Otter Tail Power Company Docket EL18-021 South Dakota Electric Revenue Requirement Adjusted Test Year Ended December 31, 2017

Line	Description		South Dakota Electric Adjusted 2017 Test Year	Electric 017 Adjusted 2017		Difference		
	(a)		(b)		(c)		(d)	
1	Average Rate Base	\$	83,501,485	\$	84,904,901	\$	(1,403,416)	
2	Adjusted Test Year Operating Income		2,109,622		2,042,808		66,814	
3	Earned Rate of Return		2.53%		2.41%			
4	Commission Authorized Rate of Return		7.09%		7.96%			
5	Required Operating Income		5,920,255		6,758,430		(838,175)	
6	Income Deficiency (Excess)		3,810,633		4,715,622		(904,989)	
7	Gross Revenue Conversion Factor		1.26582					
8	Revenue Deficiency (Excess)		4,823,586					
9	Gross Receipts Tax (at 0.0015)		7,235					
10	Total Revenue Deficiency (Excess)		4,830,821	_	5,978,109		(1,147,288)	
11	Adjusted Test Year Retail Revenue		30,658,393		30,650,015		8,378	
12	Revenue Requirement	\$	35,489,214	\$	36,628,124	\$	(1,138,910)	
13	Rider Roll-in Revenues	\$	2,619,535	\$	2,619,535			
14	Net Revenue Deficiency	\$	2,211,286	\$	3,358,574	\$	(1,147,288)	
	SOURCES: Column b. line 1: Exhibit 3a. page 1. colu	umn d	d. line 31	Colu	umn c. line 1: Exhibit	(]	AA-1). Schedule	

Column b, line 1: Exhibit 3a, page 1, column d, line 31	Column c, line 1: Exhibit_(TAA-1), Schedule 2, page 1 of 1, line 1, column (A)
Column b, line 2: Exhibit 2a, page 1, column d, line 27	Column c, line 2: Exhibit_(TAA-1), Schedule 2, page 1 of 1, line 2, column (A)
Column b, line 3: Line 2 divided by line 1	Column c, line 3: Exhibit(TAA-1), Schedule 2, page 1 of 1, line 5, column (A)
Column b, line 4: Exhibit 8, column e, line 3	Column c, line 4: Exhibit(TAA-1), Schedule 2, page 1 of 1, line 6, column (A)
Column b, line 5: Line 1 * line 4	Column c, line 5: Exhibit_(TAA-1), Schedule 2, page 1 of 1, line 7, column (A)
Column b, line 6: Line 5 less line 2	Column c, line 6: Exhibit_(TAA-1), Schedule 2, page 1 of 1, line 8, column (A)
Column b, line 7: Effective FIT rate / inverse + 1	Column c, line 10: Exhibit(TAA-1), Schedule 2, page 1 of 1, line 10, column (A)
Column b, line 8: Line 6 * line 7	Column c, line 11: Exhibit_(TAA-1), Schedule 2, page 1 of 1, line 11, column (A)
Column b, line 9: Line 8 * 0.0015	Column c, line 12: Line 10 plus line 11
Column b, line 10: Line 8 plus line 9	Column c, line 13: Exhibit(TAA-1), Schedule C-8, col. (M) +(N)
Column b, line 11: Exhibit 2a, page 1, column d, line 2	Column c, line 14: Line 10 less line 13
Column b, line 12: Line 11 plus line 10	

Docket EL18-021 South Dakota Electric Operating Income Statement With Known and Measurable Adjustments and Revenue Deficiency Adjusted Test Year Ended December 31, 2017

Line No.	Description	South Dakota Per Books	Total Staff Adjustments	Adjusted Test Year	Revenue Adjustment	Adjusted Test Year with Revenue Adjustment
	(a)	(b)	(c)	(d)	(e)	(f)
1	OPERATING REVENUES:					
2	Retail Revenue	\$ 32,929,872	\$ (2,271,479)	\$ 30,658,393	\$ 4,830,821	\$ 35,489,214
3	Other Electric Operating Revenue	1,725,695	(89,577)	1,636,118	φ 1,000,021	1,636,118
			,			
4	TOTAL OPERATING REVENUES	34,655,568	(2,361,056)	32,294,512	4,830,821	37,125,333
5	OPERATING EXPENSES:					
6	Operation and Maintenance:					
7	Production Expense	14,201,172	370,815	14,571,988		14,571,988
8	Transmission Expense	2,936,416	22,856	2,959,272		2,959,272
9	Distribution Expense	1,686,406	22,436	1,708,842		1,708,842
10	Customer Accounting Expense	1,144,837	26,457	1,171,293		1,171,293
11	Customer Service and Information Expense	663,245	1,298	664,543		664,543
12	Sales Expenses	11,402	9,349	20,751		20,751
12	Administration and General Expense	3,691,031	210,581	3,901,612		3,901,612
13	Other	5,091,051	210,301	5,501,012		5,901,012
14	other					
15	Total Operation and Maintenance	24,334,509	663,791	24,998,301	-	24,998,301
16	Depreciation and Amortization	4,719,228	236,359	4,955,587		4,955,587
17	Taxes:					
18	Property Taxes	919,049	-	919,049		919,049
19	Coal Conversion Tax	46,586	_	46,586		46,586
20	South Dakota Gross Receipts Tax	48,882	_	48,882	7,235	56,117
21	Investment Tax Credit	(753,931)	630,339	(123,593)	1,200	(123,593)
22	Deferred Income Taxes	1,083,502	434,816	1,518,318		1,518,318
22	Federal Income Taxes	, ,	,	(2,134,390)	1,012,953	(1,121,437)
23 24	Other Taxes	(556,439)	(1,577,951) (43,850)	(2,134,390) (43,850)	1,012,955	(43,850)
24	Other Taxes	-	(43,650)	(43,650)		(43,650)
25	Total Taxes	787,649	(556,646)	231,002	1,020,188	1,251,190
26	TOTAL OPERATING EXPENSES	29,841,385	343,504	30,184,889	1,020,188	31,205,077
27	OPERATING INCOME	\$ 4,814,182	\$ (2,704,560)	\$ 2,109,622	\$ 3,810,633	\$ 5,920,255
28	Rate Base	83,294,793		\$ 83,501,485		\$ 83,501,485
29	Earned Rate of Return	5.78%		2.53%		7.09%
23		5.7078		2.3370		1.05/0
30	Commission Authorized Rate of Return			7.09%		7.09%

