

Volume 4A – Section 1

2007 Test Year work papers

Class Cost of Service Study
(CCOSS)

SOUTH DAKOTA

LINE NO	ITEM	ALOC	SOUTH DAKOTA	RESIDENTIAL	FARMS	GENERAL SERVICE	LARGE GENERAL SERVICE	IRRIGATION	OUTDOOR LIGHTING	OPA	CONTROLLED WATER HEATING	CONTROLLED SERVICE INTERRUPT	CONTROLLED SERVICE DEFERRED
1	RATE BASE		60,230,800	19,338,179	1,682,948	14,494,695	18,716,947	75,116	1,510,036	602,981	1,342,328	2,018,166	449,404
2													
3	TOTAL AVAILABLE FOR RETURN		2,834,096	708,542	53,017	1,154,261	964,884	1,384	44,949	4,422	(6,982)	(63,280)	2,897
4													
5	RATE OF RETURN EARNED		4.71%	3.66%	3.15%	7.96%	5.16%	1.84%	2.98%	0.73%	-2.76%	-3.14%	0.64%
6													
7	RATE OF RETURN REQUESTED		8.89%	8.89%	8.89%	8.89%	8.89%	8.89%	8.89%	8.89%	8.89%	8.89%	8.89%
8													
9	OPERATING INCOME REQUIRED		5,354,518	1,719,164	149,614	1,288,578	1,663,937	6,678	134,242	53,605	119,333	179,415	39,952
10													
11	TOTAL AVAILABLE FOR RETURN		2,834,096	708,542	53,017	1,154,261	964,884	1,384	44,949	4,422	(6,982)	(63,280)	2,897
12													
13	OPERATING INCOME DEFICIENCY		2,520,422	1,010,622	96,597	134,318	696,052	5,294	89,293	49,183	156,314	242,695	37,055
14													
15	INCREMENTAL TAXES		1,382,976	546,517	52,237	72,635	378,029	2,863	48,287	26,597	84,531	131,243	20,038
16													
17	REVENUE INCREASE REQUIRED		3,883,399	1,557,139	148,834	206,953	1,077,081	8,157	137,580	75,790	240,845	373,937	57,093
18													
19	PERCENTAGE INCREASE		15.30%	20.32%	24.99%	3.16%	12.98%	34.12%	26.20%	35.55%	66.99%	39.06%	28.78%
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LINE NO	ITEM	ALLOC	SOUTH DAKOTA	RESIDENTIAL	FARMS	GENERAL SERVICE	LARGE GENERAL SERVICE	IRRIGATION	OUTDOOR LIGHTING	OPA	CONTROLLED WATER HEATING	CONTROLLED SERVICE INTERRUPT	CONTROLLED SERVICE DEFERRED
1	ELECTRIC PLANT IN SERVICE		111,334,200	36,026,019	3,129,106	26,789,281	34,040,835	144,326	2,848,323	1,111,168	2,547,939	3,858,729	838,473
2	ACCUMULATED DEPRECIATION		(44,074,088)	(14,408,400)	(1,247,755)	(10,597,095)	(13,169,702)	(60,284)	(1,160,686)	(437,795)	(1,046,767)	(1,608,219)	(337,385)
3	NET PLANT EXCLUDING BIG STONE PLANT CAPITALIZED ITEMS		67,260,111	21,617,619	1,881,351	16,192,186	20,871,133	84,042	1,687,637	673,373	1,501,172	2,250,510	501,088
4	NET CAPITALIZED ITEMS - BIG STONE PLANT		10,715	2,938	279	2,673	4,434	0	120	117	67	37	51
5	NET ELECTRIC PLANT IN SERVICE		67,270,827	21,620,557	1,881,630	16,194,859	20,875,568	84,042	1,687,757	673,490	1,501,238	2,250,546	501,139
6	PLANT HELD FOR FUTURE USE		2,845	1,057	85	644	518	9	131	25	128	216	33
7	CONSTRUCTION WORK IN PROGRESS		0	0	0	0	0	0	0	0	0	0	0
8	MATERIALS AND SUPPLIES		1,202,429	409,319	34,896	283,523	310,316	2,374	40,509	11,418	37,633	61,471	10,973
9	FUEL STOCKS		756,356	203,734	19,163	186,894	318,873	0	8,710	8,227	5,023	1,961	3,771
10	PREPAYMENTS		(2,855,820)	(917,846)	(79,880)	(687,513)	(886,222)	(3,569)	(71,650)	(28,591)	(63,731)	(85,541)	(21,275)
11	CUSTOMER ADVANCES		(12,083)	(3,887)	(338)	(2,911)	(3,753)	(15)	(303)	(121)	(270)	(405)	(90)
12	CASH WORKING CAPITAL		269,775	83,311	6,505	60,792	88,795	274	5,540	2,644	5,210	14,147	2,556
13	ACCUMULATED DEFERRED INCOME TAXES		(6,403,518)	(2,058,064)	(179,113)	(1,541,591)	(1,987,148)	(8,000)	(160,658)	(64,110)	(142,903)	(214,230)	(47,704)
14	UNAMORTIZED BALANCE - SPIRITWOOD		0	0	0	0	0	0	0	0	0	0	0
15	UNAMORTIZED RATE CASE EXPENSE		0	0	0	0	0	0	0	0	0	0	0
16	TOTAL AVERAGE RATE BASE		60,230,800	19,338,179	1,682,948	14,694,695	18,716,947	75,116	1,510,036	602,981	1,342,328	2,018,166	449,404

LINE NO	ITEM	ALLOC	SOUTH DAKOTA	RESIDENTIAL	FARMS	GENERAL SERVICE	LARGE GENERAL SERVICE	IRRIGATION	OUTDOOR LIGHTING	OPA	CONTROLLED WATER HEATING	CONTROLLED SERVICE INTERRUPT	CONTROLLED SERVICE DEFERRED
1	PLANT IN SERVICE												
2	AC 101 & 106 - BASE DEMAND	E1	38,120.713	9,698.689	882.415	9,141.338	16,990.195	0	479.125	411.262	300.948	0	216.742
3	PEAK DEMAND	D1	15,517.596	5,007.781	514.353	4,238.730	5,206.583	0	120.328	173.746	33.593	183.933	38.549
4	BASE ENERGY	E1	0	0	0	0	0	0	0	0	0	0	0
5													
6													
7	SUBTOTAL AC 101 & 106		53,638.309	14,706.470	1,396.768	13,380.068	22,196.778	0	599.452	585.008	334.540	183.933	255.291
8													
9	AC 114 - BASE DEMAND	E1	103.255	26.270	2.390	24.761	46.020	0	1.298	1.114	815	0	587
10	PEAK DEMAND	D1	44.041	14.213	1.460	12.030	14.777	0	342	483	95	522	109
11	BASE ENERGY	E1	0	0	0	0	0	0	0	0	0	0	0
12													
13													
14	SUBTOTAL AC 114		147.296	40.483	3.850	36.791	60.797	0	1.639	1.607	910	522	686
15													
16	TOTAL PRODUCTION PLANT	P10	53,785.604	14,746.953	1,400.617	13,416.858	22,257.575	0	601.092	586.615	335.451	184.455	255.988
17													
18	TRANSMISSION PLANT												
19	AC 101 & 106	D2	18,616.057	6,008.350	617.122	5,085.641	6,246.874	0	144.370	208.460	40.305	220.684	46.251
20	AC 114	D2	5.226	1.687	173	1.428	1.754	0	41	59	11	62	13
21													
22	TOTAL TRANSMISSION PLANT		18,623.285	6,010.038	617.295	5,087.069	6,248.628	0	144.410	208.519	40.316	220.746	46.264
23													
24													
25	DISTRIBUTION PLANT												
26	PRIMARY DEMAND	D3	10,711.049	2,200.725	271.893	2,006.387	2,753.356	71.307	157.039	80.961	453.427	1,857.117	299.237
27	SECONDARY DEMAND	D4	5,986.690	1,273.836	210.457	1,304.820	1,021.193	39.778	56.044	37.004	500.155	999.839	153.564
28	PRIMARY CUSTOMER	C2	5,376.562	4,955.546	169.361	1,065.238	15.633	7.382	2,171	51.677	1,737	4,777	3,040
29	SECONDARY CUSTOMER	C3	5,363.471	4,199.584	175.376	1,100.373	14.840	7.645	2,248	53.512	1,799	4,947	3,148
30	STREET LIGHTING	C4	1,295.003	0	0	0	0	0	1,295.003	0	0	0	0
31	AREA LIGHTING	C5	432.345	0	0	0	0	0	432.345	0	0	0	0
32	METERS	C6	1,870.647	553.140	81.851	516.117	37.369	7.882	1,122	22.658	442.197	169.585	38.745
33	LOAD MANAGEMENT	C9	924.485	129.401	2,250	2,701	0	675	0	0	576.340	183.637	29.481
34													
35	TOTAL DISTRIBUTION PLANT	P60	31,772.252	12,412.232	911.188	6,595.635	3,842.391	134.650	1,947.974	245.411	1,975.655	3,219.901	487.215
36													
37													
38	GENERAL PLANT												
39	PRODUCTION	P10	2,533.046	694.511	65.962	631.870	1,048.226	0	28.309	27.627	15.798	8.687	12.056
40	TRANSMISSION	D2	959.254	309.567	31.796	262.026	321.856	0	7.438	10.740	2.077	11.370	2.383
41	DISTRIBUTION	P60	1,783.765	696.850	51.156	370.294	215.720	7.560	109.364	13.778	110.918	180.772	27.353
42	CUSTOMER ACCOUNTS	OXI	1,226.411	826.861	33.107	285.377	5.290	1.334	442	12.258	43.648	14.590	3.505
43	CUSTOMER SERVICE & INFO	OXI	205.833	156.422	6.045	39.624	527	193	88	2.021	281	457	176
44	LOAD MANAGEMENT	C9	19,426	2,719	47	57	0	14	0	0	12.111	3.859	619
45													
46	TOTAL GENERAL PLANT	P90	6,727.735	2,886.930	188.113	1,589.247	1,591.619	9.101	145.641	86.424	184.832	219.735	46.093
47													
48													
49	INTANGIBLE PLANT	P90	425.323	169.866	11.892	100.471	100.621	575	9.207	4.199	11.685	13.891	2.914
50													
51	TOTAL PLANT IN SERVICE	EPIS	111,334.200	36,026.019	3,126.106	26,789.281	34,040.835	144.326	2,848.323	1,111.168	2,547.939	3,858.729	838.473
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OTTER TAIL POWER COMPANY
CLASS COST OF SERVICE STUDY
TEST YEAR - 2007 ACTUAL WITH KNOWN AND MEASURABLE CHANGES

