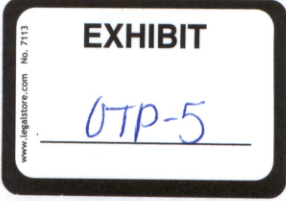


Split Method

Otter Tail Power Company  
 Transmission Cost Recovery Rider  
 Docket No. PU-11-153

Attachment 1  
 Page 1 of 1



Projected Revenue for 2011-2012

Line No.	Class		Units	Rate per Unit	Amount
1	Large General Service	(a)	1,054,709 kW	78.533¢	\$828,290
2					
3	Controlled Service	(b)	212,885,210 kWh	0.031¢	\$65,168
4					
5	Lighting	(c)	21,007,015 kWh	0.113¢	\$23,779
6					
7	All other service		858,252,777 kWh	0.205¢	\$1,756,982
8					
9	Total revenue				<u>\$2,674,219</u>

- (a) Rate Schedules 10.03 Large General Service and 10.05 Large General Service - Time of Day
- (b) Rate Schedules 14.01 Water Heating, 14.04 Interruptible Load (CT Metering), 14.05 Interruptible Load (Self-Contained Metering), 14.06 Deferred Load
- (c) Rate Schedules 11.03 Outdoor Lighting (energy only), 11.04 Outdoor Lighting

## Summary of Revenue Requirements

Line No.	Revenue Requirements	2011-2012
1	Project	\$0
2	CAPX 2020 - Fargo	\$1,558,783
3	CAPX 2020 - Bemidji	\$836,306
4	Schedule 26	204,093
5	Carrying Cost	<u>75,037</u>
6	Total	<u><u>\$2,674,219</u></u>

## Class Allocation and Rate Design

Line No.			2011-2012
1	Total North Dakota Revenue Requirements		\$2,674,219 *
2	Large General Service Class	30.97%	\$828,290
3	Controlled Service	2.44%	65,168
4	Lighting	0.89%	23,779
5	All Other Service	65.70%	1,756,982
6	Total		\$2,674,219
7	Large General Service Class	kW	1,054,709
8	Controlled Service	kWh	212,885,210
9	Lighting	kWh	21,007,015
10	All Other Service	kWh	858,252,777
11	Large General Service Class	cents / kW	78.533
12	Controlled Service	cents / kWh	0.031
13	Lighting	cents / kWh	0.113
14	All Other Service	cents / kWh	0.205

\* Jurisdictional transmission allocation factor (D2 = 47.89%) is from Otter Tail's last general rate case in North Dakota.



Split Method

Otter Tail Power Company  
Transmission Rider Tracker  
North Dakota

Attachment 4  
Page 2 of 2

Line No.	TRACKER SUMMARY Requirements Compared to Billed:	2012												YE Projected
		January Projected	February Projected	March Projected	April Projected	May Projected	June Projected	July Projected	August Projected	September Projected	October Projected	November Projected	December Projected	
1	Revenue Requirements													
2	Project	0	0	0	0	0	0	0	0	0	0	0	0	0
3	CAPX 2020 - Fargo	93,534	93,534	93,534	93,534	93,534	93,534	93,534	93,534	93,534	93,534	93,534	93,534	1,122,410
4	CAPX 2020 - Bemidji	51,528	51,528	51,528	51,528	51,528	51,528	51,528	51,528	51,528	51,528	51,528	51,528	618,337
5	Total	145,062	145,062	145,062	145,062	145,062	145,062	145,062	145,062	145,062	145,062	145,062	145,062	1,740,747
6	MISO Schedule 26 - expense/(revenue)	40,107	43,641	63,018	30,224	25,497	(29,325)	1,402	9,672	22,098	21,301	(24,352)	(10,050)	193,232
7	Net Revenue Requirement	185,169	188,703	208,080	175,287	170,559	115,737	146,464	154,734	167,161	166,363	120,710	135,012	1,933,979
8	Billed (forecast kWh x adj factor)	0	316,148	293,617	255,902	225,696	206,887	208,845	212,450	219,441	206,656	251,415	277,162	2,674,219
9	Difference	185,169	(127,445)	(85,537)	(80,615)	(55,137)	(91,150)	(62,381)	(57,716)	(52,280)	(40,293)	(130,705)	(142,150)	(740,240)
10	Carrying Charge												75,037	
11	Cummulative Difference	850,372	722,927	637,390	556,775	501,637	410,487	348,106	290,391	238,110	197,817	67,113	0	0
12	Carrying Charge Calculation	6,359	5,490	4,915	4,371	4,007	3,381	2,958	2,565	2,208	1,934	1,010	535	39,732
13	Cumulative Carrying Charge	41,664	47,154	52,069	56,440	60,447	63,829	66,786	69,351	71,558	73,493	74,502	75,037	
14	Carrying cost	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	
15	Forecasted Sales (MWh)		196,272	182,284	158,870	140,117	128,440	129,656	131,894	136,234	128,297	156,084	172,068	1,660,215

