

**Otter Tail Power Company  
Embedded Cost of Debt Capital  
Actual Year 2009**

Line No.	(A) Description	(B) Rate of Interest	(C) - (O) Principal Amounts Outstanding												(P) Average Monthly Balances	(Q) Interest Cost Year 2009		
			December	January	February	March	April	May	June	July	August	September	October	November			December	
			(1)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)			
1	Debentures																	
1	6.700% Series for 2011	6.700%	36,000,000	36,000,000	36,000,000	36,000,000	36,000,000	36,000,000	36,000,000	36,000,000	0	0	0	0	0	0	19,384,815	1,298,769
2	6.630% Series for 2011	6.630%	0	0	0	0	0	0	0	90,000,000	90,000,000	90,000,000	90,000,000	90,000,000	90,000,000	90,000,000	41,538,462	2,754,000
3	5.776% Series 2017 Cascade	5.776%	34,600,000	34,600,000	34,600,000	34,600,000	34,600,000	34,600,000	34,600,000	0	0	0	0	0	0	0	18,630,769	1,076,488
4	5.950% Unsecured Series A 2017 Senior Notes	5.950%	33,000,000	33,000,000	33,000,000	33,000,000	33,000,000	33,000,000	33,000,000	33,000,000	33,000,000	33,000,000	33,000,000	33,000,000	33,000,000	33,000,000	33,000,000	1,963,500
5	6.150% Unsecured Series B 2022 Senior Notes	6.150%	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	1,845,000
6	6.370% Unsecured Series C 2027 Senior Notes	6.370%	42,000,000	42,000,000	42,000,000	42,000,000	42,000,000	42,000,000	42,000,000	42,000,000	42,000,000	42,000,000	42,000,000	42,000,000	42,000,000	42,000,000	42,000,000	2,675,400
7	6.470% Series D 2037 Unsecured Senior Notes	6.470%	45,000,000	45,000,000	45,000,000	45,000,000	45,000,000	45,000,000	45,000,000	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000	50,000,000	47,307,892	3,060,808
8	<b>Total Debentures</b>		<b>228,600,000</b>	<b>228,600,000</b>	<b>228,600,000</b>	<b>228,600,000</b>	<b>228,600,000</b>	<b>228,600,000</b>	<b>228,600,000</b>	<b>245,000,000</b>	<b>245,000,000</b>	<b>245,000,000</b>	<b>245,000,000</b>	<b>245,000,000</b>	<b>245,000,000</b>	<b>245,000,000</b>	<b>231,861,538</b>	<b>14,673,963</b>
10	<b>Pollution Control Revenue Bond:</b>																	
11	4.850% Series 2017 PCR Bonds (BSP)	4.850%	5,165,000	5,165,000	5,165,000	5,165,000	5,165,000	5,165,000	5,165,000	5,165,000	5,165,000	5,125,000	5,125,000	5,125,000	5,125,000	5,125,000	5,152,692	239,600
12	4.850% Series 2022 PCR Bonds (Coyote)	4.850%	20,525,000	20,525,000	20,525,000	20,580,000	20,580,000	20,580,000	20,580,000	20,580,000	20,580,000	20,400,000	20,400,000	20,400,000	20,400,000	20,400,000	20,535,000	995,948
13	AJ Rate Series of 2012	Varies	10,400,000	10,400,000	10,400,000	10,400,000	10,400,000	10,400,000	10,400,000	10,400,000	10,400,000	10,400,000	10,400,000	10,400,000	10,400,000	10,400,000	10,400,000	372,000
14	<b>Total Pollution Control</b>		<b>\$36,190,000</b>	<b>\$36,190,000</b>	<b>\$36,190,000</b>	<b>\$36,145,000</b>	<b>\$36,145,000</b>	<b>\$36,145,000</b>	<b>\$36,145,000</b>	<b>\$36,145,000</b>	<b>\$36,145,000</b>	<b>\$35,925,000</b>	<b>\$35,925,000</b>	<b>\$35,925,000</b>	<b>\$35,925,000</b>	<b>\$35,925,000</b>	<b>\$36,087,692</b>	<b>\$1,607,548</b>
15	Variable Rate Series 2011 Wind Development Luvem	Varies	0	0	0	0	0	75,000,000	75,000,000	75,000,000	75,000,000	75,000,000	75,000,000	75,000,000	75,000,000	75,000,000	43,538,462	1,712,124
16	Dividend Series																	
19	5.330% Formerly \$3.60 Dividend Series, 60,000 shares	5.330%	0	0	0	0	0	0	0	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	2,799,231	147,600
20	7.210% Formerly \$4.40 Dividend Series, 25,000 shares	7.210%	0	0	0	0	0	0	0	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	1,153,849	83,192
21	7.620% Formerly \$4.65 Dividend Series, 30,000 shares	7.620%	0	0	0	0	0	0	0	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	1,384,815	105,598
22	9.350% Formerly \$6.75 Dividend Series, 40,000 shares	9.350%	0	0	0	0	0	0	0	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	1,846,154	172,615
23	<b>Total Dividend Series</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>15,500,000</b>	<b>15,500,000</b>	<b>15,500,000</b>	<b>15,500,000</b>	<b>15,500,000</b>	<b>15,500,000</b>	<b>15,500,000</b>	<b>7,183,848</b>	<b>508,915</b>
24	<b>Subtotal</b>		<b>\$256,790,000</b>	<b>\$256,790,000</b>	<b>\$256,790,000</b>	<b>\$256,745,000</b>	<b>\$256,745,000</b>	<b>\$331,745,000</b>	<b>\$331,745,000</b>	<b>\$371,645,000</b>	<b>\$371,645,000</b>	<b>\$371,425,000</b>	<b>\$371,425,000</b>	<b>\$354,425,000</b>	<b>\$354,425,000</b>	<b>\$318,641,538</b>	<b>\$18,502,550</b>	
27	Loss/Gain on Reacquired Debt	(3)	(4,917,981)	(4,868,522)	(4,819,063)	(4,769,604)	(4,720,145)	(6,445,988)	(7,435,319)	(7,934,934)	(8,452,348)	(8,303,222)	(8,188,103)	(8,033,265)	(7,874,354)	(6,674,085)	1,413,547	
30	<b>Total Long Term Debt Capital</b>		<b>\$251,872,019</b>	<b>\$251,921,478</b>	<b>\$251,970,937</b>	<b>\$251,975,396</b>	<b>\$252,024,855</b>	<b>\$325,299,012</b>	<b>\$324,309,681</b>	<b>\$363,710,066</b>	<b>\$363,192,652</b>	<b>\$363,121,778</b>	<b>\$363,236,697</b>	<b>\$346,391,735</b>	<b>\$346,550,646</b>	<b>\$311,967,473</b>	<b>\$19,916,896</b>	

