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Otter Tail Power Company
South Dakota Transmission Cost Recovery Rider
Oakes Area Transmission Revenue Requirements
Docket No. EL15-045

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 Actual October	2015 Actual November	2015 Actual December	2015 Actual Total	2016 Projected January	2016 Projected February
	RATE BASE														
1	Plant Balance		0	0	0	0	0	0	0	0	0	0	7,046,851	7,046,851	7,046,851
2	Accumulated Depreciation		0	0	0	0	0	0	0	0	0	0	0	(10,257)	(20,513)
3	Net Plant in Service		0	0	0	0	0	0	0	0	0	0	7,046,851	7,036,594	7,026,337
4	CWIP		0	0	0	0	0	0	0	0	0	0	0	0	0
	ADIT - NOL DTA											677,428	677,428	677,428	677,428
	Reversal of ADIT - NOL DTA											0	0	(39,425)	(78,851)
5	Accumulated Deferred Income Taxes Fedederal & State		0	0	0	0	0	0	0	0	0	(1,294,859)	(1,294,859)	(1,301,032)	(1,307,205)
6	Ending rate base		0	0	0	0	0	0	0	0	0	(617,431)	6,429,420	6,373,565	6,317,710
7															
8	Average rate base		(3,958)	(3,958)	(3,958)	(3,958)	(3,958)	(3,958)	(3,958)	(3,958)	(3,958)	(3,958)	(47,495)	507,857	507,857
9															
10	Return on Rate Base		(289)	(289)	(289)	(289)	(289)	(289)	(289)	(289)	(289)	(289)	(3,467)	38,209	38,209
11															
12	Available for return (equity portion of rate base)		(183)	(183)	(183)	(183)	(183)	(183)	(183)	(183)	(183)	(183)	(2,199)	24,682	24,682
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	4,169	4,169
18	Book Depreciation		0	0	0	0	0	0	0	0	0	0	0	10,257	10,257
19	Total O&M and Depreciation Expense		0	0	0	0	0	0	0	0	0	0	0	14,426	14,426
20															
21	Income before Taxes														
22	Available for return (from above)		(183)	(183)	(183)	(183)	(183)	(183)	(183)	(183)	(183)	(183)	(2,199)	24,682	24,682
23	Taxable Income (grossed up)	1.5385	(282)	(282)	(282)	(282)	(282)	(282)	(282)	(282)	(282)	(282)	(3,383)	37,972	37,972
24															
25	Income Taxes														
26	Current and Def Income Taxes	35.00%	(99)	(99)	(99)	(99)	(99)	(99)	(99)	(99)	(99)	(99)	(1,184)	13,290	13,290
27	Total Income Tax Expense		(99)	(99)	(99)	(99)	(99)	(99)	(99)	(99)	(99)	(99)	(1,184)	13,290	13,290
28															
29															
30	*REVENUE REQUIRMENTS*														
31	Expenses		(99)	(99)	(99)	(99)	(99)	(99)	(99)	(99)	(99)	(99)	(1,184)	27,716	27,716
32	Return on rate base		(289)	(289)	(289)	(289)	(289)	(289)	(289)	(289)	(289)	(289)	(3,467)	38,209	38,209
33	Subtotal revenue requirements		(388)	(388)	(388)	(388)	(388)	(388)	(388)	(388)	(388)	(388)	(4,651)	65,926	65,926
34	Adjustments		0	0	0	0	0	0	0	0	0	0	0	0	0
35	Transmission Revenue		74	74	74	74	74	74	74	74	74	74	892	(11,128)	(11,128)
36	Total revenue requirements		(313)	(313)	(313)	(313)	(313)	(313)	(313)	(313)	(313)	(313)	(3,759)	54,797	54,797
37															
38	South Dakota share - D2 factor	9.82%	(31)	(31)	(31)	(31)	(31)	(31)	(31)	(31)	(31)	(31)	(369)	5,379	5,379
39															
40	Gross Receipts Tax	0.14%	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(1)	8	8
41	Total South Dakota Share		(31)	(31)	(31)	(31)	(31)	(31)	(31)	(31)	(31)	(31)	(370)	5,386	5,386

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%		7.30%	Overall Return							
8														
9				**Book**	**Tax**									
10		Project life (years)		50	15-year MACRS									
11							**SD Gross**							
12					**Fed Portion**	**State Portion**	**Receipts Tax**							
13			Statutory Tax Rate	35.00%	35.00%	0.00%	0.14%							
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	0	0	0	0	0	0	0	0	0	0	0	10,257	10,257
20	Tax depreciation-Federal	0	0	0	0	0	0	0	0	0	3,699,597	3,699,597	27,894	27,894
21	Tax depreciation-SD	0	0	0	0	0	0	0	0	0	3,699,597	3,699,597	27,894	27,894
22	Federal deferred income taxes	0	0	0	0	0	0	0	0	0	(1,294,859)	(1,294,859)	(6,173)	(6,173)
23	State deferred income taxes	0	0	0	0	0	0	0	0	0	0	0	0	0

