Q2 2025

Earnings Conference Call

OTTER TAIL CORPORATION

Safe Harbor

Forward Looking Statement

Except for historical information contained here, the statements in this release are forward-looking and made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. The words “anticipate,” “believe,” “can,” “could,” “estimate,” “expect,” “future,” “goal,” “intend,” “likely,” “may,” “opportunity,” “outlook,” “plan,” “possible,” “potential,” “predict,” “probable,” “projected,” “should,” “target,” “will,” “would” and similar words and expressions are intended to identify forward-looking statements. Such statements are based upon the current beliefs and expectations of management. Forward-looking statements made herein, which may include statements regarding 2025 earnings and earnings per share, long-term earnings, earnings per share growth and earnings mix, anticipated levels of energy generation from renewable resources, anticipated reductions in carbon dioxide emissions, future investments and capital expenditures, rate base levels and rate base growth, future raw materials costs, future raw materials availability and supply constraints, future operating revenues and operating results, and expectations regarding regulatory proceedings, as well as other assumptions and statements, involve known and unknown risks and uncertainties that may cause our actual results in current or future periods to differ materially from the forecasted assumptions and expected results.

The Company’s risks and uncertainties include, among other things, uncertainty of future investments and capital expenditures; rate base levels and rate base growth; risks associated with energy markets; the availability and pricing of resource materials; inflationary cost pressures; attracting and maintaining a qualified and stable workforce; changing macroeconomic and industry conditions that impact the demand for our products, pricing and margin; long-term investment risk; seasonal weather patterns and extreme weather events; future business volumes with key customers; reductions in our credit ratings; our ability to access capital markets on favorable terms; assumptions and costs relating to funding our employee benefit plans; our subsidiaries’ ability to make dividend payments; cybersecurity threats or data breaches; the impact of government legislation and regulation including foreign trade policy and environmental; health and safety laws and regulations; changes in tax laws and regulations; the impact of climate change including compliance with legislative and regulatory changes to address climate change; expectations regarding regulatory proceedings, assigned service areas, the construction of major facilities, capital structure, and allowed customer rates; actual and threatened claims or litigation; and operational and economic risks associated with our electric generating and manufacturing facilities. These and other risks are more fully described in our filings with the Securities and Exchange Commission, including our most recently filed Annual Report on Form 10-K, as updated in subsequently filed Quarterly Reports on Form 10-Q, as applicable. Forward-looking statements speak only as of the date they are made, and we expressly disclaim any obligation to update any forward-looking information.

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OTTERTAIL CORPORATION

Company Overview

OTTERTAIL CORPORATION

ELECTRIC

Founded in 1907

Serve approximately 134,000 customers in MN, ND, SD

Regulated and vertically integrated electric utility

OTTER TAIL POWER COMPANY

MANUFACTURING

Owned and operated for over 20 years

Diverse end-markets

High utilization of asset base

BTD

T.O. PLASTICS

northern pipe products

VINYLTECH PVC • PIPE

Investment Thesis

1 **Best in class utility**: EPS growth rate of 9%

2 **Strategic diversification**: Enhances consolidated ROE and cash flow

3 **Internally financed growth**: No external equity needs through 2029

Key Highlights

Financial Results

- Quarterly earnings outpaced expectations; Q2 2025 diluted EPS of $1.85
- ROE[1] of 17%
- Robust balance sheet; well positioned to fund future growth

Positioned for Future Growth

- Obtained regulatory approval for direct assignment of Abercrombie Solar and Solway Solar (collectively 345 MW)
- Filed South Dakota rate case
- BTD Georgia facility ramping up to full production capability

2025 Outlook

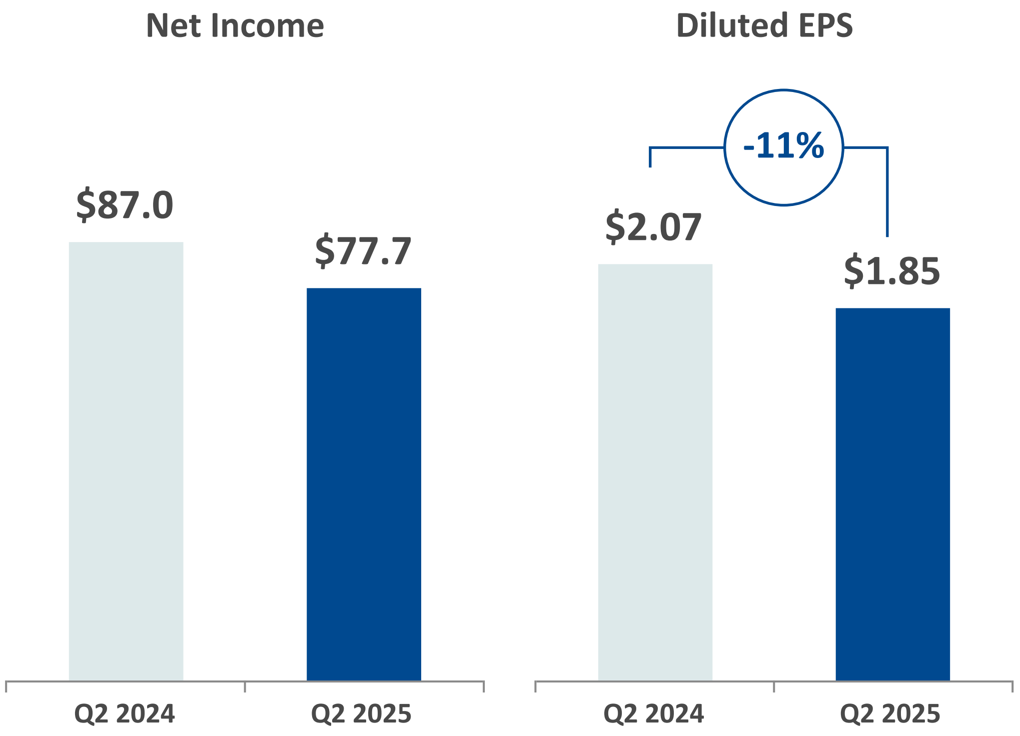
- Increasing 2025 earnings guidance to a range of $6.06 to $6.46 from $5.68 to $6.08
- Affirming 7% EPS growth for Electric segment
- 12% year-over-year dividend growth

[1] Trailing twelve months

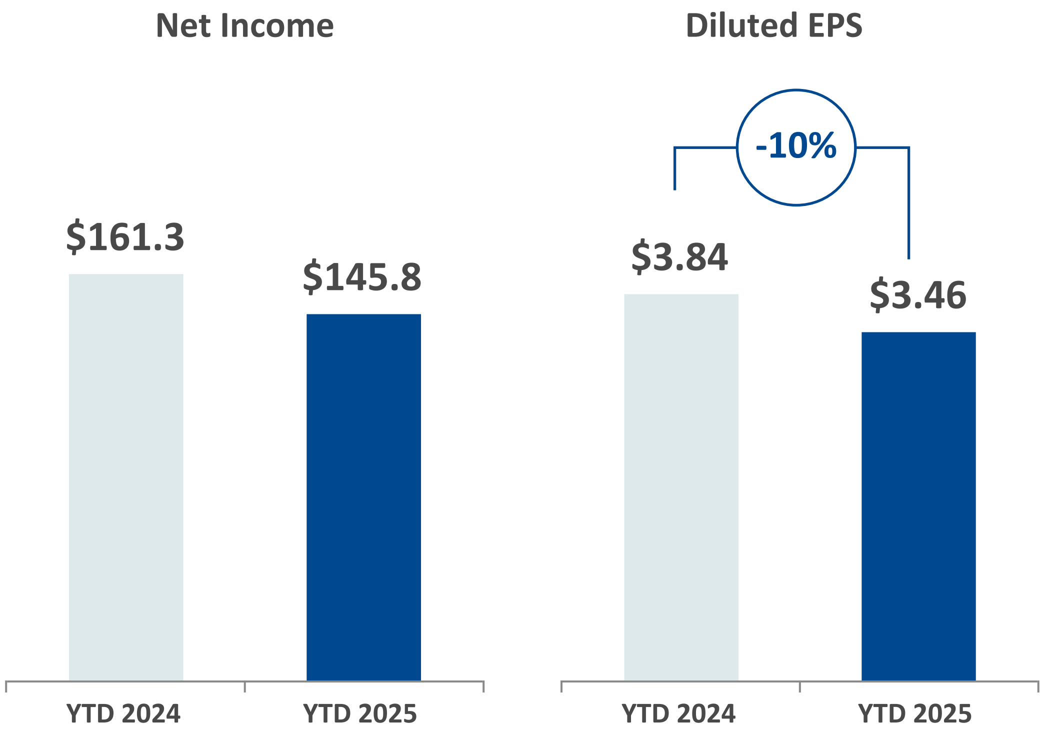
Financial Summary

$ in millions, except per share data

Quarter-to-Date



Year-to-Date



Increased 2025 EPS Guidance Midpoint to $6.26 (+6%)

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Electric Platform

Legislative & Regulatory Environment

One Big Beautiful Bill Act (OBBBA)

Key Provisions:

- Phases-out tax credits under technology-neutral provisions for wind and solar investments
- Tax credit eligibility impacted by foreign entity of concern (FEOC) provisions
- Tax credits transferability retained

