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February 26, 2016

Darrell Nitschke
Director of Administration/Executive Secretary
North Dakota Public Service Commission
600 East Boulevard, Dept. 408
Bismarck, ND 58505-0480

RE: UPDATED ATTACHMENTS
In the Matter of Otter Tail Power Company's Application for Approval of the Annual Rate Update to Rate Schedule, Section 13.04, Renewable Resource Cost Recovery Adjustment Factor
NDPSC Case No. PU-16-14

Dear Mr. Nitschke:

Enclosed for filing in the above-referenced matter are updated attachments to Otter Tail Power Company's (Otter Tail) December 31, 2015 Initial Filing in this case (Initial Filing). Otter Tail noted in the Initial Filing that federal legislation approving bonus depreciation for tax for 2015 was passed on December 18, 2015 and that it would need to assess the impact of that legislation on the revenue requirement for the recovery period requested. Otter Tail has now completed that assessment and the updated attachments reflect the impact of that legislation on the 2016 Renewable Resource Cost Recovery rate adjustment (RRA). This Supplemental filing also discusses the overall impact that the bonus tax depreciation will have on Otter Tail's other cost recovery rider mechanisms, and the benefits that ratepayers will see in those recovery mechanisms.

Bonus Tax Depreciation
The following table summarizes the time frames and bonus tax depreciation percentages approved in the December 18, 2015 legislation. Equipment placed into service in these years will be eligible for bonus tax depreciation.

Year	Bonus % Approved
2015	50%
2016	50%
2017	50%
2018	40%
2019	30%

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Exhibit OTP-2
Otter Tail Power Company

EXHIBIT
TAMES
OTP 2

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Compliance Filing - Updated attachments to Application for Renewable Resource Cost Recovery Adjustment Factor
Otter Tail Power Company
Anthony Harris

Otter Tail placed several large projects into service in 2015, including the Big Stone Air Quality Control System (AQCS) project, transmission projects, and other investments to its rate base. Due to the size of these investments, the use of bonus tax depreciation on these investments created a Tax Net Operating Loss (NOL) position for Otter Tail's 2015 tax year. The impact of taking bonus tax depreciation on the revenue requirements within Otter Tail's three cost recovery rider mechanisms (Environmental Cost Recovery Rider (ECR); Transmission Cost Recovery Rider (TCR); Renewable Resource Adjustment rider (RRA) will vary as various tax benefits flow through the ratemaking process over time. The following will describe these impacts in more detail for the 2015 and 2016 time periods.

Accelerated Tax Depreciation increases ADIT and Reduces Rate Base
Bonus and other accelerated tax depreciation provisions reduce the amount of actual taxes paid when tax returns are filed. Ratepayers benefit when the payment of taxes can be deferred until future periods, and the mechanics of traditional ratemaking processes take that into account. Typically, when the amount of depreciation expense for tax purposes is greater than the depreciation amount computed for book purposes, the difference is accounted for as Accumulated Deferred Income Taxes (ADIT). In traditional ratemaking, including Otter Tail's riders, the ADIT balances are included as a credit in the determination of the overall rate base upon which a return is calculated. When the ADIT balances grow as a result of accelerated depreciation, the net rate base amount drops.

Overall Impacts in 2015 and 2016 Rider Revenue Requirements
The bonus tax depreciation taken on 2015 investments will increase the ADIT balances in Otter Tail's (ECR) and (TCR) riders, *and will reduce the rate base in these riders*. As a result, rates will be lower in the next annual updates of these riders than they would have been without the bonus tax depreciation. While no new investments have been made or included in Otter Tail's RRA rider in this Case, the impact of the NOL noted earlier, will delay the use of Production Tax Credits (PTCs) which flow through the RRA rider. This delay will result in an increase in the proposed rate for the RRA that is now being requested in this Supplemental Filing. The specific impact to the RRA is further explained later in this letter.

While the updates to Otter Tail's three rider mechanisms and the incorporation of the bonus tax depreciation will occur at different times over the next few months, the table below illustrates the estimated *incremental* impacts bonus tax depreciation will have on the revenue requirements of each of Otter Tail's North Dakota riders for the calendar year 2015 and 2016 time-frames. As illustrated in the table, the bonus tax depreciation and the NOL have a cumulative net impact on ECR, TCR and RRA rates of $188,736 for 2015 and 2016 ($540,592 more in 2015 and $351,856 less in 2016). These amounts do not take into consideration any over or under collection balances, or prior period true-up amounts, but only quantify the impact on the calculation of the revenue requirement of bonus tax depreciation for the respective calendar year time periods. As noted above, the timing of when these impacts will be incorporated into rates will occur in this update to the RRA, and the next round of annual updates in the ECR[1] and TCR[2].

[1] Otter Tail will be filing its next annual update to the ECR by April 1, 2016 with a proposed effective date of July 1, 2016.

Recovery Mechanism	January - December 2015 Revenue Requirement		January - December 2016 Revenue Requirement	
	Without Bonus Depreciation	With Bonus Depreciation	Without Bonus Depreciation	With Bonus Depreciation
Renewable Rider	$7,612,115	$8,274,389	$6,799,750	$7,974,995
Environmental Rider	9,400,502	9,323,570	12,792,977	11,582,270
Transmission Rider	5,803,480	5,758,730	6,400,824	6,084,430
Total Projected Revenue Requirement	**$22,816,097**	**$23,356,689**	**$25,993,550**	**$25,641,695**

Tax Benefits Applicable to Wind Projects in RRA
As noted in the initial filing, there are three wind farms included in Otter Tail's RRA rider: Langdon, Ashtabula and Luverne. When these wind farms were placed in service, Otter Tail elected to take PTCs on the Langdon and Ashtabula Wind Farms. Otter Tail received a Federal Grant for the Luverne wind farm, and reduced the cost (Plant in Service) of that project by $30.2 million when that facility was placed in service.

RRA Treatment of Production Tax Credits.
Each year, Otter Tail earns PTCs based on the kilowatt hours produced by the Langdon and Ashtabula Wind Farms. The PTCs that are earned impact the RRA rider's revenue requirement in two places. First, when PTCs are earned each year, they are immediately included in the calculation of income tax expense, in the year they were earned, as a dollar for dollar reduction in the expense that is included in the calculation of the overall revenue requirement. While 100 percent of the benefit of the PTCs is immediately passed on to ratepayers in the period they are generated, Otter Tail may or may not be able to use those PTCs on the current period tax return.

Otter Tail's ability to use PTCs on its tax return is driven by Otter Tail's overall tax position in any given year. Unused PTCs can be carried forward to reduce future tax liabilities.[3] In the event Otter Tail is unable to use some or all of the PTCs generated during a particular year, the unused PTCs are accounted for as a tax asset and included as an addition to rate base. When the PTCs are ultimately used on a tax return, the PTC tax asset amount declines and rate base is reduced.

Bonus Depreciation delays use of Production Tax Credits in the RRA
Otter Tail's initial filing assumed that PTCs would be used for the 2015 and 2016 tax years, with the associated impacts incorporated into the revenue requirement calculations. As a result, the balance of the PTC tax asset was projected to decline, lowering the rate base amount upon which the revenue requirement is calculated.

As described earlier, the ability for Otter Tail to take advantage of the bonus tax depreciation on other investments, created a tax NOL position for Otter Tail for 2015. As a result, this NOL position will

[2] Otter Tail will file its next annual update to the TCR by September 1, 2016 with a proposed effective date of January 1, 2017.
[3] PTCs can be carried forward for up to 20 years.

delay Otter Tail's ability to utilize PTCs, which instead, will accumulate as a tax asset within the RRA and increase rate base until they can be used at a future time. The table below summarizes the projected impact on the PTC Deferred Tax Balances (Total Company) for Langdon and Ashtabula Wind Farms for both 2015 and 2016. North Dakota's share would be 41.018 percent of those amounts, as reflected on the last line of the table:

Tax Asset – Federal PTC Total Company Basis End of Year Balances			
	December 2014	December 2015	December 2016
Ashtabula PTC Tax Asset			
Initial Filing	$17,878,833	$2,335,272	$1,038,998
Supplemental Filing	17,878,833	21,376,422	23,079,022
Change	**$0**	**$19,041,150**	**$22,040,024**
Langdon PTC Tax Asset			
Initial Filing	$1,082,256	$830,497	$852,316
Supplemental Filing	1,082,256	$4,546,752	6,157,875
Change	**$0**	**$3,716,255**	**$5,305,559**
Total Change in PTC Tax Asset	**$0**	**$22,757,405**	**$27,345,583**
ND Share of Change – 41.018%		**$9,334,632**	**$11,216,611**

The treatment of both current PTC crediting to customers within tax expense calculations, as well as the handling of the actual usage of PTCs and any associated deferrals, is consistent with the treatment the Commission has approved in prior cases for Otter Tail's RRA rider.

Updated Information

Otter Tail's Initial Filing requested approval of its 2016 RRA to be effective April 1, 2016 based upon actual data through October 2015 and projected costs and collections from November 2015 through March 2017. This Supplemental Filing includes actual data through January 2016 and updated projected costs and collections from February 2016 through March 2017. Because of the timing of this Supplemental Filing, Otter Tail has now calculated the rate assuming a proposed effective date of May 1, 2016.

The attachments included in this Supplemental Filing include the following changes to Otter Tail's Initial Filing:

- *Updated Costs.* In all Attachments, where applicable, actual revenues and expenses through January 2016 have been updated from the forecasted data filed in the Initial Filing. The forecasts, where applicable, for the remaining months of the recovery period have also been updated.

- *Updated PTC Balances.* As discussed above, the impact on Otter Tail's use of PTCs has been included in this Supplemental Filing.

RRA Rider Rate Impact

The overall impact of these changes results in a $2,172,971 increase to North Dakota revenue requirements from the amount proposed in the Initial Filing of $7,088,584 to $9,261,555 in this Supplemental Filing. The table below shows the respective revenue requirements and increase in rates, effective May 1, 2016, from Otter Tail's Initial Filing to this Supplemental Filing as well as the current rate in place since April 1, 2015 and the rates that were implemented April 1, 2014. As noted in last year's filing, the current 4.069 percent rate that went into effect on April 1, 2015, was significantly lower due to the $1.78 million true-up (credit as noted below) that was incorporated into that rate, driven largely as a result Otter Tail's ability to use PTCs on its 2013 tax return, and updated estimates of PTC balances for subsequent periods that had not previously been reflected in the RRA.

	2014 Filing	2015 Filing (Current Rate)	2016 Initial Filing	2016 Supplemental Filing
Revenue Requirement	$8,213,716,13	$7,269,678	$6,727,270	$7,392,185
Carrying Charge	$45,162	($47,877)	$39,242	$100,575
True-Up	($191,211)	($1,780,622)[4]	$322,071	$1,768,795
Total Revenue Requirement	$8,067,666	$5,441,178)	$7,088,584	$9,261,555
Rate (% of bill)	**6.161%**[5]	**4.069%**	**5.320%**	**7.573%**

The increase from this Supplemental Filing for a residential customer using 1,000 kWh would be approximately $3.03 per month. The following table shows the estimated rate increase over the current rate by a customer using 1,000 kWh and a Large General Service customer using 400,000 kWh and 1,000 kW.

[4] From Page 5 of Otter Tail's 2015 RRA update submitted 12/31/2014, Case No. PU-15-14: *In this Application, Otter Tail seeks to recover a total of $5,441,178 (Attachment 4, Page 8, line 43) over the April 1, 2015 to March 31, 2016 time period, a $2,626,488 reduction from the $8,067,666 revenue requirement projected in last year's update (Case No. PU-13-16) for the April 1, 2014 to March 31, 2015 collection period. Approximately $1,780,622 of the reduction is related to true-ups for periods prior to March 31, 2015. There are two primary reasons for the large true up. First, sales and related billing collections increased during the 2013/2014 winter due to a colder than expected temperatures. The second factor contributing to the over-collection was a significantly higher use of production tax credits 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 accumulated deferred income taxes 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. Rate base for the recovery period in this filing is also reduced as a result of the PTC use, accounting for the balance of the reduction from $8 million to $5.4 million in revenue requirement compared to last year.*

[5] The RRA rate was changed to a percent of bill in Case No. PU-15-14. This is an estimated percent of bill rate for this collection period. Actual rates in effect for that collection period were based on a kW demand and kWh usage.

	Average kWh per month	Total Current Bill	Total Proposed Bill	Percent Increase
Residential	1,000	$101.69	$104.72	2.985%
Large General Service	400,000	$31,238.13	$32,165.28	2.968%

If rate implementation were to occur on June 1, 2016 instead of May 1, 2016 the proposed rate would increase to 7.884 percent.

Summary of Impacts of Bonus Tax Depreciation on Other Rates
As noted above, ratepayers will see the benefit of bonus tax depreciation in other rate mechanisms as they are updated. Otter Tail expects to file its annual update to the ECR rider by April 1, 2016 with a proposed implementation occurring July 1, 2016. Current estimates show that the ECR rate would drop from its current 9.193 percent to approximately 7.8 percent. In Otter Tail's next TCR update in the fall of 2016, the impact of bonus tax depreciation will reflect a greater ADIT offset to rate base in that rider, for projects upon which bonus tax depreciation was taken.

Customer Notification
A notice is being sent to customers regarding this Supplemental Filing beginning with billings issued on or after March 1, 2016. A copy of that notice is provided as Attachment 7 to this filing.

Proposed Rate Schedule
The revised rate schedule number 13.04 is provided in Attachment 6, in both redline and clean versions.

Conclusion
While rate payers will see an increase in the proposed RRA rate as a result of the recent tax legislation, rate payers will see the benefits of that legislation through lower rates in Otter Tail's other rider mechanisms, and eventually will see reduced rates in the RRA through the future use of the PTCs. Otter Tail respectfully requests the Commission approve the 2016 Renewable Resource Cost Recovery Adjustment effective May 1, 2016, based on the tracker activity and cost recovery for the Langdon, Ashtabula, and Luverne Wind projects.

If you have any questions regarding this filing, please contact me at 218-739-8564 or aharris@otpco.com.

Sincerely,

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

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

Revised Attachment 1	Langdon revenue requirements calculation
Revised Attachment 2	Ashtabula revenue requirements calculation
Revised Attachment 3	Luverne revenue requirements calculation
Revised Attachment 4	Renewable Resource Tracker report
Revised Attachment 5	Rate design, projected revenue
Revised Attachment 6	Updated Renewable Resource Rider (redline and clean)
Revised 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 - NOL DTA															
8	Reversal of ADIT - NOL DTA															
9	ADIT Pro-Rated															
10	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)	
11	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	
12	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	
13	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
14	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
15	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
16	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
17	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	
18																
19	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
20																
21	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
22																
23	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
24																
25	***EXPENSES***															
26	*O&M and Depreciation*															
27	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
28	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
29	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
30	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
31	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
32																
33	Income before Taxes															
34	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
35	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)
36	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)
37	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
38	Less: Section 199 Deduction															
39	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
40	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
41																
42	Income Taxes															
43	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
44	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
45	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)
46	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)
47	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
48	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)
49																
50																
51	***REVENUE REQUIRMENTS***															
52	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
53	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
54																
55	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
56																
57	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

SUPPORTING INFORMATION / DATA

Line		2007				2008										
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 - NOL DTA															
8	Reversal of ADIT - NOL DTA															
9	ADIT Pro-Rated															
10	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)	
11	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	
12	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	
13	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
14	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
15	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
16	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
17	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	
18																
19	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
20																
21	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
22																
23	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
24															*rate change	
25	***EXPENSES***															
26	*O&M and Depreciation*															
27	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
28	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
29	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
30	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
31	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
32																
33	Income before Taxes															
34	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
35	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)
36	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)
37	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
38	Less: Section 199 Deduction															
39	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)
40	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)
41																
42	Income Taxes															
43	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)
44	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
45	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)
46	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)
47	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
48	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)
49																
50																
51	***REVENUE REQUIRMENTS***															
52	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
53	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
54																
55	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
56																
57	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 - NOL DTA														
8	Reversal of ADIT - NOL DTA														
9	ADIT Pro-Rated														
10	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)	
11	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	
12	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	
13	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
14	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
15	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
16	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
17	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	
18															
19	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
20															
21	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
22															
23	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
24															
25	***EXPENSES***														
26	*O&M and Depreciation*														
27	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
28	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
29	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
30	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
31	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
32															
33	Income before Taxes														
34	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
35	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)
36	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)
37	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
38	Less: Section 199 Deduction														
39	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)
40	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)
41															
42	Income Taxes														
43	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)
44	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
45	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)
46	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)
47	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
48	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)
49															
50															
51	***REVENUE REQUIRMENTS***														
52	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
53	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
54															
55	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
56															
57	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

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	$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	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	
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 - NOL DTA															
8	Reversal of ADIT - NOL DTA															
9	ADIT Pro-Rated															
10	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)		
11	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		
12	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		
13	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	
14	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	
15	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	
16	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	
17	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		
18																
19	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	
20																
21	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	
22																
23	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	
24																
25	***EXPENSES***															
26	*O&M and Depreciation*															
27	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	
28	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	
29	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	
30	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	
31	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	
32																
33	Income before Taxes															
34	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	
35	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)	
36	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)	
37	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	
38	Less: Section 199 Deduction															
39	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)	
40	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)	
41																
42	Income Taxes															
43	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)	
44	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	
45	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)	
46	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)	
47	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	
48	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)	
49																
50																
51	***REVENUE REQUIRMENTS***															
52	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)	
53	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	
54																
55	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	
56																
57	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	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 - 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 - NOL DTA															
8	Reversal of ADIT - NOL DTA															
9	ADIT Pro-Rated															
10	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)		
11	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		
12	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		
13	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	
14	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	
15	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	
16	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	
17	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		
18																
19	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
20																
21	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
22																
23	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
24																
25	***EXPENSES***															
26	*O&M and Depreciation*															
27	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
28	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
29	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
30	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
31	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
32																
33	Income before Taxes															
34	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
35	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)
36	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)
37	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
38	Less: Section 199 Deduction															
39	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)
40	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)
41																
42	Income Taxes															
43	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)
44	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
45	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)
46	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)
47	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
48	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)
49																
50																
51	***REVENUE REQUIRMENTS***															
52	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
53	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
54																
55	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
56																
57	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

SUPPORTING INFORMATION / DATA

Line		2011				2012									
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	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 - 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 - NOL DTA															
8	Reversal of ADIT - NOL DTA															
9	ADIT Pro-Rated															
10	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)		
11	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		
12	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		
13	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	
14	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	
15	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	
16	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	
17	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		
18																
19	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
20																
21	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
22																
23	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
24																
25	***EXPENSES***															
26	*O&M and Depreciation*															
27	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
28	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
29	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
30	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
31	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
32																
33	Income before Taxes															
34	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
35	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)
36	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)
37	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
38	Less: Section 199 Deduction															
39	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)
40	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)
41																
42	Income Taxes															
43	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)
44	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
45	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)
46	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)
47	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
48	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)
49																
50																
51	***REVENUE REQUIRMENTS***															
52	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
53	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
54																
55	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
56																
57	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

