

215 South Cascade Street
PO Box 496
Fergus Falls, Minnesota 56538-0496
218 739-8200
www.otpc.com (web site)

February 25, 2016



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

RE: Case No. PU-401-88-374, Annual Depreciation Rates
Amended PSC Order dated June 23, 1992
Compliance Filing

Dear Mr. Nitschke:

Pursuant to the above-referenced order, enclosed is the Minnesota Public Utilities Commission (MPUC) Order dated January 7, 2016, certifying proposed service lives, net salvage values, and resulting depreciation rates. This Order certifies depreciation rates and methods based on Otter Tail's most recent depreciation study. A summary of key decision items is provided on the first page of the Order. The rates are effective January 1, 2016. A copy of Otter Tail's initial Annual Review of Depreciation Certification filing (Initial Filing) submitted to the MPUC on September 1, 2015 is also enclosed in this compliance filing. Attachment 2 of this Initial Filing lists the remaining lives and net salvage or amortization period that was requested to be certified.

Also included with this filing is a worksheet, identified as Statement B. Statement B shows the total estimated impact on North Dakota of changes in depreciation rates. Page 2 of Statement B shows this impact to be an increase in annual expense of \$214,131.

An electronic copy of this filing is being sent to you at dnitschk@nd.gov and to ndpsc@nd.gov. These items are filed for your information. If you have any questions, please contact me at 218-739-8385 or bhaugen@otpc.com.

Very truly yours,

/s/ BRYCE C. HAUGEN
Bryce C. Haugen
Senior Rates Analyst, Regulatory Administration

jch
Enclosures
By electronic filing and U.S. Mail

Minnesota Public Utilities
Commission Order
Dated January 7, 2016

Docket No. E017/D-15-804

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Beverly Jones Heydinger
Nancy Lange
Dan Lipschultz
John Tuma
Betsy Wergin

Chair
Commissioner
Commissioner
Commissioner
Commissioner

Loyal K. Demmer, CMA
Depreciation Accountant
Otter Tail Power Company
215 South Cascade Street
PO Box 496
Fergus Falls, MN 56538-0496

SERVICE DATE: January 7, 2016

DOCKET NO. E-017/D-15-804

In the Matter of Otter Tail Power Company's (OTP) 2015 Annual Review of Depreciation Certification

The above entitled matter has been considered by the Commission and the following disposition made:

- **Certified OTP's proposed service lives, proposed salvage values, and proposed depreciation rates.**
- **Approved the effective date of January 1, 2016.**
- **Required OTP to provide the comparison of its last rate case's short-term peaking capacity costs to the peaking capacity costs of the new generators once OTP decides on the peaking option it will pursue.**
- **Required OTP to include in future depreciation filings a table comparing asset lives used for the purpose of the Company's resource planning with the remaining lives proposed in the depreciation filings, explaining any differences.**
- **Required OTP to file its next annual depreciation study by September 1, 2016.**

The Commission agrees with and adopts the recommendations of the Department of Commerce, which are attached and hereby incorporated into the Order. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION



Daniel P. Wolf
Executive Secretary

This document can be made available in alternative formats (e.g., large print or audio) by calling 651.296.0406 (voice). Persons with hearing loss or speech disabilities may call us through their preferred Telecommunications Relay Service.



85 7TH PLACE EAST, SUITE 500
SAINT PAUL, MINNESOTA 55101-2198
MN.GOV/COMMERCE
651.539.1500 FAX: 651.539.1547
AN EQUAL OPPORTUNITY EMPLOYER

November 2, 2015

Daniel P. Wolf
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, Minnesota 55101-2147

RE: **Comments of the Minnesota Department of Commerce, Division of Energy Resources**
Docket No. E017/D-15-804

Dear Mr. Wolf:

Attached are the Comments of the Minnesota Department of Commerce, Division of Energy Resources (Department) in the following matter:

Otter Tail Power Company's (OTP's) 2015 Annual Review of Depreciation Certification.

The petition was filed on September 1, 2015 by:

Loyal K. Demmer, CMA
Depreciation Accountant
Otter Tail Power Company
215 South Cascade Street
PO Box 496
Fergus Falls, MN 56538-0496

The Department recommends that the Minnesota Public Utilities Commission (Commission) **approve** OTP's proposed depreciation parameters. The Department is available to answer any questions the Commission may have.

Sincerely,

/s/ ANGELA BYRNE
Financial Analyst
651-539-1820

AB/ja
Attachment

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

COMMENTS OF THE
MINNESOTA DEPARTMENT OF COMMERCE
DIVISION OF ENERGY RESOURCES

DOCKET No. E017/D-15-804

I. SUMMARY OF FILING

On September 1, 2015, Otter Tail Power Company (OTP or the Company) filed its 2015 *Annual Review of Depreciation Certification* (2015 Depreciation Petition or Petition). OTP is requesting approval of changes to the lives and salvage rates of a number of property accounts. The net effect of the proposed changes is an increase in annual depreciation expense of \$525,000, or 1.29 percent, as summarized in Table 1.

**Table 1:
Summary of Proposed Depreciation Rates and Resulting Accruals**

Function	Accrual Rate			Annual Accrual		
	Current	Proposed	Difference	Current	Proposed	Difference
[A]	[B]	[C]	[D] = [C] - [B]	[E]	[F]	[G] = [F] - [E]
Production						
Steam	2.37%	2.47%	0.10%	\$ 8,687,911	\$ 9,036,292	\$ 348,381
Hydraulic	7.63%	8.45%	0.82%	\$ 535,635	\$ 593,806	\$ 58,171
Other	4.12%	4.14%	0.02%	\$ 12,725,600	\$ 12,787,757	\$ 62,157
Transmission	1.70%	1.71%	0.01%	\$ 5,362,057	\$ 5,392,720	\$ 30,663
Distribution	2.51%	2.51%	0.00%	\$ 10,972,026	\$ 10,965,681	\$ (6,345)
General Plant	4.32%	4.38%	0.06%	\$ 2,283,224	\$ 2,315,444	\$ 32,220
Total Utility	2.73%	2.76%	0.03%	\$ 40,566,453	\$ 41,091,700	\$ 525,247

Source: Petition, Attachment 1, Page 4.

The Company requested an effective date of January 1, 2016 for its proposed depreciation parameters.

II. DEPARTMENT ANALYSIS

The Minnesota Department of Commerce, Division of Energy Resources (Department) examined OTP's petition for compliance with filing requirements and previous Minnesota Public Utilities Commission (Commission) Orders, and for the reasonableness of the proposed remaining lives, salvage rates, and depreciation accruals.

A. DEPRECIATION RULES

Minnesota Statutes Section 216B.11 and Minnesota Rules, parts 7825.0500-7825.0900 require public utilities to seek Commission approval of their depreciation practices. Utilities must also file depreciation studies at least once every five years and must use straight-line depreciation unless the utility can justify a different method. When utilities use the average service life technique to depreciate group property accounts, life and salvage factors, as well as the resulting depreciation rates, remain unchanged between studies. When companies choose the remaining-life technique for depreciating group property accounts, the underlying life and salvage factors may not change, but depreciation rates are adjusted annually to reflect the passage of time on remaining lives, as well as the impact of plant additions and retirements. Annual depreciation study updates are required when the remaining-life technique is employed to allow the Commission the opportunity to approve changes in depreciation rates.

With the exception of certain selected General Plant accounts and one Distribution Plant account for which the Company uses amortization accounting, OTP uses a remaining-life accounting method and, as a result, must file annual depreciation study updates.

B. REASONABLENESS OF PROPOSED DEPRECIATION PARAMETERS

1. Production Plant

a. Remaining Lives

In the Baseload Diversification Study for Hoot Lake Plant, completed in conjunction with Otter Tail's 2010 Integrated Resource Plan, the Commission approved an anticipated year of final retirement (AYFR) of December 2020. In its 2015 Depreciation Petition, OTP explained that the Midcontinent Independent System Operator, Inc. (MISO) planning year runs from June 1 to May 31 and there is no opportunity for part-year accreditation. The Company stated that for Hoot Lake Units 2 and 3 to be accredited from June 1, 2020 to December 31, 2020, the units must remain operational through the full planning year, effectively resulting in a retirement date of May 31, 2021.

OTP further stated,

Now, with the realization that Otter Tail is expected to operate Hoot Lake Plant until the end of its 2020 MISO resource planning year ending May 31, 2021 we concluded that utilizing the AYFR of 2021 rather than 2020 will cause the plant to be fully depreciated on June 30th, 2021, a much closer match to its expected end of life of May 31, 2021.

The Department notes that this issue is not unique to the Hoot Lake plant. Consequently though, a life-extension of one year would typically decrease depreciation expense for a plant below the amount set in base rates. However, the Company added significant Mercury Air Toxics Standards (MATS) investments to Hoot Lake Units 2 and 3 in 2014, increasing depreciation expense for this plant on a net basis by \$191,054. The Department concludes that OTP's proposed life extension of one year is reasonable and that there is no undue burden to ratepayers at this time.

For its hydraulic and other production units, OTP proposed remaining life reductions of one year to reflect the passage of time. The Department concludes that these reductions are reasonable.

b. Salvage Rates

OTP proposed to increase the salvage rate for Hoot Lake Units 2 and 3 from negative 14.1 percent to negative 12.7 percent (the salvage rate is less negative, which has the effect of decreasing depreciation expense). The Department issued Information Request No. 1¹ requesting that the Company provide a discussion of the drivers behind the change.

In its response, OTP stated that the salvage rate did not change due to an expected decrease in net decommissioning costs, but rather due to a significant increase in the Hoot Lake's plant-in-service investment while holding the expected decommissioning costs constant. The Company further stated that about \$7.5 million, or 13 percent, was added to Hoot Lake's plant-in-service balance during 2014, largely related to the Mercury Air Toxic Standards (MATS) mitigation investment mentioned above.

OTP pointed out that the increase in the plant-in-service balance will cause the depreciation expense to increase more than it will decrease from the impact of changing the salvage rate. The Department appreciates this additional information and concludes that the proposed salvage rate is reasonable.

OTP proposed only minimal or no changes to the salvage rates of its remaining production plants. The Department concludes that the proposed salvage rates for all production facilities are reasonable.

¹ DOC Attachment 1.

c. Comparison of 2015 Depreciation Petition and OTP's Resource Plan

The Commission's Order in Docket No. E017/D-14-732 (the 2014 Depreciation Docket) required OTP to include in future depreciation filings a table comparing asset lives used for the purposes of the Company's resource planning with the remaining lives proposed in the depreciation filings, explaining any differences. Attachment 4 to OTP's petition includes the required table. The Department considers this filing requirement to be a useful tool in evaluating utilities' depreciation filings, and recommends that the Commission continue to require OTP to include these comparisons in its future depreciation filings.

2. Transmission, Distribution, and General Plant

a. Remaining Lives

The Department notes that OTP proposed only one significant change to the remaining lives of its transmission, distribution, and general plant (TD&G) accounts, summarized in Statement A of Attachment 1 to its petition. The proposed change would extend the remaining life of the 354.00 – Towers and Fixtures Transmission Plant account from 55.88 years to 65.48 years.

The Department issued Information Request No. 2² requesting that OTP support how it calculated the 65.48-year remaining life. In its response, the Company included an attachment showing the changes in the Remaining Life calculation for Account 354.00 and stated,

In the case of Transmission Plant Account 354.00 Towers and Fixtures, a large vintage addition (2014) was added to Otter Tail's Continuing Property Records ("CPR"). This increase in the accounts [sic] plant in service balance represented a 263.3 percent addition to account 354.00's previous year-end balance. Additionally, this large addition represented a vintage Remaining Life of 69.50 years, which when weighted with its large vintage balance drove the 9.60 year increase in the account's Remaining Life from 55.88 to 65.48 years.

The Department appreciates this additional information and concludes that OTP's change to the remaining life of Account 354.00 is reasonable.

After review of the remaining TD&G accounts, the Department concludes that the proposed changes to the remaining lives to these accounts are reasonable.

² DOC Attachment 2.

b. Salvage Rates

OTP proposed no significant changes to its currently approved TD&G salvage rates. The Department concludes that the proposed salvage rates are reasonable.

C. OTP'S REMAINING LIFE POLICY

OTP's Remaining Life Policy maintains a ten-year minimum remaining life for generating assets (unless a retirement date has been set), and a five-year window between the retirement dates of baseload plants. In its 2012 Depreciation Docket, OTP proposed one-year life extensions for five of its generating assets pursuant to the Remaining Life Policy. In that docket, the Department raised several concerns, specifically that the practical effect of the Policy was that one-year life extensions had become the default treatment for many of the Company's generating assets.³ As a result, the Commission required OTP to include in its next five-year depreciation study a defense of its Remaining Life Policy to address the Department's concerns, or a showing that the Company amended its Policy to eliminate the default one-year life extensions.

As required by the Commission, OTP included a defense of its Remaining Life Policy in its 2013 Depreciation Petition which addressed the concerns raised by the Department. The Company stated that, as a result of shortening the remaining life of Hoot Lake Units 2 and 3,⁴ the Remaining Life Policy would now impact only the Company's peaking resources at Jamestown and Lake Preston. OTP noted that in prior depreciation petitions, the one-year extensions required to maintain a 10-year remaining life for Hoot Lake necessitated one-year life extensions for Big Stone in order to maintain a five-year window between the retirement dates of Hoot Lake and Big Stone. The Big Stone life extensions, in turn, necessitated one-year extensions for Coyote in order to maintain a five-year window between the retirement dates of Big Stone and Coyote. With the change to Hoot Lake's retirement date, it is no longer necessary to extend Big Stone's life, which means it is also no longer necessary to maintain Coyote's life.⁵

The Department's primary concern with OTP's Remaining Life Policy was the potential negative effects on ratepayers that numerous life extensions outside of a rate case could have. The Department agreed with OTP that, due to the decision to shorten Hoot Lake's remaining life to less than 10 years, the impact of the Remaining Life Policy was much smaller than in past depreciation filings, and that it would be many years before the Remaining Life Policy has any effect on OTP's baseload units. The Remaining Life Policy would continue to result in one-year extensions for OTP's peaking units at Jamestown and Lake Preston, as long as those plants are deemed capable of operating for an additional ten years. However, those units' annual depreciation accruals are significantly smaller than the

³ Pages 4-6 of the DOC's Comments filed January 29, 2013 in Docket No. E017/D-12-933.

⁴ The Commission's March 25, 2013 Order in Docket No. E017/RP-10-623 approved OTP's proposal to retrofit the Hoot Lake plant in 2015 and retire it in 2020.

⁵ Pages 3-6 of OTP's 2013 Five-Year Review of Depreciation Certification filed September 3, 2013 in Docket No. E017/D-13-795.

annual accruals of OTP's baseload assets and the dollar value impact of life extensions for those units made pursuant to the Remaining Life Policy was much smaller.⁶

To further illustrate our concerns, the Department noted that Hoot Lake's remaining life was extended by a year in both 2011 and 2012 pursuant to the Remaining Life Policy, only to be shortened by two years in the 2013 Depreciation filing, following the Commission's Order on OTP's Baseload Diversification Study. This experience illustrates the importance of the resource planning process in determining the lives of OTP's older production assets and highlights the problems associated with adjusting lives outside of that process.

Similarly, the Commission approved one-year life extensions for OTP's Jamestown and Lake Preston plants in four of the Company's recent depreciation dockets.⁷ In OTP's 2014 Integrated Resource Plan (IRP), the Department concluded that retiring the Jamestown and Lake Preston peaker plants is slightly more cost effective than not.⁸ The Department recommended, and the Commission ultimately ordered, that OTP include an analysis of the effects of retiring its Jamestown and Lake Preston peaking units in its next IRP.⁹ Thus, it is possible that the remaining lives of OTP's Jamestown and Lake Preston plants may be shortened pursuant to a Commission decision in a future IRP after having been extended numerous times as a result of the Company's Remaining Life Policy.

While the Department still has concerns with OTP's Remaining Life Policy, its practical impact on depreciation is now minimal. Therefore the Department does not recommend that the Commission take any specific action related to this policy at this time. However, the Department will continue to monitor the effects the Remaining Life Policy has on OTP's depreciation expense in light of decisions made through the Commission's IRP process.

D. PLANT BALANCES, ADDITIONS, AND RETIREMENTS

Table 2 shows the changes to OTP's plant balances during 2014. The net effect of additions and retirements during the year is an increase in total plant of approximately \$76 million, the majority of which was concentrated in the Company's transmission and distribution plant accounts.

⁶ Page 12 of the DOC's Comments filed January 17, 2014 in Docket No. E017/D-13-795.

⁷ Docket Nos. E017/D-13-795, E017/D-12-933, E017/D-11-886, and E017/D-10-953. OTP did not ask for life extensions for Jamestown or Lake Preston in its last depreciation filing Docket No. E017/D-14-732 or in the instant docket. As such, these plants now have a remaining life of approximately 8.5 years.

⁸ Pages 29-30 of the DOC's Comments filed May 2, 2014 in Docket No. E017/RP-13-961.

⁹ The Commission's December 5, 2014 Order in Docket No. E017/RP-13-961.

**Table 2:
Primary Plant Account Balances**

Primary Plant Assets	Balance 12/31/2013	Additions	Retirements	Transfers	Balance 12/31/2014
Steam Production	357,979,150	9,846,431	1,776,765	-	366,048,816
Hydraulic Production	6,153,201	879,506	8,043	-	7,024,664
Other Production	308,423,044	1,486,836	1,045,674	-	308,864,206
Transmission Plant	267,212,483	50,320,642	1,730,953	(40,082)	315,762,090
Distribution Plant	420,695,692	20,026,864	3,391,936	42,396	437,373,016
General Plant	51,372,283	2,998,424	1,487,886	(2,314)	52,880,507
Totals	1,411,835,853	85,558,703	9,441,257	-	1,487,953,299

Source: 2015 Depreciation Study, Statement G.

D. FUTURE ADDITIONS AND RETIREMENTS

Minnesota Rules 7825.0700, subpart 2, B. states that each utility shall disclose a list of any major future additions or retirements to the plant accounts that the utility believes may have a material effect on the current certification results. In Attachment No. 3 to its petition, OTP stated that its Air Quality Control System (AQCS) at its Big Stone plant is planned to go into service in 2015. The Big Stone plant entered the construction phase of the AQCS in 2013 and OTP expects the project, estimated to cost \$384.2 million (\$207.1 million OTP share), to be completed in late 2015.

Regarding future retirements, OTP stated that it is “unaware of any major future retirements that would materially affect the current certification results.”

Attachment No. 3 describes several existing and potential future additions that may affect future depreciation expense, including:

- Two CapX2020 projects placed into service in 2015 (Fargo Phase III from the Alexandria substation to the MN/ND border and the remaining of the Brookings to South Twin Cities line segments); and
- Two transmission projects in the Big Stone area in conjunction with the Midcontinent Independent System Operator’s (MISO) Candidate Multi-Value Portfolio Study (Big Stone – Brookings and Big Stone – Ellendale).

OTP stated that the Commission's March 26, 2009 Order in Docket No. E017/RP-05-968 requires that, "In its first depreciation filing that includes new peaking generators, Otter Tail shall compare the last rate case's short-term peaking capacity costs to the peaking capacity costs of the new generators." On page five of its Petition, OTP stated:

This filing does not include any new peaking generators so there is no cost information to report at this time.

The Department recommends that the Commission require OTP to provide the comparison of its last rate case's short-term peaking capacity costs to the peaking capacity costs of the new generators once OTP decides on the peaking option it will pursue.

E. EFFECTIVE DATE OF PROPOSED DEPRECIATION PARAMETERS AND RATES

As noted above, OTP requested that the depreciation parameters and rates proposed in its petition, upon certification by the Commission, become effective January 1, 2016. The proposed effective date is consistent with the Commission's Orders in OTP's previous depreciation dockets, and the Department concludes that it is reasonable.

III. RECOMMENDATIONS

Based on our review of OTP's 2015 Depreciation Petition, the Department recommends that the Commission:

- Certify OTP's proposed service lives, proposed salvage values, and proposed depreciation rates;
- Approve the effective date of January 1, 2016;
- Require OTP to provide the comparison of its last rate case's short-term peaking capacity costs to the peaking capacity costs of the new generators once OTP decides on the peaking option it will pursue;
- Require OTP to include in future depreciation filings a table comparing asset lives used for the purpose of the Company's resource planning with the remaining lives proposed in the depreciation filings, explaining any differences; and
- Require OTP to file its next annual depreciation study by September 1, 2016.

/ja

OTTER TAIL POWER COMPANY
Docket No: E017/D-15-804

Response to: MN Department of Commerce
Analyst: Angela Byrne
Date Received: 09/21/2015
Date Due: 10/01/2015
Date of Response: 10/01/2015
Responding Witness: Loyal Demmer, Depreciation Accountant - 218 739-8659

Information Request:

Subject: Hoot Lake Units 2 and 3 Salvage Rate

Reference: Attachment 1, Page 8 of 45

Please discuss the drivers behind the Company's proposal to decrease the salvage rate from 14.1 percent to 12.7 percent for Hoot Lake Units 2 and 3.

Attachments: 0

Response:

On Attachment 1, Statement A, page 8 of 45, the Future Net Salvage rates for Hoot Lake Plant, Unit 2 and 3 (HLP) are currently at -14.1% (negative) and proposed to increase by about 1.4 percentage points to about -12.7% (negative). Everything else held constant, an increase in the salvage percentage has the effect of decreasing depreciation rates because more of the current investment in the asset is expected to be recovered through salvage; thus less is needed to be recovered from customers through depreciation expense. This is because Future Net Salvage is subtracted from the plants remaining unrecovered balance resulting in less unrecovered plant in service needed to be recovered from customers and thus lower depreciation rates.

The Future Net Salvage percentage is a ratio of the expected net decommissioning costs (Cost of Removal less Salvage) as compared to the plant in service balance at a point in time. An increase in the expected decommissioning cost while holding the plant investment constant causes the Future Net Salvage percentage to decrease (move left on the number line) while an increase to the plant in service balance while holding the net decommission costs the same results in an increase (move right on the number line) in the Future Net Salvage percentage. The current increase in the Proposed Future Net Salvage percentage for Hoot Lake Plant, Units 2 and 3 is not caused by an expected decrease in net decommissioning costs; but rather by a significant increase in the HLP's, plant in service investment while holding the expected decommissioning expenses constant. That is, during 2014 Hoot Lake Plant added about \$7.5M or roughly an additional 13% to its plant in service balance. This additional investment was largely driven by its Mercury Air Toxic Standards (MATS) mitigation investment to meet heightened EPA standards and will allow the plant to remain operational past the 2015 MATS enforcement date.

In this case, the HLP decommissioning estimate did not change, but rather the plant in service balance increased causing the decommissioning estimate as a ratio to the significantly higher plant in service balance to increase. Please keep in mind, in this scenario, the actual increase in the plant in service balance will cause depreciation expense to increase more than the lowering impact from the higher future net salvage percentages. This is demonstrated in Attachment 1, Statement B, page 14 of 45 where HLP depreciation expense is expected to increase by about \$191k for Minnesota.

OTTER TAIL POWER COMPANY
Docket No: E017/D-15-804

Response to: MN Department of Commerce
Analyst: Angela Byrne
Date Received: 09/21/2015
Date Due: 10/01/2015
Date of Response: 10/01/2015
Responding Witness: Loyal Demmer, Depreciation Accountant - 218 739-8659

Information Request:

Subject: Transmission Plant Remaining Life

Reference: Attachment 1, Page 7 of 45

Please discuss the calculation for the proposed remaining life of 65.48 for account 354 Towers and Fixtures.

Attachments: 1

Attachment 1 to IR MN-DOC-02.pdf

Response:

In its Initial Filing in this docket, Otter Tail (in Attachment 1, Statement F, Page 33) indicates for Transmission Plant Account 354.00 – Towers and Fixtures, that the Vintage Group Average Service Life (“VG ASL”) parameter is 70.00 years. Additionally in this table, Otter Tail notes that the currently approved Remaining Life parameter for this account is 55.88 years while the proposed Remaining Life Parameter is 65.48 years representing an increase of 9.60 years.

Otter Tail includes in this information Request Response, Attachment 1 which illustrates the changes in the Remaining Life calculations for this Account and provides the following explanation on the calculations. Using the mid-year convention (all assets are assumed to be placed in service or retired mid-year) each vintage from the account is compared with the accounts VG ASL resulting in a calculated Remaining Life for that vintage. Each individual vintage Remaining Life is then weighted by that vintage’s Plant in Service balance. The summation of this balance is then divided by the total Plant in Service balance for that account, resulting in the account’s weighted average Remaining Life.

In the case of Transmission Plant Account 354.00 Towers and Fixtures, a large vintage addition (2014) was added to Otter Tail’s Continuing Property Records (“CPR”). This increase in the accounts plant in service balance represented a 263.3 percent addition to account 354.00’s previous year-end balance. Additionally, this large addition represented a vintage Remaining Life of 69.50 years, which when weighted with its large vintage balance drove the 9.60 year increase in the account’s Remaining Life from 55.88 to 65.48 years.

Otter Tail Power Company
Plant Additions Analysis for Transmission 354 - Towers and Fixtures
Remaining Life Implications
December 31, 2014 vs. December 31, 2013

		December, 2013		December, 2014		change	
<u>Vintage</u>	<u>Group</u>	<u>Plant In Service</u>	<u>Remaining</u>	<u>Plant In Service</u>	<u>Remaining</u>	<u>Plant In Service</u>	<u>Remaining</u>
<u>Average</u>	<u>Service</u>	<u>Balance</u>	<u>Life</u>	<u>Balance</u>	<u>Life</u>	<u>Balance</u>	<u>Life</u>
1944	70	\$ 2,413.00	0.50	\$ 2,413.00	(0.50)	\$ -	(1.00)
1964	70	19,546.82	20.50	19,546.82	19.50	-	(1.00)
1977	70	1,119,489.36	33.50	1,119,489.36	32.50	-	(1.00)
1981	70	2,658,526.00	37.50	2,658,526.00	36.50	-	(1.00)
1982	70	313,130.00	38.50	313,130.00	37.50	-	(1.00)
1983	70	29,716.35	39.50	29,716.35	38.50	-	(1.00)
1984	70	549,441.72	40.50	549,441.72	39.50	-	(1.00)
2011	70	7,664,852.81	67.50	7,614,097.45	66.50	(50,755.36)	(1.00)
2014	70			32,593,115.95	69.50	32,593,115.95	69.50
		\$ 12,357,116.06	55.88	\$ 44,899,476.65	65.48	\$ 32,542,360.59	9.60

215 South Cascade Street
PO Box 496
Fergus Falls, Minnesota 56538-0496
218 739-8200
www.otpc.com (web site)



November 4, 2015

Daniel P. Wolf
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, MN 55101-2147

**Re: Otter Tail Power Company's Petition for Approval of its 2015 Annual Review of
Depreciation Certification
Docket No. E017/D-15-804
Reply Comments**

Dear Mr. Wolf:

This letter is being filed as Otter Tail Power Company's ("Otter Tail's") Reply Comments in the above-referenced matter. Otter Tail confirms that it agrees with the Minnesota Department of Commerce, Division of Energy Resources' recommendations in their November 2, 2015 Comments in the above-referenced matter.

Please contact me at (218) 739-8659 or ldemmer@otpc.com if you have any questions regarding this filing. A Certificate of Service is enclosed.

Sincerely,

/s/ LOYAL K. DEMMER
Loyal K. Demmer, CMA
Depreciation Accountant

jch
Enclosures
By electronic filing
c: Service List

Otter Tail Power Company's
2015 Minnesota Annual Review of
Depreciation Certification Filing

Minnesota Docket No. E017/D-15-804

215 South Cascade Street
PO Box 496
Fergus Falls, Minnesota 56538-0496
218 739-8200
www.otpc.com (web site)



September 1, 2015

Mr. Daniel P. Wolf
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, MN 55101-2147

**RE: In the Matter of Otter Tail Power Company's Petition for Approval of its
2015 Annual Review of Depreciation Certification
Docket No. E017/D-15-_____**

Dear Mr. Wolf:

Otter Tail Power Company ("Otter Tail") hereby submits its 2015 Annual Review of Depreciation Certification.

Otter Tail has electronically filed this document with the Commission in compliance with Minn. Rule 7829.1300, subp. 2. Otter Tail is serving a copy of this filing on the Minnesota Department of Commerce - Division of Energy Resources and the Office of Attorney General – Antitrust & Utilities Division. A Summary of the filing has been served on all persons on Otter Tail's general service list. A Certificate of Service is also enclosed.

Please contact me at (218) 739-8659 or ldemmer@otpc.com if you have any questions.

Sincerely,

/s/ LOYAL K. DEMMER
Loyal K. Demmer, CMA
Depreciation Accountant

jch
Enclosures
By electronic filing
c: Service List

**STATE OF MINNESOTA
BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION**

In the Matter of Otter Tail Power
Company's Petition for Approval of its
2015 Annual Review of Depreciation
Certification

Docket No. E017/D-15-____

SUMMARY OF FILING

Please take notice that on September 1, 2015, Otter Tail Power Company filed its 2015 Annual Review of Depreciation Certification with the Minnesota Public Utilities Commission. The study is being filed under Minnesota Rules Parts 7825.0700.

**STATE OF MINNESOTA
BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION**

In the Matter of Otter Tail Power
Company's Petition for Approval of its 2015
Annual Review of Depreciation
Certification

Docket No. E017/D-15-____

PETITION OF OTTER TAIL POWER COMPANY

I. INTRODUCTION

Pursuant to Minnesota Rules Part 7825.0700, Otter Tail Power Company ("Otter Tail" or the "Company") hereby files its 2015 Annual Petition for Depreciation Certification. Otter Tail requests that the study be certified effective January 1, 2016.

II. GENERAL FILING INFORMATION

Pursuant to Minnesota Rule 7829.1300, subp. 4, Otter Tail provides the following general information.

A. Name, Address, and Telephone Number of Utility

Otter Tail Power Company
215 South Cascade Street
P. O. Box 496
Fergus Falls, MN 56538-0496
(218) 739-8200

B. Name, Address, and Telephone Number of Utility Attorney

Bruce Gerhardson
Associate General Counsel
Otter Tail Power Company
215 South Cascade Street
P. O. Box 496
Fergus Falls, MN 56538-0496
(218) 739-8475
bgerhardson@otpc.com

C. Date of Filing and Date Study Proposed to Take Effect

The filing date is September 1, 2015, and Otter Tail requests approval as of January 1, 2016.

D. Controlling Law for the Filing

Minnesota Statutes §§ 216B.08 and 216B.11, and Minnesota Rules Part 7825.0700 – 7825.0900 control the filing.