Impact:

- Anticipate $1.4B capital investment spending plan to remain intact
  - Wind repowering unaffected by legislation
  - Solar development projects expected to receive full production tax credits
- MN IRP approved battery and wind resource additions being reviewed with updated project cost estimates
- FEOC provisions under review

Environmental Regulations

Key Updates:

- **Regional Haze:** EPA granted request for reconsideration of North Dakota State Implementation Plan (including conclusions impacting Coyote Station)
- **Clean Air Act Section 111:** EPA proposed to repeal all greenhouse gas emission standards
- **Mercury and Air Toxics (MATS):** EPA proposed to repeal recently passed regulations

Impact:

- Not certain at this time, but could extend the planned availability of our two coal facilities to support reliability

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South Dakota Rate Case

- Last requested rate review was in 2018
- Rate change could be effective upon the earlier of:
  - SDPUC issuing its decision; or
  - December 1, 2025
- Interim rates, if applicable, subject to refund

Request Filed with the South Dakota Public Utilities Commission (SDPUC)

June 2025

Net revenue increase:	ROE:	Equity layer:
$5.7M	10.8%	53.54%
(12.5% increase)	(existing 8.75%)	(existing 52.92%)

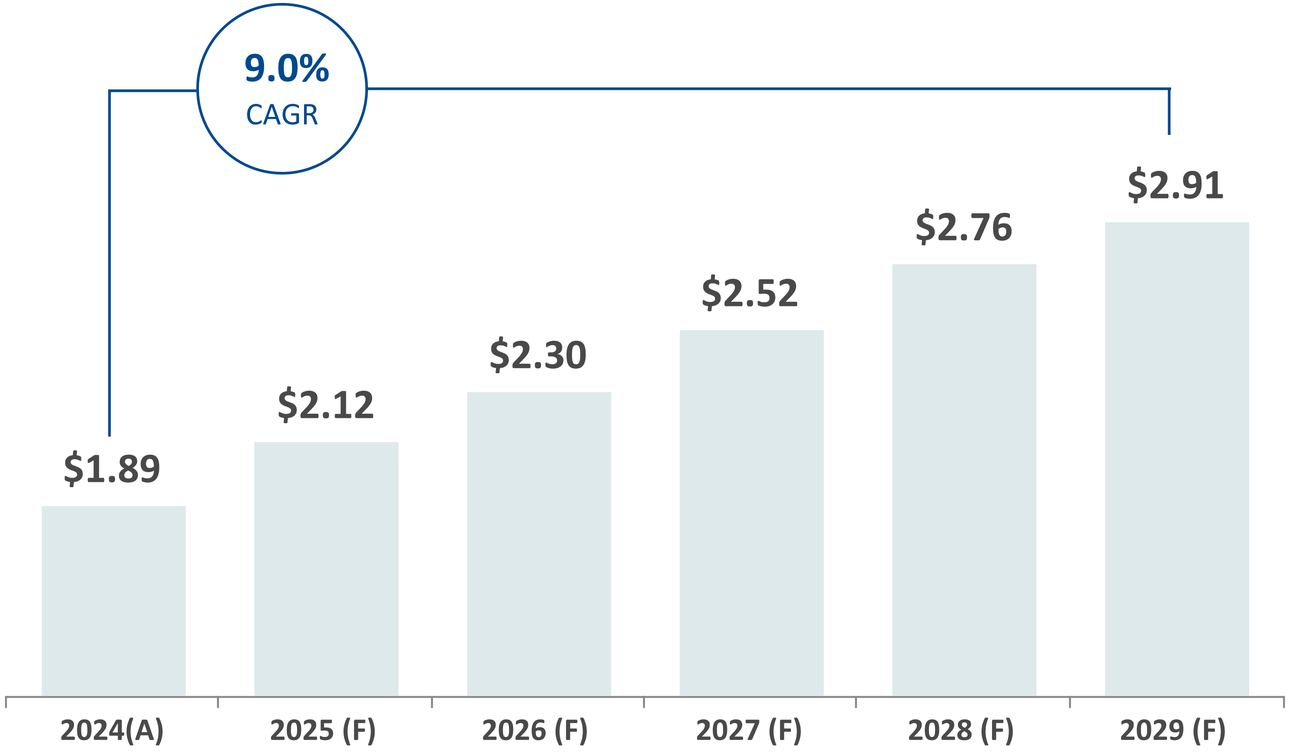
OtterTail Corporation

Rate Base Investment Plan

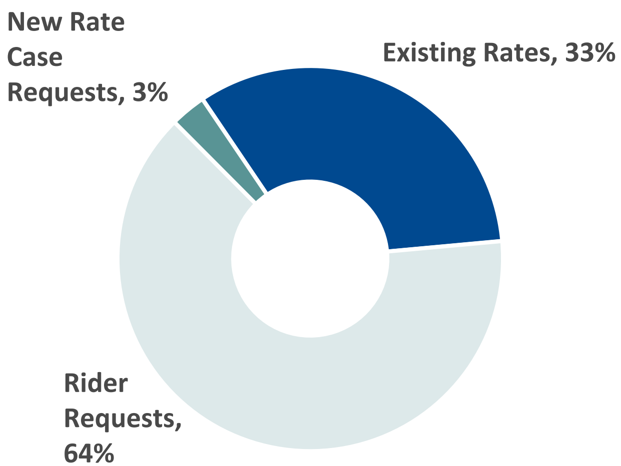
Reaffirming Customer-Focused Rate Base Growth Plan

Significant Rate Base Growth

$ in billions



Expected Capital Investment Recovery Mechanisms



Expect to convert rate base growth into electric EPS growth near a 1:1 ratio

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Generation Project Updates

Wind Repowering	Solway Solar	Abercrombie Solar
Est. investment: **$230M**	Est. investment: **$80M**	Est. investment: **$450M**
Est. completion date: **2024** and **2025**	Est. completion date: **2026-2027**	Est. completion date: **2028**
Recovery mechanism: **Approved riders and existing rates**	Recovery mechanism: **Approved riders** in MN and SD	Recovery mechanism: **Approved riders** in MN and SD

Transmission Project Updates

MISO LRTP[1] Tranche 1

Est. investment:
$475M

Est. completion date:
2032

Recovery mechanism:
MISO tariff with state riders

MISO LRTP Tranche 2.1

Est. investment:
$700M

Est. completion date:
2034

Recovery mechanism:
MISO tariff with state riders

JTIQ[2]

Est. investment:
$450M

Est. completion date:
2034

Recovery mechanism:
MISO tariff with generator payments

[1] Long Range Transmission Planning
[2] Joint Targeted Interconnection Queue

Load Growth Opportunities

Well positioned to attract large loads

- Approved tariffs in place
- Locations identified with minimal delivery costs to site
- Attractive service territory - low market energy prices and high renewable production

Load growth opportunity driven by

- Data centers
- Crypto mining
- Clean fuel
- Agriculture processing

Benefits of adding large loads

- Supports rate affordability for existing customers
- Capital investment and earnings opportunity

Phases to Secure Large Load

Existing Opportunity

1	Letter of Intent	540 MW
2	Term Sheet	430 MW
3	Electric Service Agreement	155 MW

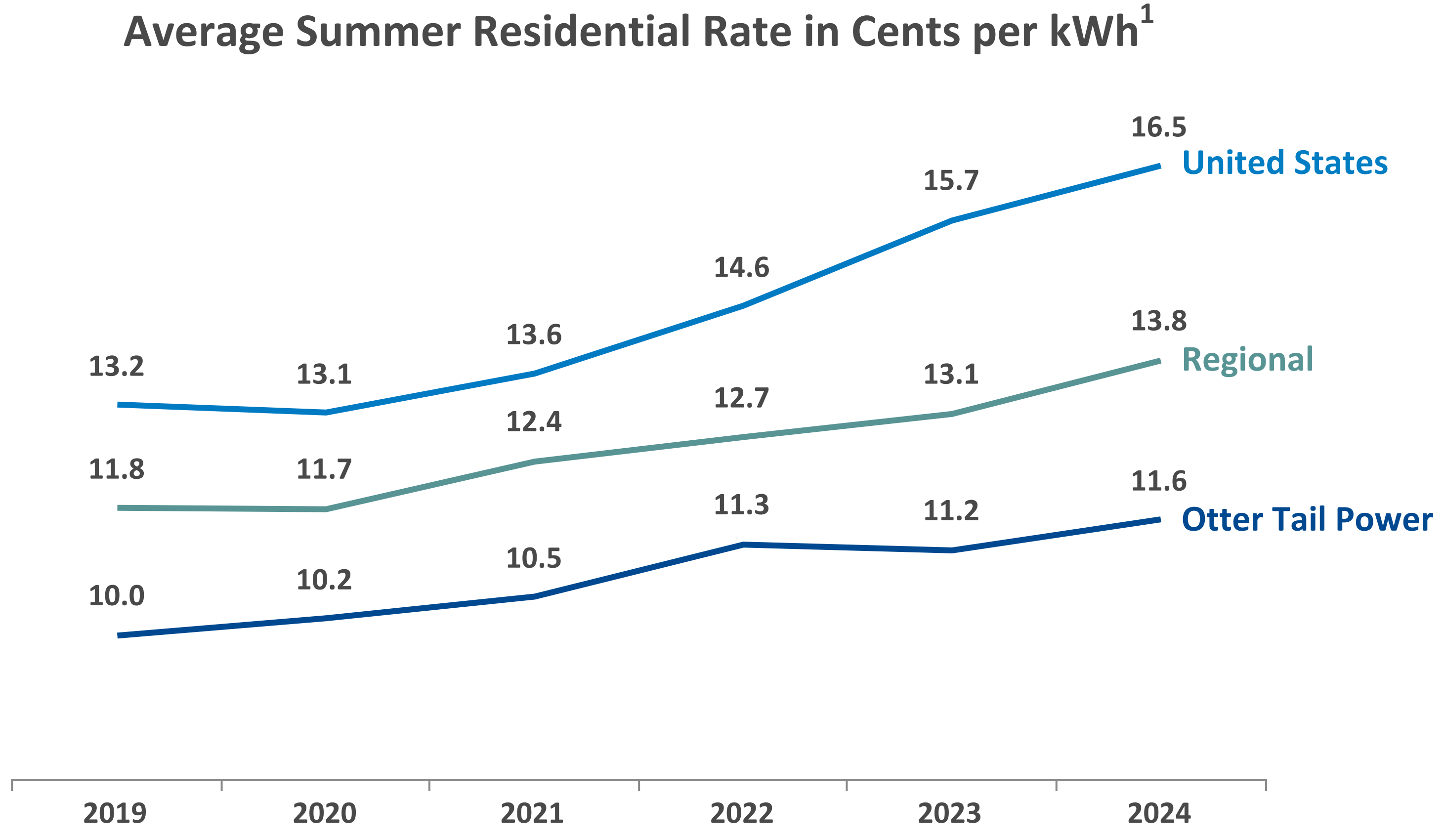
Phase 1 and 2 large load additions not included in load growth forecast

