

Otter Tail Power Company
South Dakota Phase-In Rider
Hoot Lake Plant Adjustment

Line No.	A Year>>	B		C	D	E
		2017 Test Year	2021 Blended Jan-May 2017 TY Values June-Dec 2021 Actuals	2022 Projected	2023 Projected	
RATE BASE						
1	Ending Plant in Service	69,171,271	70,143,432	70,976,713	70,976,713	
2	Ending Accumulated Depreciation	53,973,108	65,272,986	75,153,571	75,386,921	
3	Ending Net Plant	15,198,163	4,870,446	(4,176,858)	(4,410,208)	
4	Decommissioning	0	1,618,743	7,847,615	10,622,971	
5	Accumulated Deferred Income Taxes Federal & State	(9,664,452)	(8,427,104)	(6,689,521)	(5,952,830)	
6	Rate Base - 13 Month Average	5,533,711	(1,937,915)	(3,018,765)	259,933	
10	Rate Base Revenue Requirement	8.32%	8.32%	8.32%	8.32%	
11	Return on Rate Base (OTP Total)	460,405	(161,235)	(251,161)	21,626	
13	South Dakota Share - Blended Base Peak Split	9.34%	9.34%	9.34%	9.34%	
14	Return on Rate Base (OTP SD)	43,009	(15,062)	(23,463)	2,020	
EXPENSES						
<i>O&M and Depreciation</i>						
18	Operations and Maintenance	6,494,869	3,413,167	1,362,803	1,431,804	
19	Property Tax	1,127,988	1,095,182	1,071,748	1,071,748	
20	Annual Depreciation Expense	3,424,774	4,119,630	1,991,112	524,512	
21	Total O&M and Depreciation Expense	11,047,631	8,627,978	4,425,662	3,028,065	
23	South Dakota Share - Blended Base Peak Split	9.34%	9.34%	9.34%	9.34%	
24	O&M (OTP SD)	1,032,029	805,994	413,429	282,871	
REVENUE REQUIREMENTS						
27	Total 2017 TY Revenue Requirements (OTP SD)	1,075,038	790,932	389,966	284,891	
28	Revenue Shareback		(284,106)	(685,072)	(790,147)	

South Dakota					
2017 TY COSS					
Capital Structure	Rate	Ratio	Cost	Weighted Debt Cost	
30	Tax Rate	21.00%			
33	LT Debt	5.2200%	47.08%	2.46%	5.22%
34	ST Debt	0.0000%	0.00%	0.00%	
35	Common Equity	8.7500%	52.92%	4.63%	
36	Required Rate of Return			7.09%	
37	Equity Return Tax Revenue Requirement			1.23%	
38	Rate Base Revenue Requirement Factor			8.32%	
41	Gross Up Factor	1.26582	Gross Up of Equity %	5.86%	
42		1 / (1 - Tax Rate)	Equity %	4.63%	
43			Difference	1.23%	
45	OTP SD Share (blended base peak split)	9.34%			
46	Base Demand Factor	81.51%			
47	Peak Demand Factor	18.49%			
48	SD share - E1 factor	9.36%			
49	SD share - D1 factor	9.24%			