Otter Tail Power Company
South Dakota Transmission Cost Recovery Rider
Erie-Frazee115kV Project

Line No.	Year>>	2021 Actual Mar	2021 Actual Apr	2021 Actual May	2021 Actual Jun	2021 Actual Jul	2021 Actual Aug	2021 Actual Sep	2021 Actual Oct	2021 Actual Nov	2021 Actual Dec	2021 Actual Total	2022 Projected Jan	2022 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	35,510	37,391	42,491	50,273	57,557	63,382	106,311	219,700	318,756	334,463		338,106	363,106
	Additional CWIP	1,881	5,100	7,782	7,285	5,824	42,930	113,388	99,057	15,707	3,643	366,814	25,000	25,000
	Closings from CWIP													
	AFDUC													
4	CWIP (Project #T02031.039) 106687	37,391	42,491	50,273	57,557	63,382	106,311	219,700	318,756	334,463	338,106	338,106	363,106	388,106
5	ADIT 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	0	0	0	0	0	0	0	0	0	0	0	0	0
7	Ending rate base	37,391	42,491	50,273	57,557	63,382	106,311	219,700	318,756	334,463	338,106	338,106	363,106	388,106
8														
9	Average rate base	10,710	10,710	10,710	10,710	10,710	10,710	10,710	10,710	10,710	10,710	128,516	64,393	64,393
10														
11	Return on Rate Base	734	734	734	734	734	734	734	734	734	734	8,813	4,458	4,458
12														
13	Available for return (equity portion of rate base)	508	508	508	508	508	508	508	508	508	508	6,093	3,087	3,087
14														
15	*EXPENSES*													
16	*O&M and Depreciation*													
17	Operating Costs	0	0	0	0	0	0	0	0	0	0	0	0	0
18	Property Tax	0	0	0	0	0	0	0	0	0	0	0	0	0
19	Book Depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0
20	Total O&M and Depreciation Expense	0	0	0	0	0	0	0	0	0	0	0	0	0
21														
22	Income before Taxes													
23	Available for return (from above)	508	508	508	508	508	508	508	508	508	508	6,093	3,087	3,087
24	Taxable Income (grossed up)	643	643	643	643	643	643	643	643	643	643	7,712	3,908	3,908
25														
26	Income Taxes													
27	Current and Def Income Taxes	135	135	135	135	135	135	135	135	135	135	1,620	821	821
28	Total Income Tax Expense	135	135	135	135	135	135	135	135	135	135	1,620	821	821
29														
30														
31	*REVENUE REQUIRMENTS*													
32	Expenses	135	135	135	135	135	135	135	135	135	135	1,620	821	821
33	Return on rate base	734	734	734	734	734	734	734	734	734	734	8,813	4,458	4,458
34	Subtotal revenue requirements	869	869	869	869	869	869	869	869	869	869	10,433	5,279	5,279
35	Adjustments	0	0	0	0	0	0	0	0	0	0	0	0	0
36	Wholesale Revenue Credit	(168)	(168)	(168)	(168)	(168)	(168)	(168)	(168)	(168)	(168)	(2,014)	(1,049)	(1,049)
37	Total revenue requirements	702	702	702	702	702	702	702	702	702	702	8,419	4,230	4,230
38														
39	South Dakota share - D2 factor	64	64	64	64	64	64	64	64	64	64	773	389	389
40														
41														
42	Gross Receipts Tax	0	0	0	0	0	0	0	0	0	0	1	1	1
43	Total South Dakota Share	65	65	65	65	65	65	65	65	65	65	775	389	389

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			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			**Book**	**Tax**									
10		Project life (years)	50	15-year MACRS									
11													
12				**Fed Portion**	**State Portion**	**SD Gross Receipts Tax**							
13		Effective Tax Rate	21.00%	21.00%	0.00%	0.150%							
14		Tax conversion factor	1.26582										
15		Wholesale Revenue Credit	19.30%										
16		SD share - D2 factor	9.1874%										
17													
18	**Deferred Tax**												
19	Book depreciation	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
21	Tax depreciation-SD	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
23	State deferred income taxes	0	0	0	0	0	0	0	0	0	0	0	0

