Otter Tail Power Company
South Dakota Transmission Cost Recovery Rider
Lake Norden Area Transmission Revenue Requirements

LineNo.	*Dates >>*	2023 March Actual	2023 April Actual	2023 May Actual	2023 June Actual	2023 July Actual	2023 August Actual	2023 September Actual	2023 October Projected	2023 November Projected	2023 December Projected	2023 Year-End Projected	2024 January Projected	2024 February Projected
	RATE BASE													
1	Plant Balance	30,807,506	30,807,506	30,807,506	30,807,506	30,807,506	30,807,506	30,807,506	30,807,506	30,807,506	30,807,506	30,807,506	30,807,506	30,807,506
2	Accumulated Depreciation	(1,180,407)	(1,224,907)	(1,269,407)	(1,313,907)	(1,358,407)	(1,402,907)	(1,447,407)	(1,491,907)	(1,536,407)	(1,580,907)	(1,580,907)	(1,625,407)	(1,669,907)
3	Net Plant in Service	29,627,100	29,582,600	29,538,100	29,493,600	29,449,100	29,404,600	29,360,100	29,315,600	29,271,100	29,226,600	29,226,600	29,182,100	29,137,600
4														
5	CWIP (Budget #'s T0302.028, T03032.048, T03032.068)	-	-	-	-	-	-	-	-	-	-	-	-	-
6														
7	ADIT - NOL DTA													
8	ADIT Federal Proration Factors	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000		1.0000	1.0000
9	Accumulated Deferred Income Taxes- Federal only	(1,103,182)	(1,137,616)	(1,172,049)	(1,206,482)	(1,240,915)	(1,275,348)	(1,309,781)	(1,344,214)	(1,378,647)	(1,413,080)	(1,413,080)	(1,443,116)	(1,473,152)
10	Accumulated Deferred Income Taxes - Federal & State	(1,103,182)	(1,137,616)	(1,172,049)	(1,206,482)	(1,240,915)	(1,275,348)	(1,309,781)	(1,344,214)	(1,378,647)	(1,413,080)	(1,413,080)	(1,443,116)	(1,473,152)
11														
12	Ending rate base	28,523,917	28,444,984	28,366,051	28,287,118	28,208,185	28,129,252	28,050,319	27,971,386	27,892,452	27,813,519	27,813,519	27,738,984	27,664,448
13														
14	Average rate base	2,357,700	2,357,700	2,357,700	2,357,700	2,357,700	2,357,700	2,357,700	2,357,700	2,357,700	2,357,700	28,292,402	2,284,046	2,284,046
15														
16	Return on Rate Base	159,410	159,410	159,410	159,410	159,410	159,410	159,410	159,410	159,410	159,410	1,912,915	154,430	154,430
17														
18	Available for return (equity portion of rate base)	113,176	113,176	113,176	113,176	113,176	113,176	113,176	113,176	113,176	113,176	1,358,108	109,640	109,640
19														
20	***EXPENSES***													
21	*O&M and Depreciation*													
22	Operating Costs	0	0	0	0	0	0	0	0	0	0	0	0	0
23	Property Tax	15,415	15,415	15,415	15,415	15,415	15,415	15,415	15,415	15,415	15,415	184,982	15,404	15,404
24	Book Depreciation	44,535	44,500	44,500	44,500	44,500	44,500	44,500	44,500	44,500	44,500	534,103	44,500	44,500
25	Total O&M and Depreciation Expense	59,950	59,915	59,915	59,915	59,915	59,915	59,915	59,915	59,915	59,915	719,085	59,904	59,904
26														
27	Income before Taxes													
28	Available for return (from above)	113,176	113,176	113,176	113,176	113,176	113,176	113,176	113,176	113,176	113,176	1,358,108	109,640	109,640
29	Taxable Income (grossed up)	143,260	143,260	143,260	143,260	143,260	143,260	143,260	143,260	143,260	143,260	1,719,125	138,785	138,785
30														
31	Income Taxes													
32	Current and Def Income Taxes	30,085	30,085	30,085	30,085	30,085	30,085	30,085	30,085	30,085	30,085	361,016	29,145	29,145
33	Total Income Tax Expense	30,085	30,085	30,085	30,085	30,085	30,085	30,085	30,085	30,085	30,085	361,016	29,145	29,145
34														
35	***REVENUE REQUIRMENTS***													
36	Expenses	90,034	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	1,080,101	89,049	89,049
37	Return on rate base	159,410	159,410	159,410	159,410	159,410	159,410	159,410	159,410	159,410	159,410	1,912,915	154,430	154,430
38	Subtotal revenue requirements	249,444	249,409	249,409	249,409	249,409	249,409	249,409	249,409	249,409	249,409	2,993,016	243,478	243,478
39	Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-
40	Transmission Revenue	(36,374)	(36,369)	(36,369)	(36,369)	(36,369)	(36,369)	(36,369)	(36,369)	(36,369)	(36,369)	(436,443)	(26,811)	(26,811)
41	Total revenue requirements	213,070	213,040	213,040	213,040	213,040	213,040	213,040	213,040	213,040	213,040	2,556,573	216,667	216,667
42														
43	South Dakota share - D2 factor	22,076	22,073	22,073	22,073	22,073	22,073	22,073	22,073	22,073	22,073	264,883	22,540	22,540
44														
45	Gross Receipts Tax	33	33	33	33	33	33	33	33	33	33	397	34	34
46														
47	Total South Dakota Share	22,109	22,106	22,106	22,106	22,106	22,106	22,106	22,106	22,106	22,106	265,280	22,574	22,574

