215 South Cascade Street
PO Box 496
Fergus Falls, Minnesota 56538-0496
218 739-8200
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December 31, 2015

OTTER TAIL POWER COMPANY

Mr. Darrell Nitschke
Director of Admin./Executive Secretary
North Dakota Public Service Commission
State Capitol
600 East Boulevard, Dept. 408
Bismarck, ND 58505-0408

RE: Otter Tail Power Company's Request for Approval of its 2016 Renewable Resource Cost Recovery Adjustment Factor
NDPSC Case No. PU-16-____

Dear Mr. Nitschke:

Please find enclosed for filing Otter Tail Power Company's ("Otter Tail's") Application for its 2016 annual update to its Renewable Resource Cost Recovery Adjustment Factor ("RRA") under Otter Tail's Renewable Resource Cost Recovery Rider. Otter Tail is providing an original and seven copies of the Application.

As noted in the Application, federal legislation approving bonus depreciation for income tax purposes for 2015 was passed on December 18, 2015. Otter Tail is assessing the impact of this recent federal legislation. When Otter Tail completes its assessment of the impact of this legislation, Otter Tail will file a supplement to this Docket if the impact will materially change the revenue requirement for the recovery period.

We also enclose our check in the amount of $50 for the filing fee.

Please refer all inquiries regarding this filing to Anthony Harris at (218) 739-8564 or aharris@otpco.com.

30 PU-16-14 Filed 05/04/2016 Pages: 89
Exhibit OTP-1
Otter Tail Power Company

Sincerely,

/s/ ANTHONY HARRIS
Anthony Harris
Rates Analyst, Regulatory Administration

EXHIBIT
TAMES
OTP 1

nlo
Enclosures
By electronic filing and U.S. mail

An Equal Opportunity Employer

1 PU-16-14 Filed 12/31/2015 Pages: 89
Application for Renewable Resource Cost Recovery Adjustment Factor
Otter Tail Power Company
Anthony Harris

STATE OF NORTH DAKOTA
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of Otter Tail Power Company's Request for Approval of its 2016 Renewable Resource Cost Recovery Adjustment Factor

Case No. PU-_____

APPLICATION

I. INTRODUCTION

Otter Tail Power Company, (Otter Tail or Company) submits this Application to the North Dakota Public Service Commission (Commission) for approval of an annual update to its Renewable Resource Cost Recovery Adjustment Factor (RRA) under the Company's Renewable Resource Cost Recovery Rider (Renewable Rider or Rider). This update results in a revenue requirement of $7,088,584 for the next recovery period beginning April 1, 2016. This will increase the RRA Factor from 4.069 percent to 5.320 percent. The increase over last year is due to last year's RRA factor being abnormally low due to an unusually large true-up credit as explained in the Revenue Requirements Calculation section of this filing. Also, as described in this Application, federal legislation approving bonus depreciation for 2015 was passed on December 18, 2015. Otter Tail is assessing the impact of this recent federal legislation. When Otter Tail completes its assessment of the impact of this legislation, Otter Tail will file a supplement to this Docket if the impact will materially change the revenue requirement for the recovery period.

On May 21, 2008, the Commission approved Otter Tail's Renewable Rider[1] and on January 14, 2009 the Commission approved Otter Tail's first annual RRA for that Rider (2009 RRA)[2] subject to final review in conjunction with its general rate case.[3] On August 4, 2010 the

[1] Case No. PU-06-466.
[2] Case No. PU-08-742.
[3] Order dated November 25, 2009, in Case PU-08-862.

Commission approved Otter Tail's second annual RRA.[4] The Order in the second annual RRA update filing established the current collection timeline of April through March of the following year. Otter Tail now files its seventh annual update to the RRA for the Rider (2016 RRA), which includes actual cost and revenue information through October 2015 and forecast cost and revenue information from November 2015 through March 2017, for investments in the Langdon, Ashtabula, and Luverne Wind Projects, all located in North Dakota. The proposed effective date of the updated RRA is April 1, 2016.

Pursuant to NDCC § 49-05-16, the Commission has made determinations of prudence for Otter Tail's investments in the Langdon, Ashtabula and Luverne Wind Energy Projects. There have been no additional projects added in the last year. Only costs for these three projects are included in the Rider.

The current filing consists of four parts:

1. *Eligible projects.* Costs are included for the investment in the Langdon, Ashtabula and Luverne Wind Projects.

2. *Revenue requirements calculation.* Components of the revenue requirements calculation are discussed.

3. *2016 Tracker Report.* Actual components of the Renewable Resource Tracker through October 2015 and projections through the next cost recovery period are included.

4. *2016 RRA.* Rate design overview, including Otter Tail's current rate design and proposed new rate design, and resulting impact on customers' bills are included.

II. GENERAL FILING INFORMATION

Pursuant to North Dakota Rules Part 69-02-02-04, the following information is provided.

A. Name, address, and telephone number of utility making the filing.

Otter Tail Power Company
215 South Cascade Street
Fergus Falls, Minnesota 56538-0496
(218) 739-8200

[4] Case No. PU-10-18.

B. Name, address, and telephone number of utility attorney.

Bruce Gerhardson
Associate General Counsel
Otter Tail Power Company
215 South Cascade Street
Fergus Falls, Minnesota 56538-0496
(218) 739-8475
bgerhardson@otpco.com

C. Date of filing and proposed effective date of rates.

The date of this filing is December 31, 2015. Otter Tail proposes the 2016 RRA be reflected on customers' electric service bills effective April 1, 2016, or in the first full month following Commission approval if Commission action occurs after March 2016. Otter Tail is requesting the updated RRA be approved to become effective for bills rendered on and after April 1, 2016, for continuity of the annual rider filing process.

D. Title of utility employee responsible for filing.

Anthony Harris
Rates Analyst
Otter Tail Power Company
215 South Cascade Street
Fergus Falls, Minnesota 56538-0496
(218) 739-8564
aharris@otpco.com

E. Articles of Incorporation.

Pursuant to North Dakota Rules Part 69-02-02-04, a certified copy of Otter Tail's Articles of Incorporation is on file with the Commission, as is an original Certificate of Good Standing.

III. DESCRIPTION AND PURPOSE OF FILING

A. Background.

Cost recovery through this Rider and recovery of revenue requirements for the investment is under the authority granted to the Commission under NDCC § 49-02, § 49-05, and

§ 49-06. The Renewable Resource Rider approved by Order dated May 21, 2008, and effective on June 1, 2008, created a recovery mechanism and included provisions for Otter Tail's annual filing requirements.

Otter Tail's first annual filing was approved on January 14, 2009, becoming effective on February 1, 2009, subject to final review in Otter Tail's general rate case, Case No. PU-08-862, which was pending at that time. On November 25, 2009, the Commission issued its Order on Settlement in that general rate case approving and adopting the Settlement Agreement (with one exception unrelated to the Renewable Resource Rider), Cases No. PU-08-742 and PU-08-862. The Commission's approval included affirmation of the earlier annual RRA approval. The Settlement Agreement revised the RRA for the months of December 2009 through March 2010 and included provisions on calculation of revenue requirements and rate design that Otter Tail addresses in this filing.

Otter Tail's second annual filing was approved by the Commission's Order dated August 4, 2010, and set the RRA rate to be in effect from September 1, 2010 through March 31, 2012. The Order required Otter Tail to file its next RRA rate update on or before December 31, 2011, for expected implementation of April 1, 2012, to March 31, 2013. Otter Tail's third annual filing was made on December 29, 2011 and was approved by the Commission's Order dated March 21, 2012. The fourth filing was made on December 28, 2012 and was approved by the Commission's Order dated July 10, 2013. Otter Tail's fifth update was submitted on December 31, 2013 and was approved by the Commission's Order dated March 12, 2014. Otter Tail's most recent annual filing, the sixth update, was submitted on December 31, 2014 and was approved by the Commission's Order dated March 25, 2015.

Like Otter Tail's previous update filings, the 2016 Renewable Resources Rider tracker report includes information regarding the amount collected from retail customers and the actual costs including: a return on investment; depreciation expense; federal and state income taxes; operation and maintenance expenses; ground lease payments; and Production Tax Credits (PTC).

Otter Tail has also included an additional item in this filing relating to the proration of Accumulated Deferred Income Taxes (ADIT) in compliance with recent Private Letter Rulings issued by the Internal Revenue Service (IRS). This calculation is explained further in the taxes portion of the Revenue Requirements section.

B. Eligible projects.

1. Langdon Wind Project

Cost recovery was first granted for the Langdon Wind Project by Order dated May 21, 2008, in Case No. PU-06-466. This filing includes updated data for that project, shown on Attachment 1.

2. Ashtabula Wind Project

Cost recovery for Otter Tail's investment in the Ashtabula Wind Project was approved by Order dated January 14, 2009, in Case No. PU-09-742. This filing includes updated data for that project, shown on Attachment 2.

3. Luverne Wind Project

Cost recovery for Otter Tail's investment in the Luverne Wind Project was approved by Order dated August 4, 2010, in Case No. PU-10-18. This filing includes updated data for that project, shown on Attachment 3.

C. Revenue requirements calculation.

Otter Tail's revenue requirements calculation in this filing is similar to previous filings, except for the additional pro-rating of ADIT calculation. In this Application, Otter Tail seeks to recover a total of $7,088,584 (Attachment 4, Page 9) over the April 1, 2016 to March 31, 2017 time period, a $1,647,406 increase from the $5,441,178 revenue requirement approved in last year's update (Case No. PU-15-14) for the April 1, 2015 to March 31, 2016 collection period. Of the current period, April 2015 through March 2016, the revenue requirement of $5,441,178 included a $1,780,622 credit (reduction) related to true-ups for periods prior to March 31, 2015. There were two primary reasons for the large true up. First, sales and related billing collections increased during the 2013/2014 winter due to colder than expected temperatures. The second factor contributing to the over-collection was a significantly higher use of production tax credits (PTC) on Otter Tail's 2013 tax return which was finalized in Q3 of 2014. The increase in the use of PTCs required an adjustment to the 2013 ADIT attributed to the PTCs which in turn reduced rate base for 2013 and subsequent periods. This reduction in rate base resulted in lower revenue requirement for 2013 and subsequent periods.

PTCs have also been applied to the rate base for the proposed recovery period in this filing resulting in a reduction to the revenue requirement. Otter Tail is aware that federal legislation approving bonus depreciation for 2015 was passed on December 18, 2015. Otter Tail is still assessing the impact of this legislation and has not incorporated the impact into the schedules included in this filing. OTP's early assessment is that the impact of the extension of bonus deprecation may put OTP in a net operating loss for tax purposes which would result in an inability to use PTC's on current period tax returns. Because taxpayers are permitted to carry PTC's forward into future tax years, Otter Tail expects all the PTC earned in this period can and will be used on future tax returns. When Otter Tail completes its assessment of the full impact of this legislation, should the results materially change the revenue requirement for the recovery period, Otter Tail will file a supplement to this Docket on or before March 1, 2016.

As in the past, any undercollections or overcollections carry forward through the rider's true-up mechanism to the following collection period.

The following provides further detail into the various sections of the revenue requirement calculations in the Renewable Rider:

1. Revenue requirement calculation for each project

The total annual revenue requirement is based on the sum of the revenue requirements for the three projects as reflected in Attachments 1 through 3. Attachment 1 is the revenue requirements calculation for the Langdon Wind Project; Attachment 2 is the revenue requirements calculation for the Ashtabula Wind Project; and Attachment 3 is the revenue requirements calculation for the Luverne Wind Project. Generally, each of these revenue requirement calculations is set up as follows: Information is shown by calendar year from the time each project became commercially operational through 2017. Each 12-month period has two pages. The first page for each calendar year includes three sections:

a.) A rate base computation section, using a 13-month average to calculate average rate base.

b.) An expenses section listing the operating and maintenance, depreciation, and income tax expenses.

c.) A revenue requirements section, summarizing the total expenses and return on rate base calculations. The North Dakota share of the revenue requirement amount is reflected on the last line of that page.

The second page for each calendar year provides supporting information and data for the first page, which includes capital structure details, income tax, and depreciation calculations.

2. CWIP and AFUDC

During construction, AFUDC was calculated consistent with the FERC Uniform System of Accounts, 18 CFR Ch 1, Part 101, Electric Plant Instruction No. 3(17). There are no projects currently under construction.

3. Rate of return

In its calculations Otter Tail has used the rate of return on rate base of 8.62 percent ordered in its most recent general rate case.[5]

4. Depreciation

Otter Tail has used a 25-year average service life for all depreciable property in these wind projects.

5. Taxes

Manufacturing Production Deduction. For tax years beginning after 2004, corporations such as Otter Tail may claim a federal tax deduction (Manufacturing Production Deduction) that is equal to a percentage of the income earned from production activities undertaken in the U.S. (including the production of electricity). The percentage is applied to the taxable income related to production activities (without regard to the deduction) for the tax year. The percentage was 3 percent for tax years beginning in 2005 and 2006, 6 percent for tax years beginning in 2007 through 2009, and 9 percent thereafter. For 2015, Otter Tail is still uncertain as to whether it will be eligible for the deduction due to the recently passed tax legislation regarding bonus depreciation. For 2016, Otter Tail does not anticipate that it will be eligible for this deduction. If the determination is made that the deduction can be used, the impact will be included as part of the true-up calculation in the next filing. The deduction cannot be carried forward.

Production Tax Credit. The Langdon and Ashtabula Wind Projects are eligible for the PTC. Actual amounts are used through October 2015 and amounts are projected through March

[5] Case No. PU-08-862, Order dated November 25, 2009.

31, 2017. The 2010, 2011 and 2012 PTC was $22.00 per MWH. In April 2013, the amount increased to $23.00 per MWH and that amount continued through 2015. The 2016 PTC is projected to increase to $24.00 per MWH and it is projected to continue at that rate through 2018. The actual PTC is typically adjusted annually for inflation. Otter Tail has used the credits in the financial information for each project but has only included in ADIT the amount it has been able to use for tax purposes since there is no cash benefit to Otter Tail until it uses the credit for actual taxes. Otter Tail expects that all credits and deductions will be used before they expire. The PTC expires after 10 years and will expire on the Langdon wind project in late 2017 and the Ashtabula wind project in late 2018. The PTCs that are earned can be carried forward for up to 20 years. Otter Tail expects to use all the PTC earned in future tax returns.

Bonus Tax Depreciation. The Ashtabula and Luverne Wind Projects qualified for bonus tax depreciation as defined in the Internal Revenue Code. Ashtabula went into service in 2008 and Luverne in 2009 so the entire tax basis qualified for the 50 percent bonus each year. This resulted in a bonus tax depreciation amount of $57.7 million and $43.6 million for Ashtabula and Luverne, respectively.

ADIT Proration. Since the 2015 filing, Otter Tail became aware of an IRS rule related to the normalization of ADIT in a forward looking test year used for rate-making purposes. Many utilities, including Otter Tail, became aware of the rule through a series of Private Letter Rulings issued by the IRS in 2015 to a number of other utilities.

IRS Section 1.167(l)(h)(6) provides that ratemaking procedures and adjustments must be consistent with normalization accounting. It also defines the procedures a company must use to normalize the impact on rate making if a company elects to use accelerated depreciation methods. Specifically, this section stipulates that the monthly changes to the deferred taxes balance, as calculated by the company, must be prorated prior to computing the average of beginning and ending balances for ADIT. According to the rule, Otter Tail would risk losing its eligibility to take accelerated depreciation if it failed to comply with this rule. Accelerated depreciation is a significant benefit to North Dakota ratepayers as ADIT amounts are credited against rate base amounts when establishing rates.

In Otter Tail's next annual update to its RRA rider, actual ADIT balances will replace the prorated forecast ADIT amounts included in this filing, with the difference between the actuals and prorated forecast amounts incorporated into the true-up applicable to the next collection

period. Line 7 on Attachment 1, 2 and 3 shows the monthly proration factor that is applied to the monthly additions on lines 8, 10, 13 and 14. The impact of the ADIT proration reduces the revenue requirement by approximately $42,000.

6. Allocation to jurisdictions

Otter Tail has used the allocation factor approved in its most recent rate case to calculate North Dakota's share of the total revenue requirements. The allocation factor approved in that rate case, Case No. PU-08-862, is 41.018 percent. Also in that rate case, Otter Tail agreed to monitor its E2 allocation factor and address in its annual Renewable Cost Recovery filings any material changes that may occur to that allocation factor. Consistent with that agreement, Otter Tail notes that the actual allocation for 2014 was 41.63 percent. The estimated allocation factor for calendar year 2016 is 38.48 percent. Over the past three full years, the estimated allocation factor change has been lower than the actual allocation factor. The 2012, 2013 and 2014 forecasts were 40.39, 39.57 and 41.21 percent respectively. The actual allocation factors were 41.35, 42.22 and 41.63 percent. Applying these changes to the 2014 actual allocation factor would result in the allocation of more costs to North Dakota, as compared with 41.018 percent from the test year in Case No. PU-08-862. At this time, Otter Tail has retained the approved allocation factor from the last rate case for use in the proposed RRA calculations for this filing.

D. <u>2016 Renewable Tracker report</u>.

The Renewable Rider cost recovery mechanism uses a tracker account, shown in Attachment 4. This account summarizes total revenue requirements by project, credits retail revenue billed each month, and calculates the carrying cost. The Tracker included with this filing reflects actual information through October 2015 and projected information through March 2017.

E. <u>Calculation of 2016 RRA factor and Current rate design</u>.

Otter Tail proposes the continuation of the percent-of-bill method. The rate design is simply the calculated revenue requirement from April 2016 through March 2017 divided by the total forecast base revenue from North Dakota electric retail customers from April 2016 through March 2017. The rate design calculation is shown on Attachment 5.

In addition, the Commission's Findings of Fact in its Order dated August 4, 2010 in Case No. PU-10-18, includes the following:

> *"Finally, the Commission finds that it is reasonable for Otter Tail Power to continue to consider and discuss in its future annual rider filings the MISO capacity accreditation and any changes thereto or another appropriate methodology for allocating capacity and energy, as that accreditation currently forms the basis for the inter- and intra-class allocations for the Renewable Resource Cost Recovery Adjustment Factor."*

Ordering paragraph 4 of the Commission's August 4, 2010, Order in Case No. PU-10-18, requires Otter Tail to "continue to provide information in future Renewable Resource Cost Recovery Factor filings on capacity accreditation for wind projects."

Beginning in 2011, MISO began accrediting capacity based on each generation site's production. In December 2015 MISO provided the 2016/2017 capacity credits for each wind farm's generation verification test requirements (GVTC or maximum generating capacity), the megawatt generation (Production Percentage) and the wind capacity credit. These figures are shown in the table below. A weighted average is computed to determine an Otter Tail system-wide capacity accreditation average.

Resource	GVTC(MW)	Production Percentage (1)	Capacity Credit (2)	Weighted Average (1x2)
Ashtabula	48	34.78%	24.00%	8.35%
Langdon	40.5	29.35%	23.50%	6.90%
Luverne	49.5	35.87%	27.40%	9.83%
Total	**138**			**25.07%**

The 25.07 percent weighted average capacity factor represents an increase compared to the 23.02 percent weighed average capacity factor used in the previous filing. Otter Tail's three wind farms continue to perform well above the MISO average capacity credit of 15.6 percent for all wind farms across MISO's footprint. The Luverne Wind Farm has MISO's highest capacity credit at 27.40 percent.

F. Rate Impact.

The proposed update to the RRA Charge increases the factor for all customers from 4.069 percent to 5.320 percent. The total April 2016 through March 2017 revenue requirements, as shown on page 9 of Attachment 4, are $7,088,584. The proposed RRA Charge is calculated in Attachment 5.

The increase from this update for a residential customer using 1,000 kWh would be approximately $1.08 per month. The following table shows the estimated rate increase over the previous rate by a residential customer using 1,000 kWh and a Large General Service customer using 400,000 kWh and 1,000 kW:

	Average kWh per month	Total Current Bill	Total Proposed Bill	Percent Increase
Residential	1,000	$101.69	$102.77	1.066%
Large General Service	400,000	$31,238.13	$31,569.14	1.060%

The proposed 2016 RRA Rate is calculated assuming the total proposed revenue requirement is effective April 1, 2016. If implementation of the 2016 RRA occurs after April 1, 2016, Otter Tail proposes that the RRA be adjusted to recover the approved revenue requirements over the remaining months of the period, through March 2017. This approach would ensure the cost recovery and the approved eligible costs match. If it is necessary to adjust the 2016 RRA, Otter Tail proposes to calculate the final 2016 RRA and include it with the corresponding rate schedule pages in a compliance filing in this case.

G. Customer notification.

Otter Tail will work with Commission staff on a notice to meet the requirements of the North Dakota rules. A draft notice is attached to this filing as Attachment 7.

IV. PROPOSED RATE SCHEDULE

Our revised rate schedule number 13.04 is provided in Attachment 6, in both redline and clean versions.

V. CONCLUSION

Otter Tail respectfully requests the Commission approve the 2016 Renewable Resource Cost Recovery Adjustment effective April 1, 2016, based on the tracker activity and cost recovery for the Langdon, Ashtabula, and Luverne Wind projects.

Dated: December 31, 2015

Respectfully Submitted,

OTTER TAIL POWER COMPANY

By: */s/ ANTHONY HARRIS*

Anthony Harris
Rates Analyst, Regulatory Administration
Otter Tail Power Company
215 South Cascade Street
Fergus Falls, MN 56538-0496
218-739-8564
aharris@otpco.com

OTTER TAIL POWER COMPANY
RENEWABLE RESOURCE RIDER 2016 RRA FACTOR FILING ATTACHMENTS

Attachment 1	Langdon revenue requirements calculation
Attachment 2	Ashtabula revenue requirements calculation
Attachment 3	Luverne revenue requirements calculation
Attachment 4	Renewable Resource Tracker report
Attachment 5	Class allocation, rate design alternatives, and projected revenue
Attachment 6	Updated Renewable Resource Rider (redline and clean versions)
Attachment 7	Customer Notice

Otter Tail Power Company
North Dakota Renewable Resource Rider
Langdon Wind Farm

Line			2007 Actual Dec-07	2008 Actual Jan-08	Actual Feb-08	Actual Mar-08	Actual Apr-08	Actual May-08	Actual Jun-08	Actual Jul-08	Actual Aug-08	Actual Sep-08	Actual Oct-08	Actual Nov-08	Actual Dec-08	2008 YE Balance
1	***RATE BASE***															
2	Plant Balance - Langdon		65,000,000.00	74,049,389.86	74,049,389.86	77,066,651.71	77,068,541.12	77,113,375.74	77,826,261.74	77,966,938.63	77,967,738.96	77,803,738.96	77,803,738.96	77,803,739.00	77,797,924.00	
3	Less: Federal Grant		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
4	Accumulated. Depreciation		0.00	(216,666.67)	(463,497.97)	(710,329.27)	(967,218.10)	(1,224,113.24)	(1,481,157.83)	(1,740,578.70)	(2,000,468.50)	(2,260,360.96)	(2,519,706.76)	(2,779,052.55)	(3,038,398.35)	
5	Net Plant in Service		65,000,000.00	73,832,723.19	73,585,891.89	76,356,322.44	76,101,323.02	75,889,262.50	76,345,103.91	76,226,359.93	75,967,270.46	75,543,378.00	75,284,032.20	75,024,686.45	74,759,525.65	
6	Inventory		0.00	0.00	0.00	0.00	0.00	0.00	282,677.00	282,677.00	282,677.00	282,677.00	282,677.00	282,677.00	282,677.00	
7	ADIT Pro-Rated															
8	Accum. Deferred Inc. Taxes - Fed & State		(1,274,812.50)	(2,141,343.79)	(2,996,043.00)	(3,850,742.21)	(4,701,496.36)	(5,552,248.03)	(6,402,941.08)	(7,252,702.03)	(8,102,279.05)	(8,951,855.02)	(9,801,645.42)	(10,651,435.82)	(11,501,226.22)	
9	Accum. Deferred Inc. Taxes - Basis Difference		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
10	Accum. Deferred Inc. Taxes - Federal PTC		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
11	Accum. Deferred Inc. Taxes - ND ITC		8,311,477.00	8,311,477.00	8,311,477.00	10,121,474.80	10,121,474.80	10,121,474.80	10,121,474.80	10,121,474.80	10,256,637.85	10,256,637.85	10,256,637.85	10,256,637.85	10,231,165.60	x
12	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC		(2,909,016.95)	(2,909,016.95)	(2,909,016.95)	(3,542,516.18)	(3,542,516.18)	(3,542,516.18)	(3,542,516.18)	(3,542,516.18)	(3,589,823.25)	(3,589,823.25)	(3,589,823.25)	(3,589,823.25)	(3,580,907.96)	x
13	Accum. Deferred Inc. Taxes - ND ITC		(9,717,500.00)	(9,685,000.00)	(9,652,500.00)	(11,423,903.53)	(11,385,309.26)	(11,346,714.99)	(11,308,120.72)	(11,269,526.45)	(11,365,632.34)	(11,326,575.18)	(11,287,518.02)	(11,248,460.86)	(11,184,019.90)	x
14	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC		3,401,125.00	3,389,750.00	3,378,375.00	3,998,366.24	3,984,858.25	3,971,350.26	3,957,842.27	3,944,334.28	3,977,971.35	3,964,301.35	3,950,631.35	3,936,961.35	3,914,407.01	x
15	End of month rate base		62,811,272.55	70,798,589.45	69,718,183.94	71,659,001.56	70,578,334.27	69,540,608.36	69,453,520.00	68,510,101.35	67,426,822.03	66,178,740.75	65,094,991.71	64,011,242.72	62,921,621.18	
16																
17	Average rate base		62,811,272.55	67,592,540.76	67,592,540.76	67,592,540.76	67,592,540.76	67,592,540.76	67,592,540.76	67,592,540.76	67,592,540.76	67,592,540.76	67,592,540.76	67,592,540.76	67,592,540.76	67,592,540.76
18																
19	Return on Rate Base	8.88%		500,328.44	500,328.44	500,328.44	500,328.44	500,328.44	500,328.44	500,328.44	500,328.44	500,328.44	500,328.44	500,328.44	500,328.44	6,003,941.23
20																
21	Available for return (equity portion of rate base)	6.00%		337,751.48	337,751.48	337,751.48	337,751.48	337,751.48	337,751.48	337,751.48	337,751.48	337,751.48	337,751.48	337,751.48	337,751.48	4,053,017.73
22																
23	***EXPENSES***															
24	*O&M and Depreciation*															
25	Operating Costs		0	0.00	30,893.00	236,870.00	47,572.54	96,693.11	(1,056.79)	39,203.00	74,941.00	(17,135.00)	42,156.86	39,936.76	38,915.86	628,990.34
26	Ground Lease Payments			0.00	0.00	0.00	0.00	0.00	0.00	52,650.00	0.00	0.00	0.00	0.00	52,650.00	105,300.00
27	Property Tax		0	37,500.00	37,500.00	37,500.00	37,500.00	37,500.00	37,500.00	20,833.00	17,833.00	17,833.00	17,833.00	17,833.00	(33,529.00)	283,636.00
28	Book Depreciation		0	216,666.67	246,831.30	246,831.30	256,888.84	256,895.14	257,044.59	259,420.87	259,889.80	259,892.46	259,345.80	259,345.80	259,345.80	3,038,398.35
29	Total O&M and Depreciation Expense		0	254,166.67	315,224.30	521,201.30	341,961.38	391,088.25	293,487.80	372,106.87	352,663.80	260,590.46	319,335.66	317,115.56	317,382.66	4,056,324.69
30																
31	Income before Taxes															
32	Available for return (from above)			337,751.48	337,751.48	337,751.48	337,751.48	337,751.48	337,751.48	337,751.48	337,751.48	337,751.48	337,751.48	337,751.48	337,751.48	4,053,017.73
33	Less book tax credits - Federal PTC			(129,319.00)	(142,834.00)	(212,711.00)	(312,418.00)	(257,313.00)	(246,629.00)	(182,887.00)	(229,562.97)	(188,098.89)	(327,798.03)	(253,756.78)	(323,120.28)	(2,806,447.95)
34	Less book tax credits - ND ITC			(32,500.00)	(32,500.00)	(38,594.27)	(38,594.27)	(38,594.27)	(38,594.27)	(38,594.27)	(39,057.16)	(39,057.16)	(39,057.16)	(39,057.16)	(38,968.71)	(453,168.70)
35	ND ITC - Federal impact			11,375.00	11,375.00	13,507.99	13,507.99	13,507.99	13,507.99	13,507.99	13,670.00	13,670.00	13,670.00	13,670.00	13,639.05	158,609.00
36	Less: Section 199 Deduction															
37	Adjusted Income before interest and taxes			187,307.48	173,792.48	99,954.20	247.20	55,352.20	66,036.20	129,778.20	82,801.35	124,265.43	(15,433.71)	58,607.54	(10,698.46)	952,010.08
38	Taxable Income (grossed up)	1.645413		308,198.23	285,960.47	164,465.98	406.74	91,077.25	108,656.84	213,538.79	136,242.45	204,468.00	(25,394.84)	96,433.63	(17,603.39)	1,566,450.15
39																
40	Income Taxes															
41	Current and Def Income Taxes	39.225%		120,890.76	112,168.00	64,511.78	159.54	35,725.05	42,620.65	83,760.59	53,441.10	80,202.57	(9,961.13)	37,826.09	(6,904.93)	614,440.07
42	Tax Adjustment for Additional Tax Basis	32.725%		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
43	Federal PTC	6.50%		(129,319.00)	(142,834.00)	(212,711.00)	(312,418.00)	(257,313.00)	(246,629.00)	(182,887.00)	(229,562.97)	(188,098.89)	(327,798.03)	(253,756.78)	(323,120.28)	(2,806,447.95)
44	ND ITC			(32,500.00)	(32,500.00)	(38,594.27)	(38,594.27)	(38,594.27)	(38,594.27)	(38,594.27)	(39,057.16)	(39,057.16)	(39,057.16)	(39,057.16)	(38,968.71)	(453,168.70)
45	ND ITC - Federal impact			11,375.00	11,375.00	13,507.99	13,507.99	13,507.99	13,507.99	13,507.99	13,670.00	13,670.00	13,670.00	13,670.00	13,639.05	158,609.00
46	Total Income Tax Expense			(29,553.24)	(51,791.00)	(173,285.50)	(337,344.74)	(246,674.23)	(229,094.63)	(124,212.69)	(201,509.03)	(133,283.48)	(363,146.32)	(241,317.84)	(355,354.87)	(2,486,567.57)
47																
48																
49	***REVENUE REQUIRMENTS***															
50	Expenses			224,613.42	263,433.29	347,915.80	4,616.64	144,414.02	64,393.16	247,894.18	151,154.77	127,306.99	(43,810.66)	75,797.71	(37,972.21)	1,569,757.11
51	Return on rate base			500,328.44	500,328.44	500,328.44	500,328.44	500,328.44	500,328.44	500,328.44	500,328.44	500,328.44	500,328.44	500,328.44	500,328.44	6,003,941.23
52																
53	Total revenue requirements			724,941.86	763,761.73	848,244.23	504,945.08	644,742.45	564,721.60	748,222.62	651,483.20	627,635.42	456,517.78	576,126.15	462,356.22	7,573,698.34
54																
55	North Dakota share - E2 factor	38.830%		281,494.92	296,568.68	329,373.24	196,070.17	250,353.49	219,281.40	290,534.84	252,970.93	243,710.83	177,265.85	223,709.78	179,532.92	**2,940,867.07**

Otter Tail Power Company
North Dakota Renewable Resource Rider
Langdon Wind Farm

		2007	2008												
	SUPPORTING INFORMATION / DATA														
Line															
1	MN Capstructure with allowed ROE per order.														
2	Capital Structure		Ratio	Cost	WA Cost										
3	Debt		43.10%	6.30%	2.72%										
4	Preferred equity		3.60%	4.75%	0.17%										
5	Common equity		53.30%	11.25%	6.00%										
6	Total		100.00%		8.88%										
7															
8															
9	**Federal Production Tax Credit**														
10	Federal PTC Rate									$21.000	$21.000	$21.000	$21.000	$21.000	
11	Output (MWH) / month		6,466	7,142	10,636	13,723	12,253	11,744	8,709	10,932	8,957	15,609	12,084	15,387	133,640
12	Federal PTC Available based on production	0	129,319	142,834	212,711	312,418	257,313	246,629	182,887	229,563	188,099	327,798	253,757	323,120	2,806,448
13	Federal PTC Used on tax return	0	129,319	142,834	212,711	312,418	257,313	246,629	182,887	229,563	188,099	327,798	253,757	323,120	2,806,448
14	Deferred	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15	Accumulated Deferred		0	0	0	0	0	0	0	0	0	0	0	0	
16															
17	**Deferred Tax**														
18	Book depr. rate		4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
19	Book depreciation	0.00	216,666.67	246,831.30	246,831.30	256,888.84	256,895.14	257,044.59	259,420.87	259,889.80	259,892.46	259,345.80	259,345.80	259,345.80	3,038,398.35
20	Tax depreciation-ND	3,250,000.00	2,425,796.79	2,425,796.79	2,425,796.79	2,425,796.79	2,425,796.79	2,425,796.79	2,425,796.79	2,425,796.79	2,425,796.79	2,425,796.79	2,425,796.79	2,425,796.79	29,109,561.44
21	Tax depreciation-Federal	3,250,000.00	2,425,796.79	2,425,796.79	2,425,796.79	2,425,796.79	2,425,796.79	2,425,796.79	2,425,796.79	2,425,796.79	2,425,796.79	2,425,796.79	2,425,796.79	2,425,796.79	29,109,561.44
22	Book vs. tax depreciation	(3,250,000.00)	(2,209,130.12)	(2,178,965.49)	(2,178,965.49)	(2,168,907.95)	(2,168,901.65)	(2,168,752.20)	(2,166,375.91)	(2,165,906.99)	(2,165,904.32)	(2,166,450.99)	(2,166,450.99)	(2,166,450.99)	(26,071,163.09)
23	Federal & State deferred income taxes	(1,274,812.50)	(866,531.29)	(854,699.21)	(854,699.21)	(850,754.14)	(850,751.67)	(850,693.05)	(849,760.95)	(849,577.02)	(849,575.97)	(849,790.40)	(849,790.40)	(849,790.40)	(10,226,413.72)
24															
25	Additional Tax Basis (permanent difference)														
26	Tax Impact-ND														
27	Tax Impact-Federal														
28	Total Tax Impact														

	PROOF	**Year End 2007**	**Jan-08**	**Feb-08**	**Mar-08**	**Apr-08**	**May-08**	**Jun-08**	**Jul-08**	**Aug-08**	**Sep-08**	**Oct-08**	**Nov-08**	**Dec-08**	**Year End 2008**
1	Revenue		724,941.86	763,761.73	848,244.23	504,945.08	644,742.45	564,721.60	748,222.62	651,483.20	627,635.42	456,517.78	576,126.15	462,356.22	7,573,698.34
2															
3	Expenses														
4	O/M and Book Depreciation		254,166.67	315,224.30	521,201.30	341,961.38	391,088.25	293,487.80	372,106.87	352,663.80	260,590.46	319,335.66	317,115.56	317,382.66	4,056,324.69
5	Interest on Debt		152,945.02	152,945.02	152,945.02	152,945.02	152,945.02	152,945.02	152,945.02	152,945.02	152,945.02	152,945.02	152,945.02	152,945.02	1,835,340.26
6															
7	Income Taxes														
8	Current Income Tax		(745,640.53)	(742,531.22)	(790,187.43)	(850,594.60)	(815,026.62)	(808,072.40)	(766,000.36)	(796,135.92)	(769,373.40)	(859,751.53)	(811,964.31)	(856,695.33)	(9,611,973.65)
9	Deferred Income Tax		866,531.29	854,699.21	854,699.21	850,754.14	850,751.67	850,693.05	849,760.95	849,577.02	849,575.97	849,790.40	849,790.40	849,790.40	10,226,413.72
10	Permanent Tax Difference - 30% Grant		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11	Federal Production Tax Credit														
12	Generated PTC		(129,319.00)	(142,834.00)	(212,711.00)	(312,418.00)	(257,313.00)	(246,629.00)	(182,887.00)	(229,562.97)	(188,098.89)	(327,798.03)	(253,756.78)	(323,120.28)	(2,806,447.95)
13	Deferred PTC		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
14	ND Investment Tax Credit														
15	Current ITC		(21,125.00)	(21,125.00)	(25,086.28)	(25,086.28)	(25,086.28)	(25,086.28)	(25,086.28)	(25,387.16)	(25,387.16)	(25,387.16)	(25,387.16)	(25,329.66)	(294,559.70)
16	Deferred ITC		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
17	Total Expenses		377,558.45	416,378.32	500,860.82	157,561.66	297,359.04	217,338.18	400,839.20	304,099.79	280,252.01	109,134.36	228,742.74	114,972.81	3,405,097.37
18															
19	Net Income before preferred dividend		347,383.41	347,383.41	347,383.41	347,383.41	347,383.41	347,383.41	347,383.41	347,383.41	347,383.41	347,383.41	347,383.41	347,383.41	4,168,600.97
20	Dividend on Preferred Stock		(9,631.94)	(9,631.94)	(9,631.94)	(9,631.94)	(9,631.94)	(9,631.94)	(9,631.94)	(9,631.94)	(9,631.94)	(9,631.94)	(9,631.94)	(9,631.94)	(115,583.24)
21															
22	Income available for Common Stock		**337,751.48**	**337,751.48**	**337,751.48**	**337,751.48**	**337,751.48**	**337,751.48**	**337,751.48**	**337,751.48**	**337,751.48**	**337,751.48**	**337,751.48**	**337,751.48**	**4,053,017.73**
23															
24	**Average Rate Base**		67,592,540.76	67,592,540.76	67,592,540.76	67,592,540.76	67,592,540.76	67,592,540.76	67,592,540.76	67,592,540.76	67,592,540.76	67,592,540.76	67,592,540.76	67,592,540.76	67,592,540.76
25	Equity Percent		3,002,235.35	3,002,235.35	3,002,235.35	3,002,235.35	3,002,235.35	3,002,235.35	3,002,235.35	3,002,235.35	3,002,235.35	3,002,235.35	3,002,235.35	3,002,235.35	36,026,824.22
26	Return on Equity Check		**11.25%**	**11.25%**	**11.25%**	**11.25%**	**11.25%**	**11.25%**	**11.25%**	**11.25%**	**11.25%**	**11.25%**	**11.25%**	**11.25%**	**11.25%**
27															
28	**Tax Calculation**														
29	Income Before Income Taxes														
30	Net Income after prfd		337,751.48	337,751.48	337,751.48	337,751.48	337,751.48	337,751.48	337,751.48	337,751.48	337,751.48	337,751.48	337,751.48	337,751.48	4,053,017.73
	Less Section 199 Deduction														
31	Less Income Taxes		(29,553.24)	(51,791.00)	(173,285.50)	(337,344.74)	(246,674.23)	(229,094.63)	(124,212.69)	(201,509.03)	(133,283.48)	(363,146.32)	(241,317.84)	(355,354.87)	(2,486,567.57)
32	Total		308,198.23	285,960.47	164,465.98	406.74	91,077.25	108,656.84	213,538.79	136,242.45	204,468.00	(25,394.84)	96,433.63	(17,603.39)	1,566,450.15
33															
34	Book Depreciation		216,666.67	246,831.30	246,831.30	256,888.84	256,895.14	257,044.59	259,420.87	259,889.80	259,892.46	259,345.80	259,345.80	259,345.80	3,038,398.35
35	Tax Depreciation		(2,425,796.79)	(2,425,796.79)	(2,425,796.79)	(2,425,796.79)	(2,425,796.79)	(2,425,796.79)	(2,425,796.79)	(2,425,796.79)	(2,425,796.79)	(2,425,796.79)	(2,425,796.79)	(2,425,796.79)	(29,109,561.44)
36	Tax Depreciation - Permanent Difference		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
37	Taxable income		(1,900,931.89)	(1,893,005.01)	(2,014,499.51)	(2,168,501.21)	(2,077,824.40)	(2,060,095.36)	(1,952,837.13)	(2,029,664.54)	(1,961,436.32)	(2,191,845.83)	(2,070,017.36)	(2,184,054.38)	(24,504,712.94)
38	Current income tax		(745,640.53)	(742,531.22)	(790,187.43)	(850,594.60)	(815,026.62)	(808,072.40)	(766,000.36)	(796,135.92)	(769,373.40)	(859,751.53)	(811,964.31)	(856,695.33)	(9,611,973.65)
39	Tie to RR calculation														
40	Total Tax		(0.00)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
41	Income Requirement for Return		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Otter Tail Power Company
North Dakota Renewable Resource Rider
Langdon Wind Farm

Line			2008 Balance Dec-08	Actual Jan-09	Actual Feb-09	Actual Mar-09	Actual Apr-09	Actual May-09	Actual Jun-09	2009 Actual Jul-09	Actual Aug-09	Actual Sep-09	Actual Oct-09	Actual Nov-09	Actual Dec-09	2009 YE Balance	
1	***RATE BASE***																
2	Plant Balance - Langdon		77,797,924.00	77,797,924.00	77,797,924.00	77,797,924.00	77,685,295.15	77,685,295.15	77,685,295.15	77,685,295.15	77,685,295.15	77,780,376.85	77,780,376.85	77,780,376.85	77,780,376.85		
3	Less: Federal Grant		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
4	Accumulated. Depreciation		(3,038,398.35)	(3,292,680.86)	(3,546,963.38)	(3,801,245.89)	(4,055,528.41)	(4,310,684.89)	(4,565,841.37)	(4,820,997.85)	(5,076,154.33)	(5,331,310.81)	(5,586,778.07)	(5,842,245.33)	(6,097,712.59)		
5	Net Plant in Service		74,759,525.65	74,505,243.14	74,250,960.62	73,996,678.11	73,629,766.74	73,374,610.26	73,119,453.78	72,864,297.30	72,609,140.82	72,449,066.04	72,193,598.78	71,938,131.52	71,682,664.26		
6	Inventory		282,677.00	282,677.00	282,677.00	282,677.00	282,677.00	282,677.00	282,677.00	282,677.00	282,677.00	282,677.00	282,677.00	282,677.00	282,677.00		
7	ADIT Pro-Rated																
8	Accum. Deferred Inc. Taxes - Fed & State		(11,501,226.22)	(11,994,656.76)	(12,488,087.29)	(12,981,517.83)	(13,474,948.37)	(13,968,036.66)	(14,461,124.95)	(14,954,213.24)	(15,447,301.53)	(15,940,389.82)	(16,433,356.41)	(16,926,322.99)	(17,419,289.58)		
9	Accum. Deferred Inc. Taxes - Basis Difference		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
10	Accum. Deferred Inc. Taxes - Federal PTC		0.00	361,515.04	649,953.02	977,722.68	1,247,283.66	1,537,888.25	1,743,430.25	1,970,222.16	2,175,427.91	2,447,545.91	2,661,627.00	2,986,473.90	3,323,547.40		
11	Accum. Deferred Inc. Taxes - ND ITC		10,231,165.60	10,231,165.60	10,231,165.60	10,231,165.60	10,231,165.60	10,231,165.60	10,231,165.60	10,231,165.60	10,231,165.60	10,228,533.53	10,228,533.53	10,228,533.53	10,228,533.53	x	
12	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC		(3,580,907.96)	(3,580,907.96)	(3,580,907.96)	(3,580,907.96)	(3,580,907.96)	(3,580,907.96)	(3,580,907.96)	(3,580,907.96)	(3,580,907.96)	(3,579,986.73)	(3,579,986.73)	(3,579,986.73)	(3,579,986.73)	x	
13	Accum. Deferred Inc. Taxes - ND ITC		(11,184,019.90)	(11,145,051.19)	(11,106,082.48)	(11,067,113.77)	(11,028,145.06)	(10,989,176.35)	(10,950,207.64)	(10,911,238.93)	(10,872,270.22)	(10,830,678.87)	(10,791,719.59)	(10,752,760.31)	(10,713,801.03)	x	
14	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC		3,914,407.01	3,900,767.96	3,887,128.91	3,873,489.86	3,859,850.81	3,846,211.76	3,832,572.71	3,818,933.66	3,805,294.61	3,790,737.63	3,777,101.88	3,763,466.13	3,749,830.38	x	
15	End of month rate base		62,921,621.18	62,560,752.83	62,126,807.42	61,732,193.69	61,166,742.43	60,734,431.91	60,217,058.79	59,720,935.60	59,203,226.23	58,847,504.69	58,338,475.47	57,940,212.05	57,554,175.22		
16																	
17	Average rate base		62,921,621.18	60,235,702.89	60,235,702.89	60,235,702.89	60,235,702.89	60,235,702.89	60,235,702.89	60,235,702.89	60,235,702.89	60,235,702.89	60,235,702.89	60,235,702.89	60,235,702.89		60,235,702.89
18																	
19	Return on Rate Base			445,872.20	445,872.20	445,872.20	445,872.20	445,872.20	445,872.20	445,872.20	445,872.20	445,872.20	445,872.20	445,872.20	432,494.86		5,337,089.08
20																	
21	Available for return (equity portion of rate base)			300,990.28	300,990.28	300,990.28	300,990.28	300,990.28	300,990.28	300,990.28	300,990.28	300,990.28	300,990.28	300,990.28	287,612.93		3,598,505.99
22															*rate change		
23	***EXPENSES***																
24	*O&M and Depreciation*																
25	Operating Costs			66,381.20	9,419.04	105,663.86	10,389.62	92,351.32	36,268.27	57,536.62	33,082.61	10,389.61	66,151.07	38,348.25	28,870.61		554,852.08
26	Ground Lease Payments			8,950.50	11,056.50	8,950.50	9,666.54	9,129.51	9,129.51	9,129.51	9,129.51	9,129.51	9,129.51	9,129.51	9,129.51		111,660.12
27	Property Tax			37,424.00	37,424.00	37,424.00	37,424.00	25,200.50	25,201.00	25,201.00	25,201.00	25,201.00	25,201.00	25,201.00	(41,907.62)		284,194.88
28	Book Depreciation			254,282.51	254,282.51	254,282.51	254,282.51	255,156.48	255,156.48	255,156.48	255,156.48	255,156.48	255,467.26	255,467.26	255,467.26		3,059,314.25
29	Total O&M and Depreciation Expense			367,038.21	312,182.05	406,320.87	311,762.67	381,837.81	325,755.26	347,023.61	322,569.60	299,876.60	355,948.84	328,146.02	251,559.76		4,010,021.33
30																	
31	Income before Taxes																
32	Available for return (from above)			300,990.28	300,990.28	300,990.28	300,990.28	300,990.28	300,990.28	300,990.28	300,990.28	300,990.28	300,990.28	300,990.28	287,612.93		3,598,505.99
33	Less book tax credits - Federal PTC			(361,515.04)	(288,437.98)	(327,769.66)	(269,560.98)	(290,604.59)	(205,541.99)	(226,791.92)	(205,205.74)	(272,118.00)	(214,081.10)	(324,846.90)	(337,073.50)		(3,323,547.40)
34	Less book tax credits - ND ITC	x		(38,968.71)	(38,968.71)	(38,968.71)	(38,968.71)	(38,968.71)	(38,968.71)	(38,968.71)	(38,968.71)	(38,959.28)	(38,959.28)	(38,959.28)	(38,959.28)		(467,586.80)
35	ND ITC - Federal impact			13,639.05	13,639.05	13,639.05	13,639.05	13,639.05	13,639.05	13,639.05	13,639.05	13,635.75	13,635.75	13,635.75	13,635.75		163,655.40
36	Less: Section 199 Deduction																
37	Adjusted Income before interest and taxes			(85,854.42)	(12,777.36)	(52,109.04)	6,099.64	(14,943.98)	70,118.62	48,868.70	70,454.88	3,548.75	61,585.65	(49,180.15)	(74,784.10)		(28,972.81)
38	Taxable Income (grossed up)		1.643655	(141,115.05)	(21,001.58)	(85,649.29)	10,025.71	(24,562.74)	115,250.83	80,323.29	115,803.51	5,832.92	101,225.56	(80,835.20)	(122,919.25)		(47,621.31)
39																	
40	Income Taxes																
41	Current and Def Income Taxes		39.160%	(55,260.65)	(8,224.22)	(33,540.26)	3,926.07	(9,618.77)	45,132.22	31,454.60	45,348.65	2,284.17	39,639.93	(31,655.07)	(48,135.18)		(18,648.50)
42	Tax Adjustment for Additional Tax Basis		32.760%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
43	Federal PTC		6.40%	(361,515.04)	(288,437.98)	(327,769.66)	(269,560.98)	(290,604.59)	(205,541.99)	(226,791.92)	(205,205.74)	(272,118.00)	(214,081.10)	(324,846.90)	(337,073.50)		(3,323,547.40)
44	ND ITC			(38,968.71)	(38,968.71)	(38,968.71)	(38,968.71)	(38,968.71)	(38,968.71)	(38,968.71)	(38,968.71)	(38,959.28)	(38,959.28)	(38,959.28)	(38,959.28)		(467,586.80)
45	ND ITC - Federal impact			13,639.05	13,639.05	13,639.05	13,639.05	13,639.05	13,639.05	13,639.05	13,639.05	13,635.75	13,635.75	13,635.75	13,635.75		163,655.40
46	Total Income Tax Expense			(442,105.36)	(321,991.86)	(386,639.58)	(290,964.57)	(325,553.02)	(185,739.43)	(220,666.98)	(185,186.75)	(295,157.36)	(199,764.70)	(381,825.50)	(410,532.21)		(3,646,127.31)
47																	
48																	
49	***REVENUE REQUIRMENTS***																
50	Expenses			(75,067.14)	(9,809.81)	19,681.30	20,798.10	56,284.79	140,015.83	126,356.63	137,382.85	4,719.24	156,184.14	(53,679.47)	(158,972.45)		363,894.02
51	Return on rate base			445,872.20	445,872.20	445,872.20	445,872.20	445,872.20	445,872.20	445,872.20	445,872.20	445,872.20	445,872.20	445,872.20	432,494.86		5,337,089.08
52																	
53	Total revenue requirements			370,805.06	436,062.40	465,553.50	466,670.31	502,156.99	585,888.03	572,228.84	583,255.05	450,591.44	602,056.35	392,192.73	273,522.41		5,700,983.10
54																	
55	North Dakota share - E2 factor		38.830%	143,983.60	169,323.03	180,774.42	181,208.08	194,987.56	227,500.32	222,196.46	226,477.94	174,964.66	233,778.48	152,288.44	112,193.35		**2,219,676.34**
			41.018%	*effective 12-1-2009													

Otter Tail Power Company
North Dakota Renewable Resource Rider
Langdon Wind Farm

			2008				2009									
	SUPPORTING INFORMATION / DATA															
Line																
1	MN Capstructure with allowed ROE per order.						Effective 12-1-2009									
2	Capital Structure		Ratio	Cost	WA Cost		Ratio	Cost	WA Cost							
3	Debt		43.10%	6.30%	2.72%		43.10%	6.30%	2.72%							
4	Preferred equity		3.60%	4.75%	0.17%		3.60%	4.75%	0.17%							
5	Common equity		53.30%	11.25%	6.00%		53.30%	10.75%	5.73%							
6	Total		100.00%		8.88%		100.00%		8.62%							
7																
8																
9	**Federal Production Tax Credit**															
10	Federal PTC Rate		$21.000	$21.000	$21.000	$21.000	$21.000	$21.000	$21.000	$21.000	$21.000	$21.000	$21.000	$21.000	$21.000	$21.000
11	Output (MWH) / month		17,215	13,735	15,608	12,836	13,838	9,788	10,800	9,772	12,958	10,194	15,469	16,051	158,264	
12	Federal PTC Available based on production	x	361,515	288,438	327,770	269,561	290,605	205,542	226,792	205,206	272,118	214,081	324,847	337,073	3,323,547	
13	Federal PTC Used on tax return		0	0	0	0	0	0	0	0	0	0	0	0	0	
14	Deferred		361,515	288,438	327,770	269,561	290,605	205,542	226,792	205,206	272,118	214,081	324,847	337,073	3,323,547	
15	Accumulated Deferred		361,515	649,953	977,723	1,247,284	1,537,888	1,743,430	1,970,222	2,175,428	2,447,546	2,661,627	2,986,474	3,323,547		
16																
17	**Deferred Tax**															
18	Book depr. rate		3.9222%	3.9222%	3.9222%	3.9222%	3.9414%	3.9414%	3.9414%	3.9414%	3.9414%	3.9414%	3.9414%	3.9414%		
19	Book depreciation	x	254,282.51	254,282.51	254,282.51	254,282.51	255,156.48	255,156.48	255,156.48	255,156.48	255,156.48	255,467.26	255,467.26	255,467.26	3,059,314.25	
20	Tax depreciation-ND		1,514,319.63	1,514,319.63	1,514,319.63	1,514,319.63	1,514,319.63	1,514,319.63	1,514,319.63	1,514,319.63	1,514,319.63	1,514,319.63	1,514,319.63	1,514,319.63	18,171,835.59	
21	Tax depreciation-Federal	x	1,514,319.63	1,514,319.63	1,514,319.63	1,514,319.63	1,514,319.63	1,514,319.63	1,514,319.63	1,514,319.63	1,514,319.63	1,514,319.63	1,514,319.63	1,514,319.63	18,171,835.59	
22	Book vs. tax depreciation	x	(1,260,037.12)	(1,260,037.12)	(1,260,037.12)	(1,260,037.12)	(1,259,163.15)	(1,259,163.15)	(1,259,163.15)	(1,259,163.15)	(1,259,163.15)	(1,258,852.37)	(1,258,852.37)	(1,258,852.37)	(15,112,521.35)	
23	Federal & State deferred income taxes		(493,430.54)	(493,430.54)	(493,430.54)	(493,430.54)	(493,088.29)	(493,088.29)	(493,088.29)	(493,088.29)	(493,088.29)	(492,966.59)	(492,966.59)	(492,966.59)	(5,918,063.36)	
24																
25	Additional Tax Basis (permanent difference)													0.00	0.00	
26	Tax Impact-ND													0.00	0.00	
27	Tax Impact-Federal													0.00	0.00	
28	Total Tax Impact													0.00	0.00	

	PROOF	**Jan-09**	**Feb-09**	**Mar-09**	**Apr-09**	**May-09**	**Jun-09**	**Jul-09**	**Aug-09**	**Sep-09**	**Oct-09**	**Nov-09**	**Dec-09**	**Year End 2009**
1	Revenue	370,805.06	436,062.40	465,553.50	466,670.31	502,156.99	585,888.03	572,228.84	583,255.05	450,591.44	602,056.35	392,192.73	273,522.41	5,700,983.10
2														
3	Expenses													
4	O/M and Book Depreciation	367,038.21	312,182.05	406,320.87	311,762.67	381,837.81	325,755.26	347,023.61	322,569.60	299,876.60	355,948.84	328,146.02	251,559.76	4,010,021.33
5	Interest on Debt	136,298.34	136,298.34	136,298.34	136,298.34	136,298.34	136,298.34	136,298.34	136,298.34	136,298.34	136,298.34	136,298.34	136,298.34	1,635,580.04
6														
7	Income Taxes													
8	Current Income Tax	(548,691.20)	(501,654.76)	(526,970.80)	(489,504.47)	(502,707.06)	(447,956.06)	(461,633.69)	(447,739.63)	(490,804.12)	(453,326.65)	(524,621.66)	(541,101.78)	(5,936,711.87)
9	Deferred Income Tax	493,430.54	493,430.54	493,430.54	493,430.54	493,088.29	493,088.29	493,088.29	493,088.29	493,088.29	492,966.59	492,966.59	492,966.59	5,918,063.36
10	Permanent Tax Difference - 30% Grant	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11	Federal Production Tax Credit													
12	Generated PTC	(361,515.04)	(288,437.98)	(327,769.66)	(269,560.98)	(290,604.59)	(205,541.99)	(226,791.92)	(205,205.74)	(272,118.00)	(214,081.10)	(324,846.90)	(337,073.50)	(3,323,547.40)
13	Deferred PTC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
14	ND Investment Tax Credit													
15	Current ITC	(25,329.66)	(25,329.66)	(25,329.66)	(25,329.66)	(25,329.66)	(25,329.66)	(25,329.66)	(25,329.66)	(25,323.53)	(25,323.53)	(25,323.53)	(25,323.53)	(303,931.40)
16	Deferred ITC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
17	Total Expenses	61,231.18	126,488.53	155,979.63	157,096.44	192,583.12	276,314.17	262,654.98	273,681.20	141,017.58	292,482.49	82,618.86	(22,674.12)	1,999,474.06
18														
19	Net Income before preferred dividend	309,573.88	309,573.87	309,573.87	309,573.86	309,573.87	309,573.86	309,573.86	309,573.86	309,573.87	309,573.86	309,573.87	296,196.53	3,701,509.04
20	Dividend on Preferred Stock	(8,583.59)	(8,583.59)	(8,583.59)	(8,583.59)	(8,583.59)	(8,583.59)	(8,583.59)	(8,583.59)	(8,583.59)	(8,583.59)	(8,583.59)	(8,583.59)	(103,003.05)
21														
22	Income available for Common Stock	**300,990.29**	**300,990.28**	**300,990.28**	**300,990.28**	**300,990.28**	**300,990.27**	**300,990.27**	**300,990.27**	**300,990.28**	**300,990.27**	**300,990.28**	**287,612.94**	**3,598,505.99**
23														
24	**Average Rate Base**	60,235,702.89	60,235,702.89	60,235,702.89	60,235,702.89	60,235,702.89	60,235,702.89	60,235,702.89	60,235,702.89	60,235,702.89	60,235,702.89	60,235,702.89	60,235,702.89	60,235,702.89
25	Equity Percent	2,675,469.14	2,675,469.14	2,675,469.14	2,675,469.14	2,675,469.14	2,675,469.14	2,675,469.14	2,675,469.14	2,675,469.14	2,675,469.14	2,675,469.14	2,675,469.14	32,105,629.64
26	Return on Equity Check	**11.25%**	**11.25%**	**11.25%**	**11.25%**	**11.25%**	**11.25%**	**11.25%**	**11.25%**	**11.25%**	**11.25%**	**11.25%**	**10.75%**	**11.21%**
27														
28	**Tax Calculation**													
29	Income Before Income Taxes													
30	Net Income after prfd	300,990.29	300,990.28	300,990.28	300,990.28	300,990.28	300,990.27	300,990.27	300,990.27	300,990.28	300,990.27	300,990.28	287,612.94	3,598,505.99
	Less Section 199 Deduction													
31	Less Income Taxes	(442,105.37)	(321,991.86)	(386,639.59)	(290,964.57)	(325,553.03)	(185,739.42)	(220,666.97)	(185,186.74)	(295,157.36)	(199,764.69)	(381,825.50)	(410,532.22)	(3,646,127.31)
32	Total	(141,115.08)	(21,001.58)	(85,649.30)	10,025.71	(24,562.75)	115,250.85	80,323.30	115,803.53	5,832.92	101,225.58	(80,835.22)	(122,919.28)	(47,621.32)
33														
34	Book Depreciation	254,282.51	254,282.51	254,282.51	254,282.51	255,156.48	255,156.48	255,156.48	255,156.48	255,156.48	255,467.26	255,467.26	255,467.26	3,059,314.25
35	Tax Depreciation	(1,514,319.63)	(1,514,319.63)	(1,514,319.63)	(1,514,319.63)	(1,514,319.63)	(1,514,319.63)	(1,514,319.63)	(1,514,319.63)	(1,514,319.63)	(1,514,319.63)	(1,514,319.63)	(1,514,319.63)	(18,171,835.59)
36	Tax Depreciation - Permanent Difference	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
37	Taxable income	(1,401,152.20)	(1,281,038.70)	(1,345,686.42)	(1,250,011.41)	(1,283,725.90)	(1,143,912.31)	(1,178,839.85)	(1,143,359.62)	(1,253,330.23)	(1,157,626.79)	(1,339,687.59)	(1,381,771.65)	(15,160,142.67)
38	Current income tax	(548,691.20)	(501,654.76)	(526,970.80)	(489,504.47)	(502,707.06)	(447,956.06)	(461,633.69)	(447,739.63)	(490,804.12)	(453,326.65)	(524,621.66)	(541,101.78)	(5,936,711.87)
39	Tie to RR calculation													
40	Total Tax	(0.01)	(0.00)	(0.01)	0.00	(0.00)	0.01	0.01	0.01	0.00	0.01	(0.01)	(0.01)	(0.00)
41	Income Requirement for Return	0.01	0.00	0.01	(0.00)	0.00	(0.01)	(0.01)	(0.01)	(0.00)	(0.01)	0.01	0.01	(53.51)

Otter Tail Power Company
North Dakota Renewable Resource Rider
Langdon Wind Farm

Line		2009 Balance Dec-09	2010 Actual Jan-10	Actual Feb-10	Actual Mar-10	Actual Apr-10	Actual May-10	Actual Jun-10	Actual Jul-10	Actual Aug-10	Actual Sep-10	Actual Oct-10	Actual Nov-10	Actual Dec-10	2010 YE Balance	
1	***RATE BASE***															
2	Plant Balance - Langdon	77,780,376.85	77,780,376.85	77,780,376.85	77,780,376.85	77,780,376.85	77,780,376.85	77,780,376.85	77,780,376.85	77,780,376.85	77,780,376.85	77,780,376.85	77,780,376.85	77,780,376.85		
3	Less: Federal Grant	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
4	Accumulated. Depreciation	(6,097,712.59)	(6,351,907.58)	(6,606,102.56)	(6,860,297.54)	(7,114,492.53)	(7,368,687.51)	(7,622,882.49)	(7,877,077.47)	(8,131,272.46)	(8,385,467.44)	(8,639,662.42)	(8,893,857.41)	(9,148,052.39)		
5	Net Plant in Service	71,682,664.26	71,428,469.27	71,174,274.29	70,920,079.31	70,665,884.32	70,411,689.34	70,157,494.36	69,903,299.38	69,649,104.39	69,394,909.41	69,140,714.43	68,886,519.44	68,632,324.46		
6	Inventory	282,677.00	282,677.00	282,677.00	282,677.00	282,677.00	282,677.00	282,677.00	282,677.00	282,677.00	282,677.00	282,677.00	282,677.00	282,677.00		
7	ADIT Pro-Rated															
8	Accum. Deferred Inc. Taxes - Fed & State	(17,419,289.58)	(17,675,436.84)	(17,931,584.11)	(18,187,731.37)	(18,443,878.63)	(18,700,025.89)	(18,956,173.15)	(19,212,320.41)	(19,468,467.67)	(19,724,614.93)	(19,980,762.19)	(20,236,909.46)	(20,493,056.72)		
9	Accum. Deferred Inc. Taxes - Basis Difference	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
10	Accum. Deferred Inc. Taxes - Federal PTC	3,323,547.40	3,627,896.48	3,817,426.57	3,227,107.20	3,504,176.70	3,828,693.11	3,202,236.06	3,402,525.79	3,645,236.53	3,131,892.19	3,456,341.85	3,724,098.70	3,182,670.33		
11	Accum. Deferred Inc. Taxes - ND ITC	10,228,533.53	10,228,533.53	10,228,533.53	10,228,533.53	10,228,533.53	10,228,533.53	10,228,533.53	10,228,533.53	10,228,533.53	10,228,533.53	10,228,533.53	10,228,533.53	10,228,533.53	x	
12	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC	(3,579,986.73)	(3,579,986.73)	(3,579,986.73)	(3,579,986.73)	(3,579,986.73)	(3,579,986.73)	(3,579,986.73)	(3,579,986.73)	(3,579,986.73)	(3,579,986.73)	(3,579,986.73)	(3,579,986.73)	(3,579,986.73)	x	
13	Accum. Deferred Inc. Taxes - ND ITC	(10,713,801.03)	(10,674,841.75)	(10,635,882.47)	(10,596,923.19)	(10,557,963.91)	(10,519,004.63)	(10,480,045.35)	(10,441,086.07)	(10,402,126.79)	(10,363,167.51)	(10,324,208.23)	(10,285,248.95)	(10,246,289.67)	x	
14	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC	3,749,830.38	3,736,194.63	3,722,558.88	3,708,923.13	3,695,287.38	3,681,651.63	3,668,015.88	3,654,380.13	3,640,744.38	3,627,108.63	3,613,472.88	3,599,837.13	3,586,201.38	x	
15	End of month rate base	57,554,175.22	57,373,505.59	57,078,016.96	56,002,678.88	55,794,729.66	55,634,227.36	54,522,751.59	54,238,022.62	53,995,714.64	52,997,351.58	52,836,782.53	52,619,520.67	51,593,073.59		
16																
17	Average rate base	60,235,702.89	54,787,734.68	54,787,734.68	54,787,734.68	54,787,734.68	54,787,734.68	54,787,734.68	54,787,734.68	54,787,734.68	54,787,734.68	54,787,734.68	54,787,734.68	54,787,734.68	54,787,734.68	
18																
19	Return on Rate Base		393,378.22	393,378.22	393,378.22	393,378.22	393,378.22	393,378.22	393,378.22	393,378.22	393,378.22	393,378.22	393,378.22	393,378.22	4,720,538.61	
20																
21	Available for return (equity portion of rate base)		261,600.02	261,600.02	261,600.02	261,600.02	261,600.02	261,600.02	261,600.02	261,600.02	261,600.02	261,600.02	261,600.02	261,600.02	3,139,200.23	
22																
23	***EXPENSES***															
24	*O&M and Depreciation*															
25	Operating Costs		61,267.07	36,825.82	52,543.38	77,281.71	37,428.09	78,448.77	39,640.56	40,321.77	146,340.13	38,620.16	145,509.84	(10,645.77)	743,581.53	
26	Ground Lease Payments		9,312.10	9,312.10	9,312.10	(15,687.90)	34,312.10	9,312.10	9,312.10	9,312.10	9,312.10	9,312.10	9,312.10	9,312.10	111,745.20	
27	Property Tax		28,055.00	28,055.00	28,055.00	28,055.00	28,055.00	28,055.00	28,055.00	28,055.00	16,390.00	16,390.00	16,390.00	16,390.00	290,000.00	
28	Book Depreciation		254,194.98	254,194.98	254,194.98	254,194.98	254,194.98	254,194.98	254,194.98	254,194.98	254,194.98	254,194.98	254,194.98	254,194.98	3,050,339.80	
29	Total O&M and Depreciation Expense	0	352,829.15	328,387.90	344,105.46	343,843.79	353,990.17	370,010.85	331,202.64	331,883.85	426,237.21	318,517.24	425,406.92	269,251.31	4,195,666.53	
30																
31	Income before Taxes															
32	Available for return (from above)		261,600.02	261,600.02	261,600.02	261,600.02	261,600.02	261,600.02	261,600.02	261,600.02	261,600.02	261,600.02	261,600.02	261,600.02	3,139,200.23	
33	Less book tax credits - Federal PTC	0	(304,349.08)	(189,530.09)	(240,567.38)	(277,069.50)	(324,516.41)	(204,429.70)	(200,289.74)	(242,710.73)	(317,542.41)	(324,449.66)	(267,756.85)	(289,458.38)	(3,182,669.93)	
34	Less book tax credits - ND ITC		(38,959.28)	(38,959.28)	(38,959.28)	(38,959.28)	(38,959.28)	(38,959.28)	(38,959.28)	(38,959.28)	(38,959.28)	(38,959.28)	(38,959.28)	(38,959.28)	(467,511.36)	
35	ND ITC - Federal impact		13,635.75	13,635.75	13,635.75	13,635.75	13,635.75	13,635.75	13,635.75	13,635.75	13,635.75	13,635.75	13,635.75	13,635.75	163,629.00	
36	Less: Section 199 Deduction															
37	Adjusted Income before interest and taxes		(68,072.59)	46,746.40	(4,290.89)	(40,793.01)	(88,239.92)	31,846.79	35,986.75	(6,434.24)	(81,265.92)	(88,173.17)	(31,480.36)	(53,181.89)	(347,352.06)	
38	Taxable Income (grossed up)	1.643655	(111,887.85)	76,834.96	(7,052.75)	(67,049.63)	(145,035.99)	52,345.14	59,149.80	(10,575.68)	(133,573.14)	(144,926.28)	(51,742.86)	(87,412.68)	(570,926.95)	
39																
40	Income Taxes															
41	Current and Def Income Taxes	39.160%	(43,815.28)	30,088.57	(2,761.86)	(26,256.64)	(56,796.09)	20,498.36	23,163.06	(4,141.43)	(52,307.24)	(56,753.13)	(20,262.50)	(34,230.80)	(223,574.99)	
42	Tax Adjustment for Additional Tax Basis	32.760%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
43	Federal PTC	6.40%	(304,349.08)	(189,530.09)	(240,567.38)	(277,069.50)	(324,516.41)	(204,429.70)	(200,289.74)	(242,710.73)	(317,542.41)	(324,449.66)	(267,756.85)	(289,458.38)	(3,182,669.93)	
44	ND ITC		(38,959.28)	(38,959.28)	(38,959.28)	(38,959.28)	(38,959.28)	(38,959.28)	(38,959.28)	(38,959.28)	(38,959.28)	(38,959.28)	(38,959.28)	(38,959.28)	(467,511.36)	
45	ND ITC - Federal impact		13,635.75	13,635.75	13,635.75	13,635.75	13,635.75	13,635.75	13,635.75	13,635.75	13,635.75	13,635.75	13,635.75	13,635.75	163,629.00	
46	Total Income Tax Expense		(373,487.89)	(184,765.05)	(268,652.77)	(328,649.66)	(406,636.04)	(209,254.87)	(202,450.21)	(272,175.70)	(395,173.18)	(406,526.33)	(313,342.88)	(349,012.71)	(3,710,127.28)	
47																
48																
49	***REVENUE REQUIRMENTS***															
50	Expenses		(20,658.74)	143,622.85	75,452.69	15,194.13	(52,645.86)	160,755.98	128,752.44	59,708.16	31,064.03	(88,009.08)	112,064.04	(79,761.40)	485,539.24	
51	Return on rate base		393,378.22	393,378.22	393,378.22	393,378.22	393,378.22	393,378.22	393,378.22	393,378.22	393,378.22	393,378.22	393,378.22	393,378.22	4,720,538.61	
52																
53	Total revenue requirements		372,719.48	537,001.07	468,830.91	408,572.35	340,732.35	554,134.20	522,130.66	453,086.37	424,442.25	305,369.14	505,442.26	313,616.82	5,206,077.85	
54																
55	North Dakota share - E2 factor	41.018%	152,881.98	220,266.97	192,304.95	167,588.10	139,761.51	227,294.63	214,167.42	185,846.86	174,097.61	125,256.24	207,322.18	128,639.27	**2,135,427.71**	

Otter Tail Power Company
North Dakota Renewable Resource Rider
Langdon Wind Farm

2009 **2010**

SUPPORTING INFORMATION / DATA

Line			Ratio	Cost	WA Cost										
1	MN Capstructure with allowed ROE per order.														
2	Capital Structure														
3	Debt		43.10%	6.30%	2.72%										
4	Preferred equity		3.60%	4.75%	0.17%										
5	Common equity		53.30%	10.75%	5.73%										
6	Total		100.00%		8.62%										
7															
8															
9	**Federal Production Tax Credit**														
10	Federal PTC Rate		$22.000	$22.000	$22.000	$22.000	$22.000	$22.000	$22.000	$22.000	$22.000	$22.000	$22.000	$22.000	$22.000
11	Output (MWH) / month	0	13,834	8,615	10,935	12,594	14,751	9,292	9,104	11,032	14,434	14,748	12,171	13,157	144,667
12	Federal PTC Available based on production	0	304,349	189,530	240,567	277,069	324,516	204,430	200,290	242,711	317,542	324,450	267,757	289,458	3,182,670
13	Federal PTC Used on tax return		0	0	830,887	0	0	830,887	0	0	830,887	0	0	830,887	3,323,547
14	Deferred		304,349	189,530	(590,319)	277,069	324,516	(626,457)	200,290	242,711	(513,344)	324,450	267,757	(541,428)	(140,877)
15	Accumulated Deferred		3,627,896	3,817,427	3,227,107	3,504,177	3,828,693	3,202,236	3,402,526	3,645,237	3,131,892	3,456,342	3,724,099	3,182,670	
16															
17	**Deferred Tax**														
18	Book depr. rate		3.921734%	3.921734%	3.921734%	3.921734%	3.921734%	3.921734%	3.921734%	3.921734%	3.921734%	3.921734%	3.921734%	3.921734%	
19	Book depreciation	0	254,194.98	254,194.98	254,194.98	254,194.98	254,194.98	254,194.98	254,194.98	254,194.98	254,194.98	254,194.98	254,194.98	254,194.98	3,050,339.80
20	Tax depreciation-ND		908,299.33	908,299.33	908,299.33	908,299.33	908,299.33	908,299.33	908,299.33	908,299.33	908,299.33	908,299.33	908,299.33	908,299.33	10,899,591.93
21	Tax depreciation-Federal		908,299.33	908,299.33	908,299.33	908,299.33	908,299.33	908,299.33	908,299.33	908,299.33	908,299.33	908,299.33	908,299.33	908,299.33	10,899,591.93
22	Book vs. tax depreciation		(654,104.34)	(654,104.34)	(654,104.34)	(654,104.34)	(654,104.34)	(654,104.34)	(654,104.34)	(654,104.34)	(654,104.34)	(654,104.34)	(654,104.34)	(654,104.34)	(7,849,252.13)
23	Federal & State deferred income taxes	0	(256,147.26)	(256,147.26)	(256,147.26)	(256,147.26)	(256,147.26)	(256,147.26)	(256,147.26)	(256,147.26)	(256,147.26)	(256,147.26)	(256,147.26)	(256,147.26)	(3,073,767.13)
24															
25	Additional Tax Basis (permanent difference)		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
26	Tax Impact-ND		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
27	Tax Impact-Federal		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
28	Total Tax Impact		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