<b>Weighted Long Term Cost of Debt</b>	<b>6.38%</b>
<b>Total Short Term Debt (5)</b>	<b>\$ 17,149,175 \$ 158,260</b>
<b>Short Term Debt</b>	<b>0.92%</b>
<b>Total Debt Capital</b>	<b>\$329,116,649 \$20,074,357</b>
<b>Weighted Cost of Debt</b>	<b>6.10%</b>

	FERC Accounts 181 & 189 (Unamortized Expense & Loss on Reacquired Debt)			FERC Account 257 (Unamortized Gain on Reacquired Debt)			Account Total	Total Amortization Expense
	Ending Account Balance	Acct 428.0 & 428.1 Amort Expense	Other	Ending Account Balance	Acct 429.1 Amortization Expense	Other		
Dec	4,917,981			0			4,917,981	
Jan	4,868,522	49,459	0	0	0	0	4,868,522	49,459
Feb	4,819,063	49,459	0	0	0	0	4,819,063	49,459
Mar	4,769,604	49,459	0	0	0	0	4,769,604	49,459
Apr	4,720,145	49,459	0	0	0	0	4,720,145	49,459
May	6,445,988	126,647	1,852,490	0	0	0	6,445,988	126,647
Jun	7,435,319	138,880	1,128,210	0	0	0	7,435,319	138,880
Jul	7,934,934	169,440	859,056	0	0	0	7,934,934	169,440
Aug	8,452,348	158,539	873,953	0	0	0	8,452,348	158,539
Sep	8,303,222	157,308	8,182	0	0	0	8,303,222	157,308
Oct	8,188,103	159,074	43,955	0	0	0	8,188,103	159,074
Nov	8,033,265	158,911	4,073	0	0	0	8,033,265	158,911
Dec	7,874,354	158,911	0	0	0	0	7,874,354	158,911
Total Amort		1,413,547			0			1,413,547
Avg Mo Bal	6,674,085						6,674,085	

