

THIS FORM IS

Item 1: An Initial (Original) Submission OR Resubmission No. _____

Form 1 Approved
OMB No. 1902-0021
(Expires 12/31/2011)
Form 1-F Approved
OMB No. 1902-0029
(Expires 12/31/2011)
Form 3-Q Approved
OMB No. 1902-0205
(Expires 1/31/2012)



RECEIVED

MAY 16 2011

PUBLIC SERVICE COMMISSION

**FERC FINANCIAL REPORT
FERC FORM No. 1: Annual Report of
Major Electric Utilities, Licensees
and Others and Supplemental
Form 3-Q: Quarterly Financial Report**

These reports are mandatory under the Federal Power Act, Sections 3, 4(a), 304 and 309, and 18 CFR 141.1 and 141.400. Failure to report may result in criminal fines, civil penalties and other sanctions as provided by law. The Federal Energy Regulatory Commission does not consider these reports to be of confidential nature

3 **PU-11-159** Filed: 5/16/2011 Pages: 216
2010 FERC 1 Report

Otter Tail Power Company
Pete Beithon

Exact Legal Name of Respondent (Company)

Otter-Tail Power Company

Year/Period of Report

End of 2010/Q4

**FERC FORM NO. 1/3-Q:
REPORT OF MAJOR ELECTRIC UTILITIES, LICENSEES AND OTHER**

IDENTIFICATION

01 Exact Legal Name of Respondent Otter Tail Power Company		02 Year/Period of Report End of <u>2010/Q4</u>	
03 Previous Name and Date of Change (if name changed during year) / /			
04 Address of Principal Office at End of Period (Street, City, State, Zip Code) 215 South Cascade Street, PO Box 496, Fergus Falls, MN 56538-0496			
05 Name of Contact Person Jeff Legge		06 Title of Contact Person Controller, Utility	
07 Address of Contact Person (Street, City, State, Zip Code) PO Box 496, Fergus Falls, MN 56538-0496			
08 Telephone of Contact Person, including Area Code (218) 739-8291	09 This Report Is (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		10 Date of Report (Mo, Da, Yr) 12/31/2010

ANNUAL CORPORATE OFFICER CERTIFICATION

The undersigned officer certifies that:

I have examined this report and to the best of my knowledge, information, and belief all statements of fact contained in this report are correct statements of the business affairs of the respondent and the financial statements, and other financial information contained in this report, conform in all material respects to the Uniform System of Accounts.

01 Name George Bell	03 Signature  George Bell	04 Date Signed (Mo, Da, Yr) 04/04/2011
02 Title Chief Financial Officer		

Title 18, U.S.C. 1001 makes it a crime for any person to knowingly and willingly to make to any Agency or Department of the United States any false, fictitious or fraudulent statements as to any matter within its jurisdiction.

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date Report (Mo. - Day - Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	---	---

LIST OF SCHEDULES (Electric Utility)

Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".

Line No.	Title of Schedule (a)	Reference Page No. (b)	Remarks (c)
1	General Information	101	
2	Control Over Respondent	102	
3	Corporations Controlled by Respondent	103	Not applicable
4	Officers	104	
5	Directors	105	
6	Information on Formula Rates	106(a)(b)	
7	Important Changes During the Year	108-109	
8	Comparative Balance Sheet	110-113	
9	Statement of Income for the Year	114-117	
10	Statement of Retained Earnings for the Year	118-119	
11	Statement of Cash Flows	120-121	
12	Notes to Financial Statements	122-123	
13	Statement of Accum Comp Income, Comp Income, and Hedging Activities	122(a)(b)	
14	Summary of Utility Plant & Accumulated Provisions for Dep, Amort & Dep	200-201	
15	Nuclear Fuel Materials	202-203	Not applicable
16	Electric Plant in Service	204-207	
17	Electric Plant Leased to Others	213	Not applicable
18	Electric Plant Held for Future Use	214	
19	Construction Work in Progress-Electric	216	
20	Accumulated Provision for Depreciation of Electric Utility Plant	219	
21	Investment of Subsidiary Companies	224-225	Not applicable
22	Materials and Supplies	227	
23	Allowances	228(ab)-229(ab)	
24	Extraordinary Property Losses	230	Not applicable
25	Unrecovered Plant and Regulatory Study Costs	230	
26	Transmission Service and Generation Interconnection Study Costs	231	
27	Other Regulatory Assets	232	
28	Miscellaneous Deferred Debits	233	
29	Accumulated Deferred Income Taxes	234	
30	Capital Stock	250-251	
31	Other Paid-in Capital	253	
32	Capital Stock Expense	254	Not applicable
33	Long-Term Debt	256-257	
34	Reconciliation of Reported Net Income with Taxable Inc for Fed Inc Tax	261	
35	Taxes Accrued, Prepaid and Charged During the Year	262-263	
36	Accumulated Deferred Investment Tax Credits	266-267	

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date Report (Mo., .d., Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	---	---

LIST OF SCHEDULES (Electric Utility) (continued)

Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".

Line No.	Title of Schedule (a)	Reference Page No. (b)	Remarks (c)
37	Other Deferred Credits	269	
38	Accumulated Deferred Income Taxes-Accelerated Amortization Property	272-273	Not applicable
39	Accumulated Deferred Income Taxes-Other Property	274-275	
40	Accumulated Deferred Income Taxes-Other	276-277	
41	Other Regulatory Liabilities	278	
42	Electric Operating Revenues	300-301	
43	Sales of Electricity by Rate Schedules	304	
44	Sales for Resale	310-311	
45	Electric Operation and Maintenance Expenses	320-323	
46	Purchased Power	326-327	
47	Transmission of Electricity for Others	328-330	
48	Transmission of Electricity by ISO/RTOs	331	Not applicable
49	Transmission of Electricity by Others	332	
50	Miscellaneous General Expenses-Electric	335	
51	Depreciation and Amortization of Electric Plant	336-337	
52	Regulatory Commission Expenses	350-351	
53	Research, Development and Demonstration Activities	352-353	
54	Distribution of Salaries and Wages	354-355	
55	Common Utility Plant and Expenses	356	Not applicable
56	Amounts included in ISO/RTO Settlement Statements	397	
57	Purchase and Sale of Ancillary Services	398	
58	Monthly Transmission System Peak Load	400	
59	Monthly ISO/RTO Transmission System Peak Load	400a	Not applicable
60	Electric Energy Account	401	
61	Monthly Peaks and Output	401	
62	Steam Electric Generating Plant Statistics	402-403	
63	Hydroelectric Generating Plant Statistics	406-407	Not applicable
64	Pumped Storage Generating Plant Statistics	408-409	Not applicable
65	Generating Plant Statistics Pages	410-411	
66	Transmission Line Statistics Pages	422-423	

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date Report (Mo., -d., Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	---	---

LIST OF SCHEDULES (Electric Utility) (continued)

Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".

Line No.	Title of Schedule (a)	Reference Page No. (b)	Remarks (c)
67	Transmission Lines Added During the Year	424-425	
68	Substations	426-427	
69	Transactions with Associated (Affiliated) Companies	429	
70	Footnote Data	450	
	<p>Stockholders' Reports Check appropriate box:</p> <p><input type="checkbox"/> Two copies will be submitted</p> <p><input type="checkbox"/> No annual report to stockholders is prepared</p>		

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report <i>(Mo, Da, Yr)</i> 12/31/2010	Year/Period of Report End of <u>2010/Q4</u>
---	--	--	---

GENERAL INFORMATION

1. Provide name and title of officer having custody of the general corporate books of account and address of office where the general corporate books are kept, and address of office where any other corporate books of account are kept, if different from that where the general corporate books are kept.

Jeff Legge, Controller-Utility
 215 South Cascade Street, PO Box 496
 Fergus Falls, MN 56538-0496

2. Provide the name of the State under the laws of which respondent is incorporated, and date of incorporation. If incorporated under a special law, give reference to such law. If not incorporated, state that fact and give the type of organization and the date organized.

Minnesota - July 5, 1907

3. If at any time during the year the property of respondent was held by a receiver or trustee, give (a) name of receiver or trustee, (b) date such receiver or trustee took possession, (c) the authority by which the receivership or trusteeship was created, and (d) date when possession by receiver or trustee ceased.

Not Applicable

4. State the classes or utility and other services furnished by respondent during the year in each State in which the respondent operated.

Minnesota - Electric
North Dakota - Electric
South Dakota - Electric

5. Have you engaged as the principal accountant to audit your financial statements an accountant who is not the principal accountant for your previous year's certified financial statements?

- (1) Yes...Enter the date when such independent accountant was initially engaged:
 (2) No

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report <i>(Mo, Da, Yr)</i> 12/31/2010	Year/Period of Report End of <u>2010/Q4</u>
---	--	--	---

CONTROL OVER RESPONDENT

1. If any corporation, business trust, or similar organization or a combination of such organizations jointly held control over the respondent at the end of the year, state name of controlling corporation or organization, manner in which control was held, and extent of control. If control was in a holding company organization, show the chain of ownership or control to the main parent company or organization. If control was held by a trustee(s), state name of trustee(s), name of beneficiary or beneficiaries for whom trust was maintained, and purpose of the trust.

Otter Tail Corporation, a registered holding company, owns all of the common stock of the respondent.

BLANK PAGE

(Next page is 104)

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

OFFICERS

1. Report below the name, title and salary for each executive officer whose salary is \$50,000 or more. An "executive officer" of a respondent includes its president, secretary, treasurer, and vice president in charge of a principal business unit, division or function (such as sales, administration or finance), and any other person who performs similar policy making functions.
2. If a change was made during the year in the incumbent of any position, show name and total remuneration of the previous incumbent, and the date the change in incumbency was made.

Line No.	Title (a)	Name of Officer (b)	Salary for Year (c)
1	President and Chief Executive Officer, Utility	Charles S. MacFarlane	
2			
3	Senior Vice President, Supply	Ward L. Uggerud	
4			
5	Vice President, Asset Management	Rodney C.H. Scheel	
6			
7	Vice President, Customer Service	Mark H. Helland	
8			
9	Vice President, Administration	Thomas R. Brause	
10			
11	Chief Financial Officer	George D. Bell	
12			
13	Vice President, Renewable Energy Development	Todd R. Wahlund	
14	& Risk Management		
15			
16	Treasurer * **	Kevin G. Moug	
17			
18	General Counsel * **	George A. Koeck	
19			
20	Secretary * **	Jennifer Smestad	
21			
22	Assistant Treasurer * **	Suzanne Allen	
23			
24			
25			
26			
27	* This individual is an employee of		
28	Otter Tail Corporation.		
29			
30	** Only a portion of this individual's salary is		
31	allocated to respondent.		
32			
33			
34			
35			
36			
37			
38			
39			
40			
41			
42			
43			
44			

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

DIRECTORS

1. Report below the information called for concerning each director of the respondent who held office at any time during the year. Include in column (a), abbreviated titles of the directors who are officers of the respondent.
2. Designate members of the Executive Committee by a triple asterisk and the Chairman of the Executive Committee by a double asterisk.

Line No.	Name (and Title) of Director (a)	Principal Business Address (b)
1		
2	John D. Erickson	Fergus Falls, Minnesota
3		
4	Lauris N. Molbert *	Fargo, North Dakota
5		
6	Charles S. MacFarlane, President and CEO, Utility	Fergus Falls, Minnesota
7		
8	George A. Koeck, General Counsel	Fargo, North Dakota
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
35		
36		
37		
38		
39		
40		
41		
42		
43		
44		
45		
46		
47	* Removed effective 12/31/2010	
48		

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Day, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	---	---

INFORMATION ON FORMULA RATES
FERC Rate Schedule/Tariff Number FERC Proceeding

Does the respondent have formula rates? Yes No

1. Please list the Commission accepted formula rates including FERC Rate Schedule or Tariff Number and FERC proceeding (i.e. Docket No) accepting the rate(s) or changes in the accepted rate.

Line No.	FERC Rate Schedule or Tariff Number	FERC Proceeding
1	MISO's FERC Electric Tariff, 4th Revised Vol. 1	Attachment O & GG Formulas / Incentives = ER10-183
2	MISO's FERC Electric Tariff, 4th Revised Vol. 1	Attachment GG True-up Procedures = ER10-686
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
35		
36		
37		
38		
39		
40		
41		

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

INFORMATION ON FORMULA RATES
FERC Rate Schedule/Tariff Number FERC Proceeding

Does the respondent file with the Commission annual (or more frequent) filings containing the inputs to the formula rate(s)?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
--	--

2. If yes, provide a listing of such filings as contained on the Commission's eLibrary website

Line No.	Accession No.	Document Date \ Filed Date	Docket No.	Description	Formula Rate FERC Rate Schedule Number or Tariff Number
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					
45					
46					

INFORMATION ON FORMULA RATES
Formula Rate Variances

1. If a respondent does not submit such filings then indicate in a footnote to the applicable Form 1 schedule where formula rate inputs differ from amounts reported in the Form 1.
2. The footnote should provide a narrative description explaining how the "rate" (or billing) was derived if different from the reported amount in the Form 1.
3. The footnote should explain amounts excluded from the ratebase or where labor or other allocation factors, operating expenses, or other items impacting formula rate inputs differ from amounts reported in Form 1 schedule amounts.
4. Where the Commission has provided guidance on formula rate inputs, the specific proceeding should be noted in the footnote.

Line No.	Page No(s).	Schedule	Column	Line No
1	NA	NA		NA NA
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40				
41				
42				
43				
44				

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	------------------------------	---

IMPORTANT CHANGES DURING THE QUARTER/YEAR

Give particulars (details) concerning the matters indicated below. Make the statements explicit and precise, and number them in accordance with the inquiries. Each inquiry should be answered. Enter "none," "not applicable," or "NA" where applicable. If information which answers an inquiry is given elsewhere in the report, make a reference to the schedule in which it appears.

1. Changes in and important additions to franchise rights: Describe the actual consideration given therefore and state from whom the franchise rights were acquired. If acquired without the payment of consideration, state that fact.
2. Acquisition of ownership in other companies by reorganization, merger, or consolidation with other companies: Give names of companies involved, particulars concerning the transactions, name of the Commission authorizing the transaction, and reference to Commission authorization.
3. Purchase or sale of an operating unit or system: Give a brief description of the property, and of the transactions relating thereto, and reference to Commission authorization, if any was required. Give date journal entries called for by the Uniform System of Accounts were submitted to the Commission.
4. Important leaseholds (other than leaseholds for natural gas lands) that have been acquired or given, assigned or surrendered: Give effective dates, lengths of terms, names of parties, rents, and other condition. State name of Commission authorizing lease and give reference to such authorization.
5. Important extension or reduction of transmission or distribution system: State territory added or relinquished and date operations began or ceased and give reference to Commission authorization, if any was required. State also the approximate number of customers added or lost and approximate annual revenues of each class of service. Each natural gas company must also state major new continuing sources of gas made available to it from purchases, development, purchase contract or otherwise, giving location and approximate total gas volumes available, period of contracts, and other parties to any such arrangements, etc.
6. Obligations incurred as a result of issuance of securities or assumption of liabilities or guarantees including issuance of short-term debt and commercial paper having a maturity of one year or less. Give reference to FERC or State Commission authorization, as appropriate, and the amount of obligation or guarantee.
7. Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments.
8. State the estimated annual effect and nature of any important wage scale changes during the year.
9. State briefly the status of any materially important legal proceedings pending at the end of the year, and the results of any such proceedings culminated during the year.
10. Describe briefly any materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder reported on Page 106, voting trustee, associated company or known associate of any of these persons was a party or in which any such person had a material interest.
11. (Reserved.)
12. If the important changes during the year relating to the respondent company appearing in the annual report to stockholders are applicable in every respect and furnish the data required by Instructions 1 to 11 above, such notes may be included on this page.
13. Describe fully any changes in officers, directors, major security holders and voting powers of the respondent that may have occurred during the reporting period.
14. In the event that the respondent participates in a cash management program(s) and its proprietary capital ratio is less than 30 percent please describe the significant events or transactions causing the proprietary capital ratio to be less than 30 percent, and the extent to which the respondent has amounts loaned or money advanced to its parent, subsidiary, or affiliated companies through a cash management program(s). Additionally, please describe plans, if any to regain at least a 30 percent proprietary ratio.

**PAGE 108 INTENTIONALLY LEFT BLANK
SEE PAGE 109 FOR REQUIRED INFORMATION.**

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Otter Tail Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	12/31/2010	2010/Q4

IMPORTANT CHANGES DURING THE QUARTER/YEAR (Continued)

1. None.
2. None.
3. None.
4. None.
5. None.
6. The Company has in place a credit agreement providing for a \$170 million line of credit with an accordion feature whereby the line can be increased to \$250 million as described in the credit agreement. The credit agreement is between Otter Tail Corporation, dba Otter Tail Power Company (now known as Otter Tail Power Company) and JPMorgan Chase Bank, N.A., Wells Fargo Bank, National Association and Merrill Lynch Bank USA, as Banks, U.S. Bank National Association, as a Bank and as agent for the Banks, and Bank of America, N.A., as a Bank and as Syndication Agent. This line is an unsecured revolving credit facility the Company can draw on to support the working capital needs and other capital requirements of the Company's electric operations. Borrowings under this line of credit bear interest at LIBOR plus 0.5%, subject to adjustment based on the ratings of the Company's senior unsecured debt. The agreement contains a number of restrictions on the business, including restrictions on its ability to merge, sell assets, incur indebtedness, create or incur liens on assets, guarantee the obligations of any other party, and engage in transactions with related parties. The agreement also contains affirmative covenants and events of default. This credit agreement is subject to renewal on July 30, 2011. As of December 31, 2010, \$25,314,076 was borrowed under this credit agreement. The Company renewed the credit agreement in 2011. See the notes to the Financial Statements.

Minnesota Public Utilities Commission authorization given under Docket No. E-017/S-10-292 dated August 6, 2010.

7. Effective July 1, 2009, Otter Tail Corporation completed a restructuring where the electric utility operations of Otter Tail Corporation became a subsidiary of a new holding company with substantially similar articles and bylaws. Otter Tail Corporation obtained authority for this reorganization in the Federal Energy Regulatory Commission's "Order Authorizing Disposition of Jurisdictional Facilities" issued August 18, 2008, in Docket No. EC08-97-000. Approval was also obtained from the Minnesota Public Utilities Commission in Docket No. E-017/PA-08-658 dated January 7, 2009, from the North Dakota Public Service Commission in Case No. PU-08-292 dated October 8, 2008, and from the South Dakota Public Utilities Commission in Order No. EL08-025 dated November 13, 2008.
8. The average annual increase for nonunion employees was 3.04% effective April 1, 2010. Wages for Local Union 1570 were increased by 4.0% effective September 1, 2010. Wages for Local Union 203, 239, 524, and 949 were increased by 2.9% effective November 1, 2010.
9. Sierra Club Complaint: On June 10, 2008 the Sierra Club filed a complaint in the U.S. District Court for the District of South Dakota (Northern Division) against the Company and two other co-owners of Big Stone Generating Station (Big Stone). The complaint alleged certain violations of the Prevention of Significant Deterioration and New Source Performance Standards (NSPS) provisions of the Clean Air Act and certain violations of the South Dakota State Implementation Plan (South Dakota SIP). The action further alleged the defendants modified and operated Big Stone without obtaining the appropriate permits, without meeting certain emissions limits and NSPS requirements and without installing appropriate emission control technology, all allegedly in violation of the Clean Air Act and the South Dakota SIP. The Sierra Club alleged the defendants' actions have contributed to air pollution and visibility impairment and have increased the risk of adverse health effects and environmental damage. The Sierra Club sought both declaratory and injunctive relief to bring the defendants into compliance with the Clean Air Act and the South Dakota SIP and to require the defendants to remedy the alleged violations. The Sierra Club also seeks unspecified civil penalties, including a beneficial mitigation project. The Company believes these claims are without merit and that Big Stone was and is being operated in compliance with the Clean Air Act and the South Dakota SIP.

The defendants filed a motion to dismiss the Sierra Club complaint on August 12, 2008. On March 31, 2009 and April 6, 2009 the U.S. District Court for the District of South Dakota (Northern Division) issued a Memorandum and Order and Amended Memorandum and Order, respectively, granting the defendants' motion to dismiss the Sierra Club complaint.

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Otter Tail Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 12/31/2010	2010/Q4
IMPORTANT CHANGES DURING THE QUARTER/YEAR (Continued)			

On April 17, 2009 the Sierra Club filed a Motion for Reconsideration of the Amended Memorandum and Order. The District Court denied the motion on July 22, 2009. On July 30, 2009 the Sierra Club appealed the District Court's decision to the U.S. Court of Appeals for the 8th Circuit. On August 12, 2010 the U.S. Court of Appeals for the 8th Circuit affirmed the District Court decision dismissing the Sierra Club's suit against Big Stone Plant. The District Court's decision is now final because the Sierra Club did not file a petition for rehearing with the Court of Appeals and did not petition for writ of certiorari with the U.S. Supreme Court by the respective deadlines.

Federal Power Act Complaint: On August 29, 2008 Renewable Energy System Americas, Inc. (RES), a developer of wind generation, and PEAK Wind Development, LLC (PEAK Wind), a group of landowners in Barnes County, North Dakota, filed a complaint with the FERC alleging that the electric utility and Minnkota Power Cooperative, Inc. (Minnkota) had acted together in violation of the Federal Power Act (FPA) to deny RES/PEAK Wind access to the Pillsbury Line, an interconnection facility which Minnkota owns to interconnect generation projects being developed by the electric utility and NextEra Energy Resources, Inc. (fka FPL Energy, Inc.) (NextEra). RES/PEAK Wind asked that (1) the FERC order Minnkota to interconnect its Glacier Ridge project to the Pillsbury Line, or in the alternative, (2) the FERC direct MISO to interconnect the Glacier Ridge project to the Pillsbury Line. RES and Peak Wind also requested that the electric utility, Minnkota and NextEra pay any costs associated with interconnecting the Glacier Ridge Project to the MISO transmission system which would result from the interconnection of the Pillsbury Line to the Minnkota transmission system, and that the FERC assess civil penalties against the electric utility. The electric utility answered the Complaint on September 29, 2008, denying the allegations of RES and PEAK Wind and requesting that the FERC dismiss the Complaint. On October 14, 2008, RES and PEAK Wind filed an Answer to the electric utility's Answer and, restated the allegations included in the initial Complaint. RES and PEAK Wind also added a request that the FERC rescind both the electric utility's waiver from the FERC Standards of Conduct and its market-based rate authority. On October 28, 2008, the electric utility filed a Reply, denying the allegations made by RES and PEAK Wind in its Answer. By Order issued on December 19, 2008, the FERC set the Complaint for hearing and established settlement procedures. A formal settlement agreement was filed with the FERC requesting approval of the settlement and withdrawal of the complaint. On May 6, 2010 the FERC issued an order approving the settlement and terminating the proceeding. The settlement did not have a material impact on the Company's financial position, results of operations, or cash flows.

10. Otter Tail Power Company is a subsidiary of Otter Tail Corporation. Cascade Investment L.L.C. owns approximately 9.6% of Otter Tail Corporation's outstanding common shares as of December 31, 2010, and is the holder of \$50 million aggregate principal amount of Otter Tail Corporation's 8.89% senior notes due November 30, 2017.
11. (Reserved.)
12. None.
13. On May 3, 2010, Charles MacFarlane was elected as a director of Otter Tail Power Company. On December 31, 2010, Lauris N. Molbert was removed as a director and George A. Koeck was removed as Secretary of Otter Tail Power Company. On December 31, 2010, Jennifer Smestad was elected as Secretary and George A. Koeck was elected as a director and General Counsel of Otter Tail Power Company.
14. Not applicable.

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
1	UTILITY PLANT			
2	Utility Plant (101-106, 114)	200-201	1,332,974,315	1,313,015,061
3	Construction Work in Progress (107)	200-201	27,787,706	11,103,572
4	TOTAL Utility Plant (Enter Total of lines 2 and 3)		1,360,762,021	1,324,118,633
5	(Less) Accum. Prov. for Depr. Amort. Depl. (108, 110, 111, 115)	200-201	523,803,452	492,901,483
6	Net Utility Plant (Enter Total of line 4 less 5)		836,958,569	831,217,150
7	Nuclear Fuel in Process of Ref., Conv., Enrich., and Fab. (120.1)	202-203	0	0
8	Nuclear Fuel Materials and Assemblies-Stock Account (120.2)		0	0
9	Nuclear Fuel Assemblies in Reactor (120.3)		0	0
10	Spent Nuclear Fuel (120.4)		0	0
11	Nuclear Fuel Under Capital Leases (120.6)		0	0
12	(Less) Accum. Prov. for Amort. of Nucl. Fuel Assemblies (120.5)	202-203	0	0
13	Net Nuclear Fuel (Enter Total of lines 7-11 less 12)		0	0
14	Net Utility Plant (Enter Total of lines 6 and 13)		836,958,569	831,217,150
15	Utility Plant Adjustments (116)		0	0
16	Gas Stored Underground - Noncurrent (117)		0	0
17	OTHER PROPERTY AND INVESTMENTS			
18	Nonutility Property (121)		759,632	776,046
19	(Less) Accum. Prov. for Depr. and Amort. (122)		0	0
20	Investments in Associated Companies (123)		0	0
21	Investment in Subsidiary Companies (123.1)	224-225	0	0
22	(For Cost of Account 123.1, See Footnote Page 224, line 42)			
23	Noncurrent Portion of Allowances	228-229	0	0
24	Other Investments (124)		404,189	515,317
25	Sinking Funds (125)		0	0
26	Depreciation Fund (126)		0	0
27	Amortization Fund - Federal (127)		0	0
28	Other Special Funds (128)		931,797	877,461
29	Special Funds (Non Major Only) (129)		0	0
30	Long-Term Portion of Derivative Assets (175)		0	0
31	Long-Term Portion of Derivative Assets - Hedges (176)		0	0
32	TOTAL Other Property and Investments (Lines 18-21 and 23-31)		2,095,618	2,168,824
33	CURRENT AND ACCRUED ASSETS			
34	Cash and Working Funds (Non-major Only) (130)		0	0
35	Cash (131)		9,100	9,403
36	Special Deposits (132-134)		3,968,150	212,388
37	Working Fund (135)		19,455	20,605
38	Temporary Cash Investments (136)		0	0
39	Notes Receivable (141)		0	50,000
40	Customer Accounts Receivable (142)		18,942,074	17,003,406
41	Other Accounts Receivable (143)		11,592,776	4,543,932
42	(Less) Accum. Prov. for Uncollectible Acct.-Credit (144)		1,118,518	983,563
43	Notes Receivable from Associated Companies (145)		94	37,346
44	Accounts Receivable from Assoc. Companies (146)		847,103	90,747
45	Fuel Stock (151)	227	10,204,420	8,314,739
46	Fuel Stock Expenses Undistributed (152)	227	0	0
47	Residuals (Elec) and Extracted Products (153)	227	0	0
48	Plant Materials and Operating Supplies (154)	227	16,476,157	15,773,009
49	Merchandise (155)	227	0	0
50	Other Materials and Supplies (156)	227	0	0
51	Nuclear Materials Held for Sale (157)	202-203/227	0	0
52	Allowances (158.1 and 158.2)	228-229	0	0

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of <u>2010/Q4</u>
--	---	--	--

COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)(Continued)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
53	(Less) Noncurrent Portion of Allowances		0	0
54	Stores Expense Undistributed (163)	227	0	0
55	Gas Stored Underground - Current (164.1)		0	0
56	Liquefied Natural Gas Stored and Held for Processing (164.2-164.3)		0	0
57	Prepayments (165)		329,128	325,011
58	Advances for Gas (166-167)		0	0
59	Interest and Dividends Receivable (171)		0	0
60	Rents Receivable (172)		0	0
61	Accrued Utility Revenues (173)		16,250,891	15,839,547
62	Miscellaneous Current and Accrued Assets (174)		2,225,141	40,629,524
63	Derivative Instrument Assets (175)		6,874,679	8,320,668
64	(Less) Long-Term Portion of Derivative Instrument Assets (175)		0	0
65	Derivative Instrument Assets - Hedges (176)		58,187	0
66	(Less) Long-Term Portion of Derivative Instrument Assets - Hedges (176)		0	0
67	Total Current and Accrued Assets (Lines 34 through 66)		86,678,837	110,186,762
68	DEFERRED DEBITS			
69	Unamortized Debt Expenses (181)		2,883,049	4,823,171
70	Extraordinary Property Losses (182.1)	230a	0	0
71	Unrecovered Plant and Regulatory Study Costs (182.2)	230b	11,324,014	12,981,726
72	Other Regulatory Assets (182.3)	232	106,680,551	103,657,765
73	Prelim. Survey and Investigation Charges (Electric) (183)		0	0
74	Preliminary Natural Gas Survey and Investigation Charges 183.1)		0	0
75	Other Preliminary Survey and Investigation Charges (183.2)		0	0
76	Clearing Accounts (184)		-5,194	130,381
77	Temporary Facilities (185)		0	0
78	Miscellaneous Deferred Debits (186)	233	6,654,766	1,926,695
79	Def. Losses from Disposition of Utility Plt. (187)		0	0
80	Research, Devel. and Demonstration Expend. (188)	352-353	0	0
81	Unamortized Loss on Reaquired Debt (189)		3,106,901	3,051,183
82	Accumulated Deferred Income Taxes (190)	234	117,400,253	112,915,335
83	Unrecovered Purchased Gas Costs (191)		0	0
84	Total Deferred Debits (lines 69 through 83)		248,044,340	239,486,256
85	TOTAL ASSETS (lines 14-16, 32, 67, and 84)		1,173,777,364	1,183,058,992

Name of Respondent Otter Tail Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (mo, da, yr) 12/31/2010	Year/Period of Report end of 2010/Q4
--	---	--	---

COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
1	PROPRIETARY CAPITAL			
2	Common Stock Issued (201)	250-251	500	500
3	Preferred Stock Issued (204)	250-251	0	0
4	Capital Stock Subscribed (202, 205)		0	0
5	Stock Liability for Conversion (203, 206)		0	0
6	Premium on Capital Stock (207)		0	0
7	Other Paid-In Capital (208-211)	253	209,861,391	204,860,891
8	Installments Received on Capital Stock (212)	252	0	0
9	(Less) Discount on Capital Stock (213)	254	0	0
10	(Less) Capital Stock Expense (214)	254b	0	0
11	Retained Earnings (215, 215.1, 216)	118-119	126,819,226	125,828,740
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	118-119	0	0
13	(Less) Required Capital Stock (217)	250-251	0	0
14	Noncorporate Proprietorship (Non-major only) (218)		0	0
15	Accumulated Other Comprehensive Income (219)	122(a)(b)	-434,916	-653,159
16	Total Proprietary Capital (lines 2 through 15)		336,246,201	330,036,972
17	LONG-TERM DEBT			
18	Bonds (221)	256-257	280,715,000	280,925,000
19	(Less) Required Bonds (222)	256-257	0	0
20	Advances from Associated Companies (223)	256-257	15,500,000	15,500,000
21	Other Long-Term Debt (224)	256-257	0	58,000,000
22	Unamortized Premium on Long-Term Debt (225)		0	0
23	(Less) Unamortized Discount on Long-Term Debt-Debit (226)		0	0
24	Total Long-Term Debt (lines 18 through 23)		296,215,000	354,425,000
25	OTHER NONCURRENT LIABILITIES			
26	Obligations Under Capital Leases - Noncurrent (227)		0	0
27	Accumulated Provision for Property Insurance (228.1)		0	0
28	Accumulated Provision for Injuries and Damages (228.2)		1,044,993	956,000
29	Accumulated Provision for Pensions and Benefits (228.3)		106,739,455	123,170,288
30	Accumulated Miscellaneous Operating Provisions (228.4)		0	0
31	Accumulated Provision for Rate Refunds (229)		0	0
32	Long-Term Portion of Derivative Instrument Liabilities		0	0
33	Long-Term Portion of Derivative Instrument Liabilities - Hedges		0	0
34	Asset Retirement Obligations (230)		4,402,344	4,049,995
35	Total Other Noncurrent Liabilities (lines 26 through 34)		112,186,792	128,176,283
36	CURRENT AND ACCRUED LIABILITIES			
37	Notes Payable (231)		25,314,076	1,585,324
38	Accounts Payable (232)		36,716,851	33,889,178
39	Notes Payable to Associated Companies (233)		0	0
40	Accounts Payable to Associated Companies (234)		1,096,836	1,055,186
41	Customer Deposits (235)		842,908	791,669
42	Taxes Accrued (236)	262-263	13,523,489	10,142,995
43	Interest Accrued (237)		4,577,493	4,595,614
44	Dividends Declared (238)		0	0
45	Matured Long-Term Debt (239)		0	0

Name of Respondent Otter Tail Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (mo, da, yr) 12/31/2010	Year/Period of Report end of 2010/Q4
--	---	--	---

COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS) (Continued)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
46	Matured Interest (240)		0	0
47	Tax Collections Payable (241)		1,059,129	967,077
48	Miscellaneous Current and Accrued Liabilities (242)		126,716	997,921
49	Obligations Under Capital Leases-Current (243)		0	0
50	Derivative Instrument Liabilities (244)		17,990,688	14,680,553
51	(Less) Long-Term Portion of Derivative Instrument Liabilities		0	0
52	Derivative Instrument Liabilities - Hedges (245)		0	0
53	(Less) Long-Term Portion of Derivative Instrument Liabilities-Hedges		0	0
54	Total Current and Accrued Liabilities (lines 37 through 53)		101,248,186	68,705,517
55	DEFERRED CREDITS			
56	Customer Advances for Construction (252)		0	0
57	Accumulated Deferred Investment Tax Credits (255)	266-267	44,944,813	47,660,172
58	Deferred Gains from Disposition of Utility Plant (256)		0	0
59	Other Deferred Credits (253)	269	502,441	421,881
60	Other Regulatory Liabilities (254)	278	18,800,876	17,379,877
61	Unamortized Gain on Reacquired Debt (257)		0	0
62	Accum. Deferred Income Taxes-Accel. Amort.(281)	272-277	0	0
63	Accum. Deferred Income Taxes-Other Property (282)		241,616,913	225,341,183
64	Accum. Deferred Income Taxes-Other (283)		22,016,142	10,912,107
65	Total Deferred Credits (lines 56 through 64)		327,881,185	301,715,220
66	TOTAL LIABILITIES AND STOCKHOLDER EQUITY (lines 16, 24, 35, 54 and 65)		1,173,777,364	1,183,058,992

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

STATEMENT OF INCOME

Quarterly

1. Report in column (c) the current year to date balance. Column (c) equals the total of adding the data in column (g) plus the data in column (i) plus the data in column (k). Report in column (d) similar data for the previous year. This information is reported in the annual filing only.
2. Enter in column (e) the balance for the reporting quarter and in column (f) the balance for the same three month period for the prior year.
3. Report in column (g) the quarter to date amounts for electric utility function; in column (i) the quarter to date amounts for gas utility, and in column (k) the quarter to date amounts for other utility function for the current year quarter.
4. Report in column (h) the quarter to date amounts for electric utility function; in column (j) the quarter to date amounts for gas utility, and in column (l) the quarter to date amounts for other utility function for the prior year quarter.
5. If additional columns are needed, place them in a footnote.

Annual or Quarterly if applicable

5. Do not report fourth quarter data in columns (e) and (f)
6. Report amounts for accounts 412 and 413, Revenues and Expenses from Utility Plant Leased to Others, in another utility column in a similar manner to a utility department. Spread the amount(s) over lines 2 thru 26 as appropriate. Include these amounts in columns (c) and (d) totals.
7. Report amounts in account 414, Other Utility Operating Income, in the same manner as accounts 412 and 413 above.

Line No.	Title of Account (a)	(Ref.) Page No. (b)	Total Current Year to Date Balance for Quarter/Year (c)	Total Prior Year to Date Balance for Quarter/Year (d)	Current 3 Months Ended Quarterly Only No 4th Quarter (e)	Prior 3 Months Ended Quarterly Only No 4th Quarter (f)
1	UTILITY OPERATING INCOME					
2	Operating Revenues (400)	300-301	336,130,237	307,777,047		
3	Operating Expenses					
4	Operation Expenses (401)	320-323	201,518,728	190,101,018		
5	Maintenance Expenses (402)	320-323	25,302,864	25,945,289		
6	Depreciation Expense (403)	336-337	38,134,955	34,951,884		
7	Depreciation Expense for Asset Retirement Costs (403.1)	336-337	56,992	45,895		
8	Amort. & Depl. of Utility Plant (404-405)	336-337	597,861	554,715		
9	Amort. of Utility Plant Acq. Adj. (406)	336-337	67,419	93,289		
10	Amort. Property Losses, Unrecov Plant and Regulatory Study Costs (407)		604,070			
11	Amort. of Conversion Expenses (407)					
12	Regulatory Debits (407.3)		1,567,385	511,906		
13	(Less) Regulatory Credits (407.4)		1,473,257	1,078,123		
14	Taxes Other Than Income Taxes (408.1)	262-263	9,359,106	8,845,653		
15	Income Taxes - Federal (409.1)	262-263	-10,505,756	-42,631,443		
16	- Other (409.1)	262-263	-325,168	1,490,950		
17	Provision for Deferred Income Taxes (410.1)	234, 272-277	54,002,532	72,527,758		
18	(Less) Provision for Deferred Income Taxes-Cr. (411.1)	234, 272-277	32,754,114	29,427,922		
19	Investment Tax Credit Adj. - Net (411.4)	266	-2,715,133	-2,330,610		
20	(Less) Gains from Disp. of Utility Plant (411.6)					
21	Losses from Disp. of Utility Plant (411.7)					
22	(Less) Gains from Disposition of Allowances (411.8)		8,075	15,537		
23	Losses from Disposition of Allowances (411.9)					
24	Accretion Expense (411.10)		352,349	301,652		
25	TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 24)		283,782,758	259,886,374		
26	Net Util Oper Inc (Enter Tot line 2 less 25) Carry to Pg117,line 27		52,347,479	47,890,673		

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

STATEMENT OF INCOME FOR THE YEAR (Continued)

9. Use page 122 for important notes regarding the statement of income for any account thereof.
10. Give concise explanations concerning unsettled rate proceedings where a contingency exists such that refunds of a material amount may need to be made to the utility's customers or which may result in material refund to the utility with respect to power or gas purchases. State for each year effected the gross revenues or costs to which the contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the utility to retain such revenues or recover amounts paid with respect to power or gas purchases.
11 Give concise explanations concerning significant amounts of any refunds made or received during the year resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purches, and a summary of the adjustments made to balance sheet, income, and expense accounts.
12. If any notes appearing in the report to stokholders are applicable to the Statement of Income, such notes may be included at page 122.
13. Enter on page 122 a concise explanation of only those changes in accounting methods made during the year which had an effect on net income, including the basis of allocations and apportionments from those used in the preceding year. Also, give the appropriate dollar effect of such changes.
14. Explain in a footnote if the previous year's/quarter's figures are different from that reported in prior reports.
15. If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles report the information in a footnote to this schedule.

ELECTRIC UTILITY		GAS UTILITY		OTHER UTILITY		Line No.
Current Year to Date (in dollars) (g)	Previous Year to Date (in dollars) (h)	Current Year to Date (in dollars) (i)	Previous Year to Date (in dollars) (j)	Current Year to Date (in dollars) (k)	Previous Year to Date (in dollars) (l)	
						1
336,130,237	307,777,047					2
						3
201,518,728	190,101,018					4
25,302,864	25,945,289					5
38,134,955	34,951,884					6
56,992	45,895					7
597,861	554,715					8
67,419	93,289					9
604,070						10
						11
1,567,385	511,906					12
1,473,257	1,078,123					13
9,359,106	8,845,653					14
-10,505,756	-42,631,443					15
-325,168	1,490,950					16
54,002,532	72,527,758					17
32,754,114	29,427,922					18
-2,715,133	-2,330,610					19
						20
						21
8,075	15,537					22
						23
352,349	301,652					24
283,782,758	259,886,374					25
52,347,479	47,890,673					26

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

STATEMENT OF INCOME FOR THE YEAR (continued)

Line No.	Title of Account (a)	(Ref.) Page No. (b)	TOTAL		Current 3 Months Ended Quarterly Only No 4th Quarter (e)	Prior 3 Months Ended Quarterly Only No 4th Quarter (f)
			Current Year (c)	Previous Year (d)		
27	Net Utility Operating Income (Carried forward from page 114)		52,347,479	47,890,673		
28	Other Income and Deductions					
29	Other Income					
30	Nonutility Operating Income					
31	Revenues From Merchandising, Jobbing and Contract Work (415)					
32	(Less) Costs and Exp. of Merchandising, Job. & Contract Work (416)					
33	Revenues From Nonutility Operations (417)		-20,467	1,339,983		
34	(Less) Expenses of Nonutility Operations (417.1)		630,264	806,539		
35	Nonoperating Rental Income (418)		34,981	42,966		
36	Equity in Earnings of Subsidiary Companies (418.1)	119				
37	Interest and Dividend Income (419)		460,889	102,462		
38	Allowance for Other Funds Used During Construction (419.1)		4,237	3,179,824		
39	Miscellaneous Nonoperating Income (421)		31,176,782	24,363,808		
40	Gain on Disposition of Property (421.1)		1,486			
41	TOTAL Other Income (Enter Total of lines 31 thru 40)		31,027,644	28,222,504		
42	Other Income Deductions					
43	Loss on Disposition of Property (421.2)		1,094			
44	Miscellaneous Amortization (425)					
45	Donations (426.1)		387,051	369,917		
46	Life Insurance (426.2)					
47	Penalties (426.3)		660	4,960		
48	Exp. for Certain Civic, Political & Related Activities (426.4)		136,114	152,947		
49	Other Deductions (426.5)		24,298,526	21,068,799		
50	TOTAL Other Income Deductions (Total of lines 43 thru 49)		24,823,445	21,596,623		
51	Taxes Applic. to Other Income and Deductions					
52	Taxes Other Than Income Taxes (408.2)	262-263	5,184	7,231		
53	Income Taxes-Federal (409.2)	262-263	1,706,746	431,401		
54	Income Taxes-Other (409.2)	262-263	325,168	362,377		
55	Provision for Deferred Inc. Taxes (410.2)	234, 272-277	2,086,733	1,277,591		
56	(Less) Provision for Deferred Income Taxes-Cr. (411.2)	234, 272-277	1,605,347	1,053,808		
57	Investment Tax Credit Adj.-Net (411.5)		-224	-673		
58	(Less) Investment Tax Credits (420)					
59	TOTAL Taxes on Other Income and Deductions (Total of lines 52-58)		2,518,260	1,024,119		
60	Net Other Income and Deductions (Total of lines 41, 50, 59)		3,685,939	5,601,762		
61	Interest Charges					
62	Interest on Long-Term Debt (427)		18,327,375	18,612,462		
63	Amort. of Debt Disc. and Expense (428)		669,958	1,107,267		
64	Amortization of Loss on Reacquired Debt (428.1)		1,239,978	306,279		
65	(Less) Amort. of Premium on Debt-Credit (429)					
66	(Less) Amortization of Gain on Reacquired Debt-Credit (429.1)					
67	Interest on Debt to Assoc. Companies (430)					
68	Other Interest Expense (431)		696,706	423,796		
69	(Less) Allowance for Borrowed Funds Used During Construction-Cr. (432)		76,168	1,036,181		
70	Net Interest Charges (Total of lines 62 thru 69)		20,857,849	19,413,623		
71	Income Before Extraordinary Items (Total of lines 27, 60 and 70)		35,175,569	34,078,812		
72	Extraordinary Items					
73	Extraordinary Income (434)					
74	(Less) Extraordinary Deductions (435)					
75	Net Extraordinary Items (Total of line 73 less line 74)					
76	Income Taxes-Federal and Other (409.3)	262-263				
77	Extraordinary Items After Taxes (line 75 less line 76)					
78	Net Income (Total of line 71 and 77)		35,175,569	34,078,812		

BLANK PAGE
(Next page is 118)

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of <u>2010/Q4</u>
--	---	--	--

STATEMENT OF RETAINED EARNINGS

1. Do not report Lines 49-53 on the quarterly version.
2. Report all changes in appropriated retained earnings, unappropriated retained earnings, year to date, and unappropriated undistributed subsidiary earnings for the year.
3. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436 - 439 inclusive). Show the contra primary account affected in column (b)
4. State the purpose and amount of each reservation or appropriation of retained earnings.
5. List first account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.
6. Show dividends for each class and series of capital stock.
7. Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.
8. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
9. If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.

