Otter Tail Power Company
South Dakota Transmission Cost Recovery Rider
Big Stone South to Ellendale MVP Revenue Requirements

Line No.	*Year>>*	2021 Actual March	2021 Actual April	2021 Actual May	2021 Actual June	2021 Actual July	2021 Actual August	2021 Actual September	2021 Actual October	2021 Actual November	2021 Actual December	2021 Actual Total	2022 Projected January	2022 Projected February
	RATE BASE													
1	Plant Balance	106,352,470	106,352,470	106,352,470	106,352,470	106,352,470	106,352,470	106,352,470	106,352,470	106,352,470	106,352,470	106,352,470	106,352,470	106,352,470
2	Accumulated Depreciation	(3,461,197)	(3,594,408)	(3,727,620)	(3,860,832)	(3,994,044)	(4,127,256)	(4,260,468)	(4,393,679)	(4,526,891)	(4,660,103)	(4,660,103)	(4,793,315)	(4,926,527)
3	Net Plant in Service	102,891,273	102,758,061	102,624,849	102,491,638	102,358,426	102,225,214	102,092,002	101,958,790	101,825,579	101,692,367	101,692,367	101,559,155	101,425,943
4	CWIP	0	0	0	0	0	0	0	0	0	0	0	0	0
5	ADIT Federal Proration Factors	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000		1.0000	1.0000
6	Accumulated Deferred Income Taxes Federal & State	(3,850,158)	(3,981,300)	(4,112,442)	(4,243,583)	(4,374,725)	(4,505,866)	(4,637,008)	(4,768,149)	(4,899,291)	(5,030,432)	(5,030,432)	(5,145,755)	(5,261,078)
7	Ending rate base	99,041,115	98,776,761	98,512,408	98,248,055	97,983,701	97,719,348	97,454,994	97,190,641	96,926,288	96,661,934	96,661,934	96,413,400	96,164,865
8														
9	OTP Load Percentage	0.582%	0.582%	0.582%	0.582%	0.582%	0.582%	0.582%	0.582%	0.582%	0.582%	0.582%	0.582%	0.582%
10	Remove Non-OTP Load Portion	(98,464,678)	(98,201,863)	(97,939,048)	(97,676,233)	(97,413,419)	(97,150,604)	(96,887,789)	(96,624,974)	(96,362,160)	(96,099,345)	(96,099,345)	(95,852,257)	(95,605,168)
11	Retail Ending Rate Base	576,437	574,898	573,360	571,821	570,283	568,744	567,205	565,667	564,128	562,590	562,590	561,143	559,697
12														
13	Average rate base	48,228	48,228	48,228	48,228	48,228	48,228	48,228	48,228	48,228	48,228	578,739	46,238	46,238
14														
15	Return on Rate Base	3,307	3,307	3,307	3,307	3,307	3,307	3,307	3,307	3,307	3,307	39,688	3,201	3,201
16														
17	Available for return (equity portion of rate base)	2,286	2,286	2,286	2,286	2,286	2,286	2,286	2,286	2,286	2,286	27,437	2,217	2,217
18														
19	*EXPENSES*													
20	*O&M and Depreciation*													
21	Operating Costs	0	0	0	0	0	0	0	2,653	0	0	2,653	0	0
22	Property Tax	68,739	68,739	68,739	68,739	68,739	68,739	68,739	68,739	68,739	68,739	824,862	68,739	68,739
23	Book Depreciation	133,212	133,212	133,212	133,212	133,212	133,212	133,212	133,212	133,212	133,212	1,600,905	133,212	133,212
24	Total O&M and Depreciation Expense	201,950	201,950	201,950	201,950	201,950	201,950	201,950	204,604	201,950	201,950	2,428,420	201,950	201,950
25														
26	OTP Load Percentage	0.582%	0.582%	0.582%	0.582%	0.582%	0.582%	0.582%	0.582%	0.582%	0.582%	0.582%	0.582%	0.582%
