

Otter Tail Power Company
Difference Between Book and Tax Depreciation
Year Ended December 31, 2017

Schedule K-2
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Line No.	(A) Description	(B) Total Company
1	Tax Depreciation on a straight-line basis	\$39,665,033
2	Book Depreciation	<u>52,941,244</u>
3	Difference between Tax Depreciation on a	
4	straight-line basis and Book Depreciation	<u><u>(\$13,276,211)</u></u>
5	Tax Depreciation, as calculated by method	
6	MACRS 5 to 20-year Property	\$88,596,798
7	Buildings - SL - All Vintages	624,992
8	Intangibles	1,189,955
9	ACRS (1981-1986) Property	5,547
10	ADR (1971-1980) Property	-
11	DCB (1964-1970) Property	<u>2,178</u>
12	Total Tax Depreciation, as calculated *	\$90,419,471
13	Tax Depreciation on a straight-line basis	<u>\$39,665,033</u>
14	Excess of Tax Depreciation, as calculated over Tax	
15	Depreciation on a straight-line basis	<u><u>\$50,754,438</u></u>