

Otter Tail Power Company (SD)
Electric Utility - South Dakota Retail Jurisdiction
Cost of Service Study
2013 Actuals

Current Income Tax Summary

	Total Company Electric	SD Retail Electric	All Others
Income Before Taxes			
Total Operating Revenues	\$350,074,906	\$31,077,789	\$318,997,117
less: Total Operating Expenses	(240,250,345)	(22,019,779)	(218,230,565)
Book Depreciation & Amortization	(43,201,126)	(4,073,573)	(39,127,553)
Taxes (Other Than Current Income)	(11,838,936)	(992,543)	(10,846,393)
Total Before Tax Book Income	\$54,784,500	\$3,991,894	\$50,792,606
less: Interest Cost	18,723,431	1,970,745	16,752,686
Net Income Before Tax	\$36,061,069	\$2,021,149	\$34,039,920
Federal Schedule M Adjustments			
Additional Tax Depreciation	\$6,318,005	\$582,171	\$5,735,834
Cost to Remove	1,664,700	153,393	1,511,307
Directly Assigned Schedule M Items	(151,558)	(4,729)	(146,829)
Accrued Vacation Pay	98,425	9,069	89,356
Charges - Operating Reserves	5,776,978	532,318	5,244,660
Provisions - Operating Reserves	(6,834,538)	(629,766)	(6,204,772)
Unbilled Revenues	0	0	0
Preferred Dividends Paid Credits	0	0	0
Other Schedule M Items	5,700,480	525,269	5,175,211
Total Schedule M Adjustments	\$12,572,492	\$1,167,725	\$11,404,767
Federal Adjusted Income Before Income Taxes	23,488,577	853,424	22,635,153
Less:			
Minnesota State Income Tax	(36,478)	0	(36,478)
North Dakota State Income Tax	618,333	0	618,333
Federal Taxable Income	22,906,722	853,424	22,053,298
Federal Tax Rate	35%	35%	35%
Federal Income Tax Before Credits	8,017,353	298,698	7,718,654
Investment Tax Credit - Debits Utilized	0	0	0
Federal Income Taxes	\$8,017,353	\$298,698	\$7,718,654
State Income Taxes			
Minnesota State Income Tax	(36,478)	0	(36,478)
North Dakota State Income Tax	618,333	0	618,333
Total Current Income Taxes	\$8,599,208	\$298,698	\$8,300,509