SOURCES:

Otter Tail Power Company

Line 4: Sum of lines 2 through 3 Line 15: Sum of lines 7 through 14 Line 25: Sum of lines 18 through 24 Line 26: Sum of lines 15, 16 and 25 Line 27: Line 4 less line 26 Line 28: Exhibit 3a, line 31 Line 29: Line 27 / line 28 Line 30: Exhibit 8, column e, line 3 Column b: Exhibit 2b, page 1, column b Column c: Exhibit 2b, page 4, column aa Column d: Column b plus column c

Column e, line 2: Exhibit 1, column b, line 10 Column e, line 20: Exhibit 1, column b, line 9 Column e, line 23: Exhibit 1, column b, line 8 less Exhibit 1, column b, line 6

Column f: Column d plus column e

May 14, 2019 Commission Decision

Otter Tail Power Company Docket EL18-021 South Dakota Electric Operating Income Statement With Known and Measurable Adjustments

Adjusted Test Year Ended December 31, 2017

				TY-01	TY-02	TY-03	TY-05	TY-06
Line No.	Description		outh Dakota Per Books	CISone Project	BSP II Amortization	New Depreciation Rates	Weather Normalization	Revenue Normalization
			(b)	(c)	(d)	(e)	(f)	(g)
1	OPERATING REVENUES:							
2	Retail Revenue	\$	32,929,872				343,731	4,325
3	Other Electric Operating Revenue	Ŷ	1,725,695				0.0,.01	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
4	TOTAL OPERATING REVENUES	\$	34,655,568	-		<u> </u>	343,731	4,325
5	OPERATING EXPENSES:							
6	Operation and Maintenance:							
7	Production Expense	\$	14,201,172				137,587	2,179
8	Transmission Expense		2,936,416					
9	Distribution Expense		1,686,406					
10	Customer Accounting Expense		1,144,837					
11	Customer Service and Information Expense		663,245					
12	Sales Expenses		11,402					
13	Administration and General Expense		3,691,031					
14	Other		-					
15	Total Operation and Maintenance	\$	24,334,509	-	-	-	137,587	2,179
16	Depreciation and Amortization	\$	4,719,228	160,129	43,892	22,072		
17	Taxes:							
18	Property Taxes	\$	919,049					
19	Coal Conversion Tax		46,586					
20	South Dakota Gross Receipts Tax		48,882					
21	Investment Tax Credit		(753,931)					
22	Deferred Income Taxes		1,083,502					
23	Federal Income Taxes		(556,439)	(33,627)	(9,217)	(4,635)	43,290	451
24	Other Taxes							
25	Total Taxes	\$	787,649	(33,627)	(9,217)	(4,635)	43,290	451
26	TOTAL OPERATING EXPENSES	\$	29,841,385	126,502	34,675	17,437	180,877	2,630
27	OPERATING INCOME	\$	4,814,182	(126,502)	(34,675)	(17,437)	162,854	1,695
	Source			Attachment 4	Attachment 5	Exhibit(TAA-1) Schedule C-8 Column (D)	Exhibit(TAA-1) Schedule C-8 Column (E) + Supplemental Exhibit(TAA-2) Schedule 4, Column (C)	Exhibit(TAA-1) Schedule C-8 Column (F)
	Staff Witness Testimony			Steffensen	Rezac	Paulson	Paulson	Reichert
	Staff position on OTP's Adjustment			Adjusted	Adjusted	Accepted	Accepted	Accepted

May 14, 2019 Commission Decision

Otter Tail Power Company Docket EL18-021 South Dakota Electric Operating Income Statement With Known and Measurable Adjustments

Adjusted Test Year Ended December 31, 2017

(h) (i) (j) (k) (l) (m) (n 1 OPERATING REVENUES: 2 Retail Revenue (2 3 Other Electric Operating Revenue (2	(245,070) (245,070)
2 Retail Revenue	
2 Retail Revenue	
	<u>(245,070)</u>
4 TOTAL OPERATING REVENUES (2	
5 OPERATING EXPENSES:	
6 Operation and Maintenance:	
7 Production Expense 47,715 6,202 146,808	
8 Transmission Expense 19,514 2,535	
9 Distribution Expense 37,504 4,873	
10 Customer Accounting Expense 23,443 3,047	
11 Customer Service and Information Expense 1,148 150	
12 Sales Expenses	
13 Administration and General Expense (14,430) 10,704 139,015 44,053	
14 Other	
15 Total Operation and Maintenance 114,893 27,511 139,015 44,053 - 146,808	-
16 Depreciation and Amortization	
17 Taxes:	
18 Property Taxes	
19 Coal Conversion Tax	
20 South Dakota Gross Receipts Tax	
21 Investment Tax Credit 632,422	
22 Deferred Income Taxes	
	(51,465)
24 Other Taxes	(-,,)
25 Total Taxes (24,128) (5,777) (29,193) (9,251) 632,422 (30,830)	(51,465)
26 TOTAL OPERATING EXPENSES 90,765 21,734 109,822 34,802 632,422 115,978	(51,465)
27 OPERATING INCOME (90,765) (21,734) (109,822) (34,802) (632,422) (115,978) (115,978)	(193,605)
Source Attachment 6 Attachment 7 Exhibit 4 Exhibit(TAA-1) Exhibit(TAA-1) Attachment 9 Exhibit Schedule C-8 Schedule C-8 Schedule C-8 Schedule C-8 Schedule C-8 Column (J) Column (K) Column	
Staff Witness Testimony Steffensen Steffensen Reichert Reichert Rezac Steffensen Rez	zac
Staff position on OTP's Adjustment Adjusted Adjusted Adjusted Adjusted Accepted Accepted Adjusted Accepted Adjusted Accepted	epted

Otter Tail Power Company Docket EL18-021 South Dakota Electric Operating Income Statement With Known and Measurable Adjustments