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	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 - NOL DTA														
8	Reversal of ADIT - NOL DTA														
9	ADIT Pro-Rated														
10	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)	
11	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	
12	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	
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	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	
16	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)	
17	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	
18															
19	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
20															
21	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
22															
23	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
24															
25	***EXPENSES***														
26	*O&M and Depreciation*														
27	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
28	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
29	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
30	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
31	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
32															
33	Income before Taxes														
34	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
35	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)
36	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
37	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)
38	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)
39	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)
40	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)
41															
42	Income Taxes														
43	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)
44	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
45	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)
46	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
47	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)
48	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)
49															
50															
51	***REVENUE REQUIRMENTS***														
52	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)
53	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
54															
55	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
56															
57	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
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	Actual Nov-15	Actual 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	78,988,224.76	79,140,417.02	
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)	(24,561,379.79)	
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	54,700,210.05	54,579,037.23	
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	269,883.82	272,161.19	
7	ADIT - NOL DTA	0.00	1,674.42	3,348.83	5,023.25	6,697.67	8,372.08	10,046.50	11,720.92	13,395.33	15,069.75	16,744.17	18,418.58	20,093.00	
8	Reversal of ADIT - NOL DTA	0.00												0.00	
9	ADIT Pro-Rated		1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	
10	Accum. Deferred Inc. Taxes - Fed & State	(22,312,807.77)	(22,209,408.17)	(22,106,008.56)	(22,002,608.95)	(21,899,209.34)	(21,795,809.74)	(21,692,410.13)	(21,589,010.52)	(21,485,610.92)	(21,382,211.27)	(21,278,811.62)	(21,175,411.97)	(21,072,012.32)	
11	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	
12	Accum. Deferred Inc. Taxes - Federal PTC	1,082,255.74	1,409,599.90	1,729,772.57	2,118,956.22	2,444,223.37	2,727,018.19	2,923,052.27	3,151,057.39	3,375,079.99	3,668,454.30	4,057,474.44	4,344,160.95	4,546,752.11	
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	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	392,092.39	390,170.37	
16	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)	(137,232.50)	(136,559.79)	
17	End of month rate base	36,985,587.08	37,140,578.92	37,292,763.37	37,501,215.60	37,715,992.68	37,789,057.39	37,822,985.58	37,928,998.71	37,954,344.09	38,089,880.20	38,304,454.26	38,412,121.34	38,599,641.80	
18															
19	Average rate base	39,604,928.92	37,810,586.23	37,810,586.23	37,810,586.23	37,810,586.23	37,810,586.23	37,810,586.23	37,810,586.23	37,810,586.23	37,810,586.23	37,810,586.23	37,810,586.23	37,810,586.23	37,810,586.23
20															
21	Return on Rate Base	3,412,380.48	271,481.58	271,481.58	271,481.58	271,481.58	271,481.58	271,481.58	271,481.58	271,481.58	271,481.58	271,481.58	271,481.58	271,481.58	3,257,779.01
22															
23	Available for return (equity portion of rate base)	2,269,263.41	180,537.67	180,537.67	180,537.67	180,537.67	180,537.67	180,537.67	180,537.67	180,537.67	180,537.67	180,537.67	180,537.67	180,537.67	2,166,452.06
24															
25	***EXPENSES***														
26	*O&M and Depreciation*														
27	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	56,227.78	56,510.66	857,352.02
28	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	10,281.31	10,281.31	123,375.78
29	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	13,856.00	144,008.00
30	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	273,365.08	3,280,380.09
31	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	351,706.17	354,013.05	4,405,115.89
32															
33	Income before Taxes														
34	Available for return (from above)		180,537.67	180,537.67	180,537.67	180,537.67	180,537.67	180,537.67	180,537.67	180,537.67	180,537.67	180,537.67	180,537.67	180,537.67	2,166,452.06
35	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)	(286,686.51)	(202,591.15)	(3,464,496.37)
36	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
37	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)
38	Less: Section 199 Deduction														
39	Adjusted Income before interest and taxes		(145,557.18)	(138,385.69)	(207,396.66)	(143,480.16)	(101,007.84)	(14,247.10)	(46,218.13)	(42,235.61)	(111,587.33)	(207,233.15)	(104,899.53)	(20,804.17)	(1,283,052.55)
40	Taxable Income (grossed up)	1.642743	(239,113.02)	(227,332.10)	(340,699.38)	(235,701.02)	(165,929.90)	(23,404.32)	(75,924.51)	(69,382.25)	(183,309.29)	(340,430.78)	(172,322.95)	(34,175.90)	(2,107,725.41)
41															
42	Income Taxes														
43	Current and Def Income Taxes	39.126%	(93,555.84)	(88,946.41)	(133,302.72)	(92,220.85)	(64,922.06)	(9,157.22)	(29,706.37)	(27,146.64)	(71,721.96)	(133,197.63)	(67,423.42)	(13,371.73)	(824,672.86)
44	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
45	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)	(286,686.51)	(202,591.15)	(3,464,496.37)
46	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
47	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)
48	Total Income Tax Expense		(419,650.69)	(407,869.77)	(521,237.05)	(416,238.69)	(346,467.57)	(203,941.99)	(256,462.18)	(249,919.93)	(363,846.96)	(520,968.45)	(352,860.62)	(214,713.57)	(4,274,177.47)
49															
50															
51	***REVENUE REQUIRMENTS***														
52	Expenses		(68,814.34)	(32,913.52)	(130,953.82)	(72,703.72)	50,422.28	160,639.22	101,738.36	155,852.71	(3,153.39)	(167,320.39)	(1,154.45)	139,299.48	130,938.42
53	Return on rate base		271,481.58	271,481.58	271,481.58	271,481.58	271,481.58	271,481.58	271,481.58	271,481.58	271,481.58	271,481.58	271,481.58	271,481.58	3,257,779.01
54															
55	Total revenue requirements		202,667.25	238,568.06	140,527.76	198,777.87	321,903.86	432,120.80	373,219.95	427,334.29	268,328.19	104,161.19	270,327.13	410,781.07	3,388,717.43
56															
57	North Dakota share - E2 factor	41.018%	83,130.00	97,855.79	57,641.64	81,534.66	132,038.45	177,247.20	153,087.26	175,283.87	110,062.79	42,724.81	110,882.72	168,494.07	**1,389,983.27**

Otter Tail Power Company
North Dakota Renewable Resource Rider
Langdon 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	14,232	13,921	16,921	14,142	12,295	8,523	9,913	9,740	12,755	16,914	12,465	8,808	150,630
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	286,687	202,591	3,464,496
13	Federal PTC Used on tax return		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Deferred		327,344	320,173	389,184	325,267	282,795	196,034	228,005	224,023	293,374	389,020	286,687	202,591	3,464,496
15	Accumulated Deferred		1,409,600	1,729,773	2,118,956	2,444,223	2,727,018	2,923,052	3,151,057	3,375,080	3,668,454	4,057,474	4,344,161	4,546,752	8,011,248
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	273,365.08	3,280,380.09
20	Tax depreciation-ND		9,092.93	9,092.93	9,092.93	9,092.93	9,092.93	9,092.93	9,092.93	9,092.93	9,092.93	9,092.93	9,092.93	9,092.93	109,115.17
21	Tax depreciation-Federal		9,092.93	9,092.93	9,092.93	9,092.93	9,092.93	9,092.93	9,092.93	9,092.93	9,092.93	9,092.93	9,092.93	9,092.93	109,115.17
22	Book vs. tax depreciation		264,272.04	264,272.04	264,272.04	264,272.04	264,272.04	264,272.04	264,272.04	264,272.04	264,272.15	264,272.15	264,272.15	264,272.15	3,171,264.93
23	Federal & State deferred income taxes	0	103,399.61	103,399.61	103,399.61	103,399.61	103,399.61	103,399.61	103,399.61	103,399.61	103,399.65	103,399.65	103,399.65	103,399.65	1,240,795.46
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	202,667.25	238,568.06	140,527.76	198,777.87	321,903.86	432,120.80	373,219.95	427,334.29	268,328.19	104,161.19	270,327.13	410,781.07	3,388,717.43
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	351,706.17	354,013.05	4,405,115.89
5	Interest on Debt	85,555.90	85,555.90	85,555.90	85,555.90	85,555.90	85,555.90	85,555.90	85,555.90	85,555.90	85,555.90	85,555.90	85,555.90	1,026,670.85
6														
7	Income Taxes													
8	Current Income Tax	9,843.77	14,453.19	(29,903.11)	11,178.76	38,477.54	94,242.39	73,693.23	76,252.97	31,677.69	(29,797.98)	35,976.23	90,027.92	416,122.60
9	Deferred Income Tax	(103,399.61)	(103,399.61)	(103,399.61)	(103,399.61)	(103,399.61)	(103,399.61)	(103,399.61)	(103,399.61)	(103,399.65)	(103,399.65)	(103,399.65)	(103,399.65)	(1,240,795.46)
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	(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)	(286,686.51)	(202,591.15)	(3,464,496.37)
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	16,741.57	52,642.38	(45,397.92)	12,852.19	135,978.18	246,195.12	187,294.27	241,408.61	82,402.51	(81,764.49)	84,401.45	224,855.38	1,157,609.26
18														
19	Net Income before preferred dividend	185,925.68	185,925.68	185,925.68	185,925.68	185,925.68	185,925.68	185,925.68	185,925.68	185,925.68	185,925.68	185,925.68	185,925.68	2,231,108.17
20	Dividend on Preferred Stock	(5,388.01)	(5,388.01)	(5,388.01)	(5,388.01)	(5,388.01)	(5,388.01)	(5,388.01)	(5,388.01)	(5,388.01)	(5,388.01)	(5,388.01)	(5,388.01)	(64,656.10)
21														
22	Income available for Common Stock	**180,537.67**	**180,537.67**	**180,537.67**	**180,537.67**	**180,537.67**	**180,537.67**	**180,537.67**	**180,537.67**	**180,537.67**	**180,537.67**	**180,537.67**	**180,537.67**	**2,166,452.06**
23														
24	**Average Rate Base**	37,810,586.23	37,810,586.23	37,810,586.23	37,810,586.23	37,810,586.23	37,810,586.23	37,810,586.23	37,810,586.23	37,810,586.23	37,810,586.23	37,810,586.23	37,810,586.23	37,810,586.23
25	Equity Percent	1,679,420.21	1,679,420.21	1,679,420.21	1,679,420.21	1,679,420.21	1,679,420.21	1,679,420.21	1,679,420.21	1,679,420.21	1,679,420.21	1,679,420.21	1,679,420.21	20,153,042.46
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	180,537.67	180,537.67	180,537.67	180,537.67	180,537.67	180,537.67	180,537.67	180,537.67	180,537.67	180,537.67	180,537.67	180,537.67	2,166,452.06
	Less Section 199 Deduction													
31	Less Income Taxes	(419,650.69)	(407,869.77)	(521,237.05)	(416,238.69)	(346,467.57)	(203,941.99)	(256,462.18)	(249,919.93)	(363,846.96)	(520,968.45)	(352,860.62)	(214,713.57)	(4,274,177.47)
32	Total	(239,113.02)	(227,332.10)	(340,699.38)	(235,701.02)	(165,929.90)	(23,404.32)	(75,924.51)	(69,382.25)	(183,309.29)	(340,430.78)	(172,322.95)	(34,175.90)	(2,107,725.41)
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	273,365.08	3,280,380.09
35	Tax Depreciation	(9,092.93)	(9,092.93)	(9,092.93)	(9,092.93)	(9,092.93)	(9,092.93)	(9,092.93)	(9,092.93)	(9,092.93)	(9,092.93)	(9,092.93)	(9,092.93)	(109,115.17)
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	25,159.02	36,939.94	(76,427.34)	28,571.02	98,342.14	240,867.72	188,347.53	194,889.79	80,962.86	(76,158.63)	91,949.20	230,096.25	1,063,539.52
38	Current income tax	9,843.77	14,453.19	(29,903.11)	11,178.76	38,477.54	94,242.39	73,693.23	76,252.97	31,677.69	(29,797.98)	35,976.23	90,027.92	416,122.60
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	Actual 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	79,140,417.02	79,140,417.02	79,076,011.20	79,340,537.96	79,340,537.96	79,340,537.96	79,605,064.71	79,605,064.71	79,605,064.71	79,869,591.47	79,869,591.47	79,869,591.47	80,134,118.22	
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	(24,561,379.79)	(24,835,205.63)	(25,109,031.47)	(25,382,634.47)	(25,657,152.73)	(25,931,671.00)	(26,206,189.26)	(26,481,622.78)	(26,757,056.31)	(27,032,489.83)	(27,308,838.62)	(27,585,187.40)	(27,861,536.19)	
5	Net Plant in Service	54,579,037.23	54,305,211.39	53,966,979.73	53,957,903.48	53,683,385.22	53,408,866.96	53,398,875.45	53,123,441.93	52,848,008.41	52,837,101.64	52,560,752.85	52,284,404.06	52,272,582.03	
6	Inventory	272,161.19	247,498.70	247,498.70	247,498.70	247,498.70	247,498.70	247,498.70	247,498.70	247,498.70	247,498.70	247,498.70	247,498.70	247,498.70	
7	ADIT - NOL DTA	20,093.00	20,093.00	20,093.00	20,093.00	20,093.00	20,093.00	20,093.00	20,093.00	20,093.00	20,093.00	20,093.00	20,093.00	20,093.00	
8	Reversal of ADIT - NOL DTA	0.00	(1,169.33)	(2,338.67)	(3,508.00)	(4,677.33)	(5,846.67)	(7,016.00)	(8,185.33)	(9,354.67)	(10,524.00)	(11,693.33)	(12,862.67)	(14,032.00)	
9	ADIT Pro-Rated		1.000000	0.841096	0.756164	0.673973	0.589041	0.506849	0.421918	0.336986	0.254795	0.169863	0.087671	0.002740	
10	Accum. Deferred Inc. Taxes - Fed & State	(21,072,012.32)	(20,986,842.11)	(20,915,205.79)	(20,850,869.04)	(20,793,284.07)	(20,742,955.73)	(20,699,649.95)	(20,663,449.73)	(20,634,536.56)	(20,612,675.39)	(20,598,040.44)	(20,590,486.92)	(20,590,250.87)	
11	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	
12	Accum. Deferred Inc. Taxes - Federal PTC	4,546,752.11	4,818,912.11	5,083,352.65	5,302,942.79	5,519,692.38	5,707,714.30	5,833,007.45	5,921,103.89	5,989,849.09	6,066,898.96	6,127,641.97	6,157,099.50	6,157,875.39	
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	Accum. Deferred Inc. Taxes - ND ITC	390,170.37	388,248.35	386,631.75	385,178.38	383,882.99	382,750.85	381,776.67	380,965.74	380,318.04	379,828.32	379,501.84	379,333.34	379,328.07	
16	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC	(136,559.79)	(135,887.08)	(135,321.27)	(134,812.59)	(134,359.21)	(133,962.96)	(133,621.99)	(133,338.17)	(133,111.47)	(132,940.07)	(132,825.80)	(132,766.83)	(132,764.98)	
17	End of month rate base	38,599,641.80	38,656,066.03	38,651,690.94	38,924,427.48	38,922,232.37	38,884,159.04	39,040,963.84	38,888,130.45	38,708,764.88	38,795,281.41	38,592,928.95	38,352,312.28	38,340,329.34	
18															
19	Average rate base	37,810,586.23	38,719,763.75	38,719,763.75	38,719,763.75	38,719,763.75	38,719,763.75	38,719,763.75	38,719,763.75	38,719,763.75	38,719,763.75	38,719,763.75	38,719,763.75	38,719,763.75	38,719,763.75
20															
21	Return on Rate Base		278,009.52	278,009.52	278,009.52	278,009.52	278,009.52	278,009.52	278,009.52	278,009.52	278,009.52	278,009.52	278,009.52	278,009.52	3,336,114.20
22															
23	Available for return (equity portion of rate base)		184,878.81	184,878.81	184,878.81	184,878.81	184,878.81	184,878.81	184,878.81	184,878.81	184,878.81	184,878.81	184,878.81	184,878.81	2,218,545.66
24															
25	***EXPENSES***														
26	*O&M and Depreciation*														
27	Operating Costs		86,270	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	919,475.82
28	Ground Lease Payments		10,487	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	131,640.60
29	Property Tax		9,438	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	129,652.00
30	Book Depreciation	0	273,825.84	273,825.84	273,603.00	274,518.26	274,518.26	274,518.26	275,433.52	275,433.52	275,433.52	276,348.79	276,348.79	276,348.79	3,300,156.40
31	Total O&M and Depreciation Expense	0	380,020.76	358,652.75	400,107.47	385,309.91	380,785.69	361,550.88	362,477.73	362,474.80	380,864.71	381,782.74	363,509.62	363,387.76	4,480,924.82
32															
33	Income before Taxes														
34	Available for return (from above)		184,878.81	184,878.81	184,878.81	184,878.81	184,878.81	184,878.81	184,878.81	184,878.81	184,878.81	184,878.81	184,878.81	184,878.81	2,218,545.66
35	Less book tax credits - Federal PTC	0	(272,160.00)	(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)	(3,456,960.00)
36	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
37	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)
38	Less: Section 199 Deduction														
39	Adjusted Income before interest and taxes		(86,031.88)	(128,271.88)	(104,271.88)	(135,471.88)	(133,071.88)	(61,071.88)	(22,671.88)	(17,871.88)	(116,271.88)	(171,471.88)	(149,871.88)	(97,071.88)	(1,223,422.58)
40	Taxable Income (grossed up)	1.642743	(141,328.26)	(210,717.72)	(171,291.89)	(222,545.47)	(218,602.88)	(100,325.40)	(37,244.07)	(29,358.91)	(191,004.80)	(281,684.21)	(246,200.96)	(159,464.14)	(2,009,768.70)
41															
42	Income Taxes														
43	Current and Def Income Taxes	39.126%	(55,296.38)	(82,445.84)	(67,020.01)	(87,073.58)	(85,531.00)	(39,253.52)	(14,572.19)	(11,487.02)	(74,732.92)	(110,212.33)	(96,329.08)	(62,392.26)	(786,346.12)
44	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
45	Federal PTC	6.348%	(272,160.00)	(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)	(3,456,960.00)
46	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
47	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)
48	Total Income Tax Expense		(326,207.06)	(395,596.52)	(356,170.69)	(407,424.27)	(403,481.69)	(285,204.20)	(222,122.88)	(214,237.71)	(375,883.61)	(466,563.01)	(431,079.77)	(344,342.95)	(4,228,314.37)
49															
50															
51	***REVENUE REQUIRMENTS***														
52	Expenses		53,813.70	(36,943.78)	43,936.78	(22,114.36)	(22,696.00)	76,346.67	140,354.85	148,237.09	4,981.10	(84,780.27)	(67,570.14)	19,044.81	252,610.45
53	Return on rate base		278,009.52	278,009.52	278,009.52	278,009.52	278,009.52	278,009.52	278,009.52	278,009.52	278,009.52	278,009.52	278,009.52	278,009.52	3,336,114.20
54															
55	Total revenue requirements		331,823.22	241,065.74	321,946.30	255,895.16	255,313.51	354,356.19	418,364.37	426,246.61	282,990.62	193,229.24	210,439.37	297,054.33	3,588,724.66
56															
57	North Dakota share - E2 factor	41.018%	136,107.16	98,880.29	132,055.85	104,963.01	104,724.43	145,349.73	171,604.59	174,837.73	116,077.02	79,258.72	86,317.97	121,845.67	**1,472,022.18**

