Otter Tail Power Company
South Dakota Transmission Cost Recovery Rider
Casselton – Buffalo 115 kV Revenue Requirements
Docket No. EL16-035

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 Actual October	2016 Actual November	2016 Actual December	2016 Actual Total	2017 Projected January	2017 Projected February
	RATE BASE														
1	Plant Balance		8,042,966	8,042,966	8,042,966	8,042,966	8,042,966	8,042,966	8,042,966	8,042,966	8,042,966	8,042,966	8,042,966	8,042,966	8,042,966
2	Accumulated Depreciation		(274,428)	(285,776)	(297,123)	(308,471)	(319,818)	(331,166)	(342,514)	(353,861)	(365,209)	(376,557)	(376,557)	(387,904)	(399,252)
3	Net Plant in Service		7,768,538	7,757,190	7,745,843	7,734,495	7,723,148	7,711,800	7,700,452	7,689,105	7,677,757	7,666,409	7,666,409	7,655,062	7,643,714
4	CWIP		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
6	Accumulated Deferred Income Taxes Federal & State		(1,633,874)	(1,639,181)	(1,644,488)	(1,649,795)	(1,655,103)	(1,660,410)	(1,665,717)	(1,671,024)	(1,676,331)	(1,681,638)	(1,681,638)	(1,686,019)	(1,690,400)
7	Ending rate base		6,134,665	6,118,010	6,101,355	6,084,700	6,068,045	6,051,391	6,034,736	6,018,081	6,001,426	5,984,771	5,984,771	5,969,043	5,953,315
8															
9	OTP Load Percentage		50.411%	50.411%	50.411%	50.411%	50.411%	50.411%	50.411%	50.411%	50.411%	50.411%	50.411%	50.925%	50.925%
10	Remove Non-OTP Load Portion		(3,042,119)	(3,033,860)	(3,025,601)	(3,017,342)	(3,009,083)	(3,000,824)	(2,992,565)	(2,984,306)	(2,976,047)	(2,967,788)	(2,967,788)	(2,929,308)	(2,921,589)
11	Retail Ending Rate Base		3,092,546	3,084,150	3,075,754	3,067,358	3,058,962	3,050,567	3,042,171	3,033,775	3,025,379	3,016,983	3,016,983	3,039,735	3,031,726
12															
13	Average rate base		256,606	256,606	256,606	256,606	256,606	256,606	256,606	256,606	256,606	256,606	3,079,276	249,553	249,553
14															
15	Return on Rate Base		19,238	19,238	19,238	19,238	19,238	19,238	19,238	19,238	19,238	19,238	230,857	18,934	18,934
16															
17	Available for return (equity portion of rate base)		12,521	12,521	12,521	12,521	12,521	12,521	12,521	12,521	12,521	12,521	150,256	12,710	12,710
18															
19	*EXPENSES*														
20	*O&M and Depreciation*														
21	Operating Costs		0	0	0	0	0	0	0	0	0	0	0	0	0
22	Property Tax		5,161	5,161	5,161	5,161	5,161	5,161	5,161	5,161	5,161	5,161	61,931	5,161	5,161
23	Book Depreciation		11,348	11,348	11,348	11,348	11,348	11,348	11,348	11,348	11,348	11,348	136,172	11,348	11,348
24	Total O&M and Depreciation Expense		16,509	16,509	16,509	16,509	16,509	16,509	16,509	16,509	16,509	16,509	198,103	16,509	16,509
25															
26	OTP Load Percentage		50.411%	50.411%	50.411%	50.411%	50.411%	50.411%	50.411%	50.411%	50.411%	50.411%	50.411%	50.925%	50.925%
27	Remove Non-OTP Load Portion		(8,186)	(8,186)	(8,186)	(8,186)	(8,186)	(8,186)	(8,186)	(8,186)	(8,186)	(8,186)	(98,237)	(8,102)	(8,102)
28	Retail O&M and Depreciation Expenses		8,322	8,322	8,322	8,322	8,322	8,322	8,322	8,322	8,322	8,322	99,865	8,407	8,407
29															
30	Income before Taxes														
31	Available for return (from above)		12,521	12,521	12,521	12,521	12,521	12,521	12,521	12,521	12,521	12,521	150,256	12,710	12,710
32	Taxable Income (grossed up)	1.5385	19,264	19,264	19,264	19,264	19,264	19,264	19,264	19,264	19,264	19,264	231,164	19,554	19,554
33															
34	Income Taxes														
35	Current and Def Income Taxes	35.00%	6,742	6,742	6,742	6,742	6,742	6,742	6,742	6,742	6,742	6,742	80,907	6,844	6,844
36	Total Income Tax Expense		6,742	6,742	6,742	6,742	6,742	6,742	6,742	6,742	6,742	6,742	80,907	6,844	6,844
37															
38															
39	*REVENUE REQUIRMENTS*														
40	Expenses		15,064	15,064	15,064	15,064	15,064	15,064	15,064	15,064	15,064	15,064	279,010	15,251	15,251
41	Return on rate base		19,238	19,238	19,238	19,238	19,238	19,238	19,238	19,238	19,238	19,238	230,857	18,934	18,934
42	Subtotal revenue requirements		34,302	34,302	34,302	34,302	34,302	34,302	34,302	34,302	34,302	34,302	509,867	34,185	34,185
43	Adjustments		0	0	0	0	0	0	0	0	0	0	0	0	0
44	Transmission Revenue		0	0	0	0	0	0	0	0	0	0	0	0	0
45	Total revenue requirements		34,302	34,302	34,302	34,302	34,302	34,302	34,302	34,302	34,302	34,302	509,867	34,185	34,185
46															
47	South Dakota share - D2 factor	9.82%	3,367	3,367	3,367	3,367	3,367	3,367	3,367	3,367	3,367	3,367	40,404	3,355	3,355
48															
49	Gross Receipts Tax		5	5	5	5	5	5	5	5	5	5	55	5	5
50	Total South Dakota Share		3,372	3,372	3,372	3,372	3,372	3,372	3,372	3,372	3,372	3,372	40,459	3,360	3,360

