Otter Tail Power Company
Transmission Rider - Revenue Requirements
CAPX2020 Fargo-Monticello
Docket No. EL12-

Line No.	*Year>>*		2011 Actual January	2011 Actual February	2011 Actual March	2011 Actual April	2011 Actual May	2011 Actual June	2011 Actual July	2011 Actual August	2011 Actual September	2011 Actual October	2011 Actual November	2011 Actual December	2011 Actual Total
	RATE BASE														
1	Plant Balance		0	0	0	0	0	0	0	0	0	0	0	8,706,421	8,706,421
2	Accumulated Depreciation		0	0	0	0	0	0	0	0	0	0	0	0	0
3	Net Plant in Service		0	0	0	0	0	0	0	0	0	0	0	8,706,421	8,706,421
4	CWIP		6,334,908	7,393,258	10,209,000	12,619,786	11,512,845	11,429,199	13,218,817	12,080,977	13,100,825	13,979,374	14,680,574	7,360,311	7,360,311
5	Accumulated Deferred Income Taxes Fedederal & State		0	0	0	0	0	0	0	0	0	0	0	(3,047,247)	(3,047,247)
6	Ending rate base		6,334,908	7,393,258	10,209,000	12,619,786	11,512,845	11,429,199	13,218,817	12,080,977	13,100,825	13,979,374	14,680,574	13,019,485	13,019,485
7															
8	OTP Load Percentage		74.62%	74.62%	74.62%	74.62%	74.62%	80.38%	80.38%	80.38%	80.38%	80.38%	80.38%	80.38%	80.38%
9	Remove Non-OTP Load Portion		(1,607,800)	(1,876,409)	(2,591,044)	(3,202,902)	(2,921,960)	(2,242,409)	(2,593,532)	(2,370,288)	(2,570,382)	(2,742,753)	(2,880,329)	(2,554,423)	(2,554,423)
10	Retail Ending Rate Base		4,727,109	5,516,849	7,617,956	9,416,884	8,590,885	9,186,790	10,625,285	9,710,689	10,530,443	11,236,621	11,800,245	10,465,062	10,465,062
11															
12	Average rate base		725,181	725,181	725,181	725,181	725,181	725,181	725,181	725,181	725,181	725,181	725,181	725,181	8,702,172
13															
14	Return on Rate Base		60,456	61,647	61,647	61,647	61,647	61,647	61,647	61,647	61,647	61,647	61,647	61,647	738,569
15															
16	Available for return (equity portion of rate base)		40,506	38,438	38,438	38,438	38,438	38,438	38,438	38,438	38,438	38,438	38,438	38,438	463,327
17															
18	*EXPENSES*														
19	*O&M and Depreciation*														
20	Operating Costs		0	0	0	0	0	0	0	0	0	0	0	0	0
21	Property Tax		0	0	0	0	0	0	0	0	0	0	0	0	0
22	Book Depreciation		0	0	0	0	0	0	0	0	0	0	0	0	0
23	Total O&M and Depreciation Expenses		0	0	0	0	0	0	0	0	0	0	0	0	0
24															
25	OTP Load Percentage		74.62%	74.62%	74.62%	74.62%	74.62%	80.38%	80.38%	80.38%	80.38%	80.38%	80.38%	80.38%	80.38%
26	Remove Non-OTP Load Portion		0	0	0	0	0	0	0	0	0	0	0	0	0
27	Retail O&M and Depreciation Expenses		0	0	0	0	0	0	0	0	0	0	0	0	0
28															
29	Income before Taxes														
30	Available for return (from above)		40,506	38,438	38,438	38,438	38,438	38,438	38,438	38,438	38,438	38,438	38,438	38,438	463,327
31	Taxable Income (grossed up)	1.53846	62,318	59,136	59,136	59,136	59,136	59,136	59,136	59,136	59,136	59,136	59,136	59,136	712,811
32															
33	Income Taxes														
34	Current and Def Income Taxes	35.00%	21,811	20,698	20,698	20,698	20,698	20,698	20,698	20,698	20,698	20,698	20,698	20,698	249,484
35	Total Income Tax Expense		21,811	20,698	20,698	20,698	20,698	20,698	20,698	20,698	20,698	20,698	20,698	20,698	249,484
36															
37															
38	*REVENUE REQUIRMENTS*														
39	Expenses		21,811	20,698	20,698	20,698	20,698	20,698	20,698	20,698	20,698	20,698	20,698	20,698	249,484
40	Return on rate base		60,456	61,647	61,647	61,647	61,647	61,647	61,647	61,647	61,647	61,647	61,647	61,647	738,569
41	Subtotal revenue requirements		82,268	82,344	82,344	82,344	82,344	82,344	82,344	82,344	82,344	82,344	82,344	82,344	988,053
42	Adjustments														
43	Transmission Revenue		0	0	0	0	0	0	0	0	0	0	0	0	0
44	Total revenue requirements		82,268	82,344	82,344	82,344	82,344	82,344	82,344	82,344	82,344	82,344	82,344	82,344	988,053
45															
46	South Dakota share - D2 factor	9.82%	7,618	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	8,083	96,528
47															
48	Gross Receipts Tax (at 0.0015)	0.15%	11	12	12	12	12	12	12	12	12	12	12	12	145
49	Total South Dakota Share		7,630	8,095	8,095	8,095	8,095	8,095	8,095	8,095	8,095	8,095	8,095	8,095	96,672

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	SUPPORTING INFORMATION / DATA														