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	11,340	13,100	12,100	13,400	13,300	10,300	8,700	8,500	12,600	14,900	14,000	11,800	144,040
12	Federal PTC Available based on production	0	272,160	314,400	290,400	321,600	319,200	247,200	208,800	204,000	302,400	357,600	336,000	283,200	3,456,960
13	Federal PTC Used on tax return		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Deferred		272,160	314,400	290,400	321,600	319,200	247,200	208,800	204,000	302,400	357,600	336,000	283,200	3,456,960
15	Accumulated Deferred		4,818,912	5,133,312	5,423,712	5,745,312	6,064,512	6,311,712	6,520,512	6,724,512	7,026,912	7,384,512	7,720,512	8,003,712	11,468,208
16															
17	**Deferred Tax**														
18	Book depr. rate		4.1520%	4.1520%	4.1520%	4.1520%	4.1520%	4.1520%	4.1520%	4.1520%	4.1520%	4.1520%	4.1520%	4.1520%	
19	Book depreciation	0	273,825.84	273,825.84	273,603.00	274,518.26	274,518.26	274,518.26	275,433.52	275,433.52	275,433.52	276,348.79	276,348.79	276,348.79	3,300,156.40
20	Tax depreciation-ND		56,145.08	56,145.08	56,145.08	56,145.08	56,145.08	56,145.08	56,145.08	56,145.08	56,145.08	56,145.08	56,145.08	56,145.08	673,740.99
21	Tax depreciation-Federal		56,145.08	56,145.08	56,145.08	56,145.08	56,145.08	56,145.08	56,145.08	56,145.08	56,145.08	56,145.08	56,145.08	56,145.08	673,740.99
22	Book vs. tax depreciation		217,680.76	217,680.76	217,457.92	218,373.18	218,373.18	218,373.18	219,288.44	219,288.44	219,288.44	220,203.70	220,203.70	220,203.70	2,626,415.41
23	Federal & State deferred income taxes	0	85,170.21	85,170.21	85,083.02	85,441.13	85,441.13	85,441.13	85,799.23	85,799.23	85,799.23	86,157.34	86,157.34	86,157.34	1,027,616.54
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		331,823.22	241,065.74	321,946.30	255,895.16	255,313.51	354,356.19	418,364.37	426,246.61	282,990.62	193,229.24	210,439.37	297,054.33	3,588,724.66
2															
3	Expenses														
4	O/M and Book Depreciation		380,020.76	358,652.75	400,107.47	385,309.91	380,785.69	361,550.88	362,477.73	362,474.80	380,864.71	381,782.74	363,509.62	363,387.76	4,480,924.82
5	Interest on Debt		87,613.15	87,613.15	87,613.15	87,613.15	87,613.15	87,613.15	87,613.15	87,613.15	87,613.15	87,613.15	87,613.15	87,613.15	1,051,357.75
6															
7	Income Taxes														
8	Current Income Tax		29,873.83	2,724.37	18,063.01	(1,632.46)	(89.87)	46,187.61	71,227.04	74,312.21	11,066.31	(24,054.99)	(10,171.74)	23,765.08	241,270.42
9	Deferred Income Tax		(85,170.21)	(85,170.21)	(85,083.02)	(85,441.13)	(85,441.13)	(85,441.13)	(85,799.23)	(85,799.23)	(85,799.23)	(86,157.34)	(86,157.34)	(86,157.34)	(1,027,616.54)
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		(272,160.00)	(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)	(3,456,960.00)
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		141,426.84	50,669.37	131,549.92	65,498.78	64,917.14	163,959.82	227,968.00	235,850.24	92,594.25	2,832.87	20,043.00	106,657.96	1,303,968.20
18															
19	Net Income before preferred dividend		190,396.37	190,396.37	190,396.37	190,396.37	190,396.37	190,396.37	190,396.37	190,396.37	190,396.37	190,396.37	190,396.37	190,396.37	2,284,756.46
20	Dividend on Preferred Stock		(5,517.57)	(5,517.57)	(5,517.57)	(5,517.57)	(5,517.57)	(5,517.57)	(5,517.57)	(5,517.57)	(5,517.57)	(5,517.57)	(5,517.57)	(5,517.57)	(66,210.80)
21															
22	Income available for Common Stock		**184,878.81**	**184,878.81**	**184,878.81**	**184,878.81**	**184,878.81**	**184,878.81**	**184,878.81**	**184,878.81**	**184,878.81**	**184,878.81**	**184,878.81**	**184,878.81**	**2,218,545.66**
23															
24	**Average Rate Base**		38,719,763.75	38,719,763.75	38,719,763.75	38,719,763.75	38,719,763.75	38,719,763.75	38,719,763.75	38,719,763.75	38,719,763.75	38,719,763.75	38,719,763.75	38,719,763.75	38,719,763.75
25	Equity Percent		1,719,802.84	1,719,802.84	1,719,802.84	1,719,802.84	1,719,802.84	1,719,802.84	1,719,802.84	1,719,802.84	1,719,802.84	1,719,802.84	1,719,802.84	1,719,802.84	20,637,634.08
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		184,878.81	184,878.81	184,878.81	184,878.81	184,878.81	184,878.81	184,878.81	184,878.81	184,878.81	184,878.81	184,878.81	184,878.81	2,218,545.66
	Less Section 199 Deduction														
31	Less Income Taxes		(326,207.06)	(395,596.52)	(356,170.69)	(407,424.27)	(403,481.69)	(285,204.20)	(222,122.88)	(214,237.71)	(375,883.61)	(466,563.01)	(431,079.77)	(344,342.95)	(4,228,314.37)
32	Total		(141,328.26)	(210,717.72)	(171,291.89)	(222,545.47)	(218,602.88)	(100,325.40)	(37,244.07)	(29,358.91)	(191,004.80)	(281,684.21)	(246,200.96)	(159,464.14)	(2,009,768.70)
33															
34	Book Depreciation		273,825.84	273,825.84	273,603.00	274,518.26	274,518.26	274,518.26	275,433.52	275,433.52	275,433.52	276,348.79	276,348.79	276,348.79	3,300,156.40
35	Tax Depreciation		(56,145.08)	(56,145.08)	(56,145.08)	(56,145.08)	(56,145.08)	(56,145.08)	(56,145.08)	(56,145.08)	(56,145.08)	(56,145.08)	(56,145.08)	(56,145.08)	(673,740.99)
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		76,352.50	6,963.04	46,166.03	(4,172.29)	(229.70)	118,047.78	182,044.37	189,929.54	28,283.64	(61,480.50)	(25,997.26)	60,739.56	616,646.70
38	Current income tax		29,873.83	2,724.37	18,063.01	(1,632.46)	(89.87)	46,187.61	71,227.04	74,312.21	11,066.31	(24,054.99)	(10,171.74)	23,765.08	241,270.42
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	80,134,118.22	80,134,118.22	80,134,118.22	80,448,243.74	80,448,243.74	80,448,243.74	80,762,369.26	80,762,369.26	80,762,369.26	81,076,494.78	81,076,494.78	81,076,494.78	81,390,620.30	
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	(27,861,536.19)	(28,138,800.24)	(28,416,064.29)	(28,693,328.34)	(28,971,679.26)	(29,250,030.18)	(29,528,381.11)	(29,807,818.90)	(30,087,256.70)	(30,366,694.50)	(30,647,219.17)	(30,927,743.84)	(31,208,268.51)	
5	Net Plant in Service	52,272,582.03	51,995,317.98	51,718,053.93	51,754,915.40	51,476,564.48	51,198,213.56	51,233,988.16	50,954,550.36	50,675,112.56	50,709,800.28	50,429,275.61	50,148,750.94	50,182,351.79	
6	Inventory	247,498.70	247,498.70	247,498.70	247,498.70	247,498.70	247,498.70	247,498.70	247,498.70	247,498.70	247,498.70	247,498.70	247,498.70	247,498.70	
7	ADIT - NOL DTA	20,093.00	20,093.00	20,093.00	20,093.00	20,093.00	20,093.00	20,093.00	20,093.00	20,093.00	20,093.00	20,093.00	20,093.00	20,093.00	
8	Reversal of ADIT - NOL DTA	(14,032.00)	(14,032.00)	(14,032.00)	(14,032.00)	(14,032.00)	(14,032.00)	(14,032.00)	(14,032.00)	(14,032.00)	(14,032.00)	(14,032.00)	(14,032.00)	(14,032.00)	
9	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	
10	Accum. Deferred Inc. Taxes - Fed & State	(20,590,250.87)	(20,503,943.37)	(20,424,849.62)	(20,353,742.54)	(20,290,077.88)	(20,234,436.01)	(20,186,558.11)	(20,146,523.58)	(20,114,547.94)	(20,090,371.25)	(20,074,181.21)	(20,065,825.07)	(20,065,563.94)	
11	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	
12	Accum. Deferred Inc. Taxes - Federal PTC	6,157,875.39	6,477,272.65	6,731,620.05	6,341,725.06	6,558,474.65	6,746,496.57	6,463,258.02	6,551,354.46	6,620,099.66	6,491,779.54	6,552,522.55	6,581,980.09	6,579,771.81	
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	Accum. Deferred Inc. Taxes - ND ITC	379,328.07	377,564.03	375,947.42	374,494.06	373,198.67	372,066.52	371,092.35	370,281.41	369,633.72	369,144.00	368,817.52	368,649.01	368,643.75	
16	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC	(132,764.98)	(132,147.57)	(131,581.76)	(131,073.08)	(130,619.69)	(130,223.44)	(129,882.48)	(129,598.65)	(129,371.96)	(129,200.56)	(129,086.29)	(129,027.31)	(129,025.47)	
17	End of month rate base	38,340,329.34	38,467,624.35	38,522,750.57	38,239,879.36	38,241,100.60	38,205,677.49	38,005,458.14	37,853,624.12	37,674,486.07	37,604,711.97	37,400,908.05	37,158,087.44	37,189,737.64	
18															
19	Average rate base	38,719,763.75	37,915,721.16	37,915,721.16	37,915,721.16	37,915,721.16	37,915,721.16	37,915,721.16	37,915,721.16	37,915,721.16	37,915,721.16	37,915,721.16	37,915,721.16	37,915,721.16	37,915,721.16
20															
21	Return on Rate Base		272,236.46	272,236.46	272,236.46	272,236.46	272,236.46	272,236.46	272,236.46	272,236.46	272,236.46	272,236.46	272,236.46	272,236.46	3,266,837.49
22															
23	Available for return (equity portion of rate base)		181,039.67	181,039.67	181,039.67	181,039.67	181,039.67	181,039.67	181,039.67	181,039.67	181,039.67	181,039.67	181,039.67	181,039.67	2,172,476.03
24															
25	***EXPENSES***														
26	*O&M and Depreciation*														
27	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
28	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
29	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
30	Book Depreciation	0	277,264.05	277,264.05	277,264.05	278,350.92	278,350.92	278,350.92	279,437.80	279,437.80	279,437.80	280,524.67	280,524.67	280,524.67	3,346,732.33
31	Total O&M and Depreciation Expense	0	397,981.81	363,864.03	406,791.93	391,694.53	387,034.58	367,222.72	368,321.53	368,318.52	387,260.12	388,349.85	369,528.54	369,407.21	4,565,775.37
32															
33	Income before Taxes														
34	Available for return (from above)		181,039.67	181,039.67	181,039.67	181,039.67	181,039.67	181,039.67	181,039.67	181,039.67	181,039.67	181,039.67	181,039.67	181,039.67	2,172,476.03
35	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)
36	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
37	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)
38	Less: Section 199 Deduction														
39	Adjusted Income before interest and taxes		(165,711.02)	(120,111.02)	(108,111.02)	(139,311.02)	(136,911.02)	(64,911.02)	(26,511.02)	(21,711.02)	(120,111.02)	(175,311.02)	(153,711.02)	182,288.98	(1,050,132.21)
40	Taxable Income (grossed up)	1.642743	(272,220.59)	(197,311.52)	(177,598.60)	(228,852.18)	(224,909.60)	(106,632.11)	(43,550.78)	(35,665.62)	(197,311.52)	(287,990.92)	(252,507.68)	299,453.92	(1,725,097.19)
41															
42	Income Taxes														
43	Current and Def Income Taxes	39.126%	(106,509.57)	(77,200.50)	(69,487.58)	(89,541.16)	(87,998.58)	(41,721.09)	(17,039.77)	(13,954.60)	(77,200.50)	(112,679.90)	(98,796.66)	117,164.94	(674,964.98)
44	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
45	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)
46	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
47	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)
48	Total Income Tax Expense		(453,260.26)	(378,351.19)	(358,638.27)	(409,891.85)	(405,949.27)	(287,671.78)	(224,590.45)	(216,705.29)	(378,351.19)	(469,030.59)	(433,547.35)	118,414.25	(3,897,573.22)
49															
50															
51	***REVENUE REQUIRMENTS***														
52	Expenses		(55,278.45)	(14,487.16)	48,153.65	(18,197.32)	(18,914.69)	79,550.94	143,731.08	151,613.23	8,908.94	(80,680.74)	(64,018.80)	487,821.46	668,202.15
53	Return on rate base		272,236.46	272,236.46	272,236.46	272,236.46	272,236.46	272,236.46	272,236.46	272,236.46	272,236.46	272,236.46	272,236.46	272,236.46	3,266,837.49
54															
55	Total revenue requirements		216,958.01	257,749.30	320,390.11	254,039.14	253,321.77	351,787.40	415,967.54	423,849.69	281,145.40	191,555.72	208,217.65	760,057.92	3,935,039.64
56															
57	North Dakota share - E2 factor	41.018%	88,991.78	105,723.54	131,417.54	104,201.71	103,907.46	144,296.07	170,621.46	173,854.56	115,320.15	78,572.28	85,406.66	311,760.37	**1,614,073.58**

Otter Tail Power Company
North Dakota Renewable Resource Rider
Langdon 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	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		8,351,712	8,654,112	8,138,490	8,460,090	8,779,290	8,220,468	8,429,268	8,633,268	8,129,646	8,487,246	8,823,246	8,017,224	11,481,720
16															
17	**Deferred Tax**														
18	Book depr. rate		4.1520%	4.1520%	4.1520%	4.1520%	4.1520%	4.1520%	4.1520%	4.1520%	4.1520%	4.1520%	4.1520%	4.1520%	
19	Book depreciation	0	277,264.05	277,264.05	277,264.05	278,350.92	278,350.92	278,350.92	279,437.80	279,437.80	279,437.80	280,524.67	280,524.67	280,524.67	3,346,732.33
20	Tax depreciation-ND		36,922.44	36,922.44	36,922.44	36,922.44	36,922.44	36,922.44	36,922.44	36,922.44	36,922.44	36,922.44	36,922.44	36,922.44	443,069.31
21	Tax depreciation-Federal		36,922.44	36,922.44	36,922.44	36,922.44	36,922.44	36,922.44	36,922.44	36,922.44	36,922.44	36,922.44	36,922.44	36,922.44	443,069.31
22	Book vs. tax depreciation		240,341.61	240,341.61	240,341.61	241,428.48	241,428.48	241,428.48	242,515.36	242,515.36	242,515.36	243,602.23	243,602.23	243,602.23	2,903,663.02
23	Federal & State deferred income taxes	0	94,036.54	94,036.54	94,036.54	94,461.79	94,461.79	94,461.79	94,887.04	94,887.04	94,887.04	95,312.30	95,312.30	95,312.30	1,136,093.00
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		216,958.01	257,749.30	320,390.11	254,039.14	253,321.77	351,787.40	415,967.54	423,849.69	281,145.40	191,555.72	208,217.65	760,057.92	3,935,039.64
2															
3	Expenses														
4	O/M and Book Depreciation		397,981.81	363,864.03	406,791.93	391,694.53	387,034.58	367,222.72	368,321.53	368,318.52	387,260.12	388,349.85	369,528.54	369,407.21	4,565,775.37
5	Interest on Debt		85,793.80	85,793.80	85,793.80	85,793.80	85,793.80	85,793.80	85,793.80	85,793.80	85,793.80	85,793.80	85,793.80	85,793.80	1,029,525.58
6															
7	Income Taxes														
8	Current Income Tax		(12,473.03)	16,836.04	24,548.95	4,920.63	6,463.21	52,740.70	77,847.28	80,932.44	17,686.54	(17,367.61)	(3,484.36)	212,477.24	461,128.03
9	Deferred Income Tax		(94,036.54)	(94,036.54)	(94,036.54)	(94,461.79)	(94,461.79)	(94,461.79)	(94,887.04)	(94,887.04)	(94,887.04)	(95,312.30)	(95,312.30)	(95,312.30)	(1,136,093.00)
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	(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		30,515.35	71,306.64	133,947.45	67,596.48	66,879.11	165,344.74	229,524.88	237,407.03	94,702.74	5,113.06	21,774.99	573,615.26	1,697,727.73
18															
19	Net Income before preferred dividend		186,442.66	186,442.66	186,442.66	186,442.66	186,442.66	186,442.66	186,442.66	186,442.66	186,442.66	186,442.66	186,442.66	186,442.66	2,237,311.92
20	Dividend on Preferred Stock		(5,402.99)	(5,402.99)	(5,402.99)	(5,402.99)	(5,402.99)	(5,402.99)	(5,402.99)	(5,402.99)	(5,402.99)	(5,402.99)	(5,402.99)	(5,402.99)	(64,835.88)
21															
22	Income available for Common Stock		**181,039.67**	**181,039.67**	**181,039.67**	**181,039.67**	**181,039.67**	**181,039.67**	**181,039.67**	**181,039.67**	**181,039.67**	**181,039.67**	**181,039.67**	**181,039.67**	**2,172,476.03**
23															
24	**Average Rate Base**		37,915,721.16	37,915,721.16	37,915,721.16	37,915,721.16	37,915,721.16	37,915,721.16	37,915,721.16	37,915,721.16	37,915,721.16	37,915,721.16	37,915,721.16	37,915,721.16	37,915,721.16
25	Equity Percent		1,684,089.95	1,684,089.95	1,684,089.95	1,684,089.95	1,684,089.95	1,684,089.95	1,684,089.95	1,684,089.95	1,684,089.95	1,684,089.95	1,684,089.95	1,684,089.95	20,209,079.38
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		181,039.67	181,039.67	181,039.67	181,039.67	181,039.67	181,039.67	181,039.67	181,039.67	181,039.67	181,039.67	181,039.67	181,039.67	2,172,476.03
	Less Section 199 Deduction														
31	Less Income Taxes		(453,260.26)	(378,351.19)	(358,638.27)	(409,891.85)	(405,949.27)	(287,671.78)	(224,590.45)	(216,705.29)	(378,351.19)	(469,030.59)	(433,547.35)	118,414.25	(3,897,573.22)
32	Total		(272,220.59)	(197,311.52)	(177,598.60)	(228,852.18)	(224,909.60)	(106,632.11)	(43,550.78)	(35,665.62)	(197,311.52)	(287,990.92)	(252,507.68)	299,453.92	(1,725,097.19)
33															
34	Book Depreciation		277,264.05	277,264.05	277,264.05	278,350.92	278,350.92	278,350.92	279,437.80	279,437.80	279,437.80	280,524.67	280,524.67	280,524.67	3,346,732.33
35	Tax Depreciation		(36,922.44)	(36,922.44)	(36,922.44)	(36,922.44)	(36,922.44)	(36,922.44)	(36,922.44)	(36,922.44)	(36,922.44)	(36,922.44)	(36,922.44)	(36,922.44)	(443,069.31)
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		(31,878.98)	43,030.09	62,743.01	12,576.30	16,518.89	134,796.37	198,964.57	206,849.74	45,203.84	(44,388.69)	(8,905.45)	543,056.15	1,178,565.84
38	Current income tax		(12,473.03)	16,836.04	24,548.95	4,920.63	6,463.21	52,740.70	77,847.28	80,932.44	17,686.54	(17,367.61)	(3,484.36)	212,477.24	461,128.03
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	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 - 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 - NOL DTA															
8	Reversal of ADIT - NOL DTA															
9																
10	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)	
11	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	
12	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	
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	16,938,411.90	17,298,888.75	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	(5,928,444.17)	(6,054,611.06)	x
15	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
16	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
17	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	
18																
19	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
20																
21	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
22																
23	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
24																
25	***EXPENSES***															
26	*O&M and Depreciation*															
27	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)
28	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
29	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
30	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
31	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
32																
33	Income before Taxes															
34	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
35	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)
36	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)
37	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
38	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
39	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
40																
41	Income Taxes															
42	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
43	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
44	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)
45	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)
46	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
47	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)
48																
49																
50	***REVENUE REQUIRMENTS***															
51	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)
52	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
53																
54	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
55																
56	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

