

Otter Tail Power Company
South Dakota Phase In Rider
Ashtabula III Revenue Requirements

Line No.	P06161.010 -107013	2023												Projected Year-End	
		Actual January	Actual February	Actual March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December		
RATE BASE															
1	Plant Balance	80,296,595	80,314,266	80,282,859	80,283,465	80,356,192	80,428,919	80,501,646	80,574,374	80,647,101	80,719,828	80,792,556	80,865,283	80,865,283	
2	Accumulated Depreciation	(28,667,628)	(28,849,741)	(29,031,893)	(29,213,975)	(29,396,058)	(29,578,306)	(29,760,718)	(29,943,296)	(30,126,039)	(30,308,947)	(30,492,019)	(30,675,257)	(30,675,257)	
3	Net Plant in Service	51,628,967	51,464,525	51,250,965	51,069,490	50,960,134	50,850,613	50,740,928	50,631,077	50,521,062	50,410,882	50,300,536	50,190,026	50,190,026	
CWIP Calculation:															
4	Beginning	1,082,447	-	-	-	-	-	-	-	-	-	-	-	1,082,447	
5	Additional CWIP	139,980	17,671	(31,408)	606	72,727	72,727	72,727	72,727	72,727	72,727	72,727	72,727	708,668	
6	Additional CWIP - Purchase Price	79,074,167	-	-	-	-	-	-	-	-	-	-	-	-	
7	Closings from CWIP	(80,296,595)	(17,671)	31,408	(606)	(72,727)	(72,727)	(72,727)	(72,727)	(72,727)	(72,727)	(72,727)	(72,727)	(80,865,283)	
8	AFUDC	-	-	-	-	-	-	-	-	-	-	-	-	-	
9	CWIP	-	-	-	-	-	-	-	-	-	-	-	-	(79,074,167)	
10	ADIT Pro-Rated	1,0000	1,0000	1,0000	1,0000	1,0000	1,0000	1,0000	1,0000	0.9205	0.8356	0.7534	0.6685	-	
11	Accum. Deferred Inc. Taxes - Fed & State	(283,028)	(527,813)	(772,590)	(1,017,381)	(1,262,172)	(1,506,929)	(1,751,650)	(1,996,338)	(2,221,552)	(2,425,959)	(2,610,234)	(2,773,713)	(2,773,713)	
12	Accum. Deferred Inc. Taxes - Fed & State - No Prorate	(283,028)	(527,813)	(772,590)	(1,017,381)	(1,262,172)	(1,506,929)	(1,751,650)	(1,996,338)	(2,240,990)	(2,466,170)	(2,670,542)	(2,854,782)	(2,854,782)	
13	Accum. Deferred Inc. Taxes - Basis Difference	-	-	-	-	-	-	-	-	-	-	-	-	-	
14	End of month rate base	51,345,938	50,936,712	50,478,375	50,052,109	49,697,962	49,343,685	48,989,278	48,634,740	48,299,510	47,984,923	47,690,303	47,416,313	(31,657,854)	
15	End of month rate base - No Prorate	51,345,938	50,936,712	50,478,375	50,052,109	49,697,962	49,343,685	48,989,278	48,634,740	48,280,072	47,944,712	47,629,994	47,335,244	(31,738,923)	
16	Average rate base	3,798,214	3,798,214	3,798,214	3,798,214	3,798,214	3,798,214	3,798,214	3,798,214	3,798,214	3,798,214	3,798,214	3,798,214	45,578,565	
17	Return on Rate Base	254,783	254,783	254,783	254,783	254,783	254,783	254,783	254,783	254,783	254,783	254,783	254,783	3,057,392	
18	Available for return (equity portion of rate base)	178,103	178,103	178,103	178,103	178,103	178,103	178,103	178,103	178,103	178,103	178,103	178,103	2,137,236	
19	EXPENSES														
20	O&M and Depreciation	-	-	-	-	-	-	-	-	-	-	-	-	-	
21	Operating Costs	1,508	49,216	72,817	173,736	149,333	149,333	149,333	149,333	149,333	149,333	149,333	149,333	1,491,941	
22	Self-Funded Transmission Monthly Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	
23	Ground Lease Payments	26,629	26,629	26,629	26,629	26,882	26,882	26,882	26,882	26,882	26,882	26,882	26,882	294,945	
24	Property/Production Tax	1,115	1,115	1,115	1,115	1,115	1,115	1,115	1,115	1,115	1,115	1,115	1,115	13,377	
25	Book Depreciation	-	182,113	182,153	182,082	182,083	182,248	182,413	182,578	182,743	182,908	183,073	183,238	2,007,629	
26	Total O&M and Depreciation Expense	29,252	259,073	282,714	383,562	359,413	359,578	359,743	359,908	360,073	360,237	360,402	360,567	3,807,892	
