PUBLIC - TRADE SECRET DATA HAS BEEN EXCISED

Otter Tail Power Company
South Dakota Transmission Cost Recovery Rider
CAPX2020 Fargo-Monticello Revenue Requirements
Docket No. EL16-

Line No.	Year>>		2016 Actual March	2016 Actual April	2016 Actual May	2016 Actual June	2016 Actual July	2016 Actual August	2016 Actual September	2016 Projected October	2016 Projected November	2016 Projected December	2016 Projected Total	2017 Projected January	2017 Projected February
	RATE BASE														
1	Plant Balance		81,840,085	81,454,105	81,658,154	81,577,673	81,611,645	81,620,455	81,608,203	81,613,789	81,624,357	81,624,357	81,624,357	81,624,357	81,624,357
2	Accumulated Depreciation		(1,645,422)	(1,753,920)	(1,861,905)	(1,970,162)	(2,078,311)	(2,186,506)	(2,294,713)	(2,402,904)	(2,511,103)	(2,619,315)	(2,619,315)	(2,727,528)	(2,835,740)
3	Net Plant in Service		80,194,663	79,700,185	79,796,249	79,607,512	79,533,334	79,433,949	79,313,490	79,210,885	79,113,255	79,005,042	79,005,042	78,896,830	78,788,617
4	CWIP		0	0	0	0	0	0	0	0	0	0	0	(0)	(0)
5	ADIT - NOL DTA		4,047,348	4,047,348	4,047,348	4,047,348	4,047,348	4,047,348	4,047,348	4,047,348	4,047,348	4,047,348	4,047,260	4,047,348	4,047,348
6	Reversal of ADIT - NOL DTA		(706,649)	(942,199)	(1,177,748)	(1,413,298)	(1,648,847)	(1,884,397)	(2,119,947)	(2,159,958)	(2,180,609)	(2,181,254)	(2,181,254)	(3,042,779)	(3,240,899)
7	ADIT Federal Proration Factors		1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	0.1699	0.0877	0.0027		0.9178	0.8411
8	Accumulated Deferred Income Taxes Federal & State		(11,325,155)	(11,385,816)	(11,446,656)	(11,507,402)	(11,568,184)	(11,628,951)	(11,689,714)	(11,700,036)	(11,705,363)	(11,705,530)	(11,705,530)	(11,916,850)	(11,957,944)
9	Ending rate base		72,210,207	71,419,519	71,219,193	70,734,160	70,363,651	69,967,949	69,551,178	69,398,239	69,274,631	69,165,606	69,165,518	67,984,547	67,637,121
10															
11	OTP Load Percentage		9.601%	9.601%	9.601%	9.601%	9.601%	9.601%	9.601%	9.601%	9.601%	9.601%	9.601%	9.601%	9.601%
12	Remove Non-OTP Load Portion		(65,277,305)	(64,562,531)	(64,381,438)	(63,942,974)	(63,608,036)	(63,250,326)	(62,873,569)	(62,735,314)	(62,623,573)	(62,525,016)	(62,524,937)	(61,457,351)	(61,143,281)
13	Retail Ending Rate Base		6,932,902	6,856,988	6,837,755	6,791,187	6,755,614	6,717,623	6,677,609	6,662,925	6,651,057	6,640,590	6,640,581	6,527,196	6,493,840
14															
15	Average rate base		569,794	569,794	569,794	569,794	569,794	569,794	569,794	569,794	569,794	569,794	6,837,526	533,915	533,915
16															
17	Return on Rate Base		42,718	42,718	42,718	42,718	42,718	42,718	42,718	42,718	42,718	42,718	512,617	40,028	40,028
18															
19	Available for return (equity portion of rate base)		27,804	27,804	27,804	27,804	27,804	27,804	27,804	27,804	27,804	27,804	333,644	26,053	26,053
20															
21	*EXPENSES*														
22	*O&M and Depreciation*														
23	Operating Costs		0	0	1,624	0	3,638	0	0	0	0	25,000	71,435	0	0
24	Property Tax		120,073	120,073	120,073	120,073	120,073	120,073	120,073	120,073	120,073	120,073	1,440,876	120,296	120,296
25	Book Depreciation		108,498	108,498	107,985	108,256	108,150	108,195	108,207	108,191	108,198	108,212	1,298,767	108,212	108,212
26	Total O&M and Depreciation Expenses		228,571	228,571	229,682	228,329	231,861	228,268	228,280	228,264	228,271	253,286	2,811,078	228,509	228,509
27															
28	OTP Load Percentage		9.601%	9.601%	9.601%	9.601%	9.601%	9.601%	9.601%	9.601%	9.601%	9.601%	9.601%	9.601%	9.601%
29	Remove Non-OTP Load Portion		(206,626)	(206,626)	(207,630)	(206,407)	(209,600)	(206,352)	(206,363)	(206,348)	(206,355)	(228,968)	(2,541,187)	(206,570)	(206,570)
30	Retail O&M and Depreciation Expenses		21,945	21,945	22,052	21,922	22,261	21,916	21,917	21,916	21,916	24,318	269,892	21,939	21,939
31															
32	Income before Taxes														
33	Available for return (from above)		27,804	27,804	27,804	27,804	27,804	27,804	27,804	27,804	27,804	27,804	333,644	26,053	26,053
34	Taxable Income (grossed up)	1.53846	42,775	42,775	42,775	42,775	42,775	42,775	42,775	42,775	42,775	42,775	513,298	40,081	40,081
35															
36	Income Taxes														
37	Current and Def Income Taxes	35.00%	14,971	14,971	14,971	14,971	14,971	14,971	14,971	14,971	14,971	14,971	179,654	14,028	14,028
38	Total Income Tax Expense		14,971	14,971	14,971	14,971	14,971	14,971	14,971	14,971	14,971	14,971	179,654	14,028	14,028
39															
40															
41	*REVENUE REQUIRMENTS*														
42	Expenses		36,916	36,916	37,023	36,893	37,232	36,887	36,888	36,887	36,888	39,289	449,546	35,968	35,968
43	Return on rate base		42,718	42,718	42,718	42,718	42,718	42,718	42,718	42,718	42,718	42,718	512,617	40,028	40,028
44	Subtotal revenue requirements		79,634	79,634	79,741	79,611	79,950	79,605	79,607	79,605	79,606	82,007	962,163	75,996	75,996
45	Adjustments														
46	Transmission Revenue		0	0	0	0	0	0	0	0	0	0	0	0	0
47	Total revenue requirements		79,634	79,634	79,741	79,611	79,950	79,605	79,607	79,605	79,606	82,007	962,163	75,996	75,996
48															
49	South Dakota share - D2 factor	9.816%	7,817	7,817	7,827	7,814	7,848	7,814	7,814	7,814	7,814	8,050	94,443	7,460	7,460
50															
51	Gross Receipts Tax		11	11	11	11	11	11	11	11	11	11	132	10	10
52	Total South Dakota Share		7,828	7,828	7,838	7,825	7,859	7,825	7,825	7,825	7,825	8,061	94,575	7,470	7,470