Adjusted Test Year Ended December 31, 2017

Line No.	Description	TY-14 ECRR Revenue Removal	TY-15 Adjust Deferred Tax for Tax Reform	Association Dues	Late Payment Revenues	Employee Gifts & Recognition	Charitable Admin Removal	Intrest Sync
NO.	Description	(0)	(p)	(q)	(r)	(s)	(t)	(u)
					.,			
1	OPERATING REVENUES:							
2	Retail Revenue	(2,374,465)						
3	Other Electric Operating Revenue				(95,929)			
4	TOTAL OPERATING REVENUES	(2,374,465)	-	-	(95,929)	-	-	-
5	OPERATING EXPENSES:							
6	Operation and Maintenance:							
7	Production Expense							
8	Transmission Expense							
9	Distribution Expense							
10	Customer Accounting Expense							
11 12	Customer Service and Information Expense							
12	Sales Expenses Administration and General Expense			(11,094)		(2,942)	(6,900)	
13	Other			(11,094)		(2,942)	(6,800)	
14								
15	Total Operation and Maintenance	-	-	(11,094)	-	(2,942)	(6,800)	-
16	Depreciation and Amortization							
17	Taxes:							
18	Property Taxes							
19	Coal Conversion Tax							
20	South Dakota Gross Receipts Tax							
21	Investment Tax Credit							
22	Deferred Income Taxes		(691,179)					
23	Federal Income Taxes	(498,638)	-	2,330	(20,145)	618	1,428	74,188
24	Other Taxes							
25	Total Taxes	(498,638)	(691,179)	2,330	(20,145)	618	1,428	74,188
26	TOTAL OPERATING EXPENSES	(498,638)	(691,179)	(8,764)	(20,145)	(2,324)	(5,372)	74,188
27	OPERATING INCOME	(1,875,827)	691,179	8,764	(75,784)	2,324	5,372	(74,188)
	Source	Exhibit(TAA-1) Schedule C-8 Column (N)	Attachment 10	Attachment 11	Volume 4B Actual Year JCOSS Page 8-1, line 23	DR 9.12 and DR 13.13	Supplemental Exhibit(TAA-2) Schedule 5 Column (C)	Exhibit 5
	Staff Witness Testimony	Rezac	Mehlhaff	Reichert	Paulson	Reichert	Reichert	Rezac
	Staff position on OTP's Adjustment	Accepted	Adjusted	Staff Proposed	Staff Proposed	Staff Proposed	Staff Proposed	Staff Proposed

Otter Tail Power Company Docket EL18-021 South Dakota Electric Operating Income Statement With Known and Measurable Adjustments Adjusted Test Year Ended December 31, 2017