(1) Actual 2008 W/P D-1, Page 1 of 1  
 (2) Per Page 7 of 2009 Monthly F/S  
 (3) FERC accounts 181, 189 & 257  
 (4) See worksheet D-1 Page 2 of 10  
 (5) Short-term debt cost from Accounting. Interest cost is calculated from outstanding daily balances. See footnotes on "Interest Calc" tab.  
 (6) Below

Prepared by: ama  
Reviewed by: kas

Line No.	December	January	February	March	April	May	June	July	August	September	October	November	December	Total
<b>AJ Rate Series 2012</b>														
1	Rate (4)	4.000%	4.000%	4.000%	4.000%	4.000%	3.500%	3.500%	3.500%	3.500%	3.250%	3.250%	3.000%	3.577%
3	Interest (1)	32,000	32,000	32,000	32,000	32,000	28,000	28,000	28,000	28,000	26,000	26,000	24,000	372,000
<b>Variable Rate Series 2011 - Wind Development - Luverne</b>														
8	Rate	0.000%	0.000%	0.000%	0.000%	0.000%	4.929%	3.816%	3.806%	3.788%	3.792%	3.787%	3.754%	3.928%
10	Interest (5)	0	0	0	0	102,692	238,479	245,776	244,646	236,993	244,577	211,580	187,381	1,712,124
12	Debt Balance (5)	0	0	0	0	75,000,000	75,000,000	75,000,000	75,000,000	75,000,000	75,000,000	58,000,000	58,000,000	43,538,462

Short-Term Debt														
Line No.	December	January	February	March	April	May	June	July	August	September	October	November	December	Total
13														
14														
15														
16	Debt Balance													Average 17,149,175 (3)
17														
18														
19														
20														Short-term debt line of credit rate from Accounting 0.92% (2)
21														Interest Calculation 158,260
22														

Source for interest rates: Page 7, Monthly F/S

(1) Annual rate divided by 13 times the monthly balance

(2) Per "2009 Short term Debt Record" File received from Paula Foster in Accounting. File is located in the Supporting Worksheets folder.

(3) Balance as calculated by Accounting in the file referenced in (2) using a daily average calculation.

(4) Per 2009 Monthly Financial Statements

(5) Per "Luverne Loan Interest" Work Paper locate in the Miscellaneous Work Paper Folder.

