Otter Tail Power Company
South Dakota Transmission Cost Recovery Rider
Grant County - Norcross 115kV 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 Projected Oct	2021 Projected Nov	2021 Projected Dec	2021 Projected Total	2022 Projected Jan	2022 Projected Feb
	RATE BASE													
1	Plant Balance	0	0	0	0	0	0	0	0	0	0	0	0	4,134,276
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	4,134,276
	CWIP Calculation:													
	Beginning Balance	2,710,567	2,919,793	3,176,895	3,207,107	3,473,214	3,596,288	3,848,062	3,943,650	4,123,094	4,126,200		4,134,276	4,134,276
	Additional CWIP	209,226	257,102	30,212	266,107	123,074	251,774	95,588	179,445	3,106	8,075	1,745,594	0	0
	Closings from CWIP													(4,134,276)
	AFDUC													
4	CWIP (Project #T02031.059) 106727	2,919,793	3,176,895	3,207,107	3,473,214	3,596,288	3,848,062	3,943,650	4,123,094	4,126,200	4,134,276	4,134,276	4,134,276	0
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	(3,946)
7	Ending rate base	2,919,793	3,176,895	3,207,107	3,473,214	3,596,288	3,848,062	3,943,650	4,123,094	4,126,200	4,134,276	4,134,276	4,134,276	4,130,329
8														
9	Average rate base	283,226	283,226	283,226	283,226	283,226	283,226	283,226	283,226	283,226	283,226	3,398,715	341,648	341,648
10														
11	Return on Rate Base	19,423	19,423	19,423	19,423	19,423	19,423	19,423	19,423	19,423	19,423	233,071	23,429	23,429
12														
13	Available for return (equity portion of rate base)	13,427	13,427	13,427	13,427	13,427	13,427	13,427	13,427	13,427	13,427	161,125	16,197	16,197
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	3,683	3,683	3,683	3,683	3,683	3,683	3,683	3,683	3,683	3,683	44,191	6,374	6,374
19	Book Depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0
20	Total O&M and Depreciation Expense	3,683	3,683	3,683	3,683	3,683	3,683	3,683	3,683	3,683	3,683	44,191	6,374	6,374
21														
22	Income before Taxes													
23	Available for return (from above)	13,427	13,427	13,427	13,427	13,427	13,427	13,427	13,427	13,427	13,427	161,125	16,197	16,197
24	Taxable Income (grossed up)	16,996	16,996	16,996	16,996	16,996	16,996	16,996	16,996	16,996	16,996	203,955	20,502	20,502
25														
26	Income Taxes													
27	Current and Def Income Taxes	3,569	3,569	3,569	3,569	3,569	3,569	3,569	3,569	3,569	3,569	42,831	4,305	4,305
28	Total Income Tax Expense	3,569	3,569	3,569	3,569	3,569	3,569	3,569	3,569	3,569	3,569	42,831	4,305	4,305
29														
30														
31	*REVENUE REQUIRMENTS*													
32	Expenses	7,252	7,252	7,252	7,252	7,252	7,252	7,252	7,252	7,252	7,252	87,021	10,679	10,679
33	Return on rate base	19,423	19,423	19,423	19,423	19,423	19,423	19,423	19,423	19,423	19,423	233,071	23,429	23,429
34	Subtotal revenue requirements	26,674	26,674	26,674	26,674	26,674	26,674	26,674	26,674	26,674	26,674	320,093	34,108	34,108
35	Adjustments	0	0	0	0	0	0	0	0	0	0	0	0	0
36	Wholesale Revenue Credit	(5,177)	(5,177)	(5,177)	(5,177)	(5,177)	(5,177)	(5,177)	(5,177)	(5,177)	(5,177)	(62,125)	(6,775)	(6,775)
37	Total revenue requirements	21,497	21,497	21,497	21,497	21,497	21,497	21,497	21,497	21,497	21,497	257,967	27,333	27,333
38														
39	South Dakota share - D2 factor	1,975	1,975	1,975	1,975	1,975	1,975	1,975	1,975	1,975	1,975	23,701	2,511	2,511
40														
41														
42	Gross Receipts Tax	3	3	3	3	3	3	3	3	3	3	36	4	4
43	Total South Dakota Share	1,978	1,978	1,978	1,978	1,978	1,978	1,978	1,978	1,978	1,978	23,736	2,515	2,515

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	19.41%											
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	0
20	Tax depreciation-Federal	0	0	0	0	0	0	0	0	0	0	0	0	18,792
21	Tax depreciation-SD	0	0	0	0	0	0	0	0	0	0	0	0	18,792
22	Federal deferred income taxes	0	0	0	0	0	0	0	0	0	0	0	0	(3,946)
23	State deferred income taxes	0	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	4,134,276	4,134,276	4,134,276	4,134,276	4,134,276	4,134,276	4,134,276	4,134,276	4,134,276	4,134,276	4,134,276	4,134,276	4,134,276
