

**Comparison of OTP and LEPA Delivered Cost Forecasts**

(In Dollars Per Ton)

Year	Delivered Cost Forecast			Difference	
	OTP '06	OTP '07	LEPA	OTP '06 -	OTP '07 -
	<u>(S/Ton) 1/</u>	<u>(S/Ton) 2/</u>	<u>(S/Ton) 3/</u>	<u>LEPA 4/</u>	<u>LEPA 5/</u>
(1)	(2)	(3)	(4)	(5)	(6)
1. 2012	\$29.85	\$30.71	\$29.67	\$0.18	\$1.04
2. 2013	\$30.45	\$31.49	\$30.16	\$0.29	\$1.33
3. 2014	\$31.29	\$32.52	\$30.91	\$0.37	\$1.61
4. 2015	\$32.72	\$33.27	\$32.35	\$0.37	\$0.92
5. 2016	\$33.58	\$34.36	\$33.40	\$0.18	\$0.96
6. 2017	\$34.46	\$35.71	\$33.78	\$0.68	\$1.93
7. 2018	\$35.49	\$36.93	\$35.74	(\$0.25)	\$1.20
8. 2019	\$36.95	\$38.86	\$35.36	\$1.59	\$3.50
9. 2020	\$38.08	\$40.37	\$36.83	\$1.26	\$3.55
10. 2021	\$39.27	\$41.95	\$39.70	(\$0.44)	\$2.25
11. 2022	\$40.37	\$43.59	\$39.51	\$0.86	\$4.08
12. 2023	\$41.51	\$45.30	\$40.31	\$1.20	\$4.98
13. 2024	\$42.68	\$47.07	\$41.15	\$1.53	\$5.92
14. 2025	\$43.88	\$48.91	\$43.56	\$0.32	\$5.36

- 1/ Otter Tail Power's 2006 delivered cost forecast, including fuel surcharge, provided in "BSP II price forecast graph for Todd.xls".
- 2/ Otter Tail Power's 2007 delivered cost forecast, including fuel surcharge, provided in "BSP II price forecast graph for Todd.xls".
- 3/ L. E. Peabody & Associates, Inc. forecast of PRB coal and rail transportation prices to Otter Tail Power's Big Stone plant.
- 4/ Column (2) - Column (4)
- 5/ Column (3) - Column (4)

**Comparison of OTP and  
LEPA Delivered Cost Forecasts**

(Annual Percent Change<sup>1/</sup>)

		Delivered Cost Forecast		
<u>Year</u>	<u>OTP '06</u>	<u>OTP '07</u>	<u>LEPA</u>	
(1)	(% Change)	(% Change)	(% Change)	
(1)	(2)	(3)	(4)	
1. 2012	xxx	xxx	xxx	
2. 2013	2.00%	2.53%	1.65%	
3. 2014	2.75%	3.28%	2.49%	
4. 2015	4.59%	2.31%	4.66%	
5. 2016	2.61%	3.26%	3.23%	
6. 2017	2.64%	3.95%	1.16%	
7. 2018	2.97%	3.42%	5.78%	
8. 2019	4.12%	5.21%	-1.07%	
9. 2020	3.07%	3.90%	4.15%	
10. 2021	3.11%	3.90%	7.81%	
11. 2022	2.81%	3.91%	-0.49%	
12. 2023	2.82%	3.91%	2.03%	
13. 2024	2.82%	3.92%	2.09%	
14. 2025	2.82%	3.92%	5.85%	
<b><u>Geometric Average Annual Change</u></b>				
15.	3.01%	3.64%	3.00%	

<sup>1/</sup> Annual percent change of values appearing on Page 1 of Exhibit TDC-6.