**Otter Tail Power Company**  
**Embedded Cost of Line of Credit**  
**Actual Year 2009**

Prepared by: kas  
 Reviewed by: pjb

(A)	(B)	(C)
DATE	BALANCE	INTEREST
Begin Balance	27,064,471	
01/01/09	27,064,471	726.43
01/02/09	27,602,221	739.97
01/03/09	27,602,221	739.97
01/04/09	27,602,221	739.97
01/05/09	27,086,230	726.56
01/06/09	27,783,685	743.93
01/07/09	27,930,254	746.51
01/08/09	28,264,086	753.10
01/09/09	27,944,896	743.60
01/10/09	27,944,896	743.60
01/11/09	27,944,896	743.60
01/12/09	27,658,477	734.96
01/13/09	27,968,026	741.43
01/14/09	26,751,888	713.07
01/15/09	29,067,359	766.94
01/16/09	28,742,077	762.07
01/17/09	28,742,077	762.07
01/18/09	28,742,077	762.07
01/19/09	28,742,077	762.07
01/20/09	26,638,469	711.54
01/21/09	29,127,947	770.93
01/22/09	28,829,998	767.36
01/23/09	30,559,677	766.72
01/24/09	30,559,677	766.72
01/25/09	30,559,677	766.72
01/26/09	27,717,219	696.75
01/27/09	27,276,712	686.00
01/28/09	24,611,639	618.40
01/29/09	23,757,123	596.97
01/30/09	28,000,000	689.59
01/31/09	28,000,000	689.59
02/01/09	28,000,000	689.59
02/02/09	28,000,000	689.59
02/03/09	28,000,000	689.59
02/04/09	28,000,000	689.59
02/05/09	28,000,000	689.59
02/06/09	28,000,000	689.59
02/07/09	28,000,000	689.59
02/08/09	28,000,000	689.59
02/09/09	28,000,000	689.59
02/10/09	28,000,000	689.59
02/11/09	28,000,000	689.59
02/12/09	28,000,000	689.59
02/13/09	30,453,733	755.10
02/14/09	30,453,733	755.10
02/15/09	30,453,733	755.10
02/16/09	30,453,733	755.10
02/17/09	31,964,667	796.00
02/18/09	32,891,591	821.39
02/19/09	32,744,477	817.84
02/20/09	33,783,668	845.82
02/21/09	33,783,668	845.82
02/22/09	33,783,668	845.82
02/23/09	31,674,216	827.96
02/24/09	31,257,557	817.15
02/25/09	31,033,530	811.33
02/26/09	30,366,649	795.40
02/27/09	32,678,274	888.18
02/28/09	32,678,274	888.18

**Otter Tail Power Company  
 Embedded Cost of Line of Credit  
 Actual Year 2009**

Prepared by: kas  
 Reviewed by: pjb

(A)	(B)	(C)
DATE	BALANCE	INTEREST
03/01/09	32,678,274	888.18
03/02/09	32,646,604	887.40
03/03/09	33,018,517	898.54
03/04/09	33,385,413	909.81
03/05/09	32,245,398	878.50
03/06/09	33,024,349	901.96
03/07/09	33,024,349	901.96
03/08/09	33,024,349	901.96
03/09/09	31,807,893	867.52
03/10/09	39,236,912	1,087.16
03/11/09	38,154,900	1,053.47
03/12/09	39,099,113	1,081.03
03/13/09	42,261,215	1,173.60
03/14/09	42,261,215	1,173.60
03/15/09	42,261,215	1,173.60
03/16/09	40,216,337	1,113.64
03/17/09	40,343,824	1,117.55
03/18/09	39,376,516	1,086.24
03/19/09	39,571,656	1,086.09
03/20/09	39,995,508	1,097.79
03/21/09	39,995,508	1,097.79
03/22/09	39,995,508	1,097.79
03/23/09	36,635,340	1,016.37
03/24/09	36,754,367	1,019.62
03/25/09	36,002,834	998.21
03/26/09	34,565,127	957.65
03/27/09	33,811,524	936.03
03/28/09	33,811,524	936.03
03/29/09	33,811,524	936.03
03/30/09	32,000,000	884.79
03/31/09	32,315,510	914.47
04/01/09	32,816,986	927.97
04/02/09	34,654,003	978.01
04/03/09	36,090,125	1,015.58
04/04/09	36,090,125	1,015.58
04/05/09	36,090,125	1,015.58
04/06/09	34,518,021	972.55
04/07/09	36,631,236	1,028.67
04/08/09	36,503,402	1,023.53
04/09/09	35,765,546	1,002.45
04/10/09	35,741,267	1,001.81
04/11/09	35,741,267	1,001.81
04/12/09	35,741,267	1,001.81
04/13/09	35,224,349	988.15
04/14/09	34,817,507	977.57
04/15/09	35,352,775	991.08
04/16/09	36,298,928	1,015.78
04/17/09	36,487,382	1,020.85
04/18/09	36,487,382	1,020.85
04/19/09	36,487,382	1,020.85
04/20/09	34,066,798	956.58
04/21/09	35,129,202	984.22
04/22/09	34,085,176	956.78
04/23/09	33,657,538	918.06
04/24/09	33,738,361	826.19
04/25/09	33,738,361	826.19
04/26/09	33,738,361	826.19
04/27/09	30,000,000	739.48
04/28/09	31,860,825	782.25
04/29/09	31,435,520	772.11
04/30/09	33,811,314	780.05

