Otter Tail Power Company
South Dakota Transmission Cost Recovery Rider
Milbank Area Reliability Project

Line No.	*Year>>*	2023 March Actual	2023 April Actual	2023 May Actual	2023 June Actual	2023 July Actual	2023 August Actual	2023 September Actual	2023 October Projected	2023 November Projected	2023 December Projected	2023 Year-End Projected	2024 January Projected	2024 February Projected
	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	72	18,461	32,621	77,259	149,106	248,293	390,772	521,332	2,728,347	3,026,407		3,693,231	4,441,584
	Additional CWIP	18,389	14,160	44,638	71,847	99,187	142,479	130,560	2,207,015	298,059	666,824	3,693,231	748,353	611,250
	Closings from CWIP													
	AFDUC													
4	CWIP (Project #T02031.059) 106727	18,461	32,621	77,259	149,106	248,293	390,772	521,332	2,728,347	3,026,407	3,693,231	3,693,231	4,441,584	5,052,834
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	18,461	32,621	77,259	149,106	248,293	390,772	521,332	2,728,347	3,026,407	3,693,231	3,693,231	4,441,584	5,052,834
8														
9	Average rate base	69,781	69,781	69,781	69,781	69,781	69,781	69,781	69,781	69,781	69,781	837,377	1,092,947	1,092,947
10														
11	Return on Rate Base	4,718	4,718	4,718	4,718	4,718	4,718	4,718	4,718	4,718	4,718	56,617	73,897	73,897
12														
13	Available for return (equity portion of rate base)	3,350	3,350	3,350	3,350	3,350	3,350	3,350	3,350	3,350	3,350	40,196	52,464	52,464
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	1,847	1,847
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	1,847	1,847
21														
22	Income before Taxes													
23	Available for return (from above)	3,350	3,350	3,350	3,350	3,350	3,350	3,350	3,350	3,350	3,350	40,196	52,464	52,464
24	Taxable Income (grossed up)	4,240	4,240	4,240	4,240	4,240	4,240	4,240	4,240	4,240	4,240	50,881	66,410	66,410
25														
26	Income Taxes													
27	Current and Def Income Taxes	890	890	890	890	890	890	890	890	890	890	10,685	13,946	13,946
28	Total Income Tax Expense	890	890	890	890	890	890	890	890	890	890	10,685	13,946	13,946
29														
30														
31	***REVENUE REQUIRMENTS***													
32	Expenses	890	890	890	890	890	890	890	890	890	890	10,685	15,793	15,793
33	Return on rate base	4,718	4,718	4,718	4,718	4,718	4,718	4,718	4,718	4,718	4,718	56,617	73,897	73,897
34	Subtotal revenue requirements	5,609	5,609	5,609	5,609	5,609	5,609	5,609	5,609	5,609	5,609	67,302	89,689	89,689
35	Adjustments	0	0	0	0	0	0	0	0	0	0	0	0	0
36	Wholesale Revenue Credit	(818)	(818)	(818)	(818)	(818)	(818)	(818)	(818)	(818)	(818)	(9,814)	(9,876)	(9,876)
37	Total revenue requirements	4,791	4,791	4,791	4,791	4,791	4,791	4,791	4,791	4,791	4,791	57,488	79,813	79,813
38														
39	South Dakota share - D2 factor	496	496	496	496	496	496	496	496	496	496	5,956	8,303	8,303
40														
41														
42	Gross Receipts Tax	1	1	1	1	1	1	1	1	1	1	9	12	12
43	Total South Dakota Share	497	497	497	497	497	497	497	497	497	497	5,965	8,316	8,316

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	45.14%	4.34%	1.96%					2023 composite rate	0.60%			
5		Preferred equity	0.00%	0.00%	0.00%									
6		Common equity	54.86%	8.75%	4.80%									
7		Total	100.00%		6.76%	Overall Return								
8														
9				**Book**	**Tax**									
10		Project life (years)		50	15-year MACRS									
11														
12					**Fed Portion**	**State Portion**								
13			Effective Tax Rate	21.00%	21.00%	0.00%	0.150%							
14			Tax conversion factor	1.26582										
15			Wholesale Revenue Credit	14.58%										
16			SD share - D2 factor	10.3609%										
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	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

