PUBLIC DOCUMENT - NOT PUBLIC DATA HAS BEEN EXCISED

Otter Tail Power Company
South Dakota Transmission Cost Recovery Rider
CAPX2020 Fargo-Monticello 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		39,449,154	39,551,264	39,785,819	39,428,076	39,300,800	39,520,810	39,494,096	39,499,863	39,615,256	39,836,652	81,463,843	81,463,843	81,474,556
2	Accumulated Depreciation		(797,815)	(855,377)	(913,091)	(971,155)	(1,028,685)	(1,086,026)	(1,143,695)	(1,201,323)	(1,258,961)	(1,316,770)	(1,316,770)	(1,435,579)	(1,554,393)
3	Net Plant in Service		38,651,339	38,695,887	38,872,728	38,456,921	38,272,114	38,434,784	38,350,402	38,298,540	38,356,295	38,519,882	80,147,073	80,028,265	79,920,163
4	CWIP		(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	0	0
	ADIT - NOL DTA		9,108	12,144	15,180	18,216	21,252	24,288	27,324	30,360	33,396	4,047,957	4,047,957	4,047,957	4,047,957
	Reversal of ADIT - NOL DTA		0	0	0	0	0	0	0	0	0	0	0	(235,585)	(471,170)
5	Accumulated Deferred Income Taxes Fedederal & State		(3,241,346)	(3,269,437)	(3,297,474)	(3,325,389)	(3,353,491)	(3,381,659)	(3,409,712)	(3,437,779)	(3,465,844)	(11,142,074)	(11,142,074)	(11,192,931)	(11,243,785)
6	Ending rate base		35,419,101	35,438,593	35,590,433	35,149,747	34,939,875	35,077,413	34,968,013	34,891,120	34,923,847	31,425,764	73,052,955	72,647,706	72,253,165
7															
8	OTP Load Percentage		10.079%	10.079%	10.079%	10.079%	10.079%	10.079%	10.079%	10.079%	10.079%	10.079%	10.079%	9.413%	9.413%
9	Remove Non-OTP Load Portion		(31,849,209)	(31,866,737)	(32,003,273)	(31,607,004)	(31,418,285)	(31,541,960)	(31,443,587)	(31,374,444)	(31,403,872)	(28,258,361)	(65,689,948)	(65,809,377)	(65,451,974)
10	Retail Ending Rate Base		3,569,891	3,571,856	3,587,160	3,542,743	3,521,590	3,535,452	3,524,426	3,516,676	3,519,975	3,167,403	7,363,007	6,838,329	6,801,190
11															
12	Average rate base		289,626	289,626	289,626	289,626	289,626	289,626	289,626	289,626	289,626	289,626	3,475,514	555,964	555,964
13															
14	Return on Rate Base		21,154	21,154	21,154	21,154	21,154	21,154	21,154	21,154	21,154	21,154	253,848	41,818	41,818
15															
16	Available for return (equity portion of rate base)		13,422	13,422	13,422	13,422	13,422	13,422	13,422	13,422	13,422	13,422	161,064	27,009	27,009
17															
18	*EXPENSES*														
19	*O&M and Depreciation*														
20	Operating Costs		11,502	0	0	0	0	0	0	0	0	0	11,502	0	0
21	Property Tax		65,722	65,722	65,722	65,722	65,722	65,722	65,722	65,722	65,722	65,722	788,660	135,656	135,656
22	Book Depreciation		57,512	57,562	57,714	58,064	57,530	57,341	57,669	57,629	57,637	57,809	691,548	118,808	118,815
23	Total O&M and Depreciation Expenses		134,735	123,284	123,436	123,785	123,252	123,062	123,390	123,351	123,359	123,531	1,491,710	254,464	254,470
24															
25	OTP Load Percentage		10.079%	10.079%	10.079%	10.079%	10.079%	10.079%	10.079%	10.079%	10.079%	10.079%	10.079%	9.413%	9.413%
26	Remove Non-OTP Load Portion		(121,155)	(110,858)	(110,995)	(111,309)	(110,830)	(110,659)	(110,954)	(110,918)	(110,926)	(111,080)	(1,341,361)	(230,512)	(230,517)
27	Retail O&M and Depreciation Expenses		13,580	12,426	12,441	12,476	12,423	12,403	12,437	12,433	12,433	12,451	150,349	23,953	23,953
28															
29	Income before Taxes														
30	Available for return (from above)		13,422	13,422	13,422	13,422	13,422	13,422	13,422	13,422	13,422	13,422	161,064	27,009	27,009
31	Taxable Income (grossed up)	1.53846	20,649	20,649	20,649	20,649	20,649	20,649	20,649	20,649	20,649	20,649	247,791	41,553	41,553
32															
33	Income Taxes														
34	Current and Def Income Taxes	35.00%	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	86,727	14,543	14,543
35	Total Income Tax Expense		7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	7,227	86,727	14,543	14,543
36															
37															
38	*REVENUE REQUIRMENTS*														
