

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



June 18, 2021

Steve Kahl
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. Kahl:

Pursuant to the above-referenced order, enclosed is a worksheet, identified as Statement B. This Statement shows the total estimated impact of changes in depreciation rates on North Dakota. Page 2 of Statement B shows the estimated impact to be a decrease in annual depreciation expense of \$704,474 for the North Dakota Jurisdiction.

Also included with this filing is the Minnesota Public Utilities Commission (MPUC) Order dated April 21, 2021 (Order) certifying proposed remaining lives and net salvage percentages. This Order certifies depreciation rates and methods based on Otter Tail Power Company's (Otter Tail) most recent depreciation study. The MPUC approved an increase from 25 to 35 years for the existing service lives of Langdon, Ashtabula, and Luverne wind farms. The MPUC also approved Otter Tail's proposed 40-year remaining life for its hydraulic production facilities, 35-year remaining lives for Astoria Station and Merricourt Wind, 10-year life for electric vehicle charging facilities, and 25-year life for a solar facility. These and other key order points are provided on pages 5-6 of the Order. The parameters are effective January 1, 2021. A copy of Otter Tail's initial Annual Review of Depreciation Certification filing (Initial Filing) submitted to the MPUC on September 1, 2020, is enclosed in this compliance filing. Attachment 2 of this Initial Filing lists the remaining lives and net salvage, or amortization periods, requested for certification. The MPUC Order required a compliance filing with an updated Petition Attachment 2 (hydro re-licensing term) and an Attachment 4 (wind facility information), reflecting the Commission's decisions in the Order. Otter Tail submitted the required compliance filing on May 17, 2021, and a copy has been included in this compliance filing.

Mr. Kahl
June 18, 2021
Page 2

An electronic copy of this filing is being sent to you at ndpsc@nd.gov. These items are filed for your information. If you have any questions, please contact me at 218-739-8042 or pfoster@otpc.com.

Sincerely,

/s/ PAULA M. FOSTER

Paula M. Foster
Rates Analyst, Regulatory Administration

cjh
Enclosures
By electronic filing and U.S. Mail

Estimated Impact on North Dakota

Statement B

2020 Technical Update



**North Dakota
(Statement B)**

OTTER TAIL POWER COMPANY

Comparison of Current and Updated Accruals

Current: VG Procedure / RL Technique

Proposed: VG Procedure / RL Technique

Statement B

Account Description	12/31/19 Plant Investment	North Dakota Allocation Factor	Current Annual Accrual		Updated 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
INTANGIBLE PLANT								
303.91 Software - 5 Year	\$ 8,945,673	0.40866454	\$ 1,789,135	\$ 731,156	\$ 1,789,135	\$ 731,156	\$ -	\$ -
303.92 Software - 10 Year	20,540,434	0.40866454	2,054,043	839,415	2,054,043	839,415		
Total Intangible Plant	\$ 29,486,107		\$ 3,843,178	\$ 1,570,571	\$ 3,843,178	\$ 1,570,571	\$ -	\$ -
STEAM PRODUCTION								
311.00 Structures and Improvements	\$ 120,658,715	0.35328160	\$ 3,044,197	\$ 1,075,458	\$ 3,240,224	\$ 1,144,712	\$ 196,027	\$ 69,254
312.00 Boiler Plant Equipment	346,700,203	0.35328160	12,951,129	4,575,395	14,768,115	5,217,303	1,816,986	641,908
312.10 Boiler Plant Equipment - Landfill	10,412,772	0.35328160	234,287	82,769	234,287	82,769		
314.00 Turbogenerator Units	66,959,044	0.35328160	1,825,485	644,910	2,253,924	796,270	428,439	151,360
315.00 Accessory Electric Equipment	35,770,319	0.35328160	891,233	314,857	987,497	348,865	96,264	34,008
316.00 Miscellaneous Power Plant Equipment	6,694,669	0.35328160	276,086	97,536	333,417	117,789	57,331	20,253
Total Steam Production Plant	\$ 587,195,722		\$ 19,222,417	\$ 6,790,925	\$ 21,817,464	\$ 7,707,708	\$ 2,595,047	\$ 916,783
HYDRAULIC PRODUCTION								
331.00 Structures and Improvements	\$ 351,712	0.35328160	\$ 25,713	\$ 9,084	\$ 30,415	\$ 10,744	\$ 4,702	\$ 1,660
332.00 Reservoirs, Dams and Waterways	4,277,055	0.35328160	500,493	176,815	591,907	209,111	91,414	32,296
333.00 Water Wheels, Turbines & Generators	1,373,867	0.35328160	91,280	32,248	107,926	38,127	16,646	5,879
334.00 Accessory Electric Equipment	597,103	0.35328160	40,869	14,437	48,325	17,072	7,456	2,635
335.00 Miscellaneous Power Plant Equipment	435,295	0.35328160	58,755	20,758	69,491	24,551	10,736	3,793
Total Hydraulic Production Plant	\$ 7,035,032		\$ 717,110	\$ 253,342	\$ 848,064	\$ 299,605	\$ 130,954	\$ 46,263
OTHER PRODUCTION								
341.00 Structures and Improvements	\$ 13,335,844	0.35400755	\$ 524,710	\$ 185,834	\$ 378,136	\$ 133,863	\$ (146,574)	\$ (51,971)
342.00 Fuel Holders and Accessories	1,764,466	0.35328113	48,316	17,069	50,699	17,911	2,383	842
343.00 Prime Movers	31,398,808	0.35328059	847,838	299,525	996,344	351,989	148,506	52,464
344.00 Generators	242,928,642	0.35457315	11,217,734	3,977,506	6,669,611	2,364,865	(4,548,123)	(1,612,641)
345.00 Accessory Electric Equipment	20,688,763	0.35444741	908,922	322,210	558,932	198,112	(349,990)	(124,098)
346.00 Miscellaneous Power Plant Equipment	640,149	0.35373870	25,213	8,923	21,906	7,749	(3,307)	(1,174)
Total Other Production Plant	\$ 310,756,672		\$ 13,572,733	\$ 4,811,067	\$ 8,675,628	\$ 3,074,489	\$ (4,897,105)	\$ (1,736,578)
TRANSMISSION PLANT								
353.00 Station Equipment	\$ 136,645,010	0.38921673	\$ 2,145,327	\$ 834,997	\$ 2,145,327	\$ 834,997	\$ -	\$ -
354.00 Towers and Fixtures	163,336,557	0.38921673	2,384,714	928,171	2,384,714	928,171		
355.00 Poles and Fixtures	136,793,831	0.38921673	2,475,968	963,688	2,517,006	979,661	41,038	15,973
356.00 Overhead Conductors and Devices	192,354,851	0.38921673	3,058,442	1,190,397	3,154,620	1,227,831	96,178	37,434
358.00 Underground Conductors and Devices	77,461	0.38921673	488	190	480	187	(8)	(3)
Total Transmission Plant	\$ 629,207,710		\$ 10,064,939	\$ 3,917,443	\$ 10,202,147	\$ 3,970,847	\$ 137,208	\$ 53,404
DISTRIBUTION PLANT								
362.00 Station Equipment	\$ 88,316,598	0.46069404	\$ 1,713,342	\$ 789,326	\$ 1,731,005	\$ 797,464	\$ 17,663	\$ 8,138
364.00 Poles, Towers and Fixtures	77,332,882	0.46069404	2,250,387	1,036,740	2,250,387	1,036,740		
365.00 Overhead Conductors and Devices	54,575,103	0.46069404	1,222,482	563,190	1,227,940	565,705	5,458	2,515
367.00 Underground Conductors and Devices	87,459,520	0.46069404	1,766,682	813,900	1,784,174	821,958	17,492	8,058
368.00 Line Transformers	109,365,606	0.46069404	1,957,644	901,875	1,935,771	891,798	(21,873)	(10,077)

