PUBLIC DOCUMENT - NOT PUBLIC DATA HAS BEEN EXCISED

Otter Tail Power Company
South Dakota Transmission Cost Recovery Rider
Casselton – Buffalo 115 kV 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		8,042,966	8,042,966	8,042,966	8,042,966	8,042,966	8,042,966	8,042,966	8,042,966	8,042,966	8,042,966	8,042,966	8,042,966	8,042,966
2	Accumulated Depreciation		(139,619)	(150,843)	(162,035)	(173,228)	(184,421)	(195,614)	(206,807)	(217,999)	(229,192)	(240,385)	(240,385)	(251,578)	(262,771)
3	Net Plant in Service		7,903,347	7,892,123	7,880,931	7,869,738	7,858,545	7,847,352	7,836,159	7,824,967	7,813,774	7,802,581	7,802,581	7,791,388	7,780,195
4	CWIP		0	0	0	0	0	0	0	0	0	0	0	0	0
5	Accumulated Deferred Income Taxes Fedederal & State		(1,560,498)	(1,566,875)	(1,573,252)	(1,579,628)	(1,586,015)	(1,592,403)	(1,598,790)	(1,605,178)	(1,611,565)	(1,617,953)	(1,617,953)	(1,623,314)	(1,628,675)
6	Ending rate base		6,342,849	6,325,249	6,307,680	6,290,110	6,272,530	6,254,950	6,237,370	6,219,789	6,202,209	6,184,629	6,184,629	6,168,075	6,151,521
7															
8	OTP Load Percentage		52.916%	52.916%	52.916%	52.916%	52.916%	52.916%	52.916%	52.916%	52.916%	52.916%	52.916%	49.420%	49.420%
9	Remove Non-OTP Load Portion		(2,986,467)	(2,978,180)	(2,969,908)	(2,961,636)	(2,953,358)	(2,945,081)	(2,936,803)	(2,928,526)	(2,920,248)	(2,911,971)	(2,911,971)	(3,119,812)	(3,111,439)
10	Retail Ending Rate Base		3,356,382	3,347,069	3,337,772	3,328,475	3,319,172	3,309,869	3,300,566	3,291,264	3,281,961	3,272,658	3,272,658	3,048,263	3,040,081
11															
12	Average rate base		277,021	277,021	277,021	277,021	277,021	277,021	277,021	277,021	277,021	277,021	3,324,247	251,999	251,999
13															
14	Return on Rate Base		20,233	20,233	20,233	20,233	20,233	20,233	20,233	20,233	20,233	20,233	242,800	18,955	18,955
15															
16	Available for return (equity portion of rate base)		12,838	12,838	12,838	12,838	12,838	12,838	12,838	12,838	12,838	12,838	154,054	12,242	12,242
17															
18	*EXPENSES*														
19	*O&M and Depreciation*														
20	Operating Costs		0	0	0	0	0	0	0	0	0	0	0	0	0
21	Property Tax		4,759	4,759	4,759	4,759	4,759	4,759	4,759	4,759	4,759	4,759	57,105	4,759	4,759
22	Book Depreciation		11,224	11,224	11,193	11,193	11,193	11,193	11,193	11,193	11,193	11,193	134,443	11,193	11,193
23	Total O&M and Depreciation Expense		15,983	15,983	15,951	15,952	15,952	15,952	15,952	15,952	15,952	15,952	191,548	15,952	15,952
24															
25	OTP Load Percentage		52.916%	52.916%	52.916%	52.916%	52.916%	52.916%	52.916%	52.916%	52.916%	52.916%	52.916%	49.420%	49.420%
26	Remove Non-OTP Load Portion		(7,525)	(7,525)	(7,511)	(7,511)	(7,511)	(7,511)	(7,511)	(7,511)	(7,511)	(7,511)	(90,188)	(8,068)	(8,068)
27	Retail O&M and Depreciation Expenses		8,457	8,457	8,441	8,441	8,441	8,441	8,441	8,441	8,441	8,441	101,359	7,883	7,883
28															
29	Income before Taxes														
30	Available for return (from above)		12,838	12,838	12,838	12,838	12,838	12,838	12,838	12,838	12,838	12,838	154,054	12,242	12,242
31	Taxable Income (grossed up)	1.5385	19,751	19,751	19,751	19,751	19,751	19,751	19,751	19,751	19,751	19,751	237,006	18,834	18,834
32															
33	Income Taxes														
34	Current and Def Income Taxes	35.00%	6,913	6,913	6,913	6,913	6,913	6,913	6,913	6,913	6,913	6,913	82,952	6,592	6,592
35	Total Income Tax Expense		6,913	6,913	6,913	6,913	6,913	6,913	6,913	6,913	6,913	6,913	82,952	6,592	6,592
36															
37															
38	*REVENUE REQUIRMENTS*														
39	Expenses		15,370	15,370	15,353	15,354	15,354	15,354	15,354	15,354	15,354	15,354	274,500	14,475	14,475
40	Return on rate base		20,233	20,233	20,233	20,233	20,233	20,233	20,233	20,233	20,233	20,233	242,800	18,955	18,955
41	Subtotal revenue requirements		35,603	35,603	35,587	35,587	35,587	35,587	35,587	35,587	35,587	35,587	517,299	33,430	33,430
42	Adjustments		0	0	0	0	0	0	0	0	0	0	0	0	0
43	Transmission Revenue		0	0	0	0	0	0	0	0	0	0	0	0	0
44	Total revenue requirements		35,603	35,603	35,587	35,587	35,587	35,587	35,587	35,587	35,587	35,587	517,299	33,430	33,430
45															
46	South Dakota share - D2 factor	9.82%	3,495	3,495	3,493	3,493	3,493	3,493	3,493	3,493	3,493	3,493	41,924	3,281	3,281
47															
48	Gross Receipts Tax	0.14%	5	5	5	5	5	5	5	5	5	5	59	5	5
49	Total South Dakota Share		3,500	3,500	3,498	3,498	3,498	3,498	3,498	3,498	3,498	3,498	41,983	3,286	3,286