SUMMARY	Jan 2011 - Dec 2012
Revenue requirements	\$2,599,182
Carrying Charge	75,037
Total requirements	\$2,674,219
Feb 2012-Dec 2012 projected sales in mWh	1,660,215
Average Rate	\$0.00161







Split Method

Otter Tail Power Company  
Transmission Rider - Revenue Requirements  
Project

Line No.	SUPPORTING INFORMATION / DATA												
1	ND Cap Structure with allowed ROE per order.												
2	Capital Structure	Ratio	Cost	WA Cost	Property tax								
3	Debt	43.11%	6.30%	2.72%	2011 composite rate								
4	Preferred equity	3.60%	4.75%	0.17%									
5	Common equity	53.30%	10.75%	5.73%									
6	Total	100.00%	8.62% Overall Return		Book Depreciation								1.5150%
7					2011 composite rate								
8													
9													
10	Project life (years)	Book 50	Tax 15-year MACRS										
11													
12	Statutory Tax Rate	38.35%											
13	Tax conversion factor	1.62199											
14	Transmission Revenue	0.00%											
15	ND share - D2 factor	41.257%											
16	Deferred Tax												
17	Book depr. rate	2.04%	0.13%	0.13%	0.13%	0.13%	0.13%	0.13%	0.13%	0.13%	0.13%	0.13%	0.13%
18	Tax depr. rate (15-year MACRS) Yr 1	3.75%											
19	Tax depr. rate (15-year MACRS) Yr 2	9.63%											
20	Tax depr. rate (15-year MACRS) Yr 3	8.66%											
21	Tax depr. rate (15-year MACRS) Yr 4	7.80%											
22	Tax depr. rate (15-year MACRS) Yr 5	7.02%											
23	Tax depr. rate (15-year MACRS) Yr 6	6.31%											
24	Tax depr. rate (15-year MACRS) Yr 7	5.90%											
25	Tax depr. rate (15-year MACRS) Yr 8	5.90%											
26	Tax depr. rate (15-year MACRS) Yr 9	5.91%											
27	Tax depr. rate (15-year MACRS) Yr 10	5.90%											
28	Tax depr. rate (15-year MACRS) Yr 11	5.91%											
29	Tax depr. rate (15-year MACRS) Yr 12	5.90%											
30	Tax depr. rate (15-year MACRS) Yr 13	5.91%											
31	Tax depr. rate (15-year MACRS) Yr 14	5.90%											
32	Tax depr. rate (15-year MACRS) Yr 15	5.91%											
33	Tax depr. rate (15-year MACRS) Yr 16	3.69%											
34													
35	Book depreciation		0	0	0	0	0	0	0	0	0	0	0
36	Tax depreciation		0	0	0	0	0	0	0	0	0	0	0
37	Book vs. tax depreciation		0	0	0	0	0	0	0	0	0	0	0
38	Federal & State deferred income taxes	38.35%	0	0	0	0	0	0	0	0	0	0	0
39													

















Split Method

Otter Tail Power Company  
Transmission Rider - Revenue Requirements  
 Fargo-Monticello (Project #104634)