	PROOF	**Jan-10**	**Feb-10**	**Mar-10**	**Apr-10**	**May-10**	**Jun-10**	**Jul-10**	**Aug-10**	**Sep-10**	**Oct-10**	**Nov-10**	**Dec-10**	**Year End 2010**
1	Revenue	372,719.48	537,001.07	468,830.91	408,572.35	340,732.35	554,134.20	522,130.66	453,086.37	424,442.25	305,369.14	505,442.26	313,616.82	5,206,077.85
2														
3	Expenses													
4	O/M and Book Depreciation	352,829.15	328,387.90	344,105.46	343,843.79	353,990.17	370,010.85	331,202.64	331,883.85	426,237.21	318,517.24	425,406.92	269,251.31	4,195,666.53
5	Interest on Debt	123,970.95	123,970.95	123,970.95	123,970.95	123,970.95	123,970.95	123,970.95	123,970.95	123,970.95	123,970.95	123,970.95	123,970.95	1,487,651.36
6														
7	Income Taxes													
8	Current Income Tax	(299,962.55)	(226,058.69)	(258,909.12)	(282,403.90)	(312,943.37)	(235,648.90)	(232,984.19)	(260,288.70)	(308,454.51)	(312,900.40)	(276,409.77)	(290,378.07)	(3,297,342.17)
9	Deferred Income Tax	256,147.26	256,147.26	256,147.26	256,147.26	256,147.26	256,147.26	256,147.26	256,147.26	256,147.26	256,147.26	256,147.26	256,147.26	3,073,767.13
10	Permanent Tax Difference - 30% Grant	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11	Federal Production Tax Credit													
12	Generated PTC	0.00	0.00	(830,886.75)	0.00	0.00	(830,886.75)	0.00	0.00	(830,886.75)	0.00	0.00	(830,886.75)	(3,323,547.00)
13	Deferred PTC	(304,349.08)	(189,530.09)	590,319.37	(277,069.50)	(324,516.41)	626,457.05	(200,289.74)	(242,710.73)	513,344.34	(324,449.66)	(267,756.85)	541,428.37	140,877.07
14	ND Investment Tax Credit													
15	Current ITC	(25,323.53)	(25,323.53)	(25,323.53)	(25,323.53)	(25,323.53)	(25,323.53)	(25,323.53)	(25,323.53)	(25,323.53)	(25,323.53)	(25,323.53)	(25,323.53)	(303,882.36)
16	Deferred ITC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
17	Total Expenses	103,312.20	267,593.81	199,423.64	139,165.07	71,325.07	284,726.93	252,723.39	183,679.10	155,034.97	35,961.85	236,034.98	44,209.54	1,973,190.56
18														
19	Net Income before preferred dividend	269,407.28	269,407.27	269,407.27	269,407.28	269,407.28	269,407.27	269,407.27	269,407.27	269,407.28	269,407.28	269,407.27	269,407.28	3,232,887.29
20	Dividend on Preferred Stock	(7,807.25)	(7,807.25)	(7,807.25)	(7,807.25)	(7,807.25)	(7,807.25)	(7,807.25)	(7,807.25)	(7,807.25)	(7,807.25)	(7,807.25)	(7,807.25)	(93,687.03)
21														
22	Income available for Common Stock	**261,600.03**	**261,600.01**	**261,600.02**	**261,600.02**	**261,600.03**	**261,600.02**	**261,600.01**	**261,600.02**	**261,600.03**	**261,600.03**	**261,600.02**	**261,600.03**	**3,139,200.27**
23														
24	**Average Rate Base**	54,787,734.68	54,787,734.68	54,787,734.68	54,787,734.68	54,787,734.68	54,787,734.68	54,787,734.68	54,787,734.68	54,787,734.68	54,787,734.68	54,787,734.68	54,787,734.68	54,787,734.68
25	Equity Percent	2,433,488.55	2,433,488.55	2,433,488.55	2,433,488.55	2,433,488.55	2,433,488.55	2,433,488.55	2,433,488.55	2,433,488.55	2,433,488.55	2,433,488.55	2,433,488.55	29,201,862.59
26	Return on Equity Check	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**
27														
28	**Tax Calculation**													
29	Income Before Income Taxes													
30	Net Income after prfd	261,600.03	261,600.01	261,600.02	261,600.02	261,600.03	261,600.02	261,600.01	261,600.02	261,600.03	261,600.03	261,600.02	261,600.03	3,139,200.27
	Less Section 199 Deduction													
31	Less Income Taxes	(373,487.90)	(184,765.04)	(268,652.77)	(328,649.67)	(406,636.05)	(209,254.87)	(202,450.20)	(272,175.70)	(395,173.19)	(406,526.34)	(313,342.89)	(349,012.72)	(3,710,127.33)
32	Total	(111,887.87)	76,834.97	(7,052.75)	(67,049.64)	(145,036.02)	52,345.15	59,149.81	(10,575.68)	(133,573.16)	(144,926.31)	(51,742.87)	(87,412.69)	(570,927.06)
33														
34	Book Depreciation	254,194.98	254,194.98	254,194.98	254,194.98	254,194.98	254,194.98	254,194.98	254,194.98	254,194.98	254,194.98	254,194.98	254,194.98	3,050,339.80
35	Tax Depreciation	(908,299.33)	(908,299.33)	(908,299.33)	(908,299.33)	(908,299.33)	(908,299.33)	(908,299.33)	(908,299.33)	(908,299.33)	(908,299.33)	(908,299.33)	(908,299.33)	(10,899,591.93)
36	Tax Depreciation - Permanent Difference	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
37	Taxable income	(765,992.22)	(577,269.37)	(661,157.09)	(721,153.99)	(799,140.36)	(601,759.20)	(594,954.53)	(664,680.02)	(787,677.51)	(799,030.65)	(705,847.21)	(741,517.04)	(8,420,179.19)
38	Current income tax	(299,962.55)	(226,058.69)	(258,909.12)	(282,403.90)	(312,943.37)	(235,648.90)	(232,984.19)	(260,288.70)	(308,454.51)	(312,900.40)	(276,409.77)	(290,378.07)	(3,297,342.17)
39	Tie to RR calculation													
40	Total Tax	(0.01)	0.01	(0.00)	(0.00)	(0.01)	0.00	0.00	(0.00)	(0.01)	(0.01)	(0.00)	(0.01)	(0.04)
41	Income Requirement for Return	0.01	(0.01)	0.00	0.00	0.01	(0.00)	(0.00)	0.00	0.01	0.01	0.00	0.01	0.04

Otter Tail Power Company
North Dakota Renewable Resource Rider
Langdon Wind Farm

Line		2010 Balance Dec-10	Actual Jan-11	Actual Feb-11	Actual Mar-11	Actual Apr-11	Actual May-11	Actual Jun-11	2011 Actual Jul-11	Actual Aug-11	Actual Sep-11	Actual Oct-11	Actual Nov-11	Actual Dec-11	2011 YE Balance	
1	***RATE BASE***															
2	Plant Balance - Langdon	77,780,376.85	77,780,376.85	77,780,376.85	77,780,376.85	77,780,376.85	77,780,376.85	77,780,376.85	77,780,376.85	77,780,376.85	77,780,376.85	77,780,376.85	77,780,376.85	78,263,066.03		
3	Less: Federal Grant	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
4	Accumulated. Depreciation	(9,148,052.39)	(9,402,247.47)	(9,656,442.55)	(9,910,637.63)	(10,164,832.71)	(10,419,027.79)	(10,673,222.87)	(10,927,417.95)	(11,181,613.03)	(11,435,808.11)	(11,690,003.19)	(11,944,198.27)	(11,817,300.03)		
5	Net Plant in Service	68,632,324.46	68,378,129.38	68,123,934.30	67,869,739.22	67,615,544.14	67,361,349.06	67,107,153.98	66,852,958.90	66,598,763.82	66,344,568.74	66,090,373.66	65,836,178.58	66,445,766.00		
6	Inventory	282,677.00	282,677.00	282,677.00	277,342.88	277,342.88	267,506.07	267,506.07	267,506.07	260,593.88	260,593.88	260,593.88	260,593.88	233,176.65		
7	ADIT Pro-Rated															
8	Accum. Deferred Inc. Taxes - Fed & State	(20,493,056.72)	(20,694,753.78)	(20,896,450.85)	(21,098,147.91)	(21,299,844.98)	(21,501,542.04)	(21,703,239.11)	(21,904,936.18)	(22,106,633.24)	(22,308,330.31)	(22,510,027.37)	(22,711,724.44)	(22,913,421.50)		
9	Accum. Deferred Inc. Taxes - Basis Difference	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
10	Accum. Deferred Inc. Taxes - Federal PTC	3,182,670.33	3,455,978.58	3,860,747.51	4,121,893.96	4,401,922.61	4,743,512.98	5,004,296.49	5,199,414.62	5,433,502.63	5,732,001.12	6,081,206.08	6,461,348.22	6,816,005.31		
11	Accum. Deferred Inc. Taxes - ND ITC	10,228,533.53	10,228,533.53	10,228,533.53	10,228,533.53	10,228,533.53	10,228,533.53	3,249,895.93	3,249,895.93	3,249,895.93	3,249,895.93	3,249,895.93	3,249,895.93	3,322,299.31	x	
12	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC	(3,579,986.73)	(3,579,986.73)	(3,579,986.73)	(3,579,986.73)	(3,579,986.73)	(3,579,986.73)	(1,137,463.57)	(1,137,463.57)	(1,137,463.57)	(1,137,463.57)	(1,137,463.57)	(1,137,463.57)	(1,162,804.75)	x	
13	Accum. Deferred Inc. Taxes - ND ITC	(10,246,289.67)	(10,207,330.39)	(10,168,371.11)	(10,129,411.83)	(10,090,452.55)	(10,051,493.27)	(3,060,945.38)	(3,049,035.09)	(3,037,124.80)	(3,025,214.51)	(3,013,304.22)	(3,001,393.93)	(3,061,599.70)	x	
14	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC	3,586,201.38	3,572,565.63	3,558,929.88	3,545,294.13	3,531,658.38	3,518,022.63	1,071,330.87	1,067,162.27	1,062,993.67	1,058,825.07	1,054,656.46	1,050,487.86	1,071,559.88	x	
15	End of month rate base	51,593,073.59	51,435,813.21	51,410,013.53	51,235,257.24	51,084,717.28	50,985,902.22	50,798,535.28	50,545,502.96	50,324,528.32	50,174,876.35	50,075,930.85	50,007,922.53	50,750,981.20		
16																
17	Average rate base	54,787,734.68	50,801,773.43	50,801,773.43	50,801,773.43	50,801,773.43	50,801,773.43	50,801,773.43	50,801,773.43	50,801,773.43	50,801,773.43	50,801,773.43	50,801,773.43	50,801,773.43	50,801,773.43	
18																
19	Return on Rate Base		364,758.85	364,758.85	364,758.85	364,758.85	364,758.85	364,758.85	364,758.85	364,758.85	364,758.85	364,758.85	364,758.85	364,758.85	4,377,106.20	
20																
21	Available for return (equity portion of rate base)		242,567.88	242,567.88	242,567.88	242,567.88	242,567.88	242,567.88	242,567.88	242,567.88	242,567.88	242,567.88	242,567.88	242,567.88	2,910,814.61	
22																
23	***EXPENSES***															
24	*O&M and Depreciation*															
25	Operating Costs		10,827.83	136,705.64	52,193.13	10,694.99	121,068.12	32,835.14	45,456.22	60,446.72	59,802.85	12,365.18	107,888.25	124,537.68	774,821.75	
26	Ground Lease Payments		9,498.32	9,498.34	9,498.34	9,498.34	9,498.34	9,498.34	9,498.34	9,498.34	9,498.34	9,498.34	9,498.34	9,498.34	113,980.06	
27	Property Tax		26,835.00	26,835.00	26,835.00	26,835.00	26,835.00	26,835.00	10,665.00	10,665.00	10,665.00	10,665.00	10,665.00	10,665.00	225,000.00	
28	Book Depreciation	0	254,195.08	254,195.08	254,195.08	254,195.08	254,195.08	254,195.08	254,195.08	254,195.08	254,195.08	254,195.08	254,195.08	254,195.08	3,050,340.96	
29	Total O&M and Depreciation Expense	0	301,356.23	427,234.06	342,721.55	301,223.41	411,596.54	323,363.56	319,814.64	334,805.14	334,161.27	286,723.60	382,246.67	398,896.10	4,164,142.77	
30																
31	Income before Taxes															
32	Available for return (from above)		242,567.88	242,567.88	242,567.88	242,567.88	242,567.88	242,567.88	242,567.88	242,567.88	242,567.88	242,567.88	242,567.88	242,567.88	2,910,814.61	
33	Less book tax credits - Federal PTC		(273,308.24)	(404,768.94)	(261,146.45)	(280,028.65)	(341,590.37)	(260,783.51)	(195,118.13)	(234,088.01)	(298,498.49)	(349,204.97)	(380,142.14)	(354,657.09)	(3,633,334.98)	
34	Less book tax credits - ND ITC		(38,959.28)	(38,959.28)	(38,959.28)	(38,959.28)	(38,959.28)	(11,910.29)	(11,910.29)	(11,910.29)	(11,910.29)	(11,910.29)	(11,910.29)	(12,197.61)	(278,455.75)	
35	ND ITC - Federal impact		13,635.75	13,635.75	13,635.75	13,635.75	13,635.75	4,168.60	4,168.60	4,168.60	4,168.60	4,168.60	4,168.60	4,269.16	97,459.52	
36	Less: Section 199 Deduction															
37	Adjusted Income before interest and taxes		(56,063.89)	(187,524.58)	(43,902.09)	(62,784.30)	(124,346.02)	(25,957.32)	39,708.06	738.19	(63,672.29)	(114,378.77)	(145,315.94)	(120,017.66)	(903,516.60)	
38	Taxable Income (grossed up)	1.621994	(90,935.29)	(304,163.75)	(71,208.93)	(101,835.75)	(201,688.49)	(42,102.61)	64,406.24	1,197.34	(103,276.07)	(185,521.68)	(235,701.58)	(194,667.92)	(1,465,498.50)	
39																
40	Income Taxes															
41	Current and Def Income Taxes	38.348%	(34,871.87)	(116,640.71)	(27,307.20)	(39,051.97)	(77,343.50)	(16,145.51)	24,698.51	459.15	(39,604.31)	(71,143.85)	(90,386.84)	(74,651.26)	(561,989.37)	
42	Tax Adjustment for Additional Tax Basis	33.198%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
43	Federal PTC	5.15%	(273,308.24)	(404,768.94)	(261,146.45)	(280,028.65)	(341,590.37)	(260,783.51)	(195,118.13)	(234,088.01)	(298,498.49)	(349,204.97)	(380,142.14)	(354,657.09)	(3,633,334.98)	
44	ND ITC		(38,959.28)	(38,959.28)	(38,959.28)	(38,959.28)	(38,959.28)	(11,910.29)	(11,910.29)	(11,910.29)	(11,910.29)	(11,910.29)	(11,910.29)	(12,197.61)	(278,455.75)	
45	ND ITC - Federal impact		13,635.75	13,635.75	13,635.75	13,635.75	13,635.75	4,168.60	4,168.60	4,168.60	4,168.60	4,168.60	4,168.60	4,269.16	97,459.52	
46	Total Income Tax Expense		(333,503.64)	(546,733.18)	(313,777.18)	(344,404.15)	(444,257.40)	(284,670.71)	(178,161.32)	(241,370.54)	(345,844.48)	(428,090.51)	(478,270.67)	(437,236.80)	(4,376,320.58)	
47																
48																
49	***REVENUE REQUIRMENTS***															
50	Expenses		(32,147.41)	(119,499.12)	28,944.37	(43,180.74)	(32,660.86)	38,692.85	141,653.32	93,434.60	(11,683.21)	(141,366.91)	(96,024.00)	(38,340.70)	(212,177.81)	
51	Return on rate base		364,758.85	364,758.85	364,758.85	364,758.85	364,758.85	364,758.85	364,758.85	364,758.85	364,758.85	364,758.85	364,758.85	364,758.85	4,377,106.20	
52																
53	Total revenue requirements		332,611.44	245,259.73	393,703.22	321,578.11	332,097.99	403,451.70	506,412.17	458,193.45	353,075.64	223,391.94	268,734.85	326,418.15	4,164,928.39	
54																
55	North Dakota share - E2 factor	41.018%	136,430.48	100,600.57	161,489.09	131,904.83	136,219.87	165,487.72	207,720.02	187,941.67	144,824.48	91,630.85	110,229.59	133,890.12	**1,708,369.29**	

Otter Tail Power Company
North Dakota Renewable Resource Rider
Langdon Wind Farm

			2010			2011										
	SUPPORTING INFORMATION / DATA															
Line																
1	MN Capstructure with allowed ROE per order.															
2	Capital Structure		Ratio	Cost	WA Cost											
3	Debt		43.10%	6.30%	2.72%											
4	Preferred equity		3.60%	4.75%	0.17%											
5	Common equity		53.30%	10.75%	5.73%											
6	Total		100.00%		8.62%											
7																
8																
9	**Federal Production Tax Credit**															
10	Federal PTC Rate		$22.000	$22.000	$22.000	$22.000	$22.000	$22.000	$22.000	$22.000	$22.000	$22.000	$22.000	$22.000	$22.000	$22.000
11	Output (MWH) / month	0	12,423	18,399	11,870	12,729	15,527	11,854	8,869	9,606	13,568	15,873	17,279	16,121	164,118	
12	Federal PTC Available based on production	0	273,308	404,769	261,146	280,029	341,590	260,784	195,118	234,088	298,498	349,205	380,142	354,657	3,633,335	
13	Federal PTC Used on tax return		0	0	0	0	0	0	0	0	0	0	0	0	0	
14	Deferred		273,308	404,769	261,146	280,029	341,590	260,784	195,118	234,088	298,498	349,205	380,142	354,657	3,633,335	
15	Accumulated Deferred		3,455,979	3,860,748	4,121,894	4,401,923	4,743,513	5,004,296	5,199,415	5,433,503	5,732,001	6,081,206	6,461,348	6,816,005		
16																
17	**Deferred Tax**															
18	Book depr. rate		3.921735%	3.921735%	3.921735%	3.921735%	3.921735%	3.921735%	3.921735%	3.921735%	3.921735%	3.921735%	3.921735%	3.921735%		
19	Book depreciation	0	254,195.08	254,195.08	254,195.08	254,195.08	254,195.08	254,195.08	254,195.08	254,195.08	254,195.08	254,195.08	254,195.08	254,195.08	3,050,340.96	
20	Tax depreciation-ND		780,160.10	780,160.10	780,160.10	780,160.10	780,160.10	780,160.10	780,160.10	780,160.10	780,160.10	780,160.10	780,160.10	780,160.10	9,361,921.19	
21	Tax depreciation-Federal		780,160.10	780,160.10	780,160.10	780,160.10	780,160.10	780,160.10	780,160.10	780,160.10	780,160.10	780,160.10	780,160.10	780,160.10	9,361,921.19	
22	Book vs. tax depreciation		(525,965.02)	(525,965.02)	(525,965.02)	(525,965.02)	(525,965.02)	(525,965.02)	(525,965.02)	(525,965.02)	(525,965.02)	(525,965.02)	(525,965.02)	(525,965.02)	(6,311,580.23)	
23	Federal & State deferred income taxes	0	(201,697.07)	(201,697.07)	(201,697.07)	(201,697.07)	(201,697.07)	(201,697.07)	(201,697.07)	(201,697.07)	(201,697.07)	(201,697.07)	(201,697.07)	(201,697.07)	(2,420,364.79)	
24																
25	Additional Tax Basis (permanent difference)		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
26	Tax Impact-ND		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
27	Tax Impact-Federal		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
28	Total Tax Impact		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	

	PROOF	**Jan-11**	**Feb-11**	**Mar-11**	**Apr-11**	**May-11**	**Jun-11**	**Jul-11**	**Aug-11**	**Sep-11**	**Oct-11**	**Nov-11**	**Dec-11**	**Year End 2011**
1	Revenue	332,611.44	245,259.73	393,703.22	321,578.11	332,097.99	403,451.70	506,412.17	458,193.45	353,075.64	223,391.94	268,734.85	326,418.15	4,164,928.39
2														
3	Expenses													
4	O/M and Book Depreciation	301,356.23	427,234.06	342,721.55	301,223.41	411,596.54	323,363.56	319,814.64	334,805.14	334,161.27	286,723.60	382,246.67	398,896.10	4,164,142.77
5	Interest on Debt	114,951.71	114,951.71	114,951.71	114,951.71	114,951.71	114,951.71	114,951.71	114,951.71	114,951.71	114,951.71	114,951.71	114,951.71	1,379,420.55
6														
7	Income Taxes													
8	Current Income Tax	(236,569.11)	(318,338.37)	(229,004.40)	(240,749.24)	(279,040.96)	(217,842.66)	(176,998.43)	(201,237.91)	(241,301.58)	(272,841.28)	(292,084.37)	(276,348.70)	(2,982,357.01)
9	Deferred Income Tax	201,697.07	201,697.07	201,697.07	201,697.07	201,697.07	201,697.07	201,697.07	201,697.07	201,697.07	201,697.07	201,697.07	201,697.07	2,420,364.79
10	Permanent Tax Difference - 30% Grant	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11	Federal Production Tax Credit													
12	Generated PTC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
13	Deferred PTC	(273,308.24)	(404,768.94)	(261,146.45)	(280,028.65)	(341,590.37)	(260,783.51)	(195,118.13)	(234,088.01)	(298,498.49)	(349,204.97)	(380,142.14)	(354,657.09)	(3,633,334.98)
14	ND Investment Tax Credit													
15	Current ITC	(25,323.53)	(25,323.53)	(25,323.53)	(25,323.53)	(25,323.53)	(7,741.69)	(7,741.69)	(7,741.69)	(7,741.69)	(7,741.69)	(7,741.69)	(7,928.45)	(180,996.23)
16	Deferred ITC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
17	Total Expenses	82,804.13	(4,548.00)	143,895.95	71,770.77	82,290.46	153,644.48	256,605.16	208,386.31	103,268.30	(26,415.56)	18,927.26	76,610.63	1,167,239.88
18														
19	Net Income before preferred dividend	249,807.31	249,807.73	249,807.28	249,807.34	249,807.53	249,807.22	249,807.01	249,807.13	249,807.34	249,807.50	249,807.60	249,807.52	2,997,688.51
20	Dividend on Preferred Stock	(7,239.25)	(7,239.25)	(7,239.25)	(7,239.25)	(7,239.25)	(7,239.25)	(7,239.25)	(7,239.25)	(7,239.25)	(7,239.25)	(7,239.25)	(7,239.25)	(86,871.03)
21														
22	Income available for Common Stock	**242,568.06**	**242,568.48**	**242,568.02**	**242,568.08**	**242,568.28**	**242,567.97**	**242,567.76**	**242,567.88**	**242,568.09**	**242,568.25**	**242,568.34**	**242,568.26**	**2,910,817.47**
23														
24	**Average Rate Base**	50,801,773.43	50,801,773.43	50,801,773.43	50,801,773.43	50,801,773.43	50,801,773.43	50,801,773.43	50,801,773.43	50,801,773.43	50,801,773.43	50,801,773.43	50,801,773.43	50,801,773.43
25	Equity Percent	2,256,445.44	2,256,445.44	2,256,445.44	2,256,445.44	2,256,445.44	2,256,445.44	2,256,445.44	2,256,445.44	2,256,445.44	2,256,445.44	2,256,445.44	2,256,445.44	27,077,345.24
26	Return on Equity Check	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**
27														
28	**Tax Calculation**													
29	Income Before Income Taxes													
30	Net Income after prfd	242,568.06	242,568.48	242,568.02	242,568.08	242,568.28	242,567.97	242,567.76	242,567.88	242,568.09	242,568.25	242,568.34	242,568.26	2,910,817.47
	Less Section 199 Deduction													
31	Less Income Taxes	(333,503.82)	(546,733.77)	(313,777.32)	(344,404.35)	(444,257.80)	(284,670.79)	(178,161.19)	(241,370.54)	(345,844.68)	(428,090.87)	(478,271.13)	(437,237.18)	(4,376,323.44)
32	Total	(90,935.76)	(304,165.29)	(71,209.29)	(101,836.27)	(201,689.52)	(42,102.83)	64,406.57	1,197.34	(103,276.60)	(185,522.62)	(235,702.78)	(194,668.91)	(1,465,505.97)
33														
34	Book Depreciation	254,195.08	254,195.08	254,195.08	254,195.08	254,195.08	254,195.08	254,195.08	254,195.08	254,195.08	254,195.08	254,195.08	254,195.08	3,050,340.96
35	Tax Depreciation	(780,160.10)	(780,160.10)	(780,160.10)	(780,160.10)	(780,160.10)	(780,160.10)	(780,160.10)	(780,160.10)	(780,160.10)	(780,160.10)	(780,160.10)	(780,160.10)	(9,361,921.19)
36	Tax Depreciation - Permanent Difference	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
37	Taxable income	(616,900.77)	(830,130.31)	(597,174.31)	(627,801.29)	(727,654.54)	(568,067.85)	(461,558.45)	(524,767.68)	(629,241.62)	(711,487.64)	(761,667.80)	(720,633.93)	(7,777,086.19)
38	Current income tax	(236,569.11)	(318,338.37)	(229,004.40)	(240,749.24)	(279,040.96)	(217,842.66)	(176,998.43)	(201,237.91)	(241,301.58)	(272,841.28)	(292,084.37)	(276,348.70)	(2,982,357.01)
39	Tie to RR calculation													
40	Total Tax	(0.18)	(0.59)	(0.14)	(0.20)	(0.39)	(0.08)	0.13	0.00	(0.20)	(0.36)	(0.46)	(0.38)	(2.86)
41	Income Requirement for Return	0.18	0.59	0.14	0.20	0.39	0.08	(0.13)	(0.00)	0.20	0.36	0.46	0.38	2.86

Otter Tail Power Company
North Dakota Renewable Resource Rider
Langdon Wind Farm

Line		2011 Balance Dec-11	Actual Jan-12	Actual Feb-12	Actual Mar-12	Actual Apr-12	Actual May-12	Actual Jun-12	2012 Actual Jul-12	Actual Aug-12	Actual Sep-12	Actual Oct-12	Actual Nov-12	Actual Dec-12	2012 YE Balance	
1	***RATE BASE***															
2	Plant Balance - Langdon	78,263,066.03	78,263,066.03	78,263,066.03	78,263,066.03	78,263,066.03	78,263,066.03	78,265,358.09	78,282,610.90	78,282,610.90	78,282,610.90	78,282,610.90	78,282,610.90	78,355,964.87		
3	Less: Federal Grant	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
4	Accumulated. Depreciation	(11,817,300.03)	(12,074,868.05)	(12,332,436.07)	(12,590,004.10)	(12,847,572.12)	(13,105,140.14)	(13,362,708.16)	(13,620,283.73)	(13,877,915.88)	(14,135,548.03)	(14,393,180.18)	(14,650,812.33)	(14,908,444.68)		
5	Net Plant in Service	66,445,766.00	66,188,197.98	65,930,629.96	65,673,061.93	65,415,493.91	65,157,925.89	64,902,649.93	64,662,327.17	64,404,695.02	64,147,062.87	63,889,430.72	63,631,798.57	63,447,520.19		
6	Inventory	233,176.65	233,176.65	234,781.18	246,349.45	246,349.45	246,645.25	245,362.41	255,701.63	225,961.53	224,642.75	225,552.07	223,610.11	222,303.92		
7	ADIT Pro-Rated															
8	Accum. Deferred Inc. Taxes - Fed & State	(22,913,421.50)	(23,060,729.50)	(23,208,037.50)	(23,355,345.49)	(23,502,653.49)	(23,649,961.49)	(23,797,269.48)	(23,944,574.58)	(24,091,857.99)	(24,239,141.39)	(24,386,424.80)	(24,533,708.20)	(24,680,991.53)		
9	Accum. Deferred Inc. Taxes - Basis Difference	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
10	Accum. Deferred Inc. Taxes - Federal PTC	6,816,005.31	7,192,831.28	7,459,750.39	7,762,815.95	8,102,989.98	8,413,248.06	8,645,720.50	8,811,778.83	9,011,320.26	9,280,851.52	9,627,484.66	9,857,220.90	10,046,172.49		
11	Accum. Deferred Inc. Taxes - ND ITC	3,322,299.31	3,322,299.31	3,252,528.01	3,252,528.01	3,252,528.01	3,252,528.01	3,252,528.01	3,252,528.01	3,252,528.01	3,252,528.01	3,252,528.01	3,252,528.01	3,252,528.01	x	
12	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC	(1,162,804.75)	(1,162,804.75)	(1,138,384.79)	(1,138,384.79)	(1,138,384.79)	(1,138,384.79)	(1,138,384.79)	(1,138,384.79)	(1,138,384.79)	(1,138,384.79)	(1,138,384.79)	(1,138,384.79)	(1,138,384.79)	x	
13	Accum. Deferred Inc. Taxes - ND ITC	(3,061,599.70)	(3,049,402.09)	(2,967,712.27)	(2,955,793.75)	(2,943,875.23)	(2,931,956.71)	(2,920,038.19)	(2,908,119.67)	(2,896,201.15)	(2,884,282.63)	(2,872,364.11)	(2,860,445.59)	(2,848,527.07)	x	
14	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC	1,071,559.88	1,067,290.72	1,038,699.28	1,034,527.80	1,030,356.32	1,026,184.84	1,022,013.36	1,017,841.88	1,013,670.40	1,009,498.92	1,005,327.44	1,001,155.96	996,984.48	x	
15	End of month rate base	50,750,981.20	50,730,859.60	50,602,254.26	50,519,759.11	50,462,804.16	50,376,229.06	50,212,581.74	50,009,098.47	49,781,731.29	49,652,775.26	49,603,149.20	49,433,774.96	49,297,605.70		
16																
17	Average rate base	50,110,277.23	50,110,277.23	50,110,277.23	50,110,277.23	50,110,277.23	50,110,277.23	50,110,277.23	50,110,277.23	50,110,277.23	50,110,277.23	50,110,277.23	50,110,277.23	50,110,277.23		50,110,277.23
18																
19	Return on Rate Base	4,377,106.20	359,793.88	359,793.88	359,793.88	359,793.88	359,793.88	359,793.88	359,793.88	359,793.88	359,793.88	359,793.88	359,793.88	359,793.88		4,317,526.54
20																
21	Available for return (equity portion of rate base)	2,910,814.61	239,266.13	239,266.13	239,266.13	239,266.13	239,266.13	239,266.13	239,266.13	239,266.13	239,266.13	239,266.13	239,266.13	239,266.13		2,871,193.61
22																
23	***EXPENSES***															
24	*O&M and Depreciation*															
25	Operating Costs		35,673.66	41,766.27	87,368.78	76,633.25	62,939.06	53,983.23	69,349.98	81,460.97	73,528.34	55,625.89	51,214.15	61,980.58		751,524.16
26	Ground Lease Payments		9,688.37	9,688.31	9,688.31	9,688.31	9,688.31	9,688.31	9,688.31	9,688.31	9,688.31	9,688.31	9,688.31	9,688.31		116,259.78
27	Property Tax		18,000.00	18,000.00	18,000.00	18,000.00	18,000.00	18,000.00	18,000.00	18,000.00	18,000.00	18,000.00	18,000.00	9,049.00		207,049.00
28	Book Depreciation	0	257,568.02	257,568.02	257,568.02	257,568.02	257,568.02	257,568.02	257,575.57	257,632.15	257,632.15	257,632.15	257,632.15	257,632.15		3,091,144.45
29	Total O&M and Depreciation Expense	0	320,930.05	327,022.60	372,625.11	361,889.58	348,195.39	339,239.56	354,613.86	366,781.43	358,848.80	340,946.35	336,534.61	338,350.04		4,165,977.39
30																
31	Income before Taxes															
32	Available for return (from above)		239,266.13	239,266.13	239,266.13	239,266.13	239,266.13	239,266.13	239,266.13	239,266.13	239,266.13	239,266.13	239,266.13	239,266.13		2,871,193.61
33	Less book tax credits - Federal PTC	0	(376,825.97)	(266,919.11)	(303,065.55)	(340,174.03)	(310,258.08)	(232,472.44)	(166,058.33)	(199,541.43)	(269,531.26)	(346,633.14)	(229,736.23)	(188,951.60)		(3,230,167.18)
34	Less book tax credits - ND ITC		(12,197.61)	(11,918.52)	(11,918.52)	(11,918.52)	(11,918.52)	(11,918.52)	(11,918.52)	(11,918.52)	(11,918.52)	(11,918.52)	(11,918.52)	(11,918.52)		(143,301.33)
35	ND ITC - Federal impact		4,269.16	4,171.48	4,171.48	4,171.48	4,171.48	4,171.48	4,171.48	4,171.48	4,171.48	4,171.48	4,171.48	4,171.48		50,155.44
36	Less: Section 199 Deduction															
37	Adjusted Income before interest and taxes		(145,488.28)	(35,400.02)	(71,546.46)	(108,654.94)	(78,738.99)	(953.34)	65,460.76	31,977.66	(38,012.17)	(115,114.05)	1,782.86	42,567.50		(452,119.46)
38	Taxable Income (grossed up)	1.621994	(235,981.12)	(57,418.62)	(116,047.93)	(176,237.66)	(127,714.16)	(1,546.32)	106,176.96	51,867.58	(61,655.51)	(186,714.30)	2,891.79	69,044.22		(733,335.05)
39																
40	Income Taxes															
41	Current and Def Income Taxes	38.348%	(90,494.04)	(22,018.89)	(44,502.06)	(67,583.62)	(48,975.83)	(592.98)	40,716.74	19,890.18	(23,643.65)	(71,601.20)	1,108.94	26,477.08		(281,219.33)
42	Tax Adjustment for Additional Tax Basis	33.198%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
43	Federal PTC	5.15%	(376,825.97)	(266,919.11)	(303,065.55)	(340,174.03)	(310,258.08)	(232,472.44)	(166,058.33)	(199,541.43)	(269,531.26)	(346,633.14)	(229,736.23)	(188,951.60)		(3,230,167.18)
44	ND ITC		(12,197.61)	(11,918.52)	(11,918.52)	(11,918.52)	(11,918.52)	(11,918.52)	(11,918.52)	(11,918.52)	(11,918.52)	(11,918.52)	(11,918.52)	(11,918.52)		(143,301.33)
45	ND ITC - Federal impact		4,269.16	4,171.48	4,171.48	4,171.48	4,171.48	4,171.48	4,171.48	4,171.48	4,171.48	4,171.48	4,171.48	4,171.48		50,155.44
46	Total Income Tax Expense		(475,248.46)	(296,685.05)	(355,314.65)	(415,504.69)	(366,980.95)	(240,812.46)	(133,088.63)	(187,398.29)	(300,921.96)	(425,981.38)	(236,374.33)	(170,221.56)		(3,604,532.40)
47																
48																
49	***REVENUE REQUIRMENTS***															
50	Expenses		(154,318.40)	30,337.56	17,310.46	(53,615.11)	(18,785.55)	98,427.10	221,525.23	179,383.14	57,926.84	(85,035.03)	100,160.28	168,128.48		561,444.99
51	Return on rate base		359,793.88	359,793.88	359,793.88	359,793.88	359,793.88	359,793.88	359,793.88	359,793.88	359,793.88	359,793.88	359,793.88	359,793.88		4,317,526.54
52																
53	Total revenue requirements		205,475.47	390,131.43	377,104.34	306,178.77	341,008.32	458,220.98	581,319.11	539,177.02	417,720.72	274,758.85	459,954.16	527,922.35		4,878,971.53
54																
55	North Dakota share - E2 factor	41.018%	84,281.88	160,024.01	154,680.56	125,588.33	139,874.71	187,952.97	238,445.33	221,159.49	171,340.58	112,700.51	188,663.88	216,543.06		**2,001,255.32**

Otter Tail Power Company
North Dakota Renewable Resource Rider
Langdon Wind Farm

		2011	2012												
	SUPPORTING INFORMATION / DATA														
Line															
1	MN Capstructure with allowed ROE per order.														
2	Capital Structure		Ratio	Cost	WA Cost										
3	Debt		43.10%	6.30%	2.72%										
4	Preferred equity		3.60%	4.75%	0.17%										
5	Common equity		53.30%	10.75%	5.73%										
6	Total		100.00%		8.62%										
7															
8															
9	**Federal Production Tax Credit**														
10	Federal PTC Rate		$22.000	$22.000	$22.000	$22.000	$22.000	$22.000	$22.000	$22.000	$22.000	$22.000	$22.000	$22.000	$22.000
11	Output (MWH) / month	(22,748)	17,128	12,133	13,776	15,462	14,103	10,567	7,548	9,070	12,251	15,756	10,443	8,589	146,826
12	Federal PTC Available based on production	0	376,826	266,919	303,066	340,174	310,258	232,472	166,058	199,541	269,531	346,633	229,736	188,952	3,230,167
13	Federal PTC Used on tax return		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Deferred		376,826	266,919	303,066	340,174	310,258	232,472	166,058	199,541	269,531	346,633	229,736	188,952	3,230,167
15	Accumulated Deferred		7,192,831	7,459,750	7,762,816	8,102,990	8,413,248	8,645,720	8,811,779	9,011,320	9,280,852	9,627,485	9,857,221	10,046,172	
16															
17	**Deferred Tax**														
18	Book depr. rate		3.949266%	3.949266%	3.949266%	3.949266%	3.949266%	3.949266%	3.949266%	3.949266%	3.949266%	3.949266%	3.949266%	3.949266%	
19	Book depreciation	0	257,568.02	257,568.02	257,568.02	257,568.02	257,568.02	257,568.02	257,575.57	257,632.15	257,632.15	257,632.15	257,632.15	257,632.35	3,091,144.65
20	Tax depreciation-ND		641,702.78	641,702.78	641,702.78	641,702.78	641,702.78	641,702.78	641,702.78	641,702.78	641,702.78	641,702.78	641,702.78	641,702.78	7,700,433.35
21	Tax depreciation-Federal		641,702.78	641,702.78	641,702.78	641,702.78	641,702.78	641,702.78	641,702.78	641,702.78	641,702.78	641,702.78	641,702.78	641,702.78	7,700,433.35
22	Book vs. tax depreciation		(384,134.76)	(384,134.76)	(384,134.76)	(384,134.76)	(384,134.76)	(384,134.76)	(384,127.21)	(384,070.63)	(384,070.63)	(384,070.63)	(384,070.63)	(384,070.43)	(4,609,288.70)
23	Federal & State deferred income taxes	0	(147,308.00)	(147,308.00)	(147,308.00)	(147,308.00)	(147,308.00)	(147,308.00)	(147,305.10)	(147,283.40)	(147,283.40)	(147,283.40)	(147,283.40)	(147,283.33)	(1,767,570.03)
24															
25	Additional Tax Basis (permanent difference)		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
26	Tax Impact-ND		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
27	Tax Impact-Federal		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
28	Total Tax Impact		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

	PROOF	**Jan-12**	**Feb-12**	**Mar-12**	**Apr-12**	**May-12**	**Jun-12**	**Jul-12**	**Aug-12**	**Sep-12**	**Oct-12**	**Nov-12**	**Dec-12**	**Year End 2012**
1	Revenue	205,475.47	390,131.43	377,104.34	306,178.77	341,008.32	458,220.98	581,319.11	539,177.02	417,720.72	274,758.85	459,954.16	527,922.35	4,878,971.53
2														
3	Expenses													
4	O/M and Book Depreciation	320,930.05	327,022.60	372,625.11	361,889.58	348,195.39	339,239.56	354,613.86	366,781.43	358,848.80	340,946.35	336,534.61	338,350.04	4,165,977.39
5	Interest on Debt	113,387.03	113,387.03	113,387.03	113,387.03	113,387.03	113,387.03	113,387.03	113,387.03	113,387.03	113,387.03	113,387.03	113,387.03	1,360,644.36
6														
7	Income Taxes													
8	Current Income Tax	(237,802.50)	(169,327.00)	(191,810.28)	(214,891.96)	(196,284.07)	(147,900.98)	(106,588.15)	(127,393.12)	(170,927.18)	(218,884.97)	(146,174.45)	(120,806.12)	(2,048,790.79)
9	Deferred Income Tax	147,308.00	147,308.00	147,308.00	147,308.00	147,308.00	147,308.00	147,305.10	147,283.40	147,283.40	147,283.40	147,283.40	147,283.33	1,767,570.03
10	Permanent Tax Difference - 30% Grant	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11	Federal Production Tax Credit													
12	Generated PTC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
13	Deferred PTC	(376,825.97)	(266,919.11)	(303,065.55)	(340,174.03)	(310,258.08)	(232,472.44)	(166,058.33)	(199,541.43)	(269,531.26)	(346,633.14)	(229,736.23)	(188,951.60)	(3,230,167.18)
14	ND Investment Tax Credit													
15	Current ITC	(7,928.45)	(7,747.04)	(7,747.04)	(7,747.04)	(7,747.04)	(7,747.04)	(7,747.04)	(7,747.04)	(7,747.04)	(7,747.04)	(7,747.04)	(7,747.04)	(93,145.89)
16	Deferred ITC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
17	Total Expenses	(40,931.83)	143,724.47	130,697.26	59,771.58	94,601.23	211,814.13	334,912.47	292,770.27	171,313.75	28,351.63	213,547.32	281,515.64	1,922,087.92
18														
19	Net Income before preferred dividend	246,407.31	246,406.96	246,407.08	246,407.19	246,407.10	246,406.85	246,406.64	246,406.75	246,406.97	246,407.21	246,406.84	246,406.71	2,956,883.62
20	Dividend on Preferred Stock	(7,140.71)	(7,140.71)	(7,140.71)	(7,140.71)	(7,140.71)	(7,140.71)	(7,140.71)	(7,140.71)	(7,140.71)	(7,140.71)	(7,140.71)	(7,140.71)	(85,688.57)
21														
22	Income available for Common Stock	**239,266.59**	**239,266.25**	**239,266.36**	**239,266.48**	**239,266.38**	**239,266.14**	**239,265.93**	**239,266.03**	**239,266.25**	**239,266.50**	**239,266.13**	**239,266.00**	**2,871,195.04**
23														
24	**Average Rate Base**	50,110,277.23	50,110,277.23	50,110,277.23	50,110,277.23	50,110,277.23	50,110,277.23	50,110,277.23	50,110,277.23	50,110,277.23	50,110,277.23	50,110,277.23	50,110,277.23	50,110,277.23
25	Equity Percent	2,225,731.48	2,225,731.48	2,225,731.48	2,225,731.48	2,225,731.48	2,225,731.48	2,225,731.48	2,225,731.48	2,225,731.48	2,225,731.48	2,225,731.48	2,225,731.48	26,708,777.77
26	Return on Equity Check	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**
27														
28	**Tax Calculation**													
29	Income Before Income Taxes													
30	Net Income after prfd	239,266.59	239,266.25	239,266.36	239,266.48	239,266.38	239,266.14	239,265.93	239,266.03	239,266.25	239,266.50	239,266.13	239,266.00	2,871,195.04
	Less Section 199 Deduction													
31	Less Income Taxes	(475,248.92)	(296,685.16)	(355,314.88)	(415,505.03)	(366,981.20)	(240,812.46)	(133,088.42)	(187,398.19)	(300,922.08)	(425,981.75)	(236,374.32)	(170,221.42)	(3,604,533.83)
32	Total	(235,982.32)	(57,418.91)	(116,048.52)	(176,238.55)	(127,714.81)	(1,546.33)	106,177.50	51,867.84	(61,655.82)	(186,715.25)	2,891.81	69,044.57	(733,338.79)
33														
34	Book Depreciation	257,568.02	257,568.02	257,568.02	257,568.02	257,568.02	257,568.02	257,575.57	257,632.15	257,632.15	257,632.15	257,632.15	257,632.35	3,091,144.65
35	Tax Depreciation	(641,702.78)	(641,702.78)	(641,702.78)	(641,702.78)	(641,702.78)	(641,702.78)	(641,702.78)	(641,702.78)	(641,702.78)	(641,702.78)	(641,702.78)	(641,702.78)	(7,700,433.35)
36	Tax Depreciation - Permanent Difference	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
37	Taxable income	(620,117.08)	(441,553.67)	(500,183.28)	(560,373.31)	(511,849.57)	(385,681.08)	(277,949.71)	(332,202.79)	(445,726.45)	(570,785.88)	(381,178.82)	(315,025.86)	(5,342,627.49)
38	Current income tax	(237,802.50)	(169,327.00)	(191,810.28)	(214,891.96)	(196,284.07)	(147,900.98)	(106,588.15)	(127,393.12)	(170,927.18)	(218,884.97)	(146,174.45)	(120,806.12)	(2,048,790.79)
39	Tie to RR calculation													
40	Total Tax	(0.46)	(0.11)	(0.23)	(0.34)	(0.25)	(0.00)	0.21	0.10	(0.12)	(0.36)	0.01	0.13	(1.43)
41	Income Requirement for Return	0.46	0.11	0.23	0.34	0.25	0.00	(0.21)	(0.10)	0.12	0.36	(0.01)	(0.13)	1.43

Otter Tail Power Company
North Dakota Renewable Resource Rider
Langdon Wind Farm

Line		2012 Balance Dec-12	2013 Actual Jan-13	Actual Feb-13	Actual Mar-13	Actual Apr-13	Actual May-13	Actual Jun-13	Actual Jul-13	Actual Aug-13	Actual Sep-13	Actual Oct-13	Actual Nov-13	Actual Dec-13	2013 YE Balance
1	***RATE BASE***														
2	Plant Balance - Langdon	78,355,964.87	78,355,964.87	78,348,796.05	78,348,796.05	78,348,796.05	78,348,796.05	78,348,796.05	78,348,796.05	78,372,575.33	78,372,575.33	78,372,575.33	78,372,575.33	78,940,093.29	
3	Less: Federal Grant	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
4	Accumulated. Depreciation	(14,908,444.68)	(15,166,178.80)	(15,423,912.92)	(15,681,623.44)	(15,939,333.96)	(16,197,044.48)	(16,454,755.00)	(16,712,465.52)	(16,970,176.04)	(17,227,964.38)	(17,485,752.72)	(17,743,541.06)	(18,001,329.40)	
5	Net Plant in Service	63,447,520.19	63,189,786.07	62,924,883.13	62,667,172.61	62,409,462.09	62,151,751.57	61,894,041.05	61,636,330.53	61,402,399.29	61,144,610.95	60,886,822.61	60,629,034.27	60,938,763.89	
6	Inventory	222,303.92	227,177.07	213,024.98	206,911.99	214,229.64	212,152.85	210,982.42	215,539.85	224,634.73	218,652.26	212,622.35	212,443.72	238,027.86	
7	ADIT Pro-Rated														
8	Accum. Deferred Inc. Taxes - Fed & State	(24,680,991.53)	(24,589,323.48)	(24,497,655.42)	(24,405,996.41)	(24,314,337.40)	(24,222,678.39)	(24,131,019.38)	(24,039,360.37)	(23,947,701.37)	(23,856,012.51)	(23,764,323.66)	(23,672,634.81)	(23,580,945.96)	
9	Accum. Deferred Inc. Taxes - Basis Difference	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
10	Accum. Deferred Inc. Taxes - Federal PTC	10,046,172.49	9,620,640.56	9,068,673.23	8,497,065.68	8,047,814.74	7,566,612.45	7,020,155.59	6,430,928.80	5,806,913.67	5,282,308.21	4,771,720.10	4,360,706.63	3,918,979.61	
11	Accum. Deferred Inc. Taxes - ND ITC	3,252,528.01	3,252,528.01	3,252,528.01	3,252,528.01	3,252,528.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	x
12	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC	(1,138,384.79)	(1,138,384.79)	(1,138,384.79)	(1,138,384.79)	(1,138,384.79)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	x
13	Accum. Deferred Inc. Taxes - ND ITC	(2,848,527.07)	(2,836,608.55)	(2,824,690.03)	(2,812,771.51)	(2,800,852.99)	449,752.99	447,830.97	445,908.95	443,986.93	442,064.91	440,142.89	438,220.87	436,298.85	x
14	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC	996,984.48	992,813.00	988,641.52	984,470.04	980,298.56	(157,413.73)	(156,741.02)	(156,068.31)	(155,395.60)	(154,722.89)	(154,050.18)	(153,377.47)	(152,704.76)	x
15	End of month rate base	49,297,605.70	48,718,627.90	47,987,020.64	47,250,995.62	46,650,757.87	46,000,177.74	45,285,249.63	44,533,279.45	43,774,837.66	43,076,900.93	42,392,934.11	41,814,393.21	41,798,419.49	
16															
17	Average rate base	50,110,277.23	45,275,476.92	45,275,476.92	45,275,476.92	45,275,476.92	45,275,476.92	45,275,476.92	45,275,476.92	45,275,476.92	45,275,476.92	45,275,476.92	45,275,476.92	45,275,476.92	45,275,476.92
18															
19	Return on Rate Base	4,317,526.54	325,079.81	325,079.81	325,079.81	325,079.81	325,079.81	325,079.81	325,079.81	325,079.81	325,079.81	325,079.81	325,079.81	325,079.81	3,900,957.73
20															
21	Available for return (equity portion of rate base)	2,871,193.61	216,180.97	216,180.97	216,180.97	216,180.97	216,180.97	216,180.97	216,180.97	216,180.97	216,180.97	216,180.97	216,180.97	216,180.97	2,594,171.64
22															
23	***EXPENSES***														
24	*O&M and Depreciation*														
25	Operating Costs		49,230.24	66,382.08	79,050.19	81,214.69	81,223.00	56,938.19	50,902.83	60,190.11	193,300.63	41,701.61	65,611.04	49,248.81	874,993.42
26	Ground Lease Payments		9,882.14	9,882.08	9,882.08	9,882.08	9,882.08	9,882.08	9,882.08	9,882.08	9,882.08	9,882.08	9,882.08	9,882.08	118,585.02
27	Property Tax		18,000.00	18,000.00	18,000.00	18,000.00	18,000.00	18,000.00	18,000.00	18,000.00	18,000.00	18,000.00	18,000.00	(51,709.00)	146,291.00
28	Book Depreciation	(0)	257,734.12	257,734.12	257,710.52	257,710.52	257,710.52	257,710.52	257,710.52	257,710.52	257,788.34	257,788.34	257,788.34	257,788.34	3,092,884.72
29	Total O&M and Depreciation Expense	0	334,846.50	351,998.28	364,642.79	366,807.29	366,815.60	342,530.79	336,495.43	345,782.71	478,971.05	327,372.03	351,281.46	265,210.23	4,232,754.16
30															
31	Income before Taxes														
32	Available for return (from above)		216,180.97	216,180.97	216,180.97	216,180.97	216,180.97	216,180.97	216,180.97	216,180.97	216,180.97	216,180.97	216,180.97	216,180.97	2,594,171.64
33	Less book tax credits - Federal PTC	0	(350,354.73)	(223,919.34)	(204,279.11)	(326,635.73)	(294,684.37)	(229,429.81)	(186,659.88)	(151,871.53)	(251,281.21)	(265,298.56)	(364,873.20)	(334,159.64)	(3,183,447.11)
34	Less book tax credits - ND ITC		(11,918.52)	(11,918.52)	(11,918.52)	(11,918.52)	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	(32,297.92)
35	ND ITC - Federal impact		4,171.48	4,171.48	4,171.48	4,171.48	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	11,304.24
36	Less: Section 199 Deduction														
37	Adjusted Income before interest and taxes		(141,920.80)	(15,485.41)	4,154.82	(118,201.80)	(77,254.09)	(11,999.53)	30,770.40	65,558.75	(33,850.93)	(47,868.28)	(147,442.92)	(116,729.36)	(610,269.15)
38	Taxable Income (grossed up)	1.621994	(230,194.69)	(25,117.25)	6,739.10	(191,722.62)	(125,305.67)	(19,463.16)	49,909.40	106,335.90	(54,906.01)	(77,642.06)	(239,151.53)	(189,334.32)	(989,852.90)
39															
40	Income Taxes														
41	Current and Def Income Taxes	38.348%	(88,275.06)	(9,631.96)	2,584.31	(73,521.79)	(48,052.22)	(7,463.73)	19,139.26	40,777.69	(21,055.35)	(29,774.18)	(91,709.83)	(72,605.93)	(379,588.79)
42	Tax Adjustment for Additional Tax Basis	33.198%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
43	Federal PTC	5.15%	(350,354.73)	(223,919.34)	(204,279.11)	(326,635.73)	(294,684.37)	(229,429.81)	(186,659.88)	(151,871.53)	(251,281.21)	(265,298.56)	(364,873.20)	(334,159.64)	(3,183,447.11)
44	ND ITC		(11,918.52)	(11,918.52)	(11,918.52)	(11,918.52)	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	(32,297.92)
45	ND ITC - Federal impact		4,171.48	4,171.48	4,171.48	4,171.48	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	11,304.24
46	Total Income Tax Expense		(446,376.83)	(241,298.35)	(209,441.84)	(407,904.56)	(341,487.28)	(235,644.23)	(166,271.31)	(109,844.53)	(271,087.25)	(293,823.43)	(455,333.71)	(405,516.26)	(3,584,029.58)
47															
48															
49	***REVENUE REQUIRMENTS***														
50	Expenses		(111,530.33)	110,699.93	155,200.95	(41,097.27)	25,328.32	106,886.56	170,224.12	235,938.18	207,883.80	33,548.60	(104,052.25)	(140,306.03)	648,724.58
51	Return on rate base		325,079.81	325,079.81	325,079.81	325,079.81	325,079.81	325,079.81	325,079.81	325,079.81	325,079.81	325,079.81	325,079.81	325,079.81	3,900,957.73
52															
53	Total revenue requirements		213,549.48	435,779.74	480,280.76	283,982.54	350,408.13	431,966.37	495,303.93	561,017.99	532,963.61	358,628.41	221,027.56	184,773.79	4,549,682.31
54															
55	North Dakota share - E2 factor	41.018%	87,593.67	178,748.03	197,001.44	116,483.89	143,730.32	177,183.86	203,163.64	230,118.22	218,610.88	147,102.11	90,661.03	75,790.46	**1,866,187.55**

Otter Tail Power Company
North Dakota Renewable Resource Rider
Langdon Wind Farm

			2012			2013									
	SUPPORTING INFORMATION / DATA														
Line															
1	MN Capstructure with allowed ROE per order.														
2	Capital Structure		Ratio	Cost	WA Cost										
3	Debt		43.10%	6.30%	2.72%										
4	Preferred equity		3.60%	4.75%	0.17%										
5	Common equity		53.30%	10.75%	5.73%										
6	Total		100.00%		8.62%										
7															
8															
9	**Federal Production Tax Credit**														
10	Federal PTC Rate		$22.000	$22.000	$22.000	$23.000	$23.000	$23.000	$23.000	$23.000	$23.000	$23.000	$23.000	$23.000	$23.000
11	Output (MWH) / month	0	15,925	10,178	9,285	12,663	12,812	9,975	8,116	6,603	10,925	11,535	15,864	14,529	138,411
12	Federal PTC Available based on production	0	350,355	223,919	204,279	326,636	294,684	229,430	186,660	151,872	251,281	265,299	364,873	334,160	3,183,447
13	Federal PTC Used on tax return		775,887	775,887	775,887	775,887	775,887	775,887	775,887	775,887	775,887	775,887	775,887	775,887	9,310,640
14	Deferred		(425,532)	(551,967)	(571,608)	(449,251)	(481,202)	(546,457)	(589,227)	(624,015)	(524,605)	(510,588)	(411,013)	(441,727)	(6,127,193)
15	Accumulated Deferred		9,620,641	9,068,673	8,497,066	8,047,815	7,566,612	7,020,156	6,430,929	5,806,914	5,282,308	4,771,720	4,360,707	3,918,980	
16															
17	**Deferred Tax**														
18	Book depr. rate		3.929975%	3.929975%	3.929975%	3.929975%	3.947127%	3.947127%	3.947127%	3.947127%	3.947127%	3.947127%	3.947127%	3.947127%	
19	Book depreciation	0	257,734.12	257,734.12	257,710.52	257,710.52	257,710.52	257,710.52	257,710.52	257,710.52	257,788.34	257,788.34	257,788.34	257,788.34	3,092,884.72
20	Tax depreciation-ND		18,691.51	18,691.51	18,691.51	18,691.51	18,691.51	18,691.51	18,691.51	18,691.51	18,691.51	18,691.51	18,691.51	18,691.51	224,298.17
21	Tax depreciation-Federal		18,691.51	18,691.51	18,691.51	18,691.51	18,691.51	18,691.51	18,691.51	18,691.51	18,691.51	18,691.51	18,691.51	18,691.51	224,298.17
22	Book vs. tax depreciation		239,042.61	239,042.61	239,019.01	239,019.01	239,019.01	239,019.01	239,019.01	239,019.01	239,096.83	239,096.83	239,096.83	239,096.83	2,868,586.55
23	Federal & State deferred income taxes	0	91,668.06	91,668.06	91,659.01	91,659.01	91,659.01	91,659.01	91,659.01	91,659.01	91,688.85	91,688.85	91,688.85	91,688.85	1,100,045.57
24															
25	Additional Tax Basis (permanent difference)		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
26	Tax Impact-ND		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
27	Tax Impact-Federal		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
28	Total Tax Impact		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

	PROOF	**Jan-13**	**Feb-13**	**Mar-13**	**Apr-13**	**May-13**	**Jun-13**	**Jul-13**	**Aug-13**	**Sep-13**	**Oct-13**	**Nov-13**	**Dec-13**	**Year End 2013**
1	Revenue	213,549.48	435,779.74	480,280.76	283,982.54	350,408.13	431,966.37	495,303.93	561,017.99	532,963.61	358,628.41	221,027.56	184,773.79	4,549,682.31
2														
3	Expenses													
4	O/M and Book Depreciation	334,846.50	351,998.28	364,642.79	366,807.29	366,815.60	342,530.79	336,495.43	345,782.71	478,971.05	327,372.03	351,281.46	265,210.23	4,232,754.16
5	Interest on Debt	102,447.09	102,447.09	102,447.09	102,447.09	102,447.09	102,447.09	102,447.09	102,447.09	102,447.09	102,447.09	102,447.09	102,447.09	1,229,365.02
6														
7	Income Taxes													
8	Current Income Tax	3,392.55	82,036.05	94,243.33	18,136.84	43,606.54	84,195.24	110,798.36	132,436.91	70,633.39	61,914.52	(21.44)	19,082.56	720,454.85
9	Deferred Income Tax	(91,668.06)	(91,668.06)	(91,659.01)	(91,659.01)	(91,659.01)	(91,659.01)	(91,659.01)	(91,659.01)	(91,688.85)	(91,688.85)	(91,688.85)	(91,688.85)	(1,100,045.57)
10	Permanent Tax Difference - 30% Grant	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11	Federal Production Tax Credit													
12	Generated PTC	(775,886.67)	(775,886.67)	(775,886.67)	(775,886.67)	(775,886.67)	(775,886.67)	(775,886.67)	(775,886.67)	(775,886.67)	(775,886.67)	(775,886.67)	(775,886.67)	(9,310,640.00)
13	Deferred PTC	425,531.94	551,967.32	571,607.56	449,250.93	481,202.29	546,456.86	589,226.79	624,015.14	524,605.46	510,588.11	411,013.47	441,727.03	6,127,192.89
14	ND Investment Tax Credit													
15	Current ITC	(7,747.04)	(7,747.04)	(7,747.04)	(7,747.04)	1,249.31	1,249.31	1,249.31	1,249.31	1,249.31	1,249.31	1,249.31	1,249.31	(20,993.68)
16	Deferred ITC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
17	Total Expenses	(9,083.69)	213,146.97	257,648.05	61,349.44	127,775.16	209,333.61	272,671.30	338,385.47	310,330.77	135,995.54	(1,605.63)	(37,859.31)	1,878,087.67
18														
19	Net Income before preferred dividend	222,633.17	222,632.77	222,632.71	222,633.10	222,632.97	222,632.76	222,632.63	222,632.52	222,632.83	222,632.88	222,633.19	222,633.10	2,671,594.64
20	Dividend on Preferred Stock	(6,451.76)	(6,451.76)	(6,451.76)	(6,451.76)	(6,451.76)	(6,451.76)	(6,451.76)	(6,451.76)	(6,451.76)	(6,451.76)	(6,451.76)	(6,451.76)	(77,421.07)
21														
22	Income available for Common Stock	**216,181.42**	**216,181.02**	**216,180.96**	**216,181.34**	**216,181.21**	**216,181.01**	**216,180.87**	**216,180.76**	**216,181.08**	**216,181.12**	**216,181.44**	**216,181.34**	**2,594,173.57**
23														
24	**Average Rate Base**	45,275,476.92	45,275,476.92	45,275,476.92	45,275,476.92	45,275,476.92	45,275,476.92	45,275,476.92	45,275,476.92	45,275,476.92	45,275,476.92	45,275,476.92	45,275,476.92	45,275,476.92
25	Equity Percent	2,010,985.77	2,010,985.77	2,010,985.77	2,010,985.77	2,010,985.77	2,010,985.77	2,010,985.77	2,010,985.77	2,010,985.77	2,010,985.77	2,010,985.77	2,010,985.77	24,131,829.20
26	Return on Equity Check	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**
27														
28	**Tax Calculation**													
29	Income Before Income Taxes													
30	Net Income after prfd	216,181.42	216,181.02	216,180.96	216,181.34	216,181.21	216,181.01	216,180.87	216,180.76	216,181.08	216,181.12	216,181.44	216,181.34	2,594,173.57
	Less Section 199 Deduction													
31	Less Income Taxes	(446,377.28)	(241,298.40)	(209,441.83)	(407,904.94)	(341,487.53)	(235,644.27)	(166,271.22)	(109,844.32)	(271,087.36)	(293,823.58)	(455,334.18)	(405,516.63)	(3,584,031.52)
32	Total	(230,195.86)	(25,117.38)	6,739.13	(191,723.59)	(125,306.31)	(19,463.26)	49,909.66	106,336.44	(54,906.29)	(77,642.46)	(239,152.74)	(189,335.29)	(989,857.95)
33														
34	Book Depreciation	257,734.12	257,734.12	257,710.52	257,710.52	257,710.52	257,710.52	257,710.52	257,710.52	257,788.34	257,788.34	257,788.34	257,788.34	3,092,884.72
35	Tax Depreciation	(18,691.51)	(18,691.51)	(18,691.51)	(18,691.51)	(18,691.51)	(18,691.51)	(18,691.51)	(18,691.51)	(18,691.51)	(18,691.51)	(18,691.51)	(18,691.51)	(224,298.17)
36	Tax Depreciation - Permanent Difference	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
37	Taxable income	8,846.75	213,925.23	245,758.14	47,295.41	113,712.69	219,555.75	288,928.66	345,355.45	184,190.54	161,454.37	(55.92)	49,761.54	1,878,728.61
38	Current income tax	3,392.55	82,036.05	94,243.33	18,136.84	43,606.54	84,195.24	110,798.36	132,436.91	70,633.39	61,914.52	(21.44)	19,082.56	720,454.85
39	Tie to RR calculation													
40	Total Tax	(0.45)	(0.05)	0.01	(0.37)	(0.24)	(0.04)	0.10	0.21	(0.11)	(0.15)	(0.47)	(0.37)	(1.93)
41	Income Requirement for Return	0.45	0.05	(0.01)	0.37	0.24	0.04	(0.10)	(0.21)	0.11	0.15	0.47	0.37	1.93

Otter Tail Power Company
North Dakota Renewable Resource Rider
Langdon Wind Farm

Line		2013 Balance Dec-13	2014 Actual Jan-14	Actual Feb-14	Actual Mar-14	Actual Apr-14	Actual May-14	Actual Jun-14	Actual Jul-14	Actual Aug-14	Actual Sep-14	Actual Oct-14	Actual Nov-14	Actual Dec-14	2014 YE Balance
1	***RATE BASE***														
2	Plant Balance - Langdon	78,940,093.29	78,940,093.30	78,940,093.30	78,940,093.30	79,113,402.93	79,113,402.93	79,113,402.93	79,113,402.93	79,113,402.93	79,113,402.93	79,007,559.79	79,988,192.85	78,988,192.85	
3	Less: Federal Grant	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
4	Accumulated. Depreciation	(18,001,329.40)	(18,274,014.79)	(18,546,700.19)	(18,819,385.58)	(19,092,070.98)	(19,365,355.05)	(19,638,639.11)	(19,911,923.18)	(20,185,207.24)	(20,458,491.30)	(20,731,775.37)	(21,004,693.82)	(21,280,999.70)	
5	Net Plant in Service	60,938,763.89	60,666,078.51	60,393,393.11	60,120,707.72	60,021,331.95	59,748,047.88	59,474,763.82	59,201,479.75	58,928,195.69	58,654,911.63	58,275,784.42	58,983,499.03	57,707,193.15	
6	Inventory	238,027.86	231,992.98	222,186.90	218,071.50	204,103.16	194,519.20	199,885.92	218,005.73	291,234.81	229,824.70	243,679.51	243,713.77	240,343.63	
7	ADIT Pro-Rated														
8	Accum. Deferred Inc. Taxes - Fed & State	(23,580,945.96)	(23,475,511.00)	(23,370,076.05)	(23,264,641.09)	(23,159,206.13)	(23,053,536.49)	(22,947,866.85)	(22,842,197.21)	(22,736,527.57)	(22,630,857.93)	(22,525,188.29)	(22,419,661.98)	(22,312,807.77)	
9	Accum. Deferred Inc. Taxes - Basis Difference	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
10	Accum. Deferred Inc. Taxes - Federal PTC	3,918,979.61	3,742,525.22	3,556,896.78	3,359,128.91	3,173,934.32	2,902,097.48	2,644,478.26	2,348,979.92	1,965,563.32	1,733,750.35	1,614,559.66	1,460,933.74	1,082,255.74	
11	Accum. Deferred Inc. Taxes - ND ITC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
12	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC	0.00	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	
13	Accum. Deferred Inc. Taxes - ND ITC	436,298.85	434,376.83	432,454.81	430,532.79	428,610.77	426,688.75	424,766.73	422,844.71	420,922.69	419,000.67	417,078.65	415,156.63	413,234.61	
14	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC	(152,704.76)	(152,032.05)	(151,359.34)	(150,686.64)	(150,013.93)	(149,341.22)	(148,668.51)	(147,995.81)	(147,323.10)	(146,650.39)	(145,977.69)	(145,304.98)	(144,632.27)	
15	End of month rate base	41,798,419.49	41,447,430.48	41,083,496.21	40,713,113.19	40,518,760.14	40,068,475.61	39,647,359.36	39,201,117.09	38,722,065.84	38,259,979.02	37,879,936.26	38,538,336.21	36,985,587.08	
16															
17	Average rate base	45,275,476.92	39,604,928.92	39,604,928.92	39,604,928.92	39,604,928.92	39,604,928.92	39,604,928.92	39,604,928.92	39,604,928.92	39,604,928.92	39,604,928.92	39,604,928.92	39,604,928.92	39,604,928.92
18															
19	Return on Rate Base	3,900,957.73	284,365.04	284,365.04	284,365.04	284,365.04	284,365.04	284,365.04	284,365.04	284,365.04	284,365.04	284,365.04	284,365.04	284,365.04	3,412,380.48
20															
21	Available for return (equity portion of rate base)	2,594,171.64	189,105.28	189,105.28	189,105.28	189,105.28	189,105.28	189,105.28	189,105.28	189,105.28	189,105.28	189,105.28	189,105.28	189,105.28	2,269,263.41
22															
23	***EXPENSES***														
24	*O&M and Depreciation*														
25	Operating Costs		66,296.69	97,324.54	71,548.67	83,759.14	84,184.29	63,291.25	61,088.74	22,164.27	123,653.16	71,696.31	68,923.35	63,817.07	877,747.48
26	Ground Lease Payments		10,079.51	10,079.72	10,079.72	10,079.72	10,079.72	10,079.72	10,079.72	10,079.72	10,079.72	10,079.72	10,079.72	10,079.72	120,956.43
27	Property Tax		12,200.00	12,200.00	12,200.00	12,200.00	12,200.00	12,200.00	12,200.00	12,200.00	12,200.00	12,200.00	12,200.00	2,478.00	136,678.00
28	Book Depreciation	0	272,685.40	272,685.40	272,685.40	272,685.40	273,284.06	273,284.06	273,284.06	273,284.06	273,284.06	273,284.06	272,918.45	276,305.88	3,279,670.30
29	Total O&M and Depreciation Expense	0	361,261.60	392,289.66	366,513.79	378,724.26	379,748.07	358,855.03	356,652.52	317,728.05	419,216.94	367,260.09	364,121.52	352,680.67	4,415,052.21
30															
31	Income before Taxes														
32	Available for return (from above)		189,105.28	189,105.28	189,105.28	189,105.28	189,105.28	189,105.28	189,105.28	189,105.28	189,105.28	189,105.28	189,105.28	189,105.28	2,269,263.41
33	Less book tax credits - Federal PTC	0	(358,094.61)	(348,920.56)	(336,781.13)	(349,354.41)	(262,712.16)	(276,929.78)	(239,050.66)	(151,132.40)	(302,736.03)	(415,358.31)	(380,923.08)	(155,871.00)	(3,577,864.13)
34	Less book tax credits - ND ITC		1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	23,064.24
35	ND ITC - Federal impact		(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(8,072.48)
36	Less: Section 199 Deduction		(23,322.42)	(23,322.42)	(23,322.42)	(23,322.42)	(23,322.42)	(23,322.42)	(23,322.42)	(23,322.42)	(23,322.42)	(23,322.42)	(23,322.42)	(23,322.42)	(279,869.00)
37	Adjusted Income before interest and taxes		(191,062.43)	(181,888.38)	(169,748.95)	(182,322.23)	(95,679.98)	(109,897.59)	(72,018.48)	15,899.78	(135,703.85)	(248,326.13)	(213,890.90)	11,161.18	(1,573,477.96)
38	Taxable Income (grossed up)	1.644748	(314,249.49)	(299,160.48)	(279,194.19)	(299,874.05)	(157,369.43)	(180,753.81)	(118,452.23)	26,151.12	(223,198.59)	(408,433.82)	(351,796.55)	18,357.33	(2,587,974.20)
39															
40	Income Taxes														
41	Current and Def Income Taxes	39.200%	(123,187.06)	(117,272.11)	(109,445.24)	(117,551.83)	(61,689.45)	(70,856.22)	(46,433.75)	10,251.35	(87,494.74)	(160,107.69)	(137,905.66)	7,196.15	(1,014,496.24)
42	Tax Adjustment for Additional Tax Basis	32.738%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
43	Federal PTC	6.46%	(358,094.61)	(348,920.56)	(336,781.13)	(349,354.41)	(262,712.16)	(276,929.78)	(239,050.66)	(151,132.40)	(302,736.03)	(415,358.31)	(380,923.08)	(155,871.00)	(3,577,864.13)
44	ND ITC		1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	23,064.24
45	ND ITC - Federal impact		(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(8,072.48)
46	Total Income Tax Expense		(480,032.36)	(464,943.35)	(444,977.06)	(465,656.92)	(323,152.30)	(346,536.68)	(284,235.09)	(139,631.74)	(388,981.45)	(574,216.69)	(517,579.42)	(147,425.54)	(4,577,368.61)
47															
48															
49	***REVENUE REQUIRMENTS***														
50	Expenses		(118,770.76)	(72,653.69)	(78,463.28)	(86,932.67)	56,595.78	12,318.36	72,417.43	178,096.31	30,235.49	(206,956.60)	(153,457.91)	205,255.13	(162,316.40)
51	Return on rate base		284,365.04	284,365.04	284,365.04	284,365.04	284,365.04	284,365.04	284,365.04	284,365.04	284,365.04	284,365.04	284,365.04	284,365.04	3,412,380.48
52															
53	Total revenue requirements		165,594.28	211,711.35	205,901.76	197,432.37	340,960.82	296,683.40	356,782.47	462,461.35	314,600.53	77,408.44	130,907.13	489,620.17	3,250,064.08
54															
55	North Dakota share - E2 factor	41.018%	67,923.42	86,839.71	84,456.73	80,982.76	139,855.22	121,693.52	146,344.94	189,692.28	129,042.77	31,751.38	53,695.46	200,832.28	**1,333,110.47**