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					11,224	11,224	11,193	11,193	11,193	11,193	11,193	11,193	11,193	11,193	11,193	134,443	11,193	11,193
20	Tax depreciation-Federal					29,443	29,443	29,443	29,443	29,443	29,443	29,443	29,443	29,443	29,443	29,443	353,311	26,511	26,511
21	Tax depreciation-SD					29,443	29,443	29,443	29,443	29,443	29,443	29,443	29,443	29,443	29,443	29,443	353,311	26,511	26,511
22	Federal deferred income taxes					(6,377)	(6,377)	(6,377)	(6,377)	(6,387)	(6,387)	(6,387)	(6,387)	(6,387)	(6,387)	(6,387)	(76,582)	(5,361)	(5,361)
23	State deferred income taxes					0	0	0	0	0	0	0	0	0	0	0	0	0	0

Property tax
2015 composite rate 0.71%

...TRADE SECRET DATA ENDS]

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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*														
2	Plant Balance		8,042,966	8,042,966	8,042,966	8,042,966	8,042,966	8,042,966	8,042,966	8,042,966	8,042,966	8,042,966	8,042,966	8,042,966	8,042,966
3	Accumulated Depreciation		(273,963)	(285,156)	(296,349)	(307,542)	(318,735)	(329,928)	(341,120)	(352,313)	(363,506)	(374,699)	(374,699)	(385,892)	(397,084)
4	Net Plant in Service		7,769,003	7,757,810	7,746,617	7,735,424	7,724,231	7,713,038	7,701,846	7,690,653	7,679,460	7,668,267	7,668,267	7,657,074	7,645,882
5	CWIP		0	0	0	0	0	0	0	0	0	0	0	0	0
6	Accumulated Deferred Income Taxes Fedederal & State		(1,634,037)	(1,639,398)	(1,644,759)	(1,650,121)	(1,655,482)	(1,660,843)	(1,666,205)	(1,671,566)	(1,676,927)	(1,682,289)	(1,682,289)	(1,686,723)	(1,691,158)
7	Ending rate base		6,134,966	6,118,412	6,101,858	6,085,304	6,068,750	6,052,196	6,035,642	6,019,087	6,002,533	5,985,979	5,985,979	5,970,351	5,954,724
8															
9	OTP Load Percentage		49.420%	49.420%	49.420%	49.420%	49.420%	49.420%	49.420%	49.420%	49.420%	49.420%	49.420%	49.420%	49.420%
10	Remove Non-OTP Load Portion		(3,103,066)	(3,094,693)	(3,086,320)	(3,077,947)	(3,069,574)	(3,061,201)	(3,052,828)	(3,044,454)	(3,036,081)	(3,027,708)	(3,027,708)	(3,019,804)	(3,011,899)
11	Retail Ending Rate Base		3,031,900	3,023,719	3,015,538	3,007,357	2,999,176	2,990,995	2,982,814	2,974,633	2,966,452	2,958,271	2,958,271	2,950,548	2,942,824
12															
13	Average rate base		251,999	251,999	251,999	251,999	251,999	251,999	251,999	251,999	251,999	251,999	3,023,989	240,041	240,041
14															
15	Return on Rate Base		18,955	18,955	18,955	18,955	18,955	18,955	18,955	18,955	18,955	18,955	227,456	18,055	18,055
16															
17	Available for return (equity portion of rate base)		12,242	12,242	12,242	12,242	12,242	12,242	12,242	12,242	12,242	12,242	146,908	11,661	11,661
18															
19	*EXPENSES*														
20	*O&M and Depreciation*														
21	Operating Costs		0	0	0	0	0	0	0	0	0	0	0	0	0
22	Property Tax		4,759	4,759	4,759	4,759	4,759	4,759	4,759	4,759	4,759	4,759	57,105	7,036	7,036
