PUBLIC - TRADE SECRET DATA HAS BEEN EXCISED

Otter Tail Power Company
South Dakota Transmission Cost Recovery Rider
Oakes Area Transmission Revenue Requirements
Docket No. EL15-

Line No.		Year>>	2015 Actual March	2015 Actual April	2015 Actual May	2015 Actual June	2015 Actual July	2015 Actual August	2015 Actual September	2015 Projected October	2015 Projected November	2015 Projected December	2015 Projected Total	2016 Projected January	2016 Projected February
	RATE BASE														
1	Plant Balance		0	0	0	0	0	0	0	0	0	0	6,785,549	6,785,549	6,785,549
2	Accumulated Depreciation		(5,874)	(11,892)	(17,863)	(23,825)	(29,846)	(35,861)	(41,870)	(47,882)	(53,893)	(59,905)	(59,905)	(69,780)	(79,656)
3	Net Plant in Service		(5,874)	(11,892)	(17,863)	(23,825)	(29,846)	(35,861)	(41,870)	(47,882)	(53,893)	(59,905)	6,725,644	6,715,768	6,705,892
4	CWIP		0	0	0	0	0	0	0	0	0	0	0	0	0
5	Accumulated Deferred Income Taxes Fedederal & State		2,056	4,162	6,268	8,374	10,482	12,587	14,690	16,794	18,898	(51,348)	(51,348)	(66,693)	(82,038)
6	Ending rate base		(3,818)	(7,730)	(11,594)	(15,451)	(19,364)	(23,274)	(27,180)	(31,087)	(34,995)	(111,253)	6,674,296	6,649,075	6,623,854
7															
8	Average rate base		(1,832)	(1,832)	(1,832)	(1,832)	(1,832)	(1,832)	(1,832)	(1,832)	(1,832)	(1,832)	(21,980)	543,581	543,581
9															
10	Return on Rate Base		(135)	(135)	(135)	(135)	(135)	(135)	(135)	(135)	(135)	(135)	(1,625)	40,192	40,192
11															
12	Available for return (equity portion of rate base)		(84)	(84)	(84)	(84)	(84)	(84)	(84)	(84)	(84)	(84)	(1,007)	24,896	24,896
13															
14	*EXPENSES*														
15	*O&M and Depreciation*														
16	Operating Costs		0	0	0	0	0	0	0	0	0	0	0	0	0
17	Property Tax		0	0	0	0	0	0	0	0	0	0	0	4,015	4,015
18	Book Depreciation		5,874	6,018	5,971	5,963	6,021	6,015	6,009	6,011	6,011	6,011	59,905	9,876	9,876
19	Total O&M and Depreciation Expense		5,874	6,018	5,971	5,963	6,021	6,015	6,009	6,011	6,011	6,011	59,905	13,891	13,891
20															
21	Income before Taxes														
22	Available for return (from above)		(84)	(84)	(84)	(84)	(84)	(84)	(84)	(84)	(84)	(84)	(1,007)	24,896	24,896
23	Taxable Income (grossed up)	1.5385	(129)	(129)	(129)	(129)	(129)	(129)	(129)	(129)	(129)	(129)	(1,549)	38,302	38,302
24															
25	Income Taxes														
26	Current and Def Income Taxes	35.00%	(45)	(45)	(45)	(45)	(45)	(45)	(45)	(45)	(45)	(45)	(542)	13,406	13,406
27	Total Income Tax Expense		(45)	(45)	(45)	(45)	(45)	(45)	(45)	(45)	(45)	(45)	(542)	13,406	13,406
28															
29															
30	*REVENUE REQUIRMENTS*														
31	Expenses		5,829	5,972	5,926	5,918	5,976	5,970	5,964	5,966	5,966	5,966	59,362	27,296	27,296
32	Return on rate base		(135)	(135)	(135)	(135)	(135)	(135)	(135)	(135)	(135)	(135)	(1,625)	40,192	40,192
33	Subtotal revenue requirements		5,694	5,837	5,790	5,782	5,840	5,834	5,829	5,831	5,831	5,831	57,737	67,488	67,488
34	Adjustments		0	0	0	0	0	0	0	0	0	0	0	0	0
35	Transmission Revenue		(1,092)	(1,119)	(1,110)	(1,109)	(1,120)	(1,119)	(1,117)	(1,118)	(1,118)	(1,118)	(11,070)	(12,939)	(12,939)
36	Total revenue requirements		4,602	4,718	4,680	4,674	4,721	4,716	4,711	4,713	4,713	4,713	46,668	54,549	54,549
37															
38	South Dakota share - D2 factor	9.82%	452	463	459	459	463	463	462	463	463	463	4,581	5,354	5,354
39															
40	Gross Receipts Tax (at 0.0015)	0.15%	1	1	1	1	1	1	1	1	1	1	7	8	8
41	Total South Dakota Share		452	464	460	459	464	464	463	463	463	463	4,588	5,362	5,362

