

Line	Description (a)	Staff Proposed South Dakota Electric Adjusted 2007 Test Year (b)	OTP Proposed South Dakota Electric Adjusted 2007 Test Year (c)	Difference (d)
1	Average Rate Base	\$ 60,443,055	\$ 60,230,800	\$ 212,255
2	Adjusted Test Year Operating Income	3,111,917	2,834,096	277,821
3	Earned Rate of Return	5.15%	4.71%	
4	Recommended Rate of Return	8.34%	8.89%	
5	Required Operating Income	5,040,951	5,354,518	(313,567)
6	Income Deficiency (Excess)	1,929,034	2,520,422	(591,388)
7	Gross Revenue Conversion Factor	1.53846		
8	Revenue Deficiency (Excess)	2,967,744	3,883,399	(915,655)
9	Gross Receipts Tax (at 0.0015)	4,452		
10	Total Revenue Deficiency (Excess)	2,972,196	3,883,399	(911,203)
11	Adjusted Test Year Revenue	28,125,519	28,550,123	(424,604)
12	Revenue Requirement	\$ 31,097,715	\$ 32,433,522	\$ (1,335,807)

SOURCES:

Column b, line 1: JPT-2, schedule 1, page 1, column d, line 31	Column c, line 1: Statement N, page 6 of 9, line 1, column South Dakota
Column b, line 2: JPT-1, schedule 2, page 1, column d, line 27	Column c, line 2: Statement N, page 6 of 9, line 3, column South Dakota
Column b, line 3: Line 2 divided by line 1	Column c, line 3: Line 2 divided by line 1
Column b, line 4: BLC-1, Schedule 1, column d, line 5	Column c, line 4: Statement G page 1 of 5
Column b, line 5: Line 1 * line 4	Column c, line 5: Statement N, page 6 of 9, line 9, column South Dakota
Column b, line 6: Line 5 less line 2	Column c, line 6: Statement N, page 6 of 9, line 13, column South Dakota
Column b, line 7: Effective FIT rate / inverse + 1	Column c, line 8: Statement N, page 6 of 9, line 17, column South Dakota
Column b, line 8: Line 6 * line 7	Column c, line 10: Statement N, page 6 of 9, line 17, column South Dakota
Column b, line 9: Line 8 * 0.0015	Column c, line 11: Statement N, page 8 of 9, line 5, column South Dakota
Column b, line 10: Line 8 plus line 9	Column c, line 12: Line 10 plus line 11
Column b, line 11: JPT-1, schedule 2, page 1, column d, line 4	
Column b, line 12: Line 11 plus line 10	Column d: Column b less column c

Otter Tail Power Company
Docket EL08-030
South Dakota Electric Operating Income Statement With Known and Measurable Adjustments and Revenue Adjustment
Adjusted Test Year Ended December 31, 2007

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	\$ 25,389,754	\$ (468,315)	\$ 24,921,439	\$ 2,972,196	\$ 27,893,635
3	Other Electric Operating Revenue	3,257,649	(53,569)	3,204,080		3,204,080
4	TOTAL OPERATING REVENUES	28,647,403	(521,884)	28,125,519	2,972,196	31,097,715
5	OPERATING EXPENSES:					
6	Operation and Maintenance:					
7	Production Expense	15,672,533	(977,921)	14,694,612		14,694,612
8	Transmission Expense	971,700	15,441	987,141		987,141
9	Distribution Expense	1,435,240	(2,992)	1,432,248		1,432,248
10	Customer Accounting Expense	969,163	31,369	1,000,532		1,000,532
11	Customer Service and Information Expense	236,920	5,293	242,213		242,213
12	Sales Expenses	79,473	(19,039)	60,434		60,434
13	Administration and General Expense	2,735,854	185,510	2,921,364		2,921,364
14	Other	-	45,000	45,000		45,000
15	Total Operation and Maintenance	22,100,883	(717,339)	21,383,544	-	21,383,544
16	Depreciation and Amortization	2,276,139	964,659	3,240,798		3,240,798
17	Taxes:					
18	Property Taxes	895,933	27,077	923,010		923,010
19	Coal Conversion Tax	78,011	-	78,011		78,011
20	South Dakota Gross Receipts Tax	34,475	-	34,475	4,452	38,927
21	Investment Tax Credit	(109,129)	(759,231)	(868,360)		(868,360)
22	Deferred Income Taxes	(26,288)	1,875	(24,413)		(24,413)
23	Federal Income Taxes	539,613	(293,076)	246,537	1,038,710	1,285,247
24	Other Taxes	-	-	-		-
25	Total Taxes	1,412,615	(1,023,355)	389,260	1,043,162	1,432,422
26	TOTAL OPERATING EXPENSES	25,789,637	(776,035)	25,013,602	1,043,162	26,056,764
27	OPERATING INCOME	\$ 2,857,766	\$ 254,151	\$ 3,111,917	\$ 1,929,034	\$ 5,040,951
28	Rate Base	47,267,792		\$ 60,443,055		\$ 60,443,055
29	Earned Rate of Return	6.05%		5.15%		8.34%
30	Staff Proposed Rate of Return			8.34%		8.34%

SOURCES:

Line 4: Sum of lines 2 through 3	Column c: JPT-1, Schedule 3, column af
Line 15: Sum of lines 7 through 14	Column d: Column b plus column c
Line 25: Sum of lines 18 through 24	
Line 26: Sum of lines 15, 16 and 25	Column e, line 2: JPT-1, Schedule 1, column b, line 10
Line 27: Line 4 less line 26	Column e, line 20: JPT-1, Schedule 1, column b, line 9
Line 28: JPT-2 Schedule 1, column d, line 31	Column e, line 23: JPT-1, Schedule 1, column b, line 8 less
Line 29: Line 27 / line 28	JPT-1, Schedule 1, column b, line 6
Line 30: BLC-1, Schedule 1, column e, line 5	Column f: Column d plus column e
Column b: JPT-1, Schedule 3, column b	

Otter Tail Power Company
 Docket EL08-030
 South Dakota Electric Operating Income Statement With Known and Measurable Adjustments
 Adjusted Test Year Ended December 31, 2007

Line No.	Description	South Dakota Per Books	Rate Case Expense	Storm Repair Expense	Interest Sync	Tree Trimming Expense	Depreciation Direct vs. Allocation	Economic Development	Association Dues	Convert Post Retirement Medical from PayGo to FAS 106	NSF Charge Increase	Removal of Affiliate Transactions
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(l)	(m)
1	OPERATING REVENUES:											
2	Retail Revenue	\$ 25,389,754										
3	Other Electric Operating Revenue	3,257,649									700	
4	TOTAL OPERATING REVENUES	28,647,403	-	-	-	-	-	-	-	-	700	-
5	OPERATING EXPENSES:											
6	Operation and Maintenance:											
7	Production Expense	15,672,533										
8	Transmission Expense	971,700				(9,354)						
9	Distribution Expense	1,435,240				(48,822)						
10	Customer Accounting Expense	969,163										
11	Customer Service and Information Expense	236,920										
12	Sales Expenses	79,473						(19,039)				
13	Administration and General Expense	2,735,854		35,261					(3,028)	159,100		(6,456)
14	Other	-	45,000									
15	Total Operation and Maintenance	22,100,883	45,000	35,261	-	(58,176)	-	(19,039)	(3,028)	159,100	-	(6,456)
16	Depreciation and Amortization	2,276,139					195,751					
17	Taxes:											
18	Property Taxes	895,933										
19	Coal Conversion Tax	78,011										
20	South Dakota Gross Receipts Tax	34,475										
21	Investment Tax Credit	(109,129)										
22	Deferred Income Taxes	(26,288)										
23	Federal Income Taxes	539,613	(15,750)	(12,341)	(102,158)	20,362	(68,513)	6,664	1,060	22,602	245	2,260
24	Other Taxes	-										
25	Total Taxes	1,412,615	(15,750)	(12,341)	(102,158)	20,362	(68,513)	6,664	1,060	22,602	245	2,260
26	TOTAL OPERATING EXPENSES	25,789,637	29,250	22,920	(102,158)	(37,814)	127,238	(12,375)	(1,968)	181,702	245	(4,196)
27	OPERATING INCOME	\$ 2,857,766	(29,250)	(22,920)	102,158	37,814	(127,238)	12,375	1,968	(181,702)	455	4,196
	Source	OTP Response to IR 2-1	JPT-3, Sch 1	RLK-1, Sch 5	RLK-1, Sch 3	RLK-1, Sch 6	DEP-3, Sch 2	TLB-1 Sch 1	TLB-1 Sch 2	JPT-3 Sch 5	RLK-1, Sch 7	JPT-3, Sch 3
	Staff Witness Testimony	Thurber	Thurber	Knadle	Knadle	Knadle	Peterson	LaBrie Baker	LaBrie Baker	Peterson	Knadle	Thurber
	Staff position on BHP's Adjustment	Adjusted	Adjusted	Adjusted	Staff Proposed	Staff Proposed	Adjusted	Adjusted	Staff Proposed	Adjusted	Staff Proposed	Adjusted

Otter Tail Power Company
Docket EL08-030
South Dakota Electric Operating Income Statement With Known and Measurable Adjustments
Adjusted Test Year Ended December 31, 2007

Line No.	Description	Inter-Year Billing Adjustment	Holding Company Formation Costs	New Billing for Steam Customer	Depreciation To Reflect 2008/2009 Rates	Big Stone Outage Purchased Power	Depreciation & Other Expense for New Plant	Savings Related to New Plant	Employee Benefits Medical/Dental	FAS 112 Postemployment Benefits	FAS 106 Postemployment Benefits
	(a)	(n)	(o)	(p)	(q)	(r)	(s)	(t)	(u)	(v)	(w)
1	OPERATING REVENUES:										
2	Retail Revenue							(468,315)			
3	Other Electric Operating Revenue	(13,977)		119,149							
4	TOTAL OPERATING REVENUES	(13,977)	-	119,149	-	-	-	(468,315)	-	-	-
5	OPERATING EXPENSES:										
6	Operation and Maintenance:										
7	Production Expense					(736,301)	136,408	(504,304)	20,755	1,449	8,624
8	Transmission Expense								7,643	534	3,175
9	Distribution Expense								14,329	1,001	5,954
10	Customer Accounting Expense								9,669	675	4,017
11	Customer Service and Information Expense								1,631	114	678
12	Sales Expenses										
13	Administration and General Expense		3,003				24,981		26,958	1,882	11,199
14	Other										
15	Total Operation and Maintenance	-	3,003	-	-	(736,301)	161,389	(504,304)	80,985	5,655	33,647
16	Depreciation and Amortization				(42,923)		844,265				
17	Taxes:										
18	Property Taxes						96,603				
19	Coal Conversion Tax										
20	South Dakota Gross Receipts Tax										
21	Investment Tax Credit						(759,767)				
22	Deferred Income Taxes										
23	Federal Income Taxes	(4,892)	(1,051)	41,702	15,023	257,705	(385,790)	12,596	(28,345)	(1,979)	(11,776)
24	Other Taxes										
25	Total Taxes	(4,892)	(1,051)	41,702	15,023	257,705	(1,048,954)	12,596	(28,345)	(1,979)	(11,776)
26	TOTAL OPERATING EXPENSES	(4,892)	1,952	41,702	(27,900)	(478,596)	(43,301)	(491,708)	52,640	3,676	21,871
27	OPERATING INCOME	(9,085)	(1,952)	77,447	27,900	478,596	43,301	23,394	(52,640)	(3,676)	(21,871)
	Source	TY-19 & IR 3-25	JPT-3 Sch 4	RLK-1, Sch 8	DEP-3, Sch 3 DEP-3, Sch 4	RLK-1, Sch 9	RLK-2, Sch 1	RLK-1, Sch 11	DAJ-1 Sch 1	DEP-1, Sch 1	DEP-1, Sch 2
	Staff Witness Testimony	Thurber	Thurber	Knadle	Peterson	Knadle	Knadle	Knadle	Jacobson	Peterson	Peterson
	Staff position on BHP's Adjustment	Accepted	Adjusted	Adjusted	Adjusted	Adjusted	Adjusted	Staff Proposed	Adjusted	Adjusted	Adjusted

Otter Tail Power Company
Docket EL08-030
South Dakota Electric Operating Income Statement With Known and Measurable Adjustments
Adjusted Test Year Ended December 31, 2007

Line No.	Description	FASB 87 Pension Costs	Corporate Allocations	Changes in Allocation Factors due to effect of Test Year Adjustments	Depreciation Direct vs. Allocation Update	Labor Expense Annual Increases	KPA & Utility Management Increases	Asset Based Wholesale Margins		Subtotal Staff Adjustments	Adjusted Test Year
	(a)	(x)	(y)	(z)	(aa)	(ab)	(ac)	(ad)	(ae)	(af)	(ag)
1	OPERATING REVENUES:										
2	Retail Revenue									\$ (468,315)	\$ 24,921,439
3	Other Electric Operating Revenue			(84,955)				(74,486)		(53,569)	3,204,080
4	TOTAL OPERATING REVENUES	-	-	(84,955)	-	-	-	(74,486)	-	(521,884)	28,125,519
5	OPERATING EXPENSES:										
6	Operation and Maintenance:										
7	Production Expense	(31,162)				71,449	(3,776)	58,938		(977,921)	14,694,612
8	Transmission Expense	(11,475)		(1)		26,310	(1,390)			15,441	987,141
9	Distribution Expense	(21,513)		(660)		49,326	(2,607)			(2,992)	1,432,248
10	Customer Accounting Expense	(14,516)		(1)		33,284	(1,759)			31,369	1,000,532
11	Customer Service and Information Expense	(2,449)				5,615	(297)			5,293	242,213
12	Sales Expenses									(19,039)	60,434
13	Administration and General Expense	(40,474)	(75,583)	(31,469)		92,801	(12,665)			185,510	2,921,364
14	Other									45,000	45,000
15	Total Operation and Maintenance	(121,589)	(75,583)	(32,131)	-	278,785	(22,494)	58,938	-	(717,339)	21,383,544
16	Depreciation and Amortization			1	(32,434)					964,659	3,240,798
17	Taxes:										
18	Property Taxes			(69,526)						27,077	923,010
19	Coal Conversion Tax									-	78,011
20	South Dakota Gross Receipts Tax									-	34,475
21	Investment Tax Credit			536						(759,231)	(868,360)
22	Deferred Income Taxes			1,875						1,875	(24,413)
23	Federal Income Taxes	42,556	26,454	15,338	11,352	(97,575)	7,873	(46,698)		(293,076)	246,537
24	Other Taxes									-	-
25	Total Taxes	42,556	26,454	(51,777)	11,352	(97,575)	7,873	(46,698)	-	(1,023,355)	389,260
26	TOTAL OPERATING EXPENSES	(79,033)	(49,129)	(83,907)	(21,082)	181,210	(14,621)	12,240	-	(776,035)	25,013,602
27	OPERATING INCOME	79,033	49,129	(1,048)	21,082	(181,210)	14,621	(86,726)	-	\$ 254,151	\$ 3,111,917
	Source	o DEP-1, Sch 3	DEP-2, Sch 1	E-mail sent from Sem to Knadle on 3/27/09	E-mail from Sem to Knadle on 3/27/09	DAJ-1 Sch 2	DAJ-1 Sch 2	RLK-1 Sch 12			
	Staff Witness Testimony	Peterson	Peterson	Peterson	Peterson	Jacobson	Jacobson	Knadle			
	Staff position on BHP's Adjustment	Adjusted	Adjusted	Accepted	Accepted	Adjusted	Adjusted	Adjusted			

SOURCES:

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
Column b, line 2:	Exhibit_(PJB-1), Financial Information, Schedule 8, Page 1 of 3, Revised for IR 2-1, Column A, Line 1
Column b, line 3:	Exhibit_(PJB-1), Financial Information, Schedule 8, Page 1 of 3, Revised for IR 2-1, Column A, Line 2
Column b, line 7:	Exhibit_(PJB-1), Financial Information, Schedule 8, Page 1 of 3, Revised for IR 2-1, Column A, Line 4
Column b, line 8:	Exhibit_(PJB-1), Financial Information, Schedule 8, Page 1 of 3, Revised for IR 2-1, Column A, Line 5
Column b, line 9:	Exhibit_(PJB-1), Financial Information, Schedule 8, Page 1 of 3, Revised for IR 2-1, Column A, Line 6
Column b, line 10:	Exhibit_(PJB-1), Financial Information, Schedule 8, Page 1 of 3, Revised for IR 2-1, Column A, Line 7
Column b, line 11:	Exhibit_(PJB-1), Financial Information, Schedule 8, Page 1 of 3, Revised for IR 2-1, Column A, Line 8
Column b, line 12:	Exhibit_(PJB-1), Financial Information, Schedule 8, Page 1 of 3, Revised for IR 2-1, Column A, Line 9
Column b, line 13:	Exhibit_(PJB-1), Financial Information, Schedule 8, Page 1 of 3, Revised for IR 2-1, Column A, Line 10 less Volume 4A, Page 274, Column E, line 7 (SD Gross Receipts Tax)
Column b, line 16:	Exhibit_(PJB-1), Financial Information, Schedule 8, Page 1 of 3, Revised for IR 2-1, Column A, Line 12
Column b, line 18:	Attachment 1 to IR 2-2, Pg 1 of 26, Column A, line 6
Column b, line 19:	Attachment 1 to IR 2-2, Pg 1 of 26, Column A, line 7
*Note - Column b, line 18 + line 19 = General Taxes on IR 2-1, Exhibit_(PJB-1), Financial Information, Schedule 8, Pg 1 of 3, Column A, Line 13	
Column b, line 20:	Volume 4A, Page 274, Column E, line 7
Column b, line 21:	Exhibit_(PJB-1), Financial Information, Schedule 8, Page 1 of 3, Revised for IR 2-1, Column A, Line 17
Column b, line 22:	Exhibit_(PJB-1), Financial Information, Schedule 8, Page 1 of 3, Revised for IR 2-1, Column A, Line 18
Column b, line 23:	Exhibit_(PJB-1), Financial Information, Schedule 8, Page 1 of 3, Revised for IR 2-1, Column A, Line 19

Otter Tail Power Company
Docket EL08-030
South Dakota Average Rate Base with Known and Measurable Adjustments
Adjusted Test Year Ending December 31, 2007

Line No.	Description	South Dakota Test Year Average Per Books	Total Pro Forma Adjustments	South Dakota Pro Forma Rate Base
	(a)	(b)	(c)	(d)
1	Electric Plant in Service			
2	Production (including unclassified)	\$ 35,648,035	\$ 20,011,397	\$ 55,659,432
3	Transmission (including unclassified)	18,048,679	564,706	18,613,385
4	Distribution (including unclassified)	31,576,236	43,508	31,619,744
5	General (including unclassified)	6,730,068	196,282	6,926,350
6	Intangible	367,760	66,296	434,056
7	Total Plant in Service	92,370,778	20,882,188	113,252,966
8	Accumulated Depreciation & Amortization			
9	Production	18,486,206	3,394,515	21,880,721
10	Transmission	6,396,055	772,882	7,168,937
11	Distribution	12,961,295	249,761	13,211,056
12	General	2,696,692	106,068	2,802,760
13	Intangible	256,997	14,368	271,365
14	Total Accumulated Depreciation and Amortization	40,797,245	4,537,594	45,334,839
15	TOTAL NET ELECTRIC PLANT IN SERVICE	51,573,533	16,344,594	67,918,127
16	Additions to Rate Base:			
17	Big Stone Plant capitalized items	10,715	-	10,715
18	Utility Plant Held for Future Use	2,865	-	2,865
19	Materials and Supplies	1,296,954	144,082	1,441,036
20	Fuel Stocks	741,650	65,044	806,694
21	Cash Working Capital	213,908	(33,361)	180,547
22	Tax Collections Available	(54,159)	(8,324)	(62,483)
23	Other	84,977	120,008	204,985
24	TOTAL ADDITIONS TO RATE BASE	2,296,910	287,450	2,584,360
25	Deductions to Rate Base:			
26	Prepayments	264,970	2,606,101	2,871,071
27	Customer Advances	13,360	8,792	22,152
28	Accumulated Deferred Income Taxes	6,324,321	687,203	7,011,524
29	Other		154,685	154,685
30	TOTAL DEDUCTIONS TO RATE BASE	6,602,651	3,456,781	10,059,432
31	TOTAL SOUTH DAKOTA RATE BASE	\$ 47,267,792	\$ 13,175,263	\$ 60,443,055

Sources:

Line 7: Sum of lines 2 through 7
Line 14: Sum of lines 9 through 13
Line 15: Line 7 less line 14
Line 24: Sum of lines 16 through 23
Line 30: Sum of lines 26 through 29

Line 31: Line 15 plus line 24 less line 30
Column b: JPT-2 Schedule 2, page 1, column b
Column c: JPT-2 Schedule 2, page 2, column c
Column d: column b plus column c

Otter Tail Power Company
Docket EL08-030
South Dakota Average Rate Base with Known and Measurable Adjustments
Adjusted Test Year Ending December 31, 2007

Line No.	Description	South Dakota Test Year Average Per Books	Updates	Rate Case Expense	Depreciation Direct Assignment to Allocated	Depreciation To Reflect 2008 Rates	Depreciation To Reflect 2009 Rates	Holding Company Formation Costs	Annualize Plant in Service
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	Electric Plant in Service								
2	Production (including unclassified)	\$35,648,035							20,011,397
3	Transmission (including unclassified)	18,048,679							564,706
4	Distribution (including unclassified)	31,576,236							43,508
5	General (including unclassified)	6,730,068							196,282
6	Intangible	367,760							66,296
7	Total Plant in Service	92,370,778	-	-	-	-	-	-	20,882,188
8	Accumulated Depreciation & Amortization								
9	Production	18,486,206			2,593,804	13,015	8,223		811,261
10	Transmission	6,396,055			789,826	(4,785)	(24,365)		12,104
11	Distribution	12,961,295			257,686	(3,827)	(9,674)		5,601
12	General	2,696,692			118,684	(543)	(20,968)		8,633
13	Intangible	256,997			4,901				14,364
14	Total Accumulated Depreciation and Amortization	40,797,245	-	-	3,764,901	3,860	(46,783)	-	851,963
15	TOTAL NET ELECTRIC PLANT IN SERVICE	51,573,533	-	-	(3,764,901)	(3,860)	46,783	-	20,030,226
16	Additions to Rate Base:								
17	Big Stone Plant capitalized items	10,715							
18	Utility Plant Held for Future Use	2,865							
19	Materials and Supplies	1,296,954	144,082						
20	Fuel Stocks	741,650	65,044						
21	Cash Working Capital	213,908							
22	Tax Collections Available	(54,159)							
23	Other	84,977		112,500				7,508	
24	TOTAL ADDITIONS TO RATE BASE	2,296,910	209,127	112,500	-	-	-	7,508	-
25	Deductions to Rate Base:								
26	Prepayments	264,970	(7,787)						
27	Customer Advances	13,360	8,792						
28	Accumulated Deferred Income Taxes	6,324,321							1,138,621
29	Other		154,685						
30	TOTAL DEDUCTIONS TO RATE BASE	6,602,651	155,690	-	-	-	-	-	1,138,621
31	TOTAL SOUTH DAKOTA RATE BASE	\$ 47,267,792	53,436	112,500	(3,764,901)	(3,860)	46,783	7,508	18,891,605
Source		OTP Response to IR 2-1	RLK -1 Sch 4	JPT-3 Sch 1	DEP-3, Sch 1	DEP-3, Sch 3	DEP-3, Sch 4	JPT-3 Sch 4	RLK-2 Sch 1
Staff Witness Testimony		Thurber	Knadle	Thurber	Peterson	Peterson	Peterson	Thurber	Knadle
Staff position on BHP's Adjustment		Adjusted	Adjusted	Adjusted	Adjusted	Adjusted	Adjusted	Adjusted	Adjusted

Otter Tail Power Company
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South Dakota Average Rate Base with Known and Measurable Adjustments
Adjusted Test Year Ending December 31, 2007

Line No.	Description	FAS 158 Prepayments	Depreciation Direct vs. Allocation Update	Eliminate Actual Year FAS 106 PayGo Adjustment	Changes in Allocations due to Effect of Test Year Adjustments	Working Capital Adjustment	Total Staff Adjustments	Total Staff South Dakota Rate Base
	(a)	(j)	(k)	(l)	(m)	(n)	(o)	(p)
1	Electric Plant in Service							
2	Production (including unclassified)						\$ 20,011,397	\$ 55,659,432
3	Transmission (including unclassified)						564,706	18,613,385
4	Distribution (including unclassified)						43,508	31,619,744
5	General (including unclassified)						196,282	6,926,350
6	Intangible						66,296	434,056
7	Total Plant in Service	-	-	-	-	-	20,882,188	113,252,966
8	Accumulated Depreciation & Amortization							
9	Production		(31,788)				3,394,515	21,880,721
10	Transmission		102				772,882	7,168,937
11	Distribution		(25)				249,761	13,211,056
12	General		261				106,068	2,802,760
13	Intangible		(4,901)		4		14,368	271,365
14	Total Accumulated Depreciation and Amortization	-	(36,351)	-	4	-	4,537,594	45,334,839
15	TOTAL NET ELECTRIC PLANT IN SERVICE	-	36,351	-	(4)	-	16,344,594	67,918,127
16	Additions to Rate Base:							
17	Big Stone Plant capitalized items						-	10,715
18	Utility Plant Held for Future Use						-	2,865
19	Materials and Supplies						144,082	1,441,036
20	Fuel Stocks						65,044	806,694
21	Cash Working Capital					(33,361)	(33,361)	180,547
22	Tax Collections Available					(8,324)	(8,324)	(62,483)
23	Other						120,008	204,985
24	TOTAL ADDITIONS TO RATE BASE	-	-	-	-	(41,685)	287,450	2,584,360
25	Deductions to Rate Base:							
26	Prepayments	(383,621)		2,997,508			2,606,101	2,871,071
27	Customer Advances						8,792	22,152
28	Accumulated Deferred Income Taxes				(451,418)		687,203	7,011,524
29	Other						154,685	154,685
30	TOTAL DEDUCTIONS TO RATE BASE	(383,621)	-	2,997,508	(451,418)	-	3,456,781	10,059,432
31	TOTAL SOUTH DAKOTA RATE BASE	383,621	36,351	(2,997,508)	451,414	(41,685)	13,175,263	\$ 60,443,055
	Source	(RLK-1 Sch 10	E-mail from Sem to Knadle on 3/27/09	RLK-1 Sch 10	E-mail from Sem to Knadle on 3/27/09	RLK-1 Sch 1 & RLK-1 Sch 2		
	Staff Witness Testimony	Knadle	Peterson	Knadle	Peterson	Knadle		
	Staff position on BHP's Adjustment	Adjusted	Accepted	Adjusted	Accepted	Adjusted		

Otter Tail Power Company

Docket EL08-030

South Dakota Average Rate Base with Known and Measurable Adjustments

Adjusted Test Year Ending December 31, 2007

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:	IR 2-1, Exhibit_(KAS-1), Financial Information, Schedule 4, column A, line 1
Column b, line 3:	IR 2-1, Exhibit_(KAS-1), Financial Information, Schedule 4, column A, line 2
Column b, line 4:	IR 2-1, Exhibit_(KAS-1), Financial Information, Schedule 4, column A, line 3
Column b, line 5:	IR 2-1, Exhibit_(KAS-1), Financial Information, Schedule 4, column A, line 4
Column b, line 6:	IR 2-1, Exhibit_(KAS-1), Financial Information, Schedule 4, column A, line 5
Column b, line 9:	IR 2-1, Exhibit_(KAS-1), Financial Information, Schedule 4, column A, line 7
Column b, line 10:	IR 2-1, Exhibit_(KAS-1), Financial Information, Schedule 4, column A, line 8
Column b, line 11:	IR 2-1, Exhibit_(KAS-1), Financial Information, Schedule 4, column A, line 9
Column b, line 12:	IR 2-1, Exhibit_(KAS-1), Financial Information, Schedule 4, column A, line 10
Column b, line 13:	IR 2-1, Exhibit_(KAS-1), Financial Information, Schedule 4, column A, line 11
Column b, line 17:	IR 2-1, Exhibit_(KAS-1), Financial Information, Schedule 4, column A, line 20
Column b, line 18:	IR 2-1, Exhibit_(KAS-1), Financial Information, Schedule 4, column A, line 21
Column b, line 19:	IR 2-1, Exhibit_(KAS-1), Financial Information, Schedule 4, column A, line 23
Column b, line 20:	IR 2-1, Exhibit_(KAS-1), Financial Information, Schedule 4, column A, line 24
Column b, line 21:	IR 2-1, Exhibit_(KAS-1), Financial Information, Schedule 3, column E, sum(line 1 through 8)
Column b, line 22:	IR 2-1, Exhibit_(KAS-1), Financial Information, Schedule 3, column E, line 20
Column b, line 23:	IR 2-1, Exhibit_(KAS-1), Financial Information, Schedule 3, column E, sum(line 12 through 14)
Column b, line 26:	IR 2-1, Exhibit_(KAS-1), Financial Information, Schedule 4, column A, line 25
Column b, line 27:	IR 2-1, Exhibit_(KAS-1), Financial Information, Schedule 4, column A, line 26
Column b, line 28:	IR 2-1, Exhibit_(KAS-1), Financial Information, Schedule 4, column A, line 28
Column c, line 19	RLK-1, Schedule 4, Column c, line 3
Column c, line 20	RLK-1, Schedule 4, Column c, line 6
Column c, line 26	RLK-1, Schedule 4, Column c, line 9
Column c, line 27	RLK-1, Schedule 4, Column c, line 12
Column c, line 29	RLK-1, Schedule 4, Column c, line 15 plus RLK-1, Schedule 4, Column c, line 18

NON-CONFIDENTIAL

Line	<u>Component</u> (a)	<u>Capital Structure</u> (b)	<u>% of Total</u> (c)	<u>Cost</u> (d)	<u>Weighted Cost</u> (e)
1	Long Term Debt				
2	Preferred Stock				
3	Common Equity				
4	Total				<u>8.34%</u>

NON-CONFIDENTIAL

Otter Tail Power Company
 South Dakota - Electric
 Cash Working Capital
 Adjusted Test Year Ended December 31, 2007

Exhibit__(RLK-1)
 Schedule 1
 Page 1

Line	Description	South Dakota Per Books (a)	Adjustments (b)	Pro Forma Expense (c)	Expense Per Day (d)	Expense Lead Days (e)	Expense Dollar Days (f)
1	Operation & Maintenance						
2	Fuel - Coal	\$ 5,149,528	\$ (42,009)	\$ 5,107,519	\$ 13,993	16.0	\$ 223,888
3	Fuel - Oil	717,769		717,769	1,966	8.9	17,497
4	Purchased Power	7,403,538	(1,162,607)	6,240,931	17,098	32.8	560,814
5	Labor and Associated Payroll Expense	5,487,477	254,988	5,742,465	15,733	13.9	218,689
6	All Other O&M Expense	3,342,570	232,288	3,574,858	9,794	19.4	190,004
7	Total O & M	22,100,882	(717,339)	21,383,543	58,684		1,210,892
8	Property Tax	895,933	27,077	923,010	2,529	317.8	803,716
9	Coal Conversion Tax	78,011	-	78,011	214	317.8	68,009
10	Federal Income Tax	539,613	(293,076)	246,537	675	37.0	24,975
11	Depreciation Expense	2,276,139	964,659	3,240,798	8,879	0.0	-
12	Investment Tax Credit	(109,129)	(759,231)	(868,360)	(2,379)	0.0	-
13	Deferred Income Taxes	(26,288)	1,875	(24,413)	(67)	0.0	-
14	S D Gross Receipts Tax	34,475	4,452	38,927	107	378.5	40,500
15	Preferred Stock Dividends			84,620	232	45.6	10,579
16	Interest on Long Term Debt			1,577,564	4,322	91.3	394,599
17	Total	\$ 25,789,636	\$ (771,583)	\$ 26,680,237	\$ 73,096	34.93	\$ 2,553,270
18	Revenue Lag Days	37.40					
19	Expense Lead Days	34.93					
20	Net Days	2.47					
21	Expense per Day	73,096					
22	Cash Working Capital	180,547					

Sources :

Line 7: Sum of lines 2 through 6

Line 17 (except column f): Sum of lines 7 through 16

Column (b)