Line No.	Item (a)	Contra Primary Account Affected (b)	Current Quarter/Year Year to Date Balance (c)	Previous Quarter/Year Year to Date Balance (d)
	UNAPPROPRIATED RETAINED EARNINGS (Account 216)			
1	Balance-Beginning of Period		125,597,873	125,764,812
2	Changes			
3	Adjustments to Retained Earnings (Account 439)			
4				
5				
6				
7				
8				
9	TOTAL Credits to Retained Earnings (Acct. 439)			
10				
11				
12				
13				
14				
15	TOTAL Debits to Retained Earnings (Acct. 439)			
16	Balance Transferred from Income (Account 433 less Account 418.1)		35,175,569	34,078,812
17	Appropriations of Retained Earnings (Acct. 436)			
18	Excess hydro licensing amortization		-31,467	(32,258)
19				
20				
21				
22	TOTAL Appropriations of Retained Earnings (Acct. 436)		-31,467	(32,258)
23	Dividends Declared-Preferred Stock (Account 437)			
24	\$3.60 Preferred \$216,000			(108,000)
25	\$4.40 Preferred \$110,000			(55,000)
26	\$4.65 Preferred \$139,500			(69,750)
27	\$6.75 Preferred \$270,000			(134,999)
28				
29	TOTAL Dividends Declared-Preferred Stock (Acct. 437)			(367,749)
30	Dividends Declared-Common Stock (Account 438)			
31			-34,185,084	(33,845,744)
32				
33				
34				
35				
36	TOTAL Dividends Declared-Common Stock (Acct. 438)		-34,185,084	(33,845,744)
37	Transfers from Acct 216.1, Unapprop. Undistrib. Subsidiary Earnings			
38	Balance - End of Period (Total 1,9,15,16,22,29,36,37)		126,556,891	125,597,873
	APPROPRIATED RETAINED EARNINGS (Account 215)			

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

STATEMENT OF RETAINED EARNINGS

1. Do not report Lines 49-53 on the quarterly version.
2. Report all changes in appropriated retained earnings, unappropriated retained earnings, year to date, and unappropriated undistributed subsidiary earnings for the year.
3. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436 - 439 inclusive). Show the contra primary account affected in column (b)
4. State the purpose and amount of each reservation or appropriation of retained earnings.
5. List first account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.
6. Show dividends for each class and series of capital stock.
7. Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.
8. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
9. If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.

Line No.	Item (a)	Contra Primary Account Affected (b)	Current Quarter/Year Year to Date Balance (c)	Previous Quarter/Year Year to Date Balance (d)
39	Amortization reserve, federal (Account 215.1)		262,335	230,867
40				
41				
42				
43				
44				
45	TOTAL Appropriated Retained Earnings (Account 215)		262,335	230,867
	APPROP. RETAINED EARNINGS - AMORT. Reserve, Federal (Account 215.1)			
46	TOTAL Approp. Retained Earnings-Amort. Reserve, Federal (Acct. 215.1)			
47	TOTAL Approp. Retained Earnings (Acct. 215, 215.1) (Total 45,46)		262,335	230,867
48	TOTAL Retained Earnings (Acct. 215, 215.1, 216) (Total 38, 47) (216.1)		126,819,226	125,828,740
	UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account			
	Report only on an Annual Basis, no Quarterly			
49	Balance-Beginning of Year (Debit or Credit)			
50	Equity in Earnings for Year (Credit) (Account 418.1)			
51	(Less) Dividends Received (Debit)			
52				
53	Balance-End of Year (Total lines 49 thru 52)			

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date or Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

STATEMENT OF CASH FLOWS

(1) Codes to be used:(a) Net Proceeds or Payments;(b)Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.
(2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.
(3) Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.
(4) Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.

Line No.	Description (See Instruction No. 1 for Explanation of Codes) (a)	Current Year to Date Quarter/Year (b)	Previous Year to Date Quarter/Year (c)
1	Net Cash Flow from Operating Activities:		
2	Net Income (Line 78(c) on page 117)	35,175,569	34,078,812
3	Noncash Charges (Credits) to Income:		
4	Depreciation and Depletion	38,191,948	34,997,778
5	Amortization	1,335,238	1,755,271
6			
7			
8	Deferred Income Taxes (Net)	22,894,847	31,067,666
9	Investment Tax Credit Adjustment (Net)	-2,715,359	13,372,472
10	Net (Increase) Decrease in Receivables	-9,571,661	26,379,736
11	Net (Increase) Decrease in Inventory	-2,592,829	-1,072,801
12	Net (Increase) Decrease in Allowances Inventory		
13	Net Increase (Decrease) in Payables and Accrued Expenses	9,801,311	1,270,706
14	Net (Increase) Decrease in Other Regulatory Assets	-1,365,074	-34,596,027
15	Net Increase (Decrease) in Other Regulatory Liabilities	1,420,999	-626,837
16	(Less) Allowance for Other Funds Used During Construction	4,237	3,179,824
17	(Less) Undistributed Earnings from Subsidiary Companies		
18	Other: (Increase)decrease in noncurrent assets and deferred debits	-3,295,727	-1,744,046
19	Other: Increase(decrease) in noncurrent liabilities & deferred credits	-15,690,688	8,595,459
20	Other: (Increase)decrease in other current assets	39,426,724	-40,130,593
21			
22	Net Cash Provided by (Used in) Operating Activities (Total 2 thru 21)	113,011,061	70,167,772
23			
24	Cash Flows from Investment Activities:		
25	Construction and Acquisition of Plant (including land):		
26	Gross Additions to Utility Plant (less nuclear fuel)	-44,598,646	-133,706,519
27	Gross Additions to Nuclear Fuel		
28	Gross Additions to Common Utility Plant		
29	Gross Additions to Nonutility Plant	16,414	125,960
30	(Less) Allowance for Other Funds Used During Construction	-4,237	-3,179,824
31	Other (provide details in footnote):		
32	Other: 2009 American Recovery and Reinvestment Act Grant		30,182,104
33			
34	Cash Outflows for Plant (Total of lines 26 thru 33)	-44,577,995	-100,218,631
35			
36	Acquisition of Other Noncurrent Assets (d)		
37	Proceeds from Disposal of Noncurrent Assets (d)		
38			
39	Investments in and Advances to Assoc. and Subsidiary Companies		
40	Contributions and Advances from Assoc. and Subsidiary Companies		
41	Disposition of Investments in (and Advances to)		
42	Associated and Subsidiary Companies		
43			
44	Purchase of Investment Securities (a)		
45	Proceeds from Sales of Investment Securities (a)		

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

STATEMENT OF CASH FLOWS

- (1) Codes to be used:(a) Net Proceeds or Payments;(b)Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.
- (2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.
- (3) Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.
- (4) Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.

Line No.	Description (See Instruction No. 1 for Explanation of Codes) (a)	Current Year to Date Quarter/Year (b)	Previous Year to Date Quarter/Year (c)
46	Loans Made or Purchased		
47	Collections on Loans		
48			
49	Net (Increase) Decrease in Receivables		
50	Net (Increase) Decrease in Inventory		
51	Net (Increase) Decrease in Allowances Held for Speculation		
52	Net Increase (Decrease) in Payables and Accrued Expenses		
53	Other: (Increase)decrease in funds on deposit with trustee	-3,755,762	600,854
54			
55			
56	Net Cash Provided by (Used in) Investing Activities		
57	Total of lines 34 thru 55)	-48,333,757	-99,617,777
58			
59	Cash Flows from Financing Activities:		
60	Proceeds from Issuance of:		
61	Long-Term Debt (b)		99,400,000
62	Preferred Stock		
63	Common Stock		
64	Other: Debt Issuance Expense	-25,531	-4,369,919
65			
66	Net Increase in Short-Term Debt (c)	23,728,752	
67	Other: Change in checks written in excess of cash	-987,394	1,708,112
68	Other: Proceeds from capital infusions	5,000,500	9,669,028
69			
70	Cash Provided by Outside Sources (Total 61 thru 69)	27,716,327	106,407,221
71			
72	Payments for Retirement of:		
73	Long-term Debt (b)	-58,210,000	-17,265,000
74	Preferred Stock		
75	Common Stock		
76	Other (provide details in footnote):		
77			
78	Net Decrease in Short-Term Debt (c)		-25,479,147
79			
80	Dividends on Preferred Stock		-367,749
81	Dividends on Common Stock	-34,185,084	-33,845,744
82	Net Cash Provided by (Used in) Financing Activities		
83	(Total of lines 70 thru 81)	-64,678,757	29,449,581
84			
85	Net Increase (Decrease) in Cash and Cash Equivalents		
86	(Total of lines 22,57 and 83)	-1,453	-424
87			
88	Cash and Cash Equivalents at Beginning of Period	30,008	30,432
89			
90	Cash and Cash Equivalents at End of period	28,555	30,008

Name of Respondent Otter Tail Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report 2010/Q4
--	---	--	----------------------------------

FOOTNOTE DATA

Schedule Page: 120 Line No.: 5 Column: a

Amortization of intangible plant, plant acquisition adjustments and deferred costs, and debt discount and expense.

Schedule Page: 120 Line No.: 18 Column: a

Changes in miscellaneous deferred debits.

Schedule Page: 120 Line No.: 19 Column: a

Includes changes in: other investments, other special funds, clearing accounts, miscellaneous deferred debits, and unamortized loss on reacquired debt.

Schedule Page: 120 Line No.: 20 Column: a

Includes changes in: notes receivable, prepayments, interest and dividends receivable, accrued utility revenues, miscellaneous current and accrued assets, and derivative instrument assets.

Schedule Page: 120 Line No.: 32 Column: a

Federal grant received for the Luverne Wind Farm.

Schedule Page: 120 Line No.: 53 Column: a

Change in special funds on deposit with fiscal agent.

Schedule Page: 120 Line No.: 64 Column: a

Debt issuance expense.

Schedule Page: 120 Line No.: 67 Column: a

Change in checks written in excess of cash.

Schedule Page: 120 Line No.: 68 Column: a

Proceeds from capital infusions from parent company.

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 12/31/2010	Year/Period of Report End of <u>2010/Q4</u>
--	---	------------------------------	--

NOTES TO FINANCIAL STATEMENTS

1. Use the space below for important notes regarding the Balance Sheet, Statement of Income for the year, Statement of Retained Earnings for the year, and Statement of Cash Flows, or any account thereof. Classify the notes according to each basic statement, providing a subheading for each statement except where a note is applicable to more than one statement.
2. Furnish particulars (details) as to any significant contingent assets or liabilities existing at end of year, including a brief explanation of any action initiated by the Internal Revenue Service involving possible assessment of additional income taxes of material amount, or of a claim for refund of income taxes of a material amount initiated by the utility. Give also a brief explanation of any dividends in arrears on cumulative preferred stock.
3. For Account 116, Utility Plant Adjustments, explain the origin of such amount, debits and credits during the year, and plan of disposition contemplated, giving references to Commission orders or other authorizations respecting classification of amounts as plant adjustments and requirements as to disposition thereof.
4. Where Accounts 189, Unamortized Loss on Reacquired Debt, and 257, Unamortized Gain on Reacquired Debt, are not used, give an explanation, providing the rate treatment given these items. See General Instruction 17 of the Uniform System of Accounts.
5. Give a concise explanation of any retained earnings restrictions and state the amount of retained earnings affected by such restrictions.
6. If the notes to financial statements relating to the respondent company appearing in the annual report to the stockholders are applicable and furnish the data required by instructions above and on pages 114-121, such notes may be included herein.
7. For the 3Q disclosures, respondent must provide in the notes sufficient disclosures so as to make the interim information not misleading. Disclosures which would substantially duplicate the disclosures contained in the most recent FERC Annual Report may be omitted.
8. For the 3Q disclosures, the disclosures shall be provided where events subsequent to the end of the most recent year have occurred which have a material effect on the respondent. Respondent must include in the notes significant changes since the most recently completed year in such items as: accounting principles and practices; estimates inherent in the preparation of the financial statements; status of long-term contracts; capitalization including significant new borrowings or modifications of existing financing agreements; and changes resulting from business combinations or dispositions. However were material contingencies exist, the disclosure of such matters shall be provided even though a significant change since year end may not have occurred.
9. Finally, if the notes to the financial statements relating to the respondent appearing in the annual report to the stockholders are applicable and furnish the data required by the above instructions, such notes may be included herein.

**PAGE 122 INTENTIONALLY LEFT BLANK
SEE PAGE 123 FOR REQUIRED INFORMATION.**

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Otter Tail Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 12/31/2010	2010/Q4

NOTES TO FINANCIAL STATEMENTS (Continued)

Reconciliation of Cash and Cash Equivalents (Lines 88 and 90 on Page 121)
With Balance Sheet Accounts (Page 110):

Account 136 – Temporary Cash Investment (Line 38, Page 110), contains amounts which are considered cash equivalents.

Cash Equivalents	\$	<u>2010</u> 0	\$	<u>2009</u> 0
Reconciliation		<u>2010</u>		<u>2009</u>
Cash – Account 131 (Line 35, Page 110)	\$	9,100	\$	9,403
Working Fund – Account 135 (Line 37, Page 110)		19,455		20,605
Cash Equivalent – Account 136 (Above)		<u>0</u>		<u>0</u>
	\$	28,555	\$	30,008

Otter Tail Power Company
Notes to Financial Statements
For the years ended December 31, 2010 and 2009

1. Summary of Significant Accounting Policies

Organization and Operations

Otter Tail Power Company was incorporated in 1907 under the laws of the State of Minnesota. In 2001, the name was changed to “Otter Tail Corporation” to more accurately represent the broader scope of electric and nonelectric operations and the name Otter Tail Power Company (OTP) was retained for use by the electric utility.

On July 1, 2009, Otter Tail Corporation completed a holding company reorganization whereby OTP, which had previously been operated as a division of Otter Tail Corporation, became a wholly owned subsidiary of the new parent holding company named Otter Tail Corporation (formerly known as Otter Tail Holding Company). The new parent holding company was incorporated in June 2009 under the laws of the State of Minnesota in connection with the holding company reorganization.

OTP includes the production, transmission, distribution and sale of electric energy in Minnesota, North Dakota and South Dakota. In addition, OTP is an active wholesale participant in the Midwest Independent Transmission System Operator (MISO) markets.

OTP provides electricity to more than 129,000 customers in a 50,000 square mile area of Minnesota, North Dakota and South Dakota. The territory served by OTP is predominantly agricultural. The aggregate population of OTP’s retail electric service area is approximately 230,000. In this service area of 423 communities and adjacent rural areas and farms, approximately 130,900 people live in communities having a population of more than 1,000, according to the 2000 census. The only communities served which have a population in excess of 10,000 are Jamestown, North Dakota (15,527); Fergus Falls, Minnesota (13,471); and Bemidji, Minnesota (11,917). As of December 31, 2010, OTP served 129,256 customers. Although there are relatively few large

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report 2010/Q4
Otter Tail Power Company			
NOTES TO FINANCIAL STATEMENTS (Continued)			

customers, sales to commercial and industrial customers are significant.

Related Party

Included in the amounts presented in the balance sheet and income statement are the following related party balances:

<i>(in thousands)</i>	2010	2009
Accounts Receivable	\$ 848	\$ 91
Accounts Payable	1,097	1,055
Long-Term Debt	15,500	15,500
Operating Revenues	236	201
Other Operation and Maintenance Expenses	5,885	8,124
Interest Expense	1,103	8,276

The related party transactions predominately relate to electric sales to operating subsidiaries of Otter Tail Corporation and to the allocation of corporate overhead expenses and corporate aircraft usage to OTP. The corporate overhead expenses include such items as labor, professional services, office rent, subscriptions, information technology and general office expenses incurred by Otter Tail Corporation. These expenses are allocated to OTP based on the type of expenditure using an allocation methodology as define in the Otter Tail Corporation's Corporate Cost Allocation Manual.

Regulation and ASC 980

OTP, a regulated electric utility company, accounts for the financial effects of regulation in accordance with the requirements of Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 980, *Regulated Operations*, (ASC 980). This standard allows for the recording of a regulatory asset or liability for costs that will be collected or refunded through the ratemaking process in the future. In accordance with regulatory treatment, OTP defers utility debt redemption premiums and amortizes such costs over the original life of the reacquired bonds. See note 3 for further discussion.

OTP is subject to various state and federal agency regulations. The accounting policies followed by this business are subject to the Uniform System of Accounts of the Federal Energy Regulatory Commission (FERC).

Financial Statement Presentation and Basis of Accounting

The financial statements are presented on the basis of the accounting requirements of FERC as set forth in its applicable Uniform System of Accounts and this report differs from GAAP. The significant differences consist of the following:

- Comparative statements of net income per share are not presented.
- The accumulated reserve for depreciation for estimated removal costs is included in the accumulated provision for depreciation for FERC reporting. For GAAP reporting it is reported as a regulatory liability.
- Current and long-term debt is classified in the balance sheet as all long-term debt in accordance with regulatory treatment, while GAAP presentation reflects current and long-term debt separately.
- Accumulated deferred tax assets and liabilities are classified in the balance sheet as gross deferred debits and credits, respectively, while GAAP presentation reflects either a net deferred asset or liability.

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Otter Tail Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 12/31/2010	2010/Q4

NOTES TO FINANCIAL STATEMENTS (Continued)

Plant, Retirements and Depreciation

Utility plant is stated at original cost. The cost of additions includes contracted work, direct labor and materials, allocable overheads and allowance for funds used during construction. The amount of interest capitalized on electric utility plant was \$80,000 in 2010 and \$4,216,000 in 2009. The cost of depreciable units of property retired less salvage is charged to accumulated depreciation. Removal costs, when incurred, are charged against the accumulated reserve for estimated removal costs, a regulatory liability. Maintenance, repairs and replacement of minor items of property are charged to operating expenses. The provisions for utility depreciation for financial reporting purposes are made on the straight-line method based on the estimated service lives of the properties. Such provisions as a percent of the average balance of depreciable electric utility property were 3.01% in 2010 and 2.90% in 2009. Gains or losses on group asset dispositions are taken to the accumulated provision for depreciation reserve and impact current and future depreciation rates.

Jointly Owned Plants

The balance sheets include OTP's ownership interests in the assets and liabilities of Big Stone Plant (53.9%) and Coyote Station (35.0%). The following amounts are included in the December 31, 2010 and 2009 balance sheets:

<i>(in thousands)</i>	2010	2009
Big Stone Plant:		
Electric Plant in Service	\$ 135,982	\$ 135,500
Construction Work in Progress	3,163	380
Accumulated Depreciation	(81,264)	(78,306)
Net Plant	\$ 57,881	\$ 57,574
Coyote Station:		
Electric Plant in Service	\$ 155,813	\$ 155,417
Construction Work in Progress	178	34
Accumulated Depreciation	(90,005)	(87,269)
Net Plant	\$ 65,986	\$ 68,182

OTP's share of direct revenue and expenses of the jointly owned plants is included in operating revenue and expenses in the statements of income.

Recoverability of Long-Lived Assets

OTP reviews its long-lived assets whenever events or changes in circumstances indicate the carrying amount of the assets may not be recoverable. OTP determines potential impairment by comparing the carrying amount of the assets with net cash flows expected to be provided by operating activities of the business or related assets. If the sum of the expected future net cash flows is less than the carrying amount of the assets, OTP would recognize an impairment loss. Such impairment loss would be measured as the amount by which the carrying amount exceeds the fair value of the asset, where fair value is based on the discounted cash flows expected to be generated by the asset.

Income Taxes

Comprehensive interperiod income tax allocation is used for substantially all book and tax temporary

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Otter Tail Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 12/31/2010	2010/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

differences. Deferred income taxes arise for all temporary differences between the book and tax basis of assets and liabilities. OTP amortizes investment tax credits over the estimated lives of related property. OTP records income taxes in accordance with ASC 740, *Income Taxes*, and has recognized in its financial statements the tax effects of all tax positions that are "more-likely-than-not" to be sustained on audit based solely on the technical merits of those positions as of the balance sheet date. The term "more-likely-than-not" means a likelihood of more than 50%. OTP classifies interest and penalties on tax uncertainties as components of the provision for income taxes. See note 11 to the financial statements regarding OTP's accounting for uncertain tax positions.

OTP also is required to assess the realizability of its deferred tax assets, taking into consideration its forecast of future taxable income, the reversal of other existing temporary differences and available tax planning strategies that could be implemented to realize the deferred tax assets. Based on this assessment, management must evaluate the need for, and amount of, valuation allowances against OTP's deferred tax assets. OTP management believes all of OTP's deferred tax assets will be realized and, accordingly, has established no valuation allowance against OTP's deferred tax assets as of December 31, 2010. To the extent facts and circumstances change in the future, a valuation allowance could be required.

Revenue Recognition

Customer electricity use is metered and bills are rendered monthly. Revenue is accrued for electricity consumed but not yet billed. Rate schedules applicable to substantially all customers include a fuel clause adjustment (FCA), under which the rates are adjusted to reflect changes in average cost of fuels and purchased power, and a surcharge for recovery of conservation-related expenses. Revenue is accrued for fuel and purchased power costs incurred in excess of amounts recovered in base rates but not yet billed through the FCA and for renewable resource incurred costs and investment returns approved for recovery through riders.

Revenues on wholesale electricity sales from Company-owned generating units are recognized when energy is delivered.

In the case of derivative instruments, such as OTP's forward energy contracts, marked-to-market and realized gains and losses are recognized on a net basis in revenue in accordance with ASC 815-10-45-9. Gains and losses on forward energy contracts subject to regulatory treatment, if any, are deferred and recognized on a net basis in revenue in the period realized. OTP's unrealized gains and losses on forward energy contracts that do not meet the definition of capacity contracts are marked to market and reflected on a net basis in electric revenue on OTP's statement of income. Under ASC 815, *Derivatives and Hedging*, OTP's forward energy contracts that do not meet the definition of a capacity contract and are subject to unplanned netting do not qualify for the normal purchase and sales exception from mark-to-market accounting. OTP is required to mark to market these forward energy contracts and recognize changes in the fair value of these contracts as components of income over the life of the contracts. See note 4 for further discussion.

Use of Estimates

OTP uses estimates based on the best information available in recording transactions and balances resulting from business operations. Estimates are used for such items as depreciable lives, tax provisions, collectability of trade accounts receivable, self-insurance programs, unbilled revenues, accrued renewable resource and transmission rider revenues, accrued conservation program incentives and bonuses, valuations of forward energy contracts and actuarially determined benefits costs and liabilities. As better information becomes

Name of Respondent Otter Tail Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report 2010/Q4
--	---	--	----------------------------------

NOTES TO FINANCIAL STATEMENTS (Continued)

available (or actual amounts are known), the recorded estimates are revised. Consequently, operating results can be affected by revisions to prior accounting estimates.

Cash Equivalents

OTP considers all highly liquid debt instruments purchased with maturity of 90 days or less to be cash equivalents.

Supplemental Disclosures of Cash Flow Information

<i>(in thousands)</i>	2010	2009
Noncash Financing Transaction:		
Preferred Stock Exchanged for Notes Payable to Parent – July 1, 2009	--	15,500
Cash Paid During the Year for:		
Interest (net of amount capitalized)	18,938	17,971
Income Tax (Refunds)	(49,642)	(20,527)

Investments

The following table provides a breakdown of OTP's investments at December 31:

<i>(in thousands)</i>	2010	2009
Cost Method:		
Economic Development Loan Pools	\$ 387	\$ 482
Other	17	16
Equity Method:		
Partnerships	--	17
Total Investments	\$ 404	\$ 515

Fair Value Measurements

OTP follows ASC 820, *Fair Value Measurements and Disclosures*, for recurring fair value measurements. ASC 820 provides a single definition of fair value and requires enhanced disclosures about assets and liabilities measured at fair value. ASC 820-10-35 establishes a hierarchal framework for disclosing the observability of the inputs utilized in measuring assets and liabilities at fair value. The three levels defined by the hierarchy and examples of each level are as follows:

Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reported date. The types of assets and liabilities included in Level 1 are highly liquid and actively traded instruments with quoted prices, such as equities listed by the New York Stock Exchange and commodity derivative contracts listed on the New York Mercantile Exchange.

Level 2 – Pricing inputs are other than quoted prices in active markets, but are either directly or indirectly observable as of the reported date. The types of assets and liabilities included in Level 2 are typically either comparable to actively traded securities or contracts, such as treasury securities with pricing interpolated from

Name of Respondent Otter Tail Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report 2010/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

recent trades of similar securities, or priced with models using highly observable inputs, such as commodity options priced using observable forward prices and volatilities.

Level 3 – Significant inputs to pricing have little or no observability as of the reporting date. The types of assets and liabilities included in Level 3 are those with inputs requiring significant management judgment or estimation and may include complex and subjective models and forecasts.

The following tables present, for each of these hierarchy levels, OTP's assets and liabilities that are measured at fair value on a recurring basis as of December 31, 2010 and 2009:

2010 (in thousands)	Level 1	Level 2	Level 3
Assets:			
Forward Energy Contracts		\$ 6,875	
Regulatory Asset – Deferred Mark-to-Market Losses on Forward Energy Contracts		12,054	
Forward Gasoline Purchase Contracts	\$ 58		
Total Assets	\$ 58	\$ 18,929	
Liabilities:			
Forward Energy Contracts		\$ 17,991	
Regulatory Liability – Deferred Mark-to-Market Gains on Forward Energy Contracts		175	
Total Liabilities		\$ 18,166	

2009 (in thousands)	Level 1	Level 2	Level 3
Assets:			
Forward Energy Contracts		\$ 8,321	
Regulatory Asset – Deferred Mark-to-Market Losses on Forward Energy Contracts ¹		7,614	
Total Assets		\$ 15,935	
Liabilities:			
Forward Energy Contracts		\$ 14,681	
Regulatory Liability – Deferred Mark-to-Market Gains on Forward Energy Contracts ¹		224	
Total Liabilities		\$ 14,905	

¹ Table has been corrected to include regulatory assets and liabilities related to deferred losses and gains on forward energy contracts measured at fair value. These assets and liabilities were reported at fair value in note 4 to financial statements in 2009.

Inventories

OTP inventories consisting of fuel, materials and supplies are reported at average cost.

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Otter Tail Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 12/31/2010	2010/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

New Accounting Standards

Accounting Standards Update (ASU) No. 2010-06 Fair Value Measurements and Disclosures (Topic 820)—Improving Disclosures about Fair Value Measurements, issued by the FASB in January 2010, updates ASC 820 to require new disclosures for assets and liabilities measured at fair value. The requirements include expanded disclosure of valuation methodologies for fair value measurements, transfers between levels of the fair value hierarchy, and gross rather than net presentation of certain changes in Level 3 fair value measurements. The updates to ASC 820 contained in ASU No. 2010-06 were effective for interim and annual periods beginning after December 15, 2009, except for requirements related to gross presentation of certain changes in Level 3 fair value measurements, which are effective for interim and annual periods beginning after December 15, 2010. The implementation of applicable guidance from ASU No. 2010-06 on January 1, 2010 did not have a material impact on OTP's financial statements.

2. Rate and Regulatory Matters

Minnesota

2007 General Rate Case Filing—In an order issued by the Minnesota Public Utilities Commission (MPUC) on August 1, 2008, OTP was granted an increase in Minnesota retail electric rates of \$3.8 million, or approximately 2.9%, which went into effect in February 2009. The MPUC approved a rate of return on equity of 10.43% on a capital structure with 50.0% equity. An interim rate increase of 5.4% was in effect from November 30, 2007 through January 31, 2009. Amounts refundable totaling \$3.9 million had been recorded as a liability on OTP's balance sheet as of December 31, 2008. An additional \$0.5 million refund liability was accrued in January 2009. OTP refunded Minnesota customers the difference between interim and final rates, with interest, in March 2009. In June 2008, OTP deferred recognition of \$1.5 million in rate case-related regulatory assessments and fees of outside experts and attorneys that are subject to amortization and recovery over a three-year period beginning in February 2009.

2010 General Rate Case Filing—OTP filed a general rate case on April 2, 2010 requesting an 8.01% increase with a 3.8% interim rate request. On May 27, 2010, the MPUC issued an order accepting the filing, suspending rates and setting interim rates. The MPUC approved a 3.8% interim rate increase to be effective with customer usage on and after June 1, 2010. OTP expects oral arguments before the MPUC and deliberations to take place late March 2011 and the MPUC to issue an order by April 25, 2011. Interim rates will remain in effect for all Minnesota customers until the MPUC makes a final determination on the request. If final rates are lower than interim rates, OTP will refund Minnesota customers the difference, with interest.

Renewable Energy Standards, Conservation, Renewable Resource Riders—Minnesota has a renewable energy standard that requires OTP to generate or procure sufficient renewable generation such that the following percentages of total retail electric sales to Minnesota customers come from qualifying renewable sources: 12% by 2012; 17% by 2016; 20% by 2020 and 25% by 2025. Under certain circumstances and after consideration of costs and reliability issues, the MPUC may modify or delay implementation of the standards. OTP has acquired renewable resources and expects to acquire additional renewable resources in order to maintain compliance with the Minnesota renewable energy standard. OTP has sufficient renewable energy resources available and in service to comply with the required 2016 level of the Minnesota renewable energy standard. OTP's compliance

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Otter Tail Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	12/31/2010	2010/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

with the Minnesota renewable energy standard will be measured through the Midwest Renewable Energy Tracking System.

Under the Next Generation Energy Act of 2007, an automatic adjustment mechanism was established to allow Minnesota electric utilities to recover investments and costs incurred to satisfy the requirements of the renewable energy standard. The MPUC is authorized to approve a rate schedule rider to enable utilities to recover the costs of qualifying renewable energy projects that supply renewable energy to Minnesota customers. Cost recovery for qualifying renewable energy projects can be authorized outside of a rate case proceeding, provided that such renewable projects have received previous MPUC approval. Renewable resource costs eligible for recovery may include return on investment, depreciation, operation and maintenance costs, taxes, renewable energy delivery costs and other related expenses.

In an order issued on August 15, 2008, the MPUC approved OTP's proposal to implement a Renewable Resource Cost Recovery Rider for its Minnesota jurisdictional portion of investment in qualifying renewable energy facilities. The rider enables OTP to recover from its Minnesota retail customers its investments in owned renewable energy facilities and provides for a return on those investments. The Minnesota Renewable Resource Adjustment (MNRRA) of \$0.0019 per kilowatt-hour (kwh) was included on Minnesota customers' electric service statements beginning in September 2008, reflecting cost recovery for OTP's twenty-seven 1.5 megawatt (MW) wind turbines and collector system at the Langdon Wind Energy Center, which became fully operational in January 2008.

The MPUC approved OTP's petition for a 2009 MNRRA in July 2009, which increased the MNRRA rate to provide cost recovery for OTP's 32 wind turbines at the Ashtabula Wind Energy Center, which became commercially operational in November 2008. This approval increased the 2009 MNRRA to \$0.00415 per kwh for the recovery of \$6.6 million through March 31, 2010—\$4.0 million from August through December 2009 and \$2.6 million from January through March 2010. The approval also granted OTP authority to recover over a 48-month period beginning in April 2010 accrued renewable resource recovery revenues that had not previously been recovered.

On January 12, 2010, the MPUC issued an order finding OTP's Luverne Wind Farm project eligible for cost recovery through the MNRRA. The 2010 annual MNRRA cost recovery filing was made on December 31, 2009 with a requested effective date of April 1, 2010. The MPUC approved OTP's petition for a 2010 MNRRA in the third quarter of 2010 with implementation effective September 1, 2010. This approval increased the MNRRA to \$0.00684 per kwh plus \$0.298 per kilowatt (kW) for the large general service class, and \$0.00760 per kwh for all other customer classes. The 2010 MNRRA was established with an expected recovery of \$16.2 million over the period September 1, 2010 to August 31, 2011. The 2010 MNRRA will be in effect until the MPUC sets another updated MNRRA. The MPUC is also considering in OTP's general rate case whether to move recovery of these renewable projects into OTP's base rates. OTP has recognized a regulatory asset of \$6.8 million for revenues that are eligible for recovery through the rider but have not been billed to Minnesota customers as of December 31, 2010.

Transmission Cost Recovery (TCR) Rider—In addition to the Renewable Resource Cost Recovery Rider, the Minnesota Public Utilities Act provides a similar mechanism for automatic adjustment outside of a general rate proceeding to recover the costs of new transmission facilities that have been previously approved by the MPUC in a Certificate of Need (CON) proceeding, certified by the MPUC as a Minnesota priority transmission project,

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Otter Tail Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	12/31/2010	2010/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

made to transmit the electricity generated from renewable generation sources ultimately used to provide service to the utility's retail customers, or otherwise deemed eligible by the MPUC. Such TCR riders allow a return on investment at the level approved in a utility's last general rate case. Additionally, following approval of the rate schedule, the MPUC may approve annual rate adjustments filed pursuant to the rate schedule. OTP's request for approval of a TCR rider was granted by the MPUC on January 7, 2010, and became effective February 1, 2010. Beginning February 1, 2010, OTP's TCR rider rate is reflected on Minnesota customer electric service statements at \$0.00039 per kwh plus \$0.035 per kW for large general service customers and \$0.00007 per kwh for controlled service customers, \$0.00025 per kwh for lighting customers, and \$0.00057 per kwh for all other customers. As of December 31, 2010 OTP had accrued a \$34,000 regulatory asset for transmission related revenues that are subject to recovery through the rider. In a request for a revenue increase under general rates filed with the MPUC on April 2, 2010, OTP requested recovery of its transmission investments currently being recovered through OTP's Minnesota TCR rider rate. The transmission investments will continue to be recovered through OTP's Minnesota TCR rider rate until the MPUC makes a decision on OTP's general rate case. OTP filed a request for an update to its Minnesota TCR rider rate on October 5, 2010.

North Dakota

General Rate Case—On November 3, 2008 OTP filed a general rate case in North Dakota requesting an overall revenue increase of approximately \$6.1 million, or 5.1%, and an interim rate increase of approximately 4.1%, or \$4.8 million annualized, that went into effect on January 2, 2009. In an order issued by the North Dakota Public Service Commission (NDPSC) on November 25, 2009, OTP was granted an increase in North Dakota retail electric rates of \$3.6 million, or approximately 3.0%, which went into effect in December 2009. The NDPSC order authorizing an interim rate increase required OTP to refund North Dakota customers the difference between final and interim rates, with interest. OTP established a refund reserve for revenues collected under interim rates that exceeded the final rate increase. The refund reserve balance of \$0.9 million as of December 31, 2009 was refunded to North Dakota customers in January 2010. OTP deferred recognition of \$0.5 million in rate case-related filing and administrative costs that are subject to amortization and recovery over a three year period beginning in January 2010. As required by the NDPSC order in the OTP 2008 rate case, OTP submitted a request to remove from base rates the recovery of costs associated with economic development in North Dakota. OTP proposed and the NDPSC approved an Economic Development Cost Removal Rider, under which all North Dakota customers will receive a credit of \$0.00025 per kwh. The monthly credit was effective with bills rendered on and after January 1, 2011.

Renewable Resource Cost Recovery Rider—On May 21, 2008 the NDPSC approved OTP's request for a Renewable Resource Cost Recovery Rider to enable OTP to recover the North Dakota share of its investments in renewable energy facilities. The North Dakota Renewable Resource Cost Recovery Rider Adjustment (NDRRA) of \$0.00193 per kwh was included on North Dakota customers' electric service statements beginning in June 2008, and reflects cost recovery for OTP's twenty-seven 1.5 MW wind turbines and collector system at the Langdon Wind Energy Center, which became fully operational in January 2008. The rider also allows OTP to recover costs associated with other new renewable energy projects as they are completed. OTP included investment costs and expenses related to its 32 wind turbines at the Ashtabula Wind Energy Center that became commercially operational in November 2008 in its 2009 annual request to the NDPSC to increase the amount of the NDRRA. An NDRRA of \$0.0051 per kwh was approved by the NDPSC on January 14, 2009 and went into effect beginning with billing statements sent on February 1, 2009.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report 2010/Q4
Otter Tail Power Company			
NOTES TO FINANCIAL STATEMENTS (Continued)			

In a proceeding that was combined with OTP's 2008 general rate case, the NDPSC reviewed whether to move the costs of the projects currently being recovered through the NDRRA into base rate cost recovery and whether to make changes to the rider. A settlement of the general rate case and the NDRRA reduced the NDRRA to \$0.00369 for the period from December 1, 2009 until the effective date for the next annual NDRRA filing, requested to be April 1, 2010. Because the 2008 annual NDRRA filing was combined with the general rate case proceedings (concluded in November 2009), the 2009 annual filing to establish the 2010 NDRRA (which includes cost recovery for OTP's investment in its Luverne Wind Farm project) was delayed until December 31, 2009, with a requested effective date of April 1, 2010. Approval for implementation of an updated NDRRA was received in the third quarter of 2010 with implementation effective September 1, 2010. This approval increased the NDRRA to \$0.00473 per kwh plus \$0.212 per kW for the large general service class, and \$0.00551 per kwh for all other customer classes. The 2010 NDRRA was established with an expected recovery of \$15.8 million over the period September 1, 2010 to March 31, 2012. The 2010 NDRRA will be in effect until the NDPSC sets another updated NDRRA.

OTP had not been deferring recognition of its renewable resource costs eligible for recovery under the NDRRA but had been charging those costs to operating expense since January 2008. After approval of the rider in May 2008, OTP accrued revenues related to its investment in renewable energy and for renewable energy costs incurred since January 2008 that were eligible for recovery through the NDRRA. Terms of the approved settlement provide for the recovery of accrued but unbilled NDRRA revenues over a period of 48 months beginning in January 2010. OTP's December 31, 2010 balance sheet includes a regulatory asset of \$2.4 million for revenues that are eligible for recovery through the NDRRA but have not been billed to North Dakota customers.

Transmission Cost Recovery Rider—North Dakota law provides a mechanism for automatic adjustment outside of a general rate proceeding to recover jurisdictional capital and operating costs incurred by a public utility for new or modified electric transmission facilities. OTP requested recovery of such costs in its general rate case filed in November 2008 and was granted recovery of such costs by the NDPSC in its November 25, 2009 order. OTP anticipates filing a request for an initial North Dakota TCR rider with the NDPSC in the first quarter of 2011.

South Dakota

2008 General Rate Case Filing—On October 31, 2008 OTP filed a general rate case in South Dakota requesting an overall revenue increase of approximately \$3.8 million, or 15.3%, which included, among other things, recovery of investments and expenses related to renewable resources. OTP increased rates by approximately 11.7% on a temporary basis beginning with electricity consumed on and after May 1, 2009, as allowed under South Dakota law. In an order issued by the South Dakota Public Utilities Commission (SDPUC) on June 30, 2009, OTP was granted an increase in South Dakota retail electric rates of \$3.0 million or approximately 11.7%. OTP implemented final, approved rates in July 2009.

2010 General Rate Case Filing—On August 20, 2010 OTP filed a general rate case with the SDPUC requesting an overall revenue increase of approximately \$2.8 million, or just under 10.0%, which includes, among other things, recovery of investments and expenses related to renewable resources. On September 28, 2010 the SDPUC suspended OTP's proposed rates for a period of 180 days to allow time to review OTP's proposal. The

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Otter Tail Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 12/31/2010	2010/Q4

NOTES TO FINANCIAL STATEMENTS (Continued)

SDPUC ordered the assessment of a filing fee up to \$125,000 to cover a portion of its expenses to review the filing. South Dakota statutes allow OTP to implement proposed rates 180 days after the date of filing a general rate case even if the SDPUC has not approved its initial proposal. On January 19, 2011 OTP submitted a proposal to use current rate design to implement an interim rate in South Dakota to be effective on and after February 17, 2011. On January 26, 2011 OTP submitted an amended proposal to also use a lower interim rate increase than originally proposed. At its February 1, 2011 meeting, the SDPUC approved OTP's request to implement interim rates using current rate design and the lower interim increase to be effective on and after February 17, 2011. A hearing before the SDPUC is expected in April, 2011.

Transmission Cost Recovery Rider—South Dakota law provides a mechanism for automatic adjustment outside of a general rate proceeding to recover jurisdictional capital and operating costs incurred by a public utility for new or modified electric transmission facilities. OTP submitted a request for an initial South Dakota TCR rider to the SDPUC on November 5, 2010.

Federal

Revenue Sufficiency Guarantee (RSG) Charges—Since 2006, OTP has been a party to litigation before the FERC regarding the application of RSG charges to market participants who withdrew energy from the market or engaged in financial-only, virtual sales of energy into the market, or both. These litigated proceedings occurred in several electric rate and complaint dockets before the FERC and several of the FERC's orders are on review before the United States Court of Appeals for the District of Columbia Circuit (D.C. Circuit). As of the date of this report OTP does not have a known liability. OTP continues to monitor the proceedings but cannot predict the outcome.

Capacity Expansion 2020 (CapX2020)

Fargo–Monticello 345 kiloVolt (kV) Project, Brookings–Southeast Twin Cities 345 kV Project and Twin Cities–LaCrosse 345 kV Project—On April 16, 2009 the MPUC approved the CONs for the three 345 kV Group 1 CapX2020 line projects (Fargo-Monticello, Brookings-Southeast Twin Cities, and Twin Cities-LaCrosse).

The route permit application for the Monticello to St. Cloud portion of the Fargo project was filed in April 2009. The MPUC approved the route permit application and issued a written order on July 12, 2010. Required permits from the Minnesota Department of Transportation, Minnesota Department of Natural Resources and the U.S. Army Corps of Engineers were received in 2010. A Transmission Capacity Exchange Agreement, allocating transmission capacity rights to owners across the Monticello to St. Cloud portion of the project, was accepted by the FERC in the third quarter of 2010.

The Minnesota route permit application for the St. Cloud to Fargo portion of the Fargo project was filed on October 1, 2009. The MPUC is expected to make a determination on the route permit application in the second quarter of 2011. Minnesota State Environmental Impact Statement (EIS) scoping meetings were held in September 2010 and public hearings were held in November 2010. On October 8, 2010, OTP submitted its application for a Certificate of Public Convenience and Necessity (CPCN) from the NDPS for the North Dakota portion of the Fargo–Monticello 345 kV project. The NDPS approved the CPCN in January 2011. The

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Otter Tail Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 12/31/2010	2010/Q4

NOTES TO FINANCIAL STATEMENTS (Continued)

application for North Dakota Certificate of Corridor Compatibility was filed on December 30, 2010.

The route permit application for the Brookings project was filed in the fourth quarter of 2008. On July 15, 2010 the MPUC voted to approve most of the Brookings route permit application. On September 15, 2010 the MPUC approved a route permit for five of six project line segments, with the exception of the line segment that crosses the Minnesota River. Additional Evidentiary Hearings were held regarding the line segment crossing the Minnesota River, and the Administrative Law Judge issued a report in December 2010. The MPUC approved the final line segment for the project on February 3, 2011.

An application for a South Dakota facility route permit was filed with the SDPUC on November 22, 2010. The SDPUC conducted a public hearing in January 2011 and a South Dakota route permit is expected to be approved in the second quarter of 2011.

Bemidji-Grand Rapids 230 kV Project—OTP serves as the lead utility for the CapX2020 Bemidji-Grand Rapids 230-kV project, which has an expected in-service date of late 2012 or early 2013. The MPUC approved the CON for this project on July 9, 2009. A route permit application was filed with the MPUC in the second quarter of 2008 for the Bemidji-Grand Rapids project. On October 28, 2010 the MPUC approved the route permit application for the project. The joint state and federal EIS was published by the federal agencies on September 7, 2010, and the project's Transmission Capacity Exchange Agreement was accepted and approved by the FERC in the third quarter of 2010.

CapX2020 Request for Advance Determination of Prudence—On October 5, 2009 OTP filed an application for an advance determination of prudence with the NDPSC for its proposed participation in three of the four Group 1 projects (Fargo-Monticello, Brookings-Southeast Twin Cities, and Bemidji-Grand Rapids). An administrative law judge conducted an evidentiary hearing on the application in May 2010. On October 6, 2010 the NDPSC adopted an order approving a settlement between OTP and intervener NDPSC advocacy staff, and issuing an advance determination of prudence to OTP for participation in the three Group 1 projects. The order is subject to a number of terms and conditions in addition to the settlement agreement, including the provision of additional information on the eventual resolution of cost allocation issues relevant to the Brookings-Southeast Twin Cities project and its associated impact on North Dakota.

Big Stone Air Quality Control System

The South Dakota Department of Environment and Natural Resources (DENR) determined that the Big Stone Plant is subject to Best Available Retrofit Technology (BART) requirements of the Clean Air Act (CAA), based on air dispersion modeling indicating that Big Stone's emissions reasonably contribute to visibility impairment in national parks and wilderness areas in Minnesota, North Dakota, South Dakota and Michigan. Under the U.S. Environmental Protection Agency's (EPA's) regional haze regulations, South Dakota has developed and submitted its implementation plan and associated implementing rules to EPA. Under the South Dakota Implementation Plan, and its implementing rules that became effective in December 2010, the Big Stone Plant must install and operate a new BART compliant air quality control system to reduce emissions as expeditiously as practicable, but no later than five years after the EPA's approval of South Dakota's implementation plan. Although studies and evaluations are continuing, the current projected project cost is estimated to be approximately \$490 million (OTP's share would be \$264 million). On January 14, 2011 OTP filed a petition

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Otter Tail Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 12/31/2010	2010/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

asking the MPUC for advance determination of prudence for the design, construction and operation of the BART compliant air quality control system at Big Stone Plant attributable to serving OTP's Minnesota customers. The Big Stone Plant is currently operating within all presently applicable federal and state air quality and emission standards.

