

Otter Tail Power Company
South Dakota Transmission Cost Recovery Rider
Erie-Frazee115KV Project

Line No.	Year>>	2022	2022	2022	2022	2022	2022	2022	2022	2022	2022	2022	2023	2023
		Projected Mar	Projected Apr	Projected May	Projected Jun	Projected Jul	Projected Aug	Projected Sep	Projected Oct	Projected Nov	Projected Dec	Projected Total	Projected Jan	Projected Feb
RATE BASE														
1	Plant Balance	0	0	0	0	0	0	0	0	0	0	0	0	0
2	Accumulated Depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0
3	Net Plant in Service	0	0	0	0	0	0	0	0	0	0	0	0	0
CWIP Calculation:														
	Beginning Balance	287,200	312,200	337,200	412,200	512,200	712,200	862,200	1,012,200	1,212,200	1,262,200	1,075,000	1,312,200	1,912,200
	Additional CWIP	25,000	25,000	75,000	100,000	200,000	150,000	150,000	200,000	50,000	50,000		600,000	150,000
	Closings from CWIP AFDUC													
4	CWIP (Project #T02031.039) 106687	312,200	337,200	412,200	512,200	712,200	862,200	1,012,200	1,212,200	1,262,200	1,312,200	1,312,200	1,912,200	2,062,200
5	ADIT 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	0	0	0	0	0	0	0	0	0	0	0	0	0
7	Ending rate base	312,200	337,200	412,200	512,200	712,200	862,200	1,012,200	1,212,200	1,262,200	1,312,200	1,312,200	1,912,200	2,062,200
8														
9	Average rate base	55,985	55,985	55,985	55,985	55,985	55,985	55,985	55,985	55,985	55,985	671,815	334,168	334,168
10														
11	Return on Rate Base	3,839	3,839	3,839	3,839	3,839	3,839	3,839	3,839	3,839	3,839	46,071	22,916	22,916
12														
13	Available for return (equity portion of rate base)	2,654	2,654	2,654	2,654	2,654	2,654	2,654	2,654	2,654	2,654	31,849	15,842	15,842
14														
EXPENSES														
<i>O&M and Depreciation</i>														
16	Operating Costs	0	0	0	0	0	0	0	0	0	0	0	0	0
17	Property Tax	0	0	0	0	0	0	0	0	0	0	0	2,023	2,023
18	Book Depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0
19	Total O&M and Depreciation Expense	0	0	0	0	0	0	0	0	0	0	0	2,023	2,023
20														
21	Income before Taxes													
22	Available for return (from above)	2,654	2,654	2,654	2,654	2,654	2,654	2,654	2,654	2,654	2,654	31,849	15,842	15,842
23	Taxable Income (grossed up)	3,360	3,360	3,360	3,360	3,360	3,360	3,360	3,360	3,360	3,360	40,315	20,053	20,053
24														
25	Income Taxes													
26	Current and Def Income Taxes	706	706	706	706	706	706	706	706	706	706	8,466	4,211	4,211
27	Total Income Tax Expense	706	706	706	706	706	706	706	706	706	706	8,466	4,211	4,211
28														
29														
30														
REVENUE REQUIRMENTS														
31	Expenses	706	706	706	706	706	706	706	706	706	706	8,466	6,234	6,234
32	Return on rate base	3,839	3,839	3,839	3,839	3,839	3,839	3,839	3,839	3,839	3,839	46,071	22,916	22,916
33	Subtotal revenue requirements	4,545	4,545	4,545	4,545	4,545	4,545	4,545	4,545	4,545	4,545	54,537	29,150	29,150
34	Adjustments	0	0	0	0	0	0	0	0	0	0	0	0	0
35	Wholesale Revenue Credit	(903)	(903)	(903)	(903)	(903)	(903)	(903)	(903)	(903)	(903)	(10,833)	(5,777)	(5,777)
36	Total revenue requirements	3,642	3,642	3,642	3,642	3,642	3,642	3,642	3,642	3,642	3,642	43,704	23,373	23,373
37														
38	South Dakota share - D2 factor	335	335	335	335	335	335	335	335	335	335	4,015	2,147	2,147
39														
40														
41	Gross Receipts Tax	1	1	1	1	1	1	1	1	1	1	6	3	3
42	Total South Dakota Share	335	335	335	335	335	335	335	335	335	335	4,021	2,151	2,151

Line No.	SUPPORTING INFORMATION / DATA														
1	SD Cap Structure with allowed ROE per order.														
2	Capital Structure														
3		Ratio	Cost	WA Cost		Property tax									
4	Debt	45.82%	4.62%	2.12%		2022 composite rate	1.85%								
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															
10	Project life (years)	Book	Tax												
11		50	15-year MACRS												
12															
13			Fed Portion	State Portion	SD Gross										
14	Effective Tax Rate	21.00%	21.00%	0.00%	Receipts Tax	0.150%									
15	Tax conversion factor	1.26582													
16	Wholesale Revenue Credit	19.86%													
17	SD share - D2 factor	9.1874%													
18	Deferred Tax														
19	Book depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	
20	Tax depreciation-Federal	0	0	0	0	0	0	0	0	0	0	0	0	0	
21	Tax depreciation-SD	0	0	0	0	0	0	0	0	0	0	0	0	0	
22	Federal deferred income taxes	0	0	0	0	0	0	0	0	0	0	0	0	0	
23	State deferred income taxes	0	0	0	0	0	0	0	0	0	0	0	0	0	