Otter Tail Power Company
North Dakota Renewable Resource Rider
Langdon Wind Farm

2013 **2014**

SUPPORTING INFORMATION / DATA

Line															
1	MN Capstructure with allowed ROE per order.														
2	Capital Structure		Ratio	Cost	WA Cost										
3	Debt		43.10%	6.30%	2.72%										
4	Preferred equity		3.60%	4.75%	0.17%										
5	Common equity		53.30%	10.75%	5.73%										
6	Total		100.00%		8.62%										
7															
8															
9	**Federal Production Tax Credit**														
10	Federal PTC Rate		$23.000	$23.000	$23.000	$23.000	$23.000	$23.000	$23.000	$23.000	$23.000	$23.000	$23.000	$23.000	$23.000
11	Output (MWH) / month	0	15,569	15,170	14,643	15,189	11,422	12,040	10,394	6,571	13,162	18,059	16,562	6,777	155,559
12	Federal PTC Available based on production	0	358,095	348,921	336,781	349,354	262,712	276,930	239,051	151,132	302,736	415,358	380,923	155,871	3,577,864
13	Federal PTC Used on tax return		534,549	534,549	534,549	534,549	534,549	534,549	534,549	534,549	534,549	534,549	534,549	534,549	6,414,588
14	Deferred		(176,454)	(185,628)	(197,768)	(185,195)	(271,837)	(257,619)	(295,498)	(383,417)	(231,813)	(119,191)	(153,626)	(378,678)	(2,836,724)
15	Accumulated Deferred		3,742,525	3,556,897	3,359,129	3,173,934	2,902,097	2,644,478	2,348,980	1,965,563	1,733,750	1,614,560	1,460,934	1,082,256	
16															
17	**Deferred Tax**														
18	Book depr. rate		4.1452%	4.1452%	4.1452%	4.1452%	4.1452%	4.1452%	4.1452%	4.1452%	4.1452%	4.1452%	4.1452%	4.1452%	
19	Book depreciation	0	272,685.40	272,685.40	272,685.40	272,685.40	273,284.06	273,284.06	273,284.06	273,284.06	273,284.06	273,284.06	272,918.45	276,305.88	3,279,670.30
20	Tax depreciation-ND		3,721.41	3,721.41	3,721.41	3,721.41	3,721.41	3,721.41	3,721.41	3,721.41	3,721.41	3,721.41	3,721.41	3,721.41	44,656.91
21	Tax depreciation-Federal		3,721.41	3,721.41	3,721.41	3,721.41	3,721.41	3,721.41	3,721.41	3,721.41	3,721.41	3,721.41	3,721.41	3,721.41	44,656.91
22	Book vs. tax depreciation		268,963.99	268,963.99	268,963.99	268,963.99	269,562.66	269,562.66	269,562.66	269,562.66	269,562.66	269,562.66	269,197.04	272,584.47	3,235,013.39
23	Federal & State deferred income taxes	0	105,434.96	105,434.96	105,434.96	105,434.96	105,669.64	105,669.64	105,669.64	105,669.64	105,669.64	105,669.64	105,526.32	106,854.20	1,268,138.19
24															
25	Additional Tax Basis (permanent difference)		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
26	Tax Impact-ND		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
27	Tax Impact-Federal		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
28	Total Tax Impact		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

PROOF

		Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Year End 2014
1	Revenue	165,594.28	211,711.35	205,901.76	197,432.37	340,960.82	296,683.40	356,782.47	462,461.35	314,600.53	77,408.44	130,907.13	489,620.17	3,250,064.08
2														
3	Expenses													
4	O/M and Book Depreciation	361,261.60	392,289.66	366,513.79	378,724.26	379,748.07	358,855.03	356,652.52	317,728.05	419,216.94	367,260.09	364,121.52	352,680.67	4,415,052.21
5	Interest on Debt	89,616.05	89,616.05	89,616.05	89,616.05	89,616.05	89,616.05	89,616.05	89,616.05	89,616.05	89,616.05	89,616.05	89,616.05	1,075,392.64
6														
7	Income Taxes													
8	Current Income Tax	(17,752.10)	(11,837.15)	(4,010.28)	(12,116.87)	43,980.19	34,813.42	59,235.89	115,920.98	18,174.90	(54,438.05)	(32,379.34)	114,050.35	253,641.95
9	Deferred Income Tax	(105,434.96)	(105,434.96)	(105,434.96)	(105,434.96)	(105,669.64)	(105,669.64)	(105,669.64)	(105,669.64)	(105,669.64)	(105,669.64)	(105,526.32)	(106,854.20)	(1,268,138.19)
10	Permanent Tax Difference - 30% Grant	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11	Federal Production Tax Credit													
12	Generated PTC	(534,549.00)	(534,549.00)	(534,549.00)	(534,549.00)	(534,549.00)	(534,549.00)	(534,549.00)	(534,549.00)	(534,549.00)	(534,549.00)	(534,549.00)	(534,549.00)	(6,414,588.00)
13	Deferred PTC	176,454.39	185,628.44	197,767.87	185,194.59	271,836.84	257,619.23	295,498.34	383,416.60	231,812.97	119,190.69	153,625.92	378,678.00	2,836,723.87
14	ND Investment Tax Credit													
15	Current ITC	1,249.31	1,249.31	1,249.31	1,249.31	1,249.31	1,249.31	1,249.31	1,249.31	1,249.31	1,249.31	1,249.31	1,249.31	14,991.76
16	Deferred ITC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
17	Total Expenses	(29,154.71)	16,962.36	11,152.78	2,683.39	146,211.83	101,934.41	162,033.48	267,712.36	119,851.54	(117,340.54)	(63,841.85)	294,871.18	913,076.23
18														
19	Net Income before preferred dividend	194,748.99	194,748.99	194,748.99	194,748.99	194,748.99	194,748.99	194,748.99	194,748.99	194,748.99	194,748.99	194,748.99	194,748.99	2,336,987.84
20	Dividend on Preferred Stock	(5,643.70)	(5,643.70)	(5,643.70)	(5,643.70)	(5,643.70)	(5,643.70)	(5,643.70)	(5,643.70)	(5,643.70)	(5,643.70)	(5,643.70)	(5,643.70)	(67,724.43)
21														
22	Income available for Common Stock	**189,105.28**	**189,105.28**	**189,105.28**	**189,105.28**	**189,105.28**	**189,105.28**	**189,105.28**	**189,105.28**	**189,105.28**	**189,105.28**	**189,105.28**	**189,105.28**	**2,269,263.41**
23														
24	**Average Rate Base**	39,604,928.92	39,604,928.92	39,604,928.92	39,604,928.92	39,604,928.92	39,604,928.92	39,604,928.92	39,604,928.92	39,604,928.92	39,604,928.92	39,604,928.92	39,604,928.92	39,604,928.92
25	Equity Percent	1,759,118.93	1,759,118.93	1,759,118.93	1,759,118.93	1,759,118.93	1,759,118.93	1,759,118.93	1,759,118.93	1,759,118.93	1,759,118.93	1,759,118.93	1,759,118.93	21,109,427.12
26	Return on Equity Check	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**
27														
28	**Tax Calculation**													
29	Income Before Income Taxes													
30	Net Income after prfd	189,105.28	189,105.28	189,105.28	189,105.28	189,105.28	189,105.28	189,105.28	189,105.28	189,105.28	189,105.28	189,105.28	189,105.28	2,269,263.41
	Less Section 199 Deduction	(23,322.42)	(23,322.42)	(23,322.42)	(23,322.42)	(23,322.42)	(23,322.42)	(23,322.42)	(23,322.42)	(23,322.42)	(23,322.42)	(23,322.42)	(23,322.42)	(279,869.00)
31	Less Income Taxes	(480,032.36)	(464,943.35)	(444,977.06)	(465,656.92)	(323,152.30)	(346,536.68)	(284,235.09)	(139,631.74)	(388,981.45)	(574,216.69)	(517,579.42)	(147,425.54)	(4,577,368.61)
32	Total	(314,249.49)	(299,160.48)	(279,194.19)	(299,874.05)	(157,369.43)	(180,753.81)	(118,452.23)	26,151.12	(223,198.59)	(408,433.82)	(351,796.55)	18,357.33	(2,587,974.20)
33														
34	Book Depreciation	272,685.40	272,685.40	272,685.40	272,685.40	273,284.06	273,284.06	273,284.06	273,284.06	273,284.06	273,284.06	272,918.45	276,305.88	3,279,670.30
35	Tax Depreciation	(3,721.41)	(3,721.41)	(3,721.41)	(3,721.41)	(3,721.41)	(3,721.41)	(3,721.41)	(3,721.41)	(3,721.41)	(3,721.41)	(3,721.41)	(3,721.41)	(44,656.91)
36	Tax Depreciation - Permanent Difference	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
37	Taxable income	(45,285.50)	(30,196.49)	(10,230.21)	(30,910.07)	112,193.23	88,808.84	151,110.43	295,713.78	46,364.07	(138,871.17)	(82,599.52)	290,941.80	647,039.20
38	Current income tax	(17,752.10)	(11,837.15)	(4,010.28)	(12,116.87)	43,980.19	34,813.42	59,235.89	115,920.98	18,174.90	(54,438.05)	(32,379.34)	114,050.35	253,641.95
39	Tie to RR calculation													
40	Total Tax	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
41	Income Requirement for Return	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Otter Tail Power Company
North Dakota Renewable Resource Rider
Langdon Wind Farm

Line		2014 Balance Dec-14	2015 Actual Jan-15	Actual Feb-15	Actual Mar-15	Actual Apr-15	Actual May-15	Actual Jun-15	Actual Jul-15	Actual Aug-15	Actual Sep-15	Actual Oct-15	Projected Nov-15	Projected Dec-15	2015 YE Balance
1	***RATE BASE***														
2	Plant Balance - Langdon	78,988,192.85	78,988,192.85	78,988,192.85	78,988,192.85	78,988,192.85	78,988,192.85	78,988,192.85	78,988,192.85	78,988,224.76	78,988,224.76	78,988,224.76	78,989,206.64	79,355,784.83	
3	Less: Federal Grant	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
4	Accumulated. Depreciation	(21,280,999.70)	(21,554,364.67)	(21,827,729.64)	(22,101,094.61)	(22,374,459.58)	(22,647,824.55)	(22,921,189.52)	(23,194,554.49)	(23,467,919.46)	(23,741,284.55)	(24,014,649.63)	(24,288,014.71)	(24,561,383.19)	
5	Net Plant in Service	57,707,193.15	57,433,828.18	57,160,463.21	56,887,098.24	56,613,733.27	56,340,368.30	56,067,003.33	55,793,638.36	55,520,305.30	55,246,940.21	54,973,575.13	54,701,191.94	54,794,401.64	
6	Inventory	240,343.63	237,531.56	239,083.60	227,892.44	286,942.63	246,752.78	254,187.15	301,735.42	272,566.55	284,268.68	279,362.93	279,362.93	279,362.93	
7	ADIT Pro-Rated		1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	0.087671	0.002740	
8	Accum. Deferred Inc. Taxes - Fed & State	(22,312,807.77)	(22,208,827.27)	(22,104,846.76)	(22,000,866.26)	(21,896,885.76)	(21,792,905.25)	(21,688,924.75)	(21,584,944.24)	(21,480,963.74)	(21,376,983.19)	(21,273,002.64)	(21,263,886.54)	(21,263,601.66)	
9	Accum. Deferred Inc. Taxes - Basis Difference	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
10	Accum. Deferred Inc. Taxes - Federal PTC	1,082,255.74	1,086,922.13	1,084,417.03	1,150,922.91	1,153,512.29	1,113,629.34	986,985.65	892,313.00	793,657.83	764,354.37	830,696.74	830,637.32	830,496.83	
11	Accum. Deferred Inc. Taxes - ND ITC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
12	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	
13	Accum. Deferred Inc. Taxes - ND ITC	413,234.61	411,312.59	409,390.57	407,468.55	405,546.53	403,624.51	401,702.49	399,780.47	397,858.45	395,936.43	394,014.41	393,845.90	393,840.64	
14	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC	(144,632.27)	(143,959.57)	(143,286.86)	(142,614.15)	(141,941.44)	(141,268.74)	(140,596.03)	(139,923.32)	(139,250.62)	(138,577.91)	(137,905.20)	(137,846.23)	(137,844.38)	
15	End of month rate base	36,985,587.08	36,816,808.63	36,645,221.79	36,529,902.73	36,420,908.52	36,170,201.94	35,880,358.84	35,662,600.68	35,364,174.77	35,175,939.59	35,066,742.36	34,803,305.41	34,896,656.00	
16															
17	Average rate base	39,604,928.92	35,878,339.10	35,878,339.10	35,878,339.10	35,878,339.10	35,878,339.10	35,878,339.10	35,878,339.10	35,878,339.10	35,878,339.10	35,878,339.10	35,878,339.10	35,878,339.10	35,878,339.10
18															
19	Return on Rate Base	3,412,380.48	257,607.97	257,607.97	257,607.97	257,607.97	257,607.97	257,607.97	257,607.97	257,607.97	257,607.97	257,607.97	257,607.97	257,607.97	3,091,295.64
20															
21	Available for return (equity portion of rate base)	2,269,263.41	171,311.59	171,311.59	171,311.59	171,311.59	171,311.59	171,311.59	171,311.59	171,311.59	171,311.59	171,311.59	171,311.59	171,311.59	2,055,739.13
22															
23	***EXPENSES***														
24	*O&M and Depreciation*														
25	Operating Costs		55,358.01	79,477.97	94,804.95	48,056.69	101,411.57	69,102.93	62,722.26	110,294.35	65,215.18	58,169.67	77,896.93	56,619.75	879,130.26
26	Ground Lease Payments		10,281.37	10,281.31	10,281.31	10,281.31	10,281.31	10,281.31	10,281.31	10,281.31	10,281.31	10,281.31	13,928.50	9,267.02	126,008.68
27	Property Tax		11,832.00	11,832.00	11,832.00	11,832.00	11,832.00	11,832.00	11,832.00	11,832.00	11,832.00	11,832.00	11,832.00	11,833.00	141,985.00
28	Book Depreciation	0	273,364.97	273,364.97	273,364.97	273,364.97	273,364.97	273,364.97	273,364.97	273,364.97	273,365.08	273,365.08	273,365.08	273,368.48	3,280,383.49
29	Total O&M and Depreciation Expense	0	350,836.35	374,956.25	390,283.23	343,534.97	396,889.85	364,581.21	358,200.54	405,772.63	360,693.57	353,648.06	377,022.51	351,088.25	4,427,507.43
30															
31	Income before Taxes														
32	Available for return (from above)		171,311.59	171,311.59	171,311.59	171,311.59	171,311.59	171,311.59	171,311.59	171,311.59	171,311.59	171,311.59	171,311.59	171,311.59	2,055,739.13
33	Less book tax credits - Federal PTC	0	(327,344.17)	(320,172.67)	(389,183.64)	(325,267.15)	(282,794.82)	(196,034.08)	(228,005.12)	(224,022.60)	(293,374.32)	(389,020.14)	(322,000.00)	(271,400.00)	(3,568,618.71)
34	Less book tax credits - ND ITC		1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	23,064.24
35	ND ITC - Federal impact		(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(8,072.48)
36	Less: Section 199 Deduction														
37	Adjusted Income before interest and taxes		(154,783.26)	(147,611.77)	(216,622.74)	(152,706.24)	(110,233.91)	(23,473.18)	(55,444.21)	(51,461.69)	(120,813.41)	(216,459.23)	(149,439.09)	(98,839.09)	(1,497,887.81)
38	Taxable Income (grossed up)	1.642743	(254,269.09)	(242,488.17)	(355,855.45)	(250,857.09)	(181,085.97)	(38,560.39)	(91,080.58)	(84,538.33)	(198,465.36)	(355,586.85)	(245,490.00)	(162,367.21)	(2,460,644.50)
39															
40	Income Taxes														
41	Current and Def Income Taxes	39.126%	(99,485.83)	(94,876.41)	(139,232.72)	(98,150.85)	(70,852.06)	(15,087.22)	(35,636.37)	(33,076.63)	(77,651.95)	(139,127.62)	(96,050.91)	(63,528.12)	(962,756.69)
42	Tax Adjustment for Additional Tax Basis	32.778%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
43	Federal PTC	6.3480%	(327,344.17)	(320,172.67)	(389,183.64)	(325,267.15)	(282,794.82)	(196,034.08)	(228,005.12)	(224,022.60)	(293,374.32)	(389,020.14)	(322,000.00)	(271,400.00)	(3,568,618.71)
44	ND ITC		1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	23,064.24
45	ND ITC - Federal impact		(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(8,072.48)
46	Total Income Tax Expense		(425,580.68)	(413,799.77)	(527,167.05)	(422,168.68)	(352,397.57)	(209,871.99)	(262,392.18)	(255,849.92)	(369,776.96)	(526,898.45)	(416,801.60)	(333,678.81)	(4,516,383.64)
47															
48															
49	***REVENUE REQUIRMENTS***														
50	Expenses		(74,744.33)	(38,843.52)	(136,883.82)	(78,633.71)	44,492.28	154,709.22	95,808.37	149,922.71	(9,083.39)	(173,250.39)	(39,779.08)	17,409.45	(88,876.21)
51	Return on rate base		257,607.97	257,607.97	257,607.97	257,607.97	257,607.97	257,607.97	257,607.97	257,607.97	257,607.97	257,607.97	257,607.97	257,607.97	3,091,295.64
52															
53	Total revenue requirements		182,863.64	218,764.45	120,724.15	178,974.26	302,100.25	412,317.19	353,416.34	407,530.68	248,524.58	84,357.58	217,828.88	275,017.42	3,002,419.43
54															
55	North Dakota share - E2 factor	41.018%	75,006.96	89,732.75	49,518.60	73,411.62	123,915.41	169,124.16	144,964.22	167,160.83	101,939.75	34,601.77	89,349.00	112,806.58	**1,231,531.65**

Otter Tail Power Company
North Dakota Renewable Resource Rider
Langdon Wind Farm

		2014				2015									
	SUPPORTING INFORMATION / DATA														
Line															
1	MN Capstructure with allowed ROE per order.														
2	Capital Structure		Ratio	Cost	WA Cost										
3	Debt		43.10%	6.30%	2.72%										
4	Preferred equity		3.60%	4.75%	0.17%										
5	Common equity		53.30%	10.75%	5.73%										
6	Total		100.00%		8.62%										
7															
8															
9	**Federal Production Tax Credit**														
10	Federal PTC Rate		$23.000	$23.000	$23.000	$23.000	$23.000	$23.000	$23.000	$23.000	$23.000	$23.000	$23.000	$23.000	$23.000
11	Output (MWH) / month	0	14,232	13,921	16,921	14,142	12,295	8,523	9,913	9,740	12,755	16,914	14,000	11,800	155,157
12	Federal PTC Available based on production	0	327,344	320,173	389,184	325,267	282,795	196,034	228,005	224,023	293,374	389,020	322,000	271,400	3,568,619
13	Federal PTC Used on tax return		322,678	322,678	322,678	322,678	322,678	322,678	322,678	322,678	322,678	322,678	322,678	322,678	3,872,133
14	Deferred		4,666	(2,505)	66,506	2,589	(39,883)	(126,644)	(94,673)	(98,655)	(29,303)	66,342	(678)	(51,278)	(303,515)
15	Accumulated Deferred		1,086,922	1,084,417	1,150,923	1,153,512	1,113,629	986,986	892,313	793,658	764,354	830,697	830,019	778,741	475,227
16															
17	**Deferred Tax**														
18	Book depr. rate		4.1530%	4.1530%	4.1530%	4.1530%	4.1530%	4.1530%	4.1530%	4.1530%	4.1530%	4.1530%	4.1530%	4.1530%	
19	Book depreciation	0	273,364.97	273,364.97	273,364.97	273,364.97	273,364.97	273,364.97	273,364.97	273,364.97	273,365.08	273,365.08	273,365.08	273,368.48	3,280,383.49
20	Tax depreciation-ND		7,608.25	7,608.25	7,608.25	7,608.25	7,608.25	7,608.25	7,608.25	7,608.25	7,608.25	7,608.25	7,608.25	7,608.25	91,299.06
21	Tax depreciation-Federal		7,608.25	7,608.25	7,608.25	7,608.25	7,608.25	7,608.25	7,608.25	7,608.25	7,608.25	7,608.25	7,608.25	7,608.25	91,299.06
22	Book vs. tax depreciation		265,756.72	265,756.72	265,756.72	265,756.72	265,756.72	265,756.72	265,756.72	265,756.72	265,756.83	265,756.83	265,756.83	265,760.22	3,189,084.43
23	Federal & State deferred income taxes	0	103,980.50	103,980.50	103,980.50	103,980.50	103,980.50	103,980.50	103,980.50	103,980.50	103,980.55	103,980.55	103,980.55	103,981.88	1,247,767.55
24															
25	Additional Tax Basis (permanent difference)		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
26	Tax Impact-ND		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
27	Tax Impact-Federal														0.00
28	Total Tax Impact		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	PROOF		**Jan-15**	**Feb-15**	**Mar-15**	**Apr-15**	**May-15**	**Jun-15**	**Jul-15**	**Aug-15**	**Sep-15**	**Oct-15**	**Nov-15**	**Dec-15**	**Year End 2015**
1	Revenue		182,863.64	218,764.45	120,724.15	178,974.26	302,100.25	412,317.19	353,416.34	407,530.68	248,524.58	84,357.58	217,828.88	275,017.42	3,002,419.43
2															
3	Expenses														
4	O/M and Book Depreciation		350,836.35	374,956.25	390,283.23	343,534.97	396,889.85	364,581.21	358,200.54	405,772.63	360,693.57	353,648.06	377,022.51	351,088.25	4,427,507.43
5	Interest on Debt		81,183.71	81,183.71	81,183.71	81,183.71	81,183.71	81,183.71	81,183.71	81,183.71	81,183.71	81,183.71	81,183.71	81,183.71	974,204.54
6															
7	Income Taxes														
8	Current Income Tax		4,494.67	9,104.10	(35,252.21)	5,829.66	33,128.44	88,893.29	68,344.13	70,903.87	26,328.59	(35,147.08)	7,929.64	40,453.76	285,010.86
9	Deferred Income Tax		(103,980.50)	(103,980.50)	(103,980.50)	(103,980.50)	(103,980.50)	(103,980.50)	(103,980.50)	(103,980.50)	(103,980.55)	(103,980.55)	(103,980.55)	(103,981.88)	(1,247,767.55)
10	Permanent Tax Difference - 30% Grant		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11	Federal Production Tax Credit														
12	Generated PTC		(322,677.77)	(322,677.77)	(322,677.77)	(322,677.77)	(322,677.77)	(322,677.77)	(322,677.77)	(322,677.77)	(322,677.77)	(322,677.77)	(322,677.77)	(322,677.77)	(3,872,133.24)
13	Deferred PTC		(4,666.39)	2,505.10	(66,505.87)	(2,589.38)	39,882.95	126,643.69	94,672.65	98,655.17	29,303.46	(66,342.37)	677.77	51,277.77	303,514.54
14	ND Investment Tax Credit														
15	Current ITC		1,249.31	1,249.31	1,249.31	1,249.31	1,249.31	1,249.31	1,249.31	1,249.31	1,249.31	1,249.31	1,249.31	1,249.31	14,991.76
16	Deferred ITC		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
17	Total Expenses		6,439.38	42,340.20	(55,700.10)	2,550.00	125,675.99	235,892.94	176,992.08	231,106.42	72,100.33	(92,066.67)	41,404.63	98,593.16	885,328.34
18															
19	Net Income before preferred dividend		176,424.26	176,424.26	176,424.26	176,424.26	176,424.26	176,424.26	176,424.26	176,424.26	176,424.26	176,424.26	176,424.26	176,424.26	2,117,091.09
20	Dividend on Preferred Stock		(5,112.66)	(5,112.66)	(5,112.66)	(5,112.66)	(5,112.66)	(5,112.66)	(5,112.66)	(5,112.66)	(5,112.66)	(5,112.66)	(5,112.66)	(5,112.66)	(61,351.96)
21															
22	Income available for Common Stock		**171,311.59**	**171,311.59**	**171,311.59**	**171,311.59**	**171,311.59**	**171,311.59**	**171,311.59**	**171,311.59**	**171,311.59**	**171,311.59**	**171,311.59**	**171,311.59**	**2,055,739.13**
23															
24	**Average Rate Base**		35,878,339.10	35,878,339.10	35,878,339.10	35,878,339.10	35,878,339.10	35,878,339.10	35,878,339.10	35,878,339.10	35,878,339.10	35,878,339.10	35,878,339.10	35,878,339.10	35,878,339.10
25	Equity Percent		1,593,596.23	1,593,596.23	1,593,596.23	1,593,596.23	1,593,596.23	1,593,596.23	1,593,596.23	1,593,596.23	1,593,596.23	1,593,596.23	1,593,596.23	1,593,596.23	19,123,154.74
26	Return on Equity Check		**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**
27															
28	**Tax Calculation**														
29	Income Before Income Taxes														
30	Net Income after prfd		171,311.59	171,311.59	171,311.59	171,311.59	171,311.59	171,311.59	171,311.59	171,311.59	171,311.59	171,311.59	171,311.59	171,311.59	2,055,739.13
	Less Section 199 Deduction														
31	Less Income Taxes		(425,580.68)	(413,799.77)	(527,167.05)	(422,168.68)	(352,397.57)	(209,871.99)	(262,392.18)	(255,849.92)	(369,776.96)	(526,898.45)	(416,801.60)	(333,678.81)	(4,516,383.64)
32	Total		(254,269.09)	(242,488.17)	(355,855.45)	(250,857.09)	(181,085.97)	(38,560.39)	(91,080.58)	(84,538.33)	(198,465.36)	(355,586.85)	(245,490.00)	(162,367.21)	(2,460,644.50)
33															
34	Book Depreciation		273,364.97	273,364.97	273,364.97	273,364.97	273,364.97	273,364.97	273,364.97	273,364.97	273,365.08	273,365.08	273,365.08	273,368.48	3,280,383.49
35	Tax Depreciation		(7,608.25)	(7,608.25)	(7,608.25)	(7,608.25)	(7,608.25)	(7,608.25)	(7,608.25)	(7,608.25)	(7,608.25)	(7,608.25)	(7,608.25)	(7,608.25)	(91,299.06)
36	Tax Depreciation - Permanent Difference		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
37	Taxable income		11,487.63	23,268.54	(90,098.74)	14,899.63	84,670.74	227,196.32	174,676.14	181,218.39	67,291.46	(89,830.03)	20,266.82	103,393.01	728,439.93
38	Current income tax		4,494.67	9,104.10	(35,252.21)	5,829.66	33,128.44	88,893.29	68,344.13	70,903.87	26,328.59	(35,147.08)	7,929.64	40,453.76	285,010.86
39	Tie to RR calculation														
40	Total Tax		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
41	Income Requirement for Return		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Otter Tail Power Company
North Dakota Renewable Resource Rider
Langdon Wind Farm

Line		2015 Balance Dec-15	Projected Jan-16	Projected Feb-16	Projected Mar-16	Projected Apr-16	Projected May-16	Projected Jun-16	2016 Projected Jul-16	Projected Aug-16	Projected Sep-16	Projected Oct-16	Projected Nov-16	Projected Dec-16	2016 YE Balance
1	***RATE BASE***														
2	Plant Balance - Langdon	79,355,784.83	79,355,784.83	79,355,784.83	79,620,311.58	79,620,311.58	79,620,311.58	79,884,838.34	79,884,838.34	79,884,838.34	80,149,365.09	80,149,365.09	80,149,365.09	80,413,891.85	
3	Less: Federal Grant	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
4	Accumulated. Depreciation	(24,561,383.19)	(24,837,772.77)	(25,114,162.36)	(25,390,551.94)	(25,667,862.85)	(25,945,173.76)	(26,222,484.67)	(26,500,716.91)	(26,778,949.14)	(27,057,181.38)	(27,336,334.94)	(27,615,488.50)	(27,894,642.06)	
5	Net Plant in Service	54,794,401.64	54,518,012.06	54,241,622.47	54,229,759.64	53,952,448.73	53,675,137.82	53,662,353.66	53,384,121.43	53,105,889.19	53,092,183.71	52,813,030.15	52,533,876.59	52,519,249.79	
6	Inventory	279,362.93	279,362.93	279,362.93	279,362.93	279,362.93	279,362.93	279,362.93	279,362.93	279,362.93	279,362.93	279,362.93	279,362.93	279,362.93	
7	ADIT Pro-Rated		0.917808	0.841096	0.756164	0.673973	0.589041	0.506849	0.421918	0.336986	0.254795	0.169863	0.087671	0.002740	
8	Accum. Deferred Inc. Taxes - Fed & State	(21,263,601.66)	(21,174,636.67)	(21,093,107.55)	(21,019,811.02)	(20,954,238.55)	(20,896,929.28)	(20,847,616.65)	(20,806,415.13)	(20,773,507.41)	(20,748,625.97)	(20,731,977.11)	(20,723,384.16)	(20,723,115.63)	
9	Accum. Deferred Inc. Taxes - Basis Difference	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
10	Accum. Deferred Inc. Taxes - Federal PTC	830,496.83	879,691.35	896,513.27	893,488.61	911,820.66	926,428.88	902,505.60	866,389.43	835,925.87	837,964.23	848,699.57	852,346.69	852,316.01	
11	Accum. Deferred Inc. Taxes - ND ITC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
12	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	
13	Accum. Deferred Inc. Taxes - ND ITC	393,840.64	392,076.59	390,459.99	389,006.63	387,711.24	386,579.09	385,604.91	384,793.98	384,146.29	383,656.57	383,330.09	383,161.58	383,156.31	
14	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC	(137,844.38)	(137,226.97)	(136,661.16)	(136,152.48)	(135,699.09)	(135,302.84)	(134,961.88)	(134,678.05)	(134,451.36)	(134,279.96)	(134,165.69)	(134,106.71)	(134,104.87)	
15	End of month rate base	34,896,656.00	34,757,280.21	34,578,190.79	34,635,655.06	34,441,406.59	34,235,277.19	34,247,249.08	33,973,575.01	33,697,365.84	33,710,261.76	33,458,280.10	33,191,257.02	33,176,864.55	
16															
17	Average rate base	35,878,339.10	34,076,870.71	34,076,870.71	34,076,870.71	34,076,870.71	34,076,870.71	34,076,870.71	34,076,870.71	34,076,870.71	34,076,870.71	34,076,870.71	34,076,870.71	34,076,870.71	34,076,870.71
18															
19	Return on Rate Base		244,673.35	244,673.35	244,673.35	244,673.35	244,673.35	244,673.35	244,673.35	244,673.35	244,673.35	244,673.35	244,673.35	244,673.35	2,936,080.22
20															
21	Available for return (equity portion of rate base)		162,709.96	162,709.96	162,709.96	162,709.96	162,709.96	162,709.96	162,709.96	162,709.96	162,709.96	162,709.96	162,709.96	162,709.96	1,952,519.50
22															
23	***EXPENSES***														
24	*O&M and Depreciation*														
25	Operating Costs		96,007.22	62,883.08	104,560.65	88,848.86	84,324.63	65,089.82	65,101.41	65,098.49	83,488.39	83,491.16	65,218.05	65,101.18	929,212.96
26	Ground Lease Payments		11,014.75	11,014.82	11,014.82	11,013.79	11,013.79	11,013.79	11,013.79	11,013.79	11,013.79	11,013.79	11,013.79	11,013.79	132,168.50
27	Property Tax		10,929.00	10,929.00	10,929.00	10,929.00	10,929.00	10,929.00	10,929.00	10,929.00	10,929.00	10,929.00	10,929.00	10,924.00	131,143.00
28	Book Depreciation	0	276,389.59	276,389.59	276,389.59	277,310.91	277,310.91	277,310.91	278,232.23	278,232.23	278,232.23	279,153.56	279,153.56	279,153.56	3,333,258.87
29	Total O&M and Depreciation Expense	0	394,340.55	361,216.49	402,894.06	388,102.56	383,578.33	364,343.52	365,276.44	365,273.51	383,663.42	384,587.51	366,314.40	366,192.53	4,525,783.33
30															
31	Income before Taxes														
32	Available for return (from above)		162,709.96	162,709.96	162,709.96	162,709.96	162,709.96	162,709.96	162,709.96	162,709.96	162,709.96	162,709.96	162,709.96	162,709.96	1,952,519.50
33	Less book tax credits - Federal PTC	0	(348,000.00)	(314,400.00)	(290,400.00)	(321,600.00)	(319,200.00)	(247,200.00)	(208,800.00)	(204,000.00)	(302,400.00)	(357,600.00)	(336,000.00)	(283,200.00)	(3,532,800.00)
34	Less book tax credits - ND ITC		1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	23,064.24
35	ND ITC - Federal impact		(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(8,072.48)
36	Less: Section 199 Deduction														
37	Adjusted Income before interest and taxes		(184,040.73)	(150,440.73)	(126,440.73)	(157,640.73)	(155,240.73)	(83,240.73)	(44,840.73)	(40,040.73)	(138,440.73)	(193,640.73)	(172,040.73)	(119,240.73)	(1,565,288.74)
38	Taxable Income (grossed up)	1.642743	(302,331.59)	(247,135.43)	(207,709.60)	(258,963.18)	(255,020.60)	(136,743.11)	(73,661.79)	(65,776.62)	(227,422.52)	(318,101.92)	(282,618.68)	(195,881.86)	(2,571,366.90)
39															
40	Income Taxes														
41	Current and Def Income Taxes	39.126%	(118,290.86)	(96,694.70)	(81,268.87)	(101,322.45)	(99,779.87)	(53,502.38)	(28,821.06)	(25,735.89)	(88,981.79)	(124,461.19)	(110,577.95)	(76,641.13)	(1,006,078.16)
42	Tax Adjustment for Additional Tax Basis	32.778%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
43	Federal PTC	6.348%	(348,000.00)	(314,400.00)	(290,400.00)	(321,600.00)	(319,200.00)	(247,200.00)	(208,800.00)	(204,000.00)	(302,400.00)	(357,600.00)	(336,000.00)	(283,200.00)	(3,532,800.00)
44	ND ITC		1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	23,064.24
45	ND ITC - Federal impact		(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(8,072.48)
46	Total Income Tax Expense		(465,041.55)	(409,845.39)	(370,419.56)	(421,673.14)	(417,730.56)	(299,453.07)	(236,371.74)	(228,486.58)	(390,132.48)	(480,811.88)	(445,328.64)	(358,591.81)	(4,523,886.40)
47															
48															
49	***REVENUE REQUIRMENTS***														
50	Expenses		(70,701.00)	(48,628.90)	32,474.50	(33,570.58)	(34,152.22)	64,890.45	128,904.69	136,786.94	(6,469.06)	(96,224.37)	(79,014.24)	7,600.72	1,896.93
51	Return on rate base		244,673.35	244,673.35	244,673.35	244,673.35	244,673.35	244,673.35	244,673.35	244,673.35	244,673.35	244,673.35	244,673.35	244,673.35	2,936,080.22
52															
53	Total revenue requirements		173,972.35	196,044.45	277,147.85	211,102.77	210,521.13	309,563.81	373,578.05	381,460.29	238,204.29	148,448.98	165,659.11	252,274.07	2,937,977.15
54															
55	North Dakota share - E2 factor	41.018%	71,359.93	80,413.46	113,680.44	86,590.08	86,351.50	126,976.80	153,234.15	156,467.29	97,706.58	60,890.77	67,950.01	103,477.72	**1,205,098.73**

Otter Tail Power Company
North Dakota Renewable Resource Rider
Langdon Wind Farm

		2015				2016									
	SUPPORTING INFORMATION / DATA														
Line															
1	MN Capstructure with allowed ROE per order.														
2	Capital Structure		Ratio	Cost	WA Cost										
3	Debt		43.10%	6.30%	2.72%										
4	Preferred equity		3.60%	4.75%	0.17%										
5	Common equity		53.30%	10.75%	5.73%										
6	Total		100.00%		8.62%										
7															
8															
9	**Federal Production Tax Credit**														
10	Federal PTC Rate		$24.000	$24.000	$24.000	$24.000	$24.000	$24.000	$24.000	$24.000	$24.000	$24.000	$24.000	$24.000	$24.000
11	Output (MWH) / month	0	14,500	13,100	12,100	13,400	13,300	10,300	8,700	8,500	12,600	14,900	14,000	11,800	147,200
12	Federal PTC Available based on production	0	348,000	314,400	290,400	321,600	319,200	247,200	208,800	204,000	302,400	357,600	336,000	283,200	3,532,800
13	Federal PTC Used on tax return		294,400	294,400	294,400	294,400	294,400	294,400	294,400	294,400	294,400	294,400	294,400	294,400	3,532,800
14	Deferred		53,600	20,000	(4,000)	27,200	24,800	(47,200)	(85,600)	(90,400)	8,000	63,200	41,600	(11,200)	0
15	Accumulated Deferred		832,341	852,341	848,341	875,541	900,341	853,141	767,541	677,141	685,141	748,341	789,941	778,741	475,227
16															
17	**Deferred Tax**														
18	Book depr. rate		4.1795%	4.1795%	4.1795%	4.1795%	4.1795%	4.1795%	4.1795%	4.1795%	4.1795%	4.1795%	4.1795%	4.1795%	
19	Book depreciation	0	276,389.59	276,389.59	276,389.59	277,310.91	277,310.91	277,310.91	278,232.23	278,232.23	278,232.23	279,153.56	279,153.56	279,153.56	3,333,258.87
20	Tax depreciation-ND		28,647.65	28,647.65	28,647.65	28,647.65	28,647.65	28,647.65	28,647.65	28,647.65	28,647.65	28,647.65	28,647.65	28,647.65	343,771.75
21	Tax depreciation-Federal		28,647.65	28,647.65	28,647.65	28,647.65	28,647.65	28,647.65	28,647.65	28,647.65	28,647.65	28,647.65	28,647.65	28,647.65	343,771.75
22	Book vs. tax depreciation		247,741.94	247,741.94	247,741.94	248,663.26	248,663.26	248,663.26	249,584.59	249,584.59	249,584.59	250,505.91	250,505.91	250,505.91	2,989,487.12
23	Federal & State deferred income taxes	0	96,932.01	96,932.01	96,932.01	97,292.49	97,292.49	97,292.49	97,652.97	97,652.97	97,652.97	98,013.44	98,013.44	98,013.44	1,169,672.71
24															
25	Additional Tax Basis (permanent difference)		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
26	Tax Impact-ND		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
27	Tax Impact-Federal														0.00
28	Total Tax Impact		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	PROOF		**Jan-16**	**Feb-16**	**Mar-16**	**Apr-16**	**May-16**	**Jun-16**	**Jul-16**	**Aug-16**	**Sep-16**	**Oct-16**	**Nov-16**	**Dec-16**	**Year End 2016**
1	Revenue		173,972.35	196,044.45	277,147.85	211,102.77	210,521.13	309,563.81	373,578.05	381,460.29	238,204.29	148,448.98	165,659.11	252,274.07	2,937,977.15
2															
3	Expenses														
4	O/M and Book Depreciation		394,340.55	361,216.49	402,894.06	388,102.56	383,578.33	364,343.52	365,276.44	365,273.51	383,663.42	384,587.51	366,314.40	366,192.53	4,525,783.33
5	Interest on Debt		77,107.44	77,107.44	77,107.44	77,107.44	77,107.44	77,107.44	77,107.44	77,107.44	77,107.44	77,107.44	77,107.44	77,107.44	925,289.27
6															
7	Income Taxes														
8	Current Income Tax		(21,358.86)	237.30	15,663.13	(4,029.97)	(2,487.38)	43,790.10	68,831.91	71,917.07	8,671.18	(26,447.75)	(12,564.50)	21,372.32	163,594.55
9	Deferred Income Tax		(96,932.01)	(96,932.01)	(96,932.01)	(97,292.49)	(97,292.49)	(97,292.49)	(97,652.97)	(97,652.97)	(97,652.97)	(98,013.44)	(98,013.44)	(98,013.44)	(1,169,672.71)
10	Permanent Tax Difference - 30% Grant		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11	Federal Production Tax Credit														
12	Generated PTC		(294,400.00)	(294,400.00)	(294,400.00)	(294,400.00)	(294,400.00)	(294,400.00)	(294,400.00)	(294,400.00)	(294,400.00)	(294,400.00)	(294,400.00)	(294,400.00)	(3,532,800.00)
13	Deferred PTC		(53,600.00)	(20,000.00)	4,000.00	(27,200.00)	(24,800.00)	47,200.00	85,600.00	90,400.00	(8,000.00)	(63,200.00)	(41,600.00)	11,200.00	0.00
14	ND Investment Tax Credit														
15	Current ITC		1,249.31	1,249.31	1,249.31	1,249.31	1,249.31	1,249.31	1,249.31	1,249.31	1,249.31	1,249.31	1,249.31	1,249.31	14,991.76
16	Deferred ITC		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
17	Total Expenses		6,406.44	28,478.54	109,581.94	43,536.86	42,955.22	141,997.89	206,012.13	213,894.37	70,638.38	(19,116.93)	(1,906.80)	84,708.16	927,186.20
18															
19	Net Income before preferred dividend		167,565.91	167,565.91	167,565.91	167,565.91	167,565.91	167,565.91	167,565.91	167,565.91	167,565.91	167,565.91	167,565.91	167,565.91	2,010,790.95
20	Dividend on Preferred Stock		(4,855.95)	(4,855.95)	(4,855.95)	(4,855.95)	(4,855.95)	(4,855.95)	(4,855.95)	(4,855.95)	(4,855.95)	(4,855.95)	(4,855.95)	(4,855.95)	(58,271.45)
21															
22	Income available for Common Stock		**162,709.96**	**162,709.96**	**162,709.96**	**162,709.96**	**162,709.96**	**162,709.96**	**162,709.96**	**162,709.96**	**162,709.96**	**162,709.96**	**162,709.96**	**162,709.96**	**1,952,519.50**
23															
24	**Average Rate Base**		34,076,870.71	34,076,870.71	34,076,870.71	34,076,870.71	34,076,870.71	34,076,870.71	34,076,870.71	34,076,870.71	34,076,870.71	34,076,870.71	34,076,870.71	34,076,870.71	34,076,870.71
25	Equity Percent		1,513,581.01	1,513,581.01	1,513,581.01	1,513,581.01	1,513,581.01	1,513,581.01	1,513,581.01	1,513,581.01	1,513,581.01	1,513,581.01	1,513,581.01	1,513,581.01	18,162,972.09
26	Return on Equity Check		**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**
27															
28	**Tax Calculation**														
29	Income Before Income Taxes														
30	Net Income after prfd		162,709.96	162,709.96	162,709.96	162,709.96	162,709.96	162,709.96	162,709.96	162,709.96	162,709.96	162,709.96	162,709.96	162,709.96	1,952,519.50
	Less Section 199 Deduction														
31	Less Income Taxes		(465,041.55)	(409,845.39)	(370,419.56)	(421,673.14)	(417,730.56)	(299,453.07)	(236,371.74)	(228,486.58)	(390,132.48)	(480,811.88)	(445,328.64)	(358,591.81)	(4,523,886.40)
32	Total		(302,331.59)	(247,135.43)	(207,709.60)	(258,963.18)	(255,020.60)	(136,743.11)	(73,661.79)	(65,776.62)	(227,422.52)	(318,101.92)	(282,618.68)	(195,881.86)	(2,571,366.90)
33															
34	Book Depreciation		276,389.59	276,389.59	276,389.59	277,310.91	277,310.91	277,310.91	278,232.23	278,232.23	278,232.23	279,153.56	279,153.56	279,153.56	3,333,258.87
35	Tax Depreciation		(28,647.65)	(28,647.65)	(28,647.65)	(28,647.65)	(28,647.65)	(28,647.65)	(28,647.65)	(28,647.65)	(28,647.65)	(28,647.65)	(28,647.65)	(28,647.65)	(343,771.75)
36	Tax Depreciation - Permanent Difference		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
37	Taxable income		(54,589.65)	606.51	40,032.34	(10,299.92)	(6,357.33)	111,920.15	175,922.80	183,807.97	22,162.07	(67,596.01)	(32,112.76)	54,624.06	418,120.22
38	Current income tax		(21,358.86)	237.30	15,663.13	(4,029.97)	(2,487.38)	43,790.10	68,831.91	71,917.07	8,671.18	(26,447.75)	(12,564.50)	21,372.32	163,594.55
39	Tie to RR calculation														
40	Total Tax		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
41	Income Requirement for Return		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Otter Tail Power Company
North Dakota Renewable Resource Rider
Langdon Wind Farm

Line		2016 Balance Dec-16	Projected Jan-17	Projected Feb-17	Projected Mar-17	Projected Apr-17	Projected May-17	Projected Jun-17	2017 Projected Jul-17	Projected Aug-17	Projected Sep-17	Projected Oct-17	Projected Nov-17	Projected Dec-17	2017 YE Balance
1	***RATE BASE***														
2	Plant Balance - Langdon	80,413,891.85	80,413,891.85	80,413,891.85	80,728,017.37	80,728,017.37	80,728,017.37	81,042,142.89	81,042,142.89	81,042,142.89	81,356,268.41	81,356,268.41	81,356,268.41	81,670,393.93	
3	Less: Federal Grant	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
4	Accumulated. Depreciation	(27,894,642.06)	(28,174,716.94)	(28,454,791.83)	(28,734,866.71)	(29,016,035.67)	(29,297,204.62)	(29,578,373.58)	(29,860,636.61)	(30,142,899.64)	(30,425,162.67)	(30,708,519.77)	(30,991,876.88)	(31,275,233.98)	
5	Net Plant in Service	52,519,249.79	52,239,174.90	51,959,100.02	51,993,150.66	51,711,981.70	51,430,812.74	51,463,769.30	51,181,506.27	50,899,243.24	50,931,105.73	50,647,748.63	50,364,391.53	50,395,159.95	
6	Inventory	279,362.93	279,362.93	279,362.93	279,362.93	279,362.93	279,362.93	279,362.93	279,362.93	279,362.93	279,362.93	279,362.93	279,362.93	279,362.93	
7	ADIT Pro-Rated		0.917808	0.841096	0.756164	0.673973	0.589041	0.506849	0.421918	0.336986	0.254795	0.169863	0.087671	0.002740	
8	Accum. Deferred Inc. Taxes - Fed & State	(20,723,115.63)	(20,642,539.75)	(20,568,698.57)	(20,502,313.66)	(20,442,856.00)	(20,390,890.98)	(20,346,176.88)	(20,308,774.81)	(20,278,901.73)	(20,256,314.76)	(20,241,184.07)	(20,233,374.68)	(20,233,130.64)	
9	Accum. Deferred Inc. Taxes - Basis Difference	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
10	Accum. Deferred Inc. Taxes - Federal PTC	852,316.01	1,171,713.27	1,426,060.66	1,036,165.67	1,252,915.26	1,440,937.18	1,157,698.63	1,245,795.07	1,314,540.28	1,186,220.15	1,246,963.16	1,276,420.70	1,274,212.42	
11	Accum. Deferred Inc. Taxes - ND ITC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
12	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	(0.00)	
13	Accum. Deferred Inc. Taxes - ND ITC	383,156.31	381,392.27	379,775.66	378,322.30	377,026.91	375,894.76	374,920.59	374,109.65	373,461.96	372,972.24	372,645.76	372,477.25	372,471.99	
14	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC	(134,104.87)	(133,487.45)	(132,921.64)	(132,412.97)	(131,959.58)	(131,563.33)	(131,222.37)	(130,938.54)	(130,711.85)	(130,540.44)	(130,426.18)	(130,367.20)	(130,365.36)	
15	End of month rate base	33,176,864.55	33,295,617.09	33,342,679.91	33,052,275.69	33,046,471.90	33,004,553.90	32,798,352.72	32,641,061.01	32,456,995.18	32,382,806.11	32,175,110.41	31,928,910.62	31,957,711.29	
16															
17	Average rate base	34,076,870.71	32,712,262.34	32,712,262.34	32,712,262.34	32,712,262.34	32,712,262.34	32,712,262.34	32,712,262.34	32,712,262.34	32,712,262.34	32,712,262.34	32,712,262.34	32,712,262.34	32,712,262.34
18															
19	Return on Rate Base		234,875.41	234,875.41	234,875.41	234,875.41	234,875.41	234,875.41	234,875.41	234,875.41	234,875.41	234,875.41	234,875.41	234,875.41	2,818,504.88
20															
21	Available for return (equity portion of rate base)		156,194.24	156,194.24	156,194.24	156,194.24	156,194.24	156,194.24	156,194.24	156,194.24	156,194.24	156,194.24	156,194.24	156,194.24	1,874,330.85
22															
23	***EXPENSES***														
24	*O&M and Depreciation*														
25	Operating Costs		98,887.45	64,769.60	107,697.49	91,514.28	86,854.33	67,042.48	67,054.41	67,051.40	85,993.00	85,995.86	67,174.54	67,054.17	957,089.01
26	Ground Lease Payments		11,345.19	11,345.26	11,345.26	11,344.20	11,344.20	11,344.20	11,344.20	11,344.20	11,344.20	11,344.20	11,344.20	11,344.20	136,133.55
27	Property Tax		10,485.12	10,485.12	10,485.12	10,485.12	10,485.12	10,485.12	10,485.12	10,485.12	10,485.12	10,485.12	10,485.12	10,484.16	125,820.48
28	Book Depreciation	0	280,074.88	280,074.88	280,074.88	281,168.96	281,168.96	281,168.96	282,263.03	282,263.03	282,263.03	283,357.10	283,357.10	283,357.10	3,380,591.92
29	Total O&M and Depreciation Expense	0	400,792.64	366,674.86	409,602.76	394,512.56	389,852.61	370,040.76	371,146.77	371,143.75	390,085.36	391,182.28	372,360.97	372,239.64	4,599,634.97
30															
31	Income before Taxes														
32	Available for return (from above)		156,194.24	156,194.24	156,194.24	156,194.24	156,194.24	156,194.24	156,194.24	156,194.24	156,194.24	156,194.24	156,194.24	156,194.24	1,874,330.85
33	Less book tax credits - Federal PTC	0	(348,000.00)	(302,400.00)	(290,400.00)	(321,600.00)	(319,200.00)	(247,200.00)	(208,800.00)	(204,000.00)	(302,400.00)	(357,600.00)	(336,000.00)	0.00	(3,237,600.00)
34	Less book tax credits - ND ITC		1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	23,064.24
35	ND ITC - Federal impact		(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(8,072.48)
36	Less: Section 199 Deduction														
37	Adjusted Income before interest and taxes		(190,556.45)	(144,956.45)	(132,956.45)	(164,156.45)	(161,756.45)	(89,756.45)	(51,356.45)	(46,556.45)	(144,956.45)	(200,156.45)	(178,556.45)	157,443.55	(1,348,277.39)
38	Taxable Income (grossed up)	1.642743	(313,035.25)	(238,126.17)	(218,413.26)	(269,666.83)	(265,724.25)	(147,446.77)	(84,365.44)	(76,480.27)	(238,126.17)	(328,805.58)	(293,322.33)	258,639.27	(2,214,873.05)
39															
40	Income Taxes														
41	Current and Def Income Taxes	39.126%	(122,478.80)	(93,169.72)	(85,456.81)	(105,510.38)	(103,967.80)	(57,690.32)	(33,008.99)	(29,923.83)	(93,169.72)	(128,649.13)	(114,765.88)	101,195.72	(866,595.66)
42	Tax Adjustment for Additional Tax Basis	32.778%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
43	Federal PTC	6.348%	(348,000.00)	(302,400.00)	(290,400.00)	(321,600.00)	(319,200.00)	(247,200.00)	(208,800.00)	(204,000.00)	(302,400.00)	(357,600.00)	(336,000.00)	0.00	(3,237,600.00)
44	ND ITC		1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	1,922.02	23,064.24
45	ND ITC - Federal impact		(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(672.71)	(8,072.48)
46	Total Income Tax Expense		(469,229.48)	(394,320.41)	(374,607.49)	(425,861.07)	(421,918.49)	(303,641.00)	(240,559.68)	(232,674.51)	(394,320.41)	(484,999.81)	(449,516.57)	102,445.03	(4,089,203.90)
47															
48															
49	***REVENUE REQUIRMENTS***														
50	Expenses		(68,436.84)	(27,645.55)	34,995.27	(31,348.51)	(32,065.88)	66,399.75	130,587.09	138,469.24	(4,235.05)	(93,817.53)	(77,155.60)	474,684.67	510,431.06
51	Return on rate base		234,875.41	234,875.41	234,875.41	234,875.41	234,875.41	234,875.41	234,875.41	234,875.41	234,875.41	234,875.41	234,875.41	234,875.41	2,818,504.88
52															
53	Total revenue requirements		166,438.57	207,229.86	269,870.67	203,526.89	202,809.53	301,275.16	365,462.49	373,344.65	230,640.35	141,057.87	157,719.81	709,560.08	3,328,935.94
54															
55	North Dakota share - E2 factor	41.018%	68,269.73	85,001.49	110,695.49	83,482.61	83,188.36	123,576.97	149,905.31	153,138.41	94,604.00	57,859.08	64,693.47	291,047.18	**1,365,462.11**

Otter Tail Power Company
North Dakota Renewable Resource Rider
Langdon Wind Farm

Line			2016			2017										
	SUPPORTING INFORMATION / DATA															
1	MN Capstructure with allowed ROE per order.															
2	Capital Structure		Ratio	Cost	WA Cost											
3	Debt		43.10%	6.30%	2.72%											
4	Preferred equity		3.60%	4.75%	0.17%											
5	Common equity		53.30%	10.75%	5.73%											
6	Total		100.00%		8.62%											
7																
8																
9	**Federal Production Tax Credit**															
10	Federal PTC Rate		$24.000	$24.000	$24.000	$24.000	$24.000	$24.000	$24.000	$24.000	$24.000	$24.000	$24.000	$24.000	$24.000	$24.000
11	Output (MWH) / month	0	14,500	12,600	12,100	13,400	13,300	10,300	8,700	8,500	12,600	14,900	14,000	-	134,900	
12	Federal PTC Available based on production	0	348,000	302,400	290,400	321,600	319,200	247,200	208,800	204,000	302,400	357,600	336,000	0	3,237,600	
13	Federal PTC Used on tax return				806,022			806,022			806,022			806,022	3,224,088	
14	Deferred		348,000	302,400	(515,622)	321,600	319,200	(558,822)	208,800	204,000	(503,622)	357,600	336,000	(806,022)	13,512	
15	Accumulated Deferred		1,126,741	1,429,141	913,519	1,235,119	1,554,319	995,497	1,204,297	1,408,297	904,675	1,262,275	1,598,275	792,253	488,739	
16																
17	**Deferred Tax**															
18	Book depr. rate		4.1795%	4.1795%	4.1795%	4.1795%	4.1795%	4.1795%	4.1795%	4.1795%	4.1795%	4.1795%	4.1795%	4.1795%		
19	Book depreciation	0	280,074.88	280,074.88	280,074.88	281,168.96	281,168.96	281,168.96	282,263.03	282,263.03	282,263.03	283,357.10	283,357.10	283,357.10	3,380,591.92	
20	Tax depreciation-ND		55,694.21	55,694.21	55,694.21	55,694.21	55,694.21	55,694.21	55,694.21	55,694.21	55,694.21	55,694.21	55,694.21	55,694.21	668,330.57	
21	Tax depreciation-Federal		55,694.21	55,694.21	55,694.21	55,694.21	55,694.21	55,694.21	55,694.21	55,694.21	55,694.21	55,694.21	55,694.21	55,694.21	668,330.57	
22	Book vs. tax depreciation		224,380.67	224,380.67	224,380.67	225,474.74	225,474.74	225,474.74	226,568.82	226,568.82	226,568.82	227,662.89	227,662.89	227,662.89	2,712,261.36	
23	Federal & State deferred income taxes	0	87,791.63	87,791.63	87,791.63	88,219.70	88,219.70	88,219.70	88,647.77	88,647.77	88,647.77	89,075.84	89,075.84	89,075.84	1,061,204.80	
24																
25	Additional Tax Basis (permanent difference)		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
26	Tax Impact-ND		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
27	Tax Impact-Federal		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
28	Total Tax Impact		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	

	PROOF	**Jan-17**	**Feb-17**	**Mar-17**	**Apr-17**	**May-17**	**Jun-17**	**Jul-17**	**Aug-17**	**Sep-17**	**Oct-17**	**Nov-17**	**Dec-17**	**Year End 2017**
1	Revenue	166,438.57	207,229.86	269,870.67	203,526.89	202,809.53	301,275.16	365,462.49	373,344.65	230,640.35	141,057.87	157,719.81	709,560.08	3,328,935.94
2														
3	Expenses													
4	O/M and Book Depreciation	400,792.64	366,674.86	409,602.76	394,512.56	389,852.61	370,040.76	371,146.77	371,143.75	390,085.36	391,182.28	372,360.97	372,239.64	4,599,634.97
5	Interest on Debt	74,019.67	74,019.67	74,019.67	74,019.67	74,019.67	74,019.67	74,019.67	74,019.67	74,019.67	74,019.67	74,019.67	74,019.67	888,236.06
6														
7	Income Taxes													
8	Current Income Tax	(34,687.17)	(5,378.09)	2,334.82	(17,290.69)	(15,748.10)	30,529.38	55,638.78	58,723.94	(4,521.95)	(39,573.29)	(25,690.04)	190,271.55	194,609.14
9	Deferred Income Tax	(87,791.63)	(87,791.63)	(87,791.63)	(88,219.70)	(88,219.70)	(88,219.70)	(88,647.77)	(88,647.77)	(88,647.77)	(89,075.84)	(89,075.84)	(89,075.84)	(1,061,204.80)
10	Permanent Tax Difference - 30% Grant	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11	Federal Production Tax Credit													
12	Generated PTC	0.00	0.00	(806,022.00)	0.00	0.00	(806,022.00)	0.00	0.00	(806,022.00)	0.00	0.00	(806,022.00)	(3,224,088.00)
13	Deferred PTC	(348,000.00)	(302,400.00)	515,622.00	(321,600.00)	(319,200.00)	558,822.00	(208,800.00)	(204,000.00)	503,622.00	(357,600.00)	(336,000.00)	806,022.00	(13,512.00)
14	ND Investment Tax Credit													
15	Current ITC	1,249.31	1,249.31	1,249.31	1,249.31	1,249.31	1,249.31	1,249.31	1,249.31	1,249.31	1,249.31	1,249.31	1,249.31	14,991.76
16	Deferred ITC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
17	Total Expenses	5,582.83	46,374.13	109,014.94	42,671.16	41,953.79	140,419.42	204,606.76	212,488.91	69,784.62	(19,797.86)	(3,135.93)	548,704.34	1,398,667.12
18														
19	Net Income before preferred dividend	160,855.73	160,855.73	160,855.73	160,855.73	160,855.73	160,855.73	160,855.73	160,855.73	160,855.73	160,855.73	160,855.73	160,855.73	1,930,268.82
20	Dividend on Preferred Stock	(4,661.50)	(4,661.50)	(4,661.50)	(4,661.50)	(4,661.50)	(4,661.50)	(4,661.50)	(4,661.50)	(4,661.50)	(4,661.50)	(4,661.50)	(4,661.50)	(55,937.97)
21														
22	Income available for Common Stock	**156,194.24**	**156,194.24**	**156,194.24**	**156,194.24**	**156,194.24**	**156,194.24**	**156,194.24**	**156,194.24**	**156,194.24**	**156,194.24**	**156,194.24**	**156,194.24**	**1,874,330.85**
23														
24	**Average Rate Base**	32,712,262.34	32,712,262.34	32,712,262.34	32,712,262.34	32,712,262.34	32,712,262.34	32,712,262.34	32,712,262.34	32,712,262.34	32,712,262.34	32,712,262.34	32,712,262.34	32,712,262.34
25	Equity Percent	1,452,969.65	1,452,969.65	1,452,969.65	1,452,969.65	1,452,969.65	1,452,969.65	1,452,969.65	1,452,969.65	1,452,969.65	1,452,969.65	1,452,969.65	1,452,969.65	17,435,635.83
26	Return on Equity Check	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**
27														
28	**Tax Calculation**													
29	Income Before Income Taxes													
30	Net Income after prfd	156,194.24	156,194.24	156,194.24	156,194.24	156,194.24	156,194.24	156,194.24	156,194.24	156,194.24	156,194.24	156,194.24	156,194.24	1,874,330.85
	Less Section 199 Deduction													
31	Less Income Taxes	(469,229.48)	(394,320.41)	(374,607.49)	(425,861.07)	(421,918.49)	(303,641.00)	(240,559.68)	(232,674.51)	(394,320.41)	(484,999.81)	(449,516.57)	102,445.03	(4,089,203.90)
32	Total	(313,035.25)	(238,126.17)	(218,413.26)	(269,666.83)	(265,724.25)	(147,446.77)	(84,365.44)	(76,480.27)	(238,126.17)	(328,805.58)	(293,322.33)	258,639.27	(2,214,873.05)
33														
34	Book Depreciation	280,074.88	280,074.88	280,074.88	281,168.96	281,168.96	281,168.96	282,263.03	282,263.03	282,263.03	283,357.10	283,357.10	283,357.10	3,380,591.92
35	Tax Depreciation	(55,694.21)	(55,694.21)	(55,694.21)	(55,694.21)	(55,694.21)	(55,694.21)	(55,694.21)	(55,694.21)	(55,694.21)	(55,694.21)	(55,694.21)	(55,694.21)	(668,330.57)
36	Tax Depreciation - Permanent Difference	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
37	Taxable income	(88,654.58)	(13,745.50)	5,967.41	(44,192.09)	(40,249.51)	78,027.98	142,203.38	150,088.54	(11,557.36)	(101,142.69)	(65,659.44)	486,302.16	497,388.30
38	Current income tax	(34,687.17)	(5,378.09)	2,334.82	(17,290.69)	(15,748.10)	30,529.38	55,638.78	58,723.94	(4,521.95)	(39,573.29)	(25,690.04)	190,271.55	194,609.14
39	Tie to RR calculation													
40	Total Tax	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
41	Income Requirement for Return	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Otter Tail Power Company
North Dakota Renewable Resource Rider
Ashtabula Wind Farm

Line			2007 Actual Dec-07	Actual Jan-08	Actual Feb-08	Actual Mar-08	Actual Apr-08	Actual May-08	Actual Jun-08	2008 Actual Jul-08	Actual Aug-08	Actual Sep-08	Actual Oct-08	Actual Nov-08	Actual Dec-08	2008 YE Balance
1	***RATE BASE***															
2	Plant Balance - Ashtabula		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	112,922,746.00	115,325,925.00	
3	Less: Federal Grant		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
4	Accumulated. Depreciation		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(376,409.15)	
5	Net Plant in Service		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	112,922,746.00	114,949,515.85	
6	Inventory		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
7	ADIT Pro-Rated															
8	Accum. Deferred Inc. Taxes - Fed & State		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(11,874,605.95)	(23,601,565.40)	
9	Accum. Deferred Inc. Taxes - Basis Difference		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
10	Accum. Deferred Inc. Taxes - Federal PTC		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
11	Accum. Deferred Inc. Taxes - ND ITC		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	16,938,411.90	17,298,888.75	x
12	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(5,928,444.17)	(6,054,611.06)	x
13	Accum. Deferred Inc. Taxes - ND ITC		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(16,881,950.54)	(17,184,760.36)	x
14	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5,908,682.69	6,014,666.13	x
15	End of month rate base		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	101,084,839.94	91,422,133.90	
16																
17	Average rate base		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	14,808,228.76	14,808,228.76	14,808,228.76
18																
19	Return on Rate Base	8.62%		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	657,674.16	657,674.16	1,315,348.32
20																
21	Available for return (equity portion of rate base)	5.73%		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	443,969.21	443,969.21	887,938.42
22																
23	***EXPENSES***															
24	*O&M and Depreciation*															
25	Operating Costs		0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(164,269.47)	793.40	(163,476.07)
26	Ground Lease Payments		0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
27	Property Tax		0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
28	Book Depreciation		0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	376,409.15	376,409.15
29	Total O&M and Depreciation Expense		0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(164,269.47)	377,202.55	212,933.08
30																
31	Income before Taxes															
32	Available for return (from above)			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	443,969.21	443,969.21	887,938.42
33	Less book tax credits - Federal PTC			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(75,693.77)	(351,661.72)	(427,355.48)
34	Less book tax credits - ND ITC			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(56,461.37)	(57,666.98)	(114,128.35)
35	ND ITC - Federal impact			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	19,761.48	20,183.44	39,944.92
36	Adjusted Income before interest and taxes			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	331,575.55	54,823.95	386,399.51
37	Taxable Income (grossed up)		1.645413	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	545,578.86	90,208.07	635,786.93
38																
39	Income Taxes															
40	Current and Def Income Taxes		39.225%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	214,003.31	35,384.12	249,387.42
41	Tax Adjustment for Additional Tax Basis		32.725%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
42	Federal PTC		6.500%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(75,693.77)	(351,661.72)	(427,355.48)
43	ND ITC			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(56,461.37)	(57,666.98)	(114,128.35)
44	ND ITC - Federal impact			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	19,761.48	20,183.44	39,944.92
45	Total Income Tax Expense			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	101,609.65	(353,761.14)	(252,151.49)
46																
47																
48	***REVENUE REQUIRMENTS***															
49	Expenses			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(62,659.82)	23,441.42	(39,218.41)
50	Return on rate base			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	657,674.16	657,674.16	1,315,348.32
51																
52	Total revenue requirements			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	595,014.34	681,115.58	1,276,129.92
53																
54	North Dakota share - E2 factor		38.830%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	231,044.07	264,477.18	**495,521.25**

Otter Tail Power Company
North Dakota Renewable Resource Rider
Ashtabula Wind Farm

		2007				2008										
	SUPPORTING INFORMATION / DATA															
Line																
1	MN Capstructure with allowed ROE per order.															
2	Capital Structure		Ratio	Cost	WA Cost											
3	Debt		43.10%	6.30%	2.72%											
4	Preferred equity		3.60%	4.75%	0.17%											
5	Common equity		53.30%	11.25%	6.00%											
6	Total		100.00%		8.88%											
7																
8																
9	**Federal Production Tax Credit**															
10	Federal PTC Rate												$21.000	$21.000	$21.000	$21.000	$21.000	
11	Output (MWH) / month		-	-	-	-	-	-	-	-	-	-	-	-	-	3,604	16,746	20,350
12	Federal PTC Available based on production	0	0	0	0	0	0	0	0	0	0	0	0	0	0	75,694	351,662	427,355
13	Federal PTC Used on tax return	0	0	0	0	0	0	0	0	0	0	0	0	0	0	75,694	351,662	427,355
14	Deferred	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15	Accumulated Deferred		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
16																		
17	**Deferred Tax**																	
18	Book depr. rate		4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
19	Book depreciation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	376,409.15	376,409.15
20	Tax depreciation-ND	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	30,273,055.31	30,273,055.31	60,546,110.63
21	Tax depreciation-Federal	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	30,273,055.31	30,273,055.31	60,546,110.63
22	Book vs. tax depreciation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(30,273,055.31)	(29,896,646.16)	(60,169,701.47)
23	Federal & State deferred income taxes	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(11,874,605.95)	(11,726,959.46)	(23,601,565.40)
24																		
25	Additional Tax Basis (permanent difference)																	
26	Tax Impact-ND																	
27	Tax Impact-Federal																	
28	Total Tax Impact																	

	PROOF	**Year End 2007**	**Jan-08**	**Feb-08**	**Mar-08**	**Apr-08**	**May-08**	**Jun-08**	**Jul-08**	**Aug-08**	**Sep-08**	**Oct-08**	**Nov-08**	**Dec-08**	**Year End 2008**
1	Revenue		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	595,014.34	681,115.58	1,276,129.92
2															
3	Expenses														
4	O/M and Book Depreciation		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(164,269.47)	377,202.55	212,933.08
5	Interest on Debt		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	201,043.92	201,043.92	402,087.84
6															
7	Income Taxes														
8	Current Income Tax		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(11,660,602.64)	(11,691,575.34)	(23,352,177.98)
9	Deferred Income Tax		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	11,874,605.95	11,726,959.46	23,601,565.40
10	Permanent Tax Difference - 30% Grant		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11	Federal Production Tax Credit														
12	Generated PTC		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(75,693.77)	(351,661.72)	(427,355.48)
13	Deferred PTC		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
14	ND Investment Tax Credit														
15	Current ITC		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(36,699.89)	(37,483.54)	(74,183.43)
16	Deferred ITC		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
17	Total Expenses		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	138,384.10	224,485.33	362,869.43
18															
19	Net Income before preferred dividend		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	456,630.24	456,630.24	913,260.49
20	Dividend on Preferred Stock		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(12,661.04)	(12,661.04)	(25,322.07)
21															
22	Income available for Common Stock		**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**443,969.21**	**443,969.21**	**887,938.42**
23															
24	**Average Rate Base**		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	14,808,228.76	14,808,228.76	14,808,228.76
25	Equity Percent		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,946,392.96	3,946,392.96	7,892,785.93
26	Return on Equity Check		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	11.25%	11.25%	11.25%
27															
28	**Tax Calculation**														
29	Income Before Income Taxes														
30	Net Income after prfd		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	443,969.21	443,969.21	887,938.42
31	Less Income Taxes		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	101,609.65	(353,761.14)	(252,151.49)
32	Total		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	545,578.86	90,208.07	635,786.93
33															
34	Book Depreciation		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	376,409.15	376,409.15
35	Tax Depreciation		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(30,273,055.31)	(30,273,055.31)	(60,546,110.63)
36	Tax Depreciation - Permanent Difference		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
37	Taxable income		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(29,727,476.45)	(29,806,438.09)	(59,533,914.54)
38	Current income tax		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(11,660,602.64)	(11,691,575.34)	(23,352,177.98)
39	Tie to RR calculation														
40	Total Tax		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(0.00)	0.00	(0.00)
41	Income Requirement for Return		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(0.00)	0.00

Otter Tail Power Company
North Dakota Renewable Resource Rider
Ashtabula Wind Farm