Line No.														
	SUPPORTING INFORMATION													
1														
2		SD Cap Structure with allowed ROE per order.												
3		Capital Structure	**Ratio**	**Cost**	**WA Cost**						**Property tax**			
4		Debt	45.14%	4.34%	1.96%					2023 composite rate	1.68%			
5		Preferred equity	0.00%	0.00%	0.00%									
6		Common equity	54.86%	8.75%	4.80%									
7		Total	100.00%		6.76%	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	21.00%	21.00%	0.00%	0.150%							
14			Tax conversion factor	1.26582										
15			Transmission Revenue	14.58%										
16			D2 factor	10.3609%										
17														
18														
19	**Deferred Tax**													
20	Book depreciation	44,535	44,500	44,500	44,500	44,500	44,500	44,500	44,500	44,500	44,500	534,103	44,500	44,500
21	Tax depreciation - Federal	208,467	208,467	208,467	208,467	208,467	208,467	208,467	208,467	208,467	208,467	2,501,606	187,527	187,527
22	Tax depreciation - State	208,467	208,467	208,467	208,467	208,467	208,467	208,467	208,467	208,467	208,467	2,501,606	187,527	187,527
23	Federal deferred income taxes	(34,426)	(34,433)	(34,433)	(34,433)	(34,433)	(34,433)	(34,433)	(34,433)	(34,433)	(34,433)	(413,176)	(30,036)	(30,036)
24	State deferred income taxes	-	-	-	-	-	-	-	-	-	-	-	-	-

Otter Tail Power Company
South Dakota Transmission Cost Recovery Rider
Lake Norden Area Transmission Revenue Requirements