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		-	-	-	-	-	-	-	-	-	-	-	-	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	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	75,694	351,662	427,355
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	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	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	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	(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	(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 - NOL DTA																
8	Reversal of ADIT - NOL DTA																
9																	
10	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)		
11	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		
12	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		
13	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	
14	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	
15	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	
16	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	
17	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		
18																	
19	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
20																	
21	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
22																	
23	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
24															*rate change		
25	***EXPENSES***																
26	*O&M and Depreciation*																
27	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
28	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
29	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
30	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
31	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
32																	
33	Income before Taxes																
34	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
35	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)
36	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)
37	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
38	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
39	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
40																	
41	Income Taxes																
42	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
43	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
44	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)
45	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)
46	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
47	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)
48																	
49																	
50	***REVENUE REQUIRMENTS***																
51	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
52	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
53																	
54	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
55																	
56	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

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		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	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 - 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 - NOL DTA														
8	Reversal of ADIT - NOL DTA														
9															
10	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)	
11	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	
12	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	
13	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
14	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
15	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
16	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
17	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	
18															
19	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
20															
21	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
22															
23	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
24															
25	***EXPENSES***														
26	*O&M and Depreciation*														
27	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
28	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
29	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
30	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
31	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
32															
33	Income before Taxes														
34	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
35	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)
36	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)
37	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
38	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
39	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
40															
41	Income Taxes														
42	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
43	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
44	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)
45	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)
46	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
47	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)
48															
49															
50	***REVENUE REQUIRMENTS***														
51	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
52	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
53															
54	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
55															
56	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	$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 - NOL DTA														
8	Reversal of ADIT - NOL DTA														
9															
10	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)	
11	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	
12	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	
13	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	
14	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)	
15	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)	
16	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	
17	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	
18															
19	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
20															
21	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
22															
23	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
24															
25	***EXPENSES***														
26	*O&M and Depreciation*														
27	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
28	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
29	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
30	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
31	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
32															
33	Income before Taxes														
34	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
35	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)
36	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)
37	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
38	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
39	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
40															
41	Income Taxes														
42	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
43	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
44	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)
45	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)
46	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
47	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)
48															
49															
50	***REVENUE REQUIRMENTS***														
51	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
52	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
53															
54	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
55															
56	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
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 - NOL DTA														
8	Reversal of ADIT - NOL DTA														
9															
10	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)	
11	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	
12	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	
13	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	
14	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)	
15	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)	
16	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	
17	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	
18															
19	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
20															
21	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
22															
23	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
24															
25	***EXPENSES***														
26	*O&M and Depreciation*														
27	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
28	Ground Lease Payments		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	17,589.52	211,074.25
29	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
30	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
31	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
32															
33	Income before Taxes														
34	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
35	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)
36	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)
37	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
38	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
39	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
40															
41	Income Taxes														
42	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
43	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
44	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)
45	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)
46	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
47	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)
48															
49															
50	***REVENUE REQUIRMENTS***														
51	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
52	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
53															
54	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
55															
56	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

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		$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	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 - 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 - NOL DTA														
8	Reversal of ADIT - NOL DTA														
9															
10	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)	
11	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	
12	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	
13	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	
14	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)	
15	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)	
16	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	
17	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	
18															
19	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
20															
21	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
22															
23	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
24															
25	***EXPENSES***														
26	*O&M and Depreciation*														
27	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
28	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
29	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
30	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
31	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
32															
33	Income before Taxes														
34	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
35	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)
36	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)
37	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
38	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
39	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
40															
41	Income Taxes														
42	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
43	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
44	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)
45	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)
46	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
47	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)
48															
49															
50	***REVENUE REQUIRMENTS***														
51	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
52	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
53															
54	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
55															
56	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

			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	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	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 - 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 - NOL DTA														
8	Reversal of ADIT - NOL DTA														
9															
10	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)	
11	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	
12	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	
13	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	
14	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)	
15	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)	
16	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	
17	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	
18															
19	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
20															
21	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
22															
23	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
24															
25	***EXPENSES***														
26	*O&M and Depreciation*														
27	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
28	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
29	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
30	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
31	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
32															
33	Income before Taxes														
34	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
35	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)
36	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)
37	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
38	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)
39	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)
40															
41	Income Taxes														
42	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)
43	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
44	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)
45	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)
46	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
47	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)
48															
49															
50	***REVENUE REQUIRMENTS***														
51	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
52	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
53															
54	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
55															
56	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

		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	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	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	Actual Nov-15	Actual 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	116,343,874.57	116,489,960.92	
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)	(32,770,822.00)	
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	83,971,549.73	83,719,138.92	
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	478,556.08	462,535.38	
7	ADIT - NOL DTA	0.00	4,542.92	9,085.83	13,628.75	18,171.67	22,714.58	27,257.50	31,800.42	36,343.33	40,886.25	45,429.17	49,972.08	54,515.00	
8	Reversal of ADIT - NOL DTA	0.00													
9															
10	Accum. Deferred Inc. Taxes - Fed & State	(34,517,044.82)	(34,359,478.37)	(34,201,911.92)	(34,044,345.47)	(33,886,779.02)	(33,729,212.57)	(33,571,646.12)	(33,414,079.67)	(33,256,539.11)	(33,099,226.51)	(32,941,913.92)	(32,784,460.29)	(32,627,006.66)	
11	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	
12	Accum. Deferred Inc. Taxes - Federal PTC	17,878,833.38	18,252,535.29	18,516,202.53	18,896,321.66	19,254,623.32	19,572,225.88	19,747,816.60	19,974,033.12	20,182,054.85	20,439,619.46	20,793,004.17	21,123,077.17	21,376,422.17	
13	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	
14	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)	
15	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)	
16	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	
17	End of month rate base	75,059,676.19	75,216,941.36	75,303,297.28	75,480,469.12	75,685,035.51	75,790,654.76	75,764,890.56	75,790,722.37	75,643,862.95	75,700,833.19	75,947,061.34	76,074,418.00	76,259,567.65	
18															
19	Average rate base	75,037,684.00	75,670,571.56	75,670,571.56	75,670,571.56	75,670,571.56	75,670,571.56	75,670,571.56	75,670,571.56	75,670,571.56	75,670,571.56	75,670,571.56	75,670,571.56	75,670,571.56	75,670,571.56
20															
21	Return on Rate Base	6,465,284.37	543,317.86	543,317.86	543,317.86	543,317.86	543,317.86	543,317.86	543,317.86	543,317.86	543,317.86	543,317.86	543,317.86	543,317.86	6,519,814.28
22															
23	Available for return (equity portion of rate base)	4,299,471.70	361,311.21	361,311.21	361,311.21	361,311.21	361,311.21	361,311.21	361,311.21	361,311.21	361,311.21	361,311.21	361,311.21	361,311.21	4,335,734.57
24															
25	***EXPENSES***														
26	*O&M and Depreciation*														
27	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	81,530.96	83,990.64	842,594.95
28	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	18,666.14	18,666.14	223,993.66
29	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	33,982.00	214,294.00
30	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	398,497.16	4,783,485.61
31	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	515,086.26	535,135.94	6,064,368.22
32															
33	Income before Taxes														
34	Available for return (from above)		361,311.21	361,311.21	361,311.21	361,311.21	361,311.21	361,311.21	361,311.21	361,311.21	361,311.21	361,311.21	361,311.21	361,311.21	4,335,734.57
35	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)	(330,073.00)	(253,345.00)	(3,497,588.79)
36	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)
37	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
38	Adjusted Income before interest and taxes		(50,630.30)	59,404.36	(57,047.53)	(35,230.06)	5,469.04	147,480.89	96,855.08	115,049.87	65,507.00	(30,313.12)	(7,001.40)	69,726.60	379,270.45
39	Taxable Income (grossed up)	1.642743	(83,172.57)	97,586.10	(93,714.43)	(57,873.92)	8,984.23	242,273.17	159,107.99	188,997.36	107,611.16	(49,796.65)	(11,501.49)	114,542.88	623,043.83
40															
41	Income Taxes														
42	Current and Def Income Taxes	39.126%	(32,542.27)	38,181.73	(36,666.89)	(22,643.87)	3,515.19	94,792.29	62,252.91	73,947.49	42,104.16	(19,483.54)	(4,500.10)	44,816.28	243,773.37
43	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
44	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)	(330,073.00)	(253,345.00)	(3,497,588.79)
45	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)
46	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
47	Total Income Tax Expense		(444,483.78)	(263,725.12)	(455,025.64)	(419,185.14)	(352,326.98)	(119,038.04)	(202,203.22)	(172,313.85)	(253,700.06)	(411,107.87)	(372,812.71)	(246,768.33)	(3,712,690.75)
48															
49															
50	***REVENUE REQUIRMENTS***														
51	Expenses		59,149.17	221,087.28	65,315.99	87,785.46	157,065.90	362,268.81	286,587.94	309,496.14	253,868.25	118,411.37	142,273.55	288,367.61	2,351,677.47
52	Return on rate base		543,317.86	543,317.86	543,317.86	543,317.86	543,317.86	543,317.86	543,317.86	543,317.86	543,317.86	543,317.86	543,317.86	543,317.86	6,519,814.28
53															
54	Total revenue requirements		602,467.03	764,405.13	608,633.85	631,103.32	700,383.76	905,586.66	829,905.80	852,814.00	797,186.11	661,729.22	685,591.41	831,685.46	8,871,491.76
55															
56	North Dakota share - E2 factor	41.018%	247,119.78	313,543.51	249,649.28	258,865.80	287,283.24	371,453.31	340,410.55	349,807.03	326,989.60	271,427.93	281,215.71	341,140.54	**3,638,906.27**

Otter Tail Power Company
North Dakota Renewable Resource Rider
Ashtabula 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	16,248	11,464	16,527	15,578	13,809	7,634	9,836	9,044	11,198	15,365	14,351	11,015	152,069
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	330,073	253,345	3,497,589
13	Federal PTC Used on tax return		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Deferred		373,702	263,667	380,119	358,302	317,603	175,591	226,217	208,022	257,565	353,385	330,073	253,345	3,497,589
15	Accumulated Deferred		18,252,535	18,516,203	18,896,322	19,254,623	19,572,226	19,747,817	19,974,033	20,182,055	20,439,619	20,793,004	21,123,077	21,376,422	24,874,011
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	398,497.16	4,783,485.61
20	Tax depreciation-ND		(3,927.89)	(3,927.89)	(3,927.89)	(3,927.89)	(3,927.89)	(3,927.89)	(3,927.89)	(3,927.89)	(3,927.89)	(3,927.89)	(3,927.89)	(3,927.89)	(47,134.70)
21	Tax depreciation-Federal		(3,927.89)	(3,927.89)	(3,927.89)	(3,927.89)	(3,927.89)	(3,927.89)	(3,927.89)	(3,927.89)	(3,927.89)	(3,927.89)	(3,927.89)	(3,927.89)	(47,134.70)
22	Book vs. tax depreciation		402,713.40	402,713.40	402,713.40	402,713.40	402,713.40	402,713.40	402,713.40	402,647.24	402,064.59	402,064.59	402,425.05	402,425.05	4,830,620.31
23	Federal & State deferred income taxes	0	157,566.45	157,566.45	157,566.45	157,566.45	157,566.45	157,566.45	157,566.45	157,540.57	157,312.59	157,312.59	157,453.63	157,453.63	1,890,038.16
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		602,467.03	764,405.13	608,633.85	631,103.32	700,383.76	905,586.66	829,905.80	852,814.00	797,186.11	661,729.22	685,591.41	831,685.46	8,871,491.76
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	515,086.26	535,135.94	6,064,368.22
5	Interest on Debt		171,223.59	171,223.59	171,223.59	171,223.59	171,223.59	171,223.59	171,223.59	171,223.59	171,223.59	171,223.59	171,223.59	171,223.59	2,054,683.03
6															
7	Income Taxes														
8	Current Income Tax		125,024.18	195,748.18	120,899.56	134,922.58	161,081.64	252,358.74	219,819.36	231,488.05	199,416.75	137,829.06	152,953.53	202,269.91	2,133,811.54
9	Deferred Income Tax		(157,566.45)	(157,566.45)	(157,566.45)	(157,566.45)	(157,566.45)	(157,566.45)	(157,566.45)	(157,540.57)	(157,312.59)	(157,312.59)	(157,453.63)	(157,453.63)	(1,890,038.16)
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		(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)	(330,073.00)	(253,345.00)	(3,497,588.79)
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		230,372.76	392,310.86	236,539.58	259,009.05	328,289.49	533,492.39	457,811.53	480,719.72	425,091.83	289,634.95	313,497.14	459,591.19	4,406,360.50
18															
19	Net Income before preferred dividend		372,094.27	372,094.27	372,094.27	372,094.27	372,094.27	372,094.27	372,094.27	372,094.27	372,094.27	372,094.27	372,094.27	372,094.27	4,465,131.25
20	Dividend on Preferred Stock		(10,783.06)	(10,783.06)	(10,783.06)	(10,783.06)	(10,783.06)	(10,783.06)	(10,783.06)	(10,783.06)	(10,783.06)	(10,783.06)	(10,783.06)	(10,783.06)	(129,396.68)
21															
22	Income available for Common Stock		**361,311.21**	**361,311.21**	**361,311.21**	**361,311.21**	**361,311.21**	**361,311.21**	**361,311.21**	**361,311.21**	**361,311.21**	**361,311.21**	**361,311.21**	**361,311.21**	**4,335,734.57**
23															
24	**Average Rate Base**		75,670,571.56	75,670,571.56	75,670,571.56	75,670,571.56	75,670,571.56	75,670,571.56	75,670,571.56	75,670,571.56	75,670,571.56	75,670,571.56	75,670,571.56	75,670,571.56	75,670,571.56
25	Equity Percent		3,361,034.55	3,361,034.55	3,361,034.55	3,361,034.55	3,361,034.55	3,361,034.55	3,361,034.55	3,361,034.55	3,361,034.55	3,361,034.55	3,361,034.55	3,361,034.55	40,332,414.64
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		361,311.21	361,311.21	361,311.21	361,311.21	361,311.21	361,311.21	361,311.21	361,311.21	361,311.21	361,311.21	361,311.21	361,311.21	4,335,734.57
31	Less Income Taxes		(444,483.78)	(263,725.12)	(455,025.64)	(419,185.14)	(352,326.98)	(119,038.04)	(202,203.22)	(172,313.85)	(253,700.06)	(411,107.87)	(372,812.71)	(246,768.33)	(3,712,690.75)
32	Total		(83,172.57)	97,586.10	(93,714.43)	(57,873.92)	8,984.23	242,273.17	159,107.99	188,997.36	107,611.16	(49,796.65)	(11,501.49)	114,542.88	623,043.83
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	398,497.16	4,783,485.61
35	Tax Depreciation		3,927.89	3,927.89	3,927.89	3,927.89	3,927.89	3,927.89	3,927.89	3,927.89	3,927.89	3,927.89	3,927.89	3,927.89	47,134.70
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		319,540.83	500,299.49	308,998.97	344,839.48	411,697.63	644,986.57	561,821.39	591,644.60	509,675.75	352,267.93	390,923.56	516,967.93	5,453,664.14
38	Current income tax		125,024.18	195,748.18	120,899.56	134,922.58	161,081.64	252,358.74	219,819.36	231,488.05	199,416.75	137,829.06	152,953.53	202,269.91	2,133,811.54
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	Actual 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	116,489,960.92	116,489,960.92	116,452,832.73	116,452,832.73	116,452,832.73	116,452,832.73	116,452,832.73	116,452,832.73	116,452,832.73	116,452,832.73	116,452,832.73	116,452,832.73	116,452,832.73	
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	(32,770,822.00)	(33,170,489.35)	(33,570,156.70)	(33,969,696.66)	(34,369,236.63)	(34,768,776.59)	(35,168,316.56)	(35,567,856.52)	(35,967,396.49)	(36,366,936.45)	(36,766,476.42)	(37,166,016.38)	(37,565,556.35)	
5	Net Plant in Service	83,719,138.92	83,319,471.57	82,882,676.03	82,483,136.07	82,083,596.10	81,684,056.14	81,284,516.18	80,884,976.21	80,485,436.25	80,085,896.28	79,686,356.32	79,286,816.35	78,887,276.39	
6	Inventory	462,535.38	427,065.00	427,065.00	427,065.00	427,065.00	427,065.00	427,065.00	427,065.00	427,065.00	427,065.00	427,065.00	427,065.00	427,065.00	
7	ADIT - NOL DTA	54,515.00	54,515.00	54,515.00	54,515.00	54,515.00	54,515.00	54,515.00	54,515.00	54,515.00	54,515.00	54,515.00	54,515.00	54,515.00	
8	Reversal of ADIT - NOL DTA	0.00	(3,172.75)	(6,345.50)	(9,518.25)	(12,691.00)	(15,863.75)	(19,036.50)	(22,209.25)	(25,382.00)	(28,554.75)	(31,727.50)	(34,900.25)	(38,073.00)	
9			1.000000	0.841096	0.756164	0.673973	0.589041	0.506849	0.421918	0.336986	0.254795	0.169863	0.087671	0.002740	
10	Accum. Deferred Inc. Taxes - Fed & State	(32,627,006.66)	(32,469,645.15)	(32,337,289.03)	(32,218,335.55)	(32,112,311.80)	(32,019,648.76)	(31,939,915.45)	(31,873,542.86)	(31,820,530.98)	(31,780,448.83)	(31,753,727.40)	(31,739,935.69)	(31,739,504.70)	
11	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	
12	Accum. Deferred Inc. Taxes - Federal PTC	21,376,422.17	21,645,558.17	21,912,017.35	22,158,829.41	22,393,371.87	22,619,563.65	22,752,155.43	22,840,251.87	22,906,570.78	22,983,009.13	23,046,198.17	23,078,180.64	23,079,022.28	
13	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	
14	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)	
15	Accum. Deferred Inc. Taxes - ND ITC	(12,589,656.08)	(12,530,825.91)	(12,481,344.10)	(12,436,858.82)	(12,397,208.89)	(12,362,555.51)	(12,332,737.47)	(12,307,915.98)	(12,288,091.02)	(12,273,101.41)	(12,263,108.34)	(12,257,950.63)	(12,257,789.45)	
16	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC	4,406,379.60	4,385,789.04	4,368,470.41	4,352,900.56	4,339,023.09	4,326,894.40	4,316,458.09	4,307,770.57	4,300,831.83	4,295,585.47	4,292,087.90	4,290,282.70	4,290,226.28	
17	End of month rate base	76,259,567.65	76,285,995.29	76,277,005.32	76,268,973.48	76,232,599.35	76,171,266.07	76,000,260.09	75,768,150.29	75,497,654.50	75,221,205.45	74,914,898.62	74,561,312.51	74,159,977.12	
18															
19	Average rate base	75,670,571.56	75,662,989.67	75,662,989.67	75,662,989.67	75,662,989.67	75,662,989.67	75,662,989.67	75,662,989.67	75,662,989.67	75,662,989.67	75,662,989.67	75,662,989.67	75,662,989.67	75,662,989.67
20															
21	Return on Rate Base		543,263.42	543,263.42	543,263.42	543,263.42	543,263.42	543,263.42	543,263.42	543,263.42	543,263.42	543,263.42	543,263.42	543,263.42	6,519,161.02
22															
23	Available for return (equity portion of rate base)		361,275.01	361,275.01	361,275.01	361,275.01	361,275.01	361,275.01	361,275.01	361,275.01	361,275.01	361,275.01	361,275.01	361,275.01	4,335,300.15
24															
25	***EXPENSES***														
26	*O&M and Depreciation*														
27	Operating Costs		116,924.13	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	944,603.30
28	Ground Lease Payments		19,039.42	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	230,211.57
29	Property Tax		15,665.00	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	183,074.00
30	Book Depreciation	0	399,667.35	399,539.96	399,539.96	399,539.96	399,539.96	399,539.96	399,539.96	399,539.96	399,539.96	399,539.96	399,539.96	399,539.96	4,794,734.34
31	Total O&M and Depreciation Expense	0	551,295.90	497,726.87	546,338.48	523,511.16	497,787.71	497,787.81	497,787.81	497,787.70	523,512.18	523,512.18	497,787.70	497,787.70	6,152,623.21
32															
33	Income before Taxes														
34	Available for return (from above)		361,275.01	361,275.01	361,275.01	361,275.01	361,275.01	361,275.01	361,275.01	361,275.01	361,275.01	361,275.01	361,275.01	361,275.01	4,335,300.15
35	Less book tax credits - Federal PTC	0	(269,136.00)	(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)	(3,655,536.00)
36	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)
37	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
38	Adjusted Income before interest and taxes		53,899.40	6,235.40	(3,364.60)	(24,964.60)	(60,964.60)	61,435.40	114,235.40	126,235.40	23,035.40	(48,964.60)	(41,764.60)	15,835.40	220,888.82
39	Taxable Income (grossed up)	1.642743	88,542.86	10,243.16	(5,527.17)	(41,010.41)	(100,149.16)	100,922.57	187,659.39	207,372.30	37,841.24	(80,436.24)	(68,608.49)	26,013.49	362,863.54
40															
41	Income Taxes														
42	Current and Def Income Taxes	39.126%	34,643.46	4,007.76	(2,162.57)	(16,045.82)	(39,184.56)	39,487.17	73,423.99	81,136.90	14,805.84	(31,471.65)	(26,843.90)	10,178.09	141,974.71
43	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
44	Federal PTC	6.348%	(269,136.00)	(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)	(3,655,536.00)
45	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)
46	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
47	Total Income Tax Expense		(272,732.15)	(351,031.85)	(366,802.18)	(402,285.43)	(461,424.17)	(260,352.44)	(173,615.62)	(153,902.71)	(323,433.77)	(441,711.26)	(429,883.51)	(335,261.52)	(3,972,436.61)
48															
49															
50	***REVENUE REQUIRMENTS***														
51	Expenses		278,563.74	146,695.02	179,536.30	121,225.73	36,363.54	237,435.36	324,172.18	343,885.00	200,078.41	81,800.92	67,904.20	162,526.18	2,180,186.60
52	Return on rate base		543,263.42	543,263.42	543,263.42	543,263.42	543,263.42	543,263.42	543,263.42	543,263.42	543,263.42	543,263.42	543,263.42	543,263.42	6,519,161.02
53															
54	Total revenue requirements		821,827.16	689,958.44	722,799.72	664,489.15	579,626.96	780,698.78	867,435.60	887,148.41	743,341.83	625,064.34	611,167.61	705,789.60	8,699,347.62
55															
56	North Dakota share - E2 factor	41.018%	337,096.86	283,006.98	296,477.81	272,559.99	237,751.24	320,226.83	355,804.52	363,890.31	304,903.77	256,388.74	250,688.58	289,500.60	**3,568,296.23**