1															
2			SD Cap Structure with allowed ROE per order.												
3			Capital Structure		**Ratio (Jan)**	**Ratio (Feb)**	**Cost (Jan)**	**Cost (Feb)**	**WA Cost (Jan)**	**WA Cost (Feb)**			**Property tax**		
4			Debt		41.15%	47.00%	6.34%	6.81%	2.61%	3.20%			2011 composite rate	1.50%	
5			Preferred equity		3.00%	0.00%	4.75%	0.00%	0.14%	0.00%					
6			Common equity		55.86%	53.01%	10.00%	10.00%	5.59%	5.30%					
7			Total		100.00%	100.00%			8.34%	8.50%	Overall Return				
8															
9					**Book**	**Tax**									
10			Project life (years)		50	15-year MACRS									
11									**SD Special**						
12					**January**	**February**	**Fed Portion**	**State Portion**	**Hearing Fund:**						
13			Statutory Tax Rate		35.00%	35.00%	35.00%	0.00%	0.15%						
14			Tax conversion factor		1.53846	1.53846									
15			Transmission Revenue		0.00%	0.00%									
16			SD share - D2 factor		9.2605%	9.8157%									
17															
18	**Deferred Tax**														
19	Book depreciation		0	0	0	0	0	0	0	0	0	0	0	0	0
20	Tax depreciation-Federal		0	0	0	0	0	0	0	0	0	0	0	8,706,421	8,706,421
21	Tax depreciation-ND		0	0	0	0	0	0	0	0	0	0	0	8,706,421	8,706,421
22	Federal deferred income taxes	35.00%	0	0	0	0	0	0	0	0	0	0	0	(3,047,247)	(3,047,247)
23	State deferred income taxes	0.00%	0	0	0	0	0	0	0	0	0	0	0	0	0

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Line No.	Year>>	2012 Actual January	2012 Actual February	2012 Actual March	2012 Actual April	2012 Actual May	2012 Actual June	2012 Actual July	2012 Projected August	2012 Projected September	2012 Projected October	2012 Projected November	2012 Projected December	2012 Projected Total
	RATE BASE													
1	Plant Balance	8,706,421	8,706,421	8,706,421	10,709,331	10,709,331	10,709,331	10,709,331	10,641,229	10,641,229	10,641,229	10,641,229	10,641,229	10,641,229
2	Accumulated Depreciation	(15,937)	(31,874)	(47,811)	(63,747)	(83,350)	(102,954)	(122,557)	(142,160)	(161,651)	(181,143)	(200,634)	(220,126)	(220,126)
3	Net Plant in Service	8,690,484	8,674,548	8,658,611	10,645,584	10,625,981	10,606,377	10,586,774	10,499,069	10,479,578	10,460,086	10,440,595	10,421,103	10,421,103
4	CWIP	8,192,144	8,695,325	9,700,853	8,165,395	9,256,755	10,786,674	12,909,196	15,969,824	19,264,174	21,464,736	23,806,826	26,033,880	26,033,880
5	Accumulated Deferred Income Taxes Fedederal & State	(3,071,296)	(3,095,345)	(3,119,394)	(3,143,443)	(3,166,208)	(3,188,974)	(3,211,740)	(3,234,505)	(3,257,310)	(3,280,115)	(3,302,920)	(3,325,724)	(3,325,724)
6	Ending rate base	13,811,332	14,274,528	15,240,070	15,667,536	16,716,528	18,204,077	20,284,230	23,234,388	26,486,441	28,644,707	30,944,501	33,129,259	33,129,259
7														
8	OTP Load Percentage	80.38%	80.38%	80.38%	80.38%	80.38%	80.38%	80.38%	80.38%	80.38%	80.38%	80.38%	80.38%	80.38%
9	Remove Non-OTP Load Portion	(2,709,783)	(2,800,662)	(2,990,102)	(3,073,971)	(3,279,783)	(3,571,640)	(3,979,766)	(4,558,587)	(5,196,640)	(5,620,092)	(6,071,311)	(6,499,961)	(6,499,961)
10	Retail Ending Rate Base	11,101,549	11,473,865	12,249,968	12,593,565	13,436,745	14,632,437	16,304,464	18,675,801	21,289,802	23,024,616	24,873,190	26,629,298	26,629,298