39	Expenses		20,807	19,653	19,668	19,704	19,650	19,631	19,664	19,660	19,661	19,678	237,076	38,496	38,497
40	Return on rate base		21,154	21,154	21,154	21,154	21,154	21,154	21,154	21,154	21,154	21,154	253,848	41,818	41,818
41	Subtotal revenue requirements		41,961	40,807	40,822	40,858	40,804	40,785	40,818	40,814	40,815	40,832	490,924	80,314	80,315
42	Adjustments														
43	Transmission Revenue		0	0	0	0	0	0	0	0	0	0	0	0	0
44	Total revenue requirements		41,961	40,807	40,822	40,858	40,804	40,785	40,818	40,814	40,815	40,832	490,924	80,314	80,315
45															
46	South Dakota share - D2 factor	9.816%	4,119	4,005	4,007	4,010	4,005	4,003	4,007	4,006	4,006	4,008	48,188	7,883	7,883
47															
48	Gross Receipts Tax	0.14%	6	6	6	6	6	6	6	6	6	6	67	11	11
49	Total South Dakota Share		4,125	4,011	4,013	4,016	4,011	4,009	4,012	4,012	4,012	4,014	48,255	7,894	7,895

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	2.00%			
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		0.00%												
16	SD share - D2 factor		9.8157%												
17															
18	**Deferred Tax**														
19	Book depreciation		57,512	57,562	57,714	58,064	57,530	57,341	57,669	57,629	57,637	57,809	691,548	118,808	118,815
20	Tax depreciation-Federal		137,821	137,821	137,821	137,821	137,821	137,821	137,821	137,821	137,821	21,989,897	23,505,927	264,113	264,113
21	Tax depreciation-SD		137,821	137,821	137,821	137,821	137,821	137,821	137,821	137,821	137,821	21,989,897	23,505,927	264,113	264,113
22	Federal deferred income taxes	35.00%	(28,108)	(28,091)	(28,037)	(27,915)	(28,102)	(28,168)	(28,053)	(28,067)	(28,064)	(7,676,231)	(7,985,033)	(50,856)	(50,854)
23	State deferred income taxes	0.00%	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
	RATE BASE														
1	Plant Balance		81,485,269	81,419,878	81,429,995	81,333,109	81,343,393	81,252,547	81,098,910	81,107,781	81,147,581	81,147,581	81,147,581	81,147,581	81,147,581
2	Accumulated Depreciation		(1,673,224)	(1,792,070)	(1,910,821)	(2,029,586)	(2,148,208)	(2,266,845)	(2,385,348)	(2,503,626)	(2,621,918)	(2,740,268)	(2,740,268)	(2,858,618)	(2,976,968)
3	Net Plant in Service		79,812,046	79,627,809	79,519,175	79,303,523	79,195,185	78,985,702	78,713,563	78,604,155	78,525,664	78,407,313	78,407,313	78,288,963	78,170,613
4	CWIP		0	0	0	0	0	0	0	0	0	0	0	(0)	(0)
	ADIT - NOL DTA		4,047,957	4,047,957	4,047,957	4,047,957	4,047,957	4,047,957	4,047,957	4,047,957	4,047,957	4,047,957	4,047,957		
	Reversal of ADIT - NOL DTA		(706,755)	(942,340)	(1,177,925)	(1,413,510)	(1,649,095)	(1,884,680)	(2,120,265)	(2,355,850)	(2,591,435)	(2,827,020)	(2,827,020)		
5	Accumulated Deferred Income Taxes Fedederal & State		(11,294,634)	(11,345,477)	(11,396,354)	(11,447,225)	(11,498,147)	(11,549,064)	(11,600,027)	(11,651,069)	(11,702,106)	(11,753,123)	(11,753,123)	(11,797,859)	(11,842,595)
6	Ending rate base		71,858,614	71,387,948	70,992,853	70,490,745	70,095,900	69,599,916	69,041,227	68,645,193	68,280,079	67,875,127	67,875,127	66,491,104	66,328,018
7															
8	OTP Load Percentage		9.413%	9.413%	9.413%	9.413%	9.413%	9.413%	9.413%	9.413%	9.413%	9.413%	9.413%	9.413%	9.413%
9	Remove Non-OTP Load Portion		(65,094,562)	(64,668,201)	(64,310,296)	(63,855,451)	(63,497,773)	(63,048,476)	(62,542,377)	(62,183,621)	(61,852,875)	(61,486,041)	(61,486,041)	(60,232,296)	(60,084,562)
10	Retail Ending Rate Base		6,764,051	6,719,748	6,682,557	6,635,294	6,598,127	6,551,440	6,498,851	6,461,572	6,427,204	6,389,086	6,389,086	6,258,808	6,243,456
11															
12	Average rate base		555,964	555,964	555,964	555,964	555,964	555,964	555,964	555,964	555,964	555,964	6,671,574	515,908	515,908
13															
14	Return on Rate Base		41,818	41,818	41,818	41,818	41,818	41,818	41,818	41,818	41,818	41,818	501,818	38,805	38,805
15															
16	Available for return (equity portion of rate base)		27,009	27,009	27,009	27,009	27,009	27,009	27,009	27,009	27,009	27,009	324,112	25,063	25,063
