

Otter Tail Power Company
Advanced Metering Infrastructure Revenue Requirements

Line No.	Year>>	2023	2023	2023	2023	2023	2023	2023	2023	2023	2023	2023	2023	
		Actual January	Actual February	Actual March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	Projected Total
RATE BASE														
1		0	0	0	0	0	0	0	0	0	0	0	27,147,432	27,147,432
2		0	0	0	0	0	0	0	0	0	0	0	0	0
3		0	0	0	0	0	0	0	0	0	0	0	27,147,432	27,147,432
4	D05035.010	5,932,572	6,405,572	6,797,576	7,321,729	8,348,461	10,193,311	15,176,164	16,105,241	18,578,558	23,922,461	26,292,543	0	0
5														
6														
7		1,0000	1,0000	1,0000	1,0000	1,0000	1,0000	1,0000	1,0000	0.9206	0.8356	0.7534	0.6685	
8		0	0	0	0	0	0	0	0	0	0	0	(114,844)	(114,844)
9		5,932,572	6,405,572	6,797,576	7,321,729	8,348,461	10,193,311	15,176,164	16,105,241	18,578,558	23,922,461	26,292,543	27,032,588	27,032,588
10														
11		1,139,405	1,139,405	1,139,405	1,139,405	1,139,405	1,139,405	1,139,405	1,139,405	1,139,405	1,139,405	1,139,405	1,139,405	13,672,863
12														
13		73,134	73,134	73,134	73,134	73,134	73,134	73,134	73,134	73,134	73,134	73,134	73,134	877,603
14														
15		50,131	50,131	50,131	50,131	50,131	50,131	50,131	50,131	50,131	50,131	50,131	50,131	601,570
16														
EXPENSES														
<i>O&M and Depreciation</i>														
18		0	0	0	0	0	0	49,138	11,400	8,869	7,250	51,854	43,599	172,110
19		0	0	0	0	0	0	0	0	0	0	0	0	0
20		0	0	0	0	0	0	0	0	0	0	0	0	0
21		0	0	0	0	0	0	0	0	0	0	0	0	0
22		0	0	0	0	0	0	49,138	11,400	8,869	7,250	51,854	43,599	172,110
23														
24		50,131	50,131	50,131	50,131	50,131	50,131	50,131	50,131	50,131	50,131	50,131	50,131	601,570
25		63,457	63,457	63,457	63,457	63,457	63,457	63,457	63,457	63,457	63,457	63,457	63,457	761,481
26														
27														
28														
29		13,326	13,326	13,326	13,326	13,326	13,326	13,326	13,326	13,326	13,326	13,326	(158,470)	(11,885)
30		0	0	0	0	0	0	0	0	0	0	0	171,796	171,796
31		13,326	13,326	13,326	13,326	13,326	13,326	13,326	13,326	13,326	13,326	13,326	13,326	159,911
32														
33														
REVENUE REQUIRMENTS														
35		13,326	13,326	13,326	13,326	13,326	13,326	62,464	24,726	22,195	20,576	65,180	56,925	332,021
36		73,134	73,134	73,134	73,134	73,134	73,134	73,134	73,134	73,134	73,134	73,134	73,134	877,603
37		86,459	86,459	86,459	86,459	86,459	86,459	135,598	97,859	95,328	93,709	138,314	130,059	1,209,624
38														
39		86,459	86,459	86,459	86,459	86,459	86,459	135,598	97,859	95,328	93,709	138,314	130,059	1,209,624
40														
41		4,009	3,848	3,865	3,744	3,381	2,970	6,272	4,479	4,719	5,344	8,123	7,520	58,274
42		275	271	368	340	446	1,410	2,113	1,480	1,251	956	1,285	1,176	11,370
43		3,672	3,837	3,727	3,875	4,138	3,614	4,139	3,078	2,826	2,334	3,331	3,283	41,855
44		7,956	7,957	7,959	7,959	7,965	7,994	12,524	9,037	8,796	8,634	12,739	11,979	111,500

SUPPORTING INFORMATION / DATA	
1	
2	SD Cap Structure with allowed ROE per order.
3	Capital Structure
4	Ratio Cost WA Cost
5	Debt 46.41% 4.35% 2.02%
6	Preferred equity 0.00% 0.00% 0.00%
7	Common equity 53.59% 8.21% 4.40%
8	Total 100.00% 6.42% Overall Return
9	
10	Project life (years) Book Tax
11	20 20-year MACRS
12	
13	Fed Portion State Portion
14	Statutory Tax Rate 21.00% 21.00% 0.00%
15	Tax conversion factor 1.26582
16	SD share - C6 factor 9.162%
17	SD share - P90 factor 9.224%
	SD share - P60 factor 9.486%