OTTER TAIL POWER COMPANY

Statement B

Comparison of Current and Updated Accruals

Current: VG Procedure / RL Technique

Proposed: VG Procedure / RL Technique

Account Description	12/31/19 Plant Investment	North Dakota Allocation Factor	Current Annual Accrual		Updated 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
369.00 Overhead Services	13,454,302	0.46069404	795,149	366,320	795,149	366,320		
369.10 Underground Services	44,829,424	0.46069404	1,004,179	462,619	1,004,179	462,619		
370.00 Meters	27,157,509	0.46069404	926,071	426,635	909,777	419,129	(16,294)	(7,506)
370.05 Smart Meters	921,313	0.46069404	31,417	14,474	47,263	21,774	15,846	7,300
370.10 Load Management Switches	8,904,685	0.46069404	186,998	86,149	154,942	71,381	(32,056)	(14,768)
371.20 Other Private Lighting	6,087,654	0.46069404	206,371	95,074	219,764	101,244	13,393	6,170
373.00 Street Lighting and Signal Systems	6,928,474	0.46069404	259,125	119,377	284,067	130,868	24,942	11,491
Total Distribution Plant	\$ 525,333,070		\$ 12,319,847	\$ 5,675,679	\$ 12,344,418	\$ 5,687,000	\$ 24,571	\$ 11,321
GENERAL PLANT								
Depreciable								
390.00 Structures and Improvements	\$ 20,551,184	0.46069404	\$ 394,583	\$ 181,782	\$ 390,472	\$ 179,888	\$ (4,111)	\$ (1,894)
390.10 General Office Buildings	6,423,100	0.46069404	35,969	16,571	52,027	23,969	16,058	7,398
390.20 Fleet Service Center Building	3,132,102	0.46069404	23,804	10,966	18,793	8,658	(5,011)	(2,308)
390.30 Central Stores Building	4,276,593	0.46069404	(24,377)	(11,230)	(23,094)	(10,639)	1,283	591
396.00 Power Operated Equipment	1,356,176	0.46069404	54,383	25,054	55,196	25,428	813	374
397.40 Communication Towers	1,877,722	0.46069404	31,734	14,620	32,109	14,792	375	172
Total Depreciable	\$ 37,616,877		\$ 516,096	\$ 237,763	\$ 525,503	\$ 242,096	\$ 9,407	\$ 4,333
Amortizable								
391.00 Office Furniture	\$ 695,720	0.46069404	\$ 46,405	\$ 21,379	\$ 46,405	\$ 21,379	\$ -	\$ -
391.10 Office Equipment	419,229	0.46069404	41,923	19,314	41,923	19,314		
391.20 Duplicating Equipment	269,841	0.46069404	26,984	12,431	26,984	12,431		
391.50 Computer Systems	3,685,323	0.46069404	737,065	339,561	737,065	339,561		
391.60 Computer Related Equipment	892,783	0.46069404	178,557	82,260	178,557	82,260		
394.00 Tools, Shop and Garage Equipment	4,093,917	0.46069404	273,064	125,799	273,064	125,799		
394.20 Automated Meter Reading Equipment	916,850	0.46069404	61,154	28,173	61,154	28,173		
397.00 Communication Equipment	2,965,064	0.46069404	197,770	91,111	197,770	91,111		
397.10 Radio Telecommunication Equipment	975,692	0.46069404	97,569	44,949	97,569	44,949		
397.20 Microwave Equipment	3,276,047	0.46069404	218,512	100,667	218,512	100,667		
397.30 Radio Load Control Equipment	459,343	0.46069404	45,934	21,162	45,934	21,162		
Total Amortizable	\$ 18,649,809		\$ 1,924,937	\$ 886,806	\$ 1,924,937	\$ 886,806	\$ -	\$ -
Total General Plant	\$ 56,266,686		\$ 2,441,033	\$ 1,124,569	\$ 2,450,440	\$ 1,128,902	\$ 9,407	\$ 4,333
TOTAL UTILITY	\$ 2,145,280,999		\$ 62,181,257	\$ 24,143,596	\$ 60,181,339	\$ 23,439,122	\$ (1,999,918)	\$ (704,474)