Line 2: Attachment 1 to IR 2-2, Pg 1 of 26, Column A, line 1
 Line 3: Attachment 1 to IR 2-2, Pg 1 of 26, Column A, line 2
 Line 4: Attachment 1 to IR 2-2, Pg 1 of 26, Column A, line 3
 Line 5: Attachment 1 to IR 2-2, Pg 1 of 26, Column A, line 4
 Line 6: Attachment 1 to IR 2-2, Pg 1 of 26, Column A, line 5
 Line 8: Attachment 1 to IR 2-2, Pg 1 of 26, Column A, line 6
 Line 9: Attachment 1 to IR 2-2, Pg 1 of 26, Column A, line 7
 Line 10: Attachment 1 to IR 2-2, Pg 1 of 26, Column A, line 8
 Line 11: JPT-1, Schedule 3, Column b, Line 16
 Line 12: JPT-1, Schedule 3, Column b, Line 21
 Line 13: JPT-1, Schedule 3, Column b, Line 22
 Line 14: JPT-1, Schedule 3, Column b, Line 20
 Line 18: IR 2-1, Exhibit_(KAS-1), Financial Information, Schedule 3, Page 1 of 3, line 55
 Line 19: column f, line 17
 Line 20: Column b, line 18 less line 19
 Line 21: Column e, line 17
 Line 22: Column b, line 20 * line 21

Column (c)

Line 2: RLK-1 Sch 11, col e, line 1 + RLK-1 Sch 11, col e, line 3
 Line 4: RLK-1 Sch 11, col e, line 2 + RLK-1 Sch 11, col e, line 9 + JPT-1 Sch 3, col r, line 7
 Line 5: JPT-1 Sch 3, col v, line 15 + JPT-1 Sch 3, col w, line 15 + JPT-1 Sch 3, col x, line 15 + JPT-1 Sch 3, col u, line 15 + JPT-1 Sch 3, col ab, line 15 + JPT-1 Sch 3, col ac, line 15
 Line 6: JPT-1 Sch 3, col af, line 15 minus col c, line 2 minus col c, line 4 minus col c, line 5
 Line 8: JPT-1 Sch 3, col af, line 18
 Line 9: JPT-1 Sch 3, col af, line 19
 Line 10: JPT-1 Sch 3, col af, line 23
 Line 11: JPT-1 Sch 3, col af, line 16
 Line 12: JPT-1 Sch 3, col af, line 21
 Line 13: JPT-1 Sch 3, col af, line 22
 Line 14: JPT-1 Sch 1, col b, line 9

Column (d)

Line 2 - 14: Column b plus column c

Line 15: RLK-1 Sch 3, col b, line 1 * BLC-1 Sch 1, col e, line 2

Line 16: RLK-1 Sch 3, col b, line 3

Column (e)

Column d / 365

Column (f)

Line 2: IR 2-1, Exhibit_(KAS-1), Financial Information, Schedule 3, Page 2 of 3, Column C, line 1
 Line 3: IR 2-1, Exhibit_(KAS-1), Financial Information, Schedule 3, Page 2 of 3, Column C, line 2
 Line 4: IR 2-1, Exhibit_(KAS-1), Financial Information, Schedule 3, Page 2 of 3, Column C, line 3
 Line 5: IR 2-1, Exhibit_(KAS-1), Financial Information, Schedule 3, Page 2 of 3, Column C, line 4
 Line 6: IR 2-1, Exhibit_(KAS-1), Financial Information, Schedule 3, Page 2 of 3, Column C, line 5
 Line 8: IR 2-1, Exhibit_(KAS-1), Financial Information, Schedule 3, Page 2 of 3, Column C, line 6
 Line 9: IR 2-1, Exhibit_(KAS-1), Financial Information, Schedule 3, Page 2 of 3, Column C, line 7
 Line 10, 15, 16: Staff Workpapers
 Line 14: SDCL 49-1A-5

Column (g):

Column e * column f

Otter Tail Power Company
 South Dakota - Electric
 Tax Collections Available
 Adjusted Test Year Ended December 31, 2007

Exhibit__(RLK-1)
 Schedule 2
 Page 1

Line	Item (a)	South Dakota Per Books (b)	Adjustments (c)	Pro Forma Collections (d)	Collections Per Day (e)	Collection Lead Days (f)	Available (g)
1	Employee FICA	\$ 365,189	\$ -	\$ 365,189	\$ 1,001	12.2	\$ 12,212
2	Federal Withholding	622,880	-	622,880	1,707	12.2	20,825
3	South Dakota Sales Tax	1,212,766	98,012	1,310,778	3,591	8.2	29,446
4	Total	<u>\$ 2,200,835</u>	<u>\$ 98,012</u>	<u>\$ 2,298,847</u>			<u>\$ 62,483</u>

Sources:

Column (b)
 line 1: Attachment 1 to IR 2-2, Pg 1 of 26, Column A, line 16
 line 2: Attachment 1 to IR 2-2, Pg 1 of 26, Column A, line 17
 line 3: Attachment 1 to IR 2-2, Pg 1 of 26, Column A, line 20

Column (c)
 line 3: (JPT-1 Sch 2, col c, line 4 + JPT-1 Sch 2, col e, line 4) * .04

Column (d)
 Column b plus column c

Column (e)
 Column d / 365

Column (f)
 line 1: Vol 4B, Lead Lag Study, pg 190, column (2), row Analyzed Totals
 line 2: Vol 4B, Lead Lag Study, pg 190, column (2), row Analyzed Totals
 line 3: $[(365 / 12) / 2] + 30.4$ (1 month) - 37.4 (revenue lag)
 Reflects SD sales tax remittance statute.

Column (g)
 Column e * column f

<u>Line</u>	<u>Description</u>	<u>Amount</u>
	(a)	(b)
1	Average Rate Base	\$ 60,443,055
2	Weighted Cost of Long Term Debt	<u>2.61%</u>
3	Synchronized Interest Expense	1,577,564
4	South Dakota Interest Expense on LT Debt as filed	<u>1,285,684</u>
5	Difference In Interest Expense	291,880
6	Federal Income Tax Adjustment (35%)	\$ (102,158)

SOURCES:

Column b, line 1: JPT-2 Sch 1, column d, line 31

Column b, line 2: BLC-1 Sch1 column e, line 1

Column b, line 3: Line 1 * line 2

Column b, line 4: IR 2-1, Cost of Service Study, Page 13-1, column South Dakota, line 4
less CWIP - 47,267,792 (JPT-2 Sch 1)
* (.17% + 2.55%) (filed cost of service)

Column b, line 5: Line 3 less line 4

Column b, line 6: line 5 times consolidated effective tax rate (35%)

Line	Description	Total Company Amount	Allocation Factor	South Dakota Percent	South Dakota Amount
	(a)	(b)	(c)	(d)	(e)
	Materials and Supplies:				
1	13 month average ending November 30, 2008:				
2	Production	\$ 4,088,966	P10	9.647282%	\$ 394,474
3	Transmission	4,023,345	D2	9.260463%	372,580
4	Distribution	6,850,561	P60	9.838345%	673,982
5	Total				1,441,036
6	Less test year 13 month average				1,296,954
7	Difference				144,082
	Fuel Stocks				
8	13 month average ending November 30, 2008:				
9	Coal	\$ 6,388,702	E1	9.763471%	\$ 623,759
10	Fuel Oil	1,955,858	D1	9.353195%	182,935
11	Total				806,694
12	Less test year 13 month average				741,650
13	Difference				65,044
	Prepayments				
14	13 month average ending November 30, 2008	\$ 2,676,076	NEPIS	9.610452%	\$ 257,183
15	Less test year 13 month average				264,970
16	Difference				(7,787)
	Customer Advances				
17	13 month average ending November 30, 2008	\$ 230,499	NEPIS	9.610452%	\$ 22,152
18	Less test year 13 month average				13,360
19	Difference				8,792
	Accumulated Provision for Injuries and Damages				
20	13 month average ending November 30, 2008	\$ 891,165	NEPIS	9.610452%	\$ 85,645
21	Less test year 13 month average				-
22	Difference				85,645
	Accumulated Provision for Uncollectibles				
23	13 month average ending November 30, 2008	\$ 757,704	C8	9.111783%	\$ 69,040
24	Less test year 13 month average				-
25	Difference				69,040

SOURCES:

Column b, line 2-4: IR 3-4, page 3 of 4
Column b, line 6: Exhibit_(JPT-2), Schedule 2, column b, line 19
Column b, line 9-10: IR 3-4, page 2 of 4
Column b, line 12: Exhibit_(JPT-2), Schedule 2, column b, line 20
Column b, line 14: IR 3-4, page 4 of 4 [(633,722 +
-3,309,798)]
Column b, line 15: Exhibit_(JPT-2), Schedule 2, column b, line 26
Column b, line 17: IR 3-5, page 4 of 4
Column b, line 18: Exhibit_(JPT-2), Schedule 2, column b, line 27
Column b, line 20: IR 3-5, page 3 of 4
Column b, line 23: IR 3-5, page 2 of 4

<u>Line</u>	<u>Description</u>	<u>Total Company Amount</u>	<u>Allocation Factor</u>	<u>South Dakota Percent</u>	<u>South Dakota Amount</u>
	(a)	(b)	(c)	(d)	(e)
	Storm Repair				
1	2004	\$ 802,829			
2	2005	2,542,064			
3	2006	864,416			
4	2007	974,518			
5	2008	<u>1,523,294</u>			
6	Total	6,707,121			
7	5 Year Average	1,341,424			
8	Less Test Year Amount	<u>974,518</u>			
9	Adjustment	\$ 366,906	NEPIS	9.610452%	<u>\$ 35,261</u>

SOURCES:

Column b, line 1-4, 8: W/P 2007 SD TY-14
Column b, line 5: IR 4-28, pg. 1

Line	Description	FERC Account	Total Company	Allocation Factor	South Dakota Percent	South Dakota Amount
	(a)	(b)	(c)	(d)	(e)	(f)
1	Actual Year 2008	571	\$ 809,947	D2	9.260463%	\$ 75,005
2		593	2,346,614	OXD	9.772613%	229,326
3	Total		<u>3,156,561</u>			<u>304,330</u>
4	Actual Year 2007	571	797,750			71,554
5		593	2,077,125			206,507
6	Total		<u>2,874,875</u>			<u>278,061</u>
7	Actual Year 2006	571	864,163			71,958
8		593	1,319,260			128,313
9	Total		<u>2,183,423</u>			<u>200,271</u>
10	Actual Year 2005	571	1,007,829			84,642
11		593	1,499,360			143,476
12	Total		<u>2,507,189</u>			<u>228,118</u>
13	Actual Year 2004	571	94,807			7,841
14		593	857,771			80,803
15	Total		<u>952,578</u>			<u>88,644</u>
16	SD 5 Year Average	571				62,200
17		593				157,685
18	Total					<u>219,885</u>
19	Adjustment (based on '07 test year)	571				(9,354)
20		593				(48,822)
21	Total					<u>(58,176)</u>

SOURCES:

Line 1 - 15: Attachment 1 to IR SD 3-06

<u>Line</u>	<u>Description</u>	<u>Amount</u>
	(a)	(b)
1	SD Checks Not Honored by Financial Institutions	140
2	Increase in NSF charge	\$ 5
3	Other Operating Revenue Adjustment	\$ 700

SOURCES:

Line 1 - 3: IR 3-23

<u>Line</u>	<u>Description</u> (a)	<u>Total Company Amount</u> (b)	<u>Allocation Factor</u> (c)	<u>South Dakota Percent</u> (d)	<u>South Dakota Amount</u> (e)
	2007 Revenue				
1	Sale of Steam	1,068,493			
2	Brine Product Water Sales	263,100			
3	Total	<u>1,331,593</u>			
	2008 Revenue				
4	Sale of Steam	\$ 2,302,169			
5	Brine Product Water Sales	269,209			
6	Total	<u>2,571,378</u>			
7	Adjustment	\$ 1,239,785	NEPIS	9.610452%	<u>\$ 119,149</u>

SOURCES:

Column b, line 1: Attachment 1 to IR SD 6-6
Column b, line 2: IR 6-1, pg. 1
Column b, line 4: Attachment 1 to IR 4-29
Column b, line 5: IR 6-1, pg. 1
Column b, line 7: Column b, line 6 - line 3

<u>Line</u>	<u>Description</u> (a)	<u>Total Company Amount</u> (b)	<u>Allocation Factor</u> (c)	<u>South Dakota Percent</u> (d)	<u>South Dakota Amount</u> (e)
1	Purchased Power Reduction	\$ (7,596,764)	E2	9.692295%	<u>\$ (736,301)</u>

SOURCES:

Column b, line 1: TY-17 and W/P 2007 SD TY-17, page 1
Column d, line 1: JPT-3, Sch 2

<u>Line</u>	<u>Description</u> (a)	<u>Total Company Amount</u> (b)	<u>Allocation Factor</u> (c)	<u>South Dakota Percent</u> (d)	<u>South Dakota Amount</u> (e)
	Prepayments				
1	FAS 158 13 Month Average Ending November 2008	3,991,701	NEPIS	9.610452%	383,621
2	FAS 106 13 Month Average Ending November 2008	(31,190,085)	NEPIS	9.610452%	(2,997,508)

SOURCES:
Column b & c: IR 3-4 pg. 4
Column d: JPT-3, Sch 2

<u>Line</u>	<u>Description</u> (a)	<u>Total Company Amount</u> (b)	<u>Allocation Factor</u> (c)	<u>South Dakota Percent</u> (d)	<u>South Dakota Amount</u> (e)
1	Big Stone Condenser Retube Fuel Savings	\$ (326,600)	E2	9.692295%	(31,655)
2	Big Stone AHPC Replacement Purchased power savings	(4,312,000)	E2	9.692295%	(417,932)
3	Fuel savings	(106,823)	E2	9.692295%	(10,354)
4	Labor savings - base	(36,726)	E1	9.763471%	(3,586)
5	Labor savings - peak	(14,361)	D1	9.353195%	(1,343)
6	Bag cost savings - base	(189,391)	E1	9.763471%	(18,491)
7	Bag cost savings - peak	(74,055)	D1	9.353195%	(6,927)
8	Total				<u>(458,632)</u>
9	Hoot Lake Unit 2 - Superheater Tubes Purchased power savings	(86,400)	E2	9.692295%	(8,374)
10	O&M and Labor Savings - Base	(42,049)	E1	9.763471%	(4,105)
11	O&M and Labor Savings - Peak	(16,442)	D1	9.353195%	(1,538)
12	Total				<u>(14,017)</u>
13	Total Production Expense Savings				<u>(504,304)</u>
14	Revenue Adjustment				<u>(468,315)</u>

SOURCES:

Column b, line 1: IR 6-10, pg 2

Column b, line 2: Attachment 2 to IR 6-10, pg 3 (53.9% ownership)

Column b, line 3-7: Attachment 2 to IR 6-10, pg 2 (53.9% ownership, 71.89% base, 28.11% peak)

Column b, line 9-11: Attachment 3 to IR 6-10, pg 2 (71.89% base, 28.11% peak)

Column c: Phone conversation between Knadle and Sem

Column d: JPT-3 Sch 2

Column e, line 14: sum of lines 1,2,3 & 9

<u>Line</u>	<u>Description</u> (a)	<u>Total Company Amount</u> (b)	<u>Allocation Factor</u> (c)	<u>South Dakota Percent</u> (d)	<u>South Dakota Amount</u> (e)
Asset Based Margins					
2005					
1	Revenue	24,604,889			
2	Expenses	<u>13,033,473</u>			
3	Margins	11,571,416			
2006					
4	Revenue	22,926,814			
5	Expenses	<u>11,880,659</u>			
6	Margins	11,046,155			
2007					
7	Revenue	20,133,608			
8	Expenses	<u>9,255,946</u>			
9	Margins	10,877,662			
2008					
10	Revenue	23,464,577			
11	Expenses	<u>12,248,916</u>			
12	Margins	11,215,661			
Four year average at 85%					
13	Revenue	19,365,101	E2	9.692295%	1,876,923
14	Expenses	<u>9,864,036</u>	E2	9.692295%	<u>956,051</u>
15	Margin	9,501,065			920,871
Adjustment					
16	Revenue	(768,507)	E2	9.692295%	(74,486)
17	Expense	<u>608,090</u>	E2	9.692295%	<u>58,938</u>
18	Margin	(1,376,597)			(133,424)

SOURCES:

Column b, line 1-3, 4-6 & 7-9: w/p 2007, SD TY-15, pg 1
Column b, line 10-12: IR 3-24, Supplemental Response, pg 1
Column c: TY-15 SD Share
Column d: JPT-3 Sch 2