Line No.		
	SUPPORTING INFORMATION / DATA	
1		
2	SD Cap Structure with allowed ROE per order.	
	[TRADE SECRET DATA BEGINS…	
3	Capital Structure **Ratio** **Cost** **WA Cost**	**Property tax**
4	Debt	2015 composite rate 0.71%
5	Preferred equity	
6	Common equity	**…TRADE SECRET DATA ENDS]**
7	Total 100.00% 7.39% 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 19.17%	
16	SD share - D2 factor 9.8157%	
17		
18	**Deferred Tax**	
19	Book depreciation	5,874 6,018 5,971 5,963 6,021 6,015 6,009 6,011 6,011 6,011 59,905 9,876 9,876
20	Tax depreciation-Federal	0 0 0 0 0 0 0 0 0 206,715 206,715 53,719 53,719
21	Tax depreciation-SD	0 0 0 0 0 0 0 0 0 206,715 206,715 53,719 53,719
22	Federal deferred income taxes	2,056 2,106 2,106 2,106 2,107 2,105 2,103 2,104 2,104 (70,246) (51,348) (15,345) (15,345)
23	State deferred income taxes	0 0 0 0 0 0 0 0 0 0 0 0 0

PUBLIC - TRADE SECRET DATA HAS BEEN EXCISED

Otter Tail Power Company
South Dakota Transmission Cost Recovery Rider
Oakes Area Transmission Revenue Requirements
Docket No. EL15-