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Line No.	Year>>	2022 Projected Mar	2022 Projected Apr	2022 Projected May	2022 Projected Jun	2022 Projected Jul	2022 Projected Aug	2022 Projected Sep	2022 Projected Oct	2022 Projected Nov	2022 Projected Dec	2022 Projected Total	2023 Projected Jan	2023 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	388,106	413,106	438,106	513,106	613,106	813,106	963,106	1,113,106	1,313,106	1,363,106		1,413,106	2,013,106
	Additional CWIP	25,000	25,000	75,000	100,000	200,000	150,000	150,000	200,000	50,000	50,000	1,075,000	600,000	150,000
	Closings from CWIP													
	AFDUC													
4	CWIP (Project #T02031.039) 106687	413,106	438,106	513,106	613,106	813,106	963,106	1,113,106	1,313,106	1,363,106	1,413,106	1,413,106	2,013,106	2,163,106
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	413,106	438,106	513,106	613,106	813,106	963,106	1,113,106	1,313,106	1,363,106	1,413,106	1,413,106	2,013,106	2,163,106
8														
9	Average rate base	64,393	64,393	64,393	64,393	64,393	64,393	64,393	64,393	64,393	64,393	772,721	342,527	342,527
10														
11	Return on Rate Base	4,458	4,458	4,458	4,458	4,458	4,458	4,458	4,458	4,458	4,458	53,499	23,715	23,715
12														
13	Available for return (equity portion of rate base)	3,087	3,087	3,087	3,087	3,087	3,087	3,087	3,087	3,087	3,087	37,045	16,421	16,421
14														
15	*EXPENSES*													
16	*O&M and Depreciation*													
17	Operating Costs	0	0	0	0	0	0	0	0	0	0	0	0	0
18	Property Tax	0	0	0	0	0	0	0	0	0	0	0	2,179	2,179
19	Book Depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0
20	Total O&M and Depreciation Expense	0	0	0	0	0	0	0	0	0	0	0	2,179	2,179
21														
22	Income before Taxes													
23	Available for return (from above)	3,087	3,087	3,087	3,087	3,087	3,087	3,087	3,087	3,087	3,087	37,045	16,421	16,421
24	Taxable Income (grossed up)	3,908	3,908	3,908	3,908	3,908	3,908	3,908	3,908	3,908	3,908	46,893	20,786	20,786
25														
26	Income Taxes													
27	Current and Def Income Taxes	821	821	821	821	821	821	821	821	821	821	9,847	4,365	4,365
28	Total Income Tax Expense	821	821	821	821	821	821	821	821	821	821	9,847	4,365	4,365
29														
30														
31	*REVENUE REQUIRMENTS*													
32	Expenses	821	821	821	821	821	821	821	821	821	821	9,847	6,544	6,544
33	Return on rate base	4,458	4,458	4,458	4,458	4,458	4,458	4,458	4,458	4,458	4,458	53,499	23,715	23,715
34	Subtotal revenue requirements	5,279	5,279	5,279	5,279	5,279	5,279	5,279	5,279	5,279	5,279	63,347	30,259	30,259
35	Adjustments	0	0	0	0	0	0	0	0	0	0	0	0	0
36	Wholesale Revenue Credit	(1,049)	(1,049)	(1,049)	(1,049)	(1,049)	(1,049)	(1,049)	(1,049)	(1,049)	(1,049)	(12,583)	(5,997)	(5,997)
37	Total revenue requirements	4,230	4,230	4,230	4,230	4,230	4,230	4,230	4,230	4,230	4,230	50,764	24,262	24,262
38														
39	South Dakota share - D2 factor	389	389	389	389	389	389	389	389	389	389	4,664	2,229	2,229
40														
41														
42	Gross Receipts Tax	1	1	1	1	1	1	1	1	1	1	7	3	3
43	Total South Dakota Share	389	389	389	389	389	389	389	389	389	389	4,671	2,232	2,232

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			1.85%		
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													
12				**Fed Portion**	**State Portion**	**SD Gross Receipts Tax**							
13		Effective Tax Rate	21.00%	21.00%	0.00%	0.150%							
14		Tax conversion factor	1.26582										
15		Wholesale Revenue Credit	19.86%										
16		SD share - D2 factor	9.1874%										
17													
18	**Deferred Tax**												
19	Book depreciation	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
21	Tax depreciation-SD	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
23	State deferred income taxes	0	0	0	0	0	0	0	0	0	0	0	0