Otter Tail Power Company
Transmission Rider - Revenue Requirements
Bemidji-Grand Rapids
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	0	0
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	0	0
4	CWIP		2,888,963	4,843,204	5,596,710	4,800,272	5,923,151	5,408,372	5,785,443	8,583,636	9,585,703	11,199,497	11,570,876	13,187,587	13,187,587
5	Accumulated Deferred Income Taxes Fedederal & State		0	0	0	0	0	0	0	0	0	0	0	0	0
6	Ending rate base		2,888,963	4,843,204	5,596,710	4,800,272	5,923,151	5,408,372	5,785,443	8,583,636	9,585,703	11,199,497	11,570,876	13,187,587	13,187,587
7															
8	OTP Load Percentage		61.25%	61.25%	61.25%	61.25%	61.25%	61.25%	61.25%	61.25%	61.25%	61.25%	61.25%	61.25%	61.25%
9	Remove Non-OTP Load Portion		(1,119,473)	(1,876,742)	(2,168,725)	(1,860,105)	(2,295,221)	(2,095,744)	(2,241,859)	(3,326,159)	(3,714,460)	(4,339,805)	(4,483,715)	(5,110,190)	(5,110,190)
10	Retail Ending Rate Base		1,769,490	2,966,463	3,427,985	2,940,166	3,627,930	3,312,628	3,543,584	5,257,477	5,871,243	6,859,692	7,087,162	8,077,397	8,077,397
11															
12	Average rate base		361,477	361,477	361,477	361,477	361,477	361,477	361,477	361,477	361,477	361,477	361,477	361,477	4,337,721
13															
14	Return on Rate Base		30,135	30,729	30,729	30,729	30,729	30,729	30,729	30,729	30,729	30,729	30,729	30,729	368,150
15															
16	Available for return (equity portion of rate base)		20,191	19,160	19,160	19,160	19,160	19,160	19,160	19,160	19,160	19,160	19,160	19,160	230,952
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		61.25%	61.25%	61.25%	61.25%	61.25%	61.25%	61.25%	61.25%	61.25%	61.25%	61.25%	61.25%	61.25%
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)		20,191	19,160	19,160	19,160	19,160	19,160	19,160	19,160	19,160	19,160	19,160	19,160	230,952
31	Taxable Income (grossed up)	1.53846	31,063	29,477	29,477	29,477	29,477	29,477	29,477	29,477	29,477	29,477	29,477	29,477	355,310
32															
33	Income Taxes														
34	Current and Def Income Taxes	35.00%	10,872	10,317	10,317	10,317	10,317	10,317	10,317	10,317	10,317	10,317	10,317	10,317	124,359
35	Total Income Tax Expense		10,872	10,317	10,317	10,317	10,317	10,317	10,317	10,317	10,317	10,317	10,317	10,317	124,359
36															
37															
38	*REVENUE REQUIRMENTS*														
39	Expenses		10,872	10,317	10,317	10,317	10,317	10,317	10,317	10,317	10,317	10,317	10,317	10,317	124,359
40	Return on rate base		30,135	30,729	30,729	30,729	30,729	30,729	30,729	30,729	30,729	30,729	30,729	30,729	368,150
41	Subtotal revenue requirements		41,007	41,046	41,046	41,046	41,046	41,046	41,046	41,046	41,046	41,046	41,046	41,046	492,509
42	Adjustments														
43	Transmission Revenue		0	0	0	0	0	0	0	0	0	0	0	0	0
44	Total revenue requirements		41,007	41,046	41,046	41,046	41,046	41,046	41,046	41,046	41,046	41,046	41,046	41,046	492,509
45															
46	South Dakota share - D2 factor	9.8157%	3,797	4,029	4,029	4,029	4,029	4,029	4,029	4,029	4,029	4,029	4,029	4,029	48,116
47															
48	Gross Receipts Tax (at 0.0015)	0.15%	6	6	6	6	6	6	6	6	6	6	6	6	72
49	Total South Dakota Share		3,803	4,035	4,035	4,035	4,035	4,035	4,035	4,035	4,035	4,035	4,035	4,035	48,188

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Line No.															