Line No.														
	SUPPORTING INFORMATION / DATA													
1														
2		SD Cap Structure with allowed ROE per order.												
		[TRADE SECRET DATA BEGINS…												
3										**Property tax**				
4										2016 composite rate		0.77%		
5														
6								**..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%	0.135%						
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		11,348	11,348	11,348	11,348	11,348	11,348	11,348	11,348	11,348	11,348	136,172	11,348	11,348
20	Tax depreciation-Federal		26,511	26,511	26,511	26,511	26,511	26,511	26,511	26,511	26,511	26,511	318,131	23,864	23,864
21	Tax depreciation-SD		26,511	26,511	26,511	26,511	26,511	26,511	26,511	26,511	26,511	26,511	318,131	23,864	23,864
22	Federal deferred income taxes		(5,307)	(5,307)	(5,307)	(5,307)	(5,307)	(5,307)	(5,307)	(5,307)	(5,307)	(5,307)	(63,686)	(4,381)	(4,381)
23	State deferred income taxes		0	0	0	0	0	0	0	0	0	0	0	0	0

Otter Tail Power Company
South Dakota Transmission Cost Recovery Rider
Casselton – Buffalo 115 kV Revenue Requirements
Docket No. EL16-035

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		8,042,966	8,042,966	8,042,966	8,042,966	8,042,966	8,042,966	8,042,966	8,042,966	8,042,966	8,042,966	12,962,934	12,962,934	12,962,934
2	Accumulated Depreciation		(410,600)	(421,947)	(433,295)	(444,643)	(455,990)	(467,338)	(478,685)	(490,033)	(501,381)	(512,728)	(512,728)	(531,132)	(549,537)
3	Net Plant in Service		7,632,366	7,621,019	7,609,671	7,598,323	7,586,976	7,575,628	7,564,281	7,552,933	7,541,585	7,530,238	12,450,206	12,431,802	12,413,398
4	CWIP		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		0.0795	0.0027
6	Accumulated Deferred Income Taxes Federal & State		(1,694,420)	(1,698,081)	(1,701,370)	(1,704,298)	(1,706,854)	(1,709,039)	(1,710,863)	(1,712,315)	(1,713,408)	(1,862,738)	(1,862,738)	(1,863,364)	(1,863,386)
7	Ending rate base		5,937,946	5,922,938	5,908,302	5,894,026	5,880,122	5,866,590	5,853,418	5,840,618	5,828,178	5,667,500	10,587,469	10,568,438	10,550,012
8															
9	OTP Load Percentage		50.925%	50.925%	50.925%	50.925%	50.925%	50.925%	50.925%	50.925%	50.925%	50.925%	50.925%	50.925%	50.925%
10	Remove Non-OTP Load Portion		(2,914,047)	(2,906,682)	(2,899,499)	(2,892,493)	(2,885,670)	(2,879,029)	(2,872,565)	(2,866,283)	(2,860,178)	(2,781,326)	(5,195,800)	(5,186,461)	(5,177,419)
11	Retail Ending Rate Base		3,023,899	3,016,256	3,008,803	3,001,533	2,994,452	2,987,561	2,980,853	2,974,335	2,968,000	2,886,175	5,391,668	5,381,977	5,372,594
12															
13	Average rate base		249,553	249,553	249,553	249,553	249,553	249,553	249,553	249,553	249,553	249,553	2,994,639	443,649	443,649
14															
15	Return on Rate Base		18,934	18,934	18,934	18,934	18,934	18,934	18,934	18,934	18,934	18,934	227,210	33,661	33,661
16															
17	Available for return (equity portion of rate base)		12,710	12,710	12,710	12,710	12,710	12,710	12,710	12,710	12,710	12,710	152,518	22,595	22,595
18															
19	*EXPENSES*														
20	*O&M and Depreciation*														
21	Operating Costs		0	0	0	0	0	0	0	0	0	0	0	0	0
22	Property Tax		5,161	5,161	5,161	5,161	5,161	5,161	5,161	5,161	5,161	5,161	61,931	8,318	8,318