Line No.														
	SUPPORTING INFORMATION / DATA													
1														
2		SD Cap Structure with allowed ROE per order.												
		[TRADE SECRET DATA BEGINS…												
3		Capital Structure	**Ratio**	**Cost**	**WA Cost**					**Property tax**				
4		Debt								2016 composite rate		1.77%		
5		Preferred equity												
6		Common equity				**...TRADE SECRET DATA ENDS]**								
7		Total	100.00%		7.50%	Overall Return								
8														
9			**Book**	**Tax**										
10		Project life (years)	50	15-year MACRS										
11						**SD Gross**								
12				**Fed Portion**	**State Portion**	**Receipts Tax**								
13		Statutory Tax Rate	35.00%	35.00%	0.00%	0.14%								
14		Tax conversion factor	1.53846											
15		Transmission Revenue	0.00%											
16		SD share - D2 factor	9.8157%											
17														
18	**Deferred Tax**													
19	Book depreciation		108,498	108,498	107,985	108,256	108,150	108,195	108,207	108,191	108,198	108,212	1,298,767	108,212	108,212
20	Tax depreciation-Federal		281,814	281,814	281,814	281,814	281,814	281,814	281,814	281,814	281,814	281,814	3,381,773	247,806	247,806
21	Tax depreciation-SD		281,814	281,814	281,814	281,814	281,814	281,814	281,814	281,814	281,814	281,814	3,381,773	247,806	247,806
22	Federal deferred income taxes	35.00%	(60,661)	(60,661)	(60,840)	(60,745)	(60,783)	(60,767)	(60,762)	(60,768)	(60,766)	(60,761)	(729,052)	(48,858)	(48,858)
23	State deferred income taxes	0.00%	0	0	0	0	0	0	0	0	0	0	0	0	0

