

Otter Tail Power Company
Demand Response System Revenue Requirements

Line No.	Year>>	2021 Projected Total	2022 Actual Jan	2022 Actual Feb	2022 Actual Mar	2022 Actual Apr	2022 Actual May	2022 Actual Jun	2022 Actual Jul	2022 Actual Aug	2022 Actual Sep	2022 Actual Oct	2022 Actual Nov	2022 Actual Dec	2022 Actual Total
RATE BASE															
1	Plant Balance	0	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	0
3	Net Plant in Service	0	0	0	0	0	0	0	0	0	0	0	0	0	0
CWIP Calculation:															
5	Beginning Balance		0	0	0	0	0	0	0	0	0	0	0	0	0
6	Additional CWIP	0	0	0	0	0	0	0	0	0	0	0	0	67,652	67,652
7	Closings from CWIP		0	0	0	0	0	0	0	0	0	0	0	0	0
8	AFDUC														0
9	CWIP	0	0	0	0	0	0	0	0	0	0	0	0	67,652	67,652
10	ADIT Federal 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	
11	Accumulated Deferred Income Taxes Federal & State	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12	Ending rate base	0	0	0	0	0	0	0	0	0	0	0	0	67,652	67,652
13															
14	Average rate base	0	0	0	0	578	578	578	578	578	578	578	578	578	5,204
15															
16	Return on Rate Base	0	0	0	0	40	40	40	40	40	40	40	40	40	360
17															
18	Available for return (equity portion of rate base)	0	0	0	0	28	28	28	28	28	28	28	28	28	249
19															
EXPENSES															
O&M and Depreciation															
22	Operating Costs (annual fees)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
23	Property Tax	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24	Book Depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25	Total O&M and Depreciation Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0
26															
Income before Taxes															
28	Available for return (from above)	0	0	0	0	28	28	28	28	28	28	28	28	28	249
29	Taxable Income (grossed up)	0	0	0	0	35	35	35	35	35	35	35	35	35	316
30															
Income Taxes															
32	Current Income Tax	0	0	0	0	7	7	7	7	7	7	7	7	7	66
33	Def Income Tax	0	0	0	0	0	0	0	0	0	0	0	0	0	0
34	Total Income Tax Expense	0	0	0	0	7	7	7	7	7	7	7	7	7	66
35															
REVENUE REQUIREMENTS															
38	Expenses	0	0	0	0	7	7	7	7	7	7	7	7	7	66
39	Return on rate base	0	0	0	0	40	40	40	40	40	40	40	40	40	360
40	Subtotal revenue requirements	0	0	0	0	47	47	47	47	47	47	47	47	47	427
41	Adjustments	0	0	0	0	0	0	0	0	0	0	0	0	0	0
42	Total revenue requirements	0	0	0	0	47	47	47	47	47	47	47	47	47	427
43															
44	South Dakota - C9 factor	0	0	0	0	5	5	5	5	5	5	5	5	5	41

Line No.	SUPPORTING INFORMATION / DATA
1	
2	
3	SD Cap Structure with allowed ROE per order.
4	Capital Structure
5	Debt
6	Preferred equity
7	Common equity
8	Total
9	
10	Project life (years)
11	
12	
13	Statutory Tax Rate
14	Tax conversion factor
15	SD share - C9 factor
16	

Ratio	Cost	WA Cost
45.21%	4.71%	2.13%
0.00%	0.00%	0.00%
54.79%	8.75%	4.79%
100.00%		6.9235% Overall Return

Book	Tax
15	15-year MACRS

Fed Portion	State Portion
21.00%	0.00%

Property tax	2022 composite rate
	1.14%

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		Actual Jan	Actual Feb	Actual Mar	Actual Apr	Projected May	Projected Jun	Projected Jul	Projected Aug	Projected Sep	Projected Oct	Projected Nov	Projected Dec	Projected Total
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:														
5	Beginning Balance	67,652	97,768	124,131	172,518	181,376	661,089	1,140,801	1,620,513	2,100,226	2,579,938	3,059,650	3,539,363	
6	Additional CWIP	30,116	26,363	48,387	8,858	479,712	479,712	479,712	479,712	479,712	479,712	479,712	392,536	3,864,246
7	Closings from CWIP	0	0	0	0	0	0	0	0	0	0	0	0	0
8	AFDUC	0	0	0	0	0	0	0	0	0	0	0	0	0
9	CWIP	97,768	124,131	172,518	181,376	661,089	1,140,801	1,620,513	2,100,226	2,579,938	3,059,650	3,539,363	3,931,899	3,931,899
10	ADIT Federal Proration Factors	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	0.9206	0.8356	0.7534	0.6685	
11	Accumulated Deferred Income Taxes Federal & State	0	0	0	0	0	0	0	0	0	0	0	0	0
12	Ending rate base	97,768	124,131	172,518	181,376	661,089	1,140,801	1,620,513	2,100,226	2,579,938	3,059,650	3,539,363	3,931,899	3,931,899
14	Average rate base	123,570	123,570	123,570	123,570	123,570	123,570	123,570	123,570	123,570	123,570	123,570	123,570	1,482,840
16	Return on Rate Base	7,931	7,931	7,931	7,931	7,931	7,931	7,931	7,931	7,931	7,931	7,931	7,931	95,177
18	Available for return (equity portion of rate base)	5,437	5,437	5,437	5,437	5,437	5,437	5,437	5,437	5,437	5,437	5,437	5,437	65,241
EXPENSES														
O&M and Depreciation														
22	Operating Costs (annual fees)	0	0	0	0	0	0	0	0	0	0	0	0	0
23	Property Tax	0	0	0	0	0	0	0	0	0	0	0	0	0
24	Book Depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0
25	Total O&M and Depreciation Expense	0	0	0	0	0	0	0	0	0	0	0	0	0
Income before Taxes														
28	Available for return (from above)	5,437	5,437	5,437	5,437	5,437	5,437	5,437	5,437	5,437	5,437	5,437	5,437	65,241
29	Taxable Income (grossed up)	6,882	6,882	6,882	6,882	6,882	6,882	6,882	6,882	6,882	6,882	6,882	6,882	82,584
Income Taxes														
32	Current Income Tax	1,445	1,445	1,445	1,445	1,445	1,445	1,445	1,445	1,445	1,445	1,445	1,445	17,343
33	Def Income Tax	0	0	0	0	0	0	0	0	0	0	0	0	0
34	Total Income Tax Expense	1,445	1,445	1,445	1,445	1,445	1,445	1,445	1,445	1,445	1,445	1,445	1,445	17,343
REVENUE REQUIREMENTS														
38	Expenses	1,445	1,445	1,445	1,445	1,445	1,445	1,445	1,445	1,445	1,445	1,445	1,445	17,343
39	Return on rate base	7,931	7,931	7,931	7,931	7,931	7,931	7,931	7,931	7,931	7,931	7,931	7,931	95,177
40	Subtotal revenue requirements	9,377	9,377	9,377	9,377	9,377	9,377	9,377	9,377	9,377	9,377	9,377	9,377	112,520
41	Adjustments	0	0	0	0	0	0	0	0	0	0	0	0	0
42	Total revenue requirements	9,377	9,377	9,377	9,377	9,377	9,377	9,377	9,377	9,377	9,377	9,377	9,377	112,520
44	South Dakota - C9 factor	906	906	906	906	906	906	906	906	906	906	906	906	10,869

