Volume 4A

Section 2 – 2009 Actual Year Workpapers

Jurisdictional Cost of Service Study (JCOSS)

1/5 Tab

SOUTH DAKOTA

Otter Tail Power Company
Class Cost of Service Study
Actual Year 2009 - 10 Classes

Run = 2009 Actual Year   Page 1 - 1
08/06/10
08:22 AM

Line No.	Item	Allocation Factors		Total Company		South Dakota		All Other		Line No.
1	Rate Base			648,052,078		62,922,312		585,129,766		1
2										2
3	Total Available for Return			54,838,994		5,568,902		49,270,092		3
4										4
5	Rate of Return Earned			8.46%		8.85%		8.42%		5
6										6
7	Rate of Return Requested					8.18%				7
8										8
9	Operating Income Required					5,147,045				9
10										10
11	Total Available for Return					5,568,902				11
12										12
13	Operating Income Defeciency					(421,857)				13
14										14
15	Incremental Taxes	GRCF =	1.540773			(228,129)				15
16										16
17	Revenue Increase Required					(649,986)				17
18										18
19	Percentage Increase					-2.35%				19
20										20
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SOUTH DAKOTA

Otter Tail Power Company
Class Cost of Service Study
Actual Year 2009 - 10 Classes

Run = 2009 Test Year Page 2 - 1
08/06/10
08:23 AM

Item	Total Company	South Dakota	All Other
Electric Plant in Service	1,254,440,244	123,390,118	1,131,050,126
Accumulated Depreciation	(503,682,227)	(49,764,183)	(453,918,044)
Net Plant Excluding Big Stone Plant Capitalized Items	750,758,017	73,625,935	677,132,082
Net Capitalized Items - Big Stone Plant	40,651	3,366	37,285
Net Electric Plant in Service	750,798,668	73,629,301	677,169,367
Plant Held for Future Use	29,657	2,926	26,731
Construction Work in Progress	41,488,404	0	41,488,404
Materials and Supplies	16,272,126	1,604,175	14,667,951
Fuel Stocks	8,615,745	857,871	7,757,875
Prepayments	(35,012,678)	(3,433,622)	(31,579,056)
Customer Advances	(396,606)	(38,894)	(357,712)
Cash Working Capital	26,087,939	2,875,500	23,212,439
Accumulated Deferred Income Taxes	(160,158,533)	(12,800,615)	(147,357,917)
Unamortized Holding Company Formation Expense	112,740	11,056	101,684
Unamortized Rate Case Expense	214,615	214,615	0
Total Average Rate Base	648,052,078	62,922,312	585,129,766

Docket No. EL10-___
Work Papers

SOUTH DAKOTA

Otter Tail Power Company
Class Cost of Service Study
Actual Year 2009 - 10 Classes

Run = 2009 Test Year Page 3 - 1
08/06/10
08:23 AM

Line No.	Item	Allocation Factors	Total Company	South Dakota	All Other	Line No.
1	**Plant in Service**					1
2	Production Plant					2
3	A/C 101 & 106 - Base Demand	E1	288,111,439	28,727,726	259,383,712	3
4	Peak Demand	D1	112,017,575	11,089,877	100,927,698	4
5	Base Energy	E2	202,210,278	19,504,133	182,706,145	5
6						6
7	**Subtotal A/C 101 & 106**		602,339,292	59,321,736	543,017,556	7
8						8
9	A/C 114 - Base Demand	E1	1,195,719	119,226	1,076,493	9
10	Peak Demand	D1	392,536	38,862	353,675	10
11	Base Energy	E2	0	0	0	11
12						12
13	**Subtotal A/C 114**		1,588,255	158,087	1,430,168	13
14						14
15	**Total Production Plant**	P10	603,927,547	59,479,824	544,447,723	15
16						16
17						17
18	Transmission Plant					18
19	A/C 101 & 106	D2	215,931,257	21,195,201	194,736,056	19
20	A/C 114	D2	58,287	5,721	52,566	20
21						21
22	**Total Transmission Plant**		215,989,544	21,200,923	194,788,621	22
23						23
24						24
25	Distribution Plant					25
26	Primary Demand	D3	115,119,475	12,448,292	102,671,182	26
27	Secondary Demand	D4	58,066,011	6,524,634	51,541,376	27
28	Primary Customer	C2	63,423,026	5,404,840	58,018,185	28
29	Secondary Customer	C3	68,033,385	5,797,086	62,236,299	29
30	Streetlighting	C4	12,943,138	1,381,700	11,561,438	30
31	Area Lighting	C5	4,766,588	453,528	4,313,060	31
32	Meters	C6	21,040,054	1,947,831	19,092,223	32
33	Load Management	C9	8,995,085	888,695	8,106,390	33
34						34
35	**Total Distribution Plant**	P60	352,386,761	34,846,607	317,540,154	35
36						36
37						37
38	General Plant					38
39	Production	P10	27,690,629	2,727,204	24,963,424	39
40	Transmission	D2	11,478,762	1,126,723	10,352,039	40
41	Distribution	P60	20,221,459	1,999,647	18,221,811	41
42	Customer Accounts	OXC	13,915,503	1,210,550	12,704,953	42
43	Customer Service & Info	OXI	4,223,980	357,118	3,866,862	43
44	Load Management	C9	193,250	19,093	174,157	44
45						45
46	**Total General Plant**	P90	77,723,582	7,440,335	70,283,247	46
47						47
48						48
49	Intangible Plant	P90	4,412,810	422,430	3,990,380	49
50						50
51						51
52	**Total Plant in Service**	EPIS	1,254,440,244	123,390,118	1,131,050,126	52
53						53
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Otter Tail Power Company	Run = 2009 Test Year Page 4 - 1
Class Cost of Service Study	08/06/10
Actual Year 2009 - 10 Classes	08:23 AM

