Otter Tail Power Company
South Dakota Transmission Cost Recovery Rider
Oslo 115kV 5-Breaker Bus and Lake A

Line No.		Year>>	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		-	-	-	-	-	-	-	2,649,887	4,077,887	4,759,211	4,759,211	5,052,624	5,087,424
2	Accumulated Depreciation		-	-	-	-	-	-	-	-	(3,571)	(9,065)	(9,065)	(15,458)	(22,245)
3	Net Plant in Service		-	-	-	-	-	-	-	2,649,887	4,074,316	4,750,146	4,750,146	5,037,166	5,065,179
4															
5	**CWIP Calculation:**														
6	Beginning Balance		57,543	85,284	99,836	280,611	427,910	613,460	1,043,924	1,238,462	0	0		0	0
7	Additional CWIP		27,741	14,552	180,775	147,299	185,550	430,464	194,538	1,411,425	1,428,000	681,324	4,740,016	293,413	34,800
8	Closings from CWIP									(2,649,887)	(1,428,000)	(681,324)		(293,413)	(34,800)
9	AFDUC														
10	CWIP (Budget Number T05032.0322)		85,284	99,836	280,611	427,910	613,460	1,043,924	1,238,462	-	-	-	-	-	-
11	7761														
12	ADIT 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
13	Accumulated Deferred Income Taxes Federal only		-	-	-	-	-	-	(12,493)	(24,986)	(36,729)	(48,068)	(48,068)	(60,259)	(72,367)
14	Accumulated Deferred Income Taxes Federal & State		-	-	-	-	-	-	(12,493)	(24,986)	(36,729)	(48,068)	(48,068)	(60,259)	(72,367)
15															
16	Ending rate base		85,284	99,836	280,611	427,910	613,460	1,043,924	1,225,969	2,624,901	4,037,587	4,702,078	4,702,078	4,976,907	4,992,812
17															
18	Average rate base		97,814	97,814	97,814	97,814	97,814	97,814	97,814	97,814	97,814	97,814	1,173,765	663,512	663,512
19															
20	Return on Rate Base		6,613	6,613	6,613	6,613	6,613	6,613	6,613	6,613	6,613	6,613	79,361	44,862	44,862
21															
22	Available for return (equity portion of rate base)		4,695	4,695	4,695	4,695	4,695	4,695	4,695	4,695	4,695	4,695	56,344	31,850	31,850
23															
24	***EXPENSES***														
25	*O&M and Depreciation*														
26	Operating Costs		-	-	-	-	-	-	-	-	-	-	-	-	-
27	Property Tax		10	10	10	10	10	10	10	10	10	10	122	3,371	3,371
28	Book Depreciation		-	-	-	-	-	-	-	-	3,571	5,495	9,065	6,393	6,787
29	Total O&M and Depreciation Expense		10	10	10	10	10	10	10	10	3,581	5,505	9,187	9,764	10,158
30															
31	Income before Taxes														
32	Available for return (from above)		4,695	4,695	4,695	4,695	4,695	4,695	4,695	4,695	4,695	4,695	56,344	31,850	31,850
33	Taxable Income (grossed up)		5,943	5,943	5,943	5,943	5,943	5,943	5,943	5,943	5,943	5,943	71,321	40,317	40,317
34															
35	Income Taxes														
36	Current and Def Income Taxes		1,248	1,248	1,248	1,248	1,248	1,248	1,248	1,248	1,248	1,248	14,977	8,467	8,467
37	Total Income Tax Expense		1,248	1,248	1,248	1,248	1,248	1,248	1,248	1,248	1,248	1,248	14,977	8,467	8,467
38															
39															
40	***REVENUE REQUIRMENTS***														
41	Expenses		1,258	1,258	1,258	1,258	1,258	1,258	1,258	1,258	4,829	6,753	24,165	18,230	18,625
42	Return on rate base		6,613	6,613	6,613	6,613	6,613	6,613	6,613	6,613	6,613	6,613	79,361	44,862	44,862
43	Subtotal revenue requirements		7,872	7,872	7,872	7,872	7,872	7,872	7,872	7,872	11,442	13,366	103,526	63,092	63,486
44	Adjustments		-	-	-	-	-	-	-	-	-	-	-	-	-
45	Wholesale Revenue Credit		(1,148)	(1,148)	(1,148)	(1,148)	(1,148)	(1,148)	(1,148)	(1,148)	(1,669)	(1,949)	(15,096)	(6,948)	(6,991)
46	Total revenue requirements		6,724	6,724	6,724	6,724	6,724	6,724	6,724	6,724	9,774	11,417	88,430	56,144	56,495
47															
48	South Dakota share - D2 factor		697	697	697	697	697	697	697	697	1,013	1,183	9,162	5,841	5,877
49															
50															
51	Gross Receipts Tax		1	1	1	1	1	1	1	1	2	2	14	9	9
52	Total South Dakota Share		698	698	698	698	698	698	698	698	1,014	1,185	9,176	5,850	5,886