LineNo.	*Dates >>*	2024 March Projected	2024 April Projected	2024 May Projected	2024 June Projected	2024 July Projected	2024 August Projected	2024 September Projected	2024 October Projected	2024 November Projected	2024 December Projected	2024 Year-End Projected	2025 January Projected	2025 February Projected
	RATE BASE													
1	Plant Balance	30,807,506	30,807,506	30,807,506	30,807,506	30,807,506	30,807,506	30,807,506	30,807,506	30,807,506	30,807,506	30,807,506	30,807,506	30,807,506
2	Accumulated Depreciation	(1,714,407)	(1,758,907)	(1,803,407)	(1,847,907)	(1,892,407)	(1,936,907)	(1,981,407)	(2,025,907)	(2,070,407)	(2,114,907)	(2,114,907)	(2,159,407)	(2,203,907)
3	Net Plant in Service	29,093,100	29,048,600	29,004,100	28,959,600	28,915,100	28,870,600	28,826,100	28,781,600	28,737,100	28,692,600	28,692,600	28,648,100	28,603,600
4														
5	CWIP (Budget #'s T0302.028, T03032.048, T03032.068)	-	-	-	-	-	-	-	-	-	-	-	-	-
6														
7	ADIT - NOL DTA													
8	ADIT Federal Proration Factors	0.9179	0.8357	0.7509	0.6687	0.5838	0.4990	0.4168	0.3320	0.2498	0.1650		0.0801	0.0027
9	Accumulated Deferred Income Taxes- Federal only	(1,500,720)	(1,525,822)	(1,548,374)	(1,568,460)	(1,585,996)	(1,600,983)	(1,613,503)	(1,623,474)	(1,630,978)	(1,635,932)	(1,635,932)	(1,638,067)	(1,638,140)
10	Accumulated Deferred Income Taxes - Federal & State	(1,500,720)	(1,525,822)	(1,548,374)	(1,568,460)	(1,585,996)	(1,600,983)	(1,613,503)	(1,623,474)	(1,630,978)	(1,635,932)	(1,635,932)	(1,638,067)	(1,638,140)
11														
12	Ending rate base	27,592,379	27,522,778	27,455,725	27,391,140	27,329,104	27,269,617	27,212,597	27,158,126	27,106,122	27,056,667	27,056,667	27,010,033	26,965,460
13														
14	Average rate base	2,284,046	2,284,046	2,284,046	2,284,046	2,284,046	2,284,046	2,284,046	2,284,046	2,284,046	2,284,046	27,408,554	2,226,029	2,226,029
15														
16	Return on Rate Base	154,430	154,430	154,430	154,430	154,430	154,430	154,430	154,430	154,430	154,430	1,853,156	150,507	150,507
17														
18	Available for return (equity portion of rate base)	109,640	109,640	109,640	109,640	109,640	109,640	109,640	109,640	109,640	109,640	1,315,681	106,855	106,855
19														
20	***EXPENSES***													
21	*O&M and Depreciation*													
22	Operating Costs	0	0	0	0	0	0	0	0	0	0	0	0	0
23	Property Tax	15,404	15,404	15,404	15,404	15,404	15,404	15,404	15,404	15,404	15,404	184,845	15,404	15,404
24	Book Depreciation	44,500	44,500	44,500	44,500	44,500	44,500	44,500	44,500	44,500	44,500	534,000	44,500	44,500
25	Total O&M and Depreciation Expense	59,904	59,904	59,904	59,904	59,904	59,904	59,904	59,904	59,904	59,904	718,845	59,904	59,904
26														
27	Income before Taxes													
28	Available for return (from above)	109,640	109,640	109,640	109,640	109,640	109,640	109,640	109,640	109,640	109,640	1,315,681	106,855	106,855
29	Taxable Income (grossed up)	138,785	138,785	138,785	138,785	138,785	138,785	138,785	138,785	138,785	138,785	1,665,420	135,260	135,260
30														
31	Income Taxes													
32	Current and Def Income Taxes	29,145	29,145	29,145	29,145	29,145	29,145	29,145	29,145	29,145	29,145	349,738	28,405	28,405
33	Total Income Tax Expense	29,145	29,145	29,145	29,145	29,145	29,145	29,145	29,145	29,145	29,145	349,738	28,405	28,405
34														
35	***REVENUE REQUIRMENTS***													
36	Expenses	89,049	89,049	89,049	89,049	89,049	89,049	89,049	89,049	89,049	89,049	1,068,583	88,308	88,308
37	Return on rate base	154,430	154,430	154,430	154,430	154,430	154,430	154,430	154,430	154,430	154,430	1,853,156	150,507	150,507
38	Subtotal revenue requirements	243,478	243,478	243,478	243,478	243,478	243,478	243,478	243,478	243,478	243,478	2,921,739	238,815	238,815
39	Adjustments	-	-	-	-	-	-	-	-	-	-	-	-	-
40	Transmission Revenue	(26,811)	(26,811)	(26,811)	(26,811)	(26,811)	(26,811)	(26,811)	(26,811)	(26,811)	(26,811)	(321,734)	(26,284)	(26,284)
41	Total revenue requirements	216,667	216,667	216,667	216,667	216,667	216,667	216,667	216,667	216,667	216,667	2,600,005	212,532	212,532
42														
43	South Dakota share - D2 factor	22,540	22,540	22,540	22,540	22,540	22,540	22,540	22,540	22,540	22,540	270,482	22,395	22,395
44														
45	Gross Receipts Tax	34	34	34	34	34	34	34	34	34	34	406	34	34
46														
47	Total South Dakota Share	22,574	22,574	22,574	22,574	22,574	22,574	22,574	22,574	22,574	22,574	270,888	22,428	22,428

Line No.														
	SUPPORTING INFORMATION													
1														
2		SD Cap Structure with allowed ROE per order.												
3		Capital Structure	**Ratio**	**Cost**	**WA Cost**						**Property tax**			
4		Debt	45.14%	4.34%	1.96%					2024 composite rate	1.68%			
5		Preferred equity	0.00%	0.00%	0.00%									
6		Common equity	54.86%	8.75%	4.80%									
7		Total	100.00%		6.76%	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	21.00%	21.00%	0.00%	0.150%							
14			Tax conversion factor	1.26582										
15			Transmission Revenue	11.01%										
16			D2 factor	10.4031%										
17														
18														
19	**Deferred Tax**													
20	Book depreciation	44,500	44,500	44,500	44,500	44,500	44,500	44,500	44,500	44,500	44,500	534,000	44,500	44,500
21	Tax depreciation - Federal	187,527	187,527	187,527	187,527	187,527	187,527	187,527	187,527	187,527	187,527	2,250,323	171,441	171,441
22	Tax depreciation - State	187,527	187,527	187,527	187,527	187,527	187,527	187,527	187,527	187,527	187,527	2,250,323	171,441	171,441
23	Federal deferred income taxes	(30,036)	(30,036)	(30,036)	(30,036)	(30,036)	(30,036)	(30,036)	(30,036)	(30,036)	(30,036)	(360,428)	(26,658)	(26,658)
24	State deferred income taxes	-	-	-	-	-	-	-	-	-	-	-	-	-