Line No.	Item	Allocation Factors		Total Company	South Dakota	All Other	Line No.
1	Accumulated Depreciation						1
2	Production Plant						2
3	Base Demand	E1		(171,500,952)	(17,100,440)	(154,400,512)	3
4	Peak Demand	D1		(56,898,391)	(5,633,010)	(51,265,381)	4
5	Base Energy	E2		(6,806,179)	(656,488)	(6,149,691)	5
6							6
7	**Total Production Plant**			(235,205,522)	(23,389,938)	(211,815,584)	7
8							8
9							9
10	Transmission Plant	D2		(83,960,131)	(8,241,289)	(75,718,842)	10
11							11
12							12
13	Distribution Plant	P60		(148,619,722)	(14,696,617)	(133,923,106)	13
14							14
15							15
16	General Plant	P90		(32,896,050)	(3,149,078)	(29,746,972)	16
17							17
18							18
19	Intangible Plant	P90		(3,000,801)	(287,261)	(2,713,540)	19
20							20
21							21
22	**Total Accumulated Depreciation**			(503,682,227)	(49,764,183)	(453,918,044)	22
23							23
24							24
25	Net Plant Excluding BSP Capitalized Items			750,758,017	73,625,935	677,132,082	25
26							26
27							27
28	BSP Capitalized Items	P10	Directly Assigned to Jurisdiction	40,651	3,366	37,285	28
29							29
30							30
31	**Total Net Plant in Service**	NEPIS		750,798,668	73,629,301	677,169,367	31
32							32
33							33
34							34
35							35
36							36
37							37
38							38
39							39
40	Plant Held for Future Use						40
41	Production Plant	P10		0	0	0	41
42	Transmission Plant	D2		9,038	887	8,151	42
43	Distribution Plant	P60		20,619	2,039	18,580	43
44	General Plant	P90		0	0	0	44
45	Intangible Plant	P90		0	0	0	45
46							46
47	**Total Plant Held for Future Use**			29,657	2,926	26,731	47
48							48
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Otter Tail Power Company	Run = 2009 Test Year	Page 5 - 1
Class Cost of Service Study	08/06/10	
Actual Year 2009 - 10 Classes	08:23 AM	

Line No.	Item	Allocation Factors		Total Company	South Dakota	All Other	Line No.
1	Const Work-in-Progress - Major Projects						1
2	Production Plant	P10		0	0	0	2
3	Transmission Plant	D2		0	0	0	3
4	Distribution Plant	P60		0	0	0	4
5	General Plant	P90		0	0	0	5
6	Intangible Plant	P90		0	0	0	6
7							7
8	**Total CWIP - Major Projects**		Allowed Only in MN & FERC	0	0	0	8
9							9
10							10
11	Const Work-in-Progress - Short-Term						11
12	Production Plant	P10		179,725	0	179,725	12
13	Transmission Plant	D2		832,171	0	832,171	13
14	Distribution Plant	P60		1,707,960	0	1,707,960	14
15	General Plant	P90		1,377,657	0	1,377,657	15
16	Intangible Plant	P90		0	0	0	16
17							17
18	**Total CWIP - Short-Term**		Allowed Only in MN, ND & FERC	4,097,513	0	4,097,513	18
19							19
20							20
21	Const Work-in-Progress - Long Term						21
22	Production Plant	P10		23,120,078	0	23,120,078	22
23	Transmission Plant	D2		11,095,893	0	11,095,893	23
24	Distribution Plant	P60		2,336,582	0	2,336,582	24
25	General Plant	P90		838,338	0	838,338	25
26	Intangible Plant	P90		0	0	0	26
27							27
28	**Total CWIP - Long Term**		Allowed Only in MN & FERC	37,390,891	0	37,390,891	28
29							29
30							30
31	**Total Construction Work-in-Progress**			41,488,404	0	41,488,404	31
32							32
33							33
34	Materials & Supplies						34
35	Production	P10		4,815,900	474,310	4,341,590	35
36	Transmission	D2		4,124,241	404,824	3,719,417	36
37	Distribution	P60		7,331,984	725,041	6,606,944	37
38							38
39	**Total Materials and Supplies**			16,272,126	1,604,175	14,667,951	39
40							40
41							41
42	Fuel Stocks						42
43	Coal Stocks	E1		6,910,549	689,054	6,221,495	43
44	Fuel Oil Stocks	D1		1,705,196	168,816	1,536,380	44
45							45
46	**Total Fuel Stocks**			8,615,745	857,871	7,757,875	46
47							47
48							48
49	Prepayments	NEPIS		(35,012,678)	(3,433,622)	(31,579,056)	49
50							50
51	Customer Advances	NEPIS		(396,606)	(38,894)	(357,712)	51
52							52
53	Cash Working Capital	OX	Separately calculated by Jurisdiction	26,087,939	2,875,500	23,212,439	53
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SOUTH DAKOTA

Otter Tail Power Company	Run = 2009 Test Year Page 6 - 1
Class Cost of Service Study	08/06/10
Actual Year 2009 - 10 Classes	08:23 AM

Line No.	Item	Allocation Factors		Total Company	South Dakota	All Other	Line No.
1	**Accumulated Deferred Income Taxes**						1
2	Items SD Flows Through						2
3	Federal	NPMNR		(6,241,352)	0	(6,241,352)	3
4	Minnesota	NPISM		(898,158)	0	(898,158)	4
5	North Dakota	NPISN		(550,400)	0	(550,400)	5
6							6
7	**Subtotal**			(7,689,909)	0	(7,689,909)	7
8							8
9	All Other						9
10	Federal	NEPIS		(130,527,991)	(12,800,615)	(117,727,376)	10
11	Minnesota	NPISM		(13,341,601)	0	(13,341,601)	11
12	North Dakota	NPISN		(8,599,031)	0	(8,599,031)	12
13							13
14	**Subtotal**			(152,468,623)	(12,800,615)	(139,668,008)	14
15							15
16	**Total Accumulated Deferred Income Taxes**			(160,158,533)	(12,800,615)	(147,357,917)	16
17							17
18							18
19	Unamortized Holding Company Formation Expense	NEPIS		112,740	11,056	101,684	19
20							20
21							21
22	Unamortized Rate Case and Holding Company Formation Expenses	NEPIS	Directly Assigned to Jurisdiction	214,615	214,615	0	22
23							23
24							24
25							25
26							26
27	**Total Average Rate Base**			648,052,078	62,922,312	585,129,766	27
28							28
29							29
30							30
31							31
32							32
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SOUTH DAKOTA

Otter Tail Power Company
Class Cost of Service Study
Actual Year 2009 - 10 Classes

Run = 2009 Test Year	Page 7 - 1
08/06/10	
08:23 AM	

Line No.	Item	Total Company	South Dakota	All Other	Line No.
1	Operating Revenues				1
2	Sales of Electricity	288,387,480	27,634,807	260,752,673	2
3	Other Operating Revenue	23,723,640	2,279,962	21,443,677	3
4					4
5	**Total Operating Revenue**	312,111,120	29,914,769	282,196,350	5
6					6
7					7
8	Operating Expenses				8
9	Production Expenses	138,946,818	13,473,421	125,473,397	9
10	Transmission Expenses	10,686,696	1,048,976	9,637,720	10
11	Distribution Expenses	14,334,019	1,397,735	12,936,283	11
12	Customer Accounting Expenses	11,149,593	969,935	10,179,658	12
13	Customer Service and Information Expenses	4,939,950	186,556	4,753,394	13
14	Sales Expenses	878,227	51,229	826,999	14
15	Administrative and General Expenses	32,468,730	3,105,795	29,362,936	15
16	Charitable Contributions	93,665	0	93,665	16
17	Depreciation Expense	36,158,445	3,550,318	32,608,127	17
18	Amortization of Big Stone Plant Capitalized Costs	0	0	0	18
19	Spiritwood Amortization	0	0	0	19
20	General Taxes	8,845,653	867,475	7,978,178	20
21					21
22	**Total Operating Expenses**	258,501,795	24,651,439	233,850,356	22
23					23
24					24
25	**Net Operating Income Before Income Taxes**	53,609,325	5,263,330	48,345,995	25
26					26
27					27
28	Income Tax Expense				28
29	Investment Tax Credit	(9,310,969)	(915,852)	(8,395,117)	29
30	Deferred Income Taxes	49,196,013	3,953,396	45,242,617	30
31	Income Taxes	(36,898,709)	(3,343,116)	(33,555,593)	31
32					32
33	**Total Income Tax Expense**	2,986,335	(305,572)	3,291,907	33
34					34
35					35
36					36
37	**Net Operating Income**	50,622,990	5,568,902	45,054,087	37
38					38
39					39
40	Allowance for Funds Used During Construction	4,216,005	0	4,216,005	40
41					41
42					42
43	**Total Available for Return**	54,838,994	5,568,902	49,270,092	43
44					44
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Docket No. EL10-___
Work Papers