E. Title of Utility Employee Responsible for Filing

Loyal K. Demmer, CMA
Depreciation Accountant
Otter Tail Power Company
215 South Cascade Street
P. O. Box 496
Fergus Falls, MN 56538-0496
(218) 739-8659
ldemmer@otpc.com

III. DESCRIPTION OF FILING

This filing constitutes Otter Tail’s 2015 Annual Petition for Depreciation Certification. Otter Tail’s last five-year comprehensive depreciation study was filed in 2013 and approved by the Minnesota Public Utilities Commission (“Commission”) on April 7, 2014, in Docket No. E017/D-13-795. Otter Tail’s next five-year comprehensive depreciation study is due September 1, 2018. Annual depreciation certification filings are to be filed on or before September 1 of each year in the four interim years between the five-year comprehensive depreciation studies.

This petition contains four attachments:

1. 2015 Depreciation Rate Study prepared by Foster Associates Consultants, LLC, Attachment No. 1;
2. Proposed Remaining Lives and Salvage Percentages for Use in 2016, Attachment No. 2;
3. Supplemental Comments, Attachment No. 3;

4. Schedule and Narrative of Comparison with the Company's Resource Plan that was filed in Docket No. E017/RP-13-961 on December 2, 2013, Attachment No. 4¹.

Attachment No. 1 contains Statement B, which is a Comparison of Current and Proposed Accruals showing depreciation expense for both total Company and the portion allocated to the Minnesota jurisdiction based on plant in-service balances as of December 31, 2014. Other statements in Attachment No. 1 provide the rest of the schedules required in an annual review of depreciation.

Attachment No. 2 lists the property accounts for which the Company requests certification of the remaining lives and salvage percentages to be used in determining 2016 depreciation rates.

Attachment No. 3, "Supplemental Comments," addresses additional information not included in Attachment No. 1; specifically it includes comments related to long-term depreciation planning and explanations about future plant additions and retirements.

Attachment No. 4 provides a schedule and narrative explaining differences between the remaining lives used in this Petition and the Company's most recent Integrated Resource Plan that was filed on December 2, 2013.

IV. OTHER DEPRECIATION FILING MATTERS

A. Hoot Lake Plant Remaining Life - Clarification of Assumptions:

In its Baseload Diversification Study for Hoot Lake Plant completed in conjunction with Otter Tail's Integrated Resource Plan filing (Docket No. E017/RP-10-623) the Company proposed and the Commission approved the scheduled retirement year of 2020 for the Hoot Lake Plant as outlined in the second scenario referred to as, *Scenario 2020 – "Expected Retirement"*. The original IRP was filed on June 25, 2010 for the 2011-2025 fifteen year resource plan timeframe. The Order approving this Baseload

¹ Ordinarily IRP filings are due by July 1 of the year they are filed (Rule 7843.0300, Subp. 2), however, in its Order dated March 25, 2013 in Docket No. E017/RP-10-623, the MN PUC ordered that Otter Tail file its next IRP by December 1, 2013.

Diversification Study was issued on March 25, 2013 and was to “have the same effect as if {it} had been included in the plan approved by the Commission”² on February 9, 2012.

From here, Otter Tail adopted in its next depreciation certification filing; their 2013 Comprehensive Five-Year Depreciation Study (Docket No. E017/D-13-795) the Average Year of Final Retirement (AYFR) of 2020 for HLP. This received Commission approval on April 7, 2014. Likewise, Otter Tail retained the 2020 AYFR in its 2014 Annual Review of Depreciation Certification filing (Docket No. E017/D-14-732) which likewise received Commission approval on January 30, 2015.

As we draw closer to Hoot Lake Plant’s imminent retirement date and study the expected retirement scenario more closely a subtle distinction surfaces. That distinction relates to the Midcontinent Independent System Operator, Inc. (MISO) planning year. Under the MISO Resource Adequacy construct, planning years start June 1st and run through the following May. This means MISO’s 2020 Planning Year starts June 1st, 2020 and ends May 31st, 2021. MISO does not offer part-year accreditation, so for the units to be accredited from June 1, 2020 to December 31, 2020, the units must remain operational though the full planning year. The purpose of this explanation is to relay to the Commission the expected retirement date resulting from the 2020 MISO planning year is effectively May 31, 2021.

Because in its depreciation studies, Otter Tail adopts the mid-year convention which essentially states that all asset additions and retirements are reflected as happening mid-year (June 30th), the corresponding depreciation expense is also recognized as just ½ year in both the assets first year of service as well as its last. Now, with the realization that Otter Tail is expected to operate Hoot Lake Plant until the end of its 2020 MISO resource planning year ending May 31st, 2021 we concluded that utilizing the AYFR of 2021 rather than 2020 will cause the plant to be fully depreciated on June 30th, 2021, a much closer match to its expected end of life of May 31, 2021. That is, the accounting requirement to match expenses to the revenue streams they help generate is better achieved with an AYFR of 2021 for Hoot Lake Plant. Even with this correction, Hoot Lake Plant depreciation expense for 2016 is expected to increase by \$383,404 or

² Docket No. E017/RP-10-623, Order Approving Baseload Diversification Study and Setting Requirements for Next Resource Plan, March 25, 2013 Page 8, Order Point 1.

\$191,054 for the Minnesota portion. This increase is driven primarily by the Hoot Lake Plant Mercury Air Toxics Standards (MATS) investments during 2014.

B. Peaking Capacity Cost Information

The Commission's Order Accepting Resource Plan Change, (Docket No. E017/RP-05-968) dated March 26, 2009, requires that: "In its first depreciation filing that includes new peaking generators, Otter Tail shall compare the last rate case's short term peaking capacity costs to the peaking capacity costs of the new generators." This filing does not include any new peaking generators so there is no cost information to report at this time.

V. MISCELLANEOUS INFORMATION

A. Pursuant to Minnesota Rule 7829.0700, Otter Tail Requests that the Following Persons be Placed on the Commission's Official Service List for this Proceeding:

Loyal K. Demmer, CMA
Depreciation Accountant
Otter Tail Power Company
215 South Cascade Street
P. O. Box 496
Fergus Falls, MN 56538-0496
ldemmer@otpc.com

and

Bruce Gerhardson
Associate General Counsel
Otter Tail Power Company
215 South Cascade Street
P. O. Box 496
Fergus Falls, MN 56538-0496
bgerhardson@otpc.com

B. Service on Other Parties

Otter Tail has served a copy of this filing on the Department of Commerce – Division of Energy Resources and the Office of Attorney General – Antitrust & Utilities Division, and a summary of the filing on all parties on the attached general service list.

C. Summary of Filing

A one-paragraph summary of the Petition is attached.

VI. CONCLUSION

Otter Tail respectfully requests that the Commission approve this annual petition for depreciation certification, to be effective January 1, 2016.

Dated: September 1, 2015

Respectfully submitted,

OTTER TAIL POWER COMPANY

/s/ LOYAL K. DEMMER

Loyal K. Demmer, CMA
Depreciation Accountant
Otter Tail Power Company
215 South Cascade Street
P. O. Box 496
Fergus Falls, MN 56538-0496
(218) 739-8659
ldemmer@otpc.com

2015 Technical Update



CONTENTS

EXECUTIVE SUMMARY

INTRODUCTION	1
SCOPE OF STUDY	1
PROPOSED DEPRECIATION RATES.....	2

STATEMENTS

INTRODUCTION	3
STATEMENT A – REMAINING-LIFE ACCRUAL RATES	5
STATEMENT B – REMAINING-LIFE ACCRUALS	10
STATEMENT C – DEPRECIATION RESERVE SUMMARY	16
STATEMENT D – AVERAGE NET SALVAGE	23
STATEMENT E – FUTURE NET SALVAGE.....	28
STATEMENT F – CURRENT AND PROPOSED PARAMETERS AND STATISTICS	31
STATEMENT G – PLANT ACTIVITY	38
STATEMENT H – ANALYSIS OF DEPRECIATION RESERVE.....	40
STATEMENT I – SUMMARY OF DEPRECIATION ACCRUALS	42

EXECUTIVE SUMMARY

INTRODUCTION

This report presents the findings and recommendations developed in a 2015 Technical Update of depreciation rates for Otter Tail Power Company prepared by Foster Associates Consultants, LLC. The parameters (*i.e.*, projection curves, projection lives and future net salvage rates) used in the update were developed in the Company's 2013 Depreciation Study based on December 31, 2012 plant and reserve balances. Age distributions of surviving plant on December 31, 2014 were used in the 2015 update to derive composite service life statistics and theoretical depreciation reserves.

The purpose of a technical update is to adjust depreciation rates for changes in the variables associated with a remaining life accrual rate. The variables for an account include the age distribution of surviving plant, the recorded depreciation reserve and the average net salvage rate used in the calculation of a theoretical reserve. A technical update retains the parameters developed and/or approved in the most recent full depreciation study and adjusts depreciation rates for subsequent changes in plant, reserves and realized net salvage activity.

The principal findings from this review are summarized in the attached statements. Statement A provides a comparative summary of current and proposed annual depreciation rates for each rate category. Statement B provides a comparison of current and proposed annual depreciation accruals. Statement C provides a comparison of recorded and computed depreciation reserves for each rate category. Statement D provides a summary of the components used to obtain a weighted-average net salvage rate for each plant account. Statement E provides a computation of estimated future net salvage rates for life-span categories. Statement F provides a comparative summary of current and proposed parameters and statistics including projection life, projection curve, average service life, average remaining life, and average and future net salvage rates.

SCOPE OF STUDY

The principal activities undertaken in the course of conducting the 2015 Technical Update included:

- Collection of plant and net salvage data;
- Reconciliation of data to the official records of the Company;
- Development of continuity schedules;
- Computation of average net salvage rates; and
- Development of adjusted accrual rates for each rate category.

Accrual rates currently used by the Company were developed from parameters approved in Docket No. E-017/D-14-732 (Order Dated January 30, 2015). Depreciation accruals and reserve activity recorded in 2014 were posted to December 31, 2013 reserves to obtain appropriate reserve ratios for the 2015 Tech-

nical Update.

Notwithstanding that Otter Tail responsibly rebalanced depreciation reserves (with Commission approval) in each full study and each technical update for nearly twenty (20) years, the Department asserted in Docket No. E-017/D-11-886 that: "... the only clear effect of OTP's practice of redistributing reserves is to create a layer of confusion on OTP's depreciation calculations." The Commission accepted the Department's comment and ordered that: "OTP shall discontinue redistributing its depreciation reserves effective with this filing." The stability in accrual rates and control of amortization accounts that Otter Tail achieved by rebalancing depreciation reserves has been eliminated by Commission order and removed from all future studies and technical updates.

PROPOSED DEPRECIATION RATES

Table 1 provides a summary of the changes in annual rates and accruals resulting from the 2015 Technical Update. Rates proposed for each primary account (with the exception of amortization accounts) have been developed including authorized allowances for net salvage.

Function A	Accrual Rate			2015 Annualized Accrual		
	Current B	Proposed C	Difference D=C-B	Current E	Proposed F	Difference G=F-E
Production						
Steam	2.37%	2.47%	0.10%	\$ 8,687,911	\$ 9,036,292	\$ 348,381
Hydraulic	7.63%	8.45%	0.82%	535,635	593,806	58,171
Other	4.12%	4.14%	0.02%	12,725,600	12,787,757	62,157
Transmission	1.70%	1.71%	0.01%	5,362,057	5,392,720	30,663
Distribution	2.51%	2.51%	0.00%	10,972,026	10,965,681	(6,345)
General Plant	4.32%	4.38%	0.06%	2,283,224	2,315,444	32,220
Total Utility	2.73%	2.76%	0.03%	\$40,566,453	\$41,091,700	\$525,247

Table 1. Current and Proposed Rates and Accruals

Adjustments developed in the technical update produce a composite depreciation rate of 2.76 percent. Depreciation expense is currently accrued at an equivalent rate of 2.73 percent. The recommended change in the composite depreciation rate is, therefore, an increase of 0.03 percentage points.

A continued application of rates derived from currently approved parameters would produce annual depreciation expense of \$40,566,453 compared with an annual expense of \$41,091,700 using the rates developed in the update. The increase of \$525,247 is generally attributable to a change in the mix of plant investments among primary accounts and changes in the age distributions of surviving plant. The increase would be \$56,161 if the Company was permitted to rebalance depreciation reserves. The portion of the \$525 thousand increase allocated to the Minnesota jurisdiction is \$260,533.

STATEMENTS

INTRODUCTION

This section provides a comparative summary of depreciation rates, annual depreciation accruals, recorded and computed depreciation reserves, and current and proposed service life and net salvage parameters for Otter Tail Power Company. The content of these statements is briefly described below.

- Statement A provides a comparative summary of current and proposed annual depreciation rates for calendar year 2015 using the straight-line method, vintage group procedure, remaining-life technique.
- Statement B provides a comparison of the current and proposed annualized depreciation accruals for calendar year 2015 based upon the rates developed in Statement A.
- Statement C provides a comparison of recorded and computed reserves for each rate category.
- Statement D provides a summary of the components used to obtain a weighted average net salvage rate for each rate category.
- Statement E provides a computation of the estimated future net salvage rate for life-span categories.
- Statement F provides a comparative summary of current and proposed parameters including projection life, projection curve and future net salvage rates. The statement also contains current and proposed statistics including average service life, average remaining life, and average net salvage rates.

Current depreciation accruals shown on Statement B are the product of the plant investment (Column B) and the current depreciation rates (Column D) shown on Statement A. Similarly, the proposed depreciation accruals shown on Statement B are the product of the plant investment and the proposed depreciation rates (Column H) shown on Statement A. The proposed remaining life accrual rates are given by:

$$\text{Accrual Rate} = \frac{1.0 - \text{Reserve Ratio} - \text{Future Net Salvage Rate}}{\text{Remaining Life}}$$

Minnesota State Agency Rules 7825.0700, Subpart 1 provide that each utility shall file the following schedules (for each year since the last certification) in the form prescribed by the Commission.

1. Plant in service (by primary account):
 - a) Beginning and ending plant balances;
 - b) Additions and retirements; and
 - c) Adjustments and transfers.
2. Analysis of depreciation reserve (by primary account):
 - a) Beginning and ending reserve balances;
 - b) Depreciation accruals and plant retirements;
 - c) Cost of removal and gross salvage value; and
 - d) Transfers, adjustments and other debits (credits).
3. Summary of annual depreciation accruals (by primary account):
 - a) Plant balance;
 - b) Estimated net salvage;
 - c) Depreciation reserve;
 - d) Probable service life; and
 - e) Depreciation accrual and rate.

While the Agency rules do not require submission of continuity schedules in a technical update, this section includes the following statements which set forth the above information for calendar year 2014:

1. Statement G – Plant Activity;
2. Statement H – Analysis of Depreciation Reserve; and
3. Statement I – Summary of Annual Depreciation Accruals.

Minnesota State Agency Rules 7825.0700, Subpart 2-B provide that each utility shall disclose a list of any major future additions or retirements to the plant accounts that the utility believes may have a material effect on the current certification results. Any future additions or retirements that would materially affect the current certification results are discussed in the Company's application.

OTTER TAIL POWER COMPANY

Statement A

Comparison of Current and Proposed Accrual Rates

Current: VG Procedure / RL Technique

Proposed: VG Procedure / RL Technique

Account Description	Current			Proposed			
	Rem. Life	Fut. Net Salvage	Accrual Rate	Rem. Life	Fut. Net Salvage	Reserve Ratio	Accrual Rate
A	B	C	D	E	F	G	H
STEAM PRODUCTION							
311.00 Structures and Improvements	25.04	-10.3%	1.50%	24.22	-10.2%	77.88%	1.41%
312.00 Boiler Plant Equipment	20.50	-10.8%	2.69%	18.11	-10.6%	63.74%	2.86%
314.00 Turbogenerator Units	23.87	-11.0%	2.27%	22.00	-10.8%	61.37%	2.39%
315.00 Accessory Electric Equipment	23.70	-10.5%	1.92%	23.31	-10.3%	69.95%	1.82%
316.00 Miscellaneous Power Plant Equipment	19.71	-10.8%	3.01%	19.58	-10.5%	58.49%	2.81%
Total Steam Production Plant			2.37%	19.82	-10.5%	66.01%	2.47%
HYDRAULIC PRODUCTION							
331.00 Structures and Improvements	7.43		5.99%	6.45		60.75%	6.09%
332.00 Reservoirs, Dams and Waterways	7.43		8.25%	6.45		37.33%	9.72%
333.00 Water Wheels, Turbines & Generators	7.43		5.96%	6.45		64.33%	5.53%
334.00 Accessory Electric Equipment	7.43		5.37%	6.45		64.82%	5.45%
335.00 Miscellaneous Power Plant Equipment	7.43		11.09%	6.45		27.40%	11.26%
Total Hydraulic Production Plant			7.63%	6.45		45.47%	8.45%
OTHER PRODUCTION							
341.00 Structures and Improvements	19.84	-1.2%	3.80%	18.94	-1.2%	29.01%	3.81%
342.00 Fuel Holders and Accessories	15.91	-1.0%	3.83%	14.94	-1.0%	44.47%	3.84%
343.00 Prime Movers	19.41	-0.8%	2.67%	18.49	-0.8%	48.75%	2.71%
344.00 Generators	19.01	-1.5%	4.32%	18.05	-1.5%	23.14%	4.34%
345.00 Accessory Electric Equipment	18.90	-1.5%	4.20%	17.97	-1.5%	26.09%	4.20%
346.00 Miscellaneous Power Plant Equipment	19.21	-0.8%	3.96%	18.23	-1.0%	28.74%	4.00%
Total Other Production Plant			4.12%	18.10	-1.4%	26.35%	4.14%
TRANSMISSION PLANT							
353.00 Station Equipment	52.96	-5.0%	1.53%	52.75	-5.0%	23.19%	1.55%
354.00 Towers and Fixtures	55.88	-10.0%	1.60%	65.48	-10.0%	7.39%	1.57%
355.00 Poles and Fixtures	53.85	-50.0%	1.93%	53.90	-50.0%	45.27%	1.94%
356.00 Overhead Conductors and Devices	53.33	-30.0%	1.64%	54.34	-30.0%	39.54%	1.66%
358.00 Underground Conductors and Devices	10.33	-5.0%	1.51%	9.83	-5.0%	90.87%	1.44%
Total Transmission Plant			1.70%	55.32	-27.2%	32.67%	1.71%
DISTRIBUTION PLANT							
362.00 Station Equipment	32.24	5.0%	2.10%	32.19	5.0%	27.47%	2.10%
364.00 Poles, Towers and Fixtures	48.37	-75.0%	2.49%	47.99	-75.0%	55.62%	2.49%
365.00 Overhead Conductors and Devices	44.11	-100.0%	2.79%	43.86	-100.0%	77.47%	2.79%
367.00 Underground Conductors and Devices	24.63	-5.0%	2.33%	24.61	-5.0%	47.30%	2.34%
368.00 Line Transformers	28.20	50.0%	1.25%	28.29	50.0%	14.87%	1.24%
369.00 Overhead Services	32.98	-150.0%	4.17%	32.68	-150.0%	112.77%	4.20%
369.10 Underground Services	30.51	-20.0%	2.61%	30.25	-20.0%	41.13%	2.61%
370.00 Meters	20.69		3.17%	20.68		34.36%	3.17%
370.10 Load Management Switches	3.56		12.46%	2.79		65.62%	12.32%
370.20 Interruption Monitors	← 5 Year Amortization →			← 5 Year Amortization →			
371.20 Other Private Lighting	17.01	10.0%	3.82%	16.90	10.0%	24.58%	3.87%
373.00 Street Lighting and Signal Systems	15.24	-5.0%	3.34%	15.11	-5.0%	54.04%	3.37%
Total Distribution Plant			2.51%	28.74	-18.9%	43.09%	2.51%

OTTER TAIL POWER COMPANY

Statement A

Comparison of Current and Proposed Accrual Rates

Current: VG Procedure / RL Technique

Proposed: VG Procedure / RL Technique

Account Description	Current			Proposed			
	Rem. Life	Fut. Net Salvage	Accrual Rate	Rem. Life	Fut. Net Salvage	Reserve Ratio	Accrual Rate
A	B	C	D	E	F	G	H
GENERAL PLANT							
Depreciable							
390.00 Structures and Improvements	31.71	10.0%	2.07%	31.17	10.0%	25.62%	2.07%
390.10 General Office Buildings	16.14	51.5%	0.23%	15.18	49.7%	42.46%	0.52%
390.20 Fleet Service Center Building	11.32	38.6%	-0.01%	10.36	33.8%	52.66%	1.31%
390.30 Central Stores Building	20.87	93.8%	-2.19%	19.93	92.7%	49.09%	-2.10%
396.00 Power Operated Equipment	17.03	20.0%	2.70%	17.28	20.0%	33.00%	2.72%
397.40 Communication Towers	25.69	5.0%	2.09%	24.87	5.0%	43.54%	2.07%
Total Depreciable			1.18%	24.72	27.6%	33.34%	1.28%
Amortizable							
391.00 Office Furniture	← 15 Year Amortization →			← 15 Year Amortization →			
391.10 Office Equipment	← 10 Year Amortization →			← 10 Year Amortization →			
391.20 Duplicating Equipment	← 10 Year Amortization →			← 10 Year Amortization →			
391.50 Computer Systems	← 5 Year Amortization →			← 5 Year Amortization →			
391.60 Computer Related Equipment	← 5 Year Amortization →			← 5 Year Amortization →			
394.00 Tools, Shop and Garage Equipment	← 15 Year Amortization →			← 15 Year Amortization →			
394.20 Automated Meter Reading Equipment	← 15 Year Amortization →			← 15 Year Amortization →			
397.00 Communication Equipment	← 15 Year Amortization →			← 15 Year Amortization →			
397.10 Radio Telecommunication Equipment	← 10 Year Amortization →			← 10 Year Amortization →			
397.20 Microwave Equipment	← 15 Year Amortization →			← 15 Year Amortization →			
397.30 Radio Load Control Equipment	← 10 Year Amortization →			← 10 Year Amortization →			
Total Amortizable			9.47%	4.28		47.89%	9.47%
Total General Plant			4.32%	9.53	17.1%	38.85%	4.38%
TOTAL UTILITY			2.73%	24.63	-13.6%	42.90%	2.76%
STEAM PRODUCTION							
Big Stone							
311.00 Structures and Improvements	31.07	-11.8%	0.96%	30.15	-11.8%	84.86%	0.89%
312.00 Boiler Plant Equipment	31.11	-11.8%	1.70%	30.19	-11.8%	61.61%	1.66%
314.00 Turbogenerator Units	31.13	-11.8%	1.69%	30.21	-11.8%	60.90%	1.68%
315.00 Accessory Electric Equipment	31.09	-11.8%	1.33%	30.17	-11.8%	71.47%	1.34%
316.00 Miscellaneous Power Plant Equipment	31.11	-11.4%	1.69%	30.19	-11.4%	59.94%	1.70%
Total Big Stone			1.56%	30.19	-11.8%	65.70%	1.52%
Hoot Lake Units 2 and 3							
311.00 Structures and Improvements	6.44	-14.1%	3.41%	6.44	-12.7%	94.87%	2.77%
312.00 Boiler Plant Equipment	6.45	-14.1%	6.78%	6.45	-12.7%	63.07%	7.69%
314.00 Turbogenerator Units	6.44	-14.1%	3.81%	6.44	-12.7%	83.86%	4.48%
315.00 Accessory Electric Equipment	6.44	-14.1%	4.78%	6.44	-12.7%	87.49%	3.91%
316.00 Miscellaneous Power Plant Equipment	6.45	-14.1%	7.44%	6.45	-12.6%	71.81%	6.32%
Total Hoot Lake Units 2 and 3			5.84%	6.45	-12.7%	71.15%	6.44%
Coyote							
311.00 Structures and Improvements	26.48	-8.6%	1.50%	25.55	-8.6%	70.14%	1.51%
312.00 Boiler Plant Equipment	26.49	-8.6%	1.66%	25.56	-8.6%	65.87%	1.67%
314.00 Turbogenerator Units	26.52	-8.6%	2.25%	25.59	-8.6%	51.07%	2.25%
315.00 Accessory Electric Equipment	26.50	-8.6%	1.72%	25.56	-8.6%	64.68%	1.72%
316.00 Miscellaneous Power Plant Equipment	26.51	-8.3%	2.27%	25.58	-8.3%	49.19%	2.31%
Total Coyote			1.73%	25.56	-8.6%	64.28%	1.73%

OTTER TAIL POWER COMPANY

Statement A

Comparison of Current and Proposed Accrual Rates

Current: VG Procedure / RL Technique

Proposed: VG Procedure / RL Technique

Account Description A	Current			Proposed			
	Rem. Life B	Fut. Net Salvage C	Accrual Rate D	Rem. Life E	Fut. Net Salvage F	Reserve Ratio G	Accrual Rate H
HYDRAULIC PRODUCTION							
<u>Hoot Lake</u>							
331.00 Structures and Improvements	7.42		0.27%	6.44		98.24%	0.27%
332.00 Reservoirs, Dams and Waterways	7.43		2.40%	6.44		84.32%	2.43%
333.00 Water Wheels, Turbines & Generators	7.42		1.63%	6.44		89.34%	1.66%
334.00 Accessory Electric Equipment	7.43		2.24%	6.44		85.33%	2.28%
335.00 Miscellaneous Power Plant Equipment	7.43		12.72%	6.45		16.73%	12.91%
Total Hoot Lake			2.89%	6.44		81.12%	2.93%
<u>Wright</u>							
331.00 Structures and Improvements	7.43		3.38%	6.44		77.87%	3.44%
332.00 Reservoirs, Dams and Waterways	7.43		5.42%	6.45		25.16%	11.60%
333.00 Water Wheels, Turbines & Generators	7.43		5.52%	6.45		72.25%	4.30%
334.00 Accessory Electric Equipment	7.43		5.81%	6.45		61.94%	5.90%
335.00 Miscellaneous Power Plant Equipment	7.43		9.20%	6.45		39.77%	9.34%
Total Wright			5.72%	6.45		45.36%	8.47%
<u>Pisgah</u>							
331.00 Structures and Improvements	7.42		2.70%	6.44		82.35%	2.74%
332.00 Reservoirs, Dams and Waterways	7.43		8.07%	6.45		42.77%	8.87%
333.00 Water Wheels, Turbines & Generators	7.43		7.52%	6.45		50.80%	7.63%
334.00 Accessory Electric Equipment	7.43		6.44%	6.45		57.84%	6.54%
335.00 Miscellaneous Power Plant Equipment	7.43		13.36%	6.45		12.55%	13.56%
Total Pisgah			8.09%	6.45		44.70%	8.57%
<u>Dayton Hollow</u>							
331.00 Structures and Improvements	7.43		11.81%	6.45		22.65%	11.99%
332.00 Reservoirs, Dams and Waterways	7.43		11.53%	6.45		24.39%	11.72%
333.00 Water Wheels, Turbines & Generators	7.43		7.41%	6.45		51.52%	7.52%
334.00 Accessory Electric Equipment	7.43		5.16%	6.45		66.23%	5.24%
335.00 Miscellaneous Power Plant Equipment	7.43		12.31%	6.45		19.40%	12.50%
Total Dayton Hollow			10.40%	6.45		31.82%	10.57%
<u>Taplin Gorge</u>							
331.00 Structures and Improvements	7.42		1.03%	6.44		93.28%	1.04%
332.00 Reservoirs, Dams and Waterways	7.43		7.01%	6.45		54.10%	7.12%
333.00 Water Wheels, Turbines & Generators	7.41		0.89%	6.44		94.18%	0.90%
334.00 Accessory Electric Equipment	7.43		4.51%	6.45		70.48%	4.58%
335.00 Miscellaneous Power Plant Equipment	7.43		9.74%	6.45		36.21%	9.89%
Total Taplin Gorge			6.81%	6.45		55.44%	6.91%
<u>Bemidji</u>							
331.00 Structures and Improvements	7.43		8.83%	6.45		42.18%	8.96%
332.00 Reservoirs, Dams and Waterways	7.43		9.29%	6.45		39.04%	9.45%
333.00 Water Wheels, Turbines & Generators	7.43		6.54%	6.45		57.17%	6.64%
334.00 Accessory Electric Equipment	7.42		6.53%	6.44		57.30%	6.63%
335.00 Miscellaneous Power Plant Equipment	7.43		10.93%	6.45		28.48%	11.09%
Total Bemidji			8.55%	6.45		43.96%	8.69%

OTTER TAIL POWER COMPANY

Statement A

Comparison of Current and Proposed Accrual Rates

Current: VG Procedure / RL Technique

Proposed: VG Procedure / RL Technique

Account Description	Current			Proposed			
	Rem. Life	Fut. Net Salvage	Accrual Rate	Rem. Life	Fut. Net Salvage	Reserve Ratio	Accrual Rate
A	B	C	D	E	F	G	H
OTHER PRODUCTION							
<u>Jamestown</u>							
341.00 Structures and Improvements	9.38	-1.4%	3.95%	8.41	-1.4%	67.94%	3.98%
342.00 Fuel Holders and Accessories	9.39	-1.4%	6.24%	8.41	-1.4%	48.45%	6.30%
343.00 Prime Movers	9.38	-1.4%	2.18%	8.40	-1.4%	82.88%	2.20%
344.00 Generators							
345.00 Accessory Electric Equipment	9.39	-1.4%	4.32%	8.41	-1.4%	64.77%	4.36%
346.00 Miscellaneous Power Plant Equipment	9.39	-1.4%	5.98%	8.41	-1.4%	50.63%	6.04%
Total Jamestown			2.57%	8.40	-1.4%	79.57%	2.60%
<u>Jamestown Unit 1</u>							
341.00 Structures and Improvements	9.38	-1.4%	3.71%	8.41	-1.4%	70.00%	3.73%
342.00 Fuel Holders and Accessories	9.39	-1.4%	6.60%	8.41	-1.4%	45.43%	6.66%
343.00 Prime Movers	9.38	-1.4%	2.53%	8.40	-1.4%	79.94%	2.55%
344.00 Generators							
345.00 Accessory Electric Equipment	9.38	-1.4%	3.56%	8.40	-1.4%	71.22%	3.59%
346.00 Miscellaneous Power Plant Equipment	9.39	-1.4%	6.13%	8.41	-1.4%	49.37%	6.19%
Total Jamestown Unit 1			3.14%	8.40	-1.4%	74.80%	3.16%
<u>Jamestown Unit 2</u>							
341.00 Structures and Improvements	9.39	-1.4%	6.69%	8.41	-1.4%	44.65%	6.75%
342.00 Fuel Holders and Accessories	9.38	-1.4%	2.57%	8.40	-1.4%	79.61%	2.59%
343.00 Prime Movers	9.38	-1.4%	1.92%	8.40	-1.4%	85.10%	1.94%
344.00 Generators							
345.00 Accessory Electric Equipment	9.39	-1.4%	6.06%	8.41	-1.4%	49.96%	6.12%
346.00 Miscellaneous Power Plant Equipment	9.38	-1.4%	5.03%	8.40	-1.4%	58.74%	5.08%
Total Jamestown Unit 2			2.04%	8.40	-1.4%	84.12%	2.06%
<u>Lake Preston</u>							
341.00 Structures and Improvements	9.38	-2.4%	3.00%	8.40	-2.4%	76.97%	3.03%
342.00 Fuel Holders and Accessories	9.38	-2.4%	3.47%	8.40	-2.4%	73.02%	3.50%
343.00 Prime Movers	9.38	-2.4%	1.85%	8.40	-2.4%	86.70%	1.87%
344.00 Generators							
345.00 Accessory Electric Equipment	9.38	-2.4%	1.61%	8.40	-2.4%	88.79%	1.62%
346.00 Miscellaneous Power Plant Equipment	9.38	-2.4%	1.62%	8.40	-2.4%	88.67%	1.63%
Total Lake Preston			2.02%	8.40	-2.4%	85.27%	2.04%
<u>Ashtabula Wind Generation</u>							
341.00 Structures and Improvements	19.02	-1.2%	4.27%	18.07	-1.2%	23.98%	4.27%
342.00 Fuel Holders and Accessories							
343.00 Prime Movers							
344.00 Generators	19.02	-1.2%	4.31%	18.07	-1.2%	22.97%	4.33%
345.00 Accessory Electric Equipment	19.02	-1.2%	4.30%	18.07	-1.2%	23.57%	4.30%
346.00 Miscellaneous Power Plant Equipment	19.02	-1.2%	5.12%	18.07	-1.2%	8.76%	5.12%
Total Ashtabula Wind Generation			4.31%	18.07	-1.2%	23.02%	4.33%
<u>Langdon Wind Generation</u>							
341.00 Structures and Improvements	18.07	-1.5%	4.32%	17.11	-1.5%	27.62%	4.32%
342.00 Fuel Holders and Accessories							
343.00 Prime Movers							
344.00 Generators	18.07	-1.5%	4.36%	17.11	-1.5%	26.45%	4.39%
345.00 Accessory Electric Equipment	18.07	-1.5%	4.43%	17.11	-1.5%	26.22%	4.40%
346.00 Miscellaneous Power Plant Equipment	18.07	-1.5%	5.33%	17.12	-1.5%	9.72%	5.36%
Total Langdon Wind Generation			4.37%	17.11	-1.5%	26.46%	4.39%