Big Stone II Project

On June 30, 2005 OTP and a coalition of six other electric providers entered into several agreements for the development of a second electric generating unit, named Big Stone II, at the site of the existing Big Stone Plant near Milbank, South Dakota. On September 11, 2009 OTP announced its withdrawal—both as a participating utility and as the project's lead developer—from Big Stone II, due to a number of factors. The broad economic downturn, a high level of uncertainty associated with proposed federal climate legislation and existing federal environmental regulations and challenging credit and equity markets made proceeding with Big Stone II and committing to approximately \$400 million in capital expenditures untenable for OTP's customers and Otter Tail Corporation's shareholders. On November 2, 2009, the remaining Big Stone II participants announced the cancellation of the Big Stone II project.

In an order issued June 25, 2010, the NDPSC authorized recovery of Big Stone II development costs from North Dakota ratepayers, pursuant to a final settlement agreement filed June 23, 2010, between the NDPSC Advocacy Staff, OTP and the North Dakota Large Industrial Energy Group, Interveners. The order modified the settlement agreement slightly by using OTP's average 2009 Allowance for Funds Used During Construction (AFUDC) rate of 7.65%, rather than OTP's approved rate of return of 8.62% from the NDPSC rate case order of November 25, 2009 as called for by the settlement agreement, to accrue carrying charges during the period from September 1, 2009 to entry of the NDPSC order. The terms of the settlement agreement indicate that OTP's discontinuation of participation in the project was prudent and OTP should be authorized to recover the portion of costs it incurred related to the Big Stone II generation project. The total amount of Big Stone II generation costs incurred by OTP (which excludes \$2,612,000 of project transmission-related costs) was determined to be \$10,080,000, of which \$4,064,000 represents North Dakota's jurisdictional share.

OTP will include in its total recovery amount a carrying charge of approximately \$285,000 on the North Dakota share of Big Stone II generation costs for the period from September 1, 2009 through the date the recovery of costs begins based on OTP's average 2009 AFUDC rate of 7.65%. Because OTP will not earn a return on these deferred costs over the 36-month recovery period, the recoverable amount of \$4,349,000 has been discounted to its present value of \$3,913,000 using OTP's incremental borrowing rate, in accordance with ASC 980, *Regulated Operations*, accounting requirements. The North Dakota portion of Big Stone II generation costs is being recovered over a 36 month period beginning August 1, 2010.

The portion of Big Stone II costs incurred by OTP related to transmission is \$2,612,000, of which \$1,053,000 represents North Dakota's jurisdictional share. OTP transferred the North Dakota share of Big Stone II transmission costs to Construction Work in Progress (CWIP), with such costs subject to AFUDC continuing from September 2009. If construction of all or a portion of the transmission facilities commences within three years of the NDPSC order approving the settlement agreement, the North Dakota portion of Big Stone II transmission costs and accumulated AFUDC shall be included in the rate base investment for these future transmission facilities. If construction is not commenced on any of the transmission facilities within three years of the NDPSC order approving the settlement agreement, OTP may petition the NDPSC to either continue

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Otter Tail Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 12/31/2010	2010/Q4

NOTES TO FINANCIAL STATEMENTS (Continued)

accounting for these costs as CWIP or to commence recovery of such costs.

As of December 31, 2010 OTP had \$7.9 million in incurred costs related to the project that have not been approved for recovery. OTP has deferred recognition of these costs as operating expenses pending determination of recoverability by the state regulatory commissions that approve its rates. In filings made on December 14, 2009, OTP requested from the MPUC and the SDPUC authority to reflect these costs on its books as an recovered plant and regulatory study costs asset through the use of deferred accounting, pending a determination on the recoverability of the costs. OTP has requested recovery of the Minnesota portion of its Big Stone II development costs over a five-year period as part of its general rate case filed in Minnesota on April 2, 2010, and thereafter requested withdrawal of its December 14, 2009 request for deferred accounting as duplicative of the issues presented in the rate case. On December 30, 2010 OTP filed a request for an extension of the Minnesota Route Permit for the Big Stone transmission facilities. The request asks to extend the deadline for filing a CON for these transmission facilities until March 17, 2013. The SDPUC approved OTP's request for deferred accounting treatment on February 11, 2010. OTP requested recovery of the South Dakota portion of its Big Stone II development costs over a five-year period as part of its general rate case filed in South Dakota on August 20, 2010.

If Minnesota or South Dakota jurisdictions eventually deny recovery of all or any portion of these deferred costs, such costs would be subject to expense in the period they are deemed unrecoverable.

3. Regulatory Assets and Liabilities

As a regulated entity OTP accounts for the financial effects of regulation in accordance with ASC 980, *Regulated Operations*. This accounting standard allows for the recording of a regulatory asset or liability for costs that will be collected or refunded in the future as required under regulation.

The following table indicates the amount of regulatory assets and liabilities recorded on OTP's balance sheet as of December 31:

<i>(in thousands)</i>	2010	2009
Regulatory Assets – Long Term:		
Unrecognized Transition Obligation, Prior Service Costs and Actuarial Losses on Pensions and Other Postretirement Benefits	\$ 74,156	\$ 78,871
Deferred Marked-to-Market Losses	12,054	7,614
Minnesota Renewable Resource Rider Accrued Revenues	6,834	5,324
Deferred Income Taxes	5,785	5,441
North Dakota Renewable Resource Rider Accrued Revenues	2,416	566
Accumulated ARO Accretion/Depreciation Adjustment	2,218	1,808
General Rate Case Recoverable Expenses	1,773	1,693
MISO Schedule 16 and 17 Deferred Administrative Costs - ND	717	1,091
South Dakota – Asset-Based Margin Sharing Shortfall	501	330
Deferred Holding Company Formation Costs	193	248
Minnesota Transmission Rider Accrued Revenues	34	420

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Otter Tail Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 12/31/2010	2010/Q4

NOTES TO FINANCIAL STATEMENTS (Continued)

MISO Schedule 16 and 17 Deferred Administrative Costs - MN	--	252
Total Regulatory Assets – Long Term	\$ 106,681	\$ 103,658
Regulatory Liabilities:		
Accumulated Reserve for Estimated Removal Costs – Net of Salvage	\$ 14,125	\$ 12,043
Deferred Income Taxes	4,289	4,965
Deferred Marked-to-Market Gains	175	224
Deferred Gain on Sale of Utility Property – Minnesota Portion	128	134
South Dakota – Asset-Based Margin Sharing Excess	84	14
Total Regulatory Liabilities	\$ 18,801	\$ 17,380
Net Regulatory Asset Position	\$ 87,880	\$ 86,278

The regulatory asset related to the unrecognized transition obligation, prior service costs and actuarial losses on pensions and other postretirement benefits represents benefit costs and actuarial losses subject to recovery through rates as they are expensed over the remaining service lives of active employees included in the plans. These unrecognized benefit costs and actuarial losses are required to be recognized as components of Accumulated Other Comprehensive Loss in equity under ASC 715, *Compensation—Retirement Benefits*, but are eligible for treatment as regulatory assets based on their probable recovery in future retail electric rates.

All Deferred Marked-to-Market Gains and Losses recorded as of December 31, 2010 are related to forward purchases of energy scheduled for delivery through December 2013.

Minnesota Renewable Resource Rider Accrued Revenues relate to revenues earned on qualifying 2008 and 2009 renewable resource costs incurred to serve Minnesota customers that have not been billed to Minnesota customers as of December 31, 2010. Minnesota Renewable Resource Rider Accrued Revenues are expected to be recovered over the next 39 months.

The regulatory assets and liabilities related to Deferred Income Taxes result from changes in statutory tax rates accounted for in accordance with ASC 740, *Income Taxes*.

North Dakota Renewable Resource Rider Accrued Revenues relate to revenues earned on qualifying renewable resource costs incurred to serve North Dakota customers that have not been billed to North Dakota customers as of December 31, 2010. North Dakota Renewable Resource Rider Accrued Revenues are expected to be recovered over the next 36 months.

The Accumulated ARO Accretion/Depreciation Adjustment will accrete and be amortized over the lives of property with asset retirement obligations.

General Rate Case Recoverable Expenses will be recovered over the next 40 months.

MISO Schedule 16 and 17 Deferred Administrative Costs – ND will be recovered over the next 23 months.

South Dakota – Asset-Based Margin Sharing Shortfall and Excess represent differences in OTP's South Dakota share of actual profit margins on wholesale sales of electricity from company-owned generating units and estimated profit margins from those sales that were used in determining current South Dakota retail electric

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Otter Tail Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 12/31/2010	2010/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

rates. Net shortfalls or excess margins accumulated annually will be subject to recovery or refund through future retail rate adjustments in South Dakota in the following year.

Deferred Holding Company Formation Costs will be amortized over the next 42 months.

Minnesota Transmission Rider Accrued Revenues are expected to be recovered from Minnesota retail electric customers over the next 15 months.

The Accumulated Reserve for Estimated Removal Costs – Net of Salvage is reduced as actual removal costs, net of salvage revenues, are incurred.

The Deferred Gain on Sale of Utility Property will be paid to Minnesota retail electric customers over the next 23 years.

If for any reason, OTP ceases to meet the criteria for application of guidance under ASC 980 for all or part of its operations, the regulatory assets and liabilities that no longer meet such criteria would be removed from OTP's balance sheet and included in OTP's statement of income as an extraordinary expense or income item in the period in which the application of guidance under ASC 980 ceases.

4. Forward Contracts Classified as Derivatives

Electricity Contracts

All of OTP's wholesale purchases and sales of energy under forward contracts that do not meet the definition of capacity contracts are considered derivatives subject to mark-to-market accounting. OTP's objective in entering into forward contracts for the purchase and sale of energy is to optimize the use of its generating and transmission facilities and leverage its knowledge of wholesale energy markets in the region to maximize financial returns for the benefit of both its customers and shareholders. OTP's intent in entering into certain of these contracts is to settle them through the physical delivery of energy when physically possible and economically feasible. OTP also enters into certain contracts for trading purposes with the intent to profit from fluctuations in market prices through the timing of purchases and sales.

As of December 31, 2010 OTP had recognized, on a pretax basis, \$763,000 in net unrealized gains on open forward contracts for the purchase and sale of electricity. The market prices used to value OTP's forward contracts for the purchases and sales of electricity and electricity generating capacity are determined by survey of counterparties or brokers used by OTP's power services' personnel responsible for contract pricing, as well as prices gathered from daily settlement prices published by the Intercontinental Exchange and CME Globex. For certain contracts, prices at illiquid trading points are based on a basis spread between that trading point and more liquid trading hub prices. These basis spreads are determined based on available market price information and the use of forward price curve models. The fair value measurements of these forward energy contracts fall into level 2 of the fair value hierarchy set forth in ASC 820-10-35.

Operating revenues include \$23,197,000 in 2010 and \$15,762,000 in 2009 related to wholesale electric sales and net unrealized derivative gains on forward energy contracts and sales of financial transmission rights and

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Otter Tail Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 12/31/2010	2010/Q4

NOTES TO FINANCIAL STATEMENTS (Continued)

daily settlements of virtual transactions in the MISO market, broken down as follows for the years ended December 31:

<i>(in thousands)</i>	2010	2009
Wholesale Sales - Company-Owned Generation	\$ 20,053	\$ 12,579
Revenue from Settled Contracts at Market Prices	147,003	110,124
Market Cost of Settled Contracts	(145,994)	(109,125)
Net Margins on Settled Contracts at Market	1,009	999
Marked-to-Market Gains on Settled Contracts	18,901	14,585
Marked-to-Market Losses on Settled Contracts	(17,529)	(13,431)
Net Marked-to-Market Gain on Settled Contracts	1,372	1,154
Unrealized Marked-to-Market Gains on Open Contracts	6,700	8,097
Unrealized Marked-to-Market Losses on Open Contracts	(5,937)	(7,067)
Net Unrealized Marked-to-Market Gain on Open Contracts	763	1,030
Wholesale Electric Revenue	\$ 23,197	\$ 15,762

The following tables show the effect of marking to market forward contracts for the purchase and sale of electricity and the location and fair value amounts of the related derivatives reported on OTP's balance sheets as of December 31, 2010 and December 31, 2009, and the change in OTP's balance sheet position from December 31, 2009 to December 31, 2010 and December 31, 2008 to December 31, 2009:

<i>(in thousands)</i>	December 31, 2010	December 31, 2009
Current Asset – Marked-to-Market Gain	\$ 6,875	\$ 8,321
Regulatory Asset – Deferred Marked-to-Market Loss	12,054	7,614
Total Assets	18,929	15,935
Current Liability – Marked-to-Market Loss	(17,991)	(14,681)
Regulatory Liability – Deferred Marked-to-Market Gain	(175)	(224)
Total Liabilities	(18,166)	(14,905)
Net Fair Value of Marked-to-Market Energy Contracts	\$ 763	\$ 1,030

<i>(in thousands)</i>	Year ended December 31, 2010	Year ended December 31, 2009
Fair Value at Beginning of Year	\$ 1,030	\$ (123)
Amount Realized on Contracts Entered into in Prior Year	(389)	123
Changes in Fair Value of Contracts Entered into in Prior Year	--	--
Net Fair Value of Contracts Entered into in Prior Year at Year End	641	--
Changes in Fair Value of Contracts Entered into in Current Year	122	1,030
Net Fair Value at End of Year	\$ 763	\$ 1,030

The \$763,000 in recognized but unrealized net gains on the forward energy and capacity purchases and sales

Name of Respondent Otter Tail Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report 2010/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

marked to market on December 31, 2010 is expected to be realized on settlement as scheduled over the following periods in the amounts listed:

<i>(in thousands)</i>	1st Qtr 2011	2nd Qtr 2011	3rd Qtr 2011	4th Qtr 2011	2012	Total
Net Gain	\$ 97	\$ 102	\$ 140	\$ 103	\$ 321	\$ 763

OTP has credit risk associated with the nonperformance or nonpayment by counterparties to its forward energy and capacity purchases and sales agreements. OTP has established guidelines and limits to manage credit risk associated with wholesale power and capacity purchases and sales. Specific limits are determined by a counterparty's financial strength.

OTP's credit risk with its largest counterparty on delivered and marked-to-market forward contracts as of December 31, 2010 was \$585,000. As of December 31, 2010 OTP had a net credit risk exposure of \$1,129,000 from four counterparties with investment grade credit ratings. OTP had no exposure at December 31, 2010 to counterparties with credit ratings below investment grade. Counterparties with investment grade credit ratings have minimum credit ratings of BBB- (Standard & Poor's), Baa3 (Moody's) or BBB- (Fitch). The \$1,129,000 credit risk exposure included net amounts due to OTP on receivables/payables from completed transactions billed and unbilled plus marked-to-market gains/losses on forward contracts for the purchase and sale of electricity scheduled for delivery after December 31, 2010. Individual counterparty exposures are offset according to legally enforceable netting arrangements.

Mark-to-market losses of \$427,000 on certain OTP derivative energy contracts included in the \$17,991,000 derivative liability on December 31, 2010 are covered by deposited funds. Certain other OTP derivative energy contracts contain provisions that require an investment grade credit rating from each of the major credit rating agencies on OTP's debt. If OTP's debt ratings were to fall below investment grade, the counterparties to these forward energy contracts could request the immediate deposit of cash to cover contracts in net liability positions. The aggregate fair value of all forward energy derivative contracts with credit-risk-related contingent features that were in a liability position on December 31, 2010 was \$10,904,000, for which OTP had posted \$6,219,000 as collateral in the form of offsetting gain positions on other contracts with its counterparties under master netting agreements. If the credit-risk-related contingent features underlying these agreements had been triggered on December 31, 2010, OTP would have been required to provide \$4,685,000 in additional cash to its counterparties. The remaining derivative liability balance of \$6,660,000 relates to mark-to-market losses on contracts that have no ratings triggers or deposit requirements.

OTP's credit risk with its largest counterparty on delivered and marked-to-market forward contracts as of December 31, 2009 was \$222,000. As of December 31, 2009 OTP had a net credit risk exposure of \$387,000 from four counterparties with investment grade credit ratings. OTP had no exposure at December 31, 2009 to counterparties with credit ratings below investment grade. Counterparties with investment grade credit ratings have minimum credit ratings of BBB- (Standard & Poor's), Baa3 (Moody's) or BBB- (Fitch). The \$387,000 credit risk exposure included net amounts due to OTP on receivables/payables from completed transactions billed and unbilled plus marked-to-market gains/losses on forward contracts for the purchase and sale of electricity scheduled for delivery after December 31, 2009. Individual counterparty exposures are offset according to legally enforceable netting arrangements.

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Otter Tail Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 12/31/2010	2010/Q4

NOTES TO FINANCIAL STATEMENTS (Continued)

Mark-to-market losses of \$72,000 on certain OTP derivative energy contracts included in the \$14,681,000 derivative liability on December 31, 2009 are covered by deposited funds. Certain other OTP derivative energy contracts contain provisions that require an investment grade credit rating from each of the major credit rating agencies on OTP's debt. If OTP's debt ratings were to fall below investment grade, the counterparties to these forward energy contracts could request the immediate deposit of cash to cover contracts in net liability positions. The aggregate fair value of all forward energy derivative contracts with credit-risk-related contingent features that were in a liability position on December 31, 2009 was \$7,958,000, for which OTP had posted \$7,760,000 as collateral in the form of offsetting gain positions on other contracts with one of its counterparties under a master netting agreement. If the credit-risk-related contingent features underlying these agreements were triggered on December 31, 2009, OTP would have been required to provide \$198,000 in additional cash to its counterparties. The remaining derivative liability balance of \$6,651,000 relates to mark-to-market losses on contracts that have no ratings triggers or deposit requirements.

5. Common Shareholder's Equity

At December 31, 2008 the Company had paid in capital of approximately \$195,192,000, consisting entirely of equity infusions from Otter Tail Corporation, the parent company of OTP. As discussed in note 1, Otter Tail Corporation completed the holding company reorganization in July 2009. In conjunction with the reorganization, OTP issued 100 shares of common stock with a par value of \$5 per share, with the sole holder of those shares being Otter Tail Corporation. In addition to the issuance of the 100 shares of common stock, Otter Tail Corporation provided OTP with a capital infusion of approximately \$9,668,000 of which \$5,468,000 was for the transfer of the employee benefit liabilities and related tax benefits for the pension plan, executive survivor and supplemental retirement plan and other postretirement benefits from OTP to Otter Tail Corporation and \$4,200,000 in additional equity in order to align OTP's debt to equity components with its capital structure filing approved by the MPUC. In September 2010, Otter Tail Corporation made an additional \$5,000,000 cash equity contribution to OTP to realign OTP's debt to equity components with its capital structure filing approved by the MPUC.

6. Commitments and Contingencies

Construction Contracts, Capacity and Energy Requirements and Coal and Delivery Contracts

At December 31, 2010 OTP had commitments under contracts in connection with construction programs aggregating approximately \$8,393,000. For capacity and energy requirements, OTP has agreements extending through 2032 at annual costs of approximately \$20,134,000 in 2011, \$21,637,000 in 2012, \$16,492,000 in 2013, \$15,388,000 in 2014, \$12,307,000 in 2015 and \$78,879,000 for the years beyond 2015.

OTP has contracts providing for the purchase and delivery of a significant portion of its current coal requirements. These contracts expire in 2011, 2012 and 2016. In total, OTP is committed to the minimum purchase of approximately \$115,749,000 or to make payments in lieu thereof, under these contracts. The FCA mechanism lessens the risk of loss from market price changes because it provides for recovery of most fuel costs.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report 2010/Q4
Otter Tail Power Company			
NOTES TO FINANCIAL STATEMENTS (Continued)			

Operating Lease Commitments

The amounts of future operating lease payments are as follows:

<i>(in thousands)</i>	
2011	\$ 2,328
2012	1,356
2013	933
2014	944
2015	955
Later years	14,702
Total	\$ 21,218

Future operating lease payments are primarily related to land leases and coal rail-car leases. Rent expense was \$2,983,000 in 2010 and \$2,893,000 in 2009.

Sierra Club Complaint

On June 10, 2008 the Sierra Club filed a complaint in the U.S. District Court for the District of South Dakota (Northern Division) against OTP and two other co-owners of Big Stone Generating Station (Big Stone). The complaint alleged certain violations of the Prevention of Significant Deterioration and New Source Performance Standards (NSPS) provisions of the CAA and certain violations of the South Dakota State Implementation Plan (South Dakota SIP). The action further alleged the defendants modified and operated Big Stone without obtaining the appropriate permits, without meeting certain emissions limits and NSPS requirements and without installing appropriate emission control technology, all allegedly in violation of the CAA and the South Dakota SIP. The Sierra Club alleged the defendants' actions have contributed to air pollution and visibility impairment and have increased the risk of adverse health effects and environmental damage. The Sierra Club sought both declaratory and injunctive relief to bring the defendants into compliance with the CAA and the South Dakota SIP and to require the defendants to remedy the alleged violations. The Sierra Club also seeks unspecified civil penalties, including a beneficial mitigation project. The Company believes these claims are without merit and that Big Stone was and is being operated in compliance with the CAA and the South Dakota SIP.

The defendants filed a motion to dismiss the Sierra Club complaint on August 12, 2008. On March 31, 2009 and April 6, 2009 the U.S. District Court for the District of South Dakota (Northern Division) issued a Memorandum and Order and Amended Memorandum and Order, respectively, granting the defendants' motion to dismiss the Sierra Club complaint. On April 17, 2009 the Sierra Club filed a Motion for Reconsideration of the Amended Memorandum and Order. The District Court denied the motion on July 22, 2009. On July 30, 2009 the Sierra Club appealed the District Court's decision to the U. S. Court of Appeals for the 8th Circuit. On August 12, 2010 the U.S. Court of Appeals for the 8th Circuit affirmed the District Court decision dismissing the Sierra Club's suit against Big Stone Plant. The District Court's decision is now final because the Sierra Club did not file a petition for rehearing with the Court of Appeals and did not petition for writ of certiorari with the U.S. Supreme Court by the respective deadlines.

Federal Power Act Complaint

On August 29, 2008 Renewable Energy System Americas, Inc. (RES), a developer of wind generation, and

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Otter Tail Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 12/31/2010	2010/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

PEAK Wind Development, LLC (PEAK Wind), a group of landowners in Barnes County, North Dakota, filed a complaint with the FERC alleging that OTP and Minnkota Power Cooperative, Inc. (Minnkota) had acted together in violation of the Federal Power Act (FPA) to deny RES and PEAK Wind access to the Pillsbury Line, an interconnection facility which Minnkota owns to interconnect generation projects being developed by OTP and NextEra Energy Resources, Inc. (fka FPL Energy, Inc.) (NextEra). RES and PEAK Wind asked that (1) the FERC order Minnkota to interconnect its Glacier Ridge project to the Pillsbury Line, or in the alternative, (2) the FERC direct MISO to interconnect the Glacier Ridge project to the Pillsbury Line. RES and Peak Wind also requested that OTP, Minnkota and NextEra pay any costs associated with interconnecting the Glacier Ridge Project to the MISO transmission system which would result from the interconnection of the Pillsbury Line to the Minnkota transmission system, and that the FERC assess civil penalties against OTP. OTP answered the complaint on September 29, 2008, denying the allegations of RES and PEAK Wind and requesting that the FERC dismiss the complaint. On October 14, 2008, RES and PEAK Wind filed an answer to OTP's answer and, restated the allegations included in the initial complaint. RES and PEAK Wind also added a request that the FERC rescind both OTP's waiver from the FERC Standards of Conduct and its market-based rate authority. On October 28, 2008, OTP filed a reply, denying the allegations made by RES and PEAK Wind in its answer. By order issued on December 19, 2008, the FERC set the complaint for hearing and established settlement procedures. A formal settlement agreement was filed with the FERC requesting approval of the settlement and withdrawal of the complaint. On May 6, 2010 the FERC issued an order approving the settlement and terminating the proceeding. The settlement did not have a material impact on OTP's financial position, results of operations or cash flows.

Other

OTP is a party to litigation arising in the normal course of business. OTP regularly analyzes current information and, as necessary, provides accruals for liabilities that are probable of occurring and that can be reasonably estimated. OTP believes the effect on its results of operations, financial position and cash flows, if any, for the disposition of all matters pending as of December 31, 2010 will not be material.

7. Short-Term and Long-Term Borrowings

Short-Term Debt

The following table presents the status of OTP's line of credit as of December 31, 2010 and December 31, 2009:

<i>(in thousands)</i>	Line Limit	In Use on December 31, 2010	Restricted Due to Outstanding Letters of Credit	Available on December 31, 2010	Available on December 31, 2010
OTP Credit Agreement	\$ 170,000	\$ 25,314	\$ 250	\$ 144,436	\$ 167,635

The weighted average interest rates on short-term debt outstanding on December 31, 2010 and 2009 were 0.76% and 0.73%, respectively. The weighted average interest rate paid on short-term debt was 0.77% in 2010 and 0.92% in 2009.

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Otter Tail Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 12/31/2010	2010/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

OTP is the borrower under a \$170 million credit agreement, renewed on March 3, 2011, (the OTP Credit Agreement) with an accordion feature whereby the line can be increased to \$250 million as described in the OTP Credit Agreement. The OTP Credit Agreement is an unsecured revolving credit facility that OTP can draw on to support the working capital needs and other capital requirements of its operations, including letters of credit in an aggregate amount not to exceed \$50,000,000 outstanding at any time. The OTP Credit Agreement is a five-year term facility with borrowings priced at LIBOR plus 1.5%, subject to adjustment based on the ratings of OTP's senior unsecured debt. The OTP Credit Agreement contains a number of restrictions on the business of OTP, including restrictions on its ability to merge, sell assets, incur indebtedness, create or incur liens on assets, guarantee the obligations of any other party, and engage in transactions with related parties. The OTP Credit Agreement also contains affirmative covenants and events of default. The OTP Credit Agreement does not include provisions for the termination of the agreement or the acceleration of repayment of amounts outstanding due to changes in the borrower's credit ratings. Prior to the renewal of the OTP Credit Agreement on March 3, 2011, borrowings under this line of credit bore interest at LIBOR plus 0.5%, subject to adjustment based on the ratings of OTP's senior unsecured debt, OTP was subject to payment of utilization fees when usage of the revolving credit facility exceeded 50% of the commitments of the lenders and OTP paid facility fees based on the average daily amount outstanding under the revolving credit facility. Under the terms of the renewal, the utilization fees and facility fees have been replaced by a commitment fee.

Long-Term Debt

On May 11, 2009 Otter Tail Corporation filed a shelf registration statement with the SEC under which it may offer for sale, from time to time, either separately or together in any combination, equity and/or debt securities described in the shelf registration statement. Proceeds from any equity issuances or borrowings by Otter Tail Corporation under the shelf registration could be used to fund OTP's capital additions or construction expenditures, retire OTP's debt or for other OTP capital requirements.

OTP's Senior Unsecured Notes 6.63% due December 1, 2011 remain classified as long-term debt because OTP has the ability to refinance this debt under the OTP Credit Agreement renewed on March 3, 2011.

Term Loan Agreement and Retirement—Prior to Otter Tail Corporation's holding company reorganization on July 1, 2009, Otter Tail Corporation, dba Otter Tail Power Company (now OTP) was the borrower under a \$75 million term loan agreement (the OTP Loan Agreement). The OTP Loan Agreement was entered into between Otter Tail Corporation, dba Otter Tail Power Company (now OTP) and JPMorgan Chase Bank, N.A., as Administrative Agent, KeyBank National Association, as Syndication Agent, Union Bank, N.A., as Documentation Agent, and the Banks named therein. On completion of OTP's holding company formation on July 1, 2009, the OTP Loan Agreement became an obligation of OTP. The OTP Loan Agreement provided for a \$75 million term loan due May 20, 2011. The proceeds were used to support OTP's construction of 49.5 MW of renewable wind-generation assets at the Luverne Wind Farm. In November 2009, OTP paid down \$17 million of the \$75 million term loan. OTP paid off the remaining \$58 million balance in January 2010, using lower cost funds available under the OTP Credit Agreement. OTP did not incur any penalties for the early repayments and retirement of its debt under the Loan Agreement.

Borrowings under the OTP Loan Agreement bore interest at a rate equal to the base rate in effect from time to time. The base rate was a fluctuating rate per annum equal to (i) the highest of (A) JPMorgan Chase Bank, N.A.'s prime rate, (B) the Federal funds effective rate plus 0.5% per annum, and (C) a daily LIBOR rate plus

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Otter Tail Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 12/31/2010	2010/Q4

NOTES TO FINANCIAL STATEMENTS (Continued)

1.0% per annum, plus (ii) a margin of 1.5% to 3.0% determined on the basis of OTP's senior unsecured credit ratings, as provided in the Loan Agreement. The interest rate on borrowings under the OTP Loan Agreement was 3.73% at December 31, 2009.

2001 and 2007 Note Purchase Agreements—The note purchase agreement relating to OTP's \$90 million 6.63% senior notes due December 1, 2011, as amended (the 2001 Note Purchase Agreement), and the note purchase agreement relating to OTP's \$155 million senior unsecured notes issued in four series consisting of \$33 million aggregate principal amount of 5.95% Senior Unsecured Notes, Series A, due 2017; \$30 million aggregate principal amount of 6.15% Senior Unsecured Notes, Series B, due 2022; \$42 million aggregate principal amount of 6.37% Senior Unsecured Notes, Series C, due 2027; and \$50 million aggregate principal amount of 6.47% Senior Unsecured Notes, Series D, due 2037, as amended (the 2007 Note Purchase Agreement) each states that OTP may prepay all or any part of the notes issued thereunder (in an amount not less than 10% of the aggregate principal amount of the notes then outstanding in the case of a partial prepayment) at 100% of the principal amount prepaid, together with accrued interest and a make-whole amount. The 2001 Note Purchase Agreement states in the event of a transfer of utility assets put event, the noteholders thereunder have the right to require OTP to repurchase the notes held by them in full, together with accrued interest and a make-whole amount, on the terms and conditions specified in the respective note purchase agreements. The 2007 Note Purchase Agreement states OTP must offer to prepay all of the outstanding notes issued thereunder at 100% of the principal amount together with unpaid accrued interest in the event of a change of control of OTP. The 2001 Note Purchase Agreement and the 2007 Note Purchase Agreement each contain a number of restrictions on OTP. These include restrictions on OTP's ability to merge, sell assets, create or incur liens on assets, guarantee the obligations of any other party, and engage in transactions with related parties.

The aggregate amounts of maturities on bonds outstanding and other long-term obligations at December 31, 2010 for each of the next five years are \$90,000,000 for 2011, \$10,400,000 for 2012 and no outstanding debt is scheduled to mature in 2013, 2014 or 2015.

Financial Covenants—As of December 31, 2010 OTP was in compliance with the financial statement covenants that existed in its debt agreements.

No Credit or Note Purchase Agreement contains any provisions that would trigger an acceleration of the related debt as a result of changes in the credit rating levels assigned to the related obligor by rating agencies.

OTP's borrowing agreements are subject to certain financial covenants. Specifically:

- Under the OTP Credit Agreement, OTP may not permit the ratio of its Interest-bearing Debt to Total Capitalization to be greater than 0.60 to 1.00 or permit its Interest and Dividend Coverage Ratio to be less than 1.50 to 1.00, as provided in the Loan Agreement.
- Under the 2001 Note Purchase Agreement, the 2007 Note Purchase Agreement and the financial guaranty insurance policy with Ambac Assurance Corporation relating to certain pollution control refunding bonds, OTP may not permit the ratio of its Consolidated Debt to Total Capitalization to be greater than 0.60 to 1.00 or permit its Interest and Dividend Coverage Ratio (or, in the case of the 2001 Note Purchase Agreement, its Interest Charges Coverage Ratio) to be less than 1.50 to 1.00, in each case

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report 2010/Q4
Otter Tail Power Company			
NOTES TO FINANCIAL STATEMENTS (Continued)			

as provided in the related borrowing or insurance agreement. In addition, under the 2001 Note Purchase Agreement and the 2007 Note Purchase Agreement, OTP may not permit its Priority Debt to exceed 20% of its Total Capitalization, as provided in the related agreement.

- In addition, under the Otter Tail Corporation 8.89% Senior Note, Otter Tail Corporation may not permit the ratio of OTP's Debt to OTP's total Capitalization to be greater than 0.60 to 1.00. The 8.89% Senior Note is not an obligation of OTP.

8. Pension Plan and Other Postretirement Benefits

Pension Plan

Otter Tail Corporation's noncontributory funded pension plan (the Plan) covers substantially all OTP nonunion employees hired prior to January 1, 2006, and all OTP union employees. The Plan provides 100% vesting after five vesting years of service and for retirement compensation at age 65, with reduced compensation in cases of retirement prior to age 62. Otter Tail Corporation reserves the right to discontinue the Plan but no change or discontinuance may affect the pensions theretofore vested. OTP's portion of this plan makes up substantially all of the rights and obligations of the Plan. The amounts presented herein are based upon the separate actuarial analysis of OTP and Otter Tail Corporation and its respective employees.

As part of the holding company restructuring completed in July 2009 discussed in note 1, the liabilities of the Plan along with related tax benefits that related to Otter Tail Corporation were transferred to Otter Tail Corporation, resulting in a decrease of \$3 million to OTP's equity.

The Plan has a trustee who is responsible for pension payments to retirees and a separate pension fund manager responsible for managing the Plan's assets. An independent actuary assists Otter Tail Corporation in performing the necessary actuarial valuations for the Plan.

The Plan assets consist of common stock and bonds of public companies, U.S. government securities, cash and cash equivalents. None of the plan assets are invested in common stock, preferred stock or debt securities of OTP or Otter Tail Corporation.

Components of net periodic pension benefit cost:

<i>(in thousands)</i>	2010	2009
Service Cost--Benefit Earned During the Period	\$ 4,542	\$ 3,859
Interest Cost on Projected Benefit Obligation	11,778	11,028
Expected Return on Assets	(13,382)	(12,723)
Amortization of Prior-Service Cost	666	703
Amortization of Net Actuarial Loss	1,954	75
Net Periodic Pension Cost	\$ 5,558	\$ 2,942

Weighted-average assumptions used to determine net periodic pension cost for the year ended December 31:

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Otter Tail Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 12/31/2010	2010/Q4

NOTES TO FINANCIAL STATEMENTS (Continued)

	2010	2009
Discount Rate	6.00%	6.70%
Long-Term Rate of Return on Plan Assets	8.50%	8.50%
Rate of Increase in Future Compensation Level	3.75%	3.75%

The following table presents amounts recognized in the balance sheets as of December 31:

<i>(in thousands)</i>	2010	2009
Regulatory Assets:		
Unrecognized Prior Service Cost	\$ 1,931	\$ 2,597
Unrecognized Actuarial Loss	64,396	69,378
Total Regulatory Assets	\$ 66,327	\$ 71,975
Noncurrent Liability	\$ 44,643	\$ 64,733

Funded status as of December 31:

<i>(in thousands)</i>	2010	2009
Accumulated Benefit Obligation	\$(178,777)	\$(162,514)
Projected Benefit Obligation	\$(211,840)	\$(201,345)
Fair Value of Plan Assets	167,197	136,612
Funded Status	\$ (44,643)	\$ (64,733)

The following tables provide a reconciliation of the changes in the OTP portion of the fair value of the Plan's assets and the Plan's benefit obligations over the two-year period ended December 31, 2010:

<i>(in thousands)</i>	2010	2009
Reconciliation of Fair Value of Otter Tail Power Company Portion of Plan Assets:		
Fair Value of Plan Assets at January 1	\$ 136,612	\$ 123,964
Actual Return on Plan Assets	19,619	17,546
Discretionary Company Contributions	20,000	3,888
Benefit Payments	(9,034)	(8,786)
Fair Value of Plan Assets at December 31	\$ 167,197	\$ 136,612
Estimated Asset Return	13.62%	14.30%
Reconciliation of Otter Tail Power Company Portion of Projected Benefit Obligation:		
Projected Benefit Obligation at January 1	\$ 201,345	\$ 177,556
Service Cost	4,542	3,859
Interest Cost	11,778	11,028
Benefit Payments	(9,034)	(8,786)
Actuarial Loss	3,209	17,688
Projected Benefit Obligation at December 31	\$ 211,840	\$ 201,345

Name of Respondent Otter Tail Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report 2010/Q4
--	---	--	----------------------------------

NOTES TO FINANCIAL STATEMENTS (Continued)

Weighted-average assumptions used to determine benefit obligations at December 31:

	2010	2009
Discount Rate	6.00%	6.00%
Rate of Increase in Future Compensation Level	3.75%	3.75%

To develop the expected long-term rate of return on assets assumption, Otter Tail Corporation considered the historical returns and the future expectations for returns for each asset class, as well as the target asset allocation of the pension portfolio.

Market-related value of plan assets—The expected return on plan assets is determined based on the expected long-term rate of return on plan assets and the market-related value of plan assets.

The actuarial determination of pension plan expense or income is based on a market-related valuation of assets, which reduces year-to-year volatility. This market-related valuation calculation recognizes investment gains or losses over a five-year period from the year in which they occur. Investment gains or losses for this purpose are the difference between the expected return calculated using the market-related value of assets and the actual return based on the fair value of assets. Since the market-related valuation calculation recognizes gains or losses over a five-year period, the future value of the market-related assets will be impacted as previously deferred gains or losses are recognized.

The assumed rate of return on pension fund assets for the determination of OTP's 2011 net periodic pension cost, estimated to be \$6.1 million, is 8.00%.

Measurement Dates:	2010	2009
Net Periodic Pension Cost	January 1, 2010	January 1, 2009
End of Year Benefit Obligations	January 1, 2010 projected to December 31, 2010	January 1, 2009 projected to December 31, 2009
Market Value of Assets	December 31, 2010	December 31, 2009

The estimated amounts of unrecognized net actuarial losses and prior service costs to be amortized from regulatory assets and accumulated other comprehensive loss into the net periodic pension cost in 2011 are:

<i>(in thousands)</i>	2011
Decrease in Regulatory Assets:	
Amortization of Unrecognized Prior Service Cost	\$ 424
Amortization of Unrecognized Actuarial Loss	2,538
Total Estimated Amortization	\$ 2,962

Cash flows—OTP is not required to make a contribution to the pension plan in 2011.

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Otter Tail Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	12/31/2010	2010/Q4

NOTES TO FINANCIAL STATEMENTS (Continued)

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid out from plan assets to retired OTP employees:

<i>(in thousands)</i>	Years					
	2011	2012	2013	2014	2015	2016-2020
	\$9,605	\$9,935	\$10,309	\$10,682	\$11,296	\$68,382

The following objectives guide the investment strategy of the Plan:

- The Plan is managed to operate in perpetuity.
- The Plan will meet the pension benefit obligation payments of OTP.
- The Plan's assets should be invested with the objective of meeting current and future payment requirements while minimizing annual contributions and their volatility.
- The asset strategy reflects the desire to meet current and future benefit payments while considering a prudent level of risk and diversification.

The asset allocation strategy developed by Otter Tail Corporation's Retirement Plans Administrative Committee (RPAC) is based on the current needs of the Plan, the investment objectives listed above, the investment preferences and risk tolerance of the committee and a desired degree of diversification.

The asset allocation strategy contains guideline percentages, at market value, of the total Plan invested in various asset classes. The strategic target allocation and the tactical range shown in the table that follows is a guide that will at times not be reflected in actual asset allocations that may be dictated by prevailing market conditions, independent actions of the RPAC and/or investment manager, and required cash flows to and from the Plan. The tactical range provides flexibility for the investment manager's portfolio to vary around the target allocation without the need for immediate rebalancing.

Allocation targets and tactical ranges shown below reflect the revised Investment Policy Statement recently approved by the RPAC. Each of the asset categories is within its respective tactical range. The RPAC monitors actual asset allocations and directs contributions and withdrawals toward maintaining the current targeted allocation percentages listed below.

Asset Allocation	Strategic Target	Tactical Range
Equity Securities	51%	41% - 61%
Fixed-Income Securities	44%	34% - 54%
Enhanced Return	5%	0% - 12%
Cash	0%	0% - 5%

The Plan asset allocations at December 31, 2010 and 2009, by asset category are as follows:

Asset Allocation	2010	2009
Large Capitalization Equity Securities	26.7%	32.0%
International Equity Securities	16.8%	20.2%
Small and Mid Capitalization Equity Securities	7.0%	13.5%
Equity Securities	50.5%	65.7%

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Otter Tail Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 12/31/2010	2010/Q4

NOTES TO FINANCIAL STATEMENTS (Continued)

<u>Fixed-Income Securities and Cash</u>	49.5%	34.3%
	100.0%	100.0%

Fair Value Measurements of Pension Fund Assets

ASC 820 provides a single definition of fair value and requires enhanced disclosures about assets and liabilities measured at fair value. ASC 820-10-35 establishes a hierarchal framework for disclosing the observability of the inputs utilized in measuring assets and liabilities at fair value. The three levels defined by the hierarchy and examples of each level are as follows:

Level 1 – Quoted prices are available in active markets for identical assets or liabilities as of the reported date. The types of assets and liabilities included in Level 1 are highly liquid and actively traded instruments with quoted prices, such as equities listed by the New York Stock Exchange and commodity derivative contracts listed on the New York Mercantile Exchange.

Level 2 – Pricing inputs are other than quoted prices in active markets, but are either directly or indirectly observable as of the reported date. The types of assets and liabilities included in Level 2 are typically either comparable to actively traded securities or contracts, such as treasury securities with pricing interpolated from recent trades of similar securities, or priced with models using highly observable inputs, such as commodity options priced using observable forward prices and volatilities.

Level 3 – Significant inputs to pricing have little or no observability as of the reporting date. The types of assets and liabilities included in Level 3 are those with inputs requiring significant management judgment or estimation and may include complex and subjective models and forecasts.

The following table presents, for each of these hierarchy levels, OTP's pension fund assets measured at fair value as of December 31, 2010 and 2009:

2010 (in thousands)	Level 1	Level 2	Level 3
Large Capitalization Equity Securities	\$ 44,761		
International Equity Securities	28,065		
Small and Mid Capitalization Equity Securities	11,676		
Fixed Income Securities	73,636		
Cash Management – Working Capital Accounts	8,201	\$ 858	
Total Assets	\$ 166,339	\$ 858	

2009 (in thousands)	Level 1	Level 2	Level 3
Mutual Funds	\$ 57,040		
Corporate Stocks - Common	23,996		
U.S. Government Securities	28,534		
Corporate Debt Securities	10,319		
Fixed Income – Municipal Bonds	210		
Interest-Bearing Cash	1		
Common Collective Trusts		\$ 15,688	

Name of Respondent Otter Tail Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report 2010/Q4
--	---	--	----------------------------------

NOTES TO FINANCIAL STATEMENTS (Continued)

Collateral Held on Loaned Securities	202
Other	622
Total Assets	\$ 120,100 \$ 16,512

Executive Survivor and Supplemental Retirement Plan (ESSRP)

The ESSRP is an unfunded, nonqualified benefit plan for Otter Tail Corporation and OTP executive officers and certain key management employees. The ESSRP provides defined benefit payments to these employees on their retirements for life or to their beneficiaries on their deaths for a 15-year postretirement period. There are no plan assets in this nonqualified benefit plan due to the nature of the plan.

As part of the holding company restructuring completed in July 2009 discussed in note 1, the liabilities of the plan along with related tax benefits that related to Otter Tail Corporation were transferred to Otter Tail Corporation, resulting in an increase of \$7.6 million to OTP's equity.