(v) (v) (x) (y) (z) (y) (z) (a) 0 OPERATING REVENUES:	Line No.	Description	Vegetation Management	Provision for Potential FERC Penalty	Advertising Expense	Structure Expense	Changes in Allocation Factors	Subtotal Staff Adjustments	Adjusted Test Year
2 Retail Revenue \$ (2.271479) \$ 30,683,393 3 Other Electric Operating Revenues 6.352 (2.361,036) 32,284,512 4 TOTAL OPERATING EXPENUES 6.352 (2.361,036) 32,284,512 5 OPERATING EXPENUES 6.352 (2.361,036) 32,284,512 6 OPERATING EXPENUES (1.571,936) 14,571,930 7,462 2.255 2.959,272 2.769,272 2.265 2.959,272 2.769,272 2.265 1.959,272 1.709,492 2.265 1.959,272 1.709,492 2.265 1.959,272 1.709,492 2.265 1.959,272 1.709,492 2.265 1.959,272 1.709,492 2.265 1.959,272 1.709,492 1.709,492 1.268 1.779,492 2.265 1.959,272 1.709,492 1.268 1.779,494 1.171,143 1.268 1.179,413 1.268 1.179,413 3.498 3.391,612 1.128 1.125,955 4.395,577 1.771 4.498,301 1.125,955 4.395,577 1.771 4.498,301 1.125,955 4.395,577			(V)	(W)	(X)	(y)	(Z)	(aa)	(ab)
2 Retail Revenue \$ (2.271479) \$ 30,683,393 3 Other Electric Operating Revenues 6.352 (2.361,036) 32,284,512 4 TOTAL OPERATING EXPENUES 6.352 (2.361,036) 32,284,512 5 OPERATING EXPENUES 6.352 (2.361,036) 32,284,512 6 OPERATING EXPENUES (1.571,936) 14,571,930 7,462 2.255 2.959,272 2.769,272 2.265 2.959,272 2.769,272 2.265 1.959,272 1.709,492 2.265 1.959,272 1.709,492 2.265 1.959,272 1.709,492 2.265 1.959,272 1.709,492 2.265 1.959,272 1.709,492 2.265 1.959,272 1.709,492 1.709,492 1.268 1.779,492 2.265 1.959,272 1.709,492 1.268 1.779,494 1.171,143 1.268 1.179,413 1.268 1.179,413 3.498 3.391,612 1.128 1.125,955 4.395,577 1.771 4.498,301 1.125,955 4.395,577 1.771 4.498,301 1.125,955 4.395,577	1	OPERATING REVENUES							
3 Other Electric Operating Revenue 6.352 (89,577) 1.838,118 4 TOTAL OPERATING REVENUES .								\$ (2.271.479)	\$ 30.658.393
5 OPERATING EXPENSES: 0 6 Operation and Maintenance: 7462 22,856 24,856 1,708,842 1,708,842 1,708,842 1,708,842 1,708,842 1,708,842 1,708,842 1,708,842 1,708,842 1,708,842 1,711,713 846,64,543 20,751 1,711,713 24,998,301 1,711,714 663,791 24,998,301 1,711,714 663,791 24,998,301 1,711,714 663,791 24,998,301 1,711,714 663,791 24,998,301 1,711,714 663,791 24,998,301 1,711,714 663,791 24,998,301 1,711,714 663,791 24,998,301 1,711,714 711,711,714 711,711,714 711,711,714 711,711,714 711,711,714 711,711,711,714 711,711,711,714 711,711,711,711,714 711,711,714,711,711,711,714 711,711,		Other Electric Operating Revenue					6,352		
6 Operation and Maintenance: (9,305) (5,828) 45,458 370,815 14,571,988 7 Production Expense (6,655) (105) 22,856 2,959,272 0 Distribution Expense (19,836) (105) 22,856 17,088,42 10 Customer Service and Information Expense (33) 26,457 1,171,293 13 Administration and General Expense (3,508) 55,583 210,581 3,901,612 14 Other 0 0 10,266 236,359 4,955,587 15 Total Operation and Maintenance (26,491) (9,305) (3,508) (5,828) 117,714 663,791 24,998,301 16 Depreciation and Amortization 10,266 236,359 4,955,587 10,266 236,359 4,955,587 17 Taxes: (2,043) 650,333 (1,7,751) (2,163,30) (2,153,30) 11,125,995 439,813 11,125,995 439,813 11,125,995 439,813 11,125,995 439,813 11,125,995 439,8	4	TOTAL OPERATING REVENUES		-	-	<u> </u>	6,352	(2,361,056)	32,294,512
6 Operation and Maintenance: (9,305) (5,828) 45,458 370,815 14,571,988 7 Production Expense (6,655) (105) 22,856 2,959,272 0 Distribution Expense (19,836) (105) 22,856 17,088,42 10 Customer Service and Information Expense (33) 26,457 1,171,293 13 Administration and General Expense (3,508) 55,583 210,581 3,901,612 14 Other 0 0 10,266 236,359 4,955,587 15 Total Operation and Maintenance (26,491) (9,305) (3,508) (5,828) 117,714 663,791 24,998,301 16 Depreciation and Amortization 10,266 236,359 4,955,587 10,266 236,359 4,955,587 17 Taxes: (2,043) 650,333 (1,7,751) (2,163,30) (2,153,30) 11,125,995 439,813 11,125,995 439,813 11,125,995 439,813 11,125,995 439,813 11,125,995 439,8	5	OPERATING EXPENSES							
7 Production Expense (9,305) (5,828) 44,458 370,815 14,571,988 8 Transmission Expense (19,336) (19,336) (105) 22,436 1,708,842 10 Customer Accumiting Expense (19,336) (3,508) 5,553 210,811 3,916,151 1,208 645,433 11 Customer Service and Information Expense (3,508) 55,553 210,811 3,916,151 -									
8 Transmission Expense (6,655) 9 Distribution Expense (19,836) 10 Customer Accounting Expense (13) 11 Customer Accounting Expense (13) 12 Sales Expenses (3,508) 13 Administration and General Expense (3,508) 14 Other (17,114) 15 Total Operation and Maintenance (26,491) 16 Depreciation and Amortization 10,266 236,359 17 Taxes: - 910,049 18 Property Taxes - 910,049 19 Coal Conversion Tax - 910,049 20 South Dakota Gross Receipts Tax - 910,049 10 Celeral income Taxes - 910,049 21 Unter Taxes - 910,049 22 South Dakota Gross Receipts Tax - - 10 Deferred income Taxes 5,563 1,954 737 1,224 67,234 (656,646) 231,002 23 Federal income Taxes 5,563 1,954 737				(9.305)		(5.828)	45.458	370.815	14.571.988
9 Distribution Expense (19,836) (10,836) (10,842) 0 Customer Accounting Expense (33) 22,437 11,71,242 13 Administration and General Expense (3,068) 55,583 210,581 3,901,612 14 Other 0 0 (26,491) (9,305) (3,508) (5,828) 117,714 663,791 24,998,301 15 Total Operation and Maintenance (26,491) (9,305) (3,508) (5,828) 117,714 663,791 24,998,301 16 Depreciation and Amortization 10,266 236,359 4,955,567 17 Taxes - - 919,049 16 Depreciation and Amortization 10,266 236,359 4,955,567 17 Taxes - - - 455,586 18 Property Taxes - - 455,866 - 45,586 20 South Dakota Gross Receipts Tax - - 45,586 - 45,586 21 Investment Tax Credit - - - 46,586 - -	8		(6,655)	(-,,		(-,,	,	,	
11 Customer Service and Information Expense 1.288 664,543 2 Sales Expenses 9,349 9,349 20,751 3 Administration and General Expense (3,508) 55,583 210,581 3,901,612 14 Other (1,0) <	9						(105)		
12 Sales Expenses 9,349 9,349 20,751 13 Administration and General Expense (3,508) 55,883 210,581 3,901,612 14 Other (26,491) (9,305) (3,508) (5,828) 117,714 663,791 24,998,301 16 Depreciation and Amortization 10,266 236,359 4,955,587 17 Taxes: - - 919,049 18 Property Taxes - 919,049 19 Coal Conversion Tax - 919,049 20 South Dakta Gross Receipts Tax - 919,049 11 Unsement Tax Credit - - 46,586 20 South Dakta Gross Receipts Tax - - 46,586 21 Investment Tax Credit - - 46,586 22 Defered Income Taxes 5,563 1,954 737 1,224 (992,828) (1,577,951) (2,13,300) 24 Totra Taxes 5,563 1,954 737 1,224 87,234 (556,646) 231,002 25 Total T	10	Customer Accounting Expense					(33)	26,457	1,171,293
13 Administration and General Expense (3,508) 55,583 210,581 3,901,612 14 Other (3,508) (5,828) 117,714 663,791 24,998,301 16 Depreciation and Maintenance (26,491) (9,305) (3,508) (5,828) 117,714 663,791 24,998,301 16 Depreciation and Amortization 10,266 236,359 4,955,587 17 Taxes: - - - - - 46,586 18 Property Taxes - - 46,586 - 46,586 20 South Dakota Gross Receipts Tax - - 46,586 - 48,822 11 <investment crodit<="" tax="" td=""> (2,083) 630,339 (12,5995 434,816 1,518,318 23 Foderal Income Taxes 5,563 1,954 737 1,224 87,234 (556,646) 231,002 24 Other Taxes 5,563 1,954 737 1,224 87,234 (556,646) 231,002 25 Total Taxes 5,563 1,954 737 1,224 87,234<td>11</td><td>Customer Service and Information Expense</td><td></td><td></td><td></td><td></td><td>()</td><td>1,298</td><td>664,543</td></investment>	11	Customer Service and Information Expense					()	1,298	664,543
14 Other	12	Sales Expenses					9,349	9,349	20,751
15 Total Operation and Maintenance (26,491) (9,305) (3,508) (5,828) 117,714 663,791 24,998,301 16 Depreciation and Amortization 10,266 236,359 4,955,587 17 Taxes: - 919,049 - 919,049 18 Property Taxes - - 46,586 20 South Dakota Gross Receipts Tax - - 46,586 21 Investment Tax Credit - - 48,882 22 Deferred Income Taxes 5,563 1,954 737 1,224 (992,628) (1,577,951) (2,134,380) 24 Other Taxes 5,563 1,954 737 1,224 87,234 (556,646) 231,002 25 Total OperAting EXPENSES (20,928) (7,351) (2,771) (4,604) 215,214 343,504 30,184,889 27 OPERATING INCOME 20,928 7,351 2,771 4,604 (208,862) \$ (2,704,560) \$ 2,109,622 Source Attachment 13 Attachment 16 Attachment 14 Attachment 15 Email from Pete Beithon on 02/0	13	Administration and General Expense			(3,508)		55,583	210,581	3,901,612