Customer Rates and Affordability

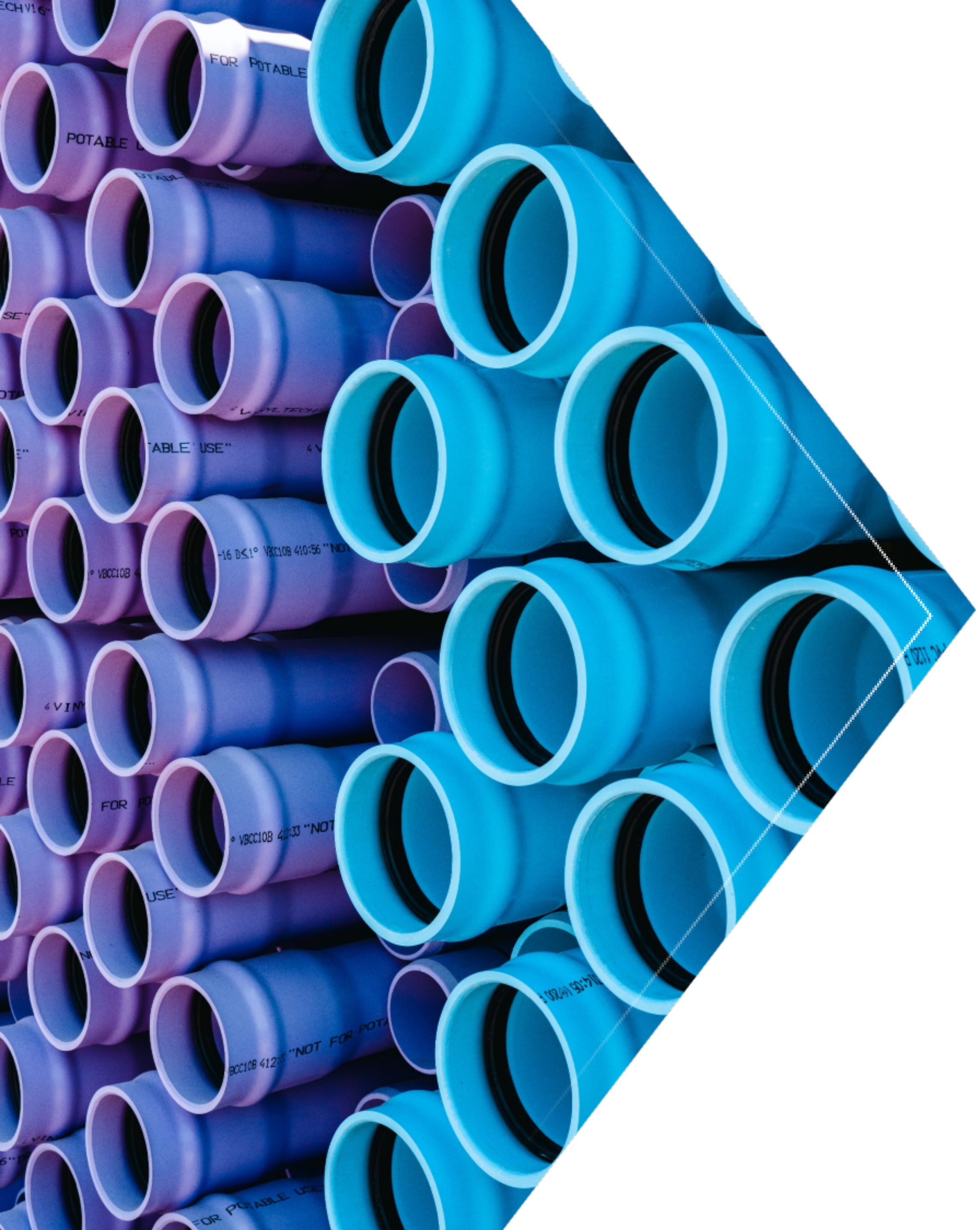
A Proven Record of Providing Affordable Service

Otter Tail Power's 2024 rates
16% below regional average
30% below national average

Balanced approach: Investing to ensure safe, reliable, efficient and increasingly clean electric service while maintaining affordability



[1] Source: Edison Electric Institute, Typical Bills and Average Rates Report



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Manufacturing Platform

BTD

T.O. PLASTICS

northern pipe products

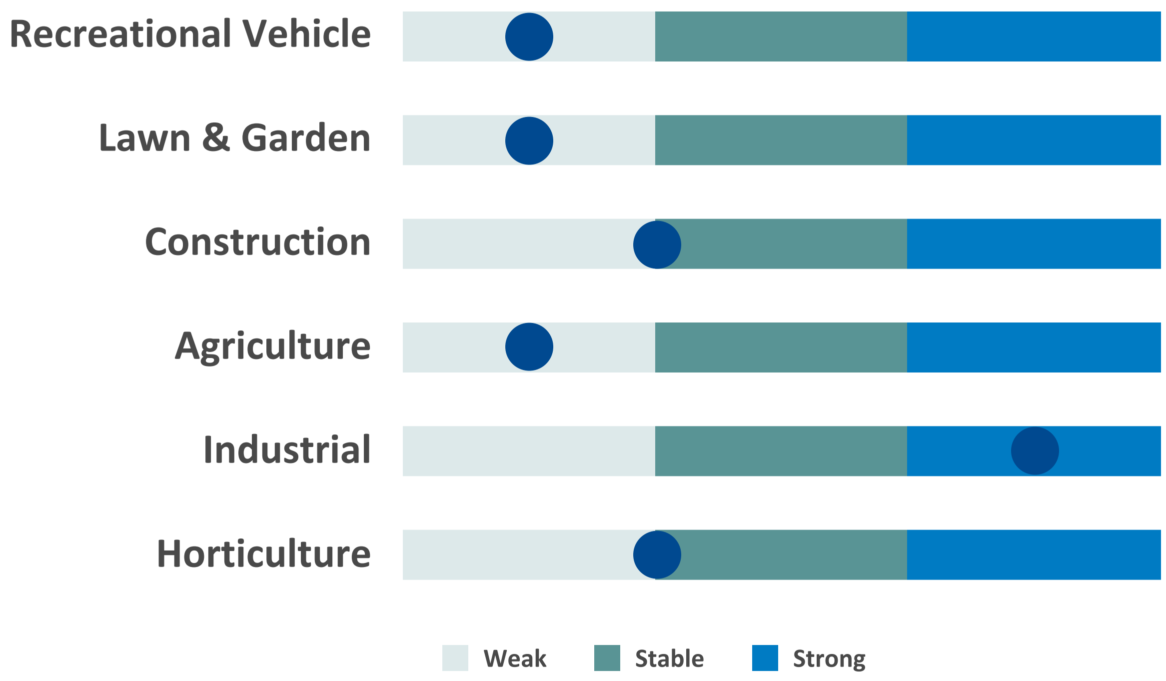
VINYLTECH VT PVC • PIPE

Industry Conditions: Manufacturing

BTD Manufacturing and T.O. Plastics

Industries Served

Industry Conditions



End market demand negatively impacted by:

- Higher levels of new and used inventory
- Challenging macroeconomic backdrop, including higher interest rates and unknown impact of tariffs