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Line No.	Year>>	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024
		Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	Projected Total
RATE BASE														
1	Plant Balance	30,458,232	31,672,719	34,778,664	37,713,539	38,881,412	41,593,544	44,295,679	47,468,841	50,192,004	52,533,945	53,985,241	55,435,837	55,435,837
2	Accumulated Depreciation	(208,882)	(437,658)	(675,914)	(933,093)	(1,206,379)	(1,488,604)	(1,782,823)	(2,090,095)	(2,410,888)	(2,743,371)	(3,086,096)	(3,434,720)	(3,434,720)
3	Net Plant in Service	30,249,350	31,235,061	34,102,750	36,780,446	37,675,034	40,104,940	42,512,856	45,378,746	47,781,116	49,790,573	50,899,145	52,001,118	52,001,118
4	CWIP	0	0	0	0	0	0	0	0	0	0	0	0	0
5	ADIT - NOL DTA													
6	Reversal of ADIT - NOL DTA													
7	ADIT Proration Factors	0.5836	0.5069	0.4219	0.3397	0.2548	0.1726	0.0877	0.0027	1.0000	1.0000	1.0000	1.0000	1.0000
8	ADIT - Federal & State Depreciation	(171,053)	(217,756)	(255,794)	(285,071)	(306,167)	(320,134)	(327,007)	(327,214)	(400,035)	(470,705)	(539,226)	(606,507)	(606,507)
9	Ending rate base	30,078,297	31,017,304	33,846,956	36,495,375	37,368,867	39,784,806	42,185,849	45,051,532	47,381,082	49,319,868	50,359,919	51,394,611	51,394,611
10														
11	Average rate base	3,341,776	3,341,776	3,341,776	3,341,776	3,341,776	3,341,776	3,341,776	3,341,776	3,341,776	3,341,776	3,341,776	3,341,776	40,101,312
12														
13	Return on Rate Base	224,165	224,165	224,165	224,165	224,165	224,165	224,165	224,165	224,165	224,165	224,165	224,165	2,689,980
14														
15	Available for return (equity portion of rate base)	156,700	156,700	156,700	156,700	156,700	156,700	156,700	156,700	156,700	156,700	156,700	156,700	1,880,401
16														
EXPENSES														
O&M and Depreciation														
18	Operating Costs	137,756	137,756	137,756	137,756	137,756	137,756	137,756	137,756	137,756	137,756	137,756	137,756	1,653,078
19	Property Tax	18,570	18,570	18,570	18,570	18,570	18,570	18,570	18,570	18,570	18,570	18,570	18,570	222,846
20	Book Depreciation	208,882	228,776	238,256	257,179	273,286	282,226	294,218	307,272	320,793	332,484	342,724	348,624	3,434,720
21														
22	Total O&M and Depreciation Expense	365,209	385,103	394,583	413,506	429,613	438,553	450,545	463,599	477,120	488,811	499,051	504,951	5,310,643
23														
24	Income before Taxes	156,700	156,700	156,700	156,700	156,700	156,700	156,700	156,700	156,700	156,700	156,700	156,700	1,880,401
25	Available for return (from above)	156,700	156,700	156,700	156,700	156,700	156,700	156,700	156,700	156,700	156,700	156,700	156,700	1,880,401
26	Taxable Income (grossed up)	198,354	198,354	198,354	198,354	198,354	198,354	198,354	198,354	198,354	198,354	198,354	198,354	2,380,254
27														
28	Income Taxes													
29	Current Income Tax	(54,667)	(50,489)	(48,498)	(44,525)	(41,142)	(39,265)	(36,746)	(34,005)	(31,166)	(29,016)	(26,866)	(25,627)	(462,013)
30	Deferred Income Tax	96,321	92,144	90,153	86,179	82,797	80,919	78,401	75,659	72,820	70,671	68,520	67,281	961,866
31	Total Income Tax Expense	41,654	41,654	41,654	41,654	41,654	41,654	41,654	41,654	41,654	41,654	41,654	41,654	499,853
32														
33														
REVENUE REQUIREMENTS														
35	Expenses	406,863	426,758	436,237	455,160	471,267	480,207	492,200	505,254	518,774	530,465	540,705	546,605	5,810,496
36	Return on rate base	224,165	224,165	224,165	224,165	224,165	224,165	224,165	224,165	224,165	224,165	224,165	224,165	2,689,980
37	Subtotal revenue requirements	631,028	650,923	660,402	679,325	695,432	704,372	716,365	729,419	742,939	754,630	764,870	770,770	8,500,476
38	Adjustments													
39	Total revenue requirements	631,028	650,923	660,402	679,325	695,432	704,372	716,365	729,419	742,939	754,630	764,870	770,770	8,500,476
40														
41	South Dakota share - Meters (C6)	38,023	39,514	41,254	43,656	44,916	46,872	48,771	51,006	53,014	54,618	55,992	56,858	574,495
42	South Dakota share - FAN (P60)	5,100	5,077	4,697	4,458	4,436	4,198	4,005	3,798	3,653	3,637	3,585	3,516	50,161
43	South Dakota share - Software (P90)	14,968	15,325	14,818	14,378	14,616	13,702	13,084	12,240	11,607	11,086	10,697	10,437	156,959
44	Total South Dakota Share	58,092	59,916	60,769	62,491	63,968	64,773	65,861	67,044	68,274	69,341	70,275	70,811	781,615

SUPPORTING INFORMATION / DATA	
1	SD Cap Structure with allowed ROE per order.
2	Capital Structure
3	Ratio
4	Cost
5	WA Cost
6	Property tax
7	2024 composite rate
8	1.14%
9	Total
10	100.00%
11	6.71% Overall Return
12	Project life (years)
13	Book
14	Tax
15	20
16	20-year MACRS
17	Fed Portion
18	State Portion
19	Statutory Tax Rate
20	21.00%
21	Tax conversion factor
22	1.26582
23	SD share - C6 factor
24	9.162%
25	SD share - P90 factor
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