

Otter Tail Power Company (SD)
 Electric Utility - South Dakota Retail Justisdiction
 Cost of Service Study
 2012 Actuals

Revenue Requirement & Return Summary

[CONFIDENTIAL DATA BEGINS...

	Rate	Ratio	Weighted Cost	Composite Income Tax Rates
Capital Structure				
1 Long Term Debt				State of South Dakota Tax Rate
2 Short Term Debt				Federal Statutory Tax Rate
3 Preferred Stock				Federal Effective Tax Rate (1-State Rate x Fed Rate)
4 Common Equity				Total South Dakota Composite Tax Rate
5 Required Rate of Return				Total Corporate Composite Tax Rate

	Total Company Electric	SD Retail Electric	All Others
Rate of Return (ROR)			
6 Total Operating Income			
7 Total Average Rate Base			
8 ROR (Operating Income/Rate Base)			
Return on Equity (ROE)			
9 Total Operating Income			
10 Debt Interest (Rate Base x Weighter Debt Cost)			
11 Preferred Stock (Rate Base x Weighter Preferred Cost)			
12 Earnings Available for Common			
13 Equity Rate Base (Rate Base x Equity Ratio)			
14 ROE (Earnings for Common / Equity Rate Base)			
Revenue Deficiency			
15 Require Operating Income (Rate Base x Required Return)			
16 Operating Income			
17 Operating Income Deficiency			
18 Incremental Taxes			
19 Revenue Deficiency			
Total Retail Revenue Requirements			
20 Retail Related Revenues			
21 Revenue Deficiency			
22 Total Retail Revenue Requirements			
23 Percentage Increase (Decrease)			

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