PUBLIC DOCUMENT - NOT PUBLIC DATA HAS BEEN EXCISED

Otter Tail Power Company
South Dakota Transmission Cost Recovery Rider
Cass Lake - Bemidji 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		7,039,948	7,039,948	7,039,948	7,039,948	7,039,948	7,039,948	7,039,948	7,039,948	7,039,948	7,039,948	7,039,948	7,039,948	7,039,948
2	Accumulated Depreciation		(284,793)	(294,040)	(303,288)	(312,535)	(321,783)	(331,030)	(340,277)	(349,525)	(358,772)	(368,020)	(368,020)	(377,267)	(386,515)
3	Net Plant in Service		6,755,155	6,745,907	6,736,660	6,727,413	6,718,165	6,708,918	6,699,670	6,690,423	6,681,175	6,671,928	6,671,928	6,662,681	6,653,433
4	CWIP		0	0	0	0	0	0	0	0	0	0	0	0	0
5	Accumulated Deferred Income Taxes Fedederal & State		(1,418,855)	(1,423,703)	(1,428,552)	(1,433,400)	(1,438,248)	(1,443,097)	(1,447,945)	(1,452,793)	(1,457,642)	(1,462,490)	(1,462,490)	(1,466,531)	(1,470,572)
6	Ending rate base		5,336,300	5,322,204	5,308,108	5,294,013	5,279,917	5,265,821	5,251,725	5,237,630	5,223,534	5,209,438	5,209,438	5,196,150	5,182,861
7															
8	OTP Load Percentage		33.361%	33.361%	33.361%	33.361%	33.361%	33.361%	33.361%	33.361%	33.361%	33.361%	33.361%	31.157%	31.157%
9	Remove Non-OTP Load Portion		(3,556,057)	(3,546,664)	(3,537,270)	(3,527,877)	(3,518,484)	(3,509,091)	(3,499,697)	(3,490,304)	(3,480,911)	(3,471,517)	(3,471,517)	(3,577,185)	(3,568,037)
10	Retail Ending Rate Base		1,780,243	1,775,541	1,770,838	1,766,136	1,761,433	1,756,731	1,752,028	1,747,326	1,742,623	1,737,921	1,737,921	1,618,964	1,614,824
11															
12	Average rate base		146,991	146,991	146,991	146,991	146,991	146,991	146,991	146,991	146,991	146,991	1,763,893	133,925	133,925
13															
14	Return on Rate Base		10,736	10,736	10,736	10,736	10,736	10,736	10,736	10,736	10,736	10,736	128,833	10,073	10,073
15															
16	Available for return (equity portion of rate base)		6,812	6,812	6,812	6,812	6,812	6,812	6,812	6,812	6,812	6,812	81,743	6,506	6,506
17															
18	*EXPENSES*														
19	*O&M and Depreciation*														
20	Operating Costs		520	688	502	502	502	502	502	502	502	502	6,264	502	502
21	Property Tax		11,733	11,733	11,733	11,733	11,733	11,733	11,733	11,733	11,733	11,733	140,799	11,733	11,733
22	Book Depreciation		9,247	9,247	9,247	9,247	9,247	9,247	9,247	9,247	9,247	9,247	110,969	9,247	9,247
23	Total O&M and Depreciation Expenses		21,501	21,669	21,483	21,483	21,483	21,483	21,483	21,483	21,483	21,483	258,032	21,483	21,483
24															
25	OTP Load Percentage		33.361%	33.361%	33.361%	33.361%	33.361%	33.361%	33.361%	33.361%	33.361%	33.361%	33.361%	31.157%	31.157%
26	Remove Non-OTP Load Portion		(14,328)	(14,440)	(14,316)	(14,316)	(14,316)	(14,316)	(14,316)	(14,316)	(14,316)	(14,316)	(171,950)	(14,789)	(14,789)
27	Retail O&M and Depreciation Expenses		7,173	7,229	7,167	7,167	7,167	7,167	7,167	7,167	7,167	7,167	86,082	6,693	6,693
28															
29	Income before Taxes														
30	Available for return (from above)		6,812	6,812	6,812	6,812	6,812	6,812	6,812	6,812	6,812	6,812	81,743	6,506	6,506
31	Taxable Income (grossed up)	1.53846	10,480	10,480	10,480	10,480	10,480	10,480	10,480	10,480	10,480	10,480	125,759	10,010	10,010
32															
33	Income Taxes														
34	Current and Def Income Taxes	35.00%	3,668	3,668	3,668	3,668	3,668	3,668	3,668	3,668	3,668	3,668	44,016	3,503	3,503
35	Total Income Tax Expense		3,668	3,668	3,668	3,668	3,668	3,668	3,668	3,668	3,668	3,668	44,016	3,503	3,503
36															
37															
38	*REVENUE REQUIRMENTS*														
39	Expenses		10,841	10,897	10,835	10,835	10,835	10,835	10,835	10,835	10,835	10,835	130,098	10,197	10,197
40	Return on rate base		10,736	10,736	10,736	10,736	10,736	10,736	10,736	10,736	10,736	10,736	128,833	10,073	10,073
41	Subtotal revenue requirements		21,577	21,633	21,571	21,571	21,571	21,571	21,571	21,571	21,571	21,571	258,931	20,270	20,270
42	Adjustments														
43	Transmission Revenue		0	0	0	0	0	0	0	0	0	0	0	0	0
44	Total revenue requirements		21,577	21,633	21,571	21,571	21,571	21,571	21,571	21,571	21,571	21,571	258,931	20,270	20,270
45															
46	South Dakota share - D2 factor	9.8157%	2,118	2,123	2,117	2,117	2,117	2,117	2,117	2,117	2,117	2,117	25,416	1,990	1,990
47															
48	Gross Receipts Tax	0.14%	3	3	3	3	3	3	3	3	3	3	36	3	3
49	Total South Dakota Share		2,121	2,126	2,120	2,120	2,120	2,120	2,120	2,120	2,120	2,120	25,451	1,992	1,992

