Otter Tail Power Company
Transmission Rider - Revenue Requirements
Sheyenne – Audubon Upgrade (Project #104765 & #104818)
Docket No. EL12-

Line No.	*Year>>*		2011 Actual Total	2012 Actual January	2012 Actual February	2012 Actual March	2012 Actual April	2012 Actual May	2012 Actual June	2012 Actual July	2012 Projected August	2012 Projected September	2012 Projected October	2012 Projected November	2012 Projected December	2012 Projected Total
	RATE BASE															
1	Plant Balance		0	0	0	0	0	0	0	0	0	0	0	0	0	0
2	Accumulated Depreciation		0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	Net Plant in Service		0	0	0	0	0	0	0	0	0	0	0	0	0	0
4	CWIP		0	155,727	155,727	155,727	156,803	157,858	159,870	155,727	155,727	155,727	155,727	155,727	155,727	155,727
5	Accumulated Deferred Income Taxes Fedederal & State		0	0	0	0	0	0	0	0	0	0	0	0	0	0
6	Ending rate base		0	155,727	155,727	155,727	156,803	157,858	159,870	155,727	155,727	155,727	155,727	155,727	155,727	155,727
7																
8	OTP Load Percentage		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
9	Remove Non-OTP Load Portion		0	0	0	0	0	0	0	0	0	0	0	0	0	0
10	Retail Ending Rate Base		0	155,727	155,727	155,727	156,803	157,858	159,870	155,727	155,727	155,727	155,727	155,727	155,727	155,727
11																
12	Average rate base			12,026	12,026	12,026	12,026	12,026	12,026	12,026	12,026	12,026	12,026	12,026	12,026	144,313
13																
14	Return on Rate Base			1,022	1,022	1,022	1,022	1,022	1,022	1,022	1,022	1,022	1,022	1,022	1,022	12,267
15																
16	Available for return (equity portion of rate base)			637	637	637	637	637	637	637	637	637	637	637	637	7,649
17																
18	*EXPENSES*															
19	*O&M and Depreciation*															
20	Operating Costs			0	0	0	0	0	0	0	0	0	0	0	0	0
21	Property Tax			0	0	0	0	0	0	0	0	0	0	0	0	0
22	Book Depreciation			0	0	0	0	0	0	0	0	0	0	0	0	0
23	Total O&M and Depreciation Expense			0	0	0	0	0	0	0	0	0	0	0	0	0
24																
25	OTP Load Percentage		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
26	Remove Non-OTP Load Portion		0	0	0	0	0	0	0	0	0	0	0	0	0	0
27	Retail O&M and Depreciation Expenses		0	0	0	0	0	0	0	0	0	0	0	0	0	0
28																
29	Income before Taxes															
30	Available for return (from above)			637	637	637	637	637	637	637	637	637	637	637	637	7,649
31	Taxable Income (grossed up)	1.5385		981	981	981	981	981	981	981	981	981	981	981	981	11,767
32																
33	Income Taxes															
34	Current and Def Income Taxes	35.00%		343	343	343	343	343	343	343	343	343	343	343	343	4,118
35	Total Income Tax Expense			343	343	343	343	343	343	343	343	343	343	343	343	4,118
36																
37																
38	*REVENUE REQUIRMENTS*															
39	Expenses			343	343	343	343	343	343	343	343	343	343	343	343	4,118
40	Return on rate base			1,022	1,022	1,022	1,022	1,022	1,022	1,022	1,022	1,022	1,022	1,022	1,022	12,267
41	Subtotal revenue requirements			1,365	1,365	1,365	1,365	1,365	1,365	1,365	1,365	1,365	1,365	1,365	1,365	16,386
42	Adjustments			0	0	0	0	0	0	0	0	0	0	0	0	0
43	Transmission Revenue			(293)	(293)	(293)	(293)	(293)	(293)	(293)	(293)	(293)	(293)	(293)	(293)	(3,512)
44	Total revenue requirements			1,073	1,073	1,073	1,073	1,073	1,073	1,073	1,073	1,073	1,073	1,073	1,073	12,873
45																
46	South Dakota share - D2 factor	9.82%		105	105	105	105	105	105	105	105	105	105	105	105	1,264
47																
48	Gross Receipts Tax (at 0.0015)	0.15%		0	0	0	0	0	0	0	0	0	0	0	0	2
49	Total South Dakota Share			105	105	105	105	105	105	105	105	105	105	105	105	1,265

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Line No.														
