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

Line No.	Year>>	2022 Actual March	2022 Actual April	2022 Actual May	2022 Actual June	2022 Actual July	2022 Actual 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	(5,062,194)	(5,196,224)	(5,330,254)	(5,464,284)	(5,598,315)	(5,732,345)	(5,866,375)	(6,000,406)	(6,134,436)	(6,268,466)	(6,268,466)	(6,402,496)	(6,536,527)
3	Net Plant in Service	101,290,276	101,156,246	101,022,215	100,888,185	100,754,155	100,620,125	100,486,094	100,352,064	100,218,034	100,084,004	100,084,004	99,949,973	99,815,943
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	0.3333	0.2514	0.1667		0.0820	0.0027
6	Accumulated Deferred Income Taxes Federal & State	(5,375,886)	(5,491,037)	(5,606,188)	(5,721,339)	(5,836,490)	(5,951,641)	(6,066,792)	(6,105,176)	(6,134,121)	(6,153,313)	(6,153,313)	(6,420,510)	(6,420,785)
	Accumulated Deferred Income Taxes Federal & State - No Proration	(5,375,886)	(5,491,037)	(5,606,188)	(5,721,339)	(5,836,490)	(5,951,641)	(6,066,792)	(6,181,943)	(6,297,094)	(6,412,246)	(6,412,246)	(6,513,067)	(6,613,888)
7	Ending rate base	95,914,390	95,665,209	95,416,028	95,166,846	94,917,665	94,668,484	94,419,302	94,246,888	94,083,913	93,930,691	93,930,691	93,529,464	93,395,158
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	(95,356,152)	(95,108,420)	(94,860,689)	(94,612,958)	(94,365,227)	(94,117,496)	(93,869,765)	(93,698,355)	(93,536,328)	(93,383,997)	(93,383,997)	(92,985,106)	(92,851,582)
11	Retail Ending Rate Base	558,239	556,789	555,338	553,888	552,438	550,987	549,537	548,534	547,585	546,693	546,693	544,358	543,576
12														
13	Average rate base	46,176	46,176	46,176	46,176	46,176	46,176	46,176	46,176	46,176	46,176	554,111	44,910	44,910
14														
15	Return on Rate Base	3,197	3,197	3,197	3,197	3,197	3,197	3,197	3,197	3,197	3,197	38,364	3,109	3,109
16														
17	Available for return (equity portion of rate base)	2,214	2,214	2,214	2,214	2,214	2,214	2,214	2,214	2,214	2,214	26,565	2,153	2,153
18														
19	*EXPENSES*													
20	*O&M and Depreciation*													
21	Operating Costs	0	2,325	0	0	0	0	0	0	0	80,000	10,325	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	67,902	67,902
23	Book Depreciation	134,030	134,030	134,030	134,030	134,030	134,030	134,030	134,030	134,030	134,030	1,608,363	134,030	134,030
24	Total O&M and Depreciation Expense	202,769	205,094	202,769	202,769	202,769	202,769	202,769	202,769	202,769	282,769	2,443,550	201,932	201,932
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	(201,589)	(203,900)	(201,589)	(201,589)	(201,589)	(201,589)	(201,589)	(201,589)	(201,589)	(281,123)	(2,429,328)	(200,757)	(200,757)
28	Retail O&M and Depreciation Expenses	1,180	1,194	1,180	1,180	1,180	1,180	1,180	1,180	1,180	1,646	14,222	1,175	1,175
29														
30	Income before Taxes													
31	Available for return (from above)	2,214	2,214	2,214	2,214	2,214	2,214	2,214	2,214	2,214	2,214	26,565	2,153	2,153
32	Taxable Income (grossed up)	2,802	2,802	2,802	2,802	2,802	2,802	2,802	2,802	2,802	2,802	33,626	2,725	2,725
33														
34	Income Taxes													
35	Current and Def Income Taxes	588	588	588	588	588	588	588	588	588	588	7,062	572	572