	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	0	0
21	Tax depreciation-ND		0	0	0	0	0	0	0	0	0	0	0	0	0
22	Federal deferred income taxes	35.00%	0	0	0	0	0	0	0	0	0	0	0	0	0
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		0	0	0	0	0	0	0	15,644,526	22,680,848	22,680,848	24,568,780	24,568,780	24,568,780
2	Accumulated Depreciation		0	0	0	0	0	0	0	0	(25,641)	(62,815)	(99,989)	(140,257)	(140,257)
3	Net Plant in Service		0	0	0	0	0	0	0	15,644,526	22,655,206	22,618,032	24,468,791	24,428,523	24,428,523
4	CWIP		14,093,227	16,640,856	18,084,755	19,099,910	20,371,560	20,758,486	21,345,330	6,368,999	1,133,216	1,278,696	0	0	0
5	Accumulated Deferred Income Taxes Fedederal & State		0	0	0	0	0	0	0	(625,372)	(1,501,956)	(2,374,503)	(3,420,505)	(4,465,423)	(4,465,423)
6	Ending rate base		14,093,227	16,640,856	18,084,755	19,099,910	20,371,560	20,758,486	21,345,330	21,388,153	22,286,467	21,522,225	21,048,286	19,963,099	19,963,099
7															
8	OTP Load Percentage		61.25%	61.25%	61.25%	61.25%	61.25%	61.25%	61.25%	61.25%	61.25%	61.25%	61.25%	61.25%	61.25%
9	Remove Non-OTP Load Portion		(5,461,125)	(6,448,332)	(7,007,843)	(7,401,215)	(7,893,980)	(8,043,913)	(8,271,315)	(8,287,909)	(8,636,006)	(8,339,862)	(8,156,211)	(7,735,701)	(7,735,701)
10	Retail Ending Rate Base		8,632,101	10,192,525	11,076,912	11,698,695	12,477,581	12,714,572	13,074,015	13,100,244	13,650,461	13,182,363	12,892,075	12,227,398	12,227,398
11															
12	Average rate base		980,746	980,746	980,746	980,746	980,746	980,746	980,746	980,746	980,746	980,746	980,746	980,746	11,768,949
13															
14	Return on Rate Base		83,367	83,367	83,367	83,367	83,367	83,367	83,367	83,367	83,367	83,367	83,367	83,367	1,000,403
15															
16	Available for return (equity portion of rate base)		51,980	51,980	51,980	51,980	51,980	51,980	51,980	51,980	51,980	51,980	51,980	51,980	623,754
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		21,100	21,100	21,100	21,100	21,100	21,100	21,100	21,100	21,100	21,100	21,100	21,100	253,202
22	Book Depreciation		0	0	0	0	0	0	0	0	25,641	37,174	37,174	40,268	140,257
23	Total O&M and Depreciation Expenses		21,100	21,100	21,100	21,100	21,100	21,100	21,100	21,100	46,742	58,274	58,274	61,368	393,459
24															
25	OTP Load Percentage		61.25%	61.25%	61.25%	61.25%	61.25%	61.25%	61.25%	61.25%	61.25%	61.25%	61.25%	61.25%	61.25%
26	Remove Non-OTP Load Portion		(8,176)	(8,176)	(8,176)	(8,176)	(8,176)	(8,176)	(8,176)	(8,176)	(18,112)	(22,581)	(22,581)	(23,780)	(152,465)
27	Retail O&M and Depreciation Expenses		12,924	12,924	12,924	12,924	12,924	12,924	12,924	12,924	28,629	35,693	35,693	37,588	240,994
28															
29	Income before Taxes														
30	Available for return (from above)		51,980	51,980	51,980	51,980	51,980	51,980	51,980	51,980	51,980	51,980	51,980	51,980	623,754
31	Taxable Income (grossed up)	1.53846	79,969	79,969	79,969	79,969	79,969	79,969	79,969	79,969	79,969	79,969	79,969	79,969	959,622
32															
33	Income Taxes														
34	Current and Def Income Taxes	35.00%	27,989	27,989	27,989	27,989	27,989	27,989	27,989	27,989	27,989	27,989	27,989	27,989	335,868
35	Total Income Tax Expense		27,989	27,989	27,989	27,989	27,989	27,989	27,989	27,989	27,989	27,989	27,989	27,989	335,868
36															
37															
38	*REVENUE REQUIRMENTS*														
39	Expenses		40,913	40,913	40,913	40,913	40,913	40,913	40,913	40,913	56,618	63,682	63,682	65,577	576,861
40	Return on rate base		83,367	83,367	83,367	83,367	83,367	83,367	83,367	83,367	83,367	83,367	83,367	83,367	1,000,403
41	Subtotal revenue requirements		124,280	124,280	124,280	124,280	124,280	124,280	124,280	124,280	139,985	147,049	147,049	148,944	1,577,264
42	Adjustments														
43	Transmission Revenue		0	0	0	0	0	0	0	0	0	0	0	0	0
44	Total revenue requirements		124,280	124,280	124,280	124,280	124,280	124,280	124,280	124,280	139,985	147,049	147,049	148,944	1,577,264
45															
46	South Dakota share - D2 factor	9.8157%	12,199	12,199	12,199	12,199	12,199	12,199	12,199	12,199	13,741	14,434	14,434	14,620	154,820
47															
48	Gross Receipts Tax (at 0.0015)	0.15%	18	18	18	18	18	18	18	18	21	22	22	22	232
49	Total South Dakota Share		12,217	12,217	12,217	12,217	12,217	12,217	12,217	12,217	13,761	14,456	14,456	14,642	155,052

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Line No.															
