Otter Tail Power Company Transmission Rider - Revenue Requirements Casselton – Buffalo 115 kV Project (Project #104761) Docket No. EL12-

Line No.	Year>>	2011 Actual Total	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
INO.	RATE BASE	Total	January	rebluary	Watch	Аргіі	Iviay	Julie	July	August	September	October	November	December	i Otai
1	Plant Balance	0	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	0
3	Net Plant in Service	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4	CWIP	0	9,939	12,382	24,933	26,873	28,874	45,171	60,894	136,282	466,183	707,734	1,072,095	2,331,498	2,331,498
5	Accumulated Deferred Income Taxes Fedederal & State	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6	Ending rate base	0	9,939	12,382	24,933	26,873	28,874	45,171	60,894	136,282	466,183	707,734	1,072,095	2,331,498	2,331,498
8	OTP Load Percentage	51.02%	51.02%	51.02%	51.02%	51.02%	51.02%	51.02%	51.02%	51.02%	51.02%	51.02%	51.02%	51.02%	51.02%
9	Remove Non-OTP Load Portion	0	(4,868)	(6,065)	(12,212)	(13,162)	(14,142)	(22,124)	(29,825)	(66,748)	(228,327)	(346,634)	(525,090)	(1,141,920)	(1,141,920)
10	Retail Ending Rate Base	0	5,071	6,318	12,721	13,711	14,732	23,047	31,070	69,534	237,856	361,101	547,005	1,189,578	1,189,578
11 12	Average rate base		16,101	16,101	16,101	16,101	16,101	16,101	16,101	16,101	16,101	16,101	16,101	16,101	193,211
13															
14 15	Return on Rate Base	ļ.	1,369	1,369	1,369	1,369	1,369	1,369	1,369	1,369	1,369	1,369	1,369	1,369	16,424
16	Available for return (equity portion of rate base)		853	853	853	853	853	853	853	853	853	853	853	853	10,240
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 24	Total O&M and Depreciation Expense	-	0	0	0	0	0	0	0	0	0	0	0	0	0
25	OTP Load Percentage	51.02%	51.02%	51.02%	51.02%	51.02%	51.02%	51.02%	51.02%	51.02%	51.02%	51.02%	51.02%	51.02%	51.02%
26	Remove Non-OTP Load Portion	0	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	0
28 29	Income before Taxes														
30	Available for return (from above)		853	853	853	853	853	853	853	853	853	853	853	853	10,240
31	Taxable Income (grossed up) 1.5385	F	1,313	1,313	1,313	1,313	1,313	1,313	1,313	1,313	1,313	1.313	1,313	1,313	15,754
32															•
33	Income Taxes														
34	Current and Def Income Taxes 35.00%	Ļ	459 459	459	459	459	459	459	459	459	459	459	459	459	5,514
35 36	Total Income Tax Expense	-	459	459	459	459	459	459	459	459	459	459	459	459	5,514
37															
38	REVENUE REQUIRMENTS														
39	Expenses		459	459	459	459	459	459	459	459	459	459	459	459	5,514
40	Return on rate base		1,369	1,369	1,369	1,369	1,369	1,369	1,369	1,369	1,369	1,369	1,369	1,369	16,424
41	Subtotal revenue requirements		1,828	1,828	1,828	1,828	1,828	1,828	1,828	1,828	1,828	1,828	1,828	1,828	21,938
42	Adjustments		0	0	0	0	0	0	0	0	0	0	0	0	0
43 44	Transmission Revenue Total revenue requirements	F	1,828	1,828	1,828	1,828	0 1,828	1,828	1,828	1,828	0 1,828	0 1,828	0 1,828	1,828	21,938
45	Total Totalia Coquitationia	-	1,020	1,020	1,020	1,020	1,020	1,020	1,020	1,020	1,020	1,020	1,020	1,020	21,930
46 47	South Dakota share - D2 factor 9.82%	ļ	179	179	179	179	179	179	179	179	179	179	179	179	2,153
47	Gross Receipts Tax (at 0.0015) 0.15%		0	0	0	0	0	0	0	0	0	0	0	0	3
49	Total South Dakota Share	F	180	180	180	180	180	180	180	180	180	180	180	180	2,157
		-													,,,,,,

Otter Tail Power Company Transmission Rider - Revenue Requirements Casselton – Buffalo 115 kV Project (Project #104761) Docket No. EL12-