PAGE 4-2

TEST YEAR
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SOUTH DAKOTA

LINE NO	ITEM	ALLOC	SOUTH DAKOTA	RESIDENTIAL	FARMS	GENERAL SERVICE	LARGE GENERAL SERVICE	IRRIGATION	OUTDOOR LIGHTING	OPA	CONTROLLED WATER HEATING	CONTROLLED SERVICE INTERRUPT	CONTROLLED SERVICE DEFERRED
1	ACCUMULATED DEPRECIATION	E1											
2	PRODUCTION PLANT	D1	(13,841,336)	(3,521,519)	(320,398)	(3,319,149)	(6,169,008)	0	(173,966)	(149,326)	(109,272)	0	(78,697)
3	BASE DEMAND	E1	(7,714,521)	(2,263,700)	(232,506)	(1,916,061)	(2,353,566)	0	(54,353)	(78,539)	(15,185)	(83,145)	(17,426)
4	PEAK DEMAND		0	0	0	0	0	0	0	0	0	0	0
5	BASE ENERGY												
6	TOTAL PRODUCTION PLANT		(20,555,858)	(5,785,219)	(552,904)	(5,235,210)	(8,522,575)	0	(228,359)	(227,865)	(124,457)	(83,145)	(96,123)
7													
8	TRANSMISSION PLANT	D2	(6,985,571)	(2,247,603)	(230,884)	(1,902,690)	(2,337,142)	0	(54,013)	(77,991)	(15,079)	(82,564)	(17,304)
9													
10													
11													
12	DISTRIBUTION PLANT	P90	(13,273,921)	(5,185,625)	(380,679)	(2,755,547)	(1,605,287)	(66,254)	(813,831)	(102,529)	(825,396)	(1,345,221)	(203,550)
13													
14													
15	GENERAL PLANT	P90	(2,720,670)	(1,086,584)	(76,072)	(642,685)	(643,645)	(3,680)	(58,896)	(26,862)	(74,745)	(88,860)	(18,640)
16													
17													
18	INTANGIBLE PLANT	P90	(258,069)	(103,068)	(7,216)	(60,862)	(61,053)	(349)	(5,367)	(2,546)	(7,090)	(8,429)	(1,769)
19													
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21													
22	TOTAL ACCUMULATED DEPRECIATION		(44,074,088)	(14,408,400)	(1,247,755)	(10,597,095)	(13,169,702)	(60,284)	(1,160,686)	(437,795)	(1,046,767)	(1,608,219)	(337,385)
23													
24													
25	NET PLANT EXCLUDING BSP CAPITALIZED ITEMS		67,280,111	21,817,619	1,881,351	16,192,186	20,871,133	84,042	1,687,637	673,373	1,501,172	2,250,510	501,088
26													
27	BSP CAPITALIZED ITEMS	P10	10,715	2,938	279	2,673	4,434	0	120	117	67	37	51
28													
29													
30	TOTAL NET PLANT IN SERVICE	NEPIS	67,270,827	21,820,557	1,881,630	16,194,859	20,875,568	84,042	1,687,757	673,490	1,501,238	2,250,546	501,139
31													
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38													
39	PLANT HELD FOR FUTURE USE												
40	PRODUCTION PLANT	P10	0	0	0	0	0	0	0	0	0	0	0
41	TRANSMISSION PLANT	D2	811	262	27	221	272	0	6	9	2	10	2
42	DISTRIBUTION PLANT	P60	2,035	795	58	422	246	9	125	16	127	206	31
43	GENERAL PLANT	P90	0	0	0	0	0	0	0	0	0	0	0
44	INTANGIBLE PLANT	P90	0	0	0	0	0	0	0	0	0	0	0
45													
46	TOTAL PLANT HELD FOR FUTURE USE		2,845	1,057	85	644	518	9	131	25	128	216	33
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LINE NO	ITEM	ALLOC	SOUTH DAKOTA	RESIDENTIAL	FARMS	GENERAL SERVICE	LARGE GENERAL SERVICE	IRRIGATION	OUTDOOR LIGHTING	OPA	CONTROLLED WATER HEATING	CONTROLLED SERVICE INTERRUPT	CONTROLLED SERVICE DEFERRED
1	CONST WORK-IN-PROGRESS - MAJOR PROJECTS	P10	0	0	0	0	0	0	0	0	0	0	0
2	PRODUCTION PLANT	D2	0	0	0	0	0	0	0	0	0	0	0
3	TRANSMISSION PLANT	P60	0	0	0	0	0	0	0	0	0	0	0
4	DISTRIBUTION PLANT	P90	0	0	0	0	0	0	0	0	0	0	0
5	GENERAL PLANT	P90	0	0	0	0	0	0	0	0	0	0	0
6	INTANGIBLE PLANT	P90	0	0	0	0	0	0	0	0	0	0	0
7													
8	TOTAL CWP - MAJOR PROJECTS		0	0	0	0	0	0	0	0	0	0	0
9													
10	CONST WORK-IN-PROGRESS - SHORT TERM	P10	0	0	0	0	0	0	0	0	0	0	0
11	PRODUCTION PLANT	D2	0	0	0	0	0	0	0	0	0	0	0
12	TRANSMISSION PLANT	P60	0	0	0	0	0	0	0	0	0	0	0
13	DISTRIBUTION PLANT	P90	0	0	0	0	0	0	0	0	0	0	0
14	GENERAL PLANT	P90	0	0	0	0	0	0	0	0	0	0	0
15	INTANGIBLE PLANT	P90	0	0	0	0	0	0	0	0	0	0	0
16													
17	TOTAL CWP - SHORT TERM		0	0	0	0	0	0	0	0	0	0	0
18													
19	CONST WORK-IN-PROGRESS - LONG TERM	P10	0	0	0	0	0	0	0	0	0	0	0
20	PRODUCTION PLANT	D2	0	0	0	0	0	0	0	0	0	0	0
21	TRANSMISSION PLANT	P60	0	0	0	0	0	0	0	0	0	0	0
22	DISTRIBUTION PLANT	P90	0	0	0	0	0	0	0	0	0	0	0
23	GENERAL PLANT	P90	0	0	0	0	0	0	0	0	0	0	0
24	INTANGIBLE PLANT	P90	0	0	0	0	0	0	0	0	0	0	0
25													
26	TOTAL CWP - LONG TERM		0	0	0	0	0	0	0	0	0	0	0
27													
28													
29													
30	TOTAL CONSTRUCTION WORK-IN-PROGRESS		0	0	0	0	0	0	0	0	0	0	0
31													
32													
33	MATERIALS & SUPPLIES	P10	345,885	94,835	9,007	86,281	143,134	0	3,866	3,772	2,157	1,186	1,646
34	PRODUCTION	D2	296,351	95,637	9,823	80,950	99,434	0	2,298	3,318	642	3,513	736
35	TRANSMISSION	P60	560,193	218,846	16,066	116,291	67,747	2,374	34,346	4,327	34,834	96,772	8,590
36	DISTRIBUTION	P90											
37			1,202,429	409,319	34,896	283,523	310,316	2,374	40,509	11,418	37,633	61,471	10,973
38	TOTAL MATERIALS AND SUPPLIES												
39													
40													
41	FUEL STOCKS	E1	590,877	150,331	13,678	141,692	263,351	0	7,427	6,375	4,665	0	3,360
42	COAL STOCKS	D1	165,479	53,403	5,485	45,202	55,523	0	1,283	1,853	358	1,961	411
43	FUEL OIL STOCKS												
44			756,356	203,734	19,163	186,894	318,873	0	8,710	8,227	5,023	1,961	3,771
45	TOTAL FUEL STOCKS												
46													
47													
48	PREPAYMENTS	NEPIS	(2,855,820)	(917,848)	(79,880)	(687,513)	(886,222)	(3,568)	(71,650)	(28,591)	(63,731)	(95,541)	(21,275)
49													
50	CUSTOMER ADVANCES	NEPIS	(12,093)	(3,887)	(338)	(2,911)	(3,753)	(15)	(303)	(121)	(270)	(405)	(90)
51													
52	CASH WORKING CAPITAL	OX	289,775	83,311	6,505	60,792	88,795	274	5,540	2,644	5,210	14,147	2,556
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LINE NO	ITEM	ALLOC	SOUTH DAKOTA	RESIDENTIAL	FARMS	GENERAL SERVICE	LARGE GENERAL SERVICE	IRRIGATION	OUTDOOR LIGHTING	OPA	CONTROLLED WATER HEATING	CONTROLLED SERVICE INTERRUPT	CONTROLLED SERVICE DEFERRED
1	ACCUMULATED DEFERRED INCOME TAXES												
2	ITEMS SD FLOWS THROUGH												
3	FEDERAL	NPINR	0	0	0	0	0	0	0	0	0	0	0
4	MINNESOTA	NPISM	0	0	0	0	0	0	0	0	0	0	0
5	NORTH DAKOTA	NPISN	0	0	0	0	0	0	0	0	0	0	0
6													
7	SUBTOTAL		0	0	0	0	0	0	0	0	0	0	0
8													
9	ALL OTHER												
10	FEDERAL	NERIS	(6,403,518)	(2,058,064)	(179,113)	(1,541,591)	(1,987,148)	(8,000)	(160,658)	(64,110)	(142,903)	(214,230)	(47,704)
11	MINNESOTA	NPISM	0	0	0	0	0	0	0	0	0	0	0
12	NORTH DAKOTA	NPISN	0	0	0	0	0	0	0	0	0	0	0
13													
14	SUBTOTAL		(6,403,518)	(2,058,064)	(179,113)	(1,541,591)	(1,987,148)	(8,000)	(160,658)	(64,110)	(142,903)	(214,230)	(47,704)
15													
16	TOTAL ACCUMULATED DEFERRED INCOME TAXES		(6,403,518)	(2,058,064)	(179,113)	(1,541,591)	(1,987,148)	(8,000)	(160,658)	(64,110)	(142,903)	(214,230)	(47,704)
17													
18													
19	UNAMORTIZED BALANCE - SPIRITWOOD PLANT	P10	0	0	0	0	0	0	0	0	0	0	0
20													
21													
22	UNAMORTIZED RATE CASE EXPENSES	R10	0	0	0	0	0	0	0	0	0	0	0
23													
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27	TOTAL AVERAGE RATE BASE		60,230,800	19,338,179	1,682,948	14,494,695	18,716,947	75,116	1,510,036	602,981	1,342,328	2,018,166	449,404
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OTTER TAIL POWER COMPANY
CLASS COST OF SERVICE STUDY
TEST YEAR - 2007 ACTUAL WITH KNOWN AND MEASURABLE CHANGES