Components of net periodic pension benefit cost:

<i>(in thousands)</i>	2010	2009
Service Cost--Benefit Earned During the Period	\$ 382	\$ 438
Interest Cost on Projected Benefit Obligation	965	986
Amortization of Prior-Service Cost	42	41
Amortization of Net Actuarial Loss	276	224
Net Periodic Pension Cost	\$ 1,665	\$ 1,689

Weighted-average assumptions used to determine net periodic pension cost for the year ended December 31:

	2010	2009
Discount Rate	6.00%	6.70%
Rate of Increase in Future Compensation Level	4.69%	4.70%

The following table presents amounts recognized in the balance sheets as of December 31:

<i>(in thousands)</i>	2010	2009
Regulatory Assets:		
Unrecognized Prior Service Cost	\$ 343	\$ 389
Unrecognized Actuarial Loss	3,024	4,433
Total Regulatory Assets	\$ 3,367	\$ 4,822
Projected Benefit Obligation Liability – Net Amount Recognized	\$ (16,057)	\$ (16,541)

The following tables provide a reconciliation of the changes in the fair value of plan assets and the plan's projected benefit obligations over the two-year period ended December 31, 2010 and a statement of the funded status as of December 31 of both years:

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report 2010/Q4
Otter Tail Power Company			
NOTES TO FINANCIAL STATEMENTS (Continued)			

<i>(in thousands)</i>	2010	2009
Reconciliation of Fair Value of Otter Tail Power Company Portion of Plan Assets:		
Fair Value of Plan Assets at January 1	\$ --	\$ --
Actual Return on Plan Assets	--	--
Employer Contributions	1,067	1,112
Benefit Payments	(1,067)	(1,112)
Fair Value of Plan Assets at December 31	\$ --	\$ --
Reconciliation of Otter Tail Power Company Portion of Projected Benefit Obligation:		
Projected Benefit Obligation at January 1	\$ 16,541	\$ 15,612
Service Cost	382	438
Interest Cost	965	986
Benefit Payments	(1,067)	(1,112)
Plan Amendments	--	24
Actuarial (Gain) Loss	(764)	593
Projected Benefit Obligation at December 31	\$ 16,057	\$ 16,541

Weighted-average assumptions used to determine benefit obligations at December 31:

	2010	2009
Discount Rate	6.00%	6.00%
Rate of Increase in Future Compensation Level	4.65%	4.69%

The estimated amounts of unrecognized net actuarial losses and prior service costs to be amortized from regulatory assets and accumulated other comprehensive loss into the net periodic pension cost for the ESSRP in 2011 are:

<i>(in thousands)</i>	2011
Decrease in Regulatory Assets:	
Amortization of Unrecognized Prior Service Cost	\$ 42
Amortization of Unrecognized Actuarial Loss	142
Total Estimated Amortization	\$ 184

Cash flows—The ESSRP is unfunded and has no assets; contributions are equal to the benefits paid to plan participants. The following benefit payments, which reflect future service, as appropriate, are expected to be paid:

<i>(in thousands)</i>	2011	2012	2013	2014	2015	Years 2016-2020
	\$1,121	\$1,249	\$1,242	\$1,251	\$1,320	\$6,976

Other Postretirement Benefits

OTP provides a portion of health insurance and life insurance benefits for retired OTP employees. Substantially

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Otter Tail Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 12/31/2010	2010/Q4

NOTES TO FINANCIAL STATEMENTS (Continued)

all of OTP's electric utility employees may become eligible for health insurance benefits if they reach age 55 and have 10 years of service. On adoption of Statement of Financial Accounting Standards No. 106, *Employers' Accounting for Postretirement Benefits Other Than Pensions*, in January 1993, OTP elected to recognize its transition obligation related to postretirement benefits earned of approximately \$14,548,000 over a period of 20 years. There are no plan assets.

As part of the holding company restructuring completed in July 2009 discussed in note 1, the liabilities of this plan along with related tax benefits that related to Otter Tail Corporation were transferred to Otter Tail Corporation, resulting in an increase of \$1.0 million to OTP's equity.

Components of net periodic postretirement benefit cost:

<i>(in thousands)</i>	2010	2009
Service Cost--Benefit Earned During the Period	\$ 1,595	\$ 1,111
Interest Cost on Projected Benefit Obligation	3,130	2,782
Amortization of Transition Obligation	730	727
Amortization of Prior-Service Cost	206	205
Amortization of Net Actuarial Loss	812	--
Expense Decrease Due to Medicare Part D Subsidy	(2,028)	(1,335)
Net Periodic Postretirement Benefit Cost	\$ 4,445	\$ 3,490

Weighted-average assumptions used to determine net periodic postretirement benefit cost for the year ended December 31:

	2010	2009
Discount Rate	5.75%	6.70%

The following table presents amounts recognized in the balance sheets as of December 31:

<i>(in thousands)</i>	2010	2009
Regulatory Asset:		
Unrecognized Transition Obligation	\$ 727	\$ 1,093
Unrecognized Prior Service Cost	1,155	1,361
Unrecognized Net Actuarial Loss (Gain)	2,580	(379)
Net Regulatory Asset	\$ 4,462	\$ 2,075
Projected Benefit Obligation Liability – Net Amount Recognized	\$(41,355)	\$(36,656)
Accumulated Other Comprehensive Loss Related to Unrecognized Transition Obligation	\$ 435	\$ 653
Deferred Income Taxes	\$ 290	\$ 436

The following tables provide a reconciliation of the changes in the fair value of plan assets and the plan's projected benefit obligations and accrued postretirement benefit cost over the two-year period ended December 31, 2010:

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report 2010/Q4
Otter Tail Power Company			

NOTES TO FINANCIAL STATEMENTS (Continued)

<i>(in thousands)</i>	2010	2009
Reconciliation of Fair Value of Otter Tail Power Company Portion of Plan Assets:		
Fair Value of Plan Assets at January 1	\$ --	\$ --
Actual Return on Plan Assets	--	--
Company Contributions	1,769	1,254
Benefit Payments (Net of Medicare Part D Subsidy)	(3,748)	(3,113)
Participant Premium Payments	1,979	1,859
Fair Value of Plan Assets at December 31	\$ --	\$ --
Reconciliation of Otter Tail Power Company Portion of Projected Benefit Obligation:		
Projected Benefit Obligation at January 1	\$ 36,656	\$ 31,749
Service Cost (Net of Medicare Part D Subsidy)	1,339	909
Interest Cost (Net of Medicare Part D Subsidy)	2,170	1,921
Benefit Payments (Net of Medicare Part D Subsidy)	(3,748)	(3,113)
Participant Premium Payments	1,979	1,859
Actuarial Loss	2,959	3,331
Projected Benefit Obligation at December 31	\$ 41,355	\$ 36,656

Weighted-average assumptions used to determine benefit obligations at December 31:

	2010	2009
Discount Rate	5.75%	5.75%

Assumed healthcare cost-trend rates as of December 31:

	2010	2009
Healthcare Cost-Trend Rate Assumed for Next Year Pre-65	6.94%	7.10%
Healthcare Cost-Trend Rate Assumed for Next Year Post-65	7.42%	7.63%
Rate at Which the Cost-Trend Rate is Assumed to Decline	5.00%	5.00%
Year the Rate Reaches the Ultimate Trend Rate	2025	2025

Assumed healthcare cost-trend rates have a significant effect on the amounts reported for healthcare plans. A one-percentage-point change in assumed healthcare cost-trend rates for 2010 would have the following effects:

<i>(in thousands)</i>	1 point increase	1 point decrease
Effect on the Postretirement Benefit Obligation	\$ 4,991	\$ (4,179)
Effect on Total of Service and Interest Cost	572	(461)
Effect on Expense	734	(461)

Measurement dates:	2010	2009
Net Periodic Postretirement Benefit Cost	January 1, 2010	January 1, 2009

Name of Respondent Otter Tail Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report 2010/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

10. Property, Plant and Equipment

<i>(in thousands)</i>	December 31,	December 31,	Service Life	
	2010	2009	Range (years)	
			Low	High
Electric Plant				
Production	\$ 660,488	\$ 660,654	34	62
Transmission	218,221	216,508	40	55
Distribution	373,180	357,623	15	55
General	81,085	78,230	5	65
Electric Plant in Service	1,332,974	1,313,015		
Construction Work in Progress	27,788	11,104		
Other Property - Land	760	776		
Total Plant	1,361,522	1,324,895		
Less Accumulated Depreciation and Amortization	523,804	492,902		
Net Plant	\$ 837,718	\$ 831,993		

11. Income Taxes

The total income tax expense differs from the amount computed by applying the federal income tax rate (35% in 2010 and 2009) to net income before total income tax expense for the following reasons:

<i>(in thousands)</i>	2010	2009
	\$ 15,887	\$ 12,154
Tax Computed at Federal Statutory Rate		
Increases (Decreases) in Tax from:		
State Income Taxes Net of Federal Income Tax Benefit	179	1,584
Impact of Change in Treatment of Medicare Part D Payments	1,692	--
Differences Reversing in Excess of Federal Rates	989	893
Net Operating Loss Carryback – Lost Section 199 Deductions	297	--
Federal Production Tax Credit	(6,441)	(6,533)
North Dakota Wind Tax Credit Amortization – Net of Federal Taxes	(1,163)	(870)
Investment Tax Credit Amortization	(926)	(992)
Tax Depreciation - Treasury Grant for Wind Farms	(845)	(3,169)
Dividend Received/Paid Deduction	(692)	(683)
Allowance for Funds Used During Construction - Equity	(1)	(1,113)
Permanent and Other Differences	1,239	(625)
Total Income Tax Expense	\$ 10,215	\$ 646
Overall Effective Federal and State Income Tax Rate	22.5%	1.9%

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Otter Tail Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 12/31/2010	2010/Q4

NOTES TO FINANCIAL STATEMENTS (Continued)

Income Tax Expense Includes the Following:

Current Federal Income Taxes	\$ (2,357)	\$ (35,666)
Current State Income Taxes	1,162	2,723
Deferred Federal Income Taxes	21,405	42,500
Deferred State Income Taxes	(1,465)	(516)
Federal Production Tax Credit	(6,441)	(6,533)
Investment Tax Credit Amortization	(926)	(992)
North Dakota Wind Tax Credit Amortization – Net of Federal Taxes	(1,163)	(870)
Total	\$ 10,215	\$ 646

OTP's deferred tax assets and liabilities were composed of the following on December 31:

<i>(in thousands)</i>	2010	2009
Deferred Tax Assets		
Related to North Dakota Wind Tax Credits	\$ 57,564	\$ 58,191
Benefit Liabilities	21,966	22,041
Differences Related to Property	11,158	10,738
Net Operating Loss Carryforward	9,227	7,529
Federal Production Tax Credits	8,728	6,533
Amortization of Tax Credits	4,290	4,966
Vacation Accrual	1,345	1,312
Other	3,122	1,605
Total Deferred Tax Assets	\$ 117,400	\$ 112,915
Deferred Tax Liabilities		
Differences Related to Property	\$(220,933)	\$(203,597)
Related to North Dakota Wind Tax Credits	(15,132)	(15,132)
Excess Tax over Book Pension	(8,585)	(2,898)
Transfer to Regulatory Asset	(7,921)	(5,808)
Renewable Resource Rider Accrued Revenue	(3,625)	(2,300)
Impact of State Net Operating Losses on Federal Taxes	(2,636)	(2,060)
Other	(4,801)	(4,458)
Total Deferred Tax Liabilities	\$(263,633)	\$(236,253)
Deferred Income Taxes	\$(146,233)	\$(123,338)

Schedule of expiration of tax net operating losses and tax credits available as of December 31, 2010:

<i>(in thousands)</i>	Amount	Year of Expiration					
		2012	2013	2014	2015	2016	2024-33
Federal Tax Credits	\$ 13,115	\$ --	\$ --	\$ --	\$ --	\$ --	\$ 13,115
State Net Operating Losses	9,227	--	--	--	--	--	9,227
State Tax Credits	43,234	511	1,950	1,950	1,950	1,950	34,923

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Otter Tail Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 12/31/2010	2010/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

The following table summarizes the activity related to OTP's unrecognized tax benefits:

<i>(in thousands)</i>	2010	2009
Balance at January 1	\$ --	\$ 65
Increases Related to Tax Positions	--	--
Uncertain Positions Resolved During Year	--	(65)
Balance at December 31	\$ --	\$ --

Otter Tail Corporation and its subsidiaries, including OTP, file a consolidated U.S. federal income tax return and various state and foreign income tax returns. As of December 31, 2010, with limited exceptions, Otter Tail Corporation is no longer subject to examinations for tax years prior to 2006, for all jurisdictions.

12. Asset Retirement Obligations (AROs)

OTP's AROs are related to OTP's coal-fired generation plants and its 92 wind turbines located in North Dakota. The AROs include site restoration, closure of ash pits, and removal of storage tanks, structures, generators and asbestos. OTP has legal obligations associated with the retirement of a variety of other long-lived tangible assets where the estimated settlement costs are individually and collectively immaterial. OTP has no assets legally restricted for the settlement of any of its AROs.

OTP recorded no new AROs in 2010.

During 2009, OTP recorded new obligations related to the removal of 33 wind turbines and restoration of its tower sites located at the Luverne Wind Farm in Steele County, North Dakota, and for future renovations of areas currently occupied by various water treatment sludge ponds at the Big Stone Plant site. OTP determined the fair value of its future obligations related to the removal of its 33 wind turbines located at the Luverne Wind Farm by engaging an outside engineering firm with expertise in demolition and removal to provide an estimate of the current costs to remove these assets, then projected the costs forward to 2034 using an inflation rate of 2.9% per year and discounted this amount back to its present value using a credit adjusted risk free rate of 8.3%. OTP determined the fair value of its future obligations for future renovations of areas currently occupied by various water treatment sludge ponds by conducting an internal assessment incorporating the services of a local contractor to estimate the current cost to renovate these areas. OTP then projected the costs forward to 2024 using an inflation rate of 2.7% per year and discounted this amount back to its present value using a credit adjusted risk free rate of 8.75%.

Reconciliations of carrying amounts of the present value of OTP's legal AROs, capitalized asset retirement costs and related accumulated depreciation and a summary of settlement activity for the years ended December 31, 2010 and 2009 are presented in the following table:

<i>(in thousands)</i>	2010	2009
<u>Asset Retirement Obligations</u>		
Beginning Balance	\$ 4,050	\$ 3,298

Name of Respondent Otter Tail Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report 2010/Q4
--	---	--	----------------------------------

NOTES TO FINANCIAL STATEMENTS (Continued)

New Obligations Recognized	--	436
Adjustments Due to Revisions in Cash Flow Estimates	--	--
Accrued Accretion	352	316
Settlements	--	--
Ending Balance	\$ 4,402	\$ 4,050
<u>Asset Retirement Costs Capitalized</u>		
Beginning Balance	\$ 1,497	\$ 1,061
New Obligations Recognized	--	436
Adjustments Due to Revisions in Cash Flow Estimates	--	--
Settlements	--	--
Ending Balance	\$ 1,497	\$ 1,497
<u>Accumulated Depreciation - Asset Retirement Costs Capitalized</u>		
Beginning Balance	\$ 233	\$ 179
New Obligations Recognized	--	--
Adjustments Due to Revisions in Cash Flow Estimates	--	--
Accrued Depreciation	57	54
Settlements	--	--
Ending Balance	\$ 290	\$ 233
<u>Settlements</u>		
Original Capitalized Asset Retirement Cost - Retired	\$ --	\$ --
Accumulated Depreciation	--	--
Asset Retirement Obligation	\$ --	\$ --
Settlement Cost	--	--
Gain on Settlement – Deferred Under Regulatory Accounting	\$ --	\$ --

12. Quantitative and Qualitative Disclosures about Market Risk

At December 31, 2010 OTP had exposure to market risk associated with interest rates because we had \$25.3 million in short-term debt outstanding subject to variable interest rates that are indexed to LIBOR plus 0.5% under OTP's \$170 million revolving credit facility.

The majority of our consolidated long-term debt has fixed interest rates. The interest rate on variable rate long-term debt is reset on a periodic basis reflecting current market conditions. We manage our interest rate risk through the issuance of fixed-rate debt with varying maturities, through economic refunding of debt through optional refundings, limiting the amount of variable interest rate debt, and the utilization of short-term borrowings to allow flexibility in the timing and placement of long-term debt. As of December 31, 2010 we had \$10.4 million of long-term debt subject to variable interest rates. Assuming no change in our financial structure, if variable interest rates were to average one percentage point higher or lower than the average variable rate on December 31, 2010, annualized interest expense and pre-tax earnings would change by approximately \$104,000.

We have not used interest rate swaps to manage net exposure to interest rate changes related to our portfolio of

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Otter Tail Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	12/31/2010	2010/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

borrowings. We maintain a ratio of fixed-rate debt to total debt within a certain range. It is our policy to enter into interest rate transactions and other financial instruments only to the extent considered necessary to meet our stated objectives. We do not enter into interest rate transactions for speculative or trading purposes.

OTP has market, price and credit risk associated with forward contracts for the purchase and sale of electricity. As of December 31, 2010 OTP had recognized, on a pretax basis, \$763,000 in net unrealized gains on open forward contracts for the purchase and sale of electricity and electricity generating capacity. Due to the nature of electricity and the physical aspects of the electricity transmission system, unanticipated events affecting the transmission grid can cause transmission constraints that result in unanticipated gains or losses in the process of settling transactions.

The market prices used to value OTP's forward contracts for the purchases and sales of electricity and electricity generating capacity are determined by survey of counterparties or brokers used by OTP's power services' personnel responsible for contract pricing, as well as prices gathered from daily settlement prices published by the Intercontinental Exchange and the CME Globex. For certain contracts, prices at illiquid trading points are based on a basis spread between that trading point and more liquid trading hub prices. These basis spreads are determined based on available market price information and the use of forward price curve models. The forward energy sales contracts that are marked to market as of December 31, 2010, are 100% offset by forward energy purchase contracts in terms of volumes, delivery periods but not in terms of delivery points. The differential in forward prices at the different delivery locations currently results in a mark-to-market unrealized gain on OTP's open forward contracts.

We have in place an energy risk management policy with a goal to manage, through the use of defined risk management practices, price risk and credit risk associated with wholesale power purchases and sales. Volumetric limits and loss limits are used to adequately manage the risks associated with our energy trading activities. Additionally, we have a Value at Risk (VaR) limit to further manage market price risk. There was price risk on open positions as of December 31, 2010 because the open purchases were not at the same delivery points as the open sales.

The following tables show the effect of marking to market forward contracts for the purchase and sale of electricity and the location and fair value amounts of the related derivatives reported on the Company's consolidated balance sheets as of December 31, 2010 and December 31, 2009, and the change in the Company's consolidated balance sheet position from December 31, 2009 to December 31, 2010 and December 31, 2008 to December 31, 2009:

<i>(in thousands)</i>	December 31, 2010	December 31, 2009
Current Asset – Marked-to-Market Gain	\$ 6,875	\$ 8,321
Regulatory Asset – Deferred Marked-to-Market Loss	12,054	7,614
Total Assets	18,929	15,935
Current Liability – Marked-to-Market Loss	(17,991)	(14,681)
Regulatory Liability – Deferred		

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Otter Tail Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 12/31/2010	2010/Q4

NOTES TO FINANCIAL STATEMENTS (Continued)

Marked-to-Market Gain	(175)	(224)
Total Liabilities	(18,166)	(14,905)
Net Fair Value of Marked-to-Market Energy Contracts	\$ 763	\$ 1,030

<i>(in thousands)</i>	Year ended December 31, 2010	Year ended December 31, 2009
Fair Value at Beginning of Year	\$ 1,030	\$ (123)
Amount Realized on Contracts Entered into in Prior Year	389	123
Changes in Fair Value of Contracts Entered into in Prior Year	--	--
Net Fair Value of Contracts Entered into in Prior Year at Year End	641	--
Changes in Fair Value of Contracts Entered into in Current Year	122	1,030
Net Fair Value at End of Year	\$ 763	\$ 1,030

The \$763,000 in recognized but unrealized net gains on the forward energy and capacity purchases and sales marked to market on December 31, 2010 is expected to be realized on settlement as scheduled over the following periods in the amounts listed:

<i>(in thousands)</i>	1st Qtr 2011	2nd Qtr 2011	3rd Qtr 2011	4th Qtr 2011	2012	Total
Net Gain	\$ 97	\$ 102	\$ 140	\$ 103	\$ 321	\$ 763

OTP has credit risk associated with the nonperformance or nonpayment by counterparties to its forward energy and capacity purchases and sales agreements. We have established guidelines and limits to manage credit risk associated with wholesale power and capacity purchases and sales. Specific limits are determined by a counterparty's financial strength. OTP's credit risk with its largest counterparty on delivered and marked-to-market forward contracts as of December 31, 2010 was \$585,000. As of December 31, 2010 OTP had a net credit risk exposure of \$1,129,000 from four counterparties with investment grade credit ratings. OTP had no exposure at December 31, 2010 to counterparties with credit ratings below investment grade. Counterparties with investment grade credit ratings have minimum credit ratings of BBB- (Standard & Poor's), Baa3 (Moody's) or BBB- (Fitch). The \$1,129,000 credit risk exposure included net amounts due to OTP on receivables/payables from completed transactions billed and unbilled plus marked-to-market gains/losses on forward contracts for the purchase and sale of electricity scheduled for delivery after December 31, 2010. Individual counterparty exposures are offset according to legally enforceable netting arrangements.

BLANK PAGE
(Next page is 122a)

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

STATEMENTS OF ACCUMULATED COMPREHENSIVE INCOME, COMPREHENSIVE INCOME, AND HEDGING ACTIVITIES

1. Report in columns (b),(c),(d) and (e) the amounts of accumulated other comprehensive income items, on a net-of-tax basis, where appropriate.
2. Report in columns (f) and (g) the amounts of other categories of other cash flow hedges.
3. For each category of hedges that have been accounted for as "fair value hedges", report the accounts affected and the related amounts in a footnote.
4. Report data on a year-to-date basis.

Line No.	Item (a)	Unrealized Gains and Losses on Available-for-Sale Securities (b)	Minimum Pension Liability adjustment (net amount) (c)	Foreign Currency Hedges (d)	Other Adjustments (e)
1	Balance of Account 219 at Beginning of Preceding Year				(3,674,541)
2	Preceding Qtr/Yr to Date Reclassifications from Acct 219 to Net Income				
3	Preceding Quarter/Year to Date Changes in Fair Value				3,021,382
4	Total (lines 2 and 3)				3,021,382
5	Balance of Account 219 at End of Preceding Quarter/Year				(653,159)
6	Balance of Account 219 at Beginning of Current Year				(653,159)
7	Current Qtr/Yr to Date Reclassifications from Acct 219 to Net Income				
8	Current Quarter/Year to Date Changes in Fair Value				218,243
9	Total (lines 7 and 8)				218,243
10	Balance of Account 219 at End of Current Quarter/Year				(434,916)

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

STATEMENTS OF ACCUMULATED COMPREHENSIVE INCOME, COMPREHENSIVE INCOME, AND HEDGING ACTIVITIES

Line No.	Other Cash Flow Hedges Interest Rate Swaps (f)	Other Cash Flow Hedges [Specify] (g)	Totals for each category of items recorded in Account 219 (h)	Net Income (Carried Forward from Page 117, Line 78) (i)	Total Comprehensive Income (j)
1			(3,674,541)		
2					
3			3,021,382		
4			3,021,382	34,078,812	37,100,194
5			(653,159)		
6			(653,159)		
7					
8			218,243		
9			218,243	35,175,569	35,393,812
10			(434,916)		

Name of Respondent Otter Tail Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of <u>2010/Q4</u>
SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION					
Report in Column (c) the amount for electric function, in column (d) the amount for gas function, in column (e), (f), and (g) report other (specify) and in column (h) common function.					
Line No.	Classification (a)	Total Company for the Current Year/Quarter Ended (b)	Electric (c)		
1	Utility Plant				
2	In Service				
3	Plant in Service (Classified)	1,307,014,931	1,307,014,931		
4	Property Under Capital Leases				
5	Plant Purchased or Sold				
6	Completed Construction not Classified	24,282,601	24,282,601		
7	Experimental Plant Unclassified				
8	Total (3 thru 7)	1,331,297,532	1,331,297,532		
9	Leased to Others				
10	Held for Future Use	29,656	29,656		
11	Construction Work in Progress	27,787,706	27,787,706		
12	Acquisition Adjustments	1,647,127	1,647,127		
13	Total Utility Plant (8 thru 12)	1,360,762,021	1,360,762,021		
14	Accum Prov for Depr, Amort, & Depl	523,803,452	523,803,452		
15	Net Utility Plant (13 less 14)	836,958,569	836,958,569		
16	Detail of Accum Prov for Depr, Amort & Depl				
17	In Service:				
18	Depreciation	519,926,275	519,926,275		
19	Amort & Depl of Producing Nat Gas Land/Land Right				
20	Amort of Underground Storage Land/Land Rights				
21	Amort of Other Utility Plant	2,470,836	2,470,836		
22	Total In Service (18 thru 21)	522,397,111	522,397,111		
23	Leased to Others				
24	Depreciation				
25	Amortization and Depletion				
26	Total Leased to Others (24 & 25)				
27	Held for Future Use				
28	Depreciation				
29	Amortization				
30	Total Held for Future Use (28 & 29)				
31	Abandonment of Leases (Natural Gas)				
32	Amort of Plant Acquisition Adj	1,406,341	1,406,341		
33	Total Accum Prov (equals 14) (22,26,30,31,32)	523,803,452	523,803,452		

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of <u>2010/Q4</u>
--	---	--	--

SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS
FOR DEPRECIATION, AMORTIZATION AND DEPLETION

Gas (d)	Other (Specify) (e)	Other (Specify) (f)	Other (Specify) (g)	Common (h)	Line No.
					1
					2
					3
					4
					5
					6
					7
					8
					9
					10
					11
					12
					13
					14
					15
					16
					17
					18
					19
					20
					21
					22
					23
					24
					25
					26
					27
					28
					29
					30
					31
					32
					33

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106)

- Report below the original cost of electric plant in service according to the prescribed accounts.
- In addition to Account 101, Electric Plant in Service (Classified), this page and the next include Account 102, Electric Plant Purchased or Sold; Account 103, Experimental Electric Plant Unclassified; and Account 106, Completed Construction Not Classified-Electric.
- Include in column (c) or (d), as appropriate, corrections of additions and retirements for the current or preceding year.
- For revisions to the amount of initial asset retirement costs capitalized, included by primary plant account, increases in column (c) additions and reductions in column (e) adjustments.
- Enclose in parentheses credit adjustments of plant accounts to indicate the negative effect of such accounts.
- Classify Account 106 according to prescribed accounts, on an estimated basis if necessary, and include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements, on an estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d)

Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)
1	1. INTANGIBLE PLANT		
2	(301) Organization		
3	(302) Franchises and Consents	1,301,974	
4	(303) Miscellaneous Intangible Plant	2,718,425	401,453
5	TOTAL Intangible Plant (Enter Total of lines 2, 3, and 4)	4,020,399	401,453
6	2. PRODUCTION PLANT		
7	A. Steam Production Plant		
8	(310) Land and Land Rights	1,571,085	139,547
9	(311) Structures and Improvements	60,281,266	375,252
10	(312) Boiler Plant Equipment	196,524,039	984,057
11	(313) Engines and Engine-Driven Generators		
12	(314) Turbogenerator Units	58,912,381	227,202
13	(315) Accessory Electric Equipment	22,002,677	73,487
14	(316) Misc. Power Plant Equipment	5,448,430	126,772
15	(317) Asset Retirement Costs for Steam Production	314,745	
16	TOTAL Steam Production Plant (Enter Total of lines 8 thru 15)	345,054,623	1,926,317
17	B. Nuclear Production Plant		
18	(320) Land and Land Rights		
19	(321) Structures and Improvements		
20	(322) Reactor Plant Equipment		
21	(323) Turbogenerator Units		
22	(324) Accessory Electric Equipment		
23	(325) Misc. Power Plant Equipment		
24	(326) Asset Retirement Costs for Nuclear Production		
25	TOTAL Nuclear Production Plant (Enter Total of lines 18 thru 24)		
26	C. Hydraulic Production Plant		
27	(330) Land and Land Rights	307,623	
28	(331) Structures and Improvements	205,944	129,856
29	(332) Reservoirs, Dams, and Waterways	1,737,076	222,073
30	(333) Water Wheels, Turbines, and Generators	1,056,160	11,347
31	(334) Accessory Electric Equipment	588,496	
32	(335) Misc. Power PLant Equipment	147,892	1,070
33	(336) Roads, Railroads, and Bridges		
34	(337) Asset Retirement Costs for Hydraulic Production		
35	TOTAL Hydraulic Production Plant (Enter Total of lines 27 thru 34)	4,043,191	364,346
36	D. Other Production Plant		
37	(340) Land and Land Rights	126,762	
38	(341) Structures and Improvements	10,372,337	2,266,581
39	(342) Fuel Holders, Products, and Accessories	1,547,234	
40	(343) Prime Movers	31,432,835	103,172
41	(344) Generators	248,814,640	-7,694,871
42	(345) Accessory Electric Equipment	14,768,207	4,851,757
43	(346) Misc. Power Plant Equipment	421,986	13,520
44	(347) Asset Retirement Costs for Other Production	1,182,022	
45	TOTAL Other Prod. Plant (Enter Total of lines 37 thru 44)	308,666,023	-459,841
46	TOTAL Prod. Plant (Enter Total of lines 16, 25, 35, and 45)	657,763,837	1,830,822

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of <u>2010/Q4</u>
--	---	--	--

ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)

distributions of these tentative classifications in columns (c) and (d), including the reversals of the prior years tentative account distributions of these amounts. Careful observance of the above instructions and the texts of Accounts 101 and 106 will avoid serious omissions of the reported amount of respondent's plant actually in service at end of year.

7. Show in column (f) reclassifications or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classifications arising from distribution of amounts initially recorded in Account 102, include in column (e) the amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc., and show in column (f) only the offset to the debits or credits distributed in column (f) to primary account classifications.

8. For Account 399, state the nature and use of plant included in this account and if substantial in amount submit a supplementary statement showing subaccount classification of such plant conforming to the requirement of these pages.

9. For each amount comprising the reported balance and changes in Account 102, state the property purchased or sold, name of vendor or purchase, and date of transaction. If proposed journal entries have been filed with the Commission as required by the Uniform System of Accounts, give also date

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Line No.
				1
				2
			1,301,974	3
			3,119,878	4
			4,421,852	5
				6
				7
			1,710,632	8
199,467		14,029	60,471,080	9
1,645,479		-14,029	195,848,588	10
				11
31,534			59,108,049	12
8,926		3,399	22,070,637	13
114,714			5,460,488	14
			314,745	15
2,000,120		3,399	344,984,219	16
				17
				18
				19
				20
				21
				22
				23
				24
				25
				26
			307,623	27
			335,800	28
			1,959,149	29
			1,067,507	30
			588,496	31
288			148,674	32
				33
				34
288			4,407,249	35
				36
			126,762	37
			12,638,918	38
			1,547,234	39
			31,536,007	40
			241,119,769	41
			19,619,964	42
			435,506	43
			1,182,022	44
			308,206,182	45
2,000,408		3,399	657,597,650	46

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)

Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)
47	3. TRANSMISSION PLANT		
48	(350) Land and Land Rights	362,316	5,000
49	(352) Structures and Improvements		
50	(353) Station Equipment	64,113,761	1,648,193
51	(354) Towers and Fixtures	4,692,263	
52	(355) Poles and Fixtures	78,694,228	895,418
53	(356) Overhead Conductors and Devices	68,505,645	1,158,551
54	(357) Underground Conduit		
55	(358) Underground Conductors and Devices	72,673	
56	(359) Roads and Trails		
57	(359.1) Asset Retirement Costs for Transmission Plant		
58	TOTAL Transmission Plant (Enter Total of lines 48 thru 57)	216,440,886	3,707,162
59	4. DISTRIBUTION PLANT		
60	(360) Land and Land Rights	961,781	40,104
61	(361) Structures and Improvements		
62	(362) Station Equipment	55,865,911	3,843,672
63	(363) Storage Battery Equipment		
64	(364) Poles, Towers, and Fixtures	57,700,686	2,473,239
65	(365) Overhead Conductors and Devices	43,146,927	974,457
66	(366) Underground Conduit		
67	(367) Underground Conductors and Devices	56,395,317	1,839,936
68	(368) Line Transformers	62,659,926	5,098,877
69	(369) Services	42,438,487	1,203,694
70	(370) Meters	30,185,885	1,099,535
71	(371) Installations on Customer Premises	3,830,944	171,535
72	(372) Leased Property on Customer Premises		
73	(373) Street Lighting and Signal Systems	4,415,497	189,289
74	(374) Asset Retirement Costs for Distribution Plant		
75	TOTAL Distribution Plant (Enter Total of lines 60 thru 74)	357,601,361	16,934,338
76	5. REGIONAL TRANSMISSION AND MARKET OPERATION PLANT		
77	(380) Land and Land Rights		
78	(381) Structures and Improvements		
79	(382) Computer Hardware		
80	(383) Computer Software		
81	(384) Communication Equipment		
82	(385) Miscellaneous Regional Transmission and Market Operation Plant		
83	(386) Asset Retirement Costs for Regional Transmission and Market Oper		
84	TOTAL Transmission and Market Operation Plant (Total lines 77 thru 83)		
85	6. GENERAL PLANT		
86	(389) Land and Land Rights	1,447,028	81,587
87	(390) Structures and Improvements	29,733,787	-65,402
88	(391) Office Furniture and Equipment	7,196,432	1,629,556
89	(392) Transportation Equipment	26,204,302	2,931,094
90	(393) Stores Equipment		
91	(394) Tools, Shop and Garage Equipment	3,999,752	403,058
92	(395) Laboratory Equipment	123,116	
93	(396) Power Operated Equipment	1,051,474	-460,225
94	(397) Communication Equipment	5,755,902	747,174
95	(398) Miscellaneous Equipment		
96	SUBTOTAL (Enter Total of lines 86 thru 95)	75,511,793	5,266,842
97	(399) Other Tangible Property		
98	(399.1) Asset Retirement Costs for General Plant		
99	TOTAL General Plant (Enter Total of lines 96, 97 and 98)	75,511,793	5,266,842
100	TOTAL (Accounts 101 and 106)	1,311,338,276	28,140,617
101	(102) Electric Plant Purchased (See Instr. 8)		
102	(Less) (102) Electric Plant Sold (See Instr. 8)		
103	(103) Experimental Plant Unclassified		
104	TOTAL Electric Plant in Service (Enter Total of lines 100 thru 103)	1,311,338,276	28,140,617

Name of Respondent Otter Tail Power Company	This Report Is:		Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of <u>2010/Q4</u>
	(1) <input checked="" type="checkbox"/> An Original	(2) <input type="checkbox"/> A Resubmission		

ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Line No.
				47
			367,316	48
				49
11,420		-47,235	65,703,299	50
			4,692,263	51
198,495		-1,011,755	78,379,396	52
180,967		-544,299	68,938,930	53
				54
			72,673	55
				56
				57
390,882		-1,603,289	218,153,877	58
				59
2,108			999,777	60
				61
878,391		61,319	58,892,511	62
				63
61,692		1,011,755	61,123,988	64
225,854		526,816	44,422,346	65
				66
150,698			58,084,555	67
731,745			67,027,058	68
34,871			43,607,310	69
723,954			30,561,466	70
89,329			3,913,150	71
				72
77,772			4,527,014	73
				74
2,976,414		1,599,890	373,159,175	75
				76
				77
				78
				79
				80
				81
				82
				83
				84
				85
			1,528,615	86
14,971			29,653,414	87
876,713			7,949,275	88
1,425,935			27,709,461	89
				90
266,908		-32,749	4,103,153	91
43,017			80,099	92
32,749		32,749	591,249	93
153,364			6,349,712	94
				95
2,813,657			77,964,978	96
				97
				98
2,813,657			77,964,978	99
8,181,361			1,331,297,532	100
				101
				102
				103
8,181,361			1,331,297,532	104

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of <u>2010/Q4</u>
--	---	--	--

ELECTRIC PLANT HELD FOR FUTURE USE (Account 105)

- Report separately each property held for future use at end of the year having an original cost of \$250,000 or more. Group other items of property held for future use.
- For property having an original cost of \$250,000 or more previously used in utility operations, now held for future use, give in column (a), in addition to other required information, the date that utility use of such property was discontinued, and the date the original cost was transferred to Account 105.

Line No.	Description and Location Of Property (a)	Date Originally Included in This Account (b)	Date Expected to be used in Utility Service (c)	Balance at End of Year (d)
1	Land and Rights:			
2	Various			29,656
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21	Other Property:			
22	Various			
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40				
41				
42				
43				
44				
45				
46				
47	Total			29,656

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of <u>2010/Q4</u>
--	---	--	--

CONSTRUCTION WORK IN PROGRESS -- ELECTRIC (Account 107)

- Report below descriptions and balances at end of year of projects in process of construction (107)
- Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstrating (see Account 107 of the Uniform System of Accounts)
- Minor projects (5% of the Balance End of the Year for Account 107 or \$1,000,000, whichever is less) may be grouped.

Line No.	Description of Project (a)	Construction work in progress - Electric (Account 107) (b)
1	Bottineau, ND - Build new substation	179,255
2	Bottineau, ND - 12.5 kv conversion project	138,465
3	System wide - Reinforce rejected poles	125,714
4	Morris, MN - Replace substation	125,473
5	Bemidji, MN - Grand Rapids, MN - Construct transmission line	2,588,309
6	Fargo, ND - St. Cloud, MN - Construct transmission line	4,906,027
7	Brookings, SD - SE Twin Cities - Construct transmission line	1,060,523
8	Big Stone City, SD - Big Stone Plant - Replace control system	695,955
9	Ashtabula, ND - Construct wind farm	250,000
10	Fergus Falls, MN - Peaking plant development	810,221
11	Big Stone City, SD - 5 kv switchgear replacement	101,827
12	Bemidji, MN - Substation SEL recloser control	102,322
13	Cass Lake, MN - Substation upgrade	104,184
14	New Effington, SD - Rebuild transmission line	106,033
15	Big Stone City, SD - Install recloser	110,407
16	Enderlin, ND - Rebuild line	115,411
17	Karlstad, MN - Replace circuit switcher	128,371
18	System wide - Replace power monitors	133,444
19	Bemidji, MN - Hydro structure improvements	137,357
20	Fergus Falls, MN - Repower Dayton Hollow Hydro	154,506
21	Gary, SD to Canby, MN - Microwave upgrade	155,117
22	Jamestown, ND - Sisseton, SD - Circuit breaker changes	168,894
23	Fergus Falls, MN - UPS for Data Center	170,000
24	Belcourt, ND - Reconductor line	181,531
25	Perham, MN - Extend line to new hospital	182,200
26	System wide - Facility improvements	195,804
27	Parkers Prairie, MN - Build new substation	200,618
28	Big Stone City, SD - Environmental project	1,022,450
29	Fergus Falls, MN - Hoot Lake Plant study	248,778
30	System wide - Two-way radio system replacement	281,789
31	System wide - PC life cycle replacements	331,072
32	Crookston, MN - Relocate line for road move	334,975
33	Forman-Ellendale, ND - Transmission line reroute	349,219
34	Fergus Falls, MN - Hoot Lake Plant - Switchgear replacement	413,932
35	Fergus Falls, MN - Real time data historian	437,741
36	System wide - Enterprise wide backup system	693,531
37	Clearbrook, MN - Capacitor bank addition	922,405
38	Big Stone City, SD - Transmission line projects	1,039,934
39	Big Stone Transmission - Regulatory Recovery	1,097,809
40	Big Stone City, SD - Big Stone Plant - Replace boiler radiant superheater	1,140,497
41	Miscellaneous projects under \$100,000	6,145,606
42		
43	TOTAL	27,787,706

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

ACCUMULATED PROVISION FOR DEPRECIATION OF ELECTRIC UTILITY PLANT (Account 108)

1. Explain in a footnote any important adjustments during year.
2. Explain in a footnote any difference between the amount for book cost of plant retired, Line 11, column (c), and that reported for electric plant in service, pages 204-207, column 9d), excluding retirements of non-depreciable property.
3. The provisions of Account 108 in the Uniform System of accounts require that retirements of depreciable plant be recorded when such plant is removed from service. If the respondent has a significant amount of plant retired at year end which has not been recorded and/or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all costs included in retirement work in progress at year end in the appropriate functional classifications.
4. Show separately interest credits under a sinking fund or similar method of depreciation accounting.

Section A. Balances and Changes During Year

Line No.	Item (a)	Total (c+d+e) (b)	Electric Plant in Service (c)	Electric Plant Held for Future Use (d)	Electric Plant Leased to Others (e)
1	Balance Beginning of Year	489,671,107	489,671,107		
2	Depreciation Provisions for Year, Charged to				
3	(403) Depreciation Expense	38,134,955	38,134,955		
4	(403.1) Depreciation Expense for Asset Retirement Costs	56,992	56,992		
5	(413) Exp. of Elec. Plt. Leas. to Others				
6	Transportation Expenses-Clearing	1,445,658	1,445,658		
7	Other Clearing Accounts	92,379	92,379		
8	Other Accounts (Specify, details in footnote):	-2,082,191	-2,082,191		
9					
10	TOTAL Deprec. Prov for Year (Enter Total of lines 3 thru 9)	37,647,793	37,647,793		
11	Net Charges for Plant Retired:				
12	Book Cost of Plant Retired	8,181,753	8,181,753		
13	Cost of Removal	1,363,651	1,363,651		
14	Salvage (Credit)	2,087,812	2,087,812		
15	TOTAL Net Chrgs. for Plant Ret. (Enter Total of lines 12 thru 14)	7,457,592	7,457,592		
16	Other Debit or Cr. Items (Describe, details in footnote):	64,967	64,967		
17					
18	Book Cost or Asset Retirement Costs Retired				
19	Balance End of Year (Enter Totals of lines 1, 10, 15, 16, and 18)	519,926,275	519,926,275		

Section B. Balances at End of Year According to Functional Classification

20	Steam Production	202,954,977	202,954,977		
21	Nuclear Production				
22	Hydraulic Production-Conventional	2,090,841	2,090,841		
23	Hydraulic Production-Pumped Storage				
24	Other Production	37,804,211	37,804,211		
25	Transmission	86,473,564	86,473,564		
26	Distribution	158,148,532	158,148,532		
27	Regional Transmission and Market Operation				
28	General	32,454,150	32,454,150		
29	TOTAL (Enter Total of lines 20 thru 28)	519,926,275	519,926,275		

Name of Respondent Otter Tail Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report 2010/Q4
FOOTNOTE DATA			

Schedule Page: 219 Line No.: 7 Column: c

Inventory costs cleared to construction or utility operating expense.

Schedule Page: 219 Line No.: 8 Column: c

Transferred to a regulatory liability for the portion of depreciation accrued for future removal cost on assets that are subject to asset retirement obligation (ARO) accounting.

Schedule Page: 219 Line No.: 16 Column: c

The net activity during the year for construction/removal not classified.

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of <u>2010/Q4</u>
--	---	--	--

MATERIALS AND SUPPLIES

1. For Account 154, report the amount of plant materials and operating supplies under the primary functional classifications as indicated in column (a); estimates of amounts by function are acceptable. In column (d), designate the department or departments which use the class of material.

2. Give an explanation of important inventory adjustments during the year (in a footnote) showing general classes of material and supplies and the various accounts (operating expenses, clearing accounts, plant, etc.) affected debited or credited. Show separately debit or credits to stores expense clearing, if applicable.

Line No.	Account (a)	Balance Beginning of Year (b)	Balance End of Year (c)	Department or Departments which Use Material (d)
1	Fuel Stock (Account 151)	8,314,739	10,204,420	Production
2	Fuel Stock Expenses Undistributed (Account 152)			
3	Residuals and Extracted Products (Account 153)			
4	Plant Materials and Operating Supplies (Account 154)			
5	Assigned to - Construction (Estimated)			
6	Assigned to - Operations and Maintenance			
7	Production Plant (Estimated)	5,072,842	5,631,543	Production
8	Transmission Plant (Estimated)	3,748,798	3,832,827	Various
9	Distribution Plant (Estimated)	6,664,530	6,727,096	Various
10	Regional Transmission and Market Operation Plant (Estimated)			
11	Assigned to - Other (provide details in footnote)	286,639	284,691	Fleet Service
12	TOTAL Account 154 (Enter Total of lines 5 thru 11)	15,773,009	16,476,157	
13	Merchandise (Account 155)			
14	Other Materials and Supplies (Account 156)			
15	Nuclear Materials Held for Sale (Account 157) (Not applic to Gas Util)			
16	Stores Expense Undistributed (Account 163)			
17				
18				
19				
20	TOTAL Materials and Supplies (Per Balance Sheet)	24,087,748	26,680,577	

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Otter Tail Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 12/31/2010	2010/Q4
FOOTNOTE DATA			

Schedule Page: 227 Line No.: 11 Column: b

Consists of parts inventory at the Fleet Service Department.

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (M., D., Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

Allowances (Accounts 158.1 and 158.2)

1. Report below the particulars (details) called for concerning allowances.
2. Report all acquisitions of allowances at cost.
3. Report allowances in accordance with a weighted average cost allocation method and other accounting as prescribed by General Instruction No. 21 in the Uniform System of Accounts.
4. Report the allowances transactions by the period they are first eligible for use: the current year's allowances in columns (b)-(c), allowances for the three succeeding years in columns (d)-(i), starting with the following year, and allowances for the remaining succeeding years in columns (j)-(k).
5. Report on line 4 the Environmental Protection Agency (EPA) issued allowances. Report withheld portions Lines 36-40.