OTTER TAIL POWER COMPANY

Statement A

Comparison of Current and Proposed Accrual Rates

Current: VG Procedure / RL Technique

Proposed: VG Procedure / RL Technique

Account Description A	Current			Proposed			
	Rem. Life B	Fut. Net Salvage C	Accrual Rate D	Rem. Life E	Fut. Net Salvage F	Reserve Ratio G	Accrual Rate H
<u>Luverne Wind Generation</u>							
341.00 Structures and Improvements	19.97	-2.0%	4.27%	19.02	-2.0%	20.81%	4.27%
342.00 Fuel Holders and Accessories							
343.00 Prime Movers							
344.00 Generators	19.97	-2.0%	4.31%	19.02	-2.0%	19.92%	4.32%
345.00 Accessory Electric Equipment	19.97	-2.0%	4.27%	19.02	-2.0%	20.77%	4.27%
346.00 Miscellaneous Power Plant Equipment	19.97	-2.0%	4.84%	19.02	-2.0%	5.80%	5.06%
Total Luverne Wind Generation			4.31%	19.02	-2.0%	19.99%	4.32%
<u>Solway Combustion Turbine</u>							
341.00 Structures and Improvements	23.73	-0.4%	2.94%	22.79	-0.4%	32.50%	2.98%
342.00 Fuel Holders and Accessories	23.73	-0.4%	2.94%	22.79	-0.4%	33.47%	2.94%
343.00 Prime Movers	23.73	-0.4%	2.93%	22.79	-0.4%	32.39%	2.98%
344.00 Generators							
345.00 Accessory Electric Equipment	23.73	-0.4%	2.91%	22.79	-0.4%	33.14%	2.95%
346.00 Miscellaneous Power Plant Equipment	23.73	-0.4%	3.07%	22.79	-0.4%	30.46%	3.07%
Total Solway Combustion Turbine			2.93%	22.79	-0.4%	32.46%	2.98%
<u>Fergus Falls Control Center</u>							
341.00 Structures and Improvements							
342.00 Fuel Holders and Accessories							
343.00 Prime Movers	16.14		3.04%	15.18		53.79%	3.04%
344.00 Generators							
345.00 Accessory Electric Equipment							
346.00 Miscellaneous Power Plant Equipment							
Total Fergus Falls Control Center			3.04%	15.18		53.79%	3.04%

OTTER TAIL POWER COMPANY

Statement B

Comparison of Current and Proposed Accruals
 Current: VG Procedure / RL Technique
 Proposed: VG Procedure / RL Technique

Account Description	12/31/14 Plant Investment	Minnesota Allocation Factor	Current Annual Accrual		Proposed Annual Accrual		Difference	
			Total	Minnesota	Total	Minnesota	Total	Minnesota
A	B	C	D	E=C*D	F	G=C*F	H=F-D	I=G-E
STEAM PRODUCTION								
311.00 Structures and Improvements	\$ 61,217,981	0.49830876	\$ 917,272	\$ 457,085	\$ 866,032	\$ 431,551	\$ (51,240)	\$ (25,534)
312.00 Boiler Plant Equipment	210,531,164	0.49830876	5,670,717	2,825,768	6,029,864	3,004,733	359,147	178,965
314.00 Turbogenerator Units	64,778,485	0.49830876	1,473,559	734,287	1,548,052	771,408	74,493	37,121
315.00 Accessory Electric Equipment	24,055,623	0.49830876	461,799	230,118	438,668	218,592	(23,131)	(11,526)
316.00 Miscellaneous Power Plant Equipment	5,465,565	0.49830876	164,564	82,003	153,676	76,577	(10,888)	(5,426)
Total Steam Production Plant	\$ 366,048,818		\$ 8,687,911	\$ 4,329,261	\$ 9,036,292	\$ 4,502,861	\$ 348,381	\$ 173,600
HYDRAULIC PRODUCTION								
331.00 Structures and Improvements	\$ 351,712	0.49830876	\$ 21,083	\$ 10,505	\$ 21,392	\$ 10,659	\$ 309	\$ 154
332.00 Reservoirs, Dams and Waterways	4,264,062	0.49830876	351,783	175,297	414,274	206,437	62,491	31,140
333.00 Water Wheels, Turbines & Generators	1,373,867	0.49830876	81,856	40,790	75,984	37,863	(5,872)	(2,927)
334.00 Accessory Electric Equipment	592,400	0.49830876	31,828	15,860	32,324	16,106	496	246
335.00 Miscellaneous Power Plant Equipment	442,624	0.49830876	49,085	24,459	49,832	24,831	747	372
Total Hydraulic Production Plant	\$ 7,024,665		\$ 535,635	\$ 266,911	\$ 593,806	\$ 295,896	\$ 58,171	\$ 28,985
OTHER PRODUCTION								
341.00 Structures and Improvements	\$ 12,946,210	0.49830876	\$ 491,479	\$ 245,486	\$ 493,384	\$ 246,434	\$ 1,905	\$ 948
342.00 Fuel Holders and Accessories	1,748,265	0.49830876	66,884	33,329	67,217	33,494	333	165
343.00 Prime Movers	31,809,695	0.49830876	848,756	422,944	861,421	429,254	12,665	6,310
344.00 Generators	241,245,030	0.49830876	10,432,177	5,216,006	10,480,785	5,240,309	48,608	24,303
345.00 Accessory Electric Equipment	20,524,064	0.49830876	862,909	431,358	861,327	430,566	(1,582)	(792)
346.00 Miscellaneous Power Plant Equipment	590,941	0.49830876	23,395	11,672	23,623	11,785	228	113
Total Other Production Plant	\$ 308,864,205		\$ 12,725,600	\$ 6,360,795	\$ 12,787,757	\$ 6,391,842	\$ 62,157	\$ 31,047
TRANSMISSION PLANT								
353.00 Station Equipment	\$ 79,546,489	0.47270604	\$ 1,217,061	\$ 575,312	\$ 1,232,971	\$ 582,833	\$ 15,910	\$ 7,521
354.00 Towers and Fixtures	44,899,477	0.47270604	718,392	339,588	704,922	333,221	(13,470)	(6,367)
355.00 Poles and Fixtures	99,696,518	0.47270604	1,924,143	909,554	1,934,112	914,266	9,969	4,712
356.00 Overhead Conductors and Devices	91,542,146	0.47270604	1,501,291	709,669	1,519,600	718,324	18,309	8,655
358.00 Underground Conductors and Devices	77,461	0.47270604	1,170	553	1,115	527	(55)	(26)
Total Transmission Plant	\$ 315,762,091		\$ 5,362,057	\$ 2,534,676	\$ 5,392,720	\$ 2,549,171	\$ 30,663	\$ 14,495
DISTRIBUTION PLANT								
362.00 Station Equipment	\$ 74,334,664	0.43711388	\$ 1,561,028	\$ 682,347	\$ 1,561,028	\$ 682,347	\$ -	\$ -
364.00 Poles, Towers and Fixtures	67,912,729	0.43711388	1,691,027	739,171	1,691,027	739,171		
365.00 Overhead Conductors and Devices	48,201,543	0.43711388	1,344,823	587,841	1,344,823	587,841		
367.00 Underground Conductors and Devices	69,172,477	0.43711388	1,611,719	704,505	1,618,636	707,528	6,917	3,023
368.00 Line Transformers	85,366,296	0.43711388	1,067,079	466,435	1,058,542	462,703	(8,537)	(3,732)

OTTER TAIL POWER COMPANY

Statement B

Comparison of Current and Proposed Accruals
Current: VG Procedure / RL Technique
Proposed: VG Procedure / RL Technique

Account Description	12/31/14	Minnesota	Current Annual Accrual		Proposed Annual Accrual		Difference	
	Plant Investment	Allocation Factor	Total	Minnesota	Total	Minnesota	Total	Minnesota
A	B	C	D	E=C*D	F	G=C*F	H=F-D	I=G-E
369.00 Overhead Services	12,630,691	0.43711388	526,700	230,228	530,489	231,884	3,789	1,656
369.10 Underground Services	37,979,687	0.43711388	991,270	433,298	991,270	433,298		
370.00 Meters	23,663,645	0.43711388	750,138	327,896	750,138	327,896		
370.10 Load Management Switches	8,701,822	0.43711388	1,084,247	473,939	1,072,064	468,614	(12,183)	(5,325)
370.20 Interruption Monitors	77,857	0.43711388	11,444	5,002	11,444	5,002		
371.20 Other Private Lighting	4,348,944	0.43711388	166,130	72,618	168,304	73,568	2,174	950
373.00 Street Lighting and Signal Systems	4,982,666	0.43711388	166,421	72,745	167,916	73,398	1,495	653
Total Distribution Plant	\$ 437,373,021		\$ 10,972,026	\$ 4,796,025	\$ 10,965,681	\$ 4,793,250	\$ (6,345)	\$ (2,775)
GENERAL PLANT								
Depreciable								
390.00 Structures and Improvements	\$ 19,725,895	0.47118070	\$ 408,326	\$ 192,395	\$ 408,326	\$ 192,395	\$ -	\$ -
390.10 General Office Buildings	5,710,057	0.47118070	13,133	6,188	29,692	13,990	16,559	7,802
390.20 Fleet Service Center Building	931,469	0.47118070	(93)	(44)	12,202	5,749	12,295	5,793
390.30 Central Stores Building	4,022,537	0.47118070	(88,094)	(41,508)	(84,473)	(39,802)	3,621	1,706
396.00 Power Operated Equipment	605,062	0.47118070	16,337	7,698	16,458	7,755	121	57
397.40 Communication Towers	1,879,323	0.47118070	39,278	18,507	38,902	18,330	(376)	(177)
Total Depreciable	\$ 32,874,343		\$ 388,887	\$ 183,236	\$ 421,107	\$ 198,417	\$ 32,220	\$ 15,181
Amortizable								
391.00 Office Furniture	\$ 1,519,789	0.47118070	\$ 93,898	\$ 44,243	\$ 93,898	\$ 44,243	\$ -	\$ -
391.10 Office Equipment	828,799	0.47118070	81,738	38,513	81,738	38,513		
391.20 Duplicating Equipment	401,136	0.47118070	33,676	15,867	33,676	15,867		
391.50 Computer Systems	4,245,167	0.47118070	620,171	292,213	620,171	292,213		
391.60 Computer Related Equipment	1,801,698	0.47118070	276,226	130,152	276,226	130,152		
394.00 Tools, Shop and Garage Equipment	3,806,191	0.47118070	247,402	116,571	247,402	116,571		
394.20 Automated Meter Reading Equipment	603,637	0.47118070	40,242	18,961	40,242	18,961		
397.00 Communication Equipment	896,010	0.47118070	58,908	27,756	58,908	27,756		
397.10 Radio Telecommunication Equipment	1,208,657	0.47118070	120,783	56,911	120,783	56,911		
397.20 Microwave Equipment	4,377,222	0.47118070	289,507	136,410	289,507	136,410		
397.30 Radio Load Control Equipment	317,859	0.47118070	31,786	14,977	31,786	14,977		
Total Amortizable	\$ 20,006,165		\$ 1,894,337	\$ 892,574	\$ 1,894,337	\$ 892,574	\$ -	\$ -
Total General Plant	\$ 52,880,508		\$ 2,283,224	\$ 1,075,810	\$ 2,315,444	\$ 1,090,991	\$ 32,220	\$ 15,181
TOTAL UTILITY	\$ 1,487,953,308		\$ 40,566,453	\$ 19,363,478	\$ 41,091,700	\$ 19,624,011	\$ 525,247	\$ 260,533

OTTER TAIL POWER COMPANY

Comparison of Current and Proposed Accruals
 Current: VG Procedure / RL Technique
 Proposed: VG Procedure / RL Technique

Statement B

Account Description A	12/31/14 Plant Investment B	Minnesota Allocation Factor C	Current Annual Accrual		Proposed Annual Accrual		Difference		
			Total D	Minnesota E=C*D	Total F	Minnesota G=C*F	Total H=F-D	Minnesota I=G-E	
STEAM PRODUCTION									
Big Stone									
311.00 Structures and Improvements	\$ 21,875,573	0.49830876	\$ 210,006	\$ 104,648	\$ 194,693	\$ 97,017	\$ (15,313)	\$ (7,631)	
312.00 Boiler Plant Equipment	77,831,854	0.49830876	1,323,142	659,333	1,292,009	643,819	(31,133)	(15,514)	
314.00 Turbogenerator Units	29,326,463	0.49830876	495,617	246,970	492,685	245,509	(2,932)	(1,461)	
315.00 Accessory Electric Equipment	9,389,255	0.49830876	124,877	62,227	125,816	62,695	939	468	
316.00 Miscellaneous Power Plant Equipment	2,490,458	0.49830876	42,089	20,973	42,338	21,097	249	124	
Total Big Stone	\$ 140,913,603		\$ 2,195,731	\$ 1,094,151	\$ 2,147,541	\$ 1,070,137	\$ (48,190)	\$ (24,014)	
Hoot Lake Units 2 and 3									
311.00 Structures and Improvements	\$ 6,132,426	0.49830876	\$ 209,116	\$ 104,204	\$ 169,868	\$ 84,647	\$ (39,248)	\$ (19,557)	
312.00 Boiler Plant Equipment	41,889,974	0.49830876	2,840,140	1,415,267	3,221,339	1,605,221	381,199	189,954	
314.00 Turbogenerator Units	11,555,862	0.49830876	440,278	219,394	517,703	257,976	77,425	38,582	
315.00 Accessory Electric Equipment	2,766,673	0.49830876	132,247	65,900	108,177	53,906	(24,070)	(11,994)	
316.00 Miscellaneous Power Plant Equipment	1,062,659	0.49830876	79,062	39,397	67,160	33,466	(11,902)	(5,931)	
Total Hoot Lake Units 2 and 3	\$ 63,407,594		\$ 3,700,843	\$ 1,844,162	\$ 4,084,247	\$ 2,035,216	\$ 383,404	\$ 191,054	
Coyote									
311.00 Structures and Improvements	\$ 33,209,982	0.49830876	\$ 498,150	\$ 248,233	\$ 501,471	\$ 249,887	\$ 3,321	\$ 1,654	
312.00 Boiler Plant Equipment	90,809,336	0.49830876	1,507,435	751,168	1,516,516	755,693	9,081	4,525	
314.00 Turbogenerator Units	23,896,160	0.49830876	537,664	267,923	537,664	267,923			
315.00 Accessory Electric Equipment	11,899,695	0.49830876	204,675	101,991	204,675	101,991			
316.00 Miscellaneous Power Plant Equipment	1,912,448	0.49830876	43,413	21,633	44,178	22,014	765	381	
Total Coyote	\$ 161,727,621		\$ 2,791,337	\$ 1,390,948	\$ 2,804,504	\$ 1,397,508	\$ 13,167	\$ 6,560	
HYDRAULIC PRODUCTION									
Hoot Lake									
331.00 Structures and Improvements	\$ 69,354	0.49830876	\$ 187	\$ 93	\$ 187	\$ 93	\$ -	\$ -	
332.00 Reservoirs, Dams and Waterways	297,674	0.49830876	7,144	3,560	7,233	3,604	89	44	
333.00 Water Wheels, Turbines & Generators	104,195	0.49830876	1,698	846	1,730	862	32	16	
334.00 Accessory Electric Equipment	34,651	0.49830876	776	387	790	394	14	7	
335.00 Miscellaneous Power Plant Equipment	48,801	0.49830876	6,207	3,093	6,300	3,139	93	46	
Total Hoot Lake	\$ 554,675		\$ 16,012	\$ 7,979	\$ 16,240	\$ 8,092	\$ 228	\$ 113	
Wright									
331.00 Structures and Improvements	\$ 19,026	0.49830876	\$ 643	\$ 320	\$ 654	\$ 326	\$ 11	\$ 6	
332.00 Reservoirs, Dams and Waterways	889,718	0.49830876	48,223	24,030	103,207	51,429	54,984	27,399	
333.00 Water Wheels, Turbines & Generators	545,392	0.49830876	30,106	15,002	23,452	11,686	(6,654)	(3,316)	
334.00 Accessory Electric Equipment	200,524	0.49830876	11,650	5,805	11,831	5,895	181	90	
335.00 Miscellaneous Power Plant Equipment	115,218	0.49830876	10,600	5,282	10,761	5,362	161	80	
Total Wright	\$ 1,769,878		\$ 101,222	\$ 50,439	\$ 149,905	\$ 74,698	\$ 48,683	\$ 24,259	

OTTER TAIL POWER COMPANY

Statement B

Comparison of Current and Proposed Accruals
 Current: VG Procedure / RL Technique
 Proposed: VG Procedure / RL Technique

Account Description	12/31/14 Plant Investment	Minnesota Allocation Factor	Current Annual Accrual		Proposed Annual Accrual		Difference	
			Total	Minnesota	Total	Minnesota	Total	Minnesota
A	B	C	D	E=C*D	F	G=C*F	H=F-D	I=G-E
Pisgah								
331.00 Structures and Improvements	\$ 12,118	0.49830876	\$ 327	\$ 163	\$ 332	\$ 165	\$ 5	\$ 2
332.00 Reservoirs, Dams and Waterways	376,297	0.49830876	30,367	15,132	33,378	16,633	3,011	1,501
333.00 Water Wheels, Turbines & Generators	159,732	0.49830876	12,012	5,986	12,188	6,073	176	87
334.00 Accessory Electric Equipment	99,812	0.49830876	6,428	3,203	6,528	3,253	100	50
335.00 Miscellaneous Power Plant Equipment	62,744	0.49830876	8,383	4,177	8,508	4,240	125	63
Total Pisgah	\$ 710,703		\$ 57,517	\$ 28,661	\$ 60,934	\$ 30,364	\$ 3,417	\$ 1,703
Dayton Hollow								
331.00 Structures and Improvements	\$ 16,269	0.49830876	\$ 1,921	\$ 957	\$ 1,951	\$ 972	\$ 30	\$ 15
332.00 Reservoirs, Dams and Waterways	1,291,391	0.49830876	148,897	74,197	151,351	75,420	2,454	1,223
333.00 Water Wheels, Turbines & Generators	226,751	0.49830876	16,802	8,373	17,052	8,497	250	124
334.00 Accessory Electric Equipment	193,342	0.49830876	9,976	4,971	10,131	5,048	155	77
335.00 Miscellaneous Power Plant Equipment	111,159	0.49830876	13,684	6,819	13,895	6,924	211	105
Total Dayton Hollow	\$ 1,838,912		\$ 191,280	\$ 95,317	\$ 194,380	\$ 96,861	\$ 3,100	\$ 1,544
Taplin Gorge								
331.00 Structures and Improvements	\$ 35,140	0.49830876	\$ 362	\$ 180	\$ 365	\$ 182	\$ 3	\$ 2
332.00 Reservoirs, Dams and Waterways	602,762	0.49830876	42,254	21,056	42,917	21,386	663	330
333.00 Water Wheels, Turbines & Generators	15,110	0.49830876	134	67	136	68	2	1
334.00 Accessory Electric Equipment	58,695	0.49830876	2,647	1,319	2,688	1,339	41	20
335.00 Miscellaneous Power Plant Equipment	103,632	0.49830876	10,094	5,030	10,249	5,107	155	77
Total Taplin Gorge	\$ 815,339		\$ 55,491	\$ 27,652	\$ 56,355	\$ 28,082	\$ 864	\$ 430
Bemidji								
331.00 Structures and Improvements	\$ 199,805	0.49830876	\$ 17,643	\$ 8,792	\$ 17,903	\$ 8,921	\$ 260	\$ 129
332.00 Reservoirs, Dams and Waterways	806,220	0.49830876	74,898	37,322	76,188	37,965	1,290	643
333.00 Water Wheels, Turbines & Generators	322,687	0.49830876	21,104	10,516	21,426	10,677	322	161
334.00 Accessory Electric Equipment	5,376	0.49830876	351	175	356	177	5	2
335.00 Miscellaneous Power Plant Equipment	1,070	0.49830876	117	58	119	59	2	1
Total Bemidji	\$ 1,335,158		\$ 114,113	\$ 56,863	\$ 115,992	\$ 57,799	\$ 1,879	\$ 936
OTHER PRODUCTION								
Jamestown								
341.00 Structures and Improvements	\$ 305,657	0.49830876	\$ 12,081	\$ 6,020	\$ 12,152	\$ 6,055	\$ 71	\$ 35
342.00 Fuel Holders and Accessories	415,964	0.49830876	25,972	12,942	26,206	13,058	234	116
343.00 Prime Movers	6,645,516	0.49830876	145,053	72,282	146,383	72,944	1,330	662
344.00 Generators								
345.00 Accessory Electric Equipment	222,880	0.49830876	9,625	4,797	9,712	4,840	87	43
346.00 Miscellaneous Power Plant Equipment	75,509	0.49830876	4,517	2,251	4,561	2,273	44	22
Total Jamestown	\$ 7,665,526		\$ 197,248	\$ 98,292	\$ 199,014	\$ 99,170	\$ 1,766	\$ 878

OTTER TAIL POWER COMPANY

Statement B

Comparison of Current and Proposed Accruals
 Current: VG Procedure / RL Technique
 Proposed: VG Procedure / RL Technique

Account Description A	12/31/14 Plant Investment B	Minnesota Allocation Factor C	Current Annual Accrual		Proposed Annual Accrual		Difference		
			Total D	Minnesota E=C*D	Total F	Minnesota G=C*F	Total H=F-D	Minnesota I=G-E	
Jamestown Unit 1									
341.00 Structures and Improvements	\$ 280,804	0.49830876	\$ 10,418	\$ 5,191	\$ 10,474	\$ 5,219	\$ 56	\$ 28	
342.00 Fuel Holders and Accessories	379,195	0.49830876	25,027	12,471	25,254	12,584	227	113	
343.00 Prime Movers	2,862,225	0.49830876	72,414	36,085	72,987	36,370	573	285	
344.00 Generators									
345.00 Accessory Electric Equipment	155,272	0.49830876	5,528	2,755	5,574	2,778	46	23	
346.00 Miscellaneous Power Plant Equipment	65,403	0.49830876	4,009	1,998	4,048	2,017	39	19	
Total Jamestown Unit 1	\$ 3,742,899		\$ 117,396	\$ 58,500	\$ 118,337	\$ 58,968	\$ 941	\$ 468	
Jamestown Unit 2									
341.00 Structures and Improvements	\$ 24,853	0.49830876	\$ 1,663	\$ 829	\$ 1,678	\$ 836	\$ 15	\$ 7	
342.00 Fuel Holders and Accessories	36,769	0.49830876	945	471	952	474	7	3	
343.00 Prime Movers	3,783,291	0.49830876	72,639	36,197	73,396	36,574	757	377	
344.00 Generators									
345.00 Accessory Electric Equipment	67,608	0.49830876	4,097	2,042	4,138	2,062	41	20	
346.00 Miscellaneous Power Plant Equipment	10,106	0.49830876	508	253	513	256	5	3	
Total Jamestown Unit 2	\$ 3,922,627		\$ 79,852	\$ 39,792	\$ 80,677	\$ 40,202	\$ 825	\$ 410	
Lake Preston									
341.00 Structures and Improvements	\$ 229,834	0.49830876	\$ 6,895	\$ 3,436	\$ 6,964	\$ 3,470	\$ 69	\$ 34	
342.00 Fuel Holders and Accessories	328,705	0.49830876	11,406	5,684	11,505	5,733	99	49	
343.00 Prime Movers	3,172,066	0.49830876	58,683	29,242	59,318	29,559	635	317	
344.00 Generators									
345.00 Accessory Electric Equipment	369,280	0.49830876	5,945	2,962	5,982	2,981	37	19	
346.00 Miscellaneous Power Plant Equipment	21,607	0.49830876	350	174	352	175	2	1	
Total Lake Preston	\$ 4,121,492		\$ 83,279	\$ 41,498	\$ 84,121	\$ 41,918	\$ 842	\$ 420	
Ashtabula Wind Generation									
341.00 Structures and Improvements	\$ 3,248,290	0.49999203	\$ 138,702	\$ 69,350	\$ 138,702	\$ 69,350	\$ -	\$ -	
342.00 Fuel Holders and Accessories									
343.00 Prime Movers									
344.00 Generators	106,778,543	0.49999203	4,602,155	2,301,041	4,623,511	2,311,719	21,356	10,678	
345.00 Accessory Electric Equipment	6,372,808	0.49999203	274,031	137,013	274,031	137,013			
346.00 Miscellaneous Power Plant Equipment	28,417	0.49999203	1,455	727	1,455	727			
Total Ashtabula Wind Generation	\$ 116,428,058		\$ 5,016,343	\$ 2,508,131	\$ 5,037,699	\$ 2,518,809	\$ 21,356	\$ 10,678	
Langdon Wind Generation									
341.00 Structures and Improvements	\$ 2,484,069	0.49999203	\$ 107,312	\$ 53,655	\$ 107,312	\$ 53,655	\$ -	\$ -	
342.00 Fuel Holders and Accessories									
343.00 Prime Movers									
344.00 Generators	69,031,640	0.49999203	3,009,780	1,504,866	3,030,489	1,515,220	20,709	10,354	
345.00 Accessory Electric Equipment	7,407,275	0.49999203	328,142	164,068	325,920	162,957	(2,222)	(1,111)	
346.00 Miscellaneous Power Plant Equipment	65,210	0.49999203	3,476	1,738	3,495	1,747	19	9	
Total Langdon Wind Generation	\$ 78,988,194		\$ 3,448,710	\$ 1,724,327	\$ 3,467,216	\$ 1,733,579	\$ 18,506	\$ 9,252	

OTTER TAIL POWER COMPANY

Statement B

Comparison of Current and Proposed Accruals
 Current: VG Procedure / RL Technique
 Proposed: VG Procedure / RL Technique

Account Description A	12/31/14 Plant Investment B	Minnesota Allocation Factor C	Current Annual Accrual		Proposed Annual Accrual		Difference		
			Total D	Minnesota E=C*D	Total F	Minnesota G=C*F	Total H=F-D	Minnesota I=G-E	
<u>Luverne Wind Generation</u>									
341.00 Structures and Improvements	\$ 2,266,581	0.49999203	\$ 96,783	\$ 48,391	\$ 96,783	\$ 48,391	\$ -	\$ -	
342.00 Fuel Holders and Accessories									
343.00 Prime Movers									
344.00 Generators	65,434,847	0.49999203	2,820,242	1,410,099	2,826,785	1,413,370	6,543	3,271	
345.00 Accessory Electric Equipment	4,863,837	0.49999203	207,686	103,841	207,686	103,841			
346.00 Miscellaneous Power Plant Equipment	74,045	0.49999203	3,584	1,792	3,747	1,873	163	81	
Total Luverne Wind Generation	\$ 72,639,310		\$ 3,128,295	\$ 1,564,123	\$ 3,135,001	\$ 1,567,475	\$ 6,706	\$ 3,352	
<u>Solway Combustion Turbine</u>									
341.00 Structures and Improvements	\$ 4,411,779	0.49830876	\$ 129,706	\$ 64,634	\$ 131,471	\$ 65,513	\$ 1,765	\$ 879	
342.00 Fuel Holders and Accessories	1,003,596	0.49830876	29,506	14,703	29,506	14,703			
343.00 Prime Movers	21,400,475	0.49830876	627,034	312,457	637,734	317,788	10,700	5,331	
344.00 Generators									
345.00 Accessory Electric Equipment	1,287,984	0.49830876	37,480	18,677	37,996	18,934	516	257	
346.00 Miscellaneous Power Plant Equipment	326,153	0.49830876	10,013	4,990	10,013	4,990			
Total Solway Combustion Turbine	\$ 28,429,987		\$ 833,739	\$ 415,461	\$ 846,720	\$ 421,928	\$ 12,981	\$ 6,467	
<u>Fergus Falls Control Center</u>									
341.00 Structures and Improvements	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
342.00 Fuel Holders and Accessories									
343.00 Prime Movers	591,638	0.49830876	17,986	8,963	17,986	8,963			
344.00 Generators									
345.00 Accessory Electric Equipment									
346.00 Miscellaneous Power Plant Equipment									
Total Fergus Falls Control Center	\$ 591,638		\$ 17,986	\$ 8,963	\$ 17,986	\$ 8,963	\$ -	\$ -	