11														
12	Average rate base	1,389,425	1,389,425	1,389,425	1,389,425	1,389,425	1,389,425	1,389,425	1,389,425	1,389,425	1,389,425	1,389,425	1,389,425	16,673,105
13														
14	Return on Rate Base	118,106	118,106	118,106	118,106	118,106	118,106	118,106	118,106	118,106	118,106	118,106	118,106	1,417,274
15														
16	Available for return (equity portion of rate base)	73,640	73,640	73,640	73,640	73,640	73,640	73,640	73,640	73,640	73,640	73,640	73,640	883,675
17														
18	*EXPENSES*													
19	*O&M and Depreciation*													
20	Operating Costs	0	0	0	0	0	0	0	0	0	0	0	0	0
21	Property Tax	23,845	23,845	23,845	23,845	23,845	23,845	23,845	23,845	23,845	23,845	23,845	23,845	286,139
22	Book Depreciation	15,937	15,937	15,937	15,937	19,603	19,603	19,603	19,603	19,491	19,491	19,491	19,491	220,126
23	Total O&M and Depreciation Expenses	39,782	39,782	39,782	39,782	43,448	43,448	43,448	43,448	43,336	43,336	43,336	43,336	506,265
24														
25	OTP Load Percentage	80.38%	80.38%	80.38%	80.38%	80.38%	80.38%	80.38%	80.38%	80.38%	80.38%	80.38%	80.38%	80.38%
26	Remove Non-OTP Load Portion	(7,805)	(7,805)	(7,805)	(7,805)	(8,525)	(8,525)	(8,525)	(8,525)	(8,503)	(8,503)	(8,503)	(8,503)	(99,329)
27	Retail O&M and Depreciation Expenses	31,977	31,977	31,977	31,977	34,924	34,924	34,924	34,924	34,834	34,834	34,834	34,834	406,936
28														
29	Income before Taxes													
30	Available for return (from above)	73,640	73,640	73,640	73,640	73,640	73,640	73,640	73,640	73,640	73,640	73,640	73,640	883,675
31	Taxable Income (grossed up) 1.53846	113,292	113,292	113,292	113,292	113,292	113,292	113,292	113,292	113,292	113,292	113,292	113,292	1,359,499
32														
33	Income Taxes													
34	Current and Def Income Taxes 35.00%	39,652	39,652	39,652	39,652	39,652	39,652	39,652	39,652	39,652	39,652	39,652	39,652	475,825
35	Total Income Tax Expense	39,652	39,652	39,652	39,652	39,652	39,652	39,652	39,652	39,652	39,652	39,652	39,652	475,825
36														
37														
38	*REVENUE REQUIRMENTS*													
39	Expenses	71,629	71,629	71,629	71,629	74,576	74,576	74,576	74,576	74,486	74,486	74,486	74,486	882,760
40	Return on rate base	118,106	118,106	118,106	118,106	118,106	118,106	118,106	118,106	118,106	118,106	118,106	118,106	1,417,274
41	Subtotal revenue requirements	189,735	189,735	189,735	189,735	192,682	192,682	192,682	192,682	192,592	192,592	192,592	192,592	2,300,034
42	Adjustments													
43	Transmission Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0
44	Total revenue requirements	189,735	189,735	189,735	189,735	192,682	192,682	192,682	192,682	192,592	192,592	192,592	192,592	2,300,034
45														
46	South Dakota share - D2 factor 9.82%	18,624	18,624	18,624	18,624	18,913	18,913	18,913	18,913	18,904	18,904	18,904	18,904	225,765
47														
48	Gross Receipts Tax (at 0.0015) 0.15%	28	28	28	28	28	28	28	28	28	28	28	28	339
49	Total South Dakota Share	18,652	18,652	18,652	18,652	18,941	18,941	18,941	18,941	18,933	18,933	18,933	18,933	226,103