Line No.	SO2 Allowances Inventory (Account 158.1) (a)	Current Year		2011	
		No. (b)	Amt. (c)	No. (d)	Amt. (e)
1	Balance-Beginning of Year	36,389.00		14,054.00	
2					
3	Acquired During Year:				
4	Issued (Less Withheld Allow)				
5	Returned by EPA				
6					
7					
8	Purchases/Transfers:				
9					
10					
11					
12					
13					
14					
15	Total				
16					
17	Relinquished During Year:				
18	Charges to Account 509	15,067.00			
19	Other:				
20					
21	Cost of Sales/Transfers:				
22					
23					
24					
25					
26					
27					
28	Total				
29	Balance-End of Year	21,322.00		14,054.00	
30					
31	Sales:				
32	Net Sales Proceeds(Assoc. Co.)				
33	Net Sales Proceeds (Other)				
34	Gains				
35	Losses				
	Allowances Withheld (Acct 158.2)				
36	Balance-Beginning of Year	202.96		202.96	
37	Add: Withheld by EPA				
38	Deduct: Returned by EPA				
39	Cost of Sales	202.96			
40	Balance-End of Year			202.96	
41					
42	Sales:				
43	Net Sales Proceeds (Assoc. Co.)				
44	Net Sales Proceeds (Other)	202.96	7,655		
45	Gains	202.96	7,655		
46	Losses				

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date Report (Mo., Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

Allowances (Accounts 158.1 and 158.2) (Continued)

6. Report on Lines 5 allowances returned by the EPA. Report on Line 39 the EPA's sales of the withheld allowances. Report on Lines 43-46 the net sales proceeds and gains/losses resulting from the EPA's sale or auction of the withheld allowances.
7. Report on Lines 8-14 the names of vendors/transfersors of allowances acquire and identify associated companies (See "associated company" under "Definitions" in the Uniform System of Accounts).
8. Report on Lines 22 - 27 the name of purchasers/ transferees of allowances disposed of an identify associated companies.
9. Report the net costs and benefits of hedging transactions on a separate line under purchases/transfers and sales/transfers.
10. Report on Lines 32-35 and 43-46 the net sales proceeds and gains or losses from allowance sales.

2012		2013		Future Years		Totals		Line No.
No. (f)	Amt. (g)	No. (h)	Amt. (i)	No. (j)	Amt. (k)	No. (l)	Amt. (m)	
14,054.00		14,054.00		365,404.00		443,955.00		1
								2
								3
				14,054.00		14,054.00		4
								5
								6
								7
								8
								9
								10
								11
								12
								13
								14
								15
								16
								17
						15,067.00		18
								19
								20
								21
								22
								23
								24
								25
								26
								27
14,054.00		14,054.00		379,458.00		442,942.00		28
								29
								30
								31
								32
								33
								34
								35
202.96		202.96		9,945.16		10,757.00		36
				405.93		405.93		37
								38
				202.96		405.92		39
202.96		202.96		10,148.13		10,757.01		40
								41
								42
								43
				202.96	420	405.92	8,075	44
				202.96	420	405.92	8,075	45
								46

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Month, Day, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

Allowances (Accounts 158.1 and 158.2)

1. Report below the particulars (details) called for concerning allowances.
2. Report all acquisitions of allowances at cost.
3. Report allowances in accordance with a weighted average cost allocation method and other accounting as prescribed by General Instruction No. 21 in the Uniform System of Accounts.
4. Report the allowances transactions by the period they are first eligible for use: the current year's allowances in columns (b)-(c), allowances for the three succeeding years in columns (d)-(i), starting with the following year, and allowances for the remaining succeeding years in columns (j)-(k).
5. Report on line 4 the Environmental Protection Agency (EPA) issued allowances. Report withheld portions Lines 36-40.

Line No.	NOx Allowances Inventory (Account 158.1) (a)	Current Year		2011	
		No. (b)	Amt. (c)	No. (d)	Amt. (e)
1	Balance-Beginning of Year	762.00			
2					
3	Acquired During Year:				
4	Issued (Less Withheld Allow)				
5	Returned by EPA				
6					
7					
8	Purchases/Transfers:				
9					
10					
11					
12					
13					
14					
15	Total				
16					
17	Relinquished During Year:				
18	Charges to Account 509				
19	Other:				
20	EPA Adjust -	762.00			
21	Cost of Sales/Transfers:				
22					
23					
24					
25					
26					
27					
28	Total				
29	Balance-End of Year				
30					
31	Sales:				
32	Net Sales Proceeds(Assoc. Co.)				
33	Net Sales Proceeds (Other)				
34	Gains				
35	Losses				
	Allowances Withheld (Acct 158.2)				
36	Balance-Beginning of Year				
37	Add: Withheld by EPA				
38	Deduct: Returned by EPA				
39	Cost of Sales				
40	Balance-End of Year				
41					
42	Sales:				
43	Net Sales Proceeds (Assoc. Co.)				
44	Net Sales Proceeds (Other)				
45	Gains				
46	Losses				

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Month, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	---	---

Allowances (Accounts 158.1 and 158.2) (Continued)

6. Report on Lines 5 allowances returned by the EPA. Report on Line 39 the EPA's sales of the withheld allowances. Report on Lines 43-46 the net sales proceeds and gains/losses resulting from the EPA's sale or auction of the withheld allowances.
7. Report on Lines 8-14 the names of vendors/transfersors of allowances acquire and identify associated companies (See "associated company" under "Definitions" in the Uniform System of Accounts).
8. Report on Lines 22 - 27 the name of purchasers/ transferees of allowances disposed of an identify associated companies.
9. Report the net costs and benefits of hedging transactions on a separate line under purchases/transfers and sales/transfers.
10. Report on Lines 32-35 and 43-46 the net sales proceeds and gains or losses from allowance sales.

2012		2013		Future Years		Totals		Line No.
No. (f)	Amt. (g)	No. (h)	Amt. (i)	No. (j)	Amt. (k)	No. (l)	Amt. (m)	
						762.00		1
								2
								3
								4
								5
								6
								7
								8
								9
								10
								11
								12
								13
								14
								15
								16
								17
								18
								19
						762.00		20
								21
								22
								23
								24
								25
								26
								27
								28
								29
								30
								31
								32
								33
								34
								35
								36
								37
								38
								39
								40
								41
								42
								43
								44
								45
								46

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

UNRECOVERED PLANT AND REGULATORY STUDY COSTS (182.2)

Line No.	Description of Unrecovered Plant and Regulatory Study Costs [Include in the description of costs, the date of Commission Authorization to use Acc 182.2 and period of amortization (mo, yr to mo, yr)] (a)	Total Amount of Charges (b)	Costs Recognised During Year (c)	WRITTEN OFF DURING YEAR		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
21	Big Stone II cancelled	5,117,466	-1,204,729	407	452,983	3,459,754
22	project - ND					
23	(North Dakota PSC order					
24	issued June 25, 2010.)					
25						
26	Big Stone II cancelled	7,864,260				7,864,260
27	project - MN and SD					
28	(Included in Minnesota PUC					
29	general rate case filed					
30	April 2, 2010; South Dakota					
31	PUC approval dated					
32	February 11, 2010.)					
33						
34						
35						
36						
37						
38						
39						
40						
41						
42						
43						
44						
45						
46						
47						
48						
49	TOTAL	12,981,726	-1,204,729		452,983	11,324,014

Name of Respondent Otter Tail Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report 2010/Q4
FOOTNOTE DATA			

Schedule Page: 230 Line No.: 21 Column: a

See footnote 2 of the Notes to Financial Statements, "Rate and Regulatory Matters", for detailed information about the Big Stone II project.

Schedule Page: 230 Line No.: 21 Column: c

The following adjustments were due to the North Dakota Big Stone II cost settlement order dated June 25, 2010:

Moved the North Dakota portion of Big Stone transmission to account 107	\$(1,053,173)
Recognized North Dakota carrying charge in account 419	\$ 285,009
Recognized the North Dakota discount to present value in account 426.5	\$(436,565)
Total	\$(1,204,729)
	=====

Schedule Page: 230 Line No.: 21 Column: e

This is North Dakota amortization, with interest. The amortization period is August 2010 through July 2013.

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

Transmission Service and Generation Interconnection Study Costs

1. Report the particulars (details) called for concerning the costs incurred and the reimbursements received for performing transmission service and generator interconnection studies.
2. List each study separately.
3. In column (a) provide the name of the study.
4. In column (b) report the cost incurred to perform the study at the end of period.
5. In column (c) report the account charged with the cost of the study.
6. In column (d) report the amounts received for reimbursement of the study costs at end of period.
7. In column (e) report the account credited with the reimbursement received for performing the study.

Line No.	Description (a)	Costs Incurred During Period (b)	Account Charged (c)	Reimbursements Received During the Period (d)	Account Credited With Reimbursement (e)
1	Transmission Studies				
2	FAS	19,020	456	22,600	456
3	A515	6,661	456	7,743	456
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21	Generation Studies				
22	G637	4,257	456	5,342	456
23	G637 & G638	4,172	456	5,315	456
24	G638	2,928	456	3,772	456
25	G843	1,830	456	2,920	456
26	G846	3,978	456	4,866	456
27	G873	7,115	456	9,227	456
28	G873 & G875	17,228	456	21,788	456
29	G875	15,703	456	20,074	456
30	G904	157	456	185	456
31	G968	10,080	456	12,423	456
32	H101	15,968	456	19,087	456
33	H102	817	456	939	456
34	J035	2,245	456	2,373	456
35					
36					
37					
38					
39					
40					

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

OTHER REGULATORY ASSETS (Account 182.3)

- Report below the particulars (details) called for concerning other regulatory assets, including rate order docket number, if applicable.
- Minor items (5% of the Balance in Account 182.3 at end of period, or amounts less than \$100,000 which ever is less), may be grouped by classes.
- For Regulatory Assets being amortized, show period of amortization.

Line No.	Description and Purpose of Other Regulatory Assets (a)	Balance at Beginning of Current Quarter/Year (b)	Debits (c)	CREDITS		Balance at end of Current Quarter/Year (f)
				Written off During the Quarter/Year Account Charged (d)	Written off During the Period Amount (e)	
1	Deferred Income Tax Adjustments					
2	Due to ASC 740 on:					
3	Property Related Items	5,336,827	460,911	282	117,194	5,680,544
4	Non Property Related Items	104,666				104,666
5						
6						
7	Asset Retirement Obligation Capitalized					
8	Hoot Lake Plant	755,742	108,334			864,076
9	Big Stone Plant	182,877	30,507			213,384
10	Coyote Station	708,649	120,914			829,563
11	Wind Generation - Langdon	107,259	57,020			164,279
12	Wind Generation - Ashtabula	42,413	45,203			87,616
13	Wind Generation - Luverne	11,428	47,363			58,791
14						
15	Derivatives-Marked to Market Losses	7,613,633	14,627,944	244	10,187,767	12,053,810
16	MN MISO Costs Deferred	251,737		555	251,737	
17	ND MISO Costs Deferred	1,091,130		555	374,102	717,028
18						
19	MN Renewable Resource Rider	5,323,509	2,749,373	See note	1,238,910	6,833,972
20	ND Renewable Resource Rider	566,303	2,134,037	See note	284,819	2,415,521
21						
22	ESSRP	4,821,119		228	1,453,719	3,367,400
23						
24	Pension	71,974,702	623,318	228	6,271,518	66,326,502
25						
26	Rate Case Expense Deferral	1,692,836	2,189,913	407	2,109,445	1,773,304
27						
28	Holding Co. Formation	248,142		407	55,200	192,942
29						
30	MISO RSG					
31						
32	Asset Based Margin Sharing	329,768	482,054	See note	310,583	501,239
33						
34	MN Transmission Revenue Rider	420,128	184,985	See note	571,360	33,753
35						
36	Post Retirement Medical Benefits	2,074,897	2,980,625	See note	593,361	4,462,161
37						
38						
39						
40						
41						
42						
43						
44	TOTAL	103,657,765	26,842,501		23,819,715	106,680,551

Name of Respondent Otter Tail Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report 2010/Q4
FOOTNOTE DATA			

Schedule Page: 232 Line No.: 19 Column: d

Accounts 440, 442, 444, and 445 were debited.

Schedule Page: 232 Line No.: 20 Column: d

Accounts 440, 442, 444, and 445 were debited.

Schedule Page: 232 Line No.: 32 Column: d

Accounts 440, 442, 444, and 445 were debited.

Schedule Page: 232 Line No.: 34 Column: d

Accounts 440, 442, 444, and 445 were debited.

Schedule Page: 232 Line No.: 36 Column: d

Accounts 228.3 was debited \$567,670 and account 146 was debited \$25,691.

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

MISCELLANEOUS DEFFERED DEBITS (Account 186)

1. Report below the particulars (details) called for concerning miscellaneous deferred debits.
2. For any deferred debit being amortized, show period of amortization in column (a)
3. Minor item (1% of the Balance at End of Year for Account 186 or amounts less than \$100,000, whichever is less) may be grouped by classes.

Line No.	Description of Miscellaneous Deferred Debits (a)	Balance at Beginning of Year (b)	Debits (c)	CREDITS		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
1	Conservation Improvement					
2	Programs - MN	1,927,314	9,282,267	908	4,522,915	6,686,666
3						
4	Energy Efficiency					
5	Program - SD	-43,107	270,071	908	258,864	-31,900
6						
7	EUIC Project	24,010		186	24,010	
8						
9	Deferred Cost - Big Stone					
10	Plant Jurisdiction					
11	(Amort. period 22-1/2 years)					
12	North Dakota	16,949		406	16,949	
13	South Dakota	1,529		406	1,529	
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42						
43						
44						
45						
46						
47	Misc. Work in Progress					
48	Deferred Regulatory Comm. Expenses (See pages 350 - 351)					
49	TOTAL	1,926,695				6,654,766

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

ACCUMULATED DEFERRED INCOME TAXES (Account 190)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes.
2. At Other (Specify), include deferrals relating to other income and deductions.

Line No.	Description and Location (a)	Balance of Beginning of Year (b)	Balance at End of Year (c)
1	Electric		
2	Property Insurance Reserve		
3	Workman's Compensation Reserve	191,026	225,712
4	Medical Insurance Reserve		
5	Injuries and Damages Reserve	176,766	176,762
6	See Note Below	112,547,543	116,997,779
7	Other		
8	TOTAL Electric (Enter Total of lines 2 thru 7)	112,915,335	117,400,253
9	Gas		
10			
11			
12			
13			
14			
15	Other		
16	TOTAL Gas (Enter Total of lines 10 thru 15)		
17	Other (Specify)		
18	TOTAL (Acct 190) (Total of lines 8, 16 and 17)	112,915,335	117,400,253

Notes

NOTE: Continued From Above

Post Retirement Benefits	15,383,310	15,436,812
Executive Supplemental Pension	4,565,664	4,692,926
Reserve for Bad Debts	373,569	426,767
Accrued Vacation Pay	1,311,686	1,516,979
Capitalized Int. on Construction	4,040,457	3,971,453
Post Employment Benefits	1,104,233	708,389
Corporate Insurance Reserve	1,374	1,374
Nonqualified Retirement Savings	299,115	281,267
Gain From Breck Sale	231,087	231,087
Reserve for Loan Pools	55,013	17,678
Gain on Reacquired Bonds	14	14
Capitalized A & G	6,046,049	6,504,286
Customer Rebates Capitalized	59,623	111,084
Asbestos Removal Costs Capitalized	8,491	6,128
Stock Incentives	133,200	155,429
Stock Options	(14,996)	(14,996)
Mapleton Land	14,526	16,146
CIAC Capitalized	260,245	237,618
Big Stone II Land	23,539	23,539
BSII Discount	0	129,372
Unicap Adjustment	45,310	31,098
Medicare Part D	257,123	327,713
Executive Stock Incentive Plan	(264,012)	(264,012)
Affordable Housing	497	497
Charitable Contributions	347,731	503,160
Severance Settlement	69,535	(34)
Property Taxes	610,345	0
ND NOL Carryforward	7,529,429	9,227,323
Wind Energy Income Tax Credits-ND	58,190,619	57,564,407
SFAS 109 Unamortized ITC	4,965,789	4,289,958
SFAS 109 Recognition of Regulatory Assets (Liab.)	366,082	2,136,009
Wind Production Tax Credit Deferral (Asset)	6,532,896	8,728,308
	-----	-----
	112,547,543	116,997,779

BLANK PAGE
(Next page is 250)

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

CAPITAL STOCKS (Account 201 and 204)

1. Report below the particulars (details) called for concerning common and preferred stock at end of year, distinguishing separate series of any general class. Show separate totals for common and preferred stock. If information to meet the stock exchange reporting requirement outlined in column (a) is available from the SEC 10-K Report Form filing, a specific reference to report form (i.e., year and company title) may be reported in column (a) provided the fiscal years for both the 10-K report and this report are compatible.

2. Entries in column (b) should represent the number of shares authorized by the articles of incorporation as amended to end of year.

Line No.	Class and Series of Stock and Name of Stock Series (a)	Number of shares Authorized by Charter (b)	Par or Stated Value per share (c)	Call Price at End of Year (d)
1	Account 201 (Par)			
2	Common Stock	50,000,000	5.00	
3				
4				
5	TOTAL COMMON	50,000,000		
6				
7	Cumulative Preferred	1,500,000		
8	Cumulative Preference	1,000,000		
9	TOTAL PREFERRED	2,500,000		
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40				
41				
42				

Name of Respondent Otter Tail Power Company	This Report Is:		Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
	(1) <input checked="" type="checkbox"/> An Original	(2) <input type="checkbox"/> A Resubmission		

CAPITAL STOCKS (Account 201 and 204) (Continued)

3. Give particulars (details) concerning shares of any class and series of stock authorized to be issued by a regulatory commission which have not yet been issued.

4. The identification of each class of preferred stock should show the dividend rate and whether the dividends are cumulative or non-cumulative.

5. State in a footnote if any capital stock which has been nominally issued is nominally outstanding at end of year.

Give particulars (details) in column (a) of any nominally issued capital stock, reacquired stock, or stock in sinking and other funds which is pledged, stating name of pledgee and purposes of pledge.

OUTSTANDING PER BALANCE SHEET (Total amount outstanding without reduction for amounts held by respondent)		HELD BY RESPONDENT				Line No.
		AS REACQUIRED STOCK (Account 217)		IN SINKING AND OTHER FUNDS		
Shares (e)	Amount (f)	Shares (g)	Cost (h)	Shares (i)	Amount (j)	
						1
100	500					2
						3
						4
100	500					5
						6
						7
						8
						9
						10
						11
						12
						13
						14
						15
						16
						17
						18
						19
						20
						21
						22
						23
						24
						25
						26
						27
						28
						29
						30
						31
						32
						33
						34
						35
						36
						37
						38
						39
						40
						41
						42

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

OTHER PAID-IN CAPITAL (Accounts 208-211, inc.)

Report below the balance at the end of the year and the information specified below for the respective other paid-in capital accounts. Provide a subheading for each account and show a total for the account, as well as total of all accounts for reconciliation with balance sheet, Page 112. Add more columns for any account if deemed necessary. Explain changes made in any account during the year and give the accounting entries effecting such change.

- (a) Donations Received from Stockholders (Account 208)-State amount and give brief explanation of the origin and purpose of each donation.
- (b) Reduction in Par or Stated value of Capital Stock (Account 209): State amount and give brief explanation of the capital change which gave rise to amounts reported under this caption including identification with the class and series of stock to which related.
- (c) Gain on Resale or Cancellation of Reacquired Capital Stock (Account 210): Report balance at beginning of year, credits, debits, and balance at end of year with a designation of the nature of each credit and debit identified by the class and series of stock to which related.
- (d) Miscellaneous Paid-in Capital (Account 211)-Classify amounts included in this account according to captions which, together with brief explanations, disclose the general nature of the transactions which gave rise to the reported amounts.

Line No.	Item (a)	Amount (b)
1	Parent company investment in Otter Tail Power Company	209,861,391
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
35		
36		
37		
38		
39		
40	TOTAL	209,861,391

BLANK PAGE
(Next page is 256)

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

LONG-TERM DEBT (Account 221, 222, 223 and 224)

- Report by balance sheet account the particulars (details) concerning long-term debt included in Accounts 221, Bonds, 222, Reacquired Bonds, 223, Advances from Associated Companies, and 224, Other long-Term Debt.
- In column (a), for new issues, give Commission authorization numbers and dates.
- For bonds assumed by the respondent, include in column (a) the name of the issuing company as well as a description of the bonds.
- For advances from Associated Companies, report separately advances on notes and advances on open accounts. Designate demand notes as such. Include in column (a) names of associated companies from which advances were received.
- For receivers, certificates, show in column (a) the name of the court -and date of court order under which such certificates were issued.
- In column (b) show the principal amount of bonds or other long-term debt originally issued.
- In column (c) show the expense, premium or discount with respect to the amount of bonds or other long-term debt originally issued.
- For column (c) the total expenses should be listed first for each issuance, then the amount of premium (in parentheses) or discount. Indicate the premium or discount with a notation, such as (P) or (D). The expenses, premium or discount should not be netted.
- Furnish in a footnote particulars (details) regarding the treatment of unamortized debt expense, premium or discount associated with issues redeemed during the year. Also, give in a footnote the date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.

Line No.	Class and Series of Obligation, Coupon Rate (For new issue, give commission Authorization numbers and dates) (a)	Principal Amount Of Debt issued (b)	Total expense, Premium or Discount (c)
1	Account #221 - Bonds		
2	2011 Series 6.63% Senior Notes	90,000,000	1,239,887
3	2012 Variable Series Pollution Control	10,400,000	168,364
4	2017 Series Pollution Control Refund-BSP	5,185,000	460,639
5	2022 Series Pollution Control Refund-CYT	20,790,000	2,044,935
6	Senior Unsecured Notes 6.47%, Series D	50,000,000	665,975
7			
8	Senior Unsecured Notes 6.37%, Series C	42,000,000	540,768
9			
10	Senior Unsecured Notes 6.15%, Series B	30,000,000	386,178
11	Senior Unsecured Notes 5.95%, Series A	33,000,000	424,856
12	Account 222 - Reacquired Bonds - None		
13	Account 223 - Advances from associated companies		
14	5.33% Notes-Otter Tail Corporation	6,000,000	
15	Issued 7/1/09, MN Public Utilities Commission Authorization		
16	Docket No. E-017/S-09-1018 dated 11/10/09		
17	7.21% Notes-Otter Tail Corporation	2,500,000	
18	Issued 7/1/09, MN Public Utilities Commission Authorization		
19	Docket No. E-017/S-09-1018 dated 11/10/09		
20	7.62% Notes-Otter Tail Corporation	3,000,000	
21	Issued 7/1/09, MN Public Utilities Commission Authorization		
22	Docket No. E-017/S-09-1018 dated 11/10/09		
23	9.35% Notes-Otter Tail Corporation	4,000,000	
24	Issued 7/1/09, MN Public Utilities Commission Authorization		
25	Docket No. E-017/S-09-1018 dated 11/10/09		
26	Account 224 Other Long Term Debt		
27	Variable series 2011 Wind Develop - Luverne (term loan)	75,000,000	1,928,906
28	Issued 5/22/09, MN Public Utilities Commission Authorization		
29	Docket No. E-017/S-09-1018 dated 11/10/09		
30			
31			
32			
33	TOTAL	371,875,000	7,860,508

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

LONG-TERM DEBT (Account 221, 222, 223 and 224) (Continued)

10. Identify separate undisposed amounts applicable to issues which were redeemed in prior years.
11. Explain any debits and credits other than debited to Account 428, Amortization and Expense, or credited to Account 429, Premium on Debt - Credit.
12. In a footnote, give explanatory (details) for Accounts 223 and 224 of net changes during the year. With respect to long-term advances, show for each company: (a) principal advanced during year, (b) interest added to principal amount, and (c) principle repaid during year. Give Commission authorization numbers and dates.
13. If the respondent has pledged any of its long-term debt securities give particulars (details) in a footnote including name of pledgee and purpose of the pledge.
14. If the respondent has any long-term debt securities which have been nominally issued and are nominally outstanding at end of year, describe such securities in a footnote.
15. If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest expense in column (i). Explain in a footnote any difference between the total of column (i) and the total of Account 427, interest on Long-Term Debt and Account 430, Interest on Debt to Associated Companies.
16. Give particulars (details) concerning any long-term debt authorized by a regulatory commission but not yet issued.

Nominal Date of Issue (d)	Date of Maturity (e)	AMORTIZATION PERIOD		Outstanding (Total amount outstanding without reduction for amounts held by respondent) (h)	Interest for Year Amount (i)	Line No.
		Date From (f)	Date To (g)			
						1
12/27/01	12/01/11	01/01/02	12/01/11	90,000,000	5,967,000	2
12/15/93	12/01/12	12/01/93	12/01/12	10,400,000	296,699	3
09/26/01	09/01/17	10/01/01	09/01/17	5,100,000	237,925	4
09/26/01	09/01/22	10/01/01	09/01/22	20,215,000	986,167	5
08/20/07 & 10/01/07	08/20/37	08/20/07	08/20/37	50,000,000	3,235,000	6
08/20/07 & 10/01/07	08/20/27	08/20/07	08/20/27	42,000,000	2,675,400	8
10/01/07						9
10/01/07	08/20/22	10/01/07	08/20/22	30,000,000	1,845,000	10
10/01/07	08/20/17	10/01/07	08/20/17	33,000,000	1,963,500	11
						12
						13
	NA			6,000,000	319,800	14
						15
						16
	NA			2,500,000	180,250	17
						18
						19
	NA			3,000,000	228,600	20
						21
						22
	NA			4,000,000	374,000	23
						24
						25
						26
05/22/09	05/01/11	05/22/09	05/01/11		18,034	27
						28
						29
						30
						31
						32
				296,215,000	18,327,375	33

Name of Respondent Otter Tail Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report 2010/Q4
FOOTNOTE DATA			

Schedule Page: 256 Line No.: 32 Column: a
 Instruction 9 - Unamortized debt expense remaining on bonds retired early are transferred to Account 189 and amortized over remaining life of the bonds.

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES

1. Report the reconciliation of reported net income for the year with taxable income used in computing Federal income tax accruals and show computation of such tax accruals. Include in the reconciliation, as far as practicable, the same detail as furnished on Schedule M-1 of the tax return for the year. Submit a reconciliation even though there is no taxable income for the year. Indicate clearly the nature of each reconciling amount.
2. If the utility is a member of a group which files a consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, intercompany amounts to be eliminated in such a consolidated return. State names of group member, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among the group members.
3. A substitute page, designed to meet a particular need of a company, may be used as long as the data is consistent and meets the requirements of the above instructions. For electronic reporting purposes complete Line 27 and provide the substitute Page in the context of a footnote.

Line No.	Particulars (Details) (a)	Amount (b)
1	Net Income for the Year (Page 117)	35,175,569
2		
3		
4	Taxable Income Not Reported on Books	
5	Interest Capitalized on Construction	428,720
6	Net Gain from Property Retirements	699,091
7	Miscellaneous Taxable Items	9,000
8	Conservation Improvement Programs	-1,755,574
9	Deductions Recorded on Books Not Deducted for Return	
10	Add Back Federal Income Taxes (Includes Deferreds & ITC Adjustment)	10,215,437
11	Provision for Reserves	8,790,853
12	Miscellaneous Unallowed Deductions	44,285,069
13		
14	Income Recorded on Books Not Included in Return	
15	Tax Exempt Interest	8,578
16	Equity in Earnings of Subsidiaries	
17	Wind Rider Revenue	3,359,680
18	Miscellaneous Income Not Taxable	76,168
19	Deductions on Return Not Charged Against Book Income	
20	Excess Tax Depreciation Over Book Depreciation	28,532,151
21	Removal Costs	1,366,982
22	Charges to Reserves	4,915,777
23	Leveraged ESOP Deduction	1,976,927
24	Sec 481(a) Cap to Repair Basis Adjustments	10,029,161
25	Miscellaneous Other Deductions	35,101,206
26		
27	Federal Tax Net Income	12,481,535
28	Show Computation of Tax:	
29	Federal Tax (Line 27 x 35%)	4,368,537
30	Tax (Credits) and Adjustments	-24,408
31	Prior Period Adjustments	-13,143,139
32	Total Federal Income Tax	-8,799,010
33		
34		
35		
36		
37		
38		
39		
40		
41		
42		
43		
44		

Name of Respondent Otter Tail Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report 2010/Q4
FOOTNOTE DATA			

Schedule Page: 261 Line No.: 44 Column: a

RECONCILIATION OF
REPORTED NET INCOME WITH TAXABLE INCOME
FOR FEDERAL INCOME TAXES (Continued)

Otter Tail Power Company is a member of an affiliated group which will file a consolidated Federal Income Tax Return for the year 2010. The other members of the affiliated group and their respective federal income tax provisions are as follows:

1	Otter Tail Corporation-Corporate	(6,028,771)
2	Varistar Corporation	(18,031)
3	DMI Industries, Inc.	(3,142,376)
4	Moorhead Electric, Inc.	232,343
5	DMS Health Technologies, Inc.	(300,259)
6	DMS Imaging, Inc.	(523,797)
7	BTD Manufacturing, Inc.	1,687,136
8	Northern Pipe Products, Inc.	861,293
9	Otter Tail Energy Services Company	(207,893)
10	E. W. Wylie Corporation	471,885
11	Vinyltech Corporation	(450,638)
12	T. O. Plastics, Inc.	631,776
13	ShoreMaster, Inc.	(1,000,247)
14	Galva Foam Marine Industries, Inc.	(567,636)
15	Otter Tail Assurance Limited	448,029
16	Aevenia, Inc.	(1,159,222)
17	Overland Mechanical Services, Inc.	(5,355)
18	Foley Company	137,292
19	Idaho-Pacific Corporation	2,664,336
20	Idaho-Pacific Colorado Corporation	1,461,576
21	Shoreline Industries, Inc.	163,649
22	Aviva Sports, Inc.	(294,469)
23	Miller Welding & Iron Works, Inc.	(693,912)
24	DMS Health Technologies - Canada	2,885

	Total	(5,630,406)

The consolidated federal income tax liability is allocated on a separate return basis pursuant to the current tax sharing agreements between Otter Tail Corporation and the subsidiaries.

BLANK PAGE
(Next page is 262)

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR

1. Give particulars (details) of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual, or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.
2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes.) Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.
3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.
4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.

Line No.	Kind of Tax (See instruction 5) (a)	BALANCE AT BEGINNING OF YEAR		Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)
		Taxes Accrued (Account 236) (b)	Prepaid Taxes (Include in Account 165) (c)			
1	FEDERAL					
2	Income			7,121,443	4,344,130	
3	Unemployment	510		47,334	47,356	
4	FICA	1		4,174,281	4,174,282	
5						
6	MINNESOTA					
7	Property	4,443,499		5,026,701	4,320,200	
8	Income	487,082				
9	Unemployment	1,338		85,305	84,651	
10						
11	NORTH DAKOTA					
12	Property	2,898,996		2,732,235	2,604,341	
13	Income	423,772		305,969	305,969	
14	Unemployment	238		11,251	11,302	
15	Coal Conversion	188,153		762,481	763,075	
16						
17	SOUTH DAKOTA					
18	Property	1,320,000		886,565	1,106,567	
19	Unemployment			12,809	12,777	
20						
21	OTHER STATES					
22	Income	346,074				
23	Railcar	33,332		54,899	66,129	
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41	TOTAL	10,142,995		21,221,273	17,840,779	

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)

5. If any tax (exclude Federal and State income taxes)- covers more than one year, show the required information separately for each tax year, identifying the year in column (a).
6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a foot- note. Designate debit adjustments by parentheses.
7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.
8. Report in columns (i) through (l) how the taxes were distributed. Report in column (i) only the amounts charged to Accounts 408.1 and 409.1 pertaining to electric operations. Report in column (l) the amounts charged to Accounts 408.1 and 109.1 pertaining to other utility departments and amounts charged to Accounts 408.2 and 409.2. Also shown in column (l) the taxes charged to utility plant or other balance sheet accounts.
9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.

BALANCE AT END OF YEAR		DISTRIBUTION OF TAXES CHARGED				Line No.
(Taxes accrued Account 236) (g)	Prepaid Taxes (Incl. in Account 165) (h)	Electric (Account 408.1, 409.1) (i)	Extraordinary Items (Account 409.3) (j)	Adjustments to Ret. Earnings (Account 439) (k)	Other (l)	
						1
2,777,313		2,889,564			4,231,879	2
488					47,334	3
					4,174,281	4
						5
						6
5,150,000		5,026,701				7
487,082		-316,669			316,669	8
1,992					85,305	9
						10
						11
3,026,890		2,683,359			48,876	12
423,772		186,429			119,520	13
187					11,251	14
187,559		762,481				15
						16
						17
1,099,998		886,565				18
32					12,809	19
						20
						21
346,074						22
22,102					54,899	23
						24
						25
						26
						27
						28
						29
						30
						31
						32
						33
						34
						35
						36
						37
						38
						39
						40
13,523,489		12,118,430			9,102,843	41

Name of Respondent Otter Tail Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report 2010/Q4
--	---	--	----------------------------------

FOOTNOTE DATA

Schedule Page: 262 Line No.: 2 Column: I

Account 409.2 \$2,031,914; Account 174.0 \$2,199,965

Schedule Page: 262 Line No.: 3 Column: I

Account 184

Schedule Page: 262 Line No.: 4 Column: I

Account 184

Schedule Page: 262 Line No.: 8 Column: I

Account 409.2

Schedule Page: 262 Line No.: 9 Column: I

Account 184

Schedule Page: 262 Line No.: 12 Column: I

Account 408.2 \$ 5,184; Account 921 \$43,692

Schedule Page: 262 Line No.: 13 Column: I

Account 409.2

Schedule Page: 262 Line No.: 14 Column: I

Account 184

Schedule Page: 262 Line No.: 19 Column: I

Account 184

Schedule Page: 262 Line No.: 23 Column: I

Account 151

BLANK PAGE
(Next page is 266)

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255)

Report below information applicable to Account 255. Where appropriate, segregate the balances and transactions by utility and nonutility operations. Explain by footnote any correction adjustments to the account balance shown in column (g). Include in column (i) the average period over which the tax credits are amortized.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Deferred for Year		Allocations to Current Year's Income		Adjustments (g)
			Account No. (c)	Amount (d)	Account No. (e)	Amount (f)	
1	Electric Utility						
2	3%	42,733,745			411.4	1,789,183	
3	4%						
4	7%						
5	10%	4,926,427			See note	926,176	
6							
7							
8	TOTAL	47,660,172				2,715,359	
9	Other (List separately and show 3%, 4%, 7%, 10% and TOTAL)						
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28							
30							
31							
32							
33							
34							
35							
36							
37							
38							
39							
40							
41							
42							
43							
44							
45							
46							
47							
48							

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of <u>2010/Q4</u>
--	---	--	--

ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255) (continued)

Balance at End of Year (h)	Average Period of Allocation to Income (i)	ADJUSTMENT EXPLANATION	Line No.
			1
40,944,562	25 Years		2
			3
			4
4,000,251	33.3 Years		5
			6
			7
44,944,813			8
			9
			10
			11
			12
			13
			14
			15
			16
			17
			18
			19
			20
			21
			22
			23
			24
			25
			26
			27
			28
			30
			31
			32
			33
			34
			35
			36
			37
			38
			39
			40
			41
			42
			43
			44
			45
			46
			47
			48

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Otter Tail Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 12/31/2010	2010/Q4
FOOTNOTE DATA			

Schedule Page: 266 Line No.: 5 Column: e

Account 411.4 was allocated \$925,952 and Account 411.5 was allocated \$224.

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

OTHER DEFERRED CREDITS (Account 253)

1. Report below the particulars (details) called for concerning other deferred credits.
2. For any deferred credit being amortized, show the period of amortization.
3. Minor items (5% of the Balance End of Year for Account 253 or amounts less than \$100,000, whichever is greater) may be grouped by classes.

Line No.	Description and Other Deferred Credits (a)	Balance at Beginning of Year (b)	DEBITS		Credits (e)	Balance at End of Year (f)
			Contra Account (c)	Amount (d)		
1	Prepaid Electric Revenue	421,881	456	41,661	122,221	502,441
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42						
43						
44						
45						
46						
47	TOTAL	421,881		41,661	122,221	502,441

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (Account 282)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to property not subject to accelerated amortization
 2. For other (Specify), include deferrals relating to other income and deductions.

Line No.	Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Account 282			
2	Electric	225,341,183	24,056,533	6,719,824
3	Gas			
4				
5	TOTAL (Enter Total of lines 2 thru 4)	225,341,183	24,056,533	6,719,824
6				
7				
8				
9	TOTAL Account 282 (Enter Total of lines 5 thru 8)	225,341,183	24,056,533	6,719,824
10	Classification of TOTAL			
11	Federal Income Tax	191,302,651	19,611,614	5,326,364
12	State Income Tax	34,038,532	4,444,919	1,393,460
13	Local Income Tax			

NOTES

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (Account 282) (Continued)

3. Use footnotes as required.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Debits		Credits			
		Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)		
							1
21,964		182.3	1,082,943			241,616,913	2
							3
							4
21,964			1,082,943			241,616,913	5
							6
							7
							8
21,964			1,082,943			241,616,913	9
							10
18,173			896,027			204,710,047	11
3,791			186,916			36,906,866	12
							13

NOTES (Continued)

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Otter Tail Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	12/31/2010	2010/Q4

FOOTNOTE DATA

Schedule Page: 274 Line No.: 2 Column: h

Adjustment due to ASC 740.

BLANK PAGE
(Next page is 276)

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amounts recorded in Account 283.
2. For other (Specify), include deferrals relating to other income and deductions.

Line No.	Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Account 283			
2	Electric			
3	Accum. Deferred Income Tax			
4	Other Utility Operations	10,133,130	18,303,151	11,156,529
5				
6	Accum. Deferred Income Tax			
7	Nonutility & Other	778,977		
8				
9	TOTAL Electric (Total of lines 3 thru 8)	10,912,107	18,303,151	11,156,529
10	Gas			
11				
12				
13				
14				
15				
16				
17	TOTAL Gas (Total of lines 11 thru 16)			
18				
19	TOTAL (Acct 283) (Enter Total of lines 9, 17 and 18)	10,912,107	18,303,151	11,156,529
20	Classification of TOTAL			
21	Federal Income Tax	8,421,850	15,288,333	9,281,716
22	State Income Tax	2,490,257	3,014,818	1,874,813
23	Local Income Tax			

NOTES

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of <u>2010/Q4</u>
--	---	--	--

ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283) (Continued)

3. Provide in the space below explanations for Page 276 and 277. Include amounts relating to insignificant items listed under Other.
4. Use footnotes as required.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Debits		Credits			
		Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)		
							1
							2
							3
		228.3	230,737	See note	3,591,147	20,640,162	4
							5
							6
1,533,705	936,702					1,375,980	7
							8
1,533,705	936,702		230,737		3,591,147	22,016,142	9
							10
							11
							12
							13
							14
							15
							16
							17
							18
1,533,705	936,702		230,737		3,591,147	22,016,142	19
							20
1,269,152	787,790		190,914		2,971,315	17,690,230	21
264,553	148,912		39,823		619,832	4,325,912	22
							23

NOTES (Continued)

Name of Respondent Otter Tail Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report 2010/Q4
--	---	--	----------------------------------

FOOTNOTE DATA

Schedule Page: 276 Line No.: 4 Column: g

Adjustment due to ASC 715-60.

Schedule Page: 276 Line No.: 4 Column: i

Adjustment due to SFAS 109. Debit to accounts

190:	2,047,294
282:	1,543,853

	3,591,147

Schedule Page: 276 Line No.: 7 Column: a

Deferred taxes related to CIP costs and mark-to-market accounting.

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

OTHER REGULATORY LIABILITIES (Account 254)

1. Report below the particulars (details) called for concerning other regulatory liabilities, including rate order docket number, if applicable.
2. Minor items (5% of the Balance in Account 254 at end of period, or amounts less than \$100,000 which ever is less), may be grouped by classes.
3. For Regulatory Liabilities being amortized, show period of amortization.

Line No.	Description and Purpose of Other Regulatory Liabilities (a)	Balance at Beginning of Current Quarter/Year (b)	DEBITS		Credits (e)	Balance at End of Current Quarter/Year (f)
			Account Credited (c)	Amount (d)		
1	Deferred Income Tax Adjustments Due to	4,965,284	190	675,831		4,289,453
2	ASC 740					
3						
4	Minnesota Portion of Gain on Sale of Wahpeton	133,832	407.4	5,576		128,256
5	Division Office (Amortization period: 34 years)					
6						
7	Transmission Rider		See note	218,608	218,608	
8						
9	Regulatory Liabilities - Derivatives	223,814	175	8,103,461	8,054,151	174,504
10						
11	Hoot Lake Plant - Asset Retirement Obligation	3,227,717			712,169	3,939,886
12						
13	Big Stone Plant - Asset Retirement Obligation	5,937,796			776,024	6,713,820
14						
15	Coycte Station - Asset Retirement Obligation	2,877,441			593,998	3,471,439
16						
17	Margin Sharing - SD	13,993	See note	12,831	82,356	83,518
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41	TOTAL	17,379,877		9,016,307	10,437,306	18,800,876

Name of Respondent Otter Tail Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report 2010/Q4
--	---	--	----------------------------------

FOOTNOTE DATA

Schedule Page: 278 Line No.: 7 Column: c

Accounts 440, 442, 444, and 445 were credited.

Schedule Page: 278 Line No.: 17 Column: c

Accounts 440, 442, 444, and 445 were credited.

BLANK PAGE

(Next page is 300)

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of <u>2010/Q4</u>
--	---	--	--

ELECTRIC OPERATING REVENUES (Account 400)

- The following instructions generally apply to the annual version of these pages. Do not report quarterly data in columns (c), (e), (f), and (g). Unbilled revenues and MWH related to unbilled revenues need not be reported separately as required in the annual version of these pages.
- Report below operating revenues for each prescribed account, and manufactured gas revenues in total.
- Report number of customers, columns (f) and (g), on the basis of meters, in addition to the number of flat rate accounts; except that where separate meter readings are added for billing purposes, one customer should be counted for each group of meters added. The -average number of customers means the average of twelve figures at the close of each month.
- If increases or decreases from previous period (columns (c),(e), and (g)), are not derived from previously reported figures, explain any inconsistencies in a footnote.
- Disclose amounts of \$250,000 or greater in a footnote for accounts 451, 456, and 457.2.

Line No.	Title of Account (a)	Operating Revenues Year to Date Quarterly/Annual (b)	Operating Revenues Previous year (no Quarterly) (c)
1	Sales of Electricity		
2	(440) Residential Sales	101,588,116	98,163,970
3	(442) Commercial and Industrial Sales		
4	Small (or Comm.) (See Instr. 4)	115,331,509	114,728,959
5	Large (or Ind.) (See Instr. 4)	78,474,654	64,974,908
6	(444) Public Street and Highway Lighting	3,467,791	3,097,273
7	(445) Other Sales to Public Authorities	2,640,525	2,469,672
8	(446) Sales to Railroads and Railways		
9	(448) Interdepartmental Sales		
10	TOTAL Sales to Ultimate Consumers	301,502,595	283,434,782
11	(447) Sales for Resale	20,053,368	12,578,961
12	TOTAL Sales of Electricity	321,555,963	296,013,743
13	(Less) (449.1) Provision for Rate Refunds	422,135	1,318,497
14	TOTAL Revenues Net of Prov. for Refunds	321,133,828	294,695,246
15	Other Operating Revenues		
16	(450) Forfeited Discounts	579,607	557,298
17	(451) Miscellaneous Service Revenues	394,770	337,444
18	(453) Sales of Water and Water Power		
19	(454) Rent from Electric Property	683,602	661,628
20	(455) Interdepartmental Rents		
21	(456) Other Electric Revenues	12,890,664	11,092,526
22	(456.1) Revenues from Transmission of Electricity of Others	447,766	432,905
23	(457.1) Regional Control Service Revenues		
24	(457.2) Miscellaneous Revenues		
25			
26	TOTAL Other Operating Revenues	14,996,409	13,081,801
27	TOTAL Electric Operating Revenues	336,130,237	307,777,047

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of <u>2010/Q4</u>
--	---	--	--

ELECTRIC OPERATING REVENUES (Account 400)

6. Commercial and industrial Sales, Account 442, may be classified according to the basis of classification (Small or Commercial, and Large or Industrial) regularly used by the respondent if such basis of classification is not generally greater than 1000 Kw of demand. (See Account 442 of the Uniform System of Accounts. Explain basis of classification in a footnote.)
7. See pages 108-109, Important Changes During Period, for important new territory added and important rate increase or decreases.
8. For Lines 2,4,5,and 6, see Page 304 for amounts relating to unbilled revenue by accounts.
9. Include unmetered sales. Provide details of such Sales in a footnote.

