Otter Tail Power Company
Transmission Rider - Revenue Requirements
Rugby Wind Interconnection (Project #103897)
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	394,399	394,399	394,399	394,399	394,399	394,399
2	Accumulated Depreciation	0	0	0	0	0	0	0	0	(531)	(1,062)	(1,592)	(2,123)	(2,123)
3	Net Plant in Service	0	0	0	0	0	0	0	394,399	393,868	393,337	392,807	392,276	392,276
4	CWIP	16,986	16,986	397,649	397,649	397,649	397,649	397,649	0	0	0	0	0	0
5	Accumulated Deferred Income Taxes Fedederal & State	0	0	0	0	0	0	0	(27,608)	(55,030)	(82,452)	(109,874)	(137,297)	(137,297)
6	Ending rate base	16,986	16,986	397,649	397,649	397,649	397,649	397,649	366,791	338,838	310,885	282,932	254,979	254,979
7														
8	OTP Load Percentage	17.04%	17.04%	17.04%	17.04%	17.04%	17.04%	17.04%	17.04%	17.04%	17.04%	17.04%	17.04%	17.04%
9	Remove Non-OTP Load Portion	(14,091)	(14,091)	(329,890)	(329,890)	(329,890)	(329,890)	(329,890)	(304,290)	(281,100)	(257,910)	(234,721)	(211,531)	(211,531)
10	Retail Ending Rate Base	2,894	2,894	67,759	67,759	67,759	67,759	67,759	62,501	57,738	52,975	48,212	43,448	43,448
11														
12	Average rate base	3,925	3,925	3,925	3,925	3,925	3,925	3,925	3,925	3,925	3,925	3,925	3,925	47,104
13														
14	Return on Rate Base	327	334	334	334	334	334	334	334	334	334	334	334	3,998
15														
16	Available for return (equity portion of rate base)	219	208	208	208	208	208	208	208	208	208	208	208	2,508
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
22	Book Depreciation	0	0	0	0	0	0	0	0	531	531	531	531	2,123
23	Total O&M and Depreciation Expense	0	0	0	0	0	0	0	0	531	531	531	531	2,123
24														
25	OTP Load Percentage	17.04%	17.04%	17.04%	17.04%	17.04%	17.04%	17.04%	17.04%	17.04%	17.04%	17.04%	17.04%	17.04%
26	Remove Non-OTP Load Portion	0	0	0	0	0	0	0	0	(440)	(440)	(440)	(440)	(1,761)
27	Retail O&M and Depreciation Expenses	0	0	0	0	0	0	0	0	90	90	90	90	362
28														
29	Income before Taxes													
30	Available for return (from above)	219	208	208	208	208	208	208	208	208	208	208	208	2,508
31	Taxable Income (grossed up) 1.5385	337	320	320	320	320	320	320	320	320	320	320	320	3,858
32														
33	Income Taxes													
34	Current and Def Income Taxes 35.00%	118	112	112	112	112	112	112	112	112	112	112	112	1,350
35	Total Income Tax Expense	118	112	112	112	112	112	112	112	112	112	112	112	1,350
36														
37														
38	*REVENUE REQUIRMENTS*													
39	Expenses	118	112	112	112	112	112	112	112	202	202	202	202	1,712
40	Return on rate base	327	334	334	334	334	334	334	334	334	334	334	334	3,998
41	Subtotal revenue requirements	445	446	446	446	446	446	446	446	536	536	536	536	5,710
42	Adjustments													
43	Transmission Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0
44	Total revenue requirements	445	446	446	446	446	446	446	446	536	536	536	536	5,710
45														
46	South Dakota share - D2 factor 9.82%	41	44	44	44	44	44	44	44	53	53	53	53	558
47														
48	Gross Receipts Tax (at 0.0015) 0.15%	0	0	0	0	0	0	0	0	0	0	0	0	1
49	Total South Dakota Share	41	44	44	44	44	44	44	44	53	53	53	53	559

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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	531	531	531	531	2,123
20	Tax depreciation-Federal		0	0	0	0	0	0	0	78,880	78,880	78,880	78,880	78,880	394,399
21	Tax depreciation-ND		0	0	0	0	0	0	0	15,776	15,776	15,776	15,776	15,776	78,880
22	Federal deferred income taxes	35.00%	0	0	0	0	0	0	0	(27,608)	(27,422)	(27,422)	(27,422)	(27,422)	(137,297)
23	State deferred income taxes	0.00%	0	0	0	0	0	0	0	0	0	0	0	0	0
24															
25	Book Depreciation Rate														