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**											
4	Debt														
5	Preferred equity														
6	Common equity														
7	Total	100.00%		7.30%	Overall Return										
8															
9		**Book**	**Tax**												
10	Project life (years)	50	15-year MACRS												
11															
12			**Fed Portion**	**State Portion**	**SD Gross 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					9,247	9,247	9,247	9,247	9,247	9,247	9,247	9,247	9,247	9,247
20	Tax depreciation-Federal					23,100	23,100	23,100	23,100	23,100	23,100	23,100	23,100	23,100	23,100
21	Tax depreciation-SD					23,100	23,100	23,100	23,100	23,100	23,100	23,100	23,100	23,100	23,100
22	Federal deferred income taxes	35.00%				(4,848)	(4,848)	(4,848)	(4,848)	(4,848)	(4,848)	(4,848)	(4,848)	(4,848)	(4,848)
23	State deferred income taxes	0.00%				0	0	0	0	0	0	0	0	0	0

Property tax
2015 composite rate 2.00%

...TRADE SECRET DATA ENDS]

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Docket No. EL15-045

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		7,039,948	7,039,948	7,039,948	7,039,948	7,039,948	7,039,948	7,039,948	7,039,948	7,039,948	7,039,948	7,039,948	7,039,948	7,039,948
2	Accumulated Depreciation		(395,762)	(405,009)	(414,257)	(423,504)	(432,752)	(441,999)	(451,246)	(460,494)	(469,741)	(478,989)	(478,989)	(488,236)	(497,484)
3	Net Plant in Service		6,644,186	6,634,938	6,625,691	6,616,444	6,607,196	6,597,949	6,588,701	6,579,454	6,570,206	6,560,959	6,560,959	6,551,712	6,542,464
4	CWIP		0	0	0	0	0	0	0	0	0	0	0	0	0
5	Accumulated Deferred Income Taxes Fedederal & State		(1,474,613)	(1,478,654)	(1,482,695)	(1,486,736)	(1,490,776)	(1,494,817)	(1,498,858)	(1,502,899)	(1,506,940)	(1,510,981)	(1,510,981)	(1,514,288)	(1,517,596)
6	Ending rate base		5,169,573	5,156,285	5,142,996	5,129,708	5,116,420	5,103,131	5,089,843	5,076,555	5,063,266	5,049,978	5,049,978	5,037,423	5,024,868
7															
8	OTP Load Percentage		31.157%	31.157%	31.157%	31.157%	31.157%	31.157%	31.157%	31.157%	31.157%	31.157%	31.157%	31.157%	31.157%
9	Remove Non-OTP Load Portion		(3,558,889)	(3,549,741)	(3,540,593)	(3,531,445)	(3,522,297)	(3,513,149)	(3,504,001)	(3,494,853)	(3,485,704)	(3,476,556)	(3,476,556)	(3,467,913)	(3,459,270)
10	Retail Ending Rate Base		1,610,684	1,606,544	1,602,403	1,598,263	1,594,123	1,589,983	1,585,842	1,581,702	1,577,562	1,573,422	1,573,422	1,569,510	1,565,598
11															
12	Average rate base		133,925	133,925	133,925	133,925	133,925	133,925	133,925	133,925	133,925	133,925	1,607,095	129,163	129,163
13															
14	Return on Rate Base		10,073	10,073	10,073	10,073	10,073	10,073	10,073	10,073	10,073	10,073	120,881	9,715	9,715
15															
16	Available for return (equity portion of rate base)		6,506	6,506	6,506	6,506	6,506	6,506	6,506	6,506	6,506	6,506	78,074	6,275	6,275
17															
18	*EXPENSES*														
19	*O&M and Depreciation*														
20	Operating Costs		502	0	0	0	0	0	0	0	0	0	1,506	0	0