PUBLIC - TRADE SECRET DATA HAS BEEN EXCISED

Otter Tail Power Company
South Dakota Transmission Cost Recovery Rider
CAPX2020 Fargo-Monticello Revenue Requirements
Docket No. EL16-

Line No.	*Year>>*		2017 Projected March	2017 Projected April	2017 Projected May	2017 Projected June	2017 Projected July	2017 Projected August	2017 Projected September	2017 Projected October	2017 Projected November	2017 Projected December	2017 Projected Total	2018 Projected January	2018 Projected February
	RATE BASE														
1	Plant Balance		81,624,357	81,624,357	81,624,357	81,624,357	81,624,357	81,624,357	81,624,357	81,624,357	81,624,357	81,624,357	81,624,357	81,624,357	81,624,357
2	Accumulated Depreciation		(2,943,952)	(3,052,165)	(3,160,377)	(3,268,590)	(3,376,802)	(3,485,015)	(3,593,227)	(3,701,440)	(3,809,652)	(3,917,865)	(3,917,865)	(4,026,077)	(4,134,290)
3	Net Plant in Service		78,680,405	78,572,192	78,463,980	78,355,767	78,247,555	78,139,342	78,031,130	77,922,917	77,814,705	77,706,492	77,706,492	77,598,280	77,490,067
4	CWIP		(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
5	ADIT - NOL DTA		4,047,348	4,047,348	4,047,348	4,047,348									
6	Reversal of ADIT - NOL DTA		(3,419,013)	(3,577,767)	(3,716,516)	(3,738,313)									
7	ADIT Federal Proration Factors		0.7562	0.6740	0.5890	0.5068	0.4219	0.3370	0.2548	0.1699	0.0877	0.0027		0.9178	0.8411
8	Accumulated Deferred Income Taxes Federal & State		(11,994,889)	(12,027,818)	(12,056,597)	(12,081,361)	(12,101,975)	(12,118,439)	(12,130,888)	(12,139,187)	(12,143,471)	(12,143,604)	(12,143,604)	(12,180,580)	(12,214,466)
9	Ending rate base		67,313,849	67,013,954	66,738,214	66,583,441	66,145,579	66,020,903	65,900,241	65,783,730	65,671,234	65,562,888	65,562,888	65,417,699	65,275,601
10															
11	OTP Load Percentage		9.601%	9.601%	9.601%	9.601%	9.601%	9.601%	9.601%	9.601%	9.601%	9.601%	9.601%	9.601%	9.601%
12	Remove Non-OTP Load Portion		(60,851,047)	(60,579,944)	(60,330,678)	(60,190,765)	(59,794,942)	(59,682,236)	(59,573,159)	(59,467,834)	(59,366,139)	(59,268,195)	(59,268,195)	(59,136,946)	(59,008,491)
13	Retail Ending Rate Base		6,462,803	6,434,010	6,407,536	6,392,676	6,350,637	6,338,667	6,327,082	6,315,896	6,305,095	6,294,693	6,294,693	6,280,753	6,267,110
14															
15	Average rate base		533,915	533,915	533,915	533,915	533,915	533,915	533,915	533,915	533,915	533,915	6,406,978	518,171	518,171
16															
17	Return on Rate Base		40,028	40,028	40,028	40,028	40,028	40,028	40,028	40,028	40,028	40,028	480,339	38,848	38,848
18															
19	Available for return (equity portion of rate base)		26,053	26,053	26,053	26,053	26,053	26,053	26,053	26,053	26,053	26,053	312,635	25,285	25,285
20															
21	*EXPENSES*														
22	*O&M and Depreciation*														
23	Operating Costs		6,315	0	0	6,315	0	0	6,314	0	0	6,314	25,258	0	0
24	Property Tax		120,296	120,296	120,296	120,296	120,296	120,296	120,296	120,296	120,296	120,296	1,443,556	120,296	120,296
25	Book Depreciation		108,212	108,212	108,212	108,212	108,212	108,212	108,212	108,212	108,212	108,212	1,298,550	108,212	108,212
26	Total O&M and Depreciation Expenses		234,824	228,509	228,509	234,824	228,509	228,509	234,823	228,509	228,509	234,823	2,767,364	228,509	228,509
27															
28	OTP Load Percentage		9.601%	9.601%	9.601%	9.601%	9.601%	9.601%	9.601%	9.601%	9.601%	9.601%	9.601%	9.601%	9.601%
29	Remove Non-OTP Load Portion		(212,278)	(206,570)	(206,570)	(212,278)	(206,570)	(206,570)	(212,277)	(206,570)	(206,570)	(212,277)	(2,501,669)	(206,570)	(206,570)
30	Retail O&M and Depreciation Expenses		22,545	21,939	21,939	22,545	21,939	21,939	22,545	21,939	21,939	22,545	265,695	21,939	21,939
31															
32	Income before Taxes														
33	Available for return (from above)		26,053	26,053	26,053	26,053	26,053	26,053	26,053	26,053	26,053	26,053	312,635	25,285	25,285
34	Taxable Income (grossed up)	1.53846	40,081	40,081	40,081	40,081	40,081	40,081	40,081	40,081	40,081	40,081	480,977	38,899	38,899
35															
36	Income Taxes														
37	Current and Def Income Taxes	35.00%	14,028	14,028	14,028	14,028	14,028	14,028	14,028	14,028	14,028	14,028	168,342	13,615	13,615
38	Total Income Tax Expense		14,028	14,028	14,028	14,028	14,028	14,028	14,028	14,028	14,028	14,028	168,342	13,615	13,615
39															
40															
41	*REVENUE REQUIRMENTS*														
42	Expenses		36,574	35,968	35,968	36,574	35,968	35,968	36,574	35,968	35,968	36,574	434,037	35,554	35,554
43	Return on rate base		40,028	40,028	40,028	40,028	40,028	40,028	40,028	40,028	40,028	40,028	480,339	38,848	38,848
44	Subtotal revenue requirements		76,602	75,996	75,996	76,602	75,996	75,996	76,602	75,996	75,996	76,602	914,375	74,402	74,402
45	Adjustments														
46	Transmission Revenue		0	0	0	0	0	0	0	0	0	0	0	0	0
47	Total revenue requirements		76,602	75,996	75,996	76,602	75,996	75,996	76,602	75,996	75,996	76,602	914,375	74,402	74,402
48															
49	South Dakota share - D2 factor	9.816%	7,519	7,460	7,460	7,519	7,460	7,460	7,519	7,460	7,460	7,519	89,752	7,303	7,303
50															
51	Gross Receipts Tax		10	10	10	10	10	10	10	10	10	10	121	10	10
52	Total South Dakota Share		7,529	7,470	7,470	7,529	7,470	7,470	7,529	7,470	7,470	7,529	89,874	7,313	7,313