Line No.	Year>>	2011 Actual January	2011 Actual February	2011 Actual March	2011 Actual April	2011 Actual May	2011 Actual June	2011 Actual July	2011 Actual August	2011 Actual September	2011 Actual October	2011 Actual November	2011 Actual December	2011 Actual Total	
<b>RATE BASE</b>															
1	Plant Balance	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	
3	Net Plant in Service	0	0	0	0	0	0	0	0	0	0	0	0	0	
4	CWIP	0	0	0	0	0	0	0	0	966,388	1,010,990	1,053,640	1,163,664	1,163,664	
5	Accum. Deferred Inc. Taxes Fed & State	0	0	0	0	0	0	0	0	0	0	0	0	0	
6	Ending rate base	0	0	0	0	0	0	0	0	966,388	1,010,990	1,053,640	1,163,664	1,163,664	
7															
8	OTP Load Percentage	74.62%	74.62%	74.62%	74.62%	74.62%	80.38%	80.38%	80.38%	80.38%	80.38%	80.38%	80.38%	80.38%	
9	Remove Non-OTP Load Portion	0	0	0	0	0	0	0	0	(189,617)	(198,368)	(206,737)	(228,325)	(228,325)	
10	Retail Ending Rate Base	0	0	0	0	0	0	0	0	776,771	812,622	846,903	935,339	935,339	
11															
12	Average rate base	0	0	0	0	0	0	0	0	64,839	64,839	64,839	64,839	259,356	
13															
14	Return on Rate Base	0	0	0	0	0	0	0	0	5,586	5,586	5,586	5,586	22,346	
15															
16	Available for return (equity portion of rate base)	0	0	0	0	0	0	0	0	3,715	3,715	3,715	3,715	14,860	
17															
18	<b>EXPENSES</b>														
19	<i>O&amp;M and Depreciation</i>														
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 Expenses	0	0	0	0	0	0	0	0	0	0	0	0	0	
24															
25	OTP Load Percentage	74.62%	74.62%	74.62%	74.62%	74.62%	80.38%	80.38%	80.38%	80.38%	80.38%	80.38%	80.38%	80.38%	
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)	0	0	0	0	0	0	0	0	3,715	3,715	3,715	3,715	14,860	
31	Taxable Income (grossed up)	1.6220	0	0	0	0	0	0	0	6,026	6,026	6,026	6,026	24,102	
32															
33	Income Taxes														
34	Current and Def Income Taxes	38.35%	0	0	0	0	0	0	0	2,311	2,311	2,311	2,311	9,243	
35	Total Income Tax Expense		0	0	0	0	0	0	0	2,311	2,311	2,311	2,311	9,243	
36															
37															
38	<b>REVENUE REQUIREMENTS</b>														
39	Expenses	0	0	0	0	0	0	0	0	2,311	2,311	2,311	2,311	9,243	
40	Return on rate base	0	0	0	0	0	0	0	0	5,586	5,586	5,586	5,586	22,346	
41	Subtotal revenue requirements	0	0	0	0	0	0	0	0	7,897	7,897	7,897	7,897	31,589	
42	Adjustments														
43	Transmission Revenue	0	0	0	0	0	0	0	0	0	0	0	0	0	
44	Total revenue requirements	0	0	0	0	0	0	0	0	7,897	7,897	7,897	7,897	31,589	
45															
46	North Dakota share - D2 factor	41.26%	0	0	0	0	0	0	0	3,258	3,258	3,258	3,258	13,033	









Split Method

Otter Tail Power Company  
Transmission Rider - Revenue Requirements  
Bemidji-Grand Rapids (Project #103487, #104395, & #104587)