OTTER TAIL POWER COMPANY

Statement B

Comparison of Current and Updated Accruals

Current: VG Procedure / RL Technique

Proposed: VG Procedure / RL Technique

Account Description A	12/31/19 Plant Investment B	North Dakota Allocation Factor C	Current Annual Accrual		Updated Annual Accrual		Difference	
			Total D	North Dakota E=C*D	Total F	North Dakota G=C*F	Total H=F-D	North Dakota I=G-E
STEAM PRODUCTION								
Big Stone								
311.00 Structures and Improvements	\$ 79,667,876	0.35328160	\$ 2,214,767	\$ 782,436	\$ 2,206,800	\$ 779,622	\$ (7,967)	\$ (2,814)
312.00 Boiler Plant Equipment	200,072,990	0.35328160	6,602,409	2,332,510	6,682,438	2,360,782	80,029	28,272
312.10 Boiler Plant Equipment - Landfill								
314.00 Turbogenerator Units	30,488,121	0.35328160	503,054	177,720	509,152	179,874	6,098	2,154
315.00 Accessory Electric Equipment	20,863,979	0.35328160	523,686	185,009	523,686	185,009		
316.00 Miscellaneous Power Plant Equipment	3,293,483	0.35328160	77,726	27,459	82,337	29,088	4,611	1,629
Total Big Stone	\$ 334,386,449		\$ 9,921,642	\$ 3,505,134	\$ 10,004,413	\$ 3,534,375	\$ 82,771	\$ 29,241
Hoot Lake Units 2 and 3								
311.00 Structures and Improvements	\$ 6,096,309	0.35328160	\$ 267,628	\$ 94,548	\$ 454,175	\$ 160,452	\$ 186,547	\$ 65,904
312.00 Boiler Plant Equipment	37,830,819	0.35328160	3,998,718	1,412,673	5,572,480	1,968,655	1,573,762	555,982
312.10 Boiler Plant Equipment - Landfill	10,412,772	0.35328160	234,287	82,769	234,287	82,769		
314.00 Turbogenerator Units	11,558,367	0.35328160	727,021	256,843	1,126,941	398,128	399,920	141,285
315.00 Accessory Electric Equipment	2,766,673	0.35328160	156,317	55,224	246,511	87,088	90,194	31,864
316.00 Miscellaneous Power Plant Equipment	1,190,054	0.35328160	135,785	47,970	186,957	66,048	51,172	18,078
Total Hoot Lake Units 2 and 3	\$ 69,854,994		\$ 5,519,756	\$ 1,950,027	\$ 7,821,351	\$ 2,763,140	\$ 2,301,595	\$ 813,113
Coyote								
311.00 Structures and Improvements	\$ 34,894,530	0.35328160	\$ 561,802	\$ 198,474	\$ 579,249	\$ 204,638	\$ 17,447	\$ 6,164
312.00 Boiler Plant Equipment	108,796,394	0.35328160	2,350,002	830,212	2,513,197	887,866	163,195	57,654
312.10 Boiler Plant Equipment - Landfill		0.35328160						
314.00 Turbogenerator Units	24,912,556	0.35328160	595,410	210,347	617,831	218,268	22,421	7,921
315.00 Accessory Electric Equipment	12,139,667	0.35328160	211,230	74,624	217,300	76,768	6,070	2,144
316.00 Miscellaneous Power Plant Equipment	2,211,132	0.35328160	62,575	22,107	64,123	22,653	1,548	546
Total Coyote	\$ 182,954,279		\$ 3,781,019	\$ 1,335,764	\$ 3,991,700	\$ 1,410,193	\$ 210,681	\$ 74,429
HYDRAULIC PRODUCTION								
Hoot Lake								
331.00 Structures and Improvements	\$ 69,354	0.35328160	\$ 229	\$ 81	\$ 270	\$ 95	\$ 41	\$ 14
332.00 Reservoirs, Dams and Waterways	297,674	0.35328160	8,692	3,071	10,270	3,628	1,578	557
333.00 Water Wheels, Turbines & Generators	104,195	0.35328160	2,063	729	2,449	865	386	136
334.00 Accessory Electric Equipment	34,651	0.35328160	946	334	1,119	395	173	61
335.00 Miscellaneous Power Plant Equipment	48,801	0.35328160	7,569	2,674	8,950	3,162	1,381	488
Total Hoot Lake	\$ 554,675		\$ 19,499	\$ 6,889	\$ 23,058	\$ 8,145	\$ 3,559	\$ 1,256
Wright								
331.00 Structures and Improvements	\$ 19,026	0.35328160	\$ 784	\$ 277	\$ 927	\$ 327	\$ 143	\$ 50
332.00 Reservoirs, Dams and Waterways	892,711	0.35328160	124,622	44,027	147,387	52,069	22,765	8,042
333.00 Water Wheels, Turbines & Generators	545,392	0.35328160	28,197	9,961	33,323	11,772	5,126	1,811
334.00 Accessory Electric Equipment	202,552	0.35328160	15,252	5,388	18,027	6,369	2,775	981
335.00 Miscellaneous Power Plant Equipment	115,218	0.35328160	12,927	4,567	15,289	5,401	2,362	834
Total Wright	\$ 1,774,899		\$ 181,782	\$ 64,220	\$ 214,953	\$ 75,938	\$ 33,171	\$ 11,718

OTTER TAIL POWER COMPANY

Statement B

Comparison of Current and Updated Accruals

Current: VG Procedure / RL Technique

Proposed: VG Procedure / RL Technique

Account Description	12/31/19 Plant Investment	North Dakota Allocation Factor	Current Annual Accrual		Updated 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
Pisgah								
331.00 Structures and Improvements	\$ 12,118	0.35328160	\$ 399	\$ 141	\$ 471	\$ 166	\$ 72	\$ 25
332.00 Reservoirs, Dams and Waterways	376,297	0.35328160	40,113	14,171	47,451	16,764	7,338	2,593
333.00 Water Wheels, Turbines & Generators	159,732	0.35328160	14,631	5,169	17,315	6,117	2,684	948
334.00 Accessory Electric Equipment	102,487	0.35328160	8,855	3,128	10,474	3,700	1,619	572
335.00 Miscellaneous Power Plant Equipment	62,744	0.35328160	10,221	3,611	12,091	4,272	1,870	661
Total Pisgah	\$ 713,378		\$ 74,219	\$ 26,220	\$ 87,802	\$ 31,019	\$ 13,583	\$ 4,799
Dayton Hollow								
331.00 Structures and Improvements	\$ 16,269	0.35328160	\$ 2,343	\$ 828	\$ 2,772	\$ 979	\$ 429	\$ 151
332.00 Reservoirs, Dams and Waterways	1,291,391	0.35328160	181,828	64,236	215,017	75,962	33,189	11,726
333.00 Water Wheels, Turbines & Generators	226,751	0.35328160	20,476	7,234	24,217	8,555	3,741	1,321
334.00 Accessory Electric Equipment	193,342	0.35328160	12,161	4,296	14,385	5,082	2,224	786
335.00 Miscellaneous Power Plant Equipment	111,159	0.35328160	16,685	5,895	19,731	6,971	3,046	1,076
Total Dayton Hollow	\$ 1,838,912		\$ 233,493	\$ 82,489	\$ 276,122	\$ 97,549	\$ 42,629	\$ 15,060
Taplin Gorge								
331.00 Structures and Improvements	\$ 35,140	0.35328160	\$ 439	\$ 155	\$ 520	\$ 184	\$ 81	\$ 29
332.00 Reservoirs, Dams and Waterways	602,762	0.35328160	51,536	18,207	60,939	21,529	9,403	3,322
333.00 Water Wheels, Turbines & Generators	15,110	0.35328160	163	58	193	68	30	10
334.00 Accessory Electric Equipment	58,695	0.35328160	3,228	1,140	3,815	1,348	587	208
335.00 Miscellaneous Power Plant Equipment	96,303	0.35328160	11,210	3,960	13,261	4,685	2,051	725
Total Taplin Gorge	\$ 808,010		\$ 66,576	\$ 23,520	\$ 78,728	\$ 27,814	\$ 12,152	\$ 4,294
Bemidji								
331.00 Structures and Improvements	\$ 199,805	0.35328160	\$ 21,519	\$ 7,602	\$ 25,455	\$ 8,993	\$ 3,936	\$ 1,391
332.00 Reservoirs, Dams and Waterways	816,220	0.35328160	93,702	33,103	110,843	39,159	17,141	6,056
333.00 Water Wheels, Turbines & Generators	322,687	0.35328160	25,750	9,097	30,429	10,750	4,679	1,653
334.00 Accessory Electric Equipment	5,376	0.35328160	427	151	505	178	78	27
335.00 Miscellaneous Power Plant Equipment	1,070	0.35328160	143	51	169	60	26	9
Total Bemidji	\$ 1,345,158		\$ 141,541	\$ 50,004	\$ 167,401	\$ 59,140	\$ 25,860	\$ 9,136
OTHER PRODUCTION								
Jamestown								
341.00 Structures and Improvements	\$ 311,512	0.35328160	\$ 6,501	\$ 2,296	\$ 6,532	\$ 2,308	\$ 31	\$ 12
342.00 Fuel Holders and Accessories	415,964	0.35328160	12,072	4,265	12,110	4,278	38	13
343.00 Prime Movers	6,952,527	0.35328160	119,228	42,121	119,228	42,121		
344.00 Generators		0.35328160						
345.00 Accessory Electric Equipment	227,590	0.35328160	5,903	2,086	5,926	2,093	23	7
346.00 Miscellaneous Power Plant Equipment	88,665	0.35328160	3,165	1,118	3,165	1,118		
Total Jamestown	\$ 7,996,258		\$ 146,869	\$ 51,886	\$ 146,961	\$ 51,918	\$ 92	\$ 32