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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		1.50%	
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		0	0	0	0	0	0	0	0	25,641	37,174	37,174	40,268	140,257
20	Tax depreciation-Federal		0	0	0	0	0	0	0	1,786,776	2,530,167	2,530,167	3,025,750	3,025,750	12,898,610
21	Tax depreciation-ND		0	0	0	0	0	0	0	1,786,776	2,530,167	2,530,167	3,025,750	3,025,750	12,898,610
22	Federal deferred income taxes	35.00%	0	0	0	0	0	0	0	(625,372)	(876,584)	(872,548)	(1,046,001)	(1,044,918)	(4,465,423)
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		24,568,780	24,568,780	24,568,780	24,568,780	24,568,780	24,568,780	24,568,780	24,568,780	24,568,780	24,568,780	24,568,780	24,568,780	24,568,780
2	Accumulated Depreciation		(180,526)	(220,794)	(261,062)	(301,330)	(341,599)	(381,867)	(422,135)	(462,403)	(502,672)	(542,940)	(583,208)	(623,476)	(623,476)
3	Net Plant in Service		24,388,254	24,347,986	24,307,718	24,267,450	24,227,181	24,186,913	24,146,645	24,106,377	24,066,109	24,025,840	23,985,572	23,945,304	23,945,304
4	CWIP		0	0	0	0	0	0	0	0	0	0	0	0	0
5	Accumulated Deferred Income Taxes Fedederal & State		(4,485,367)	(4,505,311)	(4,525,256)	(4,545,200)	(4,565,144)	(4,585,088)	(4,605,032)	(4,624,976)	(4,644,920)	(4,664,864)	(4,684,809)	(4,704,753)	(4,704,753)
6	Ending rate base		19,902,887	19,842,675	19,782,462	19,722,250	19,662,038	19,601,825	19,541,613	19,481,401	19,421,188	19,360,976	19,300,764	19,240,551	19,240,551
7															
8	OTP Load Percentage		61.25%	61.25%	61.25%	61.25%	61.25%	61.25%	61.25%	61.25%	61.25%	61.25%	61.25%	61.25%	61.25%
9	Remove Non-OTP Load Portion		(7,712,369)	(7,689,036)	(7,665,704)	(7,642,372)	(7,619,040)	(7,595,707)	(7,572,375)	(7,549,043)	(7,525,710)	(7,502,378)	(7,479,046)	(7,455,714)	(7,455,714)
10	Retail Ending Rate Base		12,190,518	12,153,638	12,116,758	12,079,878	12,042,998	12,006,118	11,969,238	11,932,358	11,895,478	11,858,598	11,821,718	11,784,838	11,784,838
11															
12	Average rate base		1,000,510	1,000,510	1,000,510	1,000,510	1,000,510	1,000,510	1,000,510	1,000,510	1,000,510	1,000,510	1,000,510	1,000,510	12,006,118
13															
14	Return on Rate Base		85,047	85,047	85,047	85,047	85,047	85,047	85,047	85,047	85,047	85,047	85,047	85,047	1,020,563
15															
16	Available for return (equity portion of rate base)		53,027	53,027	53,027	53,027	53,027	53,027	53,027	53,027	53,027	53,027	53,027	53,027	636,324
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		39,310	39,310	39,310	39,310	39,310	39,310	39,310	39,310	39,310	39,310	39,310	39,310	471,721
22	Book Depreciation		40,268	40,268	40,268	40,268	40,268	40,268	40,268	40,268	40,268	40,268	40,268	40,268	483,219
23	Total O&M and Depreciation Expenses		79,578	79,578	79,578	79,578	79,578	79,578	79,578	79,578	79,578	79,578	79,578	79,578	954,939
24															