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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		394,399	394,399	394,399	394,399	394,399	394,399	394,399	394,399	394,399	394,399	394,399	394,399	394,399
2	Accumulated Depreciation		(2,651)	(3,178)	(3,706)	(4,233)	(4,761)	(5,288)	(5,816)	(6,344)	(6,871)	(7,399)	(7,926)	(8,454)	(8,454)
3	Net Plant in Service		391,748	391,221	390,693	390,166	389,638	389,111	388,583	388,055	387,528	387,000	386,473	385,945	385,945
4	CWIP		0	0	0	0	0	0	0	0	0	0	0	0	0
5	Accumulated Deferred Income Taxes Fedederal & State		(137,112)	(136,927)	(136,743)	(136,558)	(136,373)	(136,189)	(136,004)	(135,819)	(135,635)	(135,450)	(135,265)	(135,081)	(135,081)
6	Ending rate base		254,636	254,293	253,951	253,608	253,265	252,922	252,579	252,236	251,893	251,550	251,207	250,864	250,864
7															
8	OTP Load Percentage		17.04%	17.04%	17.04%	17.04%	17.04%	17.04%	17.04%	17.04%	17.04%	17.04%	17.04%	17.04%	17.04%
9	Remove Non-OTP Load Portion		(211,246)	(210,962)	(210,677)	(210,393)	(210,108)	(209,824)	(209,539)	(209,255)	(208,971)	(208,686)	(208,402)	(208,117)	(208,117)
10	Retail Ending Rate Base		43,390	43,332	43,273	43,215	43,156	43,098	43,039	42,981	42,923	42,864	42,806	42,747	42,747
11															
12	Average rate base		3,591	3,591	3,591	3,591	3,591	3,591	3,591	3,591	3,591	3,591	3,591	3,591	43,098
13															
14	Return on Rate Base		305	305	305	305	305	305	305	305	305	305	305	305	3,663
15															
16	Available for return (equity portion of rate base)		190	190	190	190	190	190	190	190	190	190	190	190	2,284
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		355	355	355	355	355	355	355	355	355	355	355	355	4,260
22	Book Depreciation		528	528	528	528	528	528	528	528	528	528	528	528	6,330
23	Total O&M and Depreciation Expense		883	883	883	883	883	883	883	883	883	883	883	883	10,590
24															
25	OTP Load Percentage		17.04%	17.04%	17.04%	17.04%	17.04%	17.04%	17.04%	17.04%	17.04%	17.04%	17.04%	17.04%	17.04%
26	Remove Non-OTP Load Portion		(732)	(732)	(732)	(732)	(732)	(732)	(732)	(732)	(732)	(732)	(732)	(732)	(8,785)
27	Retail O&M and Depreciation Expenses		150	150	150	150	150	150	150	150	150	150	150	150	1,805
28															
29	Income before Taxes														
30	Available for return (from above)		190	190	190	190	190	190	190	190	190	190	190	190	2,284
31	Taxable Income (grossed up)	1.5385	293	293	293	293	293	293	293	293	293	293	293	293	3,514
32															
33	Income Taxes														
34	Current and Def Income Taxes	35.00%	102	102	102	102	102	102	102	102	102	102	102	102	1,230
35	Total Income Tax Expense		102	102	102	102	102	102	102	102	102	102	102	102	1,230
36															
37															
38	*REVENUE REQUIRMENTS*														
39	Expenses		253	253	253	253	253	253	253	253	253	253	253	253	3,034
40	Return on rate base		305	305	305	305	305	305	305	305	305	305	305	305	3,663
41	Subtotal revenue requirements		558	558	558	558	558	558	558	558	558	558	558	558	6,698
42	Adjustments														
43	Transmission Revenue		0	0	0	0	0	0	0	0	0	0	0	0	0
44	Total revenue requirements		558	558	558	558	558	558	558	558	558	558	558	558	6,698
45															
46	South Dakota share - D2 factor	9.82%	55	55	55	55	55	55	55	55	55	55	55	55	657
47															
48	Gross Receipts Tax (at 0.0015)	0.15%	0	0	0	0	0	0	0	0	0	0	0	0	1
49	Total South Dakota Share		55	55	55	55	55	55	55	55	55	55	55	55	658

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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		1.08%	
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		528	528	528	528	528	528	528	528	528	528	528	528	6,330
20	Tax depreciation-Federal		0	0	0	0	0	0	0	0	0	0	0	0	0
21	Tax depreciation-ND		5,259	5,259	5,259	5,259	5,259	5,259	5,259	5,259	5,259	5,259	5,259	5,259	63,104
22	Federal deferred income taxes	35.00%	185	185	185	185	185	185	185	185	185	185	185	185	2,216
23	State deferred income taxes	0.00%	0	0	0	0	0	0	0	0	0	0	0	0	0
24															
25	Book Depreciation Rate														