21	Property Tax		11,733	11,733	11,733	11,733	11,733	11,733	11,733	11,733	11,733	11,733	140,799	11,733	11,733
22	Book Depreciation		9,247	9,247	9,247	9,247	9,247	9,247	9,247	9,247	9,247	9,247	110,969	9,247	9,247
23	Total O&M and Depreciation Expenses		21,483	20,981	20,981	20,981	20,981	20,981	20,981	20,981	20,981	20,981	253,274	20,981	20,981
24															
25	OTP Load Percentage		31.157%	31.157%	31.157%	31.157%	31.157%	31.157%	31.157%	31.157%	31.157%	31.157%	31.157%	31.157%	31.157%
26	Remove Non-OTP Load Portion		(14,789)	(14,444)	(14,444)	(14,444)	(14,444)	(14,444)	(14,444)	(14,444)	(14,444)	(14,444)	(174,361)	(14,444)	(14,444)
27	Retail O&M and Depreciation Expenses		6,693	6,537	6,537	6,537	6,537	6,537	6,537	6,537	6,537	6,537	78,913	6,537	6,537
28															
29	Income before Taxes														
30	Available for return (from above)		6,506	6,506	6,506	6,506	6,506	6,506	6,506	6,506	6,506	6,506	78,074	6,275	6,275
31	Taxable Income (grossed up)	1.53846	10,010	10,010	10,010	10,010	10,010	10,010	10,010	10,010	10,010	10,010	120,114	9,654	9,654
32															
33	Income Taxes														
34	Current and Def Income Taxes	35.00%	3,503	3,503	3,503	3,503	3,503	3,503	3,503	3,503	3,503	3,503	42,040	3,379	3,379
35	Total Income Tax Expense		3,503	3,503	3,503	3,503	3,503	3,503	3,503	3,503	3,503	3,503	42,040	3,379	3,379
36															
37															
38	*REVENUE REQUIRMENTS*														
39	Expenses		10,197	10,040	10,040	10,040	10,040	10,040	10,040	10,040	10,040	10,040	120,953	9,916	9,916
40	Return on rate base		10,073	10,073	10,073	10,073	10,073	10,073	10,073	10,073	10,073	10,073	120,881	9,715	9,715
41	Subtotal revenue requirements		20,270	20,114	20,114	20,114	20,114	20,114	20,114	20,114	20,114	20,114	241,834	19,631	19,631
42	Adjustments														
43	Transmission Revenue		0	0	0	0	0	0	0	0	0	0	0	0	0
44	Total revenue requirements		20,270	20,114	20,114	20,114	20,114	20,114	20,114	20,114	20,114	20,114	241,834	19,631	19,631
45															
46	South Dakota share - D2 factor	9.8157%	1,990	1,974	1,974	1,974	1,974	1,974	1,974	1,974	1,974	1,974	23,738	1,927	1,927
47															
48	Gross Receipts Tax	0.14%	3	3	3	3	3	3	3	3	3	3	33	3	3
49	Total South Dakota Share		1,992	1,977	1,977	1,977	1,977	1,977	1,977	1,977	1,977	1,977	23,771	1,930	1,930

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														Common equity
7	Total		100.00%		7.52%	Overall Return									Total
	...TRADE SECRET DATA ENDS]														
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		9,247	9,247	9,247	9,247	9,247	9,247	9,247	9,247	9,247	9,247	110,969	9,247	9,247
20	Tax depreciation-Federal		20,793	20,793	20,793	20,793	20,793	20,793	20,793	20,793	20,793	20,793	249,515	18,697	18,697
21	Tax depreciation-SD		20,793	20,793	20,793	20,793	20,793	20,793	20,793	20,793	20,793	20,793	249,515	18,697	18,697
22	Federal deferred income taxes	35.00%	(4,041)	(4,041)	(4,041)	(4,041)	(4,041)	(4,041)	(4,041)	(4,041)	(4,041)	(4,041)	(48,491)	(3,307)	(3,307)
23	State deferred income taxes	0.00%	0	0	0	0	0	0	0	0	0	0	0	0	0