Long-term fundamentals remain strong

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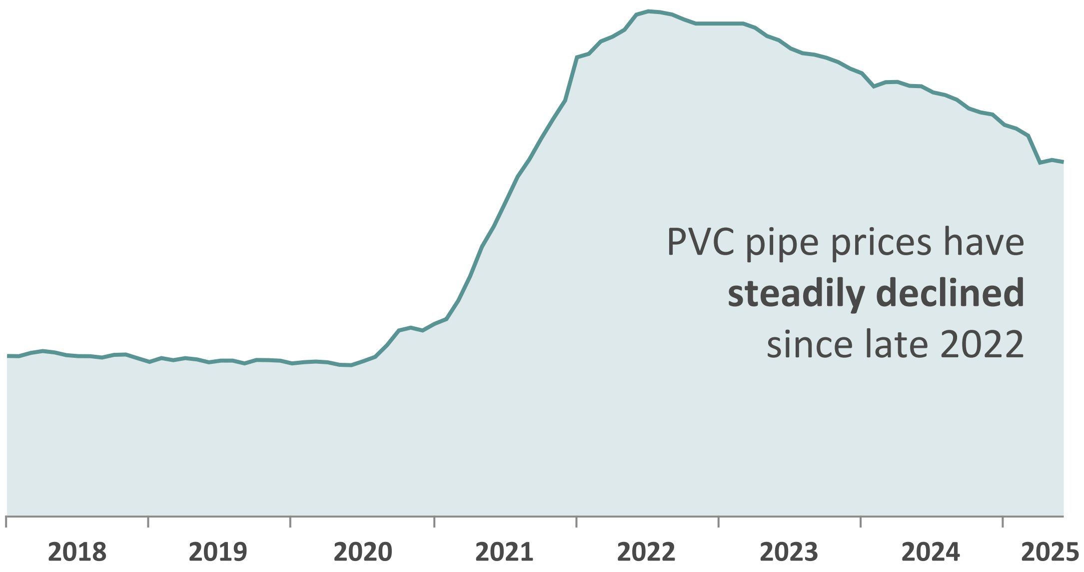
Plastics Pricing and Volume Trends

Northern Pipe Products and Vinyltech Corporation

Historical Sales Price of PVC Pipe[1]



2025 Year-Over-Year Trends[1]

	QTD	YTD
Sales Prices	↓ 15%	↓ 13%
Sales Volumes	↑ 11%	↑ 12%
Material Input Costs	↓ 15%	↓ 11%

[1] Internal sales pricing, volumes and material costs only

Expansion Projects

Positioned for Long-Term Growth

Vinyltech Corporation

- Completion dates:
    - Phase 1 - Q4 2024
    - Phase 2 - early 2026 (estimated)
- Multi-phase expansion project, increasing production capacity (including large-diameter pipe) and resin and pipe storage
- Plastics segment production capacity impact: +15% (Phase 1 and 2)

BTD Georgia

- Completion date: Q1 2025
- Increasing capacity to grow with customers as they expand in Southeast market
- Opportunity to generate up to $35 million in incremental annual revenue
- Ramping up to full production capability over remainder of the year

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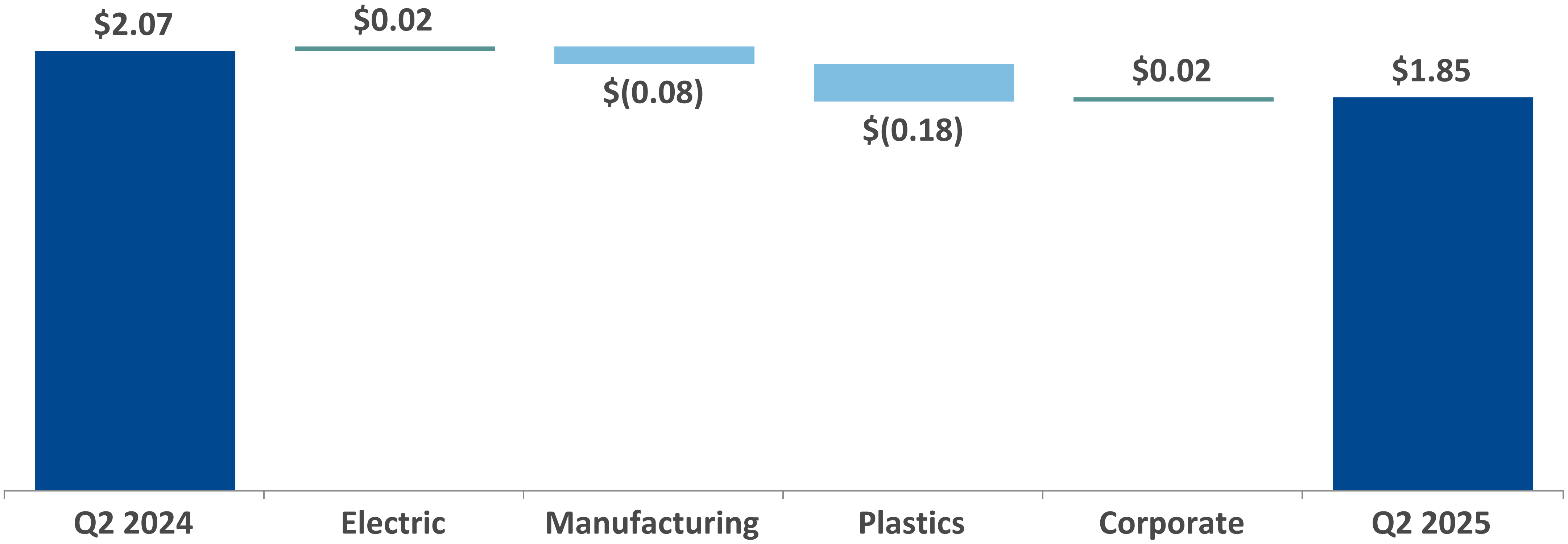
Financial Results