OTTER TAIL POWER COMPANY

Depreciation Reserve Summary
Vintage Group Procedure
December 31, 2014

Statement C

Account Description A	Plant Investment B	Recorded Reserve		Computed Reserve		Reserve Imbalance	
		Amount C	Ratio D=C/B	Amount E	Ratio F=E/B	Amount G=C-E	Multiple H=G/C
STEAM PRODUCTION							
311.00 Structures and Improvements	\$ 61,217,981	\$ 47,674,634	77.88%	\$ 36,494,113	59.61%	\$ 11,180,521	23.45%
312.00 Boiler Plant Equipment	210,531,164	134,192,065	63.74%	105,042,258	49.89%	29,149,807	21.72%
314.00 Turbogenerator Units	64,778,485	39,755,612	61.37%	31,273,482	48.28%	8,482,129	21.34%
315.00 Accessory Electric Equipment	24,055,623	16,827,164	69.95%	12,913,944	53.68%	3,913,220	23.26%
316.00 Miscellaneous Power Plant Equipment	5,465,565	3,196,628	58.49%	2,619,570	47.93%	577,058	18.05%
Total Steam Production Plant	\$ 366,048,818	\$ 241,646,103	66.01%	\$ 188,343,367	51.45%	\$ 53,302,736	22.06%
HYDRAULIC PRODUCTION							
331.00 Structures and Improvements	\$ 351,712	\$ 213,672	60.75%	\$ 226,711	64.46%	\$ (13,039)	-6.10%
332.00 Reservoirs, Dams and Waterways	4,264,062	1,591,613	37.33%	2,065,924	48.45%	(474,311)	-29.80%
333.00 Water Wheels, Turbines & Generators	1,373,867	883,809	64.33%	654,440	47.63%	229,369	25.95%
334.00 Accessory Electric Equipment	592,400	384,002	64.82%	399,721	67.47%	(15,720)	-4.09%
335.00 Miscellaneous Power Plant Equipment	442,624	121,264	27.40%	161,888	36.57%	(40,624)	-33.50%
Total Hydraulic Production Plant	\$ 7,024,665	\$ 3,194,359	45.47%	\$ 3,508,685	49.95%	\$ (314,326)	-9.84%
OTHER PRODUCTION							
341.00 Structures and Improvements	\$ 12,946,210	\$ 3,755,151	29.01%	\$ 3,816,967	29.48%	\$ (61,816)	-1.65%
342.00 Fuel Holders and Accessories	1,748,265	777,498	44.47%	763,920	43.70%	13,578	1.75%
343.00 Prime Movers	31,809,695	15,507,645	48.75%	14,742,713	46.35%	764,932	4.93%
344.00 Generators	241,245,030	55,818,760	23.14%	61,940,445	25.68%	(6,121,685)	-10.97%
345.00 Accessory Electric Equipment	20,524,064	5,353,889	26.09%	5,681,127	27.68%	(327,237)	-6.11%
346.00 Miscellaneous Power Plant Equipment	590,941	169,849	28.74%	171,667	29.05%	(1,818)	-1.07%
Total Other Production Plant	\$ 308,864,205	\$ 81,382,792	26.35%	\$ 87,116,838	28.21%	\$ (5,734,046)	-7.05%
TRANSMISSION PLANT							
353.00 Station Equipment	\$ 79,546,489	\$ 18,443,973	23.19%	\$ 18,795,376	23.63%	\$ (351,403)	-1.91%
354.00 Towers and Fixtures	44,899,477	3,316,776	7.39%	3,189,146	7.10%	127,630	3.85%
355.00 Poles and Fixtures	99,696,518	45,131,292	45.27%	38,803,143	38.92%	6,328,149	14.02%
356.00 Overhead Conductors and Devices	91,542,146	36,194,522	39.54%	29,983,989	32.75%	6,210,534	17.16%
358.00 Underground Conductors and Devices	77,461	70,392	90.87%	61,750	79.72%	8,642	12.28%
Total Transmission Plant	\$ 315,762,091	\$ 103,156,956	32.67%	\$ 90,833,404	28.77%	\$ 12,323,552	11.95%
DISTRIBUTION PLANT							
362.00 Station Equipment	\$ 74,334,664	\$ 20,417,406	27.47%	\$ 16,096,198	21.65%	\$ 4,321,207	21.16%
364.00 Poles, Towers and Fixtures	67,912,729	37,773,763	55.62%	34,400,910	50.65%	3,372,854	8.93%
365.00 Overhead Conductors and Devices	48,201,543	37,341,602	77.47%	32,039,166	66.47%	5,302,436	14.20%
367.00 Underground Conductors and Devices	69,172,477	32,716,632	47.30%	27,994,377	40.47%	4,722,255	14.43%

OTTER TAIL POWER COMPANY

Depreciation Reserve Summary
Vintage Group Procedure
December 31, 2014

Statement C

Account Description	Plant Investment	Recorded Reserve		Computed Reserve		Reserve Imbalance	
		Amount	Ratio	Amount	Ratio	Amount	Multiple
A	B	C	D=C/B	E	F=E/B	G=C-E	H=G/C
368.00 Line Transformers	85,366,296	12,691,280	14.87%	11,810,947	13.84%	880,333	6.94%
369.00 Overhead Services	12,630,691	14,243,376	112.77%	12,526,909	99.18%	1,716,467	12.05%
369.10 Underground Services	37,979,687	15,620,362	41.13%	14,982,793	39.45%	637,569	4.08%
370.00 Meters	23,663,645	8,131,156	34.36%	7,247,432	30.63%	883,723	10.87%
370.10 Load Management Switches	8,701,822	5,710,390	65.62%	6,698,680	76.98%	(988,290)	-17.31%
370.20 Interruption Monitors	77,857	57,408	73.74%	62,755	80.60%	(5,347)	-9.31%
371.20 Other Private Lighting	4,348,944	1,068,937	24.58%	1,045,791	24.05%	23,146	2.17%
373.00 Street Lighting and Signal Systems	4,982,666	2,692,808	54.04%	1,758,251	35.29%	934,557	34.71%
Total Distribution Plant	\$ 437,373,021	\$ 188,465,119	43.09%	\$ 166,664,209	38.11%	\$ 21,800,910	11.57%
GENERAL PLANT							
Depreciable							
390.00 Structures and Improvements	\$ 19,725,895	\$ 5,053,735	25.62%	\$ 6,543,507	33.17%	\$ (1,489,772)	-29.48%
390.10 General Office Buildings	5,710,057	2,424,733	42.46%	1,259,036	22.05%	1,165,696	48.08%
390.20 Fleet Service Center Building	931,469	490,532	52.66%	361,339	38.79%	129,193	26.34%
390.30 Central Stores Building	4,022,537	1,974,815	49.09%	148,500	3.69%	1,826,315	92.48%
396.00 Power Operated Equipment	605,062	199,653	33.00%	169,663	28.04%	29,990	15.02%
397.40 Communication Towers	1,879,323	818,202	43.54%	689,101	36.67%	129,100	15.78%
Total Depreciable	\$ 32,874,343	\$ 10,961,670	33.34%	\$ 9,171,147	27.90%	\$ 1,790,523	16.33%
Amortizable							
391.00 Office Furniture	\$ 1,519,789	\$ 949,639	62.48%	\$ 959,879	63.16%	\$ (10,240)	-1.08%
391.10 Office Equipment	828,799	454,212	54.80%	469,193	56.61%	(14,981)	-3.30%
391.20 Duplicating Equipment	401,136	247,545	61.71%	259,717	64.75%	(12,172)	-4.92%
391.50 Computer Systems	4,245,167	2,258,913	53.21%	2,817,472	66.37%	(558,559)	-24.73%
391.60 Computer Related Equipment	1,801,698	968,006	53.73%	1,183,969	65.71%	(215,963)	-22.31%
394.00 Tools, Shop and Garage Equipment	3,806,191	1,540,891	40.48%	1,556,589	40.90%	(15,698)	-1.02%
394.20 Automated Meter Reading Equipment	603,637	299,654	49.64%	295,195	48.90%	4,459	1.49%
397.00 Communication Equipment	896,010	327,755	36.58%	342,602	38.24%	(14,847)	-4.53%
397.10 Radio Telecommunication Equipment	1,208,657	477,274	39.49%	504,315	41.73%	(27,041)	-5.67%
397.20 Microwave Equipment	4,377,222	1,957,486	44.72%	2,019,879	46.15%	(62,393)	-3.19%
397.30 Radio Load Control Equipment	317,859	98,985	31.14%	114,325	35.97%	(15,341)	-15.50%
Total Amortizable	\$ 20,006,165	\$ 9,580,360	47.89%	\$ 10,523,135	52.60%	\$ (942,775)	-9.84%
Total General Plant	\$ 52,880,508	\$ 20,542,030	38.85%	\$ 19,694,282	37.24%	\$ 847,748	4.13%
TOTAL UTILITY	\$ 1,487,953,308	\$ 638,387,359	42.90%	\$ 556,160,785	37.38%	\$ 82,226,573	12.88%

OTTER TAIL POWER COMPANY

Depreciation Reserve Summary
Vintage Group Procedure
December 31, 2014

Statement C

Account Description	Plant Investment	Recorded Reserve		Computed Reserve		Reserve Imbalance	
		Amount	Ratio	Amount	Ratio	Amount	Multiple
A	B	C	D=C/B	E	F=E/B	G=C-E	H=G/C
STEAM PRODUCTION							
Big Stone							
311.00 Structures and Improvements	\$ 21,875,573	\$ 18,562,666	84.86%	\$ 12,344,945	56.43%	\$ 6,217,721	33.50%
312.00 Boiler Plant Equipment	77,831,854	47,956,084	61.61%	31,787,824	40.84%	16,168,260	33.71%
314.00 Turbogenerator Units	29,326,463	17,860,518	60.90%	11,368,795	38.77%	6,491,723	36.35%
315.00 Accessory Electric Equipment	9,389,255	6,710,062	71.47%	4,518,143	48.12%	2,191,919	32.67%
316.00 Miscellaneous Power Plant Equipment	2,490,458	1,492,822	59.94%	1,074,035	43.13%	418,787	28.05%
Total Big Stone	\$ 140,913,603	\$ 92,582,151	65.70%	\$ 61,093,742	43.36%	\$ 31,488,409	34.01%
Hoot Lake Units 2 and 3							
311.00 Structures and Improvements	\$ 6,132,426	\$ 5,817,952	94.87%	\$ 5,651,429	92.16%	\$ 166,523	2.86%
312.00 Boiler Plant Equipment	41,889,974	26,419,635	63.07%	25,999,141	62.07%	420,495	1.59%
314.00 Turbogenerator Units	11,555,862	9,690,412	83.86%	9,505,948	82.26%	184,464	1.90%
315.00 Accessory Electric Equipment	2,766,673	2,420,426	87.49%	2,345,279	84.77%	75,147	3.10%
316.00 Miscellaneous Power Plant Equipment	1,062,659	763,140	71.81%	755,810	71.12%	7,330	0.96%
Total Hoot Lake Units 2 and 3	\$ 63,407,594	\$ 45,111,566	71.15%	\$ 44,257,608	69.80%	\$ 853,958	1.89%
Coyote							
311.00 Structures and Improvements	\$ 33,209,982	\$ 23,294,017	70.14%	\$ 18,497,739	55.70%	\$ 4,796,278	20.59%
312.00 Boiler Plant Equipment	90,809,336	59,816,346	65.87%	47,255,293	52.04%	12,561,052	21.00%
314.00 Turbogenerator Units	23,896,160	12,204,682	51.07%	10,398,739	43.52%	1,805,943	14.80%
315.00 Accessory Electric Equipment	11,899,695	7,696,676	64.68%	6,050,522	50.85%	1,646,154	21.39%
316.00 Miscellaneous Power Plant Equipment	1,912,448	940,665	49.19%	789,724	41.29%	150,942	16.05%
Total Coyote	\$ 161,727,621	\$ 103,952,386	64.28%	\$ 82,992,017	51.32%	\$ 20,960,369	20.16%
HYDRAULIC PRODUCTION							
Hoot Lake							
331.00 Structures and Improvements	\$ 69,354	\$ 68,136	98.24%	\$ 62,034	89.45%	\$ 6,102	8.96%
332.00 Reservoirs, Dams and Waterways	297,674	250,995	84.32%	233,388	78.40%	17,607	7.01%
333.00 Water Wheels, Turbines & Generators	104,195	93,089	89.34%	85,556	82.11%	7,533	8.09%
334.00 Accessory Electric Equipment	34,651	29,569	85.33%	27,363	78.97%	2,206	7.46%
335.00 Miscellaneous Power Plant Equipment	48,801	8,167	16.73%	13,474	27.61%	(5,307)	-64.98%
Total Hoot Lake	\$ 554,675	\$ 449,957	81.12%	\$ 421,815	76.05%	\$ 28,142	6.25%

OTTER TAIL POWER COMPANY

Depreciation Reserve Summary
Vintage Group Procedure
December 31, 2014

Statement C

Account Description	Plant Investment	Recorded Reserve		Computed Reserve		Reserve Imbalance	
		Amount	Ratio	Amount	Ratio	Amount	Multiple
A	B	C	D=C/B	E	F=E/B	G=C-E	H=G/C
Wright							
331.00 Structures and Improvements	\$ 19,026	\$ 14,815	77.87%	\$ 15,024	78.97%	\$ (210)	-1.41%
332.00 Reservoirs, Dams and Waterways	889,718	223,852	25.16%	453,626	50.99%	(229,774)	-102.65%
333.00 Water Wheels, Turbines & Generators	545,392	394,052	72.25%	152,674	27.99%	241,377	61.26%
334.00 Accessory Electric Equipment	200,524	124,209	61.94%	127,658	63.66%	(3,448)	-2.78%
335.00 Miscellaneous Power Plant Equipment	115,218	45,828	39.77%	53,827	46.72%	(7,999)	-17.45%
Total Wright	\$ 1,769,878	\$ 802,756	45.36%	\$ 802,809	45.36%	\$ (54)	-0.01%
Pisgah							
331.00 Structures and Improvements	\$ 12,118	\$ 9,979	82.35%	\$ 10,097	83.32%	\$ (118)	-1.18%
332.00 Reservoirs, Dams and Waterways	376,297	160,924	42.77%	188,875	50.19%	(27,951)	-17.37%
333.00 Water Wheels, Turbines & Generators	159,732	81,138	50.80%	84,980	53.20%	(3,843)	-4.74%
334.00 Accessory Electric Equipment	99,812	57,733	57.84%	63,556	63.68%	(5,823)	-10.09%
335.00 Miscellaneous Power Plant Equipment	62,744	7,877	12.55%	17,051	27.18%	(9,174)	-116.47%
Total Pisgah	\$ 710,703	\$ 317,651	44.70%	\$ 364,559	51.30%	\$ (46,909)	-14.77%
Dayton Hollow							
331.00 Structures and Improvements	\$ 16,269	\$ 3,686	22.65%	\$ 5,691	34.98%	\$ (2,005)	-54.41%
332.00 Reservoirs, Dams and Waterways	1,291,391	314,999	24.39%	431,121	33.38%	(116,123)	-36.86%
333.00 Water Wheels, Turbines & Generators	226,751	116,829	51.52%	112,768	49.73%	4,061	3.48%
334.00 Accessory Electric Equipment	193,342	128,041	66.23%	134,798	69.72%	(6,758)	-5.28%
335.00 Miscellaneous Power Plant Equipment	111,159	21,565	19.40%	30,710	27.63%	(9,145)	-42.40%
Total Dayton Hollow	\$ 1,838,912	\$ 585,119	31.82%	\$ 715,088	38.89%	\$ (129,969)	-22.21%
Taplin Gorge							
331.00 Structures and Improvements	\$ 35,140	\$ 32,777	93.28%	\$ 32,086	91.31%	\$ 691	2.11%
332.00 Reservoirs, Dams and Waterways	602,762	326,105	54.10%	352,336	58.45%	(26,231)	-8.04%
333.00 Water Wheels, Turbines & Generators	15,110	14,230	94.18%	13,919	92.12%	311	2.19%
334.00 Accessory Electric Equipment	58,695	41,369	70.48%	41,529	70.75%	(159)	-0.39%
335.00 Miscellaneous Power Plant Equipment	103,632	37,523	36.21%	46,371	44.75%	(8,848)	-23.58%
Total Taplin Gorge	\$ 815,339	\$ 452,004	55.44%	\$ 486,241	59.64%	\$ (34,237)	-7.57%

OTTER TAIL POWER COMPANY

Depreciation Reserve Summary
Vintage Group Procedure
December 31, 2014

Statement C

Account Description	Plant Investment	Recorded Reserve		Computed Reserve		Reserve Imbalance	
		Amount	Ratio	Amount	Ratio	Amount	Multiple
A	B	C	D=C/B	E	F=E/B	G=C-E	H=G/C
<u>Bemidji</u>							
331.00 Structures and Improvements	\$ 199,805	\$ 84,279	42.18%	\$ 101,778	50.94%	\$ (17,499)	-20.76%
332.00 Reservoirs, Dams and Waterways	806,220	314,738	39.04%	406,578	50.43%	(91,840)	-29.18%
333.00 Water Wheels, Turbines & Generators	322,687	184,472	57.17%	204,543	63.39%	(20,071)	-10.88%
334.00 Accessory Electric Equipment	5,376	3,080	57.30%	4,817	89.61%	(1,737)	-56.39%
335.00 Miscellaneous Power Plant Equipment	1,070	305	28.48%	456	42.62%	(151)	-49.69%
Total Bemidji	\$ 1,335,158	\$ 586,874	43.96%	\$ 718,172	53.79%	\$ (131,299)	-22.37%
OTHER PRODUCTION							
<u>Jamestown</u>							
341.00 Structures and Improvements	\$ 305,657	\$ 207,662	67.94%	\$ 199,296	65.20%	\$ 8,366	4.03%
342.00 Fuel Holders and Accessories	415,964	201,543	48.45%	206,879	49.73%	(5,337)	-2.65%
343.00 Prime Movers	6,645,516	5,507,838	82.88%	5,118,124	77.02%	389,714	7.08%
344.00 Generators							
345.00 Accessory Electric Equipment	222,880	144,355	64.77%	163,726	73.46%	(19,371)	-13.42%
346.00 Miscellaneous Power Plant Equipment	75,509	38,228	50.63%	42,111	55.77%	(3,883)	-10.16%
Total Jamestown	\$ 7,665,526	\$ 6,099,626	79.57%	\$ 5,730,137	74.75%	\$ 369,489	6.06%
<u>Jamestown Unit 1</u>							
341.00 Structures and Improvements	\$ 280,804	\$ 196,564	70.00%	\$ 186,562	66.44%	\$ 10,002	5.09%
342.00 Fuel Holders and Accessories	379,195	172,272	45.43%	181,583	47.89%	(9,311)	-5.40%
343.00 Prime Movers	2,862,225	2,288,144	79.94%	2,137,602	74.68%	150,542	6.58%
344.00 Generators							
345.00 Accessory Electric Equipment	155,272	110,580	71.22%	129,294	83.27%	(18,714)	-16.92%
346.00 Miscellaneous Power Plant Equipment	65,403	32,292	49.37%	34,138	52.20%	(1,846)	-5.72%
Total Jamestown Unit 1	\$ 3,742,899	\$ 2,799,853	74.80%	\$ 2,669,179	71.31%	\$ 130,674	4.67%
<u>Jamestown Unit 2</u>							
341.00 Structures and Improvements	\$ 24,853	\$ 11,098	44.65%	\$ 12,734	51.24%	\$ (1,636)	-14.74%
342.00 Fuel Holders and Accessories	36,769	29,271	79.61%	25,296	68.80%	3,974	13.58%
343.00 Prime Movers	3,783,291	3,219,694	85.10%	2,980,522	78.78%	239,172	7.43%
344.00 Generators							
345.00 Accessory Electric Equipment	67,608	33,775	49.96%	34,432	50.93%	(657)	-1.95%
346.00 Miscellaneous Power Plant Equipment	10,106	5,936	58.74%	7,974	78.90%	(2,037)	-34.32%
Total Jamestown Unit 2	\$ 3,922,627	\$ 3,299,773	84.12%	\$ 3,060,958	78.03%	\$ 238,815	7.24%

OTTER TAIL POWER COMPANY

Depreciation Reserve Summary
Vintage Group Procedure
December 31, 2014

Statement C

Account Description A	Plant Investment B	Recorded Reserve		Computed Reserve		Reserve Imbalance		
		Amount C	Ratio D=C/B	Amount E	Ratio F=E/B	Amount G=C-E	Multiple H=G/C	
Lake Preston								
341.00 Structures and Improvements	\$ 229,834	\$ 176,912	76.97%	\$ 167,461	72.86%	\$ 9,452	5.34%	
342.00 Fuel Holders and Accessories	328,705	240,033	73.02%	235,931	71.78%	4,102	1.71%	
343.00 Prime Movers	3,172,066	2,750,330	86.70%	2,550,049	80.39%	200,281	7.28%	
344.00 Generators								
345.00 Accessory Electric Equipment	369,280	327,878	88.79%	302,406	81.89%	25,472	7.77%	
346.00 Miscellaneous Power Plant Equipment	21,607	19,160	88.67%	17,852	82.62%	1,308	6.83%	
Total Lake Preston	\$ 4,121,492	\$ 3,514,314	85.27%	\$ 3,273,699	79.43%	\$ 240,615	6.85%	
Ashtabula Wind Generation								
341.00 Structures and Improvements	\$ 3,248,290	\$ 778,891	23.98%	\$ 839,764	25.85%	\$ (60,873)	-7.82%	
342.00 Fuel Holders and Accessories								
343.00 Prime Movers								
344.00 Generators	106,778,543	24,523,040	22.97%	27,272,044	25.54%	(2,749,004)	-11.21%	
345.00 Accessory Electric Equipment	6,372,808	1,501,931	23.57%	1,625,667	25.51%	(123,737)	-8.24%	
346.00 Miscellaneous Power Plant Equipment	28,417	2,491	8.76%	3,359	11.82%	(869)	-34.88%	
Total Ashtabula Wind Generation	\$ 116,428,058	\$ 26,806,352	23.02%	\$ 29,740,835	25.54%	\$ (2,934,482)	-10.95%	
Langdon Wind Generation								
341.00 Structures and Improvements	\$ 2,484,069	\$ 686,120	27.62%	\$ 745,292	30.00%	\$ (59,172)	-8.62%	
342.00 Fuel Holders and Accessories								
343.00 Prime Movers								
344.00 Generators	69,031,640	18,261,393	26.45%	20,425,362	29.59%	(2,163,969)	-11.85%	
345.00 Accessory Electric Equipment	7,407,275	1,942,505	26.22%	2,113,361	28.53%	(170,856)	-8.80%	
346.00 Miscellaneous Power Plant Equipment	65,210	6,339	9.72%	7,719	11.84%	(1,380)	-21.76%	
Total Langdon Wind Generation	\$ 78,988,194	\$ 20,896,357	26.46%	\$ 23,291,734	29.49%	\$ (2,395,376)	-11.46%	
Luverne Wind Generation								
341.00 Structures and Improvements	\$ 2,266,581	\$ 471,740	20.81%	\$ 499,358	22.03%	\$ (27,618)	-5.85%	
342.00 Fuel Holders and Accessories								
343.00 Prime Movers								
344.00 Generators	65,434,847	13,034,327	19.92%	14,243,039	21.77%	(1,208,712)	-9.27%	
345.00 Accessory Electric Equipment	4,863,837	1,010,355	20.77%	1,069,964	22.00%	(59,608)	-5.90%	
346.00 Miscellaneous Power Plant Equipment	74,045	4,296	5.80%	5,725	7.73%	(1,429)	-33.25%	
Total Luverne Wind Generation	\$ 72,639,310	\$ 14,520,719	19.99%	\$ 15,818,086	21.78%	\$ (1,297,367)	-8.93%	

OTTER TAIL POWER COMPANY

Depreciation Reserve Summary
Vintage Group Procedure
December 31, 2014

Statement C

Account Description	Plant Investment	Recorded Reserve		Computed Reserve		Reserve Imbalance	
		Amount	Ratio	Amount	Ratio	Amount	Multiple
A	B	C	D=C/B	E	F=E/B	G=C-E	H=G/C
Solway Combustion Turbine							
341.00 Structures and Improvements	\$ 4,411,779	\$ 1,433,825	32.50%	\$ 1,365,796	30.96%	\$ 68,030	4.74%
342.00 Fuel Holders and Accessories	1,003,596	335,922	33.47%	321,110	32.00%	14,812	4.41%
343.00 Prime Movers	21,400,475	6,931,216	32.39%	6,745,930	31.52%	185,287	2.67%
344.00 Generators							
345.00 Accessory Electric Equipment	1,287,984	426,865	33.14%	406,003	31.52%	20,862	4.89%
346.00 Miscellaneous Power Plant Equipment	326,153	99,335	30.46%	94,900	29.10%	4,434	4.46%
Total Solway Combustion Turbine	\$ 28,429,987	\$ 9,227,163	32.46%	\$ 8,933,738	31.42%	\$ 293,425	3.18%
Fergus Falls Control Center							
341.00 Structures and Improvements	\$ -	\$ -		\$ -		\$ -	
342.00 Fuel Holders and Accessories							
343.00 Prime Movers	591,638	318,261	53.79%	328,610	55.54%	(10,349)	-3.25%
344.00 Generators							
345.00 Accessory Electric Equipment							
346.00 Miscellaneous Power Plant Equipment							
Total Fergus Falls Control Center	\$ 591,638	\$ 318,261	53.79%	\$ 328,610	55.54%	\$ (10,349)	-3.25%

OTTER TAIL POWER COMPANY
Average Net Salvage

Statement D

Account Description A	Plant Investment			Salvage Rate		Net Salvage			Average Rate J=I/B
	Additions B	Retirements C	Survivors D=B-C	Realized E	Future F	Realized G=E*C	Future H=F*D	Total I=G+H	
STEAM PRODUCTION									
311.00 Structures and Improvements	\$ 62,892,551	\$ 1,674,570	\$ 61,217,981	-30.6%	-10.2%	\$ (513,248)	\$ (6,216,194)	\$ (6,729,442)	-10.7%
312.00 Boiler Plant Equipment	247,901,065	37,369,901	210,531,164	-19.1%	-10.6%	(7,128,203)	(22,313,788)	(29,441,991)	-11.9%
314.00 Turbogenerator Units	79,919,849	15,141,364	64,778,485	20.6%	-10.8%	3,112,095	(6,983,187)	(3,871,092)	-4.8%
315.00 Accessory Electric Equipment	25,552,382	1,496,759	24,055,623	-15.0%	-10.3%	(224,060)	(2,482,673)	(2,706,733)	-10.6%
316.00 Miscellaneous Power Plant Equipment	7,917,078	2,451,513	5,465,565	7.6%	-10.5%	185,623	(576,540)	(390,917)	-4.9%
Total Steam Production Plant	\$ 424,182,925	\$ 58,134,107	\$ 366,048,818	-7.9%	-10.5%	\$ (4,567,791)	\$ (38,572,383)	\$ (43,140,175)	-10.2%
HYDRAULIC PRODUCTION									
331.00 Structures and Improvements	\$ 363,124	\$ 11,412	\$ 351,712	-2.1%		\$ (240)	\$ -	\$ (240)	-0.1%
332.00 Reservoirs, Dams and Waterways	4,348,538	84,476	4,264,062	85.9%		72,582		72,582	1.7%
333.00 Water Wheels, Turbines & Generators	1,397,890	24,023	1,373,867	-438.0%		(105,221)		(105,221)	-7.5%
334.00 Accessory Electric Equipment	609,547	17,147	592,400	-8.5%		(1,463)		(1,463)	-0.2%
335.00 Miscellaneous Power Plant Equipment	512,735	70,111	442,624	-3.4%		(2,367)		(2,367)	-0.5%
Total Hydraulic Production Plant	\$ 7,231,834	\$ 207,169	\$ 7,024,665	-17.7%		\$ (36,709)	\$ -	\$ (36,709)	-0.5%
OTHER PRODUCTION									
341.00 Structures and Improvements	\$ 12,959,338	\$ 13,128	\$ 12,946,210	-6.7%	-1.2%	\$ (876)	\$ (149,014)	\$ (149,890)	-1.2%
342.00 Fuel Holders and Accessories	1,970,922	222,657	1,748,265	-11.1%	-1.0%	(24,683)	(17,727)	(42,410)	-2.2%
343.00 Prime Movers	32,494,646	684,951	31,809,695	-17.3%	-0.8%	(118,449)	(254,769)	(373,218)	-1.1%
344.00 Generators	243,559,842	2,314,812	241,245,030	-1.7%	-1.5%	(39,091)	(3,625,514)	(3,664,605)	-1.5%
345.00 Accessory Electric Equipment	20,547,828	23,764	20,524,064	34.6%	-1.5%	8,216	(301,995)	(293,779)	-1.4%
346.00 Miscellaneous Power Plant Equipment	628,630	37,689	590,941	6.9%	-1.0%	2,599	(5,680)	(3,081)	-0.5%
Total Other Production Plant	\$ 312,161,206	\$ 3,297,001	\$ 308,864,205	-5.2%	-1.4%	\$ (172,285)	\$ (4,354,699)	\$ (4,526,984)	-1.5%
TRANSMISSION PLANT									
353.00 Station Equipment	\$ 88,513,270	\$ 8,966,781	\$ 79,546,489	39.8%	-5.0%	\$ 3,568,779	\$ (3,977,324)	\$ (408,546)	-0.5%
354.00 Towers and Fixtures	44,899,477		44,899,477		-10.0%		(4,489,948)	(4,489,948)	-10.0%
355.00 Poles and Fixtures	104,668,353	4,971,835	99,696,518	56.0%	-50.0%	2,784,228	(49,848,259)	(47,064,031)	-45.0%
356.00 Overhead Conductors and Devices	96,589,554	5,047,408	91,542,146	52.4%	-30.0%	2,644,842	(27,462,644)	(24,817,802)	-25.7%
358.00 Underground Conductors and Devices	77,956	495	77,461	-368.9%	-5.0%	(1,826)	(3,873)	(5,699)	-7.3%
Total Transmission Plant	\$ 334,748,610	\$ 18,986,519	\$ 315,762,091	47.4%	-27.2%	\$ 8,996,022	\$ (85,782,048)	\$ (76,786,026)	-22.9%
DISTRIBUTION PLANT									
362.00 Station Equipment	\$ 92,086,764	\$ 17,752,100	\$ 74,334,664	17.4%	5.0%	\$ 3,088,865	\$ 3,716,733	\$ 6,805,599	7.4%
364.00 Poles, Towers and Fixtures	70,953,329	3,040,600	67,912,729	-108.0%	-75.0%	(3,283,848)	(50,934,547)	(54,218,395)	-76.4%
365.00 Overhead Conductors and Devices	51,806,310	3,604,767	48,201,543	-77.8%	-100.0%	(2,804,509)	(48,201,543)	(51,006,052)	-98.5%
367.00 Underground Conductors and Devices	73,572,404	4,399,927	69,172,477	0.1%	-5.0%	4,400	(3,458,624)	(3,454,224)	-4.7%
368.00 Line Transformers	96,658,835	11,292,539	85,366,296	38.5%	50.0%	4,347,628	42,683,148	47,030,776	48.7%
369.00 Overhead Services	13,348,393	717,702	12,630,691	-238.5%	-150.0%	(1,711,719)	(18,946,037)	(20,657,756)	-154.8%
369.10 Underground Services	38,437,941	458,254	37,979,687	-34.5%	-20.0%	(158,098)	(7,595,937)	(7,754,035)	-20.2%
370.00 Meters	29,020,424	5,356,779	23,663,645	0.7%		37,497		37,497	0.1%
370.10 Load Management Switches	10,873,289	2,171,467	8,701,822						
370.20 Interruption Monitors	1,277,033	1,199,176	77,857						
371.20 Other Private Lighting	7,177,942	2,828,998	4,348,944	8.7%	10.0%	246,123	434,894	681,017	9.5%
373.00 Street Lighting and Signal Systems	8,490,159	3,507,493	4,982,666	-2.3%	-5.0%	(80,672)	(249,133)	(329,806)	-3.9%
Total Distribution Plant	\$ 493,702,823	\$ 56,329,802	\$ 437,373,021	-0.6%	-18.9%	\$ (314,333)	\$ (82,551,045)	\$ (82,865,378)	-16.8%

