

Otter Tail Power Company
South Dakota Transmission Cost Recovery Rider
Rugby Wind Interconnection Revenue Requirements
Docket No. EL16-035

Line No.	Year>>	2016	2016	2016	2016	2016	2016	2016	2016	2016	2016	2016	2016	2016	2017	2017	
		Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Total	Projected	Projected
		Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec				Jan	Feb	
RATE BASE																	
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	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)	(33,783)	(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	361,130	361,130	360,615	360,100	
CWIP Calculation:																	
	Beginning Balance		(0)	(0)	(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	0	0	
5	ADIT Federal Proration Factors		1,0000	1,0000	1,0000	1,0000	1,0000	1,0000	1,0000	1,0000	1,0000	1,0000	1,0000	1,0000	1,0000	1,0000	
6	Accumulated Deferred Income Taxes Federal & State		(117,680)	(117,500)	(117,320)	(117,140)	(116,959)	(116,779)	(116,599)	(116,418)	(116,238)	(116,058)	(115,878)	(115,698)	(115,518)	(115,338)	
7	Ending rate base		248,086	247,751	247,416	247,082	246,747	246,412	246,077	245,742	245,407	245,072	244,737	244,402	244,067	243,732	
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%	17.040%	17.040%	
10	Remove Non-OTP Load Portion		(205,812)	(205,535)	(205,257)	(204,979)	(204,701)	(204,423)	(204,145)	(203,868)	(203,590)	(203,312)	(203,034)	(202,756)	(202,478)	(202,200)	
11	Retail Ending Rate Base		42,274	42,217	42,160	42,103	42,046	41,989	41,932	41,874	41,817	41,760	41,703	41,646	41,589	41,532	
12																	
13	Average rate base		3,509	3,509	3,509	3,509	3,509	3,509	3,509	3,509	3,509	3,509	3,509	3,509	3,448	3,448	
14																	
15	Return on Rate Base		263	263	263	263	263	263	263	263	263	263	263	262	262		
16																	
17	Available for return (equity portion of rate base)		171	171	171	171	171	171	171	171	171	171	171	176	176		
18																	
19	EXPENSES																
20	O&M and Depreciation																
21	Operating Costs		0	0	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	253	253	253	253	
23	Book Depreciation		515	515	515	515	515	515	515	515	515	515	515	515	515	515	
24	Total O&M and Depreciation Expense		768	768	768	768	768	768	768	768	768	768	768	768	768	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%	17.040%	17.040%	
27	Remove Non-OTP Load Portion		(637)	(637)	(637)	(637)	(637)	(637)	(637)	(637)	(637)	(637)	(637)	(637)	(637)	(637)	
28	Retail O&M and Depreciation Expenses		131	131	131	131	131	131	131	131	131	131	131	131	131	131	
29																	
30	Income before Taxes		171	171	171	171	171	171	171	171	171	171	171	176	176		
31	Available for return (from above)		171	171	171	171	171	171	171	171	171	171	171	176	176		
32	Taxable Income (grossed up)	1.5385	263	263	263	263	263	263	263	263	263	263	263	270	270		
33																	
34	Income Taxes																
35	Current and Def Income Taxes	35.00%	92	92	92	92	92	92	92	92	92	92	92	95	95		
36	Total Income Tax Expense		92	92	92	92	92	92	92	92	92	92	92	95	95		
37																	
38																	
39	REVENUE REQUIREMENTS																
40	Expenses		223	223	223	223	223	223	223	223	223	223	223	223	225	225	
41	Return on rate base		263	263	263	263	263	263	263	263	263	263	263	262	262		
42	Subtotal revenue requirements		486	486	486	486	486	486	486	486	486	486	486	487	487		
43	Adjustments																
44	Transmission Revenue		0	0	0	0	0	0	0	0	0	0	0	0	0		
45	Total revenue requirements		486	486	486	486	486	486	486	486	486	486	486	487	487		
46																	
47	South Dakota share - D2 factor	9.82%	48	48	48	48	48	48	48	48	48	48	48	48	48		
48																	
49	Gross Receipts Tax		0	0	0	0	0	0	0	0	0	0	0	0	0		
50	Total South Dakota Share		48	48	48	48	48	48	48	48	48	48	48	48	48		