(A)	(B)	(C)	(D)	(E) SD
<u>Line</u>	<u>System-Wide</u>	<u>Allocation Factor</u>	<u>Allocation Percentage</u>	<u>Test-Year Amount</u>
Plant-in-Service				
Additions				
	Production			
1	149,108,430	E1	9.763471%	14,558,158
2	58,303,491	D1	9.353195%	5,453,239
3	<u>207,411,921</u>			<u>20,011,397</u>
4	Transmission			
5	6,098,030	D2	9.260463%	564,706
	Distribution - Load Mgmt			
	433,414	C9	10.038365%	43,508
	General			
6	781,183	P10	9.647282%	75,363
7	299,018	D2	9.260463%	27,690
8	531,400	P60	9.838345%	52,281
9	379,874	OXC	9.223750%	35,039
10	130,728	OXI	4.519899%	5,909
11	<u>2,122,203</u>			<u>196,282</u>
12	Intangible			
	716,503	P90	9.252682%	66,296
13	<u>216,782,069</u>			<u>20,882,188</u>
Accumulated Depreciation				
Additions				
	Production			
14	(6,044,847)	E1	9.763471%	(590,187)
15	(2,363,622)	D1	9.353195%	(221,074)
16	<u>(8,408,469)</u>			<u>(811,261)</u>
17	Transmission			
18	(130,705)	D2	9.260463%	(12,104)
19	Distribution			
	(56,929)	P60	9.838345%	(5,601)
20	General			
	(93,303)	P90	9.252682%	(8,633)
	Intangible			
	(155,242)	P90	9.252682%	(14,364)
21	<u>(8,844,647)</u>			<u>(851,964)</u>
L-T Construction Work-in-Progress				
Adjustments				
	Production			
	(4,954,628)	P10	N/A	0
	Transmission			
	(1,296,255)	D2	N/A	0
	Distribution			
	(223,750)	P60	N/A	0
	General			
	(324,949)	P90	N/A	0
	Intangible			
	(301,460)	P90	N/A	0
	<u>(7,101,042)</u>			<u>0</u>
Accumulated Deferred Income Taxes				
Adjustments				
	All Other			
22	(11,847,737)	NEPIS	9.610452%	(1,138,621)
	<u>(11,847,737)</u>			<u>(1,138,621)</u>

	(A)	(B)	(C)	(D)	(E)
<u>Line</u>	<u>Depreciation Expense</u>	<u>System-Wide</u>	<u>Allocation Factor</u>	<u>Allocation Percentage</u>	<u>SD Test-Year Amount</u>
	Additions				
	Production				
1	Base Demand	6,014,744	E1	9.763471%	587,248
2	Peak Demand	2,351,851	D1	9.353195%	219,973
3	Total Production	<u>8,366,595</u>			<u>807,221</u>
4	Transmission	130,705	D2	9.260463%	12,104
5	Distribution	19,747	P60	9.838345%	1,943
6	General	93,303	P90	9.252682%	8,633
7	Intangible	<u>155,242</u>	P90	9.252682%	<u>14,364</u>
8	Total Depreciation Expense Additions	<u>8,765,591</u>			<u>844,265</u>
	Other Operating Expenses				
	Operating Expense				
9	Base Demand	1,016,399	E1	9.763471%	99,236
10	Peak Demand	397,426	D1	9.353195%	37,172
11	Property Insurance	259,934	NEPIS	9.610452%	24,981
12	Property Taxes	<u>1,005,185</u>	NEPIS	9.610452%	<u>96,603</u>
13	Total Other Operating Expenses	<u>2,678,944</u>			<u>257,992</u>
14	Total Depreciation & Operating Expense Adjustments	<u>11,444,535</u>			<u>1,102,256</u>
15	Investment Tax Credit	(7,908,248)	EPIS	9.607271%	(759,767)
16	Income Tax Impact: SD Tax Rate is	35.00%			<u>(385,790)</u>
17	Net Operating Income Impact				<u>43,300</u>

	(A)	(B)	(C)	(D)	(E)	(F)
Projects Moved from CWIP @ 12/31/06 to Capitalized Accounts During 2007						
Line No.	Project	Project Description	Function	Amount in CWIP @ 12/31/06	Additional Charges Incurred During 2007	Total Project Costs
1	102499	Load Mgmt Replacement	Distribution	447,499	885,624	1,333,123
2	102879	PNAA	Intangible	602,919	173,292	776,212
3	103405	BSP - Brine Concentrator	Production	463	756,712	757,176
4	102747	Hoot Lake - VIC Site Work	Production	800,622	1,200	801,822

	(A)	(B)	(C)	(D)	(E)	(F)	(G)
Test Year Adjustment to CWIP to Transfer Project Costs to Capitalized Accounts							
Line No.	Project	Project Description	Function	Amount in CWIP @ 12/31/06	Amount in CWIP @ 12/31/07	Average Rate Base	2007 Test Year CWIP Adjustment
5	102499	Load Mgmt Replacement	Distribution	447,499	0	223,750	(223,750)
6	102879	PNAA	Intangible	602,919	0	301,460	(301,460)
7	103405	BSP - Brine Concentrator	Production	463	0	232	(232)
8	102747	Hoot Lake - VIC Site Work	Production	800,622	0	400,311	(400,311)
9				1,851,504	0	925,752	(925,753)
10				Total 2007 Test Year Adjustment to CWIP			(925,753)

	(A)	(B)	(C)	(D)	(E)	(F)	(G)
Test Year Adjustment to Plant in Service to Transfer Project Costs to Capitalized Accounts							
Line No.	Project	Project Description	Function	Amount Capitalized @ 12/31/06	Amount Capitalized @ 12/31/07	Average Rate Base	2007 Test Year Plant-in-Service Adjustment
11	102499	Load Mgmt Replacement	Distribution	0	1,333,123	899,709	433,414
12	102879	PNAA	Intangible	0	776,212	59,709	716,503
13	103405	BSP - Brine Concentrator	Production	0	757,176	58,244	698,932
14	102747	Hoot Lake - VIC Site Work	Production	0	801,822	308,393	493,429
15		Base Demand - 71.89%		0	1,120,764	263,576	857,188
16		Peak Demand - 28.11%		0	438,234	103,062	335,173
17				0	3,668,332	1,326,055	2,342,277
18				Total 2007 Test Year Adjustment to Plant in Service			2,342,277

	(A)	(B)	(C)	(D)	(E)	(F)	(G)
Test Year Adjustment to Accumulated Depreciation to Reflect Increase in Plant in Service							
Line No.	Project	Project Description	Function	Accumulated Depreciation @ 12/31/06	Accumulated Depreciation @ 12/31/07	Average Rate Base	2007 Test Year A/D Adjustment
1	102499	Load Mgmt Replacement	Distribution	0	(47,584)	(10,402)	(37,182)
2	102879	PNAA	Intangible	0	0	0	0
3	103405	BSP - Brine Concentrator	Production	0	0	0	0
4	102747	Hoot Lake - VIC Site Work	Production	0	(8,980)	(1,727)	(7,253)
5		Base Demand - 71.89%		0	(6,456)	(1,242)	(5,214)
6		Peak Demand - 28.11%		0	(2,524)	(485)	(2,039)
7				0	(56,564)	(12,129)	(44,435)
8				Total 2007 Test Year Adjustment to Plant in Service			<u>(44,435)</u>

	(A)	(B)	(C)	(D)	(E)	(F)	(G)
Test Year Adjustment to Depreciation Expense to Reflect Increase in Plant in Service							
Line No.	Project	Project Description	Function	Depreciation Expense 2007	Depreciation Expense 2009	Difference	2007 Test Year Expense Adjustment
9	102499	Load Mgmt Replacement	Distribution	47,584	67,331	19,747	19,747
10	102879	PNAA	Intangible	0	155,242	155,242	155,242
11	103405	BSP - Brine Concentrator	Production	0	25,777	25,777	25,777
12	102747	Hoot Lake - VIC Site Work	Production	8,980	28,761	19,781	19,781
13		Base Demand - 71.89%		6,456	39,207	32,752	32,752
14		Peak Demand - 28.11%		2,524	15,331	12,806	12,806
15				56,564	277,111	220,547	220,547
16				Total 2007 Test Year Adjustment to Plant in Service			<u>220,547</u>

	(A)	(B)	(C)	(D)	(E)	(F)	(G)
Test Year Adjustment to Accumulated Depreciation to Reflect Increase in Plant in Service							
Line No.	Project	Project Description	Function	Accumulated Depreciation @ 12/31/07	Accumulated Depreciation Using Exp for '09	Difference	2007 Test Year A/D Adjustment
1	x 103495	Hi-Tech Addition	General	0	(93,303)	(93,303)	(93,303)
2	x 103560	HL - #2 Burner Upgrade	Production	0	(92,022)	(92,022)	(92,022)
3	x 103371	HL - Superheater Tubes	Production	0	(55,577)	(55,577)	(55,577)
4	x 103228	Coyote - GSU	Production	0	(29,515)	(29,515)	(29,515)
5	x 103540	Langdon Wind	Production	0	(511,917)	(511,917)	(511,917)
6		Base Demand - 71.89%		0	(495,344)	(495,344)	(495,344)
7		Peak Demand - 28.11%		0	(193,687)	(193,687)	(193,687)
8	x 103615	Hensel Substation	Transmission	0	(82,832)	(82,832)	(82,832)
9	x 74198 & 103317	Appleton/Canby	Transmission	0	(47,873)	(47,873)	(47,873)
10				0	(130,705)	(130,705)	(130,705)
11				0	(913,038)	(913,038)	(913,038)
12				Total 2007 Test Year Adjustment to Accumulated Depreciation			(913,038)

	(A)	(B)	(C)	(D)	(E)	(F)	(G)
Test Year Adjustment to Depreciation Expense to Reflect Increase in Plant in Service							
Line No.	Project	Project Description	Function	Depreciation Expense 2007	Normalized Depreciation Expense 2009	Difference	2007 Test Year Expense Adjustment
13	x 103495	Hi-Tech Addition	General	0	93,303	93,303	93,303
14	x 103560	HL - #2 Burner Upgrade	Production	0	92,022	92,022	92,022
15	x 103371	HL - Superheater Tubes	Production	0	55,577	55,577	55,577
16	x 103228	Coyote - GSU	Production	0	29,515	29,515	29,515
17	x 103540	Langdon Wind	Production	0	511,917	511,917	511,917
18		Base Demand - 71.89%		0	495,344	495,344	495,344
19		Peak Demand - 28.11%		0	193,687	193,687	193,687
20	x 103615	Hensel Substation	Transmission	0	82,832	82,832	82,832
21	x 74198 & 103317	Appleton/Canby	Transmission	0	47,873	47,873	47,873
22				0	130,705	130,705	130,705
23				0	913,038	913,038	913,038
24				Total 2007 Test Year Adjustment to Depreciation Expense			913,038

	(A)	(B)	(C)	(D)	(E)	(F)
Projects Started and Placed-in-Service During 2007						
Line No.	Project	Project Description	Function	Amount in CWIP @ 12/31/06	Additional Charges Incurred During 2007	Total Project Costs
1	103401	BSP - Condenser Retube	Production	0	1,879,849	1,879,849
2	103402	BSP - AHPC Replacement	Production	0	8,431,462	8,431,462
3	103404	BSP - Generator Rewind	Production	0	4,659,425	4,659,425
4	103540	Langdon Wind Farm	Production	0	65,000,000	65,000,000
5				0	79,970,735	79,970,735

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	
Test Year Adjustment to CWIP to Transfer Project Costs to Capitalized Accounts								
Line No.	Project	Project Description	Function	Amount in CWIP @ 12/31/06	Amount in CWIP @ 12/31/07	Average Rate Base	2007 Test Year CWIP Adjustment	
6	103401	BSP - Condenser Retube	Production	0	0	0	0	
7	103402	BSP - AHPC Replacement	Production	0	0	0	0	
8	103404	BSP - Generator Rewind	Production	0	0	0	0	
9	103540	Langdon Wind Farm	Production	0	0	0	0	
10					0	0	0	
11	Total 2007 Test Year Adjustment to CWIP							0

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	
Test Year Adjustment to Plant in Service to Transfer Project Costs to Capitalized Accounts								
Line No.	Project	Project Description	Function	Amount Capitalized @ 12/31/06	Amount Capitalized @ 12/31/07	Average Rate Base	2007 Test Year Plant-in-Service Adjustment	
12	103401	BSP - Condenser Retube	Production	0	1,879,849	144,604	1,735,245	
13	103402	BSP - AHPC Replacement	Production	0	8,431,462	2,111,398	6,320,064	
14	103404	BSP - Generator Rewind	Production	0	4,659,425	358,417	4,301,008	
15	103540	Langdon Wind Farm	Production	0	65,000,000	5,000,000	60,000,000	
16		Base Demand - 71.89%		0	57,490,961	5,474,006	52,016,956	
17		Peak Demand - 28.11%		0	22,479,774	2,140,413	20,339,360	
18	Total 2007 Test Year Adjustment to Plant in Service							72,356,316

(A)	(B)	(C)	(D)	(E)	(F)	(G)	
Test Year Adjustment to Accumulated Depreciation to Reflect Increase in Plant in Service							
Line No.	Project	Project Description	Function	Accumulated Depreciation @ 12/31/07	Accumulated Depreciation Using Exp for '09	Difference	2007 Test Year A/D Adjustment
1	103401	BSP - Condenser Retube	Production	0	(63,996)	(63,996)	(63,996)
2	103402	BSP - AHPC Replacement	Production	(8,244)	(239,215)	(230,971)	(230,971)
3	103404	BSP - Generator Rewind	Production	0	(158,621)	(158,621)	(158,621)
4	103540	Langdon Wind	Production	0	(2,600,000)	(2,600,000)	(2,600,000)
5		Base Demand - 71.89%		(5,927)	(2,201,151)	(2,195,224)	(2,195,224)
6		Peak Demand - 28.11%		(2,317)	(860,681)	(858,364)	(858,364)
7				Total 2007 Test Year Adjustment to Accumulated Depreciation			<u>(3,053,588)</u>

(A)	(B)	(C)	(D)	(E)	(F)	(G)	
Test Year Adjustment to Depreciation Expense to Reflect Increase in Plant in Service							
Line No.	Project	Project Description	Function	Depreciation Expense 2007	Depreciation Expense 2009	Difference	2007 Test Year Expense Adjustment
8	103401	BSP - Condenser Retube	Production	0	63,996	63,996	63,996
9	103402	BSP - AHPC Replacement	Production	42,866	239,215	196,349	196,349
10	103404	BSP - Generator Rewind	Production	0	158,621	158,621	158,621
11	103540	Langdon Wind	Production	0	2,600,000	2,600,000	2,600,000
12		Base Demand - 71.89%		30,816	2,201,151	2,170,335	2,170,335
13		Peak Demand - 28.11%		12,050	860,681	848,631	848,631
14				Total 2007 Test Year Adjustment to Depreciation Expense			<u>3,018,966</u>

	(A)	(B)	(C)	(D)	(E)	(F)	(G)
Projects Started and Placed-in-Service During 2008 & 2009							
Line No.	Project	Project Description	Function	Amount in CWIP @ 12/31/07	Additional Charges Incurred During 2008	Additional Charges Incurred During 2009	Total Project Costs
1 x	103855	HL - Unit 3; Superheater Tubes	Production	0	0	0	0
2 x	103843	Ashtabula Wind Farm	Production	0	115,325,925	0	115,325,925
3 x	103806	Casselton Ethanol Plant	Transmission	0	0	0	0
4				0	115,325,925	0	115,325,925

	(A)	(B)	(C)	(D)	(E)	(F)	(G)
Test Year Adjustment to CWIP to Transfer Project Costs to Capitalized Accounts							
Line No.	Project	Project Description	Function	Amount in CWIP @ 12/31/06	Amount in CWIP @ 12/31/07	Average Rate Base	2007 Test Year CWIP Adjustment
5 x	103855	HL - Unit 3; Superheater Tubes	Production	0	0	0	0
6 x	103843	Ashtabula Wind Farm	Production	0	0	0	0
7				0	0	0	0
8 x	103806	Casselton Ethanol Plant	Transmission	0	0	0	0
9				0	0	0	0
10				0	0	0	0
11				Total 2007 Test Year Adjustment to CWIP			0

	(A)	(B)	(C)	(D)	(E)	(F)	(G)
Test Year Adjustment to Plant in Service to Transfer Project Costs to Capitalized Accounts							
Line No.	Project	Project Description	Function	Amount Capitalized @ 12/31/07	Amount Capitalized @ 12/31/08 & '09	Difference	2007 Test Year Plant-in-Service Adjustment
12 x	103855	HL - Unit 3; Superheater Tubes	Production	0	0	0	0
13 x	103843	Ashtabula Wind Farm	Production	0	115,325,925	115,325,925	115,325,925
14		Base Demand - 71.89%		0	82,907,807	82,907,807	82,907,807
15		Peak Demand - 28.11%		0	32,418,118	32,418,118	32,418,118
16 x	103806	Casselton Ethanol Plant	Transmission	0	0	0	0
17				0	0	0	0
18				0	115,325,925	115,325,925	115,325,925
19				Total 2007 Test Year Adjustment to Plant in Service			115,325,925