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TEST YEAR
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SOUTH DAKOTA

LINE NO	ITEM	ALOC	SOUTH DAKOTA	RESIDENTIAL	FARMS	GENERAL SERVICE	LARGE GENERAL SERVICE	IRRIGATION	OUTDOOR LIGHTING	OPA	CONTROLLED WATER HEATING	CONTROLLED SERVICE INTERRUPT	CONTROLLED SERVICE DEFERRED
1	OPERATING REVENUES												
2	SALES OF ELECTRICITY		25,375,778	7,863,869	595,513	6,540,313	8,298,684	23,906	525,080	213,168	359,535	957,344	198,366
3	OTHER OPERATING REVENUE		3,174,346	919,257	75,269	710,092	1,117,375	3,304	49,843	30,979	57,858	178,365	32,003
4													
5	TOTAL OPERATING REVENUE		28,550,123	8,983,125	670,782	7,250,405	9,416,059	27,211	574,923	244,147	417,393	1,135,709	230,370
6													
7	OPERATING EXPENSES												
8	PRODUCTION EXPENSES		15,443,701	3,862,705	340,545	3,436,190	6,140,565	11,748	171,219	152,140	229,224	933,197	166,169
9	TRANSMISSION EXPENSES		1,711,158	513,408	32,190	365,278	325,850	0	7,531	10,874	2,102	11,511	2,413
10	DISTRIBUTION EXPENSES		1,497,102	565,194	42,916	306,944	146,285	5,723	179,555	11,973	88,782	126,323	20,205
11	CUSTOMER ACCOUNTING EXPENSES		1,083,332	678,829	27,220	234,631	4,349	1,097	364	10,079	33,867	11,995	2,882
12	CUSTOMER SERVICE AND INFORMATION EXPENSES		243,326	165,060	7,152	46,860	624	229	104	2,391	193	314	206
13	SALES EXPENSES		141,395	107,452	4,152	27,219	362	133	60	1,386	193	314	121
14	ADMINISTRATIVE AND GENERAL EXPENSES		3,054,404	1,191,400	84,962	721,436	739,502	3,821	100,319	30,261	74,320	88,486	19,877
15	CHARITABLE CONTRIBUTIONS		0	0	0	0	0	0	0	0	0	0	0
16	DEPRECIATION EXPENSE		3,177,201	1,023,431	87,880	760,053	984,473	4,073	81,038	31,683	73,209	107,173	24,189
17	AMORTIZATION OF BIG STONE PLANT CAPITALIZED COSTS		0	0	0	0	0	0	0	0	0	0	0
18	SPIRITWOOD AMORTIZATION		0	0	0	0	0	0	0	0	0	0	0
19	GENERAL TAXES		973,916	313,013	27,241	234,462	302,227	1,217	24,435	9,750	21,734	32,582	7,255
20													
21	TOTAL OPERATING EXPENSES		26,510,737	8,241,499	654,280	6,033,084	8,646,238	28,040	564,625	260,538	526,794	1,312,322	243,318
22													
23													
24	NET OPERATING INCOME BEFORE INCOME TAXES		2,039,387	341,626	16,502	1,217,322	769,821	(830)	10,299	(16,391)	(109,401)	(176,613)	(12,949)
25													
26													
27	INCOME TAX EXPENSE												
28	INVESTMENT TAX CREDIT		(848,138)	(274,444)	(23,837)	(204,079)	(259,321)	(1,099)	(21,696)	(8,465)	(19,410)	(29,396)	(6,387)
29	DEFERRED INCOME TAXES		(23,796)	(7,646)	(666)	(5,729)	(7,385)	(30)	(597)	(238)	(531)	(796)	(177)
30	INCOME TAXES		77,225	(84,823)	(12,012)	272,869	71,642	(1,084)	(12,355)	(12,110)	(62,478)	(83,142)	(9,281)
31													
32	TOTAL INCOME TAX EXPENSE		(794,709)	(366,916)	(36,515)	63,061	(195,063)	(2,214)	(34,651)	(20,813)	(72,419)	(113,333)	(15,846)
33													
34													
35	NET OPERATING INCOME		2,834,096	708,542	53,017	1,154,261	964,884	1,384	44,949	4,422	(36,962)	(63,280)	2,897
36													
37	ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION		0	0	0	0	0	0	0	0	0	0	0
38													
39													
40													
41													
42	TOTAL AVAILABLE FOR RETURN		2,834,096	708,542	53,017	1,154,261	964,884	1,384	44,949	4,422	(36,962)	(63,280)	2,897
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OTTER TAIL POWER COMPANY
CLASS COST OF SERVICE STUDY
TEST YEAR - 2007 ACTUAL WITH KNOWN AND MEASURABLE CHANGES

SOUTH DAKOTA
RUN =
TEST YEAR
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LINE NO	ITEM	ALLOC	SOUTH DAKOTA	RESIDENTIAL	FARMS	GENERAL SERVICE	LARGE GENERAL SERVICE	IRRIGATION	OUTDOOR LIGHTING	OPA	CONTROLLED WATER HEATING	CONTROLLED SERVICE INTERRUPT	CONTROLLED SERVICE DEFERRED
1	OPERATING REVENUES												
2	SALES OF ELECTRICITY	R10	25,375,778	7,663,869	595,513	6,540,313	8,238,684	23,906	525,080	213,168	359,535	957,344	198,366
3													
4													
5													
6	OTHER OPERATING REVENUES												
7	SALES FOR RESALE												
8	MUNICIPALITIES & OFF-SYSTEM SALES												
9	NON-ASSOCIATED UTILITIES, CO-OPS & OPA												
10	BUY-SELL TRANSACTIONS	D2	0	0	0	0	0	0	0	0	0	0	0
11	ALL OTHER TRANSACTIONS												
12	BASE DEMAND	E1	0	0	0	0	0	0	0	0	0	0	0
13	PEAK DEMAND	D1	0	0	0	0	0	0	0	0	0	0	0
14	BASE ENERGY		1,938,593	471,153	40,541	418,198	769,641	1,797	21,704	18,630	32,714	140,651	23,564
15	PEAK ENERGY	D1	0	0	0	0	0	0	0	0	0	0	0
16													
17	TOTAL ALL OTHER TRANSACTIONS		1,938,593	471,153	40,541	418,198	769,641	1,797	21,704	18,630	32,714	140,651	23,564
18													
19	TOTAL SALES FOR RESALE		1,938,593	471,153	40,541	418,198	769,641	1,797	21,704	18,630	32,714	140,651	23,564
20													
21													
22	OTHER ELECTRIC REVENUES												
23	LATE FEES	C1	80,104	60,875	2,352	15,420	205	75	34	786	109	178	68
24	CONNECTION FEES	C1	35,174	26,731	1,033	6,771	90	33	15	345	48	78	30
25	RENT FROM ELECTRIC PROPERTY	NEPS	60,328	19,389	1,687	14,523	18,721	75	1,514	604	1,346	2,018	449
26	RENT FROM ELECTRIC PROPERTY - BIG STONE	NEPS	(1,935)	(622)	(54)	(466)	(600)	(2)	(49)	(19)	(43)	(65)	(14)
27	RENT FROM ELECTRIC PROPERTY - COYOTE	NEPS	1,110	357	31	267	344	1	28	11	25	37	8
28	OTHER MISC ELECTRIC REVENUE	NEPS	297,031	95,464	8,308	71,508	92,175	371	7,452	2,974	6,629	9,937	2,213
29	ITA DEFICIENCY PAYMENTS	NEPS	342,093	109,947	9,569	82,356	106,159	427	8,583	3,425	7,634	11,445	2,548
30		NEPS	0	0	0	0	0	0	0	0	0	0	0
31	MISCELLANEOUS SERVICES	NEPS	3,187	1,024	89	767	989	4	80	32	71	107	24
32	WHEELING	NEPS	0	0	0	0	0	0	0	0	0	0	0
33	LOAD CONTROL AND DISPATCH	NEPS	4,177,900	1,342,766	11,686	100,579	129,649	522	10,482	4,183	9,324	13,977	3,112
34	RESIDENTIAL CONSERVATION SERVICES	C1	872	663	26	168	2	1	0	9	1	2	1
35													
36	TOTAL OTHER ELECTRIC REVENUES		1,235,753	448,103	34,727	291,894	347,734	1,508	28,139	12,349	25,144	37,714	8,440
37													
38	TOTAL OTHER OPERATING REVENUES		3,174,346	919,257	75,269	710,092	1,117,375	3,304	49,843	30,979	57,858	178,365	32,003
39													
40													
41	TOTAL OPERATING REVENUES		28,550,123	8,583,125	670,782	7,250,405	9,416,059	27,211	574,923	244,147	417,393	1,135,709	230,370
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OTTER TAIL POWER COMPANY
CLASS COST OF SERVICE STUDY
TEST YEAR - 2007 ACTUAL WITH KNOWN AND MEASURABLE CHANGES