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1															
2			SD Cap Structure with allowed ROE per order.												
3			Capital Structure		**Ratio**		**Cost**		**WA Cost**			**Property tax**			
4			Debt		47.00%		6.81%		3.20%			2012 composite rate		1.92%	
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					**Book**	**Tax**									
10			Project life (years)		50	15-year MACRS									
11								**SD Special**							
12						**Fed Portion**	**State Portion**	**Hearing Fund:**							
13			Statutory Tax Rate		35.00%	35.00%	0.00%	0.15%							
14			Tax conversion factor		1.53846										
15			Transmission Revenue		0.00%										
16			SD share - D2 factor		9.8157%										
17															
18	**Deferred Tax**														
19	Book depreciation		15,937	15,937	15,937	15,937	19,603	19,603	19,603	19,603	19,491	19,491	19,491	19,491	220,126
20	Tax depreciation-Federal		84,648	84,648	84,648	84,648	84,648	84,648	84,648	84,648	84,648	84,648	84,648	84,648	1,015,774
21	Tax depreciation-ND		84,648	84,648	84,648	84,648	84,648	84,648	84,648	84,648	84,648	84,648	84,648	84,648	1,015,774
22	Federal deferred income taxes	35.00%	(24,049)	(24,049)	(24,049)	(24,049)	(22,766)	(22,766)	(22,766)	(22,766)	(22,805)	(22,805)	(22,805)	(22,805)	(278,477)
23	State deferred income taxes	0.00%	0	0	0	0	0	0	0	0	0	0	0	0	0

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Line No.	Year>>	2013 Projected January	2013 Projected February	2013 Projected March	2013 Projected April	2013 Projected May	2013 Projected June	2013 Projected July	2013 Projected August	2013 Projected September	2013 Projected October	2013 Projected November	2013 Projected December	2013 Projected Total
	RATE BASE													
1	Plant Balance	10,641,229	10,641,229	10,641,229	10,641,229	10,641,229	10,641,229	10,641,229	10,641,229	10,641,229	10,641,229	10,641,229	38,206,812	38,206,812
2	Accumulated Depreciation	(239,617)	(259,109)	(278,600)	(298,092)	(317,583)	(337,075)	(356,566)	(376,058)	(395,549)	(415,041)	(434,532)	(454,024)	(454,024)
3	Net Plant in Service	10,401,612	10,382,120	10,362,629	10,343,137	10,323,646	10,304,154	10,284,663	10,265,171	10,245,680	10,226,188	10,206,697	37,752,789	37,752,789
4	CWIP	28,420,590	30,751,207	32,592,137	34,365,307	36,305,861	37,472,225	39,011,928	40,616,815	42,072,617	43,963,130	45,451,587	19,151,417	19,151,417
5	Accumulated Deferred Income Taxes Fedederal & State	(3,321,583)	(3,317,441)	(3,313,300)	(3,309,158)	(3,305,017)	(3,300,875)	(3,296,734)	(3,292,592)	(3,288,451)	(3,284,309)	(3,280,168)	(3,758,424)	(3,758,424)
6	Ending rate base	35,500,619	37,815,886	39,641,466	41,399,286	43,324,490	44,475,504	45,999,857	47,589,394	49,029,846	50,905,009	52,378,116	53,145,781	53,145,781
7														
8	OTP Load Percentage	80.38%	80.38%	80.38%	80.38%	80.38%	80.38%	80.38%	80.38%	80.38%	80.38%	80.38%	80.38%	80.38%
9	Remove Non-OTP Load Portion	(6,965,221)	(7,419,477)	(7,777,656)	(8,122,540)	(8,500,265)	(8,726,094)	(9,025,172)	(9,337,039)	(9,619,656)	(9,987,563)	(10,276,586)	(10,427,202)	(10,427,202)
10	Retail Ending Rate Base	28,535,397	30,396,409	31,863,810	33,276,746	34,824,225	35,749,410	36,974,685	38,252,355	39,410,190	40,917,446	42,101,530	42,718,579	42,718,579
11														
12	Average rate base	2,959,295	2,959,295	2,959,295	2,959,295	2,959,295	2,959,295	2,959,295	2,959,295	2,959,295	2,959,295	2,959,295	2,959,295	35,511,545
13														
14	Return on Rate Base	251,551	251,551	251,551	251,551	251,551	251,551	251,551	251,551	251,551	251,551	251,551	251,551	3,018,609
15														
16	Available for return (equity portion of rate base)	156,843	156,843	156,843	156,843	156,843	156,843	156,843	156,843	156,843	156,843	156,843	156,843	1,882,112
17														
18	*EXPENSES*													
19	*O&M and Depreciation*													
20	Operating Costs	0	0	0	0	0	0	0	0	0	0	0	0	0
