Otter Tail Power Company Transmission Rider - Revenue Requirements Fargo-Monticello Phase III Docket No. EL10-015

Line	Retail Load Responsibility Only	Year>>		2011 Actual January	2011 Actual February	2011 Actual March	2011 Actual April	2011 Actual May	2011 Actual June	2011 Actual July	2011 Projected August	2011 Projected September	2011 Projected October	2011 Projected November	2011 Projected December	2011 Projected Total
1 2 3 4 5 6 7 8 9	RATE BASE Plant Balance Accumulated. Depreciation			0	0	0	0	0	0	0	0	0	0	0	0	0
	Net Plant in Service CWIP			0 452,396	0 461,748	0 474,919	0 492,801	0 501,051	0 515,212	0 582,567	0 811,355	0 893,818	980,257	0 1,057,881	0 1,157,723	0 1,157,723
	Accum. Deferred Inc. Taxes Fed & State Ending rate base			0 452,396	0 461,748	0 474,919	0 492,801	0 501,051	0 515,212	0 582,567	0 811,355	0 893,818	980,257	0 1,057,881	0 1,157,723	1,157,723
	Average rate base			678,898	678,898	678,898	678,898	678,898	678,898	678,898	678,898	678,898	678,898	678,898	678,898	678,898
11 12 13	Return on Rate Base			4,717	4,809	4,809	4,809	4,809	4,809	4,809	4,809	4,809	4,809	4,809	4,809	57,619
14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 33 34 35	Available for return (equity portion of rate base)			3,160	2,999	2,999	2,999	2,999	2,999	2,999	2,999	2,999	2,999	2,999	2,999	36,146
	EXPENSES O&M and Depreciation Operating Costs Property Tax Book Depreciation			0 0 0	0 0 0	0 0 0	0 0 0	0 0 0	0 0 0	0 0 0	0 0	0 0 0	0 0 0	0 0 0	0 0 0	0 0 0
	Total O&M and Depreciation Expense			0	0	0	0	0	0	0	0	0	0	0	0	0
	Income before Taxes Available for return (from above) Taxable Income (grossed up)	1.5385		3,160 4,862	2,999 4,613	2,999 4,613	2,999 4,613	2,999 4,613	2,999 4,613	2,999 4,613	2,999 4,613	2,999 4,613	2,999 4,613	2,999 4,613	2,999 4,613	36,146 55,610
	Income Taxes Current and Def Income Taxes Total Income Tax Expense		35.00%	1,702 1,702	1,615 1,615	1,615 1,615	1,615 1,615	1,615 1,615	1,615 1,615	1,615 1,615	1,615 1,615	1,615 1,615	1,615 1,615	1,615 1,615	1,615 1,615	19,463 19,463
	REVENUE REQUIRMENTS Expenses Return on rate base Subtotal revenue requirements			1,702 4,717 6,418	1,615 4,809 6,424	1,615 4,809 6,424	1,615 4,809 6,424	1,615 4,809 6,424	1,615 4,809 6,424	1,615 4,809 6,424	1,615 4,809 6,424	1,615 4,809 6,424	1,615 4,809 6,424	1,615 4,809 6,424	1,615 4,809 6,424	19,463 57,619 77,083