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	11,214	13,200	13,600	14,500	16,000	10,900	8,700	8,200	12,500	15,500	15,200	12,800	152,314	
12	Federal PTC Available based on production	0	269,136	316,800	326,400	348,000	384,000	261,600	208,800	196,800	300,000	372,000	364,800	307,200	3,655,536	
13	Federal PTC Used on tax return		0	0	0	0	0	0	0	0	0	0	0	0	0	
14	Deferred		269,136	316,800	326,400	348,000	384,000	261,600	208,800	196,800	300,000	372,000	364,800	307,200	3,655,536	
15	Accumulated Deferred		21,645,558	21,962,358	22,288,758	22,636,758	23,020,758	23,282,358	23,491,158	23,687,958	23,987,958	24,359,958	24,724,758	25,031,958	28,529,547	
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	399,667.35	399,667.35	399,539.96	399,539.96	399,539.96	399,539.96	399,539.96	399,539.96	399,539.96	399,539.96	399,539.96	399,539.96	4,794,734.34	
20	Tax depreciation-ND		(2,522.25)	(2,522.25)	(2,522.25)	(2,522.25)	(2,522.25)	(2,522.25)	(2,522.25)	(2,522.25)	(2,522.25)	(2,522.25)	(2,522.25)	(2,522.25)	(30,267.01)	
21	Tax depreciation-Federal		(2,522.25)	(2,522.25)	(2,522.25)	(2,522.25)	(2,522.25)	(2,522.25)	(2,522.25)	(2,522.25)	(2,522.25)	(2,522.25)	(2,522.25)	(2,522.25)	(30,267.01)	
22	Book vs. tax depreciation		402,189.60	402,189.60	402,062.22	402,062.22	402,062.22	402,062.22	402,062.22	402,062.22	402,062.22	402,062.22	402,062.22	402,062.22	4,825,001.36	
23	Federal & State deferred income taxes	0	157,361.51	157,361.51	157,311.67	157,311.67	157,311.67	157,311.67	157,311.67	157,311.67	157,311.67	157,311.67	157,311.67	157,311.67	1,887,839.68	
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	821,827.16	689,958.44	722,799.72	664,489.15	579,626.96	780,698.78	867,435.60	887,148.41	743,341.83	625,064.34	611,167.61	705,789.60	8,699,347.62
2														
3	Expenses													
4	O/M and Book Depreciation	551,295.90	497,726.87	546,338.48	523,511.16	497,787.71	497,787.81	497,787.81	497,787.70	523,512.18	523,512.18	497,787.70	497,787.70	6,152,623.21
5	Interest on Debt	171,206.43	171,206.43	171,206.43	171,206.43	171,206.43	171,206.43	171,206.43	171,206.43	171,206.43	171,206.43	171,206.43	171,206.43	2,054,477.16
6														
7	Income Taxes													
8	Current Income Tax	192,004.96	161,369.27	155,149.10	141,265.85	118,127.11	196,798.83	230,735.66	238,448.57	172,117.51	125,840.02	130,467.77	167,489.76	2,029,814.40
9	Deferred Income Tax	(157,361.51)	(157,361.51)	(157,311.67)	(157,311.67)	(157,311.67)	(157,311.67)	(157,311.67)	(157,311.67)	(157,311.67)	(157,311.67)	(157,311.67)	(157,311.67)	(1,887,839.68)
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	(269,136.00)	(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)	(3,655,536.00)
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	449,770.17	317,901.45	350,742.73	292,432.16	207,569.97	408,641.79	495,378.61	515,091.43	371,284.84	253,007.35	239,110.63	333,732.61	4,234,663.76
18														
19	Net Income before preferred dividend	372,056.99	372,056.99	372,056.99	372,056.99	372,056.99	372,056.99	372,056.99	372,056.99	372,056.99	372,056.99	372,056.99	372,056.99	4,464,683.86
20	Dividend on Preferred Stock	(10,781.98)	(10,781.98)	(10,781.98)	(10,781.98)	(10,781.98)	(10,781.98)	(10,781.98)	(10,781.98)	(10,781.98)	(10,781.98)	(10,781.98)	(10,781.98)	(129,383.71)
21														
22	Income available for Common Stock	**361,275.01**	**361,275.01**	**361,275.01**	**361,275.01**	**361,275.01**	**361,275.01**	**361,275.01**	**361,275.01**	**361,275.01**	**361,275.01**	**361,275.01**	**361,275.01**	**4,335,300.15**
23														
24	**Average Rate Base**	75,662,989.67	75,662,989.67	75,662,989.67	75,662,989.67	75,662,989.67	75,662,989.67	75,662,989.67	75,662,989.67	75,662,989.67	75,662,989.67	75,662,989.67	75,662,989.67	75,662,989.67
25	Equity Percent	3,360,697.79	3,360,697.79	3,360,697.79	3,360,697.79	3,360,697.79	3,360,697.79	3,360,697.79	3,360,697.79	3,360,697.79	3,360,697.79	3,360,697.79	3,360,697.79	40,328,373.50
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	361,275.01	361,275.01	361,275.01	361,275.01	361,275.01	361,275.01	361,275.01	361,275.01	361,275.01	361,275.01	361,275.01	361,275.01	4,335,300.15
31	Less Income Taxes	(272,732.15)	(351,031.85)	(366,802.18)	(402,285.43)	(461,424.17)	(260,352.44)	(173,615.62)	(153,902.71)	(323,433.77)	(441,711.26)	(429,883.51)	(335,261.52)	(3,972,436.61)
32	Total	88,542.86	10,243.16	(5,527.17)	(41,010.41)	(100,149.16)	100,922.57	187,659.39	207,372.30	37,841.24	(80,436.24)	(68,608.49)	26,013.49	362,863.54
33														
34	Book Depreciation	399,667.35	399,667.35	399,539.96	399,539.96	399,539.96	399,539.96	399,539.96	399,539.96	399,539.96	399,539.96	399,539.96	399,539.96	4,794,734.34
35	Tax Depreciation	2,522.25	2,522.25	2,522.25	2,522.25	2,522.25	2,522.25	2,522.25	2,522.25	2,522.25	2,522.25	2,522.25	2,522.25	30,267.01
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	490,732.46	412,432.76	396,535.05	361,051.80	301,913.06	502,984.78	589,721.61	609,434.52	439,903.46	321,625.97	333,453.72	428,075.71	5,187,864.90
38	Current income tax	192,004.96	161,369.27	155,149.10	141,265.85	118,127.11	196,798.83	230,735.66	238,448.57	172,117.51	125,840.02	130,467.77	167,489.76	2,029,814.40
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	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 - Ashtabula	116,452,832.73	116,452,832.73	116,452,832.73	116,452,832.73	116,452,832.73	116,452,832.73	116,452,832.73	116,452,832.73	116,452,832.73	116,452,832.73	116,452,832.73	116,452,832.73	116,452,832.73	
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	(37,565,556.35)	(37,965,096.31)	(38,364,636.28)	(38,764,176.24)	(39,163,716.20)	(39,563,256.17)	(39,962,796.13)	(40,362,336.10)	(40,761,876.06)	(41,161,416.03)	(41,560,955.99)	(41,960,495.96)	(42,360,035.92)	
5	Net Plant in Service	78,887,276.39	78,487,736.42	78,088,196.46	77,688,656.49	77,289,116.53	76,889,576.56	76,490,036.60	76,090,496.63	75,690,956.67	75,291,416.70	74,891,876.74	74,492,336.78	74,092,796.81	
6	Inventory	427,065.00	427,065.00	427,065.00	427,065.00	427,065.00	427,065.00	427,065.00	427,065.00	427,065.00	427,065.00	427,065.00	427,065.00	427,065.00	
7	ADIT - NOL DTA	54,515.00	54,515.00	54,515.00	54,515.00	54,515.00	54,515.00	54,515.00	54,515.00	54,515.00	54,515.00	54,515.00	54,515.00	54,515.00	
8	Reversal of ADIT - NOL DTA	(38,073.00)	(38,073.00)	(38,073.00)	(38,073.00)	(38,073.00)	(38,073.00)	(38,073.00)	(38,073.00)	(38,073.00)	(38,073.00)	(38,073.00)	(38,073.00)	(38,073.00)	
9			0.917808	0.841096	0.756164	0.673973	0.589041	0.506849	0.421918	0.336986	0.254795	0.169863	0.087671	0.002740	
10	Accum. Deferred Inc. Taxes - Fed & State	(31,739,504.70)	(31,596,357.25)	(31,465,174.35)	(31,347,237.94)	(31,242,120.71)	(31,150,249.96)	(31,071,198.38)	(31,005,393.28)	(30,952,834.66)	(30,913,095.22)	(30,886,602.26)	(30,872,928.47)	(30,872,501.16)	
11	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	
12	Accum. Deferred Inc. Taxes - Federal PTC	23,079,022.28	23,427,055.16	23,685,439.82	22,781,280.45	23,015,822.92	23,242,014.70	22,603,122.02	22,691,218.45	22,757,537.36	22,446,148.39	22,509,337.43	22,541,319.89	22,537,991.35	
13	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	
14	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)	
15	Accum. Deferred Inc. Taxes - ND ITC	(12,257,789.45)	(12,203,794.64)	(12,154,312.82)	(12,109,827.54)	(12,070,177.62)	(12,035,524.23)	(12,005,706.20)	(11,980,884.70)	(11,961,059.74)	(11,946,070.14)	(11,936,077.07)	(11,930,919.35)	(11,930,758.18)	
16	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC	4,290,226.28	4,271,328.10	4,254,009.46	4,238,439.62	4,224,562.14	4,212,433.46	4,201,997.15	4,193,309.62	4,186,370.89	4,181,124.52	4,177,626.95	4,175,821.75	4,175,765.34	
17	End of month rate base	74,159,977.12	74,286,715.03	74,308,905.71	73,152,058.14	73,117,950.24	73,058,997.43	72,118,998.00	71,889,493.46	71,621,717.15	70,960,270.82	70,656,908.27	70,306,376.99	69,904,040.47	
18															
19	Average rate base	75,662,989.67	72,272,492.99	72,272,492.99	72,272,492.99	72,272,492.99	72,272,492.99	72,272,492.99	72,272,492.99	72,272,492.99	72,272,492.99	72,272,492.99	72,272,492.99	72,272,492.99	72,272,492.99
20															
21	Return on Rate Base		518,919.51	518,919.51	518,919.51	518,919.51	518,919.51	518,919.51	518,919.51	518,919.51	518,919.51	518,919.51	518,919.51	518,919.51	6,227,034.13
22															
23	Available for return (equity portion of rate base)		345,086.10	345,086.10	345,086.10	345,086.10	345,086.10	345,086.10	345,086.10	345,086.10	345,086.10	345,086.10	345,086.10	345,086.10	4,141,033.17
24															
25	***EXPENSES***														
26	*O&M and Depreciation*														
27	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
28	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
29	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
30	Book Depreciation	0	399,539.96	399,539.96	399,539.96	399,539.96	399,539.96	399,539.96	399,539.96	399,539.96	399,539.96	399,539.96	399,539.96	399,539.96	4,794,479.58
31	Total O&M and Depreciation Expense	0	541,027.93	499,477.85	549,679.02	526,166.94	499,671.79	499,671.88	499,671.88	499,671.78	526,167.99	526,167.99	499,671.78	499,675.62	6,166,722.44
32															
33	Income before Taxes														
34	Available for return (from above)		345,086.10	345,086.10	345,086.10	345,086.10	345,086.10	345,086.10	345,086.10	345,086.10	345,086.10	345,086.10	345,086.10	345,086.10	4,141,033.17
35	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)
36	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)
37	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
38	Adjusted Income before interest and taxes		(72,353.51)	(353.51)	(19,553.51)	(41,153.51)	(77,153.51)	45,246.49	98,046.49	110,046.49	6,846.49	(65,153.51)	(57,953.51)	(353.51)	(73,842.16)
39	Taxable Income (grossed up)	1.642743	(118,858.22)	(580.73)	(32,121.39)	(67,604.64)	(126,743.38)	74,328.34	161,065.17	180,778.08	11,247.02	(107,030.47)	(95,202.72)	(580.73)	(121,303.68)
40															
41	Income Taxes														
42	Current and Def Income Taxes	39.13%	(46,504.70)	(227.22)	(12,567.88)	(26,451.13)	(49,589.87)	29,081.86	63,018.68	70,731.59	4,400.53	(41,876.96)	(37,249.21)	(227.22)	(47,461.52)
43	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
44	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)
45	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)
46	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
47	Total Income Tax Expense		(463,944.31)	(345,666.83)	(377,207.49)	(412,690.74)	(471,829.48)	(270,757.75)	(184,020.93)	(164,308.02)	(333,839.08)	(452,116.57)	(440,288.82)	(345,666.83)	(4,262,336.85)
48															
49															
50	***REVENUE REQUIRMENTS***														
51	Expenses		77,083.62	153,811.02	172,471.53	113,476.20	27,842.31	228,914.13	315,650.95	335,363.76	192,328.91	74,051.42	59,382.96	154,008.79	1,904,385.59
52	Return on rate base		518,919.51	518,919.51	518,919.51	518,919.51	518,919.51	518,919.51	518,919.51	518,919.51	518,919.51	518,919.51	518,919.51	518,919.51	6,227,034.13
53															
54	Total revenue requirements		596,003.13	672,730.53	691,391.04	632,395.71	546,761.82	747,833.64	834,570.46	854,283.27	711,248.42	592,970.93	578,302.47	672,928.30	8,131,419.72
55															
56	North Dakota share - E2 factor	41.018%	244,468.42	275,940.44	283,594.60	259,395.91	224,270.63	306,746.22	342,323.90	350,409.70	291,739.70	243,224.67	237,207.96	276,021.56	**3,335,343.71**