Line No.														
NO.	SUPPORTING INFORMATION / DATA													
1	CONTROLLING CHAINS CONTROLLY ENTINE													
2		SD Cap Structure with	allowed ROE	per order.										
3		Capital Structure		Ratio		Cost	,	WA Cost		Prope	erty 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% Overa	II Return					
8				De ete	Tax									
9		Project life (years)		Book 50 15	jax 5-year MACRS									
11		Filipectille (years)		50 15	-year MACKS	sr	Special							
12					Fed Portion	State Portion Hea								
13		Statutor	y Tax Rate	35.00%	35.00%	0.00%								
13 14		Statutor Tax conver	y Tax Rate				0.15%							
14		Tax convei Transmissio	rsion factor n Revenue	35.00% 1.53846 0.00%										
14 15 16		Tax convei Transmissio	rsion factor	35.00% 1.53846										
14 15 16 17		Tax convei Transmissio	rsion factor n Revenue	35.00% 1.53846 0.00%										
14 15 16 17 18	Deferred Tax	Tax convei Transmissio SD share	rsion factor n Revenue	35.00% 1.53846 0.00% 9.8157%		0.00%		0	0	0	0	٥	0	
14 15 16 17 18 19	Book depreciation 1.96680%	Tax convei Transmissio	rsion factor n Revenue	35.00% 1.53846 0.00%				0	0	0	0	0	0	0
14 15 16 17 18 19 20	Book depreciation 1.96680% Tax depreciation-Federal	Tax convei Transmissio SD share	rsion factor n Revenue	35.00% 1.53846 0.00% 9.8157%		0.00%		0	0 0	0	0 0	0	0	0
14 15 16 17 18 19 20 21	Book depreciation 1.96680% Tax depreciation-Federal Tax depreciation-ND	Tax convei Transmissio SD share	rsion factor n Revenue	35.00% 1.53846 0.00% 9.8157%		0.00%		0 0 0	0 0 0	0	0 0 0	0	0 0 0	0
14 15 16 17 18 19 20 21 22	Book depreciation 1.96680% Tax depreciation-Federal Tax depreciation-ND Federal deferred income taxes	Tax convei Transmissio SD share	rsion factor n Revenue	35.00% 1.53846 0.00% 9.8157%		0.00% 0 0		0	0 0 0	0 0 0	0 0 0	0 0 0 0	0	0
14 15 16 17 18 19 20 21 22	Book depreciation 1.96680% Tax depreciation-Federal Tax depreciation-ND	Tax convei Transmissio SD share	rsion factor n Revenue	35.00% 1.53846 0.00% 9.8157% 0 0 0		0.00% 0 0 0	0.15% 0 0 0 0	0 0	0 0 0	0 0	0 0 0	0 0	0	0 0
14 15 16 17 18 19 20 21 22 23 22	Book depreciation 1.96680% Tax depreciation-Federal Tax depreciation-ND Federal deferred income taxes	Tax convei Transmissio SD share	rsion factor n Revenue	35.00% 1.53846 0.00% 9.8157% 0 0 0		0.00% 0 0 0	0.15% 0 0 0 0	0 0	0 0 0 0	0 0	0 0 0 0	0 0	0	0 0

Otter Tail Power Company Transmission Rider - Revenue Requirements Casselton - Buffalo 115 kV Project (Project #104761) Docket No. EL12-