23	Book Depreciation		11,348	11,348	11,348	11,348	11,348	11,348	11,348	11,348	11,348	11,348	136,172	18,404	18,404
24	Total O&M and Depreciation Expense		16,509	16,509	16,509	16,509	16,509	16,509	16,509	16,509	16,509	16,509	198,103	26,722	26,722
25															
26	OTP Load Percentage		50.925%	50.925%	50.925%	50.925%	50.925%	50.925%	50.925%	50.925%	50.925%	50.925%	50.925%	50.925%	50.925%
27	Remove Non-OTP Load Portion		(8,102)	(8,102)	(8,102)	(8,102)	(8,102)	(8,102)	(8,102)	(8,102)	(8,102)	(8,102)	(97,219)	(13,114)	(13,114)
28	Retail O&M and Depreciation Expenses		8,407	8,407	8,407	8,407	8,407	8,407	8,407	8,407	8,407	8,407	100,884	13,608	13,608
29															
30	Income before Taxes														
31	Available for return (from above)		12,710	12,710	12,710	12,710	12,710	12,710	12,710	12,710	12,710	12,710	152,518	22,595	22,595
32	Taxable Income (grossed up)	1.5385	19,554	19,554	19,554	19,554	19,554	19,554	19,554	19,554	19,554	19,554	234,644	34,762	34,762
33															
34	Income Taxes														
35	Current and Def Income Taxes	35.00%	6,844	6,844	6,844	6,844	6,844	6,844	6,844	6,844	6,844	6,844	82,125	12,167	12,167
36	Total Income Tax Expense		6,844	6,844	6,844	6,844	6,844	6,844	6,844	6,844	6,844	6,844	82,125	12,167	12,167
37															
38															
39	*REVENUE REQUIRMENTS*														
40	Expenses		15,251	15,251	15,251	15,251	15,251	15,251	15,251	15,251	15,251	15,251	280,228	25,775	25,775
41	Return on rate base		18,934	18,934	18,934	18,934	18,934	18,934	18,934	18,934	18,934	18,934	227,210	33,661	33,661
42	Subtotal revenue requirements		34,185	34,185	34,185	34,185	34,185	34,185	34,185	34,185	34,185	34,185	507,438	59,436	59,436
43	Adjustments		0	0	0	0	0	0	0	0	0	0	0	0	0
44	Transmission Revenue		0	0	0	0	0	0	0	0	0	0	0	0	0
45	Total revenue requirements		34,185	34,185	34,185	34,185	34,185	34,185	34,185	34,185	34,185	34,185	507,438	59,436	59,436
46															
47	South Dakota share - D2 factor	9.82%	3,355	3,355	3,355	3,355	3,355	3,355	3,355	3,355	3,355	3,355	40,266	5,834	5,834
48															
49	Gross Receipts Tax		5	5	5	5	5	5	5	5	5	5	54	8	8
50	Total South Dakota Share		3,360	3,360	3,360	3,360	3,360	3,360	3,360	3,360	3,360	3,360	40,320	5,842	5,842

Line No.														
	SUPPORTING INFORMATION / DATA													
1														
2		SD Cap Structure with allowed ROE per order.												
		[TRADE SECRET DATA BEGINS…												
3										**Property tax**				
4										2017 composite rate		0.77%		
5														
6								**…TRADE SECRET DATA ENDS]**						
7		Total		100.00%			7.59%	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		11,348	11,348	11,348	11,348	11,348	11,348	11,348	11,348	11,348	11,348	136,172	18,404	18,404
20	Tax depreciation-Federal		23,864	23,864	23,864	23,864	23,864	23,864	23,864	23,864	23,864	2,606,847	2,869,351	40,935	40,935
21	Tax depreciation-SD		23,864	23,864	23,864	23,864	23,864	23,864	23,864	23,864	23,864	2,606,847	2,869,351	40,935	40,935
22	Federal deferred income taxes		(4,381)	(4,381)	(4,381)	(4,381)	(4,381)	(4,381)	(4,381)	(4,381)	(4,381)	(908,425)	(956,613)	(7,886)	(7,886)
23	State deferred income taxes		0	0	0	0	0	0	0	0	0	0	0	0	0