Line			2008 Balance Dec-08	Actual Jan-09	Actual Feb-09	Actual Mar-09	Actual Apr-09	Actual May-09	Actual Jun-09	2009 Actual Jul-09	Actual Aug-09	Actual Sep-09	Actual Oct-09	Actual Nov-09	Actual Dec-09		2009 YE Balance
1	***RATE BASE***																
2	Plant Balance - Ashtabula		115,325,925.00	115,325,925.00	115,325,925.00	115,325,925.00	116,486,454.87	116,486,454.87	116,760,702.54	116,789,600.00	117,526,902.84	117,583,721.51	117,607,578.71	117,615,206.37	117,679,959.94		
3	Less: Federal Grant		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
4	Accumulated. Depreciation		(376,409.15)	(760,828.90)	(1,145,248.65)	(1,529,668.40)	(1,914,088.15)	(2,302,376.34)	(2,690,664.52)	(3,079,866.86)	(3,469,165.53)	(3,860,921.87)	(4,252,867.61)	(4,644,892.87)	(5,036,943.56)		
5	Net Plant in Service		114,949,515.85	114,565,096.10	114,180,676.35	113,796,256.60	114,572,366.72	114,184,078.53	114,070,038.02	113,709,733.14	114,057,737.31	113,722,799.64	113,354,711.10	112,970,313.50	112,643,016.38		
6	Inventory		0.00	0.00	0.00	0.00	0.00	444,658.00	444,658.00	444,658.00	444,658.00	444,658.00	444,658.00	444,658.00	444,658.00		
7	ADIT Pro-Rated																
8	Accum. Deferred Inc. Taxes - Fed & State		(23,601,565.40)	(24,212,177.81)	(24,822,790.22)	(25,433,402.62)	(26,044,015.03)	(26,653,112.56)	(27,262,210.09)	(27,870,949.63)	(28,479,651.45)	(29,087,390.85)	(29,695,056.08)	(30,302,690.17)	(30,910,314.30)		
9	Accum. Deferred Inc. Taxes - Basis Difference		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
10	Accum. Deferred Inc. Taxes - Federal PTC		0.00	329,079.56	620,633.56	973,663.61	1,298,247.57	1,619,370.23	1,811,215.90	2,027,403.39	2,220,283.73	2,494,594.05	2,737,858.11	3,034,248.73	3,307,946.21		
11	Accum. Deferred Inc. Taxes - ND ITC		17,298,888.75	17,298,888.75	17,298,888.75	17,298,888.75	17,298,888.75	17,298,888.75	17,298,888.75	17,298,888.75	17,298,888.75	17,637,558.23	17,641,136.81	17,642,280.96	17,651,994.00	x	
12	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC		(6,054,611.06)	(6,054,611.06)	(6,054,611.06)	(6,054,611.06)	(6,054,611.06)	(6,054,611.06)	(6,054,611.06)	(6,054,611.06)	(6,054,611.06)	(6,173,145.38)	(6,174,397.88)	(6,174,798.33)	(6,178,197.89)	x	
13	Accum. Deferred Inc. Taxes - ND ITC		(17,184,760.36)	(17,127,093.37)	(17,069,426.39)	(17,011,759.41)	(16,954,092.43)	(16,896,425.45)	(16,838,758.47)	(16,781,091.49)	(16,723,424.51)	(17,003,259.18)	(16,947,990.57)	(16,890,283.56)	(16,841,111.59)	x	
14	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC		6,014,666.13	5,994,482.68	5,974,299.24	5,954,115.80	5,933,932.35	5,913,748.91	5,893,565.47	5,873,382.02	5,853,198.58	5,951,140.72	5,931,796.70	5,911,599.24	5,894,389.05	x	
15	End of month rate base		91,422,133.90	90,793,664.84	90,127,670.22	89,523,151.66	90,050,716.87	89,856,595.35	89,362,786.51	88,647,413.12	88,617,079.35	87,986,955.22	87,292,716.19	86,635,328.37	86,012,379.86		
16																	
17	Average rate base		91,422,133.90	88,948,353.19	88,948,353.19	88,948,353.19	88,948,353.19	88,948,353.19	88,948,353.19	88,948,353.19	88,948,353.19	88,948,353.19	88,948,353.19	88,948,353.19	88,948,353.19		88,948,353.19
18																	
19	Return on Rate Base			658,406.83	658,406.83	658,406.83	658,406.83	658,406.83	658,406.83	658,406.83	658,406.83	658,406.83	658,406.83	658,406.83	638,652.88		7,881,128.00
20																	
21	Available for return (equity portion of rate base)			444,463.80	444,463.80	444,463.80	444,463.80	444,463.80	444,463.80	444,463.80	444,463.80	444,463.80	444,463.80	444,463.80	424,709.86		5,313,811.68
22															*rate change		
23	***EXPENSES***																
24	*O&M and Depreciation*																
25	Operating Costs			6,117.67	6,576.16	92,158.54	12,296.81	114,182.21	38,846.71	12,277.21	47,845.20	36,707.20	12,277.20	56,829.71	54,540.32		490,654.94
26	Ground Lease Payments			16,000.00	16,000.00	16,000.00	16,000.00	16,000.00	16,000.00	16,000.00	16,000.00	16,000.00	16,000.00	16,000.00	22,900.00		198,900.00
27	Property Tax			42,004.00	42,004.00	42,004.00	42,004.00	39,347.50	39,348.00	39,348.00	39,348.00	39,348.00	39,348.00	(41,554.20)	317.41		362,866.71
28	Book Depreciation			384,419.75	384,419.75	384,419.75	384,419.75	388,288.18	388,288.18	389,202.34	389,298.67	391,756.34	391,945.74	392,025.26	392,050.69		4,660,534.41
29	Total O&M and Depreciation Expense			448,541.42	448,999.91	534,582.29	454,720.56	557,817.89	482,482.89	456,827.55	492,491.87	483,811.54	459,570.94	423,300.77	469,808.42		5,712,956.06
30																	
31	Income before Taxes																
32	Available for return (from above)			444,463.80	444,463.80	444,463.80	444,463.80	444,463.80	444,463.80	444,463.80	444,463.80	444,463.80	444,463.80	444,463.80	424,709.86		5,313,811.68
33	Less book tax credits - Federal PTC			(329,079.56)	(291,554.00)	(353,030.06)	(324,583.96)	(321,122.66)	(191,845.67)	(216,187.50)	(192,880.34)	(274,310.32)	(243,264.06)	(296,390.62)	(273,697.48)		(3,307,946.21)
34	Less book tax credits - ND ITC	x		(57,666.98)	(57,666.98)	(57,666.98)	(57,666.98)	(57,666.98)	(57,666.98)	(57,666.98)	(57,666.98)	(58,834.81)	(58,847.19)	(58,851.16)	(58,885.01)		(696,754.02)
35	ND ITC - Federal impact			20,183.44	20,183.44	20,183.44	20,183.44	20,183.44	20,183.44	20,183.44	20,183.44	20,592.18	20,596.52	20,597.91	20,609.75		243,863.91
36	Adjusted Income before interest and taxes			77,900.71	115,426.26	53,950.21	82,396.31	85,857.61	215,134.60	190,792.77	214,099.93	131,910.86	162,949.07	109,819.93	112,737.12		1,552,975.36
37	Taxable Income (grossed up)		1.643655	128,041.89	189,720.95	88,675.53	135,431.10	141,120.29	353,607.06	313,597.48	351,906.41	216,815.95	267,832.05	180,506.08	185,300.93		2,552,555.72
38																	
39	Income Taxes																
40	Current and Def Income Taxes		39.160%	50,141.20	74,294.72	34,725.34	53,034.82	55,262.71	138,472.52	122,804.77	137,806.55	84,905.13	104,883.03	70,686.18	72,563.85		999,580.82
41	Tax Adjustment for Additional Tax Basis		32.760%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
42	Federal PTC		6.400%	(329,079.56)	(291,554.00)	(353,030.06)	(324,583.96)	(321,122.66)	(191,845.67)	(216,187.50)	(192,880.34)	(274,310.32)	(243,264.06)	(296,390.62)	(273,697.48)		(3,307,946.21)
43	ND ITC			(57,666.98)	(57,666.98)	(57,666.98)	(57,666.98)	(57,666.98)	(57,666.98)	(57,666.98)	(57,666.98)	(58,834.81)	(58,847.19)	(58,851.16)	(58,885.01)		(696,754.02)
44	ND ITC - Federal impact			20,183.44	20,183.44	20,183.44	20,183.44	20,183.44	20,183.44	20,183.44	20,183.44	20,592.18	20,596.52	20,597.91	20,609.75		243,863.91
45	Total Income Tax Expense			(316,421.89)	(254,742.82)	(355,788.25)	(309,032.68)	(303,343.49)	(90,856.68)	(130,866.26)	(92,557.32)	(227,647.82)	(176,631.71)	(263,957.69)	(239,408.89)		(2,761,255.50)
46																	
47																	
48	***REVENUE REQUIRMENTS***																
49	Expenses			132,119.53	194,257.09	178,794.04	145,687.88	254,474.41	391,626.21	325,961.29	399,934.54	256,163.73	282,939.23	159,343.08	230,399.53		2,951,700.56
50	Return on rate base			658,406.83	658,406.83	658,406.83	658,406.83	658,406.83	658,406.83	658,406.83	658,406.83	658,406.83	658,406.83	658,406.83	638,652.88		7,881,128.00
51																	
52	Total revenue requirements			790,526.36	852,663.92	837,200.86	804,094.71	912,881.23	1,050,033.04	984,368.12	1,058,341.37	914,570.56	941,346.06	817,749.91	869,052.41		10,832,828.56
53																	
54	North Dakota share - E2 factor		38.830%	306,961.39	331,089.40	325,085.10	312,229.98	354,471.78	407,727.83	382,230.14	410,953.95	355,127.75	365,524.68	317,532.29	356,467.70		**4,225,401.98**
			41.018%	*effective 12-1-2009													

Otter Tail Power Company
North Dakota Renewable Resource Rider
Ashtabula Wind Farm

2008 **2009**

SUPPORTING INFORMATION / DATA

Line															
1	MN Capstructure with allowed ROE per order.														
2	Capital Structure		Ratio	Cost	WA Cost										
3	Debt		43.10%	6.30%	2.72%										
4	Preferred equity		3.60%	4.75%	0.17%										
5	Common equity		53.30%	11.25%	6.00%										
6	Total		100.00%		8.88%										
7															
8															
9	**Federal Production Tax Credit**														
10	Federal PTC Rate		$21.000	$21.000	$21.000	$21.000	$21.000	$21.000	$21.000	$21.000	$21.000	$21.000	$21.000	$21.000	$21.000
11	Output (MWH) / month		15,670	13,884	16,811	15,456	15,292	9,136	10,295	9,185	13,062	11,584	14,114	13,033	157,521
12	Federal PTC Available based on production	x	329,080	291,554	353,030	324,584	321,123	191,846	216,187	192,880	274,310	243,264	296,391	273,697	3,307,946
13	Federal PTC Used on tax return		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Deferred		329,080	291,554	353,030	324,584	321,123	191,846	216,187	192,880	274,310	243,264	296,391	273,697	3,307,946
15	Accumulated Deferred		329,080	620,634	973,664	1,298,248	1,619,370	1,811,216	2,027,403	2,220,284	2,494,594	2,737,858	3,034,249	3,307,946	
16															
17	**Deferred Tax**														
18	Book depr. rate		4.0000%	4.0000%	4.0000%	4.0000%	4.0000%	4.0000%	4.0000%	4.0000%	4.0000%	4.0000%	4.0000%	4.0000%	
19	Book depreciation	x	384,419.75	384,419.75	384,419.75	384,419.75	388,288.18	388,288.18	389,202.34	389,298.67	391,756.34	391,945.74	392,025.26	392,050.69	4,660,534.41
20	Tax depreciation-ND		1,943,695.56	1,943,695.56	1,943,695.56	1,943,695.56	1,943,695.56	1,943,695.56	1,943,695.56	1,943,695.56	1,943,695.56	1,943,695.56	1,943,695.56	1,943,695.56	23,324,346.71
21	Tax depreciation-Federal	x	1,943,695.56	1,943,695.56	1,943,695.56	1,943,695.56	1,943,695.56	1,943,695.56	1,943,695.56	1,943,695.56	1,943,695.56	1,943,695.56	1,943,695.56	1,943,695.56	23,324,346.71
22	Book vs. tax depreciation	x	(1,559,275.81)	(1,559,275.81)	(1,559,275.81)	(1,559,275.81)	(1,555,407.38)	(1,555,407.38)	(1,554,493.22)	(1,554,396.89)	(1,551,939.22)	(1,551,749.82)	(1,551,670.30)	(1,551,644.87)	(18,663,812.31)
23	Federal & State deferred income taxes		(610,612.41)	(610,612.41)	(610,612.41)	(610,612.41)	(609,097.53)	(609,097.53)	(608,739.54)	(608,701.82)	(607,739.40)	(607,665.23)	(607,634.09)	(607,624.13)	(7,308,748.90)
24															
25	Additional Tax Basis (permanent difference)													0.00	0.00
26	Tax Impact-ND													0.00	0.00
27	Tax Impact-Federal													0.00	0.00
28	Total Tax Impact													0.00	0.00

	PROOF	**Jan-09**	**Feb-09**	**Mar-09**	**Apr-09**	**May-09**	**Jun-09**	**Jul-09**	**Aug-09**	**Sep-09**	**Oct-09**	**Nov-09**	**Dec-09**	**Year End 2009**
1	Revenue	790,526.36	852,663.92	837,200.86	804,094.71	912,881.23	1,050,033.04	984,368.12	1,058,341.37	914,570.56	941,346.06	817,749.91	869,052.41	10,832,828.56
2														
3	Expenses													
4	O/M and Book Depreciation	448,541.42	448,999.91	534,582.29	454,720.56	557,817.89	482,482.89	456,827.55	492,491.87	483,811.54	459,570.94	423,300.77	469,808.42	5,712,956.06
5	Interest on Debt	201,267.89	201,267.89	201,267.89	201,267.89	201,267.89	201,267.89	201,267.89	201,267.89	201,267.89	201,267.89	201,267.89	201,267.89	2,415,214.63
6														
7	Income Taxes													
8	Current Income Tax	(560,471.19)	(536,317.67)	(575,887.06)	(557,577.58)	(553,834.81)	(470,624.98)	(485,934.75)	(470,895.25)	(522,834.26)	(502,782.18)	(536,947.90)	(535,060.27)	(6,309,167.90)
9	Deferred Income Tax	610,612.41	610,612.41	610,612.41	610,612.41	609,097.53	609,097.53	608,739.54	608,701.82	607,739.40	607,665.23	607,634.09	607,624.13	7,308,748.90
10	Permanent Tax Difference - 30% Grant	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11	Federal Production Tax Credit													
12	Generated PTC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
13	Deferred PTC	(329,079.56)	(291,554.00)	(353,030.06)	(324,583.96)	(321,122.66)	(191,845.67)	(216,187.50)	(192,880.34)	(274,310.32)	(243,264.06)	(296,390.62)	(273,697.48)	(3,307,946.21)
14	ND Investment Tax Credit													
15	Current ITC	(37,483.54)	(37,483.54)	(37,483.54)	(37,483.54)	(37,483.54)	(37,483.54)	(37,483.54)	(37,483.54)	(38,242.62)	(38,250.67)	(38,253.25)	(38,275.26)	(452,890.11)
16	Deferred ITC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
17	Total Expenses	333,387.43	395,524.99	380,061.93	346,955.78	455,742.30	592,894.12	527,229.20	601,202.45	457,431.63	484,207.14	360,610.98	431,667.43	5,366,915.37
18														
19	Net Income before preferred dividend	457,138.93	457,138.93	457,138.94	457,138.93	457,138.93	457,138.92	457,138.92	457,138.92	457,138.93	457,138.92	457,138.93	437,384.98	5,465,913.18
20	Dividend on Preferred Stock	(12,675.14)	(12,675.14)	(12,675.14)	(12,675.14)	(12,675.14)	(12,675.14)	(12,675.14)	(12,675.14)	(12,675.14)	(12,675.14)	(12,675.14)	(12,675.14)	(152,101.68)
21														
22	Income available for Common Stock	**444,463.79**	**444,463.79**	**444,463.80**	**444,463.79**	**444,463.79**	**444,463.78**	**444,463.78**	**444,463.78**	**444,463.79**	**444,463.78**	**444,463.79**	**424,709.84**	**5,313,811.50**
23														
24	**Average Rate Base**	88,948,353.19	88,948,353.19	88,948,353.19	88,948,353.19	88,948,353.19	88,948,353.19	88,948,353.19	88,948,353.19	88,948,353.19	88,948,353.19	88,948,353.19	88,948,353.19	88,948,353.19
25	Equity Percent	3,950,789.35	3,950,789.35	3,950,789.35	3,950,789.35	3,950,789.35	3,950,789.35	3,950,789.35	3,950,789.35	3,950,789.35	3,950,789.35	3,950,789.35	3,950,789.35	47,409,472.25
26	Return on Equity Check	**11.25%**	**11.25%**	**11.25%**	**11.25%**	**11.25%**	**11.25%**	**11.25%**	**11.25%**	**11.25%**	**11.25%**	**11.25%**	**10.75%**	**11.21%**
27														
28	**Tax Calculation**													
29	Income Before Income Taxes													
30	Net Income after prfd	444,463.79	444,463.79	444,463.80	444,463.79	444,463.79	444,463.78	444,463.78	444,463.78	444,463.79	444,463.78	444,463.79	424,709.84	5,313,811.50
31	Less Income Taxes	(316,421.88)	(254,742.80)	(355,788.25)	(309,032.67)	(303,343.48)	(90,856.66)	(130,866.24)	(92,557.30)	(227,647.80)	(176,631.69)	(263,957.68)	(239,408.87)	(2,761,255.32)
32	Total	128,041.91	189,720.98	88,675.55	135,431.12	141,120.31	353,607.12	313,597.54	351,906.48	216,815.99	267,832.10	180,506.11	185,300.97	2,552,556.18
33														
34	Book Depreciation	384,419.75	384,419.75	384,419.75	384,419.75	388,288.18	388,288.18	389,202.34	389,298.67	391,756.34	391,945.74	392,025.26	392,050.69	4,660,534.41
35	Tax Depreciation	(1,943,695.56)	(1,943,695.56)	(1,943,695.56)	(1,943,695.56)	(1,943,695.56)	(1,943,695.56)	(1,943,695.56)	(1,943,695.56)	(1,943,695.56)	(1,943,695.56)	(1,943,695.56)	(1,943,695.56)	(23,324,346.71)
36	Tax Depreciation - Permanent Difference	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
37	Taxable income	(1,431,233.90)	(1,369,554.82)	(1,470,600.26)	(1,423,844.69)	(1,414,287.06)	(1,201,800.26)	(1,240,895.68)	(1,202,490.41)	(1,335,123.23)	(1,283,917.73)	(1,371,164.19)	(1,366,343.90)	(16,111,256.13)
38	Current income tax	(560,471.19)	(536,317.67)	(575,887.06)	(557,577.58)	(553,834.81)	(470,624.98)	(485,934.75)	(470,895.25)	(522,834.26)	(502,782.18)	(536,947.90)	(535,060.27)	(6,309,167.90)
39	Tie to RR calculation													
40	Total Tax	0.01	0.01	0.01	0.01	0.01	0.03	0.02	0.02	0.02	0.02	0.01	0.01	0.18
41	Income Requirement for Return	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.03)	(0.02)	(0.02)	(0.02)	(0.02)	(0.01)	(0.01)	157.85

Otter Tail Power Company
North Dakota Renewable Resource Rider
Ashtabula Wind Farm

Line		2009 Balance Dec-09	Actual Jan-10	Actual Feb-10	Actual Mar-10	Actual Apr-10	Actual May-10	Actual Jun-10	2010 Actual Jul-10	Actual Aug-10	Actual Sep-10	Actual Oct-10	Actual Nov-10	Actual Dec-10	2010 YE Balance	
1	***RATE BASE***															
2	Plant Balance - Ashtabula	117,679,959.94	117,679,959.94	117,679,959.94	117,679,959.94	117,679,959.94	117,679,959.94	117,679,959.94	117,679,959.94	117,679,959.94	117,679,959.94	117,679,959.94	117,679,959.94	117,468,409.42		
3	Less: Federal Grant	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
4	Accumulated. Depreciation	(5,036,943.56)	(5,420,080.09)	(5,803,216.63)	(6,186,353.16)	(6,569,489.70)	(6,952,626.23)	(7,335,762.77)	(7,718,899.30)	(8,102,035.83)	(8,485,172.37)	(8,868,308.90)	(9,251,445.44)	(9,634,581.97)		
5	Net Plant in Service	112,643,016.38	112,259,879.85	111,876,743.31	111,493,606.78	111,110,470.24	110,727,333.71	110,344,197.17	109,961,060.64	109,577,924.11	109,194,787.57	108,811,651.04	108,428,514.50	107,833,827.45		
6	Inventory	444,658.00	444,658.00	444,658.00	444,658.00	444,658.00	444,658.00	444,658.00	444,658.00	444,658.00	444,658.00	444,658.00	444,658.00	444,658.00		
7	ADIT Pro-Rated															
8	Accum. Deferred Inc. Taxes - Fed & State	(30,910,314.30)	(31,193,987.86)	(31,477,661.41)	(31,761,334.97)	(32,045,008.52)	(32,328,682.08)	(32,612,355.63)	(32,896,029.19)	(33,179,702.75)	(33,463,376.30)	(33,747,049.86)	(34,030,723.41)	(34,314,396.97)		
9	Accum. Deferred Inc. Taxes - Basis Difference	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
10	Accum. Deferred Inc. Taxes - Federal PTC	3,307,946.21	3,627,387.04	3,803,067.08	4,012,854.03	4,281,260.36	4,631,788.50	4,785,108.73	4,986,076.75	5,256,835.68	5,513,782.07	5,811,099.44	6,113,976.74	6,304,644.52		
11	Accum. Deferred Inc. Taxes - ND ITC	17,651,994.00	17,651,994.00	17,651,994.00	17,651,994.00	17,651,994.00	17,651,994.00	17,651,994.00	17,651,994.00	17,651,994.00	17,651,994.00	17,651,994.00	17,651,994.00	17,620,261.41	x	
12	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC	(6,178,197.89)	(6,178,197.89)	(6,178,197.89)	(6,178,197.89)	(6,178,197.89)	(6,178,197.89)	(6,178,197.89)	(6,178,197.89)	(6,178,197.89)	(6,178,197.89)	(6,178,197.89)	(6,178,197.89)	(6,167,091.49)	x	
13	Accum. Deferred Inc. Taxes - ND ITC	(16,841,111.59)	(16,782,226.58)	(16,723,341.57)	(16,664,456.56)	(16,605,571.55)	(16,546,686.54)	(16,487,801.53)	(16,428,916.52)	(16,370,031.51)	(16,311,146.50)	(16,252,261.49)	(16,193,376.48)	(16,102,874.37)	x	
14	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC	5,894,389.05	5,873,779.30	5,853,169.54	5,832,559.79	5,811,950.04	5,791,340.28	5,770,730.53	5,750,120.78	5,729,511.02	5,708,901.27	5,688,291.52	5,667,681.76	5,636,006.03	x	
15	End of month rate base	86,012,379.86	85,703,285.86	85,250,431.06	84,831,683.17	84,471,554.68	84,193,547.98	83,718,333.38	83,290,766.56	82,932,990.66	82,561,402.22	82,230,184.75	81,904,527.22	81,255,034.58		
16																
17	Average rate base	88,948,353.19	83,719,701.69	83,719,701.69	83,719,701.69	83,719,701.69	83,719,701.69	83,719,701.69	83,719,701.69	83,719,701.69	83,719,701.69	83,719,701.69	83,719,701.69	83,719,701.69	83,719,701.69	
18																
19	Return on Rate Base		601,110.95	601,110.95	601,110.95	601,110.95	601,110.95	601,110.95	601,110.95	601,110.95	601,110.95	601,110.95	601,110.95	601,110.95	7,213,331.36	
20																
21	Available for return (equity portion of rate base)		399,744.13	399,744.13	399,744.13	399,744.13	399,744.13	399,744.13	399,744.13	399,744.13	399,744.13	399,744.13	399,744.13	399,744.13	4,796,929.61	
22																
23	***EXPENSES***															
24	*O&M and Depreciation*															
25	Operating Costs		33,507.30	41,480.76	40,762.03	55,271.82	54,809.32	59,579.63	48,424.35	63,891.82	102,833.02	54,585.32	85,487.67	55,063.59	695,696.63	
26	Ground Lease Payments		16,888.14	16,906.50	16,906.50	16,906.50	(8,093.50)	16,906.50	16,906.50	16,906.50	16,906.50	16,906.50	16,906.50	16,906.50	177,859.64	
27	Property Tax		41,337.00	41,337.00	41,337.00	41,337.00	41,337.00	41,337.00	41,337.00	41,337.00	12,326.00	12,326.00	12,326.00	12,326.00	380,000.00	
28	Book Depreciation		383,136.53	383,136.53	383,136.53	383,136.53	383,136.53	383,136.53	383,136.53	383,136.53	383,136.53	383,136.53	383,136.53	383,136.53	4,597,638.41	
29	Total O&M and Depreciation Expense	0	474,868.97	482,860.79	482,142.06	496,651.85	471,189.35	500,959.66	489,804.38	505,271.85	515,202.05	466,954.35	497,856.70	467,432.62	5,851,194.68	
30																
31	Income before Taxes															
32	Available for return (from above)		399,744.13	399,744.13	399,744.13	399,744.13	399,744.13	399,744.13	399,744.13	399,744.13	399,744.13	399,744.13	399,744.13	399,744.13	4,796,929.61	
33	Less book tax credits - Federal PTC	0	(319,440.84)	(175,680.03)	(275,180.95)	(268,406.34)	(350,528.13)	(218,714.23)	(200,968.02)	(270,758.93)	(322,340.39)	(297,317.37)	(302,877.30)	(256,061.78)	(3,258,274.32)	
34	Less book tax credits - ND ITC		(58,885.01)	(58,885.01)	(58,885.01)	(58,885.01)	(58,885.01)	(58,885.01)	(58,885.01)	(58,885.01)	(58,885.01)	(58,885.01)	(58,885.01)	(58,769.61)	(706,504.72)	
35	ND ITC - Federal impact		20,609.75	20,609.75	20,609.75	20,609.75	20,609.75	20,609.75	20,609.75	20,609.75	20,609.75	20,609.75	20,609.75	20,569.37	247,276.66	
36	Adjusted Income before interest and taxes		42,028.04	185,788.85	86,287.93	93,062.54	10,940.74	142,754.65	160,500.86	90,709.95	39,128.49	64,151.51	58,591.58	105,482.11	1,079,427.23	
37	Taxable Income (grossed up)	1.643655	69,079.60	305,372.76	141,827.58	152,962.71	17,982.81	234,639.39	263,808.04	149,095.86	64,313.73	105,442.94	96,304.34	173,376.20	1,774,205.96	
38																
39	Income Taxes															
40	Current and Def Income Taxes	39.160%	27,051.57	119,583.97	55,539.68	59,900.20	7,042.07	91,884.78	103,307.23	58,385.94	25,185.26	41,291.46	37,712.78	67,894.12	694,779.06	
41	Tax Adjustment for Additional Tax Basis	32.760%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
42	Federal PTC	6.400%	(319,440.84)	(175,680.03)	(275,180.95)	(268,406.34)	(350,528.13)	(218,714.23)	(200,968.02)	(270,758.93)	(322,340.39)	(297,317.37)	(302,877.30)	(256,061.78)	(3,258,274.32)	
43	ND ITC		(58,885.01)	(58,885.01)	(58,885.01)	(58,885.01)	(58,885.01)	(58,885.01)	(58,885.01)	(58,885.01)	(58,885.01)	(58,885.01)	(58,885.01)	(58,769.61)	(706,504.72)	
44	ND ITC - Federal impact		20,609.75	20,609.75	20,609.75	20,609.75	20,609.75	20,609.75	20,609.75	20,609.75	20,609.75	20,609.75	20,609.75	20,569.37	247,276.66	
45	Total Income Tax Expense		(330,664.52)	(94,371.31)	(257,916.52)	(246,781.39)	(381,761.32)	(165,104.70)	(135,936.05)	(250,648.24)	(335,430.39)	(294,301.17)	(303,439.78)	(226,367.91)	(3,022,723.32)	
46																
47																
48	***REVENUE REQUIRMENTS***															
49	Expenses		144,204.45	388,489.48	224,225.54	249,870.46	89,428.03	335,854.96	353,868.34	254,623.61	179,771.66	172,653.18	194,416.93	241,064.72	2,828,471.36	
50	Return on rate base		601,110.95	601,110.95	601,110.95	601,110.95	601,110.95	601,110.95	601,110.95	601,110.95	601,110.95	601,110.95	601,110.95	601,110.95	7,213,331.36	
51																
52	Total revenue requirements		745,315.40	989,600.43	825,336.49	850,981.41	690,538.98	936,965.91	954,979.28	855,734.56	780,882.61	773,764.13	795,527.87	842,175.67	10,041,802.72	
53																
54	North Dakota share - E2 factor	41.018%	305,713.28	405,914.06	338,536.31	349,055.34	283,245.11	384,324.44	391,713.16	351,004.99	320,302.23	317,382.38	326,309.42	345,443.40	**4,118,944.13**	

Otter Tail Power Company
North Dakota Renewable Resource Rider
Ashtabula Wind Farm

		2009	2010											
	SUPPORTING INFORMATION / DATA													
Line														
1	MN Capstructure with allowed ROE per order.													
2	Capital Structure		Ratio	Cost	WA Cost									
3	Debt		43.10%	6.30%	2.72%									
4	Preferred equity		3.60%	4.75%	0.17%									
5	Common equity		53.30%	10.75%	5.73%									
6	Total		100.00%		8.62%									
7														
8														
9	**Federal Production Tax Credit**													
10	Federal PTC Rate		$22.000	$22.000	$22.000	$22.000	$22.000	$22.000	$22.000	$22.000	$22.000	$22.000	$22.000	$22.000
11	Output (MWH) / month	0	14,520	7,985	12,508	12,200	15,933	9,942	9,135	12,307	14,652	13,514	13,767	11,639	148,103
12	Federal PTC Available based on production	0	319,441	175,680	275,181	268,406	350,528	218,714	200,968	270,759	322,340	297,317	302,877	256,062	3,258,274
13	Federal PTC Used on tax return		0	0	65,394	0	0	65,394	0	0	65,394	0	0	65,394	261,576
14	Deferred		319,441	175,680	209,787	268,406	350,528	153,320	200,968	270,759	256,946	297,317	302,877	190,668	2,996,698
15	Accumulated Deferred		3,627,387	3,803,067	4,012,854	4,281,260	4,631,788	4,785,109	4,986,077	5,256,836	5,513,782	5,811,099	6,113,977	6,304,645	
16															
17	**Deferred Tax**														
18	Book depr. rate		3.906900%	3.906900%	3.906900%	3.906900%	3.906900%	3.906900%	3.906900%	3.906900%	3.906900%	3.906900%	3.906900%	3.906900%	
19	Book depreciation	0	383,136.53	383,136.53	383,136.53	383,136.53	383,136.53	383,136.53	383,136.53	383,136.53	383,136.53	383,136.53	383,136.53	383,136.53	4,597,638.41
20	Tax depreciation-ND		1,107,532.74	1,107,532.74	1,107,532.74	1,107,532.74	1,107,532.74	1,107,532.74	1,107,532.74	1,107,532.74	1,107,532.74	1,107,532.74	1,107,532.74	1,107,532.74	13,290,392.92
21	Tax depreciation-Federal		1,107,532.74	1,107,532.74	1,107,532.74	1,107,532.74	1,107,532.74	1,107,532.74	1,107,532.74	1,107,532.74	1,107,532.74	1,107,532.74	1,107,532.74	1,107,532.74	13,290,392.92
22	Book vs. tax depreciation		(724,396.21)	(724,396.21)	(724,396.21)	(724,396.21)	(724,396.21)	(724,396.21)	(724,396.21)	(724,396.21)	(724,396.21)	(724,396.21)	(724,396.21)	(724,396.21)	(8,692,754.51)
23	Federal & State deferred income taxes	0	(283,673.56)	(283,673.56)	(283,673.56)	(283,673.56)	(283,673.56)	(283,673.56)	(283,673.56)	(283,673.56)	(283,673.56)	(283,673.56)	(283,673.56)	(283,673.56)	(3,404,082.66)
24															
25	Additional Tax Basis (permanent difference)		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
26	Tax Impact-ND		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
27	Tax Impact-Federal		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
28	Total Tax Impact		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

	PROOF	**Jan-10**	**Feb-10**	**Mar-10**	**Apr-10**	**May-10**	**Jun-10**	**Jul-10**	**Aug-10**	**Sep-10**	**Oct-10**	**Nov-10**	**Dec-10**	**Year End 2010**
1	Revenue	745,315.40	989,600.43	825,336.49	850,981.41	690,538.98	936,965.91	954,979.28	855,734.56	780,882.61	773,764.13	795,527.87	842,175.67	10,041,802.72
2														
3	Expenses													
4	O/M and Book Depreciation	474,868.97	482,860.79	482,142.06	496,651.85	471,189.35	500,959.66	489,804.38	505,271.85	515,202.05	466,954.35	497,856.70	467,432.62	5,851,194.68
5	Interest on Debt	189,436.75	189,436.75	189,436.75	189,436.75	189,436.75	189,436.75	189,436.75	189,436.75	189,436.75	189,436.75	189,436.75	189,436.75	2,273,241.06
6														
7	Income Taxes													
8	Current Income Tax	(256,621.98)	(164,089.56)	(228,133.86)	(223,773.35)	(276,631.49)	(191,788.75)	(180,366.31)	(225,287.61)	(258,488.29)	(242,382.09)	(245,960.77)	(215,779.42)	(2,709,303.48)
9	Deferred Income Tax	283,673.56	283,673.56	283,673.56	283,673.56	283,673.56	283,673.56	283,673.56	283,673.56	283,673.56	283,673.56	283,673.56	283,673.56	3,404,082.66
10	Permanent Tax Difference - 30% Grant	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11	Federal Production Tax Credit													
12	Generated PTC	0.00	0.00	(65,394.00)	0.00	0.00	(65,394.00)	0.00	0.00	(65,394.00)	0.00	0.00	(65,394.00)	(261,576.00)
13	Deferred PTC	(319,440.84)	(175,680.03)	(209,786.95)	(268,406.34)	(350,528.13)	(153,320.23)	(200,968.02)	(270,758.93)	(256,946.39)	(297,317.37)	(302,877.30)	(190,667.78)	(2,996,698.32)
14	ND Investment Tax Credit													
15	Current ITC	(38,275.26)	(38,275.26)	(38,275.26)	(38,275.26)	(38,275.26)	(38,275.26)	(38,275.26)	(38,275.26)	(38,275.26)	(38,275.26)	(38,275.26)	(38,200.24)	(459,228.06)
16	Deferred ITC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
17	Total Expenses	333,641.21	577,926.26	413,662.30	439,307.23	278,864.79	525,291.73	543,305.11	444,060.38	369,208.42	362,089.94	383,853.69	430,501.49	5,101,712.55
18														
19	Net Income before preferred dividend	411,674.19	411,674.17	411,674.18	411,674.18	411,674.19	411,674.17	411,674.17	411,674.18	411,674.19	411,674.18	411,674.18	411,674.18	4,940,090.17
20	Dividend on Preferred Stock	(11,930.06)	(11,930.06)	(11,930.06)	(11,930.06)	(11,930.06)	(11,930.06)	(11,930.06)	(11,930.06)	(11,930.06)	(11,930.06)	(11,930.06)	(11,930.06)	(143,160.69)
21														
22	Income available for Common Stock	**399,744.13**	**399,744.11**	**399,744.12**	**399,744.12**	**399,744.13**	**399,744.12**	**399,744.12**	**399,744.12**	**399,744.13**	**399,744.13**	**399,744.13**	**399,744.12**	**4,796,929.48**
23														
24	**Average Rate Base**	83,719,701.69	83,719,701.69	83,719,701.69	83,719,701.69	83,719,701.69	83,719,701.69	83,719,701.69	83,719,701.69	83,719,701.69	83,719,701.69	83,719,701.69	83,719,701.69	83,719,701.69
25	Equity Percent	3,718,550.08	3,718,550.08	3,718,550.08	3,718,550.08	3,718,550.08	3,718,550.08	3,718,550.08	3,718,550.08	3,718,550.08	3,718,550.08	3,718,550.08	3,718,550.08	44,622,601.00
26	Return on Equity Check	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**
27														
28	**Tax Calculation**													
29	Income Before Income Taxes													
30	Net Income after prfd	399,744.13	399,744.11	399,744.12	399,744.12	399,744.13	399,744.12	399,744.12	399,744.12	399,744.13	399,744.13	399,744.13	399,744.12	4,796,929.48
31	Less Income Taxes	(330,664.52)	(94,371.29)	(257,916.51)	(246,781.38)	(381,761.32)	(165,104.69)	(135,936.03)	(250,648.23)	(335,430.39)	(294,301.16)	(303,439.77)	(226,367.89)	(3,022,723.20)
32	Total	69,079.61	305,372.82	141,827.61	152,962.74	17,982.81	234,639.43	263,808.08	149,095.89	64,313.74	105,442.96	96,304.36	173,376.23	1,774,206.29
33														
34	Book Depreciation	383,136.53	383,136.53	383,136.53	383,136.53	383,136.53	383,136.53	383,136.53	383,136.53	383,136.53	383,136.53	383,136.53	383,136.53	4,597,638.41
35	Tax Depreciation	(1,107,532.74)	(1,107,532.74)	(1,107,532.74)	(1,107,532.74)	(1,107,532.74)	(1,107,532.74)	(1,107,532.74)	(1,107,532.74)	(1,107,532.74)	(1,107,532.74)	(1,107,532.74)	(1,107,532.74)	(13,290,392.92)
36	Tax Depreciation - Permanent Difference	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
37	Taxable income	(655,316.60)	(419,023.39)	(582,568.60)	(571,433.47)	(706,413.40)	(489,756.78)	(460,588.12)	(575,300.32)	(660,082.47)	(618,953.25)	(628,091.85)	(551,019.98)	(6,918,548.22)
38	Current income tax	(256,621.98)	(164,089.56)	(228,133.86)	(223,773.35)	(276,631.49)	(191,788.75)	(180,366.31)	(225,287.61)	(258,488.29)	(242,382.09)	(245,960.77)	(215,779.42)	(2,709,303.48)
39	Tie to RR calculation													
40	Total Tax	0.00	0.02	0.01	0.01	0.00	0.02	0.02	0.01	0.00	0.01	0.01	0.01	0.13
41	Income Requirement for Return	(0.00)	(0.02)	(0.01)	(0.01)	(0.00)	(0.02)	(0.02)	(0.01)	(0.00)	(0.01)	(0.01)	(0.01)	(0.13)

Otter Tail Power Company
North Dakota Renewable Resource Rider
Ashtabula Wind Farm

Line		2010 Balance Dec-10	Actual Jan-11	Actual Feb-11	Actual Mar-11	Actual Apr-11	Actual May-11	Actual Jun-11	2011 Actual Jul-11	Actual Aug-11	Actual Sep-11	Actual Oct-11	Actual Nov-11	Actual Dec-11	2011 YE Balance
1	***RATE BASE***														
2	Plant Balance - Ashtabula	117,468,409.42	117,468,409.42	117,468,409.42	115,592,981.82	115,592,981.82	115,592,981.82	115,592,981.82	115,592,981.82	115,592,981.82	115,592,981.82	115,592,981.82	115,592,981.82	115,838,009.14	
3	Less: Federal Grant	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
4	Accumulated. Depreciation	(9,634,581.97)	(10,016,966.74)	(10,399,351.51)	(10,781,736.28)	(11,158,016.22)	(11,534,296.16)	(11,910,576.11)	(12,286,856.05)	(12,663,135.99)	(13,039,415.93)	(13,415,695.87)	(13,791,975.81)	(14,168,255.75)	
5	Net Plant in Service	107,833,827.45	107,451,442.68	107,069,057.91	104,811,245.54	104,434,965.60	104,058,685.66	103,682,405.71	103,306,125.77	102,929,845.83	102,553,565.89	102,177,285.95	101,801,006.01	101,669,753.39	
6	Inventory	444,658.00	444,658.00	444,658.00	444,658.00	435,478.77	444,166.92	444,166.92	444,166.92	418,292.56	418,292.56	418,292.56	418,292.56	403,421.96	
7	ADIT Pro-Rated														
8	Accum. Deferred Inc. Taxes - Fed & State	(34,314,396.97)	(34,396,083.52)	(34,477,770.07)	(34,559,456.63)	(34,643,484.26)	(34,727,511.89)	(34,811,539.52)	(34,895,567.16)	(34,979,594.79)	(35,063,622.42)	(35,147,650.06)	(35,231,677.69)	(35,315,705.32)	
9	Accum. Deferred Inc. Taxes - Basis Difference	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
10	Accum. Deferred Inc. Taxes - Federal PTC	6,304,644.52	6,581,279.89	6,955,391.52	7,255,250.55	7,561,340.93	7,931,054.50	8,218,309.95	8,397,208.60	8,582,478.04	8,824,114.64	9,167,386.69	9,575,428.33	9,952,600.79	
11	Accum. Deferred Inc. Taxes - ND ITC	17,620,261.41	17,620,261.41	17,620,261.41	17,338,947.27	17,338,947.27	17,338,947.27	17,338,947.27	17,338,947.27	17,338,947.27	17,338,947.27	17,338,947.27	17,338,947.27	17,375,701.37	
12	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC	(6,167,091.49)	(6,167,091.49)	(6,167,091.49)	(6,068,631.54)	(6,068,631.54)	(6,068,631.54)	(6,068,631.54)	(6,068,631.54)	(6,068,631.54)	(6,068,631.54)	(6,068,631.54)	(6,068,631.54)	(6,081,495.47)	
13	Accum. Deferred Inc. Taxes - ND ITC	(16,102,874.37)	(16,044,104.76)	(15,985,335.15)	(15,646,285.64)	(15,588,550.27)	(15,530,814.90)	(15,473,079.53)	(15,415,344.16)	(15,357,608.79)	(15,299,873.42)	(15,242,138.05)	(15,184,402.68)	(15,163,281.66)	
14	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC	5,636,006.03	5,615,436.66	5,594,867.29	5,476,199.96	5,455,992.58	5,435,785.20	5,415,577.82	5,395,370.44	5,375,163.06	5,354,955.68	5,334,748.30	5,314,540.92	5,307,148.56	
15	End of month rate base	81,255,034.58	81,105,798.87	81,054,039.42	79,051,927.52	78,926,059.08	78,881,681.21	78,746,157.08	78,502,276.15	78,238,891.64	78,057,748.66	77,978,241.13	77,963,503.18	78,148,143.62	
16															
17	Average rate base	83,719,701.69	79,069,961.70	79,069,961.70	79,069,961.70	79,069,961.70	79,069,961.70	79,069,961.70	79,069,961.70	79,069,961.70	79,069,961.70	79,069,961.70	79,069,961.70	79,069,961.70	79,069,961.70
18															
19	Return on Rate Base		567,725.62	567,725.62	567,725.62	567,725.62	567,725.62	567,725.62	567,725.62	567,725.62	567,725.62	567,725.62	567,725.62	567,725.62	6,812,707.44
20															
21	Available for return (equity portion of rate base)		377,542.59	377,542.59	377,542.59	377,542.59	377,542.59	377,542.59	377,542.59	377,542.59	377,542.59	377,542.59	377,542.59	377,542.59	4,530,511.13
22															
23	***EXPENSES***														
24	*O&M and Depreciation*														
25	Operating Costs		16,593.33	89,120.71	48,706.98	24,414.14	74,579.81	87,519.54	40,899.40	71,322.60	46,646.06	18,950.28	111,920.32	127,296.50	757,969.67
26	Ground Lease Payments		17,244.00	17,244.63	17,244.63	17,244.63	17,244.63	17,244.63	17,244.63	17,244.63	17,244.63	17,244.63	17,244.63	17,244.63	206,934.93
27	Property Tax		39,611.00	39,611.00	39,611.00	39,611.00	39,611.00	39,611.00	22,056.00	22,056.00	22,056.00	22,056.00	22,056.00	22,056.00	370,002.00
28	Book Depreciation	0	382,384.77	382,384.77	382,384.77	376,279.94	376,279.94	376,279.94	376,279.94	376,279.94	376,279.94	376,279.94	376,279.94	376,279.94	4,533,673.78
29	Total O&M and Depreciation Expense	0	455,833.10	528,361.11	487,947.38	457,549.71	507,715.38	520,655.11	456,479.97	486,903.17	462,226.63	434,530.85	527,500.89	542,877.07	5,868,580.38
30															
31	Income before Taxes														
32	Available for return (from above)		377,542.59	377,542.59	377,542.59	377,542.59	377,542.59	377,542.59	377,542.59	377,542.59	377,542.59	377,542.59	377,542.59	377,542.59	4,530,511.13
33	Less book tax credits - Federal PTC		(276,635.37)	(374,111.63)	(299,859.03)	(306,090.38)	(369,713.56)	(287,255.45)	(178,898.65)	(185,269.44)	(241,636.60)	(343,272.05)	(408,041.63)	(377,172.47)	(3,647,956.27)
34	Less book tax credits - ND ITC		(58,769.61)	(58,769.61)	(57,735.37)	(57,735.37)	(57,735.37)	(57,735.37)	(57,735.37)	(57,735.37)	(57,735.37)	(57,735.37)	(57,735.37)	(57,875.12)	(695,032.67)
35	ND ITC - Federal impact		20,569.37	20,569.37	20,207.38	20,207.38	20,207.38	20,207.38	20,207.38	20,207.38	20,207.38	20,207.38	20,207.38	20,256.29	243,261.45
36	Adjusted Income before interest and taxes		62,706.98	(34,769.27)	40,155.57	33,924.23	(29,698.96)	52,759.15	161,115.95	154,745.17	98,378.00	(3,257.45)	(68,027.03)	(37,248.70)	430,783.64
37	Taxable Income (grossed up)	1.621994	101,710.35	(56,395.55)	65,132.10	55,024.89	(48,171.53)	85,575.03	261,329.10	250,995.73	159,568.53	(5,283.56)	(110,339.43)	(60,417.17)	698,728.48
38															
39	Income Taxes														
40	Current and Def Income Taxes	38.348%	39,003.89	(21,626.57)	24,976.86	21,100.95	(18,472.82)	32,816.31	100,214.49	96,251.84	61,191.34	(2,026.14)	(42,312.97)	(23,168.78)	267,948.40
41	Tax Adjustment for Additional Tax Basis	33.198%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
42	Federal PTC	5.150%	(276,635.37)	(374,111.63)	(299,859.03)	(306,090.38)	(369,713.56)	(287,255.45)	(178,898.65)	(185,269.44)	(241,636.60)	(343,272.05)	(408,041.63)	(377,172.47)	(3,647,956.27)
43	ND ITC		(58,769.61)	(58,769.61)	(57,735.37)	(57,735.37)	(57,735.37)	(57,735.37)	(57,735.37)	(57,735.37)	(57,735.37)	(57,735.37)	(57,735.37)	(57,875.12)	(695,032.67)
44	ND ITC - Federal impact		20,569.37	20,569.37	20,207.38	20,207.38	20,207.38	20,207.38	20,207.38	20,207.38	20,207.38	20,207.38	20,207.38	20,256.29	243,261.45
45	Total Income Tax Expense		(275,831.72)	(433,938.43)	(312,410.17)	(322,517.42)	(425,714.37)	(291,967.13)	(116,212.16)	(126,545.58)	(217,973.26)	(382,826.18)	(487,882.59)	(437,960.07)	(3,831,779.09)
46															
47															
48	***REVENUE REQUIRMENTS***														
49	Expenses		180,001.38	94,422.68	175,537.21	135,032.29	82,001.01	228,687.98	340,267.81	360,357.59	244,253.38	51,704.67	39,618.30	104,917.00	2,036,801.29
50	Return on rate base		567,725.62	567,725.62	567,725.62	567,725.62	567,725.62	567,725.62	567,725.62	567,725.62	567,725.62	567,725.62	567,725.62	567,725.62	6,812,707.44
51															
52	Total revenue requirements		747,727.00	662,148.29	743,262.83	702,757.91	649,726.63	796,413.60	907,993.43	928,083.21	811,978.99	619,430.29	607,343.92	672,642.62	8,849,508.72
53															
54	North Dakota share - E2 factor	41.018%	306,702.47	271,599.82	304,871.36	288,257.06	266,504.71	326,672.73	372,440.52	380,680.94	333,057.34	254,077.76	249,120.18	275,904.38	**3,629,889.28**

Otter Tail Power Company
North Dakota Renewable Resource Rider
Ashtabula Wind Farm

Line			2010			2011										
	SUPPORTING INFORMATION / DATA															
1	MN Capstructure with allowed ROE per order.															
2	Capital Structure		Ratio	Cost	WA Cost											
3	Debt		43.10%	6.30%	2.72%											
4	Preferred equity		3.60%	4.75%	0.17%											
5	Common equity		53.30%	10.75%	5.73%											
6	Total		100.00%		8.62%											
7																
8																
9	**Federal Production Tax Credit**															
10	Federal PTC Rate		$22.000	$22.000	$22.000	$22.000	$22.000	$22.000	$22.000	$22.000	$22.000	$22.000	$22.000	$22.000	$22.000	$22.000
11	Output (MWH) / month	0	12,574	17,005	13,630	13,913	16,805	13,057	8,132	9,455	10,983	15,603	18,547	17,144	166,850	
12	Federal PTC Available based on production	0	276,635	374,112	299,859	306,090	369,714	287,255	178,899	185,269	241,637	343,272	408,042	377,172	3,647,956	
13	Federal PTC Used on tax return		0	0	0	0	0	0	0	0	0	0	0	0	0	
14	Deferred		276,635	374,112	299,859	306,090	369,714	287,255	178,899	185,269	241,637	343,272	408,042	377,172	3,647,956	
15	Accumulated Deferred		6,581,280	6,955,392	7,255,251	7,561,341	7,931,054	8,218,310	8,397,209	8,582,478	8,824,115	9,167,387	9,575,428	9,952,601		
16																
17	**Deferred Tax**															
18	Book depr. rate		3.906257%	3.906257%	3.906257%	3.906257%	3.906257%	3.906257%	3.906257%	3.906257%	3.906257%	3.906257%	3.906257%	3.906257%		
19	Book depreciation	0	382,384.77	382,384.77	382,384.77	376,279.94	376,279.94	376,279.94	376,279.94	376,279.94	376,279.94	376,279.94	376,279.94	376,279.94	4,533,673.78	
20	Tax depreciation-ND		595,398.62	595,398.62	595,398.62	595,398.62	595,398.62	595,398.62	595,398.62	595,398.62	595,398.62	595,398.62	595,398.62	595,398.62	7,144,783.50	
21	Tax depreciation-Federal		595,398.62	595,398.62	595,398.62	595,398.62	595,398.62	595,398.62	595,398.62	595,398.62	595,398.62	595,398.62	595,398.62	595,398.62	7,144,783.50	
22	Book vs. tax depreciation		(213,013.85)	(213,013.85)	(213,013.85)	(219,118.68)	(219,118.68)	(219,118.68)	(219,118.68)	(219,118.68)	(219,118.68)	(219,118.68)	(219,118.68)	(219,118.68)	(2,611,109.72)	
23	Federal & State deferred income taxes	0	(81,686.55)	(81,686.55)	(81,686.55)	(84,027.63)	(84,027.63)	(84,027.63)	(84,027.63)	(84,027.63)	(84,027.63)	(84,027.63)	(84,027.63)	(84,027.63)	(1,001,308.35)	
24																
25	Additional Tax Basis (permanent difference)		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
26	Tax Impact-ND		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
27	Tax Impact-Federal		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
28	Total Tax Impact		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	

	PROOF	**Jan-11**	**Feb-11**	**Mar-11**	**Apr-11**	**May-11**	**Jun-11**	**Jul-11**	**Aug-11**	**Sep-11**	**Oct-11**	**Nov-11**	**Dec-11**	**Year End 2011**
1	Revenue	747,727.00	662,148.29	743,262.83	702,757.91	649,726.63	796,413.60	907,993.43	928,083.21	811,978.99	619,430.29	607,343.92	672,642.62	8,849,508.72
2														
3	Expenses													
4	O/M and Book Depreciation	455,833.10	528,361.11	487,947.38	457,549.71	507,715.38	520,655.11	456,479.97	486,903.17	462,226.63	434,530.85	527,500.89	542,877.07	5,868,580.38
5	Interest on Debt	178,915.56	178,915.56	178,915.56	178,915.56	178,915.56	178,915.56	178,915.56	178,915.56	178,915.56	178,915.56	178,915.56	178,915.56	2,146,986.67
6														
7	Income Taxes													
8	Current Income Tax	(42,682.47)	(103,313.23)	(56,709.57)	(62,926.58)	(102,500.55)	(51,211.15)	16,187.36	12,224.70	(22,835.98)	(86,053.78)	(126,340.81)	(107,196.53)	(733,358.59)
9	Deferred Income Tax	81,686.55	81,686.55	81,686.55	84,027.63	84,027.63	84,027.63	84,027.63	84,027.63	84,027.63	84,027.63	84,027.63	84,027.63	1,001,308.35
10	Permanent Tax Difference - 30% Grant	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11	Federal Production Tax Credit													
12	Generated PTC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
13	Deferred PTC	(276,635.37)	(374,111.63)	(299,859.03)	(306,090.38)	(369,713.56)	(287,255.45)	(178,898.65)	(185,269.44)	(241,636.60)	(343,272.05)	(408,041.63)	(377,172.47)	(3,647,956.27)
14	ND Investment Tax Credit													
15	Current ITC	(38,200.24)	(38,200.24)	(37,527.99)	(37,527.99)	(37,527.99)	(37,527.99)	(37,527.99)	(37,527.99)	(37,527.99)	(37,527.99)	(37,527.99)	(37,618.83)	(451,771.22)
16	Deferred ITC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
17	Total Expenses	358,917.13	273,338.12	354,452.90	313,947.95	260,916.47	407,603.70	519,183.88	539,273.64	423,169.24	230,620.22	218,533.64	283,832.44	4,183,789.32
18														
19	Net Income before preferred dividend	388,809.87	388,810.17	388,809.94	388,809.96	388,810.16	388,809.90	388,809.55	388,809.57	388,809.75	388,810.07	388,810.28	388,810.18	4,665,719.40
20	Dividend on Preferred Stock	(11,267.47)	(11,267.47)	(11,267.47)	(11,267.47)	(11,267.47)	(11,267.47)	(11,267.47)	(11,267.47)	(11,267.47)	(11,267.47)	(11,267.47)	(11,267.47)	(135,209.63)
21														
22	Income available for Common Stock	**377,542.40**	**377,542.70**	**377,542.47**	**377,542.49**	**377,542.69**	**377,542.43**	**377,542.08**	**377,542.10**	**377,542.28**	**377,542.60**	**377,542.81**	**377,542.71**	**4,530,509.77**
23														
24	**Average Rate Base**	79,069,961.70	79,069,961.70	79,069,961.70	79,069,961.70	79,069,961.70	79,069,961.70	79,069,961.70	79,069,961.70	79,069,961.70	79,069,961.70	79,069,961.70	79,069,961.70	79,069,961.70
25	Equity Percent	3,512,024.13	3,512,024.13	3,512,024.13	3,512,024.13	3,512,024.13	3,512,024.13	3,512,024.13	3,512,024.13	3,512,024.13	3,512,024.13	3,512,024.13	3,512,024.13	42,144,289.59
26	Return on Equity Check	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**
27														
28	**Tax Calculation**													
29	Income Before Income Taxes													
30	Net Income after prfd	377,542.40	377,542.70	377,542.47	377,542.49	377,542.69	377,542.43	377,542.08	377,542.10	377,542.28	377,542.60	377,542.81	377,542.71	4,530,509.77
31	Less Income Taxes	(275,831.53)	(433,938.54)	(312,410.04)	(322,517.32)	(425,714.47)	(291,966.96)	(116,211.65)	(126,545.09)	(217,972.94)	(382,826.19)	(487,882.81)	(437,960.19)	(3,831,777.72)
32	Total	101,710.87	(56,395.84)	65,132.43	55,025.17	(48,171.78)	85,575.46	261,330.44	250,997.01	159,569.34	(5,283.58)	(110,340.00)	(60,417.48)	698,732.04
33														
34	Book Depreciation	382,384.77	382,384.77	382,384.77	376,279.94	376,279.94	376,279.94	376,279.94	376,279.94	376,279.94	376,279.94	376,279.94	376,279.94	4,533,673.78
35	Tax Depreciation	(595,398.62)	(595,398.62)	(595,398.62)	(595,398.62)	(595,398.62)	(595,398.62)	(595,398.62)	(595,398.62)	(595,398.62)	(595,398.62)	(595,398.62)	(595,398.62)	(7,144,783.50)
36	Tax Depreciation - Permanent Difference	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
37	Taxable income	(111,302.98)	(269,409.70)	(147,881.43)	(164,093.51)	(267,290.46)	(133,543.22)	42,211.75	31,878.33	(59,549.35)	(224,402.27)	(329,458.68)	(279,536.16)	(1,912,377.68)
38	Current income tax	(42,682.47)	(103,313.23)	(56,709.57)	(62,926.58)	(102,500.55)	(51,211.15)	16,187.36	12,224.70	(22,835.98)	(86,053.78)	(126,340.81)	(107,196.53)	(733,358.59)
39	Tie to RR calculation													
40	Total Tax	0.20	(0.11)	0.13	0.11	(0.09)	0.17	0.51	0.49	0.31	(0.01)	(0.22)	(0.12)	1.36
41	Income Requirement for Return	(0.20)	0.11	(0.13)	(0.11)	0.09	(0.17)	(0.51)	(0.49)	(0.31)	0.01	0.22	0.12	(1.36)

Otter Tail Power Company
North Dakota Renewable Resource Rider
Ashtabula Wind Farm

Line		2011 Balance Dec-11	2012 Actual Jan-12	Actual Feb-12	Actual Mar-12	Actual Apr-12	Actual May-12	Actual Jun-12	Actual Jul-12	Actual Aug-12	Actual Sep-12	Actual Oct-12	Actual Nov-12	Actual Dec-12	2012 YE Balance
1	***RATE BASE***														
2	Plant Balance - Ashtabula	115,838,009.14	115,838,009.14	115,838,009.14	115,838,009.14	115,838,009.14	115,838,009.14	115,840,251.75	115,840,251.75	115,840,251.75	115,865,234.02	115,978,996.75	115,978,996.75	115,997,530.63	
3	Less: Federal Grant	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
4	Accumulated. Depreciation	(14,168,255.75)	(14,544,810.31)	(14,921,364.87)	(15,297,919.43)	(15,674,473.98)	(16,051,028.54)	(16,427,583.10)	(16,804,144.95)	(17,180,706.80)	(17,557,268.65)	(17,933,911.70)	(18,310,924.51)	(18,687,937.38)	
5	Net Plant in Service	101,669,753.39	101,293,198.83	100,916,644.27	100,540,089.71	100,163,535.16	99,786,980.60	99,412,668.65	99,036,106.80	98,659,544.95	98,307,965.37	98,045,085.05	97,668,072.24	97,309,593.25	
6	Inventory	403,421.96	403,421.96	375,458.77	391,272.38	391,272.38	374,936.81	387,095.79	368,711.99	338,457.56	686,085.86	664,163.76	622,089.05	610,908.12	
7	ADIT Pro-Rated														
8	Accum. Deferred Inc. Taxes - Fed & State	(35,315,705.32)	(35,373,079.05)	(35,430,452.78)	(35,487,826.50)	(35,545,200.23)	(35,602,573.96)	(35,659,947.68)	(35,717,318.62)	(35,774,689.55)	(35,832,060.48)	(35,889,400.27)	(35,946,598.27)	(36,003,796.24)	
9	Accum. Deferred Inc. Taxes - Basis Difference	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
10	Accum. Deferred Inc. Taxes - Federal PTC	9,952,600.79	10,344,019.97	10,615,734.69	10,561,285.19	10,941,601.50	11,269,307.89	11,078,636.24	11,245,585.16	11,420,130.23	11,250,648.37	11,634,010.00	11,894,143.37	11,691,607.45	
11	Accum. Deferred Inc. Taxes - ND ITC	17,375,701.37	17,375,701.37	17,651,994.00	17,651,994.00	17,651,994.00	17,651,994.00	17,651,994.00	17,651,994.00	17,651,994.00	17,651,994.00	17,651,994.00	17,651,994.00	17,651,994.00	
12	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC	(6,081,495.47)	(6,081,495.47)	(6,178,197.89)	(6,178,197.89)	(6,178,197.89)	(6,178,197.89)	(6,178,197.89)	(6,178,197.89)	(6,178,197.89)	(6,178,197.89)	(6,178,197.89)	(6,178,197.89)	(6,178,197.89)	
13	Accum. Deferred Inc. Taxes - ND ITC	(15,163,281.66)	(15,105,406.54)	(15,322,765.46)	(15,263,831.75)	(15,204,898.04)	(15,145,964.33)	(15,087,030.62)	(15,028,096.91)	(14,969,163.20)	(14,910,229.49)	(14,851,295.78)	(14,792,362.07)	(14,733,428.36)	
14	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC	5,307,148.56	5,286,892.27	5,362,967.89	5,342,341.09	5,321,714.29	5,301,087.49	5,280,460.69	5,259,833.89	5,239,207.09	5,218,580.29	5,197,953.49	5,177,326.70	5,156,699.90	
15	End of month rate base	78,148,143.62	78,143,253.35	77,991,383.50	77,557,126.24	77,541,821.17	77,457,570.61	76,885,679.18	76,638,618.42	76,387,283.19	76,194,786.03	76,274,312.37	76,096,467.13	75,505,380.23	
16															
17	Average rate base	76,986,294.23	76,986,294.23	76,986,294.23	76,986,294.23	76,986,294.23	76,986,294.23	76,986,294.23	76,986,294.23	76,986,294.23	76,986,294.23	76,986,294.23	76,986,294.23	76,986,294.23	76,986,294.23
18															
19	Return on Rate Base	6,812,707.44	552,764.80	552,764.80	552,764.80	552,764.80	552,764.80	552,764.80	552,764.80	552,764.80	552,764.80	552,764.80	552,764.80	552,764.80	6,633,177.60
20															
21	Available for return (equity portion of rate base)	4,530,511.13	367,593.52	367,593.52	367,593.52	367,593.52	367,593.52	367,593.52	367,593.52	367,593.52	367,593.52	367,593.52	367,593.52	367,593.52	4,411,122.19
22															
23	***EXPENSES***														
24	*O&M and Depreciation*														
25	Operating Costs		46,873.11	70,676.67	44,314.63	86,494.11	64,337.72	59,925.57	120,199.15	107,656.57	(265,567.67)	75,063.11	92,238.44	66,922.04	569,133.45
26	Ground Lease Payments		17,589.53	17,589.52	17,589.52	17,589.52	17,589.52	17,589.52	17,589.52	17,589.52	17,589.52	17,589.52	17,589.52	17,589.52	211,074.25
27	Property Tax		29,600.00	29,600.00	29,600.00	29,600.00	29,600.00	29,600.00	29,600.00	29,600.00	29,600.00	29,600.00	29,600.00	17,545.00	343,145.00
28	Book Depreciation	0	376,554.56	376,554.56	376,554.56	376,554.56	376,554.56	376,554.56	376,561.85	376,561.85	376,561.85	376,643.05	377,012.81	377,012.81	4,519,681.57
29	Total O&M and Depreciation Expense	0	470,617.20	494,420.75	468,058.71	510,238.19	488,081.80	483,669.65	543,950.52	531,407.94	158,183.70	498,895.68	516,440.77	479,069.37	5,643,034.27
30															
31	Income before Taxes														
32	Available for return (from above)		367,593.52	367,593.52	367,593.52	367,593.52	367,593.52	367,593.52	367,593.52	367,593.52	367,593.52	367,593.52	367,593.52	367,593.52	4,411,122.19
33	Less book tax credits - Federal PTC	0	(391,419.18)	(271,714.72)	(376,922.50)	(380,316.31)	(327,706.39)	(240,700.35)	(166,948.91)	(174,545.07)	(261,890.13)	(383,361.64)	(260,133.37)	(228,836.08)	(3,464,494.66)
34	Less book tax credits - ND ITC		(57,875.12)	(58,933.71)	(58,933.71)	(58,933.71)	(58,933.71)	(58,933.71)	(58,933.71)	(58,933.71)	(58,933.71)	(58,933.71)	(58,933.71)	(58,933.71)	(706,145.93)
35	ND ITC - Federal impact		20,256.29	20,626.80	20,626.80	20,626.80	20,626.80	20,626.80	20,626.80	20,626.80	20,626.80	20,626.80	20,626.80	20,626.80	247,151.08
36	Adjusted Income before interest and taxes		(61,444.50)	57,571.89	(47,635.90)	(51,029.70)	1,580.22	88,586.26	162,337.69	154,741.53	67,396.47	(54,075.03)	69,153.24	100,450.52	487,632.69
37	Taxable Income (grossed up)	1.621994	(99,662.60)	93,381.26	(77,265.14)	(82,769.87)	2,563.10	143,686.38	263,310.76	250,989.84	109,316.67	(87,709.38)	112,166.13	162,930.15	790,937.29
38															
39	Income Taxes														
40	Current and Def Income Taxes	38.348%	(38,218.62)	35,809.84	(29,629.63)	(31,740.59)	982.90	55,100.85	100,974.41	96,249.58	41,920.76	(33,634.79)	43,013.47	62,480.45	303,308.63
41	Tax Adjustment for Additional Tax Basis	33.198%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
42	Federal PTC	5.150%	(391,419.18)	(271,714.72)	(376,922.50)	(380,316.31)	(327,706.39)	(240,700.35)	(166,948.91)	(174,545.07)	(261,890.13)	(383,361.64)	(260,133.37)	(228,836.08)	(3,464,494.66)
43	ND ITC		(57,875.12)	(58,933.71)	(58,933.71)	(58,933.71)	(58,933.71)	(58,933.71)	(58,933.71)	(58,933.71)	(58,933.71)	(58,933.71)	(58,933.71)	(58,933.71)	(706,145.93)
44	ND ITC - Federal impact		20,256.29	20,626.80	20,626.80	20,626.80	20,626.80	20,626.80	20,626.80	20,626.80	20,626.80	20,626.80	20,626.80	20,626.80	247,151.08
45	Total Income Tax Expense		(467,256.63)	(274,211.78)	(444,859.05)	(450,363.81)	(365,030.40)	(223,906.41)	(104,281.41)	(116,602.40)	(258,276.29)	(455,303.34)	(255,426.81)	(204,662.54)	(3,620,180.87)
46															
47															
48	***REVENUE REQUIRMENTS***														
49	Expenses		3,360.57	220,208.96	23,199.66	59,874.38	123,051.40	259,763.24	439,669.11	414,805.54	(100,092.59)	43,592.34	261,013.96	274,406.83	2,022,853.39
50	Return on rate base		552,764.80	552,764.80	552,764.80	552,764.80	552,764.80	552,764.80	552,764.80	552,764.80	552,764.80	552,764.80	552,764.80	552,764.80	6,633,177.60
51															
52	Total revenue requirements		556,125.37	772,973.77	575,964.46	612,639.18	675,816.20	812,528.04	992,433.91	967,570.34	452,672.21	596,357.14	813,778.76	827,171.63	8,656,031.00
53															
54	North Dakota share - E2 factor	41.018%	228,111.37	317,058.19	236,248.96	251,292.18	277,206.12	333,282.55	407,076.29	396,877.76	185,676.97	244,613.62	333,795.57	339,289.05	**3,550,528.63**

Otter Tail Power Company
North Dakota Renewable Resource Rider
Ashtabula Wind Farm

		2011				2012									
	SUPPORTING INFORMATION / DATA														
Line															
1	MN Capstructure with allowed ROE per order.														
2	Capital Structure		Ratio	Cost	WA Cost										
3	Debt		43.10%	6.30%	2.72%										
4	Preferred equity		3.60%	4.75%	0.17%										
5	Common equity		53.30%	10.75%	5.73%										
6	Total		100.00%		8.62%										
7															
8															
9	**Federal Production Tax Credit**														
10	Federal PTC Rate		$22.000	$22.000	$22.000	$22.000	$22.000	$22.000	$22.000	$22.000	$22.000	$22.000	$22.000	$22.000	$22.000
11	Output (MWH) / month	22748	17,792	12,351	17,133	17,287	14,896	10,941	7,589	7,934	11,904	17,426	11,824	10,402	157,477
12	Federal PTC Available based on production	0	391,419	271,715	376,923	380,316	327,706	240,700	166,949	174,545	261,890	383,362	260,133	228,836	3,464,495
13	Federal PTC Used on tax return		0	0	431,372	0	0	431,372	0	0	431,372	0	0	431,372	1,725,488
14	Deferred		391,419	271,715	(54,449)	380,316	327,706	(190,672)	166,949	174,545	(169,482)	383,362	260,133	(202,536)	1,739,007
15	Accumulated Deferred		10,344,020	10,615,735	10,561,285	10,941,602	11,269,308	11,078,636	11,245,585	11,420,130	11,250,648	11,634,010	11,894,143	11,691,607	
16															
17	**Deferred Tax**														
18	Book depr. rate		3.900839%	3.900839%	3.900839%	3.900839%	3.900839%	3.900839%	3.900839%	3.900839%	3.900839%	3.900839%	3.900839%	3.900839%	
19	Book depreciation	0	376,554.56	376,554.56	376,554.56	376,554.56	376,554.56	376,554.56	376,561.85	376,561.85	376,561.85	376,643.05	377,012.81	377,012.87	4,519,681.63
20	Tax depreciation-ND		526,167.91	526,167.91	526,167.91	526,167.91	526,167.91	526,167.91	526,167.91	526,167.91	526,167.91	526,167.91	526,167.91	526,167.91	6,314,014.89
21	Tax depreciation-Federal		526,167.91	526,167.91	526,167.91	526,167.91	526,167.91	526,167.91	526,167.91	526,167.91	526,167.91	526,167.91	526,167.91	526,167.91	6,314,014.89
22	Book vs. tax depreciation		(149,613.35)	(149,613.35)	(149,613.35)	(149,613.35)	(149,613.35)	(149,613.35)	(149,606.06)	(149,606.06)	(149,606.06)	(149,524.86)	(149,155.10)	(149,155.04)	(1,794,333.26)
23	Federal & State deferred income taxes	0	(57,373.73)	(57,373.73)	(57,373.73)	(57,373.73)	(57,373.73)	(57,373.73)	(57,370.93)	(57,370.93)	(57,370.93)	(57,339.79)	(57,198.00)	(57,197.98)	(688,090.92)
24															
25	Additional Tax Basis (permanent difference)		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
26	Tax Impact-ND		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
27	Tax Impact-Federal		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
28	Total Tax Impact		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

	PROOF	**Jan-12**	**Feb-12**	**Mar-12**	**Apr-12**	**May-12**	**Jun-12**	**Jul-12**	**Aug-12**	**Sep-12**	**Oct-12**	**Nov-12**	**Dec-12**	**Year End 2012**
1	Revenue	556,125.37	772,973.77	575,964.46	612,639.18	675,816.20	812,528.04	992,433.91	967,570.34	452,672.21	596,357.14	813,778.76	827,171.63	8,656,031.00
2														
3	Expenses													
4	O/M and Book Depreciation	470,617.20	494,420.75	468,058.71	510,238.19	488,081.80	483,669.65	543,950.52	531,407.94	158,183.70	498,895.68	516,440.77	479,069.37	5,643,034.27
5	Interest on Debt	174,200.74	174,200.74	174,200.74	174,200.74	174,200.74	174,200.74	174,200.74	174,200.74	174,200.74	174,200.74	174,200.74	174,200.74	2,090,408.85
6														
7	Income Taxes													
8	Current Income Tax	(95,592.54)	(21,563.70)	(87,003.51)	(89,114.48)	(56,390.82)	(2,272.60)	43,603.99	38,879.14	(15,449.96)	(90,974.76)	(14,184.31)	5,282.80	(384,780.74)
9	Deferred Income Tax	57,373.73	57,373.73	57,373.73	57,373.73	57,373.73	57,373.73	57,370.93	57,370.93	57,370.93	57,339.79	57,198.00	57,197.98	688,090.92
10	Permanent Tax Difference - 30% Grant	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11	Federal Production Tax Credit													
12	Generated PTC	0.00	0.00	(431,372.00)	0.00	0.00	(431,372.00)	0.00	0.00	(431,372.00)	0.00	0.00	(431,372.00)	(1,725,488.00)
13	Deferred PTC	(391,419.18)	(271,714.72)	54,449.50	(380,316.31)	(327,706.39)	190,671.65	(166,948.91)	(174,545.07)	169,481.87	(383,361.64)	(260,133.37)	202,535.92	(1,739,006.66)
14	ND Investment Tax Credit													
15	Current ITC	(37,618.83)	(38,306.91)	(38,306.91)	(38,306.91)	(38,306.91)	(38,306.91)	(38,306.91)	(38,306.91)	(38,306.91)	(38,306.91)	(38,306.91)	(38,306.91)	(458,994.85)
16	Deferred ITC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
17	Total Expenses	177,561.11	394,409.88	197,400.25	234,074.95	297,252.14	433,964.26	613,870.36	589,006.77	74,108.36	217,792.90	435,214.92	448,607.88	4,113,263.79
18														
19	Net Income before preferred dividend	378,564.26	378,563.88	378,564.21	378,564.22	378,564.06	378,563.78	378,563.55	378,563.57	378,563.85	378,564.23	378,563.84	378,563.74	4,542,767.21
20	Dividend on Preferred Stock	(10,970.55)	(10,970.55)	(10,970.55)	(10,970.55)	(10,970.55)	(10,970.55)	(10,970.55)	(10,970.55)	(10,970.55)	(10,970.55)	(10,970.55)	(10,970.55)	(131,646.56)
21														
22	Income available for Common Stock	**367,593.71**	**367,593.33**	**367,593.67**	**367,593.68**	**367,593.51**	**367,593.24**	**367,593.00**	**367,593.03**	**367,593.30**	**367,593.69**	**367,593.30**	**367,593.20**	**4,411,120.65**
23														
24	**Average Rate Base**	76,986,294.23	76,986,294.23	76,986,294.23	76,986,294.23	76,986,294.23	76,986,294.23	76,986,294.23	76,986,294.23	76,986,294.23	76,986,294.23	76,986,294.23	76,986,294.23	76,986,294.23
25	Equity Percent	3,419,474.57	3,419,474.57	3,419,474.57	3,419,474.57	3,419,474.57	3,419,474.57	3,419,474.57	3,419,474.57	3,419,474.57	3,419,474.57	3,419,474.57	3,419,474.57	41,033,694.83
26	Return on Equity Check	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**
27														
28	**Tax Calculation**													
29	Income Before Income Taxes													
30	Net Income after prfd	367,593.71	367,593.33	367,593.67	367,593.68	367,593.51	367,593.24	367,593.00	367,593.03	367,593.30	367,593.69	367,593.30	367,593.20	4,411,120.65
31	Less Income Taxes	(467,256.82)	(274,211.60)	(444,859.20)	(450,363.97)	(365,030.40)	(223,906.13)	(104,280.90)	(116,601.91)	(258,276.08)	(455,303.51)	(255,426.59)	(204,662.22)	(3,620,179.33)
32	Total	(99,663.11)	93,381.73	(77,265.53)	(82,770.29)	2,563.11	143,687.11	263,312.10	250,991.11	109,317.23	(87,709.83)	112,166.71	162,930.98	790,941.32
33														
34	Book Depreciation	376,554.56	376,554.56	376,554.56	376,554.56	376,554.56	376,554.56	376,561.85	376,561.85	376,561.85	376,643.05	377,012.81	377,012.87	4,519,681.63
35	Tax Depreciation	(526,167.91)	(526,167.91)	(526,167.91)	(526,167.91)	(526,167.91)	(526,167.91)	(526,167.91)	(526,167.91)	(526,167.91)	(526,167.91)	(526,167.91)	(526,167.91)	(6,314,014.89)
36	Tax Depreciation - Permanent Difference	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
37	Taxable income	(249,276.46)	(56,231.62)	(226,878.88)	(232,383.64)	(147,050.23)	(5,926.24)	113,706.05	101,385.06	(40,288.83)	(237,234.68)	(36,988.39)	13,775.94	(1,003,391.94)
38	Current income tax	(95,592.54)	(21,563.70)	(87,003.51)	(89,114.48)	(56,390.82)	(2,272.60)	43,603.99	38,879.14	(15,449.96)	(90,974.76)	(14,184.31)	5,282.80	(384,780.74)
39	Tie to RR calculation													
40	Total Tax	(0.19)	0.18	(0.15)	(0.16)	0.01	0.28	0.51	0.49	0.21	(0.17)	0.22	0.32	1.54
41	Income Requirement for Return	0.19	(0.18)	0.15	0.16	(0.01)	(0.28)	(0.51)	(0.49)	(0.21)	0.17	(0.22)	(0.32)	(1.54)

Otter Tail Power Company
North Dakota Renewable Resource Rider
Ashtabula Wind Farm