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		25,411,158	25,718,358	24,522,640	24,870,640	25,254,640	23,994,122	24,202,922	24,399,722	23,177,604	23,549,604	23,914,404	22,699,486	26,197,075
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	399,539.96	399,539.96	399,539.96	399,539.96	399,539.96	399,539.96	399,539.96	399,539.96	399,539.96	399,539.96	399,539.96	399,539.96	4,794,479.58
20	Tax depreciation-ND		915.44	915.44	915.44	915.44	915.44	915.44	915.44	915.44	915.44	915.44	915.44	915.44	10,985.28
21	Tax depreciation-Federal		915.44	915.44	915.44	915.44	915.44	915.44	915.44	915.44	915.44	915.44	915.44	915.44	10,985.28
22	Book vs. tax depreciation		398,624.53	398,624.53	398,624.53	398,624.53	398,624.53	398,624.53	398,624.53	398,624.53	398,624.53	398,624.53	398,624.53	398,624.53	4,783,494.30
23	Federal & State deferred income taxes	0	155,966.63	155,966.63	155,966.63	155,966.63	155,966.63	155,966.63	155,966.63	155,966.63	155,966.63	155,966.63	155,966.63	155,966.63	1,871,599.55
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	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	596,003.13	672,730.53	691,391.04	632,395.71	546,761.82	747,833.64	834,570.46	854,283.27	711,248.42	592,970.93	578,302.47	672,928.30	8,131,419.72
2														
3	Expenses													
4	O/M and Book Depreciation	541,027.93	499,477.85	549,679.02	526,166.94	499,671.79	499,671.88	499,671.88	499,671.78	526,167.99	526,167.99	499,671.78	499,675.62	6,166,722.44
5	Interest on Debt	163,534.58	163,534.58	163,534.58	163,534.58	163,534.58	163,534.58	163,534.58	163,534.58	163,534.58	163,534.58	163,534.58	163,534.58	1,962,415.00
6														
7	Income Taxes													
8	Current Income Tax	109,461.93	155,739.41	143,398.75	129,515.50	106,376.76	185,048.49	218,985.31	226,698.22	160,367.16	114,089.67	118,717.42	155,739.41	1,824,138.03
9	Deferred Income Tax	(155,966.63)	(155,966.63)	(155,966.63)	(155,966.63)	(155,966.63)	(155,966.63)	(155,966.63)	(155,966.63)	(155,966.63)	(155,966.63)	(155,966.63)	(155,966.63)	(1,871,599.55)
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	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	240,618.20	317,345.61	336,006.11	277,010.78	191,376.89	392,448.71	479,185.53	498,898.34	355,863.49	237,586.01	222,917.54	317,543.37	3,866,800.59
18														
19	Net Income before preferred dividend	355,384.93	355,384.93	355,384.93	355,384.93	355,384.93	355,384.93	355,384.93	355,384.93	355,384.93	355,384.93	355,384.93	355,384.93	4,264,619.13
20	Dividend on Preferred Stock	(10,298.83)	(10,298.83)	(10,298.83)	(10,298.83)	(10,298.83)	(10,298.83)	(10,298.83)	(10,298.83)	(10,298.83)	(10,298.83)	(10,298.83)	(10,298.83)	(123,585.96)
21														
22	Income available for Common Stock	**345,086.10**	**345,086.10**	**345,086.10**	**345,086.10**	**345,086.10**	**345,086.10**	**345,086.10**	**345,086.10**	**345,086.10**	**345,086.10**	**345,086.10**	**345,086.10**	**4,141,033.17**
23														
24	**Average Rate Base**	72,272,492.99	72,272,492.99	72,272,492.99	72,272,492.99	72,272,492.99	72,272,492.99	72,272,492.99	72,272,492.99	72,272,492.99	72,272,492.99	72,272,492.99	72,272,492.99	72,272,492.99
25	Equity Percent	3,210,103.23	3,210,103.23	3,210,103.23	3,210,103.23	3,210,103.23	3,210,103.23	3,210,103.23	3,210,103.23	3,210,103.23	3,210,103.23	3,210,103.23	3,210,103.23	38,521,238.76
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	345,086.10	345,086.10	345,086.10	345,086.10	345,086.10	345,086.10	345,086.10	345,086.10	345,086.10	345,086.10	345,086.10	345,086.10	4,141,033.17
31	Less Income Taxes	(463,944.31)	(345,666.83)	(377,207.49)	(412,690.74)	(471,829.48)	(270,757.75)	(184,020.93)	(164,308.02)	(333,839.08)	(452,116.57)	(440,288.82)	(345,666.83)	(4,262,336.85)
32	Total	(118,858.22)	(580.73)	(32,121.39)	(67,604.64)	(126,743.38)	74,328.34	161,065.17	180,778.08	11,247.02	(107,030.47)	(95,202.72)	(580.73)	(121,303.68)
33														
34	Book Depreciation	399,539.96	399,539.96	399,539.96	399,539.96	399,539.96	399,539.96	399,539.96	399,539.96	399,539.96	399,539.96	399,539.96	399,539.96	4,794,479.58
35	Tax Depreciation	(915.44)	(915.44)	(915.44)	(915.44)	(915.44)	(915.44)	(915.44)	(915.44)	(915.44)	(915.44)	(915.44)	(915.44)	(10,985.28)
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	279,766.31	398,043.79	366,503.13	331,019.89	271,881.14	472,952.87	559,689.69	579,402.60	409,871.54	291,594.06	303,421.81	398,043.79	4,662,190.62
38	Current income tax	109,461.93	155,739.41	143,398.75	129,515.50	106,376.76	185,048.49	218,985.31	226,698.22	160,367.16	114,089.67	118,717.42	155,739.41	1,824,138.03
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 - NOL DTA															
8	Reversal of ADIT - NOL DTA															
9	ADIT Pro-Rated															
10	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	
11	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	
12	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	
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	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	
16	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	
17	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	
18																
19	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
20																
21	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
22																
23	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
24																
25	***EXPENSES***															
26	*O&M and Depreciation*															
27	Operating Costs		0													0.00
28	Ground Lease Payments		0													0.00
29	Property Tax		0													0.00
30	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
31	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
32																
33	Income before Taxes															
34	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
35	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
36	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
37	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
38	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
39	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
40																
41	Income Taxes															
42	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
43	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
44	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
45	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
46	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
47	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
48																
49																
50	***REVENUE REQUIRMENTS***															
51	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
52	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
53																
54	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
55																
56	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

SUPPORTING INFORMATION / DATA

Line		2007				2008											
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 - NOL DTA															
8	Reversal of ADIT - NOL DTA															
9	ADIT Pro-Rated															
10	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)	
11	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	
12	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	
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	15,339,806.36	10,820,627.55	10,820,627.55	15,353,281.24	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	(5,368,932.22)	(3,787,219.64)	(3,787,219.64)	(5,373,648.43)	x
15	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
16	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
17	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	
18																
19	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
20																
21	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
22																
23	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
24															*rate change	
25	***EXPENSES***															
26	*O&M and Depreciation*															
27	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
28	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
29	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
30	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
31	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
32																
33	Income before Taxes															
34	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
35	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
36	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)
37	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
38	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
39	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
40																
41	Income Taxes															
42	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
43	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)
44	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
45	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)
46	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
47	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)
48																
49																
50	***REVENUE REQUIRMENTS***															
51	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)
52	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
53																
54	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)
55																
56	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

SUPPORTING INFORMATION / DATA

Line			2008			2009										
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		
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	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 - NOL DTA																
8	Reversal of ADIT - NOL DTA																
9	ADIT Pro-Rated																
10	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)		
11	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		
12	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		
13	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	
14	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	
15	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	
16	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	
17	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		
18																	
19	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
20																	
21	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
22																	
23	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
24																	
25	***EXPENSES***																
26	*O&M and Depreciation*																
27	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
28	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
29	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
30	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
31	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
32																	
33	Income before Taxes																
34	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
35	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
36	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)
37	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
38	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
39	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
40																	
41	Income Taxes																
42	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
43	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)
44	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
45	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)
46	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
47	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
48																	
49																	
50	***REVENUE REQUIRMENTS***																
51	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
52	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
53																	
54	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
55																	
56	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 - NOL DTA															
8	Reversal of ADIT - NOL DTA															
9	ADIT Pro-Rated															
10	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)	
11	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	
12	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	
13	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	
14	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)	
15	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)	
16	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	
17	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	
18																
19	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
20																
21	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
22																
23	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
24																
25	***EXPENSES***															
26	*O&M and Depreciation*															
27	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
28	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
29	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
30	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
31	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
32																
33	Income before Taxes															
34	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
35	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
36	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)
37	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
38	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
39	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
40																
41	Income Taxes															
42	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
43	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)
44	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
45	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)
46	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
47	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
48																
49																
50	***REVENUE REQUIRMENTS***															
51	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
52	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
53																
54	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
55																
56	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
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		3.87270%	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	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	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	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)	(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)	(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)
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)	(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)	(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)	(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 - NOL DTA															
8	Reversal of ADIT - NOL DTA															
9	ADIT Pro-Rated															
10	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)	
11	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	
12	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	
13	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	
14	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)	
15	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)	
16	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	
17	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	
18																
19	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
20																
21	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
22																
23	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
24																
25	***EXPENSES***															
26	*O&M and Depreciation*															
27	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
28	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
29	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
30	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
31	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
32																
33	Income before Taxes															
34	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
35	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
36	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)
37	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
38	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
39	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
40																
41	Income Taxes															
42	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
43	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)
44	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
45	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)
46	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
47	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
48																
49																
50	***REVENUE REQUIRMENTS***															
51	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
52	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
53																
54	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
55																
56	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
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		3.87459%	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)
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-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 - NOL DTA															
8	Reversal of ADIT - NOL DTA															
9	ADIT Pro-Rated															
10	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)	
11	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	
12	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	
13	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	
14	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)	
15	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)	
16	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	
17	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	
18																
19	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
20																
21	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
22																
23	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
24																
25	***EXPENSES***															
26	*O&M and Depreciation*															
27	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
28	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
29	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
30	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
31	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
32																
33	Income before Taxes															
34	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
35	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
36	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)
37	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
38	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
39	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
40																
41	Income Taxes															
42	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
43	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)
44	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
45	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)
46	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
47	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
48																
49																
50	***REVENUE REQUIRMENTS***															
51	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
52	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
53																
54	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
55																
56	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		
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		3.87640%	3.87640%	3.87640%	3.87640%	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 - NOL DTA															
8	Reversal of ADIT - NOL DTA															
9	ADIT Pro-Rated															
10	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)	
11	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	
12	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	
13	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	
14	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)	
15	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)	
16	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	
17	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	
18																
19	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
20																
21	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
22																
23	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
24																
25	***EXPENSES***															
26	*O&M and Depreciation*															
27	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
28	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
29	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
30	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
31	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
32																
33	Income before Taxes															
34	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
35	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
36	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)
37	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
38	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
39	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
40																
41	Income Taxes															
42	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
43	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)
44	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
45	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)
46	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
47	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
48																
49																
50	***REVENUE REQUIRMENTS***															
51	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
52	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
53																
54	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
55																
56	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	
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		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	248,594.74	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	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	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	66,946.10	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	26,243.14	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)	
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)	(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)	(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)	(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	Actual Nov-15	Actual 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	102,858,458.23	102,875,198.24	
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)	(18,033,071.84)	
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	54,891,999.04	54,660,022.40	
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 - NOL DTA	0.00	2,129.58	4,259.17	6,388.75	8,518.33	10,647.92	12,777.50	14,907.08	17,036.67	19,166.25	21,295.83	23,425.42	25,555.00	
8	Reversal of ADIT - NOL DTA	0.00													
9	ADIT Pro-Rated														
10	Accum. Deferred Inc. Taxes - Fed & State	(22,443,511.54)	(22,348,293.76)	(22,253,075.99)	(22,157,858.21)	(22,062,640.44)	(21,967,422.66)	(21,872,204.89)	(21,776,987.11)	(21,681,719.73)	(21,586,452.36)	(21,491,184.98)	(21,395,917.60)	(21,300,650.23)	
11	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	
12	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	
13	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	
14	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)	
15	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)	
16	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	
17	End of month rate base	37,150,174.00	37,032,727.66	36,915,281.32	36,797,834.98	36,680,388.63	36,562,942.29	36,445,495.95	36,365,093.62	36,247,570.11	36,130,046.59	36,012,523.08	35,894,999.56	35,794,216.06	
18															
19	Average rate base	38,217,148.74	36,463,791.83	36,463,791.83	36,463,791.83	36,463,791.83	36,463,791.83	36,463,791.83	36,463,791.83	36,463,791.83	36,463,791.83	36,463,791.83	36,463,791.83	36,463,791.83	36,463,791.83
20															
21	Return on Rate Base	3,292,808.64	261,811.54	261,811.54	261,811.54	261,811.54	261,811.54	261,811.54	261,811.54	261,811.54	261,811.54	261,811.54	261,811.54	261,811.54	3,141,738.54
22															
23	Available for return (equity portion of rate base)	2,189,747.08	174,107.01	174,107.01	174,107.01	174,107.01	174,107.01	174,107.01	174,107.01	174,107.01	174,107.01	174,107.01	174,107.01	174,107.01	2,089,284.11
24															
25	***EXPENSES***														
26	*O&M and Depreciation*														
27	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	71,532.09	50,582.17	759,616.69
28	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	18,581.68	18,581.68	222,980.20
29	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	9,319.00	127,844.00
30	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	248,716.65	2,983,712.42
31	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	349,605.42	327,199.50	4,094,153.31
32															
33	Income before Taxes														
34	Available for return (from above)		174,107.01	174,107.01	174,107.01	174,107.01	174,107.01	174,107.01	174,107.01	174,107.01	174,107.01	174,107.01	174,107.01	174,107.01	2,089,284.11
35	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
36	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)
37	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
38	Adjusted Income before interest and taxes		140,310.83	140,310.83	140,310.83	140,310.83	140,310.83	140,310.83	140,310.83	140,310.83	140,310.83	140,310.83	140,310.83	140,310.83	1,683,729.98
39	Taxable Income (grossed up)	1.642743	230,494.62	230,494.62	230,494.62	230,494.62	230,494.62	230,494.62	230,494.62	230,494.62	230,494.62	230,494.62	230,494.62	230,494.62	2,765,935.39
40															
41	Income Taxes														
42	Current and Def Income Taxes	39.126%	90,183.78	90,183.78	90,183.78	90,183.78	90,183.78	90,183.78	90,183.78	90,183.78	90,183.78	90,183.78	90,183.78	90,183.78	1,082,205.41
43	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
44	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
45	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)
46	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
47	Total Income Tax Expense		56,387.61	56,387.61	56,387.61	56,387.61	56,387.61	56,387.61	56,387.61	56,387.61	56,387.61	56,387.61	56,387.61	56,387.61	676,651.28
48															
49															
50	***REVENUE REQUIRMENTS***														
51	Expenses		391,809.85	408,870.04	418,084.13	415,481.48	401,166.34	375,869.46	397,573.06	404,405.66	399,075.93	368,888.53	405,993.03	383,587.11	4,770,804.59
52	Return on rate base		261,811.54	261,811.54	261,811.54	261,811.54	261,811.54	261,811.54	261,811.54	261,811.54	261,811.54	261,811.54	261,811.54	261,811.54	3,141,738.54
53															
54	Total revenue requirements		653,621.39	670,681.58	679,895.67	677,293.02	662,977.88	637,681.00	659,384.60	666,217.20	660,887.47	630,700.07	667,804.57	645,398.65	7,912,543.12
55															
56	North Dakota share - E2 factor	41.018%	268,102.26	275,100.00	278,879.44	277,811.88	271,940.10	261,563.83	270,466.21	273,268.81	271,082.66	258,700.40	273,919.91	264,729.46	**3,245,564.96**