Line	Year>>	2013 Projected	2013 Projected											
No.	RATE BASE	January	February	March	April	Мау	June	July	August	September	October	November	December	Total
1 2	Plant Balance Accumulated Depreciation	0	0	0	0	0	0	0	0	0	0	0	6,504,626 0	6,504,626
3 4	Net Plant in Service CWIP	0 3,374,780	0 3,896,421	0 4,418,062	0 4,939,703	0 5,461,344	0 5,982,985	0 6,504,626	0 6,504,626	0 6,504,626	0 6,504,626	0 6,504,626	6,504,626 0	6,504,626 0
5 6	Accumulated Deferred Income Taxes Fedederal & State Ending rate base	3,374,780	0 3,896,421	0 4,418,062	0 4,939,703	0 5,461,344	0 5,982,985	0 6,504,626	6,504,626	0 6,504,626	0 6,504,626	0 6,504,626	(113,831) 6,390,795	(113,831) 6,390,795
7 8 9	OTP Load Percentage Remove Non-OTP Load Portion	51.02% (1,652,898)	51.02% (1,908,387)	51.02% (2,163,876)	51.02% (2,419,365)	51.02% (2,674,855)	51.02% (2,930,344)	51.02% (3,185,833)	51.02% (3,185,833)	51.02% (3,185,833)	51.02% (3,185,833)	51.02% (3,185,833)	51.02% (3,130,081)	51.02% (3,130,081)
10	Retail Ending Rate Base	1,721,882	1,988,034	2,254,186	2,520,338	2,786,490	3,052,642	3,318,794	3,318,794	3,318,794	3,318,794	3,318,794	3,260,715	3,260,715
11 12 13	Average rate base	226,717	226,717	226,717	226,717	226,717	226,717	226,717	226,717	226,717	226,717	226,717	226,717	2,720,603
14	Return on Rate Base	19,272	19,272	19,272	19,272	19,272	19,272	19,272	19,272	19,272	19,272	19,272	19,272	231,261
15 16 17	Available for return (equity portion of rate base)	12,016	12,016	12,016	12,016	12,016	12,016	12,016	12,016	12,016	12,016	12,016	12,016	144,192
18	EXPENSES													
19	O&M and Depreciation													
20	Operating Costs	0	0	0	0	0	0	0	0	0	0	0	0	0
21 22	Property Tax Book Depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0
23 24	Total O&M and Depreciation Expense	0	0	0	0	0	0	0	0	0	0	0	0	0
25 26	OTP Load Percentage Remove Non-OTP Load Portion	51.02% 0	51.02% 0											
27	Retail O&M and Depreciation Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0
28														
29 30	Income before Taxes Available for return (from above)	12,016	12,016	12,016	12,016	12,016	12,016	12,016	12,016	12,016	12,016	12,016	12,016	144,192
31	Taxable Income (grossed up) 1.5385	18,486	18,486	18,486	18,486	18,486	18,486	18,486	18,486	18,486	18,486	18,486	18,486	221,834
32														
33 34	Income Taxes  Current and Def Income Taxes 35,00%	6,470	6.470	6,470	6.470	6.470	6.470	6.470	6,470	6,470	6.470	6,470	6,470	77,642
35	Total Income Tax Expense	6,470	6,470	6,470	6,470	6,470	6,470	6,470	6,470	6,470	6,470	6,470	6,470	77,642
36 37	. Stati iniconio Tak Enponco	0,170	0,110	0,170	0,110	0,110	0,110	0,110	0,170	0,170	0,170	0,110	0,110	11,012
38	REVENUE REQUIRMENTS													
39	Expenses	6,470	6,470	6,470	6,470	6,470	6,470	6,470	6,470	6,470	6,470	6,470	6,470	77,642
40 41	Return on rate base Subtotal revenue requirements	19,272 25,742	231,261 308,903											
42	Adjustments	25,742	25,742	25,742	25,742	25,742	25,742	25,742	25,742	25,742	25,742	25,742	25,742	0 00,903
43	Transmission Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0
44	Total revenue requirements	25,742	25,742	25,742	25,742	25,742	25,742	25,742	25,742	25,742	25,742	25,742	25,742	308,903
45 46	South Dakota share - D2 factor 9.82%	2,527	2,527	2,527	2,527	2,527	2,527	2,527	2,527	2,527	2,527	2,527	2,527	30,321
47 48	Gross Receipts Tax (at 0.0015) 0.15%	4	4	4	4	4	4	4	4	4	4	4	4	45
	Total South Dakota Share	2,531	2,531	2,531	2,531	2,531	2,531	2,531	2,531	2,531	2,531	2,531	2,531	30,367

Otter Tail Power Company Transmission Rider - Revenue Requirements Casselton – Buffalo 115 kV Project (Project #104761) Docket No. EL12-

Line No.															
	SUPPORTING INFORMATION / DATA														
1 2 3 4 5 6 7			SD Cap Structure with allo Capital Structure Debt Preferred equity Common equity Total	wed ROE i	per order.  Ratio  47.00%  0.00%  53.01%  100.00%		Cost 6.81% 0.00% 10.00%		WA Cost 3.20% 0.00% 5.30% 8.50% Ov	verall Return		erty tax composite rate		1.08%	
8 9 10 11			Project life (years)		<b>Book</b> 50 1	<b>Tax</b> 15-year MACRS		SD Special							
12						Fed Portion	State Portion	Hearing Fund:							
13			Statutory Ta	x Rate	35.00%	35.00%	0.00%	0.15%							
14			Tax conversion		1.53846										
15			Transmission Re	evenue	0.00%										
16			SD share - Da	2 factor	9.8157%										
17															
	Deferred Tax														
	Book depreciation 1.96	680%	0	0	0	0	0	0	0	0	0	0	0	0	0
	Tax depreciation-Federal		0	0	0	0	0	0	0	0	0	0	0	325,231	325,231
	Tax depreciation-ND	L	0	0	0	0	0	0	0	0	0	0	0	325,231	325,231
	Federal deferred income taxes		0	0	0	0	0	0	0	0	0	0	0	(113,831)	(113,831)
23	State deferred income taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
22															
23	Book Depreciation Rate														