Otter Tail Power Company Transmission Rider - Revenue Requirements Fargo-Monticello Project Phase I Docket No. EL10-015

Line		Year>>		2011 Actual January	2011 Actual February	2011 Actual March	2011 Actual April	2011 Actual May	2011 Actual June	2011 Actual July	2011 Projected August	2011 Projected September	2011 Projected October	2011 Projected November	2011 Projected December	2011 Projected Total
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18	RATE BASE Plant Balance			0	0	0	0	0	0	0	0	0	0	0	7,679,223	7,679,223
	Accumulated. Depreciation Net Plant in Service CWIP			0 0 2,491,541	0 0 3,232,811	0 5,275,403	7,015,770	0 6,170,795	0 6,035,727	7,016,799	7,314,871	7,542,655	7,621,349	7,679,640	7,679,223 0	7,679,223 0
	Accum. Deferred Inc. Taxes Fed & State Ending rate base		- - -	0 2,491,541	0 3,232,811	0 5,275,403	7,015,770	0 6,170,795	0 6,035,727	7,016,799	7,314,871	0 7,542,655	0 7,621,349	7,679,640	(2,687,728) 4,991,495	(2,687,728) 4,991,495
	Average rate base			5,684,857	5,684,857	5,684,857	5,684,857	5,684,857	5,684,857	5,684,857	5,684,857	5,684,857	5,684,857	5,684,857	5,684,857	5,684,857
	Return on Rate Base			39,494	40,272	40,272	40,272	40,272	40,272	40,272	40,272	40,272	40,272	40,272	40,272	482,484
	Available for return (equity portion of rate base)			26,462	25,110	25,110	25,110	25,110	25,110	25,110	25,110	25,110	25,110	25,110	25,110	302,677
	EXPENSES O&M and Depreciation Operating Costs			0	0	0	0	0	0	0	0	0	0	0	0	0
19 20	Property Tax Book Depreciation			9,599 0	9,599 0	9,599 0	9,599 0	9,599 0	9,599 0	9,599 0	9,599 0	9,599 0	9,599 0	9,599 0	9,599 0	115,188 0
21 22	Total O&M and Depreciation Expense			9,599	9,599	9,599	9,599	9,599	9,599	9,599	9,599	9,599	9,599	9,599	9,599	115,188
23 24 25 26 27 28 29 30 31 32 33 34 35	Income before Taxes Available for return (from above) Taxable Income (grossed up)	1.5385		26,462 40,710	25,110 38,632	25,110 38,632	25,110 38,632	25,110 38,632	25,110 38,632	25,110 38,632	25,110 38,632	25,110 38,632	25,110 38,632	25,110 38,632	25,110 38,632	302,677 465,657
	Income Taxes Current and Def Income Taxes Total Income Tax Expense		35.00%	14,249 14,249	13,521 13,521	13,521 13,521	13,521 13,521	13,521 13,521	13,521 13,521	13,521 13,521	13,521 13,521	13,521 13,521	13,521 13,521	13,521 13,521	13,521 13,521	162,980 162,980
	REVENUE REQUIRMENTS Expenses			23,848	23,120	23,120	23,120	23,120	23,120	23,120	23,120	23,120	23,120	23,120	23,120	278,168
	Return on rate base Subtotal revenue requirements			39,494 63,342	40,272 63,392	40,272 63,392	40,272 63,392	40,272 63,392	40,272 63,392	40,272 63,392	40,272 63,392	40,272 63,392	40,272 63,392	40,272 63,392	40,272 63,392	482,484 760,652
36 37	Adjustments Transmission Revenue		0.00%	0	0	0	0	0	0	0	0	0	0	0	0	0_
38 39	Total revenue requirements			63,342	63,392	63,392	63,392	63,392	63,392	63,392	63,392	63,392	63,392	63,392	63,392	760,652
40	SD share - D2 factor		9.26%	6,217	6,222	6,222	6,222	6,222	6,222	6,222	6,222	6,222	6,222	6,222	6,222	74,663
Line 1 2 3	SUPPORTING INFORMATION / DATA SD Capstructure with allowed ROE per order. Capital Structure Debt		41.15%	SD Capstructure Capital Structure Debt	with allowed RC	DE per order. Thru 1/31/2011 41.15%	From 2/1/2011 46.995%	Thru 1/31/2011 6.34%	From 2/1/2011 6.81%	Thru 1/31/2011 2.61%	From 2/1/2011 3.20%	Property tax 2011 composite rate	e	1.50%		
4 5 6 7 8	Preferred equity Common equity Total	_		Preferred equity Common equity Total	=	3.00% 55.86% 100.00%	0.000% 53.005% 100.00%	4.75% 10.00%	0.00% 10.00%	0.14% 5.59% 8.34%	0.00% 5.30% 8.50%	Book Depreciation 2011 composite rate	е	1.6150%		
9 10 11 12 13 14	Statutory Tax Rate Tax conversion factor			6 Statutory Tax Rate 6 Tax conversion factor Transmission Revenue SD share - D2 factor			15-year MACRS From 2/1/2011 35.00% 1.5385 0.00% 9.82%	5								

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	Retail Load Responsibility Only	2012 Projected	Total											
Line		January	February	March	April	May	June	July	August	September	October	November	December	2012
1	RATE BASE	,			·	.,		,						
2	Plant Balance	7,716,298	7,749,933	7,783,567	7,817,201	7,850,835	7,884,469	7,907,909	7,955,005	7,955,005	7,955,005	7,955,005	7,955,005	7,955,005