OTTER TAIL POWER COMPANY
Average Net Salvage

Statement D

Account Description A	Plant Investment			Salvage Rate		Net Salvage		Total I=G+H	Average Rate J=I/B
	Additions B	Retirements C	Survivors D=B-C	Realized E	Future F	Realized G=E*C	Future H=F*D		
GENERAL PLANT									
Depreciable									
390.00 Structures and Improvements	\$ 23,643,932	\$ 3,918,037	\$ 19,725,895	30.8%	10.0%	\$ 1,206,755	\$ 1,972,590	\$ 3,179,345	13.4%
390.10 General Office Buildings	6,962,467	1,252,410	5,710,057	-12.9%	49.7%	(161,561)	2,835,467	2,673,906	38.4%
390.20 Fleet Service Center Building	1,024,691	93,222	931,469	-49.3%	33.8%	(45,958)	314,597	268,638	26.2%
390.30 Central Stores Building	4,095,877	73,340	4,022,537	-2.6%	92.7%	(1,907)	3,728,949	3,727,042	91.0%
396.00 Power Operated Equipment	1,120,745	515,683	605,062	23.8%	20.0%	122,733	121,012	243,745	21.7%
397.40 Communication Towers	1,986,756	107,433	1,879,323	13.5%	5.0%	14,503	93,966	108,470	5.5%
Total Depreciable	\$ 38,834,468	\$ 5,960,125	\$ 32,874,343	19.0%	27.6%	\$ 1,134,565	\$ 9,066,580	\$ 10,201,145	26.3%
Amortizable									
391.00 Office Furniture	\$ 6,098,162	\$ 4,578,373	\$ 1,519,789			\$ -	\$ -	\$ -	
391.10 Office Equipment	3,002,554	2,173,755	828,799						
391.20 Duplicating Equipment	2,157,884	1,756,748	401,136						
391.50 Computer Systems	13,308,665	9,063,498	4,245,167						
391.60 Computer Related Equipment	10,874,204	9,072,506	1,801,698						
394.00 Tools, Shop and Garage Equipment	7,055,158	3,248,967	3,806,191						
394.20 Automated Meter Reading Equipment	2,083,490	1,479,853	603,637						
397.00 Communication Equipment	2,141,639	1,245,629	896,010						
397.10 Radio Telecommunication Equipment	6,541,973	5,333,316	1,208,657						
397.20 Microwave Equipment	7,235,659	2,858,437	4,377,222						
397.30 Radio Load Control Equipment	1,771,492	1,453,633	317,859						
Total Amortizable	\$ 62,270,880	\$ 42,264,715	\$ 20,006,165			\$ -	\$ -	\$ -	
Total General Plant	\$ 101,105,348	\$ 48,224,840	\$ 52,880,508	2.4%	17.1%	\$ 1,134,565	\$ 9,066,580	\$ 10,201,145	10.1%
TOTAL UTILITY	\$ 1,673,132,746	\$ 185,179,438	\$ 1,487,953,308	5.2%	-13.6%	\$ 9,641,603	\$ (202,193,595)	\$ (197,154,126)	-11.8%
STEAM PRODUCTION									
Big Stone									
311.00 Structures and Improvements	\$ 22,661,683	\$ 786,110	\$ 21,875,573	-11.4%	-11.8%	\$ (89,617)	\$ (2,581,318)	\$ (2,670,934)	-11.8%
312.00 Boiler Plant Equipment	97,532,080	19,700,226	77,831,854	-22.3%	-11.8%	(4,393,150)	(9,184,159)	(13,577,309)	-13.9%
314.00 Turbogenerator Units	34,996,632	5,670,169	29,326,463	18.0%	-11.8%	1,020,630	(3,460,523)	(2,439,892)	-7.0%
315.00 Accessory Electric Equipment	10,001,519	612,264	9,389,255	-23.1%	-11.8%	(141,433)	(1,107,932)	(1,249,365)	-12.5%
316.00 Miscellaneous Power Plant Equipment	3,685,488	1,195,030	2,490,458	2.6%	-11.4%	31,071	(283,912)	(252,841)	-6.9%
Total Big Stone	\$ 168,877,402	\$ 27,963,799	\$ 140,913,603	-12.8%	-11.8%	\$ (3,572,499)	\$ (16,617,843)	\$ (20,190,342)	-12.0%
Hoot Lake Units 2 and 3									
311.00 Structures and Improvements	\$ 6,365,052	\$ 232,626	\$ 6,132,426	-137.0%	-12.7%	\$ (318,698)	\$ (778,818)	\$ (1,097,516)	-17.2%
312.00 Boiler Plant Equipment	48,150,412	6,260,438	41,889,974	-33.3%	-12.7%	(2,084,726)	(5,320,027)	(7,404,753)	-15.4%
314.00 Turbogenerator Units	13,118,488	1,562,626	11,555,862	-2.3%	-12.7%	(35,940)	(1,467,594)	(1,503,535)	-11.5%
315.00 Accessory Electric Equipment	2,802,942	36,269	2,766,673	-148.3%	-12.7%	(53,787)	(351,367)	(405,154)	-14.5%
316.00 Miscellaneous Power Plant Equipment	1,208,351	145,692	1,062,659	48.9%	-12.6%	71,243	(133,895)	(62,652)	-5.2%
Total Hoot Lake Units 2 and 3	\$ 71,645,245	\$ 8,237,651	\$ 63,407,594	-29.4%	-12.7%	\$ (2,421,907)	\$ (8,051,702)	\$ (10,473,609)	-14.6%

OTTER TAIL POWER COMPANY
Average Net Salvage

Statement D

Account Description A	Plant Investment			Salvage Rate		Net Salvage			Average Rate J=I/B
	Additions B	Retirements C	Survivors D=B-C	Realized E	Future F	Realized G=E*G	Future H=F*D	Total I=G+H	
Coyote									
311.00 Structures and Improvements	\$ 33,865,816	\$ 655,834	\$ 33,209,982	-16.0%	-8.6%	\$ (104,933)	\$ (2,856,058)	\$ (2,960,992)	-8.7%
312.00 Boiler Plant Equipment	102,218,573	11,409,237	90,809,336	-5.7%	-8.6%	(650,327)	(7,809,603)	(8,459,929)	-8.3%
314.00 Turbogenerator Units	31,804,729	7,908,569	23,896,160	26.9%	-8.6%	2,127,405	(2,055,070)	72,335	0.2%
315.00 Accessory Electric Equipment	12,747,921	848,226	11,899,695	-3.4%	-8.6%	(28,840)	(1,023,374)	(1,052,213)	-8.3%
316.00 Miscellaneous Power Plant Equipment	3,023,239	1,110,791	1,912,448	7.5%	-8.3%	83,309	(158,733)	(75,424)	-2.5%
Total Coyote	\$ 183,660,278	\$ 21,932,657	\$ 161,727,621	6.5%	-8.6%	\$ 1,426,615	\$ (13,902,838)	\$ (12,476,223)	-6.8%
HYDRAULIC PRODUCTION									
Hoot Lake									
331.00 Structures and Improvements	\$ 69,354	\$ -	\$ 69,354			\$ -	\$ -	\$ -	
332.00 Reservoirs, Dams and Waterways	305,758	8,084	297,674	-2.5%		(202)		(202)	-0.1%
333.00 Water Wheels, Turbines & Generators	104,195		104,195						
334.00 Accessory Electric Equipment	34,651		34,651						
335.00 Miscellaneous Power Plant Equipment	48,801		48,801						
Total Hoot Lake	\$ 562,759	\$ 8,084	\$ 554,675	-2.5%		\$ (202)	\$ -	\$ (202)	
Wright									
331.00 Structures and Improvements	\$ 19,026	\$ -	\$ 19,026			\$ -	\$ -	\$ -	
332.00 Reservoirs, Dams and Waterways	898,311	8,593	889,718	2843.7%		244,359		244,359	27.2%
333.00 Water Wheels, Turbines & Generators	552,421	7,029	545,392	-284.6%		(20,005)		(20,005)	-3.6%
334.00 Accessory Electric Equipment	200,524		200,524						
335.00 Miscellaneous Power Plant Equipment	127,250	12,032	115,218	-7.9%		(951)		(951)	-0.7%
Total Wright	\$ 1,797,532	\$ 27,654	\$ 1,769,878	807.9%		\$ 223,404	\$ -	\$ 223,404	12.4%
Pisgah									
331.00 Structures and Improvements	\$ 12,118	\$ -	\$ 12,118			\$ -	\$ -	\$ -	
332.00 Reservoirs, Dams and Waterways	376,297		376,297						
333.00 Water Wheels, Turbines & Generators	161,200	1,468	159,732	-1645.1%		(24,150)		(24,150)	-15.0%
334.00 Accessory Electric Equipment	111,257	11,445	99,812	-2.5%		(286)		(286)	-0.3%
335.00 Miscellaneous Power Plant Equipment	84,563	21,819	62,744	-2.5%		(545)		(545)	-0.6%
Total Pisgah	\$ 745,435	\$ 34,732	\$ 710,703	-71.9%		\$ (24,982)	\$ -	\$ (24,982)	-3.4%
Dayton Hollow									
331.00 Structures and Improvements	\$ 16,269	\$ -	\$ 16,269			\$ -	\$ -	\$ -	
332.00 Reservoirs, Dams and Waterways	1,335,655	44,264	1,291,391	-309.1%		(136,820)		(136,820)	-10.2%
333.00 Water Wheels, Turbines & Generators	239,295	12,544	226,751	-195.3%		(24,498)		(24,498)	-10.2%
334.00 Accessory Electric Equipment	193,849	507	193,342	41.7%		211		211	0.1%
335.00 Miscellaneous Power Plant Equipment	119,243	8,084	111,159	-2.5%		(202)		(202)	-0.2%
Total Dayton Hollow	\$ 1,904,311	\$ 65,399	\$ 1,838,912	-246.7%		\$ (161,309)	\$ -	\$ (161,309)	-8.5%
Taplin Gorge									
331.00 Structures and Improvements	\$ 35,140	\$ -	\$ 35,140			\$ -	\$ -	\$ -	
332.00 Reservoirs, Dams and Waterways	620,762	18,000	602,762	-166.7%		(30,006)		(30,006)	-4.8%
333.00 Water Wheels, Turbines & Generators	15,110		15,110						
334.00 Accessory Electric Equipment	62,427	3,732	58,695	-4.7%		(175)		(175)	-0.3%
335.00 Miscellaneous Power Plant Equipment	130,503	26,871	103,632	-2.0%		(537)		(537)	-0.4%
Total Taplin Gorge	\$ 863,942	\$ 48,603	\$ 815,339	-63.2%		\$ (30,719)	\$ -	\$ (30,719)	-3.6%

OTTER TAIL POWER COMPANY
Average Net Salvage

Statement D

Account Description A	Plant Investment			Salvage Rate		Net Salvage		Average Rate J=I/B	
	Additions B	Retirements C	Survivors D=B-C	Realized E	Future F	Realized G=E*C	Future H=F*D		Total I=G+H
Bemidji									
331.00 Structures and Improvements	\$ 211,217	\$ 11,412	\$ 199,805	-2.1%		\$ (240)	\$ -	\$ (240)	-0.1%
332.00 Reservoirs, Dams and Waterways	811,755	5,535	806,220	-85.8%		(4,749)		(4,749)	-0.6%
333.00 Water Wheels, Turbines & Generators	325,669	2,982	322,687	-1226.3%		(36,568)		(36,568)	-11.2%
334.00 Accessory Electric Equipment	6,839	1,463	5,376	-82.9%		(1,213)		(1,213)	-17.7%
335.00 Miscellaneous Power Plant Equipment	2,375	1,305	1,070	-10.1%		(132)		(132)	-5.5%
Total Bemidji	\$ 1,357,855	\$ 22,697	\$ 1,335,158	-189.0%		\$ (42,902)	\$ -	\$ (42,902)	-3.2%
OTHER PRODUCTION									
Jamestown									
341.00 Structures and Improvements	\$ 310,786	\$ 5,129	\$ 305,657	-9.9%	-1.4%	\$ (508)	\$ (4,279)	\$ (4,787)	-1.5%
342.00 Fuel Holders and Accessories	593,813	177,849	415,964	-12.6%	-1.4%	(22,488)	(5,823)	(28,311)	-4.8%
343.00 Prime Movers	6,923,561	278,045	6,645,516	-38.7%	-1.4%	(107,512)	(93,037)	(200,550)	-2.9%
344.00 Generators									
345.00 Accessory Electric Equipment	242,133	19,253	222,880	42.7%	-1.4%	8,216	(3,120)	5,095	2.1%
346.00 Miscellaneous Power Plant Equipment	109,578	34,069	75,509		-1.4%		(1,057)	(1,057)	-1.0%
Total Jamestown	\$ 8,179,871	\$ 514,345	\$ 7,665,526	-23.8%	-1.4%	\$ (122,292)	\$ (107,317)	\$ (229,609)	-2.8%
Jamestown Unit 1									
341.00 Structures and Improvements	\$ 285,933	\$ 5,129	\$ 280,804	-9.9%	-1.4%	\$ (508)	\$ (3,931)	\$ (4,439)	-1.6%
342.00 Fuel Holders and Accessories	407,203	28,008	379,195	-51.4%	-1.4%	(14,396)	(5,309)	(19,705)	-4.8%
343.00 Prime Movers	3,004,562	142,337	2,862,225	-57.8%	-1.4%	(82,271)	(40,071)	(122,342)	-4.1%
344.00 Generators									
345.00 Accessory Electric Equipment	157,825	2,553	155,272	19.6%	-1.4%	500	(2,174)	(1,673)	-1.1%
346.00 Miscellaneous Power Plant Equipment	82,536	17,133	65,403		-1.4%		(916)	(916)	-1.1%
Total Jamestown Unit 1	\$ 3,938,059	\$ 195,160	\$ 3,742,899	-49.5%	-1.4%	\$ (96,674)	\$ (52,401)	\$ (149,075)	-3.8%
Jamestown Unit 2									
341.00 Structures and Improvements	\$ 24,853	\$ -	\$ 24,853		-1.4%	\$ -	\$ (348)	\$ (348)	-1.4%
342.00 Fuel Holders and Accessories	186,610	149,841	36,769	-5.4%	-1.4%	(8,091)	(515)	(8,606)	-4.6%
343.00 Prime Movers	3,918,999	135,708	3,783,291	-18.6%	-1.4%	(25,242)	(52,966)	(78,208)	-2.0%
344.00 Generators									
345.00 Accessory Electric Equipment	84,308	16,700	67,608	46.2%	-1.4%	7,715	(947)	6,769	8.0%
346.00 Miscellaneous Power Plant Equipment	27,042	16,936	10,106		-1.4%		(141)	(141)	-0.5%
Total Jamestown Unit 2	\$ 4,241,812	\$ 319,185	\$ 3,922,627	-8.0%	-1.4%	\$ (25,618)	\$ (54,917)	\$ (80,534)	-1.9%
Lake Preston									
341.00 Structures and Improvements	\$ 229,833	\$ (1)	\$ 229,834		-2.4%	\$ -	\$ (5,516)	\$ (5,516)	-2.4%
342.00 Fuel Holders and Accessories	373,513	44,808	328,705	-4.9%	-2.4%	(2,196)	(7,889)	(10,085)	-2.7%
343.00 Prime Movers	3,248,402	76,336	3,172,066	-6.0%	-2.4%	(4,580)	(76,130)	(80,710)	-2.5%
344.00 Generators									
345.00 Accessory Electric Equipment	373,791	4,511	369,280		-2.4%		(8,863)	(8,863)	-2.4%
346.00 Miscellaneous Power Plant Equipment	25,227	3,620	21,607	71.8%	-2.4%	2,599	(519)	2,081	8.2%
Total Lake Preston	\$ 4,250,766	\$ 129,274	\$ 4,121,492	-3.2%	-2.4%	\$ (4,177)	\$ (98,916)	\$ (103,092)	-2.4%

OTTER TAIL POWER COMPANY
Average Net Salvage

Statement D

Account Description A	Plant Investment			Salvage Rate		Net Salvage			Average Rate J=I/B
	Additions B	Retirements C	Survivors D=B-C	Realized E	Future F	Realized G=E*F	Future H=F*D	Total I=G+H	
Ashtabula Wind Generation									
341.00 Structures and Improvements	\$ 3,248,290	\$ -	\$ 3,248,290		-1.2%	\$ -	\$ (38,979)	\$ (38,979)	-1.2%
342.00 Fuel Holders and Accessories									
343.00 Prime Movers									
344.00 Generators	107,841,061	1,062,518	106,778,543		-1.2%		(1,281,343)	(1,281,343)	-1.2%
345.00 Accessory Electric Equipment	6,372,808		6,372,808		-1.2%		(76,474)	(76,474)	-1.2%
346.00 Miscellaneous Power Plant Equipment	28,417		28,417		-1.2%		(341)	(341)	-1.2%
Total Ashtabula Wind Generation	\$ 117,490,576	\$ 1,062,518	\$ 116,428,058		-1.2%	\$ -	\$ (1,397,137)	\$ (1,397,137)	-1.2%
Langdon Wind Generation									
341.00 Structures and Improvements	\$ 2,484,069	\$ -	\$ 2,484,069		-1.5%	\$ -	\$ (37,261)	\$ (37,261)	-1.5%
342.00 Fuel Holders and Accessories									
343.00 Prime Movers									
344.00 Generators	69,766,531	734,891	69,031,640	-3.7%	-1.5%	(27,191)	(1,035,475)	(1,062,666)	-1.5%
345.00 Accessory Electric Equipment	7,407,275		7,407,275		-1.5%		(111,109)	(111,109)	-1.5%
346.00 Miscellaneous Power Plant Equipment	65,210		65,210		-1.5%		(978)	(978)	-1.5%
Total Langdon Wind Generation	\$ 79,723,085	\$ 734,891	\$ 78,988,194	-3.7%	-1.5%	\$ (27,191)	\$ (1,184,823)	\$ (1,212,014)	-1.5%
Luverne Wind Generation									
341.00 Structures and Improvements	\$ 2,266,581	\$ -	\$ 2,266,581		-2.0%	\$ -	\$ (45,332)	\$ (45,332)	-2.0%
342.00 Fuel Holders and Accessories									
343.00 Prime Movers									
344.00 Generators	65,952,250	517,403	65,434,847	-2.3%	-2.0%	(11,900)	(1,308,697)	(1,320,597)	-2.0%
345.00 Accessory Electric Equipment	4,863,837		4,863,837		-2.0%		(97,277)	(97,277)	-2.0%
346.00 Miscellaneous Power Plant Equipment	74,045		74,045		-2.0%		(1,481)	(1,481)	-2.0%
Total Luverne Wind Generation	\$ 73,156,713	\$ 517,403	\$ 72,639,310	-2.3%	-2.0%	\$ (11,900)	\$ (1,452,786)	\$ (1,464,686)	-2.0%
Solway Combustion Turbine									
341.00 Structures and Improvements	\$ 4,419,779	\$ 8,000	\$ 4,411,779	-4.6%	-0.4%	\$ (368)	\$ (17,647)	\$ (18,015)	-0.4%
342.00 Fuel Holders and Accessories	1,003,596		1,003,596		-0.4%		(4,014)	(4,014)	-0.4%
343.00 Prime Movers	21,671,709	271,234	21,400,475	-3.7%	-0.4%	(10,036)	(85,602)	(95,638)	-0.4%
344.00 Generators									
345.00 Accessory Electric Equipment	1,287,984		1,287,984		-0.4%		(5,152)	(5,152)	-0.4%
346.00 Miscellaneous Power Plant Equipment	326,153		326,153		-0.4%		(1,305)	(1,305)	-0.4%
Total Solway Combustion Turbine	\$ 28,709,221	\$ 279,234	\$ 28,429,987	-3.7%	-0.4%	\$ (10,404)	\$ (113,720)	\$ (124,124)	-0.4%
Fergus Falls Control Center									
341.00 Structures and Improvements	\$ -	\$ -	\$ -			\$ -	\$ -	\$ -	
342.00 Fuel Holders and Accessories									
343.00 Prime Movers	650,974	59,336	591,638	6.2%		3,679		3,679	0.6%
344.00 Generators									
345.00 Accessory Electric Equipment									
346.00 Miscellaneous Power Plant Equipment									
Total Fergus Falls Control Center	\$ 650,974	\$ 59,336	\$ 591,638	6.2%		\$ 3,679	\$ -	\$ 3,679	0.6%

OTTER TAIL POWER COMPANY
Future Net Salvage
Steam and Other Production

Statement E

Account Description A	12/31/14 Plant Investment B	Future Retirements		Net Salvage Rate		Future Net Salvage			Future Rate J=I/B
		Interim C	Final D=B-C	Interim E	Final F	Interim G=C*E	Final H=D*F	Total I=G+H	
STEAM PRODUCTION									
Big Stone									
311.00 Structures and Improvements	\$ 21,875,573	\$ 1,858,254	\$ 20,017,319	-5.0%	-12.4%	\$ (92,913)	\$ (2,484,370)	\$ (2,577,283)	-11.8%
312.00 Boiler Plant Equipment	77,831,854	6,456,829	71,375,025	-5.0%	-12.4%	(322,841)	(8,858,428)	(9,181,270)	-11.8%
314.00 Turbogenerator Units	29,326,463	2,389,878	26,936,585	-5.0%	-12.4%	(119,494)	(3,343,128)	(3,462,621)	-11.8%
315.00 Accessory Electric Equipment	9,389,255	787,910	8,601,345	-5.0%	-12.4%	(39,395)	(1,067,522)	(1,106,917)	-11.8%
316.00 Miscellaneous Power Plant Equipment	2,490,458	205,743	2,284,715	-5.0%	-12.4%		(283,558)	(283,558)	-11.4%
Total Big Stone	\$ 140,913,603	\$ 11,698,613	\$ 129,214,990	-4.9%	-12.4%	\$ (574,644)	\$ (16,037,006)	\$ (16,611,650)	-11.8%
Hoot Lake Units 2 and 3									
311.00 Structures and Improvements	\$ 6,132,426	\$ 103,785	\$ 6,028,641	-5.0%	-12.8%	\$ (5,189)	\$ (774,528)	\$ (779,717)	-12.7%
312.00 Boiler Plant Equipment	41,889,974	661,122	41,228,852	-5.0%	-12.8%	(33,056)	(5,296,863)	(5,329,919)	-12.7%
314.00 Turbogenerator Units	11,555,862	190,029	11,365,833	-5.0%	-12.8%	(9,501)	(1,460,222)	(1,469,723)	-12.7%
315.00 Accessory Electric Equipment	2,766,673	46,461	2,720,212	-5.0%	-12.8%	(2,323)	(349,478)	(351,801)	-12.7%
316.00 Miscellaneous Power Plant Equipment	1,062,659	16,575	1,046,084	-5.0%	-12.8%		(134,395)	(134,395)	-12.6%
Total Hoot Lake Units 2 and 3	\$ 63,407,594	\$ 1,017,973	\$ 62,389,621	-4.9%	-12.8%	\$ (50,070)	\$ (8,015,486)	\$ (8,065,556)	-12.7%
Coyote									
311.00 Structures and Improvements	\$ 33,209,982	\$ 2,339,475	\$ 30,870,507	-5.0%	-8.9%	\$ (116,974)	\$ (2,741,078)	\$ (2,858,052)	-8.6%
312.00 Boiler Plant Equipment	90,809,336	6,358,493	84,450,843	-5.0%	-8.9%	(317,925)	(7,498,624)	(7,816,549)	-8.6%
314.00 Turbogenerator Units	23,896,160	1,636,402	22,259,758	-5.0%	-8.9%	(81,820)	(1,976,506)	(2,058,326)	-8.6%
315.00 Accessory Electric Equipment	11,899,695	831,115	11,068,580	-5.0%	-8.9%	(41,556)	(982,810)	(1,024,366)	-8.6%
316.00 Miscellaneous Power Plant Equipment	1,912,448	130,945	1,781,503	-5.0%	-8.9%		(158,185)	(158,185)	-8.3%
Total Coyote	\$ 161,727,621	\$ 11,296,430	\$ 150,431,191	-4.9%	-8.9%	\$ (558,274)	\$ (13,357,202)	\$ (13,915,477)	-8.6%
OTHER PRODUCTION									
Jamestown									
341.00 Structures and Improvements	\$ 305,657	\$ 6,530	\$ 299,127		-1.4%	\$ -	\$ (4,214)	\$ (4,214)	-1.4%
342.00 Fuel Holders and Accessories	415,964	8,760	407,204		-1.4%		(5,736)	(5,736)	-1.4%
343.00 Prime Movers	6,645,516	144,733	6,500,783		-1.4%		(91,574)	(91,574)	-1.4%
344.00 Generators									
345.00 Accessory Electric Equipment	222,880	4,833	218,047		-1.4%		(3,072)	(3,072)	-1.4%
346.00 Miscellaneous Power Plant Equipment	75,509	1,572	73,937		-1.4%		(1,042)	(1,042)	-1.4%
Total Jamestown	\$ 7,665,526	\$ 166,428	\$ 7,499,098		-1.4%	\$ -	\$ (105,637)	\$ (105,637)	-1.4%

OTTER TAIL POWER COMPANY

Future Net Salvage
Steam and Other Production

Statement E

Account Description A	12/31/14 Plant Investment B	Future Retirements		Net Salvage Rate		Future Net Salvage			Future Rate J=I/B
		Interim C	Final D=B-C	Interim E	Final F	Interim G=C*E	Final H=D*F	Total I=G+H	
Lake Preston									
341.00 Structures and Improvements	\$ 229,834	\$ 4,986	\$ 224,848	-2.5%	\$ -	\$ (5,528)	\$ (5,528)	\$ (5,528)	-2.4%
342.00 Fuel Holders and Accessories	328,705	7,091	321,614	-2.5%		(7,907)	(7,907)	(7,907)	-2.4%
343.00 Prime Movers	3,172,066	69,306	3,102,760	-2.5%		(76,284)	(76,284)	(76,284)	-2.4%
344.00 Generators									
345.00 Accessory Electric Equipment	369,280	8,100	361,180	-2.5%		(8,880)	(8,880)	(8,880)	-2.4%
346.00 Miscellaneous Power Plant Equipment	21,607	471	21,136	-2.5%		(520)	(520)	(520)	-2.4%
Total Lake Preston	\$ 4,121,492	\$ 89,954	\$ 4,031,538	-2.5%	\$ -	\$ (99,119)	\$ (99,119)	\$ (99,119)	-2.4%
Solway Combustion Turbine									
341.00 Structures and Improvements	\$ 4,411,779	\$ 260,841	\$ 4,150,938	-0.4%	\$ -	\$ (17,148)	\$ (17,148)	\$ (17,148)	-0.4%
342.00 Fuel Holders and Accessories	1,003,596	59,387	944,209	-0.4%		(3,901)	(3,901)	(3,901)	-0.4%
343.00 Prime Movers	21,400,475	1,265,959	20,134,516	-0.4%		(83,178)	(83,178)	(83,178)	-0.4%
344.00 Generators									
345.00 Accessory Electric Equipment	1,287,984	76,192	1,211,792	-0.4%		(5,006)	(5,006)	(5,006)	-0.4%
346.00 Miscellaneous Power Plant Equipment	326,153	19,236	306,917	-0.4%		(1,268)	(1,268)	(1,268)	-0.4%
Total Solway Combustion Turbine	\$ 28,429,987	\$ 1,681,616	\$ 26,748,371	-0.4%	\$ -	\$ (110,501)	\$ (110,501)	\$ (110,501)	-0.4%
Ashtabula Wind Generation									
341.00 Structures and Improvements	\$3,248,290	\$148,588	\$ 3,099,702	-1.2%	\$ -	\$ (38,737)	\$ (38,737)	\$ (38,737)	-1.2%
342.00 Fuel Holders and Accessories				-1.2%					
343.00 Prime Movers				-1.2%					
344.00 Generators	106,778,543	4,883,450	101,895,093	-1.2%		(1,273,373)	(1,273,373)	(1,273,373)	-1.2%
345.00 Accessory Electric Equipment	6,372,808	291,444	6,081,364	-1.2%		(75,998)	(75,998)	(75,998)	-1.2%
346.00 Miscellaneous Power Plant Equipment	28,417	1,287	27,130	-1.2%		(339)	(339)	(339)	-1.2%
Total Ashtabula Wind Generation	\$ 116,428,058	\$ 5,324,769	\$ 111,103,289	-1.2%	\$ -	\$ (1,388,447)	\$ (1,388,447)	\$ (1,388,447)	-1.2%
Langdon Wind Generation									
341.00 Structures and Improvements	\$2,484,069	\$107,591	\$ 2,376,478	-1.5%	\$ -	\$ (36,072)	\$ (36,072)	\$ (36,072)	-1.5%
342.00 Fuel Holders and Accessories				-1.5%					
343.00 Prime Movers				-1.5%					
344.00 Generators	69,031,640	2,989,202	66,042,438	-1.5%		(1,002,456)	(1,002,456)	(1,002,456)	-1.5%
345.00 Accessory Electric Equipment	7,407,275	320,500	7,086,775	-1.5%		(107,570)	(107,570)	(107,570)	-1.5%
346.00 Miscellaneous Power Plant Equipment	65,210	2,788	62,422	-1.5%		(947)	(947)	(947)	-1.5%
Total Langdon Wind Generation	\$ 78,988,194	\$ 3,420,080	\$ 75,568,114	-1.5%	\$ -	\$ (1,147,046)	\$ (1,147,046)	\$ (1,147,046)	-1.5%