Line No.														
	SUPPORTING INFORMATION / DATA													
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	0.85%			
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**								
13			Effective Tax Rate	21.00%	21.00%	0.00%	0.150%							
14			Tax conversion factor	1.26582										
15			Wholesale Revenue Credit	14.58%										
16			SD share - D2 factor	10.3609%										
17														
18	**Deferred Tax**													
19	Book depreciation	0	0	0	0	0	0	0	0	3,571	5,495	6,393	6,393	6,787
20	Tax depreciation-Federal	0	0	0	0	0	0	59,490	59,490	59,490	59,490	237,961	64,445	64,445
21	Tax depreciation-SD	0	0	0	0	0	0	59,490	59,490	59,490	59,490	237,961	64,445	64,445
22	Federal deferred income taxes	0	0	0	0	0	0	(12,493)	(12,493)	(11,743)	(11,339)	(48,068)	(12,191)	(12,108)
23	State deferred income taxes	0	0	0	0	0	0	0	0	0	0	0	0	0

Otter Tail Power Company
South Dakota Transmission Cost Recovery Rider
Oslo 115kV 5-Breaker Bus and Lake A

Line No.		*Year>>*	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		5,408,494	5,883,910	7,110,910	8,422,910	9,421,365	10,201,778	10,798,388	11,139,041	11,181,041	11,183,586	11,183,586	11,183,586	11,183,586
2	Accumulated Depreciation		(29,079)	(36,344)	(44,247)	(53,799)	(65,113)	(77,768)	(91,472)	(105,977)	(120,939)	(135,958)	(135,958)	(150,980)	(166,003)
3	Net Plant in Service		5,379,416	5,847,566	7,066,663	8,369,111	9,356,252	10,124,010	10,706,916	11,033,064	11,060,102	11,047,628	11,047,628	11,032,606	11,017,583
4															
5	**CWIP Calculation:**														
6	Beginning Balance		0	0	0	0	0	0	0	0	0	0		0	0
7	Additional CWIP		321,070	475,416	1,227,000	1,312,000	998,455	780,413	596,610	340,653	42,000	2,545	6,424,375	-	-
8	Closings from CWIP		(321,070)	(475,416)	(1,227,000)	(1,312,000)	(998,455)	(780,413)	(596,610)	(340,653)	(42,000)	(2,545)		-	-
9	AFDUC														
10	CWIP (Budget Number T05032.0322)		-	-	-	-	-	-	-	-	-	-	-	-	-
11	7761														
12	ADIT 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
13	Accumulated Deferred Income Taxes Federal only		(83,472)	(93,507)	(102,524)	(110,553)	(117,068)	(122,495)	(126,936)	(130,418)	(133,014)	(134,726)	(134,726)	(135,899)	(135,939)
14	Accumulated Deferred Income Taxes Federal & State		(83,472)	(93,507)	(102,524)	(110,553)	(117,068)	(122,495)	(126,936)	(130,418)	(133,014)	(134,726)	(134,726)	(135,899)	(135,939)
15															
16	Ending rate base		5,295,943	5,754,059	6,964,139	8,258,558	9,239,185	10,001,515	10,579,980	10,902,647	10,927,088	10,912,902	10,912,902	10,896,707	10,881,644
17															
18	Average rate base		663,512	663,512	663,512	663,512	663,512	663,512	663,512	663,512	663,512	663,512	7,962,139	898,357	898,357
19															
20	Return on Rate Base		44,862	44,862	44,862	44,862	44,862	44,862	44,862	44,862	44,862	44,862	538,339	60,740	60,740
21															
22	Available for return (equity portion of rate base)		31,850	31,850	31,850	31,850	31,850	31,850	31,850	31,850	31,850	31,850	382,203	43,123	43,123
23															
24	***EXPENSES***														
