

Attachment 5

Air Quality Control System Project Revenue Requirement Calculation

Otter Tail Power Company
Environmental Quality Rider
Air Quality Control System

Line No.	SUPPORTING INFORMATION / DATA													
1	SD Cap Structure with allowed ROE per order.													
2	Capital Structure													
3		Ratio		Cost		WA Cost								
4	Debt	47.00%		6.81%		3.20%								
5	Preferred equity	0.00%		0.00%		0.00%								
6	Common equity	53.01%		10.00%		5.30%								
7	Total	100.00%				8.50%	Overall Return							
8														
9														
10	Project life (years)	Book		Tax										
11		50		7-year MACRS										
12														
13				Federal		State								
14	Statutory Tax Rate	35.10%		35.00%		0.15%								
15	Tax conversion factor	1.54077												
16	Base Demand Factor	75.29%												
17	Peak Demand Factor	24.71%												
18	SD share - E1 factor	9.9710%												
19	SD share - D1 factor	9.9001%												
20	Deferred Tax													
21	Book depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0
22	Tax depreciation-Federal	0	0	0	0	0	0	0	0	0	0	0	0	0
23	Federal deferred income taxes	35.00%	0	0	0	0	0	0	0	0	0	0	0	0
24														
25														

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23	Federal deferred income taxes	35.00%	0	0	0	0	0	0	0	0	0	0	0
24													
25													