Line		2012 Balance Dec-12	Actual Jan-13	Actual Feb-13	Actual Mar-13	Actual Apr-13	Actual May-13	Actual Jun-13	2013 Actual Jul-13	Actual Aug-13	Actual Sep-13	Actual Oct-13	Actual Nov-13	Actual Dec-13	2013 YE Balance
1	***RATE BASE***														
2	Plant Balance - Ashtabula	115,997,530.63	115,997,530.63	115,938,171.38	115,938,171.38	115,938,171.38	115,938,171.38	116,091,196.27	116,117,434.92	116,117,434.92	116,117,434.92	116,153,304.27	116,153,304.27	116,446,097.89	
3	Less: Federal Grant	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
4	Accumulated. Depreciation	(18,687,937.38)	(19,064,942.09)	(19,441,946.80)	(19,818,758.62)	(20,195,570.44)	(20,572,382.26)	(20,949,194.08)	(21,326,504.39)	(21,703,900.04)	(22,081,295.69)	(22,458,691.34)	(22,836,203.55)	(23,213,715.76)	
5	Net Plant in Service	97,309,593.25	96,932,588.54	96,496,224.58	96,119,412.76	95,742,600.94	95,365,789.12	95,142,002.19	94,790,930.53	94,413,534.88	94,036,139.23	93,694,612.93	93,317,100.72	93,232,382.13	
6	Inventory	610,908.12	577,612.51	555,887.57	550,754.79	565,081.77	561,990.96	524,184.95	552,236.88	526,662.41	546,862.51	538,632.39	533,033.04	511,269.11	
7	ADIT Pro-Rated														
8	Accum. Deferred Inc. Taxes - Fed & State	(36,003,796.24)	(36,036,402.98)	(36,069,009.72)	(36,101,690.43)	(36,134,371.14)	(36,167,051.85)	(36,199,732.56)	(36,232,222.10)	(36,264,678.93)	(36,297,135.75)	(36,329,592.57)	(36,362,004.69)	(36,394,416.82)	
9	Accum. Deferred Inc. Taxes - Basis Difference	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
10	Accum. Deferred Inc. Taxes - Federal PTC	11,691,607.45	12,046,488.84	12,275,638.42	12,501,744.96	12,891,729.74	13,248,591.72	13,492,680.44	13,672,626.43	13,815,842.83	14,064,745.47	14,391,050.71	14,755,871.81	15,119,949.11	
11	Accum. Deferred Inc. Taxes - ND ITC	17,651,994.00	17,651,994.00	17,651,994.00	17,651,994.00	17,651,994.00	17,626,522.00	17,626,522.00	17,626,522.00	17,626,522.00	17,626,522.00	17,626,522.00	17,626,522.00	17,626,522.00	
12	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC	(6,178,197.89)	(6,178,197.89)	(6,178,197.89)	(6,178,197.89)	(6,178,197.89)	(6,169,282.69)	(6,169,282.69)	(6,169,282.69)	(6,169,282.69)	(6,169,282.69)	(6,169,282.69)	(6,169,282.69)	(6,169,282.69)	
13	Accum. Deferred Inc. Taxes - ND ITC	(14,733,428.36)	(14,674,494.65)	(14,615,560.94)	(14,556,627.23)	(14,497,693.52)	(14,413,391.35)	(14,354,561.18)	(14,295,731.01)	(14,236,900.84)	(14,178,070.67)	(14,119,240.50)	(14,060,410.33)	(14,001,580.16)	
14	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC	5,156,699.90	5,136,073.10	5,115,446.30	5,094,819.50	5,074,192.70	5,044,686.95	5,024,096.39	5,003,505.83	4,982,915.27	4,962,324.71	4,941,734.15	4,921,143.59	4,900,553.03	
15	End of month rate base	75,505,380.23	75,455,661.47	75,232,422.32	75,082,210.46	75,115,336.61	75,097,854.86	75,085,909.54	74,948,585.87	74,694,614.94	74,592,104.82	74,574,436.42	74,561,973.45	74,825,395.72	
16															
17	Average rate base	76,986,294.23	74,982,452.82	74,982,452.82	74,982,452.82	74,982,452.82	74,982,452.82	74,982,452.82	74,982,452.82	74,982,452.82	74,982,452.82	74,982,452.82	74,982,452.82	74,982,452.82	74,982,452.82
18															
19	Return on Rate Base	6,633,177.60	538,377.14	538,377.14	538,377.14	538,377.14	538,377.14	538,377.14	538,377.14	538,377.14	538,377.14	538,377.14	538,377.14	538,377.14	6,460,525.63
20															
21	Available for return (equity portion of rate base)	4,411,122.19	358,025.59	358,025.59	358,025.59	358,025.59	358,025.59	358,025.59	358,025.59	358,025.59	358,025.59	358,025.59	358,025.59	358,025.59	4,296,307.09
22															
23	***EXPENSES***														
24	*O&M and Depreciation*														
25	Operating Costs		90,568.75	75,070.12	61,825.09	70,913.95	60,525.90	115,519.24	73,544.32	99,701.12	57,675.59	67,001.74	94,491.65	57,740.90	924,578.37
26	Ground Lease Payments		17,941.29	17,941.31	17,941.31	17,941.31	17,941.31	17,941.31	17,941.31	17,941.31	17,941.31	17,941.31	17,941.31	17,941.31	215,295.70
27	Property Tax		29,000.00	29,000.00	29,000.00	29,000.00	29,000.00	29,000.00	29,000.00	29,000.00	29,000.00	29,000.00	29,000.00	(86,597.00)	232,403.00
28	Book Depreciation	(0)	377,004.71	377,004.71	376,811.82	376,811.82	376,811.82	376,811.82	377,310.31	377,395.65	377,395.65	377,395.65	377,512.21	377,512.21	4,525,778.38
29	Total O&M and Depreciation Expense	0	514,514.75	499,016.14	485,578.22	494,667.08	484,279.03	539,272.37	497,795.94	524,038.08	482,012.55	491,338.70	518,945.17	366,597.42	5,898,055.45
30															
31	Income before Taxes														
32	Available for return (from above)		358,025.59	358,025.59	358,025.59	358,025.59	358,025.59	358,025.59	358,025.59	358,025.59	358,025.59	358,025.59	358,025.59	358,025.59	4,296,307.09
33	Less book tax credits - Federal PTC	0	(354,881.38)	(229,149.58)	(226,106.54)	(389,984.79)	(356,861.97)	(244,088.72)	(179,946.00)	(143,216.40)	(248,902.64)	(326,305.23)	(364,821.10)	(364,077.30)	(3,428,341.66)
34	Less book tax credits - ND ITC		(58,933.71)	(58,933.71)	(58,933.71)	(58,933.71)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(706,376.20)
35	ND ITC - Federal impact		20,626.80	20,626.80	20,626.80	20,626.80	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	247,231.67
36	Adjusted Income before interest and taxes		(35,162.70)	90,569.10	93,612.14	(70,266.11)	(37,075.99)	75,697.26	139,839.98	176,569.58	70,883.34	(6,519.25)	(45,035.12)	(44,291.32)	408,820.90
37	Taxable Income (grossed up)	1.621994	(57,033.70)	146,902.54	151,838.33	(113,971.20)	(60,137.04)	122,780.50	226,819.61	286,394.80	114,972.35	(10,574.19)	(73,046.70)	(71,840.26)	663,105.04
38															
39	Income Taxes														
40	Current and Def Income Taxes	38.348%	(21,871.28)	56,334.18	58,226.96	(43,705.68)	(23,061.35)	47,083.87	86,980.78	109,826.68	44,089.60	(4,054.99)	(28,011.95)	(27,549.30)	254,287.52
41	Tax Adjustment for Additional Tax Basis	33.198%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
42	Federal PTC	5.150%	(354,881.38)	(229,149.58)	(226,106.54)	(389,984.79)	(356,861.97)	(244,088.72)	(179,946.00)	(143,216.40)	(248,902.64)	(326,305.23)	(364,821.10)	(364,077.30)	(3,428,341.66)
43	ND ITC		(58,933.71)	(58,933.71)	(58,933.71)	(58,933.71)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(706,376.20)
44	ND ITC - Federal impact		20,626.80	20,626.80	20,626.80	20,626.80	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	247,231.67
45	Total Income Tax Expense		(415,059.58)	(211,122.31)	(206,186.49)	(471,997.37)	(418,162.94)	(235,244.46)	(131,204.82)	(71,629.33)	(243,052.66)	(368,599.83)	(431,072.66)	(429,866.22)	(3,633,198.67)
46															
47															
48	***REVENUE REQUIRMENTS***														
49	Expenses		99,455.17	287,893.83	279,391.73	22,669.71	66,116.09	304,027.91	366,591.12	452,408.75	238,959.89	122,738.87	87,872.51	(63,268.80)	2,264,856.78
50	Return on rate base		538,377.14	538,377.14	538,377.14	538,377.14	538,377.14	538,377.14	538,377.14	538,377.14	538,377.14	538,377.14	538,377.14	538,377.14	6,460,525.63
51															
52	Total revenue requirements		637,832.31	826,270.97	817,768.87	561,046.84	604,493.23	842,405.04	904,968.25	990,785.88	777,337.03	661,116.00	626,249.65	475,108.34	8,725,382.41
53															
54	North Dakota share - E2 factor	41.018%	261,625.90	338,919.62	335,432.23	230,130.05	247,950.88	345,537.49	371,199.65	406,400.31	318,847.91	271,176.40	256,874.92	194,879.82	**3,578,975.17**

Otter Tail Power Company
North Dakota Renewable Resource Rider
Ashtabula Wind Farm

Line			2012			2013										
	SUPPORTING INFORMATION / DATA															
1	MN Capstructure with allowed ROE per order.															
2	Capital Structure		Ratio	Cost	WA Cost											
3	Debt		43.10%	6.30%	2.72%											
4	Preferred equity		3.60%	4.75%	0.17%											
5	Common equity		53.30%	10.75%	5.73%											
6	Total		100.00%		8.62%											
7																
8																
9	**Federal Production Tax Credit**															
10	Federal PTC Rate		$22.000	$22.000	$22.000	$23.000	$23.000	$23.000	$23.000	$23.000	$23.000	$23.000	$23.000	$23.000	$23.000	$23.000
11	Output (MWH) / month	0	16,131	10,416	10,278	15,355	15,516	10,613	7,824	6,227	10,822	14,187	15,862	15,829	149,058	
12	Federal PTC Available based on production	0	354,881	229,150	226,107	389,985	356,862	244,089	179,946	143,216	248,903	326,305	364,821	364,077	3,428,342	
13	Federal PTC Used on tax return		0	0	0	0	0	0	0	0	0	0	0	0	0	
14	Deferred		354,881	229,150	226,107	389,985	356,862	244,089	179,946	143,216	248,903	326,305	364,821	364,077	3,428,342	
15	Accumulated Deferred		12,046,489	12,275,638	12,501,745	12,891,730	13,248,592	13,492,680	13,672,626	13,815,843	14,064,745	14,391,051	14,755,872	15,119,949		
16																
17	**Deferred Tax**															
18	Book depr. rate		3.902215%	3.902215%	3.902215%	3.902215%	3.900132%	3.900132%	3.900132%	3.900132%	3.900132%	3.900132%	3.900132%	3.900132%		
19	Book depreciation	0	377,004.71	377,004.71	376,811.82	376,811.82	376,811.82	376,811.82	377,310.31	377,395.65	377,395.65	377,395.65	377,512.21	377,512.21	4,525,778.38	
20	Tax depreciation-ND		462,033.24	462,033.24	462,033.24	462,033.24	462,033.24	462,033.24	462,033.24	462,033.24	462,033.24	462,033.24	462,033.24	462,033.24	5,544,398.84	
21	Tax depreciation-Federal		462,033.24	462,033.24	462,033.24	462,033.24	462,033.24	462,033.24	462,033.24	462,033.24	462,033.24	462,033.24	462,033.24	462,033.24	5,544,398.84	
22	Book vs. tax depreciation		(85,028.53)	(85,028.53)	(85,221.42)	(85,221.42)	(85,221.42)	(85,221.42)	(84,722.93)	(84,637.59)	(84,637.59)	(84,637.59)	(84,521.03)	(84,521.03)	(1,018,620.46)	
23	Federal & State deferred income taxes	0	(32,606.74)	(32,606.74)	(32,680.71)	(32,680.71)	(32,680.71)	(32,680.71)	(32,489.55)	(32,456.82)	(32,456.82)	(32,456.82)	(32,412.12)	(32,412.12)	(390,620.57)	
24																
25	Additional Tax Basis (permanent difference)		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
26	Tax Impact-ND		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
27	Tax Impact-Federal		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
28	Total Tax Impact		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	

	PROOF	**Jan-13**	**Feb-13**	**Mar-13**	**Apr-13**	**May-13**	**Jun-13**	**Jul-13**	**Aug-13**	**Sep-13**	**Oct-13**	**Nov-13**	**Dec-13**	**Year End 2013**
1	Revenue	637,832.31	826,270.97	817,768.87	561,046.84	604,493.23	842,405.04	904,968.25	990,785.88	777,337.03	661,116.00	626,249.65	475,108.34	8,725,382.41
2														
3	Expenses													
4	O/M and Book Depreciation	514,514.75	499,016.14	485,578.22	494,667.08	484,279.03	539,272.37	497,795.94	524,038.08	482,012.55	491,338.70	518,945.17	366,597.42	5,898,055.45
5	Interest on Debt	169,666.55	169,666.55	169,666.55	169,666.55	169,666.55	169,666.55	169,666.55	169,666.55	169,666.55	169,666.55	169,666.55	169,666.55	2,035,998.54
6														
7	Income Taxes													
8	Current Income Tax	(54,478.13)	23,727.73	25,546.55	(76,386.61)	(55,742.18)	14,403.40	54,491.68	77,370.41	11,633.00	(36,511.83)	(60,424.21)	(59,961.57)	(136,331.76)
9	Deferred Income Tax	32,606.74	32,606.74	32,680.71	32,680.71	32,680.71	32,680.71	32,489.55	32,456.82	32,456.82	32,456.82	32,412.12	32,412.12	390,620.57
10	Permanent Tax Difference - 30% Grant	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11	Federal Production Tax Credit													
12	Generated PTC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
13	Deferred PTC	(354,881.38)	(229,149.58)	(226,106.54)	(389,984.79)	(356,861.97)	(244,088.72)	(179,946.00)	(143,216.40)	(248,902.64)	(326,305.23)	(364,821.10)	(364,077.30)	(3,428,341.66)
14	ND Investment Tax Credit													
15	Current ITC	(38,306.91)	(38,306.91)	(38,306.91)	(38,306.91)	(38,239.61)	(38,239.61)	(38,239.61)	(38,239.61)	(38,239.61)	(38,239.61)	(38,239.61)	(38,239.61)	(459,144.53)
16	Deferred ITC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
17	Total Expenses	269,121.61	457,560.66	449,058.57	192,336.03	235,782.52	473,694.69	536,258.10	622,075.85	408,626.66	292,405.39	257,538.91	106,397.61	4,300,856.62
18														
19	Net Income before preferred dividend	368,710.70	368,710.30	368,710.29	368,710.81	368,710.71	368,710.35	368,710.15	368,710.03	368,710.37	368,710.61	368,710.73	368,710.73	4,424,525.79
20	Dividend on Preferred Stock	(10,685.00)	(10,685.00)	(10,685.00)	(10,685.00)	(10,685.00)	(10,685.00)	(10,685.00)	(10,685.00)	(10,685.00)	(10,685.00)	(10,685.00)	(10,685.00)	(128,219.99)
21														
22	Income available for Common Stock	**358,025.70**	**358,025.30**	**358,025.29**	**358,025.81**	**358,025.71**	**358,025.35**	**358,025.15**	**358,025.03**	**358,025.37**	**358,025.61**	**358,025.73**	**358,025.73**	**4,296,305.80**
23														
24	**Average Rate Base**	74,982,452.82	74,982,452.82	74,982,452.82	74,982,452.82	74,982,452.82	74,982,452.82	74,982,452.82	74,982,452.82	74,982,452.82	74,982,452.82	74,982,452.82	74,982,452.82	74,982,452.82
25	Equity Percent	3,330,470.61	3,330,470.61	3,330,470.61	3,330,470.61	3,330,470.61	3,330,470.61	3,330,470.61	3,330,470.61	3,330,470.61	3,330,470.61	3,330,470.61	3,330,470.61	39,965,647.35
26	Return on Equity Check	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**
27														
28	**Tax Calculation**													
29	Income Before Income Taxes													
30	Net Income after prfd	358,025.70	358,025.30	358,025.29	358,025.81	358,025.71	358,025.35	358,025.15	358,025.03	358,025.37	358,025.61	358,025.73	358,025.73	4,296,305.80
31	Less Income Taxes	(415,059.69)	(211,122.02)	(206,186.19)	(471,997.60)	(418,163.06)	(235,244.22)	(131,204.38)	(71,628.78)	(243,052.43)	(368,599.85)	(431,072.80)	(429,866.36)	(3,633,197.38)
32	Total	(57,033.99)	146,903.28	151,839.10	(113,971.78)	(60,137.35)	122,781.13	226,820.77	286,396.26	114,972.93	(10,574.24)	(73,047.07)	(71,840.63)	663,108.42
33														
34	Book Depreciation	377,004.71	377,004.71	376,811.82	376,811.82	376,811.82	376,811.82	377,310.31	377,395.65	377,395.65	377,395.65	377,512.21	377,512.21	4,525,778.38
35	Tax Depreciation	(462,033.24)	(462,033.24)	(462,033.24)	(462,033.24)	(462,033.24)	(462,033.24)	(462,033.24)	(462,033.24)	(462,033.24)	(462,033.24)	(462,033.24)	(462,033.24)	(5,544,398.84)
36	Tax Depreciation - Permanent Difference	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
37	Taxable income	(142,062.51)	61,874.76	66,617.68	(199,193.20)	(145,358.76)	37,559.71	142,097.84	201,758.67	30,335.35	(95,211.83)	(157,568.09)	(156,361.65)	(355,512.04)
38	Current income tax	(54,478.13)	23,727.73	25,546.55	(76,386.61)	(55,742.18)	14,403.40	54,491.68	77,370.41	11,633.00	(36,511.83)	(60,424.21)	(59,961.57)	(136,331.76)
39	Tie to RR calculation													
40	Total Tax	(0.11)	0.29	0.30	(0.22)	(0.12)	0.24	0.44	0.56	0.22	(0.02)	(0.14)	(0.14)	1.29
41	Income Requirement for Return	0.11	(0.29)	(0.30)	0.22	0.12	(0.24)	(0.44)	(0.56)	(0.22)	0.02	0.14	0.14	(1.29)

Otter Tail Power Company
North Dakota Renewable Resource Rider
Ashtabula Wind Farm

Line		2013 Balance Dec-13	Actual Jan-14	Actual Feb-14	Actual Mar-14	Actual Apr-14	Actual May-14	Actual Jun-14	2014 Actual Jul-14	Actual Aug-14	Actual Sep-14	Actual Oct-14	Actual Nov-14	Actual Dec-14	2014 YE Balance
1	***RATE BASE***														
2	Plant Balance - Ashtabula	116,446,097.89	116,446,097.89	116,446,097.89	116,446,097.89	116,517,041.57	116,517,041.57	116,517,041.57	116,517,041.57	116,517,041.57	116,320,956.96	116,320,956.96	116,247,984.00	116,428,058.84	
3	Less: Federal Grant	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
4	Accumulated. Depreciation	(23,213,715.76)	(23,611,544.15)	(24,009,372.54)	(24,407,200.93)	(24,805,029.32)	(25,203,100.08)	(25,601,170.84)	(25,999,241.60)	(26,397,312.37)	(26,795,383.13)	(27,192,783.99)	(27,590,184.84)	(27,987,336.39)	
5	Net Plant in Service	93,232,382.13	92,834,553.74	92,436,725.35	92,038,896.96	91,712,012.25	91,313,941.49	90,915,870.73	90,517,799.97	90,119,729.20	89,525,573.83	89,128,172.97	88,657,799.16	88,440,722.45	
6	Inventory	511,269.11	494,759.10	463,098.79	479,228.48	492,302.35	470,191.59	488,527.66	460,198.69	472,056.27	461,840.21	458,165.08	439,848.06	442,077.68	
7	ADIT Pro-Rated														
8	Accum. Deferred Inc. Taxes - Fed & State	(36,394,416.82)	(36,237,958.69)	(36,081,500.57)	(35,925,042.45)	(35,768,584.33)	(35,612,031.20)	(35,455,478.07)	(35,298,924.93)	(35,142,371.80)	(34,985,818.67)	(34,829,528.14)	(34,673,237.62)	(34,517,044.82)	
9	Accum. Deferred Inc. Taxes - Basis Difference	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
10	Accum. Deferred Inc. Taxes - Federal PTC	15,119,949.11	15,463,569.92	15,763,935.81	16,033,091.38	16,314,568.24	16,550,214.63	16,712,569.91	16,855,570.30	16,895,464.17	17,086,765.23	17,397,776.50	17,718,330.24	17,878,833.38	
11	Accum. Deferred Inc. Taxes - ND ITC	17,626,522.00	17,626,522.00	17,626,522.00	17,626,522.00	17,626,522.00	17,626,522.00	17,626,522.00	17,626,522.00	17,626,522.00	17,626,522.00	17,626,522.00	17,626,522.00	17,626,522.00	
12	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC	(6,169,282.69)	(6,169,282.69)	(6,169,282.69)	(6,169,282.69)	(6,169,282.69)	(6,169,282.69)	(6,169,282.69)	(6,169,282.69)	(6,169,282.69)	(6,169,282.69)	(6,169,282.69)	(6,169,282.69)	(6,169,282.69)	
13	Accum. Deferred Inc. Taxes - ND ITC	(14,001,580.16)	(13,942,749.99)	(13,883,919.82)	(13,825,089.65)	(13,766,259.48)	(13,707,429.31)	(13,648,599.14)	(13,589,768.97)	(13,530,938.80)	(13,472,108.63)	(13,413,278.46)	(13,354,448.29)	(13,295,618.12)	
14	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC	4,900,553.03	4,879,962.47	4,859,371.91	4,838,781.35	4,818,190.79	4,797,600.23	4,777,009.67	4,756,419.12	4,735,828.56	4,715,238.00	4,694,647.44	4,674,056.88	4,653,466.32	
15	End of month rate base	74,825,395.72	74,949,375.86	75,014,950.78	75,097,105.38	75,259,469.13	75,269,726.74	75,247,140.07	75,158,533.47	75,007,006.91	74,788,729.27	74,893,194.70	74,919,587.74	75,059,676.19	
16															
17	Average rate base	74,982,452.82	75,037,684.00	75,037,684.00	75,037,684.00	75,037,684.00	75,037,684.00	75,037,684.00	75,037,684.00	75,037,684.00	75,037,684.00	75,037,684.00	75,037,684.00	75,037,684.00	75,037,684.00
18															
19	Return on Rate Base	6,460,525.63	538,773.70	538,773.70	538,773.70	538,773.70	538,773.70	538,773.70	538,773.70	538,773.70	538,773.70	538,773.70	538,773.70	538,773.70	6,465,284.37
20															
21	Available for return (equity portion of rate base)	4,296,307.09	358,289.31	358,289.31	358,289.31	358,289.31	358,289.31	358,289.31	358,289.31	358,289.31	358,289.31	358,289.31	358,289.31	358,289.31	4,299,471.70
22															
23	***EXPENSES***														
24	*O&M and Depreciation*														
25	Operating Costs		71,065.46	68,239.73	61,876.92	151,278.60	117,192.00	56,244.68	74,914.22	87,535.81	56,147.91	60,139.22	83,374.60	63,970.61	951,979.76
26	Ground Lease Payments		18,300.04	18,300.14	18,300.14	18,300.14	18,300.14	18,300.14	18,300.14	18,300.14	18,300.14	18,300.14	18,300.14	18,300.14	219,601.58
27	Property Tax		18,200.00	18,200.00	18,200.00	18,200.00	18,200.00	18,200.00	18,200.00	18,200.00	18,200.00	18,200.00	18,200.00	1,512.00	201,712.00
28	Book Depreciation	0	397,828.39	397,828.39	397,828.39	397,828.39	398,070.76	398,070.76	398,070.76	398,070.76	398,070.76	397,400.86	397,400.86	397,151.55	4,773,620.63
29	Total O&M and Depreciation Expense	0	505,393.89	502,568.26	496,205.45	585,607.13	551,762.90	490,815.58	509,485.12	522,106.71	490,718.81	494,040.22	517,275.60	480,934.30	6,146,913.97
30															
31	Income before Taxes														
32	Available for return (from above)		358,289.31	358,289.31	358,289.31	358,289.31	358,289.31	358,289.31	358,289.31	358,289.31	358,289.31	358,289.31	358,289.31	358,289.31	4,299,471.70
33	Less book tax credits - Federal PTC	0	(442,014.64)	(398,759.72)	(367,549.41)	(379,870.69)	(334,040.22)	(260,749.11)	(241,394.22)	(138,287.71)	(289,694.89)	(409,405.11)	(418,947.58)	(258,896.97)	(3,939,610.27)
34	Less book tax credits - ND ITC		(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(705,962.04)
35	ND ITC - Federal impact		20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	247,086.71
36	Adjusted Income before interest and taxes		(121,964.95)	(78,710.02)	(47,499.71)	(59,820.99)	(13,990.53)	59,300.58	78,655.47	181,761.99	30,354.81	(89,355.41)	(98,897.88)	61,152.73	(99,013.90)
37	Taxable Income (grossed up)	1.644748	(200,601.56)	(129,458.12)	(78,125.04)	(98,390.44)	(23,010.89)	97,534.50	129,368.41	298,952.61	49,926.00	(146,967.10)	(162,662.05)	100,580.81	(162,852.87)
38															
39	Income Taxes														
40	Current and Def Income Taxes	39.200%	(78,636.61)	(50,748.10)	(30,625.33)	(38,569.45)	(9,020.36)	38,233.91	50,712.93	117,190.62	19,571.19	(57,611.69)	(63,764.18)	39,428.08	(63,838.98)
41	Tax Adjustment for Additional Tax Basis	32.738%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
42	Federal PTC	6.462%	(442,014.64)	(398,759.72)	(367,549.41)	(379,870.69)	(334,040.22)	(260,749.11)	(241,394.22)	(138,287.71)	(289,694.89)	(409,405.11)	(418,947.58)	(258,896.97)	(3,939,610.27)
43	ND ITC		(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(705,962.04)
44	ND ITC - Federal impact		20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	247,086.71
45	Total Income Tax Expense		(558,890.87)	(487,747.43)	(436,414.34)	(456,679.75)	(381,300.19)	(260,754.81)	(228,920.90)	(59,336.70)	(308,363.31)	(505,256.41)	(520,951.36)	(257,708.50)	(4,462,324.57)
46															
47															
48	***REVENUE REQUIRMENTS***														
49	Expenses		(53,496.98)	14,820.83	59,791.11	128,927.38	170,462.71	230,060.77	280,564.22	462,770.01	182,355.50	(11,216.19)	(3,675.77)	223,225.80	1,684,589.40
50	Return on rate base		538,773.70	538,773.70	538,773.70	538,773.70	538,773.70	538,773.70	538,773.70	538,773.70	538,773.70	538,773.70	538,773.70	538,773.70	6,465,284.37
51															
52	Total revenue requirements		485,276.72	553,594.53	598,564.80	667,701.08	709,236.41	768,834.47	819,337.92	1,001,543.71	721,129.20	527,557.51	535,097.93	761,999.50	8,149,873.77
53															
54	North Dakota share - E2 factor	41.018%	199,050.68	227,073.27	245,519.16	273,877.46	290,914.41	315,360.33	336,075.82	410,812.95	295,792.60	216,393.41	219,486.34	312,556.76	**3,342,913.19**

Otter Tail Power Company
North Dakota Renewable Resource Rider
Ashtabula Wind Farm

Line			2013			2014										
	SUPPORTING INFORMATION / DATA															
1	MN Capstructure with allowed ROE per order.															
2	Capital Structure		Ratio	Cost	WA Cost											
3	Debt		43.10%	6.30%	2.72%											
4	Preferred equity		3.60%	4.75%	0.17%											
5	Common equity		53.30%	10.75%	5.73%											
6	Total		100.00%		8.62%											
7																
8																
9	**Federal Production Tax Credit**															
10	Federal PTC Rate		$23.000	$23.000	$23.000	$23.000	$23.000	$23.000	$23.000	$23.000	$23.000	$23.000	$23.000	$23.000	$23.000	$23.000
11	Output (MWH) / month	0	19,218	17,337	15,980	16,516	14,523	11,337	10,495	6,013	12,595	17,800	18,215	11,256	171,287	
12	Federal PTC Available based on production	0	442,015	398,760	367,549	379,871	334,040	260,749	241,394	138,288	289,695	409,405	418,948	258,897	3,939,610	
13	Federal PTC Used on tax return		98,394	98,394	98,394	98,394	98,394	98,394	98,394	98,394	98,394	98,394	98,394	98,394	1,180,726	
14	Deferred		343,621	300,366	269,156	281,477	235,646	162,355	143,000	39,894	191,301	311,011	320,554	160,503	2,758,884	
15	Accumulated Deferred		15,463,570	15,763,936	16,033,091	16,314,568	16,550,215	16,712,570	16,855,570	16,895,464	17,086,765	17,397,777	17,718,330	17,878,833		
16																
17	**Deferred Tax**															
18	Book depr. rate		4.0997%	4.0997%	4.0997%	4.0997%	4.0997%	4.0997%	4.0997%	4.0997%	4.0997%	4.0997%	4.0997%	4.0997%		
19	Book depreciation	0	397,828.39	397,828.39	397,828.39	397,828.39	398,070.76	398,070.76	398,070.76	398,070.76	398,070.76	397,400.86	397,400.86	397,151.55	4,773,620.63	
20	Tax depreciation-ND		(1,295.40)	(1,295.40)	(1,295.40)	(1,295.40)	(1,295.40)	(1,295.40)	(1,295.40)	(1,295.40)	(1,295.40)	(1,295.40)	(1,295.40)	(1,295.40)	(15,544.77)	
21	Tax depreciation-Federal		(1,295.40)	(1,295.40)	(1,295.40)	(1,295.40)	(1,295.40)	(1,295.40)	(1,295.40)	(1,295.40)	(1,295.40)	(1,295.40)	(1,295.40)	(1,295.40)	(15,544.77)	
22	Book vs. tax depreciation		399,123.79	399,123.79	399,123.79	399,123.79	399,366.16	399,366.16	399,366.16	399,366.16	399,366.16	398,696.25	398,696.25	398,446.95	4,789,165.40	
23	Federal & State deferred income taxes	0	156,458.12	156,458.12	156,458.12	156,458.12	156,553.13	156,553.13	156,553.13	156,553.13	156,553.13	156,290.53	156,290.53	156,192.80	1,877,371.99	
24																
25	Additional Tax Basis (permanent difference)		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
26	Tax Impact-ND		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
27	Tax Impact-Federal		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
28	Total Tax Impact		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	

	PROOF	**Jan-14**	**Feb-14**	**Mar-14**	**Apr-14**	**May-14**	**Jun-14**	**Jul-14**	**Aug-14**	**Sep-14**	**Oct-14**	**Nov-14**	**Dec-14**	**Year End 2014**
1	Revenue	485,276.72	553,594.53	598,564.80	667,701.08	709,236.41	768,834.47	819,337.92	1,001,543.71	721,129.20	527,557.51	535,097.93	761,999.50	8,149,873.77
2														
3	Expenses													
4	O/M and Book Depreciation	505,393.89	502,568.26	496,205.45	585,607.13	551,762.90	490,815.58	509,485.12	522,106.71	490,718.81	494,040.22	517,275.60	480,934.30	6,146,913.97
5	Interest on Debt	169,791.52	169,791.52	169,791.52	169,791.52	169,791.52	169,791.52	169,791.52	169,791.52	169,791.52	169,791.52	169,791.52	169,791.52	2,037,498.23
6														
7	Income Taxes													
8	Current Income Tax	77,821.51	105,710.02	125,832.79	117,888.68	147,532.77	194,787.05	207,266.07	273,743.75	176,124.32	98,678.84	92,526.35	195,620.88	1,813,533.02
9	Deferred Income Tax	(156,458.12)	(156,458.12)	(156,458.12)	(156,458.12)	(156,553.13)	(156,553.13)	(156,553.13)	(156,553.13)	(156,553.13)	(156,290.53)	(156,290.53)	(156,192.80)	(1,877,371.99)
10	Permanent Tax Difference - 30% Grant	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11	Federal Production Tax Credit													
12	Generated PTC	(98,393.83)	(98,393.83)	(98,393.83)	(98,393.83)	(98,393.83)	(98,393.83)	(98,393.83)	(98,393.83)	(98,393.83)	(98,393.83)	(98,393.83)	(98,393.83)	(1,180,726.00)
13	Deferred PTC	(343,620.81)	(300,365.88)	(269,155.57)	(281,476.86)	(235,646.39)	(162,355.28)	(143,000.39)	(39,893.87)	(191,301.06)	(311,011.27)	(320,553.74)	(160,503.14)	(2,758,884.27)
14	ND Investment Tax Credit													
15	Current ITC	(38,239.61)	(38,239.61)	(38,239.61)	(38,239.61)	(38,239.61)	(38,239.61)	(38,239.61)	(38,239.61)	(38,239.61)	(38,239.61)	(38,239.61)	(38,239.61)	(458,875.33)
16	Deferred ITC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
17	Total Expenses	116,294.54	184,612.35	229,582.63	298,718.90	340,254.23	399,852.29	450,355.74	632,561.53	352,147.02	158,575.33	166,115.75	393,017.32	3,722,087.63
18														
19	Net Income before preferred dividend	368,982.18	368,982.18	368,982.18	368,982.18	368,982.18	368,982.18	368,982.18	368,982.18	368,982.18	368,982.18	368,982.18	368,982.18	4,427,786.14
20	Dividend on Preferred Stock	(10,692.87)	(10,692.87)	(10,692.87)	(10,692.87)	(10,692.87)	(10,692.87)	(10,692.87)	(10,692.87)	(10,692.87)	(10,692.87)	(10,692.87)	(10,692.87)	(128,314.44)
21														
22	Income available for Common Stock	**358,289.31**	**358,289.31**	**358,289.31**	**358,289.31**	**358,289.31**	**358,289.31**	**358,289.31**	**358,289.31**	**358,289.31**	**358,289.31**	**358,289.31**	**358,289.31**	**4,299,471.70**
23														
24	**Average Rate Base**	75,037,684.00	75,037,684.00	75,037,684.00	75,037,684.00	75,037,684.00	75,037,684.00	75,037,684.00	75,037,684.00	75,037,684.00	75,037,684.00	75,037,684.00	75,037,684.00	75,037,684.00
25	Equity Percent	3,332,923.80	3,332,923.80	3,332,923.80	3,332,923.80	3,332,923.80	3,332,923.80	3,332,923.80	3,332,923.80	3,332,923.80	3,332,923.80	3,332,923.80	3,332,923.80	39,995,085.57
26	Return on Equity Check	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**
27														
28	**Tax Calculation**													
29	Income Before Income Taxes													
30	Net Income after prfd	358,289.31	358,289.31	358,289.31	358,289.31	358,289.31	358,289.31	358,289.31	358,289.31	358,289.31	358,289.31	358,289.31	358,289.31	4,299,471.70
31	Less Income Taxes	(558,890.87)	(487,747.43)	(436,414.34)	(456,679.75)	(381,300.19)	(260,754.81)	(228,920.90)	(59,336.70)	(308,363.31)	(505,256.41)	(520,951.36)	(257,708.50)	(4,462,324.57)
32	Total	(200,601.56)	(129,458.12)	(78,125.04)	(98,390.44)	(23,010.89)	97,534.50	129,368.41	298,952.61	49,926.00	(146,967.10)	(162,662.05)	100,580.81	(162,852.87)
33														
34	Book Depreciation	397,828.39	397,828.39	397,828.39	397,828.39	398,070.76	398,070.76	398,070.76	398,070.76	398,070.76	397,400.86	397,400.86	397,151.55	4,773,620.63
35	Tax Depreciation	1,295.40	1,295.40	1,295.40	1,295.40	1,295.40	1,295.40	1,295.40	1,295.40	1,295.40	1,295.40	1,295.40	1,295.40	15,544.77
36	Tax Depreciation - Permanent Difference	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
37	Taxable income	198,522.23	269,665.67	320,998.75	300,733.35	376,355.27	496,900.66	528,734.57	698,318.77	449,292.16	251,729.15	236,034.20	499,027.75	4,626,312.53
38	Current income tax	77,821.51	105,710.02	125,832.79	117,888.68	147,532.77	194,787.05	207,266.07	273,743.75	176,124.32	98,678.84	92,526.35	195,620.88	1,813,533.02
39	Tie to RR calculation													
40	Total Tax	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
41	Income Requirement for Return	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Otter Tail Power Company
North Dakota Renewable Resource Rider
Ashtabula Wind Farm

Line		2014 Balance Dec-14	Actual Jan-15	Actual Feb-15	Actual Mar-15	Actual Apr-15	Actual May-15	Actual Jun-15	2015 Actual Jul-15	Actual Aug-15	Actual Sep-15	Actual Oct-15	Projected Nov-15	Projected Dec-15	2015 YE Balance
1	***RATE BASE***														
2	Plant Balance - Ashtabula	116,428,058.84	116,428,058.84	116,428,058.84	116,428,058.84	116,428,058.84	116,428,058.84	116,428,058.84	116,408,745.02	116,238,634.34	116,238,634.34	116,343,874.57	116,310,076.29	116,310,076.29	
3	Less: Federal Grant	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
4	Accumulated. Depreciation	(27,987,336.39)	(28,386,121.90)	(28,784,907.40)	(29,183,692.91)	(29,582,478.42)	(29,981,263.92)	(30,380,049.43)	(30,778,834.94)	(31,177,554.29)	(31,575,690.98)	(31,973,827.68)	(32,372,324.84)	(32,770,706.24)	
5	Net Plant in Service	88,440,722.45	88,041,936.94	87,643,151.44	87,244,365.93	86,845,580.42	86,446,794.92	86,048,009.41	85,629,910.08	85,061,080.05	84,662,943.36	84,370,046.89	83,937,751.45	83,539,370.06	
6	Inventory	442,077.68	424,077.47	445,202.68	440,691.91	485,393.17	471,846.39	468,928.00	486,293.64	499,919.43	497,366.64	483,011.42	483,011.42	483,011.42	
7	ADIT Pro-Rated														
8	Accum. Deferred Inc. Taxes - Fed & State	(34,517,044.82)	(34,357,498.01)	(34,197,951.19)	(34,038,404.38)	(33,878,857.56)	(33,719,310.75)	(33,559,763.94)	(33,400,217.12)	(33,240,696.19)	(33,081,403.23)	(32,922,110.27)	(32,762,676.28)	(32,603,287.57)	
9	Accum. Deferred Inc. Taxes - Basis Difference	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
10	Accum. Deferred Inc. Taxes - Federal PTC	17,878,833.38	16,660,724.27	15,332,580.48	14,120,888.60	12,887,379.24	11,613,170.78	10,196,950.48	8,831,355.98	7,447,566.69	6,113,320.27	4,874,893.97	3,632,682.95	2,335,271.93	
11	Accum. Deferred Inc. Taxes - ND ITC	17,626,522.00	17,626,522.00	17,626,522.00	17,626,522.00	17,626,522.00	17,626,522.00	17,626,522.00	17,626,522.00	17,626,522.00	17,626,522.00	17,626,522.00	17,626,522.00	17,626,522.00	
12	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC	(6,169,282.69)	(6,169,282.69)	(6,169,282.69)	(6,169,282.69)	(6,169,282.69)	(6,169,282.69)	(6,169,282.69)	(6,169,282.69)	(6,169,282.69)	(6,169,282.69)	(6,169,282.69)	(6,169,282.69)	(6,169,282.69)	
13	Accum. Deferred Inc. Taxes - ND ITC	(13,295,618.12)	(13,236,787.95)	(13,177,957.78)	(13,119,127.61)	(13,060,297.44)	(13,001,467.27)	(12,942,637.10)	(12,883,806.93)	(12,824,976.76)	(12,766,146.59)	(12,707,316.42)	(12,648,486.25)	(12,589,656.08)	
14	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC	4,653,466.32	4,632,875.76	4,612,285.20	4,591,694.64	4,571,104.08	4,550,513.52	4,529,922.96	4,509,332.40	4,488,741.84	4,468,151.28	4,447,560.72	4,426,970.16	4,406,379.60	
15	End of month rate base	75,059,676.19	73,622,567.79	72,114,550.14	70,697,348.40	69,307,541.22	67,818,786.90	66,198,649.12	64,630,107.36	62,888,874.37	61,351,471.03	60,003,325.62	58,526,492.77	57,028,328.66	
16															
17	Average rate base	75,037,684.00	66,095,978.43	66,095,978.43	66,095,978.43	66,095,978.43	66,095,978.43	66,095,978.43	66,095,978.43	66,095,978.43	66,095,978.43	66,095,978.43	66,095,978.43	66,095,978.43	66,095,978.43
18															
19	Return on Rate Base	6,465,284.37	474,571.88	474,571.88	474,571.88	474,571.88	474,571.88	474,571.88	474,571.88	474,571.88	474,571.88	474,571.88	474,571.88	474,571.88	5,694,862.55
20															
21	Available for return (equity portion of rate base)	4,299,471.70	315,594.53	315,594.53	315,594.53	315,594.53	315,594.53	315,594.53	315,594.53	315,594.53	315,594.53	315,594.53	315,594.53	315,594.53	3,787,134.32
22															
23	***EXPENSES***														
24	*O&M and Depreciation*														
25	Operating Costs		69,789.33	50,968.75	86,497.99	73,126.95	75,549.24	47,463.20	54,947.52	48,032.50	74,373.47	96,324.40	96,522.54	82,336.32	855,932.20
26	Ground Lease Payments		18,666.12	18,666.14	18,666.14	18,666.14	18,666.14	18,666.14	18,666.14	18,666.14	18,666.14	18,666.14	32,634.80	26,848.95	246,145.13
27	Property Tax		16,392.00	16,392.00	16,392.00	16,392.00	16,392.00	16,392.00	16,392.00	16,392.00	16,392.00	16,392.00	16,392.00	16,395.00	196,707.00
28	Book Depreciation	0	398,785.51	398,785.51	398,785.51	398,785.51	398,785.51	398,785.51	398,785.51	398,719.35	398,136.70	398,136.70	398,497.16	398,381.40	4,783,369.85
29	Total O&M and Depreciation Expense	0	503,632.96	484,812.40	520,341.64	506,970.60	509,392.89	481,306.85	488,791.17	481,809.99	507,568.31	529,519.24	544,046.50	523,961.66	6,082,154.18
30															
31	Income before Taxes														
32	Available for return (from above)		315,594.53	315,594.53	315,594.53	315,594.53	315,594.53	315,594.53	315,594.53	315,594.53	315,594.53	315,594.53	315,594.53	315,594.53	3,787,134.32
33	Less book tax credits - Federal PTC	0	(373,701.91)	(263,667.24)	(380,119.14)	(358,301.66)	(317,602.56)	(175,590.72)	(226,216.52)	(208,021.73)	(257,564.60)	(353,384.72)	(349,600.00)	(294,400.00)	(3,558,170.79)
34	Less book tax credits - ND ITC		(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(705,962.04)
35	ND ITC - Federal impact		20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	247,086.71
36	Adjusted Income before interest and taxes		(96,346.99)	13,687.68	(102,764.22)	(80,946.74)	(40,247.64)	101,764.20	51,138.39	69,333.19	19,790.31	(76,029.80)	(72,245.08)	(17,045.08)	(229,911.80)
37	Taxable Income (grossed up)	1.642743	(158,273.33)	22,485.33	(168,815.19)	(132,974.68)	(66,116.53)	167,172.41	84,007.23	113,896.60	32,510.40	(124,897.41)	(118,680.09)	(28,000.69)	(377,685.96)
38															
39	Income Taxes														
40	Current and Def Income Taxes	39.126%	(61,926.34)	8,797.66	(66,050.97)	(52,027.94)	(25,868.89)	65,408.21	32,868.84	44,563.41	12,720.08	(48,867.61)	(46,435.01)	(10,955.61)	(147,774.16)
41	Tax Adjustment for Additional Tax Basis	32.778%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
42	Federal PTC	6.348%	(373,701.91)	(263,667.24)	(380,119.14)	(358,301.66)	(317,602.56)	(175,590.72)	(226,216.52)	(208,021.73)	(257,564.60)	(353,384.72)	(349,600.00)	(294,400.00)	(3,558,170.79)
43	ND ITC		(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(705,962.04)
44	ND ITC - Federal impact		20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	247,086.71
45	Total Income Tax Expense		(473,867.86)	(293,109.19)	(484,409.72)	(448,569.21)	(381,711.06)	(148,422.12)	(231,587.30)	(201,697.93)	(283,084.13)	(440,491.94)	(434,274.62)	(343,595.22)	(4,164,820.28)
46															
47															
48	***REVENUE REQUIRMENTS***														
49	Expenses		29,765.10	191,703.20	35,931.92	58,401.39	127,681.83	332,884.73	257,203.87	280,112.06	224,484.17	89,027.29	109,771.88	180,366.44	1,917,333.89
50	Return on rate base		474,571.88	474,571.88	474,571.88	474,571.88	474,571.88	474,571.88	474,571.88	474,571.88	474,571.88	474,571.88	474,571.88	474,571.88	5,694,862.55
51															
52	Total revenue requirements		504,336.98	666,275.08	510,503.80	532,973.27	602,253.71	807,456.61	731,775.75	754,683.94	699,056.05	563,599.17	584,343.76	654,938.32	7,612,196.44
53															
54	North Dakota share - E2 factor	41.018%	206,868.82	273,292.55	209,398.32	218,614.84	247,032.28	331,202.35	300,159.59	309,556.07	286,738.64	231,176.97	239,685.98	268,642.44	**3,122,368.83**

Otter Tail Power Company
North Dakota Renewable Resource Rider
Ashtabula Wind Farm

Line		2014				2015									
	SUPPORTING INFORMATION / DATA														
1	MN Capstructure with allowed ROE per order.														
2	Capital Structure		Ratio	Cost	WA Cost										
3	Debt		43.10%	6.30%	2.72%										
4	Preferred equity		3.60%	4.75%	0.17%										
5	Common equity		53.30%	10.75%	5.73%										
6	Total		100.00%		8.62%										
7															
8															
9	**Federal Production Tax Credit**														
10	Federal PTC Rate		$23.000	$23.000	$23.000	$23.000	$23.000	$23.000	$23.000	$23.000	$23.000	$23.000	$23.000	$23.000	$23.000
11	Output (MWH) / month	0	16,248	11,464	16,527	15,578	13,809	7,634	9,836	9,044	11,198	15,365	15,200	12,800	154,703
12	Federal PTC Available based on production	0	373,702	263,667	380,119	358,302	317,603	175,591	226,217	208,022	257,565	353,385	349,600	294,400	3,558,171
13	Federal PTC Used on tax return		1,591,811	1,591,811	1,591,811	1,591,811	1,591,811	1,591,811	1,591,811	1,591,811	1,591,811	1,591,811	1,591,811	1,591,811	19,101,732
14	Deferred		(1,218,109)	(1,328,144)	(1,211,692)	(1,233,509)	(1,274,208)	(1,416,220)	(1,365,594)	(1,383,789)	(1,334,246)	(1,238,426)	(1,242,211)	(1,297,411)	(15,543,561)
15	Accumulated Deferred		16,660,724	15,332,580	14,120,889	12,887,379	11,613,171	10,196,950	8,831,356	7,447,567	6,113,320	4,874,894	3,632,683	2,335,272	(13,208,290)
16															
17	**Deferred Tax**														
18	Book depr. rate		4.1102%	4.1102%	4.1102%	4.1102%	4.1102%	4.1102%	4.1102%	4.1102%	4.1102%	4.1102%	4.1102%	4.1102%	
19	Book depreciation	0	398,785.51	398,785.51	398,785.51	398,785.51	398,785.51	398,785.51	398,785.51	398,719.35	398,136.70	398,136.70	398,497.16	398,381.40	4,783,369.85
20	Tax depreciation-ND		(8,989.37)	(8,989.37)	(8,989.37)	(8,989.37)	(8,989.37)	(8,989.37)	(8,989.37)	(8,989.37)	(8,989.37)	(8,989.37)	(8,989.37)	(8,989.37)	(107,872.46)
21	Tax depreciation-Federal		(8,989.37)	(8,989.37)	(8,989.37)	(8,989.37)	(8,989.37)	(8,989.37)	(8,989.37)	(8,989.37)	(8,989.37)	(8,989.37)	(8,989.37)	(8,989.37)	(107,872.46)
22	Book vs. tax depreciation		407,774.88	407,774.88	407,774.88	407,774.88	407,774.88	407,774.88	407,774.88	407,708.72	407,126.07	407,126.07	407,486.53	407,370.77	4,891,242.30
23	Federal & State deferred income taxes	0	159,546.81	159,546.81	159,546.81	159,546.81	159,546.81	159,546.81	159,546.81	159,520.93	159,292.96	159,292.96	159,434.00	159,388.70	1,913,757.25
24															
25	Additional Tax Basis (permanent difference)		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
26	Tax Impact-ND		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
27	Tax Impact-Federal														0.00
28	Total Tax Impact		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

	PROOF	**Jan-15**	**Feb-15**	**Mar-15**	**Apr-15**	**May-15**	**Jun-15**	**Jul-15**	**Aug-15**	**Sep-15**	**Oct-15**	**Nov-15**	**Dec-15**	**Year End 2015**
1	Revenue	504,336.98	666,275.08	510,503.80	532,973.27	602,253.71	807,456.61	731,775.75	754,683.94	699,056.05	563,599.17	584,343.76	654,938.32	7,612,196.44
2														
3	Expenses													
4	O/M and Book Depreciation	503,632.96	484,812.40	520,341.64	506,970.60	509,392.89	481,306.85	488,791.17	481,809.99	507,568.31	529,519.24	544,046.50	523,961.66	6,082,154.18
5	Interest on Debt	149,558.68	149,558.68	149,558.68	149,558.68	149,558.68	149,558.68	149,558.68	149,558.68	149,558.68	149,558.68	149,558.68	149,558.68	1,794,704.10
6														
7	Income Taxes													
8	Current Income Tax	97,620.47	168,344.47	93,495.85	107,518.87	133,677.93	224,955.03	192,415.65	204,084.34	172,013.04	110,425.35	112,998.98	148,433.10	1,765,983.08
9	Deferred Income Tax	(159,546.81)	(159,546.81)	(159,546.81)	(159,546.81)	(159,546.81)	(159,546.81)	(159,546.81)	(159,520.93)	(159,292.96)	(159,292.96)	(159,434.00)	(159,388.70)	(1,913,757.25)
10	Permanent Tax Difference - 30% Grant	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11	Federal Production Tax Credit													
12	Generated PTC	(1,591,811.02)	(1,591,811.02)	(1,591,811.02)	(1,591,811.02)	(1,591,811.02)	(1,591,811.02)	(1,591,811.02)	(1,591,811.02)	(1,591,811.02)	(1,591,811.02)	(1,591,811.02)	(1,591,811.02)	(19,101,732.25)
13	Deferred PTC	1,218,109.11	1,328,143.78	1,211,691.88	1,233,509.36	1,274,208.46	1,416,220.30	1,365,594.50	1,383,789.29	1,334,246.42	1,238,426.30	1,242,211.02	1,297,411.02	15,543,561.45
14	ND Investment Tax Credit													
15	Current ITC	(38,239.61)	(38,239.61)	(38,239.61)	(38,239.61)	(38,239.61)	(38,239.61)	(38,239.61)	(38,239.61)	(38,239.61)	(38,239.61)	(38,239.61)	(38,239.61)	(458,875.33)
16	Deferred ITC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
17	Total Expenses	179,323.77	341,261.88	185,490.60	207,960.06	277,240.50	482,443.41	406,762.54	429,670.74	374,042.85	238,585.97	259,330.55	329,925.12	3,712,038.00
18														
19	Net Income before preferred dividend	325,013.20	325,013.20	325,013.20	325,013.20	325,013.20	325,013.20	325,013.20	325,013.20	325,013.20	325,013.20	325,013.20	325,013.20	3,900,158.45
20	Dividend on Preferred Stock	(9,418.68)	(9,418.68)	(9,418.68)	(9,418.68)	(9,418.68)	(9,418.68)	(9,418.68)	(9,418.68)	(9,418.68)	(9,418.68)	(9,418.68)	(9,418.68)	(113,024.12)
21														
22	Income available for Common Stock	**315,594.53**	**315,594.53**	**315,594.53**	**315,594.53**	**315,594.53**	**315,594.53**	**315,594.53**	**315,594.53**	**315,594.53**	**315,594.53**	**315,594.53**	**315,594.53**	**3,787,134.32**
23														
24	**Average Rate Base**	66,095,978.43	66,095,978.43	66,095,978.43	66,095,978.43	66,095,978.43	66,095,978.43	66,095,978.43	66,095,978.43	66,095,978.43	66,095,978.43	66,095,978.43	66,095,978.43	66,095,978.43
25	Equity Percent	2,935,763.04	2,935,763.04	2,935,763.04	2,935,763.04	2,935,763.04	2,935,763.04	2,935,763.04	2,935,763.04	2,935,763.04	2,935,763.04	2,935,763.04	2,935,763.04	35,229,156.50
26	Return on Equity Check	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**
27														
28	**Tax Calculation**													
29	Income Before Income Taxes													
30	Net Income after prfd	315,594.53	315,594.53	315,594.53	315,594.53	315,594.53	315,594.53	315,594.53	315,594.53	315,594.53	315,594.53	315,594.53	315,594.53	3,787,134.32
31	Less Income Taxes	(473,867.86)	(293,109.19)	(484,409.72)	(448,569.21)	(381,711.06)	(148,422.12)	(231,587.30)	(201,697.93)	(283,084.13)	(440,491.94)	(434,274.62)	(343,595.22)	(4,164,820.28)
32	Total	(158,273.33)	22,485.33	(168,815.19)	(132,974.68)	(66,116.53)	167,172.41	84,007.23	113,896.60	32,510.40	(124,897.41)	(118,680.09)	(28,000.69)	(377,685.96)
33														
34	Book Depreciation	398,785.51	398,785.51	398,785.51	398,785.51	398,785.51	398,785.51	398,785.51	398,719.35	398,136.70	398,136.70	398,497.16	398,381.40	4,783,369.85
35	Tax Depreciation	8,989.37	8,989.37	8,989.37	8,989.37	8,989.37	8,989.37	8,989.37	8,989.37	8,989.37	8,989.37	8,989.37	8,989.37	107,872.46
36	Tax Depreciation - Permanent Difference	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
37	Taxable income	249,501.55	430,260.21	238,959.69	274,800.19	341,658.35	574,947.29	491,782.11	521,605.32	439,636.46	282,228.65	288,806.44	379,370.08	4,513,556.34
38	Current income tax	97,620.47	168,344.47	93,495.85	107,518.87	133,677.93	224,955.03	192,415.65	204,084.34	172,013.04	110,425.35	112,998.98	148,433.10	1,765,983.08
39	Tie to RR calculation													
40	Total Tax	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
41	Income Requirement for Return	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Otter Tail Power Company
North Dakota Renewable Resource Rider
Ashtabula Wind Farm

Line		2015 Balance Dec-15	Projected Jan-16	Projected Feb-16	Projected Mar-16	Projected Apr-16	Projected May-16	Projected Jun-16	2016 Projected Jul-16	Projected Aug-16	Projected Sep-16	Projected Oct-16	Projected Nov-16	Projected Dec-16	2016 YE Balance
1	***RATE BASE***														
2	Plant Balance - Ashtabula	116,310,076.29	116,310,076.29	116,310,076.29	116,310,076.29	116,310,076.29	116,310,076.29	116,310,076.29	116,310,076.29	116,310,076.29	116,310,076.29	116,310,076.29	116,310,076.29	116,310,076.29	
3	Less: Federal Grant	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
4	Accumulated. Depreciation	(32,770,706.24)	(33,169,756.42)	(33,568,806.60)	(33,967,856.78)	(34,366,906.95)	(34,765,957.13)	(35,165,007.31)	(35,564,057.49)	(35,963,107.67)	(36,362,157.85)	(36,761,208.03)	(37,160,258.21)	(37,559,308.39)	
5	Net Plant in Service	83,539,370.06	83,140,319.88	82,741,269.70	82,342,219.52	81,943,169.34	81,544,119.16	81,145,068.98	80,746,018.80	80,346,968.62	79,947,918.44	79,548,868.26	79,149,818.09	78,750,767.91	
6	Inventory	483,011.42	483,011.42	483,011.42	483,011.42	483,011.42	483,011.42	483,011.42	483,011.42	483,011.42	483,011.42	483,011.42	483,011.42	483,011.42	
7	ADIT Pro-Rated		0.917808	0.841096	0.756164	0.673973	0.589041	0.506849	0.421918	0.336986	0.254795	0.169863	0.087671	0.002740	
8	Accum. Deferred Inc. Taxes - Fed & State	(32,603,287.57)	(32,457,655.32)	(32,324,195.31)	(32,204,211.71)	(32,097,269.82)	(32,003,804.34)	(31,923,380.55)	(31,856,433.18)	(31,802,962.24)	(31,762,532.98)	(31,735,580.15)	(31,721,669.00)	(31,721,234.28)	
9	Accum. Deferred Inc. Taxes - Basis Difference	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
10	Accum. Deferred Inc. Taxes - Federal PTC	2,335,271.93	2,175,146.52	1,975,920.35	1,804,070.66	1,665,458.09	1,565,518.43	1,417,485.49	1,271,980.81	1,151,722.20	1,087,089.75	1,056,231.58	1,039,673.56	1,038,998.31	
11	Accum. Deferred Inc. Taxes - ND ITC	17,626,522.00	17,626,522.00	17,626,522.00	17,626,522.00	17,626,522.00	17,626,522.00	17,626,522.00	17,626,522.00	17,626,522.00	17,626,522.00	17,626,522.00	17,626,522.00	17,626,522.00	
12	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC	(6,169,282.69)	(6,169,282.69)	(6,169,282.69)	(6,169,282.69)	(6,169,282.69)	(6,169,282.69)	(6,169,282.69)	(6,169,282.69)	(6,169,282.69)	(6,169,282.69)	(6,169,282.69)	(6,169,282.69)	(6,169,282.69)	
13	Accum. Deferred Inc. Taxes - ND ITC	(12,589,656.08)	(12,535,661.27)	(12,486,179.45)	(12,441,694.17)	(12,402,044.25)	(12,367,390.86)	(12,337,572.83)	(12,312,751.33)	(12,292,926.37)	(12,277,936.77)	(12,267,943.70)	(12,262,785.98)	(12,262,624.81)	
14	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC	4,406,379.60	4,387,481.42	4,370,162.78	4,354,592.94	4,340,715.46	4,328,586.78	4,318,150.47	4,309,462.94	4,302,524.21	4,297,277.84	4,293,780.27	4,291,975.07	4,291,918.66	
15	End of month rate base	57,028,328.66	56,649,882.88	56,217,229.64	55,795,228.71	55,390,280.23	55,007,280.49	54,560,002.79	54,098,529.19	53,645,577.48	53,232,067.27	52,835,607.17	52,437,262.54	52,038,076.52	
16															
17	Average rate base	66,095,978.43	54,533,488.74	54,533,488.74	54,533,488.74	54,533,488.74	54,533,488.74	54,533,488.74	54,533,488.74	54,533,488.74	54,533,488.74	54,533,488.74	54,533,488.74	54,533,488.74	54,533,488.74
18															
19	Return on Rate Base		391,552.72	391,552.72	391,552.72	391,552.72	391,552.72	391,552.72	391,552.72	391,552.72	391,552.72	391,552.72	391,552.72	391,552.72	4,698,632.66
20															
21	Available for return (equity portion of rate base)		260,386.05	260,386.05	260,386.05	260,386.05	260,386.05	260,386.05	260,386.05	260,386.05	260,386.05	260,386.05	260,386.05	260,386.05	3,124,632.57
22															
23	***EXPENSES***														
24	*O&M and Depreciation*														
25	Operating Costs		103,670.15	63,330.26	112,069.26	89,625.10	63,900.62	63,900.71	63,900.71	63,900.71	89,625.19	89,625.19	63,900.71	63,900.71	931,349.32
26	Ground Lease Payments		19,510.26	19,510.26	19,510.26	19,127.10	19,128.13	19,128.13	19,128.13	19,128.03	19,128.03	19,128.03	19,128.03	19,128.03	230,682.41
27	Property Tax		15,219.00	15,219.00	15,219.00	15,219.00	15,219.00	15,219.00	15,219.00	15,219.00	15,219.00	15,219.00	15,219.00	15,219.00	182,628.00
28	Book Depreciation	0	399,050.18	399,050.18	399,050.18	399,050.18	399,050.18	399,050.18	399,050.18	399,050.18	399,050.18	399,050.18	399,050.18	399,050.18	4,788,602.15
29	Total O&M and Depreciation Expense	0	537,449.59	497,109.70	545,848.70	523,021.37	497,297.93	497,298.02	497,298.02	497,297.92	523,022.39	523,022.39	497,297.92	497,297.92	6,133,261.88
30															
31	Income before Taxes														
32	Available for return (from above)		260,386.05	260,386.05	260,386.05	260,386.05	260,386.05	260,386.05	260,386.05	260,386.05	260,386.05	260,386.05	260,386.05	260,386.05	3,124,632.57
33	Less book tax credits - Federal PTC	0	(379,200.00)	(316,800.00)	(326,400.00)	(348,000.00)	(384,000.00)	(261,600.00)	(208,800.00)	(196,800.00)	(300,000.00)	(372,000.00)	(364,800.00)	(307,200.00)	(3,765,600.00)
34	Less book tax credits - ND ITC		(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(705,962.04)
35	ND ITC - Federal impact		20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	247,086.71
36	Adjusted Income before interest and taxes		(157,053.56)	(94,653.56)	(104,253.56)	(125,853.56)	(161,853.56)	(39,453.56)	13,346.44	25,346.44	(77,853.56)	(149,853.56)	(142,653.56)	(85,053.56)	(1,099,842.76)
37	Taxable Income (grossed up)	1.642743	(257,998.62)	(155,491.46)	(171,261.80)	(206,745.04)	(265,883.78)	(64,812.06)	21,924.76	41,637.68	(127,893.38)	(246,170.87)	(234,343.12)	(139,721.13)	(1,806,758.83)
38															
39	Income Taxes														
40	Current and Def Income Taxes	39.126%	(100,945.06)	(60,837.90)	(67,008.23)	(80,891.48)	(104,030.22)	(25,358.50)	8,578.33	16,291.24	(50,039.82)	(96,317.31)	(91,689.56)	(54,667.57)	(706,916.07)
41	Tax Adjustment for Additional Tax Basis	32.778%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
42	Federal PTC	6.348%	(379,200.00)	(316,800.00)	(326,400.00)	(348,000.00)	(384,000.00)	(261,600.00)	(208,800.00)	(196,800.00)	(300,000.00)	(372,000.00)	(364,800.00)	(307,200.00)	(3,765,600.00)
43	ND ITC		(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(705,962.04)
44	ND ITC - Federal impact		20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	247,086.71
45	Total Income Tax Expense		(518,384.67)	(415,877.51)	(431,647.84)	(467,131.09)	(526,269.83)	(325,198.11)	(238,461.28)	(218,748.37)	(388,279.43)	(506,556.92)	(494,729.17)	(400,107.18)	(4,931,391.40)
46															
47															
48	***REVENUE REQUIRMENTS***														
49	Expenses		19,064.92	81,232.19	114,200.85	55,890.29	(28,971.90)	172,099.92	258,836.74	278,549.55	134,742.96	16,465.48	2,568.75	97,190.74	1,201,870.48
50	Return on rate base		391,552.72	391,552.72	391,552.72	391,552.72	391,552.72	391,552.72	391,552.72	391,552.72	391,552.72	391,552.72	391,552.72	391,552.72	4,698,632.66
51															
52	Total revenue requirements		410,617.64	472,784.91	505,753.58	447,443.01	362,580.82	563,652.64	650,389.46	670,102.27	526,295.68	408,018.20	394,121.47	488,743.46	5,900,503.13
53															
54	North Dakota share - E2 factor	41.018%	168,427.04	193,926.80	207,449.88	183,532.06	148,723.31	231,198.90	266,776.59	274,862.38	215,875.83	167,360.80	161,660.65	200,472.67	**2,420,266.90**

Otter Tail Power Company
North Dakota Renewable Resource Rider
Ashtabula Wind Farm

Line			2015			2016										
	SUPPORTING INFORMATION / DATA															
1	MN Capstructure with allowed ROE per order.															
2	Capital Structure		Ratio	Cost	WA Cost											
3	Debt		43.10%	6.30%	2.72%											
4	Preferred equity		3.60%	4.75%	0.17%											
5	Common equity		53.30%	10.75%	5.73%											
6	Total		100.00%		8.62%											
7																
8																
9	**Federal Production Tax Credit**															
10	Federal PTC Rate		$24.000	$24.000	$24.000	$24.000	$24.000	$24.000	$24.000	$24.000	$24.000	$24.000	$24.000	$24.000	$24.000	$24.000
11	Output (MWH) / month	0	15,800	13,200	13,600	14,500	16,000	10,900	8,700	8,200	12,500	15,500	15,200	12,800	156,900	
12	Federal PTC Available based on production	0	379,200	316,800	326,400	348,000	384,000	261,600	208,800	196,800	300,000	372,000	364,800	307,200	3,765,600	
13	Federal PTC Used on tax return		553,665	553,665	553,665	553,665	553,665	553,665	553,665	553,665	553,665	553,665	553,665	553,665	6,643,980	
14	Deferred		(174,465)	(236,865)	(227,265)	(205,665)	(169,665)	(292,065)	(344,865)	(356,865)	(253,665)	(181,665)	(188,865)	(246,465)	(2,878,380)	
15	Accumulated Deferred		2,160,807	1,923,942	1,696,677	1,491,012	1,321,347	1,029,282	684,417	327,552	73,887	(107,778)	(296,643)	(543,108)	(16,086,669)	
16																
17	**Deferred Tax**															
18	Book depr. rate		4.1171%	4.1171%	4.1171%	4.1171%	4.1171%	4.1171%	4.1171%	4.1171%	4.1171%	4.1171%	4.1171%	4.1171%		
19	Book depreciation	0	399,050.18	399,050.18	399,050.18	399,050.18	399,050.18	399,050.18	399,050.18	399,050.18	399,050.18	399,050.18	399,050.18	399,050.18	4,788,602.15	
20	Tax depreciation-ND		(6,493.81)	(6,493.81)	(6,493.81)	(6,493.81)	(6,493.81)	(6,493.81)	(6,493.81)	(6,493.81)	(6,493.81)	(6,493.81)	(6,493.81)	(6,493.81)	(77,925.76)	
21	Tax depreciation-Federal		(6,493.81)	(6,493.81)	(6,493.81)	(6,493.81)	(6,493.81)	(6,493.81)	(6,493.81)	(6,493.81)	(6,493.81)	(6,493.81)	(6,493.81)	(6,493.81)	(77,925.76)	
22	Book vs. tax depreciation		405,543.99	405,543.99	405,543.99	405,543.99	405,543.99	405,543.99	405,543.99	405,543.99	405,543.99	405,543.99	405,543.99	405,543.99	4,866,527.91	
23	Federal & State deferred income taxes	0	158,673.95	158,673.95	158,673.95	158,673.95	158,673.95	158,673.95	158,673.95	158,673.95	158,673.95	158,673.95	158,673.95	158,673.95	1,904,087.44	
24																
25	Additional Tax Basis (permanent difference)		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
26	Tax Impact-ND		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
27	Tax Impact-Federal														0.00	
28	Total Tax Impact		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	

	PROOF	**Jan-16**	**Feb-16**	**Mar-16**	**Apr-16**	**May-16**	**Jun-16**	**Jul-16**	**Aug-16**	**Sep-16**	**Oct-16**	**Nov-16**	**Dec-16**	**Year End 2016**
1	Revenue	410,617.64	472,784.91	505,753.58	447,443.01	362,580.82	563,652.64	650,389.46	670,102.27	526,295.68	408,018.20	394,121.47	488,743.46	5,900,503.13
2														
3	Expenses													
4	O/M and Book Depreciation	537,449.59	497,109.70	545,848.70	523,021.37	497,297.93	497,298.02	497,298.02	497,297.92	523,022.39	523,022.39	497,297.92	497,297.92	6,133,261.88
5	Interest on Debt	123,395.65	123,395.65	123,395.65	123,395.65	123,395.65	123,395.65	123,395.65	123,395.65	123,395.65	123,395.65	123,395.65	123,395.65	1,480,747.82
6														
7	Income Taxes													
8	Current Income Tax	57,728.90	97,836.05	91,665.72	77,782.48	54,643.73	133,315.46	167,252.28	174,965.20	108,634.13	62,356.65	66,984.40	104,006.38	1,197,171.37
9	Deferred Income Tax	(158,673.95)	(158,673.95)	(158,673.95)	(158,673.95)	(158,673.95)	(158,673.95)	(158,673.95)	(158,673.95)	(158,673.95)	(158,673.95)	(158,673.95)	(158,673.95)	(1,904,087.44)
10	Permanent Tax Difference - 30% Grant	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11	Federal Production Tax Credit													
12	Generated PTC	(553,664.99)	(553,664.99)	(553,664.99)	(553,664.99)	(553,664.99)	(553,664.99)	(553,664.99)	(553,664.99)	(553,664.99)	(553,664.99)	(553,664.99)	(553,664.99)	(6,643,979.91)
13	Deferred PTC	174,464.99	236,864.99	227,264.99	205,664.99	169,664.99	292,064.99	344,864.99	356,864.99	253,664.99	181,664.99	188,864.99	246,464.99	2,878,379.91
14	ND Investment Tax Credit													
15	Current ITC	(38,239.61)	(38,239.61)	(38,239.61)	(38,239.61)	(38,239.61)	(38,239.61)	(38,239.61)	(38,239.61)	(38,239.61)	(38,239.61)	(38,239.61)	(38,239.61)	(458,875.33)
16	Deferred ITC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
17	Total Expenses	142,460.57	204,627.84	237,596.51	179,285.94	94,423.75	295,495.57	382,232.39	401,945.20	258,138.61	139,861.13	125,964.40	220,586.39	2,682,618.30
18														
19	Net Income before preferred dividend	268,157.07	268,157.07	268,157.07	268,157.07	268,157.07	268,157.07	268,157.07	268,157.07	268,157.07	268,157.07	268,157.07	268,157.07	3,217,884.84
20	Dividend on Preferred Stock	(7,771.02)	(7,771.02)	(7,771.02)	(7,771.02)	(7,771.02)	(7,771.02)	(7,771.02)	(7,771.02)	(7,771.02)	(7,771.02)	(7,771.02)	(7,771.02)	(93,252.27)
21														
22	Income available for Common Stock	**260,386.05**	**260,386.05**	**260,386.05**	**260,386.05**	**260,386.05**	**260,386.05**	**260,386.05**	**260,386.05**	**260,386.05**	**260,386.05**	**260,386.05**	**260,386.05**	**3,124,632.57**
23														
24	**Average Rate Base**	54,533,488.74	54,533,488.74	54,533,488.74	54,533,488.74	54,533,488.74	54,533,488.74	54,533,488.74	54,533,488.74	54,533,488.74	54,533,488.74	54,533,488.74	54,533,488.74	54,533,488.74
25	Equity Percent	2,422,195.79	2,422,195.79	2,422,195.79	2,422,195.79	2,422,195.79	2,422,195.79	2,422,195.79	2,422,195.79	2,422,195.79	2,422,195.79	2,422,195.79	2,422,195.79	29,066,349.50
26	Return on Equity Check	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**
27														
28	**Tax Calculation**													
29	Income Before Income Taxes													
30	Net Income after prfd	260,386.05	260,386.05	260,386.05	260,386.05	260,386.05	260,386.05	260,386.05	260,386.05	260,386.05	260,386.05	260,386.05	260,386.05	3,124,632.57
31	Less Income Taxes	(518,384.67)	(415,877.51)	(431,647.84)	(467,131.09)	(526,269.83)	(325,198.11)	(238,461.28)	(218,748.37)	(388,279.43)	(506,556.92)	(494,729.17)	(400,107.18)	(4,931,391.40)
32	Total	(257,998.62)	(155,491.46)	(171,261.80)	(206,745.04)	(265,883.78)	(64,812.06)	21,924.76	41,637.68	(127,893.38)	(246,170.87)	(234,343.12)	(139,721.13)	(1,806,758.83)
33														
34	Book Depreciation	399,050.18	399,050.18	399,050.18	399,050.18	399,050.18	399,050.18	399,050.18	399,050.18	399,050.18	399,050.18	399,050.18	399,050.18	4,788,602.15
35	Tax Depreciation	6,493.81	6,493.81	6,493.81	6,493.81	6,493.81	6,493.81	6,493.81	6,493.81	6,493.81	6,493.81	6,493.81	6,493.81	77,925.76
36	Tax Depreciation - Permanent Difference	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
37	Taxable income	147,545.37	250,052.53	234,282.20	198,798.95	139,660.21	340,731.93	427,468.76	447,181.67	277,650.61	159,373.12	171,200.87	265,822.86	3,059,769.09
38	Current income tax	57,728.90	97,836.05	91,665.72	77,782.48	54,643.73	133,315.46	167,252.28	174,965.20	108,634.13	62,356.65	66,984.40	104,006.38	1,197,171.37
39	Tie to RR calculation													
40	Total Tax	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
41	Income Requirement for Return	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Otter Tail Power Company
North Dakota Renewable Resource Rider
Ashtabula Wind Farm