OTTER TAIL POWER COMPANY
Future Net Salvage
Steam and Other Production

Statement E

Account Description A	12/31/14 Plant Investment B	Future Retirements		Net Salvage Rate		Future Net Salvage			Future Rate J=I/B
		Interim C	Final D=B-C	Interim E	Final F	Interim G=C*E	Final H=D*F	Total I=G+H	
<u>Luverne Wind Generation</u>									
341.00 Structures and Improvements	\$2,266,581	\$109,164	\$ 2,157,417	-2.1%		\$ -	\$ (45,571)	\$ (45,571)	-2.0%
342.00 Fuel Holders and Accessories				-2.1%					
343.00 Prime Movers				-2.1%					
344.00 Generators	65,434,847	3,151,055	62,283,792	-2.1%			(1,315,622)	(1,315,622)	-2.0%
345.00 Accessory Electric Equipment	4,863,837	234,250	4,629,587	-2.1%			(97,791)	(97,791)	-2.0%
346.00 Miscellaneous Power Plant Equipment	74,045	3,532	70,513	-2.1%			(1,489)	(1,489)	-2.0%
Total Luverne Wind Generation	\$ 72,639,310	\$ 3,498,001	\$ 69,141,309	-2.1%		\$ -	\$ (1,460,473)	\$ (1,460,473)	-2.0%
GENERAL PLANT									
390.10 General Office Buildings	\$5,710,057	\$229,133	\$ 5,480,924	-5.0%	51.9%	\$ (11,457)	\$ 2,846,923	\$ 2,835,467	49.7%
390.20 Fleet Service Center Building	931,469	25,085	906,384	-5.0%	34.8%	(1,254)	315,851	314,597	33.8%
390.30 Central Stores Building	4,022,537	219,380	3,803,157	-5.0%	98.3%	(10,969)	3,739,918	3,728,949	92.7%

OTTER TAIL POWER COMPANY

Statement F

Proposed Parameters
Vintage Group Procedure

Account Description	Current Parameters						Proposed Parameters					
	P-Life/ AYFR	Curve Shape	VG ASL	Rem. Life	Avg. Sal.	Fut. Sal.	P-Life/ AYFR	Curve Shape	VG ASL	Rem. Life	Avg. Sal.	Fut. Sal.
A	B	C	D	E	F	G	H	I	J	K	L	M
STEAM PRODUCTION												
311.00 Structures and Improvements			52.46	25.04	-10.9	-10.3			52.83	24.22	-10.7	-10.2
312.00 Boiler Plant Equipment			37.53	20.50	-12.0	-10.8			33.36	18.11	-11.9	-10.6
314.00 Turbogenerator Units			39.29	23.87	-4.9	-11.0			36.78	22.00	-4.8	-10.8
315.00 Accessory Electric Equipment			44.84	23.70	-10.7	-10.5			45.45	23.31	-10.6	-10.3
316.00 Miscellaneous Power Plant Equipment			32.29	19.71	-5.2	-10.8			32.82	19.58	-4.9	-10.5
Total Steam Production Plant									36.87	19.82	-10.2	-10.5
HYDRAULIC PRODUCTION												
331.00 Structures and Improvements			18.14	7.43	-0.1				18.16	6.45	-0.1	
332.00 Reservoirs, Dams and Waterways			13.57	7.43	-4.7				12.13	6.45	1.7	
333.00 Water Wheels, Turbines & Generators			18.25	7.43	-7.9				13.16	6.45	-7.5	
334.00 Accessory Electric Equipment			19.84	7.43	-0.2				19.85	6.45	-0.2	
335.00 Miscellaneous Power Plant Equipment			10.20	7.43	-0.5				10.21	6.45	-0.5	
Total Hydraulic Production Plant									12.81	6.45	-0.5	
OTHER PRODUCTION												
341.00 Structures and Improvements			26.76	19.84	-1.2	-1.2			26.73	18.94	-1.2	-1.2
342.00 Fuel Holders and Accessories			26.46	15.91	-2.2	-1.0			26.47	14.94	-2.2	-1.0
343.00 Prime Movers			34.36	19.41	-1.1	-0.8			34.20	18.49	-1.1	-0.8
344.00 Generators			24.19	19.01	-1.5	-1.5			24.17	18.05	-1.5	-1.5
345.00 Accessory Electric Equipment			24.61	18.90	-1.4	-1.5			24.70	17.97	-1.4	-1.5
346.00 Miscellaneous Power Plant Equipment			27.10	19.21	-0.3	-0.8			25.56	18.23	-0.5	-1.0
Total Other Production Plant									25.08	18.10	-1.5	-1.4
TRANSMISSION PLANT												
353.00 Station Equipment	65.00	R1	65.14	52.96	-0.6	-5.0	65.00	R1	65.15	52.75	-0.5	-5.0
354.00 Towers and Fixtures	70.00	R5	70.00	55.88	-10.0	-10.0	70.00	R5	70.00	65.48	-10.0	-10.0
355.00 Poles and Fixtures	70.00	R2	70.36	53.85	-44.8	-50.0	70.00	R2	70.36	53.90	-45.0	-50.0
356.00 Overhead Conductors and Devices	70.00	R2	70.26	53.33	-25.3	-30.0	70.00	R2	70.24	54.34	-25.7	-30.0
358.00 Underground Conductors and Devices	40.00	S4	41.40	10.33	-7.3	-5.0	40.00	S4	41.72	9.83	-7.3	-5.0
Total Transmission Plant									68.88	55.32	-22.9	-27.2

OTTER TAIL POWER COMPANY

Statement F

Proposed Parameters
Vintage Group Procedure

Account Description	Current Parameters						Proposed Parameters					
	P-Life/ AYFR	Curve Shape	VG ASL	Rem. Life	Avg. Sal.	Fut. Sal.	P-Life/ AYFR	Curve Shape	VG ASL	Rem. Life	Avg. Sal.	Fut. Sal.
A	B	C	D	E	F	G	H	I	J	K	L	M
DISTRIBUTION PLANT												
362.00 Station Equipment	40.00	SC	40.64	32.24	7.3	5.0	40.00	SC	40.64	32.19	7.4	5.0
364.00 Poles, Towers and Fixtures	68.00	R3	68.08	48.37	-76.4	-75.0	68.00	R3	68.08	47.99	-76.4	-75.0
365.00 Overhead Conductors and Devices	65.00	R2.5	65.20	44.11	-98.7	-100.0	65.00	R2.5	65.20	43.86	-98.5	-100.0
367.00 Underground Conductors and Devices	40.00	R4	39.90	24.63	-4.9	-5.0	40.00	R4	39.93	24.61	-4.7	-5.0
368.00 Line Transformers	40.00	R2.5	40.14	28.20	48.5	50.0	40.00	R2.5	40.13	28.29	48.7	50.0
369.00 Overhead Services	55.00	S5	55.20	32.98	-154.4	-150.0	55.00	S5	55.21	32.68	-154.8	-150.0
369.10 Underground Services	45.00	R4	45.12	30.51	-20.1	-20.0	45.00	R4	45.14	30.25	-20.2	-20.0
370.00 Meters	28.00	L0.5	29.88	20.69	0.1		28.00	L0.5	29.78	20.68	0.1	
370.10 Load Management Switches	12.00	R5	12.03	3.56			12.00	R5	12.12	2.79		
370.20 Interruption Monitors	5.00	SQ	5.00	1.97			5.00	SQ	5.00	1.00		
371.20 Other Private Lighting	23.00	L0	23.21	17.01	9.6	10.0	23.00	L0	23.19	16.90	9.5	10.0
373.00 Street Lighting and Signal Systems	22.00	L0.5	22.49	15.24	-3.8	-5.0	22.00	L0.5	22.52	15.11	-3.9	-5.0
Total Distribution Plant									41.92	28.74	-16.8	-18.9
GENERAL PLANT												
Depreciable												
390.00 Structures and Improvements	47.00	R1.5	47.47	31.71	13.5	10.0	47.00	R1.5	47.50	31.17	13.4	10.0
390.10 General Office Buildings	2030	200-SC	35.13	16.14	39.9	51.5	2030	200-SC	33.05	15.18	38.4	49.7
390.20 Fleet Service Center Building	2025	200-SC	37.14	11.32	29.9	38.6	2025	200-SC	27.87	10.36	26.2	33.8
390.30 Central Stores Building	2035	200-SC	50.54	20.87	92.1	93.8	2035	200-SC	49.73	19.93	91.0	92.7
396.00 Power Operated Equipment	24.00	L0	25.98	17.03	22.0	20.0	24.00	L0	26.04	17.28	21.7	20.0
397.40 Communication Towers	40.00	R3	40.24	25.69	5.5	5.0	40.00	R3	40.29	24.87	5.5	5.0
Total Depreciable									42.57	24.72	26.3	27.6
Amortizable												
391.00 Office Furniture	15.00	SQ	15.00	5.74			15.00	SQ	15.00	5.53		
391.10 Office Equipment	10.00	SQ	10.00	3.88			10.00	SQ	10.00	4.34		
391.20 Duplicating Equipment	10.00	SQ	10.00	2.17			10.00	SQ	10.00	3.53		
391.50 Computer Systems	5.00	SQ	5.00	2.12			5.00	SQ	5.00	1.72		
391.60 Computer Related Equipment	5.00	SQ	5.00	2.19			5.00	SQ	5.00	1.81		
394.00 Tools, Shop and Garage Equipment	15.00	SQ	15.00	9.25			15.00	SQ	15.00	8.87		
394.20 Automated Meter Reading Equipment	15.00	SQ	15.00	8.50			15.00	SQ	15.00	7.66		
397.00 Communication Equipment	15.00	SQ	15.00	10.31			15.00	SQ	15.00	9.26		

OTTER TAIL POWER COMPANY

Proposed Parameters
Vintage Group Procedure

Statement F

Account Description	Current Parameters						Proposed Parameters						
	P-Life/ AYFR	Curve Shape	VG ASL	Rem. Life	Avg. Sal.	Fut. Sal.	P-Life/ AYFR	Curve Shape	VG ASL	Rem. Life	Avg. Sal.	Fut. Sal.	
	A	B	C	D	E	F	G	H	I	J	K	L	M
397.10 Radio Telecommunication Equipment	10.00	SQ	10.00	5.69			10.00	SQ	10.00	5.83			
397.20 Microwave Equipment	15.00	SQ	15.00	7.82			15.00	SQ	15.00	8.08			
397.30 Radio Load Control Equipment	10.00	SQ	10.00	5.94			10.00	SQ	10.00	6.40			
Total Amortizable										8.96	4.28		
Total General Plant										17.60	9.53	10.1	17.1
TOTAL UTILITY										36.46	24.63	-11.8	-13.6
STEAM PRODUCTION													
Big Stone													
311.00 Structures and Improvements	2046	200-SC	59.84	31.07	-11.8	-11.8	2046	200-SC	60.88	30.15	-11.8	-11.8	
312.00 Boiler Plant Equipment	2046	200-SC	48.79	31.11	-13.9	-11.8	2046	200-SC	48.46	30.19	-13.9	-11.8	
314.00 Turbogenerator Units	2046	200-SC	44.61	31.13	-6.9	-11.8	2046	200-SC	44.26	30.21	-7.0	-11.8	
315.00 Accessory Electric Equipment	2046	200-SC	54.03	31.09	-12.5	-11.8	2046	200-SC	53.30	30.17	-12.5	-11.8	
316.00 Miscellaneous Power Plant Equipment	2046	200-SC	48.03	31.11	-6.9	-11.4	2046	200-SC	47.27	30.19	-6.9	-11.4	
Total Big Stone										49.32	30.19	-12.0	-11.8
Hoot Lake Units 2 and 3													
311.00 Structures and Improvements	2020	200-SC	35.51	6.44	-18.6	-14.1	2021	200-SC	36.74	6.44	-17.2	-12.7	
312.00 Boiler Plant Equipment	2020	200-SC	17.75	6.45	-16.8	-14.1	2021	200-SC	14.70	6.45	-15.4	-12.7	
314.00 Turbogenerator Units	2020	200-SC	29.81	6.44	-12.7	-14.1	2021	200-SC	23.59	6.44	-11.5	-12.7	
315.00 Accessory Electric Equipment	2020	200-SC	24.25	6.44	-15.8	-14.1	2021	200-SC	26.40	6.44	-14.5	-12.7	
316.00 Miscellaneous Power Plant Equipment	2020	200-SC	15.46	6.45	-6.5	-14.1	2021	200-SC	16.36	6.45	-5.2	-12.6	
Total Hoot Lake Units 2 and 3										17.25	6.45	-14.6	-12.7
Coyote													
311.00 Structures and Improvements	2041	200-SC	52.64	26.48	-8.7	-8.6	2041	200-SC	52.50	25.55	-8.7	-8.6	
312.00 Boiler Plant Equipment	2041	200-SC	49.16	26.49	-8.3	-8.6	2041	200-SC	48.94	25.56	-8.3	-8.6	
314.00 Turbogenerator Units	2041	200-SC	39.29	26.52	0.2	-8.6	2041	200-SC	39.24	25.59	0.2	-8.6	
315.00 Accessory Electric Equipment	2041	200-SC	47.92	26.50	-8.3	-8.6	2041	200-SC	47.93	25.56	-8.3	-8.6	
316.00 Miscellaneous Power Plant Equipment	2041	200-SC	39.59	26.51	-2.5	-8.3	2041	200-SC	39.13	25.58	-2.5	-8.3	
Total Coyote										47.65	25.56	-6.8	-8.6

OTTER TAIL POWER COMPANY

Statement F

Proposed Parameters
Vintage Group Procedure

Account Description	Current Parameters						Proposed Parameters					
	P-Life/ AYFR	Curve Shape	VG ASL	Rem. Life	Avg. Sal.	Fut. Sal.	P-Life/ AYFR	Curve Shape	VG ASL	Rem. Life	Avg. Sal.	Fut. Sal.
A	B	C	D	E	F	G	H	I	J	K	L	M
HYDRAULIC PRODUCTION												
<u>Hoot Lake</u>												
331.00 Structures and Improvements	2021	200-SC	60.89	7.42			2021	200-SC	61.02	6.44		
332.00 Reservoirs, Dams and Waterways	2021	200-SC	29.81	7.43	-0.1		2021	200-SC	29.85	6.44	-0.1	
333.00 Water Wheels, Turbines & Generators	2021	200-SC	35.93	7.42			2021	200-SC	36.00	6.44		
334.00 Accessory Electric Equipment	2021	200-SC	30.56	7.43			2021	200-SC	30.62	6.44		
335.00 Miscellaneous Power Plant Equipment	2021	200-SC	8.90	7.43			2021	200-SC	8.91	6.45		
Total Hoot Lake									26.91	6.44		
<u>Wright</u>												
331.00 Structures and Improvements	2021	200-SC	30.57	7.43			2021	200-SC	30.62	6.44		
332.00 Reservoirs, Dams and Waterways	2021	200-SC	19.47	7.43	-1.7		2021	200-SC	9.58	6.45	27.2	
333.00 Water Wheels, Turbines & Generators	2021	200-SC	18.74	7.43			2021	200-SC	9.28	6.45	-3.6	
334.00 Accessory Electric Equipment	2021	200-SC	17.72	7.43			2021	200-SC	17.75	6.45		
335.00 Miscellaneous Power Plant Equipment	2021	200-SC	12.19	7.43	-0.7		2021	200-SC	12.19	6.45	-0.7	
Total Wright									10.23	6.45	12.4	
<u>Pisgah</u>												
331.00 Structures and Improvements	2021	200-SC	38.54	7.42			2021	200-SC	38.62	6.44		
332.00 Reservoirs, Dams and Waterways	2021	200-SC	13.37	7.43			2021	200-SC	12.95	6.45		
333.00 Water Wheels, Turbines & Generators	2021	200-SC	15.83	7.43	-15.0		2021	200-SC	15.85	6.45	-15.0	
334.00 Accessory Electric Equipment	2021	200-SC	17.89	7.43	-0.3		2021	200-SC	17.81	6.45	-0.3	
335.00 Miscellaneous Power Plant Equipment	2021	200-SC	8.90	7.43	-0.6		2021	200-SC	8.91	6.45	-0.6	
Total Pisgah									13.64	6.45	-3.4	
<u>Dayton Hollow</u>												
331.00 Structures and Improvements	2021	200-SC	9.92	7.43			2021	200-SC	9.92	6.45		
332.00 Reservoirs, Dams and Waterways	2021	200-SC	10.69	7.43	-10.3		2021	200-SC	10.67	6.45	-10.2	
333.00 Water Wheels, Turbines & Generators	2021	200-SC	14.13	7.43	-10.2		2021	200-SC	14.14	6.45	-10.2	
334.00 Accessory Electric Equipment	2021	200-SC	21.25	7.43	0.1		2021	200-SC	21.28	6.45	0.1	
335.00 Miscellaneous Power Plant Equipment	2021	200-SC	8.92	7.43	-0.2		2021	200-SC	8.93	6.45	-0.2	
Total Dayton Hollow									11.48	6.45	-8.5	

OTTER TAIL POWER COMPANY

Statement F

Proposed Parameters
Vintage Group Procedure

Account Description	Current Parameters						Proposed Parameters					
	P-Life/ AYFR	Curve Shape	VG ASL	Rem. Life	Avg. Sal.	Fut. Sal.	P-Life/ AYFR	Curve Shape	VG ASL	Rem. Life	Avg. Sal.	Fut. Sal.
A	B	C	D	E	F	G	H	I	J	K	L	M
Taplin Gorge												
331.00 Structures and Improvements	2021	200-SC	73.93	7.42			2021	200-SC	74.10	6.44		
332.00 Reservoirs, Dams and Waterways	2021	200-SC	16.26	7.43	-4.8		2021	200-SC	16.27	6.45	-4.8	
333.00 Water Wheels, Turbines & Generators	2021	200-SC	81.51	7.41			2021	200-SC	81.70	6.44		
334.00 Accessory Electric Equipment	2021	200-SC	22.08	7.43	-0.3		2021	200-SC	22.12	6.45	-0.3	
335.00 Miscellaneous Power Plant Equipment	2021	200-SC	11.71	7.43	-0.4		2021	200-SC	11.72	6.45	-0.4	
Total Taplin Gorge									16.57	6.45	-3.6	
Bemidji												
331.00 Structures and Improvements	2021	200-SC	13.15	7.43	-0.1		2021	200-SC	13.16	6.45	-0.1	
332.00 Reservoirs, Dams and Waterways	2021	200-SC	13.11	7.43	-0.6		2021	200-SC	13.09	6.45	-0.6	
333.00 Water Wheels, Turbines & Generators	2021	200-SC	19.56	7.43	-11.2		2021	200-SC	19.59	6.45	-11.2	
334.00 Accessory Electric Equipment	2021	200-SC	72.90	7.42	-17.7		2021	200-SC	72.95	6.44	-17.7	
335.00 Miscellaneous Power Plant Equipment	2021	200-SC	11.85	7.43	-5.5		2021	200-SC	11.86	6.45	-5.5	
Total Bemidji									14.29	6.45	-3.2	
OTHER PRODUCTION												
Jamestown												
341.00 Structures and Improvements			23.58	9.38	-1.5	-1.4			23.60	8.41	-1.5	-1.4
342.00 Fuel Holders and Accessories			17.07	9.39	-4.8	-1.4			17.06	8.41	-4.8	-1.4
343.00 Prime Movers			35.44	9.38	-2.9	-1.4			35.48	8.40	-2.9	-1.4
344.00 Generators												
345.00 Accessory Electric Equipment			28.82	9.39	2.1	-1.4			28.85	8.41	2.1	-1.4
346.00 Miscellaneous Power Plant Equipment			18.61	9.39	-1.0	-1.4			18.62	8.41	-1.0	-1.4
Total Jamestown									32.42	8.40	-2.8	-1.4
Jamestown Unit 1												
341.00 Structures and Improvements	2023	200-SC	24.42	9.38	-1.6	-1.4	2023	200-SC	24.44	8.41	-1.6	-1.4
342.00 Fuel Holders and Accessories	2023	200-SC	16.46	9.39	-4.8	-1.4	2023	200-SC	16.47	8.41	-4.8	-1.4
343.00 Prime Movers	2023	200-SC	32.70	9.38	-4.1	-1.4	2023	200-SC	32.73	8.40	-4.1	-1.4
344.00 Generators												
345.00 Accessory Electric Equipment	2023	200-SC	46.75	9.38	-1.1	-1.4	2023	200-SC	46.84	8.40	-1.1	-1.4
346.00 Miscellaneous Power Plant Equipment	2023	200-SC	17.27	9.39	-1.1	-1.4	2023	200-SC	17.28	8.41	-1.1	-1.4
Total Jamestown Unit 1									29.00	8.40	-3.8	-1.4

OTTER TAIL POWER COMPANY

Statement F

Proposed Parameters
Vintage Group Procedure

Account Description	Current Parameters						Proposed Parameters					
	P-Life/ AYFR	Curve Shape	VG ASL	Rem. Life	Avg. Sal.	Fut. Sal.	P-Life/ AYFR	Curve Shape	VG ASL	Rem. Life	Avg. Sal.	Fut. Sal.
	A	B	C	D	E	F	G	H	I	J	K	L
Jamestown Unit 2												
341.00 Structures and Improvements	2023	200-SC	16.98	9.39	-1.4	-1.4	2023	200-SC	17.00	8.41	-1.4	-1.4
342.00 Fuel Holders and Accessories	2023	200-SC	27.65	9.38	-4.6	-1.4	2023	200-SC	26.95	8.40	-4.6	-1.4
343.00 Prime Movers	2023	200-SC	37.83	9.38	-2.0	-1.4	2023	200-SC	37.88	8.40	-2.0	-1.4
344.00 Generators												
345.00 Accessory Electric Equipment	2023	200-SC	15.32	9.39	8.0	-1.4	2023	200-SC	15.33	8.41	8.0	-1.4
346.00 Miscellaneous Power Plant Equipment	2023	200-SC	37.45	9.38	-0.5	-1.4	2023	200-SC	37.52	8.40	-0.5	-1.4
Total Jamestown Unit 2									36.53	8.40	-1.9	-1.4
Lake Preston												
341.00 Structures and Improvements	2023	200-SC	29.08	9.38	-2.4	-2.4	2023	200-SC	29.12	8.40	-2.4	-2.4
342.00 Fuel Holders and Accessories	2023	200-SC	28.17	9.38	-2.7	-2.4	2023	200-SC	28.17	8.40	-2.7	-2.4
343.00 Prime Movers	2023	200-SC	39.06	9.38	-2.5	-2.4	2023	200-SC	39.12	8.40	-2.5	-2.4
344.00 Generators												
345.00 Accessory Electric Equipment	2023	200-SC	41.87	9.38	-2.4	-2.4	2023	200-SC	41.94	8.40	-2.4	-2.4
346.00 Miscellaneous Power Plant Equipment	2023	200-SC	38.91	9.38	8.2	-2.4	2023	200-SC	38.99	8.40	8.2	-2.4
Total Lake Preston									37.47	8.40	-2.4	-2.4
Ashtabula Wind Generation												
341.00 Structures and Improvements	2033	200-SC	24.26	19.02	-1.2	-1.2	2033	200-SC	24.27	18.07	-1.2	-1.2
342.00 Fuel Holders and Accessories												
343.00 Prime Movers												
344.00 Generators	2033	200-SC	24.19	19.02	-1.2	-1.2	2033	200-SC	24.17	18.07	-1.2	-1.2
345.00 Accessory Electric Equipment	2033	200-SC	24.15	19.02	-1.2	-1.2	2033	200-SC	24.16	18.07	-1.2	-1.2
346.00 Miscellaneous Power Plant Equipment	2033	200-SC	20.45	19.02	-1.2	-1.2	2033	200-SC	20.46	18.07	-1.2	-1.2
Total Ashtabula Wind Generation									24.17	18.07	-1.2	-1.2
Langdon Wind Generation												
341.00 Structures and Improvements	2032	200-SC	24.27	18.07	-1.5	-1.5	2032	200-SC	24.29	17.11	-1.5	-1.5
342.00 Fuel Holders and Accessories												
343.00 Prime Movers												
344.00 Generators	2032	200-SC	24.19	18.07	-1.5	-1.5	2032	200-SC	24.15	17.11	-1.5	-1.5
345.00 Accessory Electric Equipment	2032	200-SC	23.62	18.07	-1.5	-1.5	2032	200-SC	23.80	17.11	-1.5	-1.5
346.00 Miscellaneous Power Plant Equipment	2032	200-SC	19.50	18.07	-1.5	-1.5	2032	200-SC	19.38	17.12	-1.5	-1.5
Total Langdon Wind Generation									24.12	17.11	-1.5	-1.5

OTTER TAIL POWER COMPANY

Statement F

Proposed Parameters
Vintage Group Procedure

Account Description	Current Parameters						Proposed Parameters					
	P-Life/ AYFR	Curve Shape	VG ASL	Rem. Life	Avg. Sal.	Fut. Sal.	P-Life/ AYFR	Curve Shape	VG ASL	Rem. Life	Avg. Sal.	Fut. Sal.
A	B	C	D	E	F	G	H	I	J	K	L	M
<u>Luverne Wind Generation</u>												
341.00 Structures and Improvements	2034	200-SC	24.24	19.97	-2.0	-2.0	2034	200-SC	24.26	19.02	-2.0	-2.0
342.00 Fuel Holders and Accessories												
343.00 Prime Movers												
344.00 Generators	2034	200-SC	24.19	19.97	-2.0	-2.0	2034	200-SC	24.18	19.02	-2.0	-2.0
345.00 Accessory Electric Equipment	2034	200-SC	24.22	19.97	-2.0	-2.0	2034	200-SC	24.25	19.02	-2.0	-2.0
346.00 Miscellaneous Power Plant Equipment	2034	200-SC	21.40	19.97	-2.0	-2.0	2034	200-SC	20.58	19.02	-2.0	-2.0
Total Luverne Wind Generation									24.18	19.02	-2.0	-2.0
<u>Solway Combustion Turbine</u>												
341.00 Structures and Improvements	2038	200-SC	33.36	23.73	-0.4	-0.4	2038	200-SC	32.95	22.79	-0.4	-0.4
342.00 Fuel Holders and Accessories	2038	200-SC	33.42	23.73	-0.4	-0.4	2038	200-SC	33.45	22.79	-0.4	-0.4
343.00 Prime Movers	2038	200-SC	33.45	23.73	-0.4	-0.4	2038	200-SC	33.22	22.79	-0.4	-0.4
344.00 Generators												
345.00 Accessory Electric Equipment	2038	200-SC	33.59	23.73	-0.4	-0.4	2038	200-SC	33.22	22.79	-0.4	-0.4
346.00 Miscellaneous Power Plant Equipment	2038	200-SC	32.06	23.73	-0.4	-0.4	2038	200-SC	32.09	22.79	-0.4	-0.4
Total Solway Combustion Turbine									33.17	22.79	-0.4	-0.4
<u>Fergus Falls Control Center</u>												
341.00 Structures and Improvements												
342.00 Fuel Holders and Accessories												
343.00 Prime Movers	2030	200-SC	33.90	16.14	0.6		2030	200-SC	33.94	15.18	0.6	
344.00 Generators												
345.00 Accessory Electric Equipment												
346.00 Miscellaneous Power Plant Equipment												
Total Fergus Falls Control Center									33.94	15.18	0.6	

OTTER TAIL POWER COMPANY
Plant Activity for 2014

Statement G

Account Description	Beginning Balance	Additions	Retirements	Adjustments	Transfers	Ending Balance
A	B	C	D	E	F	G
STEAM PRODUCTION						
311.00 Structures and Improvements	\$ 61,995,887	\$ 335,041	\$ 338,186		(\$774,763)	\$ 61,217,980
312.00 Boiler Plant Equipment	203,418,208	8,025,484	917,334		4,805	210,531,164
314.00 Turbo Generator Units	63,168,000	1,220,997	385,276		774,763	64,778,484
315.00 Accessory Electric Equipment	23,976,144	160,385	80,906			24,055,622
316.00 Misc. Power Plant Equipment	5,420,911	104,523	55,064		(4,805)	5,465,565
Total Steam Production	\$ 357,979,150	\$ 9,846,431	\$ 1,776,765		(\$0)	\$ 366,048,815
HYDRAULIC PRODUCTION						
331.00 Structures and Improvements	\$ 351,712					\$ 351,712
332.00 Reservoirs, Dams and Waterways	3,709,279	555,797	1,015			4,264,061
333.00 Water Wheels, Turbines and Gen.	1,057,186	323,709	7,028			1,373,867
334.00 Accessory Electric Equipment	592,400					592,400
335.00 Misc. Power Plant Equipment	442,624					442,624
Total Hydraulic Production	\$ 6,153,201	\$ 879,506	\$ 8,043			\$ 7,024,664
OTHER PRODUCTION						
341.00 Structures and Improvements	\$ 12,812,004	\$ 134,205				\$ 12,946,209
342.00 Fuel Holders and Accessories	1,748,266					1,748,266
343.00 Prime Movers	31,687,155	359,027	236,487			31,809,695
344.00 Generators	240,974,741	1,079,476	809,186			241,245,031
345.00 Accessory Electric Equipment	20,708,615	(116,278)			(68,273)	20,524,064
346.00 Misc. Power Plant Equipment	492,263	30,405			68,273	590,942
Total Other Production	\$ 308,423,044	\$ 1,486,836	\$ 1,045,674			\$ 308,864,206
TRANSMISSION PLANT						
353.00 Station Equipment	\$ 78,145,172	\$ 2,873,013	\$ 1,458,601		\$ (13,095)	\$ 79,546,489
354.00 Towers and Fixtures	12,357,116	32,545,046			(2,685)	44,899,477
355.00 Poles and Fixtures	94,749,175	5,140,462	174,603		(18,516)	99,696,518
356.00 Overhead Conductors and Devices	81,883,560	9,762,122	97,749		(5,786)	91,542,146
358.00 Underground Conductors and Devices	77,461					77,461
Total Transmission Plant	\$ 267,212,483	\$ 50,320,642	\$ 1,730,953		\$ (40,082)	\$ 315,762,090