MEGAWATT HOURS SOLD		AVG.NO. CUSTOMERS PER MONTH		Line No.
Year to Date Quarterly/Annual (d)	Amount Previous year (no Quarterly) (e)	Current Year (no Quarterly) (f)	Previous Year (no Quarterly) (g)	
				1
1,273,122	1,296,779	101,797	101,703	2
				3
1,589,874	1,593,811	26,406	26,496	4
1,330,802	1,285,151	53	50	5
28,285	27,117	395	411	6
40,665	41,519	589	607	7
				8
				9
4,262,748	4,244,377	129,240	129,267	10
2,341,316	1,957,534			11
6,604,064	6,201,911	129,240	129,267	12
				13
6,604,064	6,201,911	129,240	129,267	14

Line 12, column (b) includes \$ 3,768,907 of unbilled revenues.
Line 12, column (d) includes -21,172 MWH relating to unbilled revenues

Name of Respondent Otter Tail Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report 2010/Q4
--	---	--	----------------------------------

FOOTNOTE DATA

Schedule Page: 300 Line No.: 4 Column: b

Small (or Commercial) includes all customers having a demand of less than 1000 kw.

Schedule Page: 300 Line No.: 5 Column: b

Large (or Industrial) includes all customers having a demand exceeding 1000 kw.

Schedule Page: 300 Line No.: 17 Column: b

Description of Revenue	Current Year	Prior Year
All others (under \$250,000 each)	\$ 394,770	\$ 337,444
	-----	-----
Total	\$ 394,770	\$ 337,444
	=====	=====

Schedule Page: 300 Line No.: 21 Column: b

Description of Revenue	Current Year	Prior Year
Sale of steam	\$ 2,100,711	\$ 2,186,501
MISO tariff revenue	4,023,061	2,204,000
Sales of transmission rights	500,000	0
Integrated transmission deficiency payments	3,860,521	3,747,651
All others (under \$250,000 each)	2,406,371	2,954,374
	-----	-----
Total	\$12,890,664	\$11,092,526
	=====	=====

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	---	---

SALES OF ELECTRICITY BY RATE SCHEDULES

- Report below for each rate schedule in effect during the year the MWh of electricity sold, revenue, average number of customer, average Kwh per customer, and average revenue per Kwh, excluding date for Sales for Resale which is reported on Pages 310-311.
- Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," Page 300-301. If the sales under any rate schedule are classified in more than one revenue account, List the rate schedule and sales data under each applicable revenue account subheading.
- Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.
- The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).
- For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.
- Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

Line No.	Number and Title of Rate schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
1	Residential-440					
2	Residential Service					
3	9.01	888,448	79,344,178	95,253	9,327	0.0893
4						
5	Residential Service (Ctrld Demand					
6	9.02	155,409	10,205,043	6,378	24,366	0.0657
7						
8	Water Heating Ctrld (Off-Peak)					
9	14.01	43,975	2,799,188	17,563	2,504	0.0637
10				-17,563		
11	Controlled Service					
12	14.04,14.05,14.06,14.07	181,650	7,752,533	11,611	15,645	0.0427
13				-11,611		
14	Fixed Time of Delivery Service					
15	14.07	2,505	89,283	209	11,986	0.0356
16				-209		
17	Outdoor lighting-energy only					
18	11.03	100	7,291	8	12,500	0.0729
19				-8		
20	Outdoor Lighting					
21	11.04	4,150	513,445	347	11,960	0.1237
22				-347		
23	Small power producer rider					
24	12.01		192	5		
25				-5		
26	SUBTOTAL Billed	1,276,237	100,711,153	101,631	12,558	0.0789
27	Unbilled Rev (See Instr. 6)	-3,115	876,963			-0.2815
28	TOTAL - 440	1,273,122	101,588,116	101,631	12,527	0.0798
29						
30	Column D Lines 9,12,15,18,21&24					
31	customers are also served					
32	under other residential service.					
33						
34						
35						
36						
37						
38						
39						
40						
41	TOTAL Billed					
42	Total Unbilled Rev.(See Instr. 6)					
43	TOTAL					

SALES OF ELECTRICITY BY RATE SCHEDULES

1. Report below for each rate schedule in effect during the year the MWh of electricity sold, revenue, average number of customer, average Kwh per customer, and average revenue per Kwh, excluding date for Sales for Resale which is reported on Pages 310-311.
2. Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," Page 300-301. If the sales under any rate schedule are classified in more than one revenue account, List the rate schedule and sales data under each applicable revenue account subheading.
3. Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.
4. The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).
5. For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.
6. Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

Line No.	Number and Title of Rate schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
1	Commercial & Industrial-442					
2	General Service					
3	10.01,10.02	790,981	67,758,981	24,224	32,653	0.0857
4						
5	Farm Service					
6	9.03	67,813	5,141,420	2,727	24,867	0.0758
7						
8	Large General Service					
9	10.03	1,032,318	64,290,141	671	1,538,477	0.0623
10						
11	Real Time Pricing Rider					
12	14.02	60,667	2,907,085	1	60,667,000	0.0479
13						
14	Large Gen. Srv. (Time of Day)					
15	10.05	692,783	38,200,262	89	7,784,079	0.0551
16						
17	Large General Service Rider					
18	14.03	41,114	1,852,970	14	2,936,714	0.0451
19						
20	Water Heating Ctrld (Off-Peak)					
21	14.01	2,157	132,560	586	3,681	0.0615
22				-586		
23	Controlled Service					
24	14.04,14.05,14.06,14.07	193,270	7,014,539	4,069	47,498	0.0363
25				-4,069		
26	Fixed Time of Delivery Service					
27	14.07	18,568	618,598	444	41,820	0.0333
28				-444		
29	Irrigation Service					
30	11.02	3,405	197,788	255	13,353	0.0581
31						
32						
33						
34						
35						
36	Column D Lines 21, 24 & 27					
37	Customers are also served					
38	under other commercial service.					
39						
40						
41	TOTAL Billed					
42	Total Unbilled Rev.(See Instr. 6)					
43	TOTAL					

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

SALES OF ELECTRICITY BY RATE SCHEDULES

- Report below for each rate schedule in effect during the year the MWh of electricity sold, revenue, average number of customer, average Kwh per customer, and average revenue per Kwh, excluding date for Sales for Resale which is reported on Pages 310-311.
- Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," Page 300-301. If the sales under any rate schedule are classified in more than one revenue account, List the rate schedule and sales data under each applicable revenue account subheading.
- Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.
- The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).
- For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.
- Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

Line No.	Number and Title of Rate schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
1	Commercial and Industrial - cntd					
2	Commercial Time of Use					
3	10.04	20,632	1,132,648	126	163,746	0.0549
4						
5	Outdoor Lighting - Energy Only					
6	11.03	807	58,950	120	6,725	0.0730
7				-120		
8	Outdoor Lighting					
9	11.04	14,977	1,803,398	385	38,901	0.1204
10				-385		
11	Standby Service - Option A Firm					
12	11.01	162	15,336	5	32,400	0.0947
13						
14	Residential Service					
15	9.01	260	21,276	12	21,667	0.0818
16						
17	Residential Service (Ctrl Demand)					
18	9.02	26	1,614	1	26,000	0.0621
19						
20	Small Power Producer Rider					
21	12.01	-1	-10,588	11	-91	10.5880
22				-11		
23	SUBTOTAL Billed	2,939,939	191,136,978	28,125	104,531	0.0650
24	Unbilled Rev (See Instr. 6)	-19,263	2,669,185			-0.1386
25	TOTAL - 442	2,920,676	193,806,163	28,125	103,846	0.0664
26						
27						
28						
29						
30						
31						
32						
33						
34						
35	Column D Lines 6,9 & 21					
36	customers are also served under					
37	other commerical service.					
38						
39						
40						
41	TOTAL Billed					
42	Total Unbilled Rev.(See Instr. 6)					
43	TOTAL					

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of <u>2010/Q4</u>
--	---	--	--

SALES OF ELECTRICITY BY RATE SCHEDULES

- Report below for each rate schedule in effect during the year the MWh of electricity sold, revenue, average number of customer, average Kwh per customer, and average revenue per Kwh, excluding date for Sales for Resale which is reported on Pages 310-311.
- Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," Page 300-301. If the sales under any rate schedule are classified in more than one revenue account, List the rate schedule and sales data under each applicable revenue account subheading.
- Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.
- The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).
- For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.
- Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

Line No.	Number and Title of Rate schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
1	Streetlighting - 444					
2	Outdoor Lighting-Energy Only					
3	11.03	5,078	363,934	187	27,155	0.0717
4				-187		
5	Outdoor lighting					
6	11.04	21,857	2,919,616	393	55,616	0.1336
7						
8	Subtotal billed	26,935	3,283,550	393	68,537	0.1219
9	Unbilled Revenue	1,350	184,241			0.1365
10	TOTAL - 444	28,285	3,467,791	393	71,972	0.1226
11						
12	Other Public Authority-445					
13	Pumping and Sirens					
14	11.05,11.06	40,809	2,602,007	1,293	31,561	0.0638
15	Unbilled Revenue	-144	38,518			-0.2675
16	TOTAL - 445	40,665	2,640,525	1,293	31,450	0.0649
17						
18	Revenue from Fuel Adjustment					
19	Clause is reported in footnote.					
20						
21	Column D, Line 3					
22	customers are also served under					
23	other commercial service.					
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41	TOTAL Billed	4,283,920	297,733,688	131,442	32,592	0.0695
42	Total Unbilled Rev.(See Instr. 6)	-21,172	3,768,907	0	0	-0.1780
43	TOTAL	4,262,748	301,502,595	131,442	32,431	0.0707

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Otter Tail Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) 12/31/2010	2010/Q4
FOOTNOTE DATA			

Schedule Page: 304.3 Line No.: 18 Column: a

The following revenue received through the fuel adjustment clause is included in the amounts reported on pages 304-304.3.

Residential - 440		
9.01	Residential service	\$ (2,969,954)
9.02	Residential service (control demand)	(561,360)
14.01	Water heating - controlled (off-peak)	(142,961)
14.04,14.05, 14.06,14.07	Controlled service	(589,782)
14.07	Fixed time of delivery service	(6,512)
11.03	Outdoor lighting- energy only	(436)
11.04	Outdoor lighting	(13,993)
Total residential		(4,284,998)
Commercial and industrial - 442		
10.01, 10.02	General service	(2,960,121)
9.03	Farm service	(207,184)
10.03	Large general service	(4,024,762)
14.02	Real time pricing rider	(129,241)
10.05	Large general service (time of day)	(906,376)
14.03	Large general service rider	(61,248)
14.01	Water heating - controlled (off-peak)	(6,998)
14.04,14.05, 14.06,14.07	Controlled service	(667,498)
14.07	Fixed time of delivery service	(50,943)
11.02	Irrigation service	(8,118)
10.04	Commercial time of use	(23,491)
11.03	Outdoor lighting - energy only	(2,357)
11.04	Outdoor lighting	(54,963)
11.01	Standby service-option A firm	(926)
9.01	Residential service	(889)
9.02	Residential service (control demand)	(138)
Total commercial and industrial		(9,105,253)
Streetlighting - 444		
11.03	Outdoor lighting - energy only	(14,738)
11.04	Outdoor lighting	(83,851)
Total streetlighting		(98,589)
Other public authority - 445		
11.05,11.06	Pumping and sirens	(142,743)
Total		\$ (13,631,583)

Name of Respondent Otter Tail Power Company	This Report is:		Date of report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
	(1) <input checked="" type="checkbox"/> An Original	(2) <input type="checkbox"/> A Resubmission		

SALES FOR RESALE (Account 447)

1. Report all sales for resale (i.e., sales to purchasers other than ultimate consumers) transacted on a settlement basis other than power exchanges during the year. Do not report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges on this schedule. Power exchanges must be reported on the Purchased Power schedule (Page 326-327).

2. Enter the name of the purchaser in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the purchaser.

3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:
 RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers.
 LF - for long-term service. "Long-term" means five years or Longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for Long-term firm service which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or setter can unilaterally get out of the contract.
 IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but Less than five years.
 SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less.
 LU - for Long-term service from a designated generating unit. "Long-term" means five years or Longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of designated unit.
 IU - for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means Longer than one year but Less than five years.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	RQ SALES					
2	Badger, SD	RQ	144	0.192	NA	NA
3	Newfolden, MN	RQ	174	0.565	NA	NA
4	Nielsville, MN	RQ	175	0.035	NA	NA
5	Shelly, MN	RQ	176	0.195	NA	NA
6						
7						
8	NON-RQ SALES					
9	American Electric Power Service	OS	180	NA	NA	NA
10	AmerenUE (Union Electric Co)	OS	180	NA	NA	NA
11	Constellation Energy Commodities Group	OS	180	NA	NA	NA
12	Cargill Power Markets, LLC	OS	180	NA	NA	NA
13	DTE Energy Trading, Inc.	OS	180	NA	NA	NA
14	EDF Trading North America	OS	180	NA	NA	NA
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			0	0	0

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

SALES FOR RESALE (Account 447) (Continued)

OS - for other service. use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote.

AD - for Out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and total for columns (9) through (k)

5. In Column (c), identify the FERC Rate Schedule or Tariff Number. On separate Lines, List all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.

6. For requirements RQ sales and any type of-service involving demand charges imposed on a monthly (or Longer) basis, enter the average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP)

demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.

7. Report in column (g) the megawatt hours shown on bills rendered to the purchaser.

8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.

9. The data in column (g) through (k) must be subtotaled based on the RQ/Non-RQ grouping (see instruction 4), and then totaled on the Last -line of the schedule. The "Subtotal - RQ" amount in column (g) must be reported as Requirements Sales For Resale on Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.

10. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Sold (g)	REVENUE			Total (\$) (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
					1
473	10,504	17,334	3,482	31,320	2
2,310	32,552	81,593	16,823	130,968	3
58	2,383	2,311	460	5,154	4
745	13,660	27,259	5,560	46,479	5
					6
					7
					8
18,800		40,119		40,119	9
3,200		-7,428		-7,428	10
18,400		-90,324		-90,324	11
160,400		2,899,257		2,899,257	12
93,800		-153,819		-153,819	13
36,400		-27,763		-27,763	14

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

SALES FOR RESALE (Account 447)

1. Report all sales for resale (i.e., sales to purchasers other than ultimate consumers) transacted on a settlement basis other than power exchanges during the year. Do not report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges on this schedule. Power exchanges must be reported on the Purchased Power schedule (Page 326-327).

2. Enter the name of the purchaser in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the purchaser.

3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:
 RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers.
 LF - for long-term service. "Long-term" means five years or Longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for Long-term firm service which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or setter can unilaterally get out of the contract.
 IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but Less than five years.
 SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less.
 LU - for Long-term service from a designated generating unit. "Long-term" means five years or Longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of designated unit.
 IU - for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means Longer than one year but Less than five years.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	Fortis Energy Marketing and Trading	OS	180	NA	NA	NA
2	Great River Energy	OS	180	NA	NA	NA
3	Horizon Wind Energy LLC	OS	180	NA	NA	NA
4	MacQuarie Energy LLC	OS	181	NA	NA	NA
5	Manitoba Hydro Electric Board	OS	180	NA	NA	NA
6	MidAmerican Energy Company	OS	180	NA	NA	NA
7	Minnesota Municipal Power Agency	OS	180	NA	NA	NA
8	Minnesota Power	OS	180	NA	NA	NA
9	Minnkota Power Cooperative, Inc.	OS	180	NA	NA	NA
10	Northern States Power Company	OS	180	NA	NA	NA
11	Northpoint Energy Solutions, Inc.	OS	181	NA	NA	NA
12	Powerex Corp	OS	180	NA	NA	NA
13	Rainbow Energy Marketing Corp	OS	180	NA	NA	NA
14	The Energy Authority	OS	180	NA	NA	NA
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			0	0	0

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	---	---

SALES FOR RESALE (Account 447) (Continued)

- OS - for other service. use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote.
- AD - for Out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.
4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and total for columns (9) through (k)
5. In Column (c), identify the FERC Rate Schedule or Tariff Number. On separate Lines, List all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.
6. For requirements RQ sales and any type of-service involving demand charges imposed on a monthly (or Longer) basis, enter the average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.
7. Report in column (g) the megawatt hours shown on bills rendered to the purchaser.
8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.
9. The data in column (g) through (k) must be subtotaled based on the RQ/Non-RQ grouping (see instruction 4), and then totaled on the Last -line of the schedule. The "Subtotal - RQ" amount in column (g) must be reported as Requirements Sales For Resale on Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.
10. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Sold (g)	REVENUE			Total (\$) (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
800		-1,809		-1,809	1
12,800		14,910		14,910	2
131,400		717,895		717,895	3
140,000		-292,704		-292,704	4
17,600		-13,503		-13,503	5
2,400		-25,266		-25,266	6
39,680		1,440,960		1,440,960	7
58,000		2,023,320		2,023,320	8
6,400		161,200		161,200	9
448,200		2,494,581		2,494,581	10
800		49,200		49,200	11
800		46,200		46,200	12
30,700		695,479		695,479	13
24,720		779,920		779,920	14

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

SALES FOR RESALE (Account 447)

1. Report all sales for resale (i.e., sales to purchasers other than ultimate consumers) transacted on a settlement basis other than power exchanges during the year. Do not report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges on this schedule. Power exchanges must be reported on the Purchased Power schedule (Page 326-327).

2. Enter the name of the purchaser in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the purchaser.

3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:
 RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers.
 LF - for long-term service. "Long-term" means five years or Longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for Long-term firm service which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or setter can unilaterally get out of the contract.
 IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but Less than five years.
 SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less.
 LU - for Long-term service from a designated generating unit. "Long-term" means five years or Longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of designated unit.
 IU - for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means Longer than one year but Less than five years.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	RBC Capital Markets Corporation	OS	180	NA	NA	NA
2	Midwest ISO Energy Market	OS	180	NA	NA	NA
3	Non-asset based sales	OS	181	NA	NA	NA
4						
5	See Footnote					
6						
7						
8						
9						
10						
11						
12						
13						
14						
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			0	0	0

Name of Respondent Otter Tail Power Company	This Report Is:		Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
	(1) <input checked="" type="checkbox"/> An Original	(2) <input type="checkbox"/> A Resubmission		

SALES FOR RESALE (Account 447) (Continued)

- OS - for other service. use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote.
- AD - for Out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.
4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and total for columns (9) through (k)
5. In Column (c), identify the FERC Rate Schedule or Tariff Number. On separate Lines, List all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.
6. For requirements RQ sales and any type of-service involving demand charges imposed on a monthly (or Longer) basis, enter the average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.
7. Report in column (g) the megawatt hours shown on bills rendered to the purchaser.
8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.
9. The data in column (g) through (k) must be subtotaled based on the RQ/Non-RQ grouping (see instruction 4), and then totaled on the Last -line of the schedule. The "Subtotal - RQ" amount in column (g) must be reported as Requirements Sales For Resale on Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.
10. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Sold (g)	REVENUE			Total (\$) (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
531,600		-1,699,190		-1,699,190	1
620,430		19,838,444		19,838,444	2
-59,600		-9,050,232		-9,050,232	3
					4
					5
					6
					7
					8
					9
					10
					11
					12
					13
					14
3,586	59,099	128,497	26,325	213,921	
2,337,730	0	19,839,447	0	19,839,447	
2,341,316	59,099	19,967,944	26,325	20,053,368	

Name of Respondent Otter Tail Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report 2010/Q4
FOOTNOTE DATA			

Schedule Page: 310 Line No.: 2 Column: j

Lines 2-5 are fuel adjustment charges.

Schedule Page: 310.2 Line No.: 3 Column: a

The Company records unrealized gains and losses of forward purchases and sales of energy. FERC Order No. 627 states that entities should record unrealized as well as realized gains or losses in accounts 421 and 426.5, as appropriate. This amount represents the non-asset based cost of forward energy sales.

Schedule Page: 310.2 Line No.: 5 Column: a

MAPP Transmission Service Charges for Non-RQ sales is \$24,566.

BLANK PAGE
(Next page is 320)

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

ELECTRIC OPERATION AND MAINTENANCE EXPENSES

If the amount for previous year is not derived from previously reported figures, explain in footnote.

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
1	1. POWER PRODUCTION EXPENSES		
2	A. Steam Power Generation		
3	Operation		
4	(500) Operation Supervision and Engineering	1,715,425	1,563,188
5	(501) Fuel	70,784,227	57,802,065
6	(502) Steam Expenses	2,939,949	2,742,854
7	(503) Steam from Other Sources		
8	(Less) (504) Steam Transferred-Cr.		
9	(505) Electric Expenses	2,479,507	2,450,072
10	(506) Miscellaneous Steam Power Expenses	4,065,687	5,010,782
11	(507) Rents	787	1,273
12	(509) Allowances		
13	TOTAL Operation (Enter Total of Lines 4 thru 12)	81,985,582	69,570,234
14	Maintenance		
15	(510) Maintenance Supervision and Engineering	883,656	728,813
16	(511) Maintenance of Structures	642,272	563,648
17	(512) Maintenance of Boiler Plant	5,511,489	6,254,624
18	(513) Maintenance of Electric Plant	792,083	3,066,190
19	(514) Maintenance of Miscellaneous Steam Plant	947,125	1,187,668
20	TOTAL Maintenance (Enter Total of Lines 15 thru 19)	8,776,625	11,800,943
21	TOTAL Power Production Expenses-Steam Power (Entr Tot lines 13 & 20)	90,762,207	81,371,177
22	B. Nuclear Power Generation		
23	Operation		
24	(517) Operation Supervision and Engineering		
25	(518) Fuel		
26	(519) Coolants and Water		
27	(520) Steam Expenses		
28	(521) Steam from Other Sources		
29	(Less) (522) Steam Transferred-Cr.		
30	(523) Electric Expenses		
31	(524) Miscellaneous Nuclear Power Expenses		
32	(525) Rents		
33	TOTAL Operation (Enter Total of lines 24 thru 32)		
34	Maintenance		
35	(528) Maintenance Supervision and Engineering		
36	(529) Maintenance of Structures		
37	(530) Maintenance of Reactor Plant Equipment		
38	(531) Maintenance of Electric Plant		
39	(532) Maintenance of Miscellaneous Nuclear Plant		
40	TOTAL Maintenance (Enter Total of lines 35 thru 39)		
41	TOTAL Power Production Expenses-Nuc. Power (Entr tot lines 33 & 40)		
42	C. Hydraulic Power Generation		
43	Operation		
44	(535) Operation Supervision and Engineering	20,504	30,609
45	(536) Water for Power		
46	(537) Hydraulic Expenses	33,531	26,519
47	(538) Electric Expenses	96,482	68,468
48	(539) Miscellaneous Hydraulic Power Generation Expenses	7,758	972
49	(540) Rents	178	1,188
50	TOTAL Operation (Enter Total of Lines 44 thru 49)	158,453	127,756
51	C. Hydraulic Power Generation (Continued)		
52	Maintenance		
53	(541) Maintenance Supervision and Engineering	5,498	4,861
54	(542) Maintenance of Structures	2,307	7,836
55	(543) Maintenance of Reservoirs, Dams, and Waterways	224,410	382,892
56	(544) Maintenance of Electric Plant	37,586	94,427
57	(545) Maintenance of Miscellaneous Hydraulic Plant	7,445	6,407
58	TOTAL Maintenance (Enter Total of lines 53 thru 57)	277,246	496,423
59	TOTAL Power Production Expenses-Hydraulic Power (tot of lines 50 & 58)	435,699	624,179

Name of Respondent Otter Tail Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of <u>2010/Q4</u>
ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)				
If the amount for previous year is not derived from previously reported figures, explain in footnote.				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
60	D. Other Power Generation			
61	Operation			
62	(546) Operation Supervision and Engineering	150,808	69,865	
63	(547) Fuel	2,870,972	1,969,522	
64	(548) Generation Expenses	2,024,725	1,316,537	
65	(549) Miscellaneous Other Power Generation Expenses	542,142	126,949	
66	(550) Rents	496,593	316,004	
67	TOTAL Operation (Enter Total of lines 62 thru 66)	6,085,240	3,798,877	
68	Maintenance			
69	(551) Maintenance Supervision and Engineering	32,388	22,841	
70	(552) Maintenance of Structures	79,869	18,170	
71	(553) Maintenance of Generating and Electric Plant	1,095,287	564,174	
72	(554) Maintenance of Miscellaneous Other Power Generation Plant	-6,203	9,366	
73	TOTAL Maintenance (Enter Total of lines 69 thru 72)	1,201,341	614,551	
74	TOTAL Power Production Expenses-Other Power (Enter Tot of 67 & 73)	7,286,581	4,413,428	
75	E. Other Power Supply Expenses			
76	(555) Purchased Power	44,787,734	52,943,739	
77	(556) System Control and Load Dispatching	490,377	375,883	
78	(557) Other Expenses	1,048,961	683,621	
79	TOTAL Other Power Supply Exp (Enter Total of lines 76 thru 78)	46,327,072	54,003,243	
80	TOTAL Power Production Expenses (Total of lines 21, 41, 59, 74 & 79)	144,811,559	140,412,027	
81	2. TRANSMISSION EXPENSES			
82	Operation			
83	(560) Operation Supervision and Engineering	553,742	460,657	
84	(561) Load Dispatching			
85	(561.1) Load Dispatch-Reliability	56,679	57,499	
86	(561.2) Load Dispatch-Monitor and Operate Transmission System	2,331,846	2,545,955	
87	(561.3) Load Dispatch-Transmission Service and Scheduling			
88	(561.4) Scheduling, System Control and Dispatch Services			
89	(561.5) Reliability, Planning and Standards Development	552,730	509,028	
90	(561.6) Transmission Service Studies			
91	(561.7) Generation Interconnection Studies	54	294	
92	(561.8) Reliability, Planning and Standards Development Services			
93	(562) Station Expenses	239,168	205,452	
94	(563) Overhead Lines Expenses	407,601	339,387	
95	(564) Underground Lines Expenses			
96	(565) Transmission of Electricity by Others	888,452	138,817	
97	(566) Miscellaneous Transmission Expenses	1,002,420	1,071,888	
98	(567) Rents	50,295	14,082	
99	TOTAL Operation (Enter Total of lines 83 thru 98)	6,082,987	5,343,059	
100	Maintenance			
101	(568) Maintenance Supervision and Engineering	425,602	448,117	
102	(569) Maintenance of Structures			
103	(569.1) Maintenance of Computer Hardware	71,726	100,844	
104	(569.2) Maintenance of Computer Software	550,576	652,361	
105	(569.3) Maintenance of Communication Equipment	97,856	73,089	
106	(569.4) Maintenance of Miscellaneous Regional Transmission Plant			
107	(570) Maintenance of Station Equipment	1,516,574	1,170,883	
108	(571) Maintenance of Overhead Lines	1,363,111	1,183,741	
109	(572) Maintenance of Underground Lines	68	220	
110	(573) Maintenance of Miscellaneous Transmission Plant			
111	TOTAL Maintenance (Total of lines 101 thru 110)	4,025,513	3,629,255	
112	TOTAL Transmission Expenses (Total of lines 99 and 111)	10,108,500	8,972,314	

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)

If the amount for previous year is not derived from previously reported figures, explain in footnote.

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
113	3. REGIONAL MARKET EXPENSES		
114	Operation		
115	(575.1) Operation Supervision		
116	(575.2) Day-Ahead and Real-Time Market Facilitation	1,179,162	1,246,679
117	(575.3) Transmission Rights Market Facilitation	249,673	182,668
118	(575.4) Capacity Market Facilitation		
119	(575.5) Ancillary Services Market Facilitation		
120	(575.6) Market Monitoring and Compliance		
121	(575.7) Market Facilitation, Monitoring and Compliance Services		
122	(575.8) Rents		
123	Total Operation (Lines 115 thru 122)	1,428,835	1,429,347
124	Maintenance		
125	(576.1) Maintenance of Structures and Improvements		
126	(576.2) Maintenance of Computer Hardware		
127	(576.3) Maintenance of Computer Software	301,102	285,036
128	(576.4) Maintenance of Communication Equipment		
129	(576.5) Maintenance of Miscellaneous Market Operation Plant		
130	Total Maintenance (Lines 125 thru 129)	301,102	285,036
131	TOTAL Regional Transmission and Market Op Exprns (Total 123 and 130)	1,729,937	1,714,383
132	4. DISTRIBUTION EXPENSES		
133	Operation		
134	(580) Operation Supervision and Engineering	522,809	424,186
135	(581) Load Dispatching	329,983	297,804
136	(582) Station Expenses	238,068	184,208
137	(583) Overhead Line Expenses	471,109	479,539
138	(584) Underground Line Expenses	1,515,731	1,194,797
139	(585) Street Lighting and Signal System Expenses	341	
140	(586) Meter Expenses	959,862	939,070
141	(587) Customer Installations Expenses	201,580	424,428
142	(588) Miscellaneous Expenses	2,675,169	2,295,846
143	(589) Rents	260,779	257,463
144	TOTAL Operation (Enter Total of lines 134 thru 143)	7,175,431	6,497,341
145	Maintenance		
146	(590) Maintenance Supervision and Engineering	883,223	884,229
147	(591) Maintenance of Structures		
148	(592) Maintenance of Station Equipment	834,196	760,920
149	(593) Maintenance of Overhead Lines	4,153,847	3,703,900
150	(594) Maintenance of Underground Lines	905,509	864,050
151	(595) Maintenance of Line Transformers	51,317	8,816
152	(596) Maintenance of Street Lighting and Signal Systems	956,675	997,606
153	(597) Maintenance of Meters	672,749	481,294
154	(598) Maintenance of Miscellaneous Distribution Plant	55,272	135,862
155	TOTAL Maintenance (Total of lines 146 thru 154)	8,512,788	7,836,677
156	TOTAL Distribution Expenses (Total of lines 144 and 155)	15,688,219	14,334,018
157	5. CUSTOMER ACCOUNTS EXPENSES		
158	Operation		
159	(901) Supervision	129,777	102,637
160	(902) Meter Reading Expenses	5,087,084	4,835,906
161	(903) Customer Records and Collection Expenses	5,385,812	5,020,253
162	(904) Uncollectible Accounts	827,350	865,500
163	(905) Miscellaneous Customer Accounts Expenses	315,037	325,296
164	TOTAL Customer Accounts Expenses (Total of lines 159 thru 163)	11,745,060	11,149,592

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)

If the amount for previous year is not derived from previously reported figures, explain in footnote.

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
165	6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES		
166	Operation		
167	(907) Supervision	527,684	574,681
168	(908) Customer Assistance Expenses	6,193,764	4,265,847
169	(909) Informational and Instructional Expenses	291,586	313,265
170	(910) Miscellaneous Customer Service and Informational Expenses	49,286	45,021
171	TOTAL Customer Service and Information Expenses (Total 167 thru 170)	7,062,320	5,198,814
172	7. SALES EXPENSES		
173	Operation		
174	(911) Supervision		
175	(912) Demonstrating and Selling Expenses	662,792	570,988
176	(913) Advertising Expenses	34,389	46,811
177	(916) Miscellaneous Sales Expenses	347,092	307,239
178	TOTAL Sales Expenses (Enter Total of lines 174 thru 177)	1,044,273	925,038
179	8. ADMINISTRATIVE AND GENERAL EXPENSES		
180	Operation		
181	(920) Administrative and General Salaries	18,067,503	16,708,167
182	(921) Office Supplies and Expenses	4,401,507	4,331,435
183	(Less) (922) Administrative Expenses Transferred-Credit	112,926	
184	(923) Outside Services Employed	1,134,720	1,350,187
185	(924) Property Insurance	1,982,499	1,508,889
186	(925) Injuries and Damages	1,484,414	1,416,527
187	(926) Employee Pensions and Benefits	1,694,070	3,070,046
188	(927) Franchise Requirements		
189	(928) Regulatory Commission Expenses	2,381,038	2,009,549
190	(929) (Less) Duplicate Charges-Cr.		
191	(930.1) General Advertising Expenses	488,682	732,698
192	(930.2) Miscellaneous General Expenses	683,260	738,532
193	(931) Rents	218,708	191,687
194	TOTAL Operation (Enter Total of lines 181 thru 193)	32,423,475	32,057,717
195	Maintenance		
196	(935) Maintenance of General Plant	2,208,249	1,282,404
197	TOTAL Administrative & General Expenses (Total of lines 194 and 196)	34,631,724	33,340,121
198	TOTAL Elec Op and Maint Expns (Total 80,112,131,156,164,171,178,197)	226,821,592	216,046,307

Name of Respondent Otter Tail Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report 2010/Q4
FOOTNOTE DATA			

Schedule Page: 320 Line No.: 84 Column: b
\$588,023 of the year-to-date expense recorded in Accounts 561 and 569 is designated as Account 561.BA expense.

Schedule Page: 320 Line No.: 84 Column: c
\$714,136 of the year-to-date expense recorded in Accounts 561 and 569 is designated as Account 561.BA expense.

BLANK PAGE
(Next page is 326)

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

PURCHASED POWER (Account 555)
(Including power exchanges)

- Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.
- Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.
- In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:

RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projects load for this service in its system resource planning). In addition, the reliability of requirement service must be the same as, or second only to, the supplier's service to its own ultimate consumers.

LF - for long-term firm service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service firm service which meets the definition of RQ service. For all transaction identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.

IF - for intermediate-term firm service. The same as LF service expect that "intermediate-term" means longer than one year but less than five years.

SF - for short-term service. Use this category for all firm services, where the duration of each period of commitment for service is one year or less.

LU - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.

IU - for intermediate-term service from a designated generating unit. The same as LU service expect that "intermediate-term" means longer than one year but less than five years.

EX - For exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc. and any settlements for imbalanced exchanges.

OS - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote for each adjustment.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	Ameren Energy Marketing Co.	OS		NA	NA	NA
2	AmerenUE	OS		NA	NA	NA
3	American Electric Power Service Corp	OS		NA	NA	NA
4	Cargill Power Markets, LLC	OS		NA	NA	NA
5	Cap Rock Energy Corporation	OS		NA	NA	NA
6	DTE Energy Trading, Inc.	OS		NA	NA	NA
7	EDF Trading North America	OS		NA	NA	NA
8	Fortis Energy Marketing and Trading	OS		NA	NA	NA
9	Great River Energy	OS		NA	NA	NA
10	Great River Energy	SF		50	NA	NA
11	Horizon Wind Energy LLC	OS		NA	NA	NA
12	MacQuarie Energy LLC	OS		NA	NA	NA
13	Manitoba Hydro Electric Board	SF		50	NA	NA
14	Manitoba Hydro Electric Board	OS		NA	NA	NA
	Total					

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

PURCHASED POWER (Account 555) (Continued)
(Including power exchanges)

AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. In column (c), identify the FERC Rate Schedule Number or Tariff, or, for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.

5. For requirements RQ purchases and any type of service involving demand charges imposed on a monthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.

6. Report in column (g) the megawatthours shown on bills rendered to the respondent. Report in columns (h) and (i) the megawatthours of power exchanges received and delivered, used as the basis for settlement. Do not report net exchange.

7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) include credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.

8. The data in column (g) through (m) must be totalled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on Page 401, line 10. The total amount in column (h) must be reported as Exchange Received on Page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on Page 401, line 13.

9. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	MegaWatt Hours Received (h)	MegaWatt Hours Delivered (i)	Demand Charges (\$) (j)	Energy Charges (\$) (k)	Other Charges (\$) (l)	Total (j+k+l) of Settlement (\$) (m)	
16,800				75,086		75,086	1
4,000				5,998		5,998	2
2,400				727		727	3
156,400				-336,189		-336,189	4
				-57,143		-57,143	5
222,600				-459,972		-459,972	6
22,800				145,488		145,488	7
5,600				-6,628		-6,628	8
11,600				728		728	9
			32,500			32,500	10
131,400				1,079,643		1,079,643	11
104,000				-193,663		-193,663	12
			546,800			546,800	13
90,751				5,166,022	-286,256	4,879,766	14

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of <u>2010/Q4</u>
--	---	--	--

PURCHASED POWER (Account 555)
(Including power exchanges)

1. Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.
2. Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.
3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:

RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projects load for this service in its system resource planning). In addition, the reliability of requirement service must be the same as, or second only to, the supplier's service to its own ultimate consumers.

LF - for long-term firm service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service firm service which meets the definition of RQ service. For all transaction identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.

IF - for intermediate-term firm service. The same as LF service expect that "intermediate-term" means longer than one year but less than five years.

SF - for short-term service. Use this category for all firm services, where the duration of each period of commitment for service is one year or less.

LU - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.

IU - for intermediate-term service from a designated generating unit. The same as LU service expect that "intermediate-term" means longer than one year but less than five years.

EX - For exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc. and any settlements for imbalanced exchanges.

OS - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote for each adjustment.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	Mid-American Energy Company	OS		NA	NA	NA
2	Minnesota Municipal Power Agency	OS		NA	NA	NA
3	Minnesota Power	OS		NA	NA	NA
4	Minnesota Power	SF		50	NA	NA
5	Northern States Power Company	OS		NA	NA	NA
6	Powerex	OS		NA	NA	NA
7	Rainbow Energy Marketing Corp.	OS		NA	NA	NA
8	Sempra Energy Trading Corporation	OS		NA	NA	NA
9	The Energy Authority	OS		NA	NA	NA
10	Transalta Energy Marketing	OS		NA	NA	NA
11	Western Area Power Administration	OS		NA	NA	NA
12	Western Area Power Administration-WEC	OS		NA	NA	NA
13	WE Energies	SF		35	NA	NA
14	Wisconsin Public Power Inc	SF		25	NA	NA
	Total					

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	---	---

PURCHASED POWER (Account 555) (Continued)
(Including power exchanges)

AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. In column (c), identify the FERC Rate Schedule Number or Tariff, or, for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.
5. For requirements RQ purchases and any type of service involving demand charges imposed on a monthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.
6. Report in column (g) the megawatthours shown on bills rendered to the respondent. Report in columns (h) and (i) the megawatthours of power exchanges received and delivered, used as the basis for settlement. Do not report net exchange.
7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) include credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.
8. The data in column (g) through (m) must be totaled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on Page 401, line 10. The total amount in column (h) must be reported as Exchange Received on Page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on Page 401, line 13.
9. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	MegaWatt Hours Received (h)	MegaWatt Hours Delivered (i)	Demand Charges (\$) (j)	Energy Charges (\$) (k)	Other Charges (\$) (l)	Total (j+k+l) of Settlement (\$) (m)	
600				23,400		23,400	1
1,600				65,446		65,446	2
167,200				8,140,352		8,140,352	3
			400,000			400,000	4
229,600				864,725		864,725	5
800				50,400		50,400	6
8,400				176,968		176,968	7
800				28,000		28,000	8
11,600				410,400		410,400	9
1,600				-1,550		-1,550	10
1,600				62,400	62-204	94,604	11
26,984				897,211		897,211	12
			122,500			122,500	13
			175,000			175,000	14

Name of Respondent Otter Tail Power Company	This Report Is:		Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
	(1) <input checked="" type="checkbox"/> An Original	(2) <input type="checkbox"/> A Resubmission		

**PURCHASED POWER (Account 555)
(Including power exchanges)**

- Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.
- Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.
- In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:

RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projects load for this service in its system resource planning). In addition, the reliability of requirement service must be the same as, or second only to, the supplier's service to its own ultimate consumers.

LF - for long-term firm service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service firm service which meets the definition of RQ service. For all transaction identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.

IF - for intermediate-term firm service. The same as LF service expect that "intermediate-term" means longer than one year but less than five years.

SF - for short-term service. Use this category for all firm services, where the duration of each period of commitment for service is one year or less.

LU - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.

IU - for intermediate-term service from a designated generating unit. The same as LU service expect that "intermediate-term" means longer than one year but less than five years.

EX - For exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc. and any settlements for imbalanced exchanges.

OS - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote for each adjustment.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	Beltrami Electric Cooperative	RQ		NA	NA	NA
2	Nodak Rural Electric Cooperative	RQ		NA	NA	NA
3	P K M Electric Cooperative	RQ		NA	NA	NA
4	NorthWestern Energy - NLE	RQ		NA	NA	NA
5	Red Lake Rural Electric Cooperative	RQ		NA	NA	NA
6	Lake Region Rural Electric Cooperative	RQ		NA	NA	NA
7	Redwood Electric	RQ		NA	NA	NA
8	MN Valley Cooperative	RQ		NA	NA	NA
9	Sioux Valley Energy	RQ		NA	NA	NA
10	City of Perham	RQ		NA	NA	NA
11	Dakota Magic Casino	RQ		NA	NA	NA
12	State Auto Insurance	RQ		NA	NA	NA
13	Kindred School	RQ		NA	NA	NA
14	Fleet Farm	RQ		NA	NA	NA
	Total					

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

PURCHASED POWER (Account 555) (Continued)
(Including power exchanges)

AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. In column (c), identify the FERC Rate Schedule Number or Tariff, or, for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.
5. For requirements RQ purchases and any type of service involving demand charges imposed on a monthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.
6. Report in column (g) the megawatthours shown on bills rendered to the respondent. Report in columns (h) and (i) the megawatthours of power exchanges received and delivered, used as the basis for settlement. Do not report net exchange.
7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) include credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.
8. The data in column (g) through (m) must be totalled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on Page 401, line 10. The total amount in column (h) must be reported as Exchange Received on Page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on Page 401, line 13.
9. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	MegaWatt Hours Received (h)	MegaWatt Hours Delivered (i)	Demand Charges (\$)(j)	Energy Charges (\$)(k)	Other Charges (\$)(l)	Total (j+k+l) of Settlement (\$)(m)	
65,010			419,016	3,077,144	74,296	3,570,456	1
6,519			88,325	315,820		404,145	2
7,232			66,279	348,342		414,621	3
20,648			139,411	962,645		1,102,056	4
6,136			57,847	287,484		345,331	5
25				3,314		3,314	6
				104		104	7
3				246		246	8
7				363		363	9
			16,892			16,892	10
			39,367			39,367	11
			36,000			36,000	12
			34,860			34,860	13
			17,640			17,640	14

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

**PURCHASED POWER (Account 555)
(Including power exchanges)**

- Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.
- Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.
- In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:

RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projects load for this service in its system resource planning). In addition, the reliability of requirement service must be the same as, or second only to, the supplier's service to its own ultimate consumers.

LF - for long-term firm service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service firm service which meets the definition of RQ service. For all transaction identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.

IF - for intermediate-term firm service. The same as LF service expect that "intermediate-term" means longer than one year but less than five years.

SF - for short-term service. Use this category for all firm services, where the duration of each period of commitment for service is one year or less.

LU - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.

IU - for intermediate-term service from a designated generating unit. The same as LU service expect that "intermediate-term" means longer than one year but less than five years.

EX - For exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc. and any settlements for imbalanced exchanges.

OS - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote for each adjustment.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	Valley Queen Cheese	OS		NA	NA	NA
2	Stevens Community Medical	OS		NA	NA	NA
3	City of Detroit Lakes	OS		NA	NA	NA
4	American Crystal Sugar	OS		NA	NA	NA
5	Energy Maintenance Service	OS		NA	NA	NA
6	Hendricks Wind 1	OS		NA	NA	NA
7	Borderline Wind	OS		NA	NA	NA
8	Univ. of MN - Morris	OS		NA	NA	NA
9	FPL Energy ND II, LLC	OS		NA	NA	NA
10	Langdon Wind, LLC	OS		NA	NA	NA
11	District 45 Methane	OS		NA	NA	NA
12	MN Co Generation	OS		NA	NA	NA
13	ND Co Generation	OS		NA	NA	NA
14	SD Co Generation	OS		NA	NA	NA
	Total					

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of <u>2010/Q4</u>
--	---	---	--

PURCHASED POWER (Account 555) (Continued)
(including power exchanges)

AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. In column (c), identify the FERC Rate Schedule Number or Tariff, or, for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.
5. For requirements RQ purchases and any type of service involving demand charges imposed on a monthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.
6. Report in column (g) the megawatthours shown on bills rendered to the respondent. Report in columns (h) and (i) the megawatthours of power exchanges received and delivered, used as the basis for settlement. Do not report net exchange.
7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) include credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.
8. The data in column (g) through (m) must be totalled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on Page 401, line 10. The total amount in column (h) must be reported as Exchange Received on Page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on Page 401, line 13.
9. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	MegaWatt Hours Received (h)	MegaWatt Hours Delivered (i)	Demand Charges (\$) (j)	Energy Charges (\$) (k)	Other Charges (\$) (l)	Total (j+k+l) of Settlement (\$) (m)	
			110,812			110,812	1
			22,800			22,800	2
976			1,212	1,464		2,676	3
48				480		480	4
133				4,257		4,257	5
1,961				88,237		88,237	6
2,049				61,483		61,483	7
868				34,489		34,489	8
53,816				1,609,103		1,609,103	9
69,881				2,740,718		2,740,718	10
2,367				89,953		89,953	11
105				7,310		7,310	12
365							13
5				134		134	14

Name of Respondent Otter Tail Power Company	This Report Is:		Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
	(1) <input checked="" type="checkbox"/> An Original	(2) <input type="checkbox"/> A Resubmission		

PURCHASED POWER (Account 555)
(including power exchanges)

- Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.
- Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.
- In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:

RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projects load for this service in its system resource planning). In addition, the reliability of requirement service must be the same as, or second only to, the supplier's service to its own ultimate consumers.