21	Property Tax	48,475	48,475	48,475	48,475	48,475	48,475	48,475	48,475	48,475	48,475	48,475	48,475	581,696
22	Book Depreciation	19,491	19,491	19,491	19,491	19,491	19,491	19,491	19,491	19,491	19,491	19,491	19,491	233,898
23	Total O&M and Depreciation Expenses	67,966	67,966	67,966	67,966	67,966	67,966	67,966	67,966	67,966	67,966	67,966	67,966	815,594
24														
25	OTP Load Percentage	80.38%	80.38%	80.38%	80.38%	80.38%	80.38%	80.38%	80.38%	80.38%	80.38%	80.38%	80.38%	80.38%
26	Remove Non-OTP Load Portion	(13,335)	(13,335)	(13,335)	(13,335)	(13,335)	(13,335)	(13,335)	(13,335)	(13,335)	(13,335)	(13,335)	(13,335)	(160,020)
27	Retail O&M and Depreciation Expenses	54,631	54,631	54,631	54,631	54,631	54,631	54,631	54,631	54,631	54,631	54,631	54,631	655,575
28														
29	Income before Taxes													
30	Available for return (from above)	156,843	156,843	156,843	156,843	156,843	156,843	156,843	156,843	156,843	156,843	156,843	156,843	1,882,112
31	Taxable Income (grossed up) 1.53846	241,296	241,296	241,296	241,296	241,296	241,296	241,296	241,296	241,296	241,296	241,296	241,296	2,895,557
32														
33	Income Taxes													
34	Current and Def Income Taxes 35.00%	84,454	84,454	84,454	84,454	84,454	84,454	84,454	84,454	84,454	84,454	84,454	84,454	1,013,445
35	Total Income Tax Expense	84,454	84,454	84,454	84,454	84,454	84,454	84,454	84,454	84,454	84,454	84,454	84,454	1,013,445
36														
37														
38	*REVENUE REQUIRMENTS*													
39	Expenses	139,085	139,085	139,085	139,085	139,085	139,085	139,085	139,085	139,085	139,085	139,085	139,085	1,669,020
40	Return on rate base	251,551	251,551	251,551	251,551	251,551	251,551	251,551	251,551	251,551	251,551	251,551	251,551	3,018,609
41	Subtotal revenue requirements	390,636	390,636	390,636	390,636	390,636	390,636	390,636	390,636	390,636	390,636	390,636	390,636	4,687,628
42	Adjustments													
43	Transmission Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0
44	Total revenue requirements	390,636	390,636	390,636	390,636	390,636	390,636	390,636	390,636	390,636	390,636	390,636	390,636	4,687,628
45														
46	South Dakota share - D2 factor 9.82%	38,344	38,344	38,344	38,344	38,344	38,344	38,344	38,344	38,344	38,344	38,344	38,344	460,124
47														
48	Gross Receipts Tax (at 0.0015) 0.15%	58	58	58	58	58	58	58	58	58	58	58	58	690
49	Total South Dakota Share	38,401	38,401	38,401	38,401	38,401	38,401	38,401	38,401	38,401	38,401	38,401	38,401	460,815

Otter Tail Power Company
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	SUPPORTING INFORMATION / DATA														
1															
2			SD Cap Structure with allowed ROE per order.												
3			Capital Structure		**Ratio**		**Cost**		**WA Cost**			**Property tax**			
4			Debt		47.00%		6.81%		3.20%			2013 composite rate		1.92%	
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					**Book**	**Tax**									
10			Project life (years)		50	15-year MACRS									
11								**SD Special**							
12						**Fed Portion**	**State Portion**	**Hearing Fund:**							
13			Statutory Tax Rate		35.00%	35.00%	0.00%	0.15%							
14			Tax conversion factor		1.53846										
15			Transmission Revenue		0.00%										
16			SD share - D2 factor		9.8157%										
17															
18	**Deferred Tax**														
19	Book depreciation		19,491	19,491	19,491	19,491	19,491	19,491	19,491	19,491	19,491	19,491	19,491	19,491	233,898
20	Tax depreciation-Federal		7,659	7,659	7,659	7,659	7,659	7,659	7,659	7,659	7,659	7,659	7,659	1,385,938	1,470,183
21	Tax depreciation-ND		7,659	7,659	7,659	7,659	7,659	7,659	7,659	7,659	7,659	7,659	7,659	1,385,938	1,470,183
22	Federal deferred income taxes	35.00%	4,142	4,142	4,142	4,142	4,142	4,142	4,142	4,142	4,142	4,142	4,142	(478,256)	(432,700)
23	State deferred income taxes	0.00%	0	0	0	0	0	0	0	0	0	0	0	0	0