Otter Tail Power Company  
 Embedded Cost of Line of Credit  
 Actual Year 2009

Prepared by: kas  
 Reviewed by: pjb

(A)	(B)	(C)
DATE	BALANCE	INTEREST
05/01/09	33,933,854	877.42
05/02/09	33,933,854	877.42
05/03/09	33,933,854	877.42
05/04/09	33,828,055	874.73
05/05/09	33,880,196	874.64
05/06/09	33,115,521	854.96
05/07/09	30,000,000	777.50
05/08/09	30,000,000	777.50
05/09/09	30,000,000	777.50
05/10/09	30,000,000	777.50
05/11/09	30,000,000	777.50
05/12/09	30,000,000	777.50
05/13/09	30,000,000	777.50
05/14/09	30,000,000	777.50
05/15/09	30,000,000	777.50
05/16/09	30,000,000	777.50
05/17/09	30,000,000	777.50
05/18/09	30,000,000	777.50
05/19/09	30,000,000	777.50
05/20/09	30,000,000	777.50
05/21/09	30,000,000	777.50
05/22/09	30,000,000	777.50
05/23/09	30,000,000	777.50
05/24/09	30,000,000	777.50
05/25/09	30,000,000	777.50
05/26/09	18,000,000	463.75
05/27/09	18,000,000	463.75
05/28/09	18,000,000	697.08
05/29/09	9,009,056	204.27
05/30/09	9,009,056	254.27
05/31/09	9,009,056	204.27
06/01/09	10,612,511	241.73
06/02/09	11,712,806	266.79
06/03/09	11,057,745	251.49
06/04/09	11,388,493	258.61
06/05/09	11,214,081	255.63
06/06/09	11,214,081	255.63
06/07/09	11,214,081	255.63
06/08/09	11,411,463	260.92
06/09/09	11,745,447	267.94
06/10/09	20,132,543	459.48
06/11/09	19,677,700	448.71
06/12/09	20,931,678	476.80
06/13/09	20,931,678	476.80
06/14/09	20,931,678	476.80
06/15/09	20,090,967	457.90
06/16/09	19,992,401	455.46
06/17/09	20,653,953	468.73
06/18/09	19,792,426	449.89
06/19/09	21,657,906	492.83
06/20/09	21,657,906	492.83
06/21/09	21,657,906	492.83
06/22/09	18,710,784	425.40
06/23/09	19,006,054	431.70
06/24/09	18,031,072	408.97
06/25/09	19,313,127	436.68
06/26/09	19,884,336	450.32
06/27/09	19,884,336	450.32
06/28/09	19,884,336	450.32
06/29/09	15,782,347	357.75
06/30/09	19,914,257	450.57

