

Otter Tail Power Company
Docket EL18-021

South Dakota Electric Operating Income Statement With Known and Measurable Adjustments and Revenue Deficiency
Adjusted Test Year Ended December 31, 2017

Line No.	Description (a)	South Dakota Per Books (b)	Total Staff Adjustments (c)	Adjusted Test Year (d)	Revenue Adjustment (e)	Adjusted Test Year with Revenue Adjustment (f)
1	OPERATING REVENUES:					
2	Retail Revenue	\$ 32,929,872	\$ (2,271,479)	\$ 30,658,393	\$ 5,691,208	\$ 36,349,601
3	Other Electric Operating Revenue	1,725,695	(89,577)	1,636,118		1,636,118
4	TOTAL OPERATING REVENUES	34,655,568	(2,361,056)	32,294,512	5,691,208	37,985,720
5	OPERATING EXPENSES:					
6	Operation and Maintenance:					
7	Production Expense	14,201,172	370,815	14,571,988		14,571,988
8	Transmission Expense	2,936,416	22,856	2,959,272		2,959,272
9	Distribution Expense	1,686,406	22,436	1,708,842		1,708,842
10	Customer Accounting Expense	1,144,837	26,457	1,171,293		1,171,293
11	Customer Service and Information Expense	663,245	1,298	664,543		664,543
12	Sales Expenses	11,402	9,349	20,751		20,751
13	Administration and General Expense	3,691,031	204,340	3,895,372		3,895,372
14	Other	-	-	-		-
15	Total Operation and Maintenance	24,334,509	657,551	24,992,060	-	24,992,060
16	Depreciation and Amortization	4,719,228	236,359	4,955,587		4,955,587
17	Taxes:					
18	Property Taxes	919,049	-	919,049		919,049
19	Coal Conversion Tax	46,586	-	46,586		46,586
20	South Dakota Gross Receipts Tax	48,882	-	48,882	8,524	57,406
21	Investment Tax Credit	(753,931)	630,339	(123,593)		(123,593)
22	Deferred Income Taxes	1,083,502	434,816	1,518,318		1,518,318
23	Federal Income Taxes	(556,439)	(1,576,565)	(2,133,004)	1,193,364	(939,640)
24	Other Taxes	-	(43,850)	(43,850)		(43,850)
25	Total Taxes	787,649	(555,260)	232,388	1,201,888	1,434,276
26	TOTAL OPERATING EXPENSES	29,841,385	338,650	30,180,035	1,201,888	31,381,923
27	OPERATING INCOME	\$ 4,814,182	\$ (2,699,706)	\$ 2,114,476	\$ 4,489,320	\$ 6,603,796
28	Rate Base	83,294,793		\$ 83,486,693		\$ 83,486,693
29	Earned Rate of Return	5.78%		2.53%		7.91%
30	Staff Proposed Rate of Return			7.91%		7.91%

SOURCES:

Line 4: Sum of lines 2 through 3
 Line 15: Sum of lines 7 through 14
 Line 25: Sum of lines 18 through 24
 Line 26: Sum of lines 15, 16 and 25
 Line 27: Line 4 less line 26
 Line 28: Attachment 22a, line 31
 Line 29: Line 27 / line 28
 Line 30: Attachment 26, column e, line 3
 Column b: Attachment 21b, page 1, column b

Column c: Attachment 21b, page 4, column aa
 Column d: Column b plus column c

 Column e, line 2: Attachment 20, column b, line 10
 Column e, line 20: Attachment 20, column b, line 9
 Column e, line 23: Attachment 20, column b, line 8 less
 Attachment 20, column b, line 6
 Column f: Column d plus column e