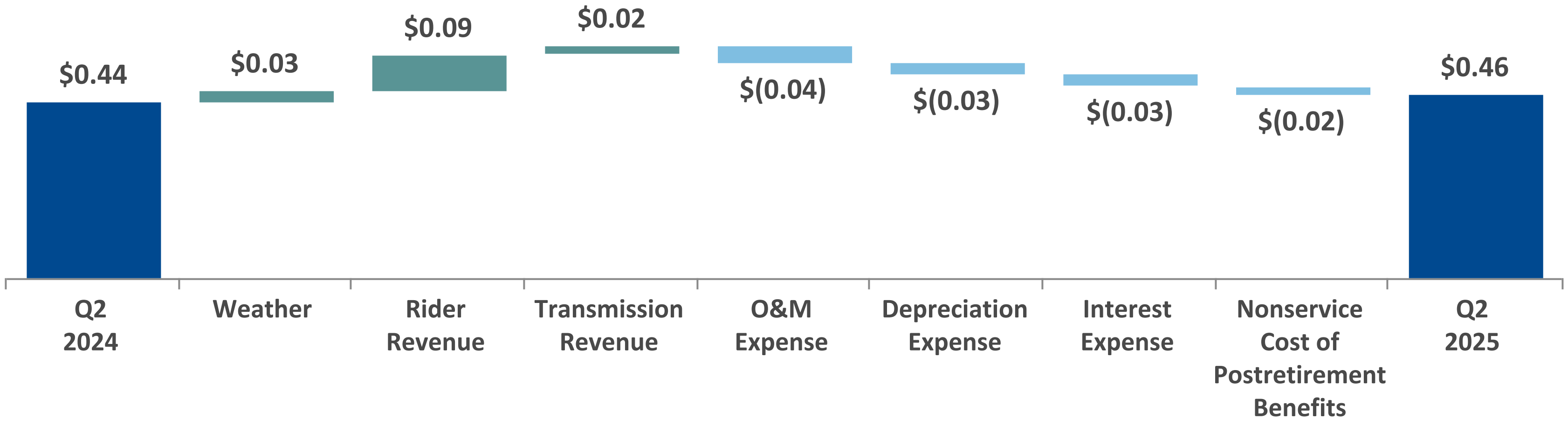
QTD Diluted EPS



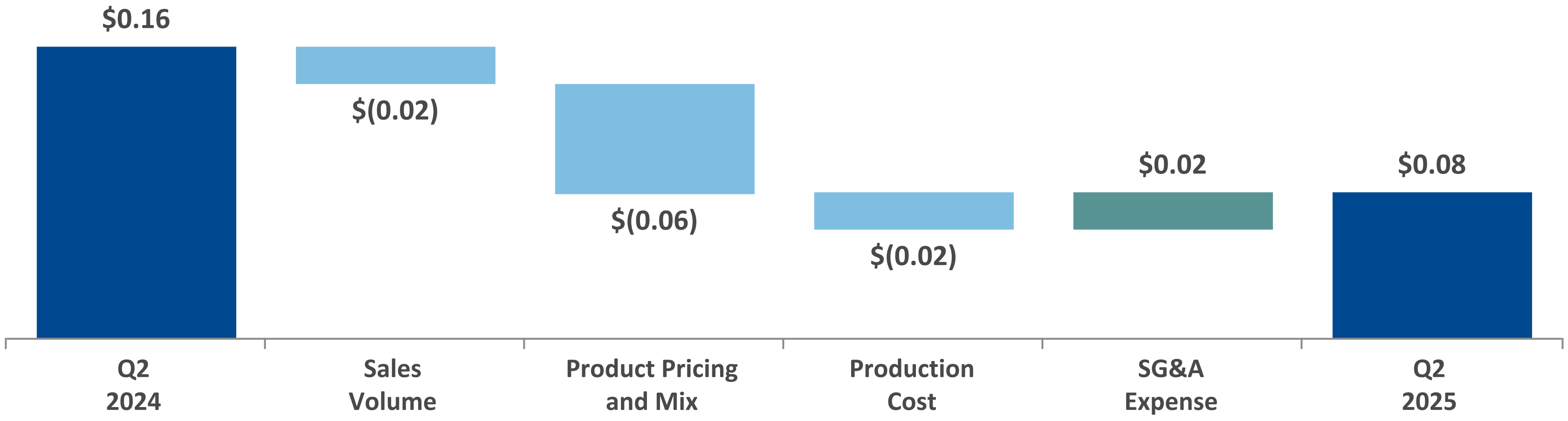
QTD Diluted EPS

Segment Level Detail

Electric



Manufacturing



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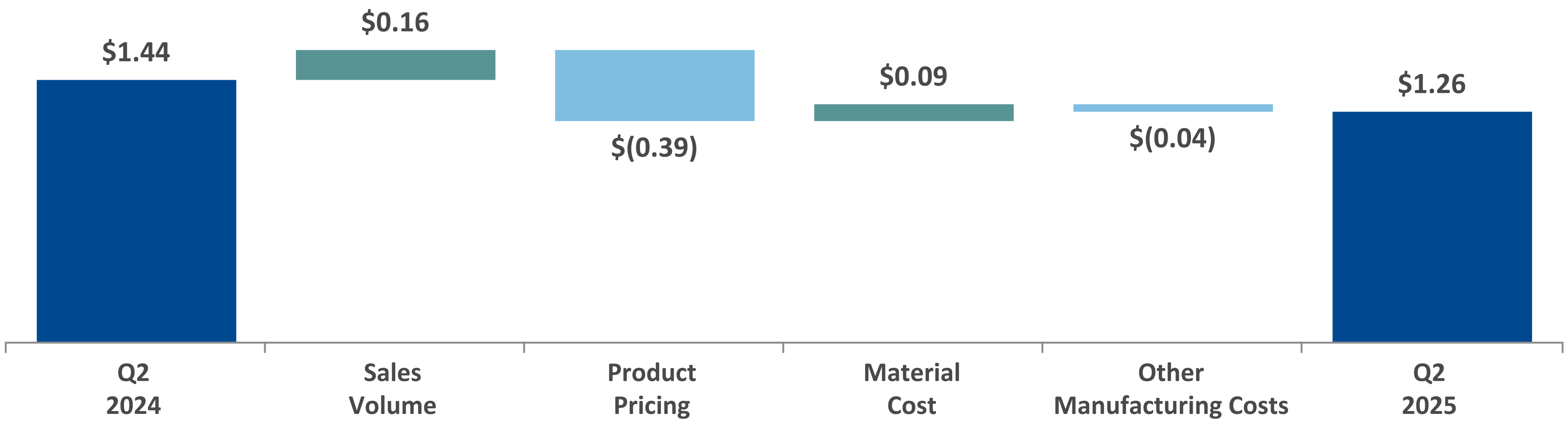
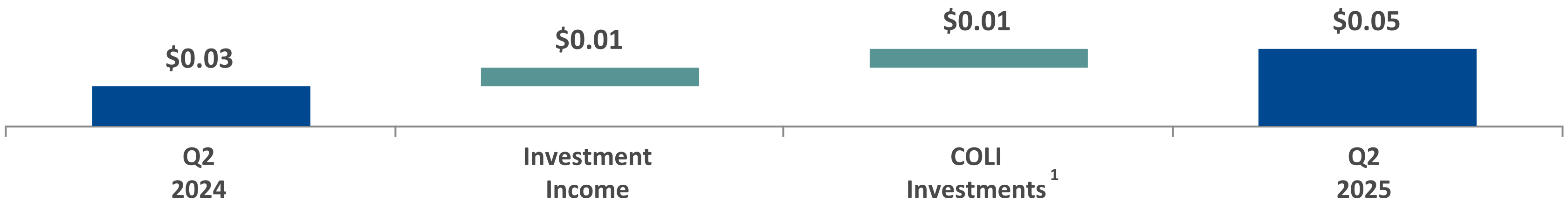
QTD Diluted EPS

Segment Level Detail

Plastics



Corporate

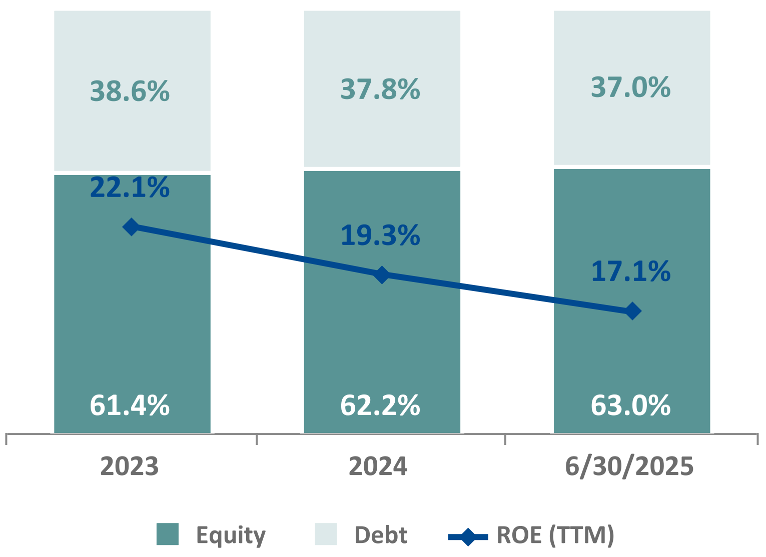


[1] Market-based returns on corporate-owned life insurance (COLI) policy investments

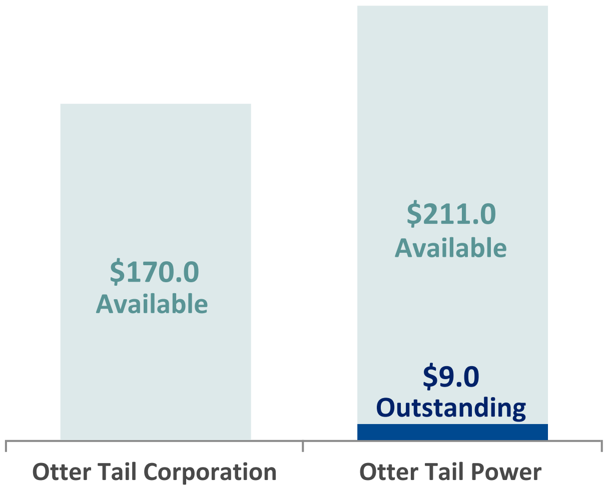
Balance Sheet

$ in millions

Consolidated Capital Structure and Return on Equity



Line of Credit Availability



Cash and Cash Equivalents

Credit Ratings	Otter Tail Corporation			Otter Tail Power Company		
	Moody's	Fitch	S&P	Moody's	Fitch	S&P
Corporate credit / long-term issuer default	Baa2	BBB	BBB	A3	BBB+	BBB+
Senior unsecured debt	N.A.	BBB	N.A	N.A.	A-	N.A.
Outlook	Stable	Stable	Stable	Negative	Stable	Stable

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2025 Outlook

Uplifting Guidance

Diluted EPS	Actual 2023	Actual 2024	2025 Guidance February 17, 2025 Low	2025 Guidance February 17, 2025 High	2025 Guidance August 4, 2025 Low	2025 Guidance August 4, 2025 High
Electric	$ 2.01	$ 2.16	$ 2.29	$ 2.35	$ 2.29	$ 2.35
Manufacturing	0.51	0.33	0.21	0.27	0.21	0.27
Plastics	4.47	4.77	3.26	3.50	3.64	3.88
Corporate	0.01	(0.09)	(0.08)	(0.04)	(0.08)	(0.04)
Total	**$ 7.00**	**$ 7.17**	**$ 5.68**	**$ 6.08**	**$ 6.06**	**$ 6.46**
Return on Equity	**22.1 %**	**19.3 %**	**13.8 %**	**14.6 %**	**14.5 %**	**15.3 %**