Line		2016 Balance Dec-16	2017 Projected Jan-17	Projected Feb-17	Projected Mar-17	Projected Apr-17	Projected May-17	Projected Jun-17	Projected Jul-17	Projected Aug-17	Projected Sep-17	Projected Oct-17	Projected Nov-17	Projected Dec-17	2017 YE Balance
1	***RATE BASE***														
2	Plant Balance - Ashtabula	116,310,076.29	116,310,076.29	116,310,076.29	116,310,076.29	116,310,076.29	116,310,076.29	116,310,076.29	116,310,076.29	116,310,076.29	116,310,076.29	116,310,076.29	116,310,076.29	116,310,076.29	
3	Less: Federal Grant	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
4	Accumulated. Depreciation	(37,559,308.39)	(37,958,358.57)	(38,357,408.75)	(38,756,458.93)	(39,155,509.11)	(39,554,559.28)	(39,953,609.46)	(40,352,659.64)	(40,751,709.82)	(41,150,760.00)	(41,549,810.18)	(41,948,860.36)	(42,347,910.54)	
5	Net Plant in Service	78,750,767.91	78,351,717.73	77,952,667.55	77,553,617.37	77,154,567.19	76,755,517.01	76,356,466.83	75,957,416.65	75,558,366.47	75,159,316.29	74,760,266.11	74,361,215.93	73,962,165.75	
6	Inventory	483,011.42	483,011.42	483,011.42	483,011.42	483,011.42	483,011.42	483,011.42	483,011.42	483,011.42	483,011.42	483,011.42	483,011.42	483,011.42	
7	ADIT Pro-Rated		0.917808	0.841096	0.756164	0.673973	0.589041	0.506849	0.421918	0.336986	0.254795	0.169863	0.087671	0.002740	
8	Accum. Deferred Inc. Taxes - Fed & State	(31,721,234.28)	(31,577,406.99)	(31,445,601.08)	(31,327,104.57)	(31,221,488.11)	(31,129,181.04)	(31,049,754.03)	(30,983,636.41)	(30,930,828.18)	(30,890,900.01)	(30,864,281.23)	(30,850,542.50)	(30,850,113.16)	
9	Accum. Deferred Inc. Taxes - Basis Difference	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
10	Accum. Deferred Inc. Taxes - Federal PTC	1,038,998.31	1,387,031.19	1,645,415.84	741,256.48	975,798.94	1,201,990.73	563,098.04	651,194.48	717,513.38	406,124.41	469,313.45	501,295.92	497,967.38	
11	Accum. Deferred Inc. Taxes - ND ITC	17,626,522.00	17,626,522.00	17,626,522.00	17,626,522.00	17,626,522.00	17,626,522.00	17,626,522.00	17,626,522.00	17,626,522.00	17,626,522.00	17,626,522.00	17,626,522.00	17,626,522.00	
12	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC	(6,169,282.69)	(6,169,282.69)	(6,169,282.69)	(6,169,282.69)	(6,169,282.69)	(6,169,282.69)	(6,169,282.69)	(6,169,282.69)	(6,169,282.69)	(6,169,282.69)	(6,169,282.69)	(6,169,282.69)	(6,169,282.69)	
13	Accum. Deferred Inc. Taxes - ND ITC	(12,262,624.81)	(12,208,629.99)	(12,159,148.18)	(12,114,662.90)	(12,075,012.98)	(12,040,359.59)	(12,010,541.56)	(11,985,720.06)	(11,965,895.10)	(11,950,905.49)	(11,940,912.42)	(11,935,754.71)	(11,935,593.53)	
14	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC	4,291,918.66	4,273,020.47	4,255,701.84	4,240,131.99	4,226,254.52	4,214,125.83	4,203,689.52	4,195,002.00	4,188,063.26	4,182,816.90	4,179,319.32	4,177,514.12	4,177,457.71	
15	End of month rate base	52,038,076.52	52,165,984.05	52,189,287.54	51,033,489.85	51,000,370.97	50,942,344.25	50,003,210.04	49,774,507.81	49,507,470.90	48,846,703.09	48,543,956.14	48,193,979.58	47,792,134.88	
16															
17	Average rate base	54,533,488.74	50,156,270.43	50,156,270.43	50,156,270.43	50,156,270.43	50,156,270.43	50,156,270.43	50,156,270.43	50,156,270.43	50,156,270.43	50,156,270.43	50,156,270.43	50,156,270.43	50,156,270.43
18															
19	Return on Rate Base		360,124.11	360,124.11	360,124.11	360,124.11	360,124.11	360,124.11	360,124.11	360,124.11	360,124.11	360,124.11	360,124.11	360,124.11	4,321,489.34
20															
21	Available for return (equity portion of rate base)		239,485.74	239,485.74	239,485.74	239,485.74	239,485.74	239,485.74	239,485.74	239,485.74	239,485.74	239,485.74	239,485.74	239,485.74	2,873,828.91
22															
23	***EXPENSES***														
24	*O&M and Depreciation*														
25	Operating Costs		106,780.24	65,230.16	115,431.32	92,313.90	65,817.69	65,817.78	65,817.78	65,817.78	92,313.99	92,313.99	65,817.78	65,817.78	959,290.22
26	Ground Lease Payments		20,095.57	20,095.57	20,095.57	19,700.91	19,701.97	19,701.97	19,701.97	19,701.87	19,701.87	19,701.87	19,701.87	19,701.87	237,602.88
27	Property Tax		14,612.16	14,612.16	14,612.16	14,612.16	14,612.16	14,612.16	14,612.16	14,612.16	14,612.16	14,612.16	14,612.16	14,616.00	175,349.76
28	Book Depreciation	0	399,050.18	399,050.18	399,050.18	399,050.18	399,050.18	399,050.18	399,050.18	399,050.18	399,050.18	399,050.18	399,050.18	399,050.18	4,788,602.15
29	Total O&M and Depreciation Expense	0	540,538.15	498,988.07	549,189.23	525,677.15	499,182.00	499,182.10	499,182.10	499,181.99	525,678.20	525,678.20	499,181.99	499,185.83	6,160,845.01
30															
31	Income before Taxes														
32	Available for return (from above)		239,485.74	239,485.74	239,485.74	239,485.74	239,485.74	239,485.74	239,485.74	239,485.74	239,485.74	239,485.74	239,485.74	239,485.74	2,873,828.91
33	Less book tax credits - Federal PTC	0	(379,200.00)	(307,200.00)	(326,400.00)	(348,000.00)	(384,000.00)	(261,600.00)	(208,800.00)	(196,800.00)	(300,000.00)	(372,000.00)	(364,800.00)	(307,200.00)	(3,756,000.00)
34	Less book tax credits - ND ITC		(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(705,962.04)
35	ND ITC - Federal impact		20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	247,086.71
36	Adjusted Income before interest and taxes		(177,953.87)	(105,953.87)	(125,153.87)	(146,753.87)	(182,753.87)	(60,353.87)	(7,553.87)	4,446.13	(98,753.87)	(170,753.87)	(163,553.87)	(105,953.87)	(1,341,046.42)
37	Taxable Income (grossed up)	1.642743	(292,332.45)	(174,054.96)	(205,595.62)	(241,078.87)	(300,217.61)	(99,145.89)	(12,409.06)	7,303.85	(162,227.21)	(280,504.70)	(268,676.95)	(174,054.96)	(2,202,994.43)
38															
39	Income Taxes														
40	Current and Def Income Taxes	39.13%	(114,378.58)	(68,101.09)	(80,441.75)	(94,325.00)	(117,463.74)	(38,792.02)	(4,855.19)	2,857.72	(63,473.34)	(109,750.83)	(105,123.08)	(68,101.09)	(861,948.01)
41	Tax Adjustment for Additional Tax Basis	32.78%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
42	Federal PTC	6.35%	(379,200.00)	(307,200.00)	(326,400.00)	(348,000.00)	(384,000.00)	(261,600.00)	(208,800.00)	(196,800.00)	(300,000.00)	(372,000.00)	(364,800.00)	(307,200.00)	(3,756,000.00)
43	ND ITC		(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(58,830.17)	(705,962.04)
44	ND ITC - Federal impact		20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	20,590.56	247,086.71
45	Total Income Tax Expense		(531,818.19)	(413,540.70)	(445,081.37)	(480,564.61)	(539,703.35)	(338,631.63)	(251,894.81)	(232,181.89)	(401,712.95)	(519,990.44)	(508,162.69)	(413,540.70)	(5,076,823.33)
46															
47															
48	***REVENUE REQUIRMENTS***														
49	Expenses		8,719.96	85,447.36	104,107.87	45,112.54	(40,521.35)	160,550.47	247,287.29	267,000.10	123,965.25	5,687.76	(8,980.70)	85,645.13	1,084,021.68
50	Return on rate base		360,124.11	360,124.11	360,124.11	360,124.11	360,124.11	360,124.11	360,124.11	360,124.11	360,124.11	360,124.11	360,124.11	360,124.11	4,321,489.34
51															
52	Total revenue requirements		368,844.07	445,571.48	464,231.98	405,236.65	319,602.76	520,674.58	607,411.40	627,124.21	484,089.36	365,811.87	351,143.41	445,769.24	5,405,511.02
53															
54	North Dakota share - E2 factor	41.018%	151,292.37	182,764.40	190,418.56	166,219.87	131,094.58	213,570.17	249,147.86	257,233.65	198,563.65	150,048.62	144,031.92	182,845.52	**2,217,231.16**

Otter Tail Power Company
North Dakota Renewable Resource Rider
Ashtabula Wind Farm

		2016				2017									
	SUPPORTING INFORMATION / DATA														
Line															
1	MN Capstructure with allowed ROE per order.														
2	Capital Structure		Ratio	Cost	WA Cost										
3	Debt		43.10%	6.30%	2.72%										
4	Preferred equity		3.60%	4.75%	0.17%										
5	Common equity		53.30%	10.75%	5.73%										
6	Total		100.00%		8.62%										
7															
8															
9	**Federal Production Tax Credit**														
10	Federal PTC Rate		$24.000	$24.000	$24.000	$24.000	$24.000	$24.000	$24.000	$24.000	$24.000	$24.000	$24.000	$24.000	$24.000
11	Output (MWH) / month	0	15,800	12,800	13,600	14,500	16,000	10,900	8,700	8,200	12,500	15,500	15,200	12,800	156,500
12	Federal PTC Available based on production	0	379,200	307,200	326,400	348,000	384,000	261,600	208,800	196,800	300,000	372,000	364,800	307,200	3,756,000
13	Federal PTC Used on tax return				1,522,118			1,522,118			1,522,118			1,522,118	6,088,472
14	Deferred		379,200	307,200	(1,195,718)	348,000	384,000	(1,260,518)	208,800	196,800	(1,222,118)	372,000	364,800	(1,214,918)	(2,332,472)
15	Accumulated Deferred		(163,908)	143,292	(1,052,426)	(704,426)	(320,426)	(1,580,944)	(1,372,144)	(1,175,344)	(2,397,462)	(2,025,462)	(1,660,662)	(2,875,580)	(18,419,141)
16															
17	**Deferred Tax**														
18	Book depr. rate		4.1171%	4.1171%	4.1171%	4.1171%	4.1171%	4.1171%	4.1171%	4.1171%	4.1171%	4.1171%	4.1171%	4.1171%	
19	Book depreciation	0	399,050.18	399,050.18	399,050.18	399,050.18	399,050.18	399,050.18	399,050.18	399,050.18	399,050.18	399,050.18	399,050.18	399,050.18	4,788,602.15
20	Tax depreciation-ND		(1,467.50)	(1,467.50)	(1,467.50)	(1,467.50)	(1,467.50)	(1,467.50)	(1,467.50)	(1,467.50)	(1,467.50)	(1,467.50)	(1,467.50)	(1,467.50)	(17,609.97)
21	Tax depreciation-Federal		(1,467.50)	(1,467.50)	(1,467.50)	(1,467.50)	(1,467.50)	(1,467.50)	(1,467.50)	(1,467.50)	(1,467.50)	(1,467.50)	(1,467.50)	(1,467.50)	(17,609.97)
22	Book vs. tax depreciation		400,517.68	400,517.68	400,517.68	400,517.68	400,517.68	400,517.68	400,517.68	400,517.68	400,517.68	400,517.68	400,517.68	400,517.68	4,806,212.12
23	Federal & State deferred income taxes	0	156,707.35	156,707.35	156,707.35	156,707.35	156,707.35	156,707.35	156,707.35	156,707.35	156,707.35	156,707.35	156,707.35	156,707.35	1,880,488.17
24															
25	Additional Tax Basis (permanent difference)		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
26	Tax Impact-ND		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
27	Tax Impact-Federal		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
28	Total Tax Impact		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

	PROOF	**Jan-17**	**Feb-17**	**Mar-17**	**Apr-17**	**May-17**	**Jun-17**	**Jul-17**	**Aug-17**	**Sep-17**	**Oct-17**	**Nov-17**	**Dec-17**	**Year End 2017**
1	Revenue	368,844.07	445,571.48	464,231.98	405,236.65	319,602.76	520,674.58	607,411.40	627,124.21	484,089.36	365,811.87	351,143.41	445,769.24	5,405,511.02
2														
3	Expenses													
4	O/M and Book Depreciation	540,538.15	498,988.07	549,189.23	525,677.15	499,182.00	499,182.10	499,182.10	499,181.99	525,678.20	525,678.20	499,181.99	499,185.83	6,160,845.01
5	Interest on Debt	113,491.10	113,491.10	113,491.10	113,491.10	113,491.10	113,491.10	113,491.10	113,491.10	113,491.10	113,491.10	113,491.10	113,491.10	1,361,893.21
6														
7	Income Taxes													
8	Current Income Tax	42,328.77	88,606.26	76,265.59	62,382.35	39,243.60	117,915.33	151,852.15	159,565.07	93,234.00	46,956.52	51,584.27	88,606.26	1,018,540.16
9	Deferred Income Tax	(156,707.35)	(156,707.35)	(156,707.35)	(156,707.35)	(156,707.35)	(156,707.35)	(156,707.35)	(156,707.35)	(156,707.35)	(156,707.35)	(156,707.35)	(156,707.35)	(1,880,488.17)
10	Permanent Tax Difference - 30% Grant	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11	Federal Production Tax Credit													
12	Generated PTC	0.00	0.00	(1,522,118.00)	0.00	0.00	(1,522,118.00)	0.00	0.00	(1,522,118.00)	0.00	0.00	(1,522,118.00)	(6,088,472.00)
13	Deferred PTC	(379,200.00)	(307,200.00)	1,195,718.00	(348,000.00)	(384,000.00)	1,260,518.00	(208,800.00)	(196,800.00)	1,222,118.00	(372,000.00)	(364,800.00)	1,214,918.00	2,332,472.00
14	ND Investment Tax Credit													
15	Current ITC	(38,239.61)	(38,239.61)	(38,239.61)	(38,239.61)	(38,239.61)	(38,239.61)	(38,239.61)	(38,239.61)	(38,239.61)	(38,239.61)	(38,239.61)	(38,239.61)	(458,875.33)
16	Deferred ITC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
17	Total Expenses	122,211.06	198,938.47	217,598.97	158,603.64	72,969.75	274,041.57	360,778.39	380,491.20	237,456.35	119,178.86	104,510.40	199,136.23	2,445,914.89
18														
19	Net Income before preferred dividend	246,633.01	246,633.01	246,633.01	246,633.01	246,633.01	246,633.01	246,633.01	246,633.01	246,633.01	246,633.01	246,633.01	246,633.01	2,959,596.13
20	Dividend on Preferred Stock	(7,147.27)	(7,147.27)	(7,147.27)	(7,147.27)	(7,147.27)	(7,147.27)	(7,147.27)	(7,147.27)	(7,147.27)	(7,147.27)	(7,147.27)	(7,147.27)	(85,767.22)
21														
22	Income available for Common Stock	**239,485.74**	**239,485.74**	**239,485.74**	**239,485.74**	**239,485.74**	**239,485.74**	**239,485.74**	**239,485.74**	**239,485.74**	**239,485.74**	**239,485.74**	**239,485.74**	**2,873,828.91**
23														
24	**Average Rate Base**	50,156,270.43	50,156,270.43	50,156,270.43	50,156,270.43	50,156,270.43	50,156,270.43	50,156,270.43	50,156,270.43	50,156,270.43	50,156,270.43	50,156,270.43	50,156,270.43	50,156,270.43
25	Equity Percent	2,227,774.34	2,227,774.34	2,227,774.34	2,227,774.34	2,227,774.34	2,227,774.34	2,227,774.34	2,227,774.34	2,227,774.34	2,227,774.34	2,227,774.34	2,227,774.34	26,733,292.14
26	Return on Equity Check	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**
27														
28	**Tax Calculation**													
29	Income Before Income Taxes													
30	Net Income after prfd	239,485.74	239,485.74	239,485.74	239,485.74	239,485.74	239,485.74	239,485.74	239,485.74	239,485.74	239,485.74	239,485.74	239,485.74	2,873,828.91
31	Less Income Taxes	(531,818.19)	(413,540.70)	(445,081.37)	(480,564.61)	(539,703.35)	(338,631.63)	(251,894.81)	(232,181.89)	(401,712.95)	(519,990.44)	(508,162.69)	(413,540.70)	(5,076,823.33)
32	Total	(292,332.45)	(174,054.96)	(205,595.62)	(241,078.87)	(300,217.61)	(99,145.89)	(12,409.06)	7,303.85	(162,227.21)	(280,504.70)	(268,676.95)	(174,054.96)	(2,202,994.43)
33														
34	Book Depreciation	399,050.18	399,050.18	399,050.18	399,050.18	399,050.18	399,050.18	399,050.18	399,050.18	399,050.18	399,050.18	399,050.18	399,050.18	4,788,602.15
35	Tax Depreciation	1,467.50	1,467.50	1,467.50	1,467.50	1,467.50	1,467.50	1,467.50	1,467.50	1,467.50	1,467.50	1,467.50	1,467.50	17,609.97
36	Tax Depreciation - Permanent Difference	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
37	Taxable income	108,185.23	226,462.72	194,922.05	159,438.81	100,300.07	301,371.79	388,108.61	407,821.53	238,290.47	120,012.98	131,840.73	226,462.72	2,603,217.70
38	Current income tax	42,328.77	88,606.26	76,265.59	62,382.35	39,243.60	117,915.33	151,852.15	159,565.07	93,234.00	46,956.52	51,584.27	88,606.26	1,018,540.16
39	Tie to RR calculation													
40	Total Tax	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
41	Income Requirement for Return	(0.00)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Otter Tail Power Company
North Dakota Renewable Resource Rider
Luverne Wind Farm

Line			2007 Actual Dec-07	2008 Actual Jan-08	Actual Feb-08	Actual Mar-08	Actual Apr-08	Actual May-08	Actual Jun-08	Actual Jul-08	Actual Aug-08	Actual Sep-08	Actual Oct-08	Actual Nov-08	Actual Dec-08	2008 YE Balance
1	***RATE BASE***															
2	Plant Balance - Luverne		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
3	Less: Federal Grant		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
4	Accumulated. Depreciation		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
5	Net Plant in Service		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
6	Inventory		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
7	ADIT Pro-Rated															
8	Accum. Deferred Inc. Taxes - Fed & State		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
9	Accum. Deferred Inc. Taxes - Basis Difference		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
10	Accum. Deferred Inc. Taxes - Federal PTC		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
11	Accum. Deferred Inc. Taxes - ND ITC		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
12	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
13	Accum. Deferred Inc. Taxes - ND ITC		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
14	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
15	End of month rate base		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
16																
17	Average rate base		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
18																
19	Return on Rate Base	8.62%		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
20																
21	Available for return (equity portion of rate base)	5.73%		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
22																
23	***EXPENSES***															
24	*O&M and Depreciation*															
25	Operating Costs		0													0.00
26	Ground Lease Payments		0													0.00
27	Property Tax		0													0.00
28	Book Depreciation		0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
29	Total O&M and Depreciation Expense		0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
30																
31	Income before Taxes															
32	Available for return (from above)			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
33	Less book tax credits - Federal PTC			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
34	Less book tax credits - ND ITC			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
35	ND ITC - Federal impact			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
36	Adjusted Income before interest and taxes			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
37	Taxable Income (grossed up)		1.6454	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
38																
39	Income Taxes															
40	Current and Def Income Taxes		39.225%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
41	Tax Adjustment for Additional Tax Basis		32.725%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
42	Federal PTC		6.500%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
43	ND ITC			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
44	ND ITC - Federal impact			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
45	Total Income Tax Expense			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
46																
47																
48	***REVENUE REQUIRMENTS***															
49	Expenses			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
50	Return on rate base			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
51																
52	Total revenue requirements			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
53																
54	North Dakota share - E2 factor		38.830%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**

Otter Tail Power Company
North Dakota Renewable Resource Rider
Luverne Wind Farm

Line		2007				2008											
	SUPPORTING INFORMATION / DATA																
1	MN Capstructure with allowed ROE per order.																
2	Capital Structure		Ratio	Cost	WA Cost												
3	Debt		43.10%	6.30%	2.72%												
4	Preferred equity		3.60%	4.75%	0.17%												
5	Common equity		53.30%	11.25%	6.00%												
6	Total		100.00%		8.88%												
7																	
8																	
9	**Federal Production Tax Credit**																
10	Federal PTC Rate											$21.000	$21.000	$21.000	$21.000	$21.000	
11	Output (MWH) / month		-	-	-	-	-	-	-	-	-	-	-	-	-	-	0
12	Federal PTC Available based on production	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13	Federal PTC Used on tax return	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14	Deferred	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15	Accumulated Deferred		0	0	0	0	0	0	0	0	0	0	0	0	0	0	
16																	
17	**Deferred Tax**																
18	Book depr. rate		4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
19	Book depreciation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
20	Tax depreciation-ND	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
21	Tax depreciation-Federal	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
22	Book vs. tax depreciation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
23	Federal & State deferred income taxes	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
24																	
25	Additional Tax Basis (permanent difference)																
26	Tax Impact-ND																
27	Tax Impact-Federal																
28	Total Tax Impact																

	PROOF	**Year End 2007**	**Jan-08**	**Feb-08**	**Mar-08**	**Apr-08**	**May-08**	**Jun-08**	**Jul-08**	**Aug-08**	**Sep-08**	**Oct-08**	**Nov-08**	**Dec-08**	**Year End 2008**
1	Revenue		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2															
3	Expenses														
4	O/M and Book Depreciation		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5	Interest on Debt		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6															
7	Income Taxes														
8	Current Income Tax		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9	Deferred Income Tax		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
10	Permanent Tax Difference - 30% Grant		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11	Federal Production Tax Credit														
12	Generated PTC		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
13	Deferred PTC		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
14	ND Investment Tax Credit														
15	Current ITC		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
16	Deferred ITC		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
17	Total Expenses		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
18															
19	Net Income before preferred dividend		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
20	Dividend on Preferred Stock		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
21															
22	Income available for Common Stock		**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
23															
24	**Average Rate Base**		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
25	Equity Percent		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
26	Return on Equity Check		**#DIV/0!**	**#DIV/0!**	**#DIV/0!**	**#DIV/0!**	**#DIV/0!**	**#DIV/0!**	**#DIV/0!**	**#DIV/0!**	**#DIV/0!**	**#DIV/0!**	**#DIV/0!**	**#DIV/0!**	**#DIV/0!**
27															
28	**Tax Calculation**														
29	Income Before Income Taxes														
30	Net Income after prfd		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
31	Less Income Taxes		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
32	Total		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
33															
34	Book Depreciation		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
35	Tax Depreciation		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
36	Tax Depreciation - Permanent Difference		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
37	Taxable income		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
38	Current income tax		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
39	Tie to RR calculation														
40	Total Tax		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
41	Income Requirement for Return		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Otter Tail Power Company
North Dakota Renewable Resource Rider
Luverne Wind Farm

Line			2008 Balance Dec-08		Actual Jan-09	Actual Feb-09	Actual Mar-09	Actual Apr-09	Actual May-09	Actual Jun-09	2009 Actual Jul-09	Actual Aug-09	Actual Sep-09	Actual Oct-09	Actual Nov-09	Actual Dec-09		2009 YE Balance
1	***RATE BASE***																	
2	Plant Balance - Luverne		0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	102,265,375.70	102,319,620.95	102,319,620.95	102,355,208.19		
3	Less: Federal Grant		0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)		
4	Accumulated. Depreciation		0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(340,884.59)	(581,342.98)	(821,801.37)		
5	Net Plant in Service		0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	102,265,375.70	71,796,632.36	71,556,173.97	71,351,302.82		
6	Inventory		0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
7	ADIT Pro-Rated																	
8	Accum. Deferred Inc. Taxes - Fed & State		0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(4,239,448.14)	(8,345,405.88)	(12,490,690.51)	(16,635,975.15)		
9	Accum. Deferred Inc. Taxes - Basis Difference		0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
10	Accum. Deferred Inc. Taxes - Federal PTC		0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
11	Accum. Deferred Inc. Taxes - ND ITC		0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15,339,806.36	10,820,627.55	10,820,627.55	15,353,281.24	x	
12	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC		0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(5,368,932.22)	(3,787,219.64)	(3,787,219.64)	(5,373,648.43)	x	
13	Accum. Deferred Inc. Taxes - ND ITC		0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(15,288,673.67)	(10,733,476.48)	(10,697,458.10)	(15,178,831.95)	x	
14	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC		0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5,351,035.78	3,756,716.77	3,744,110.33	5,312,591.18	x	
15	End of month rate base		0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	98,059,163.80	63,507,874.67	59,145,543.60	54,828,719.71		
16																		
17	Average rate base		0.00		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	21,195,484.75	21,195,484.75	21,195,484.75	21,195,484.75		21,195,484.75
18																		
19	Return on Rate Base				0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	470,674.88	470,674.88	470,674.88	456,553.39		1,868,578.04
20																		
21	Available for return (equity portion of rate base)				0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	317,733.56	317,733.56	317,733.56	303,612.07		1,256,812.76
22																*rate change		
23	***EXPENSES***																	
24	*O&M and Depreciation*																	
25	Operating Costs				0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12,637.84	62,905.74	12,662.81		88,206.39
26	Ground Lease Payments				0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
27	Property Tax				0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
28	Book Depreciation				0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	340,884.59	240,458.39	240,458.39		821,801.37
29	Total O&M and Depreciation Expense				0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	353,522.43	303,364.13	253,121.20		910,007.76
30																		
31	Income before Taxes																	
32	Available for return (from above)				0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	317,733.56	317,733.56	317,733.56	303,612.07		1,256,812.76
33	Less book tax credits - Federal PTC				0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
34	Less book tax credits - ND ITC	x			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(51,132.69)	(36,018.38)	(36,018.38)	(51,279.84)		(174,449.29)
35	ND ITC - Federal impact				0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	17,896.44	12,606.43	12,606.43	17,947.94		61,057.25
36	Adjusted Income before interest and taxes				0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	284,497.32	294,321.62	294,321.62	270,280.18		1,143,420.73
37	Taxable Income (grossed up)		1.643655		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	467,615.44	483,763.20	483,763.20	444,247.36		1,879,389.19
38																		
39	Income Taxes																	
40	Current and Def Income Taxes		39.160%		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	183,118.21	189,441.67	189,441.67	173,967.27		735,968.81
41	Tax Adjustment for Additional Tax Basis		32.760%		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(1,181,931.19)	(1,181,931.19)	(1,181,931.19)		(3,545,793.58)
42	Federal PTC		6.400%		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
43	ND ITC	x			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(51,132.69)	(36,018.38)	(36,018.38)	(51,279.84)		(174,449.29)
44	ND ITC - Federal impact				0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	17,896.44	12,606.43	12,606.43	17,947.94		61,057.25
45	Total Income Tax Expense				0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	149,881.96	(1,015,901.47)	(1,015,901.47)	(1,041,295.82)		(2,923,216.81)
46																		
47																		
48	***REVENUE REQUIRMENTS***																	
49	Expenses				0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	149,881.96	(662,379.05)	(712,537.34)	(788,174.62)		(2,013,209.05)
50	Return on rate base				0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	470,674.88	470,674.88	470,674.88	456,553.39		1,868,578.04
51																		
52	Total revenue requirements				0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	620,556.84	(191,704.16)	(241,862.46)	(331,621.23)		(144,631.01)
53																		
54	North Dakota share - E2 factor		38.830%		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	240,962.22	(74,438.73)	(93,915.19)	(136,024.31)		**(63,416.01)**
			41.018%	*effective 12-1-2009														

Otter Tail Power Company
North Dakota Renewable Resource Rider
Luverne Wind Farm

Line			2008			2009										
	SUPPORTING INFORMATION / DATA															
1	MN Capstructure with allowed ROE per order.															
2	Capital Structure		Ratio	Cost	WA Cost											
3	Debt		43.10%	6.30%	2.72%											
4	Preferred equity		3.60%	4.75%	0.17%											
5	Common equity		53.30%	11.25%	6.00%											
6	Total		100.00%		8.88%											
7																
8																
9	**Federal Production Tax Credit**															
10	Federal PTC Rate		$21.000	$21.000	$21.000	$21.000	$21.000	$21.000	$21.000	$21.000	$21.000	$21.000	$21.000	$21.000	$21.000	$21.000
11	Output (MWH) / month		-	-	-	-	-	-	-	-	-	-	-	-	-	0
12	Federal PTC Available based on production	x	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13	Federal PTC Used on tax return		0	0	0	0	0	0	0	0	0	0	0	0	0	0
14	Deferred		0	0	0	0	0	0	0	0	0	0	0	0	0	0
15	Accumulated Deferred		0	0	0	0	0	0	0	0	0	0	0	0	0	
16																
17	**Deferred Tax**															
18	Book depr. rate		4.0000%	4.0000%	4.0000%	4.0000%	4.0000%	4.0000%	4.0000%	4.0000%	4.0000%	4.0000%	4.0000%	4.0000%	4.0000%	
19	Book depreciation	x	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	340,884.59	240,458.39	240,458.39	821,801.37	
20	Tax depreciation-ND		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10,825,965.63	10,825,965.63	10,825,965.63	10,825,965.63	43,303,862.51	
21	Tax depreciation-Federal	x	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10,825,965.63	10,825,965.63	10,825,965.63	10,825,965.63	43,303,862.51	
22	Book vs. tax depreciation	x	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(10,825,965.63)	(10,485,081.04)	(10,585,507.24)	(10,585,507.24)	(42,482,061.15)	
23	Federal & State deferred income taxes		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(4,239,448.14)	(4,105,957.74)	(4,145,284.63)	(4,145,284.63)	(16,635,975.15)	
24																
25	Additional Tax Basis (permanent difference)											(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	
26	Tax Impact-ND											(193,165.47)	(193,165.47)	(193,165.47)	(579,496.40)	
27	Tax Impact-Federal											(988,765.73)	(988,765.73)	(988,765.73)	(2,966,297.18)	
28	Total Tax Impact										0.00	(1,181,931.19)	(1,181,931.19)	(1,181,931.19)	(3,545,793.58)	

	PROOF	**Jan-09**	**Feb-09**	**Mar-09**	**Apr-09**	**May-09**	**Jun-09**	**Jul-09**	**Aug-09**	**Sep-09**	**Oct-09**	**Nov-09**	**Dec-09**	**Year End 2009**
1	Revenue	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	620,556.84	(191,704.16)	(241,862.46)	(331,621.23)	(144,631.01)
2														
3	Expenses													
4	O/M and Book Depreciation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	353,522.43	303,364.13	253,121.20	910,007.76
5	Interest on Debt	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	143,880.25	143,880.25	143,880.25	143,880.25	575,521.00
6														
7	Income Taxes													
8	Current Income Tax	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(4,056,329.90)	(3,916,516.03)	(3,955,842.93)	(3,971,317.34)	(15,900,006.20)
9	Deferred Income Tax	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4,239,448.14	4,105,957.74	4,145,284.63	4,145,284.63	16,635,975.15
10	Permanent Tax Difference - 30% Grant	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(1,181,931.19)	(1,181,931.19)	(1,181,931.19)	(3,545,793.58)
11	Federal Production Tax Credit													
12	Generated PTC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
13	Deferred PTC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
14	ND Investment Tax Credit													
15	Current ITC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-	0.00	0.00	0.00	0.00
16	Deferred ITC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(33,236.25)	(23,411.95)	(23,411.95)	(33,331.90)	(113,392.04)
17	Total Expenses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	293,762.24	(518,498.76)	(568,657.06)	(644,294.34)	(1,437,687.92)
18														
19	Net Income before preferred dividend	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	326,794.60	326,794.60	326,794.60	312,673.11	1,293,056.91
20	Dividend on Preferred Stock	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(9,061.07)	(9,061.07)	(9,061.07)	(9,061.07)	(36,244.28)
21														
22	Income available for Common Stock	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**317,733.53**	**317,733.53**	**317,733.53**	**303,612.04**	**1,256,812.63**
23														
24	**Average Rate Base**	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	21,195,484.75	21,195,484.75	21,195,484.75	21,195,484.75	21,195,484.75
25	Equity Percent	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,824,298.34	2,824,298.34	2,824,298.34	2,824,298.34	11,297,193.37
26	Return on Equity Check	**#DIV/0!**	**#DIV/0!**	**#DIV/0!**	**#DIV/0!**	**#DIV/0!**	**#DIV/0!**	**#DIV/0!**	**#DIV/0!**	**11.25%**	**11.25%**	**11.25%**	**10.75%**	**11.12%**
27														
28	**Tax Calculation**													
29	Income Before Income Taxes													
30	Net Income after prfd	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	317,733.53	317,733.53	317,733.53	303,612.04	1,256,812.63
31	Less Income Taxes	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	149,881.99	(1,015,901.44)	(1,015,901.44)	(1,041,295.79)	(2,923,216.67)
32	Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	467,615.52	(698,167.91)	(698,167.91)	(737,683.75)	(1,666,404.04)
33														
34	Book Depreciation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	340,884.59	240,458.39	240,458.39	821,801.37
35	Tax Depreciation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(10,825,965.63)	(10,825,965.63)	(10,825,965.63)	(10,825,965.63)	(43,303,862.51)
36	Tax Depreciation - Permanent Difference	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,181,931.19	1,181,931.19	1,181,931.19	3,545,793.58
37	Taxable income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(10,358,350.11)	(10,001,317.76)	(10,101,743.95)	(10,141,259.80)	(40,602,671.62)
38	Current income tax	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(4,056,329.90)	(3,916,516.03)	(3,955,842.93)	(3,971,317.34)	(15,900,006.20)
39	Tie to RR calculation													
40	Total Tax	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.03	0.03	0.03	0.03	0.13
41	Income Requirement for Return	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(0.03)	(0.03)	(0.03)	(0.03)	(0.13)

Otter Tail Power Company
North Dakota Renewable Resource Rider
Luverne Wind Farm

Line			2009 Balance Dec-09	Actual Jan-10	Actual Feb-10	Actual Mar-10	Actual Apr-10	Actual May-10	Actual Jun-10	2010 Actual Jul-10	Actual Aug-10	Actual Sep-10	Actual Oct-10	Actual Nov-10	Actual Dec-10		2010 YE Balance
1	***RATE BASE***																
2	Plant Balance - Luverne		102,355,208.19	102,355,208.19	102,355,208.19	102,355,208.19	102,355,208.19	102,355,208.19	102,355,208.19	102,355,208.19	102,355,208.19	102,355,208.19	102,355,208.19	102,355,208.19	101,990,226.13		
3	Less: Federal Grant		(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)		
4	Accumulated. Depreciation		(821,801.37)	(1,059,641.82)	(1,297,482.27)	(1,535,322.72)	(1,773,163.17)	(2,011,003.62)	(2,248,844.07)	(2,486,684.51)	(2,724,524.96)	(2,962,365.41)	(3,200,205.86)	(3,438,046.31)	(3,675,886.76)		
5	Net Plant in Service		71,351,302.82	71,113,462.37	70,875,621.92	70,637,781.47	70,399,941.02	70,162,100.57	69,924,260.12	69,686,419.68	69,448,579.23	69,210,738.78	68,972,898.33	68,735,057.88	68,132,235.37		
6	Inventory		0.00	395,695.00	395,695.00	395,695.00	395,695.00	395,695.00	395,695.00	395,695.00	395,695.00	395,695.00	395,695.00	395,695.00	395,695.00		
7	ADIT Pro-Rated																
8	Accum. Deferred Inc. Taxes - Fed & State		(16,635,975.15)	(16,908,193.05)	(17,180,410.96)	(17,452,628.87)	(17,724,846.78)	(17,997,064.68)	(18,269,282.59)	(18,541,500.50)	(18,813,718.41)	(19,085,936.32)	(19,358,154.22)	(19,630,372.13)	(19,902,590.04)		
9	Accum. Deferred Inc. Taxes - Basis Difference		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
10	Accum. Deferred Inc. Taxes - Federal PTC		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
11	Accum. Deferred Inc. Taxes - ND ITC		15,353,281.24	15,353,281.24	15,353,281.24	15,353,281.24	15,353,281.24	15,353,281.24	15,353,281.24	15,353,281.24	15,353,281.24	15,353,281.24	15,353,281.24	15,353,281.24	15,298,533.93	x	
12	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC		(5,373,648.43)	(5,373,648.43)	(5,373,648.43)	(5,373,648.43)	(5,373,648.43)	(5,373,648.43)	(5,373,648.43)	(5,373,648.43)	(5,373,648.43)	(5,373,648.43)	(5,373,648.43)	(5,373,648.43)	(5,354,486.87)	x	
13	Accum. Deferred Inc. Taxes - ND ITC		(15,178,831.95)	(15,127,552.11)	(15,076,272.27)	(15,024,992.43)	(14,973,712.59)	(14,922,432.75)	(14,871,152.91)	(14,819,873.07)	(14,768,593.23)	(14,717,313.39)	(14,666,033.55)	(14,614,753.71)	(14,508,918.66)	x	
14	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC		5,312,591.18	5,294,643.24	5,276,695.29	5,258,747.35	5,240,799.40	5,222,851.46	5,204,903.52	5,186,955.57	5,169,007.63	5,151,059.68	5,133,111.74	5,115,163.80	5,078,121.52	x	
15	End of month rate base		54,828,719.71	54,747,688.24	54,270,961.78	53,794,235.32	53,317,508.86	52,840,782.40	52,364,055.94	51,887,329.47	51,410,603.01	50,933,876.55	50,457,150.09	49,980,423.63	49,138,590.24		
16																	
17	Average rate base		21,195,484.75	52,305,532.71	52,305,532.71	52,305,532.71	52,305,532.71	52,305,532.71	52,305,532.71	52,305,532.71	52,305,532.71	52,305,532.71	52,305,532.71	52,305,532.71	52,305,532.71		52,305,532.71
18																	
19	Return on Rate Base			375,555.90	375,555.90	375,555.90	375,555.90	375,555.90	375,555.90	375,555.90	375,555.90	375,555.90	375,555.90	375,555.90	375,555.90		4,506,670.85
20																	
21	Available for return (equity portion of rate base)			249,748.02	249,748.02	249,748.02	249,748.02	249,748.02	249,748.02	249,748.02	249,748.02	249,748.02	249,748.02	249,748.02	249,748.02		2,996,976.26
22																	
23	***EXPENSES***																
24	*O&M and Depreciation*																
25	Operating Costs			39,328.69	33,974.86	70,093.79	48,959.63	40,863.08	37,897.45	38,486.47	36,599.08	86,248.68	45,309.55	25,618.38	31,636.51		535,016.17
26	Ground Lease Payments			16,830.00	16,830.00	16,830.00	16,830.00	16,830.00	16,830.00	16,830.00	16,830.00	16,830.00	16,830.00	16,830.00	16,830.00		201,960.00
27	Property Tax			40,095.00	40,095.00	40,095.00	40,095.00	40,095.00	40,095.00	40,095.00	40,095.00	(25,190.00)	(25,190.00)	(25,190.00)	(25,190.00)		220,000.00
28	Book Depreciation			237,840.45	237,840.45	237,840.45	237,840.45	237,840.45	237,840.45	237,840.45	237,840.45	237,840.45	237,840.45	237,840.45	237,840.45		2,854,085.40
29	Total O&M and Depreciation Expense		0	334,094.14	328,740.31	364,859.24	343,725.08	335,628.53	332,662.90	333,251.92	331,364.53	315,729.13	274,790.00	255,098.83	261,116.96		3,811,061.57
30																	
31	Income before Taxes																
32	Available for return (from above)			249,748.02	249,748.02	249,748.02	249,748.02	249,748.02	249,748.02	249,748.02	249,748.02	249,748.02	249,748.02	249,748.02	249,748.02		2,996,976.26
33	Less book tax credits - Federal PTC		0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
34	Less book tax credits - ND ITC			(51,279.84)	(51,279.84)	(51,279.84)	(51,279.84)	(51,279.84)	(51,279.84)	(51,279.84)	(51,279.84)	(51,279.84)	(51,279.84)	(51,279.84)	(51,087.74)		(615,165.98)
35	ND ITC - Federal impact			17,947.94	17,947.94	17,947.94	17,947.94	17,947.94	17,947.94	17,947.94	17,947.94	17,947.94	17,947.94	17,947.94	17,880.71		215,308.10
36	Adjusted Income before interest and taxes			216,416.13	216,416.13	216,416.13	216,416.13	216,416.13	216,416.13	216,416.13	216,416.13	216,416.13	216,416.13	216,416.13	216,541.00		2,597,118.38
37	Taxable Income (grossed up)		1.643655	355,713.45	355,713.45	355,713.45	355,713.45	355,713.45	355,713.45	355,713.45	355,713.45	355,713.45	355,713.45	355,713.45	355,918.69		4,268,766.61
38																	
39	Income Taxes																
40	Current and Def Income Taxes		39.160%	139,297.39	139,297.39	139,297.39	139,297.39	139,297.39	139,297.39	139,297.39	139,297.39	139,297.39	139,297.39	139,297.39	139,377.76		1,671,649.00
41	Tax Adjustment for Additional Tax Basis		32.760%	(78,795.41)	(78,795.41)	(78,795.41)	(78,795.41)	(78,795.41)	(78,795.41)	(78,795.41)	(78,795.41)	(78,795.41)	(78,795.41)	(78,795.41)	(78,795.41)		(945,544.95)
42	Federal PTC		6.400%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
43	ND ITC	x		(51,279.84)	(51,279.84)	(51,279.84)	(51,279.84)	(51,279.84)	(51,279.84)	(51,279.84)	(51,279.84)	(51,279.84)	(51,279.84)	(51,279.84)	(51,087.74)		(615,165.98)
44	ND ITC - Federal impact			17,947.94	17,947.94	17,947.94	17,947.94	17,947.94	17,947.94	17,947.94	17,947.94	17,947.94	17,947.94	17,947.94	17,880.71		215,308.10
45	Total Income Tax Expense			27,170.08	27,170.08	27,170.08	27,170.08	27,170.08	27,170.08	27,170.08	27,170.08	27,170.08	27,170.08	27,170.08	27,375.32		326,246.17
46																	
47																	
48	***REVENUE REQUIRMENTS***																
49	Expenses			361,264.22	355,910.39	392,029.32	370,895.16	362,798.61	359,832.98	360,422.00	358,534.61	342,899.21	301,960.08	282,268.91	288,492.28		4,137,307.74
50	Return on rate base			375,555.90	375,555.90	375,555.90	375,555.90	375,555.90	375,555.90	375,555.90	375,555.90	375,555.90	375,555.90	375,555.90	375,555.90		4,506,670.85
51																	
52	Total revenue requirements			736,820.12	731,466.29	767,585.22	746,451.06	738,354.51	735,388.88	735,977.90	734,090.51	718,455.11	677,515.98	657,824.81	664,048.18		8,643,978.59
53																	
54	North Dakota share - E2 factor		41.018%	302,228.69	300,032.66	314,847.91	306,179.11	302,858.07	301,641.63	301,883.23	301,109.06	294,695.74	277,903.34	269,826.42	272,379.12		**3,545,584.98**

Otter Tail Power Company
North Dakota Renewable Resource Rider
Luverne Wind Farm

Line		2009				2010									
	SUPPORTING INFORMATION / DATA														
1	MN Capstructure with allowed ROE per order.														
2	Capital Structure		Ratio	Cost	WA Cost										
3	Debt		43.10%	6.30%	2.72%										
4	Preferred equity		3.60%	4.75%	0.17%										
5	Common equity		53.30%	10.75%	5.73%										
6	Total		100.00%		8.62%										
7															
8															
9	**Federal Production Tax Credit**														
10	Federal PTC Rate		$22.000	$22.000	$22.000	$22.000	$22.000	$22.000	$22.000	$22.000	$22.000	$22.000	$22.000	$22.000	$22.000
11	Output (MWH) / month	0	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Federal PTC Available based on production	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13	Federal PTC Used on tax return		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Deferred		0	0	0	0	0	0	0	0	0	0	0	0	0
15	Accumulated Deferred														0
16															
17	**Deferred Tax**														
18	Book depr. rate		3.95450%	3.95450%	3.95450%	3.95450%	3.95450%	3.95450%	3.95450%	3.95450%	3.95450%	3.95450%	3.95450%	3.95450%	
19	Book depreciation	0	237,840.45	237,840.45	237,840.45	237,840.45	237,840.45	237,840.45	237,840.45	237,840.45	237,840.45	237,840.45	237,840.45	237,840.45	2,854,085.40
20	Tax depreciation-ND		932,983.22	932,983.22	932,983.22	932,983.22	932,983.22	932,983.22	932,983.22	932,983.22	932,983.22	932,983.22	932,983.22	932,983.22	11,195,798.61
21	Tax depreciation-Federal		932,983.22	932,983.22	932,983.22	932,983.22	932,983.22	932,983.22	932,983.22	932,983.22	932,983.22	932,983.22	932,983.22	932,983.22	11,195,798.61
22	Book vs. tax depreciation		(695,142.77)	(695,142.77)	(695,142.77)	(695,142.77)	(695,142.77)	(695,142.77)	(695,142.77)	(695,142.77)	(695,142.77)	(695,142.77)	(695,142.77)	(695,142.77)	(8,341,713.21)
23	Federal & State deferred income taxes	0	(272,217.91)	(272,217.91)	(272,217.91)	(272,217.91)	(272,217.91)	(272,217.91)	(272,217.91)	(272,217.91)	(272,217.91)	(272,217.91)	(272,217.91)	(272,217.91)	(3,266,614.89)
24															
25	Additional Tax Basis (permanent difference)		(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)
26	Tax Impact-ND		(12,877.70)	(12,877.70)	(12,877.70)	(12,877.70)	(12,877.70)	(12,877.70)	(12,877.70)	(12,877.70)	(12,877.70)	(12,877.70)	(12,877.70)	(12,877.70)	(154,532.37)
27	Tax Impact-Federal		(65,917.72)	(65,917.72)	(65,917.72)	(65,917.72)	(65,917.72)	(65,917.72)	(65,917.72)	(65,917.72)	(65,917.72)	(65,917.72)	(65,917.72)	(65,917.72)	(791,012.58)
28	Total Tax Impact		(78,795.41)	(78,795.41)	(78,795.41)	(78,795.41)	(78,795.41)	(78,795.41)	(78,795.41)	(78,795.41)	(78,795.41)	(78,795.41)	(78,795.41)	(78,795.41)	(945,544.95)

	PROOF	**Jan-10**	**Feb-10**	**Mar-10**	**Apr-10**	**May-10**	**Jun-10**	**Jul-10**	**Aug-10**	**Sep-10**	**Oct-10**	**Nov-10**	**Dec-10**	**Year End 2010**
1	Revenue	736,820.12	731,466.29	767,585.22	746,451.06	738,354.51	735,388.88	735,977.90	734,090.51	718,455.11	677,515.98	657,824.81	664,048.18	8,643,978.59
2														
3	Expenses													
4	O/M and Book Depreciation	334,094.14	328,740.31	364,859.24	343,725.08	335,628.53	332,662.90	333,251.92	331,364.53	315,729.13	274,790.00	255,098.83	261,116.96	3,811,061.57
5	Interest on Debt	118,354.34	118,354.34	118,354.34	118,354.34	118,354.34	118,354.34	118,354.34	118,354.34	118,354.34	118,354.34	118,354.34	118,354.34	1,420,252.13
6														
7	Income Taxes													
8	Current Income Tax	(132,920.50)	(132,920.50)	(132,920.50)	(132,920.50)	(132,920.50)	(132,920.50)	(132,920.50)	(132,920.50)	(132,920.50)	(132,920.50)	(132,920.50)	(132,840.12)	(1,594,965.59)
9	Deferred Income Tax	272,217.91	272,217.91	272,217.91	272,217.91	272,217.91	272,217.91	272,217.91	272,217.91	272,217.91	272,217.91	272,217.91	272,217.91	3,266,614.89
10	Permanent Tax Difference - 30% Grant	(78,795.41)	(78,795.41)	(78,795.41)	(78,795.41)	(78,795.41)	(78,795.41)	(78,795.41)	(78,795.41)	(78,795.41)	(78,795.41)	(78,795.41)	(78,795.41)	(945,544.95)
11	Federal Production Tax Credit													
12	Generated PTC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
13	Deferred PTC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
14	ND Investment Tax Credit													
15	Current ITC	(33,331.90)	(33,331.90)	(33,331.90)	(33,331.90)	(33,331.90)	(33,331.90)	(33,331.90)	(33,331.90)	(33,331.90)	(33,331.90)	(33,331.90)	(33,207.03)	(399,857.88)
16	Deferred ITC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
17	Total Expenses	479,618.59	474,264.76	510,383.69	489,249.53	481,152.98	478,187.35	478,776.37	476,888.98	461,253.58	420,314.45	400,623.28	406,846.65	5,557,560.17
18														
19	Net Income before preferred dividend	257,201.53	257,201.53	257,201.53	257,201.53	257,201.53	257,201.53	257,201.53	257,201.53	257,201.53	257,201.53	257,201.53	257,201.53	3,086,418.42
20	Dividend on Preferred Stock	(7,453.54)	(7,453.54)	(7,453.54)	(7,453.54)	(7,453.54)	(7,453.54)	(7,453.54)	(7,453.54)	(7,453.54)	(7,453.54)	(7,453.54)	(7,453.54)	(89,442.46)
21														
22	Income available for Common Stock	**249,748.00**	**249,748.00**	**249,748.00**	**249,748.00**	**249,748.00**	**249,748.00**	**249,748.00**	**249,748.00**	**249,748.00**	**249,748.00**	**249,748.00**	**249,748.00**	**2,996,975.96**
23														
24	**Average Rate Base**	52,305,532.71	52,305,532.71	52,305,532.71	52,305,532.71	52,305,532.71	52,305,532.71	52,305,532.71	52,305,532.71	52,305,532.71	52,305,532.71	52,305,532.71	52,305,532.71	52,305,532.71
25	Equity Percent	2,323,237.41	2,323,237.41	2,323,237.41	2,323,237.41	2,323,237.41	2,323,237.41	2,323,237.41	2,323,237.41	2,323,237.41	2,323,237.41	2,323,237.41	2,323,237.41	27,878,848.93
26	Return on Equity Check	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**
27														
28	**Tax Calculation**													
29	Income Before Income Taxes													
30	Net Income after prfd	249,748.00	249,748.00	249,748.00	249,748.00	249,748.00	249,748.00	249,748.00	249,748.00	249,748.00	249,748.00	249,748.00	249,748.00	2,996,975.96
31	Less Income Taxes	27,170.10	27,170.10	27,170.10	27,170.10	27,170.10	27,170.10	27,170.10	27,170.10	27,170.10	27,170.10	27,170.10	27,375.35	326,246.47
32	Total	276,918.10	276,918.10	276,918.10	276,918.10	276,918.10	276,918.10	276,918.10	276,918.10	276,918.10	276,918.10	276,918.10	277,123.34	3,323,222.43
33														
34	Book Depreciation	237,840.45	237,840.45	237,840.45	237,840.45	237,840.45	237,840.45	237,840.45	237,840.45	237,840.45	237,840.45	237,840.45	237,840.45	2,854,085.40
35	Tax Depreciation	(932,983.22)	(932,983.22)	(932,983.22)	(932,983.22)	(932,983.22)	(932,983.22)	(932,983.22)	(932,983.22)	(932,983.22)	(932,983.22)	(932,983.22)	(932,983.22)	(11,195,798.61)
36	Tax Depreciation - Permanent Difference	78,795.41	78,795.41	78,795.41	78,795.41	78,795.41	78,795.41	78,795.41	78,795.41	78,795.41	78,795.41	78,795.41	78,795.41	945,544.95
37	Taxable income	(339,429.26)	(339,429.26)	(339,429.26)	(339,429.26)	(339,429.26)	(339,429.26)	(339,429.26)	(339,429.26)	(339,429.26)	(339,429.26)	(339,429.26)	(339,224.01)	(4,072,945.83)
38	Current income tax	(132,920.50)	(132,920.50)	(132,920.50)	(132,920.50)	(132,920.50)	(132,920.50)	(132,920.50)	(132,920.50)	(132,920.50)	(132,920.50)	(132,920.50)	(132,840.12)	(1,594,965.59)
39	Tie to RR calculation													
40	Total Tax	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.30
41	Income Requirement for Return	(0.03)	(0.03)	(0.03)	(0.03)	(0.03)	(0.03)	(0.03)	(0.03)	(0.03)	(0.03)	(0.03)	(0.03)	(0.30)

Otter Tail Power Company
North Dakota Renewable Resource Rider
Luverne Wind Farm

Line			2010 Balance Dec-10	Actual Jan-11	Actual Feb-11	Actual Mar-11	Actual Apr-11	Actual May-11	Actual Jun-11	2011 Actual Jul-11	Actual Aug-11	Actual Sep-11	Actual Oct-11	Actual Nov-11	Actual Dec-11	2011 YE Balance
1	***RATE BASE***															
2	Plant Balance - Luverne		101,990,226.13	101,990,226.13	101,990,226.13	101,990,226.13	101,990,226.13	101,990,226.13	101,990,226.13	101,990,226.13	101,990,226.13	101,990,226.13	101,990,226.13	101,990,226.13	102,340,933.48	
3	Less: Federal Grant		(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	
4	Accumulated. Depreciation		(3,675,886.76)	(3,907,629.53)	(4,139,372.29)	(4,371,115.05)	(4,602,857.81)	(4,834,600.58)	(5,066,343.34)	(5,298,086.10)	(5,529,828.86)	(5,761,571.62)	(5,993,314.39)	(6,225,057.15)	(6,456,799.91)	
5	Net Plant in Service		68,132,235.37	67,900,492.60	67,668,749.84	67,437,007.08	67,205,264.32	66,973,521.55	66,741,778.79	66,510,036.03	66,278,293.27	66,046,550.51	65,814,807.74	65,583,064.98	65,702,029.57	
6	Inventory		395,695.00	395,695.00	395,695.00	385,527.82	385,527.82	405,411.71	405,411.71	405,411.71	394,803.56	394,803.56	394,803.56	394,803.56	370,160.25	
7	ADIT Pro-Rated															
8	Accum. Deferred Inc. Taxes - Fed & State		(19,902,590.04)	(20,046,177.05)	(20,189,764.06)	(20,333,351.07)	(20,476,938.08)	(20,620,525.09)	(20,764,112.11)	(20,907,699.12)	(21,051,286.13)	(21,194,873.14)	(21,338,460.15)	(21,482,047.16)	(21,625,634.17)	
9	Accum. Deferred Inc. Taxes - Basis Difference		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
10	Accum. Deferred Inc. Taxes - Federal PTC		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
11	Accum. Deferred Inc. Taxes - ND ITC		15,298,533.93	15,298,533.93	15,298,533.93	15,298,533.93	15,298,533.93	15,298,533.93	13,106,805.93	13,106,805.93	13,106,805.93	13,106,805.93	13,106,805.93	13,106,805.93	13,159,412.03	
12	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC		(5,354,486.87)	(5,354,486.87)	(5,354,486.87)	(5,354,486.87)	(5,354,486.87)	(5,354,486.87)	(4,587,382.07)	(4,587,382.07)	(4,587,382.07)	(4,587,382.07)	(4,587,382.07)	(4,587,382.07)	(4,605,794.21)	
13	Accum. Deferred Inc. Taxes - ND ITC		(14,508,918.66)	(14,457,830.92)	(14,406,743.18)	(14,355,655.44)	(14,304,567.70)	(14,253,479.96)	(12,018,519.87)	(11,975,287.78)	(11,932,055.69)	(11,888,823.60)	(11,845,591.51)	(11,802,359.42)	(11,811,540.73)	
14	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC		5,078,121.52	5,060,240.81	5,042,360.09	5,024,479.38	5,006,598.67	4,988,717.95	4,206,481.92	4,191,350.69	4,176,219.46	4,161,088.23	4,145,957.00	4,130,825.77	4,134,039.24	
15	End of month rate base		49,138,590.24	48,796,467.49	48,454,344.74	48,102,054.81	47,759,932.07	47,437,693.21	47,090,464.30	46,743,235.38	46,385,398.32	46,038,169.41	45,690,940.49	45,343,711.58	45,322,671.97	
16																
17	Average rate base		52,305,532.71	47,100,282.62	47,100,282.62	47,100,282.62	47,100,282.62	47,100,282.62	47,100,282.62	47,100,282.62	47,100,282.62	47,100,282.62	47,100,282.62	47,100,282.62	47,100,282.62	47,100,282.62
18																
19	Return on Rate Base			338,181.99	338,181.99	338,181.99	338,181.99	338,181.99	338,181.99	338,181.99	338,181.99	338,181.99	338,181.99	338,181.99	338,181.99	4,058,183.90
20																
21	Available for return (equity portion of rate base)			224,894.04	224,894.04	224,894.04	224,894.04	224,894.04	224,894.04	224,894.04	224,894.04	224,894.04	224,894.04	224,894.04	224,894.04	2,698,728.44
22																
23	***EXPENSES***															
24	*O&M and Depreciation*															
25	Operating Costs			6,382.67	73,375.88	53,941.94	12,892.45	70,403.36	83,423.60	98,938.08	45,750.90	42,186.46	14,495.91	98,756.47	124,503.70	725,051.42
26	Ground Lease Payments			17,166.60	17,166.60	17,166.60	17,166.60	17,166.60	17,166.60	17,166.60	17,166.60	17,166.60	17,166.60	17,166.60	17,166.60	205,999.20
27	Property Tax			51,322.00	51,322.00	51,322.00	51,322.00	51,322.00	51,322.00	(9,655.00)	(9,655.00)	(9,655.00)	(9,655.00)	(9,655.00)	(9,655.00)	250,002.00
28	Book Depreciation		0	231,742.76	231,742.76	231,742.76	231,742.76	231,742.76	231,742.76	231,742.76	231,742.76	231,742.76	231,742.76	231,742.76	231,742.76	2,780,913.15
29	Total O&M and Depreciation Expense		0	306,614.03	373,607.24	354,173.30	313,123.81	370,634.72	383,654.96	338,192.44	285,005.26	281,440.82	253,750.27	338,010.83	363,758.06	3,961,965.77
30																
31	Income before Taxes															
32	Available for return (from above)			224,894.04	224,894.04	224,894.04	224,894.04	224,894.04	224,894.04	224,894.04	224,894.04	224,894.04	224,894.04	224,894.04	224,894.04	2,698,728.44
33	Less book tax credits - Federal PTC			0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
34	Less book tax credits - ND ITC			(51,087.74)	(51,087.74)	(51,087.74)	(51,087.74)	(51,087.74)	(43,232.09)	(43,232.09)	(43,232.09)	(43,232.09)	(43,232.09)	(43,232.09)	(43,424.79)	(558,256.03)
35	ND ITC - Federal impact			17,880.71	17,880.71	17,880.71	17,880.71	17,880.71	15,131.23	15,131.23	15,131.23	15,131.23	15,131.23	15,131.23	15,198.67	195,389.62
36	Adjusted Income before interest and taxes			191,687.01	191,687.01	191,687.01	191,687.01	191,687.01	196,793.18	196,793.18	196,793.18	196,793.18	196,793.18	196,793.18	196,667.92	2,335,862.03
37	Taxable Income (grossed up)		1.621994	310,915.18	310,915.18	310,915.18	310,915.18	310,915.18	319,197.35	319,197.35	319,197.35	319,197.35	319,197.35	319,197.35	318,994.18	3,788,754.20
38																
39	Income Taxes															
40	Current and Def Income Taxes		38.348%	119,229.75	119,229.75	119,229.75	119,229.75	119,229.75	122,405.80	122,405.80	122,405.80	122,405.80	122,405.80	122,405.80	122,327.89	1,452,911.46
41	Tax Adjustment for Additional Tax Basis		33.198%	(46,296.93)	(46,296.93)	(46,296.93)	(46,296.93)	(46,296.93)	(46,296.93)	(46,296.93)	(46,296.93)	(46,296.93)	(46,296.93)	(46,296.93)	(46,296.93)	(555,563.20)
42	Federal PTC		5.150%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
43	ND ITC	x		(51,087.74)	(51,087.74)	(51,087.74)	(51,087.74)	(51,087.74)	(43,232.09)	(43,232.09)	(43,232.09)	(43,232.09)	(43,232.09)	(43,232.09)	(43,424.79)	(558,256.03)
44	ND ITC - Federal impact			17,880.71	17,880.71	17,880.71	17,880.71	17,880.71	15,131.23	15,131.23	15,131.23	15,131.23	15,131.23	15,131.23	15,198.67	195,389.62
45	Total Income Tax Expense			39,725.79	39,725.79	39,725.79	39,725.79	39,725.79	48,008.01	48,008.01	48,008.01	48,008.01	48,008.01	48,008.01	47,804.84	534,481.86
46																
47																
48	***REVENUE REQUIRMENTS***															
49	Expenses			346,339.83	413,333.04	393,899.10	352,849.61	410,360.52	431,662.97	386,200.45	333,013.27	329,448.83	301,758.28	386,018.84	411,562.90	4,496,447.62
50	Return on rate base			338,181.99	338,181.99	338,181.99	338,181.99	338,181.99	338,181.99	338,181.99	338,181.99	338,181.99	338,181.99	338,181.99	338,181.99	4,058,183.90
51																
52	Total revenue requirements			684,521.82	751,515.03	732,081.09	691,031.60	748,542.51	769,844.96	724,382.44	671,195.26	667,630.82	639,940.27	724,200.83	749,744.89	8,554,631.52
53																
54	North Dakota share - E2 factor		41.018%	280,776.99	308,256.25	300,284.84	283,447.17	307,036.98	315,774.81	297,127.01	275,310.70	273,848.64	262,490.54	297,052.52	307,530.17	**3,508,936.62**

Otter Tail Power Company
North Dakota Renewable Resource Rider
Luverne Wind Farm

Line		2010				2011										
	SUPPORTING INFORMATION / DATA															
1	MN Capstructure with allowed ROE per order.															
2	Capital Structure		Ratio	Cost	WA Cost											
3	Debt		43.10%	6.30%	2.72%											
4	Preferred equity		3.60%	4.75%	0.17%											
5	Common equity		53.30%	10.75%	5.73%											
6	Total		100.00%		8.62%											
7																
8																
9	**Federal Production Tax Credit**															
10	Federal PTC Rate		$23.000	$23.000	$23.000	$23.000	$23.000	$23.000	$23.000	$23.000	$23.000	$23.000	$23.000	$23.000	$23.000	$23.000
11	Output (MWH) / month	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Federal PTC Available based on production	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13	Federal PTC Used on tax return		0	0	0	0	0	0	0	0	0	0	0	0	0	0
14	Deferred		0	0	0	0	0	0	0	0	0	0	0	0	0	0
15	Accumulated Deferred															0
16																
17	**Deferred Tax**															
18	Book depr. rate		3.87270%	3.87270%	3.87270%	3.87270%	3.87270%	3.87270%	3.87270%	3.87270%	3.87270%	3.87270%	3.87270%	3.87270%	3.87270%	
19	Book depreciation	0	231,742.76	231,742.76	231,742.76	231,742.76	231,742.76	231,742.76	231,742.76	231,742.76	231,742.76	231,742.76	231,742.76	231,742.76	231,742.76	2,780,913.15
20	Tax depreciation-ND		606,174.31	606,174.31	606,174.31	606,174.31	606,174.31	606,174.31	606,174.31	606,174.31	606,174.31	606,174.31	606,174.31	606,174.31	606,174.31	7,274,091.75
21	Tax depreciation-Federal		606,174.31	606,174.31	606,174.31	606,174.31	606,174.31	606,174.31	606,174.31	606,174.31	606,174.31	606,174.31	606,174.31	606,174.31	606,174.31	7,274,091.75
22	Book vs. tax depreciation		(374,431.55)	(374,431.55)	(374,431.55)	(374,431.55)	(374,431.55)	(374,431.55)	(374,431.55)	(374,431.55)	(374,431.55)	(374,431.55)	(374,431.55)	(374,431.55)	(374,431.55)	(4,493,178.61)
23	Federal & State deferred income taxes	0	(143,587.01)	(143,587.01)	(143,587.01)	(143,587.01)	(143,587.01)	(143,587.01)	(143,587.01)	(143,587.01)	(143,587.01)	(143,587.01)	(143,587.01)	(143,587.01)	(143,587.01)	(1,723,044.13)
24																
25	Additional Tax Basis (permanent difference)		(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)
26	Tax Impact-ND		(6,217.51)	(6,217.51)	(6,217.51)	(6,217.51)	(6,217.51)	(6,217.51)	(6,217.51)	(6,217.51)	(6,217.51)	(6,217.51)	(6,217.51)	(6,217.51)	(6,217.51)	(74,610.16)
27	Tax Impact-Federal		(40,079.42)	(40,079.42)	(40,079.42)	(40,079.42)	(40,079.42)	(40,079.42)	(40,079.42)	(40,079.42)	(40,079.42)	(40,079.42)	(40,079.42)	(40,079.42)	(40,079.42)	(480,953.03)
28	Total Tax Impact		(46,296.93)	(46,296.93)	(46,296.93)	(46,296.93)	(46,296.93)	(46,296.93)	(46,296.93)	(46,296.93)	(46,296.93)	(46,296.93)	(46,296.93)	(46,296.93)	(46,296.93)	(555,563.20)

	PROOF	**Jan-11**	**Feb-11**	**Mar-11**	**Apr-11**	**May-11**	**Jun-11**	**Jul-11**	**Aug-11**	**Sep-11**	**Oct-11**	**Nov-11**	**Dec-11**	**Year End 2011**
1	Revenue	684,521.82	751,515.03	732,081.09	691,031.60	748,542.51	769,844.96	724,382.44	671,195.26	667,630.82	639,940.27	724,200.83	749,744.89	8,554,631.52
2														
3	Expenses													
4	O/M and Book Depreciation	306,614.03	373,607.24	354,173.30	313,123.81	370,634.72	383,654.96	338,192.44	285,005.26	281,440.82	253,750.27	338,010.83	363,758.06	3,961,965.77
5	Interest on Debt	106,576.16	106,576.16	106,576.16	106,576.16	106,576.16	106,576.16	106,576.16	106,576.16	106,576.16	106,576.16	106,576.16	106,576.16	1,278,913.97
6														
7	Income Taxes													
8	Current Income Tax	(24,356.65)	(24,356.65)	(24,356.65)	(24,356.65)	(24,356.65)	(21,180.59)	(21,180.59)	(21,180.59)	(21,180.59)	(21,180.59)	(21,180.59)	(21,258.50)	(270,125.27)
9	Deferred Income Tax	143,587.01	143,587.01	143,587.01	143,587.01	143,587.01	143,587.01	143,587.01	143,587.01	143,587.01	143,587.01	143,587.01	143,587.01	1,723,044.13
10	Permanent Tax Difference - 30% Grant	(46,296.93)	(46,296.93)	(46,296.93)	(46,296.93)	(46,296.93)	(46,296.93)	(46,296.93)	(46,296.93)	(46,296.93)	(46,296.93)	(46,296.93)	(46,296.93)	(555,563.20)
11	Federal Production Tax Credit													
12	Generated PTC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
13	Deferred PTC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
14	ND Investment Tax Credit													
15	Current ITC	(33,207.03)	(33,207.03)	(33,207.03)	(33,207.03)	(33,207.03)	(28,100.86)	(28,100.86)	(28,100.86)	(28,100.86)	(28,100.86)	(28,100.86)	(28,226.12)	(362,866.41)
16	Deferred ITC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
17	Total Expenses	452,916.60	519,909.81	500,475.87	459,426.38	516,937.29	538,239.76	492,777.24	439,590.06	436,025.62	408,335.07	492,595.63	518,139.69	5,775,368.99
18														
19	Net Income before preferred dividend	231,605.22	231,605.22	231,605.22	231,605.22	231,605.22	231,605.20	231,605.20	231,605.20	231,605.20	231,605.20	231,605.20	231,605.20	2,779,262.53
20	Dividend on Preferred Stock	(6,711.79)	(6,711.79)	(6,711.79)	(6,711.79)	(6,711.79)	(6,711.79)	(6,711.79)	(6,711.79)	(6,711.79)	(6,711.79)	(6,711.79)	(6,711.79)	(80,541.48)
21														
22	Income available for Common Stock	**224,893.43**	**224,893.43**	**224,893.43**	**224,893.43**	**224,893.43**	**224,893.41**	**224,893.41**	**224,893.41**	**224,893.41**	**224,893.41**	**224,893.41**	**224,893.41**	**2,698,721.05**
23														
24	**Average Rate Base**	47,100,282.62	47,100,282.62	47,100,282.62	47,100,282.62	47,100,282.62	47,100,282.62	47,100,282.62	47,100,282.62	47,100,282.62	47,100,282.62	47,100,282.62	47,100,282.62	47,100,282.62
25	Equity Percent	2,092,037.55	2,092,037.55	2,092,037.55	2,092,037.55	2,092,037.55	2,092,037.55	2,092,037.55	2,092,037.55	2,092,037.55	2,092,037.55	2,092,037.55	2,092,037.55	25,104,450.63
26	Return on Equity Check	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**
27														
28	**Tax Calculation**													
29	Income Before Income Taxes													
30	Net Income after prfd	224,893.43	224,893.43	224,893.43	224,893.43	224,893.43	224,893.41	224,893.41	224,893.41	224,893.41	224,893.41	224,893.41	224,893.41	2,698,721.05
31	Less Income Taxes	39,726.40	39,726.40	39,726.40	39,726.40	39,726.40	48,008.63	48,008.63	48,008.63	48,008.63	48,008.63	48,008.63	47,805.46	534,489.25
32	Total	264,619.83	264,619.83	264,619.83	264,619.83	264,619.83	272,902.04	272,902.04	272,902.04	272,902.04	272,902.04	272,902.04	272,698.87	3,233,210.30
33														
34	Book Depreciation	231,742.76	231,742.76	231,742.76	231,742.76	231,742.76	231,742.76	231,742.76	231,742.76	231,742.76	231,742.76	231,742.76	231,742.76	2,780,913.15
35	Tax Depreciation	(606,174.31)	(606,174.31)	(606,174.31)	(606,174.31)	(606,174.31)	(606,174.31)	(606,174.31)	(606,174.31)	(606,174.31)	(606,174.31)	(606,174.31)	(606,174.31)	(7,274,091.75)
36	Tax Depreciation - Permanent Difference	46,296.93	46,296.93	46,296.93	46,296.93	46,296.93	46,296.93	46,296.93	46,296.93	46,296.93	46,296.93	46,296.93	46,296.93	555,563.20
37	Taxable income	(63,514.79)	(63,514.79)	(63,514.79)	(63,514.79)	(63,514.79)	(55,232.57)	(55,232.57)	(55,232.57)	(55,232.57)	(55,232.57)	(55,232.57)	(55,435.74)	(704,405.11)
38	Current income tax	(24,356.65)	(24,356.65)	(24,356.65)	(24,356.65)	(24,356.65)	(21,180.59)	(21,180.59)	(21,180.59)	(21,180.59)	(21,180.59)	(21,180.59)	(21,258.50)	(270,125.27)
39	Tie to RR calculation													
40	Total Tax	0.61	0.61	0.61	0.61	0.61	0.62	0.62	0.62	0.62	0.62	0.62	0.62	7.40
41	Income Requirement for Return	(0.61)	(0.61)	(0.61)	(0.61)	(0.61)	(0.62)	(0.62)	(0.62)	(0.62)	(0.62)	(0.62)	(0.62)	(7.40)