36	Total Income Tax Expense	588	588	588	588	588	588	588	588	588	588	7,062	572	572
37														
38														
39	*REVENUE REQUIRMENTS*													
40	Expenses	1,769	1,782	1,769	1,769	1,769	1,769	1,769	1,769	1,769	2,234	2,450,612	1,748	1,748
41	Return on rate base	3,197	3,197	3,197	3,197	3,197	3,197	3,197	3,197	3,197	3,197	38,364	3,109	3,109
42	Subtotal revenue requirements	4,966	4,979	4,966	4,966	4,966	4,966	4,966	4,966	4,966	5,431	2,488,976	4,857	4,857
43	Adjustments													
44	Transmission Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0
45	Total revenue requirements	4,966	4,979	4,966	4,966	4,966	4,966	4,966	4,966	4,966	5,431	2,488,976	4,857	4,857
46														
47	South Dakota share - D2 factor	530	531	530	530	530	530	530	530	530	579	6,362	512	512
48														
49	Gross Receipts Tax	1	1	1	1	1	1	1	1	1	1	10	1	1
50	Total South Dakota Share	530	532	530	530	530	530	530	530	530	580	6,371	513	513

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	0.81%			
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	10.6659%										
17													
18	**Deferred Tax**												
19	Book depreciation	134,030	134,030	134,030	134,030	134,030	134,030	134,030	134,030	134,030	134,030	1,608,363	134,030	134,030
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	(115,151)	(115,151)	(115,151)	(115,151)	(115,151)	(115,151)	(115,151)	(115,151)	(115,151)	(115,151)	(1,381,813)	(100,821)	(100,821)
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>>	2023 Projected March	2023 Projected April	2023 Projected May	2023 Projected June	2023 Projected July	2023 Projected August	2023 Projected September	2023 Projected October	2023 Projected November	2023 Projected December	2023 Projected Total	2024 Projected January	2024 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	(6,670,557)	(6,804,587)	(6,938,617)	(7,072,648)	(7,206,678)	(7,340,708)	(7,474,738)	(7,608,769)	(7,742,799)	(7,876,829)	(7,876,829)	(8,010,859)	(8,144,890)
3	Net Plant in Service	99,681,913	99,547,883	99,413,852	99,279,822	99,145,792	99,011,762	98,877,731	98,743,701	98,609,671	98,475,641	98,475,641	98,341,610	98,207,580
4	CWIP	0	0	0	0	0	0	0	0	0	0	0	0	0
5	ADIT Federal Proration Factors	0.9180	0.8361	0.7514	0.6694	0.5847	0.5000	0.4180	0.3333	0.2514	0.1667		0.0820	0.0027
6	Accumulated Deferred Income Taxes Federal & State	(6,513,342)	(6,597,636)	(6,673,389)	(6,740,879)	(6,799,829)	(6,850,240)	(6,892,387)	(6,925,994)	(6,951,337)	(6,968,140)	(6,968,140)	(7,629,298)	(7,629,538)
	Accumulated Deferred Income Taxes Federal & State - No Proration	(6,714,710)	(6,815,531)	(6,916,352)	(7,017,174)	(7,117,995)	(7,218,816)	(7,319,638)	(7,420,459)	(7,521,281)	(7,622,102)	(7,622,102)	(7,709,896)	(7,797,691)
7	Ending rate base	93,168,570	92,950,247	92,740,463	92,538,943	92,345,963	92,161,522	91,985,345	91,817,707	91,658,334	91,507,500	91,507,500	90,712,312	90,578,042
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	(92,626,313)	(92,409,260)	(92,200,697)	(92,000,350)	(91,808,493)	(91,625,125)	(91,449,974)	(91,283,312)	(91,124,866)	(90,974,910)	(90,974,910)	(90,184,350)	(90,050,862)
11	Retail Ending Rate Base	542,258	540,987	539,766	538,593	537,470	536,396	535,371	534,395	533,468	532,590	532,590	527,962	527,180
12														