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	248,716.65	248,716.65	2,983,712.42
20	Tax depreciation-ND		5,229.23	5,229.23	5,229.23	5,229.23	5,229.23	5,229.23	5,229.23	5,229.23	5,229.23	5,229.23	5,229.23	5,229.23	5,229.23	62,750.74
21	Tax depreciation-Federal		5,229.23	5,229.23	5,229.23	5,229.23	5,229.23	5,229.23	5,229.23	5,229.23	5,229.23	5,229.23	5,229.23	5,229.23	5,229.23	62,750.74
22	Book vs. tax depreciation		243,360.65	243,360.65	243,360.65	243,360.65	243,360.65	243,360.65	243,360.65	243,487.43	243,487.43	243,487.43	243,487.43	243,487.43	243,487.43	2,920,961.69
23	Federal & State deferred income taxes	0	95,217.78	95,217.78	95,217.78	95,217.78	95,217.78	95,217.78	95,217.78	95,267.38	95,267.38	95,267.38	95,267.38	95,267.38	95,267.38	1,142,861.31
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-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		653,621.39	670,681.58	679,895.67	677,293.02	662,977.88	637,681.00	659,384.60	666,217.20	660,887.47	630,700.07	667,804.57	645,398.65	7,912,543.12	
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	349,605.42	327,199.50	4,094,153.31	
5	Interest on Debt		82,508.44	82,508.44	82,508.44	82,508.44	82,508.44	82,508.44	82,508.44	82,508.44	82,508.44	82,508.44	82,508.44	82,508.44	990,101.34	
6																
7	Income Taxes															
8	Current Income Tax		185,401.56	185,401.56	185,401.56	185,401.56	185,401.56	185,401.56	185,401.56	185,451.16	185,451.16	185,451.16	185,451.16	185,451.16	2,225,066.72	
9	Deferred Income Tax		(95,217.78)	(95,217.78)	(95,217.78)	(95,217.78)	(95,217.78)	(95,217.78)	(95,217.78)	(95,267.38)	(95,267.38)	(95,267.38)	(95,267.38)	(95,267.38)	(1,142,861.31)	
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		474,318.29	491,378.48	500,592.57	497,989.92	483,674.78	458,377.90	480,081.50	486,914.10	481,584.37	451,396.97	488,501.47	466,095.55	5,760,905.93	
18																
19	Net Income before preferred dividend		179,303.10	179,303.10	179,303.10	179,303.10	179,303.10	179,303.10	179,303.10	179,303.10	179,303.10	179,303.10	179,303.10	179,303.10	2,151,637.20	
20	Dividend on Preferred Stock		(5,196.09)	(5,196.09)	(5,196.09)	(5,196.09)	(5,196.09)	(5,196.09)	(5,196.09)	(5,196.09)	(5,196.09)	(5,196.09)	(5,196.09)	(5,196.09)	(62,353.08)	
21																
22	Income available for Common Stock		**174,107.01**	**174,107.01**	**174,107.01**	**174,107.01**	**174,107.01**	**174,107.01**	**174,107.01**	**174,107.01**	**174,107.01**	**174,107.01**	**174,107.01**	**174,107.01**	**2,089,284.11**	
23																
24	**Average Rate Base**		36,463,791.83	36,463,791.83	36,463,791.83	36,463,791.83	36,463,791.83	36,463,791.83	36,463,791.83	36,463,791.83	36,463,791.83	36,463,791.83	36,463,791.83	36,463,791.83	36,463,791.83	
25	Equity Percent		1,619,600.09	1,619,600.09	1,619,600.09	1,619,600.09	1,619,600.09	1,619,600.09	1,619,600.09	1,619,600.09	1,619,600.09	1,619,600.09	1,619,600.09	1,619,600.09	19,435,201.05	
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		174,107.01	174,107.01	174,107.01	174,107.01	174,107.01	174,107.01	174,107.01	174,107.01	174,107.01	174,107.01	174,107.01	174,107.01	2,089,284.11	
31	Less Income Taxes		56,387.61	56,387.61	56,387.61	56,387.61	56,387.61	56,387.61	56,387.61	56,387.61	56,387.61	56,387.61	56,387.61	56,387.61	676,651.28	
32	Total		230,494.62	230,494.62	230,494.62	230,494.62	230,494.62	230,494.62	230,494.62	230,494.62	230,494.62	230,494.62	230,494.62	230,494.62	2,765,935.39	
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	248,716.65	2,983,712.42	
35	Tax Depreciation		(5,229.23)	(5,229.23)	(5,229.23)	(5,229.23)	(5,229.23)	(5,229.23)	(5,229.23)	(5,229.23)	(5,229.23)	(5,229.23)	(5,229.23)	(5,229.23)	(62,750.74)	
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		473,855.27	473,855.27	473,855.27	473,855.27	473,855.27	473,855.27	473,855.27	473,982.04	473,982.04	473,982.04	473,982.04	473,982.04	5,686,897.07	
38	Current income tax		185,401.56	185,401.56	185,401.56	185,401.56	185,401.56	185,401.56	185,401.56	185,451.16	185,451.16	185,451.16	185,451.16	185,451.16	2,225,066.72	
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	Actual 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	102,875,198.24	102,875,198.24	102,951,648.25	102,951,648.25	102,951,648.25	102,951,648.25	102,951,648.25	102,951,648.25	102,951,648.25	102,951,648.25	102,951,648.25	102,951,648.25	102,951,648.25	
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	(18,033,071.84)	(18,281,403.56)	(18,529,735.29)	(18,778,328.18)	(19,026,921.07)	(19,275,513.96)	(19,524,106.86)	(19,772,699.75)	(20,021,292.64)	(20,269,885.53)	(20,518,478.42)	(20,767,071.31)	(21,015,664.20)	
5	Net Plant in Service	54,660,022.40	54,411,690.68	54,239,808.96	53,991,216.07	53,742,623.18	53,494,030.29	53,245,437.40	52,996,844.51	52,748,251.62	52,499,658.72	52,251,065.83	52,002,472.94	51,753,880.05	
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 - NOL DTA	25,555.00	25,555.00	25,555.00	25,555.00	25,555.00	25,555.00	25,555.00	25,555.00	25,555.00	25,555.00	25,555.00	25,555.00	25,555.00	
8	Reversal of ADIT - NOL DTA	0.00	(1,487.25)	(2,974.50)	(4,461.75)	(5,949.00)	(7,436.25)	(8,923.50)	(10,410.75)	(11,898.00)	(13,385.25)	(14,872.50)	(16,359.75)	(17,847.00)	
9	ADIT Pro-Rated		1.000000	0.841096	0.756164	0.673973	0.589041	0.506849	0.421918	0.336986	0.254795	0.169863	0.087671	0.002740	
10	Accum. Deferred Inc. Taxes - Fed & State	(21,300,650.23)	(21,204,751.91)	(21,124,092.23)	(21,051,500.07)	(20,986,798.36)	(20,930,250.12)	(20,881,592.33)	(20,841,088.01)	(20,808,737.16)	(20,784,276.75)	(20,767,969.82)	(20,759,553.34)	(20,759,290.32)	
11	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	
12	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	
13	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	
14	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)	
15	Accum. Deferred Inc. Taxes - ND ITC	(11,646,682.93)	(11,594,688.81)	(11,550,956.77)	(11,511,640.67)	(11,476,598.06)	(11,445,971.38)	(11,419,618.20)	(11,397,680.95)	(11,380,159.65)	(11,366,911.83)	(11,358,079.95)	(11,353,521.57)	(11,353,379.12)	
16	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC	4,076,339.04	4,058,141.09	4,042,834.88	4,029,074.24	4,016,809.33	4,006,089.99	3,996,866.38	3,989,188.34	3,983,055.89	3,978,419.15	3,975,327.99	3,973,732.56	3,973,682.70	
17	End of month rate base	35,794,216.06	35,674,092.58	35,609,808.97	35,457,876.37	35,295,275.55	35,121,650.90	34,937,358.04	34,742,041.34	34,535,700.82	34,318,692.08	34,090,659.50	33,851,958.72	33,602,234.10	
18															
19	Average rate base	36,463,791.83	34,848,581.92	34,848,581.92	34,848,581.92	34,848,581.92	34,848,581.92	34,848,581.92	34,848,581.92	34,848,581.92	34,848,581.92	34,848,581.92	34,848,581.92	34,848,581.92	34,848,581.92
20															
21	Return on Rate Base		250,214.27	250,214.27	250,214.27	250,214.27	250,214.27	250,214.27	250,214.27	250,214.27	250,214.27	250,214.27	250,214.27	250,214.27	3,002,571.24
22															
23	Available for return (equity portion of rate base)		166,394.72	166,394.72	166,394.72	166,394.72	166,394.72	166,394.72	166,394.72	166,394.72	166,394.72	166,394.72	166,394.72	166,394.72	1,996,736.62
24															
25	***EXPENSES***														
26	*O&M and Depreciation*														
27	Operating Costs		35,239.74	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	731,768.40
28	Ground Lease Payments		18,953.15	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	232,593.14
29	Property Tax		9,620.00	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	121,263.00
30	Book Depreciation	0	248,331.73	248,331.73	248,592.89	248,592.89	248,592.89	248,592.89	248,592.89	248,592.89	248,592.89	248,592.89	248,592.89	248,592.89	2,982,592.37
31	Total O&M and Depreciation Expense	0	312,144.62	336,844.28	337,287.68	362,730.10	314,558.63	336,163.82	336,163.96	336,163.96	361,913.96	361,913.96	336,163.96	336,167.96	4,068,216.91
32															
33	Income before Taxes														
34	Available for return (from above)		166,394.72	166,394.72	166,394.72	166,394.72	166,394.72	166,394.72	166,394.72	166,394.72	166,394.72	166,394.72	166,394.72	166,394.72	1,996,736.62
35	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
36	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)
37	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
38	Adjusted Income before interest and taxes		132,598.54	132,598.54	132,598.54	132,598.54	132,598.54	132,598.54	132,598.54	132,598.54	132,598.54	132,598.54	132,598.54	132,598.54	1,591,182.49
39	Taxable Income (grossed up)	1.642743	217,825.31	217,825.31	217,825.31	217,825.31	217,825.31	217,825.31	217,825.31	217,825.31	217,825.31	217,825.31	217,825.31	217,825.31	2,613,903.66
40															
41	Income Taxes														
42	Current and Def Income Taxes	39.126%	85,226.76	85,226.76	85,226.76	85,226.76	85,226.76	85,226.76	85,226.76	85,226.76	85,226.76	85,226.76	85,226.76	85,226.76	1,022,721.17
43	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
44	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
45	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)
46	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
47	Total Income Tax Expense		51,430.59	51,430.59	51,430.59	51,430.59	51,430.59	51,430.59	51,430.59	51,430.59	51,430.59	51,430.59	51,430.59	51,430.59	617,167.04
48															
49															
50	***REVENUE REQUIRMENTS***														
51	Expenses		363,575.20	388,274.86	388,718.27	414,160.69	365,989.22	387,594.41	387,594.55	387,594.55	413,344.55	413,344.55	387,594.55	387,598.55	4,685,383.95
52	Return on rate base		250,214.27	250,214.27	250,214.27	250,214.27	250,214.27	250,214.27	250,214.27	250,214.27	250,214.27	250,214.27	250,214.27	250,214.27	3,002,571.24
53															
54	Total revenue requirements		613,789.47	638,489.14	638,932.54	664,374.96	616,203.49	637,808.68	637,808.82	637,808.82	663,558.82	663,558.82	637,808.82	637,812.82	7,687,955.19
55															
56	North Dakota share - E2 factor	41.018%	251,764.01	261,895.31	262,077.19	272,513.15	252,754.19	261,616.20	261,616.26	261,616.26	272,178.39	272,178.39	261,616.26	261,617.90	**3,153,443.54**

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	248,331.73	248,331.73	248,592.89	248,592.89	248,592.89	248,592.89	248,592.89	248,592.89	248,592.89	248,592.89	248,592.89	248,592.89	248,592.89	2,982,592.37
20	Tax depreciation-ND		3,231.72	3,231.72	3,231.72	3,231.72	3,231.72	3,231.72	3,231.72	3,231.72	3,231.72	3,231.72	3,231.72	3,231.72	3,231.72	38,780.67
21	Tax depreciation-Federal		3,231.72	3,231.72	3,231.72	3,231.72	3,231.72	3,231.72	3,231.72	3,231.72	3,231.72	3,231.72	3,231.72	3,231.72	3,231.72	38,780.67
22	Book vs. tax depreciation		245,100.00	245,100.00	245,361.17	245,361.17	245,361.17	245,361.17	245,361.17	245,361.17	245,361.17	245,361.17	245,361.17	245,361.17	245,361.17	2,943,811.70
23	Federal & State deferred income taxes	0	95,898.32	95,898.32	96,000.50	96,000.50	96,000.50	96,000.50	96,000.50	96,000.50	96,000.50	96,000.50	96,000.50	96,000.50	96,000.50	1,151,801.65
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)	(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	613,789.47	638,489.14	638,932.54	664,374.96	616,203.49	637,808.68	637,808.82	637,808.82	663,558.82	663,558.82	637,808.82	637,812.82	7,687,955.19
2														
3	Expenses													
4	O/M and Book Depreciation	312,144.62	336,844.28	337,287.68	362,730.10	314,558.63	336,163.82	336,163.96	336,163.96	361,913.96	361,913.96	336,163.96	336,167.96	4,068,216.91
5	Interest on Debt	78,853.63	78,853.63	78,853.63	78,853.63	78,853.63	78,853.63	78,853.63	78,853.63	78,853.63	78,853.63	78,853.63	78,853.63	946,243.54
6														
7	Income Taxes													
8	Current Income Tax	181,125.08	181,125.08	181,227.27	181,227.27	181,227.27	181,227.27	181,227.27	181,227.27	181,227.27	181,227.27	181,227.27	181,227.27	2,174,522.83
9	Deferred Income Tax	(95,898.32)	(95,898.32)	(96,000.50)	(96,000.50)	(96,000.50)	(96,000.50)	(96,000.50)	(96,000.50)	(96,000.50)	(96,000.50)	(96,000.50)	(96,000.50)	(1,151,801.65)
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	442,428.83	467,128.49	467,571.90	493,014.32	444,842.85	466,448.04	466,448.18	466,448.18	492,198.18	492,198.18	466,448.18	466,452.18	5,631,627.50
18														
19	Net Income before preferred dividend	171,360.64	171,360.64	171,360.64	171,360.64	171,360.64	171,360.64	171,360.64	171,360.64	171,360.64	171,360.64	171,360.64	171,360.64	2,056,327.70
20	Dividend on Preferred Stock	(4,965.92)	(4,965.92)	(4,965.92)	(4,965.92)	(4,965.92)	(4,965.92)	(4,965.92)	(4,965.92)	(4,965.92)	(4,965.92)	(4,965.92)	(4,965.92)	(59,591.08)
21														
22	Income available for Common Stock	**166,394.72**	**166,394.72**	**166,394.72**	**166,394.72**	**166,394.72**	**166,394.72**	**166,394.72**	**166,394.72**	**166,394.72**	**166,394.72**	**166,394.72**	**166,394.72**	**1,996,736.62**
23														
24	**Average Rate Base**	34,848,581.92	34,848,581.92	34,848,581.92	34,848,581.92	34,848,581.92	34,848,581.92	34,848,581.92	34,848,581.92	34,848,581.92	34,848,581.92	34,848,581.92	34,848,581.92	34,848,581.92
25	Equity Percent	1,547,857.85	1,547,857.85	1,547,857.85	1,547,857.85	1,547,857.85	1,547,857.85	1,547,857.85	1,547,857.85	1,547,857.85	1,547,857.85	1,547,857.85	1,547,857.85	18,574,294.17
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	166,394.72	166,394.72	166,394.72	166,394.72	166,394.72	166,394.72	166,394.72	166,394.72	166,394.72	166,394.72	166,394.72	166,394.72	1,996,736.62
31	Less Income Taxes	51,430.59	51,430.59	51,430.59	51,430.59	51,430.59	51,430.59	51,430.59	51,430.59	51,430.59	51,430.59	51,430.59	51,430.59	617,167.04
32	Total	217,825.31	217,825.31	217,825.31	217,825.31	217,825.31	217,825.31	217,825.31	217,825.31	217,825.31	217,825.31	217,825.31	217,825.31	2,613,903.66
33														
34	Book Depreciation	248,331.73	248,331.73	248,592.89	248,592.89	248,592.89	248,592.89	248,592.89	248,592.89	248,592.89	248,592.89	248,592.89	248,592.89	2,982,592.37
35	Tax Depreciation	(3,231.72)	(3,231.72)	(3,231.72)	(3,231.72)	(3,231.72)	(3,231.72)	(3,231.72)	(3,231.72)	(3,231.72)	(3,231.72)	(3,231.72)	(3,231.72)	(38,780.67)
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	462,925.31	462,925.31	463,186.47	463,186.47	463,186.47	463,186.47	463,186.47	463,186.47	463,186.47	463,186.47	463,186.47	463,186.47	5,557,715.36
38	Current income tax	181,125.08	181,125.08	181,227.27	181,227.27	181,227.27	181,227.27	181,227.27	181,227.27	181,227.27	181,227.27	181,227.27	181,227.27	2,174,522.83
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	102,951,648.25	102,951,648.25	102,951,648.25	102,951,648.25	102,951,648.25	102,951,648.25	102,951,648.25	102,951,648.25	102,951,648.25	102,951,648.25	102,951,648.25	102,951,648.25	102,951,648.25	
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	(21,015,664.20)	(21,264,257.10)	(21,512,849.99)	(21,761,442.88)	(22,010,035.77)	(22,258,628.66)	(22,507,221.55)	(22,755,814.44)	(23,004,407.34)	(23,253,000.23)	(23,501,593.12)	(23,750,186.01)	(23,998,778.90)	
5	Net Plant in Service	51,753,880.05	51,505,287.16	51,256,694.27	51,008,101.38	50,759,508.48	50,510,915.59	50,262,322.70	50,013,729.81	49,765,136.92	49,516,544.03	49,267,951.14	49,019,358.24	48,770,765.35	
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 - NOL DTA	25,555.00	25,555.00	25,555.00	25,555.00	25,555.00	25,555.00	25,555.00	25,555.00	25,555.00	25,555.00	25,555.00	25,555.00	25,555.00	
8	Reversal of ADIT - NOL DTA	(17,847.00)	(17,847.00)	(17,847.00)	(17,847.00)	(17,847.00)	(17,847.00)	(17,847.00)	(17,847.00)	(17,847.00)	(17,847.00)	(17,847.00)	(17,847.00)	(17,847.00)	
9	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	
10	Accum. Deferred Inc. Taxes - Fed & State	(20,759,290.32)	(20,670,673.71)	(20,589,463.87)	(20,516,454.37)	(20,451,380.68)	(20,394,507.33)	(20,345,569.80)	(20,304,832.62)	(20,272,295.77)	(20,247,694.74)	(20,231,294.06)	(20,222,829.19)	(20,222,564.66)	
11	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	
12	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	
13	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	
14	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)	
15	Accum. Deferred Inc. Taxes - ND ITC	(11,353,379.12)	(11,305,658.48)	(11,261,926.44)	(11,222,610.34)	(11,187,567.73)	(11,156,941.06)	(11,130,587.87)	(11,108,650.63)	(11,091,129.32)	(11,077,881.50)	(11,069,049.63)	(11,064,491.24)	(11,064,348.79)	
16	Accum. Deferred Inc. Taxes - Fed. portion of ND ITC	3,973,682.70	3,956,980.48	3,941,674.27	3,927,913.63	3,915,648.72	3,904,929.38	3,895,705.77	3,888,027.73	3,881,895.27	3,877,258.54	3,874,167.38	3,872,571.94	3,872,522.09	
17	End of month rate base	33,602,234.10	33,473,277.14	33,334,319.84	33,184,291.84	33,023,550.25	32,851,737.95	32,669,212.08	32,475,615.50	32,270,948.22	32,055,567.35	31,829,115.78	31,591,950.63	31,343,714.77	
18															
19	Average rate base	34,848,581.92	32,592,733.50	32,592,733.50	32,592,733.50	32,592,733.50	32,592,733.50	32,592,733.50	32,592,733.50	32,592,733.50	32,592,733.50	32,592,733.50	32,592,733.50	32,592,733.50	32,592,733.50
20															
21	Return on Rate Base		234,017.18	234,017.18	234,017.18	234,017.18	234,017.18	234,017.18	234,017.18	234,017.18	234,017.18	234,017.18	234,017.18	234,017.18	2,808,206.21
22															
23	Available for return (equity portion of rate base)		155,623.51	155,623.51	155,623.51	155,623.51	155,623.51	155,623.51	155,623.51	155,623.51	155,623.51	155,623.51	155,623.51	155,623.51	1,867,482.15
24															
25	***EXPENSES***														
26	*O&M and Depreciation*														
27	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
28	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
29	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
30	Book Depreciation	0	248,592.89	248,592.89	248,592.89	248,592.89	248,592.89	248,592.89	248,592.89	248,592.89	248,592.89	248,592.89	248,592.89	248,592.89	2,983,114.70
31	Total O&M and Depreciation Expense	0	382,274.12	338,962.10	339,149.81	365,355.40	315,738.79	337,992.13	337,992.28	337,992.28	364,514.78	364,514.78	337,992.28	337,986.52	4,160,465.29
32															
33	Income before Taxes														
34	Available for return (from above)		155,623.51	155,623.51	155,623.51	155,623.51	155,623.51	155,623.51	155,623.51	155,623.51	155,623.51	155,623.51	155,623.51	155,623.51	1,867,482.15
35	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
36	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)
37	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
38	Adjusted Income before interest and taxes		121,827.33	121,827.33	121,827.33	121,827.33	121,827.33	121,827.33	121,827.33	121,827.33	121,827.33	121,827.33	121,827.33	121,827.33	1,461,928.01
39	Taxable Income (grossed up)	1.642743	200,130.98	200,130.98	200,130.98	200,130.98	200,130.98	200,130.98	200,130.98	200,130.98	200,130.98	200,130.98	200,130.98	200,130.98	2,401,571.80
40															
41	Income Taxes														
42	Current and Def Income Taxes	39.126%	78,303.65	78,303.65	78,303.65	78,303.65	78,303.65	78,303.65	78,303.65	78,303.65	78,303.65	78,303.65	78,303.65	78,303.65	939,643.78
43	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
44	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
45	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)
46	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
47	Total Income Tax Expense		44,507.47	44,507.47	44,507.47	44,507.47	44,507.47	44,507.47	44,507.47	44,507.47	44,507.47	44,507.47	44,507.47	44,507.47	534,089.65
48															
49															
50	***REVENUE REQUIRMENTS***														
51	Expenses		426,781.59	383,469.57	383,657.28	409,862.87	360,246.26	382,499.60	382,499.75	382,499.75	409,022.25	409,022.25	382,499.75	382,493.99	4,694,554.93
52	Return on rate base		234,017.18	234,017.18	234,017.18	234,017.18	234,017.18	234,017.18	234,017.18	234,017.18	234,017.18	234,017.18	234,017.18	234,017.18	2,808,206.21
53															
54	Total revenue requirements		660,798.77	617,486.76	617,674.46	643,880.06	594,263.45	616,516.79	616,516.94	616,516.94	643,039.44	643,039.44	616,516.94	616,511.18	7,502,761.15
55															
56	North Dakota share - E2 factor	41.018%	271,046.28	253,280.56	253,357.56	264,106.56	243,754.83	252,882.70	252,882.76	252,882.76	263,761.76	263,761.76	252,882.76	252,880.40	**3,077,480.69**