OTTER TAIL POWER COMPANY

Statement B

Comparison of Current and Updated Accruals

Current: VG Procedure / RL Technique

Proposed: VG Procedure / RL Technique

Account Description	12/31/19 Plant Investment	North Dakota Allocation Factor	Current Annual Accrual		Updated 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
Jamestown Unit 1								
341.00 Structures and Improvements	\$ 286,659	0.35328160	\$ 5,733	\$ 2,025	\$ 5,762	\$ 2,036	\$ 29	\$ 11
342.00 Fuel Holders and Accessories	379,195	0.35328160	11,565	4,086	11,603	4,099	38	13
343.00 Prime Movers	3,030,866	0.35328160	60,011	21,201	60,011	21,201		
344.00 Generators		0.35328160						
345.00 Accessory Electric Equipment	155,272	0.35328160	2,779	982	2,795	987	16	5
346.00 Miscellaneous Power Plant Equipment	85,462	0.35328160	3,171	1,120	3,171	1,120		
Total Jamestown Unit 1	\$ 3,937,454		\$ 83,259	\$ 29,414	\$ 83,342	\$ 29,443	\$ 83	\$ 29
Jamestown Unit 2								
341.00 Structures and Improvements	\$ 24,853	0.35328160	\$ 768	\$ 271	\$ 770	\$ 272	\$ 2	\$ 1
342.00 Fuel Holders and Accessories	36,769	0.35328160	507	179	507	179		
343.00 Prime Movers	3,921,661	0.35328160	59,217	20,920	59,217	20,920		
344.00 Generators		0.35328160						
345.00 Accessory Electric Equipment	72,318	0.35328160	3,124	1,104	3,131	1,106	7	2
346.00 Miscellaneous Power Plant Equipment	3,203	0.35328160	(6)	(2)	(6)	(2)		
Total Jamestown Unit 2	\$ 4,058,804		\$ 63,610	\$ 22,472	\$ 63,619	\$ 22,475	\$ 9	\$ 3
Lake Preston								
341.00 Structures and Improvements	\$ 233,982	0.35328160	\$ 3,791	\$ 1,339	\$ 3,814	\$ 1,347	\$ 23	\$ 8
342.00 Fuel Holders and Accessories	328,705	0.35328160	5,752	2,032	5,752	2,032		
343.00 Prime Movers	3,282,642	0.35328160	51,537	18,207	51,866	18,323	329	116
344.00 Generators		0.35328160						
345.00 Accessory Electric Equipment	400,094	0.35328160	6,562	2,318	6,562	2,318		
346.00 Miscellaneous Power Plant Equipment	21,607	0.35328160	212	75	214	76	2	1
Total Lake Preston	\$ 4,267,030		\$ 67,854	\$ 23,971	\$ 68,208	\$ 24,096	\$ 354	\$ 125
Ashtabula Wind Generation								
341.00 Structures and Improvements	\$ 3,248,290	0.35457314	\$ 144,224	\$ 51,138	\$ 85,430	\$ 30,291	\$ (58,794)	\$ (20,847)
342.00 Fuel Holders and Accessories								
343.00 Prime Movers								
344.00 Generators	106,724,521	0.35457314	4,877,311	1,729,363	2,892,235	1,025,509	(1,985,076)	(703,854)
345.00 Accessory Electric Equipment	6,479,774	0.35457314	292,238	103,620	173,010	61,345	(119,228)	(42,275)
346.00 Miscellaneous Power Plant Equipment	28,417	0.35457314	1,503	533	887	315	(616)	(218)
Total Ashtabula Wind Generation	\$ 116,481,002		\$ 5,315,276	\$ 1,884,654	\$ 3,151,562	\$ 1,117,460	\$ (2,163,714)	\$ (767,194)
Langdon Wind Generation								
341.00 Structures and Improvements	\$ 2,484,069	0.35457314	\$ 112,528	\$ 39,899	\$ 64,586	\$ 22,900	\$ (47,942)	\$ (16,999)
342.00 Fuel Holders and Accessories								
343.00 Prime Movers								
344.00 Generators	69,306,474	0.35457314	3,229,682	1,145,158	1,857,414	658,589	(1,372,268)	(486,569)
345.00 Accessory Electric Equipment	7,407,275	0.35457314	341,475	121,078	196,293	69,600	(145,182)	(51,478)
346.00 Miscellaneous Power Plant Equipment	108,791	0.35457314	6,071	2,153	4,178	1,481	(1,893)	(672)
Total Langdon Wind Generation	\$ 79,306,609		\$ 3,689,756	\$ 1,308,288	\$ 2,122,471	\$ 752,570	\$ (1,567,285)	\$ (555,718)

OTTER TAIL POWER COMPANY

Statement B

Comparison of Current and Updated Accruals

Current: VG Procedure / RL Technique

Proposed: VG Procedure / RL Technique

Account Description A	12/31/19 Plant Investment B	North Dakota Allocation Factor C	Current Annual Accrual		Updated 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
<u>Luverne Wind Generation</u>								
341.00 Structures and Improvements	\$ 2,266,581	0.35457314	\$ 102,903	\$ 36,487	\$ 63,011	\$ 22,342	\$ (39,892)	\$ (14,145)
342.00 Fuel Holders and Accessories								
343.00 Prime Movers								
344.00 Generators	66,897,647	0.35457314	3,110,741	1,102,985	1,919,962	680,767	(1,190,779)	(422,218)
345.00 Accessory Electric Equipment	4,863,837	0.35457314	220,818	78,296	135,215	47,944	(85,603)	(30,352)
346.00 Miscellaneous Power Plant Equipment	74,045	0.35457314	3,939	1,397	2,406	853	(1,533)	(544)
Total Luverne Wind Generation	\$ 74,102,110		\$ 3,438,401	\$ 1,219,165	\$ 2,120,594	\$ 751,906	\$ (1,317,807)	\$ (467,259)
<u>Solway Combustion Turbine</u>								
341.00 Structures and Improvements	\$ 4,791,410	0.35328160	\$ 154,763	\$ 54,675	\$ 154,763	\$ 54,675	\$ -	\$ -
342.00 Fuel Holders and Accessories	1,019,797	0.35328160	30,492	10,772	32,837	11,601	2,345	829
343.00 Prime Movers	20,572,001	0.35328160	656,247	231,840	804,365	284,167	148,118	52,327
344.00 Generators								
345.00 Accessory Electric Equipment	1,310,193	0.35328160	41,926	14,812	41,926	14,812		
346.00 Miscellaneous Power Plant Equipment	318,624	0.35328160	10,323	3,647	11,056	3,906	733	259
Total Solway Combustion Turbine	\$ 28,012,025		\$ 893,751	\$ 315,746	\$ 1,044,947	\$ 369,161	\$ 151,196	\$ 53,415
<u>Fergus Falls Control Center</u>								
341.00 Structures and Improvements	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
342.00 Fuel Holders and Accessories								
343.00 Prime Movers	591,638	0.35328160	20,826	7,357	20,885	7,378	59	21
344.00 Generators								
345.00 Accessory Electric Equipment								
346.00 Miscellaneous Power Plant Equipment								
Total Fergus Falls Control Center	\$ 591,638		\$ 20,826	\$ 7,357	\$ 20,885	\$ 7,378	\$ 59	\$ 21