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LINE NO	ITEM	ALLOC	SOUTH DAKOTA	RESIDENTIAL	FARMS	GENERAL SERVICE	LARGE GENERAL SERVICE	IRRIGATION	OUTDOOR LIGHTING	OPA	CONTROLLED WATER HEATING	CONTROLLED SERVICE INTERRUPT	CONTROLLED SERVICE DEFERRED
OPERATING EXPENSES													
1	PRODUCTION EXPENSES	E1	1,221,555	310,789	28,276	292,929	544,441	0	15,353	13,179	9,644	0	6,945
2	PROD EXPENSES EXCLUDING PURCHASED POWER	D1	574,235	185,315	19,034	156,856	192,672	0	0	6,430	1,243	6,807	1,427
3	BASE DEMAND	E2	5,970,418	1,451,043	124,858	1,287,953	2,370,316	5,533	66,843	57,376	100,751	433,173	72,571
4	PEAK DEMAND	D1	564,736	182,250	18,719	154,261	188,485	0	4,379	6,323	1,223	6,684	1,403
5	BASE ENERGY												
6	PEAK ENERGY												
7													
8													
9	TOTAL EXCLUDING PURCHASED POWER		8,330,945	2,129,396	190,887	1,891,999	3,296,913	5,533	91,028	83,307	112,861	446,674	82,346
10													
11													
12	PURCHASED POWER	D2	0	0	0	0	0	0	0	0	0	0	0
13	BUY SELL TRANSACTIONS												
14	ALL OTHER TRANSACTIONS	E1	407,021	103,555	9,422	97,604	181,407	0	5,116	4,391	3,213	0	2,314
15	BASE DEMAND	D1	0	0	0	0	0	0	0	0	0	0	0
16	PEAK DEMAND	E2	6,705,735	1,529,754	140,236	1,446,577	2,862,245	6,215	75,076	64,442	113,160	486,523	81,509
17	BASE ENERGY	D1	0	0	0	0	0	0	0	0	0	0	0
18	PEAK ENERGY												
19													
20	TOTAL ALL OTHER TRANSACTIONS		7,112,756	1,733,308	149,657	1,544,181	2,843,652	6,215	80,191	68,833	116,373	486,523	83,823
21													
22	TOTAL PURCHASED POWER		7,112,756	1,733,308	149,657	1,544,181	2,843,652	6,215	80,191	68,833	116,373	486,523	83,823
23													
24	TOTAL PRODUCTION EXPENSES		15,443,701	3,862,705	340,545	3,436,180	6,140,565	11,748	171,219	152,140	229,234	933,197	166,169
25													
26	TRANSMISSION EXPENSES	D2	971,158	313,408	32,190	265,278	325,850	0	7,531	10,874	2,102	11,511	2,413
27													
28													
29													
30	DISTRIBUTION EXPENSES	D3	447,414	91,927	11,357	108,872	115,011	2,979	6,560	3,365	18,940	77,574	10,829
31	PRIMARY DEMAND	D4	148,333	33,749	5,576	34,570	27,056	1,054	1,538	880	13,251	26,490	4,069
32	SECONDARY DEMAND	C2	289,397	203,207	8,486	53,375	783	370	109	2,589	87	239	152
33	PRIMARY CUSTOMER	C3	217,883	164,469	6,868	43,094	581	289	88	2,096	70	194	123
34	SECONDARY CUSTOMER	C4	166,871	185,315	0	0	0	0	166,871	0	0	0	0
35	STREET LIGHTING	C5	4,243	0	0	0	0	0	4,243	0	0	0	0
36	AREA LIGHTING	C6	242,981	71,842	10,631	67,034	4,854	1,021	146	2,943	57,433	22,026	5,032
37	METERS	C9	0	0	0	0	0	0	0	0	0	0	0
38	LOAD MANAGEMENT												
39													
40	TOTAL DISTRIBUTION	OXD	1,497,102	565,194	42,918	306,944	148,285	5,723	179,555	11,973	88,782	126,523	20,205
41													
42													
43	CUSTOMER ACCOUNTING EXPENSES	C7	453,531	261,342	9,743	124,711	2,736	335	140	4,746	35,707	11,502	2,568
44	METER READING	C8	554,800	418,486	17,476	109,920	1,613	762	224	5,332	179	493	314
45	OTHER												
46	TOTAL CUSTOMER ACCOUNTS	OXC	1,008,332	679,829	27,220	234,631	4,349	1,097	364	10,079	35,887	11,995	2,882
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OTTER TAIL POWER COMPANY
CLASS COST OF SERVICE STUDY
TEST YEAR - 2007 ACTUAL WITH KNOWN AND MEASURABLE CHANGES

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LINE NO	ITEM	ALLOC	SOUTH DAKOTA	RESIDENTIAL	FARMS	GENERAL SERVICE	LARGE GENERAL SERVICE	IRRIGATION	OUTDOOR LIGHTING	OPA	CONTROLLED HEATING	CONTROLLED SERVICE INTERRUPT	CONTROLLED SERVICE DEFERRED
1	CUSTOMER SERVICE & INFORMATION EXPENSE												
2	CONSERVATION & PROMOTIONAL REBATES	C1											
3	OTHER	C1	243,528	185,068	7,152	46,880	624	229	104	2,391	333	541	208
4													
5	TOTAL CUSTOMER SERV & INFORMATION EXP	Oxi	243,528	185,068	7,152	46,880	624	229	104	2,391	333	541	208
6													
7	SALES EXPENSES												
8	OFF-PEAK DEVELOPMENT	C1	100,000	75,995	2,837	19,250	256	94	43	982	137	222	85
9	OTHER	C1	41,395	31,458	1,216	7,669	106	39	16	406	57	92	35
10													
11	TOTAL SALES EXPENSES		141,395	107,452	4,152	27,219	362	133	60	1,388	193	314	121
12													
13	ADMINISTRATIVE & GENERAL EXPENSES												
14	SALARIES, SUPPLIES, PENSIONS & BENEFITS												
15	PRODUCTION												
16	TRANSMISSION	OXPD	796,743	216,893	20,520	197,987	332,223	0	9,014	8,680	5,100	2,462	3,865
17	DISTRIBUTION	OXD	295,182	95,260	9,784	80,631	99,042	0	2,289	3,305	639	3,499	733
18	CUSTOMER ACCOUNTS	OXD	569,648	215,057	16,330	116,793	96,422	2,178	66,321	4,556	34,162	48,142	7,688
19	CUSTOMER SERVICE & INFO	OXD	384,498	259,233	10,379	89,470	1,658	418	139	3,843	13,684	4,574	1,099
20													
21	TOTAL SALARIES, SUPPLIES, PENSIONS, AND BENEFITS	C1	129,708	98,571	3,809	24,969	332	122	55	1,273	177	288	111
22													
23	TOTAL SALARIES, SUPPLIES, PENSIONS, AND BENEFITS		2,175,779	885,013	60,823	509,849	489,677	2,718	79,818	21,658	53,762	58,965	13,496
24	LOAD MANAGEMENT EXPENSES	C9	0	0	0	0	0	0	0	0	0	0	0
25													
26	OUTSIDE SERVICES	NEPS	161,780	51,995	4,525	38,947	50,204	202	4,059	1,620	3,610	5,412	1,205
27													
28	PROPERTY INSURANCE	NEPS	140,727	45,229	3,936	33,879	43,671	176	3,531	1,409	3,141	4,708	1,048
29													
30	INJURIES & DAMAGES	NEPS	154,238	49,571	4,314	37,131	47,863	193	3,870	1,544	3,442	5,160	1,149
31													
32	REGULATORY COMMISSION EXPENSE	R10	91,863	27,744	2,156	23,677	30,042	87	1,901	772	1,302	3,466	718
33													
34	GENERAL ADVERTISING	C1	125	95	4	24	0	0	0	1	0	0	0
35													
36	MISCELLANEOUS, RENTS, MAINTENANCE	P90	329,892	131,753	9,224	77,928	78,045	446	7,141	3,257	9,063	10,775	2,260
37													
38	TOTAL ADMINISTRATIVE & GENERAL EXP		3,054,404	1,191,400	84,982	721,436	739,502	3,821	100,319	30,261	74,320	88,486	19,877
39													
40	CHARITABLE CONTRIBUTIONS	C1	0	0	0	0	0	0	0	0	0	0	0
41													
42													
43													
44													
45	TOTAL O & M EXPENSES		22,359,619	6,905,056	539,159	5,038,569	7,359,538	22,750	459,152	219,105	431,850	1,172,566	211,874
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OTTER TAIL POWER COMPANY
CLASS COST OF SERVICE STUDY
TEST YEAR - 2007 ACTUAL WITH KNOWN AND MEASURABLE CHANGES