Otter Tail Power Company  
 Embedded Cost of Line of Credit  
 Actual Year 2009

Prepared by: kas  
 Reviewed by: pjb

(A)	(B)	(C)
DATE	BALANCE	INTEREST
07/01/09	(0)	(0.00)
07/02/09	(0)	(0.00)
07/03/09	(0)	(0.00)
07/04/09	(0)	(0.00)
07/05/09	(0)	(0.00)
07/06/09	(0)	(0.00)
07/07/09	(0)	(0.00)
07/08/09	(0)	(0.00)
07/09/09	(0)	(0.00)
07/10/09	(0)	(0.00)
07/11/09	(0)	(0.00)
07/12/09	(0)	(0.00)
07/13/09	(0)	(0.00)
07/14/09	(0)	(0.00)
07/15/09	(0)	(0.00)
07/16/09	(0)	(0.00)
07/17/09	(0)	(0.00)
07/18/09	(0)	(0.00)
07/19/09	(0)	(0.00)
07/20/09	(0)	(0.00)
07/21/09	(0)	(0.00)
07/22/09	(0)	(0.00)
07/23/09	(0)	(0.00)
07/24/09	(0)	(0.00)
07/25/09	(0)	(0.00)
07/26/09	(0)	(0.00)
07/27/09	(0)	(0.00)
07/28/09	(0)	(0.00)
07/29/09	(0)	(0.00)
07/30/09	(0)	(0.00)
07/31/09	0	0.00
08/01/09	0	0.00
08/02/09	0	0.00
08/03/09	0	0.00
08/04/09	0	0.00
08/05/09	0	0.00
08/06/09	0	0.00
08/07/09	0	0.00
08/08/09	0	0.00
08/09/09	0	0.00
08/10/09	0	0.00
08/11/09	0	0.00
08/12/09	0	0.00
08/13/09	0	0.00
08/14/09	0	0.00
08/15/09	0	0.00
08/16/09	0	0.00
08/17/09	0	0.00
08/18/09	0	0.00
08/19/09	0	0.00
08/20/09	0	0.00
08/21/09	529,660	11.26
08/22/09	529,660	11.26
08/23/09	529,660	11.26
08/24/09	0	0.00
08/25/09	0	0.00
08/26/09	0	0.00
08/27/09	0	0.00
08/28/09	0	0.00
08/29/09	0	0.00
08/30/09	0	0.00
08/31/09	0	0.00

Otter Tail Power Company  
 Embedded Cost of Line of Credit  
 Actual Year 2009

Prepared by: kas  
 Reviewed by: pjb

(A)	(B)	(C)
DATE	BALANCE	INTEREST
09/01/09	6,730,588	141.39
09/02/09	6,113,180	128.10
09/03/09	6,045,916	126.48
09/04/09	6,476,110	135.59
09/05/09	6,476,110	135.59
09/06/09	6,476,110	135.59
09/07/09	6,476,110	135.59
09/08/09	4,946,319	102.96
09/09/09	4,096,427	84.87
09/10/09	10,231,074	211.37
09/11/09	10,901,930	225.12
09/12/09	10,901,930	225.12
09/13/09	10,901,930	225.12
09/14/09	7,067,876	145.53
09/15/09	9,962,229	205.67
09/16/09	10,144,511	209.50
09/17/09	10,183,384	210.46
09/18/09	12,096,249	250.11
09/19/09	12,096,249	250.11
09/20/09	12,096,249	250.11
09/21/09	9,327,847	192.72
09/22/09	9,669,256	199.80
09/23/09	9,166,068	189.37
09/24/09	9,651,910	199.44
09/25/09	18,395,316	380.68
09/26/09	18,395,316	380.68
09/27/09	18,395,316	380.68
09/28/09	14,788,422	305.91
09/29/09	14,235,364	294.45
09/30/09	14,499,714	299.82
10/01/09	16,287,795	336.85
10/02/09	16,440,989	339.73
10/03/09	16,440,989	339.73
10/04/09	16,440,989	339.73
10/05/09	15,334,554	316.85
10/06/09	14,793,120	305.66
10/07/09	14,295,674	295.37
10/08/09	14,179,103	292.96
10/09/09	16,517,750	341.47
10/10/09	16,517,750	341.47
10/11/09	16,517,750	341.47
10/12/09	16,517,750	341.47
10/13/09	15,909,484	328.88
10/14/09	15,445,887	319.28
10/15/09	16,231,443	335.90
10/16/09	16,764,125	346.92
10/17/09	16,764,125	346.92
10/18/09	16,764,125	346.92
10/19/09	16,174,322	334.72
10/20/09	17,041,051	352.66
10/21/09	16,676,953	344.82
10/22/09	16,156,964	334.08
10/23/09	15,976,900	330.36
10/24/09	15,976,900	330.36
10/25/09	15,976,900	330.36
10/26/09	11,574,375	239.40
10/27/09	8,000,000	165.56
10/28/09	8,000,000	165.56
10/29/09	8,000,000	165.56
10/30/09	8,000,000	165.56
10/31/09	8,000,000	165.56