Minnesota Public Utilities
Commission Order
Dated April 21, 2021

Docket No. E017/D-20-703

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Katie J. Sieben	Chair
Valerie Means	Commissioner
Matthew Schuerger	Commissioner
Joseph K. Sullivan	Commissioner
John A. Tuma	Commissioner

In the Matter of the Petition of Otter Tail
Power Company for Approval of its 2020
Annual Review of Depreciation Certification

ISSUE DATE: April 21, 2021

DOCKET NO. E-017/D-20-703

ORDER APPROVING PETITION WITH
MODIFICATIONS

PROCEDURAL HISTORY

On September 1, 2020, Otter Tail Power Company (Otter Tail or the Company) filed its 2020 Annual Review of Depreciation Certification.

On November 6, 2020, the Department of Commerce (the Department) filed comments on the filing recommending that the Commission approve the petition with modifications that would leave the remaining lives of existing wind farms at the current level and would include deferring approval of depreciation rates for certain solar facilities.

On November 19, 2020, Otter Tail filed reply comments disagreeing with the Department's recommended modifications.

On March 18, 2021, the filing came before the Commission.

FINDINGS AND CONCLUSIONS

I. Introduction

Otter Tail filed its petition under Minn. Stat. § 216B.11 and Minn. R. 7825.0700 to 7825.0900, which govern depreciation filings, and which require annual filings,¹ as well as five-year depreciation studies.²

¹ Minn. R. 7825.0600, subp. 2, item D.

² Minn. R. 7825.0700, subp. 1.

“Depreciation” is the loss of an asset’s service value due to consumption or prospective retirement other than losses that can be restored through routine maintenance or paid for by insurance.³

Assets may depreciate due to wear and tear, decay, action of the elements, inadequacy, obsolescence, changes in the art, and changes in demand and requirements of public authorities, among other causes.⁴

Depreciation accounting permits a utility to recover the cost of a tangible capital asset plus the cost of decommissioning the asset over the asset’s useful life.⁵ “Decommissioning costs” refers to the anticipated cost of removing an asset at the end of its useful life, offset by the asset’s anticipated salvage value; the opposite of this number—salvage value minus cost of removal—is called net salvage.⁶

The Commission sets a utility’s rates with the goal of providing the utility a reasonable opportunity to recover its costs plus a fair return on its assets. Depreciation influences this calculation because depreciation represents a form of cost, and because depreciation reduces the amount of assets upon which the utility earns a return. If a utility understates its depreciation, this error will result in lower costs, a higher asset balance over time, and assets that reach the end of their useful lives before the utility has fully recovered its investment in them.

When companies choose the remaining-life technique for depreciating group property accounts, the overall life and salvage factors may not change, but depreciation rates are adjusted annually to reflect the passage of time on remaining life values and the impact of plant additions or retirements. Consequently, annual depreciation study updates are required when the remaining-life technique is employed, and with the exception of certain General Plant accounts for which the Company uses amortization accounting, Otter Tail uses a remaining-life accounting method and must therefore file annual depreciation study updates.

II. Otter Tail’s Petition

In its petition, the Company proposed to reduce the study’s remaining life results, for all remaining lives based upon a forecasted retirement date, by one year to account for the passage of time, beginning from the depreciation study date to the effective date of the study’s depreciation parameters (when the parameters will be applied for depreciation-expense and reserve- calculation purposes).

The Company requested that its proposed changes to remaining lives and salvage rates be effective January 1, 2021 and proposed to do the following:

³ Minn. R. 7825.0500, subp. 6.

⁴ *Id.*

⁵ *Id.* at subp. 7.

⁶ *Id.* at subp. 8.

- Reduce the salvage rate for Hoot Lake Units 2 and 3 to negative 18.9% to reflect an additional \$2.5 million in decommissioning costs above the costs originally calculated.
- Update the remaining life of its hydro generation plants to match the renewal term of its pending hydro license application filed with the Federal Energy Regulatory Commission.
- Set the remaining life of its Astoria Station facility, which is expected to be in commercial service by the fourth quarter of 2021 or the first quarter of 2022, at 35 years with a net-negative salvage percentage of 1.30%.
- Set the remaining life of its electric vehicle charging stations at 10 years with a zero-percent salvage value, consistent with the Commission's approval of the Company's Electric Vehicle Charging Pilot Program filing in Docket No. E-017/M-20-181.
- Set the remaining life of solar-powered assets at 35 years with a 1.0% salvage value.
- Extend the remaining lives of four wind farms from 25 to 35 years. The Company explained that extending the life of the Merricourt Wind Energy facility reflects the results of a recent engineering study showing an expected service life for that facility of 40 years. The Company also stated that it made investments in life-extending equipment for its three existing wind farms: Langdon, Ashtabula, and Luverne, justifying these life extensions.
- Apply a 10-year extension to its average year of final retirement for its Jamestown, North Dakota, fleet service center building.
- Use a new sub-account to segregate sub-meters from conventional meters to reflect the Company's new reliability measurement program that uses two-way communication smart meters, which are more costly and have a shorter average service life than conventional meters.

The Company also stated that it plans to add a solar decommissioning study to its next five-year comprehensive depreciation study due in 2023 to reflect the Company's ownership and operation of solar-production assets.

III. The Department's Comments

The Department recommended approval of the Company's petition, with the following recommended modifications.

The Department recommended that the Commission defer approval of the Company's proposed depreciation parameters for a solar generating facility not yet approved by the Commission, or in the alternative, approve an initial 25-year life and a negative 1.0% salvage rate for a generic solar facility with the understanding that the Commission may modify the parameters in a future proceeding should an approved facility warrant changes to these amounts. Although the Company stated that it preferred its original proposal, it did not object to the Department's recommended modification.

The Department initially recommended against extending the useful lives of the Company's wind facilities but subsequently concurred that it would be reasonable to approve a 35-year useful life for the Merricourt Wind facility and require the initial salvage rate for this facility to be updated to net-negative 5.0%, commensurate with the extension of its useful life. The Company did not object to the Department's recommended modification.

The Department also stated that it would be reasonable to extend the depreciable lives of the Langdon, Ashtabula and Luverne facilities by setting the useful life of each to no more than 30 years and to modify the salvage rate parameters to be commensurate with any life extension. Under this scenario, each facility's salvage rate would be the midpoint of the salvage rate between a 25- and 35-year life of the facility. In response, the Company stated that it did not object to this approach but that the numbers could be more accurately calculated in a compliance filing.

IV. Commission Action

The Commission concurs with the parties that the petition is reasonable and will approve it, with modifications, and as set forth in the ordering paragraphs below.

The Commission concurs with the Department's proposed modification to approve an initial 25-year life and a negative 1.0% salvage rate for a generic solar facility with the understanding that the Commission may modify these parameters in a future proceeding should the details of an approved facility warrant changes.

