

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

Docket No. E18-\_\_\_\_  
Exhibit\_(TAA-1), Schedule 9  
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Line No.	Description	(A)	(B)	(C)	(D)	(E)	(F)
		2017 Actual Year Total Utility	2017 Actual Year SD Jurisdiction	Adjustments	2017 Test Year SD Jurisdiction	Step In Adjustments	2017 TY Step SD Jurisdiction
<b>OPERATING REVENUES</b>							
1	Retail Revenue	\$372,153,628	\$32,929,872	(\$2,279,857)	\$30,650,015	\$5,978,110	\$36,628,125
2	Other Electric Operating Revenue	<u>\$58,386,685</u>	<u>\$1,725,695</u>	<u>5,653</u>	<u>\$1,731,348</u>	<u>\$31,873</u>	<u>\$1,763,221</u>
3	<b>TOTAL OPERATING REVENUE</b>	\$430,540,313	\$34,655,568	(\$2,274,204)	\$32,381,363	\$6,009,983	\$38,391,347
<b>OPERATING EXPENSES</b>							
4	Production Expenses	\$156,639,966	\$14,201,172	\$342,086	\$14,543,258	-\$854,833	\$13,688,425
5	Transmission Expenses	\$32,135,395	\$2,936,416	14,467	\$2,950,883	\$0	\$2,950,883
6	Distribution Expenses	\$17,761,845	\$1,686,406	12,723	\$1,699,129	\$0	\$1,699,129
7	Customer Accounting Expenses	\$12,912,128	\$1,144,837	8,416	\$1,153,253	\$0	\$1,153,253
8	Customer Service and Information Expenses	\$9,358,287	\$663,245	1,300	\$664,545	\$0	\$664,545
9	Sales Expenses	\$230,711	\$11,402	9,349	\$20,751	\$0	\$20,751
10	Administration and General Expenses	\$43,609,630	\$3,739,913	263,914	\$4,003,827	\$41,246	\$4,045,072
11	Charitable Contributions	\$0	\$0	0	\$0	\$0	\$0
12	Depreciation Expense	\$53,185,267	\$4,719,228	318,257	\$5,037,485	\$982,804	\$6,020,289
13	General Taxes	<u>\$15,045,286</u>	<u>\$965,635</u>	<u>3,626</u>	<u>\$969,261</u>	<u>\$83,974</u>	<u>\$1,053,235</u>
14	<b>TOTAL OPERATING EXPENSES</b>	<u>\$340,878,513</u>	<u>\$30,068,254</u>	<u>\$974,137</u>	<u>\$31,042,391</u>	<u>\$253,190</u>	<u>\$31,295,581</u>
15	<b>NET OPERATING INCOME BEFORE INCOME TAXES</b>	\$89,661,800	\$4,587,314	(\$3,248,342)	\$1,338,972	\$5,756,793	\$7,095,765
<b>INCOME TAX EXPENSE</b>							
16	Investment Tax Credit	(\$8,997,380)	(\$753,931)	\$630,371	(\$123,560)	(\$1,357,924)	(\$1,481,485)
17	Deferred Income Taxes	\$20,783,440	\$527,063	-85,993	\$441,070	\$12,144	\$453,213
18	Income Taxes	<u>\$2,161,831</u>	<u>\$0</u>	<u>(1,021,346)</u>	<u>(\$1,021,346)</u>	<u>\$1,068,192</u>	<u>\$46,847</u>
19	<b>TOTAL INCOME TAX EXPENSE</b>	<u>\$13,947,891</u>	<u>(\$226,868)</u>	<u>(\$476,968)</u>	<u>(\$703,836)</u>	<u>(\$277,588)</u>	<u>(\$981,425)</u>
20	<b>NET OPERATING INCOME</b>	\$75,713,909	\$4,814,182	(\$2,771,374)	\$2,042,808	\$6,034,382	\$8,077,190
21	Allowance for Funds Used During Construction	<u>1,726,880</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>\$0</u>	<u>0</u>
22	<b>TOTAL AVAILABLE FOR RETURN</b>	<u>\$77,440,789</u>	<u>\$4,814,182</u>	<u>(\$2,771,374)</u>	<u>\$2,042,808</u>	<u>\$6,034,382</u>	<u>\$8,077,190</u>