

**PUBLIC - TRADE SECRET DATA HAS BEEN EXCISED**

Otter Tail Power Company  
 South Dakota Transmission Cost Recovery Rider  
 Rugby Wind Interconnection Revenue Requirements  
 Docket No. EL16-

Line No.	Year>>	2016	2016	2016	2016	2016	2016	2016	2016	2016	2016	2016	2017	2017	
		Actual Mar	Actual Apr	Actual May	Actual Jun	Actual Jul	Actual Aug	Actual Sep	Projected Oct	Projected Nov	Projected Dec	Projected Total	Projected Jan	Projected Feb	
<b>RATE BASE</b>															
1	Plant Balance	Aug-11	394,399	394,399	394,399	394,399	394,399	394,399	394,399	394,399	394,399	394,399	394,399	394,399	
2	Accumulated Depreciation		(28,632)	(29,147)	(29,662)	(30,177)	(30,693)	(31,208)	(31,723)	(32,238)	(32,753)	(33,268)	(33,784)	(34,299)	
3	Net Plant in Service		365,767	365,252	364,737	364,222	363,706	363,191	362,676	362,161	361,646	361,130	360,615	360,100	
<b>CWIP Calculation:</b>															
	Beginning Balance		(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	0	0	
	Additional CWIP														
	Closings from CWIP														
	AFUDC														
4	CWIP (Project #103897)	103897	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	0	0	
5	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	
6	Accumulated Deferred Income Taxes Federal & State		(117,680)	(117,500)	(117,320)	(117,140)	(116,959)	(116,779)	(116,599)	(116,568)	(116,552)	(116,552)	(116,552)	(115,741)	
7	Ending rate base		248,086	247,751	247,416	247,082	246,747	246,412	246,077	245,928	245,993	244,578	244,579	244,360	
8															
9	OTP Load Percentage		17.040%	17.040%	17.040%	17.040%	17.040%	17.040%	17.040%	17.040%	17.040%	17.040%	17.040%	17.040%	
10	Remove Non-OTP Load Portion		(205,812)	(205,535)	(205,257)	(204,979)	(204,701)	(204,423)	(204,145)	(203,744)	(203,329)	(202,902)	(202,903)	(202,721)	
11	Retail Ending Rate Base		42,274	42,217	42,160	42,103	42,046	41,989	41,932	41,849	41,764	41,678	41,676	41,639	
12															
13	Average rate base		3,508	3,508	3,508	3,508	3,508	3,508	3,508	3,508	3,508	3,508	42,090	3,445	
14															
15	Return on Rate Base		263	263	263	263	263	263	263	263	263	263	3,156	258	
16															
17	Available for return (equity portion of rate base)		171	171	171	171	171	171	171	171	171	171	2,054	168	
18															
19	<b>EXPENSES</b>														
20	<b>O&amp;M and Depreciation</b>														
21	Operating Costs		0	0	0	0	0	0	0	0	0	0	0	0	
22	Property Tax		253	253	253	253	253	253	253	253	253	253	3,037	253	
23	Book Depreciation		515	515	515	515	515	515	515	515	515	515	6,182	515	
24	Total O&M and Depreciation Expense		768	768	768	768	768	768	768	768	768	768	9,219	768	
25															
26	OTP Load Percentage		17.040%	17.040%	17.040%	17.040%	17.040%	17.040%	17.040%	17.040%	17.040%	17.040%	17.040%	17.040%	
27	Remove Non-OTP Load Portion		(637)	(637)	(637)	(637)	(637)	(637)	(637)	(637)	(637)	(637)	(7,648)	(637)	
28	Retail O&M and Depreciation Expenses		131	131	131	131	131	131	131	131	131	131	1,571	131	
29															
30	Income before Taxes		171	171	171	171	171	171	171	171	171	171	2,054	168	
31	Available for return (from above)		171	171	171	171	171	171	171	171	171	171	2,054	168	
32	Taxable Income (grossed up)	1.5385	263	263	263	263	263	263	263	263	263	263	3,160	259	
33															
34	Income Taxes		92	92	92	92	92	92	92	92	92	92	1,106	91	
35	Current and Def Income Taxes	35.00%	92	92	92	92	92	92	92	92	92	92	1,106	91	
36	Total Income Tax Expense		92	92	92	92	92	92	92	92	92	92	1,106	91	
37															
38	<b>REVENUE REQUIREMENTS</b>														
39	<b>Expenses</b>														
40	Expenses		223	223	223	223	223	223	223	223	223	223	2,677	221	
41	Return on rate base		263	263	263	263	263	263	263	263	263	263	3,156	258	
42	Subtotal revenue requirements		486	486	486	486	486	486	486	486	486	486	5,832	480	
43															
44	Adjustments		0	0	0	0	0	0	0	0	0	0	0	0	
45	Transmission Revenue		486	486	486	486	486	486	486	486	486	486	5,832	480	
46	Total revenue requirements		486	486	486	486	486	486	486	486	486	486	5,832	480	
47															
48	South Dakota share - D2 factor	9.82%	48	48	48	48	48	48	48	48	48	48	572	47	
49															
50	Gross Receipts Tax		0	0	0	0	0	0	0	0	0	0	1	0	
51	Total South Dakota Share		48	48	48	48	48	48	48	48	48	48	573	47	

Line No.	<b>SUPPORTING INFORMATION / DATA</b>														
1	SD Cap Structure with allowed ROE per order.														
2	[TRADE SECRET DATA BEGINS...]														
3	Capital Structure	Ratio	Cost	WA Cost											Property tax
4	Debt														2016 composite rate
5	Preferred equity														0.77%
6	Common equity														
7	Total	100.00%		7.50%	Overall Return										
8	...														
9	Project life (years)	Book	Tax												
10		50	15-year MACRS												
11				Fed Portion	State Portion	SD Gross									
12				35.00%	35.00%	0.00%	0.14%								
13	Statutory Tax Rate														
14	Tax conversion factor		1.53846												
15	Transmission Revenue		0.00%												
16	SD share - D2 factor		9.8157%												
17	Deferred Tax														
18	Book depreciation		515	515	515	515	515	515	515	515	515	515	6,182	515	
19	Tax depreciation-Federal		0	0	0	0	0	0	0	0	0	0	0	0	
20	Tax depreciation-SD		0	0	0	0	0	0	0	0	0	0	0	0	
21	Federal deferred income taxes	35.00%	180	180	180	180	180	180	180	180	180	180	2,164	180	
22	State deferred income taxes	0.00%	0	0	0	0	0	0	0	0	0	0	0	0	
23															