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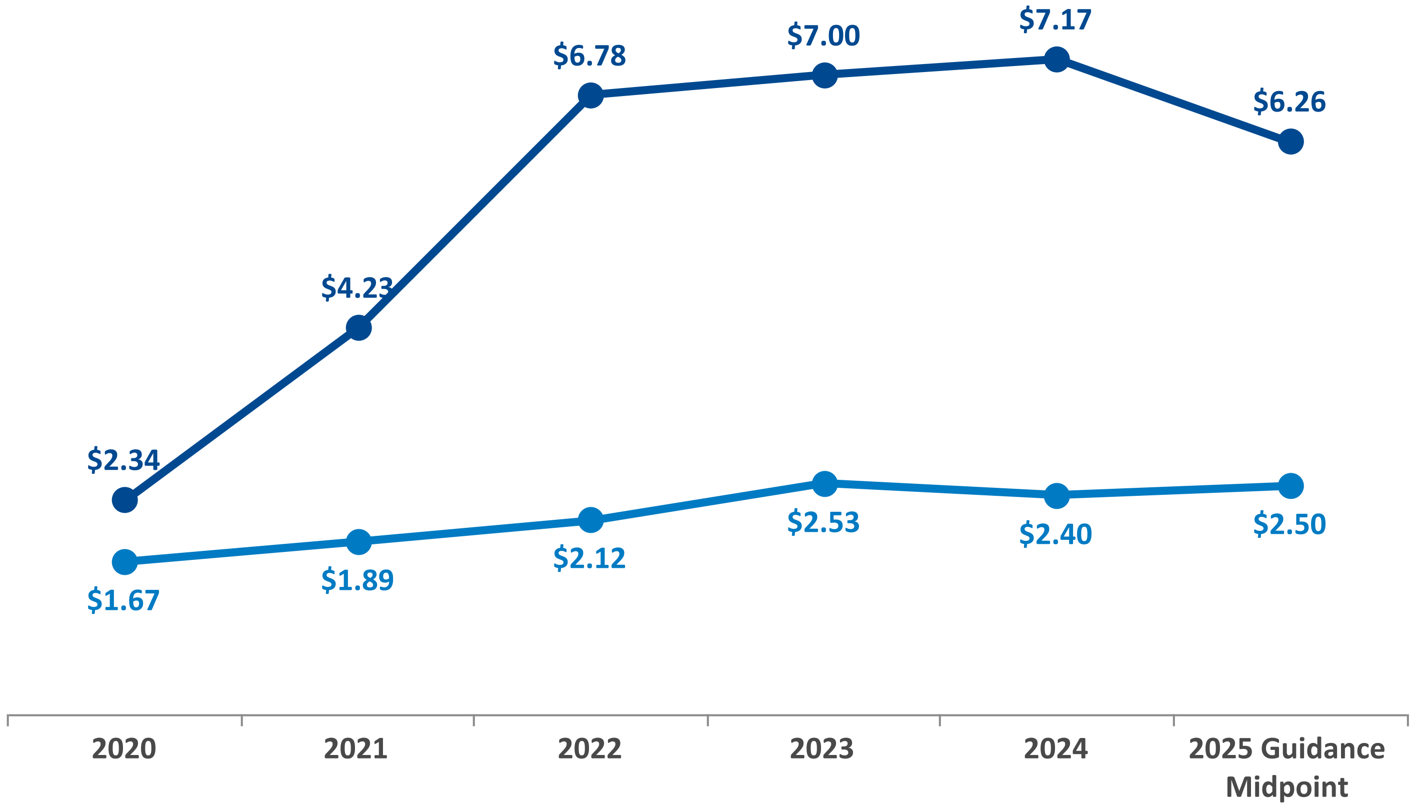
EPS Growth

Robust Growth Across Our Business



Consolidated EPS *(5YR CAGR)*: **21.8%**

Consolidated EPS w/o Plastics[1] *(5YR CAGR)*: **8.4%**

Proven track record of delivering EPS growth in line or above target with and without the impact of Plastics

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[1] Consolidated EPS w/o Plastics is a non-GAAP financial measure management uses to assess the financial results of the business exclusive of the impact of the earnings generated by our Plastics segment

Capital Expenditures

Customer-Focused Capital Investment Plan

in millions	2025 (F)	2026 (F)	2027 (F)	2028 (F)	2029 (F)	Total
Electric						
Renewable Generation	$ 101	$ 127	$ 118	$ 179	$ 4	$ 529
Transmission	59	93	162	114	100	528
Distribution	37	37	36	37	34	181
Other	54	51	31	27	25	188
Electric Total	$ 251	$ 308	$ 347	$ 357	$ 163	$ 1,426
Manufacturing & Plastics	27	27	27	25	23	129
Total	**$ 278**	**$ 335**	**$ 374**	**$ 382**	**$ 186**	**$ 1,555**

$650M

Incremental investment opportunity for Electric in later part of 5-year period and beyond

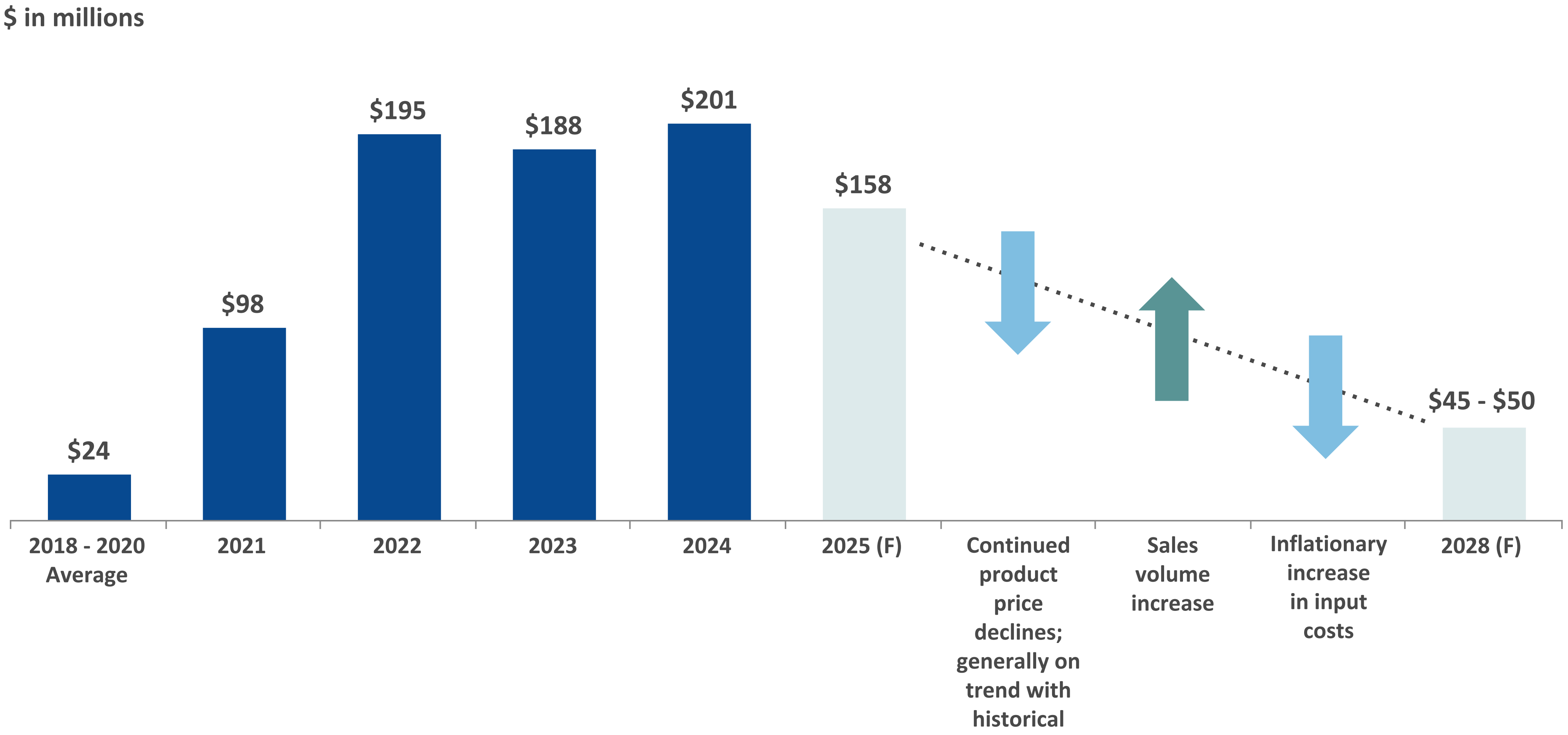
Driven by:

- Up to 200 MW of wind generation
- Up to 75 MW of battery storage
- Resources supporting reliability
- Delivery investment relating to new large loads

Every $100M of incremental capital investment increases our rate base CAGR by ~ 75 basis points

Normalized Plastics Earnings

Northern Pipe Products and Vinyltech Corporation



Investment Targets

Total Shareholder Return: 9-11%

Long-term EPS growth rate: 6-8%[1]