25	*O&M and Depreciation*														
26	Operating Costs		-	-	-	-	-	-	-	-	-	-	-	-	-
27	Property Tax		3,371	3,371	3,371	3,371	3,371	3,371	3,371	3,371	3,371	3,371	40,453	7,922	7,922
28	Book Depreciation		6,834	7,265	7,904	9,552	11,314	12,655	13,704	14,505	14,963	15,019	126,893	15,022	15,022
29	Total O&M and Depreciation Expense		10,205	10,636	11,275	12,923	14,685	16,026	17,075	17,876	18,334	18,390	167,346	22,944	22,944
30															
31	Income before Taxes														
32	Available for return (from above)		31,850	31,850	31,850	31,850	31,850	31,850	31,850	31,850	31,850	31,850	382,203	43,123	43,123
33	Taxable Income (grossed up)		40,317	40,317	40,317	40,317	40,317	40,317	40,317	40,317	40,317	40,317	483,802	54,587	54,587
34															
35	Income Taxes														
36	Current and Def Income Taxes		8,467	8,467	8,467	8,467	8,467	8,467	8,467	8,467	8,467	8,467	101,598	11,463	11,463
37	Total Income Tax Expense		8,467	8,467	8,467	8,467	8,467	8,467	8,467	8,467	8,467	8,467	101,598	11,463	11,463
38															
39															
40	***REVENUE REQUIRMENTS***														
41	Expenses		18,671	19,103	19,741	21,389	23,152	24,493	25,541	26,343	26,800	26,857	268,945	34,407	34,407
42	Return on rate base		44,862	44,862	44,862	44,862	44,862	44,862	44,862	44,862	44,862	44,862	538,339	60,740	60,740
43	Subtotal revenue requirements		63,533	63,964	64,603	66,251	68,013	69,354	70,403	71,204	71,662	71,718	807,283	95,147	95,147
44	Adjustments		-	-	-	-	-	-	-	-	-	-	-	-	-
45	Wholesale Revenue Credit		(6,996)	(7,044)	(7,114)	(7,295)	(7,489)	(7,637)	(7,753)	(7,841)	(7,891)	(7,897)	(88,896)	(10,472)	(10,472)
46	Total revenue requirements		56,537	56,921	57,489	58,956	60,524	61,717	62,650	63,363	63,771	63,821	718,388	84,675	84,675
47															
48	South Dakota share - D2 factor		5,882	5,922	5,981	6,133	6,296	6,421	6,518	6,592	6,634	6,639	74,735	8,922	8,922
49															
50															
51	Gross Receipts Tax		9	9	9	9	9	10	10	10	10	10	112	13	13
52	Total South Dakota Share		5,890	5,930	5,990	6,142	6,306	6,430	6,527	6,602	6,644	6,649	74,847	8,936	8,936

Line No.														
	SUPPORTING INFORMATION / DATA													
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	0.85%			
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**								
13			Effective Tax Rate	21.00%	21.00%	0.00%	0.150%							
14			Tax conversion factor	1.26582										
15			Wholesale Revenue Credit	11.01%										
16			SD share - D2 factor	10.4031%										
17														
18	**Deferred Tax**													
19	Book depreciation	6,834	7,265	7,904	9,552	11,314	12,655	13,704	14,505	14,963	15,019	15,022	15,022	15,022
20	Tax depreciation-Federal	64,445	64,445	64,445	64,445	64,445	64,445	64,445	64,445	64,445	64,445	773,344	84,769	84,769
21	Tax depreciation-SD	64,445	64,445	64,445	64,445	64,445	64,445	64,445	64,445	64,445	64,445	773,344	84,769	84,769
22	Federal deferred income taxes	(12,098)	(12,008)	(12,008)	(12,008)	(11,158)	(10,876)	(10,656)	(10,487)	(10,391)	(10,380)	(136,369)	(14,647)	(14,647)
23	State deferred income taxes	0	0	0	0	0	0	0	0	0	0	0	0	0