SOUTH DAKOTA

Otter Tail Power Company	Run = 2009 Test Year Page 8 - 1
Class Cost of Service Study	08/06/10
Actual Year 2009 - 10 Classes	08:23 AM

Line No.	Item	Allocation Factors		Total Company	South Dakota	All Other	Line No.
1	Operating Revenues						1
2							2
3	**Sales of Electricity**	R10		288,387,480	27,634,807	260,752,673	3
4							4
5							5
6	Other Operating Revenues						6
7	Sales for Resale						7
8	Municipalities		Directly Assigned to FERC Jurisdiction	229,736	0	229,736	8
9	Non-Associated Utilities, Co-Ops & OPA						9
10	Non-Asset Wholesale Transactions	D2		0	0	0	10
11	All Other Transactions						11
12	Base Demand	E1		0	0	0	12
13	Peak Demand	D1		0	0	0	13
14	Base Energy	E2		10,371,955	1,000,424	9,371,531	14
15	Peak Energy	D1		0	0	0	15
16							16
17	**Total All Other Transactions**			10,371,955	1,000,424	9,371,531	17
18							18
19	**Total Sales for Resale**			10,601,691	1,000,424	9,601,267	19
20							20
21							21
22	Other Electric Revenues						22
23	Late Fees	C1	Directly Assigned to Jurisdiction	557,298	91,254	466,044	23
24	Connection Fees	C1	Directly Assigned to Jurisdiction	305,140	30,119	275,021	24
25	Rent from Electric Property	NEPIS		638,477	62,614	575,863	25
26	Rent from Electric Property - Hoot Lake	NEPIS		1,550	152	1,398	26
27	Rent from Electric Property - Big Stone	NEPIS		6,583	646	5,938	27
28	Rent from Electric Property - Coyote	NEPIS		15,017	1,473	13,544	28
29	Other Misc Electric Revenue	NEPIS		3,353,015	328,823	3,024,191	29
30	ITA Deficiency Payments	NEPIS		3,747,651	367,525	3,380,126	30
31	Miscellaneous Services	NEPIS		32,304	3,168	29,136	31
32	Wheeling		Directly Assigned to FERC Jurisdiction	432,905	0	432,905	32
33	Load Control and Dispatch	NEPIS		4,007,399	392,997	3,614,402	33
34	Loan Pool Interest	C1	Directly Assigned to Jurisdiction	24,609	768	23,842	34
35							35
36	**Total Other Electric Revenues**			13,121,949	1,279,538	11,842,410	36
37							37
38	**Total Other Operating Revenues**			23,723,640	2,279,962	21,443,677	38
39							39
40							40
41	**Total Operating Revenues**			312,111,120	29,914,769	282,196,350	41
42							42
43							43
44							44
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Otter Tail Power Company
Class Cost of Service Study
Actual Year 2009 - 10 Classes

Run = 2009 Test Year Page 9 - 1
08/06/10
08:23 AM

Line No.	Item	Allocation Factors	Total Company	South Dakota	All Other	Line No.
1	**Operating Expenses**					1
2	Production Expenses					2
3	Prod Expenses Excluding Purchased Power					3
4	Base Demand	E1	12,864,251	1,282,700	11,581,550	4
5	Peak Demand	D1	4,223,136	418,096	3,805,041	5
6	Base Energy	E2	66,583,511	6,422,293	60,161,218	6
7	Peak Energy	D1	1,969,522	194,985	1,774,537	7
8						8
9	**Total Excluding Purchased Power**		85,640,420	8,318,074	77,322,345	9
10						10
11						11
12	Purchased Power					12
13	Non-Asset Wholesale Transactions	D2	0	0	0	13
14	for Retail			0		14
15	Base Demand	E1	4,205,867	419,369	3,786,498	15
16	Peak Demand	D1	0	0	0	16
17	Base Energy	E2	49,100,531	4,735,977	44,364,554	17
18	Peak Energy	D1	0	0	0	18
19						19
20	**Total All Other Transactions**		53,306,398	5,155,346	48,151,052	20
21						21
22	**Total Purchased Power**		53,306,398	5,155,346	48,151,052	22
23						23
24	**Total Production Expenses**		138,946,818	13,473,421	125,473,397	24
25				0		25
26				0		26
27	Transmission Expenses	D2	10,686,696	1,048,976	9,637,720	27
28				0		28
29				0		29
30	Distribution Expenses			0		30
31	Primary Demand	D3	3,942,821	426,352	3,516,469	31
32	Secondary Demand	D4	1,309,109	147,099	1,162,010	32
33	Primary Customer	C2	2,724,250	232,158	2,492,093	33
34	Secondary Customer	C3	2,478,838	211,220	2,267,618	34
35	Streetlighting	C4	1,530,711	163,406	1,367,306	35
36	Area Lighting	C5	39,915	3,798	36,117	36
37	Meters	C6	2,308,374	213,703	2,094,671	37
38	Load Management	C9	0	0	0	38
39						39
40	**Total Distribution**	OXD	14,334,019	1,397,735	12,936,283	40
41						41
42						42
43	Customer Accounting Expenses					43
44	Meter Reading	C7	4,880,837	435,866	4,444,971	44
45	Other	C8	6,268,756	534,069	5,734,687	45
46						46
47	**Total Customer Accounts**	OXC	11,149,593	969,935	10,179,658	47
48						48
49						49
50						50
51						51
52						52
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SOUTH DAKOTA

Otter Tail Power Company	Run = 2009 Test Year	Page 10 - 1
Class Cost of Service Study	08/06/10	
Actual Year 2009 - 10 Classes	08:23 AM	