OTTER TAIL POWER COMPANY
Plant Activity for 2014

Statement G

Account Description	Beginning Balance	Additions	Retirements	Adjustments	Transfers	Ending Balance
A	B	C	D	E	F	G
DISTRIBUTION PLANT						
362.00 Station Equipment	\$ 71,102,531	\$ 4,021,274	\$ 801,649		\$ 12,509	\$ 74,334,664
364.00 Poles, Towers and Fixtures	66,399,850	1,617,647	125,969		21,201	67,912,729
365.00 Overhead Conductors and Devices	47,102,104	1,284,302	190,655		5,786	48,201,537
367.00 Underground Conductors and Devices	65,847,397	3,636,141	311,061			69,172,477
368.00 Line Transformers	80,132,409	5,775,912	544,924		2,900	85,366,296
369.00 Overhead Services	12,293,487	352,489	15,285			12,630,691
369.10 Underground Services	36,340,210	1,671,547	32,070			37,979,687
370.00 Meters	22,997,266	1,194,045	527,666			23,663,645
370.10 Load Management Switches	8,715,047		13,225			8,701,822
370.20 Interruption Monitors	645,863		568,007			77,857
371.20 Other Private Lighting	4,276,194	245,127	172,377			4,348,944
373.00 Street Lighting and Signal Systems	4,843,334	228,380	89,048			4,982,666
Total Distribution Plant	\$ 420,695,692	\$ 20,026,864	\$ 3,391,936		\$ 42,396	\$ 437,373,015
GENERAL PLANT						
390.00 Structures and Improvements	\$ 19,669,126	\$ 198,730	\$ 141,961			\$ 19,725,895
390.10 General Office Buildings	5,502,085	259,057	51,085			5,710,057
390.20 Fleet Service Center Buildings	815,591	126,792	10,914			931,469
390.30 Central Stores Building	3,974,861	47,676				4,022,537
391.00 Office Furniture	1,442,327	112,462	35,000			1,519,789
391.10 Office Equipment	1,005,443	68,502	245,147			828,799
391.20 Duplicating Equipment	681,709	53,041	333,615			401,136
391.50 Computer Systems	3,429,426	864,525	48,783			4,245,167
391.60 Computer Related Equipment	1,410,318	391,380				1,801,698
394.00 Tools, Shop and Garage Equipment	3,597,109	285,002	75,919			3,806,191
394.20 Automated Meter Reading Equipment	589,444	14,193				603,637
396.00 Power Operated Equipment	573,119	44,350	12,406			605,062
397.00 Communication Equipment	908,134	(9,811)			(2,314)	896,010
397.10 Radio Telecommunications Equipment	1,473,619	160	265,122			1,208,657
397.20 Microwave Equipment	4,017,927	542,008	182,713			4,377,222
397.30 Radio Load Control Equipment	403,080		85,221			317,859
397.40 Communication Equipment - Towers	1,878,966	357				1,879,323
Total General Plant	\$ 51,372,283	\$ 2,998,424	\$ 1,487,886		\$ (2,314)	\$ 52,880,507
TOTAL DEPRECIABLE PLANT	\$ 1,411,835,853	\$ 85,558,702	\$ 9,441,257		\$ (0)	\$ 1,487,953,298

OTTER TAIL POWER COMPANY
Analysis of Depreciation Reserve for 2014

Statement H

Account Description A	Beginning Balance B	Credits		Debits		Other Credits (Debits) G	Ending Balance H
		Accruals C	Gross Salvage D	Retirements E	Cost of Removal F		
STEAM PRODUCTION							
311.00 Structures and Improvements	\$ 47,105,320	\$ 1,069,112		\$ 338,186	\$ 33,951	(\$127,662)	\$ 47,674,634
312.00 Boiler Plant Equipment	128,975,115	6,328,847	10,645	917,334	208,884	3,677	134,192,065
314.00 Turbo Generator Units	38,159,750	1,880,280		385,276	26,805	127,662	39,755,612
315.00 Accessory Electric Equipment	16,355,245	561,652		80,906	8,826		16,827,164
316.00 Misc. Power Plant Equipment	3,058,681	195,786	974	55,064	72.16	(3,677)	3,196,628
Total Steam Production	\$ 233,654,111	\$ 10,035,677	\$ 11,618	\$ 1,776,765	\$ 278,538	(\$0)	\$ 241,646,103
HYDRAULIC PRODUCTION							
331.00 Structures and Improvements	\$ 195,041	\$ 18,631					\$ 213,672
332.00 Reservoirs, Dams and Waterways	1,330,902	285,858		1,015	24,132		1,591,613
333.00 Water Wheels, Turbines and Gen.	578,973	56,865	275,000	7,028	20,000		883,809
334.00 Accessory Electric Equipment	355,876	28,126					384,002
335.00 Misc. Power Plant Equipment	77,895	43,368					121,264
Total Hydraulic Production	\$ 2,538,687	\$ 432,848	\$ 275,000	\$ 8,043	\$ 44,132		\$ 3,194,359
OTHER PRODUCTION							
341.00 Structures and Improvements	\$ 3,290,652	\$ 464,499					\$ 3,755,151
342.00 Fuel Holders and Accessories	715,272	62,226					777,498
343.00 Prime Movers	14,963,458	800,675		236,487	20,000		15,507,645
344.00 Generators	46,740,428	9,922,219	3,800	809,186	38,500		55,818,760
345.00 Accessory Electric Equipment	4,531,405	825,972				(3,487)	5,353,889
346.00 Misc. Power Plant Equipment	145,882	20,479				3,487	169,849
Total Other Production	\$ 70,387,097	\$ 12,096,069	\$ 3,800	\$ 1,045,674	\$ 58,500		\$ 81,382,792
TRANSMISSION PLANT							
353.00 Station Equipment	\$ 18,727,481	\$ 1,180,525	\$ 6,458	\$ 1,458,601	\$ 7,376	\$ (4,514)	\$ 18,443,973
354.00 Towers and Fixtures	2,515,011	801,781				(16)	3,316,776
355.00 Poles and Fixtures	43,537,901	1,801,578	73,101	174,603	91,935	(14,750)	45,131,292
356.00 Overhead Conductors and Devices	34,845,569	1,421,400	59,080	97,749	29,756	(4,021)	36,194,522
358.00 Underground Conductors and Devices	69,283	1,110					70,392
Total Transmission Plant	\$ 99,695,245	\$ 5,206,393	\$ 138,638	\$ 1,730,953	\$ 129,067	\$ (23,300)	\$ 103,156,956

OTTER TAIL POWER COMPANY
Analysis of Depreciation Reserve for 2014

Statement H

Account Description	Beginning Balance	Credits		Debits		Other Credits (Debits)	Ending Balance
		Accruals	Gross Salvage	Retirements	Cost of Removal		
A	B	C	D	E	F	G	H
DISTRIBUTION PLANT							
362.00 Station Equipment	\$ 19,464,909	\$ 1,509,323	\$ 406,551	\$ 801,649	\$ 166,634	\$ 4,906	\$ 20,417,406
364.00 Poles, Towers and Fixtures	36,372,123	1,653,468	128,136	125,969	268,760	14,765	37,773,763
365.00 Overhead Conductors and Devices	36,262,658	1,315,774	81,586	190,655	131,781	4,021	37,341,602
367.00 Underground Conductors and Devices	31,353,061	1,540,613	186,035	311,061	52,015		32,716,632
368.00 Line Transformers	11,876,411	1,023,572	605,489	544,924	269,270	2	12,691,280
369.00 Overhead Services	13,830,225	510,436		15,285	82,000		14,243,376
369.10 Underground Services	14,724,653	949,656	48	32,070	21,925		15,620,362
370.00 Meters	7,911,103	745,774	1,944	527,666			8,131,156
370.10 Load Management Switches	4,850,031	873,584		13,225			5,710,390
370.20 Interruption Monitors	637,499	(12,084)		568,007			57,408
371.20 Other Private Lighting	1,070,551	164,620	11,812	172,377	5,669		1,068,937
373.00 Street Lighting and Signal Systems	2,623,357	162,539	3,125	89,048	7,167		2,692,808
Total Distribution Plant	\$ 180,976,581	\$ 10,437,274	\$ 1,424,727	\$ 3,391,936	\$ 1,005,221	\$ 23,695	\$ 188,465,119
GENERAL PLANT							
390.00 Structures and Improvements	\$ 4,790,670	\$ 404,926	\$ 100	\$ 141,961			\$ 5,053,735
390.10 General Office Buildings	2,462,822	12,996		51,085			2,424,733
390.20 Fleet Service Center Buildings	501,506	(60)		10,914			490,532
390.30 Central Stores Building	2,061,336	(86,521)					1,974,815
391.00 Office Furniture	884,598	100,041		35,000			949,639
391.10 Office Equipment	602,417	96,941		245,147			454,212
391.20 Duplicating Equipment	530,526	50,634		333,615			247,545
391.50 Computer Systems	1,536,170	771,526		48,783			2,258,913
391.60 Computer Related Equipment	659,850	308,156					968,006
394.00 Tools, Shop and Garage Equipment	1,367,722	249,089		75,919			1,540,891
394.20 Automated Meter Reading Equipment	260,358	39,296					299,654
396.00 Power Operated Equipment	195,121	16,439	500	12,406			199,653
397.00 Communication Equipment	268,204	59,945				(394)	327,755
397.10 Radio Telecommunications Equipment	595,616	146,779		265,122			477,274
397.20 Microwave Equipment	1,875,016	265,184		182,713			1,957,486
397.30 Radio Load Control Equipment	148,211	35,995		85,221			98,985
397.40 Communication Equipment - Towers	777,995	40,207					818,202
Total General Plant	\$ 19,518,138	\$ 2,511,572	\$ 600	\$ 1,487,886	\$ -	\$ (394)	\$ 20,542,030
TOTAL DEPRECIABLE PLANT	\$ 606,769,859	\$ 40,719,833	\$ 1,854,383	\$ 9,441,257	\$ 1,515,459	\$ (0)	\$ 638,387,359

OTTER TAIL POWER COMPANY
Summary of Annual Depreciation Accruals for 2014

Statement I

Account Description A	Beginning Plant Balance B	Est. Future Net Salvage		Beginning Depreciation Reserve E	Net Balance F=B-D-E	Projection Life (Yrs.) G	Remaining Life (Yrs.) H	Annual Accrual I=F/H	Accrual Rate J=I/B
		Percent C	Amount D						
STEAM PRODUCTION									
311.00 Structures and Improvements	\$ 61,995,887	-10.4%	\$ (6,447,572)	\$ 47,105,320	\$ 21,338,139		25.98	\$ 821,329	1.32%
312.00 Boiler Plant Equipment	203,418,208	-10.9%	(22,172,585)	128,975,115	96,615,678		21.52	4,489,576	2.21%
314.00 Turbo Generator Units	63,168,000	-11.2%	(7,074,816)	38,159,750	32,083,066		24.51	1,308,979	2.07%
315.00 Accessory Electric Equipment	23,976,144	-10.6%	(2,541,471)	16,355,245	10,162,370		26.80	379,193	1.58%
316.00 Misc. Power Plant Equipment	5,420,911	-11.0%	(596,300)	3,058,681	2,958,530		21.16	139,817	2.58%
Total Steam Production	\$ 357,979,150	-10.8%	\$ (38,832,744)	\$ 233,654,111	\$ 163,157,784		22.85	\$ 7,138,894	1.99%
HYDRAULIC PRODUCTION									
331.00 Structures and Improvements	\$ 351,712		\$ -	\$ 195,041	\$ 156,671		8.41	\$ 18,629	5.30%
332.00 Reservoirs, Dams and Waterways	3,709,279			1,330,902	2,378,377		8.41	282,803	7.62%
333.00 Water Wheels, Turbines and Gen.	1,057,186			578,973	478,213		8.41	56,862	5.38%
334.00 Accessory Electric Equipment	592,400			355,876	236,524		8.41	28,124	4.75%
335.00 Misc. Power Plant Equipment	442,624			77,895	364,729		8.41	43,368	9.80%
Total Hydraulic Production	\$ 6,153,201		\$ -	\$ 2,538,687	\$ 3,614,514		8.41	\$ 429,788	6.98%
OTHER PRODUCTION									
341.00 Structures and Improvements	\$ 12,812,004	-1.2%	\$ (153,744)	\$ 3,290,652	\$ 9,675,096		20.93	\$ 462,260	3.61%
342.00 Fuel Holders and Accessories	1,748,266	-1.0%	(17,483)	715,272	1,050,476		16.77	62,640	3.58%
343.00 Prime Movers	31,687,155	-0.8%	(253,497)	14,963,458	16,977,195		20.33	835,081	2.64%
344.00 Generators	240,974,741	-1.5%		46,740,428	194,234,313		19.96	9,731,178	4.04%
345.00 Accessory Electric Equipment	20,708,615	-1.5%	(310,629)	4,531,405	16,487,839		19.88	829,368	4.00%
346.00 Misc. Power Plant Equipment	492,263	-0.9%	(4,430)	145,882	350,811		19.57	17,926	3.64%
Total Other Production	\$ 308,423,044		\$ (739,784)	\$ 70,387,097	\$ 238,775,730		20.00	\$ 11,938,453	3.87%
TRANSMISSION PLANT									
353.00 Station Equipment	\$ 78,145,172	-5.0%	\$ (3,907,259)	\$ 18,727,481	\$ 63,324,949	65.00	53.06	\$ 1,193,459	1.53%
354.00 Towers and Fixtures	12,357,116	-10.0%	(1,235,712)	2,515,011	11,077,817	70.00	37.90	292,291	2.37%
355.00 Poles and Fixtures	94,749,175	-50.0%	(47,374,588)	43,537,901	98,585,862	70.00	55.58	1,773,765	1.87%
356.00 Overhead Conductors and Devices	81,883,560	-30.0%	(24,565,068)	34,845,569	71,603,059	70.00	53.25	1,344,658	1.64%
358.00 Underground Conductors and Devices	77,461	-5.0%	(3,873)	69,283	12,051	40.00	10.86	1,110	1.43%
Total Transmission Plant	\$ 267,212,483	-28.8%	\$ (77,086,499)	\$ 99,695,245	\$ 244,603,737		53.11	\$ 4,605,283	1.72%

OTTER TAIL POWER COMPANY
Summary of Annual Depreciation Accruals for 2014

Statement I

Account Description	Beginning Plant	Est. Future Net Salvage		Beginning Depreciation	Net	Projection	Remaining	Annual	Accrual
	Balance	Percent	Amount	Reserve	Balance	Life (Yrs.)	Life (Yrs.)	Accrual	Rate
A	B	C	D	E	F=B-D-E	G	H	I=F/H	J=I/B
DISTRIBUTION PLANT									
362.00 Station Equipment	\$ 71,102,531	5.0%	\$ 3,555,127	\$ 19,464,909	\$ 48,082,495	40.00	32.22	\$ 1,492,318	2.10%
364.00 Poles, Towers and Fixtures	66,399,850	-75.0%	(49,799,888)	36,372,123	79,827,615	68.00	48.68	1,639,844	2.47%
365.00 Overhead Conductors and Devices	47,102,104	-100.0%	(47,102,104)	36,262,658	57,941,551	65.00	44.33	1,307,051	2.77%
367.00 Underground Conductors and Devices	65,847,397	-5.0%	(3,292,370)	31,353,061	37,786,706	40.00	24.81	1,523,043	2.31%
368.00 Line Transformers	80,132,409	50.0%	40,066,204	11,876,411	28,189,794	40.00	28.19	999,993	1.25%
369.00 Overhead Services	12,293,487	-150.0%	(18,440,230)	13,830,225	16,903,491	55.00	33.52	504,281	4.10%
369.10 Underground Services	36,340,210	-20.0%	(7,268,042)	14,724,653	28,883,599	45.00	30.89	935,047	2.57%
370.00 Meters	22,997,266			7,911,103	15,086,162	28.00	20.64	730,919	3.18%
370.10 Load Management Switches	8,715,047			4,850,031	3,865,016	12.00	4.42	874,438	10.03%
370.20 Interruption Monitors*	645,863			637,499	8,365	5.00	1.00	8,365	1.30%
371.20 Other Private Lighting	4,276,194	10.0%	427,619	1,070,551	2,778,024	23.00	17.10	162,458	3.80%
373.00 Street Lighting and Signal Systems	4,843,334	-5.0%	(242,167)	2,623,357	2,462,143	22.00	15.43	159,569	3.29%
Total Distribution Plant	\$ 420,695,692	-19.5%	\$ (82,095,850)	\$ 180,976,581	\$ 321,814,961		31.13	\$ 10,337,324	2.46%
GENERAL PLANT									
390.00 Structures and Improvements	\$ 19,669,126	10.0%	\$ 1,966,913	\$ 4,790,670	\$ 12,911,544	47.00	31.91	\$ 404,624	2.06%
390.10 General Office Buildings	5,502,085	51.2%	2,817,068	2,462,822	222,195		17.10	12,994	0.24%
390.20 Fleet Service Center Buildings	815,591	38.6%	314,818	501,506	(733)		12.29	(60)	-0.01%
390.30 Central Stores Building	3,974,861	95.5%	3,795,992	2,061,336	(1,882,467)		21.81	(86,312)	-2.17%
391.00 Office Furniture*	1,442,327			884,598	557,729	15.00		96,155	6.67%
391.10 Office Equipment*	1,005,443			602,417	403,026	10.00		100,544	10.00%
391.20 Duplicating Equipment*	681,709			530,526	151,183	10.00		68,171	10.00%
391.50 Computer Systems*	3,429,426			1,536,170	1,893,255	5.00		685,885	20.00%
391.60 Computer Related Equipment*	1,410,318			659,850	750,468	5.00		282,064	20.00%
394.00 Tools, Shop and Garage Equipment*	3,597,109			1,367,722	2,229,387	15.00		239,807	6.67%
394.20 Automated Meter Reading Equipment*	589,444			260,588	329,086	15.00		39,296	6.67%
396.00 Power Operated Equipment	573,119	20.0%	114,624	195,121	263,375	24.00	16.79	15,686	2.74%
397.00 Communication Equipment*	908,134			268,204	639,930	15.00		60,542	6.67%
397.10 Radio Telecommunications Equipment*	1,473,619			595,616	878,003	10.00		147,362	10.00%
397.20 Microwave Equipment*	4,017,927			1,875,016	2,142,911	15.00		267,862	6.67%
397.30 Radio Load Control Equipment*	403,080			148,211	254,869	10.00		40,308	10.00%
397.40 Communication Equipment - Towers	1,878,966	5.0%	93,948	777,995	1,007,023	40.00	25.05	40,201	2.14%
Total General Plant	\$ 51,372,283	17.7%	\$ 9,103,363	\$ 19,518,138	\$ 22,750,782		9.42	\$ 2,415,129	4.70%
TOTAL DEPRECIABLE PLANT	\$ 1,411,835,853	-13.4%	\$ (189,651,514)	\$ 606,769,859	\$ 994,717,509		26.98	\$ 36,864,871	2.61%

*Amortization Account. (Col. I = Col. B / Col. G)

OTTER TAIL POWER COMPANY
2015 ANNUAL REVIEW OF DEPRECIATION CERTIFICATION
PROPOSED REMAINING LIVES & SALVAGE FOR USE IN 2016

<u>Account Number</u>	<u>Class of Utility Plant</u>	<u>Remaining Life (Yrs)</u>	<u>Net Salvage (%)</u>	<u>Amortization Period (Yrs)</u>
STEAM PRODUCTION				
<u>Big Stone Plant</u>				
311-101	Structures & Improvements	30.15	-11.8%	
312-101	Boiler Plant Equipment	30.19	-11.8%	
314-101	Turbogenerator Units	30.21	-11.8%	
315-101	Accessory Electric Equipment	30.17	-11.8%	
316-101	Misc. Power Plant Equipment	30.19	-11.4%	
<u>Hoot Lake Plant - Units 2 & 3</u>				
311-102	Structures & Improvements	6.44	-12.7%	
312-102	Boiler Plant Equipment	6.45	-12.7%	
314-102	Turbogenerator Units	6.44	-12.7%	
315-102	Accessory Electric Equipment	6.44	-12.7%	
316-102	Misc. Power Plant Equipment	6.45	-12.6%	
<u>Coyote Station</u>				
311-103	Structures & Improvements	25.55	-8.6%	
312-103	Boiler Plant Equipment	25.56	-8.6%	
314-103	Turbogenerator Units	25.59	-8.6%	
315-103	Accessory Electric Equipment	25.56	-8.6%	
316-103	Misc. Power Plant Equipment	25.58	-8.3%	
HYDRAULIC PRODUCTION				
<u>Hoot Lake Hydro Unit</u>				
331-131	Structures & Improvements	6.44	0.0%	
332-131	Reservoirs, Dams & Waterways	6.44	0.0%	
333-131	Water Wheels, Turbines & Gen.	6.44	0.0%	
334-131	Accessory Electric Equipment	6.44	0.0%	
335-131	Misc. Power Plant Equipment	6.45	0.0%	
<u>Wright Hydro Unit</u>				
331-132	Structures & Improvements	6.44	0.0%	
332-132	Reservoirs, Dams & Waterways	6.45	0.0%	
333-132	Water Wheels, Turbines & Gen.	6.45	0.0%	
334-132	Accessory Electric Equipment	6.45	0.0%	
335-132	Misc. Power Plant Equipment	6.45	0.0%	
<u>Pisgah Hydro Unit</u>				
331-133	Structures & Improvements	6.44	0.0%	
332-133	Reservoirs, Dams & Waterways	6.45	0.0%	
333-133	Water Wheels, Turbines & Gen.	6.45	0.0%	
334-133	Accessory Electric Equipment	6.45	0.0%	
335-133	Misc. Power Plant Equipment	6.45	0.0%	
<u>Dayton Hollow Hydro Unit</u>				
331-134	Structures & Improvements	6.45	0.0%	
332-134	Reservoirs, Dams & Waterways	6.45	0.0%	
333-134	Water Wheels, Turbines & Gen.	6.45	0.0%	
334-134	Accessory Electric Equipment	6.45	0.0%	
335-134	Misc. Power Plant Equipment	6.45	0.0%	
<u>Taplin Gorge Hydro Unit</u>				
331-135	Structures & Improvements	6.44	0.0%	
332-135	Reservoirs, Dams & Waterways	6.45	0.0%	

OTTER TAIL POWER COMPANY
2015 ANNUAL REVIEW OF DEPRECIATION CERTIFICATION
PROPOSED REMAINING LIVES & SALVAGE FOR USE IN 2016

<u>Account</u>		<u>Remaining</u>	<u>Net Salvage</u>	<u>Amortization</u>
<u>Number</u>	<u>Class of Utility Plant</u>	<u>Life (Yrs)</u>	<u>(%)</u>	<u>Period (Yrs)</u>
333-135	Water Wheels, Turbines & Gen.	6.44	0.0%	
334-135	Accessory Electric Equipment	6.45	0.0%	
335-135	Misc. Power Plant Equipment	6.45	0.0%	
<u>Bemidji Hydro Unit</u>				
331-138	Structures & Improvements	6.45	0.0%	
332-138	Reservoirs, Dams & Waterways	6.45	0.0%	
333-138	Water Wheels, Turbines & Gen.	6.45	0.0%	
334-138	Accessory Electric Equipment	6.44	0.0%	
335-138	Misc. Power Plant Equipment	6.45	0.0%	
OTHER PRODUCTION				
<u>Jamestown Unit 1</u>				
341-140	Structures & Improvements	8.41	-1.4%	
342-140	Fuel Holders & Accessories	8.41	-1.4%	
343-140	Prime Movers	8.40	-1.4%	
345-140	Accessory Electric Equipment	8.40	-1.4%	
346-140	Misc. Power Plant Equipment	8.41	-1.4%	
<u>Jamestown Unit 2</u>				
341-142	Structures & Improvements	8.41	-1.4%	
342-142	Fuel Holders & Accessories	8.40	-1.4%	
343-142	Prime Movers	8.40	-1.4%	
345-142	Accessory Electric Equipment	8.41	-1.4%	
346-142	Misc. Power Plant Equipment	8.40	-1.4%	
<u>Lake Preston</u>				
341-141	Structures & Improvements	8.40	-2.4%	
342-141	Fuel Holders & Accessories	8.40	-2.4%	
343-141	Prime Movers	8.40	-2.4%	
345-141	Accessory Electric Equipment	8.40	-2.4%	
346-141	Misc. Power Plant Equipment	8.40	-2.4%	
<u>Fergus Falls Control Center</u>				
343-143	Prime Movers	15.18	0.0%	
<u>Solway Combustion Turbine Plant</u>				
341-144	Structures & Improvements	22.79	-0.4%	
342-144	Fuel Holders & Accessories	22.79	-0.4%	
343-144	Prime Movers	22.79	-0.4%	
345-144	Accessory Electric Equipment	22.79	-0.4%	
346-144	Misc. Power Plant Equipment	22.79	-0.4%	
<u>Langdon Wind Energy Center</u>				
341-160	Structures & Improvements	17.11	-1.5%	
344-160	Generators	17.11	-1.5%	
345-160	Accessory Electric Equipment	17.11	-1.5%	
346-160	Misc. Power Plant Equipment	17.12	-1.5%	
<u>Ashtabula Wind Energy Center</u>				
341-161	Structures & Improvements	18.07	-1.2%	
344-161	Generators	18.07	-1.2%	
345-161	Accessory Electric Equipment	18.07	-1.2%	
346-161	Misc. Power Plant Equipment	18.07	-1.2%	

OTTER TAIL POWER COMPANY
2015 ANNUAL REVIEW OF DEPRECIATION CERTIFICATION
PROPOSED REMAINING LIVES & SALVAGE FOR USE IN 2016

<u>Account Number</u>	<u>Class of Utility Plant</u>	<u>Remaining Life (Yrs)</u>	<u>Net Salvage (%)</u>	<u>Amortization Period (Yrs)</u>
<u>Luverne Wind Energy Center</u>				
341-162	Structures & Improvements	19.02	-2.0%	
344-162	Generators	19.02	-2.0%	
345-162	Accessory Electric Equipment	19.02	-2.0%	
346-162	Misc. Power Plant Equipment	19.02	-2.0%	
TRANSMISSION				
353	Station Equipment	52.75	-5.0%	
354	Towers & Fixtures	65.48	-10.0%	
355	Poles & Fixtures	53.90	-50.0%	
356	Overhead Conductor & Devices	54.34	-30.0%	
358	Underground Conductor & Devices	9.83	-5.0%	
DISTRIBUTION				
362	Station Equipment	32.19	5.0%	
364	Poles, Towers & Fixtures	47.99	-75.0%	
365	Overhead Conductor & Devices	43.86	-100.0%	
367	Underground Conductor & Devices	24.61	-5.0%	
368	Line Transformers	28.29	50.0%	
369	Overhead Services	32.68	-150.0%	
369.1	Underground Services	30.25	-20.0%	
370	Meters	20.68	0.0%	
370.1	Load Management Switches	2.79	0.0%	
370.20	Interruption Monitors			5
371.20	Other Private Lighting	16.90	10.0%	
373	Street Lighting & Signal System	15.11	-5.0%	
GENERAL PLANT				
Depreciable				
390	Structures & Improvements	31.17	10.0%	
390.1	General Office Buildings	15.18	49.7%	
390.2	Fleet Service Center Buildings	10.36	33.8%	
390.3	Central Stores Building	19.93	92.7%	
396	Power Operated Equipment	17.28	20.0%	
397.4	Communication Towers	24.87	5.0%	
Amortizable				
391	Office Furniture			15
391.1	Office Equipment			10
391.2	Duplicating Equipment			10
391.5	Computer Systems			5
391.6	Computer Related Equipment			5
393	Stores Equipment			15
394	Tools, Shop & Garage Equipment			15
394.2	Automated Meter Reading Equip.			15
395	Laboratory Equipment			15
397	Communication Equipment			15
397.1	Radio Telecom Equipment			10
397.2	Microwave Equipment			15
397.3	Radio Load Control Equipment			10

Source is Statement A from Foster Report

OTTER TAIL POWER COMPANY
ANNUAL REVIEW OF DEPRECIATION CERTIFICATION
Supplemental Comments

Future Additions and Retirements

As indicated in the 2015 Annual Depreciation Study (Attachment 1):
“Minnesota State Agency Rules 7825.0700, Subpart 2-B provides that each utility shall disclose a list of any major future additions or retirements to the plant accounts that the utility believes may have a material effect on the current certification results.” (See page 4 of the Study).

Otter Tail Power Company is currently involved with the Big Stone Plant’s (“BSP”) Air Quality Control System (“AQCS”) project which is planned to go into service in 2015. Otter Tail and the other owners of the Big Stone Plant are in the process of constructing an AQCS for the Plant. The AQCS project is required to comply with the Environmental Protection Agency (“EPA”) Regional Haze Rules and it has received an Advance Determination of Prudence from the Commission in Docket No. E017/M-10-1082. The Big Stone Plant is subject to the Regional Haze Rule, which was promulgated by the EPA to protect the visibility in 156 designated national parks and wilderness areas. The rule requires states to identify sources within their state that might adversely affect visibility in the designated areas and to require installation of Best Available Retrofit Technology (“BART”) that would reduce the visibility impact. Otter Tail submitted a BART study to the South Dakota Department of Environment and Natural Resources (“SDDENR”) that identified the need for installation of technology to reduce sulfur dioxide (“SO₂”) and oxides of nitrogen (“NO_x”) emissions at Big Stone Plant. The SDDENR has adopted a Regional Haze State Implementation Plan, which includes Regional Haze Rules that requires installation of both a flue gas desulfurization system for sulfur dioxide emissions control and a selective catalytic reduction system for NO_x emissions at Big Stone Plant. The control technologies must be installed and operating as expeditiously as possible but no later than five years following EPA approval of the South Dakota State Implementation Plan, which was approved on April 26, 2012. The Big Stone Plant entered the construction phase of the AQCS in 2013 and expects the \$384.2 million project (\$207.1 million OTP share) to be completed in 2015.

With respect to retirements, Otter Tail is unaware of any major future retirements that would materially affect this filing’s certification results.

In addition to discussing future additions or retirements affecting the current certification results, it is the Company’s practice to also discuss future additions and retirements and potential future additions and retirements that may have an effect on *future* depreciation expense or *future* certification results. Otter Tail’s 2013 five-year depreciation filing provided some discussion of these projects and we provide below additional updates on current projects or ones being considered.

Otter Tail continues to invest in the CapX 2020 transmission line build out initiative currently taking place primarily in Minnesota. Two CapX 2020 project segments went into service in 2012, the Bemidji – Grand Rapids 230 kV project and a portion of the Fargo – Monticello 345

OTTER TAIL POWER COMPANY
ANNUAL REVIEW OF DEPRECIATION CERTIFICATION
Supplemental Comments

kV project commonly referred to as Fargo Phase 1. Fargo Phase 1 includes the line segments from the Monticello sub to the St. Cloud quarry sub. No CapX2020 project segments were placed into service in 2013. During 2014, however, Fargo Phase II (St. Cloud Quarry sub to Alexandria sub) and the Helena sub to Lyon County sub portion of the Brookings to Twin Cities CapX 2020 transmission segments were placed into service. The remaining line segments from the original CAPX projects Otter Tail partnered in were all placed into service in 2015 including Fargo phase III (Alexandria Sub to the MN/ND border and the remaining Brookings to South Twin Cities line segments.