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3	SD Cap Structure with allowed ROE per order.																														
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		Projected Jan	Projected Feb	Projected Mar	Projected Apr	Projected May	Projected Jun	Projected Jul	Projected Aug	Projected Sep	Projected Oct	Projected Nov	Projected Dec	
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:														
5	Beginning Balance	3,931,899	4,471,342	5,010,786	5,550,229	6,089,673	6,629,116	7,168,560	7,708,004	8,247,447	8,786,891	9,326,334	9,865,778	
6	Additional CWIP	539,444	539,444	539,444	539,444	539,444	539,444	539,444	539,444	539,444	539,444	539,444	539,444	6,473,323
7	Closings from CWIP													
8	AFDUC													
9	CWIP	4,471,342	5,010,786	5,550,229	6,089,673	6,629,116	7,168,560	7,708,004	8,247,447	8,786,891	9,326,334	9,865,778	10,405,222	10,405,222
10	ADIT Federal 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	
11	Accumulated Deferred Income Taxes Federal & State	0	0	0	0	0	0	0	0	0	0	0	0	0
12	Ending rate base	4,471,342	5,010,786	5,550,229	6,089,673	6,629,116	7,168,560	7,708,004	8,247,447	8,786,891	9,326,334	9,865,778	10,405,222	10,405,222
14	Average rate base	597,380	597,380	597,380	597,380	597,380	597,380	597,380	597,380	597,380	597,380	597,380	597,380	7,168,560
16	Return on Rate Base	40,072	40,072	40,072	40,072	40,072	40,072	40,072	40,072	40,072	40,072	40,072	40,072	480,864
18	Available for return (equity portion of rate base)	28,012	28,012	28,012	28,012	28,012	28,012	28,012	28,012	28,012	28,012	28,012	28,012	336,143
EXPENSES														
O&M and Depreciation														
22	Operating Costs (annual fees)	0	0	0	0	0	0	0	0	0	0	0	0	0
23	Property Tax	0	0	0	0	0	0	0	0	0	0	0	0	0
24	Book Depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0
25	Total O&M and Depreciation Expense	0	0	0	0	0	0	0	0	0	0	0	0	0
Income before Taxes														
28	Available for return (from above)	28,012	28,012	28,012	28,012	28,012	28,012	28,012	28,012	28,012	28,012	28,012	28,012	336,143
29	Taxable Income (grossed up)	35,458	35,458	35,458	35,458	35,458	35,458	35,458	35,458	35,458	35,458	35,458	35,458	425,497
Income Taxes														
32	Current Income Tax	7,446	7,446	7,446	7,446	7,446	7,446	7,446	7,446	7,446	7,446	7,446	7,446	89,354
33	Def Income Tax	0	0	0	0	0	0	0	0	0	0	0	0	0
34	Total Income Tax Expense	7,446	7,446	7,446	7,446	7,446	7,446	7,446	7,446	7,446	7,446	7,446	7,446	89,354
REVENUE REQUIREMENTS														
38	Expenses	7,446	7,446	7,446	7,446	7,446	7,446	7,446	7,446	7,446	7,446	7,446	7,446	89,354
39	Return on rate base	40,072	40,072	40,072	40,072	40,072	40,072	40,072	40,072	40,072	40,072	40,072	40,072	480,864
40	Subtotal revenue requirements	47,518	47,518	47,518	47,518	47,518	47,518	47,518	47,518	47,518	47,518	47,518	47,518	570,219
41	Adjustments	0	0	0	0	0	0	0	0	0	0	0	0	0
42	Total revenue requirements	47,518	47,518	47,518	47,518	47,518	47,518	47,518	47,518	47,518	47,518	47,518	47,518	570,219
44	South Dakota - C9 factor	4,590	4,590	4,590	4,590	4,590	4,590	4,590	4,590	4,590	4,590	4,590	4,590	55,082

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