Line No.	SUPPORTING INFORMATION / DATA												
1													
2	ND Capstructure with allowed ROE per order.												
3	Capital Structure	Ratio		Cost		WA Cost		Property tax					
4	Debt	43.11%		6.30%		2.72%		2011 composite rate					
5	Preferred equity	3.60%		4.75%		0.17%							
6	Common equity	53.30%		10.75%		5.73%		Book Depreciation					
7	Total	100.00%				8.62%	Overall Return	2011 composite rate				1.6160%	
8													
9		Book		Tax									
10	Project life (years)	50		15-year MACRS									
11													
12	Statutory Tax Rate	38.35%											
13	Tax conversion factor	1.62199											
14	Transmission Revenue	0.00%											
15	ND share - D2 factor	41.257%											
16	Deferred Tax												
17	Book depr. rate	0.13%	0.13%	0.13%	0.13%	0.13%	0.13%	0.13%	0.13%	0.13%	0.13%	0.13%	0.13%
18	Tax depr. rate (15-year MACRS) Yr 1	5.00%											
19	Tax depr. rate (15-year MACRS) Yr 2	9.50%											
20	Tax depr. rate (15-year MACRS) Yr 3	8.55%											
21	Tax depr. rate (15-year MACRS) Yr 4	7.70%											
22	Tax depr. rate (15-year MACRS) Yr 5	6.93%											
23	Tax depr. rate (15-year MACRS) Yr 6	6.23%											
24	Tax depr. rate (15-year MACRS) Yr 7	5.90%											
25	Tax depr. rate (15-year MACRS) Yr 8	5.90%											
26	Tax depr. rate (15-year MACRS) Yr 9	5.91%											
27	Tax depr. rate (15-year MACRS) Yr 10	5.90%											
28	Tax depr. rate (15-year MACRS) Yr 11	5.91%											
29	Tax depr. rate (15-year MACRS) Yr 12	5.90%											
30	Tax depr. rate (15-year MACRS) Yr 13	5.91%											
31	Tax depr. rate (15-year MACRS) Yr 14	5.90%											
32	Tax depr. rate (15-year MACRS) Yr 15	5.91%											
33	Tax depr. rate (15-year MACRS) Yr 16	2.95%											
34													
35	Book depreciation	0	0	0	0	0	0	0	0	0	0	0	0
36	Tax depreciation	0	0	0	0	0	0	0	0	0	0	0	0
37	Book vs. tax depreciation	0	0	0	0	0	0	0	0	0	0	0	0
38	Federal & State deferred income taxes	39.16%	0	0	0	0	0	0	0	0	0	0	0
39													



Split Method

Otter Tail Power Company  
Transmission Rider - Revenue Requirements  
Bemidji-Grand Rapids (Project #103487, #104395, & #104587)

Line No.	SUPPORTING INFORMATION / DATA												
1													
2	ND Capstructure with allowed ROE per order.												
3	Capital Structure	Ratio		Cost		WA Cost		Property tax					
4	Debt	43.11%		6.30%		2.72%		2012 composite rate					1.50%
5	Preferred equity	3.60%		4.75%		0.17%							
6	Common equity	53.30%		10.75%		5.73%		Book Depreciation					
7	Total	100.00%				8.62%	Overall Return	2012 composite rate					1.6357%
8													
9													
10	Project life (years)	Book		Tax									
11		50		15-year MACRS									
12	Statutory Tax Rate	38.35%											
13	Tax conversion factor	1.62199											
14	Transmission Revenue	0.00%											
15	ND share - D2 factor	41.257%											
16	Deferred Tax												
17	Book depr. rate		0.14%	0.14%	0.14%	0.14%	0.14%	0.14%	0.14%	0.14%	0.14%	0.14%	0.14%
18	Tax depr. rate (15-year MACRS) Yr 1	5.00%											
19	Tax depr. rate (15-year MACRS) Yr 2	9.50%											
20	Tax depr. rate (15-year MACRS) Yr 3	8.55%											
21	Tax depr. rate (15-year MACRS) Yr 4	7.70%											
22	Tax depr. rate (15-year MACRS) Yr 5	6.93%											
23	Tax depr. rate (15-year MACRS) Yr 6	6.23%											
24	Tax depr. rate (15-year MACRS) Yr 7	5.90%											
25	Tax depr. rate (15-year MACRS) Yr 8	5.90%											
26	Tax depr. rate (15-year MACRS) Yr 9	5.91%											
27	Tax depr. rate (15-year MACRS) Yr 10	5.90%											
28	Tax depr. rate (15-year MACRS) Yr 11	5.91%											
29	Tax depr. rate (15-year MACRS) Yr 12	5.90%											
30	Tax depr. rate (15-year MACRS) Yr 13	5.91%											
31	Tax depr. rate (15-year MACRS) Yr 14	5.90%											
32	Tax depr. rate (15-year MACRS) Yr 15	5.91%											
33	Tax depr. rate (15-year MACRS) Yr 16	2.95%											
34													
35	Book depreciation		0	0	0	0	0	0	0	0	0	0	0
36	Tax depreciation		0	0	0	0	0	0	0	0	0	0	0
37	Book vs. tax depreciation		0	0	0	0	0	0	0	0	0	0	0
38	Federal & State deferred income taxes	39.16%	0	0	0	0	0	0	0	0	0	0	0
39													