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SOUTH DAKOTA

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LINE NO	ITEM	ALLOC	SOUTH DAKOTA	RESIDENTIAL	FARMS	GENERAL SERVICE	LARGE GENERAL SERVICE	IRRIGATION	OUTDOOR LIGHTING	OPA	CONTROLLED WATER HEATING	CONTROLLED SERVICE INTERRUPT	CONTROLLED SERVICE DEFERRED
1	DEPRECIATION EXPENSE												
2	PRODUCTION	E1	1,209,047	307,606	27,987	289,929	538,866	0	15,196	13,044	9,545	0	6,874
3	BASE DEMAND	D1	457,709	147,710	15,171	125,026	153,574	0	3,549	5,125	991	5,425	1,137
4	PEAK DEMAND	E1	0	0	0	0	0	0	0	0	0	0	0
5	BASE ENERGY												
6	TOTAL PRODUCTION		1,666,756	455,316	43,158	414,955	692,440	0	18,745	18,169	10,536	5,425	8,011
7													
8													
9	TRANSMISSION	D2	359,059	115,874	11,902	98,079	120,474	0	2,794	4,020	777	4,256	892
10													
11													
12	DISTRIBUTION	P90	871,937	340,633	25,006	181,006	105,448	3,695	53,459	6,735	54,219	88,365	13,371
13													
14													
15	GENERAL	P90	217,856	87,008	6,091	51,463	51,540	295	4,716	2,151	5,965	7,115	1,493
16													
17													
18	INTANGIBLE	P90	61,693	24,599	1,722	14,550	14,571	83	1,333	608	1,662	2,012	422
19													
20													
21	TOTAL DEPRECIATION EXPENSE		3,177,201	1,023,431	87,880	760,053	984,473	4,073	81,038	31,683	73,209	107,173	24,189
22													
23													
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26													
27													
28	BIG STONE EXPENSE OFFSETS	P10	0	0	0	0	0	0	0	0	0	0	0
29													
30													
31	SPIRITWOOD AMORTIZATION	P10	0	0	0	0	0	0	0	0	0	0	0
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OTTER TAIL POWER COMPANY
CLASS COST OF SERVICE STUDY
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LINE NO	ITEM	ALLOC	SOUTH DAKOTA	RESIDENTIAL	FARMS	GENERAL SERVICE	LARGE GENERAL SERVICE	IRRIGATION	OUTDOOR LIGHTING	OPA	CONTROLLED WATER HEATING	CONTROLLED SERVICE INTERRUPT	CONTROLLED SERVICE DEFERRED
1	GENERAL TAXES	NEPS	973,916	313,013	27,241	234,462	302,227	1,217	24,435	9,750	21,734	32,592	7,255
2	NET OPERATING INCOME BEFORE TAX (NOBT)		2,039,387	341,626	16,502	1,217,322	769,821	(830)	10,299	(16,391)	(109,401)	(176,613)	(12,949)
3													
4	INVESTMENT TAX CREDIT	EPIS	(848,138)	(274,444)	(23,837)	(204,079)	(259,321)	(1,099)	(21,698)	(8,465)	(19,410)	(29,386)	(6,387)
5	AMORTIZE PRIOR YEARS CREDIT	EPIS	0	0	0	0	0	0	0	0	0	0	0
6	DEBITS UTILIZED	EPIS											
7													
8	TOTAL INVESTMENT TAX CREDIT		(848,138)	(274,444)	(23,837)	(204,079)	(259,321)	(1,099)	(21,698)	(8,465)	(19,410)	(29,386)	(6,387)
9													
10	DEFERRED INCOME TAXES												
11	ITEMS SOUTH DAKOTA FLOWS THROUGH												
12	FEDERAL	NPMNR	0	0	0	0	0	0	0	0	0	0	0
13	MINNESOTA	NPISM	0	0	0	0	0	0	0	0	0	0	0
14	NORTH DAKOTA	NPISN	0	0	0	0	0	0	0	0	0	0	0
15													
16	SUB TOTAL		0	0	0	0	0	0	0	0	0	0	0
17													
18	ALL OTHER												
19	FEDERAL	NEPS	(23,796)	(7,648)	(666)	(5,729)	(7,385)	(30)	(597)	(238)	(531)	(796)	(177)
20	MINNESOTA	NPISM	0	0	0	0	0	0	0	0	0	0	0
21	NORTH DAKOTA	NPISN	0	0	0	0	0	0	0	0	0	0	0
22													
23	SUB TOTAL		(23,796)	(7,648)	(666)	(5,729)	(7,385)	(30)	(597)	(238)	(531)	(796)	(177)
24													
25	TOTAL DEFERRED INCOME TAXES		(23,796)	(7,648)	(666)	(5,729)	(7,385)	(30)	(597)	(238)	(531)	(796)	(177)
26													
27													
28	CURRENT INCOME TAXES												
29	FEDERAL INCOME TAXES		77,225	(84,823)	(12,012)	272,869	71,642	(1,084)	(12,355)	(12,110)	(62,478)	(83,142)	(9,281)
30	MINNESOTA INCOME TAXES		0	0	0	0	0	0	0	0	0	0	0
31	NORTH DAKOTA INCOME TAXES		0	0	0	0	0	0	0	0	0	0	0
32													
33	TOTAL CURRENT INCOME TAXES		77,225	(84,823)	(12,012)	272,869	71,642	(1,084)	(12,355)	(12,110)	(62,478)	(83,142)	(9,281)
34													
35	TOTAL INCOME TAXES		(794,709)	(366,916)	(36,515)	63,061	(195,063)	(2,214)	(34,651)	(20,813)	(72,419)	(113,333)	(15,846)
36													
37	NET OPERATING INCOME		2,834,096	708,542	53,017	1,154,261	964,884	1,384	44,949	4,422	(36,962)	(63,280)	2,897
38													
39	AFDC		0	0	0	0	0	0	0	0	0	0	0
40													
41	TOTAL AVAILABLE FOR RETURN	CWPLT	2,834,096	708,542	53,017	1,154,261	964,884	1,384	44,949	4,422	(36,962)	(63,280)	2,897
42													
43	RATE OF RETURN ON RATE BASE		4.71%	3.66%	3.15%	7.96%	5.16%	1.84%	2.98%	0.73%	-2.76%	-3.14%	0.64%
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OTTER TAIL POWER COMPANY
CLASS COST OF SERVICE STUDY
TEST YEAR - 2007 ACTUAL WITH KNOWN AND MEASURABLE CHANGES

LINE NO	ITEM	ALOC	SOUTH DAKOTA	RESIDENTIAL	FARMS	GENERAL SERVICE	LARGE GENERAL SERVICE	IRRIGATION	OUTDOOR LIGHTING	OPA	CONTROLLED WATER HEATING	CONTROLLED SERVICE INTERRUPT	CONTROLLED SERVICE DEFERRED
1	DEVELOPMENT OF FEDERAL INCOME TAX EXPENSE												
2	NET OPERATING INCOME BEFORE TAX (NOIBT)		2,039,387	341,626	16,502	1,217,322	769,821	(830)	10,299	(16,391)	(109,401)	(176,613)	(12,949)
3	LESS: INTEREST COST [SD IS (R.B. + SD CWP) X WTD		1,700,391	545,941	47,512	409,204	528,401	2,121	42,630	17,023	37,896	56,975	12,687
4													
5	NET INCOME BEFORE TAX		338,995	(204,315)	(31,010)	808,118	241,420	(2,951)	(32,331)	(33,414)	(147,297)	(233,588)	(25,638)
6													
7	FEDERAL SCHEDULE M ADJUSTMENTS:												
8	ADDITIONAL TAX DEPRECIATION	NEPS	251,305	80,768	7,029	60,500	77,985	314	6,305	2,516	5,608	8,407	1,872
9	COST TO REMOVE	NEPS	369,647	118,899	10,348	89,051	114,802	462	9,262	3,704	8,256	12,377	2,756
10	DIRECTLY ASSIGNED SCHEDULE M ITEMS	NEPS	(7,846)	(2,522)	(226)	(1,889)	(2,435)	(10)	(197)	(79)	(175)	(283)	(36)
11	ACCURED VACATION PAY	NEPS	8,237	2,647	230	1,963	2,556	10	207	82	164	276	61
12	CHARGES - OPERATING RESERVES	NEPS	437,638	140,655	12,241	105,357	135,806	547	10,960	4,361	9,766	14,641	3,260
13	PROVISIONS - OPERATING RESERVES	NEPS	(805,468)	(236,874)	(22,530)	(193,909)	(249,954)	(1,006)	(20,206)	(8,064)	(17,975)	(26,947)	(6,000)
14	UNBILLED REVENUES	NEPS	0	0	0	0	0	0	0	0	0	0	0
15	PREFERRED DIVIDENDS PAID CREDIT	NEPS	15,061	4,840	421	3,626	4,674	19	378	151	336	504	112
16	OTHER SCHEDULE M ITEMS	NEPS	(150,519)	(48,376)	(4,210)	(6,236)	(46,709)	(189)	(3,776)	(1,507)	(3,359)	(5,036)	(1,121)
17													
18	SUBTOTAL FEDERAL SCHEDULE M ADJUSTMENTS		118,352	38,038	3,310	28,492	36,727	148	2,969	1,185	2,641	3,959	862
19													
20	FEDERAL ADJUSTED INCOME BEFORE INCOME TAXES		220,643	(242,353)	(64,320)	779,625	204,693	(3,099)	(65,301)	(64,999)	(149,938)	(237,547)	(26,517)
21													
22	LESS:												
23	MINNESOTA STATE INCOME TAXES		0	0	0	0	0	0	0	0	0	0	0
24	NORTH DAKOTA STATE INCOME TAXES		0	0	0	0	0	0	0	0	0	0	0
25													
26	FEDERAL TAXABLE INCOME		220,643	(242,353)	(64,320)	779,625	204,693	(3,099)	(65,301)	(64,999)	(149,938)	(237,547)	(26,517)
27	FEDERAL TAX RATE		35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%
28													
29	FEDERAL INCOME TAX BEFORE CREDITS		77,225	(84,823)	(12,012)	272,869	71,642	(1,084)	(12,355)	(12,110)	(62,478)	(83,142)	(9,281)
30	INVESTMENT TAX CREDIT - DEBITS UTILIZED		0	0	0	0	0	0	0	0	0	0	0
31		EPIS											
32	FEDERAL INCOME TAXES		77,225	(84,823)	(12,012)	272,869	71,642	(1,084)	(12,355)	(12,110)	(62,478)	(83,142)	(9,281)
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LINE NO	ITEM	ALOC	SOUTH DAKOTA	RESIDENTIAL	FARMS	GENERAL SERVICE	LARGE GENERAL SERVICE	IRRIGATION	OUTDOOR LIGHTING	OPA	CONTROLLED WATER HEATING	CONTROLLED SERVICE INTERRUPT	CONTROLLED SERVICE DEFERRED
1	DEVELOPMENT OF MINNESOTA STATE INCOME TAX EXPENSE		0	0	0	0	0	0	0	0	0	0	0
2	FEDERAL ADJUSTED INCOME BEFORE INCOME TAXES												
3													
4													
5	MINNESOTA ADJUSTMENTS TO FEDERAL SCHEDULE M:												
6	PAY/OP ADJUSTMENT	NEPS	0	0	0	0	0	0	0	0	0	0	0
7	CHANGE IN EXCESS TAX DEPRECIATION - MN	NEPS	0	0	0	0	0	0	0	0	0	0	0
8	CHANGE IN ACRS - ORDINARY LOSS	NEPS	0	0	0	0	0	0	0	0	0	0	0
9	PREFERRED DIVIDENDS PAID CREDIT	NEPS	0	0	0	0	0	0	0	0	0	0	0
10	MISCELLANEOUS ADJUSTMENTS TO FED SCHEDULE M	NEPS	0	0	0	0	0	0	0	0	0	0	0
11													
12	TOTAL MINNESOTA ADJUSTMENTS TO FED SCHEDULE M		0	0	0	0	0	0	0	0	0	0	0
13													
14	MINNESOTA TAXABLE INCOME		0	0	0	0	0	0	0	0	0	0	0
15	MINNESOTA TAX RATE		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
16													
17	MINNESOTA INCOME TAX		0	0	0	0	0	0	0	0	0	0	0
18													
19													
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21													
22													
23													
24													
25	DEVELOPMENT OF NORTH DAKOTA STATE INCOME TAX EXPENSE		0	0	0	0	0	0	0	0	0	0	0
26	FEDERAL ADJUSTED INCOME BEFORE INCOME TAXES												
27													
28													
29	NORTH DAKOTA ADJUSTMENTS TO FEDERAL SCHEDULE M:												
30	CHANGE IN EXCESS TAX DEPRECIATION - ND	NEPS	0	0	0	0	0	0	0	0	0	0	0
31	CHANGE IN ACRS - ORDINARY LOSS - ND	NEPS	0	0	0	0	0	0	0	0	0	0	0
32	CHANGE IN INCOME FROM ADR PROPERTY - ND	NEPS	0	0	0	0	0	0	0	0	0	0	0
33	MISCELLANEOUS ADJUSTMENTS TO FED SCHEDULE M	NEPS	0	0	0	0	0	0	0	0	0	0	0
34													
35	TOTAL NORTH DAKOTA ADJUSTMENTS TO FED SCHEDULE M		0	0	0	0	0	0	0	0	0	0	0
36													
37	SUBTOTAL		0	0	0	0	0	0	0	0	0	0	0
38	DEDUCTION OF FEDERAL INCOME TAXES		0	0	0	0	0	0	0	0	0	0	0
39													
40	NORTH DAKOTA TAXABLE INCOME		0	0	0	0	0	0	0	0	0	0	0
41	NORTH DAKOTA TAX RATE		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
42													
43	NORTH DAKOTA INCOME TAX		0	0	0	0	0	0	0	0	0	0	0
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OTTER TAIL POWER COMPANY
CLASS COST OF SERVICE STUDY
TEST YEAR - 2007 ACTUAL WITH KNOWN AND MEASURABLE CHANGES