2	Accumulated Depreciation	(5,503)	(11,006)	(16,509)	(22,012)	(27,515)	(33,018)	(38,521)	(44,025)	(49,528)	(55,031)	(55,031)	(60,534)	(66,037)
3	Net Plant in Service	4,128,773	4,123,269	4,117,766	4,112,263	4,106,760	4,101,257	4,095,754	4,090,251	4,084,748	4,079,245	4,079,245	4,073,742	4,068,239
	CWIP Calculation:													
	Beginning Balance	0	0	0	0	0	0	0	0	0	0		0	0
	Additional CWIP	0	0	0	0	0	0	0	0	0	0	0	0	0
	Closings from CWIP	0	0	0	0	0	0	0	0	0	0		0	0
	AFDUC													
4	CWIP (Project #T02031.059) 106727	0	0	0	0	0	0	0	0	0	0	0	0	0
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	(6,508)	(8,840)	(10,935)	(12,800)	(14,429)	(15,820)	(16,982)	(17,908)	(18,603)	(19,062)	(19,062)	(19,516)	(19,532)
7	Ending rate base	4,122,265	4,114,430	4,106,832	4,099,463	4,092,332	4,085,437	4,078,772	4,072,343	4,066,145	4,060,183	4,060,183	4,054,226	4,048,707
8														
9	Average rate base	341,648	341,648	341,648	341,648	341,648	341,648	341,648	341,648	341,648	341,648	4,099,775	333,545	333,545
10														
11	Return on Rate Base	23,429	23,429	23,429	23,429	23,429	23,429	23,429	23,429	23,429	23,429	281,148	22,873	22,873
12														
13	Available for return (equity portion of rate base)	16,197	16,197	16,197	16,197	16,197	16,197	16,197	16,197	16,197	16,197	194,360	15,813	15,813
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	6,374	6,374	6,374	6,374	6,374	6,374	6,374	6,374	6,374	6,374	76,484	6,374	6,374
19	Book Depreciation	5,503	5,503	5,503	5,503	5,503	5,503	5,503	5,503	5,503	5,503	55,031	5,503	5,503
20	Total O&M and Depreciation Expense	11,877	11,877	11,877	11,877	11,877	11,877	11,877	11,877	11,877	11,877	131,515	11,877	11,877
21														
22	Income before Taxes													
23	Available for return (from above)	16,197	16,197	16,197	16,197	16,197	16,197	16,197	16,197	16,197	16,197	194,360	15,813	15,813
24	Taxable Income (grossed up)	20,502	20,502	20,502	20,502	20,502	20,502	20,502	20,502	20,502	20,502	246,025	20,016	20,016
25														
26	Income Taxes													
27	Current and Def Income Taxes	4,305	4,305	4,305	4,305	4,305	4,305	4,305	4,305	4,305	4,305	51,665	4,203	4,203
28	Total Income Tax Expense	4,305	4,305	4,305	4,305	4,305	4,305	4,305	4,305	4,305	4,305	51,665	4,203	4,203
29														
30														
31	*REVENUE REQUIRMENTS*													
32	Expenses	16,182	16,182	16,182	16,182	16,182	16,182	16,182	16,182	16,182	16,182	183,180	16,080	16,080
33	Return on rate base	23,429	23,429	23,429	23,429	23,429	23,429	23,429	23,429	23,429	23,429	281,148	22,873	22,873
34	Subtotal revenue requirements	39,611	39,611	39,611	39,611	39,611	39,611	39,611	39,611	39,611	39,611	464,328	38,953	38,953
35	Adjustments	0	0	0	0	0	0	0	0	0	0	0	0	0
36	Wholesale Revenue Credit	(7,868)	(7,868)	(7,868)	(7,868)	(7,868)	(7,868)	(7,868)	(7,868)	(7,868)	(7,868)	(92,233)	(7,720)	(7,720)
37	Total revenue requirements	31,743	31,743	31,743	31,743	31,743	31,743	31,743	31,743	31,743	31,743	372,095	31,233	31,233
38														
39	South Dakota share - D2 factor	2,916	2,916	2,916	2,916	2,916	2,916	2,916	2,916	2,916	2,916	34,186	2,870	2,870
40														
41														
42	Gross Receipts Tax	4	4	4	4	4	4	4	4	4	4	51	4	4
43	Total South Dakota Share	2,921	2,921	2,921	2,921	2,921	2,921	2,921	2,921	2,921	2,921	34,237	2,874	2,874

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6		Common equity	54.18%	8.75%	4.74%									
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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	5,503	5,503	5,503	5,503	5,503	5,503	5,503	5,503	5,503	5,503	55,031	5,503	5,503
20	Tax depreciation-Federal	18,792	18,792	18,792	18,792	18,792	18,792	18,792	18,792	18,792	18,792	206,714	32,730	32,730
21	Tax depreciation-SD	18,792	18,792	18,792	18,792	18,792	18,792	18,792	18,792	18,792	18,792	206,714	32,730	32,730
22	Federal deferred income taxes	(2,791)	(2,791)	(2,791)	(2,791)	(2,791)	(2,791)	(2,791)	(2,791)	(2,791)	(2,791)	(31,853)	(5,718)	(5,718)
23	State deferred income taxes	0	0	0	0	0	0	0	0	0	0	0	0	0