LF - for long-term firm service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service firm service which meets the definition of RQ service. For all transaction identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.

IF - for intermediate-term firm service. The same as LF service expect that "intermediate-term" means longer than one year but less than five years.

SF - for short-term service. Use this category for all firm services, where the duration of each period of commitment for service is one year or less.

LU - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.

IU - for intermediate-term service from a designated generating unit. The same as LU service expect that "intermediate-term" means longer than one year but less than five years.

EX - For exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc. and any settlements for imbalanced exchanges.

OS - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote for each adjustment.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	RBC Capital Markets Corporation	OS		NA	NA	NA
2	MISO Transmission Service Charge	OS		NA	NA	NA
3	MAPP Transmission Service Charge	OS		NA	NA	NA
4	Midwest ISO Energy Market	OS		NA	NA	NA
5	Non-asset based cost of sales					
6	Miscellaneous Energy Market Charges					
7						
8						
9						
10						
11						
12						
13						
14						
	Total					

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

PURCHASED POWER (Account 555) (Continued)
(Including power exchanges)

AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. In column (c), identify the FERC Rate Schedule Number or Tariff, or, for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.
5. For requirements RQ purchases and any type of service involving demand charges imposed on a monthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.
6. Report in column (g) the megawatthours shown on bills rendered to the respondent. Report in columns (h) and (i) the megawatthours of power exchanges received and delivered, used as the basis for settlement. Do not report net exchange.
7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) include credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.
8. The data in column (g) through (m) must be totalled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on Page 401, line 10. The total amount in column (h) must be reported as Exchange Received on Page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on Page 401, line 13.
9. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	MegaWatt Hours Received (h)	MegaWatt Hours Delivered (i)	Demand Charges (\$) (j)	Energy Charges (\$) (k)	Other Charges (\$) (l)	Total (j+k+l) of Settlement (\$) (m)	
858,680				-2,970,847		-2,970,847	1
			75		20,283	20,358	2
					14,260	14,260	3
706,684				28,251,070		28,251,070	4
-218,806				-9,089,545		-9,089,545	5
				643,994		643,994	6
							7
							8
							9
							10
							11
							12
							13
							14
2,803,847			2,327,336	42,605,611	-145,213	44,787,734	

Name of Respondent Otter Tail Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report 2010/Q4
--	---	--	----------------------------------

FOOTNOTE DATA

Schedule Page: 326 Line No.: 10 Column: a

December 2010

Schedule Page: 326 Line No.: 13 Column: a

January through April 2010

Schedule Page: 326 Line No.: 14 Column: I

MHEB PAC Loss Credit

Schedule Page: 326.1 Line No.: 4 Column: a

May through December 2010

Schedule Page: 326.1 Line No.: 11 Column: I

Load Following charge

Schedule Page: 326.1 Line No.: 13 Column: a

June through December 2010

Schedule Page: 326.1 Line No.: 14 Column: a

January through May 2010

Schedule Page: 326.2 Line No.: 1 Column: I

Nomination charge

Schedule Page: 326.4 Line No.: 2 Column: I

Transmission service charge

Schedule Page: 326.4 Line No.: 3 Column: I

Transmission service charge

Schedule Page: 326.4 Line No.: 5 Column: a

The Company records unrealized gains and losses of forward purchases and sales of energy. FERC Order No. 627 states that entities should record unrealized as well as realized gains or losses in accounts 421 and 426.5, as appropriate. This amount represents the non-asset based cost of forward energy sales.

BLANK PAGE
(Next page is 328)

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of <u>2010/Q4</u>
--	---	--	--

TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456.1)
(Including transactions referred to as 'wheeling')

- Report all transmission of electricity, i.e., wheeling, provided for other electric utilities, cooperatives, other public authorities, qualifying facilities, non-traditional utility suppliers and ultimate customers for the quarter.
- Use a separate line of data for each distinct type of transmission service involving the entities listed in column (a), (b) and (c).
- Report in column (a) the company or public authority that paid for the transmission service. Report in column (b) the company or public authority that the energy was received from and in column (c) the company or public authority that the energy was delivered to. Provide the full name of each company or public authority. Do not abbreviate or truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation the respondent has with the entities listed in columns (a), (b) or (c)
- In column (d) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNO - Firm Network Service for Others, FNS - Firm Network Transmission Service for Self, LFP - "Long-Term Firm Point to Point Transmission Service, OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point to Point Transmission Reservation, NF - non-firm transmission service, OS - Other Transmission Service and AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. See General Instruction for definitions of codes.

Line No.	Payment By (Company of Public Authority) (Footnote Affiliation) (a)	Energy Received From (Company of Public Authority) (Footnote Affiliation) (b)	Energy Delivered To (Company of Public Authority) (Footnote Affiliation) (c)	Statistical Classification (d)
1	Badger, SD	Western Area Power Administration	Badger, SD	LFP
2	Newfolden, MN	Western Area Power Administration	Newfolden, MN	LFP
3	Nielsville, MN	Western Area Power Administration	Nielsville, MN	LFP
4	Shelly, MN	Western Area Power Administration	Shelly, MN	LFP
5	Fort Totten Indian Agency	Western Area Power Administration	Fort Totten, ND	LFP
6	State Development Center	Western Area Power Administration	Grafton, ND	LFP
7	North Dakota School for Deaf	Western Area Power Administration	Devils Lake, ND	LFP
8	North Dakota School of Forestry	Western Area Power Administration	Bottineau, ND	LFP
9	North Dakota College of Science	Western Area Power Administration	Wahpeton, ND	LFP
10	Turtle Mountain Indian Agency	Western Area Power Administration	Belcourt, ND	LFP
11	Oakes O&M Headquarters	Western Area Power Administration	Oakes, ND	LFP
12	Minnkota Power Cooperative, Inc.	Minnkota Power Cooperative, Inc.	Various Interconnects	OS
13		U.S. Bureau of Reclamation	Otter Tail Power Company	OS
14		Various Companies	Otter Tail Power Company	OS
15		Various Companies	Otter Tail Power Company	OS
16	See Footnote			
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
	TOTAL			

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)(Continued)
(Including transactions referred to as 'wheeling')

5. In column (e), identify the FERC Rate Schedule or Tariff Number, On separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (d), is provided.
6. Report receipt and delivery locations for all single contract path, "point to point" transmission service. In column (f), report the designation for the substation, or other appropriate identification for where energy was received as specified in the contract. In column (g) report the designation for the substation, or other appropriate identification for where energy was delivered as specified in the contract.
7. Report in column (h) the number of megawatts of billing demand that is specified in the firm transmission service contract. Demand reported in column (h) must be in megawatts. Footnote any demand not stated on a megawatts basis and explain.
8. Report in column (i) and (j) the total megawatthours received and delivered.

FERC Rate Schedule of Tariff Number (e)	Point of Receipt (Substation or Other Designation) (f)	Point of Delivery (Substation or Other Designation) (g)	Billing Demand (MW) (h)	TRANSFER OF ENERGY		Line No.
				MegaWatt Hours Received (i)	MegaWatt Hours Delivered (j)	
4	(1)	Badger, SD		1,380	1,321	1
4	(1)	Newfolden, MN		2,833	2,648	2
4	(1)	Nielsville, MN		649	607	3
4	(1)	Shelly, MN		1,716	1,604	4
4	(1)	Fort Totten, ND		267	252	5
4	(1)	Grafton, ND		5,041	4,756	6
4	(1)	Devils Lake, ND		559	522	7
4	(1)	Bottineau, ND		1,080	1,009	8
4	(1)	Wahpeton, ND		8,474	7,957	9
4	(1)	Belcourt, ND		2,685	2,533	10
4	(1)	Oakes, ND		41	39	11
See Footnote	(1)	Various Interconnect		226,595	211,771	12
		(1)		-9,890		13
		(1)		-79,117		14
		(1)		18,422		15
	See Footnote					16
						17
						18
						19
						20
						21
						22
						23
						24
						25
						26
						27
						28
						29
						30
						31
						32
						33
						34
			0	180,735	235,019	

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456) (Continued)
(Including transactions referred to as 'wheeling')

9. In column (k) through (n), report the revenue amounts as shown on bills or vouchers. In column (k), provide revenues from demand charges related to the billing demand reported in column (h). In column (l), provide revenues from energy charges related to the amount of energy transferred. In column (m), provide the total revenues from all other charges on bills or vouchers rendered, including out of period adjustments. Explain in a footnote all components of the amount shown in column (m). Report in column (n) the total charge shown on bills rendered to the entity Listed in column (a). If no monetary settlement was made, enter zero (11011) in column (n). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.

10. The total amounts in columns (i) and (j) must be reported as Transmission Received and Transmission Delivered for annual report purposes only on Page 401, Lines 16 and 17, respectively.

11. Footnote entries and provide explanations following all required data.

REVENUE FROM TRANSMISSION OF ELECTRICITY FOR OTHERS

Demand Charges (\$) (k)	Energy Charges (\$) (l)	(Other Charges) (\$) (m)	Total Revenues (\$) (k+l+m) (n)	Line No.
9,155			9,155	1
25,233			25,233	2
8,010			8,010	3
17,185			17,185	4
1,381			1,381	5
24,616			24,616	6
5,964			5,964	7
10,934			10,934	8
93,116			93,116	9
32,245			32,245	10
1,006			1,006	11
	218,921		218,921	12
				13
				14
				15
				16
				17
				18
				19
				20
				21
				22
				23
				24
				25
				26
				27
				28
				29
				30
				31
				32
				33
				34
228,845	218,921	0	447,766	

Name of Respondent Otter Tail Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report 2010/Q4
FOOTNOTE DATA			

Schedule Page: 328 Line No.: 12 Column: e
Original Service Agreement No. 30 under Otter Tail Power Company FERC Electric Tariff, Original Volume No. 1

Schedule Page: 328 Line No.: 15 Column: b
Various companies.
Miscellaneous losses - mwh received.

Schedule Page: 328 Line No.: 16 Column: a
Lines 1-10 Otter Tail Power Company wheels WAPA's portion of customers' load.
Line 11 Otter Tail Power Company wheels WAPA's total load to customer.
Line 12 Otter Tail Power Company wheels MPC's total load to various interconnects.
Lines 13-15 contain losses and regulation that result from interconnects with various companies in the integrated system.

Schedule Page: 328 Line No.: 16 Column: f
(1) Various points of interconnect in the integrated system in column f, lines 1-12 and column g, lines 13-15.

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

TRANSMISSION OF ELECTRICITY BY OTHERS (Account 565)
(Including transactions referred to as "wheeling")

1. Report all transmission, i.e. wheeling or electricity provided by other electric utilities, cooperatives, municipalities, other public authorities, qualifying facilities, and others for the quarter.
2. In column (a) report each company or public authority that provided transmission service. Provide the full name of the company, abbreviate if necessary, but do not truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation with the transmission service provider. Use additional columns as necessary to report all companies or public authorities that provided transmission service for the quarter reported.
3. In column (b) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNS - Firm Network Transmission Service for Self, LFP - Long-Term Firm Point-to-Point Transmission Reservations. OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point-to-Point Transmission Reservations, NF - Non-Firm Transmission Service, and OS - Other Transmission Service. See General Instructions for definitions of statistical classifications.
4. Report in column (c) and (d) the total megawatt hours received and delivered by the provider of the transmission service.
5. Report in column (e), (f) and (g) expenses as shown on bills or vouchers rendered to the respondent. In column (e) report the demand charges and in column (f) energy charges related to the amount of energy transferred. On column (g) report the total of all other charges on bills or vouchers rendered to the respondent, including any out of period adjustments. Explain in a footnote all components of the amount shown in column (g). Report in column (h) the total charge shown on bills rendered to the respondent. If no monetary settlement was made, enter zero in column (h). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.
6. Enter "TOTAL" in column (a) as the last line.
7. Footnote entries and provide explanations following all required data.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	TRANSFER OF ENERGY		EXPENSES FOR TRANSMISSION OF ELECTRICITY BY OTHERS			
			Megawatt-hours Received (c)	Megawatt-hours Delivered (d)	Demand Charges (\$) (e)	Energy Charges (\$) (f)	Other Charges (\$) (g)	Total Cost of Transmission (\$) (h)
1	Otter Tail Power Co.	FNS					236,602	236,602
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
	TOTAL						236,602	236,602

Name of Respondent Otter Tail Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report 2010/Q4
FOOTNOTE DATA			

Schedule Page: 332 Line No.: 1 Column: g

Charges in line 1 are for Midwest Independent System Operator Schedule 26 Network Upgrade charges to Otter Tail Power Company from the Midwest Independent System Operator Transmission Expansion Plan costs that were booked in 2010.

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

MISCELLANEOUS GENERAL EXPENSES (Account 930.2) (ELECTRIC)

Line No.	Description (a)	Amount (b)
1	Industry Association Dues	115,495
2	Nuclear Power Research Expenses	
3	Other Experimental and General Research Expenses	24,795
4	Pub & Dist Info to Stkhldrs...expn servicing outstanding Securities	86,688
5	Oth Expn >=5,000 show purpose, recipient, amount. Group if < \$5,000	40,432
6	Director Fees & Expenses	215,931
7	Misc. Labor not provided for elsewhere	199,919
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
35		
36		
37		
38		
39		
40		
41		
42		
43		
44		
45		
46	TOTAL	683,260

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Account 403, 404, 405)
(Except amortization of acquisition adjustments)

1. Report in section A for the year the amounts for : (b) Depreciation Expense (Account 403; (c) Depreciation Expense for Asset Retirement Costs (Account 403.1; (d) Amortization of Limited-Term Electric Plant (Account 404); and (e) Amortization of Other Electric Plant (Account 405).

2. Report in Section 8 the rates used to compute amortization charges for electric plant (Accounts 404 and 405). State the basis used to compute charges and whether any changes have been made in the basis or rates used from the preceding report year.

3. Report all available information called for in Section C every fifth year beginning with report year 1971, reporting annually only changes to columns (c) through (g) from the complete report of the preceding year.
Unless composite depreciation accounting for total depreciable plant is followed, list numerically in column (a) each plant subaccount, account or functional classification, as appropriate, to which a rate is applied. Identify at the bottom of Section C the type of plant included in any sub-account used.
In column (b) report all depreciable plant balances to which rates are applied showing subtotals by functional Classifications and showing composite total. Indicate at the bottom of section C the manner in which column balances are obtained. If average balances, state the method of averaging used.
For columns (c), (d), and (e) report available information for each plant subaccount, account or functional classification Listed in column (a). If plant mortality studies are prepared to assist in estimating average service Lives, show in column (f) the type mortality curve selected as most appropriate for the account and in column (g), if available, the weighted average remaining life of surviving plant. If composite depreciation accounting is used, report available information called for in columns (b) through (g) on this basis.

4. If provisions for depreciation were made during the year in addition to depreciation provided by application of reported rates, state at the bottom of section C the amounts and nature of the provisions and the plant items to which related.

A. Summary of Depreciation and Amortization Charges

Line No.	Functional Classification (a)	Depreciation Expense (Account 403) (b)	Depreciation Expense for Asset Retirement Costs (Account 403.1) (c)	Amortization of Limited Term Electric Plant (Account 404) (d)	Amortization of Other Electric Plant (Acc 405) (e)	Total (f)
1	Intangible Plant			597,861		597,861
2	Steam Production Plant	10,105,745	9,711			10,115,456
3	Nuclear Production Plant					
4	Hydraulic Production Plant-Conventional	144,241				144,241
5	Hydraulic Production Plant-Pumped Storage					
6	Other Production Plant	11,600,438	47,281			11,647,719
7	Transmission Plant	4,202,771				4,202,771
8	Distribution Plant	9,795,258				9,795,258
9	Regional Transmission and Market Operation					
10	General Plant	2,286,502				2,286,502
11	Common Plant-Electric					
12	TOTAL	38,134,955	56,992	597,861		38,789,808

B. Basis for Amortization Charges

The \$597,861 is amortization of:

Franchises and Consents (302)

\$47,883 for hydro plant licenses with a remaining life of 10.54 years at a 3.68% rate.

Miscellaneous Intangible Plan (303)

\$549,978 for computer software with a 5-year service life at a 20% rate.

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)

C. Factors Used in Estimating Depreciation Charges

Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12	Steam Production-						
13	Big Stone Plant						
14	311	5,774		-8.80	2.26	SQ	15.18
15	312	27,983		-8.80	3.13	SQ	15.19
16	314	13,219		-8.80	3.75	SQ	15.19
17	315	2,409		-8.80	2.44	SQ	15.18
18	316	1,108		-8.60	3.25	SQ	15.19
19							
20	Steam Production						
21	Hoot Lake Plant						
22	311 - Units 2,3	596		-11.20	2.02	SQ	10.35
23	312 - Units 2,3	16,007		-11.20	5.49	SQ	10.36
24	314 - Units 2,3	1,678		-11.20	2.60	SQ	10.35
25	315 - Units 2,3	171		-11.20	1.79	SQ	10.35
26	316 - Units 2,3	385		-11.10	5.11	SQ	10.36
27							
28	Steam Production						
29	Coyote Plant						
30	311	10,305		-5.00	1.89	SQ	19.94
31	312	35,406		-5.00	2.24	SQ	19.94
32	314	11,886		-5.00	3.12	SQ	19.95
33	315	5,440		-5.00	2.70	SQ	19.94
34	316	938		-4.70	2.83	SQ	19.96
35	STEAM PRODUCTION						
36	SUBTOTAL	133,305					
37							
38	Hydro Production -						
39	Hoot Lake Hydro						
40	331	2			0.23	SQ	12.28
41	332	5			0.16	SQ	12.28
42	333	19			1.49	SQ	12.29
43	334	9			2.04	SQ	12.30
44	Hydro Production -						
45	Wright Hydro						
46	331	7			2.92	SQ	12.29
47	332	194			4.42	SQ	12.30
48	333	138			4.89	SQ	12.30
49	334	134			5.41	SQ	12.30
50	335	19			2.78	SQ	12.29

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)

C. Factors Used in Estimating Depreciation Charges

Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12							
13	Hydro Production -						
14	Pisgah Hydro						
15	331	4			2.39	SQ	12.29
16	332	24			1.77	SQ	12.28
17	333	132			6.73	SQ	12.30
18	334	70			5.14	SQ	12.30
19	335	8			3.14	SQ	12.30
20							
21	Hydro Production -						
22	Dayton Hollow Hydro						
23	331				1.55	SQ	12.29
24	332	194			3.78	SQ	12.29
25	333	213			7.37	SQ	12.30
26	334	98			4.45	SQ	12.30
27	335	3			2.96	SQ	12.30
28							
29	Hydro Production -						
30	Taplin Gorge Hydro						
31	331	2			0.56	SQ	12.27
32	332	76			1.68	SQ	12.29
33	333	1			0.45	SQ	12.26
34	334	38			5.49	SQ	12.29
35	335	26			3.35	SQ	12.30
36							
37	Hydro Production -						
38	Bemidji Hydro						
39	331	52			6.06	SQ	12.30
40	332	102			3.48	SQ	12.29
41	333	204			5.27	SQ	12.30
42	334	2			1.81	SQ	12.27
43	335				2.60	SQ	12.28
44	HYDRO PRODUCTION						
45	SUBTOTAL	1,776					
46							
47							
48							
49							
50							

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)

C. Factors Used in Estimating Depreciation Charges

Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12	Other Production -						
13	Jamestown Peaking #1						
14	341	64		-0.60	2.77	SQ	10.35
15	342	52		-0.60	2.53	SQ	10.35
16	343	966		-0.60	3.30	SQ	10.36
17	345	5		-0.60	2.10	SQ	10.35
18	346	32		-0.60	4.94	SQ	10.36
19	Other Production -						
20	Lake Preston Peaking						
21	341	36		-0.90	1.89	SQ	10.35
22	342	57		-0.90	1.90	SQ	10.35
23	343	685		-0.90	2.18	SQ	10.35
24	345	107		-0.90	2.89	SQ	10.35
25	346	4		-0.90	1.95	SQ	10.35
26	Other Production -						
27	Jamestown Peaking #2						
28	341	6		-0.60	4.24	SQ	10.36
29	342	12		-0.60	3.21	SQ	10.35
30	343	957		-0.60	2.49	SQ	10.35
31	345	13		-0.60	3.25	SQ	10.36
32	346	7		-0.60	2.50	SQ	10.35
33	Other Production -						
34	Fergus Falls Control Cr						
35	343	359			2.90	SQ	20.90
36	Other Production -						
37	Solway Combustion Turb						
38	341	3,359		-0.10	2.82	SQ	28.40
39	342	809		-0.10	2.84	SQ	28.40
40	343	16,794		-0.10	2.82	SQ	28.40
41	345	998		-0.10	2.81	SQ	28.40
42	346	257		-0.10	2.92	SQ	28.40
43	OTHER PRODUCTION						
44	Langdon Wind Energy						
45	341	2,286			3.92	S5	23.50
46	344	63,079			3.92	S5	23.50
47	345	6,318			3.92	S5	23.50
48	Ashtabula Wind Energy						
49	341	3,109			3.91	S5	24.50
50	344	103,580			3.91	S5	24.50

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of <u>2010/Q4</u>
--	---	---	--

DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)

C. Factors Used in Estimating Depreciation Charges

Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12	345	5,954			3.91	S5	24.50
13	Luverne Wind Energy						
14	341				4.00	S5	25.00
15	344	71,351			3.95	S5	25.00
16	345				4.00	S5	25.00
17	SUBTOTAL	281,256					
18	Transmission Plant						
19	353	48,966	45.00	-5.00	1.65	R0.5	49.36
20	354	2,479	55.00	-10.00	1.50	R5	41.89
21	355	42,132	55.00	-50.00	2.17	S1.5	47.61
22	356	39,146	55.00	-30.00	2.02	S1.5	43.04
23	358	8	40.00	-5.00	1.55	S4	10.48
24	SUBTOTAL	132,731					
25	Distribution Plant -						
26	362	40,111	35.00	5.00	2.37	S-.5	28.13
27	364	27,646	60.00	-75.00	2.61	R3	47.02
28	365	11,782	58.00	-100.00	3.15	R3	40.45
29	366		50.00		3.71	R4	26.98
30	367	31,035	35.00	-5.00	2.82	R4	21.27
31	368	53,470	40.00	50.00	1.48	R0.5	23.90
32	369	-421	48.00	-150.00	4.81	S5	30.41
33	369.1	19,432	40.00	-20.00	2.58	R4	32.10
34	370	12,843	33.00		2.84	S0.5	21.94
35	370.1	5,991	20.00		6.01	L3	11.16
36	370.2	422	5.00		20.00	Amortized	
37	371.2	2,852	19.00	10.00	3.88	L0	16.61
38	373	2,093	16.00	-5.00	5.09	L2	10.30
39	SUBTOTAL	207,256					
40							
41	General Plant -						
42	390	15,151	45.00	10.00	1.82	L1	37.48
43	390.1	3,562		-5.00	3.22	SQ	20.89
44	390.2	393		-5.00	3.39	SQ	16.14
45	390.3	2,166		-5.00	2.37	SQ	25.56
46	391	733	15.00		6.67	Amortized	
47	391.1	574	10.00		10.00	Amortized	
48	391.2	413	10.00		10.00	Amortized	
49	391.5	715	5.00		20.00	Amortized	
50	391.6	669	5.00		20.00	Amortized	

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)

C. Factors Used in Estimating Depreciation Charges

Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12	392	11,340					
13	Aircraft		7.00	39.00			
14	Autos		5.00	15.00			
15	Light Trucks		10.00	10.00			
16	Heavy Trucks & Semi		10.00	15.00			
17	Tractors (Includes		10.00	15.00			
18	Cranes)						
19	Trailers		15.00	10.00			
20	Portable Oil Purifier		10.00	20.00			
21	Trenchers		10.00	10.00			
22	Misc. Light Equip.		10.00	10.00			
23	Misc. Heavy Equip.		15.00	15.00			
24	393		15.00		6.67	Amortized	
25	394	1,523	15.00		6.67	Amortized	
26	394.2	542	15.00		6.67	Amortized	
27	395	13	15.00		6.67	Amortized	
28	396	367	15.00	5.00	3.81	L0	16.72
29	397	544	15.00		6.67	Amortized	
30	397.1	441	10.00		10.00	Amortized	
31	397.2	1,602	15.00		6.67	Amortized	
32	397.3	53	10.00		10.00	Amortized	
33	397.4	898	25.00	5.00	3.44	R4	16.10
34	SUBTOTAL	41,699					
35	TOTAL	798,023					
36							
37	SUBACCOUNTS USED						
38							
39							
40							
41							
42							
43							
44							
45							
46							
47							
48							
49							
50							

Name of Respondent Otter Tail Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report 2010/Q4
FOOTNOTE DATA			

Schedule Page: 336.4 Line No.: 37 Column: a

SUBACCOUNTS USED

- 369.1 Underground Services
- 370.1 Load Management Switches
- 371.1 Rental Equipment
- 370.2 Interruption Monitors
- 390.1 General Office Building
- 390.2 Fleet Service Center Building
- 390.3 Central Stores Building
- 391.1 Office Equipment
- 391.2 Duplicating Equipment
- 391.5 Computer Systems
- 391.6 Computer Related Equipment
- 394.2 AMR Equipment
- 397.1 Radio Telecommunication Equipment
- 397.2 Microwave Equipment
- 397.3 Radio Load Control Equipment
- 397.4 Communication Towers

Column (b) is the balance of plant in service (except land) at the beginning of the year, less the associated reserve for accumulated depreciation and includes amounts tentatively classified in Account 106, Completed Construction Not Classified.

Column (e) rates are applied to the original cost per books (Accounts 101 and 106) at the close of the prior month except when major additions and retirements occur which significantly affect depreciation expense.

Column (d) factors are a composite of rates allowed in the jurisdictions served.

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of <u>2010/Q4</u>
--	---	--	--

REGULATORY COMMISSION EXPENSES

- Report particulars (details) of regulatory commission expenses incurred during the current year (or incurred in previous years, if being amortized) relating to format cases before a regulatory body, or cases in which such a body was a party.
- Report in columns (b) and (c), only the current year's expenses that are not deferred and the current year's amortization of amounts deferred in previous years.

Line No.	Description (Furnish name of regulatory commission or body the docket or case number and a description of the case) (a)	Assessed by Regulatory Commission (b)	Expenses of Utility (c)	Total Expense for Current Year (b) + (c) (d)	Deferred in Account 182.3 at Beginning of Year (e)
1	Regulatory Agency Assessments:				
2	MN Dept. of Commerce/Public Util. Commission	100,755		100,755	
3	E017/M-09-1430	25,508		25,508	
4	Miscellaneous	174,668		174,668	
5					
6	SD Public Utilities Commission	49,877		49,877	
7					
8	Federal Energy Regulatory Commission	254,108		254,108	
9					
10	Other Expenses:				
11	MN Public Utilities Commission:				
12	MN Rate Case (E017/GR-07-1178)				876,725
13	MN Rate Case (E017/GR-10-239)		1,340,296	1,340,296	
14	Miscellaneous		26,885	26,885	
15					
16	ND Public Service Commission:				
17	ND Rate Case PU 08-862				486,111
18	Miscellaneous		5,600	5,600	
19					
20	SD Public Utilities Commission:				
21	SD Rate Case (EL-08-030)				195,000
22	SD Rate Case (EL-10-011)		133,948	133,948	
23	Miscellaneous		10,042	10,042	
24					
25	FERC				
26	ER08-370 (MRES Attachment O)		204,180	204,180	
27	Miscellaneous	11,541	43,630	55,171	
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					
45					
46	TOTAL	616,457	1,764,581	2,381,038	1,557,836

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of <u>2010/Q4</u>
--	---	---	--

REGULATORY COMMISSION EXPENSES (Continued)

3. Show in column (k) any expenses incurred in prior years which are being amortized. List in column (a) the period of amortization.
4. List in column (f), (g), and (h) expenses incurred during year which were charged currently to income, plant, or other accounts.
5. Minor items (less than \$25,000) may be grouped.

EXPENSES INCURRED DURING YEAR			AMORTIZED DURING YEAR				Line No.
CURRENTLY CHARGED TO			Deferred to Account 182.3 (i)	Contra Account (j)	Amount (k)	Deferred in Account 182.3 End of Year (l)	
Department (f)	Account No. (g)	Amount (h)					
							1
Electric	928	100,755					2
Electric	928	25,508					3
Electric	928	174,668					4
							5
Electric	928	49,877					6
							7
Electric	928	254,108					8
							9
							10
							11
Electric	928				876,725		12
Electric	928	1,340,296	954,530		288,792	665,738	13
Electric	928	26,885					14
							15
							16
Electric	928				166,668	319,443	17
Electric	928	5,600					18
							19
							20
Electric	928				45,000	150,000	21
Electric	928	133,948	103,810			103,810	22
Electric	928	10,042					23
							24
							25
Electric	928	204,180					26
Electric	928	55,171					27
							28
							29
							30
							31
							32
							33
							34
							35
							36
							37
							38
							39
							40
							41
							42
							43
							44
							45
		2,381,038	1,058,340		1,377,185	1,238,991	46

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES

1. Describe and show below costs incurred and accounts charged during the year for technological research, development, and demonstration (R, D & D) project initiated, continued or concluded during the year. Report also support given to others during the year for jointly-sponsored projects. (Identify recipient regardless of affiliation.) For any R, D & D work carried with others, show separately the respondent's cost for the year and cost chargeable to others (See definition of research, development, and demonstration in Uniform System of Accounts).

2. Indicate in column (a) the applicable classification, as shown below:

Classifications:

- | | |
|---|---|
| <p>A. Electric R, D & D Performed Internally:</p> <p>(1) Generation</p> <p> a. hydroelectric</p> <p> i. Recreation fish and wildlife</p> <p> ii Other hydroelectric</p> <p> b. Fossil-fuel steam</p> <p> c. Internal combustion or gas turbine</p> <p> d. Nuclear</p> <p> e. Unconventional generation</p> <p> f. Siting and heat rejection</p> <p>(2) Transmission</p> | <p>a. Overhead</p> <p>b. Underground</p> <p>(3) Distribution</p> <p>(4) Regional Transmission and Market Operation</p> <p>(5) Environment (other than equipment)</p> <p>(6) Other (Classify and include items in excess of \$50,000.)</p> <p>(7) Total Cost Incurred</p> <p>B. Electric, R, D & D Performed Externally:</p> <p>(1) Research Support to the electrical Research Council or the Electric Power Research Institute</p> |
|---|---|

Line No.	Classification (a)	Description (b)
1	Electric Utility R&D	
2		
3	PERFORMED INTERNALLY:	
4	Generation	Steam - Miscellaneous
5	Other	Miscellaneous
6	Other	Miscellaneous
7	Sub-Total Performed Internally	
8		
9	PERFORMED EXTERNALLY:	
10		Chartwell Inc
11		E Source Inc
12		University of North Dakota
13		Barr Engineering Co
14		Lignite Energy Council
15		Integral Analytics Inc
16		
17	Sub-Total Performed Externally	
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
35		
36	SUM OF ABOVE	
37		

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of <u>2010/Q4</u>
--	---	---	--

RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES (Continued)

- (2) Research Support to Edison Electric Institute
- (3) Research Support to Nuclear Power Groups
- (4) Research Support to Others (Classify)
- (5) Total Cost Incurred

3. Include in column (c) all R, D & D items performed internally and in column (d) those items performed outside the company costing \$50,000 or more, briefly describing the specific area of R, D & D (such as safety, corrosion control, pollution, automation, measurement, insulation, type of appliance, etc.). Group items under \$50,000 by classifications and indicate the number of items grouped. Under Other, (A (6) and B (4)) classify items by type of R, D & D activity.

4. Show in column (e) the account number charged with expenses during the year or the account to which amounts were capitalized during the year, listing Account 107, Construction Work in Progress, first. Show in column (f) the amounts related to the account charged in column (e)

5. Show in column (g) the total unamortized accumulating of costs of projects. This total must equal the balance in Account 188, Research, Development, and Demonstration Expenditures, Outstanding at the end of the year.

6. If costs have not been segregated for R, D & D activities or projects, submit estimates for columns (c), (d), and (f) with such amounts identified by "Est."

7. Report separately research and related testing facilities operated by the respondent.

Costs Incurred Internally Current Year (c)	Costs Incurred Externally Current Year (d)	AMOUNTS CHARGED IN CURRENT YEAR		Unamortized Accumulation (g)	Line No.
		Account (e)	Amount (f)		
					1
					2
					3
8,598		506	8,598		4
23,451		920	23,451		5
6,070		930.2	6,070		6
38,119			38,119		7
					8
					9
	5,263	506	5,263		10
	19,080	930.2	19,080		11
	10,595	506	10,595		12
	1,634	506	1,634		13
	700	506	700		14
	32,726	923	32,726		15
					16
	69,998		69,998		17
					18
					19
					20
					21
					22
					23
					24
					25
					26
					27
					28
					29
					30
					31
					32
					33
					34
					35
					36

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of <u>2010/Q4</u>
--	---	--	--

DISTRIBUTION OF SALARIES AND WAGES

Report below the distribution of total salaries and wages for the year. Segregate amounts originally charged to clearing accounts to Utility Departments, Construction, Plant Removals, and Other Accounts, and enter such amounts in the appropriate lines and columns provided. In determining this segregation of salaries and wages originally charged to clearing accounts, a method of approximation giving substantially correct results may be used.

Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll charged for Clearing Accounts (c)	Total (d)
1	Electric			
2	Operation			
3	Production	10,018,961		
4	Transmission	4,015,714		
5	Regional Market	1,428,835		
6	Distribution	5,904,609		
7	Customer Accounts	7,814,618		
8	Customer Service and Informational	1,395,676		
9	Sales	734,814		
10	Administrative and General	19,363,744		
11	TOTAL Operation (Enter Total of lines 3 thru 10)	50,676,971		
12	Maintenance			
13	Production	4,982,650		
14	Transmission	2,185,968		
15	Regional Market	45,849		
16	Distribution	5,401,663		
17	Administrative and General	2,243,390		
18	TOTAL Maintenance (Total of lines 13 thru 17)	14,859,520		
19	Total Operation and Maintenance			
20	Production (Enter Total of lines 3 and 13)	15,001,611		
21	Transmission (Enter Total of lines 4 and 14)	6,201,682		
22	Regional Market (Enter Total of Lines 5 and 15)	1,474,684		
23	Distribution (Enter Total of lines 6 and 16)	11,306,272		
24	Customer Accounts (Transcribe from line 7)	7,814,618		
25	Customer Service and Informational (Transcribe from line 8)	1,395,676		
26	Sales (Transcribe from line 9)	734,814		
27	Administrative and General (Enter Total of lines 10 and 17)	21,607,134		
28	TOTAL Oper. and Maint. (Total of lines 20 thru 27)	65,536,491		65,536,491
29	Gas			
30	Operation			
31	Production-Manufactured Gas			
32	Production-Nat. Gas (Including Expl. and Dev.)			
33	Other Gas Supply			
34	Storage, LNG Terminaling and Processing			
35	Transmission			
36	Distribution			
37	Customer Accounts			
38	Customer Service and Informational			
39	Sales			
40	Administrative and General			
41	TOTAL Operation (Enter Total of lines 31 thru 40)			
42	Maintenance			
43	Production-Manufactured Gas			
44	Production-Natural Gas (Including Exploration and Development)			
45	Other Gas Supply			
46	Storage, LNG Terminaling and Processing			
47	Transmission			

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	---	---

DISTRIBUTION OF SALARIES AND WAGES (Continued)

Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll charged for Clearing Accounts (c)	Total (d)
48	Distribution			
49	Administrative and General			
50	TOTAL Maint. (Enter Total of lines 43 thru 49)			
51	Total Operation and Maintenance			
52	Production-Manufactured Gas (Enter Total of lines 31 and 43)			
53	Production-Natural Gas (Including Expl. and Dev.) (Total lines 32,			
54	Other Gas Supply (Enter Total of lines 33 and 45)			
55	Storage, LNG Terminating and Processing (Total of lines 31 thru			
56	Transmission (Lines 35 and 47)			
57	Distribution (Lines 36 and 48)			
58	Customer Accounts (Line 37)			
59	Customer Service and Informational (Line 38)			
60	Sales (Line 39)			
61	Administrative and General (Lines 40 and 49)			
62	TOTAL Operation and Maint. (Total of lines 52 thru 61)			
63	Other Utility Departments			
64	Operation and Maintenance			
65	TOTAL All Utility Dept. (Total of lines 28, 62, and 64)	65,536,491		65,536,491
66	Utility Plant			
67	Construction (By Utility Departments)			
68	Electric Plant	11,931,016		11,931,016
69	Gas Plant			
70	Other (provide details in footnote):			
71	TOTAL Construction (Total of lines 68 thru 70)	11,931,016		11,931,016
72	Plant Removal (By Utility Departments)			
73	Electric Plant	5,508		5,508
74	Gas Plant			
75	Other (provide details in footnote):			
76	TOTAL Plant Removal (Total of lines 73 thru 75)	5,508		5,508
77	Other Accounts (Specify, provide details in footnote):			
78	Fuel Stock (151)	76,651		76,651
79	Miscellaneous Deferred Debits (186)	1,216,753		1,216,753
80	Other Electric Revenue (456)	485,151		485,151
81	Expenses of Nonutility Operations (417.1)	201,643		201,643
82	Exp for Certain Civic, Political and Related Activity (426.4)	66,819		66,819
83	Other Deductions (426.5)	29,100		29,100
84				
85				
86				
87				
88				
89				
90				
91				
92				
93				
94				
95	TOTAL Other Accounts	2,076,117		2,076,117
96	TOTAL SALARIES AND WAGES	79,549,132		79,549,132

Name of Respondent Otter Tail Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report 2010/Q4
FOOTNOTE DATA			

Schedule Page: 354 Line No.: 77 Column: a

Salaries and wages are included in the specified accounts because they are either not provided for elsewhere, are nonutility in nature, or are nonoperating.

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of <u>2010/Q4</u>
--	---	--	--

AMOUNTS INCLUDED IN ISO/RTO SETTLEMENT STATEMENTS

1. The respondent shall report below the details called for concerning amounts it recorded in Account 555, Purchase Power, and Account 447, Sales for Resale, for items shown on ISO/RTO Settlement Statements. Transactions should be separately netted for each ISO/RTO administered energy market for purposes of determining whether an entity is a net seller or purchaser in a given hour. Net megawatt hours are to be used as the basis for determining whether a net purchase or sale has occurred. In each monthly reporting period, the hourly sale and purchase net amounts are to be aggregated and separately reported in Account 447, Sales for Resale, or Account 555, Purchased Power, respectively.

Line No.	Description of Item(s) (a)	Balance at End of Quarter 1 (b)	Balance at End of Quarter 2 (c)	Balance at End of Quarter 3 (d)	Balance at End of Year (e)
1	Energy				
2	Net Purchases (Account 555)				
3	Net Sales (Account 447)				
4	Transmission Rights				
5	Ancillary Services				
6	Other Items (list separately)				
7					
8	Not currently available.				
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					
45					
46	TOTAL				

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of <u>2010/Q4</u>
--	---	--	--

PURCHASES AND SALES OF ANCILLARY SERVICES

Report the amounts for each type of ancillary service shown in column (a) for the year as specified in Order No. 888 and defined in the respondents Open Access Transmission Tariff.

In columns for usage, report usage-related billing determinant and the unit of measure.

- (1) On line 1 columns (b), (c), (d), (e), (f) and (g) report the amount of ancillary services purchased and sold during the year.
- (2) On line 2 columns (b) (c), (d), (e), (f), and (g) report the amount of reactive supply and voltage control services purchased and sold during the year.
- (3) On line 3 columns (b) (c), (d), (e), (f), and (g) report the amount of regulation and frequency response services purchased and sold during the year.
- (4) On line 4 columns (b), (c), (d), (e), (f), and (g) report the amount of energy imbalance services purchased and sold during the year.
- (5) On lines 5 and 6, columns (b), (c), (d), (e), (f), and (g) report the amount of operating reserve spinning and supplement services purchased and sold during the period.
- (6) On line 7 columns (b), (c), (d), (e), (f), and (g) report the total amount of all other types ancillary services purchased or sold during the year. Include in a footnote and specify the amount for each type of other ancillary service provided.

Line No.	Type of Ancillary Service (a)	Amount Purchased for the Year			Amount Sold for the Year		
		Usage - Related Billing Determinant			Usage - Related Billing Determinant		
		Number of Units (b)	Unit of Measure (c)	Dollars (d)	Number of Units (e)	Unit of Measure (f)	Dollars (g)
1	Scheduling, System Control and Dispatch	6,475	\$/MW-Hr	1,085	7,501,858	\$/MW-Hr	693,591
2	Reactive Supply and Voltage	18,513	\$/MW-Hr	2,777	4,089,678	\$/MW-Hr	611,455
3	Regulation and Frequency Response	24,123	\$/MW-Hr	17,127		\$/MW-Hr	
4	Energy Imbalance						
5	Operating Reserve - Spinning						
6	Operating Reserve - Supplement						
7	Other						
8	Total (Lines 1 thru 7)	49,111		20,969	11,591,536		1,305,046

Name of Respondent Otter Tail Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report 2010/Q4
FOOTNOTE DATA			

Schedule Page: 398 Line No.: 1 Column: d

Line 1, Scheduling, System Control and Dispatch does not include \$14,937 of services purchased from WAPA which was purchased with a "Unit of Measure" of \$/Schedule - Day.

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

MONTHLY TRANSMISSION SYSTEM PEAK LOAD

- (1) Report the monthly peak load on the respondent's transmission system. If the respondent has two or more power systems which are not physically integrated, furnish the required information for each non-integrated system.
(2) Report on Column (b) by month the transmission system's peak load.
(3) Report on Columns (c) and (d) the specified information for each monthly transmission - system peak load reported on Column (b).
(4) Report on Columns (e) through (j) by month the system' monthly maximum megawatt load by statistical classifications. See General Instruction for the definition of each statistical classification.

NAME OF SYSTEM:

Line No.	Month (a)	Monthly Peak MW - Total (b)	Day of Monthly Peak (c)	Hour of Monthly Peak (d)	Firm Network Service for Self (e)	Firm Network Service for Others (f)	Long-Term Firm Point-to-point Reservations (g)	Other Long-Term Firm Service (h)	Short-Term Firm Point-to-point Reservation (i)	Other Service (j)
1	January	789	8	1200	788	1				
2	February	736	10	800	735	1				
3	March	675	1	800	674	1				
4	Total for Quarter 1	2,200			2,197	3				
5	April	548	8	900	547	1				
6	May	547	7	1100	546	1				
7	June	581	22	1700	580	1				
8	Total for Quarter 2	1,676			1,673	3				
9	July	603	26	1700	602	1				
10	August	644	9	1700	643	1				
11	September	491	2	1100	490	1				
12	Total for Quarter 3	1,738			1,735	3				
13	October	589	28	900	588	1				
14	November	679	23	900	678	1				
15	December	747	13	800	746	1				
16	Total for Quarter 4	2,015			2,012	3				
17	Total Year to Date/Year	7,629			7,617	12				

Name of Respondent Otter Tail Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report 2010/Q4
FOOTNOTE DATA			

Schedule Page: 400 Line No.: 9 Column: b

Due to meter data corrections, the monthly peak MW for July through September have changed. In some cases the monthly peak day, peak hour, firm network service for self, and firm network service for others may have changed.

Schedule Page: 400 Line No.: 13 Column: b

The peak numbers for October through December are estimated and are from MISO's S-55 settlement data.

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of <u>2010/Q4</u>
--	---	--	--

ELECTRIC ENERGY ACCOUNT

Report below the information called for concerning the disposition of electric energy generated, purchased, exchanged and wheeled during the year.