The Commission also concurs with the Company that it is reasonable to extend the service lives of the existing wind facilities and will approve the Company's request to extend the life of the Merricourt facility to a 35-year useful life, with a net-negative 5.0% salvage rate, as recommended by the Department and agreed to by the Company, with the understanding that these parameters may be changed in the pending rate case,⁷ the next five-year depreciation study, or a future annual depreciation update after more thorough record development.

The Commission will similarly approve the Company's proposal to increase its existing Langdon, Ashtabula and Luverne wind farm service lives from 25 to 35 years with modifications to the salvage rate parameters commensurate with these life extensions and with the understanding that these parameters may be changed in the pending rate case, the next five-year depreciation study, or a future annual depreciation update after more thorough record development.

The Commission will approve the petition consistent with the decisions herein and as set forth in the ordering paragraphs below.

⁷ *In the Matter of the Application by Otter Tail Power Company for Authority to Increase Rates for Electric Service in the State of Minnesota*, Docket No. E-017/GR-20-719.

ORDER

1. The Commission hereby approves Otter Tail's proposed remaining life and salvage rates for the plants not otherwise identified and modified elsewhere by the Commission, with an effective date of January 1, 2021.
2. Otter Tail must file its next annual depreciation study by September 1, 2021.
3. In its next annual depreciation filing, Otter Tail must include peaking capacity cost information, as required by the Commission in Docket No. E-017/RP-05-968, comparing its new in-service Astoria Station peaking capacity costs to the short-term peaking capacity costs approved in the general rate case, Docket No. E017/GR-15-1033.
4. The Commission hereby approves Otter Tail's proposed salvage rate update to negative 18.9% for its Hoot Lake Plant Units 2 and 3 accounts with the exception of the landfill Account 312.10.
5. The Commission hereby approves Otter Tail's proposed 40-year remaining life for its hydraulic production facilities.
6. In its next annual depreciation filing, Otter Tail must provide the status of its hydro license application including the decided term granted by the Federal Energy Regulatory Commission.
7. The Commission hereby approves Otter Tail's proposed 35-year remaining life for Astoria Station and require Otter Tail to set Astoria Station's net salvage rate to negative 1.60% until it is evaluated in the next five-year comprehensive depreciation study.
8. The Commission hereby approves Otter Tail's proposed 10-year life and zero salvage parameters for its electric vehicle charging facilities.
9. The Commission hereby approves Otter Tail's initial use of a 25-year life and a negative 1.0% salvage for a generic Otter Tail solar facility.
10. The Commission hereby approves Otter Tail's proposed 35-year useful life for the Merricourt Wind facility; Otter Tail must update the initial salvage rate for the Merricourt Wind facility to a net negative 5.0% commensurate with this extension of its useful life.
11. The Commission hereby approves Otter Tail's proposal to increase its existing Langdon, Ashtabula and Luverne wind farm service lives from 25 to 35 years, with modification to the salvage rate parameters commensurate with these life extensions.
12. Otter Tail must individually depreciate its new Jamestown Fleet Service Center, which accounts for approximately 71% of the total value of investments in all service centers.
13. The Commission hereby approves Otter Tail's proposed depreciation parameters for the newly-established Account 370.05 for smart meters.

14. Otter Tail must file a compliance filing, due by the later of January 31 or within 30 days of this order, that includes an updated Petition Attachment 2 (hydro re-licensing term) and an Attachment 4 (wind facility information), reflecting the Commission's decisions herein.
15. This order shall become effective immediately.

BY ORDER OF THE COMMISSION



Will Seuffert
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 or speech impairment may call using their preferred Telecommunications Relay Service or email consumer.puc@state.mn.us for assistance.

CERTIFICATE OF SERVICE

I, Robin Benson, hereby certify that I have this day, served a true and correct copy of the following document to all persons at the addresses indicated below or on the attached list by electronic filing, electronic mail, courier, interoffice mail or by depositing the same enveloped with postage paid in the United States mail at St. Paul, Minnesota.

Minnesota Public Utilities Commission
ORDER APPROVING PETITION WITH MODIFICATIONS

Docket Numbers: **E-017/D-20-703**

Dated this **21st** day of **April, 2021**

/s/ Robin Benson

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Ray	Choquette	rchoquette@agp.com	Ag Processing Inc.	12700 West Dodge Road PO Box 2047 Omaha, NE 68103-2047	Electronic Service	No	OFF_SL_20-703_D-20-703
Generic Notice	Commerce Attorneys	commerce.attorneys@ag.state.mn.us	Office of the Attorney General-DOC	445 Minnesota Street Suite 1400 St. Paul, MN 55101	Electronic Service	Yes	OFF_SL_20-703_D-20-703
Brooke	Cooper	bcooper@allete.com	Minnesota Power	30 W Superior St Duluth, MN 558022191	Electronic Service	No	OFF_SL_20-703_D-20-703
Loyal	Demmer	ldemmer@otpc.com	Otter Tail Power Co.	215 South Cascade Street PO Box 496 Fergus Falls, MN 565380496	Electronic Service	No	OFF_SL_20-703_D-20-703
James C.	Erickson	jericksonkbc@gmail.com	Kelly Bay Consulting	17 Quechee St Superior, WI 54880-4421	Electronic Service	No	OFF_SL_20-703_D-20-703
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 280 Saint Paul, MN 551012198	Electronic Service	No	OFF_SL_20-703_D-20-703
Jessica	Fyhrie	jfyhrie@otpc.com	Otter Tail Power Company	PO Box 496 Fergus Falls, MN 56538-0496	Electronic Service	Yes	OFF_SL_20-703_D-20-703
Shane	Henriksen	shane.henriksen@enbridge.com	Enbridge Energy Company, Inc.	1409 Hammond Ave FL 2 Superior, WI 54880	Electronic Service	No	OFF_SL_20-703_D-20-703
Douglas	Larson	dlarson@dakotaelectric.com	Dakota Electric Association	4300 220th St W Farmington, MN 55024	Electronic Service	No	OFF_SL_20-703_D-20-703
James D.	Larson	james.larson@avantenergy.com	Avant Energy Services	220 S 6th St Ste 1300 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_20-703_D-20-703

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	OFF_SL_20-703_D-20-703
Andrew	Moratzka	andrew.moratzka@stoel.com	Stoel Rives LLP	33 South Sixth St Ste 4200 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_20-703_D-20-703
Generic Notice	Residential Utilities Division	residential.utilities@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012131	Electronic Service	Yes	OFF_SL_20-703_D-20-703
Larry L.	Schedin	Larry@LLSResources.com	LLS Resources, LLC	332 Minnesota St, Ste W1390 St. Paul, MN 55101	Electronic Service	No	OFF_SL_20-703_D-20-703
Will	Seuffert	Will.Seuffert@state.mn.us	Public Utilities Commission	121 7th PI E Ste 350 Saint Paul, MN 55101	Electronic Service	Yes	OFF_SL_20-703_D-20-703
Cary	Stephenson	cStephenson@otpc.com	Otter Tail Power Company	215 South Cascade Street Fergus Falls, MN 56537	Electronic Service	Yes	OFF_SL_20-703_D-20-703
Stuart	Tommerdahl	stommerdahl@otpc.com	Otter Tail Power Company	215 S Cascade St PO Box 496 Fergus Falls, MN 56537	Electronic Service	Yes	OFF_SL_20-703_D-20-703

Otter Tail Power Company's
2020 Minnesota Annual Review of
Depreciation Certification Filing

Minnesota Docket No. E017/D-20-703

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

September 01, 2020



Mr. Will Seuffert
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
2020 Annual Review of Depreciation Certification
Docket No. E017/D-20-**

Dear Mr. Seuffert:

Otter Tail Power Company (Otter Tail) hereby submits its 2020 Annual Review of Depreciation Certification.