27	Income before Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	
28	Available for return (from above)	178,103	178,103	178,103	178,103	178,103	178,103	178,103	178,103	178,103	178,103	178,103	178,103	2,137,236	
29	Taxable Income (grossed up)	225,447	225,447	225,447	225,447	225,447	225,447	225,447	225,447	225,447	225,447	225,447	225,447	2,705,362	
30	Income Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	
31	Current and Def Income Taxes	47,344	47,344	47,344	47,344	47,344	47,344	47,344	47,344	47,344	47,344	47,344	47,344	568,126	
32	Tax Adjustment for Additional Tax Basis	-	-	-	-	-	-	-	-	-	-	-	-	-	
33	Total Income Tax Expense	47,344	47,344	47,344	47,344	47,344	47,344	47,344	47,344	47,344	47,344	47,344	47,344	568,126	
34	REVENUE REQUIREMENTS														
35	Expenses	76,596	306,417	330,058	430,905	406,757	406,922	407,086	407,251	407,416	407,581	407,746	407,911	4,376,018	
36	Return on rate base	254,783	254,783	254,783	254,783	254,783	254,783	254,783	254,783	254,783	254,783	254,783	254,783	3,057,392	
37	Total revenue requirements	331,379	561,200	584,841	685,688	661,539	661,704	661,869	662,034	662,199	662,364	662,529	662,694	7,433,410	
38	South Dakota share - E2 factor	33,243	56,299	58,670	68,787	66,364	66,381	66,398	66,414	66,431	66,447	66,464	66,480	748,378	
39	SUPPORTING INFORMATION / DATA														
40	SD Capstructure with allowed ROE per order.														
41	Capital Structure	Ratio	Cost	WA Cost			Fed Portion	State Portion							
42	Debt	46.41%	4.35%	2.02%	Effective Tax Rate		21.00%	21.00%	0.00%						
43	Preferred equity	0.00%	0.00%	0.00%	Tax conversion factor		1.26582								
44	Common equity	53.59%	8.75%	4.69%											
45	Total	100.00%	6.71%		SD share - E2 factor		10.03182% Sept 2022 - Aug 2023								

Otter Tail Power Company
South Dakota Phase In Rider
Ashtabula III Revenue Requirements

Line No.	P06161.010 -107013	2024												Projected Year-End	
		Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December		
RATE BASE															
1	Plant Balance	80,938,010	81,004,677	81,071,343	81,138,010	81,204,677	81,271,343	81,338,010	81,404,677	81,471,343	81,538,010	81,604,677	81,671,343	81,738,010	
2	Accumulated Depreciation	(30,858,659)	(31,042,226)	(31,225,945)	(31,409,815)	(31,593,836)	(31,778,008)	(31,962,332)	(32,146,806)	(32,331,432)	(32,516,209)	(32,701,137)	(32,886,217)	(32,886,217)	
3	Net Plant in Service	50,079,351	49,962,450	49,845,398	49,728,195	49,610,841	49,493,335	49,375,679	49,257,871	49,139,911	49,021,801	48,903,540	48,785,127	48,851,794	
CWIP Calculation:															
4	Beginning	-	-	-	-	-	-	-	-	-	-	-	-	-	
5	Additional CWIP	66,667	66,667	66,667	66,667	66,667	66,667	66,667	66,667	66,667	66,667	66,667	66,667	800,000	
6	Additional CWIP - Purchase Price	-	-	-	-	-	-	-	-	-	-	-	-	-	
7	Closings from CWIP	(66,667)	(66,667)	(66,667)	(66,667)	(66,667)	(66,667)	(66,667)	(66,667)	(66,667)	(66,667)	(66,667)	(66,667)	(800,000)	
8	AFUDC	-	-	-	-	-	-	-	-	-	-	-	-	-	
9	CWIP	-	-	-	-	-	-	-	-	-	-	-	-	-	
10	ADIT Pro-Rated	0.5836	0.5068	0.4219	0.3397	0.2548	0.1726	0.0877	0.0027	1.0000	1.0000	1.0000	1.0000	-	
11	Accum. Deferred Inc. Taxes - Fed & State	(3,017,283)	(3,228,817)	(3,404,892)	(3,546,655)	(3,652,969)	(3,724,983)	(3,761,559)	(3,762,702)	(4,179,831)	(4,596,928)	(5,013,993)	(5,431,026)	(5,431,026)	
12	Accum. Deferred Inc. Taxes - Fed & State - No Prorate	(417,386)	(3,434,634)	(3,646,136)	(3,822,179)	(3,963,911)	(4,070,193)	(4,142,176)	(4,178,720)	(4,179,831)	(4,596,928)	(5,013,993)	(5,431,026)	(5,431,026)	