Line No.	Item	Allocation Factors		Total Company	South Dakota	All Other	Line No.
1	Customer Service & Information Expense						1
2	Conservation & DSM Rebates	C1	Directly Assigned to Jurisdiction	2,733,372	0	2,733,372	2
3	Other	C1		2,206,578	186,556	2,020,022	3
4							4
5	**Total Customer Service & Information Expense**	OXI		4,939,950	186,556	4,753,394	5
6							6
7							7
8	Sales Expenses						8
9	Off-Peak Development	C1	Directly Assigned to Jurisdiction	523,683	21,254	502,430	9
10	Other	C1		354,544	29,975	324,569	10
11							11
12	**Total Sales Expenses**			878,227	51,229	826,999	12
13							13
14							14
15	Administrative & General Expenses						15
16	Salaries, Supplies, Pensions & Benefits						16
17	Production	OXPD		8,559,604	852,278	7,707,326	17
18	Transmission	D2		3,543,222	347,793	3,195,429	18
19	Distribution	OXD		6,203,027	604,868	5,598,159	19
20	Customer Accounts	OXC		4,261,894	370,754	3,891,140	20
21	Customer Service & Info	C1		1,308,414	110,620	1,197,793	21
22							22
23	**Total Salaries, Supplies, Pensions, and Benefits**			23,876,160	2,286,314	21,589,847	23
24							24
25	Load Management Expenses	C9		0	0	0	25
26					0		26
27	Outside Services	NEPIS		1,373,045	134,652	1,238,393	27
28					0		28
29	Property Insurance	NEPIS		1,508,889	147,974	1,360,915	29
30					0		30
31	Injuries & Damages	NEPIS		1,416,527	138,916	1,277,611	31
32					0		32
33	Regulatory Commission Expense	R10	Directly Assigned to Jurisdiction	1,949,845	174,998	1,774,846	33
34					0		34
35	General Advertising	C1		131,525	11,120	120,406	35
36					0		36
37	Miscellaneous, Rents, Maintenance	P90		2,212,739	211,821	2,000,918	37
38							38
39	**Total Administrative & General Exp**			32,468,730	3,105,795	29,362,936	39
40					0		40
41					0		41
42	Charitable Contributions	C1	Directly Assigned to Jurisdiction	93,665	0	93,665	42
43							43
44					0		44
45					0		45
46	**Total O & M Expenses**			213,497,697	20,233,646	193,264,050	46
47							47
48							48
49							49
50							50
51							51
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Docket No. EL10-___
Work Papers

Otter Tail Power Company
Class Cost of Service Study
Actual Year 2009 - 10 Classes

Run = 2009 Test Year Page 11 - 1
08/06/10
08:23 AM

Line No.	Item	Allocation Factors		Total Company	South Dakota	All Other	Line No.
1	**Depreciation Expense**						1
2	Production						2
3	Base Demand	E1		7,929,492	790,653	7,138,838	3
4	Peak Demand	D1		3,304,553	327,155	2,977,398	4
5	Base Energy	E2		7,858,285	757,969	7,100,316	5
7	**Total Production**			19,092,330	1,875,777	17,216,553	7
10	Transmission	D2		4,303,879	422,457	3,881,422	10
13	Distribution	P60		9,615,921	950,893	8,665,028	13
16	General	P90		2,526,983	241,903	2,285,080	16
19	Intangible	P90		619,332	59,288	560,044	19
22	**Total Depreciation Expense**			36,158,445	3,550,318	32,608,127	22
29	Big Stone Expense Offsets	P10	Directly Assigned to Jurisdiction	0	0	0	29
32	Spiritwood Amortization	P10	Directly Assigned to Jurisdiction	0	0	0	32

Docket No. EL10-___
Work Papers

SOUTH DAKOTA

Otter Tail Power Company **Class Cost of Service Study** **Actual Year 2009 - 10 Classes**	Run = 2009 Test Year Page 12 - 1 08/06/10 08:23 AM

Line No.	Item	Allocation Factors		Total Company	South Dakota	All Other	0 Line
1	General Taxes	NEPIS		8,845,653	867,475	7,978,178	0
2							1
3	Net Operating Income Before Tax (NOIBT)			53,609,325	5,263,330	48,345,995	2
4							3
5	Investment Tax Credit						4
6	Amortize Prior Years Credit	EPIS		(9,310,969)	(915,852)	(8,395,117)	5
7	Debits Utilized	EPIS		0	0	0	6
8							7
9	**Total Investment Tax Credit**			(9,310,969)	(915,852)	(8,395,117)	8
10							9
11	Deferred Income Taxes				0		10
12	Items South Dakota Flows Through				0		11
13	Federal	NPMNR		1,001,833	0	1,001,833	12
14	Minnesota	NPISM		146,049	0	146,049	13
15	North Dakota	NPISN		88,623	0	88,623	14
16							15
17	**Subtotal**			1,236,505	0	1,236,505	16
18							17
19	All Other				0		18
20	Federal	NEPIS		40,312,817	3,953,396	36,359,421	19
21	Minnesota	NPISM		4,545,052	0	4,545,052	20
22	North Dakota	NPISN		3,101,640	0	3,101,640	21
23							22
24	**Subtotal**			47,959,509	3,953,396	44,006,113	23
25							24
26	**Total Deferred Income Taxes**			49,196,013	3,953,396	45,242,617	25
27							26
28							27
29	Current Income Taxes						28
30	Federal Income Taxes		Separately Calculated by Jurisdiction	(31,703,720)	(3,343,116)	(28,360,604)	29
31	Minnesota Income Taxes		Separately Calculated by Jurisdiction	(3,719,567)	0	(3,719,567)	30
32	North Dakota Income Taxes		Separately Calculated by Jurisdiction	(1,475,422)	0	(1,475,422)	31
33							32
34	**Total Current Income Taxes**			(36,898,709)	(3,343,116)	(33,555,593)	33
35							34
36	**Total Income Taxes**			2,986,335	(305,572)	3,291,907	35
37							36
38							37
39	**Net Operating Income**			50,622,990	5,568,902	45,054,087	38
40							39
41	AFDC	CWIPLT	Allowed Only in MN & FERC	4,216,005	0	4,216,005	40
42							41
43	**Total Available for Return**			54,838,994	5,568,902	49,270,092	42
44							43
45							44
46	Rate of Return on Rate Base			8.46%	8.85%	8.42%	45
47							46
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Otter Tail Power Company
Class Cost of Service Study
Actual Year 2009 - 10 Classes