Line No.		Year>>	2016 Projected March	2016 Projected April	2016 Projected May	2016 Projected June	2016 Projected July	2016 Projected August	2016 Projected September	2016 Projected October	2016 Projected November	2016 Projected December	2016 Projected Total	2017 Projected January	2017 Projected February
1	*RATE BASE*														
2	Plant Balance		6,785,549	6,785,549	6,785,549	6,785,549	6,785,549	6,785,549	6,785,549	6,785,549	6,785,549	6,785,549	6,785,549	6,785,549	6,785,549
3	Accumulated Depreciation		(89,532)	(99,408)	(109,284)	(119,160)	(129,036)	(138,911)	(148,787)	(158,663)	(168,539)	(178,415)	(178,415)	(188,291)	(198,167)
4	Net Plant in Service		6,696,017	6,686,141	6,676,265	6,666,389	6,656,513	6,646,637	6,636,761	6,626,886	6,617,010	6,607,134	6,607,134	6,597,258	6,587,382
5	CWIP		0	0	0	0	0	0	0	0	0	0	0	0	0
6	Accumulated Deferred Income Taxes Fedederal & State		(97,383)	(112,728)	(128,073)	(143,418)	(158,764)	(174,109)	(189,454)	(204,799)	(220,144)	(235,489)	(235,489)	(248,954)	(262,419)
7	Ending rate base		6,598,633	6,573,412	6,548,191	6,522,971	6,497,750	6,472,529	6,447,308	6,422,087	6,396,866	6,371,645	6,371,645	6,348,304	6,324,963
8															
9	Average rate base		543,581	543,581	543,581	543,581	543,581	543,581	543,581	543,581	543,581	543,581	6,522,971	519,300	519,300
10															
11	Return on Rate Base		40,192	40,192	40,192	40,192	40,192	40,192	40,192	40,192	40,192	40,192	482,301	38,396	38,396
12															
13	Available for return (equity portion of rate base)		24,896	24,896	24,896	24,896	24,896	24,896	24,896	24,896	24,896	24,896	298,752	23,784	23,784
14															
15	*EXPENSES*														
16	*O&M and Depreciation*														
17	Operating Costs		0	0	0	0	0	0	0	0	0	0	0	0	0
18	Property Tax		4,015	4,015	4,015	4,015	4,015	4,015	4,015	4,015	4,015	4,015	48,177	4,015	4,015
19	Book Depreciation		9,876	9,876	9,876	9,876	9,876	9,876	9,876	9,876	9,876	9,876	118,510	9,876	9,876
20	Total O&M and Depreciation Expense		13,891	13,891	13,891	13,891	13,891	13,891	13,891	13,891	13,891	13,891	166,688	13,891	13,891
21															
22	Income before Taxes														
23	Available for return (from above)		24,896	24,896	24,896	24,896	24,896	24,896	24,896	24,896	24,896	24,896	298,752	23,784	23,784
24	Taxable Income (grossed up)	1.5385	38,302	38,302	38,302	38,302	38,302	38,302	38,302	38,302	38,302	38,302	459,619	36,591	36,591
25															
26	Income Taxes														
27	Current and Def Income Taxes	35.00%	13,406	13,406	13,406	13,406	13,406	13,406	13,406	13,406	13,406	13,406	160,866	12,807	12,807
28	Total Income Tax Expense		13,406	13,406	13,406	13,406	13,406	13,406	13,406	13,406	13,406	13,406	160,866	12,807	12,807
29															
30															
31	*REVENUE REQUIRMENTS*														
32	Expenses		27,296	27,296	27,296	27,296	27,296	27,296	27,296	27,296	27,296	27,296	327,554	26,697	26,697
33	Return on rate base		40,192	40,192	40,192	40,192	40,192	40,192	40,192	40,192	40,192	40,192	482,301	38,396	38,396
34	Subtotal revenue requirements		67,488	67,488	67,488	67,488	67,488	67,488	67,488	67,488	67,488	67,488	809,855	65,094	65,094
35	Adjustments		0	0	0	0	0	0	0	0	0	0	0	0	0
36	Transmission Revenue		(12,939)	(12,939)	(12,939)	(12,939)	(12,939)	(12,939)	(12,939)	(12,939)	(12,939)	(12,939)	(155,268)	(12,480)	(12,480)
37	Total revenue requirements		54,549	54,549	54,549	54,549	54,549	54,549	54,549	54,549	54,549	54,549	654,588	52,614	52,614
38															
39	South Dakota share - D2 factor	9.82%	5,354	5,354	5,354	5,354	5,354	5,354	5,354	5,354	5,354	5,354	64,252	5,164	5,164
40															
41	Gross Receipts Tax (at 0.0015)	0.15%	8	8	8	8	8	8	8	8	8	8	96	8	8
42	Total South Dakota Share		5,362	5,362	5,362	5,362	5,362	5,362	5,362	5,362	5,362	5,362	64,349	5,172	5,172

Line No.															
1	*SUPPORTING INFORMATION / DATA*														
2			SD Cap Structure with allowed ROE per order.												SD Cap Structure with allowed RO
			[TRADE SECRET DATA BEGINS…												**[TRADE SECRET D**
3			Capital Structure		**Ratio**	**Cost**	**WA Cost**			**Property tax**					Capital Structure
4			Debt							2016 composite rate		0.71%			Debt
5			Preferred equity												Preferred equity
6			Common equity					**...TRADE SECRET DATA ENDS]**							Common equity
7			Total		100.00%		7.39%	Overall Return							Total
8															
9					**Book**	**Tax**									
10			Project life (years)		50	15-year MACRS									Project life (years)
11								**SD Special**							
12						**Fed Portion**	**State Portion**	**Hearing Fund:**							
13			Statutory Tax Rate		35.00%	35.00%	0.00%	0.15%							Statutory Tax Rate
14			Tax conversion factor		1.53846										Tax conversion factor
15			Transmission Revenue		19.17%										Transmission Revenue
16			SD share - D2 factor		9.8157%										SD share - D2 factor
17															
18	**Deferred Tax**														
19	Book depreciation		9,876	9,876	9,876	9,876	9,876	9,876	9,876	9,876	9,876	9,876	118,510	9,876	9,876
20	Tax depreciation-Federal		53,719	53,719	53,719	53,719	53,719	53,719	53,719	53,719	53,719	53,719	644,627	48,347	48,347
21	Tax depreciation-SD		53,719	53,719	53,719	53,719	53,719	53,719	53,719	53,719	53,719	53,719	644,627	48,347	48,347
22	Federal deferred income taxes		(15,345)	(15,345)	(15,345)	(15,345)	(15,345)	(15,345)	(15,345)	(15,345)	(15,345)	(15,345)	(184,141)	(13,465)	(13,465)
23	State deferred income taxes		0	0	0	0	0	0	0	0	0	0	0	0	0