

Otter Tail Power Company (SD)  
Electric Utility - South Dakota Retail Jurisdiction  
Cost of Service Study  
2016 Actuals

## Revenue Requirement &amp; Return Summary

[CONFIDENTIAL DATA BEGINS...]

**Capital Structure**

- 1 Long Term Debt
- 2 Short Term Debt
- 3 Preferred Stock
- 4 Common Equity
- 5 Required Earned Rate of Return

**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 Weighted Debt Cost)
- 11 Preferred Stock (Rate Base x Weighted 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)

...CONFIDENTIAL DATA ENDS]