Line No.	Item (a)	MegaWatt Hours (b)	Line No.	Item (a)	MegaWatt Hours (b)
1	SOURCES OF ENERGY		21	DISPOSITION OF ENERGY	
2	Generation (Excluding Station Use):		22	Sales to Ultimate Consumers (Including Interdepartmental Sales)	4,262,748
3	Steam	3,560,086	23	Requirements Sales for Resale (See instruction 4, page 311.)	3,586
4	Nuclear		24	Non-Requirements Sales for Resale (See instruction 4, page 311.)	2,337,730
5	Hydro-Conventional	25,631	25	Energy Furnished Without Charge	25
6	Hydro-Pumped Storage		26	Energy Used by the Company (Electric Dept Only, Excluding Station Use)	13,003
7	Other	497,716	27	Total Energy Losses	215,904
8	Less Energy for Pumping		28	TOTAL (Enter Total of Lines 22 Through 27) (MUST EQUAL LINE 20)	6,832,996
9	Net Generation (Enter Total of lines 3 through 8)	4,083,433			
10	Purchases	2,803,847			
11	Power Exchanges:				
12	Received				
13	Delivered				
14	Net Exchanges (Line 12 minus line 13)				
15	Transmission For Other (Wheeling)				
16	Received	180,735			
17	Delivered	235,019			
18	Net Transmission for Other (Line 16 minus line 17)	-54,284			
19	Transmission By Others Losses				
20	TOTAL (Enter Total of lines 9, 10, 14, 18 and 19)	6,832,996			

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of <u>2010/Q4</u>
--	---	--	--

MONTHLY PEAKS AND OUTPUT

1. Report the monthly peak load and energy output. If the respondent has two or more power which are not physically integrated, furnish the required information for each non-integrated system.
2. Report in column (b) by month the system's output in Megawatt hours for each month.
3. Report in column (c) by month the non-requirements sales for resale. Include in the monthly amounts any energy losses associated with the sales.
4. Report in column (d) by month the system's monthly maximum megawatt load (60 minute integration) associated with the system.
5. Report in column (e) and (f) the specified information for each monthly peak load reported in column (d).

NAME OF SYSTEM:

Line No.	Month (a)	Total Monthly Energy (b)	Monthly Non-Requirements Sales for Resale & Associated Losses (c)	MONTHLY PEAK		
				Megawatts (See Instr. 4) (d)	Day of Month (e)	Hour (f)
29	January	609,014	137,570	789	8	1200
30	February	524,603	104,052	736	10	800
31	March	538,803	165,187	675	1	800
32	April	594,876	273,723	548	8	900
33	May	519,046	197,860	547	7	1100
34	June	512,147	186,208	581	22	1700
35	July	657,805	284,625	603	26	1700
36	August	639,841	271,744	644	9	1700
37	September	545,558	244,070	491	2	1100
38	October	478,316	157,683	589	28	900
39	November	500,534	98,022	679	23	900
40	December	712,453	216,986	747	13	800
41	TOTAL	6,832,996	2,337,730			

Name of Respondent Otter Tail Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report 2010/Q4
FOOTNOTE DATA			

Schedule Page: 401 Line No.: 16 Column: b

Includes interchange transactions and losses thereon.

Schedule Page: 401 Line No.: 17 Column: b

Includes interchange transactions and losses thereon.

Schedule Page: 401 Line No.: 27 Column: b

Includes all retail, wholesale, and transmission wheeling service system losses, losses on other systems due to sales for resale, and inadvertent energy imbalances.

BLANK PAGE
(Next page is 402)

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants)

1. Report data for plant in Service only. 2. Large plants are steam plants with installed capacity (name plate rating) of 25,000 Kw or more. Report in this page gas-turbine and internal combustion plants of 10,000 Kw or more, and nuclear plants. 3. Indicate by a footnote any plant leased or operated as a joint facility. 4. If net peak demand for 60 minutes is not available, give data which is available, specifying period. 5. If any employees attend more than one plant, report on line 11 the approximate average number of employees assignable to each plant. 6. If gas is used and purchased on a term basis report the Btu content of the gas and the quantity of fuel burned converted to Mct. 7. Quantities of fuel burned (Line 38) and average cost per unit of fuel burned (Line 41) must be consistent with charges to expense accounts 501 and 547 (Line 42) as show on Line 20. 8. If more than one fuel is burned in a plant furnish only the composite heat rate for all fuels burned.

Line No.	Item (a)	Plant Name: Coyote (b)	Plant Name: Big Stone (c)				
1	Kind of Plant (Internal Comb, Gas Turb, Nuclear)	Steam	Steam				
2	Type of Constr (Conventional, Outdoor, Boiler, etc)	Conventional	Conventional				
3	Year Originally Constructed	1981	1975				
4	Year Last Unit was Installed	1981	1975				
5	Total Installed Cap (Max Gen Name Plate Ratings-MW)	144.90	223.15				
6	Net Peak Demand on Plant - MW (60 minutes)	150	256				
7	Plant Hours Connected to Load	7939	8262				
8	Net Continuous Plant Capability (Megawatts)	150	257				
9	When Not Limited by Condenser Water	150	257				
10	When Limited by Condenser Water	150	257				
11	Average Number of Employees	81	72				
12	Net Generation, Exclusive of Plant Use - KWh	1060954067	1689362617				
13	Cost of Plant: Land and Land Rights	718662	374603				
14	Structures and Improvements	31672131	22696932				
15	Equipment Costs	123320347	111239556				
16	Asset Retirement Costs	101889	82358				
17	Total Cost	155813029	134393449				
18	Cost per KW of Installed Capacity (line 17/5) Including	1075.3142	602.2561				
19	Production Expenses: Oper, Supv, & Engr	576627	535343				
20	Fuel	15767820	35542405				
21	Coolants and Water (Nuclear Plants Only)	0	0				
22	Steam Expenses	1519859	570889				
23	Steam From Other Sources	0	0				
24	Steam Transferred (Cr)	0	0				
25	Electric Expenses	606201	876824				
26	Misc Steam (or Nuclear) Power Expenses	437852	1798994				
27	Rents	803	-16				
28	Allowances	0	0				
29	Maintenance Supervision and Engineering	249669	289992				
30	Maintenance of Structures	166050	204965				
31	Maintenance of Boiler (or reactor) Plant	1710860	1937328				
32	Maintenance of Electric Plant	325953	313603				
33	Maintenance of Misc Steam (or Nuclear) Plant	340822	253142				
34	Total Production Expenses	21702516	42323469				
35	Expenses per Net KWh	0.0205	0.0251				
36	Fuel: Kind (Coal, Gas, Oil, or Nuclear)	Coal	Oil		Coal	Oil	
37	Unit (Coal-tons/Oil-barrel/Gas-mcf/Nuclear-indicate)	Tons	Barrels		Tons	Barrels	
38	Quantity (Units) of Fuel Burned	847876	2607	0	1063489	2025	0
39	Avg Heat Cont - Fuel Burned (btu/indicate if nuclear)	6964	140000	0	8332	140000	0
40	Avg Cost of Fuel/unit, as Delvd f.o.b. during year	18.080	105.170	0.000	33.090	105.590	0.000
41	Average Cost of Fuel per Unit Burned	18.080	94.880	0.000	32.760	104.330	0.000
42	Average Cost of Fuel Burned per Million BTU	1.298	16.136	0.000	1.966	17.743	0.000
43	Average Cost of Fuel Burned per KWh Net Gen	0.015	0.000	0.000	0.021	0.000	0.000
44	Average BTU per KWh Net Generation	11132.000	0.000	0.000	10560.000	0.000	0.000

Name of Respondent Otter Tail Power Company	This Report Is:		Date Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
	(1) <input checked="" type="checkbox"/> An Original	(2) <input type="checkbox"/> A Resubmission		

STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants)(Continued)

9. Items under Cost of Plant are based on U. S. of A. Accounts. Production expenses do not include Purchased Power, System Control and Load Dispatching, and Other Expenses Classified as Other Power Supply Expenses. 10. For IC and GT plants, report Operating Expenses, Account Nos. 547 and 549 on Line 25 "Electric Expenses," and Maintenance Account Nos. 553 and 554 on Line 32, "Maintenance of Electric Plant." Indicate plants designed for peak load service. Designate automatically operated plants. 11. For a plant equipped with combinations of fossil fuel steam, nuclear steam, hydro, internal combustion or gas-turbine equipment, report each as a separate plant. However, if a gas-turbine unit functions in a combined cycle operation with a conventional steam unit, include the gas-turbine with the steam plant. 12. If a nuclear power generating plant, briefly explain by footnote (a) accounting method for cost of power generated including any excess costs attributed to research and development; (b) types of cost units used for the various components of fuel cost; and (c) any other informative data concerning plant type fuel used, fuel enrichment type and quantity for the report period and other physical and operating characteristics of plant.

Plant Name: <i>Hoot Lake</i> (d)			Plant Name: <i>Jamestown</i> (e)			Plant Name: <i>Lake Preston</i> (f)			Line No.
Steam			Gas Turbine			Gas Turbine			
Conventional			Conventional			Conventional			
1959			1976			1978			3
1964			1978			1978			4
129.40			48.11			24.10			5
138			22			24			6
16698			28			104			7
145			44			22			8
145			0			0			9
145			0			0			10
48									11
809772400			292362			982227			12
617367			24614			12339			13
6102018			244250			194155			14
47927860			7080403			3864658			15
130497			0			0			16
54777742			7349267			4071152			17
423.3210			152.7597			168.9275			18
458092			0			0			19
19916190			106017			325782			20
0			0			0			21
875830			0			0			22
0			0			0			23
0			0			0			24
1022074			36594			23275			25
1291866			943			16815			26
0			1505			0			27
0			0			0			28
243991			1611			5952			29
275792			2692			-13969			30
1897021			0			0			31
161372			112013			79833			32
367756			1000			194			33
26509984			262375			437882			34
0.0327			0.8974			0.4458			35
Coal	Oil		Oil			Oil			36
Tons	Barrels		Barrels			Barrels			37
494495	1411	0	1112	0	0	3353	0	0	38
9254	140000	0	140000	0	0	140000	0	0	39
39.320	99.040	0.000	98.620	0.000	0.000	105.880	0.000	0.000	40
39.320	97.100	0.000	95.340	0.000	0.000	97.150	0.000	0.000	41
2.125	16.514	0.000	16.214	0.000	0.000	16.521	0.000	0.000	42
0.025	0.000	0.000	0.363	0.000	0.000	0.332	0.000	0.000	43
11315.000	0.000	0.000	22367.000	0.000	0.000	20072.000	0.000	0.000	44

Name of Respondent Otter Tail Power Company	This Report Is:		Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4		
	(1) <input checked="" type="checkbox"/> An Original	(2) <input type="checkbox"/> A Resubmission				

STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants) (Continued)

1. Report data for plant in Service only. 2. Large plants are steam plants with installed capacity (name plate rating) of 25,000 Kw or more. Report in this page gas-turbine and internal combustion plants of 10,000 Kw or more, and nuclear plants. 3. Indicate by a footnote any plant leased or operated as a joint facility. 4. If net peak demand for 60 minutes is not available, give data which is available, specifying period. 5. If any employees attend more than one plant, report on line 11 the approximate average number of employees assignable to each plant. 6. If gas is used and purchased on a term basis report the Btu content of the gas and the quantity of fuel burned converted to Mct. 7. Quantities of fuel burned (Line 38) and average cost per unit of fuel burned (Line 41) must be consistent with charges to expense accounts 501 and 547 (Line 42) as show on Line 20. 8. If more than one fuel is burned in a plant furnish only the composite heat rate for all fuels burned.

Line No.	Item (a)	Plant Name: Solway (b)	Plant Name: (c)				
1	Kind of Plant (Internal Comb, Gas Turb, Nuclear)		Gas Turbine				
2	Type of Constr (Conventional, Outdoor, Boiler, etc)		Conventional				
3	Year Originally Constructed		2003				
4	Year Last Unit was Installed		2003				
5	Total Installed Cap (Max Gen Name Plate Ratings-MW)		44.50			0.00	
6	Net Peak Demand on Plant - MW (60 minutes)		49			0	
7	Plant Hours Connected to Load		1645			0	
8	Net Continuous Plant Capability (Megawatts)		42			0	
9	When Not Limited by Condenser Water		0			0	
10	When Limited by Condenser Water		0			0	
11	Average Number of Employees		3			0	
12	Net Generation, Exclusive of Plant Use - KWh		43818499			0	
13	Cost of Plant: Land and Land Rights		89809			0	
14	Structures and Improvements		4201573			0	
15	Equipment Costs		22763814			0	
16	Asset Retirement Costs		0			0	
17	Total Cost		27055196			0	
18	Cost per KW of Installed Capacity (line 17/5) Including		607.9819			0.0000	
19	Production Expenses: Oper, Supv, & Engr		0			0	
20	Fuel		2439173			0	
21	Coolants and Water (Nuclear Plants Only)		0			0	
22	Steam Expenses		0			0	
23	Steam From Other Sources		0			0	
24	Steam Transferred (Cr)		0			0	
25	Electric Expenses		430852			0	
26	Misc Steam (or Nuclear) Power Expenses		72309			0	
27	Rents		3523			0	
28	Allowances		0			0	
29	Maintenance Supervision and Engineering		5823			0	
30	Maintenance of Structures		91146			0	
31	Maintenance of Boiler (or reactor) Plant		0			0	
32	Maintenance of Electric Plant		881257			0	
33	Maintenance of Misc Steam (or Nuclear) Plant		-14877			0	
34	Total Production Expenses		3909206			0	
35	Expenses per Net KWh		0.0892			0.0000	
36	Fuel: Kind (Coal, Gas, Oil, or Nuclear)	Gas	Oil				
37	Unit (Coal-tons/Oil-barrel/Gas-mcf/Nuclear-indicate)	MMBTU	Barrels				
38	Quantity (Units) of Fuel Burned	492022	104	0	0	0	0
39	Avg Heat Cont - Fuel Burned (btu/indicate if nuclear)	501500	140000	0	0	0	0
40	Avg Cost of Fuel/unit, as Delvd f.o.b. during year	4.940	74.210	0.000	0.000	0.000	0.000
41	Average Cost of Fuel per Unit Burned	4.940	74.210	0.000	0.000	0.000	0.000
42	Average Cost of Fuel Burned per Million BTU	4.940	12.621	0.000	0.000	0.000	0.000
43	Average Cost of Fuel Burned per KWh Net Gen	0.056	0.000	0.000	0.000	0.000	0.000
44	Average BTU per KWh Net Generation	11243.000	0.000	0.000	0.000	0.000	0.000

Name of Respondent Otter Tail Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report 2010/Q4
FOOTNOTE DATA			

Schedule Page: 402 Line No.: -1 Column: b

Coyote - Joint facility operated by Otter Tail Power Company

Schedule Page: 402 Line No.: -1 Column: c

Big Stone - Joint facility operated by Otter Tail Power Company

Schedule Page: 402 Line No.: 11 Column: e

Jamestown and Lake Preston each have one part-time employee.

Name of Respondent Otter Tail Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of <u>2010/Q4</u>
--	---	--	--

GENERATING PLANT STATISTICS (Small Plants)

1. Small generating plants are steam plants of, less than 25,000 Kw; internal combustion and gas turbine-plants, conventional hydro plants and pumped storage plants of less than 10,000 Kw installed capacity (name plate rating). 2. Designate any plant leased from others, operated under a license from the Federal Energy Regulatory Commission, or operated as a joint facility, and give a concise statement of the facts in a footnote. If licensed project, give project number in footnote.

Line No.	Name of Plant (a)	Year Orig. Const. (b)	Installed Capacity Name Plate Rating (In MW) (c)	Net Peak Demand MW (60 min.) (d)	Net Generation Excluding Plant Use (e)	Cost of Plant (f)
1	Hydro:					
2	Hoot Lake	1914	1.00	0.8	4,606	562,931
3	Wright	1922	0.40	0.5	2,886	864,031
4	Pisgah	1917	0.52	0.7	5,500	416,504
5	Dayton Hollow	1909	0.97	1.0	8,214	880,035
6	Taplin Gorge	1925	0.56	0.5	3,949	685,695
7	Bemidji	-	0.74	0.2	476	998,056
8						
9	Internal Combustion:					
10	Fergus Falls Control Center	1995	1.83	2.0	24	591,638
11	Diesel Generators		2.26	2.3		
12						
13	Wind Turbine Plants					
14	Langdon	2007	40.50	40.5	141,152	78,275,530
15	Ashtabula	2008	48.00	48.0	145,715	117,785,384
16	Luverne	2009	49.50	49.5	165,732	72,178,016
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41						
42						
43						
44						
45						
46						

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

GENERATING PLANT STATISTICS (Small Plants) (Continued)

3. List plants appropriately under subheadings for steam, hydro, nuclear, internal combustion and gas turbine plants. For nuclear, see instruction 11, Page 403. 4. If net peak demand for 60 minutes is not available, give the which is available, specifying period. 5. If any plant is equipped with combinations of steam, hydro internal combustion or gas turbine equipment, report each as a separate plant. However, if the exhaust heat from the gas turbine is utilized in a steam turbine regenerative feed water cycle, or for preheated combustion air in a boiler, report as one plant.

Plant Cost (Incl Asset Retire. Costs) Per MW (g)	Operation Exc'l. Fuel (h)	Production Expenses		Kind of Fuel (k)	Fuel Costs (in cents per Million Btu) (l)	Line No.
		Fuel (i)	Maintenance (j)			
						1
703,664	15,229		15,269	-		2
1,728,062	18,819		50,165	-		3
595,005	19,766		55,829	-		4
880,035	18,414		41,686	-		5
1,371,389	16,440		36,039	-		6
4,990,281	52,115		72,038	-		7
						8
						9
295,819	7,183		2,319	Oil		10
				Oil		11
						12
						13
1,932,729	797,949		18,651			14
2,453,862	800,781		5,984			15
1,458,142	699,521		2,971			16
						17
						18
						19
						20
						21
						22
						23
						24
						25
						26
						27
						28
						29
						30
						31
						32
						33
						34
						35
						36
						37
						38
						39
						40
						41
						42
						43
						44
						45
						46

Name of Respondent Otter Tail Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report 2010/Q4
FOOTNOTE DATA			

Schedule Page: 410 Line No.: 11 Column: b
Various.

BLANK PAGE
(Next page is 422)

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

TRANSMISSION LINE STATISTICS

- Report information concerning transmission lines, cost of lines, and expenses for year. List each transmission line having nominal voltage of 132 kilovolts or greater. Report transmission lines below these voltages in group totals only for each voltage.
- Transmission lines include all lines covered by the definition of transmission system plant as given in the Uniform System of Accounts. Do not report substation costs and expenses on this page.
- Report data by individual lines for all voltages if so required by a State commission.
- Exclude from this page any transmission lines for which plant costs are included in Account 121, Nonutility Property.
- Indicate whether the type of supporting structure reported in column (e) is: (1) single pole wood or steel; (2) H-frame wood, or steel poles; (3) tower; or (4) underground construction. If a transmission line has more than one type of supporting structure, indicate the mileage of each type of construction by the use of brackets and extra lines. Minor portions of a transmission line of a different type of construction need not be distinguished from the remainder of the line.
- Report in columns (f) and (g) the total pole miles of each transmission line. Show in column (f) the pole miles of line on structures the cost of which is reported for the line designated; conversely, show in column (g) the pole miles of line on structures the cost of which is reported for another line. Report pole miles of line on leased or partly owned structures in column (g). In a footnote, explain the basis of such occupancy and state whether expenses with respect to such structures are included in the expenses reported for the line designated.

Line No.	DESIGNATION		VOLTAGE (KV) (Indicate where other than 60 cycle, 3 phase)		Type of Supporting Structure (e)	LENGTH (Pole miles) (In the case of underground lines report circuit miles)		Number Of Circuits (h)
	From (a)	To (b)	Operating (c)	Designed (d)		On Structure of Line Designated (f)	On Structures of Another Line (g)	
1	Center	Maple River	345.00	345.00	Alum Tower	48.00		1
2								
3								
4	Fergus Falls	Inman	230.00	230.00	Wood H	19.00		1
5	Fergus Falls	Wahpeton	230.00	230.00	Wood H	29.00		1
6	Wahpeton	Hankinson	230.00	230.00	Wood H	26.00		1
7	Hankinson	Forman	230.00	230.00	Wood H	37.00		1
8	Forman	Ellendale	230.00	230.00	Wood H	47.00		1
9	Audubon (W 1/10)	Badoura	230.00	230.00	Wood H	6.00		1
10	Audubon	Sheyenne	230.00	230.00	Wood H	42.00		1
11	Winger (E 1/3)	Wilton	230.00	230.00	Alum H	18.00		1
12	Grand Forks (M 1/3)	Winnipeg	230.00	230.00	Wood H	27.00		1
13	Big Stone (N 1/3)	Hankinson	230.00	230.00	Wood H	23.00		1
14	Big Stone (S 1/4)	Blair	230.00	230.00	Wood H	15.00		1
15	Harvey	Coal Creek	230.00	230.00	Wood H	75.00		1
16	Balta	Harvey	230.00	230.00	Wood H	22.00		1
17	Rugby	Balta	230.00	230.00	Steel H	18.00		1
18								
19								
20								
21		Total	115.00	115.00	Wood H	446.00		
22		Total	115.00	115.00	SWP	400.00		
23		Total	69.00	69.00		212.00		
24								
25								
26		Total	41.60	41.60	SWP	3,764.00		
27		Total	41.60	41.60	Underground	1.00		
28								
29								
30								
31								
32								
33								
34								
35								
36					TOTAL	5,275.00		15

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

TRANSMISSION LINE STATISTICS (Continued)

7. Do not report the same transmission line structure twice. Report Lower voltage Lines and higher voltage lines as one line. Designate in a footnote if you do not include Lower voltage lines with higher voltage lines. If two or more transmission line structures support lines of the same voltage, report the pole miles of the primary structure in column (f) and the pole miles of the other line(s) in column (g)
8. Designate any transmission line or portion thereof for which the respondent is not the sole owner. If such property is leased from another company, give name of lessor, date and terms of Lease, and amount of rent for year. For any transmission line other than a leased line, or portion thereof, for which the respondent is not the sole owner but which the respondent operates or shares in the operation of, furnish a succinct statement explaining the arrangement and giving particulars (details) of such matters as percent ownership by respondent in the line, name of co-owner, basis of sharing expenses of the Line, and how the expenses borne by the respondent are accounted for, and accounts affected. Specify whether lessor, co-owner, or other party is an associated company.
9. Designate any transmission line leased to another company and give name of Lessee, date and terms of lease, annual rent for year, and how determined. Specify whether lessee is an associated company.
10. Base the plant cost figures called for in columns (j) to (l) on the book cost at end of year.

Size of Conductor and Material (i)	COST OF LINE (Include in Column (j) Land, Land rights, and clearing right-of-way)			EXPENSES, EXCEPT DEPRECIATION AND TAXES				Line No.
	Land (j)	Construction and Other Costs (k)	Total Cost (l)	Operation Expenses (m)	Maintenance Expenses (n)	Rents (o)	Total Expenses (p)	
		5,458,744	5,458,744					1
								2
								3
	6,339	549,602	555,941					4
	5,935	675,257	681,192					5
		475,142	475,142					6
		765,639	765,639					7
		1,133,627	1,133,627					8
		185,155	185,155					9
		818,044	818,044					10
		1,852,883	1,852,883					11
		899,455	899,455					12
		722,275	722,275					13
		608,325	608,325					14
		10,586,713	10,586,713					15
		4,230,293	4,230,293					16
		3,889,667	3,889,667					17
								18
								19
								20
	74,783	6,038,718	6,113,501					21
	49,282	23,284,787	23,334,069					22
		6,028,867	6,028,867					23
								24
								25
	4,953	83,807,397	83,812,350					26
		72,673	72,673					27
								28
								29
								30
								31
								32
								33
				4,876,222	1,507,227	50,295	6,433,744	34
								35
	141,292	152,083,263	152,224,555	4,876,222	1,507,227	50,295	6,433,744	36

Name of Respondent	This Report is:	Date of Report (Mo, Da, Yr)	Year/Period of Report
Otter Tail Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	12/31/2010	2010/Q4
FOOTNOTE DATA			

Schedule Page: 422 Line No.: 34 Column: m

Columns m, n, o, and p detail by line not available.

BLANK PAGE
(Next page is 424)

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

TRANSMISSION LINES ADDED DURING YEAR

1. Report below the information called for concerning Transmission lines added or altered during the year. It is not necessary to report minor revisions of lines.
 2. Provide separate subheadings for overhead and under- ground construction and show each transmission line separately. If actual costs of completed construction are not readily available for reporting columns (l) to (o), it is permissible to report in these columns the

Line No.	LINE DESIGNATION		Line Length in Miles (c)	SUPPORTING STRUCTURE		CIRCUITS PER STRUCTURE	
	From (a)	To (b)		Type (d)	Average Number per Miles (e)	Present (f)	Ultimate (g)
1	Belcourt	Belcourt West	0.90	Single pole	21.00	1	1
2	St Michaels Junction	Fort Totten	1.00	Single pole	22.00	1	1
3	Devils Lake	Spirit Lake Casino	0.90	Single pole	20.00	1	1
4	Crookston	Gentily Junction	1.10	Single pole	22.00	1	1
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28							
29							
30							
31							
32							
33							
34							
35							
36							
37							
38							
39							
40							
41							
42							
43							
44	TOTAL		3.90		85.00	4	4

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

TRANSMISSION LINES ADDED DURING YEAR (Continued)

costs. Designate, however, if estimated amounts are reported. Include costs of Clearing Land and Rights-of-Way, and Roads and Trails, in column (l) with appropriate footnote, and costs of Underground Conduit in column (m).
 3. If design voltage differs from operating voltage, indicate such fact by footnote; also where line is other than 60 cycle, 3 phase, indicate such other characteristic.

CONDUCTORS			Voltage KV (Operating) (k)	LINE COST					Line No.
Size (h)	Specification (i)	Configuration and Spacing (j)		Land and Land Rights (l)	Poles, Towers and Fixtures (m)	Conductors and Devices (n)	Asset Retire. Costs (o)	Total (p)	
266	ACSR	3102	69	15,122	116,297	65,233	17,469	214,121	1
10RT2	ACSR	3102	41	57,407	138,236	59,073	-264,570	-9,854	2
266	ACSR	3051	41		3,151	76,210	20,532	99,893	3
266	ACSR	3102	41	92,037	224,473	110,503	-230,701	196,312	4
									5
									6
									7
									8
									9
									10
									11
									12
									13
									14
									15
									16
									17
									18
									19
									20
									21
									22
									23
									24
									25
									26
									27
									28
									29
									30
									31
									32
									33
									34
									35
									36
									37
									38
									39
									40
									41
									42
									43
				164,566	482,157	311,019	-457,270	500,472	44

Name of Respondent Otter Tail Power Company	This Report Is:		Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
	(1) <input checked="" type="checkbox"/> An Original	(2) <input type="checkbox"/> A Resubmission		

SUBSTATIONS

1. Report below the information called for concerning substations of the respondent as of the end of the year.
2. Substations which serve only one industrial or street railway customer should not be listed below.
3. Substations with capacities of Less than 10 MVA except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.
4. Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).

Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVA)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	Transmission Subs 10,000 kva or Higher				
2	Bemidji, MN - 115 kv - 63246	Transmission	115.00	69.00	13.20
3	Big Stone, SD Plant - 63314	Transmission	230.00	115.00	13.80
4	Big Stone, SD Highway 12 - 63215	Transmission	115.00	41.60	
5	Browns Valley, MN - 230 Kv (Peever) - 63325	Transmission	230.00	41.60	
6	Buffalo, ND - 345 kv - 63258	Transmission	345.00	115.00	43.00
7	Canby, MN - 115 kv - 63211	Transmission	115.00	41.60	
8	Cass Lake, MN - 115 kv - 63347	Transmission	115.00	69.00	41.60
9	Clearbrook, MN - 115 kv - 63241	Transmission	115.00	41.60	
10	Crookston, MN - 115 kv - 63249	Transmission	115.00	41.60	
11	Devils Lake, ND - East 115 kv - 63265	Transmission	115.00	41.60	
12	Devils Lake, ND - SW 115 kv - 224	Transmission	115.00	41.60	
13	Donaldson, MN - 115 kv - 63255	Transmission	115.00	41.60	
14	Fergus Falls, MN - Hoot Lake 115 kv - 63223	Transmission	115.00	43.80	
15	Fertile, MN - 115 kv - 63250	Transmission	115.00	41.60	
16	Finley, ND - Pickert 115 kv - 711	Transmission	230.00	72.00	41.60
17	Forman, ND - Forman 230 kv - 63363	Transmission	230.00	115.00	41.60
18	Hensel, ND - 115 kv - 63157	Transmission	115.00	72.00	43.80
19	Hetland, SD - 115 kv - 63209	Transmission	115.00	41.60	
20	Jamestown, ND - 345 kv - 63369	Transmission	345.00	115.00	43.00
21	Jamestown, ND - Peaking Plant 115 kv - 63272	Transmission	115.00	41.60	
22	Maple River, ND - 345 kv - 66792	Transmission	345.00	230.00	13.80
23	Mapleton, ND - 115 kv - 63203	Transmission	115.00	41.60	
24	Marietta, MN - 115 kv - 63213	Transmission	115.00	41.60	
25	Northwoods, MN - 115kv - 63282	Transmission	115.00	41.60	
26	Oakes, ND - 230 kv - 63362	Transmission	230.00	41.60	
27	Ortonville, MN - 115 kv - 63216	Transmission	115.00	41.60	
28	Pelican Rapids, MN - 115 k - 63234	Transmission	115.00	41.60	
29	Plummer, MN - 115kv - 7967	Transmission	115.00	41.60	
30	Rugby, ND - 230 kv - 63373	Transmission	230.00	115.00	13.80
31	Spiritwood, ND	Transmission	115.00	41.60	
32	Toronto, SD - 115 kv - 63210	Transmission	115.00	41.60	
33	Wahpeton Inventory (came from Cass Lake)	Transmission	115.00	69.00	41.60
34	Wahpeton Inventory (came from Forman)	Transmission	230.00	41.60	
35	Wilton, MN 230 kv - 63345	Transmission	230.00	115.00	13.80
36	Winger, MN 63238	Transmission	230.00	115.00	13.20
37					
38					
39					
40	Transmission Subtotal:		5750.00	2303.40	377.80

Name of Respondent Otter Tail Power Company	This Report Is:		Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
	(1) <input checked="" type="checkbox"/> An Original	(2) <input type="checkbox"/> A Resubmission		

SUBSTATIONS (Continued)

5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.

6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.

Capacity of Substation (In Service) (In MVA) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVA) (k)	
						1
19	1					2
233	1					3
45	1					4
26	1					5
112	1					6
27	1					7
40	1					8
10	1					9
95	2					10
34	1					11
57	1					12
20	2					13
30	1					14
10	1					15
60	1					16
140	1					17
55	1					18
45	1					19
224	2					20
56	1					21
672	2					22
20	1					23
10	1					24
13	1					25
33	1					26
22	1					27
13	1					28
33	1					29
125	1					30
17	1					31
45	1					32
		1				33
		1				34
140	1					35
140	1					36
						37
						38
						39
2621	37	2				40

Name of Respondent Otter Tail Power Company	This Report Is:		Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
	(1) <input checked="" type="checkbox"/> An Original	(2) <input type="checkbox"/> A Resubmission		

SUBSTATIONS

- Report below the information called for concerning substations of the respondent as of the end of the year.
- Substations which serve only one industrial or street railway customer should not be listed below.
- Substations with capacities of Less than 10 MVa except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.
- Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).

Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVa)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	Transmission Subs Under 10,000 kva				
2	Colgate	Transmission	69.00	43.80	12.50
3	Green Valley	Transmission	67.00	41.60	
4	St Vincent	Transmission	69.00	41.60	
5	Lake Preston	Transmission	69.00	44.00	
6	Wahpeton Inventory (rewind from Green Valley)	Transmission	69.00	41.60	
7	Transmission Total		6093.00	2516.00	390.30
8					
9	Bemidji, MN 25th Street	Distribution	69.00	12.50	
10	Bemidji, MN Airport	Distribution	41.60	12.50	
11	Bemidji, MN Nymore	Distribution	69.00	12.50	
12	Bemidji, MN Pollatch	Distribution	69.00	12.50	
13	Casselton, ND	Distribution	41.60	12.50	
14	Casselton, ND Ethanol Plant	Distribution	115.00	12.50	
15	Clearbrook, MN Pipeline	Distribution	115.00	4.16	
16	Cooperstown, ND	Distribution	41.60	12.50	
17	Crookston, MN Parkview	Distribution	41.60	12.50	
18	Crookston, MN South Main	Distribution	41.60	12.50	
19	Dawson, MN Dawson Mills	Distribution	115.00	12.50	
20	Devils Lake, ND Downtown	Distribution	41.60	4.16	
21	Enderlin, ND	Distribution	115.00	12.50	
22	Fairmount, ND	Distribution	115.00	12.50	
23	Fergus Falls, MN Edgetown	Distribution	115.00	12.50	
24	Fergus Falls, MN Hoot Lake	Distribution	115.00	12.50	
25	Fergus Falls, MN Southeast	Distribution	115.00	12.50	
26	Gwinner, ND	Distribution	115.00	12.50	
27	Harvey, ND Northwest	Distribution	115.00	12.50	
28	Itasca, MN Minnesota Pipeline	Distribution	115.00	4.16	
29	Jamestown, ND Downtown	Distribution	115.00	12.50	
30	Jamestown, ND North	Distribution	115.00	12.50	
31	Jamestown, ND Potato	Distribution	115.00	12.50	
32	Jamestown, ND Southwest	Distribution	41.60	12.50	
33	Lake Norden, SD Dairy	Distribution	41.60	12.50	
34	Lisbon, ND Town	Distribution	115.00	12.50	
35	Mahnomen, MN	Distribution	115.00	12.50	
36	Milbank, SD Northwest	Distribution	41.60	12.50	
37	Milbank, SD South	Distribution	41.60	12.50	
38	Morris, MN Northeast	Distribution	41.60	12.50	
39	Morris, MN South	Distribution	115.00	12.50	
40	Oakes, ND North	Distribution	41.60	12.50	

Name of Respondent Otter Tail Power Company	This Report Is:		Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
	(1) <input checked="" type="checkbox"/> An Original	(2) <input type="checkbox"/> A Resubmission		

SUBSTATIONS (Continued)

5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.

6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.

Capacity of Substation (In Service) (In MVA) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVA) (k)	
						1
6	1					2
5	1					3
8	1					4
9	1					5
		1				6
2649	41	3				7
						8
20	1					9
14	1					10
14	1					11
11	1					12
10	1					13
94	2					14
22	2					15
10	1					16
10	1					17
39	2					18
10	1					19
10	1					20
14	1					21
10	3					22
37	1					23
37	1					24
37	1					25
20	2					26
14	1					27
11	1					28
14	1					29
14	1					30
14	1					31
14	1					32
12	1					33
14	1					34
14	1					35
25	1					36
10	1					37
12	1					38
12	3					39
10	3					40

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

SUBSTATIONS

1. Report below the information called for concerning substations of the respondent as of the end of the year.
2. Substations which serve only one industrial or street railway customer should not be listed below.
3. Substations with capacities of Less than 10 MVA except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.
4. Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).

Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVA)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	Parkers Prairie	Distribution	115.00	12.50	
2	Pelican Rapids, MN Turkey Plant	Distribution	41.60	12.50	
3	Perham, MN	Distribution	115.00	12.50	
4	Rosholt, SD	Distribution	41.60	12.50	
5	Rugby, ND South	Distribution	41.60	12.50	
6	Spiritwood, ND	Distribution	115.00	12.50	
7	Wahpeton Inventory	Distribution	115.00	12.50	
8	Wahpeton Inventory	Distribution	41.60	12.50	
9	Wahpeton Inventory	Distribution	41.60	4.16	
10	Wahpeton, ND North 115 kv - 63230	Distribution	115.00	12.50	
11	Wahpeton, ND Northwest	Distribution	41.60	12.50	
12	Wheaton, MN South	Distribution	115.00	12.50	
13	Distribution Subtotal:		3600.80	516.64	
14	Distribution Under 10,000 kva	Distribution			
15	Distribution Total		3600.80	516.64	
16	Transmission From Above		6093.00	2516.00	390.30
17	Transmission & Distribution		9693.80	3032.64	390.30
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	--	---

SUBSTATIONS (Continued)

5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.

6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.

Capacity of Substation (In Service) (In MVA) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVA) (k)	
12	1					1
10	1					2
28	2					3
10	1					4
10	1					5
84	2					6
		1				7
		3				8
10		1				9
24	2					10
20	2					11
12	1					12
829	55	5				13
974	1113					14
1803	1168	5				15
2649	41	3				16
4452	1209	8				17
						18
						19
						20
						21
						22
						23
						24
						25
						26
						27
						28
						29
						30
						31
						32
						33
						34
						35
						36
						37
						38
						39
						40

Name of Respondent Otter Tail Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report 2010/Q4
--	---	--	----------------------------------

FOOTNOTE DATA

Schedule Page: 426 Line No.: 3 Column: a

Joint ownership, Otter Tail Power Company, 53.9%; Northwestern Public Service Company, 23.4%; Montana-Dakota Utilities Company, 22.7%. Expenses are shared on ownership percent basis. Accounts affected are regular accounts applicable to substations. None of the owners are associated companies.

Columns C, D, and E are reported in KVA.

Name of Respondent Otter Tail Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Month, Yr) 12/31/2010	Year/Period of Report End of 2010/Q4
--	---	---	---

TRANSACTIONS WITH ASSOCIATED (AFFILIATED) COMPANIES

- Report below the information called for concerning all non-power goods or services received from or provided to associated (affiliated) companies.
- The reporting threshold for reporting purposes is \$250,000. The threshold applies to the annual amount billed to the respondent or billed to an associated/affiliated company for non-power goods and services. The good or service must be specific in nature. Respondents should not attempt to include or aggregate amounts in a nonspecific category such as "general".
- Where amounts billed to or received from the associated (affiliated) company are based on an allocation process, explain in a footnote.

Line No.	Description of the Non-Power Good or Service (a)	Name of Associated/Affiliated Company (b)	Account Charged or Credited (c)	Amount Charged or Credited (d)
1	Non-power Goods or Services Provided by Affiliated			
2	Capital/construction projects	Otter Tail Corporation	107	1,931
3	Accrued interest	Otter Tail Corporation	237	1,102,650
4	Dividends - common stock	Otter Tail Corporation	438	34,184,583
5	Corporate allocated A&G expense	Otter Tail Corporation	580	1,594
6	Corporate allocated A&G expense	Otter Tail Corporation	921	294,391
7	Corporate allocated A&G expense	Otter Tail Corporation	923	6,892
8	Corporate allocated A&G expense	Otter Tail Corporation	924	100
9	Corporate allocated A&G expense	Otter Tail Corporation	928	11,140
10	Corporate allocated A&G expense	Otter Tail Corporation	935	47,367
11				
12				
13				
14				
15				
16				
17				
18				
19				
20	Non-power Goods or Services Provided for Affiliate			
21	Printing, design & mailing services	Otter Tail Corporation	417	187,921
22	Other deductions	Otter Tail Corporation	426.5	355,951
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40				
41				
42				

Name of Respondent Otter Tail Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2010	Year/Period of Report 2010/Q4
--	---	--	----------------------------------

FOOTNOTE DATA

Schedule Page: 429 Line No.: 5 Column:

Corporate allocated A&G expenses are allocated in accordance with Otter Tail Corporation's Corporate Cost Allocation Manual as approved by the Minnesota Public Utilities Commission, the North Dakota Public Service Commission, and the South Dakota Public Utilities Commission.

INDEX

<u>Schedule</u>	<u>Page No.</u>
Accrued and prepaid taxes	262-263
Accumulated Deferred Income Taxes	234
	272-277
Accumulated provisions for depreciation of	
common utility plant	356
utility plant	219
utility plant (summary)	200-201
Advances	
from associated companies	256-257
Allowances	228-229
Amortization	
miscellaneous	340
of nuclear fuel	202-203
Appropriations of Retained Earnings	118-119
Associated Companies	
advances from	256-257
corporations controlled by respondent	103
control over respondent	102
interest on debt to	256-257
Attestation	i
Balance sheet	
comparative	110-113
notes to	122-123
Bonds	256-257
Capital Stock	251
expense	254
premiums	252
reacquired	251
subscribed	252
Cash flows, statement of	120-121
Changes	
important during year	108-109
Construction	
work in progress - common utility plant	356
work in progress - electric	216
work in progress - other utility departments	200-201
Control	
corporations controlled by respondent	103
over respondent	102
Corporation	
controlled by	103
incorporated	101
CPA, background information on	101
CPA Certification, this report form	i-ii

INDEX (continued)

<u>Schedule</u>	<u>Page No.</u>
Deferred	
credits, other	269
debits, miscellaneous	233
income taxes accumulated - accelerated	
amortization property	272-273
income taxes accumulated - other property	274-275
income taxes accumulated - other	276-277
income taxes accumulated - pollution control facilities	234
Definitions, this report form	iii
Depreciation and amortization	
of common utility plant	356
of electric plant	219
	336-337
Directors	105
Discount - premium on long-term debt	256-257
Distribution of salaries and wages	354-355
Dividend appropriations	118-119
Earnings, Retained	118-119
Electric energy account	401
Expenses	
electric operation and maintenance	320-323
electric operation and maintenance, summary	323
unamortized debt	256
Extraordinary property losses	230
Filing requirements, this report form	
General information	101
Instructions for filing the FERC Form 1	i-iv
Generating plant statistics	
hydroelectric (large)	406-407
pumped storage (large)	408-409
small plants	410-411
steam-electric (large)	402-403
Hydro-electric generating plant statistics	406-407
Identification	101
Important changes during year	108-109
Income	
statement of, by departments	114-117
statement of, for the year (see also revenues)	114-117
deductions, miscellaneous amortization	340
deductions, other income deduction	340
deductions, other interest charges	340
Incorporation information	101

<u>Schedule</u>	<u>Page No.</u>
Interest	
charges, paid on long-term debt, advances, etc	256-257
Investments	
nonutility property	221
subsidiary companies	224-225
Investment tax credits, accumulated deferred	266-267
Law, excerpts applicable to this report form	iv
List of schedules, this report form	2-4
Long-term debt	256-257
Losses-Extraordinary property	230
Materials and supplies	227
Miscellaneous general expenses	335
Notes	
to balance sheet	122-123
to statement of changes in financial position	122-123
to statement of income	122-123
to statement of retained earnings	122-123
Nonutility property	221
Nuclear fuel materials	202-203
Nuclear generating plant, statistics	402-403
Officers and officers' salaries	104
Operating	
expenses-electric	320-323
expenses-electric (summary)	323
Other	
paid-in capital	253
donations received from stockholders	253
gains on resale or cancellation of reacquired capital stock	253
miscellaneous paid-in capital	253
reduction in par or stated value of capital stock	253
regulatory assets	232
regulatory liabilities	278
Peaks, monthly, and output	401
Plant, Common utility	
accumulated provision for depreciation	356
acquisition adjustments	356
allocated to utility departments	356
completed construction not classified	356
construction work in progress	356
expenses	356
held for future use	356
in service	356
leased to others	356
Plant data	336-337
	401-429

INDEX (continued)

<u>Schedule</u>	<u>Page No.</u>
Plant - electric	
accumulated provision for depreciation	219
construction work in progress	216
held for future use	214
in service	204-207
leased to others	213
Plant - utility and accumulated provisions for depreciation	
amortization and depletion (summary)	201
Pollution control facilities, accumulated deferred	
income taxes	234
Power Exchanges	326-327
Premium and discount on long-term debt	256
Premium on capital stock	251
Prepaid taxes	262-263
Property - losses, extraordinary	230
Pumped storage generating plant statistics	408-409
Purchased power (including power exchanges)	326-327
Reacquired capital stock	250
Reacquired long-term debt	256-257
Receivers' certificates	256-257
Reconciliation of reported net income with taxable income	
from Federal income taxes	261
Regulatory commission expenses deferred	233
Regulatory commission expenses for year	350-351
Research, development and demonstration activities	352-353
Retained Earnings	
amortization reserve Federal	119
appropriated	118-119
statement of, for the year	118-119
unappropriated	118-119
Revenues - electric operating	300-301
Salaries and wages	
directors fees	105
distribution of	354-355
officers'	104
Sales of electricity by rate schedules	304
Sales - for resale	310-311
Salvage - nuclear fuel	202-203
Schedules, this report form	2-4
Securities	
exchange registration	250-251
Statement of Cash Flows	120-121
Statement of income for the year	114-117
Statement of retained earnings for the year	118-119
Steam-electric generating plant statistics	402-403
Substations	426
Supplies - materials and	227

INDEX (continued)

Schedule

Page No.

Taxes

accrued and prepaid	262-263
charged during year	262-263
on income, deferred and accumulated	234
	272-277
reconciliation of net income with taxable income for	261

Transformers, line - electric	429
-------------------------------------	-----

Transmission

lines added during year	424-425
lines statistics	422-423
of electricity for others	328-330
of electricity by others	332

Unamortized

debt discount	256-257
debt expense	256-257
premium on debt	256-257

Unrecovered Plant and Regulatory Study Costs	230
--	-----