Run = 2009 Test Year   Page 13 - 1
08/06/10
08:23 AM

Line No.	Item	Allocation Factors		Total Company	South Dakota	All Other	Line No.
1	Development of Federal Income Tax Expense						1
2							2
3	Net Operating Income Before Tax (NOIBT)			53,609,325	5,263,330	48,345,995	3
4	Less: Interest Cost		Calculated by Jurisdiction	19,559,234	2,073,277	17,485,957	4
5							5
6	Net Income Before Tax			34,050,091	3,190,053	30,860,038	6
7							7
8	Federal Schedule M Adjustments:						8
9	Additional Tax Depreciation	NEPIS		87,767,748	8,607,205	79,160,543	9
10	Cost to Remove	NEPIS		3,029,927	297,139	2,732,788	10
11	Directly Assigned Schedule M Items	NEPIS	Directly Assigned to Jurisdiction	(186,954)	(8,404)	(178,550)	11
12	Accrued Vacation Pay	NEPIS		73,953	7,252	66,701	12
13	Charges - Operating Reserves	NEPIS		4,161,474	408,107	3,753,366	13
14	Provisions - Operating Reserves	NEPIS		(7,629,629)	(748,222)	(6,881,407)	14
15	Unbilled Revenues	NEPIS		0	0	0	15
16	Preferred Dividends Paid Credit	NEPIS		0	0	0	16
17	Other Schedule M Items	NEPIS		42,610,619	4,178,737	38,431,882	17
18							18
19	**Subtotal Federal Schedule M Adjustments**			129,827,138	12,741,814	117,085,324	19
20							20
21	**Federal Adjusted Income Before Income Taxes**			(95,777,047)	(9,551,761)	(86,225,286)	21
22							22
23	Less:				0		23
24	Minnesota State Income Taxes		Per Minnesota State Tax Calculation	(3,719,567)	0	(3,719,567)	24
25	North Dakota State Income Taxes		Per North Dakota State Tax Calculation	(1,475,422)	0	(1,475,422)	25
26							26
27	**Federal Taxable Income**			(90,582,058)	(9,551,761)	(81,030,297)	27
28	Federal Tax Rate			35.00%	35.00%	35.00%	28
29							29
30	Federal Income Tax Before Credits			(31,703,720)	(3,343,116)	(28,360,604)	30
31	Investment Tax Credit - Debits Utilized	EPIS		0	0	0	31
32							32
33	**Federal Income Taxes**			(31,703,720)	(3,343,116)	(28,360,604)	33

Docket No. EL10-___
Work Papers

Otter Tail Power Company
Class Cost of Service Study
Actual Year 2009 - 10 Classes

Run = 2009 Test Year Page 14 - 1
08/06/10
08:23 AM

Line No.	Item	Allocation Factors	Total Company	South Dakota	All Other	Line No.
1	Development of Minnesota State Income Tax Expense					1
2						2
3	**Federal Adjusted Income Before Income Taxes**		(51,562,908)	0	(51,562,908)	3
4						4
5	Minnesota Adjustments to Federal Schedule M:			0		5
6	PAYSOP Adjustment	NEPIS	0	0	0	6
7	Change in Excess Tax Depreciation - MN	NEPIS	13,687,742	0	13,687,742	7
8	Change in ACRS - Ordinary Loss	NEPIS	0	0	0	8
9	Preferred Dividends Paid Credit	NEPIS	0	0	0	9
10	Miscellaneous Adjustments to Fed Schedule M	NEPIS	(79,596)	0	(79,596)	10
11						11
12	**Total Minnesota Adjustments to Fed Schedule M**		13,608,146	0	13,608,146	12
13						13
14	Minnesota Taxable Income		(37,954,762)	0	(37,954,762)	14
15	Minnesota Tax Rate		9.80%	0.00%	9.80%	15
16						16
17	**Minnesota Income Tax**		(3,719,567)	0	(3,719,567)	17
18						18
19						19
20						20
21						21
22						22
23						23
24						24
25	Development of North Dakota State Income Tax Expense					25
26						26
27	**Federal Adjusted Income Before Income Taxes**		(34,651,661)	0	(34,651,661)	27
28						28
29	North Dakota Adjustments to Federal Schedule M:			0		29
30	Change in Excess Tax Depreciation - ND	NEPIS	(7,399)	0	(7,399)	30
31	Change in ACRS - Ordinary Loss - ND	NEPIS	0	0	0	31
32	Change in Income from ADR Property - ND	NEPIS	0	0	0	32
33	Miscellaneous Adjustments to Fed Schedule M	NEPIS	(3,779)	0	(3,779)	33
34						34
35	**Total North Dakota Adjustments to Fed Schedule M**		(11,178)	0	(11,178)	35
36						36
37	**Subtotal**		(34,662,840)	0	(34,662,840)	37
38	Deduction of Federal Income Taxes		(11,609,369)	0	(11,609,369)	38
39						39
40	**North Dakota Taxable Income**		(23,053,471)	0	(23,053,471)	40
41	North Dakota Tax Rate		6.40%	0.00%	6.40%	41
42						42
43	**North Dakota Income Tax**		(1,475,422)	0	(1,475,422)	43
44						44
45						45
46						46
47						47
48						48
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SOUTH DAKOTA

Otter Tail Power Company
Class Cost of Service Study
Actual Year 2009 - 10 Classes

Run = 2009 Test Year Page 15 - 1
08/06/10
08:23 AM

Line No.	Item	Allocation Factors	Total Company	South Dakota	All Other	Line No.
1	MWH Consumption at Generators - Partial	E1	3,991,958	398,040	3,593,918	1
2	Percentage		100.000000%	9.971047%	90.028953%	2
3						3
4	MWH Consumption at Generators - Total	E2	4,594,063	443,119	4,150,944	4
5	Percentage		100.000000%	9.645471%	90.354529%	5
6						6
7	Generation Demand Factor	D1	635,315	62,897	572,418	7
8	Percentage		100.000000%	9.900122%	90.099878%	8
9						9
10	Transmission Demand Factor	D2	640,778	62,897	577,881	10
11	Percentage		100.000000%	9.815717%	90.184283%	11
12						12
13	Distribution - Primary Demand Factor	D3	835,022	90,294	744,728	13
14	Percentage		100.000000%	10.813368%	89.186632%	14
15						15
16	Distribution - Secondary Demand Factor	D4	1,086,585	122,095	964,490	16
17	Percentage		100.000000%	11.236581%	88.763419%	17
18						18
19	Customer or Meter Factors					19
20	Total Retail Customers	C1	100,656	8,510	92,146	20
21	Percentage		100.000000%	8.454538%	91.545462%	21
22						22
23	Retail Service Locations	C2	105,141	8,960	96,181	23
24	Percentage		100.000000%	8.521890%	91.478110%	24
25						25
26	Secondary Service Locations	C3	105,094	8,955	96,139	26
27	Percentage		100.000000%	8.520943%	91.479057%	27
28						28
29	Street Lighting Factor	C4	4,372,320	466,752	3,905,568	29
30	Percentage		100.000000%	10.675156%	89.324844%	30
31						31
32	Area Lighting Factor	C5	3,790,846	360,689	3,430,157	32
33	Percentage		100.000000%	9.514736%	90.485264%	33
34						34
35	Meter Factor	C6	30,573,543	2,830,416	27,743,127	35
36	Percentage		100.000000%	9.257730%	90.742270%	36
37						37
38	Meter Reading Factor	C7	127,859	11,418	116,441	38
39	Percentage		100.000000%	8.930150%	91.069850%	39
40						40
41	System Service Locations	C8	105,170	8,960	96,210	41
42	Percentage		100.000000%	8.519540%	91.480460%	42
43						43
44	Load Management Factor	C9	41,175	4,068	37,107	44
45	Percentage		100.000000%	9.879781%	90.120219%	45
46						46
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Docket No. EL10-___
Work Papers