16 Depreciation and Amortization 10,266 236,359 4,955,587 17 Taxes: - -919,049 - 46,586 19 Coal Conversion Tax - 46,586 - 48,682 20 South Dakota Gross Receipts Tax - 48,682 - 48,682 21 Investment Tax Credit (2,083) 630,339 (123,593) 434,816 1.518,318 22 Deferred Income Taxes 5,563 1,954 737 1,224 (92,828) (1,577,951) (2,134,300) 24 Other Taxes 5,563 1,954 737 1,224 87,234 (556,646) 231,002 25 Total OPERATING EXPENSES (20,928) (7,351) (2,771) (4,604) 215,214 343,504 30,184,889 27 OPERATING INCOME 20,928 7,351 2,771 4,604 (208,862) \$ (2,704,560) \$ 2,109,622 Source Attachment 13 Attachment 10 DR 13.08 Attachment 14 Attachment 15 Email from Pete Beithon on 02/07/2019 Staff Witness Testimony Reichert	14	Other						-	-
17 Taxes: . </td <td>15</td> <td>Total Operation and Maintenance</td> <td>(26,491)</td> <td>(9,305)</td> <td>(3,508)</td> <td>(5,828)</td> <td>117,714</td> <td>663,791</td> <td>24,998,301</td>	15	Total Operation and Maintenance	(26,491)	(9,305)	(3,508)	(5,828)	117,714	663,791	24,998,301
18 Property Taxes - - 919,049 19 Coal Conversion Tax - - 46,586 20 South Dakto Gross Receipts Tax - - 48,882 21 Investment Tax Credit (2,083) 630,339 (123,593) 22 Deferred Income Taxes 1,125,995 434,816 1,518,318 23 Federal Income Taxes 5,563 1,954 737 1,224 (992,828) (1,577,951) (2,134,390) 24 Other Taxes 5,563 1,954 737 1,224 87,234 (556,646) 231,002 25 Total OPERATING EXPENSES (20,928) (7,351) (2,771) (4,604) 215,214 343,504 30,184,889 27 OPERATING INCOME 20,928 7,351 2,771 4,604 (208,862) \$ (2,704,560) \$ 2,109,622 Source Attachment 13 Attachment 14 o DR 13.08 Attachment 14 Attachment 15 Email from Pete Beithon on 02/07/2019 Staff Witness Testimony Reichert Reichert Reichert Mehlhaff Interinterit in the interimentinge	16	Depreciation and Amortization					10,266	236,359	4,955,587
19 Coal Conversion Tax - 46,586 20 South Dakota Gross Receipts Tax - 48,882 21 Investment Tax Credit (2,083) 630,339 (123,593) 22 Deferred Income Taxes 1,125,995 434,816 1,518,318 23 Federal Income Taxes 5,563 1,954 737 1,224 (992,828) (1,577,951) (2,134,390) 24 Other Taxes 5,563 1,954 737 1,224 87,234 (556,646) 231,002 25 Total OPERATING EXPENSES (20,928) (7,351) (2,771) (4,604) 215,214 343,504 30,184,889 27 OPERATING INCOME 20,928 7,351 2,771 4,604 (208,862) \$ (2,704,560) \$ 2,109,622 Source Attachment 13 Attachment 1 to DR 13.08 Attachment 14 Attachment 15 Email from Pete Beithon on 02/07/2019 Staff Witness Testimony Reichert Reichert Reichert Reichert Mehlhaff	17	Taxes:							
20 South Dakota Gross Receipts Tax - 48,882 21 Investment Tax Credit (2,083) 630,339 (123,593) 22 Deferred Income Taxes 5,563 1,954 737 1,224 (992,628) (1,577,951) (2,134,390) 24 Other Taxes 5,563 1,954 737 1,224 (43,850) (43,850) (43,850) 25 Total Taxes 5,563 1,954 737 1,224 87,234 (556,646) 231,002 26 TOTAL OPERATING EXPENSES (20,928) (7,351) (2,771) (4,604) 215,214 343,504 30,184,889 27 OPERATING INCOME 20,928 7,351 2,771 4,604 (208,862) \$ (2,704,560) \$ 2,109,622 Source Attachment 13 Attachment 1 to DR 13.08 Attachment 14 Attachment 15 Email from Pete Beithon on 02/07/2019 Staff Witness Testimony Reichert Reichert Mehlhaff	18	Property Taxes						-	919,049
21 Investment Tax Credit (2,083) 630,339 (123,593) 22 Deferred Income Taxes 5,563 1,954 737 1,224 (992,828) (1,577,951) (2,134,390) 23 Federal Income Taxes 5,563 1,954 737 1,224 (43,850) (43,850) 24 Other Taxes 5,563 1,954 737 1,224 87,234 (556,646) 231,002 25 Total Taxes 5,563 1,954 737 1,224 87,234 (556,646) 231,002 26 TOTAL OPERATING EXPENSES (20,928) (7,351) (2,771) (4,604) 215,214 343,504 30,184,889 27 OPERATING INCOME 20,928 7,351 2,771 4,604 (208,862) \$ (2,704,560) \$ 2,109,622 Source Attachment 13 Attachment 1 to DR 13.08 Attachment 14 Attachment 15 Email from Pete Beithon on 02/07/2019 Staff Witness Testimony Reichert Reichert Reichert Reichert Mehlhaff	19							-	46,586
22 Deferred Income Taxes 5,563 1,954 737 1,224 1,125,995 434,816 1,518,318 (2,134,390) 23 Federal Income Taxes 5,563 1,954 737 1,224 (992,828) (1,577,951) (2,134,390) 24 Other Taxes 5,563 1,954 737 1,224 87,234 (556,646) 231,002 25 Total Taxes 5,563 1,954 737 1,224 87,234 (556,646) 231,002 26 TOTAL OPERATING EXPENSES (20,928) (7,351) (2,771) (4,604) 215,214 343,504 30,184,889 27 OPERATING INCOME 20,928 7,351 2,771 4,604 (208,862) \$ (2,704,560) \$ 2,109,622 Source Attachment 13 Attachment 1 to DR 13.08 Attachment 14 Attachment 15 Email from Pete Beithon on 02/07/2019 Pete Beithon on 02/07/2019 Staff Witness Testimony Reichert Reichert Reichert Mehlhaff	20	South Dakota Gross Receipts Tax						-	48,882
23 Federal Income Taxes 5,563 1,954 737 1,224 (992,828) (1,577,951) (2,134,390) 24 Other Taxes 5,563 1,954 737 1,224 (87,234) (656,646) 231,002 25 Total Taxes 5,563 1,954 737 1,224 87,234 (556,646) 231,002 26 TOTAL OPERATING EXPENSES (20,928) (7,351) (2,771) (4,604) 215,214 343,504 30,184,889 27 OPERATING INCOME 20,928 7,351 2,771 4,604 (208,862) \$ (2,704,560) \$ 2,109,622 Source Attachment 13 Attachment 1 to DR 13.08 Attachment 14 Attachment 15 Email from Pete Beithon on 02/07/2019 Staff Witness Testimony Reichert Reichert Reichert Mehlhaff		Investment Tax Credit					(2,083)	630,339	(123,593)
24 Other Taxes 0 <t< td=""><td>22</td><td>Deferred Income Taxes</td><td></td><td></td><td></td><td></td><td>1,125,995</td><td>434,816</td><td>1,518,318</td></t<>	22	Deferred Income Taxes					1,125,995	434,816	1,518,318
25Total Taxes5,5631,9547371,22487,234(556,646)231,00226TOTAL OPERATING EXPENSES(20,928)(7,351)(2,771)(4,604)215,214343,50430,184,88927OPERATING INCOME20,9287,3512,7714,604(208,862)\$ (2,704,560)\$ 2,109,622SourceAttachment 13Attachment 1 to DR 13.08Attachment 14Attachment 15Email from Pete Beithon on 02/07/2019Staff Witness TestimonyReichertReichertReichertReichertMehlhaff	23	Federal Income Taxes	5,563	1,954	737	1,224	(992,828)	(1,577,951)	(2,134,390)
26TOTAL OPERATING EXPENSES(20,928)(7,351)(2,771)(4,604)215,214343,50430,184,88927OPERATING INCOME20,9287,3512,7714,604(208,862)\$ (2,704,560)\$ 2,109,622SourceAttachment 13Attachment 1 to DR 13.08Attachment 14Attachment 15Email from Pete Beithon on 02/07/2019Staff Witness TestimonyReichertReichertReichertReichertMehlhaff	24	Other Taxes					(43,850)	(43,850)	(43,850)
27 OPERATING INCOME 20,928 7,351 2,771 4,604 (208,862) \$ (2,704,560) \$ 2,109,622 Source Attachment 13 Attachment 1 to DR 13.08 Attachment 14 Attachment 15 Email from Pete Beithon on 02/07/2019 Staff Witness Testimony Reichert Reichert Reichert Reichert Mehlhaff	25	Total Taxes	5,563	1,954	737	1,224	87,234	(556,646)	231,002
Source Attachment 13 Attachment 1 to DR 13.08 Attachment 14 Attachment 15 Email from Pete Beithon on 02/07/2019 Staff Witness Testimony Reichert Reichert Reichert Reichert	26	TOTAL OPERATING EXPENSES	(20,928)	(7,351)	(2,771)	(4,604)	215,214	343,504	30,184,889
DR 13.08 Pete Beithon on 02/07/2019 Staff Witness Testimony Reichert Reichert Reichert Mehlhaff	27	OPERATING INCOME	20,928	7,351	2,771	4,604	(208,862)	\$ (2,704,560)	\$ 2,109,622
DR 13.08 Pete Beithon on 02/07/2019 Staff Witness Testimony Reichert Reichert Reichert Mehlhaff		Source	Attachment 13	Attachment 1 to	Attachment 14	Attachment 15	Email from		
							Pete Beithon		
Staff position on OTP's Adjustment Staff Proposed Staff Proposed Staff Proposed Adjusted		Staff Witness Testimony	Reichert	Reichert	Reichert	Reichert	Mehlhaff		
		Staff position on OTP's Adjustment	Staff Proposed	Staff Proposed	Staff Proposed	Staff Proposed	Adjusted		