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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*														
1	Plant Balance		7,046,851	7,046,851	7,046,851	7,046,851	7,046,851	7,046,851	7,046,851	7,046,851	7,046,851	7,046,851	7,046,851	7,046,851	7,046,851
2	Accumulated Depreciation		(30,770)	(41,027)	(51,284)	(61,540)	(71,797)	(82,054)	(92,311)	(102,567)	(112,824)	(123,081)	(123,081)	(133,338)	(143,594)
3	Net Plant in Service		7,016,081	7,005,824	6,995,567	6,985,310	6,975,054	6,964,797	6,954,540	6,944,283	6,934,027	6,923,770	6,923,770	6,913,513	6,903,257
4	CWIP		0	0	0	0	0	0	0	0	0	0	0	0	0
	ADIT - NOL DTA		677,428	677,428	677,428	677,428	677,428	677,428	677,428	677,428	677,428	677,428	677,428		
	Reversal of ADIT - NOL DTA		(118,276)	(157,702)	(197,127)	(236,553)	(275,978)	(315,403)	(354,829)	(394,254)	(433,680)	(473,105)	(473,105)		
5	Accumulated Deferred Income Taxes Fedederal & State		(1,313,378)	(1,319,551)	(1,325,724)	(1,331,897)	(1,338,070)	(1,344,243)	(1,350,416)	(1,356,589)	(1,362,761)	(1,368,934)	(1,368,934)	(1,374,131)	(1,379,328)
6	Ending rate base		6,261,855	6,205,999	6,150,144	6,094,289	6,038,434	5,982,579	5,926,724	5,870,869	5,815,014	5,759,159	5,759,159	5,539,382	5,523,929
7															
8	Average rate base		507,857	507,857	507,857	507,857	507,857	507,857	507,857	507,857	507,857	507,857	6,094,289	456,486	456,486
9															
10	Return on Rate Base		38,209	38,209	38,209	38,209	38,209	38,209	38,209	38,209	38,209	38,209	458,512	34,344	34,344
11															
12	Available for return (equity portion of rate base)		24,682	24,682	24,682	24,682	24,682	24,682	24,682	24,682	24,682	24,682	296,182	22,185	22,185
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		4,169	4,169	4,169	4,169	4,169	4,169	4,169	4,169	4,169	4,169	50,033	4,169	4,169
18	Book Depreciation		10,257	10,257	10,257	10,257	10,257	10,257	10,257	10,257	10,257	10,257	123,081	10,257	10,257
19	Total O&M and Depreciation Expense		14,426	14,426	14,426	14,426	14,426	14,426	14,426	14,426	14,426	14,426	173,113	14,426	14,426
20															
21	Income before Taxes														
22	Available for return (from above)		24,682	24,682	24,682	24,682	24,682	24,682	24,682	24,682	24,682	24,682	296,182	22,185	22,185
23	Taxable Income (grossed up)	1.5385	37,972	37,972	37,972	37,972	37,972	37,972	37,972	37,972	37,972	37,972	455,665	34,131	34,131
24															
25	Income Taxes														
26	Current and Def Income Taxes	35.00%	13,290	13,290	13,290	13,290	13,290	13,290	13,290	13,290	13,290	13,290	159,483	11,946	11,946
27	Total Income Tax Expense		13,290	13,290	13,290	13,290	13,290	13,290	13,290	13,290	13,290	13,290	159,483	11,946	11,946
28															
29															
30	*REVENUE REQUIRMENTS*														
31	Expenses		27,716	27,716	27,716	27,716	27,716	27,716	27,716	27,716	27,716	27,716	332,596	26,372	26,372
32	Return on rate base		38,209	38,209	38,209	38,209	38,209	38,209	38,209	38,209	38,209	38,209	458,512	34,344	34,344
33	Subtotal revenue requirements		65,926	65,926	65,926	65,926	65,926	65,926	65,926	65,926	65,926	65,926	791,108	60,716	60,716
34	Adjustments		0	0	0	0	0	0	0	0	0	0	0	0	0
35	Transmission Revenue		(11,128)	(11,128)	(11,128)	(11,128)	(11,128)	(11,128)	(11,128)	(11,128)	(11,128)	(11,128)	(133,540)	(10,249)	(10,249)
36	Total revenue requirements		54,797	54,797	54,797	54,797	54,797	54,797	54,797	54,797	54,797	54,797	657,567	50,467	50,467
37															
38	South Dakota share - D2 factor	9.82%	5,379	5,379	5,379	5,379	5,379	5,379	5,379	5,379	5,379	5,379	64,545	4,954	4,954
39															
40	Gross Receipts Tax	0.14%	8	8	8	8	8	8	8	8	8	8	90	7	7
41	Total South Dakota Share		5,386	5,386	5,386	5,386	5,386	5,386	5,386	5,386	5,386	5,386	64,635	4,961	4,961

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%		7.52%	Overall Return							Total
8															
9					**Book**	**Tax**									
10			Project life (years)		50	15-year MACRS									Project life (years)
11								**SD Gross**							
12						**Fed Portion**	**State Portion**	**Receipts Tax**							
13			Statutory Tax Rate		35.00%	35.00%	0.00%	0.14%							Statutory Tax Rate
14			Tax conversion factor		1.53846										Tax conversion factor
15			Transmission Revenue		16.88%										Transmission Revenue
16			SD share - D2 factor		9.8157%										SD share - D2 factor
17															
18	**Deferred Tax**														
19	Book depreciation		10,257	10,257	10,257	10,257	10,257	10,257	10,257	10,257	10,257	10,257	123,081	10,257	10,257
20	Tax depreciation-Federal		27,894	27,894	27,894	27,894	27,894	27,894	27,894	27,894	27,894	27,894	334,725	25,104	25,104
21	Tax depreciation-SD		27,894	27,894	27,894	27,894	27,894	27,894	27,894	27,894	27,894	27,894	334,725	25,104	25,104
22	Federal deferred income taxes		(6,173)	(6,173)	(6,173)	(6,173)	(6,173)	(6,173)	(6,173)	(6,173)	(6,173)	(6,173)	(74,076)	(5,197)	(5,197)
23	State deferred income taxes		0	0	0	0	0	0	0	0	0	0	0	0	0