36	Adjustments		0.00%	0,110	0,121	0, 12 1	0, 12 1	0,121	0, 12 1	0, 121	0, 121	0,121	0, .2 .	0,121	0, .2.	
37 38 39 40	Transmission Revenue Total revenue requirements		0.00%	6,418	6,424	6,424	6,424	6,424	6,424	6,424	6,424	6,424	6,424	6,424	6,424	77,083
	SD share - D2 factor		9.26%	630	631	631	631	631	631	631	631	631	631	631	631	7,566
Line 1 2 3 4 5	SUPPORTING INFORMATION / DATA SD Capstructure with allowed ROE per order. Capital Structure Debt Preferred equity Common equity			SD Capstructure Capital Structure Debt Preferred equity Common equity	with allowed RC	DE per order. Thru 1/31/2011 41.15% 3.00% 55.86%	From 2/1/2011 46.995% 0.000% 53.005%	Thru 1/31/2011 6.34% 4.75% 10.00%	From 2/1/2011 6.81% 0.00% 10.00%	Thru 1/31/2011 2.61% 0.14% 5.59%	From 2/1/2011 3.20% 0.00% 5.30%	Property tax 2011 composite rai	te	1.50%		
6 7 8 9 10 11 12 13	Total Statutory Tax Rate Tax conversion factor	_	100.00% 35.00%		ctor evenue		100.00% Tax 15-year MACRS From 2/1/2011 35.00% 1.5385 100.00% 9.82%	8		8.34%	8.50%	Book Depreciation 2011 composite rat		1.6150%		

	Retail Load Responsibility Only	2012 Projected	Total											
Line		January	February	March	April	May	June	July	August	September	October	November	December	2012
1	RATE BASE													
2	Plant Balance	0	0	0	0	0	0	0	0	0	0	0	0	0
3	Accumulated. Depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0
4 5	Net Plant in Service CWIP	0	0	0	0	0	0	0	0	0	0	0	0	0
6	CWIP	1,253,984	1,522,725	1,894,085	2,294,942	2,695,997	3,195,932	3,709,903	4,277,585	4,845,956	5,305,320	5,745,807	6,187,030	6,187,030
7	Accum, Deferred Inc. Taxes Fed & State	0	0	0	0	0	0	0	0	0	0	0	0	0
8	Ending rate base	1,253,984	1,522,725	1.894.085	2.294.942	2.695.997	3.195.932	3.709.903	4.277.585	4.845.956	5.305.320	5.745.807	6.187.030	6.187.030
9	Litting rate base	1,233,304	1,322,723	1,034,003	2,234,342	2,033,331	3,133,332	3,703,303	4,211,303	4,040,500	3,303,320	3,743,007	0,107,030	0,107,030
10 11	Average rate base	3,391,307	3,391,307	3,391,307	3,391,307	3,391,307	3,391,307	3,391,307	3,391,307	3,391,307	3,391,307	3,391,307	3,391,307	3,391,307
12 13	Return on Rate Base	24,024	24,024	24,024	24,024	24,024	24,024	24,024	24,024	24,024	24,024	24,024	24,024	288,290
14 15	Available for return (equity portion of rate base)	14,980	14,980	14,980	14,980	14,980	14,980	14,980	14,980	14,980	14,980	14,980	14,980	179,756
16	EXPENSES													
17	O&M and Depreciation													
18	Operating Costs	0	0	0	0	0	0	0	0	0	0	0	0	0
19	Property Tax	0	0	0	0	0	0	0	0	0	0	0	0	0
20	Book Depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0_
21	Total O&M and Depreciation Expense	0	0	0	0	0	0	0	0	0	0	0	0	0
22														
23	Income before Taxes													
24	Available for return (from above)	14,980	14,980	14,980	14,980	14,980	14,980	14,980	14,980	14,980	14,980	14,980	14,980	179,756
25 26	Taxable Income (grossed up)	23,046	23,046	23,046	23,046	23,046	23,046	23,046	23,046	23,046	23,046	23,046	23,046	276,548
27	Income Taxes													
28	Current and Def Income Taxes	8.066	8.066	8.066	8.066	8.066	8.066	8.066	8,066	8,066	8.066	8.066	8.066	96.792
29	Total Income Tax Expense	8,066	8,066	8.066	8,066	8,066	8,066	8.066	8,066	8,066	8.066	8,066	8,066	96,792
30			-1	-1	*,,	-11	-11	7,577	-,,,,,,	71777	2,10.0.0	21222	-11	
31														
32	REVENUE REQUIRMENTS													
33	Expenses	8,066	8,066	8,066	8,066	8,066	8,066	8,066	8,066	8,066	8,066	8,066	8,066	96,792
34	Return on rate base	24,024	24,024	24,024	24,024	24,024	24,024	24,024	24,024	24,024	24,024	24,024	24,024	288,290
35	Subtotal revenue requirements	32,090	32,090	32,090	32,090	32,090	32,090	32,090	32,090	32,090	32,090	32,090	32,090	385,082
36	Adjustments													
37	Transmission Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0
38	Total revenue requirements	32,090	32,090	32,090	32,090	32,090	32,090	32,090	32,090	32,090	32,090	32,090	32,090	385,082
39 40	SD share - D2 factor	3,150	3,150	3,150	3,150	3,150	3,150	3,150	3,150	3,150	3,150	3,150	3,150	37,799
Line	SUPPORTING INFORMATION / DATA													
Line 1	SD Capstructure with allowed ROE per order.	SD Capstructure	with allowed BC	E por order										
2	Capital Structure	Capital Structure		Ratio		Cost		WA Cost		Property tax				
3	Debt	Debt		46.995%		6.81%		3.20%		2012 composite	rate	1.50%		
4	Preferred equity	Preferred equity		0.000%		0.00%		0.00%		2012 composito	ato	1.0070		
5	Common equity	Common equity		53.005%		10.00%		5.30%						
6	Total	Total	_	100.00%			_	8.50%	Overall Return	Book Depreciation	in			
7										2012 composite		1.6357%		
8					Tax									
9					15-year MACRS									
10														
11	Statutory Tax Rate	Statutory Tax Ra		35.00%										
12	Tax conversion factor	Tax conversion f		1.5385										
13		Transmission I		0.00%										
14		SD share - D2 fa	actor	9.816%										