Otter Tail Power Company Docket EL18-021 South Dakota Electric Operating Income Statement With Known and Meaurable Adjustments Adjusted Test Year Ended December 31, 2017

Line 4:Sum of lines 2 through 3Line 15:Sum of lines 7 through 14Line 25:Sum of lines 18 through 24Line 26:Sum of lines 15, 16, and 25Line 27:Line 4 less line 26Column b, line 2:Volume 4A, Section 3, Exhibit_(TAA-1), Schedule C-1, Column (B), Line 1Column b, line 3:Volume 4A, Section 3, Exhibit_(TAA-1), Schedule C-1, Column (B), Line 2
Line 25:Sum of lines 18 through 24Line 26:Sum of lines 15, 16, and 25Line 27:Line 4 less line 26Column b, line 2:Volume 4A, Section 3, Exhibit(TAA-1), Schedule C-1, Column (B), Line 1Column b, line 3:Volume 4A, Section 3, Exhibit(TAA-1), Schedule C-1, Column (B), Line 2
Line 26:Sum of lines 15, 16, and 25Line 27:Line 4 less line 26Column b, line 2:Volume 4A, Section 3, Exhibit(TAA-1), Schedule C-1, Column (B), Line 1Column b, line 3:Volume 4A, Section 3, Exhibit(TAA-1), Schedule C-1, Column (B), Line 2
Line 27:Line 4 less line 26Column b, line 2:Volume 4A, Section 3, Exhibit(TAA-1), Schedule C-1, Column (B), Line 1 Volume 4A, Section 3, Exhibit(TAA-1), Schedule C-1, Column (B), Line 2
Column b, line 2: Volume 4A, Section 3, Exhibit_(TAA-1), Schedule C-1, Column (B), Line 1 Column b, line 3: Volume 4A, Section 3, Exhibit_(TAA-1), Schedule C-1, Column (B), Line 2
Column b, line 3: Volume 4A, Section 3, Exhibit (TAA-1), Schedule C-1, Column (B), Line 2
Column b, line 7: Volume 4A, Section 3, Exhibit_(TAA-1), Schedule C-1, Column (B), Line 4
Column b, line 8: Volume 4A, Section 3, Exhibit_(TAA-1), Schedule C-1, Column (B), Line 5
Column b, line 9: Volume 4A, Section 3, Exhibit_(TAA-1), Schedule C-1, Column (B), Line 6
Column b, line 10: Volume 4A, Section 3, Exhibit_(TAA-1), Schedule C-1, Column (B), Line 7
Column b, line 11: Volume 4A, Section 3, Exhibit_(TAA-1), Schedule C-1, Column (B), Line 8
Column b, line 12: Volume 4A, Section 3, Exhibit_(TAA-1), Schedule C-1, Column (B), Line 9
Column b, line 13: Volume 4A, Section 3, Exhibit_(TAA-1), Schedule C-1, Column (B), Line 10 - Column b, line 20,
per email from Christy Peterson on 11/30/18
Column b, line 16: Exhibit_(TAA-1), Schedule C-1, Column (B), Line 12
Column b, line 18: Volume 4A, Section 2, Workpaper 21-1, Line 13
Column b, line 19: Volume 4A, Section 2, Workpaper 21-1, Line 15
*Note - Column b, line 18 + line 19 = General Taxes on Volume 4A, Work paper 21-1, line 13 and line 15
Column b, line 20: Email from Tyler Akerman on 11/30/18
Column b, line 21: Exhibit_(TAA-1), Schedule C-1, Column (B), Line 20
Column b, line 22: Exhibit_(TAA-1), Schedule C-1, Column (B), Line 21 + Exhibit_(TAA-1), Schedule C-5, Column (B) Line 3:
Column b, line 23: Exhibit(TAA-1), Schedule C-5, Column (B) Line 31

