

**CAPACITY PAYMENT SCHEDULE FOR RATE 12.03**

OTTER TAIL POWER COMPANY

Year of Filing	2014	new
Year of Deficit	2021	
Inflation Rate	0.03	
Cost of Capital	0.085	
Project Life	35	

Contract Term	Multiplier	\$/kW-Month Gross Capacity Rate	\$/kW-Month Net Capacity Rate	\$/kW-Month Net Levelized Rate
1	0.6482	\$12.38	\$0.00	\$0.00
2	0.6588	\$12.38	\$0.00	\$0.00
3	0.6694	\$12.38	\$0.00	\$0.00
4	0.6799	\$12.38	\$0.00	\$0.00
5	0.6905	\$12.38	\$0.00	\$0.00
6	0.7010	\$12.38	\$0.00	\$0.00
7	0.7115	\$12.38	\$0.00	\$0.00
8	0.7220	\$12.38	\$8.94	\$1.12
9	0.7324	\$12.38	\$9.07	\$2.02
10	0.7429	\$12.38	\$9.20	\$2.76
11	0.7533	\$12.38	\$9.33	\$3.39
12	0.7636	\$12.38	\$9.45	\$3.94
13	0.7740	\$12.38	\$9.58	\$4.42
14	0.7843	\$12.38	\$9.71	\$4.85
15	0.7946	\$12.38	\$9.84	\$5.25
16	0.8048	\$12.38	\$9.96	\$5.60
17	0.8150	\$12.38	\$10.09	\$5.94
18	0.8252	\$12.38	\$10.22	\$6.24
19	0.8354	\$12.38	\$10.34	\$6.53
20	0.8456	\$12.38	\$10.47	\$6.80
21	0.8557	\$12.38	\$10.59	\$7.06
22	0.8659	\$12.38	\$10.72	\$7.31
23	0.8760	\$12.38	\$10.84	\$7.54
24	0.8861	\$12.38	\$10.97	\$7.77
25	0.8963	\$12.38	\$11.10	\$7.99
26	0.9064	\$12.38	\$11.22	\$8.20
27	0.9166	\$12.38	\$11.35	\$8.41
28	0.9268	\$12.38	\$11.47	\$8.61
29	0.9371	\$12.38	\$11.60	\$8.80
30	0.9474	\$12.38	\$11.73	\$8.99
31	0.9577	\$12.38	\$11.86	\$9.18
32	0.9682	\$12.38	\$11.99	\$9.36
33	0.9787	\$12.38	\$12.12	\$9.55
34	0.9893	\$12.38	\$12.25	\$9.73
35	1.0000	\$12.38	\$12.38	\$9.90