Dividend yield: ~ 3%

Dividend Growth Rate: 6-8%

Targeted payout ratio: 50-60%

Long-Term Earnings Mix:
65% Electric / 35% Manufacturing

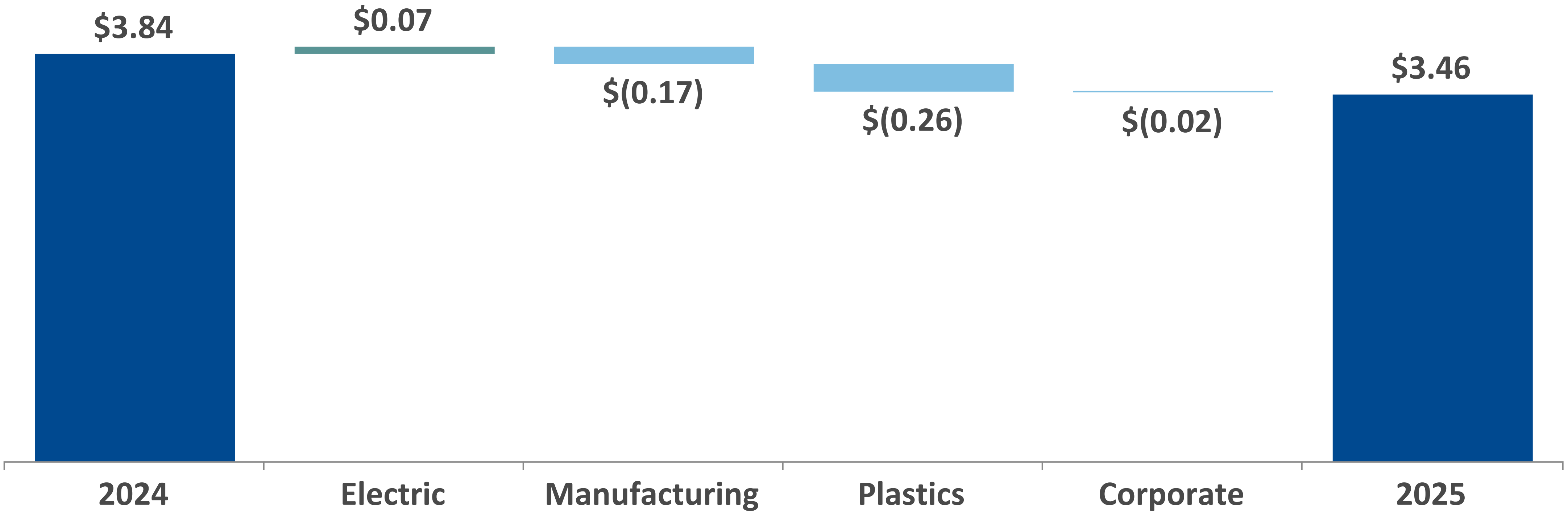
Key underlying assumptions

- Electric segment rate base and EPS CAGRs of 9%
- Plastics segment earnings of $45M-$50M in 2028
- Long-term earnings mix target reached in 2028 (65% Electric)

[1] Once Plastics segment earnings have normalized

Appendix

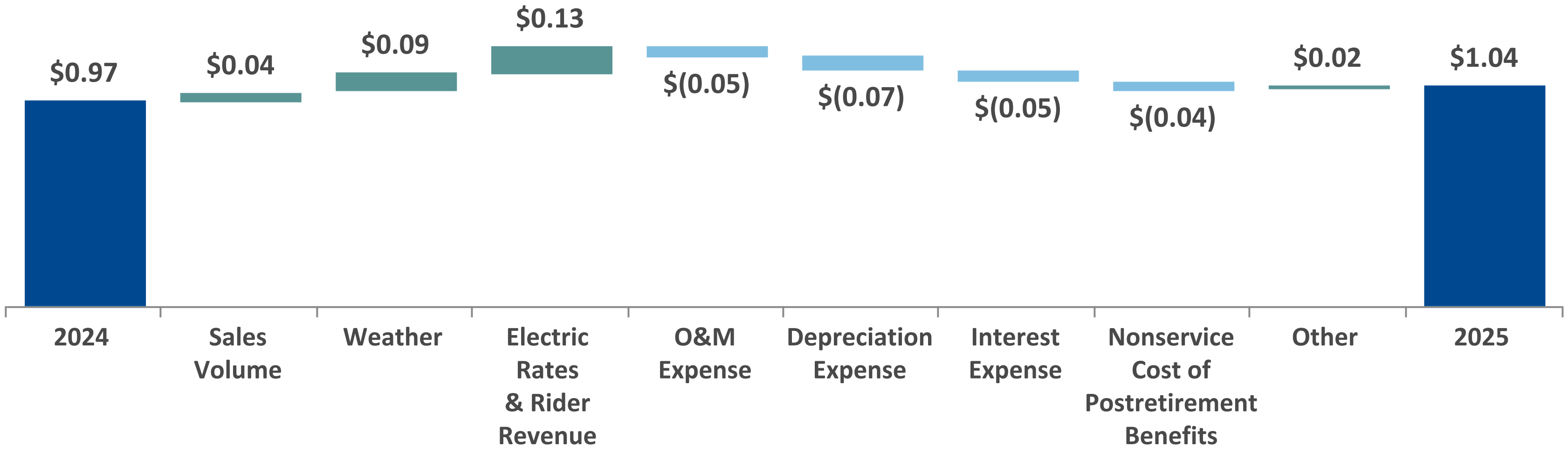
YTD Diluted EPS



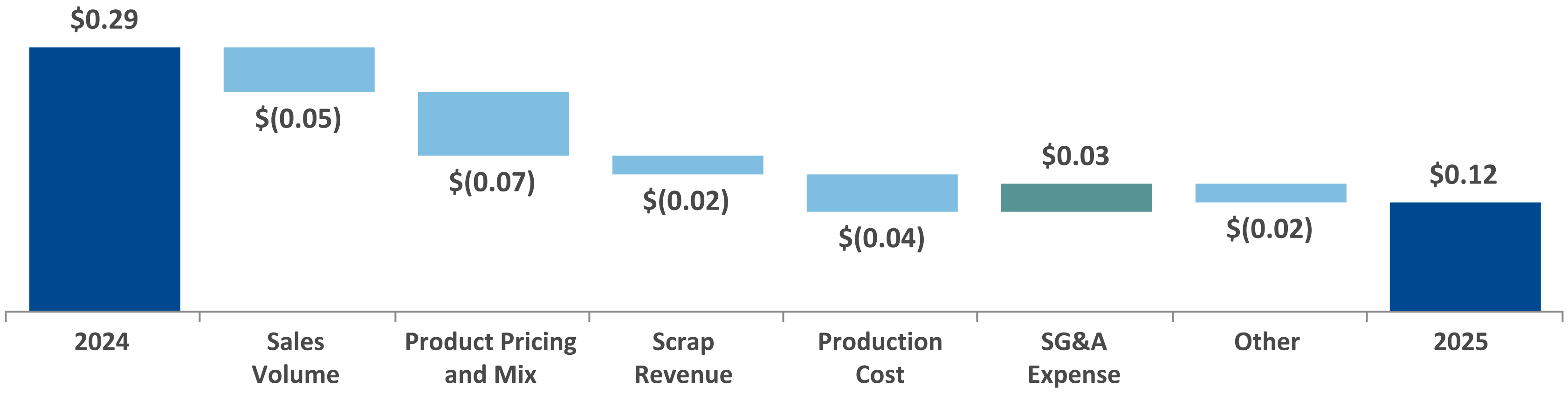
YTD Diluted EPS

Segment Level Detail

Electric



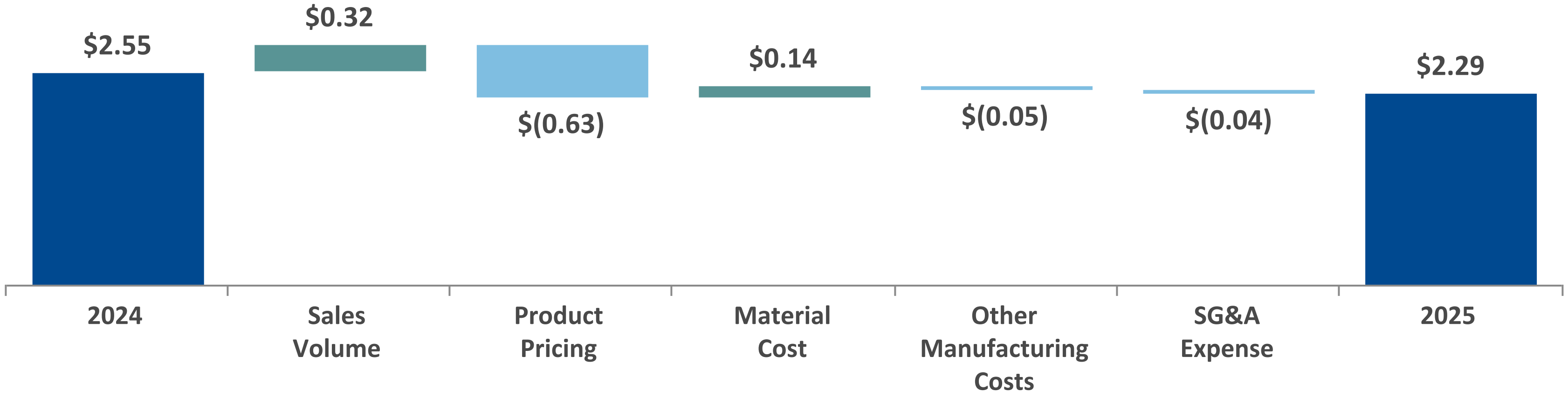
Manufacturing



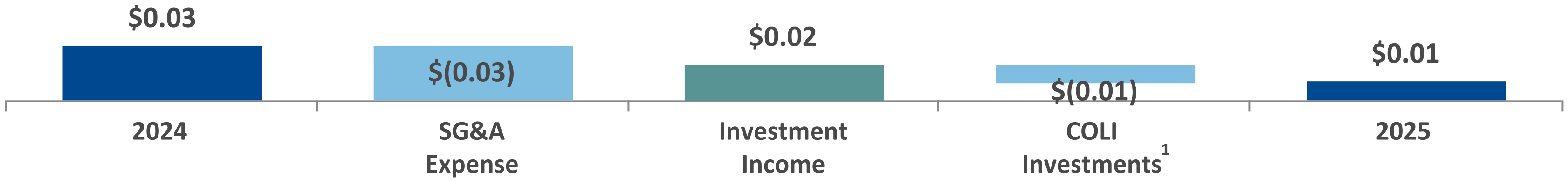
YTD Diluted EPS

Segment Level Detail

Plastics



Corporate



[1] Market-based returns on corporate-owned life insurance (COLI) policy investments