27	Remove Non-OTP Load Portion	(200,775)	(200,775)	(200,775)	(200,775)	(200,775)	(200,775)	(200,775)	(203,413)	(200,775)	(200,775)	(2,414,286)	(200,775)	(200,775)
28	Retail O&M and Depreciation Expenses	1,175	1,175	1,175	1,175	1,175	1,175	1,175	1,191	1,175	1,175	14,134	1,175	1,175
29														
30	Income before Taxes													
31	Available for return (from above)	2,286	2,286	2,286	2,286	2,286	2,286	2,286	2,286	2,286	2,286	27,437	2,217	2,217
32	Taxable Income (grossed up)	2,894	2,894	2,894	2,894	2,894	2,894	2,894	2,894	2,894	2,894	34,730	2,806	2,806
33														
34	Income Taxes													
35	Current and Def Income Taxes	608	608	608	608	608	608	608	608	608	608	7,293	589	589
36	Total Income Tax Expense	608	608	608	608	608	608	608	608	608	608	7,293	589	589
37														
38														
39	*REVENUE REQUIRMENTS*													
40	Expenses	1,783	1,783	1,783	1,783	1,783	1,783	1,783	1,799	1,783	1,783	2,435,713	1,765	1,765
41	Return on rate base	3,307	3,307	3,307	3,307	3,307	3,307	3,307	3,307	3,307	3,307	39,688	3,201	3,201
42	Subtotal revenue requirements	5,090	5,090	5,090	5,090	5,090	5,090	5,090	5,106	5,090	5,090	2,475,401	4,966	4,966
43	Adjustments													
44	Transmission Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0
45	Total revenue requirements	5,090	5,090	5,090	5,090	5,090	5,090	5,090	5,106	5,090	5,090	2,475,401	4,966	4,966
46														
47	South Dakota share - D2 factor	468	468	468	468	468	468	468	469	468	468	5,615	456	456
48														
49	Gross Receipts Tax	1	1	1	1	1	1	1	1	1	1	8	1	1
50	Total South Dakota Share	468	468	468	468	468	468	468	470	468	468	5,623	457	457

Line No.														
	SUPPORTING INFORMATION / DATA													
1														
2		SD Cap Structure with allowed ROE per order.												
3		Capital Structure	**Ratio**	**Cost**	**WA Cost**				**Property tax**					
4		Debt	45.82%	4.62%	2.12%				2021 composite rate		0.82%			
5		Preferred equity	0.00%	0.00%	0.00%									
6		Common equity	54.18%	8.75%	4.74%									
7		Total	100.00%		6.86%	Overall Return								
8														
9			**Book**	**Tax**										
10		Project life (years)	50	15-year MACRS										
11						**SD Gross**								
12				**Fed Portion**	**State Portion**									
13		Statutory Tax Rate	21.00%	21.00%	0.00%	0.150%								
14		Tax conversion factor	1.26582											
15		Transmission Revenue	0.00%											
16		SD share - D2 factor	9.1874%											
17														
18	**Deferred Tax**													
19	Book depreciation	133,212	133,212	133,212	133,212	133,212	133,212	133,212	133,212	133,212	133,212	1,600,905	133,212	133,212
20	Tax depreciation-Federal	757,695	757,695	757,695	757,695	757,695	757,695	757,695	757,695	757,695	757,695	9,092,344	682,369	682,369
21	Tax depreciation-SD	757,695	757,695	757,695	757,695	757,695	757,695	757,695	757,695	757,695	757,695	9,092,344	682,369	682,369
22	Federal deferred income taxes	(131,142)	(131,142)	(131,142)	(131,142)	(131,142)	(131,142)	(131,142)	(131,142)	(131,142)	(131,142)	(1,573,202)	(115,323)	(115,323)