Line No.														
	SUPPORTING INFORMATION / DATA													
1														
2		SD Cap Structure with allowed ROE per order.												
		[TRADE SECRET DATA BEGINS…												
3		Capital Structure	**Ratio**	**Cost**	**WA Cost**				**Property tax**					
4		Debt							2017 composite rate			1.77%		
5		Preferred equity												
6		Common equity				**…TRADE SECRET DATA ENDS]**								
7		Total	100.00%		7.50%	Overall Return								
8														
9			**Book**	**Tax**										
10		Project life (years)	50	15-year MACRS										
11						**SD Gross**								
12				**Fed Portion**	**State Portion**									
13		Statutory Tax Rate	35.00%	35.00%	0.00%	0.135%								
14		Tax conversion factor	1.53846											
15		Transmission Revenue	0.00%											
16		SD share - D2 factor	9.8157%											
17														
18	**Deferred Tax**													
19	Book depreciation		108,212	108,212	108,212	108,212	108,212	108,212	108,212	108,212	108,212	108,212	1,298,550	108,212	108,212
20	Tax depreciation-Federal		247,806	247,806	247,806	247,806	247,806	247,806	247,806	247,806	247,806	247,806	2,973,677	223,319	223,319
21	Tax depreciation-SD		247,806	247,806	247,806	247,806	247,806	247,806	247,806	247,806	247,806	247,806	2,973,677	223,319	223,319
22	Federal deferred income taxes	35.00%	(48,858)	(48,858)	(48,858)	(48,858)	(48,858)	(48,858)	(48,858)	(48,858)	(48,858)	(48,858)	(586,295)	(40,287)	(40,287)
23	State deferred income taxes	0.00%	0	0	0	0	0	0	0	0	0	0	0	0	0