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Line No.	*Year>>*	2024 March Projected	2024 April Projected	2024 May Projected	2024 June Projected	2024 July Projected	2024 August Projected	2024 September Projected	2024 October Projected	2024 November Projected	2024 December Projected	2024 Year-End Projected	2025 January Projected	2025 February Projected
	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	5,052,834	8,080,522	10,785,343	12,901,297	14,426,566	15,579,601	16,846,660	17,959,222	19,615,882	20,278,546		20,838,382	20,964,060
	Additional CWIP	3,027,688	2,704,820	2,115,954	1,525,269	1,153,035	1,267,059	1,112,562	1,656,660	662,664	559,837	17,145,152	125,678	125,678
	Closings from CWIP													
	AFDUC													
4	CWIP (Project #T02031.059) 106727	8,080,522	10,785,343	12,901,297	14,426,566	15,579,601	16,846,660	17,959,222	19,615,882	20,278,546	20,838,382	20,838,382	20,964,060	21,089,738
5	ADIT Proration Factors	0.9179	0.8357	0.7509	0.6687	0.5838	0.4990	0.4168	0.3320	0.2498	0.1650		0.0801	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	8,080,522	10,785,343	12,901,297	14,426,566	15,579,601	16,846,660	17,959,222	19,615,882	20,278,546	20,838,382	20,838,382	20,964,060	21,089,738
8														
9	Average rate base	1,092,947	1,092,947	1,092,947	1,092,947	1,092,947	1,092,947	1,092,947	1,092,947	1,092,947	1,092,947	13,115,359	2,226,116	2,226,116
10														
11	Return on Rate Base	73,897	73,897	73,897	73,897	73,897	73,897	73,897	73,897	73,897	73,897	886,760	150,513	150,513
12														
13	Available for return (equity portion of rate base)	52,464	52,464	52,464	52,464	52,464	52,464	52,464	52,464	52,464	52,464	629,571	106,859	106,859
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	1,847	1,847	1,847	1,847	1,847	1,847	1,847	1,847	1,847	1,847	22,159	10,419	10,419
19	Book Depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0
20	Total O&M and Depreciation Expense	1,847	1,847	1,847	1,847	1,847	1,847	1,847	1,847	1,847	1,847	22,159	10,419	10,419
21														
22	Income before Taxes													
23	Available for return (from above)	52,464	52,464	52,464	52,464	52,464	52,464	52,464	52,464	52,464	52,464	629,571	106,859	106,859
24	Taxable Income (grossed up)	66,410	66,410	66,410	66,410	66,410	66,410	66,410	66,410	66,410	66,410	796,926	135,265	135,265
25														
26	Income Taxes													
27	Current and Def Income Taxes	13,946	13,946	13,946	13,946	13,946	13,946	13,946	13,946	13,946	13,946	167,354	28,406	28,406
28	Total Income Tax Expense	13,946	13,946	13,946	13,946	13,946	13,946	13,946	13,946	13,946	13,946	167,354	28,406	28,406
29														
30														
31	***REVENUE REQUIRMENTS***													
32	Expenses	15,793	15,793	15,793	15,793	15,793	15,793	15,793	15,793	15,793	15,793	189,514	38,825	38,825
33	Return on rate base	73,897	73,897	73,897	73,897	73,897	73,897	73,897	73,897	73,897	73,897	886,760	150,513	150,513
34	Subtotal revenue requirements	89,689	89,689	89,689	89,689	89,689	89,689	89,689	89,689	89,689	89,689	1,076,274	189,338	189,338
35	Adjustments	0	0	0	0	0	0	0	0	0	0	0	0	0
36	Wholesale Revenue Credit	(9,876)	(9,876)	(9,876)	(9,876)	(9,876)	(9,876)	(9,876)	(9,876)	(9,876)	(9,876)	(118,516)	(20,838)	(20,838)
37	Total revenue requirements	79,813	79,813	79,813	79,813	79,813	79,813	79,813	79,813	79,813	79,813	957,757	168,499	168,499
38														
39	South Dakota share - D2 factor	8,303	8,303	8,303	8,303	8,303	8,303	8,303	8,303	8,303	8,303	99,637	17,755	17,755
40														
41														
42	Gross Receipts Tax	12	12	12	12	12	12	12	12	12	12	149	27	27
43	Total South Dakota Share	8,316	8,316	8,316	8,316	8,316	8,316	8,316	8,316	8,316	8,316	99,786	17,782	17,782

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	45.14%	4.34%	1.96%					2024 composite rate	0.60%		
5		Preferred equity	0.00%	0.00%	0.00%								
6		Common equity	54.86%	8.75%	4.80%								
7		Total	100.00%		6.76%	Overall Return							
8													
9				**Book**	**Tax**								
10		Project life (years)		50	15-year MACRS								
11													
12					**Fed Portion**	**State Portion**							
13			Effective Tax Rate	21.00%	21.00%	0.00%	0.150%						
14			Tax conversion factor	1.26582									
15			Wholesale Revenue Credit	11.01%									
16			SD share - D2 factor	10.4031%									
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