargaining agreements	102-41	Otter Tail Corporation Annual Report* , Item 1. Businesses
Identifying and selecting stakeholders	102-42	About This Report
Approach to stakeholder engagement	102-43	About This Report
Key topics and concerns raised	102-44	About This Report
Entities included in the consolidated financial statements	102-45	Otter Tail Corporation Annual Report*
Defining report content and topic boundaries	102-46	About This Report
List of material topics	102-47	About This Report
Restatements of information	102-48	Transmission & Distribution: In 2021 we identified corrections in how we calculate major event days. We've updated 2019 and 2020 actuals to reflect corrected calculations.
Changes in reporting	102-49	None
Reporting period	102-50	2021
Date of most recent report	102-51	2019 published in 2020
Reporting cycle	102-52	Annual
Contact for questions regarding the report	102-53	Otter Tail Power Company Communications; communications@otpc.com
Claims of reporting in accordance with the GRI Standards	102-54	About This Report
GRI content index	102-55	About This Report
External assurance	102-56	None

Management Approach

Explanation of the material topic and its boundary	103-1	About This Report
The management approach and its components	103-2	See following material topics
Reliability	Management approach	Transmission & Distribution
Customer satisfaction	Management approach	Customer Satisfaction
Generation resources	Management approach	Energy & Technology
Cost	Management approach	Electric Rates
Energy efficiency	Management approach	Energy Efficiency & Load Management
Community engagement	Management approach	Community
Workforce investments	Management approach	About Us; Safety & Training
Evaluation of the management approach	103-3	See 103-2

The following General Disclosures are not required but are included in this report.

Mechanisms for advice and concerns about ethics	102-17	Otter Tail Corporation Code of Business Ethics*
Governance Structure	102-18	Governance
Delegating authority	102-19	Otter Tail Corporation Governance Overview*
Executive-level responsibility for economic, environmental, and social topics	102-20	About This Report
Consulting stakeholders on economic, environmental, and social topics	102-21	About This Report
Composition of the highest governance body and its committees	102-22	Otter Tail Corporation 2022 Proxy* , Board Composition and Director Qualifications; Corporate Governance ottertail.com
Chair of the highest governance body	102-23	Otter Tail Corporation 2022 Proxy* , Election of Directors
Nominating and selecting the highest governance body	102-24	Otter Tail Corporation 2022 Proxy* , Election of Directors
Conflicts of interest	102-25	Otter Tail Corporation Code of Business Ethics*
Role of highest governance body in setting purpose, values, and strategy	102-26	Otter Tail Corporation 2022 Proxy* , Corporate Governance
Collective knowledge of highest governance body	102-27	Otter Tail Corporation 2022 Proxy* , Board Composition and Director Qualifications; Corporate Governance
Evaluating the highest governance body's performance	102-28	Otter Tail Corporation 2022 Proxy* , Corporate Governance
Identifying and managing economic, environmental, and social impacts	102-29	Otter Tail Corporation Annual Report* , Item 1A. Risk factors. About This Report
Effectiveness of risk management processes	102-30	Otter Tail Corporation Annual Report* , Item 1A. Risk factors.
Review of economic, environmental, and social topics	102-31	About This Report; Governance
Highest governance body's role in sustainability reporting	102-32	About This Report; Governance
Communicating critical concerns	102-33	About This Report; Governance
Nature and total number of critical concerns	102-34	None.
Remuneration policies	102-35	Otter Tail Corporation 2022 Proxy* , Director Compensation; Compensation Discussion and Analysis
Process for determining remuneration	102-36	Otter Tail Corporation 2022 Proxy* , Director Compensation; Compensation Discussion and Analysis
Stakeholders' involvement in remuneration	102-37	Otter Tail Corporation 2022 Proxy* , Director Compensation; Compensation Discussion and Analysis

Economic

Economic performance

Direct economic value generated and distributed	201-1	Economic Development & Value
Financial implications and other risks and opportunities due to climate change	201-2	Otter Tail Corporation Annual Report* , Item 1.

		Businesses
Defined benefit plan obligations and other retirement plans	201-3	Otter Tail Corporation Annual Report* , Part II, Item 8. Financial Statements.
Financial assistance received from government	201-4	Otter Tail Corporation Annual Report* , Part II, Item 8. Financial Statements.
Indirect economic impacts		
Infrastructure investments and services supported	203-1	Economic Development & Value
Significant indirect economic impacts	203-2	Economic Development & Value
Procurement practices		
Proportion of spending on local suppliers	204-1	Economic Development & Value

Anti-Corruption

Anti-corruption

Communication and training about anti-corruption policies and procedures	205-2	Safety & Training
Confirmed incidents of corruption and actions taken	205-3	None

Tax

Tax

Approach to tax	207-1	Otter Tail Corporation Annual Report* , Part II, Item 8. Financial Statements.
Tax governance, control, and risk management	207-2	Otter Tail Corporation Annual Report* , Part II, Item 8. Financial Statements.
Country-by-country reporting	207-4	Otter Tail Corporation Annual Report* , Part II, Item 8. Financial Statements.