**Otter Tail Power Company  
Embedded Cost of Line of Credit  
Actual Year 2009**

Prepared by: kas  
Reviewed by: pjb

(A)	(B)	(C)
DATE	BALANCE	INTEREST
11/01/09	8,000,000	165.56
11/02/09	8,000,000	165.56
11/03/09	8,000,000	165.56
11/04/09	8,000,000	165.56
11/05/09	8,000,000	165.56
11/06/09	8,000,000	165.56
11/07/09	8,000,000	165.56
11/08/09	8,000,000	165.56
11/09/09	8,000,000	165.56
11/10/09	8,000,000	165.56
11/11/09	8,000,000	165.56
11/12/09	8,000,000	165.56
11/13/09	8,000,000	165.56
11/14/09	8,000,000	165.56
11/15/09	8,000,000	165.56
11/16/09	0	0.00
11/17/09	0	0.00
11/18/09	0	0.00
11/19/09	0	0.00
11/20/09	0	0.00
11/21/09	0	0.00
11/22/09	0	0.00
11/23/09	0	0.00
11/24/09	0	0.00
11/25/09	0	0.00
11/26/09	0	0.00
11/27/09	0	0.00
11/28/09	0	0.00
11/29/09	0	0.00
11/30/09	0	0.00
12/01/09	1,736,939	35.45
12/02/09	1,657,823	33.82
12/03/09	1,724,070	35.18
12/04/09	1,484,118	30.29
12/05/09	1,484,118	30.29
12/06/09	1,484,118	30.29
12/07/09	99,269	2.03
12/08/09	0	0.00
12/09/09	0	0.00
12/10/09	8,187,412	166.95
12/11/09	8,065,953	164.26
12/12/09	8,065,953	164.26
12/13/09	8,065,953	164.26
12/14/09	7,288,111	148.29
12/15/09	8,075,742	164.32
12/16/09	7,849,620	159.72
12/17/09	7,086,029	144.31
12/18/09	5,589,369	113.63
12/19/09	5,589,369	113.63
12/20/09	5,589,369	113.63
12/21/09	3,437,758	69.89
12/22/09	3,720,424	75.64
12/23/09	3,964,796	80.53
12/24/09	3,810,571	77.40
12/25/09	3,810,571	77.40
12/26/09	3,810,571	77.40
12/27/09	3,810,571	77.40
12/28/09	1,557,891	31.64
12/29/09	1,271,689	25.82
12/30/09	140,898	2.86
12/31/09	1,585,324	32.19
	\$6,259,449,056	158,260.44
	<b>17,149,175.50</b>	
	<b>0.923%</b>	



Prepared by: kas  
Reviewed by:

**Otter Tail Power Company  
Embedded Cost of Preferred Stock  
Average Thirteen Monthly Balances Year Ending December 31, 2009**

		(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)																	
Line No.	Description	Year of Issue	Shares Outstanding												Dividend Rate	Balance Outstanding	Annual Dividend																			
		(1)	December	January	February	March	April	May	June	July	August	September	October	November	December				(2)																	
1	\$ 3.60 Dividend Series	- 1946	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	0	0	0	0	0	0	0	3.60%	3,230,769	116,308																	
2	\$ 4.40 Dividend Series	- 1950	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	0	0	0	0	0	0	0	4.40%	1,346,154	59,231																	
3	\$ 4.65 Dividend Series	- 1946	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	0	0	0	0	0	0	0	4.65%	1,615,385	75,115																	
4	\$ 6.75 Dividend Series	- 1993	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	0	0	0	0	0	0	0	6.75%	2,153,846	145,385																	
5																																				
6	<b>Total</b>		<b>15,500,000</b>	<b>15,500,000</b>	<b>15,500,000</b>	<b>15,500,000</b>	<b>15,500,000</b>	<b>15,500,000</b>	<b>15,500,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>8,346,154</b>	<b>396,038</b>																	
7																																				
8	<b>Total Cumulative Preferred Stock</b>		<b>15,500,000</b>	<b>15,500,000</b>	<b>15,500,000</b>	<b>15,500,000</b>	<b>15,500,000</b>	<b>15,500,000</b>	<b>15,500,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>8,346,154</b>	<b>396,038</b>																	
9			<table border="1"> <tr> <td align="right" colspan="17">Weighted Cost of Cumulative Preferred Stock</td> <td align="right">4.75%</td> </tr> </table>																Weighted Cost of Cumulative Preferred Stock																	4.75%
Weighted Cost of Cumulative Preferred Stock																	4.75%																			