23	State deferred income taxes	0	0	0	0	0	0	0	0	0	0	0	0	0

Line No.	*Year>>*	2022 Projected March	2022 Projected April	2022 Projected May	2022 Projected June	2022 Projected July	2022 Projected August	2022 Projected September	2022 Projected October	2022 Projected November	2022 Projected December	2022 Projected Total	2023 Projected January	2023 Projected February
	RATE BASE													
1	Plant Balance	106,352,470	106,352,470	106,352,470	106,352,470	106,352,470	106,352,470	106,352,470	106,352,470	106,352,470	106,352,470	106,352,470	106,352,470	106,352,470
2	Accumulated Depreciation	(5,059,738)	(5,192,950)	(5,326,162)	(5,459,374)	(5,592,586)	(5,725,797)	(5,859,009)	(5,992,221)	(6,125,433)	(6,258,645)	(6,258,645)	(6,391,856)	(6,525,068)
3	Net Plant in Service	101,292,731	101,159,519	101,026,308	100,893,096	100,759,884	100,626,672	100,493,460	100,360,249	100,227,037	100,093,825	100,093,825	99,960,613	99,827,401
4	CWIP	0	0	0	0	0	0	0	0	0	0	0	0	0
5	ADIT Federal Proration Factors	0.9178	0.8356	0.7507	0.6685	0.5836	0.4986	0.4164	0.3315	0.2493	0.1644		0.0795	0.0027
6	Accumulated Deferred Income Taxes Federal & State	(5,366,923)	(5,463,288)	(5,549,860)	(5,626,952)	(5,694,250)	(5,751,754)	(5,799,779)	(5,838,009)	(5,866,761)	(5,885,718)	(5,885,718)	(6,422,332)	(6,422,609)
7	Ending rate base	95,925,809	95,696,231	95,476,448	95,266,144	95,065,634	94,874,918	94,693,682	94,522,240	94,360,276	94,208,107	94,208,107	93,538,281	93,404,793
8														
9	OTP Load Percentage	0.582%	0.582%	0.582%	0.582%	0.582%	0.582%	0.582%	0.582%	0.582%	0.582%	0.582%	0.582%	0.582%
10	Remove Non-OTP Load Portion	(95,367,503)	(95,139,262)	(94,920,758)	(94,711,678)	(94,512,335)	(94,322,730)	(94,142,548)	(93,972,103)	(93,811,082)	(93,659,799)	(93,659,799)	(92,993,872)	(92,861,160)
11	Retail Ending Rate Base	558,305	556,969	555,690	554,466	553,299	552,189	551,134	550,136	549,194	548,308	548,308	544,409	543,633
12														
13	Average rate base	46,238	46,238	46,238	46,238	46,238	46,238	46,238	46,238	46,238	46,238	554,855	44,857	44,857
14														
15	Return on Rate Base	3,201	3,201	3,201	3,201	3,201	3,201	3,201	3,201	3,201	3,201	38,415	3,106	3,106
16														
17	Available for return (equity portion of rate base)	2,217	2,217	2,217	2,217	2,217	2,217	2,217	2,217	2,217	2,217	26,600	2,151	2,151
18														
19	*EXPENSES*													
20	*O&M and Depreciation*													
21	Operating Costs	0	0	0	0	0	0	0	0	0	80,000	80,000	0	0
22	Property Tax	68,739	68,739	68,739	68,739	68,739	68,739	68,739	68,739	68,739	68,739	824,862	68,739	68,739
23	Book Depreciation	133,212	133,212	133,212	133,212	133,212	133,212	133,212	133,212	133,212	133,212	1,598,542	133,212	133,212
24	Total O&M and Depreciation Expense	201,950	201,950	201,950	201,950	201,950	201,950	201,950	201,950	201,950	281,950	2,503,404	201,950	201,950
25														
26	OTP Load Percentage	0.582%	0.582%	0.582%	0.582%	0.582%	0.582%	0.582%	0.582%	0.582%	0.582%	0.582%	0.582%	0.582%