	(A)	(B)	(C)	(D)	(E)	(F)	(G)
Test Year Adjustment to Accumulated Depreciation to Reflect Increase in Plant in Service							
Line No.	Project	Project Description	Function	Accumulated Depreciation @ 12/31/07	Accumulated Depreciation Using Exp for '09	Difference	2007 Test Year A/D Adjustment
1	x	103855	HL - Unit 3; Superheater Tubes	Production	0	0	0
2	x	103843	Ashtabula Wind Farm	Production	0	(4,613,037)	(4,613,037)
3			Base Demand - 71.89%	0	(3,316,312)	(3,316,312)	(3,316,312)
4			Peak Demand - 28.11%	0	(1,296,725)	(1,296,725)	(1,296,725)
5	x	103806	Casselton Ethanol Plant	Transmission	0	0	0
6				0	0	0	0
7				0	(4,613,037)	(4,613,037)	(4,613,037)
8				Total 2007 Test Year Adjustment to Accumulated Depreciation			(4,613,037)

	(A)	(B)	(C)	(D)	(E)	(F)	(G)
Test Year Adjustment to Depreciation Expense to Reflect Increase in Plant in Service							
Line No.	Project	Project Description	Function	Depreciation Expense 2007	Normalized Depreciation Expense 2009	Difference	2007 Test Year Expense Adjustment
9	x	103855	HL - Unit 3; Superheater Tubes	Production	0	0	0
10	x	103843	Ashtabula Wind Farm	Production	0	4,613,037	4,613,037
11			Base Demand - 71.89%	0	3,316,312	3,316,312	3,316,312
12			Peak Demand - 28.11%	0	1,296,725	1,296,725	1,296,725
13	x	103806	Casselton Ethanol Plant	Transmission	0	0	0
14				0	0	0	0
15				0	4,613,037	4,613,037	4,613,037
16				Total 2007 Test Year Adjustment to Depreciation Expense			4,613,037

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
<u>North Dakota ITC - Tax Purposes</u>								
Line No.		2007	2008	2009	2010	2011	2012	Total
1 Langdon		1,950,000	2,333,938	2,333,938	2,333,938	2,333,938	383,937	11,669,689
2 Ashtabula			3,459,778	3,459,778	3,459,778	3,459,778	3,459,778	17,298,890
3								<u>28,968,579</u>

North Dakota ITC - Book Purposes - Amortize over 25 Years - Adjustment to Normalize ND ITC Credit

	2007	2008	2009
4 Langdon	6,500	466,788	466,788
5 Ashtabula		57,663	691,956
6	<u>6,500</u>	<u>524,451</u>	<u>1,158,743</u>

Book vs Tax Difference in ND ITC Credit - Adjustment to ADIT for Deferred Tax Credit

	2007	2008	2009	Total
7 Langdon	(1,943,500)	(1,867,150)	(1,867,150)	(5,677,800)
8 Ashtabula	0	(3,402,115)	(2,767,822)	(6,169,937)
9	<u>(1,943,500)</u>	<u>(5,269,265)</u>	<u>(4,634,973)</u>	<u>(11,847,737)</u>

(A)	(B)
<u>O & M Expense</u>	
Line No.	<u>2008/2009</u>
Langdon	
1	Operating Costs
2	Other 510,037
3	Ground Lease Payments 105,300
4	Base Demand - 71.89% 442,366
5	Peak Demand - 28.11% 172,971
6	Property Insurance 118,953
7	Property Tax 434,538
8	Total Langdon O & M <u>1,168,828</u>
Ashtabula	
9	Operating Costs
10	Other 604,488
11	Ground Lease Payments 194,000
12	Base Demand - 71.89% 574,033
13	Peak Demand - 28.11% 224,455
14	Property Insurance 140,981
15	Property Tax 570,647
16	Total Ashtabula O & M <u>1,510,116</u>
Combined Totals	
17	Operating Costs
18	Emp. Exp. - M&E 1,114,525
19	Ground Lease Payments 299,300
20	Base Demand - 71.89% <u>1,016,399</u>
21	Peak Demand - 28.11% <u>397,426</u>
22	Property Insurance 259,934
23	Property Tax 1,005,185
24	Total Combined O & M <u><u>2,678,944</u></u>

<u>Current Federal PTC - Book & Tax Purposes</u>	
	<u>2009</u>
25	Langdon 3,129,168
26	Ashtabula <u>3,620,337</u>
27	<u><u>6,749,505</u></u>

Oneal Tail Power Company
Decklet EL06-030
Plant Addition Adjustment
Adjusted Test Year Ended December 31, 2007

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	(T)	(U)
Line	Project #	Project Name	2007 In-Service service dollar	2007 EOP CWP on Line	2007 LTD Accumulated Depreciation	2007 LTD Accumulated Depreciation	2007 EOP CWP on Line	2007 LTD Accumulated Depreciation	LTD 2008 CWP & Project Balance	Account	2008 In-Service service dollar	2008 In-Service Rate	2008 Decr. Rate	2008 LTD Accumulated Depreciation	2008 LTD Accumulated Depreciation	2008 In-Service service dollar	2008 In-Service Rate	2008 Decr. Rate	2008 LTD Accumulated Depreciation	2008 LTD Accumulated Depreciation
1	103228	Coyote GSU	\$	\$ 671,963	\$	\$ 671,963	\$ 671,963	\$ 671,963	315-103	July	\$ 1,824,580	2.087%	\$ 14,131	\$ 14,131	\$ 14,131	\$	\$	\$ 1,818%	\$ 29,515	\$ 43,847
2	103317	Appleton/Carby	\$	\$	\$	\$	\$	\$	385	Apr-08	\$ 169,500	2.194%	\$ 2,398	\$ 2,398	\$ 2,398	\$	\$	2.215%	\$ 3,724	\$ 6,132
3			\$	\$	\$	\$	\$	\$	387	Apr-08	\$ 23,795	2.914%	\$ 461	\$ 461	\$ 461	\$	\$	2.875%	\$ 663	\$ 1,145
4			\$	\$	\$	\$	\$	\$	387	Apr-08	\$ 192,265	2.859%	\$ 2,859	\$ 2,859	\$ 2,859	\$	\$	2.875%	\$ 4,417	\$ 7,276
5	74198	Appleton/Carby	\$	\$ 418,418	\$	\$ 418,418	\$ 418,418	\$ 1,805,901	355	Jan-08	\$ 1,174,220	2.194%	\$ 22,877	\$ 22,877	\$ 22,877	\$	\$	2.156%	\$ 26,020	\$ 48,897
6			\$	\$	\$	\$	\$	\$	356	Jan-08	\$ 671,579	1.864%	\$ 11,475	\$ 11,475	\$ 11,475	\$	\$	1.848%	\$ 12,793	\$ 24,587
7			\$	\$	\$	\$	\$	\$	356	Apr-08	\$ 202,308	1.864%	\$ 2,514	\$ 2,514	\$ 2,514	\$	\$	1.804%	\$ 3,854	\$ 8,398
8			\$	\$	\$	\$	\$	\$	365	Apr-08	\$ 2,088	2.385%	\$ 33	\$ 33	\$ 33	\$	\$	2.385%	\$ 50	\$ 83
9			\$	\$	\$	\$	\$	\$	355	August	\$ 20,857	2.194%	\$ 148	\$ 148	\$ 148	\$	\$	2.156%	\$ 462	\$ 811
10			\$	\$	\$	\$	\$	\$	356	August	\$ 14,600	1.864%	\$ 91	\$ 91	\$ 91	\$	\$	1.804%	\$ 275	\$ 369
11			\$	\$	\$	\$	\$	\$	356	August	\$ 2,065,650	37.239%	\$ 37,239	\$ 37,239	\$ 37,239	\$	\$	37.239%	\$ 43,456	\$ 80,856
12		Total Appleton/Carby	\$	\$ 1,859,495	\$ 418,418	\$ 2,277,913	\$ 418,418	\$ 2,277,913	312-102	July	\$ 2,277,913	3.503%	\$ 40,998	\$ 40,998	\$ 40,998	\$	\$	3.503%	\$ 55,577	\$ 78,165
13	103371	Hoot Lake Superheater Tubes	\$	\$ 478,042	\$	\$ 478,042	\$ 478,042	\$ 1,549,380	314-101	July	\$ 1,549,380	4.483%	\$ 84,471	\$ 84,471	\$ 84,471	\$	\$	3.404%	\$ 63,998	\$ 148,467
14	103401	BSP - Condenser Reube	\$	\$	\$	\$	\$	\$	314-101	Dec-07	\$ 1,879,849	1.96%	\$ 218	\$ 218	\$ 218	\$	\$	1.96%	\$ 218	\$ 218
15	103402	BSP - A-IPC Replacement	\$	\$	\$	\$	\$	\$	311-101	Aug-07	\$ 32,704	3.882%	\$ 1,257	\$ 1,257	\$ 1,257	\$	\$	3.882%	\$ 1,257	\$ 1,257
16			\$	\$	\$	\$	\$	\$	312-101	Aug-07	\$ 4,721,473	3.882%	\$ 182,765	\$ 182,765	\$ 182,765	\$	\$	3.882%	\$ 182,765	\$ 182,765
17			\$	\$	\$	\$	\$	\$	312-101	Dec-07	\$ 3,677,284	3.882%	\$ 141,462	\$ 141,462	\$ 141,462	\$	\$	3.882%	\$ 141,462	\$ 141,462
18			\$	\$	\$	\$	\$	\$	314-101	Dec-07	\$ 8,431,462	4.659%	\$ 209,371	\$ 209,371	\$ 209,371	\$	\$	3.404%	\$ 158,621	\$ 367,962
19	103404	BSP - Generator Rewind	\$	\$	\$	\$	\$	\$	390-1	September	\$ 2,122,203	4.517%	\$ 23,985	\$ 23,985	\$ 23,985	\$	\$	4.385%	\$ 83,303	\$ 117,268
20	103485	Hi-Tech addition	\$	\$	\$	\$	\$	\$	344	Dec-07	\$ 65,000,000	4.000%	\$ 2,600,000	\$ 2,600,000	\$ 2,600,000	\$	\$	4.000%	\$ 2,600,000	\$ 2,600,000
21	103540	Lansdon Wind	\$	\$	\$	\$	\$	\$	344	Jan-08	\$ 12,797,524	4.000%	\$ 489,237	\$ 489,237	\$ 489,237	\$	\$	4.000%	\$ 489,237	\$ 489,237
22			\$	\$	\$	\$	\$	\$	353	July	\$ 77,797,524	2.106%	\$ 1,634,034	\$ 1,634,034	\$ 1,634,034	\$	\$	2.106%	\$ 1,634,034	\$ 1,634,034
23			\$	\$	\$	\$	\$	\$	344	Jan-08	\$ 1,115,325,825	3.503%	\$ 37,451	\$ 37,451	\$ 37,451	\$	\$	3.503%	\$ 37,451	\$ 37,451
24	103615	Hemel Substation	\$	\$	\$	\$	\$	\$	344	Dec-08	\$ 115,325,825	4.000%	\$ 4,613,037	\$ 4,613,037	\$ 4,613,037	\$	\$	4.000%	\$ 4,613,037	\$ 4,613,037
25		Total Lansdon	\$	\$	\$	\$	\$	\$	344	Dec-08	\$ 115,325,825	4.000%	\$ 4,613,037	\$ 4,613,037	\$ 4,613,037	\$	\$	4.000%	\$ 4,613,037	\$ 4,613,037
26	103580	Hoot Lake #2 Burner Upgrade	\$	\$	\$	\$	\$	\$	344	Dec-08	\$ 115,325,825	4.000%	\$ 4,613,037	\$ 4,613,037	\$ 4,613,037	\$	\$	4.000%	\$ 4,613,037	\$ 4,613,037
27	103943	Ashabula Wind Farm	\$	\$	\$	\$	\$	\$	344	Dec-08	\$ 115,325,825	4.000%	\$ 4,613,037	\$ 4,613,037	\$ 4,613,037	\$	\$	4.000%	\$ 4,613,037	\$ 4,613,037

* Projected, from 2009 Depreciation budget adjusted for extended steam plant lives.

RLK-2 Schedule 1, Page 1

Line 1, Column B: RLK-2, Sch 1, Pg 3, ln 15, col G plus
RLK-2, Sch 1, Pg 5, ln 30, col G plus
RLK-2, Sch 1, Pg 7, ln 16, col G plus
RLK-2, Sch 1, Pg 9, ln 14, col G

Line 2, Column B: RLK-2, Sch 1, Pg 3, ln 16, col G plus
RLK-2, Sch 1, Pg 5, ln 31, col G plus
RLK-2, Sch 1, Pg 7, ln 17, col G plus
RLK-2, Sch 1, Pg 9, ln 15, col G

Line 4, Column B: RLK-2, Sch 1, Pg 5, ln 34, col G
Line 5, Column B: RLK-2, Sch 1, Pg 3, ln 11, col G
Line 6, Column B: RLK-2, Sch 1, Pg 5, ln 21, col G
Line 7, Column B: RLK-2, Sch 1, Pg 5, ln 22, col G
Line 8, Column B: RLK-2, Sch 1, Pg 5, ln 23, col G
Line 9, Column B: RLK-2, Sch 1, Pg 5, ln 24, col G
Line 10, Column B: RLK-2, Sch 1, Pg 5, ln 25, col G
Line 12, Column B: RLK-2, Sch 1, Pg 3, ln 12, col G

Line 14, Column B: RLK-2, Sch 1, Pg 4, ln 5, col G plus
RLK-2, Sch 1, Pg 4, ln 19, col G plus
RLK-2, Sch 1, Pg 6, ln 6, col G plus
RLK-2, Sch 1, Pg 8, ln 23, col G plus
RLK-2, Sch 1, Pg 10, ln 3, col G

Line 15, Column B: RLK-2, Sch 1, Pg 4, ln 6, col G plus
RLK-2, Sch 1, Pg 4, ln 20, col G plus
RLK-2, Sch 1, Pg 6, ln 7, col G plus
RLK-2, Sch 1, Pg 8, ln 24, col G plus
RLK-2, Sch 1, Pg 10, ln 4, col G

Line 17, Column B: RLK-2, Sch 1, Pg 6, ln 10, col G
Line 18, Column B: RLK-2, Sch 1, Pg 4, ln 1, col G plus
RLK-2, Sch 1, Pg 4, ln 15, col G
Line 19, Column B: RLK-2, Sch 1, Pg 6, ln 1, col G
Line 20, Column B: RLK-2, Sch 1, Pg 4, ln 16, col G
Line 22, Column B: RLK-2, Sch 1, Pg 11, ln 23, col D

RLK-2 Schedule 1, Page 2

Line 1, Column B: RLK-2, Sch 1, Pg 4, ln 13, col G +
RLK-2, Sch 1, Pg 6, ln 18, col G +
RLK-2, Sch 1, Pg 8, ln 12, col G +
RLK-2, Sch 1, Pg 10, ln 11, col G

RLK-2 Schedule 1, Page 2 (continued)

Line 2, Column B: RLK-2, Sch 1, Pg 4, ln 14, col G +
RLK-2, Sch 1, Pg 6, ln 19, col G +
RLK-2, Sch 1, Pg 8, ln 13, col G +
RLK-2, Sch 1, Pg 10, ln 12, col G

Line 4, Column B: RLK-2, Sch 1, Pg 6, ln 22, col G
Line 5, Column B: RLK-2, Sch 1, Pg 4, ln 9, col G
Line 6, Column B: RLK-2, Sch 1, Pg 6, ln 13, col G
Line 7, Column B: RLK-2, Sch 1, Pg 4, ln 10, col G
Line 9, Column B: RLK-2, Sch 1, Pg 12, ln 20, col B
Line 10, Column B: RLK-2, Sch 1, Pg 12, ln 21, col B
Line 11, Column B: RLK-2, Sch 1, Pg 12, ln 22, col B
Line 12, Column B: RLK-2, Sch 1, Pg 12, ln 23, col B
Line 15, Column B: RLK-2, Sch 1, Pg 12, ln 27, col B
+ RLK-2, Sch 1, Pg 11, ln 23, col D

RLK-2 Schedule 1, Page 3

Line 1, Column F: Attachment 1 to IR 3-11, pg 3 of 53
Transfer to Plant in Service in 2007
Line 2, Column F: Attachment 1 to IR 3-11, pg 7 of 53
Transfer to Plant in Service in 2007
Line 3, Column F: Attachment 1 to IR 3-11, pg 11 of 53
Transfer to Plant in Service in 2007
Line 4, Column F: Attachment 1 to IR 3-11, pg 15 of 53
Transfer to Plant in Service in 2007