Otter Tail Power Company
Class Cost of Service Study
Actual Year 2009 - 10 Classes

Run = 2009 Test Year Page 16 - 1
08/06/10
08:23 AM

Line No.	Item	Allocation Factors	Total Company	South Dakota	All Other	Line No.
1	Gross Plant in Service					1
2	Production Plant	P10	603,927,547	59,479,824	544,447,723	2
3	Percentage		100.000000%	9.848834%	90.151166%	3
4						4
5	Distribution Plant	P60	352,386,761	34,846,607	317,540,154	5
6	Percentage		100.000000%	9.888739%	90.111261%	6
7						7
8	General Plant	P90	77,723,582	7,440,335	70,283,247	8
9	Percentage		100.000000%	9.572815%	90.427185%	9
10						10
11						11
12	Electric Plant in Service	EPIS	1,254,440,244	123,390,118	1,131,050,126	12
13	Percentage		100.000000%	9.836269%	90.163731%	13
14						14
15	Net Electric Plant in Service	NEPIS	750,798,668	73,629,301	677,169,367	15
16	Percentage		100.000000%	9.806797%	90.193203%	16
17						17
18	Operation and Maintenance Expense					18
19	Production Expense (Excl Energy)	OXPD	21,293,254	2,120,165	19,173,089	19
20	Percentage		100.000000%	9.956980%	90.043020%	20
21						21
22	Distribution Expense	OXD	14,334,019	1,397,735	12,936,283	22
23	Percentage		100.000000%	9.751177%	90.248823%	23
24						24
25	Customer Accounts Expense	OXC	11,149,593	969,935	10,179,658	25
26	Percentage		100.000000%	8.699288%	91.300712%	26
27						27
28	Customer Service & Information Expense	OXI	2,206,578	186,556	2,020,022	28
29	Percentage		100.000000%	8.454538%	91.545462%	29
30						30
31	Other Deferred Income Tax Factor					31
32	Minnesota	NPISM	363,123,009	0	363,123,009	32
33	Percentage		100.000000%	0.000000%	100.000000%	33
34						34
35	North Dakota	NPISN	314,018,427	0	314,018,427	35
36	Percentage		100.000000%	0.000000%	100.000000%	36
37						37
38	Excluding South Dakota	NPMNR	677,169,367	0	677,169,367	38
39	Percentage		100.000000%	0.000000%	100.000000%	39
40						40
41	Long-Term CWIP Ratio (W/AFDC)	CWIPLT	37,390,891	0	37,390,891	41
42	Percentage		100.000000%	0.000000%	100.000000%	42
43						43
44	Revenue	R10	288,387,480	27,634,807	260,752,673	44
45	Percentage		100.000000%	9.582527%	90.417473%	45
46						46
47	Labor and Related Expense	LRE	94,872,241	8,829,162	86,043,079	47
48	Percentage		100.000000%	9.306370%	90.693630%	48
49						49
50	Total O & M Expense	OX				50
51	Percentage					51
52						52
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SOUTH DAKOTA

Otter Tail Power Company
Class Cost of Service Study
Actual Year 2009 - 10 Classes

Run = 2009 Test Year Page 17 - 1
08/06/10
08:23 AM

Line No.	Item	Amount	Amount as a Percent of Total	Cost of Capital	Rate of Return	Line No.
1	Capital Structure - Rate of Return					1
2						2
3						3
4	Long-Term Debt	311,967,473	48.454%	6.38%	3.09%	4
5						5
6	Preferred Stock	8,346,154	1.296%	4.75%	0.06%	6
7						7
8	Common Equity	323,534,543	50.250%	10.00%	5.03%	8
9						9
10						10
11	**Total**	643,848,170	100.00%		8.18%	11
12						12
13						13
14						14
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Otter Tail Power Company
Class Cost of Service Study
Actual Year 2009 - 10 Classes

Run = 2009 Test Year Page 18 - 1
08/06/10
08:23 AM

Line No.	Item	Allocation Factors	Total Company	South Dakota	All Other	Line No.
1	Cash Working Capital Calculation - Revenue Lead Days					1
2						2
3	Revenues					3
4	Computer Maintained Billings		264,570,328	23,146,519	241,423,809	4
5	Manually Maintained Billings		31,382,878	2,745,600	28,637,278	5
6	Cost of Energy Adjustment Revenues	R10	(6,669,437)	1,864,061	(8,533,498)	6
7	Sales for Resale		10,567,840	1,000,424	9,567,416	7
8	Rent from Electric Property		638,477	62,614	575,863	8
9	Miscellaneous		15,017	1,473	13,544	9
10	ITA Deficiency Payments		3,353,015	328,823	3,024,191	10
11	Wheeling		432,905	0	432,905	11
12	Load Control and Dispatch		4,007,399	392,997	3,614,402	12
13	Rent from Electric Property - Big Stone		1,550	152	1,398	13
14	Rent from Electric Property - Coyote		6,583	646	5,938	14
15	Profit on Materials and Supplies		3,747,651	367,525	3,380,126	15
16	Miscellaneous Services		32,304	3,168	29,136	16
17	Loan Pool Interest		24,609	768	23,842	17
18						18
19	**Total Revenues**		312,111,120	29,914,769	282,196,350	19
20						20
21						21
22	Revenue Lead Days from Service to Collection					22
23	Computer Maintained Billings		N/A	38.9	N/A	23
24	Manually Maintained Billings		N/A	41.3	N/A	24
25	Cost of Energy Adjustment Revenues		N/A	113.5	N/A	25
26	Sales for Resale		N/A	28.4	N/A	26
27	Rent from Electric Property		N/A	(87.8)	N/A	27
28	Miscellaneous		N/A	42.6	N/A	28
29	ITA Deficiency Payments		N/A	50.1	N/A	29
30	Wheeling		N/A	38.6	N/A	30
31	Load Control and Dispatch		N/A	33.4	N/A	31
32	Rent from Electric Property - Big Stone		N/A	43.3	N/A	32
33	Rent from Electric Property - Coyote		N/A	43.3	N/A	33
34	Profit on Materials and Supplies		N/A	43.3	N/A	34
35	Miscellaneous Services		N/A	43.3	N/A	35
36	Loan Pool Interest		N/A	43.3	N/A	36
37						37
38						38
39	Revenue Dollar Days (Revenues X Revenue Lead Days)					39
40	Computer Maintained Billings		10,291,785,755	900,399,584	9,391,386,171	40
41	Manually Maintained Billings		1,297,368,174	113,503,117	1,183,865,057	41
42	Cost of Energy Adjustment Revenues		(776,381,120)	211,570,924	(987,952,044)	42
43	Sales for Resale		299,598,268	28,362,018	271,236,251	43
44	Rent from Electric Property		(56,032,750)	(5,495,018)	(50,537,732)	44
45	Miscellaneous		638,969	62,662	576,306	45
46	ITA Deficiency Payments		167,952,508	16,470,761	151,481,747	46
47	Wheeling		16,705,821	0	16,705,821	47
48	Load Control and Dispatch		133,847,127	13,126,116	120,721,011	48
49	Rent from Electric Property - Big Stone		57,236	6,576	50,660	49
50	Rent from Electric Property - Coyote		243,099	27,929	215,170	50
51	Profit on Materials and Supplies		138,387,029	15,899,000	122,488,029	51
52	Miscellaneous Services		1,192,868	137,046	1,055,822	52
53	Loan Pool Interest		911,756	33,202	878,554	53
54						54
55	**Total Dollar Days**		11,516,274,739	1,294,103,917	10,222,170,822	55
56						56
57						57
58	**Avg Revenue Lead Days (Total Rev Dollar Days / Total Rev)**		36.9	43.3	36.2	58
59						59
60						60