Line			outh Dakota Test Year Average		Total ro Forma	I	outh Dakota Pro Forma
No.	Description		Per Books	Ac	ljustments		Rate Base
1	(a) Electric Plant in Service		(b)		(c)		(d)
1 2	Production (including unclassified)	\$	83,221,206	¢	296,409	\$	83,517,615
2	Transmission (including unclassified)	φ	23,471,468	\$	290,409 59,641	φ	23,531,109
3 4	Distribution (including unclassified)						
4 5	General (including unclassified)		45,678,085 8,121,115		(31,720) 11,725		45,646,365
6	Intangible		908,747		1,602,599		8,132,840 2,511,346
7	Total Plant in Service		161,400,621		1,938,654		163,339,275
1			101,400,021		1,930,034		105,559,275
8	Accumulated Depreciation & Amortization						
9	Production		33,959,567		162,548		34,122,115
10	Transmission		10,478,951		48,826		10,527,777
11	Distribution		20,113,236		(28,088)		20,085,148
12	General		3,730,350		(15,385)		3,714,965
13	Intangible		673,931		157,242		831,173
14	Total Accumulated Depreciation and Amortization		68,956,035		325,142		69,281,177
15	TOTAL NET ELECTRIC PLANT IN SERVICE		92,444,586		1,613,512		94,058,098
16	Additions to Rate Base:						
17	Big Stone Plant capitalized items		-		-		-
18	Utility Plant Held for Future Use		2,786		-		2,786
19	Materials and Supplies		1,831,014		73,045		1,904,059
20	Fuel Stocks		845,834		(164,126)		681,708
21	Cash Working Capital		2,352,212		(1,671,005)		681,207
22	Tax Collections Available		-		(69,675)		(69,675)
23	Other		468,908		(190,287)		278,621
24	TOTAL ADDITIONS TO RATE BASE		5,500,755		(2,022,049)		3,478,706
25	Deductions to Rate Base:						
26	Prepayments		1,939,652		(406,574)		1,533,078
27	Customer Advances		73,314		7,034		80,348
28	Accumulated Deferred Income Taxes		12,637,582		(215,689)		12,421,893
29	Other				-		-
30	TOTAL DEDUCTIONS TO RATE BASE		14,650,548		(615,229)		14,035,319
31	TOTAL SOUTH DAKOTA RATE BASE	\$	83,294,793	\$	206,692	\$	83,501,485

Sources:

Line 7: Sum of lines 2 through 6 Line 14: Sum of lines 9 through 13 Line 15: Line 7 less line 14 Line 24: Sum of lines 17 through 23 Line 30: Sum of lines 26 through 29 Line 31: Line 15 plus line 24 less line 30 Column b: Exhibit 3b, page 1, column (b) Column c: Exhibit 3b, page 2, column (l) Column d: column b plus column c