3	Accumulated. Depreciation	(10,751)	(21,554)	(32,404)	(43,301)	(54,245)	(65,236)	(76,274)	(87,345)	(98,482)	(109,619)	(120,756)	(131.893)	(133,644)
4	Net Plant in Service	7,705,547	7,728,379	7,751,163	7,773,900	7,796,590	7,819,233	7,831,635	7,867,660	7,856,523	7,845,386	7,834,249	7,823,112	7,821,361
5 6	CWIP	0	0	0	0	0	0	0	0	0	0	0	0	0
7	Accum, Deferred Inc. Taxes Fed & State	(2,683,965)	(2.680.184)	(2,676,387)	(2,672,573)	(2,668,742)	(2,664,896)	(2,661,032)	(2,657,157)	(2,653,259)	(2,649,361)	(2,645,463)	(2,641,565)	(2,640,953)
8	Ending rate base	5.021.582	5.048.195	5.074.776	5.101.327	5.127.848	5.154.338	5.170.603	5,210,503	5,203,264	5.196.025	5.188.786	5,181,547	5.180.409
9	g		010.01.00	2,01.1,11.	41.4.1,4-1		4).4.1,444	-,,	0,2,0,000		0,100,00	2).02).00	91.9.19.1	*1.001.00
10 11	Average rate base	5,128,484	5,128,484	5,128,484	5,128,484	5,128,484	5,128,484	5,128,484	5,128,484	5,128,484	5,128,484	5,128,484	5,128,484	5,128,484
12 13	Return on Rate Base	36,330	36,330	36,330	36,330	36,330	36,330	36,330	36,330	36,330	36,330	36,330	36,330	435,965
14 15	Available for return (equity portion of rate base)	22,653	22,653	22,653	22,653	22,653	22,653	22,653	22,653	22,653	22,653	22,653	22,653	271,835
16	EXPENSES													
17	O&M and Depreciation													
18	Operating Costs	0	0	0	0	0	0	0	0	0	0	0	0	0
19	Property Tax	9,944	9,944	9,944	9,944	9,944	9,944	9,944	9,944	9,944	9,944	9,944	9,944	119,325
20	Book Depreciation	10,751	10,803	10,850	10,897	10,944	10,991	11,038	11,071	11,137	11,137	11,137	11,137	131,893
21	Total O&M and Depreciation Expense	20,695	20,747	20,794	20,841	20,888	20,935	20,982	21,015	21,081	21,081	21,081	21,081	251,218
22														
23	Income before Taxes													
24	Available for return (from above)	22,653	22,653	22,653	22,653	22,653	22,653	22,653	22,653	22,653	22,653	22,653	22,653	271,835
25	Taxable Income (grossed up)	34,851	34,851	34,851	34,851	34,851	34,851	34,851	34,851	34,851	34,851	34,851	34,851	418,208
26														
27	Income Taxes													
28	Current and Def Income Taxes	12,198	12,198	12,198	12,198	12,198	12,198	12,198	12,198	12,198	12,198	12,198	12,198	146,373
29	Total Income Tax Expense	12,198	12,198	12,198	12,198	12,198	12,198	12,198	12,198	12,198	12,198	12,198	12,198	146,373
30														
31														
32	REVENUE REQUIRMENTS													
33	Expenses	32,892	32,944	32,991	33,038	33,086	33,133	33,180	33,213	33,279	33,279	33,279	33,279	397,591
34	Return on rate base	36,330	36,330 69,275	36,330 69,322	36,330	36,330 69,416	36,330	36,330	36,330 69,543	36,330	36,330	36,330	36,330	435,965
35	Subtotal revenue requirements	69,223	69,275	69,322	69,369	69,416	69,463	69,510	69,543	69,609	69,609	69,609	69,609	833,556
36 37	Adjustments Transmission Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0
38	Total revenue requirements	69,223	69,275	69,322	69,369	69,416	69,463	69,510	69,543	69,609	69,609	69,609	69,609	833,556
39	Total revenue requirements	05,225	05,273	05,322	09,309	05,410	09,403	05,510	03,545	05,005	05,005	09,009	03,003	055,550
40	SD share - D2 factor	6,795	6,800	6,804	6,809	6,814	6,818	6,823	6,826	6,833	6,833	6,833	6,833	81,820
Line	SUPPORTING INFORMATION / DATA													
1	SD Capstructure with allowed ROE per order.	SD Capstructure	with allowed RC)F per order										
2	Capital Structure	Capital Structure	with allowed ive	Ratio		Cost		WA Cost		Property tax				
3	Debt	Debt		46,995%		6.81%		3.20%		2012 composite ra	to	1.50%		
4	Preferred equity	Preferred equity		0.000%		0.00%		0.00%		2012 composito ic	iic	1.5076		
5	Common equity	Common equity		53.005%		10.00%		5.30%						
6	Total	Total	-	100.00%		10.0070	-		Overall Return	Book Depreciation				
7	• • •	. 2001		.00.0070				0.0070		2012 composite ra		1.6357%		
8					Tax					LOTE COMPOSITO		1.0007 70		
9					15-year MACRS									
10					,									
11	Statutory Tax Rate	Statutory Tax Ra	ite	35.00%										
12	Tax conversion factor	Tax conversion f		1.5385										
13		Transmission F		0.00%										
14		SD share - D2 fa		9.816%										
				2.2.370										