Environment

Materials

Materials used by weight or volume	301-1	Energy & Technology: Coal, Renewable Energy
Recycled input materials used	301-2	Energy & Emissions

Energy

Reduction of energy consumption	302-4	Energy Efficiency & Load Management
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Water

Water withdrawal by source	303-1	Energy & Emissions
Water sources significantly affected by withdrawal of water	303-2	Energy & Emissions

Biodiversity

Significant impacts of activities, products, and services on biodiversity	304-2	Energy & Emissions
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Emissions

Direct (Scope 1) GHG emissions	305-1	Energy & Emissions
Energy indirect (Scope 2) GHG emissions	305-2	Data not available
Other indirect (Scope 3) GHG emissions	305-3	Data not available
Reduction of GHG emissions	305-5	Energy & Emissions; Public Policy Proposals

Effluents and waste		
Significant spills	306-3	Energy & Emissions
Transport of hazardous waste	306-4	None
Environmental compliance		
Noncompliance with environmental laws and regulations	307-1	None
Supplier Environmental Assessment		
Negative environmental impacts in the supply chain and actions taken	308-2	None

Social

Labor/Management Relations		
Minimum notice periods regarding operational changes	402-1	We do not include notice periods in our bargaining agreements.
Occupational Health and Safety		
Worker representation in formal joint management–worker health and safety committees	403-1	Safety & Training
Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	403-2	Safety & Training
Health and safety topics covered in formal agreements with trade unions	403-4	Safety & Training
Training and Education		
Average hours of training per year per employee	404-1	Safety & Training
Programs for upgrading employee skills and transition assistance programs	404-2	Safety & Training
Diversity and Equal Opportunity		
Diversity of governance bodies and employees	405-1	Otter Tail Corporation 2022 Proxy *, Board Composition and Director Qualifications About Us
Ratio of basic salary and remuneration of women to men	405-2	We do not use this metric in reporting
Freedom of Association and Collective Bargaining		
Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	407-1	None
Local Communities		
Operations with significant actual and potential negative impacts on local communities	413-2	None
Customer Health and Safety		
Assessment of the health and safety impacts of product and service categories	416-1	Safety & Training
Incidents of noncompliance concerning the health and safety impacts of products and services	416-2	None
Customer Privacy		
Substantiated complaints concerning breaches of customer privacy and losses of customer data	418-1	None
Socioeconomic Compliance		
Noncompliance with laws and regulations in the social and economic areas	419-1	None

The following are provided in accordance with the GRI Electric Utilities Sector Disclosures.

Organization Profile		
Installed Capacity by primary energy source and regulatory regime	EU-1	Otter Tail Corporation Annual Report *, Part I, Item 1. Business
Net energy output by primary energy source and regulatory regime	EU-2	Otter Tail Corporation Annual Report *, Part I, Item 1. Business
Number of residential, industrial, institutional, and commercial customer accounts	EU-3	About Us
Length of above and underground transmission and distribution	EU-4	Energy & Technology
Allocation of CO2 emissions allowances or equivalent by carbon trading framework	EU-5	None
Availability and Reliability		
Planned capacity against projected electricity demand over the long term by energy source and regulatory regime	EU-10	Otter Tail Corporation Annual Report *, Part I, Item 1. Business
Demand Side Management		
Demand-side management programs, including residential, commercial, institutional, and industrial programs	Management approach/EU-7	Energy Efficiency & Load Management; otpc.com/WaysToSave
Plant Decommissioning		
Provisions for decommissioning of nuclear power sites	Management approach	Not applicable

Environmental

Water

Collaborative approaches to managing watersheds and reservoirs for multiple uses (irrigation, drinking water, and water resources for meeting the needs of the utility and other stakeholders)	Management approach	Energy & Emissions
Overall water use for processing, cooling, and consumption in thermal and nuclear power plants	EN-8	Energy & Emissions
Emissions		
Direct GHG emissions (SCOPE 1) by regulatory regime for net generation from all generating capacity, net generation from all fossil fuel generation, and estimated net delivery to end users	EN-15	Energy & Technology
Energy GHG emissions (SCOPE 2) MWh broken down by regulatory regime	EN-16	Data not available
Emissions per MWh for net generation from all generating capacity and net generation from all combustion power plants	EN-21	2020 EEI quantitative report

Social

Labor Practices and Decent Work

Employment		
Programs and processes to ensure a skilled workforce; Policies and requirements regarding health and safety of employees and employees of contractors and subcontractors	Management approach	Safety & Training

Human Rights

Freedom of Association		
Management mechanisms to address the right to organize, bargain, and strike	Management approach	Approximately 50% of our work force is represented by a bargaining unit. We follow all U.S. laws regarding union organizing and operating.

Society

Local Communities		
Number of people physically or economically displaced and compensation broken down by type of project	EU-22	Zero
Disaster/Emergency Planning & Response		
Contingency planning measures, disaster/emergency management plan and training programs, and recovery/restoration plans	Management approach	Transmission & Distribution Safety & Training
Customer health and safety	Management approach	Safety & Training
Number of injuries and fatalities to the public involving company assets, including legal judgments, settlements, and pending legal cases of diseases	EU-25	Zero
Access		
Programs, including those in partnership with government to improve or maintain access to electricity and customer support services	Management approach /EU-23	otpc.com/HelpPaying
Percentage of population unserved in licensed distribution or service areas	EU-26	Data not available
Number of residential disconnections for non-payment broken down by duration of disconnection and by regulatory regime	EU-27	2020 SASB metrics
Power outage frequency	EU-28	Transmission & Distribution
Average power outage duration	EU-29	Transmission & Distribution
Provision of Information		
Practices to address language, cultural, low literacy, and disability related barriers to accessing and safely using electricity and customer support services	Management approach	Our website, otpc.com , includes option to translate to Chinese, Spanish, and Somalian.

* Information applies to Otter Tail Power Company via corporate guidelines.