

Line No.	Description	Medical	FAS 112	FAS 106	FAS 87	Total
	(a)	(b)	(c)	(d)	(e)	(f)
1	Production Expense	\$ (15,361)	\$ 8,226	\$ 10,820	\$ 2,517	\$ 6,202
2	Transmission Expense	(6,282)	3,364	4,425	1,029	\$ 2,535
3	Distribution Expense	(12,074)	6,466	8,503	1,978	\$ 4,873
4	Customer Accounts Expense	(7,546)	4,042	5,315	1,236	\$ 3,047
5	Customer Service & Information Expense	(370)	198	260	61	\$ 150
6	A&G Salaries, Supplies, Pensions & Benefits Expense	(26,523)	14,203	18,679	4,345	\$ 10,704
7	Total Benefits Expense	\$ (68,156)	\$ 36,498	\$ 48,002	\$ 11,166	\$ 27,511

SOURCES:

Column b: Attachment 7, page 2, column d
 Column c: Attachment 7, page 3, column d
 Column d: Attachment 7, page 4, column d
 Column e: Attachment 7, page 5, column d
 Column f: Sum columns b through e

Otter Tail Power Company
Docket EL18-021
Employee Benefits - Medical/Dental
Adjusted Test Year Ended December 31, 2017

Line No.	Description	Total Utility (a)	Allocator (b)	Allocator % (c)	SD (d)
<u>Production</u>					
1	Base Demand	\$ (130,371)	E1	9.364273%	\$ (12,208)
2	Peak Demand	(34,116)	D1	9.241806%	(3,153)
3	Total Production Expense	<u>\$ (164,487)</u>			<u>\$ (15,361)</u>
4	Transmission Expense	\$ (68,379)	D2	9.187431%	\$ (6,282)
<u>Distribution Expense</u>					
5	Primary Demand	(39,655)	D3	9.826674%	(3,897)
6	Secondary Demand	(16,183)	D4	10.166941%	(1,645)
7	Primary Customer	(25,587)	C2	8.713550%	(2,230)
8	Secondary Customer	(17,520)	C3	8.711531%	(1,526)
9	Streetlighting	(11,434)	C4	11.025726%	(1,261)
10	Area Lighting	(1,080)	C5	6.574691%	(71)
11	Meters	(15,763)	C6	9.162435%	(1,444)
12	Load Management				
13	Total Distribution Expense	<u>\$ (127,222)</u>			<u>\$ (12,074)</u>
<u>Customer Accounting Expense</u>					
14	Meter Reading	(39,665)	C7	9.043283%	(3,587)
15	Other	(45,455)	C8	8.711988%	(3,960)
16	Total Customer Accounts	<u>\$ (85,121)</u>			<u>\$ (7,546)</u>
<u>Customer Service & Info Expense (MN CIP)</u>					
17	- MN	(12,217)	Direct	0.000000%	-
18	- ND	-	Direct	0.000000%	-
19	- SD	-	Direct	100.000000%	-
20	- Other	(4,229)	C1	8.740052%	(370)
21	Total Customer Service & Information Expense	<u>\$ (16,446)</u>			<u>\$ (370)</u>
<u>Administrative and General Expense Salaries, Supplies, Pensions & Benefits</u>					
22	Production	(102,139)	OXPD	9.344498%	(9,544)
23	Transmission	(42,460)	D2	9.187431%	(3,901)
24	Distribution	(78,999)	OXD	9.490373%	(7,497)
25	Customer Accounts	(52,856)	OXC	8.866368%	(4,686)
26	Customer Service & Information	(10,212)	C1	8.740052%	(893)
27	Total A&G Salaries, Supplies, Pensions & Benefits	<u>\$ (286,667)</u>			<u>\$ (26,523)</u>
28	Total	<u><u>\$ (748,323)</u></u>			<u><u>\$ (68,156)</u></u>

Column a: Attachment 7, Pg 6, Col d
Columns b and c: Attachment 1 to DR SD-PUC-13.02
Column d: Column a * column c