Additionally, Otter Tail is actively participating in the development of new 345 kV transmission projects in the Big Stone area. We are working closely with MISO and area utilities on these projects, which are part of MISO's Multi-Value Project ("MVP") portfolio. Two 345 kV projects in the Big Stone area are identified and being developed; Big Stone South – Brookings and Big Stone South – Ellendale. These projects are eligible for regional cost sharing under MISO's FERC-approved MVP cost allocation methodology. These projects are in the early construction stages.

**OTTER TAIL POWER COMPANY
2015 ANNUAL REVIEW OF DEPRECIATION CERTIFICATION
Comparison of Resource Plan to Annual Depreciation Filing**

Generating Unit	Retirement Dates			Comments
	Resource Plan 2014 - 2028, (prior to capacity expansion analysis)	2015 Depreciation Study (Attachment No. 1)	Difference	
BASE LOAD				
➤ Hoot Lake Plant Units 2 & 3	Dec-2020	Jun-2021	None, other than program assumption differences	The IRP adopts December of the year of retirement as its retirement month. The Depreciation Study adopts a mid-year convention where all assets are assumed to be acquired and retired on June 30th of their respective activity years, whether that activity is a plant addition or plant retirement. In the 2015 depreciation study the AYFR added one year to better match the 2020 MISO Resource Adequacy year which ends May 31, 2021.
➤ Big Stone Plant	Dec-2046	Jun-2046	None, other than program assumption differences	The IRP adopts December of the year of retirement as its retirement month. The Depreciation Study adopts a mid-year convention where all assets are assumed to be acquired and retired on June 30th of their respective activity years, whether that activity is a plant addition or plant retirement.
➤ Coyote Station	Dec-2041	Jun-2041	None, other than program assumption differences	The IRP adopts December of the year of retirement as its retirement month. The Depreciation Study adopts a mid-year convention where all assets are assumed to be acquired and retired on June 30th of their respective activity years, whether that activity is a plant addition or plant retirement.
WIND				
➤ Langdon Wind Energy Center	Dec-2032	Jun-2032	None, other than program assumption differences	The IRP adopts December of the year of retirement as its retirement month. The Depreciation Study adopts a mid-year convention where all assets are assumed to be acquired and retired on June 30th of their respective activity years, whether that activity is a plant addition or plant retirement.
➤ Ashtabula Wind Energy Center	Dec-2033	Jun-2033	None, other than program assumption differences	The IRP adopts December of the year of retirement as its retirement month. The Depreciation Study adopts a mid-year convention where all assets are assumed to be acquired and retired on June 30th of their respective activity years, whether that activity is a plant addition or plant retirement.
➤ Luverne Wind Energy Center	Dec-2034	Jun-2034	None, other than program assumption differences	The IRP adopts December of the year of retirement as its retirement month. The Depreciation Study adopts a mid-year convention where all assets are assumed to be acquired and retired on June 30th of their respective activity years, whether that activity is a plant addition or plant retirement.
HYDRO				
➤ 6 units in 5 dams on the Otter Tail River, FERC licensed	No retirement date discussed - IRP assumes operating perpetually	Jun-2021	Program assumption differences	IRP assumes permanent hydro dam structures operate perpetually until a final retirement date is established. Depreciation Studies tie retirement date to end of the current active FERC hydro operating license. This is the latest date these facilities can operate as generation resources unless a license renewal is granted pursuant to the satisfaction of its stated conditions.
➤ 2 units on outlet of Lake Bemidji – not subject to FERC jurisdiction	No retirement date discussed - IRP assumes operating perpetually	Jun-2021	Program assumption differences	IRP assumes permanent hydro dam structures operate perpetually until a final retirement date is established. Depreciation Studies tie retirement date to end of current hydro license for other hydro structures which are of a similar vintage.
PEAKING				
➤ Jamestown Combustion Turbines - 2 units	Dec-2029	Jun-2023	6 years	The IRP assumes operation of this low cost resources through the entire resource plan time frame. The Depreciation filing makes annual assessments on the condition of the facility and if it passes the assessment, it extends the plant life an additional year per policy to maintain a 10 year minimum operating window until unit is no longer prudent to operate. The 2015 assessment revealed a one year extension this year was not warranted.
➤ Lake Preston Combustion Turbine	Dec-2029	Jun-2023	6 years	The IRP assumes operation of this low cost resources through the entire resource plan time frame. The Depreciation filing makes annual assessments on the condition of the facility and if it passes the assessment, it extends the plant life an additional year per policy to maintain a 10 year minimum operating window until unit is no longer prudent to operate. The 2015 assessment revealed a one year extension this year was not warranted.
➤ Solway Combustion Turbine	Dec-2038	Jun-2038	None, other than program assumption differences	The IRP adopts December of the year of retirement as its retirement month. The Depreciation Study adopts a mid-year convention where all assets are assumed to be acquired and retired on June 30th of their respective activity years, whether that activity is a plant addition or plant retirement.
➤ Fergus Control Center Diesel	No retirement date discussed - beyond study period	Jun-2030	Program assumption differences	IRP assumes retirement is outside of resource plan study period. Depreciation study accounts for assets functionality as control center black start and back up strategic functionality. Unit classified as an Emergency Generator as defined by EPA Rice rules.

Note:

The Company's current working version of the Resource Plan (RP) was filed on December 1, 2013 rather than the normal July 1st sequence which is customarily reconciled to for Depreciation Study purposes. This RP is for a 15-year analysis covering the 2014-2028 time frame coinciding with our last Five-year depreciation study. In the RP, the near-term is intended to be very specific with regard to resource changes, additions, retirements, etc. The long-term is much more uncertain and identifies resources that a utility is likely to use. The depreciation study is intended to be an exact forecast used for appropriate depreciation expense allocation our current investment over the plants remaining life. The RP is far less exact in the long-term, so there is a natural potential difference between the purpose of the two filings.

CERTIFICATE OF SERVICE

**RE: In the Matter of Otter Tail Power Company's Request for Approval of its
2015 Annual Review of Depreciation Certification
Docket No. E017/D-15-___**

I, Jana Hrdlicka, hereby certify that I have this day served a copy of the following, or a summary thereof, on Mr. Daniel P. Wolf and Sharon Ferguson by e-filing, and to all other persons on the attached service list by electronic service or by First Class mail.

**Otter Tail Power Company
Compliance Filing**

Dated this **1st** day of **September 2015**.

/s/ JANA HRDLICKA
Jana Hrdlicka
Regulatory Filing Coordinator
Otter Tail Power Company
215 South Cascade Street
Fergus Falls MN 56537
(218) 739-8879

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Christopher	Anderson	canderson@allete.com	Minnesota Power	30 W Superior St Duluth, MN 558022191	Electronic Service	No	GEN_SL_Otter Tail Power Company_2015 Annual Depreciation Filing
Michael	Bradley	mike.bradley@lawmoss.com	Moss & Barnett	150 S. 5th Street, #1200 Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Otter Tail Power Company_2015 Annual Depreciation Filing
Ray	Choquette	rchoquette@agp.com	Ag Processing Inc.	12700 West Dodge Road PO Box 2047 Omaha, NE 68103-2047	Electronic Service	No	GEN_SL_Otter Tail Power Company_2015 Annual Depreciation Filing
Loyal	Demmer	ldemmer@otpc.com	Otter Tail Power Co.	215 South Cascade Street PO Box 496 Fergus Falls, MN 565380496	Electronic Service	No	GEN_SL_Otter Tail Power Company_2015 Annual Depreciation Filing
James C.	Erickson	jericksonkbc@gmail.com	Kelly Bay Consulting	17 Quechee St Superior, WI 54880-4421	Electronic Service	No	GEN_SL_Otter Tail Power Company_2015 Annual Depreciation Filing
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 500 Saint Paul, MN 551012198	Electronic Service	No	GEN_SL_Otter Tail Power Company_2015 Annual Depreciation Filing
Bruce	Gerhardson	bgerhardson@otpc.com	Otter Tail Power Company	PO Box 496 215 S Cascade St Fergus Falls, MN 565380496	Electronic Service	No	GEN_SL_Otter Tail Power Company_2015 Annual Depreciation Filing
Shane	Henriksen	shane.henriksen@enbridge.com	Enbridge Energy Company, Inc.	1409 Hammond Ave FL 2 Superior, WI 54880	Electronic Service	No	GEN_SL_Otter Tail Power Company_2015 Annual Depreciation Filing
James D.	Larson	james.larson@avantenergy.com	Avant Energy Services	220 S 6th St Ste 1300 Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Otter Tail Power Company_2015 Annual Depreciation Filing
Douglas	Larson	dlarson@dakotaelectric.com	Dakota Electric Association	4300 220th St W Farmington, MN 55024	Electronic Service	No	GEN_SL_Otter Tail Power Company_2015 Annual Depreciation Filing
John	Lindell	agorud.ecf@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012130	Electronic Service	No	GEN_SL_Otter Tail Power Company_2015 Annual Depreciation Filing

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Kavita	Maini	kmaini@wi.rr.com	KM Energy Consulting LLC	961 N Lost Woods Rd Oconomowoc, WI 53066	Electronic Service	No	GEN_SL_Otter Tail Power Company_2015 Annual Depreciation Filing
Andrew	Moratzka	apmoratzka@stoel.com	Stoel Rives LLP	33 South Sixth Street Suite 4200 Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Otter Tail Power Company_2015 Annual Depreciation Filing
Gary	Oetken	goetken@agp.com	Ag Processing, Inc.	12700 West Dodge Road P.O. Box 2047 Omaha, NE 681032047	Electronic Service	No	GEN_SL_Otter Tail Power Company_2015 Annual Depreciation Filing
Larry L.	Schedin	Larry@LLSResources.com	LLS Resources, LLC	12 S 6th St Ste 1137 Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Otter Tail Power Company_2015 Annual Depreciation Filing
Stuart	Tommerdahl	stommerdahl@otpco.com	Otter Tail Power Company	215 S Cascade St PO Box 496 Fergus Falls, MN 56537	Electronic Service	No	GEN_SL_Otter Tail Power Company_2015 Annual Depreciation Filing
Daniel P	Wolf	dan.wolf@state.mn.us	Public Utilities Commission	121 7th Place East Suite 350 St. Paul, MN 551012147	Electronic Service	No	GEN_SL_Otter Tail Power Company_2015 Annual Depreciation Filing

Estimated Impact on North Dakota

Statement B

OTTER TAIL POWER COMPANY

Comparison of Current and Proposed Accruals
 Current: VG Procedure / RL Technique
 Proposed: VG Procedure / RL Technique

Statement B

Account Description	12/31/14 Plant Investment	North Dakota Allocation Factor	Current Annual Accrual		Proposed Annual Accrual		Difference	
			E=C+D		F		H=H-D	
			Total	North Dakota	Total	North Dakota	Total	North Dakota
STEAM PRODUCTION								
311.00 Structures and Improvements	\$ 61,217,981	0.40570995	\$ 917,272	\$ 372,146	\$ 866,032	\$ 351,358	\$ (51,240)	\$ (20,788)
312.00 Boiler Plant Equipment	210,531,164	0.40570995	5,670,717	2,300,666	6,029,864	2,446,376	359,147	145,710
314.00 Turbogenerator Units	64,778,485	0.40570995	1,473,559	597,838	1,548,052	628,060	74,493	30,222
315.00 Accessory Electric Equipment	24,055,623	0.40570995	461,799	187,357	438,668	177,972	(23,131)	(9,385)
316.00 Miscellaneous Power Plant Equipment	5,465,565	0.40570995	164,564	66,765	153,676	62,347	(10,888)	(4,418)
Total Steam Production Plant	\$ 366,048,818		\$ 8,687,911	\$ 3,524,772	\$ 9,036,292	\$ 3,666,113	\$ 348,381	\$ 141,341
HYDRAULIC PRODUCTION								
331.00 Structures and Improvements	\$ 351,712	0.40570995	\$ 21,083	\$ 8,554	\$ 21,392	\$ 8,679	\$ 309	\$ 125
332.00 Reservoirs, Dams and Waterways	4,264,062	0.40570995	351,783	142,722	414,274	168,076	62,491	25,354
333.00 Water Wheels, Turbines & Generators	1,373,867	0.40570995	81,856	33,209	75,984	30,828	(5,872)	(2,381)
334.00 Accessory Electric Equipment	592,400	0.40570995	31,828	12,913	32,324	13,114	496	201
335.00 Miscellaneous Power Plant Equipment	442,624	0.40570995	49,085	19,914	49,832	20,217	747	303
Total Hydraulic Production Plant	\$ 7,024,665		\$ 535,635	\$ 217,312	\$ 593,806	\$ 240,914	\$ 58,171	\$ 23,602
OTHER PRODUCTION								
341.00 Structures and Improvements	\$ 12,946,210	0.40570995	\$ 491,479	\$ 198,590	\$ 493,384	\$ 199,359	\$ 1,905	\$ 769
342.00 Fuel Holders and Accessories	1,748,265	0.40570995	66,884	27,085	67,217	27,220	333	135
343.00 Prime Movers	31,809,695	0.40570995	848,756	343,245	861,421	348,366	12,665	5,121
344.00 Generators	241,245,030	0.40570995	10,432,177	4,214,610	10,480,785	4,234,248	48,608	19,638
345.00 Accessory Electric Equipment	20,524,064	0.40570995	862,909	348,643	861,327	348,003	(1,582)	(640)
346.00 Miscellaneous Power Plant Equipment	590,941	0.40570995	23,395	9,459	23,623	9,552	228	93
Total Other Production Plant	\$ 308,864,205		\$ 12,725,600	\$ 5,141,632	\$ 12,787,757	\$ 5,166,748	\$ 62,157	\$ 25,116
TRANSMISSION PLANT								
353.00 Station Equipment	\$ 79,546,489	0.42733312	\$ 1,217,061	\$ 520,090	\$ 1,232,971	\$ 526,889	\$ 15,910	\$ 6,799
354.00 Towers and Fixtures	44,899,477	0.42733312	718,392	306,993	704,922	301,237	(13,470)	(5,756)
355.00 Poles and Fixtures	99,696,518	0.42733312	1,924,143	822,250	1,934,112	826,510	9,969	4,260
356.00 Overhead Conductors and Devices	91,542,146	0.42733312	1,501,291	641,551	1,519,600	649,375	18,309	7,824
358.00 Underground Conductors and Devices	77,461	0.42733312	1,170	500	1,115	476	(55)	(24)
Total Transmission Plant	\$ 315,762,091		\$ 5,362,057	\$ 2,291,384	\$ 5,392,720	\$ 2,304,487	\$ 30,663	\$ 13,103
DISTRIBUTION PLANT								
362.00 Station Equipment	\$ 74,334,664	0.46453288	\$ 1,561,028	\$ 725,149	\$ 1,561,028	\$ 725,149	\$ -	\$ -
364.00 Poles, Towers and Fixtures	67,912,729	0.46453288	1,691,027	785,538	1,691,027	785,538	-	-
365.00 Overhead Conductors and Devices	48,201,543	0.46453288	1,344,823	624,715	1,344,823	624,715	-	-
367.00 Underground Conductors and Devices	69,172,477	0.46453288	1,611,719	748,696	1,618,636	751,910	6,917	3,214
368.00 Line Transformers	85,366,296	0.46453288	1,067,079	495,693	1,058,542	491,728	(8,537)	(3,965)

OTTER TAIL POWER COMPANY
 Comparison of Current and Proposed Accruals
 Current: VG Procedure / RL Technique
 Proposed: VG Procedure / RL Technique

Account Description	12/31/14 Plant Investment	North Dakota Allocation Factor	Current Annual Accrual		Proposed Annual Accrual		Difference	
			Total	North Dakota	Total	North Dakota	Total	North Dakota
A	B	C	D	E=C-D	F	G=C-F	H=F-D	I=G-E
369.00 Overhead Services	12,630,691	0.46453288	526,700	244,669	530,489	246,430	3,789	1,761
369.10 Underground Services	37,979,687	0.46453288	991,270	460,478	991,270	460,478		
370.00 Meters	23,663,645	0.46453288	750,138	348,464	750,138	348,464		
370.10 Load Management Switches	8,701,822	0.46453288	1,084,247	503,668	1,072,064	498,009	(12,183)	(5,659)
370.20 Interruption Monitors	77,857	0.46453288	11,444	5,316	11,444	5,316		
371.20 Other Private Lighting	4,348,944	0.46453288	166,130	77,173	168,304	78,183	2,174	1,010
373.00 Street Lighting and Signal Systems	4,982,666	0.46453288	166,421	77,308	167,916	78,003	1,495	695
Total Distribution Plant	\$ 437,373,021		\$ 10,972,026	\$ 5,096,867	\$ 10,965,681	\$ 5,093,923	\$ (6,345)	\$ (2,944)
GENERAL PLANT								
Depreciable								
390.00 Structures and Improvements	19,725,895	0.43183291	408,326	176,329	408,326	176,329		
390.10 General Office Buildings	5,710,057	0.43183291	13,133	5,671	29,892	12,822	16,559	7,151
390.20 Fleet Service Center Building	931,469	0.43183291	(93)	(40)	12,202	5,269	12,295	5,309
390.30 Central Stores Building	4,022,537	0.43183291	(88,094)	(38,042)	(84,473)	(36,478)	3,621	1,564
396.00 Power Operated Equipment	605,062	0.43183291	16,337	7,055	16,458	7,107	121	52
397.40 Communication Towers	1,879,323	0.43183291	39,278	16,962	38,902	16,799	(376)	(169)
Total Depreciable	\$ 32,874,343		\$ 388,887	\$ 167,935	\$ 421,107	\$ 181,848	\$ 32,220	\$ 13,913
Amortizable								
391.00 Office Furniture	1,519,789	0.43183291	93,898	40,548	93,898	40,548		
391.10 Office Equipment	828,799	0.43183291	81,738	35,297	81,738	35,297		
391.20 Duplicating Equipment	401,136	0.43183291	33,676	14,542	33,676	14,542		
391.50 Computer Systems	4,245,167	0.43183291	620,171	267,810	620,171	267,810		
391.60 Computer Related Equipment	1,801,698	0.43183291	276,226	119,283	276,226	119,283		
394.00 Tools, Shop and Garage Equipment	3,806,191	0.43183291	247,402	106,836	247,402	106,836		
394.20 Automated Meter Reading Equipment	603,637	0.43183291	40,242	17,378	40,242	17,378		
397.00 Communication Equipment	896,010	0.43183291	58,908	25,438	58,908	25,438		
397.10 Radio Telecommunication Equipment	1,208,657	0.43183291	120,783	52,158	120,783	52,158		
397.20 Microwave Equipment	4,377,222	0.43183291	289,507	125,019	289,507	125,019		
397.30 Radio Load Control Equipment	317,859	0.43183291	31,786	13,726	31,786	13,726		
Total Amortizable	\$ 20,006,165		\$ 1,894,337	\$ 818,035	\$ 1,894,337	\$ 818,035	\$ -	\$ -
Total General Plant	\$ 52,880,508		\$ 2,283,224	\$ 985,970	\$ 2,315,444	\$ 999,883	\$ 32,220	\$ 13,913
TOTAL UTILITY	\$ 1,487,953,308		\$ 40,566,453	\$ 17,257,937	\$ 41,091,700	\$ 17,472,068	\$ 525,247	\$ 214,131

OTTER TAIL POWER COMPANY

Comparison of Current and Proposed Accruals
 Current: VG Procedure / RL Technique
 Proposed: VG Procedure / RL Technique

Statement B

Account Description A	12/31/14 Plant Investment B	North Dakota Allocation Factor C	Current Annual Accrual		Proposed Annual Accrual		Difference			
			Total	North Dakota	Total	North Dakota	Total	North Dakota		
			D	E=C*D	F	G=C*F	H=F-D	I=G-E		
Pisgah										
331.00 Structures and Improvements	\$ 12,118	0.40570995	\$ 327	\$ 133	\$ 332	\$ 135	\$ 5	\$ 2		
332.00 Reservoirs, Dams and Waterways	376,297	0.40570995	30,367	12,320	33,378	13,542	3,011	1,222		
333.00 Water Wheels, Turbines & Generators	159,732	0.40570995	12,012	4,873	12,188	4,945	176	72		
334.00 Accessory Electric Equipment	99,812	0.40570995	6,428	2,608	6,528	2,648	100	40		
335.00 Miscellaneous Power Plant Equipment	62,744	0.40570995	8,383	3,401	8,508	3,452	125	51		
Total Pisgah	\$ 710,703		\$ 57,517	\$ 23,335	\$ 60,934	\$ 24,722	\$ 3,417	\$ 1,387		
Dayton Hollow										
331.00 Structures and Improvements	\$ 16,269	0.40570995	\$ 1,921	\$ 779	\$ 1,951	\$ 792	\$ 30	\$ 13		
332.00 Reservoirs, Dams and Waterways	1,291,391	0.40570995	148,897	60,409	151,351	61,405	2,454	996		
333.00 Water Wheels, Turbines & Generators	226,751	0.40570995	16,802	6,817	17,052	6,918	250	101		
334.00 Accessory Electric Equipment	193,342	0.40570995	9,976	4,047	10,131	4,110	155	63		
335.00 Miscellaneous Power Plant Equipment	111,159	0.40570995	13,684	5,552	13,895	5,637	211	85		
Total Dayton Hollow	\$ 1,838,912		\$ 191,280	\$ 77,604	\$ 194,380	\$ 78,862	\$ 3,100	\$ 1,258		
Taplin Gorge										
331.00 Structures and Improvements	\$ 35,140	0.40570995	\$ 362	\$ 147	\$ 365	\$ 148	\$ 3	\$ 1		
332.00 Reservoirs, Dams and Waterways	602,762	0.40570995	42,254	17,143	42,917	17,412	663	269		
333.00 Water Wheels, Turbines & Generators	15,110	0.40570995	134	54	136	55	2	1		
334.00 Accessory Electric Equipment	58,695	0.40570995	2,647	1,074	2,688	1,091	41	17		
335.00 Miscellaneous Power Plant Equipment	103,632	0.40570995	10,094	4,095	10,249	4,158	155	63		
Total Taplin Gorge	\$ 815,339		\$ 55,491	\$ 22,513	\$ 56,355	\$ 22,864	\$ 864	\$ 351		
Bemidji										
331.00 Structures and Improvements	\$ 199,805	0.40570995	\$ 17,643	\$ 7,158	\$ 17,903	\$ 7,263	\$ 260	\$ 105		
332.00 Reservoirs, Dams and Waterways	806,220	0.40570995	74,898	30,387	76,188	30,910	1,290	523		
333.00 Water Wheels, Turbines & Generators	322,687	0.40570995	21,104	8,562	21,426	8,693	322	131		
334.00 Accessory Electric Equipment	5,376	0.40570995	351	142	356	144	5	2		
335.00 Miscellaneous Power Plant Equipment	1,070	0.40570995	117	47	119	48	2	1		
Total Bemidji	\$ 1,335,156		\$ 114,113	\$ 46,296	\$ 115,992	\$ 47,058	\$ 1,879	\$ 762		
OTHER PRODUCTION										
Jamestown										
341.00 Structures and Improvements	\$ 305,657	0.40570995	\$ 12,081	\$ 4,902	\$ 12,152	\$ 4,930	\$ 71	\$ 28		
342.00 Fuel Holders and Accessories	415,964	0.40570995	25,972	10,537	26,206	10,632	234	95		
343.00 Prime Movers	6,645,516	0.40570995	145,053	58,849	146,383	59,389	1,330	540		
344.00 Generators										
345.00 Accessory Electric Equipment	222,880	0.40570995	9,625	3,905	9,712	3,940	87	35		
346.00 Miscellaneous Power Plant Equipment	75,509	0.40570995	4,517	1,832	4,561	1,850	44	18		
Total Jamestown	\$ 7,665,526		\$ 197,248	\$ 80,025	\$ 199,014	\$ 80,741	\$ 1,766	\$ 716		

OTTER TAIL POWER COMPANY

Comparison of Current and Proposed Accruals
 Current: VG Procedure / RL Technique
 Proposed: VG Procedure / RL Technique

Statement B

Account Description A	12/31/14 Plant Investment B	North Dakota Allocation Factor C	Current Annual Accrual E=C*D		Proposed Annual Accrual G=C*F		Difference H=H-F	
			Total D	North Dakota E=C*D	Total F	North Dakota G=C*F	Total H=H-F	North Dakota I=G-E
Jamestown Unit 1								
341.00 Structures and Improvements	\$ 280,804	0.40570995	\$ 10,418	\$ 4,227	\$ 10,474	\$ 4,249	\$ 56	\$ 22
342.00 Fuel Holders and Accessories	379,195	0.40570995	25,027	10,154	25,254	10,246	227	92
343.00 Prime Movers	2,862,225	0.40570995	72,414	29,379	72,987	29,612	573	233
344.00 Generators								
345.00 Accessory Electric Equipment	155,272	0.40570995	5,528	2,243	5,574	2,261	46	18
346.00 Miscellaneous Power Plant Equipment	65,403	0.40570995	4,009	1,626	4,048	1,642	39	16
Total Jamestown Unit 1	\$ 3,742,899		\$ 117,396	\$ 47,629	\$ 118,337	\$ 48,010	\$ 941	\$ 381
Jamestown Unit 2								
341.00 Structures and Improvements	\$ 24,853	0.40570995	\$ 1,663	\$ 675	\$ 1,678	\$ 681	\$ 15	\$ 6
342.00 Fuel Holders and Accessories	36,769	0.40570995	945	383	952	386	7	3
343.00 Prime Movers	3,783,291	0.40570995	72,639	29,470	73,396	29,777	757	307
344.00 Generators								
345.00 Accessory Electric Equipment	67,608	0.40570995	4,097	1,662	4,138	1,679	41	17
346.00 Miscellaneous Power Plant Equipment	10,106	0.40570995	508	206	513	208	5	2
Total Jamestown Unit 2	\$ 3,922,627		\$ 79,852	\$ 32,396	\$ 80,677	\$ 32,731	\$ 825	\$ 335
Lake Preston								
341.00 Structures and Improvements	\$ 229,834	0.40570995	\$ 6,895	\$ 2,797	\$ 6,964	\$ 2,825	\$ 69	\$ 28
342.00 Fuel Holders and Accessories	328,705	0.40570995	11,406	4,628	11,505	4,668	99	40
343.00 Prime Movers	3,172,066	0.40570995	58,683	23,808	59,318	24,066	635	258
344.00 Generators								
345.00 Accessory Electric Equipment	369,280	0.40570995	5,945	2,412	5,982	2,427	37	15
346.00 Miscellaneous Power Plant Equipment	21,607	0.40570995	350	142	352	143	2	1
Total Lake Preston	\$ 4,121,492		\$ 83,279	\$ 33,787	\$ 84,121	\$ 34,129	\$ 842	\$ 342
Ashtabula Wind Generation								
341.00 Structures and Improvements	\$ 3,248,290	0.40400098	\$ 138,702	\$ 56,036	\$ 138,702	\$ 56,036	\$ -	\$ -
342.00 Fuel Holders and Accessories								
343.00 Prime Movers								
344.00 Generators	106,778,543	0.40400098	4,602,155	1,859,275	4,623,511	1,867,903	21,356	8,628
345.00 Accessory Electric Equipment	6,372,808	0.40400098	274,031	110,709	274,031	110,709		
346.00 Miscellaneous Power Plant Equipment	28,417	0.40400098	1,455	588	1,455	588		
Total Ashtabula Wind Generation	\$ 116,428,058		\$ 5,016,343	\$ 2,026,608	\$ 5,037,699	\$ 2,035,236	\$ 21,356	\$ 8,628
Langdon Wind Generation								
341.00 Structures and Improvements	\$ 2,484,069	0.40400098	\$ 107,312	\$ 43,354	\$ 107,312	\$ 43,354	\$ -	\$ -
342.00 Fuel Holders and Accessories								
343.00 Prime Movers								
344.00 Generators	69,031,640	0.40400098	3,009,780	1,215,954	3,030,489	1,224,321	20,709	8,367
345.00 Accessory Electric Equipment	7,407,275	0.40400098	328,142	132,570	325,920	131,672	(2,222)	(898)
346.00 Miscellaneous Power Plant Equipment	65,210	0.40400098	3,476	1,404	3,495	1,412	19	8
Total Langdon Wind Generation	\$ 78,988,194		\$ 3,448,710	\$ 1,393,282	\$ 3,467,216	\$ 1,400,759	\$ 18,506	\$ 7,477

OTTER TAIL POWER COMPANY

Comparison of Current and Proposed Accruals
 Current: VG Procedure / RL Technique
 Proposed: VG Procedure / RL Technique

Statement B

Account Description A	12/31/14 Plant Investment B	North Dakota Allocation Factor C	Current Annual Accrual E=C*D		Proposed Annual Accrual F		Difference H=F-D	
			Total D	North Dakota E=C*D	Total F	North Dakota G=C*F	Total H=F-D	North Dakota I=G-E
Luverne Wind Generation								
341.00 Structures and Improvements	\$ 2,266,581	0.40400098	\$ 96,783	\$ 39,100	\$ 96,783	\$ 39,100	\$ -	\$ -
342.00 Fuel Holders and Accessories								
343.00 Prime Movers								
344.00 Generators	65,434,847	0.40400098	2,820,242	1,139,381	2,826,785	1,142,024	6,543	2,643
345.00 Accessory Electric Equipment	4,863,837	0.40400098	207,686	83,905	207,686	83,905		
346.00 Miscellaneous Power Plant Equipment	74,045	0.40400098	3,584	1,448	3,747	1,514	163	66
Total Luverne Wind Generation	\$ 72,639,310		\$ 3,128,295	\$ 1,263,834	\$ 3,135,001	\$ 1,266,543	\$ 6,706	\$ 2,709
Solway Combustion Turbine								
341.00 Structures and Improvements	\$ 4,411,779	0.40400098	\$ 129,706	\$ 52,401	\$ 131,471	\$ 53,114	\$ 1,765	\$ 713
342.00 Fuel Holders and Accessories	1,003,596	0.40400098	29,506	11,920	29,506	11,920		
343.00 Prime Movers	21,400,475	0.40400098	627,034	253,322	637,734	257,645	10,700	4,323
344.00 Generators								
345.00 Accessory Electric Equipment	1,287,984	0.40400098	37,480	15,142	37,996	15,350	516	208
346.00 Miscellaneous Power Plant Equipment	326,153	0.40400098	10,013	4,045	10,013	4,045		
Total Solway Combustion Turbine	\$ 28,429,987		\$ 833,739	\$ 336,830	\$ 846,720	\$ 342,074	\$ 12,981	\$ 5,244
Fergus Falls Control Center								
341.00 Structures and Improvements	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
342.00 Fuel Holders and Accessories								
343.00 Prime Movers	591,638	0.40400098	17,986	7,266	17,986	7,266		
344.00 Generators								
345.00 Accessory Electric Equipment								
346.00 Miscellaneous Power Plant Equipment								
Total Fergus Falls Control Center	\$ 591,638		\$ 17,986	\$ 7,266	\$ 17,986	\$ 7,266	\$ -	\$ -