13	Accum. Deferred Inc. Taxes - Basis Difference	-	-	-	-	-	-	-	-	-	-	-	-	-	
14	End of month rate base	47,062,068	46,733,633	46,440,507	46,181,540	45,957,871	45,768,352	45,614,119	45,495,169	44,960,081	44,424,873	43,889,547	43,354,100	43,420,767	
15	End of month rate base - No Prorate	49,661,965	46,527,816	46,199,262	45,906,016	45,646,930	45,423,142	45,233,503	45,079,151	44,960,081	44,424,873	43,889,547	43,354,100	43,420,767	
16	Average rate base	3,296,308	3,296,308	3,296,308	3,296,308	3,296,308	3,296,308	3,296,308	3,296,308	3,296,308	3,296,308	3,296,308	3,296,308	39,555,693	
17	Return on Rate Base	221,115	221,115	221,115	221,115	221,115	221,115	221,115	221,115	221,115	221,115	221,115	221,115	2,653,380	
18	Available for return (equity portion of rate base)	154,568	154,568	154,568	154,568	154,568	154,568	154,568	154,568	154,568	154,568	154,568	154,568	1,854,816	
19	EXPENSES														
20	O&M and Depreciation	153,067	153,067	153,067	153,067	153,067	153,067	153,067	153,067	153,067	153,067	153,067	153,067	1,112,090	
21	Operating Costs	-	-	-	-	-	-	-	-	-	-	-	-	-	
22	Self-Funded Transmission Monthly Payments	-	-	-	-	-	-	-	-	-	-	-	-	-	
23	Ground Lease Payments	27,443	27,443	27,443	27,443	27,443	27,443	27,443	27,443	27,443	27,443	27,443	27,443	329,315	
24	Property/Production Tax	18,280	22,110	22,110	22,110	22,110	22,110	22,110	22,110	22,110	22,110	22,110	22,110	265,325	
25	Book Depreciation	183,402	183,567	183,719	183,870	184,021	184,172	184,323	184,475	184,626	184,777	184,928	185,079	2,210,960	
26	Total O&M and Depreciation Expense	382,192	386,188	386,339	386,490	386,641	386,793	386,944	387,095	387,246	387,397	387,549	387,700	3,917,690	
27	Income before Taxes	154,568	154,568	154,568	154,568	154,568	154,568	154,568	154,568	154,568	154,568	154,568	154,568	1,854,816	
28	Available for return (from above)	154,568	154,568	154,568	154,568	154,568	154,568	154,568	154,568	154,568	154,568	154,568	154,568	1,854,816	
29	Taxable Income (grossed up)	195,656	195,656	195,656	195,656	195,656	195,656	195,656	195,656	195,656	195,656	195,656	195,656	2,347,868	
30	Income Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	
31	Current and Def Income Taxes	41,088	41,088	41,088	41,088	41,088	41,088	41,088	41,088	41,088	41,088	41,088	41,088	493,052	
32	Tax Adjustment for Additional Tax Basis	-	-	-	-	-	-	-	-	-	-	-	-	-	
33	Total Income Tax Expense	41,088	41,088	41,088	41,088	41,088	41,088	41,088	41,088	41,088	41,088	41,088	41,088	493,052	
34	REVENUE REQUIREMENTS														
35	Expenses	423,280	427,275	427,427	427,578	427,729	427,880	428,031	428,183	428,334	428,485	428,636	428,787	4,410,742	
36	Return on rate base	221,115	221,115	221,115	221,115	221,115	221,115	221,115	221,115	221,115	221,115	221,115	221,115	2,653,380	
37	Total revenue requirements	644,395	648,390	648,542	648,693	648,844	648,995	649,146	649,298	649,449	649,600	649,751	649,902	7,064,122	
38	South Dakota share - E2 factor	64,645	65,045	65,061	65,076	65,091	65,106	65,121	65,136	65,152	65,167	65,182	65,197	780,978	
39	SUPPORTING INFORMATION / DATA														
40	SD Capstructure with allowed ROE per order.														
41	Capital Structure	Ratio	Cost	WA Cost			Fed Portion	State Portion							
42	Debt	46.41%	4.35%	2.02%	Effective Tax Rate		21.00%	21.00%	0.00%						
43	Preferred equity	0.00%	0.00%	0.00%	Tax conversion factor		1.26582								
44	Common equity	53.59%	8.75%	4.69%											
45	Total	100.00%	6.71%		SD share - E2 factor		10.03182% Sept 2023 - Aug 2024								