17															
18	*EXPENSES*														
19	*O&M and Depreciation*														
20	Operating Costs		18,750	0	0	18,750	0	0	18,750	0	0	18,750	75,000	0	0
21	Property Tax		135,656	135,656	135,656	135,656	135,656	135,656	135,656	135,656	135,656	135,656	1,627,870	135,419	135,419
22	Book Depreciation		118,830	118,846	118,751	118,766	118,622	118,637	118,503	118,279	118,292	118,350	1,423,498	118,350	118,350
23	Total O&M and Depreciation Expenses		273,236	254,502	254,407	273,172	254,278	254,293	272,908	253,934	253,947	272,756	3,126,368	253,769	253,769
24															
25	OTP Load Percentage		9.413%	9.413%	9.413%	9.413%	9.413%	9.413%	9.413%	9.413%	9.413%	9.413%	9.413%	9.413%	9.413%
26	Remove Non-OTP Load Portion		(247,516)	(230,546)	(230,460)	(247,458)	(230,343)	(230,356)	(247,220)	(230,032)	(230,043)	(247,082)	(2,832,083)	(229,881)	(229,881)
27	Retail O&M and Depreciation Expenses		25,720	23,956	23,947	25,714	23,935	23,937	25,689	23,903	23,904	25,675	294,285	23,887	23,887
28															
29	Income before Taxes														
30	Available for return (from above)		27,009	27,009	27,009	27,009	27,009	27,009	27,009	27,009	27,009	27,009	324,112	25,063	25,063
31	Taxable Income (grossed up)	1.53846	41,553	41,553	41,553	41,553	41,553	41,553	41,553	41,553	41,553	41,553	498,634	38,559	38,559
32															
33	Income Taxes														
34	Current and Def Income Taxes	35.00%	14,543	14,543	14,543	14,543	14,543	14,543	14,543	14,543	14,543	14,543	174,522	13,496	13,496
35	Total Income Tax Expense		14,543	14,543	14,543	14,543	14,543	14,543	14,543	14,543	14,543	14,543	174,522	13,496	13,496
36															
37															
38	*REVENUE REQUIRMENTS*														
39	Expenses		40,263	38,500	38,491	40,257	38,479	38,480	40,232	38,446	38,448	40,218	468,807	37,383	37,383
40	Return on rate base		41,818	41,818	41,818	41,818	41,818	41,818	41,818	41,818	41,818	41,818	501,818	38,805	38,805
41	Subtotal revenue requirements		82,081	80,318	80,309	82,075	80,297	80,298	82,050	80,264	80,266	82,036	970,624	76,188	76,188
42	Adjustments														
43	Transmission Revenue		0	0	0	0	0	0	0	0	0	0	0	0	0
44	Total revenue requirements		82,081	80,318	80,309	82,075	80,297	80,298	82,050	80,264	80,266	82,036	970,624	76,188	76,188
45															
46	South Dakota share - D2 factor	9.816%	8,057	7,884	7,883	8,056	7,882	7,882	8,054	7,879	7,879	8,052	95,274	7,478	7,478
47															
48	Gross Receipts Tax	0.14%	11	11	11	11	11	11	11	11	11	11	133	10	10
49	Total South Dakota Share		8,068	7,895	7,894	8,068	7,893	7,893	8,065	7,890	7,890	8,064	95,407	7,489	7,489

Line No.															
	SUPPORTING INFORMATION / DATA														
1															
2	SD Cap Structure with allowed ROE per order.													SD Cap Structure with allowed R	
	[TRADE SECRET DATA BEGINS…													**[TRADE SECRET D**	
3	Capital Structure	**Ratio**	**Cost**	**WA Cost**			**Property tax**							Capital Structure	
4	Debt						2016 composite rate	2.00%						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															
12			**Fed Portion**	**State Portion**	**SD Gross 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	0.00%												Transmission Revenue	
16	SD share - D2 factor	9.8157%												SD share - D2 factor	
17															
18	**Deferred Tax**														
19	Book depreciation					118,830	118,846	118,751	118,766	118,622	118,637	118,503	118,279	118,292	118,350	1,423,498	118,350	118,350
20	Tax depreciation-Federal					264,113	264,113	264,113	264,113	264,113	264,113	264,113	264,113	264,113	264,113	3,169,352	246,167	246,167
21	Tax depreciation-SD					264,113	264,113	264,113	264,113	264,113	264,113	264,113	264,113	264,113	264,113	3,169,352	246,167	246,167
22	Federal deferred income taxes	35.00%				(50,849)	(50,843)	(50,877)	(50,871)	(50,922)	(50,917)	(50,964)	(51,042)	(51,037)	(51,017)	(611,049)	(44,736)	(44,736)
23	State deferred income taxes	0.00%				0	0	0	0	0	0	0	0	0	0	0	0	0