Otter Tail Power Company
North Dakota Renewable Resource Rider
Luverne Wind Farm

Line			2011 Balance Dec-11	2012 Actual Jan-12	Actual Feb-12	Actual Mar-12	Actual Apr-12	Actual May-12	Actual Jun-12	Actual Jul-12	Actual Aug-12	Actual Sep-12	Actual Oct-12	Actual Nov-12	Actual Dec-12	2012 YE Balance
1	***RATE BASE***															
2	Plant Balance - Luverne		102,340,933.48	102,340,933.48	102,340,933.48	102,340,933.48	102,340,933.48	102,340,933.48	102,342,882.21	102,342,882.21	102,342,882.21	102,342,882.21	102,453,727.70	102,453,727.70	102,483,309.40	
3	Less: Federal Grant		(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	
4	Accumulated. Depreciation		(6,456,799.91)	(6,689,788.31)	(6,922,776.71)	(7,155,765.11)	(7,388,753.51)	(7,621,741.91)	(7,854,730.31)	(8,087,725.00)	(8,320,719.69)	(8,553,714.38)	(8,786,709.07)	(9,020,061.68)	(9,253,414.28)	
5	Net Plant in Service		65,702,029.57	65,469,041.17	65,236,052.77	65,003,064.37	64,770,075.97	64,537,087.57	64,306,047.90	64,073,053.21	63,840,058.52	63,607,063.83	63,484,914.63	63,251,562.02	63,047,791.12	
6	Inventory		370,160.25	370,160.25	390,896.62	418,564.93	418,564.93	395,177.40	347,575.97	340,935.84	329,925.73	0.00	0.00	0.00	0.00	
7	ADIT Pro-Rated															
8	Accum. Deferred Inc. Taxes - Fed & State		(21,625,634.17)	(21,675,485.10)	(21,725,336.03)	(21,775,186.97)	(21,825,037.90)	(21,874,888.83)	(21,924,739.76)	(21,974,588.28)	(22,024,436.80)	(22,074,285.32)	(22,124,133.83)	(22,173,845.10)	(22,223,556.37)	
9	Accum. Deferred Inc. Taxes - Basis Difference		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
10	Accum. Deferred Inc. Taxes - Federal PTC		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
11	Accum. Deferred Inc. Taxes - ND ITC		13,159,412.03	13,159,412.03	13,161,553.21	13,161,553.21	13,161,553.21	13,161,553.21	13,161,553.21	13,161,553.21	13,161,553.21	13,161,553.21	13,161,553.21	13,161,553.21	13,161,553.21	
12	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC		(4,605,794.21)	(4,605,794.21)	(4,606,543.62)	(4,606,543.62)	(4,606,543.62)	(4,606,543.62)	(4,606,543.62)	(4,606,543.62)	(4,606,543.62)	(4,606,543.62)	(4,606,543.62)	(4,606,543.62)	(4,606,543.62)	
13	Accum. Deferred Inc. Taxes - ND ITC		(11,811,540.73)	(11,768,115.94)	(11,726,824.43)	(11,683,391.74)	(11,639,959.05)	(11,596,526.36)	(11,553,093.67)	(11,509,660.98)	(11,466,228.29)	(11,422,795.60)	(11,379,362.91)	(11,335,930.22)	(11,292,497.53)	
14	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC		4,134,039.24	4,118,840.57	4,104,388.54	4,089,187.10	4,073,985.66	4,058,784.22	4,043,582.78	4,028,381.34	4,013,179.90	3,997,978.46	3,982,777.02	3,967,575.58	3,952,374.14	
15	End of month rate base		45,322,671.97	45,068,058.76	44,834,187.05	44,607,247.27	44,352,639.19	44,074,643.58	43,774,382.80	43,513,130.71	43,247,508.64	42,662,970.95	42,519,204.48	42,264,371.86	42,039,120.94	
16																
17	Average rate base		43,713,856.79	43,713,856.79	43,713,856.79	43,713,856.79	43,713,856.79	43,713,856.79	43,713,856.79	43,713,856.79	43,713,856.79	43,713,856.79	43,713,856.79	43,713,856.79	43,713,856.79	43,713,856.79
18																
19	Return on Rate Base		4,058,183.90	313,867.31	313,867.31	313,867.31	313,867.31	313,867.31	313,867.31	313,867.31	313,867.31	313,867.31	313,867.31	313,867.31	313,867.31	3,766,407.76
20																
21	Available for return (equity portion of rate base)		2,698,728.44	208,724.56	208,724.56	208,724.56	208,724.56	208,724.56	208,724.56	208,724.56	208,724.56	208,724.56	208,724.56	208,724.56	208,724.56	2,504,694.71
22																
23	***EXPENSES***															
24	*O&M and Depreciation*															
25	Operating Costs			44,853.60	47,609.41	45,928.39	44,300.17	81,791.39	122,028.71	80,383.98	57,521.68	384,357.73	62,780.15	60,488.69	72,787.91	1,104,831.81
26	Ground Lease Payments			17,509.93	17,509.93	17,509.93	17,509.93	17,509.93	17,509.93	17,509.93	17,509.93	17,509.93	17,509.93	17,509.93	17,509.93	210,119.16
27	Property Tax			20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00	(20,381.00)	199,619.00
28	Book Depreciation		0	232,988.40	232,988.40	232,988.40	232,988.40	232,988.40	232,988.40	232,994.69	232,994.69	232,994.69	232,994.69	233,352.61	233,352.61	2,796,614.39
29	Total O&M and Depreciation Expense		0	315,351.93	318,107.74	316,426.72	314,798.50	352,289.72	392,527.04	350,888.60	328,026.30	654,862.35	333,284.77	331,351.23	303,269.45	4,311,184.36
30																
31	Income before Taxes															
32	Available for return (from above)			208,724.56	208,724.56	208,724.56	208,724.56	208,724.56	208,724.56	208,724.56	208,724.56	208,724.56	208,724.56	208,724.56	208,724.56	2,504,694.71
33	Less book tax credits - Federal PTC		0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
34	Less book tax credits - ND ITC			(43,424.79)	(43,432.69)	(43,432.69)	(43,432.69)	(43,432.69)	(43,432.69)	(43,432.69)	(43,432.69)	(43,432.69)	(43,432.69)	(43,432.69)	(43,432.69)	(521,184.38)
35	ND ITC - Federal impact			15,198.67	15,201.44	15,201.44	15,201.44	15,201.44	15,201.44	15,201.44	15,201.44	15,201.44	15,201.44	15,201.44	15,201.44	182,414.51
36	Adjusted Income before interest and taxes			180,498.44	180,493.31	180,493.31	180,493.31	180,493.31	180,493.31	180,493.31	180,493.31	180,493.31	180,493.31	180,493.31	180,493.31	2,165,924.84
37	Taxable Income (grossed up)		1.621994	292,767.39	292,759.06	292,759.06	292,759.06	292,759.06	292,759.06	292,759.06	292,759.06	292,759.06	292,759.06	292,759.06	292,759.06	3,513,117.09
38																
39	Income Taxes															
40	Current and Def Income Taxes		38.348%	112,270.44	112,267.25	112,267.25	112,267.25	112,267.25	112,267.25	112,267.25	112,267.25	112,267.25	112,267.25	112,267.25	112,267.25	1,347,210.14
41	Tax Adjustment for Additional Tax Basis		33.198%	(27,778.16)	(27,778.16)	(27,778.16)	(27,778.16)	(27,778.16)	(27,778.16)	(27,778.16)	(27,778.16)	(27,778.16)	(27,778.16)	(27,778.16)	(27,778.16)	(333,337.92)
42	Federal PTC		5.150%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
43	ND ITC	x		(43,424.79)	(43,432.69)	(43,432.69)	(43,432.69)	(43,432.69)	(43,432.69)	(43,432.69)	(43,432.69)	(43,432.69)	(43,432.69)	(43,432.69)	(43,432.69)	(521,184.38)
44	ND ITC - Federal impact			15,198.67	15,201.44	15,201.44	15,201.44	15,201.44	15,201.44	15,201.44	15,201.44	15,201.44	15,201.44	15,201.44	15,201.44	182,414.51
45	Total Income Tax Expense			56,266.16	56,257.84	56,257.84	56,257.84	56,257.84	56,257.84	56,257.84	56,257.84	56,257.84	56,257.84	56,257.84	56,257.84	675,102.36
46																
47																
48	***REVENUE REQUIRMENTS***															
49	Expenses			371,618.09	374,365.58	372,684.56	371,056.34	408,547.56	448,784.88	407,146.44	384,284.14	711,120.19	389,542.61	387,609.07	359,527.29	4,986,286.71
50	Return on rate base			313,867.31	313,867.31	313,867.31	313,867.31	313,867.31	313,867.31	313,867.31	313,867.31	313,867.31	313,867.31	313,867.31	313,867.31	3,766,407.76
51																
52	Total revenue requirements			685,485.40	688,232.89	686,551.87	684,923.65	722,414.87	762,652.19	721,013.75	698,151.45	1,024,987.50	703,409.92	701,476.38	673,394.60	8,752,694.47
53																
54	North Dakota share - E2 factor		41.018%	281,172.23	282,299.19	281,609.67	280,941.81	296,319.95	312,824.48	295,745.24	286,367.59	420,429.12	288,524.51	287,731.41	276,212.83	**3,590,178.03**

Otter Tail Power Company
North Dakota Renewable Resource Rider
Luverne Wind Farm

Line		2011				2012										
	SUPPORTING INFORMATION / DATA															
1	MN Capstructure with allowed ROE per order.															
2	Capital Structure		Ratio	Cost	WA Cost											
3	Debt		43.10%	6.30%	2.72%											
4	Preferred equity		3.60%	4.75%	0.17%											
5	Common equity		53.30%	10.75%	5.73%											
6	Total		100.00%		8.62%											
7																
8																
9	**Federal Production Tax Credit**															
10	Federal PTC Rate		$23.000	$23.000	$23.000	$23.000	$23.000	$23.000	$23.000	$23.000	$23.000	$23.000	$23.000	$23.000	$23.000	$23.000
11	Output (MWH) / month	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Federal PTC Available based on production	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13	Federal PTC Used on tax return		0	0	0	0	0	0	0	0	0	0	0	0	0	0
14	Deferred		0	0	0	0	0	0	0	0	0	0	0	0	0	0
15	Accumulated Deferred															0
16																
17	**Deferred Tax**															
18	Book depr. rate		3.87459%	3.87459%	3.87459%	3.87459%	3.87459%	3.87459%	3.87459%	3.87459%	3.87459%	3.87459%	3.87459%	3.87459%	3.87459%	
19	Book depreciation	0	232,988.40	232,988.40	232,988.40	232,988.40	232,988.40	232,988.40	232,994.69	232,994.69	232,994.69	232,994.69	233,352.61	233,352.59	2,796,614.37	
20	Tax depreciation-ND		362,984.57	362,984.57	362,984.57	362,984.57	362,984.57	362,984.57	362,984.57	362,984.57	362,984.57	362,984.57	362,984.57	362,984.57	4,355,814.84	
21	Tax depreciation-Federal		362,984.57	362,984.57	362,984.57	362,984.57	362,984.57	362,984.57	362,984.57	362,984.57	362,984.57	362,984.57	362,984.57	362,984.57	4,355,814.84	
22	Book vs. tax depreciation		(129,996.17)	(129,996.17)	(129,996.17)	(129,996.17)	(129,996.17)	(129,996.17)	(129,989.88)	(129,989.88)	(129,989.88)	(129,989.88)	(129,631.96)	(129,631.98)	(1,559,200.47)	
23	Federal & State deferred income taxes	0	(49,850.93)	(49,850.93)	(49,850.93)	(49,850.93)	(49,850.93)	(49,850.93)	(49,848.52)	(49,848.52)	(49,848.52)	(49,848.52)	(49,711.26)	(49,711.27)	(597,922.20)	
24																
25	Additional Tax Basis (permanent difference)		(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)
26	Tax Impact-ND		(3,730.51)	(3,730.51)	(3,730.51)	(3,730.51)	(3,730.51)	(3,730.51)	(3,730.51)	(3,730.51)	(3,730.51)	(3,730.51)	(3,730.51)	(3,730.51)	(3,730.51)	(44,766.10)
27	Tax Impact-Federal		(24,047.65)	(24,047.65)	(24,047.65)	(24,047.65)	(24,047.65)	(24,047.65)	(24,047.65)	(24,047.65)	(24,047.65)	(24,047.65)	(24,047.65)	(24,047.65)	(24,047.65)	(288,571.82)
28	Total Tax Impact		(27,778.16)	(27,778.16)	(27,778.16)	(27,778.16)	(27,778.16)	(27,778.16)	(27,778.16)	(27,778.16)	(27,778.16)	(27,778.16)	(27,778.16)	(27,778.16)	(27,778.16)	(333,337.92)
	PROOF		**Jan-12**	**Feb-12**	**Mar-12**	**Apr-12**	**May-12**	**Jun-12**	**Jul-12**	**Aug-12**	**Sep-12**	**Oct-12**	**Nov-12**	**Dec-12**	**Year End 2012**	
1	Revenue		685,485.40	688,232.89	686,551.87	684,923.65	722,414.87	762,652.19	721,013.75	698,151.45	1,024,987.50	703,409.92	701,476.38	673,394.60	8,752,694.47	
2																
3	Expenses															
4	O/M and Book Depreciation		315,351.93	318,107.74	316,426.72	314,798.50	352,289.72	392,527.04	350,888.60	328,026.30	654,862.35	333,284.77	331,351.23	303,269.45	4,311,184.36	
5	Interest on Debt		98,913.53	98,913.53	98,913.53	98,913.53	98,913.53	98,913.53	98,913.53	98,913.53	98,913.53	98,913.53	98,913.53	98,913.53	1,186,962.35	
6																
7	Income Taxes															
8	Current Income Tax		62,420.08	62,416.89	62,416.89	62,416.89	62,416.89	62,416.89	62,419.30	62,419.30	62,419.30	62,419.30	62,556.55	62,556.55	749,294.80	
9	Deferred Income Tax		49,850.93	49,850.93	49,850.93	49,850.93	49,850.93	49,850.93	49,848.52	49,848.52	49,848.52	49,848.52	49,711.26	49,711.27	597,922.20	
10	Permanent Tax Difference - 30% Grant		(27,778.16)	(27,778.16)	(27,778.16)	(27,778.16)	(27,778.16)	(27,778.16)	(27,778.16)	(27,778.16)	(27,778.16)	(27,778.16)	(27,778.16)	(27,778.16)	(333,337.92)	
11	Federal Production Tax Credit															
12	Generated PTC		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
13	Deferred PTC		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
14	ND Investment Tax Credit															
15	Current ITC		(28,226.12)	(28,231.25)	(28,231.25)	(28,231.25)	(28,231.25)	(28,231.25)	(28,231.25)	(28,231.25)	(28,231.25)	(28,231.25)	(28,231.25)	(28,231.25)	(338,769.87)	
16	Deferred ITC		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
17	Total Expenses		470,532.19	473,279.68	471,598.66	469,970.44	507,461.66	547,698.98	506,060.54	483,198.24	810,034.29	488,456.71	486,523.17	458,441.39	6,173,255.92	
18																
19	Net Income before preferred dividend		214,953.21	214,953.21	214,953.21	214,953.21	214,953.21	214,953.21	214,953.21	214,953.21	214,953.21	214,953.21	214,953.21	214,953.21	2,579,438.54	
20	Dividend on Preferred Stock		(6,229.22)	(6,229.22)	(6,229.22)	(6,229.22)	(6,229.22)	(6,229.22)	(6,229.22)	(6,229.22)	(6,229.22)	(6,229.22)	(6,229.22)	(6,229.22)	(74,750.70)	
21																
22	Income available for Common Stock		**208,723.99**	**208,723.99**	**208,723.99**	**208,723.99**	**208,723.99**	**208,723.99**	**208,723.99**	**208,723.99**	**208,723.99**	**208,723.99**	**208,723.99**	**208,723.99**	**2,504,687.85**	
23																
24	**Average Rate Base**		43,713,856.79	43,713,856.79	43,713,856.79	43,713,856.79	43,713,856.79	43,713,856.79	43,713,856.79	43,713,856.79	43,713,856.79	43,713,856.79	43,713,856.79	43,713,856.79	43,713,856.79	
25	Equity Percent		1,941,623.81	1,941,623.81	1,941,623.81	1,941,623.81	1,941,623.81	1,941,623.81	1,941,623.81	1,941,623.81	1,941,623.81	1,941,623.81	1,941,623.81	1,941,623.81	23,299,485.67	
26	Return on Equity Check		**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	
27																
28	**Tax Calculation**															
29	Income Before Income Taxes															
30	Net Income after prfd		208,723.99	208,723.99	208,723.99	208,723.99	208,723.99	208,723.99	208,723.99	208,723.99	208,723.99	208,723.99	208,723.99	208,723.99	2,504,687.85	
31	Less Income Taxes		56,266.73	56,258.41	56,258.41	56,258.41	56,258.41	56,258.41	56,258.41	56,258.41	56,258.41	56,258.41	56,258.41	56,258.41	675,109.22	
32	Total		264,990.72	264,982.40	264,982.40	264,982.40	264,982.40	264,982.40	264,982.40	264,982.40	264,982.40	264,982.40	264,982.40	264,982.40	3,179,797.06	
33																
34	Book Depreciation		232,988.40	232,988.40	232,988.40	232,988.40	232,988.40	232,988.40	232,994.69	232,994.69	232,994.69	232,994.69	233,352.61	233,352.59	2,796,614.37	
35	Tax Depreciation		(362,984.57)	(362,984.57)	(362,984.57)	(362,984.57)	(362,984.57)	(362,984.57)	(362,984.57)	(362,984.57)	(362,984.57)	(362,984.57)	(362,984.57)	(362,984.57)	(4,355,814.84)	
36	Tax Depreciation - Permanent Difference		27,778.16	27,778.16	27,778.16	27,778.16	27,778.16	27,778.16	27,778.16	27,778.16	27,778.16	27,778.16	27,778.16	27,778.16	333,337.92	
37	Taxable income		162,772.71	162,764.39	162,764.39	162,764.39	162,764.39	162,764.39	162,770.68	162,770.68	162,770.68	162,770.68	163,128.60	163,128.58	1,953,934.51	
38	Current income tax		62,420.08	62,416.89	62,416.89	62,416.89	62,416.89	62,416.89	62,419.30	62,419.30	62,419.30	62,419.30	62,556.55	62,556.55	749,294.80	
39	Tie to RR calculation															
40	Total Tax		0.57	0.57	0.57	0.57	0.57	0.57	0.57	0.57	0.57	0.57	0.57	0.57	6.86	
41	Income Requirement for Return		(0.57)	(0.57)	(0.57)	(0.57)	(0.57)	(0.57)	(0.57)	(0.57)	(0.57)	(0.57)	(0.57)	(0.57)	(6.86)	

Otter Tail Power Company
North Dakota Renewable Resource Rider
Luverne Wind Farm

Line			2012 Balance Dec-12	Actual Jan-13	Actual Feb-13	Actual Mar-13	Actual Apr-13	Actual May-13	Actual Jun-13	2013 Actual Jul-13	Actual Aug-13	Actual Sep-13	Actual Oct-13	Actual Nov-13	Actual Dec-13	2013 YE Balance
1	***RATE BASE***															
2	Plant Balance - Luverne		102,483,309.40	102,483,309.40	102,483,309.40	102,483,309.40	102,483,309.40	102,483,309.40	102,660,397.46	102,672,477.11	102,672,477.11	102,672,477.11	102,696,695.53	102,696,695.53	102,701,899.98	
3	Less: Federal Grant		(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	
4	Accumulated. Depreciation		(9,253,414.28)	(9,487,632.25)	(9,721,850.22)	(9,956,068.19)	(10,190,286.16)	(10,424,504.13)	(10,658,722.10)	(10,893,513.92)	(11,128,344.77)	(11,363,175.62)	(11,598,006.47)	(11,832,915.80)	(12,067,825.13)	
5	Net Plant in Service		63,047,791.12	62,813,573.15	62,579,355.18	62,345,137.21	62,110,919.24	61,876,701.27	61,819,571.36	61,596,859.19	61,362,028.34	61,127,197.49	60,916,585.06	60,681,675.73	60,451,970.85	
6	Inventory		0.00	0.00	0.00	459.17	5,408.81	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
7	ADIT Pro-Rated															
8	Accum. Deferred Inc. Taxes - Fed & State		(22,223,556.37)	(22,268,198.04)	(22,312,839.71)	(22,357,481.38)	(22,402,123.05)	(22,446,764.72)	(22,491,406.39)	(22,535,828.00)	(22,580,234.64)	(22,624,641.28)	(22,669,047.92)	(22,713,424.47)	(22,757,801.02)	
9	Accum. Deferred Inc. Taxes - Basis Difference		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
10	Accum. Deferred Inc. Taxes - Federal PTC		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
11	Accum. Deferred Inc. Taxes - ND ITC		13,161,553.21	13,161,553.21	13,161,553.21	13,161,553.21	13,161,553.21	15,353,281.21	15,353,281.21	15,353,281.21	15,353,281.21	15,353,281.21	15,353,281.21	15,353,281.21	15,353,281.21	
12	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC		(4,606,543.62)	(4,606,543.62)	(4,606,543.62)	(4,606,543.62)	(4,606,543.62)	(5,373,648.42)	(5,373,648.42)	(5,373,648.42)	(5,373,648.42)	(5,373,648.42)	(5,373,648.42)	(5,373,648.42)	(5,373,648.42)	
13	Accum. Deferred Inc. Taxes - ND ITC		(11,292,497.53)	(11,249,064.84)	(11,205,632.15)	(11,162,199.46)	(11,118,766.77)	(13,258,500.65)	(13,206,506.53)	(13,154,512.41)	(13,102,518.29)	(13,050,524.17)	(12,998,530.05)	(12,946,535.93)	(12,894,541.81)	
14	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC		3,952,374.14	3,937,172.70	3,921,971.26	3,906,769.82	3,891,568.38	4,640,475.24	4,622,277.30	4,604,079.36	4,585,881.41	4,567,683.47	4,549,485.53	4,531,287.59	4,513,089.65	
15	End of month rate base		42,039,120.94	41,788,492.56	41,537,864.17	41,287,694.95	41,042,016.20	40,791,543.93	40,723,568.52	40,490,230.92	40,244,789.61	39,999,348.29	39,778,125.40	39,532,635.70	39,292,350.45	
16																
17	Average rate base		43,713,856.79	40,657,521.66	40,657,521.66	40,657,521.66	40,657,521.66	40,657,521.66	40,657,521.66	40,657,521.66	40,657,521.66	40,657,521.66	40,657,521.66	40,657,521.66	40,657,521.66	40,657,521.66
18																
19	Return on Rate Base		3,766,407.76	291,922.70	291,922.70	291,922.70	291,922.70	291,922.70	291,922.70	291,922.70	291,922.70	291,922.70	291,922.70	291,922.70	291,922.70	3,503,072.40
20																
21	Available for return (equity portion of rate base)		2,504,694.71	194,131.20	194,131.20	194,131.20	194,131.20	194,131.20	194,131.20	194,131.20	194,131.20	194,131.20	194,131.20	194,131.20	194,131.20	2,329,574.35
22																
23	***EXPENSES***															
24	*O&M and Depreciation*															
25	Operating Costs			48,500.30	51,053.55	49,982.01	52,705.43	55,291.87	78,599.28	52,347.52	48,360.79	47,566.16	57,371.22	68,204.67	49,721.96	659,704.76
26	Ground Lease Payments			17,860.23	17,860.13	17,860.13	17,860.13	17,860.13	17,860.13	17,860.13	17,860.13	17,860.13	17,860.13	17,860.13	17,860.13	214,321.66
27	Property Tax			17,000.00	17,000.00	17,000.00	17,000.00	17,000.00	17,000.00	17,000.00	17,000.00	17,000.00	17,000.00	17,000.00	(37,194.00)	149,806.00
28	Book Depreciation		0	234,217.97	234,217.97	234,217.97	234,217.97	234,217.97	234,217.97	234,791.82	234,830.85	234,830.85	234,830.85	234,909.33	234,909.33	2,814,410.85
29	Total O&M and Depreciation Expense		0	317,578.50	320,131.65	319,060.11	321,783.53	324,369.97	347,677.38	321,999.47	318,051.77	317,257.14	327,062.20	337,974.13	265,297.42	3,838,243.27
30																
31	Income before Taxes															
32	Available for return (from above)			194,131.20	194,131.20	194,131.20	194,131.20	194,131.20	194,131.20	194,131.20	194,131.20	194,131.20	194,131.20	194,131.20	194,131.20	2,329,574.35
33	Less book tax credits - Federal PTC		0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
34	Less book tax credits - ND ITC			(43,432.69)	(43,432.69)	(43,432.69)	(43,432.69)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(589,683.72)
35	ND ITC - Federal impact			15,201.44	15,201.44	15,201.44	15,201.44	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	206,389.30
36	Adjusted Income before interest and taxes			165,899.95	165,899.95	165,899.95	165,899.95	160,335.02	160,335.02	160,335.02	160,335.02	160,335.02	160,335.02	160,335.02	160,335.02	1,946,279.92
37	Taxable Income (grossed up)		1.621994	269,088.72	269,088.72	269,088.72	269,088.72	260,062.44	260,062.44	260,062.44	260,062.44	260,062.44	260,062.44	260,062.44	260,062.44	3,156,854.36
38																
39	Income Taxes															
40	Current and Def Income Taxes		38.348%	103,190.14	103,190.14	103,190.14	103,190.14	99,728.74	99,728.74	99,728.74	99,728.74	99,728.74	99,728.74	99,728.74	99,728.74	1,210,590.51
41	Tax Adjustment for Additional Tax Basis		33.198%	(27,778.16)	(27,778.16)	(27,778.16)	(27,778.16)	(27,778.16)	(27,778.16)	(27,778.16)	(27,778.16)	(27,778.16)	(27,778.16)	(27,778.16)	(27,778.16)	(333,337.92)
42	Federal PTC		5.150%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
43	ND ITC	x		(43,432.69)	(43,432.69)	(43,432.69)	(43,432.69)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(589,683.72)
44	ND ITC - Federal impact			15,201.44	15,201.44	15,201.44	15,201.44	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	206,389.30
45	Total Income Tax Expense			47,180.73	47,180.73	47,180.73	47,180.73	38,154.41	38,154.41	38,154.41	38,154.41	38,154.41	38,154.41	38,154.41	38,154.41	493,958.17
46																
47																
48	***REVENUE REQUIRMENTS***															
49	Expenses			364,759.23	367,312.38	366,240.84	368,964.26	362,524.38	385,831.79	360,153.88	356,206.18	355,411.55	365,216.61	376,128.54	303,451.83	4,332,201.44
50	Return on rate base			291,922.70	291,922.70	291,922.70	291,922.70	291,922.70	291,922.70	291,922.70	291,922.70	291,922.70	291,922.70	291,922.70	291,922.70	3,503,072.40
51																
52	Total revenue requirements			656,681.93	659,235.08	658,163.54	660,886.96	654,447.08	677,754.49	652,076.58	648,128.88	647,334.25	657,139.31	668,051.24	595,374.53	7,835,273.83
53																
54	North Dakota share - E2 factor		41.018%	269,357.63	270,404.88	269,965.36	271,082.45	268,440.94	278,001.17	267,468.61	265,849.34	265,523.40	269,545.24	274,021.09	244,210.57	**3,213,870.66**

Otter Tail Power Company
North Dakota Renewable Resource Rider
Luverne Wind Farm

Line			2012			2013											
	SUPPORTING INFORMATION / DATA																
1	MN Capstructure with allowed ROE per order.																
2	Capital Structure		Ratio	Cost	WA Cost												
3	Debt		43.10%	6.30%	2.72%												
4	Preferred equity		3.60%	4.75%	0.17%												
5	Common equity		53.30%	10.75%	5.73%												
6	Total		100.00%		8.62%												
7																	
8																	
9	**Federal Production Tax Credit**																
10	Federal PTC Rate		$24.000	$24.000	$24.000	$24.000	$24.000	$24.000	$24.000	$24.000	$24.000	$24.000	$24.000	$24.000	$24.000	$24.000	$24.000
11	Output (MWH) / month	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Federal PTC Available based on production	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13	Federal PTC Used on tax return		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14	Deferred		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15	Accumulated Deferred																0
16																	
17	**Deferred Tax**																
18	Book depr. rate		3.87640%	3.87640%	3.87640%	3.87640%	3.88737%	3.88737%	3.88737%	3.88737%	3.88737%	3.88737%	3.88737%	3.88737%	3.88737%		
19	Book depreciation	(0)	234,217.97	234,217.97	234,217.97	234,217.97	234,217.97	234,217.97	234,791.82	234,830.85	234,830.85	234,830.85	234,909.33	234,909.33	2,814,410.85		
20	Tax depreciation-ND		350,629.96	350,629.96	350,629.96	350,629.96	350,629.96	350,629.96	350,629.96	350,629.96	350,629.96	350,629.96	350,629.96	350,629.96	4,207,559.50		
21	Tax depreciation-Federal		350,629.96	350,629.96	350,629.96	350,629.96	350,629.96	350,629.96	350,629.96	350,629.96	350,629.96	350,629.96	350,629.96	350,629.96	4,207,559.50		
22	Book vs. tax depreciation		(116,411.99)	(116,411.99)	(116,411.99)	(116,411.99)	(116,411.99)	(116,411.99)	(115,838.14)	(115,799.11)	(115,799.11)	(115,799.11)	(115,720.63)	(115,720.63)	(1,393,148.65)		
23	Federal & State deferred income taxes	0	(44,641.67)	(44,641.67)	(44,641.67)	(44,641.67)	(44,641.67)	(44,641.67)	(44,421.61)	(44,406.64)	(44,406.64)	(44,406.64)	(44,376.55)	(44,376.55)	(534,244.65)		
24																	
25	Additional Tax Basis (permanent difference)		(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)		
26	Tax Impact-ND		(3,730.51)	(3,730.51)	(3,730.51)	(3,730.51)	(3,730.51)	(3,730.51)	(3,730.51)	(3,730.51)	(3,730.51)	(3,730.51)	(3,730.51)	(3,730.51)	(44,766.10)		
27	Tax Impact-Federal		(24,047.65)	(24,047.65)	(24,047.65)	(24,047.65)	(24,047.65)	(24,047.65)	(24,047.65)	(24,047.65)	(24,047.65)	(24,047.65)	(24,047.65)	(24,047.65)	(288,571.82)		
28	Total Tax Impact		(27,778.16)	(27,778.16)	(27,778.16)	(27,778.16)	(27,778.16)	(27,778.16)	(27,778.16)	(27,778.16)	(27,778.16)	(27,778.16)	(27,778.16)	(27,778.16)	(333,337.92)		

	PROOF	**Jan-13**	**Feb-13**	**Mar-13**	**Apr-13**	**May-13**	**Jun-13**	**Jul-13**	**Aug-13**	**Sep-13**	**Oct-13**	**Nov-13**	**Dec-13**	**Year End 2013**
1	Revenue	656,681.93	659,235.08	658,163.54	660,886.96	654,447.08	677,754.49	652,076.58	648,128.88	647,334.25	657,139.31	668,051.24	595,374.53	7,835,273.83
2														
3	Expenses													
4	O/M and Book Depreciation	317,578.50	320,131.65	319,060.11	321,783.53	324,369.97	347,677.38	321,999.47	318,051.77	317,257.14	327,062.20	337,974.13	265,297.42	3,838,243.27
5	Interest on Debt	91,997.81	91,997.81	91,997.81	91,997.81	91,997.81	91,997.81	91,997.81	91,997.81	91,997.81	91,997.81	91,997.81	91,997.81	1,103,973.69
6														
7	Income Taxes													
8	Current Income Tax	58,549.00	58,549.00	58,549.00	58,549.00	55,087.58	55,087.58	55,307.64	55,322.61	55,322.61	55,322.61	55,352.70	55,352.70	676,352.03
9	Deferred Income Tax	44,641.67	44,641.67	44,641.67	44,641.67	44,641.67	44,641.67	44,421.61	44,406.64	44,406.64	44,406.64	44,376.55	44,376.55	534,244.65
10	Permanent Tax Difference - 30% Grant	(27,778.16)	(27,778.16)	(27,778.16)	(27,778.16)	(27,778.16)	(27,778.16)	(27,778.16)	(27,778.16)	(27,778.16)	(27,778.16)	(27,778.16)	(27,778.16)	(333,337.92)
11	Federal Production Tax Credit													
12	Generated PTC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
13	Deferred PTC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
14	ND Investment Tax Credit													
15	Current ITC	(28,231.25)	(28,231.25)	(28,231.25)	(28,231.25)	(33,796.18)	(33,796.18)	(33,796.18)	(33,796.18)	(33,796.18)	(33,796.18)	(33,796.18)	(33,796.18)	(383,294.42)
16	Deferred ITC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
17	Total Expenses	456,757.56	459,310.71	458,239.17	460,962.59	454,522.69	477,830.10	452,152.19	448,204.49	447,409.86	457,214.92	468,126.85	395,450.14	5,436,181.29
18														
19	Net Income before preferred dividend	199,924.37	199,924.37	199,924.37	199,924.37	199,924.38	199,924.38	199,924.38	199,924.38	199,924.38	199,924.38	199,924.38	199,924.38	2,399,092.55
20	Dividend on Preferred Stock	(5,793.70)	(5,793.70)	(5,793.70)	(5,793.70)	(5,793.70)	(5,793.70)	(5,793.70)	(5,793.70)	(5,793.70)	(5,793.70)	(5,793.70)	(5,793.70)	(69,524.36)
21														
22	Income available for Common Stock	**194,130.67**	**194,130.67**	**194,130.67**	**194,130.67**	**194,130.69**	**194,130.69**	**194,130.69**	**194,130.69**	**194,130.69**	**194,130.69**	**194,130.69**	**194,130.69**	**2,329,568.18**
23														
24	**Average Rate Base**	40,657,521.66	40,657,521.66	40,657,521.66	40,657,521.66	40,657,521.66	40,657,521.66	40,657,521.66	40,657,521.66	40,657,521.66	40,657,521.66	40,657,521.66	40,657,521.66	40,657,521.66
25	Equity Percent	1,805,871.59	1,805,871.59	1,805,871.59	1,805,871.59	1,805,871.59	1,805,871.59	1,805,871.59	1,805,871.59	1,805,871.59	1,805,871.59	1,805,871.59	1,805,871.59	21,670,459.05
26	Return on Equity Check	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**
27														
28	**Tax Calculation**													
29	Income Before Income Taxes													
30	Net Income after prfd	194,130.67	194,130.67	194,130.67	194,130.67	194,130.69	194,130.69	194,130.69	194,130.69	194,130.69	194,130.69	194,130.69	194,130.69	2,329,568.18
31	Less Income Taxes	47,181.26	47,181.26	47,181.26	47,181.26	38,154.91	38,154.91	38,154.91	38,154.91	38,154.91	38,154.91	38,154.91	38,154.91	493,964.33
32	Total	241,311.93	241,311.93	241,311.93	241,311.93	232,285.60	232,285.60	232,285.60	232,285.60	232,285.60	232,285.60	232,285.60	232,285.60	2,823,532.52
33														
34	Book Depreciation	234,217.97	234,217.97	234,217.97	234,217.97	234,217.97	234,217.97	234,791.82	234,830.85	234,830.85	234,830.85	234,909.33	234,909.33	2,814,410.85
35	Tax Depreciation	(350,629.96)	(350,629.96)	(350,629.96)	(350,629.96)	(350,629.96)	(350,629.96)	(350,629.96)	(350,629.96)	(350,629.96)	(350,629.96)	(350,629.96)	(350,629.96)	(4,207,559.50)
36	Tax Depreciation - Permanent Difference	27,778.16	27,778.16	27,778.16	27,778.16	27,778.16	27,778.16	27,778.16	27,778.16	27,778.16	27,778.16	27,778.16	27,778.16	333,337.92
37	Taxable income	152,678.10	152,678.10	152,678.10	152,678.10	143,651.77	143,651.77	144,225.62	144,264.65	144,264.65	144,264.65	144,343.13	144,343.13	1,763,721.78
38	Current income tax	58,549.00	58,549.00	58,549.00	58,549.00	55,087.58	55,087.58	55,307.64	55,322.61	55,322.61	55,322.61	55,352.70	55,352.70	676,352.03
39	Tie to RR calculation													
40	Total Tax	0.53	0.53	0.53	0.53	0.51	0.51	0.51	0.51	0.51	0.51	0.51	0.51	6.16
41	Income Requirement for Return	(0.53)	(0.53)	(0.53)	(0.53)	(0.51)	(0.51)	(0.51)	(0.51)	(0.51)	(0.51)	(0.51)	(0.51)	(6.16)

Otter Tail Power Company
North Dakota Renewable Resource Rider
Luverne Wind Farm

Line			2013 Balance Dec-13	Actual Jan-14	Actual Feb-14	Actual Mar-14	Actual Apr-14	Actual May-14	Actual Jun-14	2014 Actual Jul-14	Actual Aug-14	Actual Sep-14	Actual Oct-14	Actual Nov-14	Actual Dec-14	2014 YE Balance
1	***RATE BASE***															
2	Plant Balance - Luverne		102,701,899.98	102,701,899.98	102,701,899.98	102,701,899.98	102,775,060.67	102,775,060.65	102,775,060.65	102,775,060.65	102,775,060.65	102,775,060.65	102,775,060.65	102,791,008.89	102,821,414.21	
3	Less: Federal Grant		(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	
4	Accumulated. Depreciation		(12,067,825.13)	(12,316,114.78)	(12,564,404.43)	(12,812,694.08)	(13,060,983.73)	(13,309,523.87)	(13,558,064.00)	(13,806,604.14)	(14,055,144.27)	(14,303,684.41)	(14,552,224.54)	(14,800,764.68)	(15,049,359.42)	
5	Net Plant in Service		60,451,970.85	60,203,681.20	59,955,391.55	59,707,101.90	59,531,972.94	59,283,432.78	59,034,892.65	58,786,352.51	58,537,812.38	58,289,272.24	58,040,732.11	57,808,140.21	57,589,950.79	
6	Inventory		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
7	ADIT Pro-Rated															
8	Accum. Deferred Inc. Taxes - Fed & State		(22,757,801.02)	(22,731,677.47)	(22,705,553.92)	(22,679,430.38)	(22,653,306.83)	(22,627,085.10)	(22,600,863.36)	(22,574,641.62)	(22,548,419.89)	(22,522,198.15)	(22,495,976.41)	(22,469,754.68)	(22,443,511.54)	
9	Accum. Deferred Inc. Taxes - Basis Difference		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
10	Accum. Deferred Inc. Taxes - Federal PTC		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
11	Accum. Deferred Inc. Taxes - ND ITC		15,353,281.21	15,353,281.21	15,353,281.21	15,353,281.21	15,353,281.21	15,353,281.21	15,353,281.21	15,353,281.21	15,353,281.21	15,353,281.21	15,353,281.21	15,353,281.21	15,353,281.21	
12	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC		(5,373,648.42)	(5,373,648.42)	(5,373,648.42)	(5,373,648.42)	(5,373,648.42)	(5,373,648.42)	(5,373,648.42)	(5,373,648.42)	(5,373,648.42)	(5,373,648.42)	(5,373,648.42)	(5,373,648.42)	(5,373,648.42)	
13	Accum. Deferred Inc. Taxes - ND ITC		(12,894,541.81)	(12,842,547.69)	(12,790,553.57)	(12,738,559.45)	(12,686,565.33)	(12,634,571.21)	(12,582,577.09)	(12,530,582.97)	(12,478,588.85)	(12,426,594.73)	(12,374,600.61)	(12,322,606.49)	(12,270,612.37)	
14	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC		4,513,089.65	4,494,891.70	4,476,693.76	4,458,495.82	4,440,297.88	4,422,099.93	4,403,901.99	4,385,704.05	4,367,506.11	4,349,308.17	4,331,110.22	4,312,912.28	4,294,714.34	
15	End of month rate base		39,292,350.45	39,103,980.53	38,915,610.60	38,727,240.67	38,612,031.43	38,423,509.19	38,234,986.97	38,046,464.75	37,857,942.53	37,669,420.31	37,480,898.08	37,308,324.10	37,150,174.00	
16																
17	Average rate base		40,657,521.66	38,217,148.74	38,217,148.74	38,217,148.74	38,217,148.74	38,217,148.74	38,217,148.74	38,217,148.74	38,217,148.74	38,217,148.74	38,217,148.74	38,217,148.74	38,217,148.74	38,217,148.74
18																
19	Return on Rate Base		3,503,072.40	274,400.72	274,400.72	274,400.72	274,400.72	274,400.72	274,400.72	274,400.72	274,400.72	274,400.72	274,400.72	274,400.72	274,400.72	3,292,808.64
20																
21	Available for return (equity portion of rate base)		2,329,574.35	182,478.92	182,478.92	182,478.92	182,478.92	182,478.92	182,478.92	182,478.92	182,478.92	182,478.92	182,478.92	182,478.92	182,478.92	2,189,747.08
22																
23	***EXPENSES***															
24	*O&M and Depreciation*															
25	Operating Costs			61,111.10	60,471.29	77,379.07	158,180.77	119,843.23	56,895.82	95,498.97	54,645.93	43,829.89	79,048.58	71,493.78	30,451.43	908,849.86
26	Ground Lease Payments			18,217.17	18,217.33	18,217.33	18,217.33	18,217.33	18,217.33	18,217.33	18,217.33	18,217.33	18,217.33	18,217.33	18,217.33	218,607.80
27	Property Tax			12,000.00	12,000.00	12,000.00	12,000.00	12,000.00	12,000.00	12,000.00	12,000.00	12,000.00	12,000.00	12,000.00	(5,287.00)	126,713.00
28	Book Depreciation		0	248,289.65	248,289.65	248,289.65	248,289.65	248,540.14	248,540.14	248,540.14	248,540.14	248,540.14	248,540.14	248,540.14	248,594.74	2,981,534.29
29	Total O&M and Depreciation Expense		0	339,617.92	338,978.27	355,886.05	436,687.75	398,600.70	335,653.29	374,256.44	333,403.40	322,587.36	357,806.05	350,251.25	291,976.50	4,235,704.95
30																
31	Income before Taxes															
32	Available for return (from above)			182,478.92	182,478.92	182,478.92	182,478.92	182,478.92	182,478.92	182,478.92	182,478.92	182,478.92	182,478.92	182,478.92	182,478.92	2,189,747.08
33	Less book tax credits - Federal PTC		0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
34	Less book tax credits - ND ITC			(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(623,929.44)
35	ND ITC - Federal impact			18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	218,375.30
36	Adjusted Income before interest and taxes			148,682.75	148,682.75	148,682.75	148,682.75	148,682.75	148,682.75	148,682.75	148,682.75	148,682.75	148,682.75	148,682.75	148,682.75	1,784,192.94
37	Taxable Income (grossed up)		1.644748	244,545.60	244,545.60	244,545.60	244,545.60	244,545.60	244,545.60	244,545.60	244,545.60	244,545.60	244,545.60	244,545.60	244,545.60	2,934,547.17
38																
39	Income Taxes															
40	Current and Def Income Taxes		39.200%	95,862.85	95,862.85	95,862.85	95,862.85	95,862.85	95,862.85	95,862.85	95,862.85	95,862.85	95,862.85	95,862.85	95,862.85	1,150,354.23
41	Tax Adjustment for Additional Tax Basis		32.738%	(14,197.81)	(14,197.81)	(14,197.81)	(14,197.81)	(14,197.81)	(14,197.81)	(14,197.81)	(14,197.81)	(14,197.81)	(14,197.81)	(14,197.81)	(14,197.81)	(170,373.68)
42	Federal PTC		6.462%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
43	ND ITC	x		(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(623,929.44)
44	ND ITC - Federal impact			18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	218,375.30
45	Total Income Tax Expense			47,868.87	47,868.87	47,868.87	47,868.87	47,868.87	47,868.87	47,868.87	47,868.87	47,868.87	47,868.87	47,868.87	47,868.87	574,426.42
46																
47																
48	***REVENUE REQUIRMENTS***															
49	Expenses			387,486.79	386,847.14	403,754.92	484,556.62	446,469.56	383,522.15	422,125.30	381,272.26	370,456.22	405,674.91	398,120.11	339,845.37	4,810,131.37
50	Return on rate base			274,400.72	274,400.72	274,400.72	274,400.72	274,400.72	274,400.72	274,400.72	274,400.72	274,400.72	274,400.72	274,400.72	274,400.72	3,292,808.64
51																
52	Total revenue requirements			661,887.51	661,247.86	678,155.64	758,957.34	720,870.28	657,922.87	696,526.02	655,672.98	644,856.94	680,075.63	672,520.83	614,246.09	8,102,940.01
53																
54	North Dakota share - E2 factor		41.018%	271,492.85	271,230.48	278,165.71	311,308.93	295,686.39	269,866.64	285,700.87	268,943.78	264,507.26	278,953.25	275,854.43	251,951.31	**3,323,661.91**

Otter Tail Power Company
North Dakota Renewable Resource Rider
Luverne Wind Farm

Line		2013				2014										
	SUPPORTING INFORMATION / DATA															
1	MN Capstructure with allowed ROE per order.															
2	Capital Structure		Ratio	Cost	WA Cost											
3	Debt		43.10%	6.30%	2.72%											
4	Preferred equity		3.60%	4.75%	0.17%											
5	Common equity		53.30%	10.75%	5.73%											
6	Total		100.00%		8.62%											
7																
8																
9	**Federal Production Tax Credit**															
10	Federal PTC Rate		$25.000	$25.000	$25.000	$25.000	$25.000	$25.000	$25.000	$25.000	$25.000	$25.000	$25.000	$25.000	$25.000	$25.000
11	Output (MWH) / month	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Federal PTC Available based on production	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13	Federal PTC Used on tax return		0	0	0	0	0	0	0	0	0	0	0	0	0	0
14	Deferred		0	0	0	0	0	0	0	0	0	0	0	0	0	0
15	Accumulated Deferred															0
16																
17	**Deferred Tax**															
18	Book depr. rate		4.10850%	4.10850%	4.10850%	4.10850%	4.10850%	4.10850%	4.10850%	4.10850%	4.10850%	4.10850%	4.10850%	4.10850%	4.10850%	
19	Book depreciation	0	248,289.65	248,289.65	248,289.65	248,289.65	248,540.14	248,540.14	248,540.14	248,540.14	248,540.14	248,540.14	248,540.14	248,540.14	248,594.74	2,981,534.29
20	Tax depreciation-ND		181,648.63	181,648.63	181,648.63	181,648.63	181,648.63	181,648.63	181,648.63	181,648.63	181,648.63	181,648.63	181,648.63	181,648.63	181,648.63	2,179,783.60
21	Tax depreciation-Federal		181,648.63	181,648.63	181,648.63	181,648.63	181,648.63	181,648.63	181,648.63	181,648.63	181,648.63	181,648.63	181,648.63	181,648.63	181,648.63	2,179,783.60
22	Book vs. tax depreciation		66,641.02	66,641.02	66,641.02	66,641.02	66,891.50	66,891.50	66,891.50	66,891.50	66,891.50	66,891.50	66,891.50	66,891.50	66,946.10	801,750.69
23	Federal & State deferred income taxes	0	26,123.55	26,123.55	26,123.55	26,123.55	26,221.74	26,221.74	26,221.74	26,221.74	26,221.74	26,221.74	26,221.74	26,221.74	26,243.14	314,289.48
24																
25	Additional Tax Basis (permanent difference)		(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)
26	Tax Impact-ND		(2,340.48)	(2,340.48)	(2,340.48)	(2,340.48)	(2,340.48)	(2,340.48)	(2,340.48)	(2,340.48)	(2,340.48)	(2,340.48)	(2,340.48)	(2,340.48)	(2,340.48)	(28,085.73)
27	Tax Impact-Federal		(11,857.33)	(11,857.33)	(11,857.33)	(11,857.33)	(11,857.33)	(11,857.33)	(11,857.33)	(11,857.33)	(11,857.33)	(11,857.33)	(11,857.33)	(11,857.33)	(11,857.33)	(142,287.95)
28	Total Tax Impact		(14,197.81)	(14,197.81)	(14,197.81)	(14,197.81)	(14,197.81)	(14,197.81)	(14,197.81)	(14,197.81)	(14,197.81)	(14,197.81)	(14,197.81)	(14,197.81)	(14,197.81)	(170,373.68)

	PROOF	**Jan-14**	**Feb-14**	**Mar-14**	**Apr-14**	**May-14**	**Jun-14**	**Jul-14**	**Aug-14**	**Sep-14**	**Oct-14**	**Nov-14**	**Dec-14**	**Year End 2014**
1	Revenue	661,887.51	661,247.86	678,155.64	758,957.34	720,870.28	657,922.87	696,526.02	655,672.98	644,856.94	680,075.63	672,520.83	614,246.09	8,102,940.01
2														
3	Expenses													
4	O/M and Book Depreciation	339,617.92	338,978.27	355,886.05	436,687.75	398,600.70	335,653.29	374,256.44	333,403.40	322,587.36	357,806.05	350,251.25	291,976.50	4,235,704.95
5	Interest on Debt	86,475.85	86,475.85	86,475.85	86,475.85	86,475.85	86,475.85	86,475.85	86,475.85	86,475.85	86,475.85	86,475.85	86,475.85	1,037,710.24
6														
7	Income Taxes													
8	Current Income Tax	121,986.40	121,986.40	121,986.40	121,986.40	122,084.59	122,084.59	122,084.59	122,084.59	122,084.59	122,084.59	122,084.59	122,105.99	1,464,643.71
9	Deferred Income Tax	(26,123.55)	(26,123.55)	(26,123.55)	(26,123.55)	(26,221.74)	(26,221.74)	(26,221.74)	(26,221.74)	(26,221.74)	(26,221.74)	(26,221.74)	(26,243.14)	(314,289.48)
10	Permanent Tax Difference - 30% Grant	(14,197.81)	(14,197.81)	(14,197.81)	(14,197.81)	(14,197.81)	(14,197.81)	(14,197.81)	(14,197.81)	(14,197.81)	(14,197.81)	(14,197.81)	(14,197.81)	(170,373.68)
11	Federal Production Tax Credit													
12	Generated PTC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
13	Deferred PTC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
14	ND Investment Tax Credit													
15	Current ITC	(33,796.18)	(33,796.18)	(33,796.18)	(33,796.18)	(33,796.18)	(33,796.18)	(33,796.18)	(33,796.18)	(33,796.18)	(33,796.18)	(33,796.18)	(33,796.18)	(405,554.14)
16	Deferred ITC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
17	Total Expenses	473,962.64	473,322.99	490,230.77	571,032.47	532,945.42	469,998.01	508,601.16	467,748.12	456,932.08	492,150.77	484,595.97	426,321.22	5,847,841.61
18														
19	Net Income before preferred dividend	187,924.87	187,924.87	187,924.87	187,924.87	187,924.87	187,924.87	187,924.87	187,924.87	187,924.87	187,924.87	187,924.87	187,924.87	2,255,098.40
20	Dividend on Preferred Stock	(5,445.94)	(5,445.94)	(5,445.94)	(5,445.94)	(5,445.94)	(5,445.94)	(5,445.94)	(5,445.94)	(5,445.94)	(5,445.94)	(5,445.94)	(5,445.94)	(65,351.32)
21														
22	Income available for Common Stock	**182,478.92**	**182,478.92**	**182,478.92**	**182,478.92**	**182,478.92**	**182,478.92**	**182,478.92**	**182,478.92**	**182,478.92**	**182,478.92**	**182,478.92**	**182,478.92**	**2,189,747.08**
23														
24	**Average Rate Base**	38,217,148.74	38,217,148.74	38,217,148.74	38,217,148.74	38,217,148.74	38,217,148.74	38,217,148.74	38,217,148.74	38,217,148.74	38,217,148.74	38,217,148.74	38,217,148.74	38,217,148.74
25	Equity Percent	1,697,478.36	1,697,478.36	1,697,478.36	1,697,478.36	1,697,478.36	1,697,478.36	1,697,478.36	1,697,478.36	1,697,478.36	1,697,478.36	1,697,478.36	1,697,478.36	20,369,740.28
26	Return on Equity Check	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**
27														
28	**Tax Calculation**													
29	Income Before Income Taxes													
30	Net Income after prfd	182,478.92	182,478.92	182,478.92	182,478.92	182,478.92	182,478.92	182,478.92	182,478.92	182,478.92	182,478.92	182,478.92	182,478.92	2,189,747.08
31	Less Income Taxes	47,868.87	47,868.87	47,868.87	47,868.87	47,868.87	47,868.87	47,868.87	47,868.87	47,868.87	47,868.87	47,868.87	47,868.87	574,426.42
32	Total	230,347.79	230,347.79	230,347.79	230,347.79	230,347.79	230,347.79	230,347.79	230,347.79	230,347.79	230,347.79	230,347.79	230,347.79	2,764,173.50
33														
34	Book Depreciation	248,289.65	248,289.65	248,289.65	248,289.65	248,540.14	248,540.14	248,540.14	248,540.14	248,540.14	248,540.14	248,540.14	248,594.74	2,981,534.29
35	Tax Depreciation	(181,648.63)	(181,648.63)	(181,648.63)	(181,648.63)	(181,648.63)	(181,648.63)	(181,648.63)	(181,648.63)	(181,648.63)	(181,648.63)	(181,648.63)	(181,648.63)	(2,179,783.60)
36	Tax Depreciation - Permanent Difference	14,197.81	14,197.81	14,197.81	14,197.81	14,197.81	14,197.81	14,197.81	14,197.81	14,197.81	14,197.81	14,197.81	14,197.81	170,373.68
37	Taxable income	311,186.62	311,186.62	311,186.62	311,186.62	311,437.10	311,437.10	311,437.10	311,437.10	311,437.10	311,437.10	311,437.10	311,491.70	3,736,297.86
38	Current income tax	121,986.40	121,986.40	121,986.40	121,986.40	122,084.59	122,084.59	122,084.59	122,084.59	122,084.59	122,084.59	122,084.59	122,105.99	1,464,643.71
39	Tie to RR calculation													
40	Total Tax	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
41	Income Requirement for Return	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Otter Tail Power Company
North Dakota Renewable Resource Rider
Luverne Wind Farm

Line		2014 Balance Dec-14	Actual Jan-15	Actual Feb-15	Actual Mar-15	Actual Apr-15	Actual May-15	Actual Jun-15	2015 Actual Jul-15	Actual Aug-15	Actual Sep-15	Actual Oct-15	Projected Nov-15	Projected Dec-15	2015 YE Balance
1	***RATE BASE***														
2	Plant Balance - Luverne	102,821,414.21	102,821,414.21	102,821,414.21	102,821,414.21	102,821,414.21	102,821,414.21	102,821,414.21	102,858,458.23	102,858,458.23	102,858,458.23	102,858,458.23	102,859,163.11	102,859,163.11	
3	Less: Federal Grant	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	
4	Accumulated. Depreciation	(15,049,359.42)	(15,297,949.30)	(15,546,539.18)	(15,795,129.06)	(16,043,718.93)	(16,292,308.81)	(16,540,898.69)	(16,789,488.57)	(17,038,205.23)	(17,286,921.88)	(17,535,638.53)	(17,784,355.19)	(18,033,074.25)	
5	Net Plant in Service	57,589,950.79	57,341,360.91	57,092,771.03	56,844,181.15	56,595,591.28	56,347,001.40	56,098,411.52	55,886,865.66	55,638,149.00	55,389,432.35	55,140,715.70	54,892,703.92	54,643,984.85	
6	Inventory	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
7	ADIT Pro-Rated														
8	Accum. Deferred Inc. Taxes - Fed & State	(22,443,511.54)	(22,347,815.23)	(22,252,118.92)	(22,156,422.61)	(22,060,726.30)	(21,965,029.99)	(21,869,333.68)	(21,773,637.37)	(21,677,891.46)	(21,582,145.55)	(21,486,399.64)	(21,390,653.73)	(21,294,906.87)	
9	Accum. Deferred Inc. Taxes - Basis Difference	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
10	Accum. Deferred Inc. Taxes - Federal PTC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
11	Accum. Deferred Inc. Taxes - ND ITC	15,353,281.21	15,353,281.21	15,353,281.21	15,353,281.21	15,353,281.21	15,353,281.21	15,353,281.21	15,353,281.21	15,353,281.21	15,353,281.21	15,353,281.21	15,353,281.21	15,353,281.21	
12	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC	(5,373,648.42)	(5,373,648.42)	(5,373,648.42)	(5,373,648.42)	(5,373,648.42)	(5,373,648.42)	(5,373,648.42)	(5,373,648.42)	(5,373,648.42)	(5,373,648.42)	(5,373,648.42)	(5,373,648.42)	(5,373,648.42)	
13	Accum. Deferred Inc. Taxes - ND ITC	(12,270,612.37)	(12,218,618.25)	(12,166,624.13)	(12,114,630.01)	(12,062,635.89)	(12,010,641.77)	(11,958,647.65)	(11,906,653.53)	(11,854,659.41)	(11,802,665.29)	(11,750,671.17)	(11,698,677.05)	(11,646,682.93)	
14	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC	4,294,714.34	4,276,516.40	4,258,318.46	4,240,120.51	4,221,922.57	4,203,724.63	4,185,526.69	4,167,328.75	4,149,130.80	4,130,932.86	4,112,734.92	4,094,536.98	4,076,339.04	
15	End of month rate base	37,150,174.00	37,031,076.61	36,911,979.22	36,792,881.83	36,673,784.44	36,554,687.04	36,435,589.65	36,353,536.28	36,234,361.71	36,115,187.15	35,996,012.59	35,877,542.90	35,758,366.86	
16															
17	Average rate base	38,217,148.74	36,452,706.18	36,452,706.18	36,452,706.18	36,452,706.18	36,452,706.18	36,452,706.18	36,452,706.18	36,452,706.18	36,452,706.18	36,452,706.18	36,452,706.18	36,452,706.18	36,452,706.18
18															
19	Return on Rate Base	3,292,808.64	261,731.95	261,731.95	261,731.95	261,731.95	261,731.95	261,731.95	261,731.95	261,731.95	261,731.95	261,731.95	261,731.95	261,731.95	3,140,783.39
20															
21	Available for return (equity portion of rate base)	2,189,747.08	174,054.08	174,054.08	174,054.08	174,054.08	174,054.08	174,054.08	174,054.08	174,054.08	174,054.08	174,054.08	174,054.08	174,054.08	2,088,648.93
22															
23	***EXPENSES***														
24	*O&M and Depreciation*														
25	Operating Costs		57,475.64	74,535.87	83,749.96	81,147.31	66,832.17	41,535.29	63,238.89	69,944.72	64,614.99	34,427.59	80,824.38	58,540.35	776,867.16
26	Ground Lease Payments		18,581.72	18,581.68	18,581.68	18,581.68	18,581.68	18,581.68	18,581.68	18,581.68	18,581.68	18,581.68	28,663.55	19,748.20	234,228.59
27	Property Tax		10,775.00	10,775.00	10,775.00	10,775.00	10,775.00	10,775.00	10,775.00	10,775.00	10,775.00	10,775.00	10,775.00	10,773.00	129,298.00
28	Book Depreciation	0	248,589.88	248,589.88	248,589.88	248,589.88	248,589.88	248,589.88	248,589.88	248,716.65	248,716.65	248,716.65	248,716.65	248,719.07	2,983,714.83
29	Total O&M and Depreciation Expense	0	335,422.24	352,482.43	361,696.52	359,093.87	344,778.73	319,481.85	341,185.45	348,018.05	342,688.32	312,500.92	368,979.59	337,780.61	4,124,108.58
30															
31	Income before Taxes														
32	Available for return (from above)		174,054.08	174,054.08	174,054.08	174,054.08	174,054.08	174,054.08	174,054.08	174,054.08	174,054.08	174,054.08	174,054.08	174,054.08	2,088,648.93
33	Less book tax credits - Federal PTC	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
34	Less book tax credits - ND ITC		(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(623,929.44)
35	ND ITC - Federal impact		18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	218,375.30
36	Adjusted Income before interest and taxes		140,257.90	140,257.90	140,257.90	140,257.90	140,257.90	140,257.90	140,257.90	140,257.90	140,257.90	140,257.90	140,257.90	140,257.90	1,683,094.80
37	Taxable Income (grossed up)	1.642743	230,407.66	230,407.66	230,407.66	230,407.66	230,407.66	230,407.66	230,407.66	230,407.66	230,407.66	230,407.66	230,407.66	230,407.66	2,764,891.95
38															
39	Income Taxes														
40	Current and Def Income Taxes	39.126%	90,149.76	90,149.76	90,149.76	90,149.76	90,149.76	90,149.76	90,149.76	90,149.76	90,149.76	90,149.76	90,149.76	90,149.76	1,081,797.15
41	Tax Adjustment for Additional Tax Basis	32.778%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
42	Federal PTC	6.348%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
43	ND ITC		(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(623,929.44)
44	ND ITC - Federal impact		18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	218,375.30
45	Total Income Tax Expense		56,353.58	56,353.58	56,353.58	56,353.58	56,353.58	56,353.58	56,353.58	56,353.58	56,353.58	56,353.58	56,353.58	56,353.58	676,243.02
46															
47															
48	***REVENUE REQUIRMENTS***														
49	Expenses		391,775.82	408,836.01	418,050.10	415,447.45	401,132.31	375,835.43	397,539.03	404,371.64	399,041.91	368,854.51	425,333.17	394,134.20	4,800,351.60
50	Return on rate base		261,731.95	261,731.95	261,731.95	261,731.95	261,731.95	261,731.95	261,731.95	261,731.95	261,731.95	261,731.95	261,731.95	261,731.95	3,140,783.39
51															
52	Total revenue requirements		653,507.77	670,567.96	679,782.05	677,179.40	662,864.26	637,567.38	659,270.98	666,103.59	660,773.86	630,586.46	687,065.12	655,866.15	7,941,134.99
53															
54	North Dakota share - E2 factor	41.018%	268,055.66	275,053.40	278,832.83	277,765.28	271,893.50	261,517.23	270,419.61	273,222.20	271,036.06	258,653.80	281,820.20	269,023.01	**3,257,292.77**

Otter Tail Power Company
North Dakota Renewable Resource Rider
Luverne Wind Farm

Line		2014				2015										
	SUPPORTING INFORMATION / DATA															
1	MN Capstructure with allowed ROE per order.															
2	Capital Structure		Ratio	Cost	WA Cost											
3	Debt		43.10%	6.30%	2.72%											
4	Preferred equity		3.60%	4.75%	0.17%											
5	Common equity		53.30%	10.75%	5.73%											
6	Total		100.00%		8.62%											
7																
8																
9	**Federal Production Tax Credit**															
10	Federal PTC Rate		$26.000	$26.000	$26.000	$26.000	$26.000	$26.000	$26.000	$26.000	$26.000	$26.000	$26.000	$26.000	$26.000	$26.000
11	Output (MWH) / month	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Federal PTC Available based on production	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13	Federal PTC Used on tax return		0	0	0	0	0	0	0	0	0	0	0	0	0	0
14	Deferred		0	0	0	0	0	0	0	0	0	0	0	0	0	0
15	Accumulated Deferred															0
16																
17	**Deferred Tax**															
18	Book depr. rate		4.10670%	4.10670%	4.10670%	4.10670%	4.10670%	4.10670%	4.10670%	4.10670%	4.10670%	4.10670%	4.10670%	4.10670%	4.10670%	
19	Book depreciation	0	248,589.88	248,589.88	248,589.88	248,589.88	248,589.88	248,589.88	248,589.88	248,716.65	248,716.65	248,716.65	248,716.65	248,719.07	2,983,714.83	
20	Tax depreciation-ND		4,006.18	4,006.18	4,006.18	4,006.18	4,006.18	4,006.18	4,006.18	4,006.18	4,006.18	4,006.18	4,006.18	4,006.18	48,074.10	
21	Tax depreciation-Federal		4,006.18	4,006.18	4,006.18	4,006.18	4,006.18	4,006.18	4,006.18	4,006.18	4,006.18	4,006.18	4,006.18	4,006.18	48,074.10	
22	Book vs. tax depreciation		244,583.70	244,583.70	244,583.70	244,583.70	244,583.70	244,583.70	244,583.70	244,710.48	244,710.48	244,710.48	244,710.48	244,712.89	2,935,640.73	
23	Federal & State deferred income taxes	0	95,696.31	95,696.31	95,696.31	95,696.31	95,696.31	95,696.31	95,696.31	95,745.91	95,745.91	95,745.91	95,745.91	95,746.85	1,148,604.66	
24																
25	Additional Tax Basis (permanent difference)		(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	
26	Tax Impact-ND		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
27	Tax Impact-Federal		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
28	Total Tax Impact		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	

	PROOF	**Jan-15**	**Feb-15**	**Mar-15**	**Apr-15**	**May-15**	**Jun-15**	**Jul-15**	**Aug-15**	**Sep-15**	**Oct-15**	**Nov-15**	**Dec-15**	**Year End 2015**
1	Revenue	653,507.77	670,567.96	679,782.05	677,179.40	662,864.26	637,567.38	659,270.98	666,103.59	660,773.86	630,586.46	687,065.12	655,866.15	7,941,134.99
2														
3	Expenses													
4	O/M and Book Depreciation	335,422.24	352,482.43	361,696.52	359,093.87	344,778.73	319,481.85	341,185.45	348,018.05	342,688.32	312,500.92	368,979.59	337,780.61	4,124,108.58
5	Interest on Debt	82,483.36	82,483.36	82,483.36	82,483.36	82,483.36	82,483.36	82,483.36	82,483.36	82,483.36	82,483.36	82,483.36	82,483.36	989,800.33
6														
7	Income Taxes													
8	Current Income Tax	185,846.07	185,846.07	185,846.07	185,846.07	185,846.07	185,846.07	185,846.07	185,895.67	185,895.67	185,895.67	185,895.67	185,896.62	2,230,401.82
9	Deferred Income Tax	(95,696.31)	(95,696.31)	(95,696.31)	(95,696.31)	(95,696.31)	(95,696.31)	(95,696.31)	(95,745.91)	(95,745.91)	(95,745.91)	(95,745.91)	(95,746.85)	(1,148,604.66)
10	Permanent Tax Difference - 30% Grant	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11	Federal Production Tax Credit													
12	Generated PTC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
13	Deferred PTC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
14	ND Investment Tax Credit													
15	Current ITC	(33,796.18)	(33,796.18)	(33,796.18)	(33,796.18)	(33,796.18)	(33,796.18)	(33,796.18)	(33,796.18)	(33,796.18)	(33,796.18)	(33,796.18)	(33,796.18)	(405,554.14)
16	Deferred ITC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
17	Total Expenses	474,259.19	491,319.38	500,533.47	497,930.82	483,615.68	458,318.80	480,022.40	486,855.00	481,525.27	451,337.87	507,816.53	476,617.56	5,790,151.93
18														
19	Net Income before preferred dividend	179,248.59	179,248.59	179,248.59	179,248.59	179,248.59	179,248.59	179,248.59	179,248.59	179,248.59	179,248.59	179,248.59	179,248.59	2,150,983.06
20	Dividend on Preferred Stock	(5,194.51)	(5,194.51)	(5,194.51)	(5,194.51)	(5,194.51)	(5,194.51)	(5,194.51)	(5,194.51)	(5,194.51)	(5,194.51)	(5,194.51)	(5,194.51)	(62,334.13)
21														
22	Income available for Common Stock	**174,054.08**	**174,054.08**	**174,054.08**	**174,054.08**	**174,054.08**	**174,054.08**	**174,054.08**	**174,054.08**	**174,054.08**	**174,054.08**	**174,054.08**	**174,054.08**	**2,088,648.93**
23														
24	**Average Rate Base**	36,452,706.18	36,452,706.18	36,452,706.18	36,452,706.18	36,452,706.18	36,452,706.18	36,452,706.18	36,452,706.18	36,452,706.18	36,452,706.18	36,452,706.18	36,452,706.18	36,452,706.18
25	Equity Percent	1,619,107.70	1,619,107.70	1,619,107.70	1,619,107.70	1,619,107.70	1,619,107.70	1,619,107.70	1,619,107.70	1,619,107.70	1,619,107.70	1,619,107.70	1,619,107.70	19,429,292.39
26	Return on Equity Check	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**
27														
28	**Tax Calculation**													
29	Income Before Income Taxes													
30	Net Income after prfd	174,054.08	174,054.08	174,054.08	174,054.08	174,054.08	174,054.08	174,054.08	174,054.08	174,054.08	174,054.08	174,054.08	174,054.08	2,088,648.93
31	Less Income Taxes	56,353.58	56,353.58	56,353.58	56,353.58	56,353.58	56,353.58	56,353.58	56,353.58	56,353.58	56,353.58	56,353.58	56,353.58	676,243.02
32	Total	230,407.66	230,407.66	230,407.66	230,407.66	230,407.66	230,407.66	230,407.66	230,407.66	230,407.66	230,407.66	230,407.66	230,407.66	2,764,891.95
33														
34	Book Depreciation	248,589.88	248,589.88	248,589.88	248,589.88	248,589.88	248,589.88	248,589.88	248,716.65	248,716.65	248,716.65	248,716.65	248,719.07	2,983,714.83
35	Tax Depreciation	(4,006.18)	(4,006.18)	(4,006.18)	(4,006.18)	(4,006.18)	(4,006.18)	(4,006.18)	(4,006.18)	(4,006.18)	(4,006.18)	(4,006.18)	(4,006.18)	(48,074.10)
36	Tax Depreciation - Permanent Difference	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
37	Taxable income	474,991.37	474,991.37	474,991.37	474,991.37	474,991.37	474,991.37	474,991.37	475,118.14	475,118.14	475,118.14	475,118.14	475,120.55	5,700,532.68
38	Current income tax	185,846.07	185,846.07	185,846.07	185,846.07	185,846.07	185,846.07	185,846.07	185,895.67	185,895.67	185,895.67	185,895.67	185,896.62	2,230,401.82
39	Tie to RR calculation													
40	Total Tax	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
41	Income Requirement for Return	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Otter Tail Power Company
North Dakota Renewable Resource Rider
Luverne Wind Farm

Line		2015 Balance Dec-15	Projected Jan-16	Projected Feb-16	Projected Mar-16	Projected Apr-16	Projected May-16	Projected Jun-16	2016 Projected Jul-16	Projected Aug-16	Projected Sep-16	Projected Oct-16	Projected Nov-16	Projected Dec-16	2016 YE Balance
1	***RATE BASE***														
2	Plant Balance - Luverne	102,859,163.11	102,859,163.11	102,859,163.11	102,859,163.11	102,859,163.11	102,859,163.11	102,859,163.11	102,859,163.11	102,859,163.11	102,859,163.11	102,859,163.11	102,859,163.11	102,859,163.11	
3	Less: Federal Grant	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	
4	Accumulated. Depreciation	(18,033,074.25)	(18,281,351.20)	(18,529,628.14)	(18,777,905.09)	(19,026,182.04)	(19,274,458.98)	(19,522,735.93)	(19,771,012.88)	(20,019,289.83)	(20,267,566.77)	(20,515,843.72)	(20,764,120.67)	(21,012,397.61)	
5	Net Plant in Service	54,643,984.85	54,395,707.91	54,147,430.96	53,899,154.01	53,650,877.07	53,402,600.12	53,154,323.17	52,906,046.23	52,657,769.28	52,409,492.33	52,161,215.39	51,912,938.44	51,664,661.49	
6	Inventory	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
7	ADIT Pro-Rated		0.917808	0.841096	0.756164	0.673973	0.589041	0.506849	0.421918	0.336986	0.254795	0.169863	0.087671	0.002740	
8	Accum. Deferred Inc. Taxes - Fed & State	(21,294,906.87)	(21,207,094.40)	(21,126,621.48)	(21,054,274.48)	(20,989,791.29)	(20,933,434.03)	(20,884,940.58)	(20,844,573.05)	(20,812,331.46)	(20,787,953.66)	(20,771,701.80)	(20,763,313.75)	(20,763,051.62)	
9	Accum. Deferred Inc. Taxes - Basis Difference	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
10	Accum. Deferred Inc. Taxes - Federal PTC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
11	Accum. Deferred Inc. Taxes - ND ITC	15,353,281.21	15,353,281.21	15,353,281.21	15,353,281.21	15,353,281.21	15,353,281.21	15,353,281.21	15,353,281.21	15,353,281.21	15,353,281.21	15,353,281.21	15,353,281.21	15,353,281.21	
12	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC	(5,373,648.42)	(5,373,648.42)	(5,373,648.42)	(5,373,648.42)	(5,373,648.42)	(5,373,648.42)	(5,373,648.42)	(5,373,648.42)	(5,373,648.42)	(5,373,648.42)	(5,373,648.42)	(5,373,648.42)	(5,373,648.42)	
13	Accum. Deferred Inc. Taxes - ND ITC	(11,646,682.93)	(11,598,962.30)	(11,555,230.26)	(11,515,914.16)	(11,480,871.55)	(11,450,244.87)	(11,423,891.69)	(11,401,954.44)	(11,384,433.14)	(11,371,185.32)	(11,362,353.44)	(11,357,795.05)	(11,357,652.60)	
14	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC	4,076,339.04	4,059,636.82	4,044,330.60	4,030,569.97	4,018,305.05	4,007,585.72	3,998,362.10	3,990,684.07	3,984,551.61	3,979,914.87	3,976,823.72	3,975,228.28	3,975,178.42	
15	End of month rate base	35,758,366.86	35,628,921.72	35,489,543.45	35,339,168.88	35,178,152.73	35,006,140.30	34,823,486.30	34,629,836.00	34,425,189.41	34,209,901.26	33,983,616.81	33,746,690.79	33,498,768.47	
16															
17	Average rate base	36,452,706.18	34,747,521.77	34,747,521.77	34,747,521.77	34,747,521.77	34,747,521.77	34,747,521.77	34,747,521.77	34,747,521.77	34,747,521.77	34,747,521.77	34,747,521.77	34,747,521.77	34,747,521.77
18															
19	Return on Rate Base		249,488.65	249,488.65	249,488.65	249,488.65	249,488.65	249,488.65	249,488.65	249,488.65	249,488.65	249,488.65	249,488.65	249,488.65	2,993,863.85
20															
21	Available for return (equity portion of rate base)		165,912.18	165,912.18	165,912.18	165,912.18	165,912.18	165,912.18	165,912.18	165,912.18	165,912.18	165,912.18	165,912.18	165,912.18	1,990,946.13
22															
23	***EXPENSES***														
24	*O&M and Depreciation*														
25	Operating Costs		100,992.37	58,941.87	59,124.11	84,566.53	36,395.06	58,000.03	58,000.18	58,000.18	83,750.18	83,750.18	58,000.18	58,000.18	797,521.04
26	Ground Lease Payments		19,421.68	19,421.68	19,421.68	19,421.68	19,421.68	19,421.90	19,421.90	19,421.90	19,421.90	19,421.90	19,421.90	19,421.90	233,061.67
27	Property Tax		10,149.00	10,149.00	10,149.00	10,149.00	10,149.00	10,149.00	10,149.00	10,149.00	10,149.00	10,149.00	10,149.00	10,153.00	121,792.00
28	Book Depreciation	0	248,276.95	248,276.95	248,276.95	248,276.95	248,276.95	248,276.95	248,276.95	248,276.95	248,276.95	248,276.95	248,276.95	248,276.95	2,979,323.36
29	Total O&M and Depreciation Expense	0	378,840.00	336,789.50	336,971.74	362,414.16	314,242.69	335,847.88	335,848.02	335,848.02	361,598.02	361,598.02	335,848.02	335,852.02	4,131,698.07
30															
31	Income before Taxes														
32	Available for return (from above)		165,912.18	165,912.18	165,912.18	165,912.18	165,912.18	165,912.18	165,912.18	165,912.18	165,912.18	165,912.18	165,912.18	165,912.18	1,990,946.13
33	Less book tax credits - Federal PTC	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
34	Less book tax credits - ND ITC		(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(623,929.44)
35	ND ITC - Federal impact		18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	218,375.30
36	Adjusted Income before interest and taxes		132,116.00	132,116.00	132,116.00	132,116.00	132,116.00	132,116.00	132,116.00	132,116.00	132,116.00	132,116.00	132,116.00	132,116.00	1,585,391.99
37	Taxable Income (grossed up)	1.642743	217,032.61	217,032.61	217,032.61	217,032.61	217,032.61	217,032.61	217,032.61	217,032.61	217,032.61	217,032.61	217,032.61	217,032.61	2,604,391.37
38															
39	Income Taxes														
40	Current and Def Income Taxes	39.126%	84,916.61	84,916.61	84,916.61	84,916.61	84,916.61	84,916.61	84,916.61	84,916.61	84,916.61	84,916.61	84,916.61	84,916.61	1,018,999.38
41	Tax Adjustment for Additional Tax Basis	32.778%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
42	Federal PTC	6.348%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
43	ND ITC	x	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(623,929.44)
44	ND ITC - Federal impact		18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	218,375.30
45	Total Income Tax Expense		51,120.44	51,120.44	51,120.44	51,120.44	51,120.44	51,120.44	51,120.44	51,120.44	51,120.44	51,120.44	51,120.44	51,120.44	613,445.24
46															
47															
48	***REVENUE REQUIRMENTS***														
49	Expenses		429,960.44	387,909.94	388,092.17	413,534.59	365,363.12	386,968.31	386,968.46	386,968.46	412,718.46	412,718.46	386,968.46	386,972.46	4,745,143.31
50	Return on rate base		249,488.65	249,488.65	249,488.65	249,488.65	249,488.65	249,488.65	249,488.65	249,488.65	249,488.65	249,488.65	249,488.65	249,488.65	2,993,863.85
51															
52	Total revenue requirements		679,449.09	637,398.59	637,580.83	663,023.25	614,851.78	636,456.97	636,457.11	636,457.11	662,207.11	662,207.11	636,457.11	636,461.11	7,739,007.16
53															
54	North Dakota share - E2 factor	41.018%	278,696.26	261,447.99	261,522.74	271,958.71	252,199.75	261,061.76	261,061.82	261,061.82	271,623.95	271,623.95	261,061.82	261,063.46	**3,174,384.02**