Docket No. EL10-___
Work Papers

SOUTH DAKOTA

Otter Tail Power Company
Class Cost of Service Study
Actual Year 2009 - 10 Classes

Run = 2009 Test Year Page 19 - 1
08/06/10
08:23 AM

Line No.	Item	Allocation Factors		Operating Expense	Expense/Day at 365 Days/Year	Expense Lag Days	Excess Revenue Lead Days of 37.1 Over Expense Lag Days	Net Revenue Lag Dollars	Line No.
1	Cash Working Capital Calculation by the Application of								1
2	Lead-Lag Factors - Minnesota Jurisdiction								2
3	Fuel - Coal	E2		28,337,123	77,636	11.9	25.2	1,959,164	3
5	Fuel - Oil	E1		1,414,882	3,876	13.5	23.6	91,581	5
7	Purchased Power			26,733,007	73,241	30.6	6.5	473,524	7
9	Labor and Associated Payroll Expense	LRE		30,198,437	82,735	15.9	21.2	1,757,737	9
11	All Other O&M Expense			19,530,709	53,509	14.5	22.6	1,209,585	11
13	Property Taxes (Excl Coal Conversion Taxes)			3,921,801	10,745	309.2	(272.1)	(2,923,331)	13
15	Coal Conversion Taxes			342,185	937	309.2	(272.1)	(255,066)	15
17	Federal Income Taxes			(16,596,602)	(45,470)	0.0	37.1	0	17
19	State Income Taxes			(3,681,446)	(10,086)	0.0	37.1	0	19
21	Incremental Federal Income Taxes			0	0	0.0	37.1	0	21
23	Incremental State Income Taxes			0	0	0.0	37.1	0	23
25	Bank Balances	NEPIS						3,830	25
27	Special Deposits	NEPIS						10,650,127	27
29	Working Funds	NEPIS						10,146	29
31	Tax Collections Avail - FICA Withholding	LRE		(2,104,439)	(5,766)	0.0		0	31
33	Tax Collections Avail - Federal Withholding	LRE		(3,384,346)	(9,272)	0.0		0	33
35	Tax Collections Avail - State Withholding- MN	R10	Assign to Juris	(1,740,489)	(4,768)	1.9		(9,108)	35
37	Tax Collections Avail - State Withholding- ND	R10	Assign to Juris	0	0	62.0		0	37
39	Tax Collections Available - State Sales Tax	R10		(6,391,206)	(17,510)	12.7		(222,204)	39
41	Tax Collections Available - Franchise Taxes	R10		(841,881)	(2,307)	32.2		(74,362)	41
44	**Total Cash Working Capital Requirement - Minnesota**							12,671,623	44

Docket No. EL10-___
Work Papers

SOUTH DAKOTA

Otter Tail Power Company Class Cost of Service Study Actual Year 2009 - 10 Classes	Run = 2009 Test Year 08/06/10 08:23 AM	Page 20 - 1

Line No.	Item	Allocation Factors		Operating Expense	Expense/Day at 365 Days/Year	Expense Lag Days	Excess Revenue Lead Days of 35.2 Over Expense Lag Days	Net Revenue Lag Dollars	Line No.
1	Cash Working Capital Calculation by the Application of								1
2	Lead-Lag Factors - North Dakota Jurisdiction								2
3	Fuel - Coal	E2		22,843,899	62,586	11.9	23.4	1,462,400	3
5	Fuel - Oil	E1		1,054,077	2,888	13.5	21.8	62,829	5
7	Purchased Power			21,418,045	58,680	30.6	4.6	269,705	7
9	Labor and Associated Payroll Expense	LRE		24,525,728	67,194	15.9	19.4	1,301,962	9
11	All Other O&M Expense			16,254,236	44,532	14.5	20.7	923,433	11
13	Property Taxes (Excl Coal Conversion Taxes)			3,394,796	9,301	309.2	(273.9)	(2,547,882)	13
15	Coal Conversion Taxes			296,203	812	309.2	(273.9)	(222,308)	15
17	Federal Income Taxes			(11,517,243)	(31,554)	0.0	35.2	0	17
19	State Income Taxes			(1,463,267)	(4,009)	0.0	35.2	0	19
21	Incremental Federal Income Taxes			0	0	0.0	35.2	0	21
23	Incremental State Income Taxes			0	0	0.0	35.2	0	23
25	Bank Balances	NEPIS						3,316	25
27	Special Deposits	NEPIS						9,218,980	27
29	Working Funds	NEPIS						8,782	29
31	Tax Collections Avail - FICA Withholding	LRE		(1,709,125)	(4,683)	0.0		0	31
33	Tax Collections Avail - Federal Withholding	LRE		(2,748,604)	(7,530)	0.0		0	33
35	Tax Collections Avail - State Withholding- MN	R10	Assign to Juris	0	0	1.9		0	35
37	Tax Collections Avail - State Withholding- ND	R10	Assign to Juris	(261,115)	(715)	62.0		(44,382)	37
39	Tax Collections Available - State Sales Tax	R10		(1,364)	(4)	24.3		(91)	39
41	Tax Collections Available - Franchise Taxes	R10		0	0	0.0		0	41
44	**Total Cash Working Capital Requirement - North Dakota**							10,436,744	44

Docket No. EL10-___
Work Papers

SOUTH DAKOTA

Otter Tail Power Company	Run = 2009 Test Year	Page 21 - 1
Class Cost of Service Study	08/06/10	
Actual Year 2009 - 10 Classes	08:23 AM	