13	Average rate base	44,910	44,910	44,910	44,910	44,910	44,910	44,910	44,910	44,910	44,910	538,917	43,576	43,576
14														
15	Return on Rate Base	3,109	3,109	3,109	3,109	3,109	3,109	3,109	3,109	3,109	3,109	37,312	3,017	3,017
16														
17	Available for return (equity portion of rate base)	2,153	2,153	2,153	2,153	2,153	2,153	2,153	2,153	2,153	2,153	25,836	2,089	2,089
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	67,902	67,902	67,902	67,902	67,902	67,902	67,902	67,902	67,902	67,902	814,819	67,902	67,902
23	Book Depreciation	134,030	134,030	134,030	134,030	134,030	134,030	134,030	134,030	134,030	134,030	1,608,363	134,030	134,030
24	Total O&M and Depreciation Expense	201,932	201,932	201,932	201,932	201,932	201,932	201,932	201,932	201,932	281,932	2,503,182	201,932	201,932
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	(200,757)	(200,757)	(200,757)	(200,757)	(200,757)	(200,757)	(200,757)	(200,757)	(200,757)	(280,291)	(2,488,613)	(200,757)	(200,757)
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	14,569	1,175	1,175
29														
30	Income before Taxes													
31	Available for return (from above)	2,153	2,153	2,153	2,153	2,153	2,153	2,153	2,153	2,153	2,153	25,836	2,089	2,089
32	Taxable Income (grossed up)	2,725	2,725	2,725	2,725	2,725	2,725	2,725	2,725	2,725	2,725	32,704	2,644	2,644
33														
34	Income Taxes													
35	Current and Def Income Taxes	572	572	572	572	572	572	572	572	572	572	6,868	555	555
36	Total Income Tax Expense	572	572	572	572	572	572	572	572	572	572	6,868	555	555
37														
38														
39	*REVENUE REQUIRMENTS*													
40	Expenses	1,748	1,748	1,748	1,748	1,748	1,748	1,748	1,748	1,748	2,213	2,510,050	1,731	1,731
41	Return on rate base	3,109	3,109	3,109	3,109	3,109	3,109	3,109	3,109	3,109	3,109	37,312	3,017	3,017
42	Subtotal revenue requirements	4,857	4,857	4,857	4,857	4,857	4,857	4,857	4,857	4,857	5,323	2,547,362	4,748	4,748
43	Adjustments													
44	Transmission Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0
45	Total revenue requirements	4,857	4,857	4,857	4,857	4,857	4,857	4,857	4,857	4,857	5,323	2,547,362	4,748	4,748
46														
47	South Dakota share - D2 factor	512	512	512	512	512	512	512	512	512	561	6,190	436	436
48														
49	Gross Receipts Tax	1	1	1	1	1	1	1	1	1	1	9	1	1
50	Total South Dakota Share	513	513	513	513	513	513	513	513	513	562	6,200	437	437

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%				2023 composite rate	0.81%			
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	10.5371%										
17													
18	**Deferred Tax**												
19	Book depreciation	134,030	134,030	134,030	134,030	134,030	134,030	134,030	134,030	134,030	134,030	1,608,363	134,030	134,030
20	Tax depreciation-Federal	614,132	614,132	614,132	614,132	614,132	614,132	614,132	614,132	614,132	614,132	7,369,584	552,098	552,098
21	Tax depreciation-SD	614,132	614,132	614,132	614,132	614,132	614,132	614,132	614,132	614,132	614,132	7,369,584	552,098	552,098
22	Federal deferred income taxes	(100,821)	(100,821)	(100,821)	(100,821)	(100,821)	(100,821)	(100,821)	(100,821)	(100,821)	(100,821)	(1,209,856)	(87,794)	(87,794)
23	State deferred income taxes	0	0	0	0	0	0	0	0	0	0	0	0	0