Line No.	Description	Total Utility (A)	Allocator (B)	Allocator % (C)	SD (D)
<u>Production</u>					
1	Base Demand	\$ 69,815	E1	9.364273%	\$ 6,538
2	Peak Demand	18,270	D1	9.241806%	1,688
3	Total Production Expense	\$ 88,085			\$ 8,226
4	Transmission Expense	\$ 36,618	D2	9.187431%	\$ 3,364
<u>Distribution Expense</u>					
5	Primary Demand	21,236	D3	9.826674%	2,087
6	Secondary Demand	8,666	D4	10.166941%	881
7	Primary Customer	13,702	C2	8.713550%	1,194
8	Secondary Customer	9,382	C3	8.711531%	817
9	Streetlighting	6,123	C4	11.025726%	675
10	Area Lighting	579	C5	6.574691%	38
11	Meters	8,441	C6	9.162435%	773
12	Load Management				
13	Total Distribution Expense	\$ 68,129			\$ 6,466
<u>Customer Accounting Expense</u>					
14	Meter Reading	21,241	C7	9.043283%	1,921
15	Other	24,342	C8	8.711988%	2,121
16	Total Customer Accounts	\$ 45,583			\$ 4,042
<u>Customer Service & Info Expense (MN CIP)</u>					
17	- MN	6,543	Direct	0.000000%	-
18	- ND	-	Direct	0.000000%	-
19	- SD	-	Direct	100.000000%	-
20	- Other	2,264	C1	8.740052%	198
21	Total Customer Service & Information Expense	\$ 8,807			\$ 198
<u>Administrative and General Expense</u>					
<u>Salaries, Supplies, Pensions & Benefits</u>					
22	Production	54,697	OXPD	9.344498%	5,111
23	Transmission	22,738	D2	9.187431%	2,089
24	Distribution	42,305	OXD	9.490373%	4,015
25	Customer Accounts	28,305	OXC	8.866368%	2,510
26	Customer Service & Information	5,469	C1	8.740052%	478
27	Total A&G Salaries, Supplies, Pensions & Benefits	\$ 153,514			\$ 14,203
28	Total	\$ 400,736			\$ 36,498

Column a: Attachment 7, Pg 6, Col e
Columns b and c: Attachment 1 to DR SD-PUC-13.02
Column d: Column a * column c

Line No.	Description	Total Utility (a)	Allocator (b)	Allocator % (c)	SD (d)
<u>Production</u>					
1	Base Demand	\$ 91,818	E1	9.364273%	\$ 8,598
2	Peak Demand	24,028	D1	9.241806%	2,221
3	Total Production Expense	\$ 115,846			\$ 10,820
4	Transmission Expense	\$ 48,158	D2	9.187431%	\$ 4,425
<u>Distribution Expense</u>					
5	Primary Demand	27,929	D3	9.826674%	2,744
6	Secondary Demand	11,397	D4	10.166941%	1,159
7	Primary Customer	18,020	C2	8.713550%	1,570
8	Secondary Customer	12,339	C3	8.711531%	1,075
9	Streetlighting	8,053	C4	11.025726%	888
10	Area Lighting	761	C5	6.574691%	50
11	Meters	11,102	C6	9.162435%	1,017
12	Load Management				
13	Total Distribution Expense	\$ 89,601			\$ 8,503
<u>Customer Accounting Expense</u>					
14	Meter Reading	27,936	C7	9.043283%	2,526
15	Other	32,014	C8	8.711988%	2,789
16	Total Customer Accounts	\$ 59,949			\$ 5,315
<u>Customer Service & Info Expense (MN CIP)</u>					
17	- MN	8,604	Direct	0.000000%	-
18	- ND	-	Direct	0.000000%	-
19	- SD	-	Direct	100.000000%	-
20	- Other	2,978	C1	8.740052%	260
21	Total Customer Service & Information Expense	\$ 11,583			\$ 260
<u>Administrative and General Expense</u> <u>Salaries, Supplies, Pensions & Benefits</u>					
22	Production	71,935	OXPD	9.344498%	6,722
23	Transmission	29,904	D2	9.187431%	2,747
24	Distribution	55,638	OXD	9.490373%	5,280
25	Customer Accounts	37,226	OXC	8.866368%	3,301
26	Customer Service & Information	7,192	C1	8.740052%	629
27	Total A&G Salaries, Supplies, Pensions & Benefits	\$ 201,895			\$ 18,679
28	Total	\$ 527,032			\$ 48,002

Column a: Attachment 7, Pg 6, Col f
Columns b and c: Attachment 1 to DR SD-PUC-13.02
Column d: Column a * column c