	SUPPORTING INFORMATION / DATA													
1														
2			SD Cap Structure with allowed ROE per order.											
3			Capital Structure		**Ratio**		**Cost**		**WA Cost**			**Property tax**		
4			Debt		47.00%		6.81%		3.20%			2012 composite rate	1.50%	
5			Preferred equity		0.00%		0.00%		0.00%					
6			Common equity		53.01%		10.00%		5.30%					
7			Total		100.00%				8.50%	Overall Return				
8														
9					**Book**	**Tax**								
10			Project life (years)		50	15-year MACRS								
11								**SD Special**						
12						**Fed Portion**	**State Portion**	**Hearing Fund:**						
13			Statutory Tax Rate		35.00%	35.00%	0.00%	0.15%						
14			Tax conversion factor		1.53846									
15			Transmission Revenue		21.44%									
16			SD share - D2 factor		9.8157%									
17														
18	**Deferred Tax**													
19	Book depreciation		0	0	0	0	0	0	0	0	0	0	0	0
20	Tax depreciation-Federal		0	0	0	0	0	0	0	0	0	0	0	0
21	Tax depreciation-ND		0	0	0	0	0	0	0	0	0	0	0	0
22	Federal deferred income taxes		0	0	0	0	0	0	0	0	0	0	0	0
23	State deferred income taxes		0	0	0	0	0	0	0	0	0	0	0	0
22														
23	Book Depreciation Rate													

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Line No.	*Year>>*		2013 Projected January	2013 Projected February	2013 Projected March	2013 Projected April	2013 Projected May	2013 Projected June	2013 Projected July	2013 Projected August	2013 Projected September	2013 Projected October	2013 Projected November	2013 Projected December	2013 Projected Total
	RATE BASE														
1	Plant Balance		0	0	0	0	0	0	0	0	0	0	0	1,247,282	1,247,282
2	Accumulated Depreciation		0	0	0	0	0	0	0	0	0	0	0	0	0
3	Net Plant in Service		0	0	0	0	0	0	0	0	0	0	0	1,247,282	1,247,282
4	CWIP		155,727	155,727	354,842	354,842	354,842	699,663	699,663	699,663	699,663	1,247,282	1,247,282	0	0
5	Accumulated Deferred Income Taxes Fedederal & State		0	0	0	0	0	0	0	0	0	0	0	(21,827)	(21,827)
6	Ending rate base		155,727	155,727	354,842	354,842	354,842	699,663	699,663	699,663	699,663	1,247,282	1,247,282	1,225,455	1,225,455
7															
8	OTP Load Percentage		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
9	Remove Non-OTP Load Portion		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Retail Ending Rate Base		155,727	155,727	354,842	354,842	354,842	699,663	699,663	699,663	699,663	1,247,282	1,247,282	1,225,455	1,225,455
11															
12	Average rate base		51,605	51,605	51,605	51,605	51,605	51,605	51,605	51,605	51,605	51,605	51,605	51,605	619,260
13															
14	Return on Rate Base		4,387	4,387	4,387	4,387	4,387	4,387	4,387	4,387	4,387	4,387	4,387	4,387	52,639
15															
16	Available for return (equity portion of rate base)		2,735	2,735	2,735	2,735	2,735	2,735	2,735	2,735	2,735	2,735	2,735	2,735	32,821
17															
18	*EXPENSES*														
19	*O&M and Depreciation*														
20	Operating Costs		0	0	0	0	0	0	0	0	0	0	0	0	0
21	Property Tax		0	0	0	0	0	0	0	0	0	0	0	0	0