23	Book Depreciation		11,193	11,193	11,193	11,193	11,193	11,193	11,193	11,193	11,193	11,193	134,314	11,193	11,193
24	Total O&M and Depreciation Expense		15,952	15,952	15,952	15,952	15,952	15,952	15,952	15,952	15,952	15,952	191,419	18,229	18,229
25															
26	OTP Load Percentage		49.420%	49.420%	49.420%	49.420%	49.420%	49.420%	49.420%	49.420%	49.420%	49.420%	49.420%	49.420%	49.420%
27	Remove Non-OTP Load Portion		(8,068)	(8,068)	(8,068)	(8,068)	(8,068)	(8,068)	(8,068)	(8,068)	(8,068)	(8,068)	(96,820)	(9,220)	(9,220)
28	Retail O&M and Depreciation Expenses		7,883	7,883	7,883	7,883	7,883	7,883	7,883	7,883	7,883	7,883	94,599	9,009	9,009
29															
30	Income before Taxes														
31	Available for return (from above)		12,242	12,242	12,242	12,242	12,242	12,242	12,242	12,242	12,242	12,242	146,908	11,661	11,661
32	Taxable Income (grossed up)	1.5385	18,834	18,834	18,834	18,834	18,834	18,834	18,834	18,834	18,834	18,834	226,013	17,941	17,941
33															
34	Income Taxes														
35	Current and Def Income Taxes	35.00%	6,592	6,592	6,592	6,592	6,592	6,592	6,592	6,592	6,592	6,592	79,105	6,279	6,279
36	Total Income Tax Expense		6,592	6,592	6,592	6,592	6,592	6,592	6,592	6,592	6,592	6,592	79,105	6,279	6,279
37															
38	*REVENUE REQUIRMENTS*														
39	Expenses		14,475	14,475	14,475	14,475	14,475	14,475	14,475	14,475	14,475	14,475	270,523	15,288	15,288
40	Return on rate base		18,955	18,955	18,955	18,955	18,955	18,955	18,955	18,955	18,955	18,955	227,456	18,055	18,055
41	Subtotal revenue requirements		33,430	33,430	33,430	33,430	33,430	33,430	33,430	33,430	33,430	33,430	497,980	33,343	33,343
42	Adjustments		0	0	0	0	0	0	0	0	0	0	0	0	0
43	Transmission Revenue		0	0	0	0	0	0	0	0	0	0	0	0	0
44	Total revenue requirements		33,430	33,430	33,430	33,430	33,430	33,430	33,430	33,430	33,430	33,430	497,980	33,343	33,343
45															
46	South Dakota share - D2 factor	9.82%	3,281	3,281	3,281	3,281	3,281	3,281	3,281	3,281	3,281	3,281	39,377	3,273	3,273
47															
48	Gross Receipts Tax	0.14%	5	5	5	5	5	5	5	5	5	5	55	5	5
49	Total South Dakota Share		3,286	3,286	3,286	3,286	3,286	3,286	3,286	3,286	3,286	3,286	39,432	3,277	3,277

Line No.															
1	*SUPPORTING INFORMATION / DATA*														
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	0.71%					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	11,193	11,193	11,193	11,193	11,193	11,193	11,193	11,193	11,193	11,193	134,314	11,193	11,193	
20	Tax depreciation-Federal	26,511	26,511	26,511	26,511	26,511	26,511	26,511	26,511	26,511	26,511	318,131	23,864	23,864	
21	Tax depreciation-SD	26,511	26,511	26,511	26,511	26,511	26,511	26,511	26,511	26,511	26,511	318,131	23,864	23,864	
22	Federal deferred income taxes	(5,361)	(5,361)	(5,361)	(5,361)	(5,361)	(5,361)	(5,361)	(5,361)	(5,361)	(5,361)	(64,336)	(4,435)	(4,435)	
23	State deferred income taxes	0	0	0	0	0	0	0	0	0	0	0	0	0	