SOUTH DAKOTA										RUN =		TEST YEAR 10/23/08 3:02:39 PM		PAGE 15-2	
LINE NO	ITEM	ALLOCATION FACTOR	SOUTH DAKOTA	RESIDENTIAL	FARMS	GENERAL SERVICE	GENERAL SERVICE	LARGE SERVICE	IRRIGATION	OUTDOOR LIGHTING	OPA	CONTROLLED HEATING	CONTROLLED WATER	CONTROLLED SERVICE INTERRUPT	CONTROLLED SERVICE DEFERRED
1	MWH CONSUMPTION AT GENERATORS - PARTIAL PERCENTAGE	E1	382,540	97,326	8,855	91,733	170,496	0	0	4,808	4,127	3,020	0	0	2,175
2			100.00000%	25.44205%	2.31479%	23.97908%	44.56846%	0.00000%	0.00000%	1.25686%	1.07884%	0.78846%	0.00000%	0.00000%	0.56657%
3			429,450	104,373	8,981	92,642	170,496	398	398	4,808	4,127	7,247	31,158	5,220	1,21551%
4	MWH CONSUMPTION AT GENERATORS - TOTAL PERCENTAGE	E2	100.00000%	24.30388%	2.09128%	21.57244%	39.70101%	0.09268%	0.09268%	1.11857%	0.96100%	1.88751%	7.25533%	1.21551%	1.21551%
5			56,356	18,187	1,868	15,394	18,909	0	0	437	631	122	668	140	140
6			100.00000%	32.27163%	3.31464%	27.31564%	33.55277%	0.00000%	0.00000%	0.77543%	1.11867%	0.21648%	1.18522%	0.24842%	0.24842%
7	GENERATION DEMAND FACTOR PERCENTAGE	D1	56,356	18,187	1,868	15,394	18,909	0	0	437	631	122	668	140	140
8			100.00000%	32.27163%	3.31464%	27.31564%	33.55277%	0.00000%	0.00000%	0.77543%	1.11867%	0.21648%	1.18522%	0.24842%	0.24842%
9			56,356	18,187	1,868	15,394	18,909	0	0	437	631	122	668	140	140
10	TRANSMISSION DEMAND FACTOR PERCENTAGE	D2	56,356	18,187	1,868	15,394	18,909	0	0	437	631	122	668	140	140
11			100.00000%	32.27163%	3.31464%	27.31564%	33.55277%	0.00000%	0.00000%	0.77543%	1.11867%	0.21648%	1.18522%	0.24842%	0.24842%
12			78,710	16,172	1,986	19,153	20,233	524	524	1,154	592	3,332	13,647	1,905	1,905
13	DISTRIBUTION - PRIMARY DEMAND FACTOR PERCENTAGE	D3	100.00000%	20.54031%	2.53843%	24.33363%	25.70276%	0.6673%	0.6673%	1.46614%	0.75213%	4.23326%	17.33633%	2.42628%	2.42628%
14			106,969	24,338	4,021	24,930	19,511	760	760	1,109	707	9,556	19,103	2,934	2,934
15			100.00000%	22.75239%	3.75933%	23.30582%	18.23886%	0.71049%	0.71049%	1.05875%	0.66844%	8.93433%	17.68844%	2.74285%	2.74285%
16	DISTRIBUTION - SECONDARY DEMAND FACTOR PERCENTAGE	D4	106,969	24,338	4,021	24,930	19,511	760	760	1,109	707	9,556	19,103	2,934	2,934
17			100.00000%	22.75239%	3.75933%	23.30582%	18.23886%	0.71049%	0.71049%	1.05875%	0.66844%	8.93433%	17.68844%	2.74285%	2.74285%
18			106,969	24,338	4,021	24,930	19,511	760	760	1,109	707	9,556	19,103	2,934	2,934
19	CUSTOMER OR METER FACTORS TOTAL RETAIL CUSTOMERS PERCENTAGE	C1	11,714	8,902	344	2,255	30	11	11	5	115	16	26	10	10
20			100.00000%	75.99454%	2.93666%	19.25047%	0.25610%	0.09390%	0.09390%	0.04268%	0.98173%	0.13659%	0.22196%	0.08337%	0.08337%
21			12,381	9,339	390	2,453	36	17	17	5	119	4	11	7	7
22	RETAIL SERVICE LOCATIONS PERCENTAGE	C2	100.00000%	75.43009%	3.14899%	19.81262%	0.26077%	0.13731%	0.13731%	0.04038%	0.96115%	0.03231%	0.08885%	0.05654%	0.05654%
23			12,372	9,339	390	2,447	33	17	17	5	119	4	11	7	7
24			100.00000%	75.48497%	3.15228%	19.77653%	0.26873%	0.13741%	0.13741%	0.04041%	0.96185%	0.03233%	0.08891%	0.05658%	0.05658%
25	SECONDARY SERVICE LOCATIONS PERCENTAGE	C3	445,084	0	0	0	0	0	0	445,084	0	0	0	0	0
26			100.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	100.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%
27			350,046	0	0	0	0	0	0	350,046	0	0	0	0	0
28	STREET LIGHTING FACTOR PERCENTAGE	C4	100.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	100.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%
29			350,046	0	0	0	0	0	0	350,046	0	0	0	0	0
30			100.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%	100.00000%	0.00000%	0.00000%	0.00000%	0.00000%	0.00000%
31	AREA LIGHTING FACTOR PERCENTAGE	C5	2,724,953	805,754	119,232	751,822	54,435	11,453	11,453	1,635	33,005	644,144	247,033	56,440	56,440
32			100.00000%	29.56846%	4.37556%	27.59027%	1.99765%	0.42030%	0.42030%	0.06000%	1.21212%	23.63872%	9.06559%	2.07233%	2.07233%
33			16,245	9,381	349	4,467	98	12	12	5	170	1,279	412	92	92
34	METER FACTOR PERCENTAGE	C6	100.00000%	57.62388%	2.14835%	27.49769%	0.60326%	0.07387%	0.07387%	0.03078%	1.04448%	7.87319%	2.53616%	0.56633%	0.56633%
35			12,381	9,339	390	2,453	36	17	17	5	119	4	11	7	7
36			100.00000%	75.43009%	3.14899%	19.81262%	0.26077%	0.13731%	0.13731%	0.04038%	0.96115%	0.03231%	0.08885%	0.05654%	0.05654%
37	METER READING FACTOR PERCENTAGE	C7	100.00000%	13.99708%	0.24343%	0.29211%	0.00000%	0.07303%	0.07303%	0.00000%	0.00000%	62.34177%	19.86368%	3.18890%	3.18890%
38			4,108	575	10	12	0	3	3	0	0	2,561	816	131	131
39			100.00000%	13.99708%	0.24343%	0.29211%	0.00000%	0.07303%	0.07303%	0.00000%	0.00000%	62.34177%	19.86368%	3.18890%	3.18890%
40	SYSTEM SERVICE LOCATIONS PERCENTAGE	C8	100.00000%	13.99708%	0.24343%	0.29211%	0.00000%	0.07303%	0.07303%	0.00000%	0.00000%	62.34177%	19.86368%	3.18890%	3.18890%
41			100.00000%	13.99708%	0.24343%	0.29211%	0.00000%	0.07303%	0.07303%	0.00000%	0.00000%	62.34177%	19.86368%	3.18890%	3.18890%
42			100.00000%	13.99708%	0.24343%	0.29211%	0.00000%	0.07303%	0.07303%	0.00000%	0.00000%	62.34177%	19.86368%	3.18890%	3.18890%
43	LOAD MANAGEMENT FACTOR PERCENTAGE	C9	100.00000%	13.99708%	0.24343%	0.29211%	0.00000%	0.07303%	0.07303%	0.00000%	0.00000%	62.34177%	19.86368%	3.18890%	3.18890%
44			100.00000%	13.99708%	0.24343%	0.29211%	0.00000%	0.07303%	0.07303%	0.00000%	0.00000%	62.34177%	19.86368%	3.18890%	3.18890%
45			100.00000%	13.99708%	0.24343%	0.29211%	0.00000%	0.07303%	0.07303%	0.00000%	0.00000%	62.34177%	19.86368%	3.18890%	3.18890%
46	LOAD MANAGEMENT FACTOR PERCENTAGE	C9	100.00000%	13.99708%	0.24343%	0.29211%	0.00000%	0.07303%	0.07303%	0.00000%	0.00000%	62.34177%	19.86368%	3.18890%	3.18890%
47			100.00000%	13.99708%	0.24343%	0.29211%	0.00000%	0.07303%	0.07303%	0.00000%	0.00000%	62.34177%	19.86368%	3.18890%	3.18890%
48			100.00000%	13.99708%	0.24343%	0.29211%	0.00000%	0.07303%	0.07303%	0.00000%	0.00000%	62.34177%	19.86368%	3.18890%	3.18890%
49	LOAD MANAGEMENT FACTOR PERCENTAGE	C9	100.00000%	13.99708%	0.24343%	0.29211%	0.00000%	0.07303%	0.07303%	0.00000%	0.00000%	62.34177%	19.86368%	3.18890%	3.18890%
50			100.00000%	13.99708%	0.24343%	0.29211%	0.00000%	0.07303%	0.07303%	0.00000%	0.00000%	62.34177%	19.86368%	3.18890%	3.18890%
51			100.00000%	13.99708%	0.24343%	0.29211%	0.00000%	0.07303%	0.07303%	0.00000%	0.00000%	62.34177%	19.86368%	3.18890%	3.18890%
52	LOAD MANAGEMENT FACTOR PERCENTAGE	C9	100.00000%	13.99708%	0.24343%	0.29211%	0.00000%	0.07303%	0.07303%	0.00000%	0.00000%	62.34177%	19.86368%	3.18890%	3.18890%
53			100.00000%	13.99708%	0.24343%	0.29211%	0.00000%	0.07303%	0.07303%	0.00000%	0.00000%	62.34177%	19.86368%	3.18890%	3.18890%
54			100.00000%	13.99708%	0.24343%	0.29211%	0.00000%	0.07303%	0.07303%	0.00000%	0.00000%	62.34177%	19.86368%	3.18890%	3.18890%
55	LOAD MANAGEMENT FACTOR PERCENTAGE	C9	100.00000%	13.99708%	0.24343%	0.29211%	0.00000%	0.07303%	0.07303%	0.00000%	0.00000%	62.34177%	19.86368%	3.18890%	3.18890%
56			100.00000%	13.99708%	0.24343%	0.29211%	0.00000%	0.07303%	0.07303%	0.00000%	0.00000%	62.34177%	19.86368%	3.18890%	3.18890%
57			100.00000%	13.99708%	0.24343%	0.29211%	0.00000%	0.07303%	0.07303%	0.00000%	0.00000%	62.34177%	19.86368%	3.18890%	3.18890%
58	LOAD MANAGEMENT FACTOR PERCENTAGE	C9	100.00000%	13.99708%	0.24343%	0.29211%	0.00000%	0.07303%	0.07303%	0.00000%	0.00000%	62.34177%	19.86368%	3.18890%	3.18890%
59			100.00000%	13.99708%	0.24343%	0.29211%	0.00000%	0.07303%	0.07303%	0.00000%	0.00000%	62.34177%	19.86368%	3.18890%	3.18890%
60			100.00000%	13.99708%	0.24343%	0.29211%	0.00000%	0.07303%	0.07303%	0.00000%	0.00000%	62.34177%	19.86368%	3.18890%	3.18890%