22	Book Depreciation		0	0	0	0	0	0	0	0	0	0	0	0	0
23	Total O&M and Depreciation Expense		0	0	0	0	0	0	0	0	0	0	0	0	0
24															
25	OTP Load Percentage		100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
26	Remove Non-OTP Load Portion		0	0	0	0	0	0	0	0	0	0	0	0	0
27	Retail O&M and Depreciation Expenses		0	0	0	0	0	0	0	0	0	0	0	0	0
28															
29	Income before Taxes														
30	Available for return (from above)		2,735	2,735	2,735	2,735	2,735	2,735	2,735	2,735	2,735	2,735	2,735	2,735	32,821
31	Taxable Income (grossed up)	1.5385	4,208	4,208	4,208	4,208	4,208	4,208	4,208	4,208	4,208	4,208	4,208	4,208	50,493
32															
33	Income Taxes														
34	Current and Def Income Taxes	35.00%	1,473	1,473	1,473	1,473	1,473	1,473	1,473	1,473	1,473	1,473	1,473	1,473	17,673
35	Total Income Tax Expense		1,473	1,473	1,473	1,473	1,473	1,473	1,473	1,473	1,473	1,473	1,473	1,473	17,673
36															
37															
38	*REVENUE REQUIRMENTS*														
39	Expenses		1,473	1,473	1,473	1,473	1,473	1,473	1,473	1,473	1,473	1,473	1,473	1,473	17,673
40	Return on rate base		4,387	4,387	4,387	4,387	4,387	4,387	4,387	4,387	4,387	4,387	4,387	4,387	52,639
41	Subtotal revenue requirements		5,859	5,859	5,859	5,859	5,859	5,859	5,859	5,859	5,859	5,859	5,859	5,859	70,312
42	Adjustments		0	0	0	0	0	0	0	0	0	0	0	0	0
43	Transmission Revenue		(1,256)	(1,256)	(1,256)	(1,256)	(1,256)	(1,256)	(1,256)	(1,256)	(1,256)	(1,256)	(1,256)	(1,256)	(15,072)
44	Total revenue requirements		4,603	4,603	4,603	4,603	4,603	4,603	4,603	4,603	4,603	4,603	4,603	4,603	55,240
45															
46	South Dakota share - D2 factor	9.82%	452	452	452	452	452	452	452	452	452	452	452	452	5,422
47															
48	Gross Receipts Tax (at 0.0015)	0.15%	1	1	1	1	1	1	1	1	1	1	1	1	8
49	Total South Dakota Share		453	453	453	453	453	453	453	453	453	453	453	453	5,430

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3		Capital Structure		**Ratio**		**Cost**		**WA Cost**			**Property tax**			
4		Debt		47.00%		6.81%		3.20%			2013 composite rate		1.50%	
5		Preferred equity		0.00%		0.00%		0.00%						
6		Common equity		53.01%		10.00%		5.30%						
7		Total		100.00%				8.50%	Overall Return					
8														
9				**Book**	**Tax**									
10		Project life (years)		50	15-year MACRS									
11							**SD Special**							
12					**Fed Portion**	**State Portion**	**Hearing Fund:**							
13		Statutory Tax Rate		35.00%	35.00%	0.00%	0.15%							
14		Tax conversion factor		1.53846										
15		Transmission Revenue		21.44%										
16		SD share - D2 factor		9.8157%										
17														
18	**Deferred Tax**													
19	Book depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0
20	Tax depreciation-Federal	0	0	0	0	0	0	0	0	0	0	0	62,364	62,364
21	Tax depreciation-ND	0	0	0	0	0	0	0	0	0	0	0	62,364	62,364
22	Federal deferred income taxes	0	0	0	0	0	0	0	0	0	0	0	(21,827)	(21,827)
23	State deferred income taxes	0	0	0	0	0	0	0	0	0	0	0	0	0
22														
23	Book Depreciation Rate													