Line No.	Description	Total Utility (a)	Allocator (b)	Allocator % (c)	SD (d)
<u>Production</u>					
1	Base Demand	\$ 21,358	E1	9.364273%	\$ 2,000
2	Peak Demand	5,589	D1	9.241806%	517
3	Total Production Expense	<u>\$ 26,947</u>			<u>\$ 2,517</u>
4	Transmission Expense	\$ 11,202	D2	9.187431%	\$ 1,029
<u>Distribution Expense</u>					
5	Primary Demand	6,496	D3	9.826674%	638
6	Secondary Demand	2,651	D4	10.166941%	270
7	Primary Customer	4,192	C2	8.713550%	365
8	Secondary Customer	2,870	C3	8.711531%	250
9	Streetlighting	1,873	C4	11.025726%	207
10	Area Lighting	177	C5	6.574691%	12
11	Meters	2,582	C6	9.162435%	237
12	Load Management				
13	Total Distribution Expense	<u>\$ 20,842</u>			<u>\$ 1,978</u>
<u>Customer Accounting Expense</u>					
14	Meter Reading	6,498	C7	9.043283%	588
15	Other	7,447	C8	8.711988%	649
16	Total Customer Accounts	<u>\$ 13,945</u>			<u>\$ 1,236</u>
<u>Customer Service & Info Expense (MN CIP)</u>					
17	- MN	2,001	Direct	0.000000%	-
18	- ND	-	Direct	0.000000%	-
19	- SD	-	Direct	100.000000%	-
20	- Other	693	C1	8.740052%	61
21	Total Customer Service & Information Expense	<u>\$ 2,694</u>			<u>\$ 61</u>
<u>Administrative and General Expense</u>					
<u>Salaries, Supplies, Pensions & Benefits</u>					
22	Production	16,733	OXP	9.344498%	1,564
23	Transmission	6,956	D2	9.187431%	639
24	Distribution	12,942	OXD	9.490373%	1,228
25	Customer Accounts	8,659	OXC	8.866368%	768
26	Customer Service & Information	1,673	C1	8.740052%	146
27	Total A&G Salaries, Supplies, Pensions & Benefits	<u>\$ 46,963</u>			<u>\$ 4,345</u>
28	Total	<u><u>\$ 122,593</u></u>			<u><u>\$ 11,166</u></u>

Column a: Attachment 7, Pg 6, Col g
Columns b and c: Attachment 1 to DR SD-PUC-13.02
Column d: Column a * column c

Line No.	Description (a)	From Functionalization (b)	(c)	Medical (d)	FAS 112 (e)	FAS 106 (f)	FAS 87 (g)
<u>Production</u>							
1	Base Demand	\$ 16,256,701	79%	\$ (130,371)	\$ 69,815	\$ 91,818	\$ 21,358
2	Peak Demand	4,254,144	21%	(34,116)	18,270	24,028	5,589
3	Total Production Expense	\$ 20,510,845	100%	\$ (164,487)	\$ 88,085	\$ 115,846	\$ 26,947
4	Transmission Expense			\$ (68,379)	\$ 36,618	\$ 48,158	\$ 11,202
<u>Distribution Expense</u>							
5	Primary Demand	5,536,370	31%	(39,655)	21,236	27,929	6,496
6	Secondary Demand	2,259,335	13%	(16,183)	8,666	11,397	2,651
7	Primary Customer	3,572,243	20%	(25,587)	13,702	18,020	4,192
8	Secondary Customer	2,445,993	14%	(17,520)	9,382	12,339	2,870
9	Streetlighting	1,596,385	9%	(11,434)	6,123	8,053	1,873
10	Area Lighting	150,829	1%	(1,080)	579	761	177
11	Meters	2,200,690	12%	(15,763)	8,441	11,102	2,582
12	Load Management	-		-	-	-	-
13	Total Distribution Expense	\$ 17,761,845	100%	\$ (127,222)	\$ 68,129	\$ 89,601	\$ 20,842
<u>Customer Accounting Expense</u>							
14	Meter Reading	6,016,923	47%	(39,665)	21,241	27,936	6,498
15	Other	6,895,205	53%	(45,455)	24,342	32,014	7,447
16	Total Customer Accounts	\$ 12,912,128	100%	\$ (85,121)	\$ 45,583	\$ 59,949	\$ 13,945
<u>Customer Service & Info Expense (MN CIP)</u>							
17	- MN	6,607,891	74%	(12,217)	6,543	8,604	2,001
18	- ND	-	0%	-	-	-	-
19	- SD	-	0%	-	-	-	-
20	- Other	2,287,040	26%	(4,229)	2,264	2,978	693
21	Total Customer Service & Information Expense	\$ 8,894,931	100%	\$ (16,446)	\$ 8,807	\$ 11,583	\$ 2,694
<u>Administrative and General Expense</u>							
<u>Salaries, Supplies, Pensions & Benefits</u>							
22	Production	11,642,846	36%	(102,139)	54,697	71,935	16,733
23	Transmission	4,840,064	15%	(42,460)	22,738	29,904	6,956
24	Distribution	9,005,146	28%	(78,999)	42,305	55,638	12,942
25	Customer Accounts	6,025,084	18%	(52,856)	28,305	37,226	8,659
26	Customer Service & Information	1,164,081	4%	(10,212)	5,469	7,192	1,673
27							
28	Total A&G Salaries, Supplies, Pensions & Benefits	\$ 32,677,221	100%	\$ (286,667)	\$ 153,514	\$ 201,895	\$ 46,963
29	Total			\$ (748,323)	\$ 400,736	\$ 527,032	\$ 122,593