OTTER TAIL POWER COMPANY
CLASS COST OF SERVICE STUDY
TEST YEAR - 2007 ACTUAL WITH KNOWN AND MEASURABLE CHANGES

SOUTH DAKOTA

RUN =

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TEST YEAR
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LINE NO	ITEM	ALLOCATION FACTOR	SOUTH DAKOTA	RESIDENTIAL	FARMS	GENERAL SERVICE	GENERAL SERVICE	LARGE GENERAL SERVICE	IRRIGATION	OUTDOOR LIGHTING	OPA	CONTROLLED WATER HEATING	CONTROLLED SERVICE INTERRUPT	CONTROLLED SERVICE DEFERRED
0														
1	GROSS PLANT IN SERVICE	P10	53,785,604	14,746,953	1,400,617	13,416,858	22,257,575	0	0	601,092	598,615	335,451	184,455	255,988
2	PRODUCTION PLANT		100,000,000%	27,418,033%	2,804,07%	24,940,07%	41,382,03%	0,000,00%	0,000,00%	1,117,57%	1,098,61%	0,623,68%	0,342,95%	0,477,94%
3	PERCENTAGE													
4	DISTRIBUTION PLANT	P80	31,772,252	12,412,232	911,188	6,595,635	3,842,391	134,650	134,650	1,947,974	245,411	1,975,655	3,219,901	487,215
5	PERCENTAGE		100,000,000%	39,066,26%	2,867,87%	20,759,10%	12,083,54%	0,423,80%	0,423,80%	6,131,05%	0,772,41%	6,218,18%	10,134,32%	1,533,46%
6	GENERAL PLANT	P90	6,727,735	2,886,930	188,113	1,589,247	1,591,619	9,101	9,101	145,641	66,424	184,832	219,735	46,093
7	PERCENTAGE		100,000,000%	39,938,1%	2,798,1%	23,622,3%	23,657,6%	0,135,3%	0,135,3%	2,164,78%	0,897,32%	2,747,32%	3,268,10%	0,685,12%
8														
9	ELECTRIC PLANT IN SERVICE	EPIS	111,334,200	38,026,019	3,129,106	28,789,281	34,940,835	144,326	144,326	2,848,323	1,111,168	2,547,839	3,858,729	838,473
10	PERCENTAGE		100,000,000%	32,358,45%	2,810,53%	24,062,04%	30,575,35%	0,128,63%	0,128,63%	2,558,53%	0,998,05%	2,288,53%	3,468,90%	0,753,11%
11	NET ELECTRIC PLANT IN SERVICE	NEPIS	67,270,827	21,620,557	1,881,630	16,194,859	20,875,568	84,042	84,042	1,887,757	673,490	1,501,238	2,250,546	501,139
12	PERCENTAGE		100,000,000%	32,138,57%	2,797,10%	24,074,12%	31,032,13%	0,124,93%	0,124,93%	2,508,90%	1,001,16%	2,231,63%	3,345,50%	0,744,96%
13														
14	OPERATION AND MAINTENANCE EXPENSE	OMPD	2,302,812	599,658	56,732	547,388	918,520	0	0	24,922	23,989	14,100	6,807	10,686
15	PRODUCTION EXPENSE (EXCL ENERGY)		100,000,000%	27,222,40%	2,575,43%	24,949,53%	41,697,60%	0,000,00%	0,000,00%	1,131,16%	1,084,48%	0,640,09%	0,308,89%	0,485,11%
16	PERCENTAGE													
17	DISTRIBUTION EXPENSE	OXD	1,497,102	565,194	42,918	306,944	148,285	5,723	5,723	179,555	11,973	89,782	126,523	20,205
18	PERCENTAGE		100,000,000%	37,752,53%	2,867,6%	20,502,57%	9,904,78%	0,382,27%	0,382,27%	11,993,49%	0,799,77%	5,997,04%	8,451,19%	1,349,61%
19	CUSTOMER ACCOUNTS EXPENSE	OXC	1,008,332	679,829	27,220	234,631	4,349	1,097	1,097	364	10,079	35,887	11,995	2,882
20	PERCENTAGE		100,000,000%	67,421,15%	2,694,77%	23,268,47%	0,431,32%	0,108,77%	0,108,77%	0,030,06%	0,998,53%	3,559,001	1,188,61%	0,285,83%
21	CUSTOMER SERVICE & INFORMATION EXPENSE	OXI	243,528	185,068	7,152	46,880	624	229	229	104	2,391	333	541	208
22	PERCENTAGE		100,000,000%	75,994,54%	2,938,66%	19,254,7%	0,258,10%	0,093,90%	0,093,90%	0,042,88%	0,897,73%	0,138,59%	0,221,96%	0,085,37%
23														
24	OTHER DEFERRED INCOME TAX FACTOR	NPISM	67,270,827	21,620,557	1,881,630	16,194,859	20,875,568	84,042	84,042	1,887,757	673,490	1,501,238	2,250,546	501,139
25	MINNESOTA		100,000,000%	32,138,57%	2,797,10%	24,074,12%	31,032,13%	0,124,93%	0,124,93%	2,508,90%	1,001,16%	2,231,63%	3,345,50%	0,744,96%
26	PERCENTAGE													
27	NORTH DAKOTA	NPISN	0	0	0	0	0	0	0	0	0	0	0	0
28	PERCENTAGE		0,000,000%	0,000,000%	0,000,000%	0,000,000%	0,000,000%	0,000,000%	0,000,000%	0,000,000%	0,000,000%	0,000,000%	0,000,000%	0,000,000%
29	EXCLUDING SOUTH DAKOTA	NPMMR	67,270,827	21,620,557	1,881,630	16,194,859	20,875,568	84,042	84,042	1,887,757	673,490	1,501,238	2,250,546	501,139
30	PERCENTAGE		100,000,000%	32,138,57%	2,797,10%	24,074,12%	31,032,13%	0,124,93%	0,124,93%	2,508,90%	1,001,16%	2,231,63%	3,345,50%	0,744,96%
31	LONG-TERM CWP/RATIO (W/AFDC)	CWPLT	0	0	0	0	0	0	0	0	0	0	0	0
32	PERCENTAGE		0,000,000%	0,000,000%	0,000,000%	0,000,000%	0,000,000%	0,000,000%	0,000,000%	0,000,000%	0,000,000%	0,000,000%	0,000,000%	0,000,000%
33	REVENUE	R10	25,375,778	7,663,869	595,513	6,540,313	8,238,684	23,906	23,906	525,080	213,168	359,535	957,344	198,366
34	PERCENTAGE		100,000,000%	30,201,51%	2,347,8%	25,773,84%	32,703,17%	0,094,21%	0,094,21%	2,069,22%	0,840,05%	1,416,84%	3,772,67%	0,781,71%
35	LABOR AND RELATED EXPENSE	LRE	8,977,335	3,534,557	251,194	2,122,557	2,137,130	10,870	10,870	312,794	89,576	216,524	245,862	56,271
36	PERCENTAGE		100,000,000%	39,372,01%	2,798,09%	23,643,51%	23,808,4%	0,121,08%	0,121,08%	3,484,26%	0,997,80%	2,411,89%	2,739,70%	0,628,81%
37	TOTAL O & M EXPENSE	OX	22,389,619	6,905,056	539,159	5,038,569	7,359,538	22,750	22,750	459,152	219,105	431,850	1,172,566	211,874
38	PERCENTAGE		100,000,000%	30,881,81%	2,411,31%	22,534,23%	32,914,41%	0,101,75%	0,101,75%	2,053,49%	0,978,91%	1,931,39%	5,244,12%	0,947,57%
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Otter Tail Power Company
Revenue Requirements By Function & Class
South Dakota Jurisdiction