Otter Tail Power Company
North Dakota Renewable Resource Rider
Luverne Wind Farm

Line		2015				2016										
	SUPPORTING INFORMATION / DATA															
1	MN Capstructure with allowed ROE per order.															
2	Capital Structure		Ratio	Cost	WA Cost											
3	Debt		43.10%	6.30%	2.72%											
4	Preferred equity		3.60%	4.75%	0.17%											
5	Common equity		53.30%	10.75%	5.73%											
6	Total		100.00%		8.62%											
7																
8																
9	**Federal Production Tax Credit**															
10	Federal PTC Rate		$26.000	$26.000	$26.000	$26.000	$26.000	$26.000	$26.000	$26.000	$26.000	$26.000	$26.000	$26.000	$26.000	$26.000
11	Output (MWH) / month	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Federal PTC Available based on production	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13	Federal PTC Used on tax return		0	0	0	0	0	0	0	0	0	0	0	0	0	0
14	Deferred		0	0	0	0	0	0	0	0	0	0	0	0	0	0
15	Accumulated Deferred															0
16																
17	**Deferred Tax**															
18	Book depr. rate		4.09940%	4.09940%	4.09940%	4.09940%	4.09940%	4.09940%	4.09940%	4.09940%	4.09940%	4.09940%	4.09940%	4.09940%	4.09940%	
19	Book depreciation	0	248,276.95	248,276.95	248,276.95	248,276.95	248,276.95	248,276.95	248,276.95	248,276.95	248,276.95	248,276.95	248,276.95	248,276.95	248,276.95	2,979,323.36
20	Tax depreciation-ND		3,744.44	3,744.44	3,744.44	3,744.44	3,744.44	3,744.44	3,744.44	3,744.44	3,744.44	3,744.44	3,744.44	3,744.44	3,744.44	44,933.27
21	Tax depreciation-Federal		3,744.44	3,744.44	3,744.44	3,744.44	3,744.44	3,744.44	3,744.44	3,744.44	3,744.44	3,744.44	3,744.44	3,744.44	3,744.44	44,933.27
22	Book vs. tax depreciation		244,532.51	244,532.51	244,532.51	244,532.51	244,532.51	244,532.51	244,532.51	244,532.51	244,532.51	244,532.51	244,532.51	244,532.51	244,532.51	2,934,390.09
23	Federal & State deferred income taxes	0	95,676.28	95,676.28	95,676.28	95,676.28	95,676.28	95,676.28	95,676.28	95,676.28	95,676.28	95,676.28	95,676.28	95,676.28	95,676.28	1,148,115.34
24																
25	Additional Tax Basis (permanent difference)		(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)
26	Tax Impact-ND		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
27	Tax Impact-Federal		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
28	Total Tax Impact		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	PROOF		**Jan-16**	**Feb-16**	**Mar-16**	**Apr-16**	**May-16**	**Jun-16**	**Jul-16**	**Aug-16**	**Sep-16**	**Oct-16**	**Nov-16**	**Dec-16**	**Year End 2016**	
1	Revenue		679,449.09	637,398.59	637,580.83	663,023.25	614,851.78	636,456.97	636,457.11	636,457.11	662,207.11	662,207.11	636,457.11	636,461.11	7,739,007.16	
2																
3	Expenses															
4	O/M and Book Depreciation		378,840.00	336,789.50	336,971.74	362,414.16	314,242.69	335,847.88	335,848.02	335,848.02	361,598.02	361,598.02	335,848.02	335,852.02	4,131,698.07	
5	Interest on Debt		78,624.95	78,624.95	78,624.95	78,624.95	78,624.95	78,624.95	78,624.95	78,624.95	78,624.95	78,624.95	78,624.95	78,624.95	943,499.46	
6																
7	Income Taxes															
8	Current Income Tax		180,592.89	180,592.89	180,592.89	180,592.89	180,592.89	180,592.89	180,592.89	180,592.89	180,592.89	180,592.89	180,592.89	180,592.89	2,167,114.71	
9	Deferred Income Tax		(95,676.28)	(95,676.28)	(95,676.28)	(95,676.28)	(95,676.28)	(95,676.28)	(95,676.28)	(95,676.28)	(95,676.28)	(95,676.28)	(95,676.28)	(95,676.28)	(1,148,115.34)	
10	Permanent Tax Difference - 30% Grant		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
11	Federal Production Tax Credit															
12	Generated PTC		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
13	Deferred PTC		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
14	ND Investment Tax Credit															
15	Current ITC		(33,796.18)	(33,796.18)	(33,796.18)	(33,796.18)	(33,796.18)	(33,796.18)	(33,796.18)	(33,796.18)	(33,796.18)	(33,796.18)	(33,796.18)	(33,796.18)	(405,554.14)	
16	Deferred ITC		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
17	Total Expenses		508,585.39	466,534.89	466,717.13	492,159.55	443,988.08	465,593.27	465,593.41	465,593.41	491,343.41	491,343.41	465,593.41	465,597.41	5,688,642.77	
18																
19	Net Income before preferred dividend		170,863.70	170,863.70	170,863.70	170,863.70	170,863.70	170,863.70	170,863.70	170,863.70	170,863.70	170,863.70	170,863.70	170,863.70	2,050,364.39	
20	Dividend on Preferred Stock		(4,951.52)	(4,951.52)	(4,951.52)	(4,951.52)	(4,951.52)	(4,951.52)	(4,951.52)	(4,951.52)	(4,951.52)	(4,951.52)	(4,951.52)	(4,951.52)	(59,418.26)	
21																
22	Income available for Common Stock		**165,912.18**	**165,912.18**	**165,912.18**	**165,912.18**	**165,912.18**	**165,912.18**	**165,912.18**	**165,912.18**	**165,912.18**	**165,912.18**	**165,912.18**	**165,912.18**	**1,990,946.13**	
23																
24	**Average Rate Base**		34,747,521.77	34,747,521.77	34,747,521.77	34,747,521.77	34,747,521.77	34,747,521.77	34,747,521.77	34,747,521.77	34,747,521.77	34,747,521.77	34,747,521.77	34,747,521.77	34,747,521.77	
25	Equity Percent		1,543,369.09	1,543,369.09	1,543,369.09	1,543,369.09	1,543,369.09	1,543,369.09	1,543,369.09	1,543,369.09	1,543,369.09	1,543,369.09	1,543,369.09	1,543,369.09	18,520,429.10	
26	Return on Equity Check		**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	
27																
28	**Tax Calculation**															
29	Income Before Income Taxes															
30	Net Income after prfd		165,912.18	165,912.18	165,912.18	165,912.18	165,912.18	165,912.18	165,912.18	165,912.18	165,912.18	165,912.18	165,912.18	165,912.18	1,990,946.13	
31	Less Income Taxes		51,120.44	51,120.44	51,120.44	51,120.44	51,120.44	51,120.44	51,120.44	51,120.44	51,120.44	51,120.44	51,120.44	51,120.44	613,445.24	
32	Total		217,032.61	217,032.61	217,032.61	217,032.61	217,032.61	217,032.61	217,032.61	217,032.61	217,032.61	217,032.61	217,032.61	217,032.61	2,604,391.37	
33																
34	Book Depreciation		248,276.95	248,276.95	248,276.95	248,276.95	248,276.95	248,276.95	248,276.95	248,276.95	248,276.95	248,276.95	248,276.95	248,276.95	2,979,323.36	
35	Tax Depreciation		(3,744.44)	(3,744.44)	(3,744.44)	(3,744.44)	(3,744.44)	(3,744.44)	(3,744.44)	(3,744.44)	(3,744.44)	(3,744.44)	(3,744.44)	(3,744.44)	(44,933.27)	
36	Tax Depreciation - Permanent Difference		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
37	Taxable income		461,565.12	461,565.12	461,565.12	461,565.12	461,565.12	461,565.12	461,565.12	461,565.12	461,565.12	461,565.12	461,565.12	461,565.12	5,538,781.46	
38	Current income tax		180,592.89	180,592.89	180,592.89	180,592.89	180,592.89	180,592.89	180,592.89	180,592.89	180,592.89	180,592.89	180,592.89	180,592.89	2,167,114.71	
39	Tie to RR calculation															
40	Total Tax		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
41	Income Requirement for Return		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	

Otter Tail Power Company
North Dakota Renewable Resource Rider
Luverne Wind Farm

Line			2016 Balance Dec-16	Projected Jan-17	Projected Feb-17	Projected Mar-17	Projected Apr-17	Projected May-17	Projected Jun-17	2017 Projected Jul-17	Projected Aug-17	Projected Sep-17	Projected Oct-17	Projected Nov-17	Projected Dec-17	2017 YE Balance
1	***RATE BASE***															
2	Plant Balance - Luverne		102,859,163.11	102,859,163.11	102,859,163.11	102,859,163.11	102,859,163.11	102,859,163.11	102,859,163.11	102,859,163.11	102,859,163.11	102,859,163.11	102,859,163.11	102,859,163.11	102,859,163.11	
3	Less: Federal Grant		(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	(30,182,104.00)	
4	Accumulated. Depreciation		(21,012,397.61)	(21,260,674.56)	(21,508,951.51)	(21,757,228.45)	(22,005,505.40)	(22,253,782.35)	(22,502,059.29)	(22,750,336.24)	(22,998,613.19)	(23,246,890.13)	(23,495,167.08)	(23,743,444.03)	(23,991,720.97)	
5	Net Plant in Service		51,664,661.49	51,416,384.55	51,168,107.60	50,919,830.65	50,671,553.71	50,423,276.76	50,174,999.81	49,926,722.87	49,678,445.92	49,430,168.97	49,181,892.03	48,933,615.08	48,685,338.13	
6	Inventory		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
7	ADIT Pro-Rated			0.917808	0.841096	0.756164	0.673973	0.589041	0.506849	0.421918	0.336986	0.254795	0.169863	0.087671	0.002740	
8	Accum. Deferred Inc. Taxes - Fed & State		(20,763,051.62)	(20,674,658.94)	(20,593,654.31)	(20,520,829.29)	(20,455,920.04)	(20,399,190.41)	(20,350,376.54)	(20,309,742.30)	(20,277,287.67)	(20,252,748.81)	(20,236,389.57)	(20,227,946.09)	(20,227,682.23)	
9	Accum. Deferred Inc. Taxes - Basis Difference		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
10	Accum. Deferred Inc. Taxes - Federal PTC		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
11	Accum. Deferred Inc. Taxes - ND ITC		15,353,281.21	15,353,281.21	15,353,281.21	15,353,281.21	15,353,281.21	15,353,281.21	15,353,281.21	15,353,281.21	15,353,281.21	15,353,281.21	15,353,281.21	15,353,281.21	15,353,281.21	
12	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC		(5,373,648.42)	(5,373,648.42)	(5,373,648.42)	(5,373,648.42)	(5,373,648.42)	(5,373,648.42)	(5,373,648.42)	(5,373,648.42)	(5,373,648.42)	(5,373,648.42)	(5,373,648.42)	(5,373,648.42)	(5,373,648.42)	
13	Accum. Deferred Inc. Taxes - ND ITC		(11,357,652.60)	(11,309,931.97)	(11,266,199.93)	(11,226,883.83)	(11,191,841.22)	(11,161,214.55)	(11,134,861.36)	(11,112,924.12)	(11,095,402.81)	(11,082,154.99)	(11,073,323.12)	(11,068,764.73)	(11,068,622.28)	
14	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC		3,975,178.42	3,958,476.20	3,943,169.99	3,929,409.35	3,917,144.44	3,906,425.10	3,897,201.49	3,889,523.45	3,883,390.99	3,878,754.26	3,875,663.10	3,874,067.66	3,874,017.81	
15	End of month rate base		33,498,768.47	33,369,903.53	33,231,056.97	33,081,160.42	32,920,570.34	32,748,930.27	32,566,596.68	32,373,213.11	32,168,779.55	31,953,652.46	31,727,475.40	31,490,604.80	31,242,684.22	
16																
17	Average rate base		34,747,521.77	32,490,261.25	32,490,261.25	32,490,261.25	32,490,261.25	32,490,261.25	32,490,261.25	32,490,261.25	32,490,261.25	32,490,261.25	32,490,261.25	32,490,261.25	32,490,261.25	32,490,261.25
18																
19	Return on Rate Base			233,281.43	233,281.43	233,281.43	233,281.43	233,281.43	233,281.43	233,281.43	233,281.43	233,281.43	233,281.43	233,281.43	233,281.43	2,799,377.15
20																
21	Available for return (equity portion of rate base)			155,134.23	155,134.23	155,134.23	155,134.23	155,134.23	155,134.23	155,134.23	155,134.23	155,134.23	155,134.23	155,134.23	155,134.23	1,861,610.74
22																
23	***EXPENSES***															
24	*O&M and Depreciation*															
25	Operating Costs			104,022.18	60,710.16	60,897.86	87,103.46	37,486.85	59,739.97	59,740.12	59,740.12	86,262.62	86,262.62	59,740.12	59,740.12	821,446.18
26	Ground Lease Payments			20,004.33	20,004.33	20,004.33	20,004.33	20,004.33	20,004.55	20,004.55	20,004.55	20,004.55	20,004.55	20,004.55	20,004.55	240,053.52
27	Property Tax			9,654.72	9,654.72	9,654.72	9,654.72	9,654.72	9,654.72	9,654.72	9,654.72	9,654.72	9,654.72	9,654.72	9,648.96	115,850.88
28	Book Depreciation		0	248,276.95	248,276.95	248,276.95	248,276.95	248,276.95	248,276.95	248,276.95	248,276.95	248,276.95	248,276.95	248,276.95	248,276.95	2,979,323.36
29	Total O&M and Depreciation Expense		0	381,958.17	338,646.16	338,833.86	365,039.46	315,422.85	337,676.19	337,676.34	337,676.34	364,198.84	364,198.84	337,676.34	337,670.58	4,156,673.95
30																
31	Income before Taxes															
32	Available for return (from above)			155,134.23	155,134.23	155,134.23	155,134.23	155,134.23	155,134.23	155,134.23	155,134.23	155,134.23	155,134.23	155,134.23	155,134.23	1,861,610.74
33	Less book tax credits - Federal PTC		0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
34	Less book tax credits - ND ITC			(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(623,929.44)
35	ND ITC - Federal impact			18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	218,375.30
36	Adjusted Income before interest and taxes			121,338.05	121,338.05	121,338.05	121,338.05	121,338.05	121,338.05	121,338.05	121,338.05	121,338.05	121,338.05	121,338.05	121,338.05	1,456,056.61
37	Taxable Income (grossed up)		1.642743	199,327.22	199,327.22	199,327.22	199,327.22	199,327.22	199,327.22	199,327.22	199,327.22	199,327.22	199,327.22	199,327.22	199,327.22	2,391,926.59
38																
39	Income Taxes															
40	Current and Def Income Taxes		39.126%	77,989.17	77,989.17	77,989.17	77,989.17	77,989.17	77,989.17	77,989.17	77,989.17	77,989.17	77,989.17	77,989.17	77,989.17	935,869.98
41	Tax Adjustment for Additional Tax Basis		32.778%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
42	Federal PTC		6.348%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
43	ND ITC	x		(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(51,994.12)	(623,929.44)
44	ND ITC - Federal impact			18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	18,197.94	218,375.30
45	Total Income Tax Expense			44,192.99	44,192.99	44,192.99	44,192.99	44,192.99	44,192.99	44,192.99	44,192.99	44,192.99	44,192.99	44,192.99	44,192.99	530,315.85
46																
47																
48	***REVENUE REQUIRMENTS***															
49	Expenses			426,151.16	382,839.14	383,026.85	409,232.45	359,615.83	381,869.18	381,869.32	381,869.32	408,391.82	408,391.82	381,869.32	381,863.56	4,686,989.79
50	Return on rate base			233,281.43	233,281.43	233,281.43	233,281.43	233,281.43	233,281.43	233,281.43	233,281.43	233,281.43	233,281.43	233,281.43	233,281.43	2,799,377.15
51																
52	Total revenue requirements			659,432.59	616,120.57	616,308.28	642,513.88	592,897.26	615,150.61	615,150.75	615,150.75	641,673.25	641,673.25	615,150.75	615,144.99	7,486,366.95
53																
54	North Dakota share - E2 factor		41.018%	270,485.89	252,720.18	252,797.18	263,546.18	243,194.45	252,322.32	252,322.38	252,322.38	263,201.37	263,201.37	252,322.38	252,320.02	**3,070,756.12**

Otter Tail Power Company
North Dakota Renewable Resource Rider
Luverne Wind Farm

Line		2016				2017											
	SUPPORTING INFORMATION / DATA																
1	MN Capstructure with allowed ROE per order.																
2	Capital Structure		Ratio	Cost	WA Cost												
3	Debt		43.10%	6.30%	2.72%												
4	Preferred equity		3.60%	4.75%	0.17%												
5	Common equity		53.30%	10.75%	5.73%												
6	Total		100.00%		8.62%												
7																	
8																	
9	**Federal Production Tax Credit**																
10	Federal PTC Rate		$27.000	$27.000	$27.000	$27.000	$27.000	$27.000	$27.000	$27.000	$27.000	$27.000	$27.000	$27.000	$27.000	$27.000	$27.000
11	Output (MWH) / month	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12	Federal PTC Available based on production	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13	Federal PTC Used on tax return		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14	Deferred		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15	Accumulated Deferred																0
16																	
17	**Deferred Tax**																
18	Book depr. rate		4.09940%	4.09940%	4.09940%	4.09940%	4.09940%	4.09940%	4.09940%	4.09940%	4.09940%	4.09940%	4.09940%	4.09940%	4.09940%	4.09940%	
19	Book depreciation	0	248,276.95	248,276.95	248,276.95	248,276.95	248,276.95	248,276.95	248,276.95	248,276.95	248,276.95	248,276.95	248,276.95	248,276.95	248,276.95	248,276.95	2,979,323.36
20	Tax depreciation-ND		2,128.73	2,128.73	2,128.73	2,128.73	2,128.73	2,128.73	2,128.73	2,128.73	2,128.73	2,128.73	2,128.73	2,128.73	2,128.73	2,128.73	25,544.82
21	Tax depreciation-Federal		2,128.73	2,128.73	2,128.73	2,128.73	2,128.73	2,128.73	2,128.73	2,128.73	2,128.73	2,128.73	2,128.73	2,128.73	2,128.73	2,128.73	25,544.82
22	Book vs. tax depreciation		246,148.21	246,148.21	246,148.21	246,148.21	246,148.21	246,148.21	246,148.21	246,148.21	246,148.21	246,148.21	246,148.21	246,148.21	246,148.21	246,148.21	2,953,778.55
23	Federal & State deferred income taxes	0	96,308.44	96,308.44	96,308.44	96,308.44	96,308.44	96,308.44	96,308.44	96,308.44	96,308.44	96,308.44	96,308.44	96,308.44	96,308.44	96,308.44	1,155,701.30
24																	
25	Additional Tax Basis (permanent difference)		(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)	(15,091,052.00)
26	Tax Impact-ND		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
27	Tax Impact-Federal		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
28	Total Tax Impact		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

	PROOF	**Jan-17**	**Feb-17**	**Mar-17**	**Apr-17**	**May-17**	**Jun-17**	**Jul-17**	**Aug-17**	**Sep-17**	**Oct-17**	**Nov-17**	**Dec-17**	**Year End 2017**
1	Revenue	659,432.59	616,120.57	616,308.28	642,513.88	592,897.26	615,150.61	615,150.75	615,150.75	641,673.25	641,673.25	615,150.75	615,144.99	7,486,366.95
2														
3	Expenses													
4	O/M and Book Depreciation	381,958.17	338,646.16	338,833.86	365,039.46	315,422.85	337,676.19	337,676.34	337,676.34	364,198.84	364,198.84	337,676.34	337,670.58	4,156,673.95
5	Interest on Debt	73,517.34	73,517.34	73,517.34	73,517.34	73,517.34	73,517.34	73,517.34	73,517.34	73,517.34	73,517.34	73,517.34	73,517.34	882,208.06
6														
7	Income Taxes													
8	Current Income Tax	174,297.61	174,297.61	174,297.61	174,297.61	174,297.61	174,297.61	174,297.61	174,297.61	174,297.61	174,297.61	174,297.61	174,297.61	2,091,571.28
9	Deferred Income Tax	(96,308.44)	(96,308.44)	(96,308.44)	(96,308.44)	(96,308.44)	(96,308.44)	(96,308.44)	(96,308.44)	(96,308.44)	(96,308.44)	(96,308.44)	(96,308.44)	(1,155,701.30)
10	Permanent Tax Difference - 30% Grant	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11	Federal Production Tax Credit													
12	Generated PTC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
13	Deferred PTC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
14	ND Investment Tax Credit													
15	Current ITC	(33,796.18)	(33,796.18)	(33,796.18)	(33,796.18)	(33,796.18)	(33,796.18)	(33,796.18)	(33,796.18)	(33,796.18)	(33,796.18)	(33,796.18)	(33,796.18)	(405,554.14)
16	Deferred ITC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
17	Total Expenses	499,668.50	456,356.48	456,544.19	482,749.78	433,133.17	455,386.51	455,386.66	455,386.66	481,909.16	481,909.16	455,386.66	455,380.90	5,569,197.86
18														
19	Net Income before preferred dividend	159,764.09	159,764.09	159,764.09	159,764.09	159,764.09	159,764.09	159,764.09	159,764.09	159,764.09	159,764.09	159,764.09	159,764.09	1,917,169.09
20	Dividend on Preferred Stock	(4,629.86)	(4,629.86)	(4,629.86)	(4,629.86)	(4,629.86)	(4,629.86)	(4,629.86)	(4,629.86)	(4,629.86)	(4,629.86)	(4,629.86)	(4,629.86)	(55,558.35)
21														
22	Income available for Common Stock	**155,134.23**	**155,134.23**	**155,134.23**	**155,134.23**	**155,134.23**	**155,134.23**	**155,134.23**	**155,134.23**	**155,134.23**	**155,134.23**	**155,134.23**	**155,134.23**	**1,861,610.74**
23														
24	**Average Rate Base**	32,490,261.25	32,490,261.25	32,490,261.25	32,490,261.25	32,490,261.25	32,490,261.25	32,490,261.25	32,490,261.25	32,490,261.25	32,490,261.25	32,490,261.25	32,490,261.25	32,490,261.25
25	Equity Percent	1,443,109.10	1,443,109.10	1,443,109.10	1,443,109.10	1,443,109.10	1,443,109.10	1,443,109.10	1,443,109.10	1,443,109.10	1,443,109.10	1,443,109.10	1,443,109.10	17,317,309.25
26	Return on Equity Check	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**	**10.75%**
27														
28	**Tax Calculation**													
29	Income Before Income Taxes													
30	Net Income after prfd	155,134.23	155,134.23	155,134.23	155,134.23	155,134.23	155,134.23	155,134.23	155,134.23	155,134.23	155,134.23	155,134.23	155,134.23	1,861,610.74
31	Less Income Taxes	44,192.99	44,192.99	44,192.99	44,192.99	44,192.99	44,192.99	44,192.99	44,192.99	44,192.99	44,192.99	44,192.99	44,192.99	530,315.85
32	Total	199,327.22	199,327.22	199,327.22	199,327.22	199,327.22	199,327.22	199,327.22	199,327.22	199,327.22	199,327.22	199,327.22	199,327.22	2,391,926.59
33														
34	Book Depreciation	248,276.95	248,276.95	248,276.95	248,276.95	248,276.95	248,276.95	248,276.95	248,276.95	248,276.95	248,276.95	248,276.95	248,276.95	2,979,323.36
35	Tax Depreciation	(2,128.73)	(2,128.73)	(2,128.73)	(2,128.73)	(2,128.73)	(2,128.73)	(2,128.73)	(2,128.73)	(2,128.73)	(2,128.73)	(2,128.73)	(2,128.73)	(25,544.82)
36	Tax Depreciation - Permanent Difference	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
37	Taxable income	445,475.43	445,475.43	445,475.43	445,475.43	445,475.43	445,475.43	445,475.43	445,475.43	445,475.43	445,475.43	445,475.43	445,475.43	5,345,705.13
38	Current income tax	174,297.61	174,297.61	174,297.61	174,297.61	174,297.61	174,297.61	174,297.61	174,297.61	174,297.61	174,297.61	174,297.61	174,297.61	2,091,571.28
39	Tie to RR calculation													
40	Total Tax	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
41	Income Requirement for Return	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

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Line		Actual Jan-08	Actual Feb-08	Actual Mar-08	Actual Apr-08	Actual May-08	Actual Jun-08	2008 Actual Jul-08	Actual Aug-08	Actual Sep-08	Actual Oct-08	Actual Nov-08	Actual Dec-08	2008 YE Balance
1	***TRACKER SUMMARY***													
2	***Requirements Compared to Billed:***													
3	Revenue Requirements													
4	Langdon	281,494.92	296,568.68	329,373.24	196,070.17	250,353.49	219,281.40	290,534.84	252,970.93	243,710.83	177,265.85	223,709.78	179,532.92	2,940,867.07
5	Ashtabula	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	231,044.07	264,477.18	495,521.25
6	Luverne	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7	Total	281,494.92	296,568.68	329,373.24	196,070.17	250,353.49	219,281.40	290,534.84	252,970.93	243,710.83	177,265.85	454,753.85	444,010.10	3,436,388.31
8														
9		Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	2008 YE
10	Billed (forecast kWh x adj factor)	0.00	0.00	0.00	0.00	0.00	193,660.03	204,007.50	204,456.69	220,339.60	211,925.43	251,123.26	311,988.63	1,597,501.14
11	Renewable Energy Certificate Sales													
12	Monthly Revenue Difference	281,494.92	298,093.44	332,512.67	201,010.72	255,269.74	31,322.96	92,359.44	54,731.17	29,816.21	(28,090.36)	209,437.55	137,881.33	
13	Cummulative Difference	281,494.92	579,588.37	912,101.04	1,113,111.76	1,368,381.50	1,399,704.46	1,492,063.90	1,546,795.07	1,576,611.29	1,548,520.92	1,757,958.47	1,895,839.80	
14	Deferred 2008 True-up	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
15	Amortization of Deferred 2008 True-up	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
16	Carrying Cost Adj. for rate calculation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
17	Adjusted Cumulative Difference	281,494.92	579,588.37	912,101.04	1,113,111.76	1,368,381.50	1,399,704.46	1,492,063.90	1,546,795.07	1,576,611.29	1,548,520.92	1,757,958.47	1,895,839.80	
18														
19														
20	Carrying Charge Calculation	1,524.76	3,139.44	4,940.55	4,916.24	5,701.59	5,832.10	6,216.93	6,444.98	6,569.21	5,806.95	5,859.86	6,319.47	
21	Cumulative Carrying Charge	1,524.76	4,664.20	9,604.75	14,520.99	20,222.58	26,054.68	32,271.62	38,716.60	45,285.81	51,092.76	56,952.62	63,272.09	
22	Prime Rate	6.50%	6.50%	6.50%	5.30%	5.00%	5.00%	5.00%	5.00%	5.00%	4.50%	4.00%	4.00%	
23	Monthly Rate	0.54167%	0.54167%	0.54167%	0.44167%	0.41667%	0.41667%	0.41667%	0.41667%	0.41667%	0.37500%	0.33333%	0.33333%	
24														
25	Life-to-Date Revenue Requirement	283,019.69	582,727.81	917,041.59	1,118,028.01	1,374,083.09	1,405,536.56	1,498,280.83	1,553,240.05	1,583,180.50	1,554,327.88	1,763,818.33	1,902,159.26	0.00
26														
27	Forecasted Sales (mWh)													
28														
29	***REGULATORY ASSET***													
30	Reg Asset Account 1822.1001 should be	283,019.69	582,727.81	917,041.59	1,118,028.01	1,374,083.09	1,405,536.56	1,498,280.83	1,553,240.05	1,583,180.50	1,554,327.88	1,763,818.33	1,902,159.26	
31														
32	Reg Asset Account 1821.1001 & 1822.1001 balan	0.00	0.00	0.00	0.00	0.00	1,360,580.00	1,314,154.60	1,314,154.60	1,626,289.60	1,661,874.60	1,640,842.60	2,009,024.60	
33														
34	Difference - To be booked to Reg Asset	**283,019.69**	**582,727.81**	**917,041.59**	**1,118,028.01**	**1,374,083.09**	**44,956.56**	**184,126.23**	**239,085.45**	**(43,109.10)**	**(107,546.72)**	**122,975.73**	**(106,865.34)**	

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							2009						
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	2009 YE
	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	Balance
TRACKER SUMMARY													
Requirements Compared to Billed:													
Revenue Requirements													
Langdon	143,983.60	169,323.03	180,774.42	181,208.08	194,987.56	227,500.32	222,196.46	226,477.94	174,964.66	233,778.48	152,288.44	112,193.35	2,219,676.34
Ashtabula	306,961.39	331,089.40	325,085.10	312,229.98	354,471.78	407,727.83	382,230.14	410,953.95	355,127.75	365,524.68	317,532.29	356,467.70	4,225,401.98
Luverne	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	240,962.22	(74,438.73)	(93,915.19)	(136,024.31)	(63,416.01)
Total	450,944.99	500,412.43	505,859.52	493,438.06	549,459.34	635,228.15	604,426.60	637,431.89	771,054.63	524,864.43	375,905.53	332,636.74	6,381,662.31
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	2009 YE
Billed (forecast kWh x adj factor)	394,207.91	920,965.03	866,473.68	774,049.43	606,415.53	566,286.59	569,466.80	578,077.27	589,636.39	636,380.04	690,478.52	602,291.49	7,794,728.68
Renewable Energy Certificate Sales													
Monthly Revenue Difference	63,056.55	(415,247.26)	(356,433.45)	(277,396.00)	(54,492.09)	71,258.07	37,469.30	61,965.60	184,197.04	(108,237.94)	(311,588.46)	(267,514.11)	
Cummulative Difference	1,958,896.35	1,543,649.09	1,187,215.64	909,819.65	855,327.55	926,585.63	964,054.93	1,026,020.53	1,210,217.57	1,101,979.63	790,391.17	522,877.07	
Deferred 2008 True-up	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(337,256.00)	
Amortization of Deferred 2008 True-up	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Carrying Cost Adj. for rate calculation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Adjusted Cumulative Difference	1,958,896.35	1,543,649.09	1,187,215.64	909,819.65	855,327.55	926,585.63	964,054.93	1,026,020.53	1,210,217.57	1,101,979.63	790,391.17	185,621.07	
Carrying Charge Calculation	5,305.34	4,180.72	3,215.38	2,464.09	2,316.51	2,509.50	2,610.98	2,778.81	3,277.67	2,984.53	2,140.64	3,756.00	
Cumulative Carrying Charge	68,577.43	72,758.15	75,973.53	78,437.62	80,754.13	83,263.64	85,874.62	88,653.42	91,931.10	94,915.63	97,056.27	100,812.27	
Prime Rate	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	8.62%	
Monthly Rate	0.27083%	0.27083%	0.27083%	0.27083%	0.27083%	0.27083%	0.27083%	0.27083%	0.27083%	0.27083%	0.27083%	0.71833%	
Life-to-Date Revenue Requirement	1,964,201.69	1,547,829.80	1,190,431.02	912,283.74	857,644.06	929,095.13	966,665.91	1,028,799.34	1,213,495.24	1,104,964.16	792,531.82	526,633.07	0.00
Forecasted Sales (mWh)												161,730	**161,730**
REGULATORY ASSET													
Reg Asset Account 1822.1001 should be	1,964,201.69	1,547,829.80	1,190,431.02	912,283.74	857,644.06	929,095.13	966,665.91	1,028,799.34	1,213,495.24	1,104,964.16	792,531.82	526,633.07	
Reg Asset Account 1821.1001 & 1822.1001 balan	2,083,549.60	1,679,007.60	1,332,124.60	1,078,894.60	1,047,120.60	1,164,594.60	1,316,133.60	1,414,182.60	1,414,182.60	1,382,653.18	1,382,653.18	786,298.74	
Difference - To be booked to Reg Asset	**(119,347.91)**	**(131,177.80)**	**(141,693.58)**	**(166,610.86)**	**(189,476.54)**	**(235,499.47)**	**(349,467.69)**	**(385,383.26)**	**(200,687.36)**	**(277,689.02)**	**(590,121.36)**	**(259,665.67)**	

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	2010												
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	2010 YE
	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Balance
TRACKER SUMMARY													
Requirements Compared to Billed:													
Revenue Requirements													
Langdon	152,881.98	220,266.97	192,304.95	167,588.10	139,761.51	227,294.63	214,167.42	185,846.86	174,097.61	125,256.24	207,322.18	128,639.27	2,135,427.71
Ashtabula	305,713.28	405,914.06	338,536.31	349,055.34	283,245.11	384,324.44	391,713.16	351,004.99	320,302.23	317,382.38	326,309.42	345,443.40	4,118,944.13
Luverne	302,228.69	300,032.66	314,847.91	306,179.11	302,858.07	301,641.63	301,883.23	301,109.06	294,695.74	277,903.34	269,826.42	272,379.12	3,545,584.98
Total	760,823.96	926,213.68	845,689.17	822,822.55	725,864.69	913,260.70	907,763.82	837,960.90	789,095.59	720,541.95	803,458.02	746,461.79	9,799,956.82
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	2010 YE
Billed (forecast kWh x adj factor)	769,785.23	678,099.73	612,636.50	542,911.06	439,015.60	417,911.18	447,431.34	487,322.19	679,662.19	628,030.73	753,572.03	966,997.36	7,423,375.14
Renewable Energy Certificate Sales	0.00	0.00	0.00	0.00	20,811.50	6,738.30		136,259.10					163,808.90
Monthly Revenue Difference	(5,205.27)	251,832.56	238,580.28	287,152.90	275,341.71	499,893.21	475,205.37	232,666.07	129,391.17	113,398.45	71,587.80	(198,319.52)	
Cummulative Difference	517,671.80	769,504.36	1,008,084.64	1,295,237.54	1,570,579.25	2,070,472.46	2,545,677.83	2,778,343.90	2,907,735.06	3,021,133.51	3,092,721.31	2,894,401.79	
Deferred 2008 True-up	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Amortization of Deferred 2008 True-up	0.00	0.00	0.00	7,026.17	7,026.17	7,026.17	7,026.17	7,026.17	7,026.17	7,026.17	7,026.17	7,026.17	
Carrying Cost Adj. for rate calculation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Adjusted Cumulative Difference	180,415.80	432,248.36	670,828.64	965,007.71	1,247,375.58	1,754,294.96	2,236,526.50	2,476,218.73	2,612,636.06	2,733,060.68	2,811,674.65	2,620,381.29	
Carrying Charge Calculation	3,718.61	5,527.61	7,241.41	9,304.12	11,281.99	14,872.89	18,286.45	19,957.77	20,887.23	21,701.81	22,216.05	20,791.45	
Cumulative Carrying Charge	104,530.88	110,058.48	117,299.89	126,604.01	137,886.01	152,758.90	171,045.36	191,003.13	211,890.36	233,592.16	255,808.21	276,599.67	
Prime Rate	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	
Monthly Rate	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	
Life-to-Date Revenue Requirement	521,390.41	775,031.97	1,015,326.05	1,304,541.67	1,581,861.25	2,085,345.36	2,563,964.28	2,798,301.67	2,928,622.30	3,042,835.32	3,114,937.36	2,915,193.24	0.00
Forecasted Sales (mWh)													0
REGULATORY ASSET													
Reg Asset Account 1822.1001 should be	521,390.41	775,031.97	1,015,326.05	1,304,541.67	1,581,861.25	2,085,345.36	2,563,964.28	2,798,301.67	2,928,622.30	3,042,835.32	3,114,937.36	2,915,193.24	
Reg Asset Account 1821.1001 & 1822.1001 balan	566,302.59	743,687.43	743,687.43	1,130,875.50	1,354,500.19	1,354,500.19	2,251,293.77	2,458,166.08	2,458,166.08	2,530,841.40	2,622,224.25	2,655,109.37	
Difference - To be booked to Reg Asset	**(44,912.18)**	**31,344.54**	**271,638.62**	**173,666.17**	**227,361.06**	**730,845.17**	**312,670.51**	**340,135.59**	**470,456.22**	**511,993.92**	**492,713.11**	**260,083.87**	

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	2011												
	Actual Jan-11	Actual Feb-11	Actual Mar-11	Actual Apr-11	Actual May-11	Actual Jun-11	Actual Jul-11	Actual Aug-11	Actual Sep-11	Actual Oct-11	Actual Nov-11	Actual Dec-11	2011 YE Balance
TRACKER SUMMARY													
Requirements Compared to Billed:													
Revenue Requirements													
Langdon	136,430.48	100,600.57	161,489.09	131,904.83	136,219.87	165,487.72	207,720.02	187,941.67	144,824.48	91,630.85	110,229.59	133,890.12	1,708,369.29
Ashtabula	306,702.47	271,599.82	304,871.36	288,257.06	266,504.71	326,672.73	372,440.52	380,680.94	333,057.34	254,077.76	249,120.18	275,904.38	3,629,889.28
Luverne	280,776.99	308,256.25	300,284.84	283,447.17	307,036.98	315,774.81	297,127.01	275,310.70	273,848.64	262,490.54	297,052.52	307,530.17	3,508,936.62
Total	723,909.94	680,456.64	766,645.29	703,609.06	709,761.55	807,935.26	877,287.55	843,933.32	751,730.46	608,199.15	656,402.29	717,324.67	8,847,195.18
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	2011 YE
Billed (forecast kWh x adj factor)	1,080,261.62	1,045,799.69	970,147.06	869,282.51	707,203.15	670,781.16	661,244.65	699,306.73	690,716.73	636,562.17	762,552.06	911,394.44	9,705,251.97
Renewable Energy Certificate Sales	73,956.30					58,002.00	(58,002.00)			64,367.40		(1,944.00)	136,379.70
Monthly Revenue Difference	(409,516.53)	(347,493.29)	(188,148.17)	(151,671.38)	15,470.97	92,175.80	287,730.72	160,379.28	77,918.48	(75,265.95)	(89,225.97)	(175,842.91)	
Cummulative Difference	2,484,885.26	2,137,391.97	1,949,243.80	1,797,572.42	1,813,043.39	1,905,219.18	2,192,949.90	2,353,329.18	2,431,247.66	2,355,981.71	2,266,755.74	2,090,912.83	
Deferred 2008 True-up	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Amortization of Deferred 2008 True-up	7,026.17	7,026.17	7,026.17	7,026.17	7,026.17	7,026.17	7,026.17	7,026.17	7,026.17	7,026.17	7,026.17	7,026.17	
Carrying Cost Adj. for rate calculation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Adjusted Cumulative Difference	2,217,890.93	1,877,423.81	1,696,301.80	1,551,656.59	1,574,153.72	1,673,355.68	1,968,112.57	2,135,518.02	2,220,462.66	2,152,222.87	2,070,023.07	1,901,206.33	
Carrying Charge Calculation	17,849.76	15,353.60	14,002.07	12,912.56	13,023.69	13,685.82	15,752.69	16,904.75	17,464.46	16,923.80	16,282.86	15,019.72	
Cumulative Carrying Charge	294,449.42	309,803.02	323,805.09	336,717.65	349,741.35	363,427.17	379,179.86	396,084.61	413,549.07	430,472.88	446,755.74	461,775.46	
Prime Rate	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	
Monthly Rate	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	
Life-to-Date Revenue Requirement	2,502,735.02	2,152,745.57	1,963,245.87	1,810,484.98	1,826,067.08	1,918,905.01	2,208,702.59	2,370,233.93	2,448,712.12	2,372,905.51	2,283,038.60	2,105,932.55	(0.00)
Forecasted Sales (mWh)													0
REGULATORY ASSET													
Reg Asset Account 1822.1001 should be	2,502,735.02	2,152,745.57	1,963,245.87	1,810,484.98	1,003,328.85	1,918,905.01	2,208,702.59	2,370,233.93	2,448,712.12	2,372,905.51	2,283,038.60	2,105,932.55	
Reg Asset Account 1821.1001 & 1822.1001 balan	2,415,519.92	1,947,289.35	1,537,037.04	1,271,745.88	1,055,722.04	1,003,328.85	1,052,457.79	1,271,250.44	1,368,177.67	1,422,554.66	1,220,391.80	1,220,391.80	
Difference - To be booked to Reg Asset	**87,215.10**	**205,456.22**	**426,208.83**	**538,739.10**	**(52,393.19)**	**915,576.16**	**1,156,244.80**	**1,098,983.49**	**1,080,534.45**	**950,350.85**	**1,062,646.80**	**885,540.75**	

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	2012												
	Actual Jan-12	Actual Feb-12	Actual Mar-12	Actual Apr-12	Actual May-12	Actual Jun-12	Actual Jul-12	Actual Aug-12	Actual Sep-12	Actual Oct-12	Actual Nov-12	Actual Dec-12	2012 YE Balance
TRACKER SUMMARY													
Requirements Compared to Billed:													
Revenue Requirements													
Langdon	84,281.88	160,024.01	154,680.56	125,588.33	139,874.71	187,952.97	238,445.33	221,159.49	171,340.58	112,700.51	188,663.88	216,543.06	2,001,255.32
Ashtabula	228,111.37	317,058.19	236,248.96	251,292.18	277,206.12	333,282.55	407,076.29	396,877.76	185,676.97	244,613.62	333,795.57	339,289.05	3,550,528.63
Luverne	281,172.23	282,299.19	281,609.67	280,941.81	296,319.95	312,824.48	295,745.24	286,367.59	420,429.12	288,524.51	287,731.41	276,212.83	3,590,178.03
Total	593,565.47	759,381.39	672,539.20	657,822.33	713,400.78	834,060.00	941,266.86	904,404.84	777,446.67	645,838.64	810,190.86	832,044.94	9,141,961.98
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	
Billed (forecast kWh x adj factor)	956,763.51	992,539.42	894,313.42	718,680.14	678,580.38	643,545.25	704,923.20	756,478.89	705,579.81	691,565.55	871,528.15	935,675.15	9,550,172.87
Renewable Energy Certificate Sales				24,583.50	109,544.23		73,689.75	(1,296.00)				50,046.46	256,567.94
Monthly Revenue Difference	(348,178.31)	(220,639.38)	(210,840.51)	(76,022.13)	(65,850.75)	198,914.81	172,482.84	160,289.88	84,086.21	(32,903.54)	(48,750.28)	(141,439.85)	
Cummulative Difference	1,742,734.52	1,522,095.13	1,311,254.63	1,235,232.49	1,169,381.75	1,368,296.56	1,540,779.39	1,701,069.28	1,785,155.49	1,752,251.95	1,703,501.66	1,562,061.81	
Deferred 2008 True-up	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Amortization of Deferred 2008 True-up	7,026.17	7,026.17	7,026.17	7,026.17	7,026.17	7,026.17	7,026.17	7,026.17	7,026.17	7,026.17	7,026.17	7,026.17	
Carrying Cost Adj. for rate calculation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Adjusted Cumulative Difference	1,560,054.18	1,346,440.97	1,142,626.63	1,073,630.66	1,014,806.08	1,220,747.06	1,400,256.06	1,567,572.11	1,658,684.49	1,632,807.11	1,591,083.00	1,456,669.31	
Carrying Charge Calculation	12,518.64	10,933.72	9,419.18	8,873.09	8,400.06	9,828.93	11,067.93	12,219.35	12,823.37	12,587.01	12,236.82	11,220.81	
Cumulative Carrying Charge	474,294.10	485,227.82	494,647.00	503,520.09	511,920.15	521,749.08	532,817.01	545,036.36	557,859.72	570,446.73	582,683.55	593,904.36	
Prime Rate	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	
Monthly Rate	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	
Life-to-Date Revenue Requirement	1,755,253.16	1,533,028.85	1,320,673.80	1,244,105.58	1,177,781.81	1,378,125.49	1,551,847.33	1,713,288.63	1,797,978.85	1,764,838.96	1,715,738.48	1,573,282.63	(0.00)
Forecasted Sales (mWh)													0
REGULATORY ASSET													
Reg Asset Account 1822.1001 should be	1,755,253.16	1,533,028.85	1,320,673.80	1,244,105.58	1,177,781.81	1,378,125.49	1,551,847.33	1,713,288.63	1,797,978.85	1,764,838.96	1,715,738.48	1,573,282.63	
Reg Asset Account 1821.1001 & 1822.1001 balan	2,109,724.18	1,491,595.06	1,491,595.06	1,345,767.67	1,214,475.01	1,145,578.46	1,342,486.98	1,683,813.96	1,860,740.77	1,860,740.77	1,800,137.24	1,752,437.92	
Difference - To be booked to Reg Asset	**(354,471.02)**	**41,433.79**	**(170,921.26)**	**(101,662.09)**	**(36,693.20)**	**232,547.03**	**209,360.35**	**29,474.67**	**(62,761.92)**	**(95,901.81)**	**(84,398.76)**	**(179,155.29)**	

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	2013												
	Actual Jan-13	Actual Feb-13	Actual Mar-13	Actual Apr-13	Actual May-13	Actual Jun-13	Actual Jul-13	Actual Aug-13	Actual Sep-13	Actual Oct-13	Actual Nov-13	Actual Dec-13	2013 YE Balance
TRACKER SUMMARY													
Requirements Compared to Billed:													
Revenue Requirements													
Langdon	87,593.67	178,748.03	197,001.44	116,483.89	143,730.32	177,183.86	203,163.64	230,118.22	218,610.88	147,102.11	90,661.03	75,790.46	1,866,187.55
Ashtabula	261,625.90	338,919.62	335,432.23	230,130.05	247,950.88	345,537.49	371,199.65	406,400.31	318,847.91	271,176.40	256,874.92	194,879.82	3,578,975.17
Luverne	269,357.63	270,404.88	269,965.36	271,082.45	268,440.94	278,001.17	267,468.61	265,849.34	265,523.40	269,545.24	274,021.09	244,210.57	3,213,870.66
Total	618,577.20	788,072.53	802,399.03	617,696.39	660,122.14	800,722.51	841,831.90	902,367.86	802,982.19	687,823.75	621,557.04	514,880.86	8,659,033.39
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	2013 YE
Billed (forecast kWh x adj factor)	1,115,193.06	1,124,742.27	954,413.74	873,182.85	731,845.51	594,002.35	629,383.87	631,019.30	667,474.88	621,564.50	818,477.64	987,896.00	9,749,195.97
Renewable Energy Certificate Sales	21,618.75						107,661.75						129,280.50
Monthly Revenue Difference	(507,013.80)	(329,090.98)	(146,799.92)	(251,326.18)	(69,368.45)	208,576.78	108,141.18	275,480.28	141,617.89	73,387.11	(189,265.57)	(466,719.67)	
Cummulative Difference	1,055,048.02	725,957.03	579,157.11	327,830.93	258,462.48	467,039.26	575,180.44	850,660.72	992,278.60	1,065,665.71	876,400.15	409,680.48	
Deferred 2008 True-up	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Amortization of Deferred 2008 True-up	7,026.17	7,026.17	7,026.17	7,026.17	7,026.17	7,026.17	7,026.17	7,026.17	7,026.17	7,026.17	7,026.17	7,026.17	
Carrying Cost Adj. for rate calculation	0.00	0.00	4,160.28	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Adjusted Cumulative Difference	956,681.68	634,616.87	499,003.39	254,703.37	192,361.09	407,964.04	523,131.38	805,637.83	954,281.88	1,034,695.16	852,455.76	392,762.26	
Carrying Charge Calculation	7,578.76	5,214.79	4,160.28	2,354.92	1,856.62	3,354.90	4,131.71	6,110.58	7,127.87	7,655.03	6,295.47	2,942.87	
Cumulative Carrying Charge	601,483.12	606,697.92	610,858.19	613,213.11	615,069.74	618,424.63	622,556.35	628,666.93	635,794.79	643,449.83	649,745.30	652,688.17	
Prime Rate	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	
Monthly Rate	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	
Life-to-Date Revenue Requirement	1,062,626.78	731,171.82	583,317.39	330,185.85	260,319.10	470,394.16	579,312.15	856,771.29	999,406.47	1,073,320.75	882,695.62	412,623.35	(0.00)
Forecasted Sales (mWh)													0
REGULATORY ASSET													
Reg Asset Account 1822.1001 should be	1,062,626.78	731,171.82	583,317.39	330,185.85	260,319.10	470,394.16	579,312.15	856,771.29	999,406.47	1,073,320.75	882,695.62	412,623.35	
Reg Asset Account 1821.1001 & 1822.1001 balan	1,619,287.88	1,120,751.28	800,694.11	716,258.05	480,670.91	441,679.53	677,791.08	815,001.46	1,118,022.92	1,177,371.23	1,173,406.04	1,052,259.74	
Difference - To be booked to Reg Asset	**(556,661.10)**	**(389,579.46)**	**(217,376.72)**	**(386,072.20)**	**(220,351.81)**	**28,714.63**	**(98,478.93)**	**41,769.83**	**(118,616.45)**	**(104,050.48)**	**(290,710.42)**	**(639,636.39)**	

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	2014												
	Actual Jan-14	Actual Feb-14	Actual Mar-14	Actual Apr-14	Actual May-14	Actual Jun-14	Actual Jul-14	Actual Aug-14	Actual Sep-14	Actual Oct-14	Actual Nov-14	Actual Dec-14	2014 YE Balance
TRACKER SUMMARY													
Requirements Compared to Billed:													
Revenue Requirements													
Langdon	67,923.42	86,839.71	84,456.73	80,982.76	139,855.22	121,693.52	146,344.94	189,692.28	129,042.77	31,751.38	53,695.46	200,832.28	1,333,110.47
Ashtabula	199,050.68	227,073.27	245,519.16	273,877.46	290,914.41	315,360.33	336,075.82	410,812.95	295,792.60	216,393.41	219,486.34	312,556.76	3,342,913.19
Luverne	271,492.85	271,230.48	278,165.71	311,308.93	295,686.39	269,866.64	285,700.87	268,943.78	264,507.26	278,953.25	275,854.43	251,951.31	3,323,661.91
Total	538,466.96	585,143.45	608,141.61	666,169.16	726,456.03	706,920.49	768,121.64	869,449.01	689,342.62	527,098.04	549,036.22	765,340.35	7,999,685.57
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	2014 YE
Billed (forecast kWh x adj factor)	1,173,495.19	1,096,022.90	983,272.08	767,321.60	632,328.21	566,575.77	559,691.08	565,839.75	579,123.48	580,202.43	674,626.69	824,566.86	9,003,066.04
Renewable Energy Certificate Sales		103,345.95						138,211.73					241,557.68
Monthly Revenue Difference	(632,085.36)	(615,823.00)	(381,151.74)	(109,911.65)	84,579.08	131,403.54	200,433.29	158,840.04	104,802.66	(57,768.05)	(130,669.09)	(65,243.77)	
Cummulative Difference	(222,404.88)	(838,227.89)	(1,219,379.63)	(1,329,291.29)	(1,244,712.21)	(1,113,308.67)	(912,875.38)	(754,035.34)	(649,232.68)	(707,000.73)	(837,669.82)	(902,913.60)	
Deferred 2008 True-up	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Amortization of Deferred 2008 True-up	7,026.17	7,026.17	7,026.17	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Carrying Cost Adj. for rate calculation	0.00	0.00	(12,919.49)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Adjusted Cumulative Difference	(232,296.94)	(841,093.77)	(1,228,138.84)	(1,338,050.50)	(1,253,471.42)	(1,122,067.88)	(921,634.59)	(762,794.55)	(657,991.89)	(715,759.94)	(846,429.03)	(911,672.81)	
Carrying Charge Calculation	(1,597.61)	(6,021.27)	(8,759.21)	(9,548.74)	(8,941.18)	(7,997.27)	(6,557.49)	(5,416.49)	(4,663.65)	(5,078.62)	(6,017.26)	(6,485.93)	
Cumulative Carrying Charge	651,090.56	645,069.29	636,310.08	626,761.34	617,820.16	609,822.89	603,265.40	597,848.92	593,185.26	588,106.64	582,089.38	575,603.45	
Prime Rate	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	
Monthly Rate	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	
Life-to-Date Revenue Requirement	(224,002.49)	(844,249.16)	(1,228,138.84)	(1,338,840.03)	(1,253,653.39)	(1,121,305.94)	(919,432.87)	(759,451.83)	(653,896.34)	(712,079.35)	(843,687.09)	(909,399.53)	(0.00)
Forecasted Sales (mWh)													0
REGULATORY ASSET													
Reg Asset Account 1822.1001 should be	(224,002.49)	(844,249.16)	(1,228,138.84)	(1,338,840.03)	(1,253,653.39)	(1,121,305.94)	(919,432.87)	(759,451.83)	(653,896.34)	(712,079.35)	(843,687.09)	(909,399.53)	
Reg Asset Account 1821.1001 & 1822.1001 balan	501,239.65	(915,487.19)	(915,487.19)	(1,316,938.51)	(1,453,711.70)	(1,383,292.39)	(1,269,349.42)	(987,411.06)	(827,666.42)	(732,636.02)	(811,297.28)	(946,078.28)	
Difference - To be booked to Reg Asset	**(725,242.14)**	**71,238.03**	**(312,651.65)**	**(21,901.52)**	**200,058.31**	**261,986.45**	**349,916.55**	**227,959.23**	**173,770.08**	**20,556.67**	**(32,389.81)**	**36,678.75**	

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	2015												
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast	2015 YE
	Jan-15	**Feb-15**	**Mar-15**	**Apr-15**	**May-15**	**Jun-15**	**Jul-15**	**Aug-15**	**Sep-15**	**Oct-15**	**Nov-15**	**Dec-15**	**Balance**
TRACKER SUMMARY													
Requirements Compared to Billed:													
Revenue Requirements													
Langdon	75,083.77	89,809.56	49,595.41	73,488.42	123,992.21	169,200.97	145,041.03	167,237.64	102,016.56	34,678.58	89,425.81	112,883.38	1,232,453.35
Ashtabula	206,868.82	273,292.55	209,398.32	218,614.84	247,032.28	331,202.35	300,159.59	309,556.07	286,738.64	231,176.97	239,685.98	268,642.44	3,122,368.83
Luverne	268,055.66	275,053.40	278,832.83	277,765.28	271,893.50	261,517.23	270,419.61	273,222.20	271,036.06	258,653.80	281,820.20	269,023.01	3,257,292.77
Total	550,008.24	638,155.50	537,826.56	569,868.54	642,917.99	761,920.55	715,620.23	750,015.91	659,791.25	524,509.34	610,931.98	650,548.83	7,612,114.95
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Projected	Projected	2015 YE
Billed (forecast kWh x adj factor)	914,995.33	864,508.22	828,079.36	422,651.20	356,240.82	374,533.77	407,076.44	420,644.93	410,374.67	370,560.13	439,425.89	496,385.99	6,305,476.74
Renewable Energy Certificate Sales													
Monthly Revenue Difference	(371,473.02)	(235,507.06)	(301,098.87)	134,208.38	274,632.27	377,314.66	301,182.05	324,172.73	246,546.97	152,850.63	171,505.49	155,394.22	
Cummulative Difference	(1,274,386.62)	(1,509,893.68)	(1,810,992.54)	(1,676,784.16)	(1,402,151.90)	(1,024,837.24)	(723,655.19)	(399,482.47)	(152,935.50)	(84.87)	171,420.61	326,814.83	
Deferred 2008 True-up	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Amortization of Deferred 2008 True-up	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Carrying Cost Adj. for rate calculation	0.00	0.00	(4,249.75)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Adjusted Cumulative Difference	(1,283,145.83)	(1,518,652.89)	(1,824,001.51)	(1,689,793.13)	(1,415,160.86)	(1,037,846.20)	(736,664.16)	(412,491.43)	(165,944.46)	(13,093.84)	158,411.65	313,805.87	
Carrying Charge Calculation	(9,154.34)	(10,846.07)	(13,008.96)	(12,044.90)	(10,072.12)	(7,361.75)	(5,198.26)	(2,869.62)	(1,098.59)	(0.61)	1,231.37	2,347.62	
Cumulative Carrying Charge	566,449.10	555,603.03	542,594.07	530,549.17	520,477.05	513,115.30	507,917.04	505,047.43	503,948.84	503,948.23	505,179.60	507,527.22	
Prime Rate	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	
Monthly Rate	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	
Life-to-Date Revenue Requirement	(1,283,540.96)	(1,520,739.75)	(1,824,001.51)	(1,688,829.06)	(1,412,224.02)	(1,032,198.99)	(728,853.45)	(402,352.08)	(154,034.09)	(85.48)	172,651.98	329,162.45	(0.00)
Forecasted Sales (mWh)											153,124	172,972	326,096
REGULATORY ASSET													
Reg Asset Account 1822.1001 should be	(1,283,540.96)	(1,520,739.75)	(1,824,001.51)	(1,688,829.06)	(1,412,224.02)	(1,032,198.99)	(728,853.45)	(402,352.08)	(154,034.09)	(85.48)	172,651.98	329,162.45	
Reg Asset Account 1821.1001 & 1822.1001 balan	(1,018,111.59)	(1,421,085.46)	(1,439,410.53)	(1,742,406.33)	(1,613,287.40)	(1,343,055.60)	(954,309.94)	(309,968.66)	(118,936.08)	(118,936.08)	(85.48)	172,651.98	
Difference - To be booked to Reg Asset	**(265,429.37)**	**(99,654.29)**	**(384,590.98)**	**53,577.27**	**201,063.37**	**310,856.61**	**225,456.49**	**(92,383.42)**	**(35,098.00)**	**118,850.60**	**172,737.47**	**156,510.47**	

Rate Calculation - Effective April 2015 --Approved March 25, 2015	
Revenue Requirements April 2015 thru March 2016	7,269,677.62
Carrying Charge (April 2015 thru Mar 2016)	(47,876.76)
Cumulative True-Up	(1,780,622.45)
Deferral of Jan 2008 thru Mar 2009 costs	(337,256.00)
Amortization of Deferral	337,256.00
Total Requirements	5,441,178.41
Projected Sales in mWh April 2015 thru Mar 2016	1,896,050
New Rate	$0.00287

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	Forecast Jan-16	Forecast Feb-16	Forecast Mar-16	Forecast Apr-16	Forecast May-16	Forecast Jun-16	2016 Forecast Jul-16	Forecast Aug-16	Forecast Sep-16	Forecast Oct-16	Forecast Nov-16	Forecast Dec-16	2016 YE Balance
TRACKER SUMMARY													
Requirements Compared to Billed:													
Revenue Requirements													
Langdon	71,359.93	80,413.46	113,680.44	86,590.08	86,351.50	126,976.80	153,234.15	156,467.29	97,706.58	60,890.77	67,950.01	103,477.72	1,205,098.73
Ashtabula	168,427.04	193,926.80	207,449.88	183,532.06	148,723.31	231,198.90	266,776.59	274,862.38	215,875.83	167,360.80	161,660.65	200,472.67	2,420,266.90
Luverne	278,696.26	261,447.99	261,522.74	271,958.71	252,199.75	261,061.76	261,061.82	261,061.82	271,623.95	271,623.95	261,061.82	261,063.46	3,174,384.02
Total	518,483.23	535,788.25	582,653.05	542,080.85	487,274.56	619,237.46	681,072.55	692,391.49	585,206.36	499,875.52	490,672.48	565,013.84	6,799,749.65
	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	2016 YE
Billed (forecast kWh x adj factor)	573,318.18	565,932.04	510,801.16	608,696.38	516,318.20	482,848.09	503,090.29	521,428.84	522,169.54	506,463.53	587,923.99	662,446.00	6,561,436.24
Renewable Energy Certificate Sales													
Monthly Revenue Difference	(52,487.33)	(28,173.20)	73,620.10	(64,318.48)	(27,208.61)	138,028.95	180,613.35	174,891.14	68,221.61	(913.16)	(91,583.22)	(92,421.74)	
Cummulative Difference	274,327.50	246,154.30	319,774.40	255,455.92	228,247.31	366,276.26	546,889.60	721,780.74	790,002.35	789,089.19	697,505.97	605,084.23	
Deferred 2008 True-up	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Amortization of Deferred 2008 True-up	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Carrying Cost Adj. for rate calculation	0.00	0.00	15,306.01	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Adjusted Cumulative Difference	261,318.54	233,145.34	322,071.45	257,752.97	230,544.36	368,573.30	549,186.65	724,077.79	792,299.40	791,386.24	699,803.02	607,381.28	
Carrying Charge Calculation	1,970.59	1,768.21	2,297.05	1,835.03	1,639.58	2,631.08	3,928.49	5,184.79	5,674.85	5,668.29	5,010.42	4,346.52	
Cumulative Carrying Charge	509,497.81	511,266.02	513,563.06	515,398.09	517,037.66	519,668.75	523,597.24	528,782.03	534,456.88	540,125.17	545,135.59	549,482.11	
Prime Rate	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	
Monthly Rate	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	
Life-to-Date Revenue Requirement	276,298.09	247,922.51	322,071.45	257,290.95	229,886.89	368,907.34	550,818.09	726,965.53	795,677.20	794,757.48	702,516.39	609,430.75	(0.00)
Forecasted Sales (mWh)	199,780	197,206	177,995	162,536	137,869	128,931	134,336	139,233	139,431	135,237	156,989	176,888	1,886,432
REGULATORY ASSET													
Reg Asset Account 1822.1001 should be	276,298.09	247,922.51	322,071.45	257,290.95	229,886.89	368,907.34	550,818.09	726,965.53	795,677.20	794,757.48	702,516.39	609,430.75	
Reg Asset Account 1821.1001 & 1822.1001 balan													
Difference - To be booked to Reg Asset	**276,298.09**	**247,922.51**	**322,071.45**	**257,290.95**	**229,886.89**	**368,907.34**	**550,818.09**	**726,965.53**	**795,677.20**	**794,757.48**	**702,516.39**	**609,430.75**	

Rate Calculation - Effective April 2016	
Revenue Requirements April 2016 thru March 2017	6,727,270.39
Carrying Charge (April 2016 thru Mar 2017)	39,242.50
Cumulative True-Up	322,071.45
Total Requirements	7,088,584.34
Projected Sales in mWh April 2016 thru Mar 2017	1,892,812
New Rate	$0.00375

Otter Tail Power Company
Renewable Rider Annual Filing
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	Forecast Jan-17	Forecast Feb-17	Forecast Mar-17	Forecast Apr-17	Forecast May-17	Forecast Jun-17	2017 Forecast Jul-17	Forecast Aug-17	Forecast Sep-17	Forecast Oct-17	Forecast Nov-17	Forecast Dec-17	2017 YE Balance
TRACKER SUMMARY													
Requirements Compared to Billed:													
Revenue Requirements													
Langdon	68,269.73	85,001.49	110,695.49	83,482.61	83,188.36	123,576.97	149,905.31	153,138.41	94,604.00	57,859.08	64,693.47	291,047.18	1,365,462.11
Ashtabula	151,292.37	182,764.40	190,418.56	166,219.87	131,094.58	213,570.17	249,147.86	257,233.65	198,563.65	150,048.62	144,031.92	182,845.52	2,217,231.16
Luverne	270,485.89	252,720.18	252,797.18	263,546.18	243,194.45	252,322.32	252,322.38	252,322.38	263,201.37	263,201.37	252,322.38	252,320.02	3,070,756.12
Total	490,047.99	520,486.07	553,911.22	513,248.66	457,477.39	589,469.46	651,375.55	662,694.45	556,369.03	471,109.08	461,047.77	726,212.71	6,653,449.39
	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	2017 YE
Billed (forecast kWh x adj factor)	755,970.10	747,310.06	673,919.33	621,359.78	525,339.93	494,778.79	511,487.18	530,152.38	533,834.14	514,433.92	596,790.89	672,169.02	7,177,545.51
Renewable Energy Certificate Sales													0.00
Monthly Revenue Difference	(261,575.58)	(224,356.45)	(119,152.20)	(108,111.12)	(68,639.14)	93,421.02	139,289.80	132,944.05	23,891.86	(41,796.25)	(134,514.77)	54,305.78	
Cummulative Difference	343,508.65	119,152.20	0.00	(108,111.12)	(176,750.26)	(83,329.24)	55,960.56	188,904.61	212,796.47	171,000.22	36,485.45	90,791.22	
Deferred 2008 True-up	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Amortization of Deferred 2008 True-up	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Carrying Cost Adj. for rate calculation	0.00	0.00	(2,297.05)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Adjusted Cumulative Difference	345,805.69	121,449.25	0.00	(108,111.12)	(176,750.26)	(83,329.24)	55,960.56	188,904.61	212,796.47	171,000.22	36,485.45	90,791.22	
Carrying Charge Calculation	2,467.54	855.91	0.00	(776.60)	(1,269.66)	(598.58)	401.98	1,356.96	1,528.59	1,228.35	262.09	652.18	
Cumulative Carrying Charge	551,949.65	552,805.56	552,805.56	552,028.96	550,759.30	550,160.72	550,562.71	551,919.67	553,448.26	554,676.61	554,938.70	555,590.88	
Prime Rate	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	8.62%	
Monthly Rate	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	0.71833%	
Life-to-Date Revenue Requirement	345,976.19	120,008.11	0.00	(108,887.72)	(178,019.91)	(83,927.82)	56,362.54	190,261.58	214,325.06	172,228.57	36,747.53	91,443.41	(0.00)
Forecasted Sales (mWh)	201,861	199,549	179,952	164,531	139,106	131,014	135,438	140,380	141,355	136,218	158,026	177,985	1,905,415
REGULATORY ASSET													
Reg Asset Account 1822.1001 should be	345,976.19	120,008.11	0.00	(108,887.72)	(178,019.91)	(83,927.82)	56,362.54	190,261.58	214,325.06	172,228.57	36,747.53	91,443.41	
Reg Asset Account 1821.1001 & 1822.1001 balan													
Difference - To be booked to Reg Asset	**345,976.19**	**120,008.11**	**0.00**	**(108,887.72)**	**(178,019.91)**	**(83,927.82)**	**56,362.54**	**190,261.58**	**214,325.06**	**172,228.57**	**36,747.53**	**91,443.41**	

Otter Tail Power Company
Renewable Resource Cost Recovery Rider
North Dakota

Attachment 5
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Rate Design Calculation

North Dakota Revenue Requirements	$7,088,584

Forecasted Retail Revenue, all classes (April 2016 - March 2017)	$133,247,936
Revenue Requirement	$7,088,584
Percentage of Revenue Rate	5.320%

Attachment 6

Updated Renewable Resource Rider

(Redline and Clean Versions)

RENEWABLE RESOURCE COST RECOVERY RIDER

DESCRIPTION	RATE CODE
All Services	50-520

RULES AND REGULATIONS: Terms and conditions of this rider and the General Rules and Regulations govern use of this schedule.

APPLICATION OF RIDER: This rider is applicable to electric service under all of the Company's Retail Rate Schedules in Section 9, 10, 11, 12, 13.05, and 14, except for Section 14.09 (**Tail***Winds*) and Section 14.11 (Released Energy Access Program Rider).

COST RECOVERY CHARGE: There shall be included on each North Dakota customer's monthly bill a Renewable Resource Cost Recovery ("RRC") charge based on the applicable cost recovery factor multiplied by the Customer's monthly bill. The Customer's monthly bill shall be based on all applicable charges and credits under the Company's retail rate schedules in Sections 9, 10, 11, 12, and 14, except for Section 14.09 (**Tail***Winds*) and Section 14.11 (Released Energy Access Program Rider). The RRC charge will not apply to any Mandatory Riders or sales tax and any local assessments as provided in the General Rules and Regulations for the Company's electric service, except Section 13.05 (Economic Development Cost Removal Rider). The following charges are applicable in addition to all charges for service being taken under the Company's standard rate schedules and will be included in the Energy and Renewable Adjustment line item on the customer's bill.

Renewable Resource Cost Recovery Factor - ~~4.0695~~5.320 percent

DETERMINATION OF RENEWABLE RESOURCE COST CHARGE: The RRC Factor shall be determined by dividing the forecasted *balance of the RRC Tracker account* by the *forecasted retail revenues subject to the RRC Factor.* The forecasted RRC Tracker balance and retail revenues shall be based on the forecast for the appropriate 12 month period (or such other period as may be approved by the Commission). The RRC Factor shall be rounded to the nearest 0.001 percent.

RENEWABLE RESOURCE COST RECOVERY RIDER

DESCRIPTION	RATE CODE
All Services	50-520

RULES AND REGULATIONS: Terms and conditions of this rider and the General Rules and Regulations govern use of this schedule.

APPLICATION OF RIDER: This rider is applicable to electric service under all of the Company's Retail Rate Schedules in Section 9, 10, 11, 12, 13.05, and 14, except for Section 14.09 (**Tail***Winds*) and Section 14.11 (Released Energy Access Program Rider).

COST RECOVERY CHARGE: There shall be included on each North Dakota customer's monthly bill a Renewable Resource Cost Recovery ("RRC") charge based on the applicable cost recovery factor multiplied by the Customer's monthly bill. The Customer's monthly bill shall be based on all applicable charges and credits under the Company's retail rate schedules in Sections 9, 10, 11, 12, and 14, except for Section 14.09 (**Tail***Winds*) and Section 14.11 (Released Energy Access Program Rider). The RRC charge will not apply to any Mandatory Riders or sales tax and any local assessments as provided in the General Rules and Regulations for the Company's electric service, except Section 13.05 (Economic Development Cost Removal Rider). The following charges are applicable in addition to all charges for service being taken under the Company's standard rate schedules and will be included in the Energy and Renewable Adjustment line item on the customer's bill.

Renewable Resource Cost Recovery Factor - 5.320 percent R

DETERMINATION OF RENEWABLE RESOURCE COST CHARGE: The RRC Factor shall be determined by dividing the forecasted *balance of the RRC Tracker account* by the *forecasted retail revenues subject to the RRC Factor.* The forecasted RRC Tracker balance and retail revenues shall be based on the forecast for the appropriate 12 month period (or such other period as may be approved by the Commission). The RRC Factor shall be rounded to the nearest 0.001 percent.

On December 31, 2015, Otter Tail Power Company filed a request with the North Dakota Public Service Commission to increase its Renewable Resource Adjustment, which is part of the Energy and Renewable Adj. line on your bill. The Renewable Resource Cost Recovery Adjustment has been in effect since 2008 to recover costs associated with Otter Tail Power Company's investment in wind generation. Please see panel below for more information.

The proposed change to the Renewable Resource Adjustment is for bills rendered on and after April 1, 2016. The proposed rate for all classes of service is 5.320% of base charges and credits. The current rate is 4.069%. This proposed update would increase the charge on base rates by 1.251%. This change is proposed only and, if suspended by the Commission, the new rates will not be effective until the Commission takes action. For more information contact customer service at 800-257-4044 or place an inquiry from our website at otpco.com.