		South Dakota Test Year	TY-01	TY-03 New	TY-09 Rate Case	TY-15		
Line No.	Description	Average Per Books	CISone Project	Depreciation Rates	Expense Amortization	Adjust ADIT for Tax Reform	Cash Working Capital	Tax Collections Available
		(b)	(c)	(d)	(e)	(f)	(g)	(h)
1	Electric Plant in Service							
2	Production (including unclassified)	\$ 83,221,206						
3	Transmission (including unclassified)	23,471,468						
4	Distribution (including unclassified)	45,678,085						
5	General (including unclassified)	8,121,115						
6	Intangible	908,747	1,601,287					
7	Total Plant in Service	\$ 161,400,621	1,601,287	-	-	-	-	-
8	Accumulated Depreciation & Amortization							
9	Production	\$ 33,959,567		38,626				
10	Transmission	10,478,951		22,199				
11	Distribution	20,113,236		(14,121)				
12	General	3,730,350		(20,771)				
13	Intangible	673,931	160,129	(3,860)				
14	Total Accumulated Depreciation and Amortization	\$ 68,956,035	160,129	22,072	-	-	-	-
15	TOTAL NET ELECTRIC PLANT IN SERVICE	\$ 92,444,586	1,441,158	(22,072)		-	-	-
16	Additions to Rate Base:							
17	Big Stone Plant capitalized items							
18	Utility Plant Held for Future Use	\$ 2,786						
19	Materials and Supplies	1,831,014						
20	Fuel Stocks	845,834						
21	Cash Working Capital	2,352,212					(1,671,005)	
22	Tax Collections Available							(69,675)
23	Other	468,908			278,030			
24	TOTAL ADDITIONS TO RATE BASE	\$ 5,500,755	-	-	278,030	-	(1,671,005)	(69,675)
25	Deductions to Rate Base:							
26	Prepayments	\$ 1,939,652						
27	Customer Advances	73,314						
28	Accumulated Deferred Income Taxes	12,637,582				(476,003)		
29	Other							
30	TOTAL DEDUCTIONS TO RATE BASE	\$ 14,650,548		<u> </u>		(476,003)		
31	TOTAL SOUTH DAKOTA RATE BASE	\$ 83,294,793	1,441,158	(22,072)	278,030	476,003	(1,671,005)	(69,675)
	Source	Exhibit(TAA-1) Schedule 8	Attachment 4	Exhibit(TAA-1) Schedule B-5 Column (C)	Exhibit 4	Attachment 10	Exhibit 6	Exhibit 7
	Staff Witness Testimony		Steffensen	Paulson	Reichert	Mehlhaff	Paulson	Paulson
	Staff position on OTP's Adjustment		Adjusted	Accepted	Adjusted	Adjusted	Adjusted	Staff Proposed

Line No.	Description	Working Capital Updates (i)	Special Deposits (j)	Jurisdiction Allocation Adjustment (k)	Total Staff Adjustments	Total Staff South Dakota Rate Base (m)
1	Electric Plant in Service	(1)	0)	(K)	(I)	(11)
2	Production (including unclassified)			296,409	\$ 296,409	\$ 83,517,615
3	Transmission (including unclassified)			59,641	φ 230,403 59,641	23,531,109
4	Distribution (including unclassified)			(31,720)	(31,720)	45,646,365
5	General (including unclassified)			11,725	11,725	8,132,840
6	Intangible			1,312	1,602,599	2,511,346
7	Total Plant in Service	-	-	337,367	1,938,654	163,339,275
8	Accumulated Depreciation & Amortization					
9	Production			123,922	162,548	34,122,115
10	Transmission			26,627	48,826	10,527,777
11	Distribution			(13,967)	(28,088)	20,085,148
12	General			5,386	(15,385)	3,714,965
13	Intangible			973	157,242	831,173
14	Total Accumulated Depreciation and Amortization	-	-	142,941	325,142	69,281,177
15	TOTAL NET ELECTRIC PLANT IN SERVICE			194,426	1,613,512	94,058,098
16	Additions to Rate Base:					
17	Big Stone Plant capitalized items				-	-
18	Utility Plant Held for Future Use				-	2,786
19	Materials and Supplies	73,045			73,045	1,904,059
20	Fuel Stocks	(164,126)			(164,126)	681,708
21	Cash Working Capital				(1,671,005)	681,207
22	Tax Collections Available				(69,675)	(69,675)
23	Other		(468,317)		(190,287)	278,621
24	TOTAL ADDITIONS TO RATE BASE	(91,082)	(468,317)	-	(2,022,049)	3,478,706
25	Deductions to Rate Base:					
26	Prepayments	(414,782)		8,208	(406,574)	1,533,078
27	Customer Advances	6,798		236	7,034	80,348
28	Accumulated Deferred Income Taxes			260,314	(215,689)	12,421,893
29 30	Other TOTAL DEDUCTIONS TO RATE BASE	(407,984)		268,758	(615,229)	- 14,035,319
				,	<u>, </u>	
31	TOTAL SOUTH DAKOTA RATE BASE	316,902	(468,317)	(74,332)	206,692	\$ 83,501,485
	Source	Attachment 18	TY04 - Per Books	Email from Pete Beithon on 02/07/2019		
	Staff Witness Testimony	Paulson	Paulson	Mehlhaff		
	Staff position on OTP's Adjustment	Staff Proposed	Accepted	Adjusted		

Sources

Line 7: Sum of lines 2 through 6 Line 14: Sum of lines 9 through 13 Line 15: Line 7 less line 14 Line 24: Sum of lines 17 through 23 Line 30: Sum of lines 26 through 29 Line 31: Line 15 plus 24 less line 30

Column b, line 2:	Exhibit(TAA-1), Schedule 8, Column A, Line 1
Column b, line 3:	Exhibit(TAA-1), Schedule 8, Column A, Line 2
Column b, line 4:	Exhibit(TAA-1), Schedule 8, Column A, Line 3
Column b, line 5:	Exhibit(TAA-1), Schedule 8, Column A, Line 4
Column b, line 6:	Exhibit(TAA-1), Schedule 8, Column A, Line 5
Column b, line 9:	Exhibit(TAA-1), Schedule 8, Column A, Line 7
Column b, line 10:	Exhibit(TAA-1), Schedule 8, Column A, Line 8
Column b, line 11:	Exhibit(TAA-1), Schedule 8, Column A, Line 9
Column b, line 12:	Exhibit(TAA-1), Schedule 8, Column A, Line 10
Column b, line 13:	Exhibit(TAA-1), Schedule 8, Column A, Line 11
Column b, line 18:	Exhibit(TAA-1), Schedule 8, Column A, Line 21
Column b, line 19:	Exhibit(TAA-1), Schedule 8, Column A, Line 23
Column b, line 20:	Exhibit(TAA-1), Schedule 8, Column A, Line 24
Column b, line 21:	Exhibit(TAA-1), Schedule 8, Column A, Line 27
Column b, line 23:	Volume 4A, Section 3, Exhibit(TAA-1), Schedule B-4, page 2, Line 13
Column b, line 26:	Exhibit(TAA-1), Schedule 8, Column A, Line 25
Column b, line 27:	Exhibit(TAA-1), Schedule 8, Column A, Line 26
Column b, line 28:	Exhibit(TAA-1), Schedule 8, Column A, Line 28
Column I	Sum of Column c through Column k
Column m	Column b + Column I