Split Method

Otter Tail Power Company  
Transmission Cost Recovery Rider  
Docket No. PU-11-153

Attachment 10  
Page 1 of 1

2012 Attachment O Filing

Line No.					Allocated Amount
1	GROSS REVENUE REQUIREMENT (page 3, line 31)				\$ 34,996,882
	REVENUE CREDITS	(Note T)	<u>Total</u>	<u>Allocator</u>	
2	Account No. 454	(page 4, line 34)	554,025	TP 1.00000	554,025
3	Account No. 456.1	(page 4, line 37)	7,204,688	TP 1.00000	7,204,688
4	Revenues from Grandfathered Interzonal Transactions		0	TP 1.00000	0
5	Revenues from service provided by the ISO at a discount		0	TP 1.00000	0
6	TOTAL REVENUE CREDITS (sum lines 2-5)				<u>7,758,713</u>
7				Wholesale Revenue Credit	22.17%

2011 Attachment O Filing

Line No.					Allocated Amount
1	GROSS REVENUE REQUIREMENT (page 3, line 31)				\$ 33,228,839
	REVENUE CREDITS	(Note T)	<u>Total</u>	<u>Allocator</u>	
2	Account No. 454	(page 4, line 34)	115,163	TP 1.00000	115,163
3	Account No. 456.1	(page 4, line 37)	5,805,049	TP 1.00000	5,805,049
4	Revenues from Grandfathered Interzonal Transactions		20,400	TP 1.00000	20,400
5	Revenues from service provided by the ISO at a discount		0	TP 1.00000	0
6	TOTAL REVENUE CREDITS (sum lines 2-5)				<u>5,940,612</u>
7				Wholesale Revenue Credit	17.88%

Split Method

Otter Tail Power Company  
Transmission Cost Recovery Rider  
Docket No. PU-11-153

Attachment 11  
Page 1 of 1

Line No.	SCHEDULE 26	2011												YE Actual	
		January Actual	February Actual	March Actual	April Actual	May Actual	June Actual	July Actual	August Actual	September Actual	October Actual	November Actual	December Actual		
1	MISO Schedule 26 Expense	98,095	263,227	244,971	256,072	198,610	187,017	209,602	225,474	237,091	195,919	193,997	212,789	2,522,864	
2	MISO Schedule 26 Revenue	(77,816)	(199,101)	(181,231)	(186,602)	(168,606)	(216,574)	(253,460)	(285,345)	(268,179)	(250,906)	(185,474)	(223,247)	(2,496,540)	
3	Net Schedule 26	20,279	64,126	63,740	69,470	30,003	(29,557)	(43,858)	(59,870)	(31,088)	(54,987)	8,523	(10,458)	26,324	
4	North Dakota share	41.26%	8,367	26,457	26,297	28,662	12,378	(12,195)	(18,094)	(24,701)	(12,826)	(22,686)	3,516	(4,315)	10,860

Line No.	SCHEDULE 26	2012												YE Projected	
		January Projected	February Projected	March Projected	April Projected	May Projected	June Projected	July Projected	August Projected	September Projected	October Projected	November Projected	December Projected		
1	MISO Schedule 26 Expense	636,349	644,914	691,881	612,395	600,936	468,059	542,535	562,579	592,699	590,766	480,111	514,777	6,938,001	
2	MISO Schedule 26 Revenue	(539,137)	(539,137)	(539,137)	(539,137)	(539,137)	(539,137)	(539,137)	(539,137)	(539,137)	(539,137)	(539,137)	(539,137)	(6,469,642)	
3	Net Schedule 26	97,212	105,777	152,744	73,258	61,799	(71,078)	3,398	23,442	53,562	51,629	(59,026)	(24,360)	468,359	
4	North Dakota share	41.26%	40,107	43,641	63,018	30,224	25,497	(29,325)	1,402	9,672	22,098	21,301	(24,352)	(10,050)	193,232