Line No.	Description	SOUTH DAKOTA	RESIDENTIAL	FARMS	GENERAL SERVICE	LARGE GENERAL SERVICE	IRRIGATION	OUTDOOR LIGHTING (1)	OPA	CONTROLLED SERVICE WATER HEATING	CONTROLLED SERVICE INTERRUPTIBLE	CONTROLLED SERVICE DEFERRED
1	Average Rate Base	9,233,000	2,980,000	306,000	2,522,000	3,098,000	0	72,000	103,000	20,000	110,000	23,000
2	Prod Demand	28,319,000	6,697,000	609,000	6,312,000	11,728,000	0	331,000	284,000	208,000	0	150,000
3	Prod Energy	12,526,000	4,042,000	415,000	3,422,000	4,203,000	0	97,000	140,000	27,000	148,000	31,000
4	Distribution	20,123,000	7,861,000	577,000	4,177,000	2,434,000	85,000	1,234,000	1,251,000	1,251,000	2,039,000	309,000
5	Cust Acctg & Collecting	730,000	492,000	20,000	170,000	3,000	1,000	0	7,000	1,000	9,000	2,000
6	Customer Svc & Info	134,000	95,000	4,000	24,000	0	0	0	1,000	7,000	3,000	0
7	All Other	(8,834,000)	(2,830,000)	(248,000)	(2,132,000)	(2,749,000)	(11,000)	(223,000)	(89,000)	(197,000)	(291,000)	(65,000)
8	Total Avg Rate Base by Class	60,231,000	19,337,000	1,663,000	14,495,000	18,117,000	75,000	1,511,000	601,000	1,342,000	2,018,000	450,000
9	Rate of Return Requested	8.89%	8.89%	8.89%	8.89%	8.89%	8.89%	8.89%	8.89%	8.89%	8.89%	8.89%
10	Required Return	821,000	265,000	27,000	224,000	275,000	0	6,000	9,000	2,000	10,000	2,000
11	Prod Demand	2,340,000	595,000	54,000	561,000	1,043,000	0	29,000	25,000	18,000	0	13,000
12	Prod Energy	1,114,000	359,000	37,000	304,000	374,000	0	9,000	12,000	2,000	13,000	3,000
13	Distribution	1,789,000	699,000	51,000	371,000	216,000	8,000	110,000	14,000	111,000	181,000	27,000
14	Cust Acctg & Collecting	65,000	44,000	2,000	15,000	0	0	1,000	1,000	2,000	1,000	0
15	Customer Svc & Info	12,000	8,000	0	2,000	0	0	0	0	1,000	0	0
16	All Other	(785,000)	(252,000)	(22,000)	(190,000)	(244,000)	(1,000)	(20,000)	(8,000)	(18,000)	(26,000)	(6,000)
17	Required Return by Class	5,356,000	1,718,000	149,000	1,287,000	1,664,000	7,000	134,000	53,000	118,000	179,000	39,000
18	Operating Expenses	1,655,000	536,000	55,000	454,000	556,000	0	13,000	19,000	4,000	19,000	4,000
19	Prod Demand	16,252,000	3,999,000	349,000	3,595,000	6,609,000	12,000	186,000	160,000	241,000	922,000	174,000
20	Prod Energy	1,625,000	525,000	54,000	444,000	545,000	0	13,000	18,000	4,000	19,000	4,000
21	Distribution	2,939,000	1,121,000	84,000	605,000	310,000	12,000	301,000	23,000	178,000	263,000	41,000
22	Cust Acctg & Collecting	1,393,000	939,000	38,000	324,000	6,000	2,000	1,000	14,000	50,000	17,000	4,000
23	Customer Svc & Info	515,000	391,000	15,000	99,000	1,000	0	0	5,000	1,000	1,000	0
24	All Other	1,337,000	364,000	23,000	575,000	423,000	0	16,000	0	(22,000)	(42,000)	0
25	Total Operating Expense by Class	25,716,000	7,875,000	618,000	6,096,000	8,450,000	26,000	530,000	239,000	456,000	1,199,000	227,000
26	Revenue Requirements by Function	2,476,000	801,000	82,000	678,000	831,000	0	19,000	28,000	6,000	29,000	6,000
27	Prod Demand	18,592,000	4,594,000	403,000	4,156,000	7,652,000	12,000	215,000	185,000	259,000	922,000	187,000
28	Prod Energy	2,739,000	884,000	91,000	748,000	919,000	0	22,000	30,000	6,000	32,000	7,000
29	Distribution	4,728,000	1,820,000	135,000	976,000	526,000	20,000	411,000	37,000	289,000	444,000	68,000
30	Cust Acctg & Collecting	1,458,000	983,000	40,000	339,000	6,000	2,000	1,000	15,000	52,000	18,000	4,000
31	Customer Svc & Info	527,000	399,000	15,000	101,000	1,000	0	0	5,000	2,000	1,000	0
32	All Other	552,000	112,000	1,000	385,000	179,000	(1,000)	(4,000)	(8,000)	(40,000)	(68,000)	(6,000)
33	Total Revenue Required by Class	31,072,000	9,593,000	767,000	7,383,000	10,114,000	33,000	664,000	292,000	574,000	1,378,000	286,000
34	Total Revenue Earned by Class	28,550,000	8,583,000	671,000	7,250,000	9,416,000	27,000	575,000	244,000	417,000	1,136,000	230,000
35	Income Deficiency	(2,522,000)	(1,010,000)	(96,000)	(133,000)	(698,000)	(6,000)	(89,000)	(48,000)	(157,000)	(242,000)	(56,000)
36	Gross Revenue Conversion Factor	1.540773	1.540773	1.540773	1.540773	1.540773	1.540773	1.540773	1.540773	1.540773	1.540773	1.540773
37	Incremental Taxes	(1,364,000)	(546,000)	(52,000)	(72,000)	(377,000)	(3,000)	(48,000)	(26,000)	(85,000)	(131,000)	(19,000)
38	Increase or (Decrease) in OTP's Proposed Gross Revenue Deficiency	(3,886,000)	(1,556,000)	(148,000)	(205,000)	(1,075,000)	(9,000)	(137,000)	(74,000)	(242,000)	(373,000)	(55,000)

Otter Tail Power Company
Revenue Requirements By Function & Class
South Dakota Jurisdiction

Line No.	Description	SOUTH DAKOTA	RESIDENTIAL	FARMS	GENERAL SERVICE	LARGE GENERAL SERVICE	IRRIGATION	OUTDOOR LIGHTING (1)	OPA	CONTROLLED SERVICE WATER HEATING	CONTROLLED SERVICE INTERRUPTIBLE	CONTROLLED SERVICE DEFERRED
39	Revenue Requirements by Function											
40	Prod Demand	2,476,000	801,000	82,000	678,000	831,000	0	19,000	28,000	6,000	29,000	6,000
41	Prod Energy	18,592,000	4,594,000	403,000	4,156,000	7,652,000	12,000	215,000	185,000	259,000	922,000	187,000
42	Transmission	2,739,000	884,000	91,000	748,000	919,000	0	22,000	30,000	6,000	32,000	7,000
43	Distribution	4,728,000	1,820,000	135,000	976,000	526,000	20,000	411,000	37,000	289,000	444,000	68,000
44	Cust Acctg & Collecting	1,458,000	983,000	40,000	339,000	6,000	2,000	1,000	15,000	52,000	1,000	4,000
45	Customer Srvc & Infrc	527,000	399,000	15,000	101,000	1,000	0	0	5,000	2,000	1,000	0
46	All Other	552,000	112,000	1,000	385,000	179,000	(1,000)	(4,000)	(8,000)	(40,000)	(68,000)	(6,000)
47	Total Revenue Required by Class	31,072,000	9,593,000	767,000	7,383,000	10,114,000	33,000	664,000	292,000	574,000	1,378,000	266,000
48	Weather Normalized and Unbilled kWh by class	395,583,793	97,068,757	8,083,179	85,441,211	156,513,727	366,353	4,495,140	3,843,821	6,662,552	28,078,600	5,030,453
49	Revenue Requirements per kWh by Function											
50	Prod Demand	0.0063	0.0083	0.0101	0.0079	0.0053	0.0000	0.0042	0.0073	0.0009	0.0010	0.0012
51	Prod Energy	0.0470	0.0473	0.0499	0.0486	0.0489	0.0328	0.0478	0.0481	0.0389	0.0328	0.0372
52	Transmission	0.0069	0.0091	0.0113	0.0088	0.0059	0.0000	0.0049	0.0078	0.0009	0.0011	0.0014
53	Distribution	0.0120	0.0187	0.0167	0.0114	0.0034	0.0046	0.0114	0.0096	0.0096	0.0158	0.0135
54	Cust Acctg & Collecting	0.0037	0.0101	0.0049	0.0040	0.0000	0.0055	0.0002	0.0039	0.0078	0.0006	0.0008
55	Customer Srvc & Infrc	0.0013	0.0041	0.0019	0.0012	0.0000	0.0000	0.0000	0.0013	0.0003	0.0000	0.0000
56	All Other	0.0014	0.0012	0.0001	0.0045	0.0011	(0.0027)	(0.0009)	(0.0021)	(0.0060)	(0.0024)	(0.0012)
57	Total Revenue Required per kWh by Class	0.0785	0.0988	0.0949	0.0864	0.0646	0.0901	0.1477	0.0760	0.0862	0.0491	0.0529
58	Check	0.0785	0.0988	0.0949	0.0864	0.0646	0.0901	0.1477	0.0760	0.0862	0.0491	0.0529
59	Diffr	0	0	0	0	0	0	0	0	0	0	0
60	SD Customer Count Based on Required Schedule E-2 (1)	20,617	8,899	369	2,326	33	9	5,320	135	2,549	803	175
61	Revenue Requirements per Customer by Function											
62	Prod Demand	120	90	222	291	25,118	0	4	208	2	36	34
63	Prod Energy	902	516	1,092	1,787	231,295	1,371	40	1,373	102	1,149	1,066
64	Transmission	133	99	247	322	27,778	0	4	223	2	40	40
65	Distribution	229	205	366	420	15,899	2,286	77	275	113	553	387
66	Cust Acctg & Collecting	71	110	108	146	181	229	0	111	20	22	23
67	Customer Srvc & Infrc	26	45	41	43	30	0	0	37	1	1	0
68	All Other	27	13	3	166	5,411	(114)	(1)	(59)	(16)	(85)	(34)
69	Total Revenue Required per Customer by Class	1,507	1,078	2,078	3,174	305,713	3,771	125	2,167	225	1,717	1,516
70	Check	1,507	1,078	2,078	3,174	305,713	3,771	125	2,167	225	1,717	1,516
71	Diffr	0	0	0	0	0	0	0	0	0	0	0
72	Revenue Requirements per Customer by Function per Mont											
73	Prod Demand	10	8	19	24	2,093	0	0	17	0	3	3
74	Prod Energy	75	43	91	149	19,275	114	3	114	8	96	89
75	Transmission	11	8	21	27	2,315	0	0	19	0	3	3
76	Distribution	19	17	30	35	1,325	190	6	23	9	46	32
77	Cust Acctg & Collecting	6	9	9	12	15	19	0	9	2	2	2
78	Customer Srvc & Infrc	2	4	3	4	3	0	0	3	0	0	0
79	All Other	2	1	0	14	451	(10)	(0)	(5)	(1)	(7)	(3)
80	Total Revenue Required per Customer by Class	126	90	173	285	25,476	314	10	181	19	143	126
81	Check	126	90	173	285	25,476	314	10	181	19	143	126
82	Diffr	0	0	0	0	0	0	0	0	0	0	0

(1) Outdoor Lighting revenue requirements are calculated on the number of fixtures.