

Otter Tail Power Company (SD)
 Electric Utility - South Dakota Retail Jurisdiction
 Cost of Service Study
 2018 Actuals

Revenue Requirement & Return Summary

[PROTECTED DATA BEGINS...]

Capital Structure		Rate	Ratio	Weighted Cost	Composite Income Tax Rates		
1	Long Term Debt				State of South Dakota Tax Rate		0.00%
2	Short Term Debt				Federal Statutory Tax Rate		21.00%
3	Preferred Stock				Federal Effective Tax Rate (1-State Rate x Fed Rate)		21.00%
4	Common Equity				Total South Dakota Composite Tax Rate		21.00%
5	Required Earned Rate of Return				Total Corporate Composite Tax Rate		21.00%
					Total Company Electric	SD Retail Electric	All Others
Rate of Return (ROR)							
6	Total Operating Income						
7	Total Average Rate Base						
8	ROR (Operating Income/Rate Base)						
Return on Equity (ROE)							
9	Total Operating Income						
10	Debt Interest (Rate Base x Weighted Debt Cost)						
11	Preferred Stock (Rate Base x Weighted Preferred Cost)						
12	Earnings Available for Common						
13	Equity Rate Base (Rate Base x Equity Ratio)						
14	ROE (Earnings for Common / Equity Rate Base)						
Revenue Deficiency							
15	Require Operating Income (Rate Base x Required Return)						
16	Operating Income						
17	Operating Income Deficiency						
18	Incremental Taxes						
19	Revenue Deficiency						
Total Retail Revenue Requirements							
20	Retail Related Revenues						
21	Revenue Deficiency						
22	Total Retail Revenue Requirements						
23	Percentage Increase (Decrease)						

...PROTECTED DATA ENDS]