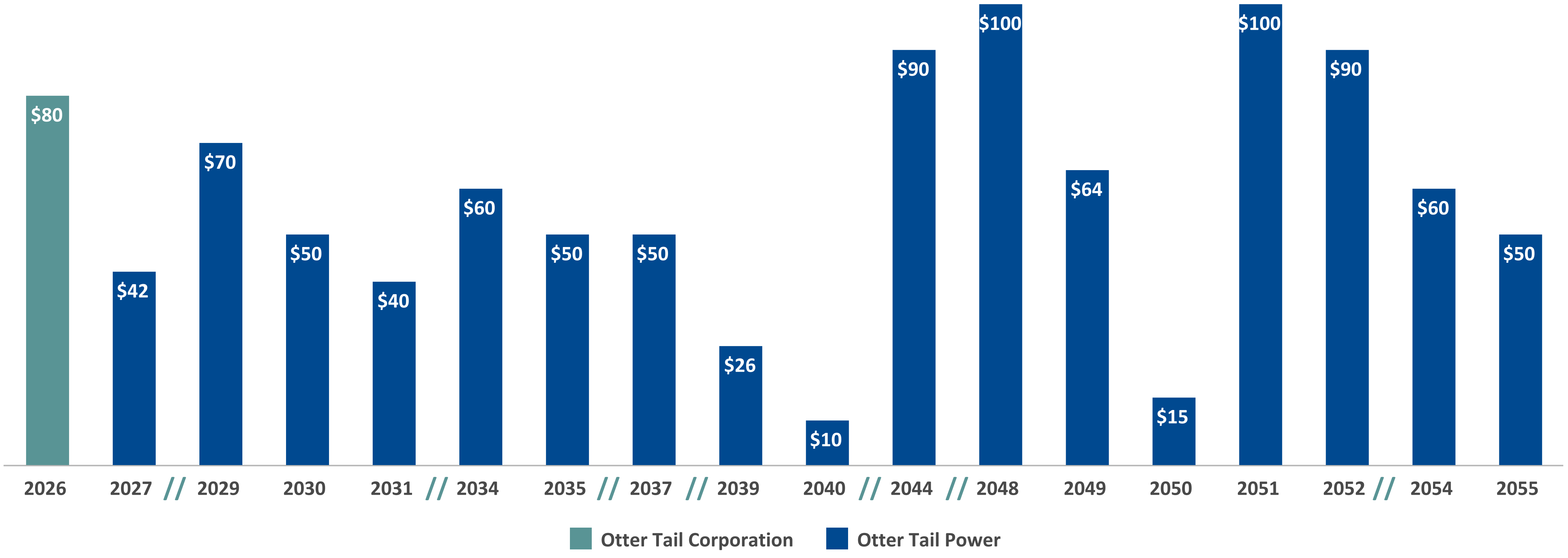
Financing Plan

Supportive of Electric Segment Capital Plan with No Equity Needs

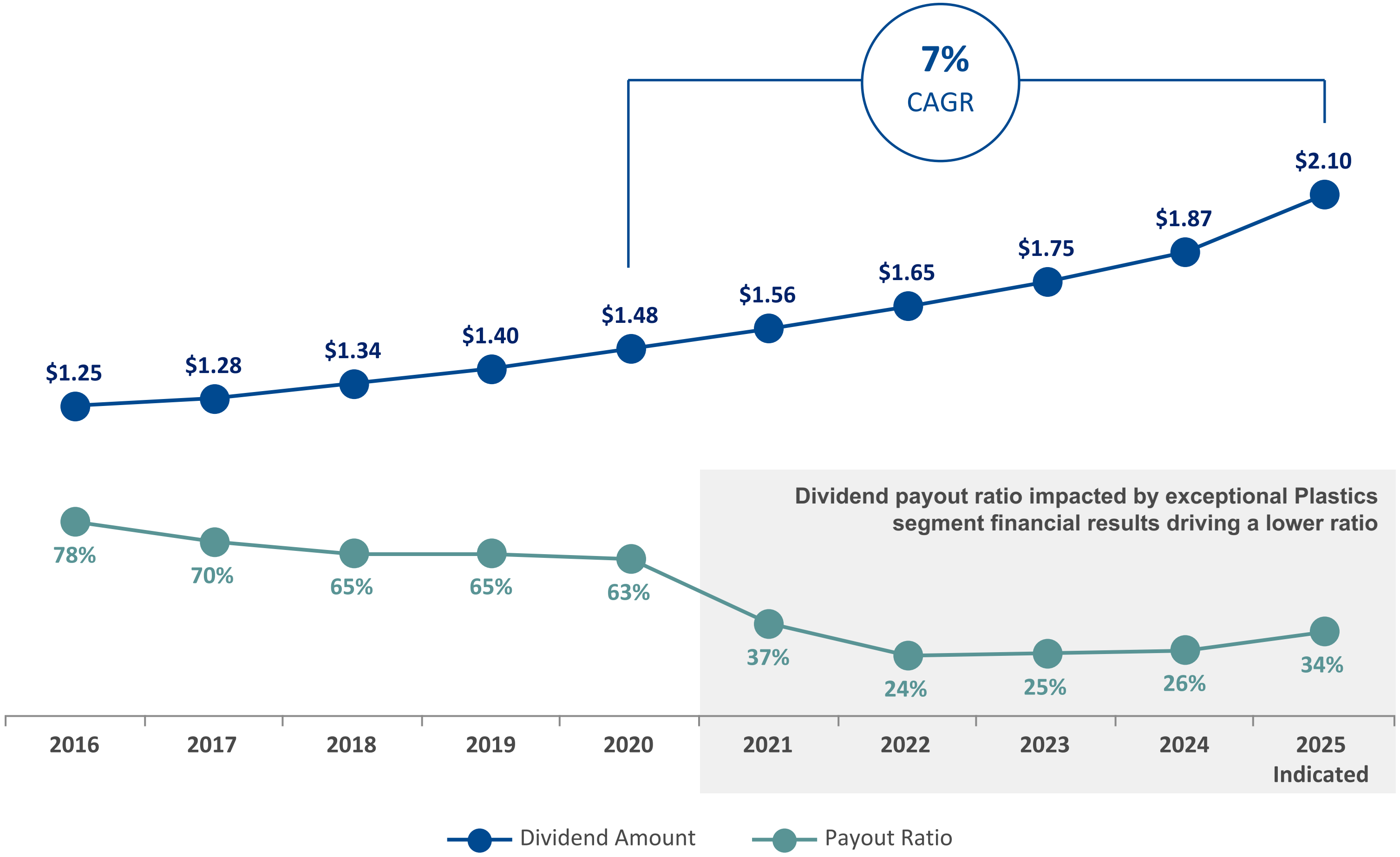
in millions	2025	2026 - 2029 (F)	5YR Total
Long-Term Debt			
Otter Tail Power Company			
Issuances	$ 100	$ 515	$ 615
Retirements		(112)	(112)
Otter Tail Corporation			
Issuances			
Retirements		(80)	(80)
Net Debt Increase	$ 100	$ 323	$ 423
Equity	**$ 0**	**$ 0**	**$ 0**

Debt Maturity Schedule

Weighted average interest rate: **4.53%**



Dividend and Payout Ratio



86 consecutive years of dividend payments

Indicated dividend for 2025: $2.10 (12.3% increase)

Targeted dividend growth rate (2025 base year): 6-8%

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Otter Tail Power Regulatory Framework

	Jurisdiction		
	Minnesota	North Dakota	South Dakota
Utility Commissioners	Appointed	Elected	Elected
Rate Case Test Year	Future	Future	Historical[1]
Allowed Return on Equity	9.48%	10.10%	8.75%
Earnings Sharing Mechanism	No	Yes[2]	Yes[3]
Rider Recovery for:			
Renewable Generation	Yes	Yes	Yes
Non-Renewable Generation	No	Yes	Yes
Transmission	Yes	Yes	Yes
Customer and Distribution Technology	Yes	Yes	Yes
Cost of Energy Recovery Adjustment	Annually	Monthly	Monthly
Decoupled Rates (Residential and Commercial)	Yes	No	No

[1] Historical test year with known and measurable adjustments
[2] Earnings above a 10.20% return on equity will be shared with 70% refunded to North Dakota customers
[3] Earnings above an 8.75% ROE up to a maximum of a 9.50% ROE due to weather-normalized revenue will be shared with 50% refunded to South Dakota customers. Earnings in excess of a 9.50% ROE will 100% be refunded to South Dakota customers

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