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

SUPPORTING INFORMATION / DATA

Line		2016				2017										
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
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	248,592.89	248,592.89	248,592.89	248,592.89	248,592.89	248,592.89	248,592.89	248,592.89	248,592.89	248,592.89	248,592.89	248,592.89	248,592.89	2,983,114.70
20	Tax depreciation-ND		1,821.10	1,821.10	1,821.10	1,821.10	1,821.10	1,821.10	1,821.10	1,821.10	1,821.10	1,821.10	1,821.10	1,821.10	1,821.10	21,853.25
21	Tax depreciation-Federal		1,821.10	1,821.10	1,821.10	1,821.10	1,821.10	1,821.10	1,821.10	1,821.10	1,821.10	1,821.10	1,821.10	1,821.10	1,821.10	21,853.25
22	Book vs. tax depreciation		246,771.79	246,771.79	246,771.79	246,771.79	246,771.79	246,771.79	246,771.79	246,771.79	246,771.79	246,771.79	246,771.79	246,771.79	246,771.79	2,961,261.44
23	Federal & State deferred income taxes	0	96,552.42	96,552.42	96,552.42	96,552.42	96,552.42	96,552.42	96,552.42	96,552.42	96,552.42	96,552.42	96,552.42	96,552.42	96,552.42	1,158,629.07
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-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	660,798.77	617,486.76	617,674.46	643,880.06	594,263.45	616,516.79	616,516.94	616,516.94	643,039.44	643,039.44	616,516.94	616,511.18	7,502,761.15
2														
3	Expenses													
4	O/M and Book Depreciation	382,274.12	338,962.10	339,149.81	365,355.40	315,738.79	337,992.13	337,992.28	337,992.28	364,514.78	364,514.78	337,992.28	337,986.52	4,160,465.29
5	Interest on Debt	73,749.21	73,749.21	73,749.21	73,749.21	73,749.21	73,749.21	73,749.21	73,749.21	73,749.21	73,749.21	73,749.21	73,749.21	884,990.49
6														
7	Income Taxes													
8	Current Income Tax	174,856.07	174,856.07	174,856.07	174,856.07	174,856.07	174,856.07	174,856.07	174,856.07	174,856.07	174,856.07	174,856.07	174,856.07	2,098,272.86
9	Deferred Income Tax	(96,552.42)	(96,552.42)	(96,552.42)	(96,552.42)	(96,552.42)	(96,552.42)	(96,552.42)	(96,552.42)	(96,552.42)	(96,552.42)	(96,552.42)	(96,552.42)	(1,158,629.07)
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	500,530.80	457,218.78	457,406.48	483,612.08	433,995.47	456,248.81	456,248.96	456,248.96	482,771.46	482,771.46	456,248.96	456,243.20	5,579,545.43
18														
19	Net Income before preferred dividend	160,267.98	160,267.98	160,267.98	160,267.98	160,267.98	160,267.98	160,267.98	160,267.98	160,267.98	160,267.98	160,267.98	160,267.98	1,923,215.72
20	Dividend on Preferred Stock	(4,644.46)	(4,644.46)	(4,644.46)	(4,644.46)	(4,644.46)	(4,644.46)	(4,644.46)	(4,644.46)	(4,644.46)	(4,644.46)	(4,644.46)	(4,644.46)	(55,733.57)
21														
22	Income available for Common Stock	**155,623.51**	**155,623.51**	**155,623.51**	**155,623.51**	**155,623.51**	**155,623.51**	**155,623.51**	**155,623.51**	**155,623.51**	**155,623.51**	**155,623.51**	**155,623.51**	**1,867,482.15**
23														
24	**Average Rate Base**	32,592,733.50	32,592,733.50	32,592,733.50	32,592,733.50	32,592,733.50	32,592,733.50	32,592,733.50	32,592,733.50	32,592,733.50	32,592,733.50	32,592,733.50	32,592,733.50	32,592,733.50
25	Equity Percent	1,447,660.58	1,447,660.58	1,447,660.58	1,447,660.58	1,447,660.58	1,447,660.58	1,447,660.58	1,447,660.58	1,447,660.58	1,447,660.58	1,447,660.58	1,447,660.58	17,371,926.95
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	155,623.51	155,623.51	155,623.51	155,623.51	155,623.51	155,623.51	155,623.51	155,623.51	155,623.51	155,623.51	155,623.51	155,623.51	1,867,482.15
31	Less Income Taxes	44,507.47	44,507.47	44,507.47	44,507.47	44,507.47	44,507.47	44,507.47	44,507.47	44,507.47	44,507.47	44,507.47	44,507.47	534,089.65
32	Total	200,130.98	200,130.98	200,130.98	200,130.98	200,130.98	200,130.98	200,130.98	200,130.98	200,130.98	200,130.98	200,130.98	200,130.98	2,401,571.80
33														
34	Book Depreciation	248,592.89	248,592.89	248,592.89	248,592.89	248,592.89	248,592.89	248,592.89	248,592.89	248,592.89	248,592.89	248,592.89	248,592.89	2,983,114.70
35	Tax Depreciation	(1,821.10)	(1,821.10)	(1,821.10)	(1,821.10)	(1,821.10)	(1,821.10)	(1,821.10)	(1,821.10)	(1,821.10)	(1,821.10)	(1,821.10)	(1,821.10)	(21,853.25)
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	446,902.77	446,902.77	446,902.77	446,902.77	446,902.77	446,902.77	446,902.77	446,902.77	446,902.77	446,902.77	446,902.77	446,902.77	5,362,833.24
38	Current income tax	174,856.07	174,856.07	174,856.07	174,856.07	174,856.07	174,856.07	174,856.07	174,856.07	174,856.07	174,856.07	174,856.07	174,856.07	2,098,272.86
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

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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 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
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	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	2011 YE
	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	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	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	2013 YE
	Jan-13	**Feb-13**	**Mar-13**	**Apr-13**	**May-13**	**Jun-13**	**Jul-13**	**Aug-13**	**Sep-13**	**Oct-13**	**Nov-13**	**Dec-13**	**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	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	2014 YE
	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	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**	

Rate Calculation - Effective April 2014 - Approved March 12, 2014	
Revenue Requirements April 2014 thru March 2015	8,213,716.13
Carrying Charge (April 2014 thru Mar 2015)	45,161.55
True-up from April 2013-Mar 2014	(191,211.07)
True-up from April 2012-Mar 2013	
True-up from April 2010-Mar 2012	
True-up from April 2009-Mar 2010 (including carrying chrg)	
True-up from Jan 2008 thru Mar 2009 (includes carrying chrg)	
Deferral of Jan 2008 thru Mar 2009 costs	(337,256.00)
Amortization of Deferral	337,256.00
Total Requirements	8,067,666.61
Projected Sales in mWh April 2014 thru Mar 2015	1,844,180
New Rate	$0.00437

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	2015												
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	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	83,130.00	97,855.79	57,641.64	81,534.66	132,038.45	177,247.20	153,087.26	175,283.87	110,062.79	42,724.81	110,882.72	168,494.07	1,389,983.27
Ashtabula	247,119.78	313,543.51	249,649.28	258,865.80	287,283.24	371,453.31	340,410.55	349,807.03	326,989.60	271,427.93	281,215.71	341,143.44	3,638,905.66
Luverne	268,102.26	275,100.00	278,879.44	277,811.88	271,940.10	261,563.83	270,466.21	273,268.81	271,082.66	258,700.40	273,919.91	264,729.46	3,245,500.00
Total	598,352.03	686,499.30	586,170.36	618,212.34	691,261.78	810,264.35	763,964.03	798,359.71	708,135.05	572,853.14	666,018.34	774,366.97	8,274,388.93
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	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	385,773.19	438,215.25	6,193,653.31
Renewable Energy Certificate Sales													
Monthly Revenue Difference	(323,129.22)	(186,816.00)	(252,058.04)	183,601.49	324,380.18	427,419.93	351,647.24	375,000.43	297,739.78	204,411.17	283,831.67	341,777.10	
Cummulative Difference	(1,226,042.82)	(1,412,858.82)	(1,664,916.86)	(1,481,315.37)	(1,156,935.19)	(729,515.26)	(377,868.03)	(2,867.60)	294,872.18	499,283.36	783,115.03	1,124,892.12	
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	(3,200.44)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Adjusted Cumulative Difference	(1,234,802.03)	(1,421,618.03)	(1,676,876.51)	(1,493,275.02)	(1,168,894.84)	(741,474.91)	(389,827.68)	(14,827.25)	282,912.53	487,323.70	771,155.38	1,112,932.47	
Carrying Charge Calculation	(8,807.07)	(10,149.04)	(11,959.65)	(10,640.78)	(8,310.65)	(5,240.35)	(2,714.35)	(20.60)	2,118.17	3,586.52	5,625.38	8,080.48	
Cumulative Carrying Charge	566,796.37	556,647.34	544,687.69	534,046.90	525,736.25	520,495.90	517,781.55	517,760.95	519,879.12	523,465.63	529,091.01	537,171.49	
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	(1,234,849.90)	(1,423,007.86)	(1,676,876.51)	(1,491,956.15)	(1,165,245.84)	(734,755.61)	(380,582.38)	(2,888.20)	296,990.35	502,869.88	788,740.40	1,132,972.60	(68.47)
Forecasted Sales (mWh)													0
REGULATORY ASSET													
Reg Asset Account 1822.1001 should be	(1,234,849.90)	(1,423,007.86)	(1,676,876.51)	(1,491,956.15)	(1,165,245.84)	(734,755.61)	(380,582.38)	(2,888.20)	296,990.35	502,869.88	788,740.40	1,132,972.60	
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)	243,231.04	
Difference - To be booked to Reg Asset	**(216,738.31)**	**(1,922.40)**	**(237,465.98)**	**250,450.18**	**448,041.56**	**608,299.99**	**573,727.56**	**307,080.47**	**415,926.43**	**621,805.96**	**788,825.88**	**889,741.56**	

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	136,107.16	98,880.29	132,055.85	104,963.01	104,724.43	145,349.73	171,604.59	174,837.73	116,077.02	79,258.72	86,317.97	121,845.67	1,390,873.29
Ashtabula	337,096.86	283,006.98	296,477.81	272,559.99	237,751.24	320,226.83	355,804.52	363,890.31	304,903.77	256,388.74	250,688.58	289,500.60	3,387,514.39
Luverne	251,764.01	261,895.31	262,077.19	272,513.15	252,754.19	261,616.20	261,616.26	261,616.26	272,178.39	272,178.39	261,616.26	261,617.90	3,196,608.00
Total	724,968.04	643,782.58	690,610.85	650,036.16	595,229.87	727,192.77	789,025.37	800,344.31	693,159.18	607,825.85	598,622.81	672,964.18	7,974,995.69
	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	466,435.70	737,961.78	690,123.72	719,055.42	745,266.29	746,324.96	723,876.71	840,306.29	946,818.90	8,266,221.15
Renewable Energy Certificate Sales													
Monthly Revenue Difference	159,730.33	87,078.41	189,663.07	194,816.25	(130,116.68)	48,749.61	82,000.69	67,697.79	(40,059.71)	(103,232.55)	(229,606.72)	(263,427.30)	
Cummulative Difference	1,284,622.45	1,371,700.86	1,561,363.93	1,756,180.19	1,626,063.51	1,674,813.11	1,756,813.80	1,824,511.60	1,784,451.89	1,681,219.34	1,451,612.62	1,188,185.32	
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	23,175.45	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Adjusted Cumulative Difference	1,272,662.80	1,359,741.21	1,572,579.73	1,767,395.98	1,637,279.30	1,686,028.91	1,768,029.60	1,835,727.40	1,795,667.69	1,692,435.14	1,462,828.42	1,199,401.12	
Carrying Charge Calculation	9,227.87	9,853.38	11,215.80	12,615.23	11,680.56	12,030.74	12,619.78	13,106.07	12,818.31	12,076.76	10,427.42	8,535.13	
Cumulative Carrying Charge	546,399.36	556,252.74	567,468.54	580,083.77	591,764.32	603,795.06	616,414.84	629,520.92	642,339.23	654,415.99	664,843.41	673,378.54	
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	1,293,850.32	1,381,554.25	1,572,579.73	1,768,795.41	1,637,744.06	1,686,843.85	1,769,433.58	1,837,617.67	1,797,270.20	1,693,296.10	1,462,040.04	1,196,720.45	(218,834.74)
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	1,293,850.32	1,381,554.25	1,572,579.73	1,768,795.41	1,637,744.06	1,686,843.85	1,769,433.58	1,837,617.67	1,797,270.20	1,693,296.10	1,462,040.04	1,196,720.45	
Reg Asset Account 1821.1001 & 1822.1001 balan													
Difference - To be booked to Reg Asset	**1,293,850.32**	**1,381,554.25**	**1,572,579.73**	**1,768,795.41**	**1,637,744.06**	**1,686,843.85**	**1,769,433.58**	**1,837,617.67**	**1,797,270.20**	**1,693,296.10**	**1,462,040.04**	**1,196,720.45**	

Rate Calculation - Effective May 2016	
Revenue Requirements May 2016 thru March 2017	7,392,185.05
Carrying Charge (May 2016 thru Mar 2017)	100,574.94
Cumulative True-Up thru April 2016	1,768,795.41
Total Requirements	9,261,555.41
Projected Sales in mWh May 2016 thru Mar 2017	1,730,276
New Rate	$0.00535

Otter Tail Power Company
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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	88,991.78	105,723.54	131,417.54	104,201.71	103,907.46	144,296.07	170,621.46	173,854.56	115,320.15	78,572.28	85,406.66	311,760.37	1,580,909.53
Ashtabula	244,468.42	275,940.44	283,594.60	259,395.91	224,270.63	306,746.22	342,323.90	350,409.70	291,739.70	243,224.67	237,207.96	276,021.56	3,175,569.31
Luverne	271,046.28	253,280.56	253,357.56	264,106.56	243,754.83	252,882.70	252,882.76	252,882.76	263,761.76	263,761.76	252,882.76	252,880.40	3,134,026.45
Total	604,506.47	634,944.55	668,369.69	627,704.19	571,932.92	703,924.99	765,828.13	777,147.02	670,821.60	585,558.70	575,497.39	840,662.33	7,890,505.29
	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	2017 YE
Billed (forecast kWh x adj factor)	1,080,490.74	1,068,113.14	963,217.46	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,111,821.34
Renewable Energy Certificate Sales													0.00
Monthly Revenue Difference	(467,449.14)	(427,991.30)	(292,744.88)	627,704.19	576,441.93	712,574.77	779,596.57	796,515.57	695,911.79	615,647.85	610,008.94	879,555.78	
Cummulative Difference	720,736.18	292,744.88	0.00	627,704.19	1,204,146.11	1,916,720.88	2,696,317.45	3,492,833.02	4,188,744.81	4,804,392.66	5,414,401.60	6,293,957.38	
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	(11,215.80)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Adjusted Cumulative Difference	731,951.98	303,960.68	0.00	627,704.19	1,204,146.11	1,916,720.88	2,696,317.45	3,492,833.02	4,188,744.81	4,804,392.66	5,414,401.60	6,293,957.38	
Carrying Charge Calculation	5,177.29	2,102.88	0.00	4,509.01	8,649.78	13,768.44	19,368.55	25,090.18	30,089.15	34,511.55	38,893.45	45,211.59	
Cumulative Carrying Charge	678,555.83	680,658.71	680,658.71	685,167.72	693,817.50	707,585.95	726,954.49	752,044.68	782,133.83	816,645.38	855,538.83	900,750.43	
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	725,913.47	294,847.76	0.00	632,213.19	1,212,795.89	1,930,489.32	2,715,686.00	3,517,923.20	4,218,833.96	4,838,904.21	5,453,295.05	6,339,168.98	(355,227.43)
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	725,913.47	294,847.76	0.00	632,213.19	1,212,795.89	1,930,489.32	2,715,686.00	3,517,923.20	4,218,833.96	4,838,904.21	5,453,295.05	6,339,168.98	
Reg Asset Account 1821.1001 & 1822.1001 balan													
Difference - To be booked to Reg Asset	**725,913.47**	**294,847.76**	**0.00**	**632,213.19**	**1,212,795.89**	**1,930,489.32**	**2,715,686.00**	**3,517,923.20**	**4,218,833.96**	**4,838,904.21**	**5,453,295.05**	**6,339,168.98**	

Otter Tail Power Company
Renewable Resource Cost Recovery Rider
North Dakota

Rate Design Calculation

North Dakota Revenue Requirements	$9,261,555

Forecasted Retail Revenue, all classes (May 2016 - March 2017)	$122,289,729
Revenue Requirement	$9,261,555
Percentage of Revenue Rate	7.573%

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 - ~~4.069~~7.573 percent ~~C~~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.

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 - 7.573 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 February 26, 2016, we filed a supplemental request to Case PU-16-14 with the North Dakota Public Service Commission to increase our Renewable Resource Adjustment (RRA), which is part of the "Energy and Renewable Adj." line on your monthly electric service statement. Our RRA has been in effect since 2008 to recover costs associated with our investments in wind generation.

This proposed update to our pending RRA case would be effective for bills rendered on and after May 1, 2016. The proposed rate for all classes of service is 7.573 percent of base charges and credits and would increase the current 4.069 percent charge on base rates by 3.504 percent. This change is proposed only and will not be effective until the PSC takes action. For more information call Customer Service at 800-257-4044 or place an inquiry from our website at otpco.com.