25	OTP Load Percentage		61.25%	61.25%	61.25%	61.25%	61.25%	61.25%	61.25%	61.25%	61.25%	61.25%	61.25%	61.25%	61.25%
26	Remove Non-OTP Load Portion		(30,837)	(30,837)	(30,837)	(30,837)	(30,837)	(30,837)	(30,837)	(30,837)	(30,837)	(30,837)	(30,837)	(30,837)	(370,039)
27	Retail O&M and Depreciation Expenses		48,742	48,742	48,742	48,742	48,742	48,742	48,742	48,742	48,742	48,742	48,742	48,742	584,900
28															
29	Income before Taxes														
30	Available for return (from above)		53,027	53,027	53,027	53,027	53,027	53,027	53,027	53,027	53,027	53,027	53,027	53,027	636,324
31	Taxable Income (grossed up)	1.53846	81,580	81,580	81,580	81,580	81,580	81,580	81,580	81,580	81,580	81,580	81,580	81,580	978,960
32															
33	Income Taxes														
34	Current and Def Income Taxes	35.00%	28,553	28,553	28,553	28,553	28,553	28,553	28,553	28,553	28,553	28,553	28,553	28,553	342,636
35	Total Income Tax Expense		28,553	28,553	28,553	28,553	28,553	28,553	28,553	28,553	28,553	28,553	28,553	28,553	342,636
36															
37															
38	*REVENUE REQUIRMENTS*														
39	Expenses		77,295	77,295	77,295	77,295	77,295	77,295	77,295	77,295	77,295	77,295	77,295	77,295	927,536
40	Return on rate base		85,047	85,047	85,047	85,047	85,047	85,047	85,047	85,047	85,047	85,047	85,047	85,047	1,020,563
41	Subtotal revenue requirements		162,342	162,342	162,342	162,342	162,342	162,342	162,342	162,342	162,342	162,342	162,342	162,342	1,948,100
42	Adjustments														
43	Transmission Revenue		0	0	0	0	0	0	0	0	0	0	0	0	0
44	Total revenue requirements		162,342	162,342	162,342	162,342	162,342	162,342	162,342	162,342	162,342	162,342	162,342	162,342	1,948,100
45															
46	South Dakota share - D2 factor	9.8157%	15,935	15,935	15,935	15,935	15,935	15,935	15,935	15,935	15,935	15,935	15,935	15,935	191,220
47															
48	Gross Receipts Tax (at 0.0015)	0.15%	24	24	24	24	24	24	24	24	24	24	24	24	287
49	Total South Dakota Share		15,959	15,959	15,959	15,959	15,959	15,959	15,959	15,959	15,959	15,959	15,959	15,959	191,507

Otter Tail Power Company
Transmission Rider - Revenue Requirements
Bemidji-Grand Rapids
Docket No. EL12-

Line No.															
	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		1.50%	
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		40,268	40,268	40,268	40,268	40,268	40,268	40,268	40,268	40,268	40,268	40,268	40,268	483,219
20	Tax depreciation-Federal		97,251	97,251	97,251	97,251	97,251	97,251	97,251	97,251	97,251	97,251	97,251	97,251	1,167,017
21	Tax depreciation-ND		97,251	97,251	97,251	97,251	97,251	97,251	97,251	97,251	97,251	97,251	97,251	97,251	1,167,017
22	Federal deferred income taxes	35.00%	(19,944)	(19,944)	(19,944)	(19,944)	(19,944)	(19,944)	(19,944)	(19,944)	(19,944)	(19,944)	(19,944)	(19,944)	(239,329)
23	State deferred income taxes	0.00%	0	0	0	0	0	0	0	0	0	0	0	0	0