Line No.	Item	Allocation Factors		Operating Expense	Expense/Day at 365 Days/Year	Expense Lag Days	Excess Revenue Lead Days of 43.3 Over Expense Lag Days	Net Revenue Lag Dollars	Line No.
1	Cash Working Capital Calculation by the Application of								1
2	Lead-Lag Factors - South Dakota Jurisdiction								2
3	Fuel - Coal	E2		5,463,645	14,969	11.9	31.4	470,019	3
5	Fuel - Oil	E1		273,446	749	13.5	29.8	22,318	5
7	Purchased Power			5,155,346	14,124	30.6	12.6	178,385	7
9	Labor and Associated Payroll Expense	LRE		5,678,193	15,557	15.9	27.4	426,404	9
11	All Other O&M Expense			3,663,015	10,036	14.5	28.8	288,724	11
13	Property Taxes (Excl Coal Conversion Taxes)			797,860	2,186	309.2	(265.9)	(581,254)	13
15	Coal Conversion Taxes			69,615	191	309.2	(265.9)	(50,716)	15
17	Federal Income Taxes			(3,343,116)	(9,159)	0.0	43.3	0	17
19	State Income Taxes			0	0	0.0	43.3	0	19
21	Incremental Federal Income Taxes			0	0	0.0	43.3	0	21
23	Incremental State Income Taxes			0	0	0.0	43.3	0	23
25	Bank Balances	NEPIS						779	25
27	Special Deposits	NEPIS						2,166,686	27
29	Working Funds	NEPIS						2,064	29
31	Tax Collections Avail - FICA Withholding	LRE		(395,696)	(1,084)	0.0		0	31
33	Tax Collections Avail - Federal Withholding	LRE		(636,356)	(1,743)	0.0		0	33
35	Tax Collections Avail - State Withholding- MN	R10	Assign to Juris	0	0	1.9		0	35
37	Tax Collections Avail - State Withholding- ND	R10	Assign to Juris	0	0	62.0		0	37
39	Tax Collections Available - State Sales Tax	R10		(1,287,693)	(3,528)	13.6		(47,909)	39
41	Tax Collections Available - Franchise Taxes	R10		0	0	0.0		0	41
44	**Total Cash Working Capital Requirement - South Dakota**							2,875,500	44

Docket No. EL10-___
Work Papers

SOUTH DAKOTA

Otter Tail Power Company
Class Cost of Service Study
Actual Year 2009 - 10 Classes

Run = 2009 Test Year Page 22 - 1
08/06/10
08:23 AM

Line No.	Item	Allocation Factors		Operating Expense	Expense/Day at 365 Days/Year	Expense Lag Days	Excess Revenue Lead Days of 39.5 Over Expense Lag Days	Net Revenue Lag Dollars	Line No.
1	Cash Working Capital Calculation by the Application of								1
2	Lead-Lag Factors - FERC Jurisdiction								2
3	Fuel - Coal	E2		0	0	11.9	27.7	0	3
4									4
5	Fuel - Oil	E1		0	0	13.5	26.1	0	5
6									6
7	Purchased Power			0	0	30.6	8.9	0	7
8									8
9	Labor and Associated Payroll Expense	LRE		611,692	1,676	15.9	23.7	39,710	9
10									10
11	All Other O&M Expense			342,216	938	14.5	25.1	23,491	11
12									12
13	Property Taxes (Excl Coal Conversion Taxes)			21,331	58	309.2	(269.6)	(15,757)	13
14									14
15	Coal Conversion Taxes			1,861	5	309.2	(269.6)	(1,375)	15
16									16
17	Federal Income Taxes			(246,760)	(676)	0.0	39.5	0	17
18									18
19	State Income Taxes			(50,276)	(138)	0.0	39.5	0	19
20									20
21	Incremental Federal Income Taxes			0	0	0.0	39.5	0	21
22									22
23	Incremental State Income Taxes			0	0	0.0	39.5	0	23
24									24
25	Bank Balances	NEPIS						21	25
26									26
27	Special Deposits	NEPIS						57,928	27
28									28
29	Working Funds	NEPIS						55	29
30									30
31	Tax Collections Avail - FICA Withholding	LRE		(42,627)	(117)	0.0		0	31
32									32
33	Tax Collections Avail - Federal Withholding	LRE		(68,553)	(188)	0.0		0	33
34									34
35	Tax Collections Avail - State Withholding- MN	R10	Assign to Juris	0	0	1.9		0	35
36									36
37	Tax Collections Avail - State Withholding- ND	R10	Assign to Juris	0	0	62.0		0	37
38									38
39	Tax Collections Available - State Sales Tax	R10		0	0	0.0		0	39
40									40
41	Tax Collections Available - Franchise Taxes	R10		0	0	0.0		0	41
42									42
43									43
44	**Total Cash Working Capital Requirement - FERC**							104,072	44
45									45
46									46
47									47
48									48
49									49
50									50
51									51
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Docket No. EL10-___
Work Papers

SOUTH DAKOTA

Otter Tail Power Company Class Cost of Service Study Actual Year 2009 - 10 Classes	Run = 2009 Test Year Page 23 - 1 08/06/10 08:23 AM

Line No.	Item	Allocation Factors		Operating Expense		Expense/Day at 365 Days/Year		Expense Lag Days		Excess Revenue Lead Days of 36.9 Over Expense Lag Days		Net Revenue Lag Dollars		Line No.
1	Cash Working Capital Calculation by the Application of													1
2	Lead-Lag Factors - Total Company Jurisdiction													2
3	Fuel - Coal	E2										3,891,583		3
4														4
5	Fuel - Oil	E1										176,728		5
6														6
7	Purchased Power											921,613		7
8														8
9	Labor and Associated Payroll Expense	LRE										3,525,813		9
10														10
11	All Other O&M Expense											2,445,233		11
12														12
13	Property Taxes (Excl Coal Conversion Taxes)											(6,068,224)		13
14														14
15	Coal Conversion Taxes											(529,464)		15
16														16
17	Federal Income Taxes											0		17
18														18
19	State Income Taxes											0		19
20														20
21	Incremental Federal Income Taxes											0		21
22														22
23	Incremental State Income Taxes											0		23
24														24
25	Bank Balances	NEPIS										7,946		25
26														26
27	Special Deposits	NEPIS										22,093,721		27
28														28
29	Working Funds	NEPIS										21,047		29
30														30
31	Tax Collections Avail - FICA Withholding	LRE										0		31
32														32
33	Tax Collections Avail - Federal Withholding	LRE										0		33
34														34
35	Tax Collections Avail - State Withholding- MN	R10	Assign to Juris									(9,108)		35
36														36
37	Tax Collections Avail - State Withholding- ND	R10	Assign to Juris									(44,382)		37
38														38
39	Tax Collections Available - State Sales Tax	R10										(270,204)		39
40														40
41	Tax Collections Available - Franchise Taxes	R10										(74,362)		41
42														42
43														43
44	**Total Cash Working Capital Requirement - Total Company**											26,087,939		44
45														45
46														46
47														47
48														48
49														49
50														50
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