Otter Tail electronically filed this document with the Commission. In compliance with Minn. R. 7829.1300, subp. 2., Otter Tail served 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
Senior Depreciation Accountant

cjh
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
2020 Annual Review of Depreciation
Certification

Docket No. E017/D-20-

SUMMARY OF FILING

Please take notice that on September 1, 2020, Otter Tail Power Company filed its 2020 Annual Review of Depreciation Certification with the Minnesota Public Utilities Commission. The study is being filed under Minn. R. 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 2020
Annual Review of Depreciation
Certification

Docket No. E017/D-20-

PETITION OF OTTER TAIL POWER COMPANY

I. INTRODUCTION

Pursuant to Minn. R. 7825.0700, Otter Tail Power Company (Otter Tail or the Company) hereby files its 2020 Annual Petition for Depreciation Certification. Otter Tail requests that the study be certified effective January 1, 2021.

II. GENERAL FILING INFORMATION

Pursuant to Minn. R. 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
Post Office Box 496
Fergus Falls, MN 56538-0496
(218) 739-8200

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

Cary Stephenson
Associate General Counsel
Otter Tail Power Company
215 South Cascade Street
Post Office Box 496
Fergus Falls, MN 56538-0496
(218) 739-8956
cstephenson@otpc.com

C. Date of Filing and Date Proposed Remaining Lives and Salvage Percentages to Take Effect

The filing date is September 1, 2020 and is based on plant-in-service and accumulated reserve balances as of December 31st, 2019. Otter Tail requests that the proposed remaining lives and salvage percentages be approved effective January 1, 2021 for 2021 depreciation expense and accumulated depreciation calculation purposes.

D. Controlling Law for the Filing

Minn. Stat. §216B.08 and §216B.11, and Minn. R. 7825.0700 – 7825.0900 control the filing.

E. Title of Utility Employee Responsible for Filing

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

III. DESCRIPTION OF FILING

This filing constitutes Otter Tail’s 2020 Annual Petition for Depreciation Certification. Otter Tail’s last five-year comprehensive depreciation study was filed in 2018 and approved by the Minnesota Public Utilities Commission (Commission) on July 17, 2019, in Docket No. E017/D-18-568. Otter Tail’s next five-year comprehensive depreciation study is due September 1, 2023. 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. 2020 Depreciation Rate Study prepared by Foster Associates Consultants, LLC, Attachment No. 1
2. Proposed Remaining Lives and Salvage Percentages for Use in 2021, Attachment No. 2
3. Supplemental Comments, Attachment No. 3

4. Comparison of Retirement Dates between this filing and the Company's most recent Commission approved Resource Plan that was filed in Docket No. E017/RP-16-386, Attachment No. 4

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, 2019. 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 2021 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 Commission approved Integrated Resource Plan that was filed on June 1, 2016.

IV. OTHER DEPRECIATION FILING MATTERS

A. 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 in plant in service, so there is no cost information to report with this filing. Otter Tail anticipates having a new peaking generator after the Astoria Station becomes available for commercial operation in late 2020 or early 2021.

B. Remaining Lives and Salvage Percentages

Otter Tail derives its Remaining Lives and Salvage Percentages based on 5-year Depreciation Studies and subsequently updates them annually in Technical Updates during each of the interim four years. These calculations are as of the Depreciation Study or annual Technical Update date (12/31 of the prior calendar year). These are then analyzed through the depreciation certification process and are proposed for use in the year following that year's depreciation certification filing to be used for calculating depreciation expense and accumulated reserve purposes. This results in a systematic and consecutive one-year lag, which when applied consistently over time yields uniform depreciation expense recognition in a rate regulated environment. In this filing, Otter Tail is reducing its Remaining Life for all AYFR property by one year to account for the passage of time from the depreciation study date to the effective date when the depreciation parameters will actually be applied for depreciation expense and reserve calculation purposes.

1. Hoot Lake Plant Decommissioning:

On December 31, 2019, the book date of this filing, the Hoot Lake Plant (HLP) reserve ratio was at 99.8 percent. The salvage percentage proposed and approved in Otter Tail's last Depreciation filing for Hoot Lake Plant was -15.6 percent (Docket No. E017/D-19-547) for use in 2020 depreciation expense calculation purposes. This reflected a target reserve ratio for end of plant life at 115.6%, netting to an additional 15.8 percent (115.6 percent - 99.8 percent) of the plants in service balance as needed in upcoming depreciation expense over the remaining life of the plant.

However, based on discussions with the Minnesota Pollution Control Agency (MPCA) in October 2019 concerning concrete management for HLP demolition, Otter Tail has updated its decommissioning study to account for complete foundation removal. Otter Tail's initial decommissioning study had used removal depths of 2 feet below grade which the MPCA deemed inadequate. Otter Tail then engaged Burns and McDonnell to provide an updated decommissioning study, the results of which include an increase in decommissioning costs of \$2,472,425 (from \$8,533,131 to \$11,005,556). This increase in cost of removal to

be recognized so close to HLP's retirement date caused the calculated net negative salvage percentage of -15.6 percent to increase to -18.9 percent, yielding a significant increase in the plants composite depreciation rate from 7.90 percent to 11.20 percent. This change results in an additional \$2.5 million in depreciation expense over the six months of remaining life in 2021 for the Hoot Lake Plant.

2. Hydro Relicensing

Otter Tail's current Federal Energy Regulatory Commission (FERC) hydro license expires in 2021. Otter Tail is in the process of license renewal (a multi-year endeavor). Otter Tail is not aware of any issues that would prevent relicensure. The renewed license, if granted, is valid for forty years. Like Otter Tail's current license, Otter Tail is linking the productive remaining life of its hydro facilities to the term of the forty-year hydro license.

3. Astoria Station

Construction began in May 2019 on Otter Tail's Astoria Station, a 245-mW simple-cycle natural gas combustion turbine in east central South Dakota. The Company expects the facility to go into commercial service in late Q4 2020 to early Q1 2021. Since this current depreciation certification is requesting remaining lives and salvage percentages for use in calculating depreciation rates for calendar year 2021, Otter Tail is prospectively requesting Commission approval of an initial Remaining Life of thirty-five-years, and a net negative salvage percentage of -1.30 percent (similar to Otter Tail's Solway Combustion Turbine at -1.60%).