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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		394,399	394,399	394,399	394,399	394,399	394,399	394,399	394,399	394,399	394,399	394,399	394,399	394,399
2	Accumulated Depreciation		(8,981)	(9,509)	(10,036)	(10,564)	(11,091)	(11,619)	(12,146)	(12,674)	(13,202)	(13,729)	(14,257)	(14,784)	(14,784)
3	Net Plant in Service		385,418	384,890	384,363	383,835	383,308	382,780	382,252	381,725	381,197	380,670	380,142	379,615	379,615
4	CWIP		0	0	0	0	0	0	0	0	0	0	0	0	0
5	Accumulated Deferred Income Taxes Fedederal & State		(134,896)	(134,712)	(134,527)	(134,342)	(134,158)	(133,973)	(133,788)	(133,604)	(133,419)	(133,234)	(133,050)	(132,865)	(132,865)
6	Ending rate base		250,522	250,179	249,836	249,493	249,150	248,807	248,464	248,121	247,778	247,435	247,093	246,750	246,750
7															
8	OTP Load Percentage		17.04%	17.04%	17.04%	17.04%	17.04%	17.04%	17.04%	17.04%	17.04%	17.04%	17.04%	17.04%	17.04%
9	Remove Non-OTP Load Portion		(207,833)	(207,548)	(207,264)	(206,979)	(206,695)	(206,410)	(206,126)	(205,841)	(205,557)	(205,272)	(204,988)	(204,703)	(204,703)
10	Retail Ending Rate Base		42,689	42,630	42,572	42,514	42,455	42,397	42,338	42,280	42,221	42,163	42,105	42,046	42,046
11															
12	Average rate base		3,533	3,533	3,533	3,533	3,533	3,533	3,533	3,533	3,533	3,533	3,533	3,533	42,397
13															
14	Return on Rate Base		300	300	300	300	300	300	300	300	300	300	300	300	3,604
15															
16	Available for return (equity portion of rate base)		187	187	187	187	187	187	187	187	187	187	187	187	2,247
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		355	355	355	355	355	355	355	355	355	355	355	355	4,260
22	Book Depreciation		528	528	528	528	528	528	528	528	528	528	528	528	6,330
23	Total O&M and Depreciation Expense		883	883	883	883	883	883	883	883	883	883	883	883	10,590
24															
25	OTP Load Percentage		17.04%	17.04%	17.04%	17.04%	17.04%	17.04%	17.04%	17.04%	17.04%	17.04%	17.04%	17.04%	17.04%
26	Remove Non-OTP Load Portion		(732)	(732)	(732)	(732)	(732)	(732)	(732)	(732)	(732)	(732)	(732)	(732)	(8,785)
27	Retail O&M and Depreciation Expenses		150	150	150	150	150	150	150	150	150	150	150	150	1,805
28															
29	Income before Taxes														
30	Available for return (from above)		187	187	187	187	187	187	187	187	187	187	187	187	2,247
31	Taxable Income (grossed up)	1.5385	288	288	288	288	288	288	288	288	288	288	288	288	3,457
32															
33	Income Taxes														
34	Current and Def Income Taxes	35.00%	101	101	101	101	101	101	101	101	101	101	101	101	1,210
35	Total Income Tax Expense		101	101	101	101	101	101	101	101	101	101	101	101	1,210
36															
37															
38	*REVENUE REQUIRMENTS*														
39	Expenses		251	251	251	251	251	251	251	251	251	251	251	251	3,014
40	Return on rate base		300	300	300	300	300	300	300	300	300	300	300	300	3,604
41	Subtotal revenue requirements		552	552	552	552	552	552	552	552	552	552	552	552	6,618
42	Adjustments														
43	Transmission Revenue		0	0	0	0	0	0	0	0	0	0	0	0	0
44	Total revenue requirements		552	552	552	552	552	552	552	552	552	552	552	552	6,618
45															
46	South Dakota share - D2 factor	9.82%	54	54	54	54	54	54	54	54	54	54	54	54	650
47															
48	Gross Receipts Tax (at 0.0015)	0.15%	0	0	0	0	0	0	0	0	0	0	0	0	1
49	Total South Dakota Share		54	54	54	54	54	54	54	54	54	54	54	54	651

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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%			2013 composite rate		1.08%	
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		528	528	528	528	528	528	528	528	528	528	528	528	6,330
20	Tax depreciation-Federal		0	0	0	0	0	0	0	0	0	0	0	0	0
21	Tax depreciation-ND		5,259	5,259	5,259	5,259	5,259	5,259	5,259	5,259	5,259	5,259	5,259	5,259	63,104
22	Federal deferred income taxes	35.00%	185	185	185	185	185	185	185	185	185	185	185	185	2,216
23	State deferred income taxes	0.00%	0	0	0	0	0	0	0	0	0	0	0	0	0
24															
25	Book Depreciation Rate														