

OTTER TAIL POWER COMPANY
Electric Utility - State of South Dakota
JUR. FINANCIAL SUMMARY SCHEDULES
SUMMARY OF REVENUE REQUIREMENTS - 2017 TEST YEAR

Docket No. EL18-____
 Exhibit__(TAA-1), Schedule 5
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Line No.	Description	(A) 2017 Test Year with Old Tax Rate	(B) TCJA Impact	(C) 2017 Test Year
1	Average Rate Base	\$84,640,917	\$263,984	\$84,904,901
2	Operating Income (Before AFUDC)	\$2,074,904	(\$32,096)	\$2,042,808
3	Allowance for Funds Used During Construction (AFUDC)	\$0	\$0	\$0
4	Total Available for Return (Line 2 + Line 3 + Rounding)	\$2,074,904	(\$32,096)	\$2,042,808
5	Overall Rate of Return (Line 4 / Line 1)	2.45%	(0.05%)	2.41%
6	Required Rate of Return	7.96%	0.00%	7.96%
7	Operating Income Requirement (Line 1 x Line 6)	\$6,737,417	\$21,013	\$6,758,430
8	Income Deficiency (Line 7 - Line 4)	\$4,662,513	\$53,109	\$4,715,622
9	Gross Revenue Conversion Factor	1.5407730	(0.2730486)	1.2677244
10	Revenue Deficiency (Line 8 x Line 9)	\$7,183,874	(\$1,205,765)	\$5,978,109
11	Retail Related Revenues Under Present Rates	\$30,650,015	\$0	\$30,650,015
12	Percent Increase Needed in Overall Revenue (Line 10 / Line 11)	23.44%	(3.93%)	19.50%

OTTER TAIL POWER COMPANY
 Electric Utility - State of South Dakota
 RATE BASE SCHEDULES
 RATE BASE SUMMARY

Line No.	(A) Description	(B) 2017 Test Year with Old Tax Rate	(C) TCJA Impact	(D) 2017 Test Year
1	Electric Plant in Service	\$162,858,420	\$0	\$162,858,420
2	Less: Accumulated Depreciation	(69,187,808)	\$0	(69,187,808)
3	Net Electric Plant in Service	\$93,670,613	\$0	\$93,670,613
4	Other Rate Base Components:			
5	Plant Held for Future Use	2,786	\$0	2,786
6	Construction Work in Progress	0	\$0	0
7	Materials and Supplies	1,833,976	\$0	1,833,976
8	Fuel Stocks	849,126	\$0	849,126
9	Prepayments	(1,946,936)	\$0	(1,946,936)
10	Customer Advances	(73,589)	\$0	(73,589)
11	Cash Working Capital	2,531,644	\$0	2,531,644
12	Accumulated Deferred Income Taxes	(12,685,038)	\$263,985	(12,421,053)
13	Unamortized Rate Case Expense	458,334	\$0	458,334
14	TOTAL AVERAGE RATE BASE	\$84,640,917	\$263,984	\$84,904,901

OTTER TAIL POWER COMPANY
Electric Utility - State of South Dakota
OPERATING INCOME SCHEDULES
STATEMENT OF OPERATING INCOME - 2017 TEST YEAR

Docket No. EL18-____
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Line No.	Description	(A) 2017 Test Year SD Jurisdiction with Old Tax Rate	(B) TCJA Impact	(C) 2017 Test Year SD Jurisdiction
<u>OPERATING REVENUES</u>				
1	Retail Revenue	\$30,650,015	\$0	\$30,650,015
2	Other Electric Operating Revenue	<u>\$1,731,348</u>	<u>\$0</u>	<u>\$1,731,348</u>
3	TOTAL OPERATING REVENUE	\$32,381,363	\$0	\$32,381,363
<u>OPERATING EXPENSES</u>				
4	Production Expenses	\$14,543,258	\$0	\$14,543,258
5	Transmission Expenses	\$2,950,883	\$0	\$2,950,883
6	Distribution Expenses	\$1,699,129	\$0	\$1,699,129
7	Customer Accounting Expenses	\$1,153,253	\$0	\$1,153,253
8	Customer Service and Information Expenses	\$664,545	\$0	\$664,545
9	Sales Expenses	\$20,751	\$0	\$20,751
10	Administration and General Expenses	\$4,003,827	\$0	\$4,003,827
11	Charitable Contributions	\$0	\$0	\$0
12	Depreciation Expense	\$5,037,485	\$0	\$5,037,485
13	General Taxes	<u>\$969,261</u>	<u>\$0</u>	<u>\$969,261</u>
14	TOTAL OPERATING EXPENSES	<u>\$31,042,391</u>	<u>\$0</u>	<u>\$31,042,391</u>
15	NET OPERATING INCOME BEFORE INCOME TAXES	\$1,338,972	\$0	\$1,338,972
<u>INCOME TAX EXPENSE</u>				
16	Investment Tax Credit	(\$123,560)	\$0	(\$123,560)
17	Deferred Income Taxes	\$1,087,571	(\$646,501)	\$441,070
18	Current Income Taxes	<u>(\$1,699,942)</u>	<u>\$678,597</u>	<u>(\$1,021,346)</u>
19	TOTAL INCOME TAX EXPENSE	<u>(\$735,932)</u>	<u>\$32,096</u>	<u>(\$703,836)</u>
20	NET OPERATING INCOME	\$2,074,904	(\$32,096)	\$2,042,808
21	Allowance for Funds Used During Construction	<u>0</u>	<u>\$0</u>	<u>0</u>
22	TOTAL AVAILABLE FOR RETURN	<u><u>\$2,074,904</u></u>	<u><u>(\$32,096)</u></u>	<u><u>\$2,042,808</u></u>