(1) Appropriate Monthly Financial Statements  
 (2) Dividend Rate X Average Balance Outstanding

**Otter Tail Power Company**  
**Common Equity**  
**Average Thirteen Monthly Balances, Actual Year Ending December 31, 2009**

(A)                      (B)                      (C)                      (D)                      (E)                      (F)                      (G)                      (H)                      (I)                      (J)                      (K)                      (L)                      (M)                      (N)                      (O)

**Principal Amounts Outstanding**

Line No.	Title	December (1)	January	February	March	April	May	June	July	August	September	October	November	December	Average Monthly Balances
1	Contributed Capital	194,939,232	195,192,363	195,192,363	195,192,363	195,192,363	195,192,363	195,192,363	200,661,392	200,661,392	200,661,392	202,861,392	202,861,392	202,861,392	198,204,751
2															
3	Current Year Capital Contributions (2)	253,131						5,469,029			2,200,000	0		2,000,000	763,243
4															
5	Common Stock Balance	195,192,363	195,192,363	195,192,363	195,192,363	195,192,363	195,192,363	200,661,392	200,661,392	200,661,392	202,861,392	202,861,392	202,861,392	204,861,392	198,967,994
6	Retained Earnings -														
7	Beginning Balance	127,837,925	122,288,881	124,916,283	128,185,689	122,218,635	123,144,531	123,820,813	120,881,463	124,821,892	126,090,668	121,984,807	124,764,986	129,070,914	124,771,345
8	Net Income (3)	4,530,250	2,627,402	3,343,349	2,555,375	925,897	676,281	2,792,885	3,940,429	3,268,776	2,317,482	2,780,179	4,305,928	4,544,818	2,969,928
9	Dividends (4)	(8,605,423)	0	0	(8,611,043)	0	0	(8,628,487)	0	0	(8,477,883)	0	0	(8,496,081)	(3,293,763)
10	Other (5)	(1,473,871)		(73,943)	88,614	(1)	1	2,896,252	0	0	54,530	0	0	55,929	119,039
11	End of Month Balance	122,288,881	124,915,283	128,185,689	122,218,635	123,144,531	123,820,813	120,881,463	124,821,892	128,090,668	121,984,807	124,764,986	129,070,914	125,175,580	124,566,549
12	Other Comprehensive Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13	<b>Total Electric Common Equity</b>	<b>317,481,244</b>	<b>320,108,646</b>	<b>323,378,052</b>	<b>317,410,998</b>	<b>318,336,894</b>	<b>319,013,176</b>	<b>321,542,855</b>	<b>325,483,284</b>	<b>328,752,060</b>	<b>324,846,199</b>	<b>327,626,378</b>	<b>331,932,306</b>	<b>330,036,972</b>	<b>323,534,543</b>

(1) Actual 2008 W/P D-3, Page 1 of 1  
 (2) Page 3 of Monthly F/S  
 (3) Net Income from Monthly F/S Page 4  
 (4) Statement of Cash Flows - Page 6 of monthly F/S  
 (5) Page 3 of Monthly F/S; Increase(Decrease) in Other Comp Income for the Month plus adjustments for FAS 158.

Check (s/b zero)                      0                      0                      0                      0                      0                      0                      0                      0                      0                      0                      0                      0                      0  
 Page 3 of monthly F/S                      317,481,244                      320,108,646                      323,378,052                      317,410,998                      318,336,894                      319,013,176                      321,542,855                      325,483,284                      328,752,060                      324,846,199                      327,626,378                      331,932,306                      330,036,972