SOURCES:

Columns b & c, except 19: Attachment 1 to DR SD-PUC-13.02
Columns d, e, f & g, Lines 3, 4, 13, 16, 21, 27, 29: Attachment 7, Pg 7
Column d, Line 1: Column c, Line 1 * Column d, Line 3
Columns d, e, f, & g; Lines 2, 5-11, 14-15, 17-20, 22-26: Similar calculations as Column d, Line 1

Line No.	(a) Labor From FERC Form 1 Page 354-355	(b) Amount	(c) % of total	(d) Medical	(e) FAS 112	(f) FAS 106	(g) FAS 87
1	Production	\$ 15,953,326	16.9%	\$ (164,487)	\$ 88,085	\$ 115,846	\$ 26,947
2	Transmission	6,631,980	7.0%	(68,379)	36,618	48,158	11,202
3	Distribution	12,339,082	13.1%	(127,222)	68,129	89,601	20,842
4	Customer Accounts	8,255,724	8.8%	(85,121)	45,583	59,949	13,945
5	Customer Service & Information, & Sales	1,595,054	1.7%	(16,446)	8,807	11,583	2,694
6	Administrative & General	<u>27,803,329</u>	29.5%	<u>(286,667)</u>	153,514	201,895	46,963
7	Total Labor Expense	\$ 72,578,495		\$ (748,323)	\$ 400,736	\$ 527,032	\$ 122,593
8	Construction Labor	<u>19,545,265</u>	20.7%	<u>(201,522)</u>	107,918	141,929	33,014
9	Total Utility Labor	\$ 92,123,760		\$ (949,845)	\$ 508,654	\$ 668,961	\$ 155,607
10	Account 417.1 Expenses of Non-Utility Operations	<u>2,132,107</u>	2.3%	<u>(21,983)</u>	11,772	15,482	3,601
11	Total Otter Tail Power Labor	<u>\$ 94,255,867</u>	100.0%	<u>\$ (971,828)</u>	<u>\$ 520,426</u>	<u>\$ 684,443</u>	<u>\$ 159,208</u>

SOURCES:

Columns b & c: Attachment 1 to DR SD-PUC-13.02

Columns d - g, Line 11: Attachment 7, Pg 8

Otter Tail Power Company
Docket EL18-021
Total Company Benefit Adjustments
Adjusted Test Year Ended December 31, 2017

<u>Line</u>	<u>Benefit Type</u>	<u>OTP Total</u>
1	2018 Actual Medical and Dental Expense	\$ 10,711,191
2	Less: Per Books Medical and Dental Expense	\$ 11,683,019
3	Difference	<u>\$ (971,828)</u>
4	2014-2018 Average FAS 112 Expense (Post Employment Medical)	\$ 683,943
5	Less: Per Books FAS 112 Expense (Post Employment Medical)	\$ 163,517
6	Difference	<u>\$ 520,426</u>
7	2018 Actual FAS 106 Expense (Post Retirement Medical)	\$ 5,654,028
8	Less: Per Books FAS 106 Expense (Post Retirement Medical)	\$ 4,969,585
9	Difference	<u>\$ 684,443</u>
10	2018 Actual FAS 87 Pension Expense	\$ 5,895,376
11	Less: Per Books FAS 87 Pension Expense	\$ 5,736,168
12	Difference	<u>\$ 159,208</u>

SOURCES:

Line 1: DR 13-3

Lines 2, 5, 7, 8, 10, and 11: Attachment 2 to DR SD-PUC-02.67 - TY-08 SD supplemental

Line 4: OTP's response to Staff DR 2-77