RLK-2 Schedule 1, Page 4

Line 1, Column E: Attachment 1 to IR 3-14, pg 1 of 3,
col 2007 depreciation
Line 4, Column E: Attachment 1 to IR 3-14, pg 1 of 3,
col 2007 depreciation
Line 9-12, Column E: Attachment 1 to IR 3-4, pg 1
of 3, col 2009 depreciation

RLK-2 Schedule 1, Page 5

Line 1, Column G: Attachment 1 to IR 3-11, pg 19
Line 2, Column G: Attachment 1 to IR 3-11, pg 21
Line 3, Column G: Attachment 1 to IR 3-11, pg 24
Line 4, Column G: Attachment 1 to IR 3-11, pg 27
Line 5, Column G: Attachment 1 to IR 3-11, pg 30
Line 6, Column G: Attachment 1 to IR 3-11, pg 32

RLK-2 Schedule 1, Page 5 (continued)

Line 7, Column G: Attachment 1 to IR 3-11, pg 35

RLK-2 Schedule 1, Page 6

Line 1-5 & 8-9, Column E: RLK-2, Sch 1, Pg 13, col T

RLK-2 Schedule 1, Page 7

Line 1, Column F: Attachment 1 to IR 3-11, Pg 38
Line 2, Column F: Attachment 1 to IR 3-11, Pg 41
Line 3, Column F: Attachment 1 to IR 3-11, Pg 44
Line 4, Column F: Attachment 1 to IR 3-11, Pg 30

RLK-2 Schedule 1, Page 8

Line 1-4, Column E: RLK-2, Sch 1, Pg 13, col T

RLK-2 Schedule 1, Page 9

Line 1, Column E: Not in Service, See Attachment
1 to IR 3-11, Pg 47
Line 2, Column E: Attachment 1 to IR 3-11, Pg 49
Line 5, Column E: Not included in rate base

RLK-2 Schedule 1, Page 10

Line 2, Column E: RLK-2, Sch 1, Pg 13, col T

RLK-2 Schedule 1, Page 11

Line 1, Column B: W/P 2007 SD TY-01, Page 9 of 10
Line 1, Column C-F: Line 1, Column H / 5
Line 1, Column G: Line 1, Column H / 5 minus
Line 1, Column B
Line 1, Column H: $((65,000,000 + 12,797,924) * 5\%) * 3$
Line 2, Column C-G: Line 2, Column H / 5
Line 2, Column H: $(115,325,925 * 5\%) * 3$
Line 3, Column H: Column H, Line 1 + Line 2
Line 4, Column B: W/P 2007 SD TY-01, Page 9 of 10
Line 4, Column C-D: Line 1, Column H / 25
Line 5, Column C: W/P 2007 SD TY-01, Page 9 of 10
Line 5, Column D: Line 2, Column H / 25
Line 6, Column D: Column D, Line 4 + Line 5
Line 7, Column B: Line 4, Column B - Line 1, Column B

RLK-2 Schedule 1, Page 11 (continued)

Line 7 - 8 , Column C - D: Same process as Line 7, Col B
Line 7, Column E: Sum Line 7, Column B-D
Line 9, Column E: Column E, Line 7 + Line 8

RLK-2 Schedule 1, Page 12

Line 2, Column b: Attachment 1 to IR 3-12, page 1 of 1
Line 3, Column b: Attachment 1 to IR 3-12, page 1 of 1
Line 6, Column b: 3/5/09 E-mail to Knadle from Beithon
Line 7, Column b: Supplemental Information - Part 2 of 2
(Confidential) filed 2-25-09
Line 10, Column b: $((48 \text{ MW Ashtabula} - 40.5 \text{ MW Langdon}) / 40.5 \text{ MW} + 1) * \text{Langdon Costs}$
Line 11, Column b: 3/5/09 E-mail to Knadle from Beithon
Line 14, Column b: $((48 \text{ MW Ashtabula} - 40.5 \text{ MW Langdon}) / 40.5 \text{ MW} + 1) * \text{Langdon Costs}$
Line 15, Column b: Supplemental Information - Part 2 of 2
Line 25, Column b: Attachment 2 to IR 3-12
Line 26, Column b: Attachment 3 to IR 3-12

RLK-2 Schedule 1, Page 13

Line 1, Column J: Attachment 1 to IR 3-11, p. 27
Line 5-10, Column M: Breakout based on same ratio as
Attachment 1 to IR 3-14, p. 2
Line 12, Column H, I, J: Attachment 1 to IR 3-11, p. 35
Line 13, Column J: Attachment 1 to IR 3-11, p. 24
Line 14, Column D: Attachment 1 to IR 3-11, p. 38
Line 18, Column D: Attachment 1 to IR 3-11, p. 41
Line 19, Column D: Attachment 1 to IR 3-11, p. 44
Line 20, Column J: Attachment 1 to IR 3-11, p. 19
Line 21, Column D: Attachment 1 to IR 3-11, p. 30
Line 22, Column M: Attachment 1 to IR 3-11, p. 30
Line 24, Column M: Attachment 1 to IR 3-11, p. 32
Line 26, Column J: Attachment 1 to IR 3-11, p. 21
Line 27, Column I: Attachment 1 to IR 3-11, p. 49

<u>Line</u>	<u>Description</u>	<u>Amount</u>
	(a)	(b)
1	Moss & Barnett, attorneys	\$ 75,000
2	Administrative Costs	50,000
3	SD PUC Statutory Fee	<u>100,000</u>
4	Total Rate Case Expense	<u>225,000</u>
5	5 Year Amortization	\$ 45,000
6	Pro Forma Adjustment to Rate Base	\$ 112,500

SOURCES:

Column b, line 1: W/P 2007 SD TY-04, Pg 1, column B, line 3
Column b, line 2: W/P 2007 SD TY-04, Pg 1, column B, line 4
Column b, line 3: Maximum Statutory Fee
Column b, line 4: Sum of lines 1 through 3
Column b, line 5: Line 4 / 5
Column b, line 6: Line 4 / 2

<u>Allocation Factor</u>	<u>South Dakota Percent</u>
E1	9.763471%
E2	9.692295%
D1	9.353195%
D2	9.260463%
D3	10.269858%
D4	10.654791%
C1	9.033353%
C2	9.113259%
C3	9.111530%
C4	10.633834%
C5	9.490065%
C6	9.319059%
C7	9.364516%
C8	9.111783%
C9	10.038365%
P10	9.647282%
P60	9.838345%
P90	9.252682%
EPIS	9.607271%
NEPIS	9.610452%
OXPD	9.652012%
OXD	9.772613%
OXC	9.223750%
OXI	4.519899%
NPISM	0.000000%
NPISN	0.000000%
NPMNR	0.000000%
CWIPLT	0.000000%
R10	9.422733%
LRE	9.170454%
OX	

Source: Attachment 4 to IR 6-07, pages 15 & 16

<u>Line</u>	<u>Description</u>	<u>Total Company Amount</u>	<u>Allocation Factor</u>	<u>South Dakota Percent</u>	<u>South Dakota Amount</u>
	(a)	(b)	(c)	(d)	(e)
1	Affiliate Transaction - Maintenance of General Plant	\$ (69,778)	P90	9.252682%	<u>\$ (6,456)</u>

SOURCES:

Line 1, Column B: Vol 4A, TY-18, p. 161

<u>Line</u>	<u>Description</u>	<u>Total Company Amount</u>	<u>Allocation Factor</u>	<u>South Dakota Percent</u>	<u>South Dakota Amount</u>
	(a)	(b)	(c)	(d)	(e)
1	Actual Holding Company Costs Incurred Through Feb 2009	\$ 429,261			
2	OTP Corporate Allocation Percentage	36.40%			
3	Holding Company Expenses	156,251			
4	5 Year Amortization	31,250	NEPIS	9.610452%	\$ 3,003
5	Rate base	78,126	NEPIS	9.610452%	\$ 7,508

SOURCES:

Column b, line 1: 3/4/2009 E-mail to Knadle from Beithon
Column b, line 2: Vol 4A, SD TY-13, pg 153
Column b, line 3: Column b, line 1 * line 2
Column b, line 4: Column b, line 3 / 5
Column b, line 5: Column b, line 3 / 2

Line No.		(A)	(B)	(C)	(D)
ADMINISTRATIVE & GENERAL EXPENSES					
	SALARIES, SUPPLIES, PENSIONS & BENEFITS	System	Allocator	Allocation %	South Dakota
1	PRODUCTION	615,676	OXPD	9.6520120%	59,425
2	TRANSMISSION	235,666	D2	9.2604630%	21,824
3	DISTRIBUTION	418,814	OXD	9.7726130%	40,929
4	CUSTOMER ACCOUNTS	299,392	OXC	9.2237500%	27,615
5	CUSTOMER SERVICE & INFO	103,031	C1	9.0333530%	9,307
6	Net Impact on A&G	1,672,578			159,100
7	Federal Tax Rate	35%			35%
8	Impact on Federal Income Taxes	(585,402)			(55,685)

DEFERRED INCOME TAXES					
	ALL OTHER	System	Allocator	Allocation %	South Dakota
9	FEDERAL	0	NEPIS	9.6104520%	-
10	MINNESOTA	0	NPISM	0.0000000%	-
11	NORTH DAKOTA	0	NPISN	0.0000000%	-
		-			-

Schedule M Impact					
		System	Allocator	Allocation %	South Dakota
12	CHARGES - OPERATING RESERVES	(2,054,606)	NEPIS	9.6104520%	(197,457)
13	PROVISIONS - OPERATING RESERVES	4,382,031	NEPIS	9.6104520%	421,133
14	Increase to Federal Taxable income	2,327,425			223,676
15	Federal Tax Rate	35%			35%
16	Impact to Income Taxes	814,599			78,287

South Dakota Medical/Dental Adjustment					
Line #	Description	(A) Total Utility	(B) Allocator	(C) Allocator %	(D) SD
PRODUCTION					
1	BASE DEMAND	144,162	E1	9.763471%	14,075
2	PEAK DEMAND	71,424	D1	9.353195%	6,680
3	TOTAL PRODUCTION EXPENSE	<u>215,586</u>			<u>20,755</u>
4	TRANSMISSION EXPENSES	82,532	D2	9.260463%	7,643
DISTRIBUTION EXPENSES					
5	PRIMARY DEMAND	41,512	D3	10.269858%	4,263
6	SECONDARY DEMAND	13,297	D4	10.654791%	1,417
7	PRIMARY CUSTOMER	28,366	C2	9.113259%	2,585
8	SECONDARY CUSTOMER	22,946	C3	9.111530%	2,091
9	STREETLIGHTING	15,058	C4	10.633834%	1,601
10	AREA LIGHTING	429	C5	9.490065%	41
11	METERS	25,017	C6	9.319059%	2,331
12	LOAD MANAGEMENT				
13	TOTAL DISTRIBUTION EXPENSE	<u>146,626</u>			<u>14,329</u>
CUSTOMER ACCOUNTING EXPENSES					
14	METER READING	46,440	C7	9.364516%	4,349
15	OTHER	58,385	C8	9.111783%	5,320
16	TOTAL CUSTOMER ACCOUNTS	<u>104,825</u>			<u>9,669</u>
CUSTOMER SERV & INFO EXP - (MN CIP)					
17	-MN	18,032	Direct	100.000000%	-
18	-ND	-			
19	-SD	-			
20	-OTHER	18,058	C1	9.033353%	1,631
21	TOTAL CUSTOMER SERV & INFORMATION EXP	<u>36,090</u>			<u>1,631</u>
ADMINISTRATIVE & GENERAL EXPENSES					
SALARIES, SUPPLIES, PENSIONS & BENEFITS					
22	PRODUCTION	104,321	OXPD	9.652012%	10,069
23	TRANSMISSION	39,932	D2	9.260463%	3,698
24	DISTRIBUTION	70,964	OXD	9.772613%	6,935
25	CUSTOMER ACCOUNTS	50,729	OXC	9.223750%	4,679
26	CUSTOMER SERVICE & INFO	17,458	C1	9.033353%	1,577
		<u>283,404</u>			<u>26,958</u>
27	TOTAL	<u>869,064</u>			<u>80,985</u>

SOURCES:

Column A: DAJ-1 Sch 1 Pg 2 Col D
Column B: TY-05 p 120
Column C: JPT-3 Sch 2

Line No.	(A)	(B)	(C)	(D)
Functionalization of Employee Benefits Adjustment				
	<u>PRODUCTION</u>			Medical/Dental
1	BASE DEMAND	11,325,547	67%	144,162
2	PEAK DEMAND	5,611,117	33%	71,424
3	TOTAL PRODUCTION EXPENSE	16,936,664	100%	215,586
4	TRANSMISSION EXPENSES			82,532
	<u>DISTRIBUTION EXPENSES</u>			
5	PRIMARY DEMAND	4,157,949	28%	41,512
6	SECONDARY DEMAND	1,331,858	9%	13,297
7	PRIMARY CUSTOMER	2,841,193	19%	28,366
8	SECONDARY CUSTOMER	2,298,330	16%	22,946
9	STREETLIGHTING	1,508,249	10%	15,058
10	AREA LIGHTING	42,974	0%	429
11	METERS	2,505,796	17%	25,017
12	LOAD MANAGEMENT	-		
13	TOTAL DISTRIBUTION EXPENSE	14,686,349	100%	146,626
	<u>CUSTOMER ACCOUNTING EXPENSES</u>			
14	METER READING	4,654,956	44%	46,440
15	OTHER	5,852,304	56%	58,385
16	TOTAL CUSTOMER ACCOUNTS	10,507,260	100%	104,825
	<u>CUSTOMER SERV & INFO EXP - (MN CIP)</u>			
17	-MN	2,618,980	50%	18,032
18	-ND	-		
19	-SD	-		
20	-OTHER	2,622,720	50%	18,058
21	TOTAL CUSTOMER SERV & INFORMATION EXP	5,241,700	100%	36,090
	<u>ADMINISTRATIVE & GENERAL EXPENSES</u>			
	<u>SALARIES, SUPPLIES, PENSIONS & BENEFITS</u>			
22	PRODUCTION	8,158,582	37%	104,321
23	TRANSMISSION	3,122,913	14%	39,932
24	DISTRIBUTION	5,549,875	25%	70,964
25	CUSTOMER ACCOUNTS	3,967,362	18%	50,729
26	CUSTOMER SERVICE & INFO	1,365,305	6%	17,458
27				
28	TOTAL A&G SALARIES, SUPP, PENSIONS & BENEFIT:	22,164,037	100%	283,404
29	TOTAL			869,064

SOURCES:

Column B & C: TY-05 p. 124
Column D, Line 3, 4, 13, 16, 21, 26, 29: DAJ-1 Sch 1 Pg 3
Column D, Line 1: Column C, Line 1 + Column D, Line 3
Column D, Line 2, 5-11, 14-15, 17, 20, 22-26: Similar calculations as Column D, Line 1

Total Company Adjustment Calculation - Medical/Dental		
Line No.	(A) Description	(B) Amount
1	2007 Actual	\$ 8,304,645
2	2008 Actual	9,324,011
3	Adjustment	<u>1,019,366</u>

Functional Spread of Employee Benefits - Labor				
Line No.	(A) Labor From FERC Form 1 Page 354-355	(B) Amount	(C) % of total	(D) Medical/Dental
4	Production	\$ 14,906,456	21.1%	\$ 215,586
5	Transmission	5,706,607	8.1%	82,532
6	Distribution	10,138,266	14.4%	146,626
7	Customer Accounts	7,247,999	10.3%	104,825
8	Customer Service & Information, & Sales (1)	2,495,421	3.5%	36,090
9	Administrative & General	<u>19,595,620</u>	27.8%	<u>283,404</u>
10	Total Labor Expense	\$ 60,090,369		\$ 869,064
11	Construction Labor	<u>9,230,786</u>	13.1%	<u>133,501</u>
12	Total Utility Labor	\$ 69,321,155		\$ 1,002,565
13	Account 417.1 Expenses of Non-Utility Operations	<u>1,161,698</u>	1.6%	<u>16,801</u>
14	Total Otter Tail Power Labor	<u>\$ 70,482,853</u>	100.0%	<u>\$ 1,019,366</u>

SOURCES:

Line 1, Col B: TY-05, pg 126
Line 2, Col B: IR 5-2
Line 3, Col B: Col B, Line 2 - Line 1
Line 4-14, Col B & C: TY-05, pg 126
Line 14, Column D: Line 3, Column B