27	Remove Non-OTP Load Portion	(200,775)	(200,775)	(200,775)	(200,775)	(200,775)	(200,775)	(200,775)	(200,775)	(200,775)	(280,309)	(2,488,834)	(200,775)	(200,775)
28	Retail O&M and Depreciation Expenses	1,175	1,175	1,175	1,175	1,175	1,175	1,175	1,175	1,175	1,641	14,570	1,175	1,175
29														
30	Income before Taxes													
31	Available for return (from above)	2,217	2,217	2,217	2,217	2,217	2,217	2,217	2,217	2,217	2,217	26,600	2,151	2,151
32	Taxable Income (grossed up)	2,806	2,806	2,806	2,806	2,806	2,806	2,806	2,806	2,806	2,806	33,671	2,722	2,722
33														
34	Income Taxes													
35	Current and Def Income Taxes	589	589	589	589	589	589	589	589	589	589	7,071	572	572
36	Total Income Tax Expense	589	589	589	589	589	589	589	589	589	589	7,071	572	572
37														
38														
39	*REVENUE REQUIRMENTS*													
40	Expenses	1,765	1,765	1,765	1,765	1,765	1,765	1,765	1,765	1,765	2,230	2,510,475	1,747	1,747
41	Return on rate base	3,201	3,201	3,201	3,201	3,201	3,201	3,201	3,201	3,201	3,201	38,415	3,106	3,106
42	Subtotal revenue requirements	4,966	4,966	4,966	4,966	4,966	4,966	4,966	4,966	4,966	5,432	2,548,890	4,853	4,853
43	Adjustments													
44	Transmission Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0
45	Total revenue requirements	4,966	4,966	4,966	4,966	4,966	4,966	4,966	4,966	4,966	5,432	2,548,890	4,853	4,853
46														
47	South Dakota share - D2 factor	456	456	456	456	456	456	456	456	456	499	5,518	446	446
48														
49	Gross Receipts Tax	1	1	1	1	1	1	1	1	1	1	8	1	1
50	Total South Dakota Share	457	457	457	457	457	457	457	457	457	500	5,526	447	447

Line No.														
	SUPPORTING INFORMATION / DATA													
1														
2		SD Cap Structure with allowed ROE per order.												
3		Capital Structure	**Ratio**	**Cost**	**WA Cost**				**Property tax**					
4		Debt	45.21%	4.71%	2.13%				2022 composite rate		0.82%			
5		Preferred equity	0.00%	0.00%	0.00%									
6		Common equity	54.79%	8.75%	4.79%									
7		Total	100.00%		6.92%	Overall Return								
8														
9			**Book**	**Tax**										
10		Project life (years)	50	15-year MACRS										
11						**SD Gross**								
12				**Fed Portion**	**State Portion**									
13		Statutory Tax Rate	21.00%	21.00%	0.00%	0.150%								
14		Tax conversion factor	1.26582											
15		Transmission Revenue	0.00%											
16		SD share - D2 factor	9.1874%											
17														
18	**Deferred Tax**													
19	Book depreciation	133,212	133,212	133,212	133,212	133,212	133,212	133,212	133,212	133,212	133,212	1,598,542	133,212	133,212
20	Tax depreciation-Federal	682,369	682,369	682,369	682,369	682,369	682,369	682,369	682,369	682,369	682,369	8,188,426	614,132	614,132
21	Tax depreciation-SD	682,369	682,369	682,369	682,369	682,369	682,369	682,369	682,369	682,369	682,369	8,188,426	614,132	614,132
22	Federal deferred income taxes	(115,323)	(115,323)	(115,323)	(115,323)	(115,323)	(115,323)	(115,323)	(115,323)	(115,323)	(115,323)	(1,383,876)	(100,993)	(100,993)
23	State deferred income taxes	0	0	0	0	0	0	0	0	0	0	0	0	0