Line No.	SUPPORTING INFORMATION / DATA																
1	SD Cap Structure with allowed ROE per order.																
2	[TRADE SECRET DATA BEGINS...]																
3																	
4	Property tax																
5	2016 composite rate																
6	0.77%																
7																	
8																	
9	Total																
10	100.00%																
11	7.50% Overall Return																
12	...TRADE SECRET DATA ENDS]																
13	Project life (years)																
14	Book 50 Tax 15-year MACRS																
15	SD Gross																
16	Fed Portion State Portion Receipts Tax																
17	Statutory Tax Rate 35.00% 35.00% 0.00% 0.135%																
18	Tax conversion factor 1.53846																
19	Transmission Revenue 0.00%																
20	SD share - D2 factor 9.8157%																
21																	
22	Deferred Tax																
23	Book depreciation																
24	Tax depreciation-Federal																
25	Tax depreciation-SD																
26	Federal deferred income taxes																
27	State deferred income taxes																
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Line No.	Year>>	2017 Projected Mar	2017 Projected Apr	2017 Projected May	2017 Projected Jun	2017 Projected Jul	2017 Projected Aug	2017 Projected Sep	2017 Projected Oct	2017 Projected Nov	2017 Projected Dec	2017 Projected Total	2018 Projected Jan	2018 Projected Feb
RATE BASE														
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	394,399
2	Accumulated Depreciation	(34,814)	(35,329)	(35,844)	(36,360)	(36,875)	(37,390)	(37,905)	(38,420)	(38,935)	(39,451)	(39,451)	(39,966)	(40,481)
3	Net Plant in Service	359,585	359,070	358,555	358,039	357,524	357,009	356,494	355,979	355,463	354,948	354,948	354,433	353,918
CWIP Calculation:														
Beginning Balance														
Additional CWIP														
Closings from CWIP														
AFUDC														
4	CWIP (Project #103897) 103897	0	0	0	0	0	0	0	0	0	0	0	0	0
5	ADIT Federal Proration Factors	0.9178	0.8356	0.7507	0.6685	0.5836	0.4986	0.4164	0.3315	0.2493	0.1644	0	0.0795	0.0027
6	Accumulated Deferred Income Taxes Federal & State	(115,532)	(115,381)	(115,246)	(115,125)	(115,020)	(114,930)	(114,855)	(114,795)	(114,750)	(114,720)	(114,720)	(114,706)	(114,706)
7	Ending rate base	244,053	243,689	243,309	242,914	242,504	242,079	241,639	241,184	240,713	240,228	240,228	239,727	239,212
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%	17.040%
10	Remove Non-OTP Load Portion	(202,467)	(202,164)	(201,849)	(201,522)	(201,182)	(200,829)	(200,464)	(200,086)	(199,696)	(199,293)	(199,293)	(198,878)	(198,451)
11	Retail Ending Rate Base	41,587	41,525	41,460	41,393	41,323	41,250	41,175	41,098	41,018	40,935	40,935	40,849	40,762
12														
13	Average rate base	3,448	3,448	3,448	3,448	3,448	3,448	3,448	3,448	3,448	3,448	41,375	3,375	3,375
14														
15	Return on Rate Base	262	262	262	262	262	262	262	262	262	262	3,139	256	256
16														
17	Available for return (equity portion of rate base)	176	176	176	176	176	176	176	176	176	176	2,107	172	172
18														
EXPENSES														
O&M and Depreciation														
20	Operating Costs	0	0	0	0	0	0	0	0	0	0	0	0	0
21	Property Tax	253	253	253	253	253	253	253	253	253	253	3,037	253	253
22	Book Depreciation	515	515	515	515	515	515	515	515	515	515	6,182	515	515
23	Total O&M and Depreciation Expense	768	768	768	768	768	768	768	768	768	768	9,219	768	768
24														
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%	17.040%
27	Remove Non-OTP Load Portion	(637)	(637)	(637)	(637)	(637)	(637)	(637)	(637)	(637)	(637)	(7,648)	(637)	(637)
28	Retail O&M and Depreciation Expenses	131	131	131	131	131	131	131	131	131	131	1,571	131	131
29														
30	Income before Taxes													
31	Available for return (from above)	176	176	176	176	176	176	176	176	176	176	2,107	172	172
32	Taxable Income (grossed up) 1.5385	270	270	270	270	270	270	270	270	270	270	3,242	264	264
33														
34	Income Taxes													
35	Current and Def Income Taxes 35.00%	95	95	95	95	95	95	95	95	95	95	1,135	93	93
36	Total Income Tax Expense	95	95	95	95	95	95	95	95	95	95	1,135	93	93
37														
38														
REVENUE REQUIREMENTS														
39	Expenses	225	225	225	225	225	225	225	225	225	225	2,706	223	223
40	Return on rate base	262	262	262	262	262	262	262	262	262	262	3,139	256	256
41	Subtotal revenue requirements	487	487	487	487	487	487	487	487	487	487	5,845	480	480
42														
43	Adjustments													
44	Transmission Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0
45	Total revenue requirements	487	487	487	487	487	487	487	487	487	487	5,845	480	480
46														
47	South Dakota share - D2 factor 9.82%	48	48	48	48	48	48	48	48	48	48	574	47	47
48														
49	Gross Receipts Tax	0	0	0	0	0	0	0	0	0	0	1	0	0
50	Total South Dakota Share	48	48	48	48	48	48	48	48	48	48	574	47	47

Line No.	SUPPORTING INFORMATION / DATA														
1	SD Cap Structure with allowed ROE per order.														
2	[TRADE SECRET DATA BEGINS...]														
3															
4	Property tax														
5	2017 composite rate 0.77%														
6															
7	Total 100.00% Overall Return 7.59%														
8	...TRADE SECRET DATA ENDS]														
9															
10	Project life (years) Book 50 Tax 15-year MACRS SD Gross														
11	Statutory Tax Rate 35.00% Fed Portion 35.00% State Portion 0.00% 0.135%														
12	Tax conversion factor 1.53846														
13	Transmission Revenue 0.00%														
14	SD share - D2 factor 9.8157%														
15															
16															
17															
18	Deferred Tax														
19	Book depreciation 515 515 515 515 515 515 515 515 515 515 515 6,182 515 515														
20	Tax depreciation-Federal 0 0 0 0 0 0 0 0 0 0 0 0 0 0														
21	Tax depreciation-SD 0 0 0 0 0 0 0 0 0 0 0 0 0 0														
22	Federal deferred income taxes 35.00% 180 180 180 180 180 180 180 180 180 180 180 2,164 180 180														
23	State deferred income taxes 0.00% 0 0 0 0 0 0 0 0 0 0 0 0 0 0														