SOUTH DAKOTA ANNUAL WAGE INCREASE ADJUSTMENT

Line No.	Description from JCOSS INPUT SUMMARY	(A) Total Utility	(B) Allocator	(C) Allocator %	(D) SD
PRODUCTION					
1	BASE DEMAND	496,265	E1	9.763471%	48,453
2	PEAK DEMAND	245,869	D1	9.353195%	22,997
3	TOTAL PRODUCTION EXPENSE	<u>742,134</u>			<u>71,449</u>
4	TRANSMISSION EXPENSES	284,110	D2	9.260463%	26,310
DISTRIBUTION EXPENSES					
5	PRIMARY DEMAND	142,902	D3	10.269858%	14,676
6	SECONDARY DEMAND	45,774	D4	10.654791%	4,877
7	PRIMARY CUSTOMER	97,647	C2	9.113259%	8,899
8	SECONDARY CUSTOMER	78,990	C3	9.111530%	7,197
9	STREETLIGHTING	51,836	C4	10.633834%	5,512
10	AREA LIGHTING	1,477	C5	9.490065%	140
11	METERS	86,120	C6	9.319059%	8,026
12	LOAD MANAGEMENT				
13	TOTAL DISTRIBUTION EXPENSE	<u>504,745</u>			<u>49,326</u>
CUSTOMER ACCOUNTING EXPENSES					
14	METER READING	159,865	C7	9.364516%	14,971
15	OTHER	200,985	C8	9.111783%	18,313
16	TOTAL CUSTOMER ACCOUNTS	<u>360,850</u>			<u>33,284</u>
CUSTOMER SERV & INFO EXP - (MN CIP)					
17	-MN	62,074	Direct	100.000000%	-
18	- ND				
19	- SD				
20	- OTHER	62,163	C1	9.033353%	5,615
21	TOTAL CUSTOMER SERV & INFORMATION EXP	<u>124,237</u>			<u>5,615</u>
ADMINISTRATIVE & GENERAL EXPENSES					
SALARIES, SUPPLIES, PENSIONS & BENEFITS					
22	PRODUCTION	359,115	OXP	9.652012%	34,662
23	TRANSMISSION	137,461	D2	9.260463%	12,729
24	DISTRIBUTION	244,288	OXD	9.772613%	23,873
25	CUSTOMER ACCOUNTS	174,631	OXC	9.223750%	16,107
26	CUSTOMER SERVICE & INFO	60,096	C1	9.033353%	5,429
		<u>975,590</u>			<u>92,801</u>
27	TOTAL	2,991,666			<u><u>278,785</u></u>

SOURCES:

Column B: DAJ-1 Sch 2 Pg 3
Column C: TY-12 Pg 144
Column D: JPT-3 Sch 2

SOUTH DAKOTA ADJUSTMENT FOR KPA AND UTILITY MANAGEMENT INCENTIVES

Line No.	Description from JCOSS INPUT SUMMARY	(A) Total Utility	(B) Allocator	(C) Allocator %	(D) SD
PRODUCTION					
1	BASE DEMAND	(26,228)	E1	9.763471%	(2,561)
2	PEAK DEMAND	(12,994)	D1	9.353195%	(1,215)
3	TOTAL PRODUCTION EXPENSE	<u>(39,222)</u>			<u>(3,776)</u>
4	TRANSMISSION EXPENSES	(15,015)	D2	9.260463%	(1,390)
DISTRIBUTION EXPENSES					
5	PRIMARY DEMAND	(7,552)	D3	10.269858%	(776)
6	SECONDARY DEMAND	(2,419)	D4	10.654791%	(258)
7	PRIMARY CUSTOMER	(5,161)	C2	9.113259%	(470)
8	SECONDARY CUSTOMER	(4,175)	C3	9.111530%	(380)
9	STREETLIGHTING	(2,740)	C4	10.633834%	(291)
10	AREA LIGHTING	(78)	C5	9.490065%	(7)
11	METERS	(4,551)	C6	9.319059%	(424)
12	LOAD MANAGEMENT	-			
13	TOTAL DISTRIBUTION EXPENSE	<u>(26,676)</u>			<u>(2,607)</u>
CUSTOMER ACCOUNTING EXPENSES					
14	METER READING	(8,449)	C7	9.364516%	(791)
15	OTHER	(10,622)	C8	9.111783%	(968)
16	TOTAL CUSTOMER ACCOUNTS	<u>(19,071)</u>			<u>(1,759)</u>
CUSTOMER SERV & INFO EXP - (MN CIP)					
17	-MN	(3,281)	Direct	100.000000%	-
18	- ND				
19	- SD				
20	- OTHER	(3,285)	C1	9.033353%	(297)
21	TOTAL CUSTOMER SERV & INFORMATION EXP	<u>(6,566)</u>			<u>(297)</u>
ADMINISTRATIVE & GENERAL EXPENSES					
SALARIES, SUPPLIES, PENSIONS & BENEFITS					
22	PRODUCTION	(49,014)	OXPD	9.652012%	(4,731)
23	TRANSMISSION	(18,762)	D2	9.260463%	(1,737)
24	DISTRIBUTION	(33,342)	OXD	9.772613%	(3,258)
25	CUSTOMER ACCOUNTS	(23,835)	OXC	9.223750%	(2,198)
26	CUSTOMER SERVICE & INFO	(8,202)	C1	9.033353%	(741)
		<u>(133,155)</u>			<u>(12,665)</u>
27	TOTAL	(239,705)			<u>(22,495)</u>

SOURCES:

Column A: DAJ-1 Sch 2, Pg 3
Column B: TY-12, p 145
Column C: JPT-3, Sch 2

FUNCTIONALIZATION OF LABOR ADJUSTMENTS

Line No.	(A) Description from JCOSS INPUT SUMMARY	(B) From Functionalization	(C) %	(D) Wage Increase	(E) KPP & Mgmt
<u>PRODUCTION</u>					
1	BASE DEMAND	11,325,547	67%	496,265	(26,228)
2	PEAK DEMAND	5,611,117	33%	245,869	(12,994)
3	TOTAL PRODUCTION EXPENSE	16,936,664	100%	742,134	(39,222)
4	TRANSMISSION EXPENSES			284,110	(15,015)
<u>DISTRIBUTION EXPENSES</u>					
5	PRIMARY DEMAND	4,157,949	28%	142,902	(7,552)
6	SECONDARY DEMAND	1,331,858	9%	45,774	(2,419)
7	PRIMARY CUSTOMER	2,841,193	19%	97,647	(5,161)
8	SECONDARY CUSTOMER	2,298,330	16%	78,990	(4,175)
9	STREETLIGHTING	1,508,249	10%	51,836	(2,740)
10	AREA LIGHTING	42,974	0%	1,477	(78)
11	METERS	2,505,796	17%	86,120	(4,551)
12	LOAD MANAGEMENT	0			
13	TOTAL DISTRIBUTION EXPENSE	14,686,349	100%	504,745	(26,676)
<u>CUSTOMER ACCOUNTING EXPENSES</u>					
14	METER READING	4,654,956	44%	159,865	(8,449)
15	OTHER	5,852,304	56%	200,985	(10,622)
16	TOTAL CUSTOMER ACCOUNTS	10,507,260	100%	360,850	(19,071)
<u>CUSTOMER SERV & INFO EXP - (MN CIP)</u>					
17	-MN	2,618,980	50%	62,074	(3,281)
18	-ND	0			
19	-SD	0			
20	-OTHER	2,622,720	50%	62,163	(3,285)
21	TOTAL CUSTOMER SERV & INFORMATION EXP	5,241,699	100%	124,237	(6,566)
<u>ADMINISTRATIVE & GENERAL EXPENSES</u>					
<u>SALARIES, SUPPLIES, PENSIONS & BENEFITS</u>					
22	PRODUCTION	8,158,582	37%	359,115	(49,014)
23	TRANSMISSION	3,122,913	14%	137,461	(18,762)
24	DISTRIBUTION	5,549,875	25%	244,288	(33,342)
25	CUSTOMER ACCOUNTS	3,967,362	18%	174,631	(23,835)
26	CUSTOMER SERVICE & INFO	1,365,305	6%	60,096	(8,202)
27	TOTAL A&G SALARIES, SUPP, PENSIONS & BENEFITS	22,164,036	100%	975,590	(133,155)
28	TOTAL			2,991,666	(239,705)

SOURCES:

Col B & C: TY-12 p. 146
Col D, Line 3, 4, 13, 16, 21, 27: DAJ-1 Sch 2 Pg 4
Col E, Line 3, 4, 13, 16, 21, 27: DAJ-1 Sch 2 Pg 4

FUNCTION OF SPREAD OF EMPLOYEE BENEFITS - LABOR

(A)	(B)	(C)	(D)	(E)	(F)	(G)
<u>Description from JCOSS INPUT SUMMARY</u>						
ADMINISTRATIVE & GENERAL EXPENSES						
SALARIES, SUPPLIES, PENSIONS & BENEFITS						
				<u>Mgmt Incentive</u>		
PRODUCTION	8,158,582	36.81%		(30,035)		
TRANSMISSION	3,122,913	14.09%		(11,497)		
DISTRIBUTION	5,549,875	25.04%		(20,431)		
CUSTOMER ACCOUNTS	3,967,362	17.90%		(14,606)		
CUSTOMER SERVICE & INFO	1,365,305	6.16%		(5,026)		
	<u>22,164,036</u>	<u>100.00%</u>		<u>(81,595)</u>		

<u>Labor From FERC Form 1 Page 354-355</u>	<u>Amount</u>	<u>% of total</u>	<u>Wage Increase</u>	<u>KPP Average</u>	<u>Mgmt Incentive</u>	<u>KPP & Mgmt Incent.</u>
Production	\$ 14,906,456	21.1%	\$ 742,134	\$ (39,222)		\$ (39,222)
Transmission	5,706,607	8.1%	284,110	(15,015)		\$ (15,015)
Distribution	10,138,266	14.4%	504,745	(26,676)		\$ (26,676)
Customer Accounts	7,247,999	10.3%	360,850	(19,071)		\$ (19,071)
Customer Service & Information, & Sales (1)	2,495,421	3.5%	124,237	(6,566)		\$ (6,566)
Administrative & General	<u>19,595,620</u>	<u>27.8%</u>	<u>975,590</u>	<u>(51,560)</u>	<u>(81,595)</u>	<u>(133,155)</u>
Total Labor Expense	\$ 60,090,369		\$ 2,991,666	\$ (158,109)	\$ (81,595)	\$ (239,705)
Construction Labor	<u>9,230,786</u>	<u>13.1%</u>	<u>459,565</u>	<u>(24,288)</u>		<u>\$ (24,288)</u>
Total Utility Labor	\$ 69,321,155		\$ 3,451,231	\$ (182,397)	\$ (81,595)	\$ (263,993)
Account 417.1 Expenses of Non-Utility Operations	<u>1,161,698</u>	<u>1.6%</u>	<u>57,836</u>	<u>(3,057)</u>		<u>(3,057)</u>
Total Otter Tail Power Labor	<u>\$ 70,482,853</u>	<u>100.0%</u>	<u>\$3,509,067</u>	<u>\$ (185,454)</u>	<u>\$ (81,595)</u>	<u>\$ (267,049)</u>

TOTAL COMPANY EMPLOYEE ANNUAL LABOR INCREASES

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)
Line No.	Group	2007 Total ⁴	2007 Total OTP Share	December 2007 ⁴	December 2007 OTP Share	2008 OTP base wage	2008 pay increase	2008 base + increase	2009 pay increase	2009 base + increase	Adjustment
1	Coyote Union	\$3,458,527.09	\$1,210,484.48	\$319,687.68	\$111,890.69	\$1,342,688.26	\$17,902.51	\$1,360,590.77	\$54,423.63	\$1,415,014.40	\$204,529.92
2	BSP Union	\$3,627,327.41	\$1,955,129.47	\$311,700.00	\$168,006.30	\$2,016,075.60	\$11,760.44	\$2,027,836.04	\$58,802.21	\$2,086,638.25	\$131,508.77
3	Other Union	\$17,772,464.64	\$17,772,464.64	\$1,554,924.28	\$1,554,924.28	\$18,659,091.36	\$108,844.70	\$18,767,936.06	\$544,223.50	\$19,312,159.56	\$1,539,694.92
4	Total Union	\$24,858,319.14	\$20,938,078.60	\$2,186,311.96	\$1,834,821.27	\$22,017,855.22	\$138,507.65	\$22,156,362.87	\$657,449.33	\$22,813,812.20	\$1,875,733.60
5	Coyote Nonunion ¹	\$1,093,799.64	\$382,829.87	\$97,298.00	\$34,054.30	\$408,651.60	\$11,064.24	\$419,715.84	\$3,688.08	\$423,403.92	\$40,574.05
6	BSP Nonunion ²	\$755,301.00	\$407,107.24	\$63,443.00	\$34,195.78	\$410,349.32	\$11,110.21	\$421,459.53	\$3,703.40	\$425,162.93	\$18,055.70
7	Other Nonunion	\$23,259,958.67	\$23,259,958.67	\$1,984,633.87	\$1,984,633.87	\$23,815,806.44	\$644,807.54	\$24,460,613.98	\$214,935.85	\$24,675,549.83	\$1,415,391.16
8	Total nonunion	\$25,109,059.31	\$24,049,895.78	\$2,145,374.87	\$2,052,883.95	\$24,634,607.36	\$666,981.99	\$25,301,589.36	\$222,327.33	\$25,523,916.69	\$1,474,020.91
9	Executive Management	\$1,405,300.26	\$1,405,300.26	\$120,278.00	\$120,278.00	\$1,443,336.00	\$54,774.60	\$1,498,110.60	\$18,258.20	\$1,516,368.80	\$111,068.54
10	Level 3.3 Managers ³	\$1,032,652.09	\$1,032,652.09	\$86,936.27	\$86,936.27	\$1,043,235.24	\$28,245.59	\$1,071,480.83	\$9,415.20	\$1,080,896.03	\$48,243.94
11	Total Management	\$2,437,952.35	\$2,437,952.35	\$207,214.27	\$207,214.27	\$2,486,571.24	\$83,020.20	\$2,569,591.44	\$27,673.40	\$2,597,264.83	\$159,312.48
12	TOTAL	\$52,405,330.80	\$47,425,926.73	\$4,538,901.10	\$4,094,919.49	\$49,139,033.82	\$888,509.84	\$50,027,543.66	\$907,450.06	\$50,934,993.72	\$3,509,067.00

7.40%

13 ¹ Excludes Plant Manager

14 ² Excludes Plant Manager

15 ³ Adjusted Plant Managers to reflect OTP share

16 ⁴ Represents base labor.

17 The Level 3.3 Managers use the same percentage as Non-Union.

	2008		2009	
	Increase	Month of increase	Increase	Month of increase
20 Coyote Un ion	0.04	9	0.04	9
21 BSP & Other Un ion	0.035	11	0	11
22 Non-union - non executive	0.0361	4	0	4
23 Executive	0.0506	4	0	4

SOURCES:

COL B -F, LINE 1-12: TY-12 p.148

COL F, LINE 1-3, 5-7, 9-10: COL E * 12

COL G, LINE 1-3, 5-7, 9-10: COL F * (12 - appropriate month in column c, line 20-23 + 1) * appropriate increase in column b, line 20-23

COL H, LINE 1-3, 5-7, 9-10: COL F + COL G

COL I, LINE 1-3, 5-7, 9-10: COL F * (appropriate month in column c, line 20-23 - 1) * appropriate increase in column b, line 20-23 plus

(COL F * (1 + appropriate increase in column c, line 20-23) * appropriate increase in column e, line 20-23)/12 * (12 - appropriate month in column F + 1)

COL J, LINE 1-3, 5-7, 9-10: COL H + COL I

COL K: COL J - COL C

LINE 20, COL B & C: Attachment 4 to IR 3-39, p. 24

LINE 20, COL E & F: Attachment 4 to IR 3-39, p. 24

LINE 21, COL B & C: Attachment 3 to IR 3-39, p. 27

LINE 22, COL B & C: Attachment 2 to IR 3-39

LINE 23, COL B & C: Attachment 1 to IR 7-17, p. 24

TOTAL COMPANY EMPLOYEE PERFORMANCE INCENTIVE

Line No.	(A)	(B)	(C)	(D)
1	3 year average 2006 - 2008			\$303,492
2	Amount in Financial Statements/COSS for 2007			<u>(488,946)</u>
3	Test Year Adjustment			<u>(\$185,454)</u>

Key Performance Award	
Year	Actual
2006	\$213,440
2007	\$340,935
2008	\$356,101
3Yr Average	\$303,492

SOURCES:

Line 1, column D: Line 8, column B
 Line 2, column D: TY-12, p 149
 Line 5 - 7, column B: IR 3-37, Key Performance Award Actual

TOTAL COMPANY MANAGEMENT PERFORMANCE INCENTIVE

Line No.	(A)	(B)	(C)	(D)
1	5 year average 2004 - 2008			\$200,065
2	Amount in Financial Statements/COSS for 2007			<u>(281,660)</u>
3	Test Year Adjustment			<u>(\$81,595)</u>

Management Incentive Plan	
Year	Actual less 25% cap on base pay
2004	\$95,520
2005	\$217,612
2006	\$135,619
2007	\$254,906
2008	\$296,667
5 Yr Average	\$200,065

SOURCES:

Line 1, Column D: Line 10, Column B

Line 2, Column D: TY-12, p. 150

Line 5 - 9, Column B: IR 3-38, Actual Less 25% Cap on Base Pay, Individual Performance

OTTER TAIL POWER COMPANY

South Dakota Retail Jurisdiction
FAS 112 Adjustment
Test Year Ended December 31, 2007

(A)	Total Utility (B)	South Dakota Allocator Factor (C)	Percent (D)	SD Amount (E)
Production				
1. Base demand	\$10,065	E1	9.763471%	\$983
2. Peak demand	4,987	D1	9.353195%	466
3. Total production expense	<u>\$15,052</u>			<u>\$1,449</u>
4. Transmission expense	5,762	D2	9.260463%	534
Distribution expenses				
5. Primary demand	2,898	D3	10.269858%	298
6. Secondary demand	928	D4	10.654791%	99
7. Primary customer	1,980	C2	9.113259%	180
8. Secondary customer	1,602	C3	9.111530%	146
9. Street lighting	1,051	C4	10.633834%	112
10. Area lighting	30	C5	9.490065%	3
11. Meters	1,747	C6	9.319059%	163
12. Load Management				
13. Total distribution expenses	<u>\$10,236</u>			<u>\$1,001</u>
Customer accounting expenses				
14. Meter reading	3,242	C7	9.364516%	304
15. Other	4,077	C8	9.111783%	371
16. Total customer acct. exp.	<u>\$7,319</u>			<u>\$675</u>
Customer Serv & Info expense				
17. -MN	1,259	Direct	0.000000%	0
18. -ND				
19. -SD				
20. -Other	1,261	C1	9.033353%	114
21. Total Cust. Serv & Info ex.	<u>\$2,520</u>			<u>\$114</u>
Administrative & general ex.				
22. Production	7,284	OXPD	9.652012%	703
23. Transmission	2,788	D2	9.260463%	258
24. Distribution	4,955	OXD	9.772613%	484
25. Customer accounts	3,542	OXC	9.223750%	327
26. Customer serv & info	1,219	C1	9.033353%	110
27. Total A&G	<u>\$19,788</u>			<u>\$1,882</u>
28. Total	<u>\$60,677</u>			\$5,655
29. Income tax impact @ 35%				<u>(1,979)</u>
30. Net operating income impact				<u>(\$3,676)</u>

Sources:

Column B: Peterson work paper (functional spread)
Column D: OTP's response to IR 6-7

OTTER TAIL POWER COMPANY
South Dakota Retail Operations
Corporate Cost Allocation Adjustment
Test Year Ended December 31, 2007

(A)	2007 Functionalized (B)	Percent of Total (C)	OTP Corp. Allocation Adjustment (D)	SD Allocation		
				Factor (E)	Percent (F)	Amount (G)
Administrative and General Expenses						
1. Production	\$8,158,582	36.81%	(\$292,487)	OXPD	9.652012%	(\$28,231)
2. Transmission	3,122,913	14.09%	(111,957)	D2	9.260463%	(10,368)
3. Distribution	5,549,875	25.04%	(198,964)	OXD	9.772613%	(19,444)
4. Customer accounts	3,967,362	17.90%	(142,231)	OXC	9.223750%	(13,119)
5. Customer service & info	1,365,305	6.16%	(48,946)	C1	9.033353%	(4,421)
6. Total A&G	\$22,164,037	100.00%	(\$794,585)			(\$75,583)
7. Income taxes @ 35%						26,454
8. Net income adjustment						\$49,129

Sources

Column B: OTP W/P 2007 SD TY-06, page 2
Column D, Line 7: Page 2, herein
Column E: OTP W/P 2007 SD TY-06, page 1
Column F: OTP response to IR 6-7

OTTER TAIL POWER COMPANY
South Dakota Retail Operations
Detail of Corporate Cost Allocation Adjustments
Test Year Ended December 31, 2007

(A)	Total Allocable Costs (B)	Allocate 10% Indirect to Corp. (C)	Subtotal Allocable Costs (D)	OTP							
				2008 Alloc. Factor (E)	Pro Forma Before Adj. (F)	Payroll Adjustment (G)	25% Bonus Cap Adj (H)	As Adjusted (I)	Test Year (J)	Adjustment (K)	
1. General Allocator	\$6,247,464	(\$624,746)	\$5,622,718	36%	\$2,024,178						
2. IT Allocator	708,388	(70,839)	637,549	37%	235,893						
3. HR Allocator	1,062,095	(106,210)	955,885	35%	334,560						
4. RM Allocator	143,514	(14,351)	129,163	19%	24,541						
5. Internal Audit Allocator	449,785	(44,979)	404,806	42%	170,019						
6. Accounting Services Allocator	<u>1,202,699</u>	<u>(120,270)</u>	<u>1,082,429</u>		<u>418,125</u>						
7. Total indirectly Allocated	\$9,813,945	(\$981,395)	\$8,832,550		\$3,207,316						
8. Direct Charges	<u>7,996,638</u>	<u>0</u>	<u>7,996,638</u>		<u>2,716,120</u>						
9. Total Charges	\$17,810,583	(\$981,395)	\$16,829,188		<u>\$5,923,436</u>	<u>\$197,624</u>	<u>(\$315,784)</u>	<u>\$5,805,276</u>	<u>\$6,599,861</u>	<u>(\$794,585)</u>	
10. Costs kept at Corporate	<u>3,427,232</u>	<u>981,395</u>	<u>4,408,627</u>								
11. Total Corporate costs - all	<u>\$21,237,815</u>	<u>\$0</u>	<u>\$21,237,815</u>								

Sources:

Column B: OTP response to IR 7-9, Attachment 1

Column C: Peterson testimony

Column E: OTP Exhibit__(BCB-1), pages 10-11

Column F, Line 6: Test year amount (\$464,583 from IR 7-9) less 10%

Column F, Line 8: OTP response to IR 7-9, Attachment 1

Column G: Peterson work paper

Column H: OTP W/P 2007 SD TY-06, page 2

Column J: OTP response to IR 7-9, Attachment 1

Line	ACCUMULATED DEPRECIATION		(A)	(B)	(C)	(D)	(E)	(F)	(G)
			Allocators		Total Company	South Dakota	% as assigned (D / C)	Allocated Acc Depn (B x C)	Test Year Adjustment (F minus D)
1	<u>PRODUCTION</u>								
2		BASE DEMAND	E1	9.76%	153,310,899	13,022,103	8.49%	\$ 14,968,465	\$ 1,948,382
3		PEAK DEMAND	D1	9.35%	73,956,417	6,269,846	8.48%	\$ 6,917,288	\$ 647,442
4		BASE ENERGY	E1	9.78%	-	-			
5	TOTAL PRODUCTION				227,267,316	19,291,949		\$ 21,885,753	\$ 2,593,804
6		TRANSMISSION	D2	9.26%	77,563,466	6,392,909	8.24%	\$ 7,182,735	\$ 789,828
7		DISTRIBUTION	P60	9.84%	134,281,282	12,953,370	9.65%	\$ 13,211,056	\$ 257,888
8		GENERAL	P90	9.25%	30,266,263	2,681,757	8.88%	\$ 2,800,441	\$ 118,884
9		INTANGIBLE	P90	9.25%	2,932,836	266,465	9.09%	\$ 271,366	\$ 4,901
10	TOTAL ACCUMULATED DEPRECIATION				472,311,153	41,588,450		\$ 45,351,351	\$ 3,764,901

SOURCES:

Column C & D: Attachment 1 to IR 3-17, page 4
Column A & B: JPT-3, Schedule 2

Line	DEPRECIATION EXPENSE		(A)	(B)	(C)	(D)	(E)	(F)	(G)
			Allocators		Total Company	South Dakota	% as assigned (D / C)	Allocated Expense (B x C)	Test Year Adjustment (F minus D)
1	PRODUCTION								
2	BASE DEMAND	E1	9.76%		12,902,888	1,152,140	8.93%	\$ 1,259,768	\$ 107,827
3	PEAK DEMAND	D1	9.35%		5,054,287	443,623	8.78%	\$ 472,737	\$ 29,115
4	BASE ENERGY	E1	9.76%		-	-			
5	TOTAL PRODUCTION				17,957,153	1,595,763		\$ 1,732,505	\$ 136,742
6	TRANSMISSION	D2	9.26%		4,003,116	333,111	8.32%	\$ 370,707	\$ 37,596
7	DISTRIBUTION	P60	9.84%		8,835,208	856,482	9.69%	\$ 869,238	\$ 12,758
8	GENERAL	P90	9.25%		2,400,043	214,545	8.94%	\$ 222,068	\$ 7,523
9	INTANGIBLE	P90	9.25%		678,544	61,650	9.09%	\$ 62,784	\$ 1,134
10	TOTAL DEPRECIATION EXPENSE				33,874,064	3,061,551		\$ 3,257,302	\$ 195,751

SOURCES:

Column C & D: Attachment 1 to IR 3-17, page 11
Column A & B: JPT-3, Schedule 2

Line No.	Description	(A) Total Utility	(B) Allocator	(C) Allocator %	(D) SD
1	<u>PRODUCTION</u>				
2	BASE DEMAND	130,787	E1	9.763471%	12,769
3	PEAK DEMAND	2,625	D1	9.353195%	246
4	BASE ENERGY	-	E1	9.763471%	0
5	TOTAL PRODUCTION	133,412			13,015
6	TRANSMISSION	(51,675)	D2	9.260463%	(4,785)
7	DISTRIBUTION	(38,896)	P60	9.838345%	(3,827)
8	GENERAL	(5,864)	P90	9.252682%	(543)
9	INTANGIBLE	-	P90	9.252682%	-
10	TOTAL DEPRECIATION EXPENSE	<u>36,977</u>			<u>3,860</u>

SOURCES:

Column A: Attachment 1 to IR 3-15
Column B & C: JPT-3, Schedule 2

Line No.	Description	(A) Total Utility	(B) Allocator	(C) Allocator %	(D) SD
1	<u>PRODUCTION</u>				
2	BASE DEMAND	29,370	E1	9.763471%	2,868
3	PEAK DEMAND	57,255	D1	9.353195%	5,355
4	BASE ENERGY	-	E1	9.763471%	0
5	TOTAL PRODUCTION	86,625			8,223
6	TRANSMISSION	(263,103)	D2	9.260463%	(24,365)
7	DISTRIBUTION	(98,325)	P60	9.838345%	(9,674)
8	GENERAL	(226,612)	P90	9.252682%	(20,968)
9	INTANGIBLE	-	P90	9.252682%	-
10	TOTAL DEPRECIATION EXPENSE	<u>(501,415)</u>			<u>(46,783)</u>

SOURCES:

Column A: Attachment 1 to IR 3-16
Column B & C: JPT-3, Schedule 2

a.	Company	S.D.	Staff
	Per Books	Share	Pro Forma Adjustments
	b.	c.	d.
1. Labor	\$ 216,573.00	\$ 34,915.00	(\$17,457.50)
2. Lodging	\$ 794.00	\$ 128.00	(\$64.00)
3. Meals	\$ 1,785.00	\$ 288.00	(\$144.00)
4. Dues, subscriptions and books	\$ 262.00	\$ 42.00	(\$21.00)
5. Travel Expense	\$ 7,781.00	\$ 1,254.00	(\$627.00)
6. Telephone/communications	\$ 4,470.00	\$ 721.00	(\$360.50)
7. Filing fees and assessment charges	\$ 467.00	\$ 75.00	(\$37.50)
8. Bank service charges	\$ 16.00	\$ 3.00	(\$1.50)
9. Miscellaneous office expense	\$ 178.00	\$ 29.00	(\$14.50)
10. Materials and operating supplies	\$ 81.00	\$ 13.00	(\$6.50)
11. Miscellaneous Expense	\$ 3,791.00	\$ 611.00	(\$305.50)
12. Total	\$ 236,198.00	\$ 38,079.00	(\$19,039.50)

Staff's Pro-Forma Adjustment

(\$19,039.50)

Sources: Attachment 1 to IR3-7

a.	Company Per Books	S.D. Share	Staff Pro Forma Adjustments
	b.	c.	d.
1. AICPA Dues	\$ 1,405.00	\$ 131.00	0.00
2. Air & Waste Management Assoc	\$ 180.00	\$ 17.00	0.00
3. Alliance for Rail Competition Inc.	\$ 5,533.00	\$ 502.00	0.00
4. American Payroll	\$ 165.00	\$ 15.00	0.00
5. American Society of Mechanical Engineers	\$ 107.00	\$ 10.00	0.00
6. American Wind Energy Association	\$ 2,135.00	\$ 194.00	0.00
7. Corporate Executive Board	\$ 28,518.00	\$ 2,589.00	0.00
8. Edison Electric Institute	\$ 33,425.00	\$ 3,056.00	(611.00)
	\$ 103,133.00	\$ 9,636.00	(1,927.00)
9. Electric Power Research Institute	\$ 7,108.00	\$ 650.00	0.00
10. Energy Bar Association	\$ 120.00	\$ 11.00	0.00
11. IEEE Dues	\$ 168.00	\$ 15.00	0.00
	\$ 500.00	\$ 47.00	0.00
	\$ 2,774.00	\$ 259.00	0.00
	\$ 561.00	\$ 51.00	0.00
12. Institute of Certified Management	\$ 1,401.00	\$ 131.00	0.00
13. Institute of Management Accountants	\$ 195.00	\$ 18.00	0.00
14. Internaltion Energy Credit Association	\$ 600.00	\$ 56.00	0.00
15. International Right Of Way Assoc	\$ 2,915.00	\$ 272.00	0.00
16. MISO	\$ 2,431.00	\$ 222.00	0.00
	\$ 2,000.00	\$ 182.00	0.00
17. Minnesota Electric Assn Inc.	\$ 815.00	\$ 74.00	(74.00)
18. Minnesota Self-Insurers Assoc	\$ 650.00	\$ 61.00	(61.00)
19. Minnesota Society of Professional Eng.	\$ 300.00	\$ 28.00	(28.00)
	\$ 300.00	\$ 27.00	(27.00)
20. Minnesota State Board of Accountancy	\$ 207.00	\$ 19.00	(19.00)
21. Minnesota Waste Wise	\$ 200.00	\$ 19.00	(19.00)
22. MN Society of CPA's	\$ 1,440.00	\$ 135.00	(135.00)
23. MN Society of Professional Engineers	\$ 461.00	\$ 43.00	(43.00)
24. Montana Coal Council	\$ 4,000.00	\$ 374.00	0.00
25. Natinoal Coal Transportation Assoc	\$ 337.00	\$ 31.00	0.00
	\$ 337.00	\$ 31.00	0.00
26. North Central Electric Assoc	\$ 13,407.00	\$ 1,217.00	0.00
27. North Central Electrical League Inc	\$ 9,813.00	\$ 891.00	0.00
28. North Dakota Irrigation Association	\$ 400.00	\$ 36.00	(36.00)
29. North Dakota Newspapers Assoc	\$ 250.00	\$ 23.00	(23.00)
30. North Dakota Water Users Assn	\$ 600.00	\$ 54.00	(54.00)
31. Radiant Panel Association	\$ 225.00	\$ 20.00	0.00
32. SD Board of Technical Professions	\$ 100.00	\$ 9.00	91.00
33. Society for Human Resource Management	\$ 86.00	\$ 8.00	0.00
	\$ 145.00	\$ 13.00	0.00
34. SDSU - Center for Power System Studies	\$ 2,800.00	\$ 254.00	0.00
35. UND - Coal Ash Res. Research Cons.	\$ 2,905.00	\$ 266.00	0.00
	\$ 2,318.00	\$ 210.00	0.00
36. MN Board of AELSLAGID	\$ 663.00	\$ 62.00	(62.00)
37. TOTAL	\$ 238,133.00	\$ 21,969.00	(3,028.00)
Staff's Pro-Forma Adjustment			(3,028.00)

Source: Attachment 1 to IR 3-3