Otter Tail had a pre-construction engineering decommission estimate of \$2.0 million which equates to about a -1.30 percent salvage percentage and concludes that the Solway Combustion Turbine is the closest in physical features and infrastructure buildout to the Astoria Station, suggesting the validity of the Astoria Station salvage calculation for use as the initial salvage percentage until a formal decommissioning estimate can be initiated for our next comprehensive depreciation study in 2022 for our 2023 five-year depreciation filing.

4. Electric Vehicle Charging Stations – Account 371.1

Otter Tail is meeting customer expectations with investments in Electric Vehicle Charging stations. These will primarily be installations on Customer Premises, with initial expected asset lives of ten- years with no residual salvage value expected. Therefore, in this filing, Otter Tail is requesting to initiate account 371.1 – Electric Vehicle Charging Stations with a proposed initial 10-year remaining life, and 0.0 percent salvage value.

5. Company Owned Solar Projects

Otter Tail is in the beginning stages of owning and operating solar production assets. The scale of solar production facilities can vary substantially from location to location based primarily on the physical location’s attributes with size or area being the main consideration. With more area, more photovoltaic solar panels can be installed, yielding greater expected output of electrical power. However, whether the size be smaller, or larger, much of the components will remain the same, with the area available for installation being the site to site variable factor. Therefore, Otter Tail is proposing to depreciate all solar powered assets over a thirty-five-year life. At the end of a thirty-five-year service life these assets would not be expected to have any re-use salvage value, but rather only salvage commodity market values. Additionally, it has been Otter Tail’s experience that Cost of Removal tends to outweigh any salvage value on the open market, so at this time, would expect a negative salvage position. Little solar salvage information is available today for comparison purposes. Because of this, Otter Tail is conservatively initially requesting a negative one percent salvage for these solar facilities. Otter Tail plans to add a Solar Decommissioning study to its next five-year comprehensive depreciation study in 2023, to better firm up its solar decommissioning percentages. Otter Tail proposes to use the 340 – Other Production series of accounts to account for these solar production assets.

6. Wind Farm Average Service Life Extensions

In this filing, Otter Tail is proposing to increase its four wind farm service lives from twenty-five to thirty-five years. Otter Tail constructed its first three wind farms in 2007, 2008, and 2009 and had proposed a twenty-five-year estimated service life at that time. Otter Tail also set the Merricourt Wind Energy Centers (MWEC) initial proposal at twenty-five- years prospectively in last year's depreciation filing for rates in effect for 2020, with the MWEC expected to go into service later this year. Otter Tail bases this average service life extension request for its wind farms on two primary factors. First, a recent engineering firm study points to an expected service life for the MWEC of forty years. Second, Otter Tail has made significant investments in life extending equipment for its three existing wind facilities, including \$989,000 in 2011 for Vibration Monitoring Systems, \$204,000 for Main Bearing Automatic Lubrication Systems in 2014, and \$34,000 for Bottom Turbine Controller Cooling Reservoir Parker Kleen Vent Systems in 2017, all in addition to periodic Gearbox overhauls or blade changeouts.

Otter Tail has been considering updating its wind farm service life for some time and feels that this is the time at about halfway through its initial wind farm investments that this update is warranted. Otter Tail notes that the Commission has approved 35-year service lives for wind farms for Minnesota Power wind farm assets.

7. New Jamestown Fleet Service Center

In 2019 Otter Tail constructed a new \$2.2 million Fleet Service Center building (account 390.2) in Jamestown, North Dakota. Prior to this, Otter Tail had only \$0.9 million invested in this account with a reserve ratio of approximately 57 percent. With such a large disproportionate current investment into an otherwise smaller, older account it became apparent that updates to both the Remaining Lives and Salvage percentages are required in this filing to return the account to reasonable depreciation expense levels reflective of asset life expectations. In last year's filing, this account with its Average Year of Final Retirement (AYFR) of 2035 registered a remaining life of 16.14 years, and a Vintage Group

Average Service Life (ASL) of 39.44 years. With this filing Otter Tail is initially requesting a ten-year extension to its AYFR from 2035 to 2045, which results in a new remaining life of 24.68 years, and a Vintage Group Average Service Life (ASL) of 29.52 years; a reduction of about 10 years.

For its AYFR building accounts Otter Tail relies on jurisdictional property tax assessments as a primary tool in helping to determine estimated salvage percentages. For this new building, the jurisdictional property reports were not yet available to assist with determining estimated salvage percentages, so Otter Tail estimated 50 percent of the original construction cost for a salvaged component. This can be reviewed and updated in subsequent depreciation filings.

8. Smart Meters and AMI Metering

Otter Tail has implemented a reliability measurement program by which two-way communication smart meters are deployed to distribution feeder lines to better track service interruptions or outages. These meters are classified as Smart Meters, and Otter Tail has separated these Smart Meters into their own sub account (370.05) under the 370 regular meter account.

These meters are more expensive than other meters due to their added two-way communications capabilities. Also, due to the additional electronic components and the likelihood of communications platform obsolescence, the average service life for this type of meter is likely to be shorter than their predecessor meters, as reflected in this filing.

Additionally, Otter Tail is researching an Advanced Metering Infrastructure (AMI) platform for possible future implementation. If implemented the AMI program would require the systematic changeout of Otter Tail's existing meter fleet. These new meters would have to be of the Smart Meter functionality, so designating the meter type split out ahead of that program change will make the meter change out easier to track.

V. MISCELLANEOUS INFORMATION

A. Pursuant to Minn. R. 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
Senior Depreciation Accountant
Otter Tail Power Company
215 South Cascade Street
Post Office Box 496
Fergus Falls, MN 56538-0496
ldemmer@otpc.com

and

Cary Stephenson
Associate General Counsel
Otter Tail Power Company
215 South Cascade Street
Post Office Box 496
Fergus Falls, MN 56538-0496
cstephenson@otpc.com

B. Service on Other Parties

Otter Tail 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, 2021.

Dated: September 1, 2020

Respectfully submitted,

OTTER TAIL POWER COMPANY

/s/ LOYAL K. DEMMER

Loyal K. Demmer, CMA

Senior Depreciation Accountant

Otter Tail Power Company

215 South Cascade Street

Post Office Box 496

Fergus Falls, MN 56538-0496

(218) 739-8659

ldemmer@otpc.com

2020 Technical Update



CONTENTS

EXECUTIVE SUMMARY

INTRODUCTION	1
SCOPE OF UPDATE	1
UPDATED 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	22
STATEMENT E – FUTURE NET SALVAGE.....	28
STATEMENT F – CURRENT AND UPDATED PARAMETERS AND STATISTICS	31
STATEMENT G – PLANT ACTIVITY	38
STATEMENT H – ANALYSIS OF DEPRECIATION RESERVE	40
STATEMENT I – SUMMARY OF DEPRECIATION ACCRUALS	42

August 2020

EXECUTIVE SUMMARY

INTRODUCTION

This report presents the findings and recommendations developed in a 2020 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 2018 Depreciation Study based on December 31, 2017 plant and reserve balances. Age distributions of surviving plant on December 31, 2019 were used in the 2020 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 updated annual depreciation rates for each rate category. Statement B provides a comparison of current and updated 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 updated parameters and statistics including projection life, projection curve, average service life, average remaining life, and average and future net salvage rates.

SCOPE OF UPDATE

The principal activities undertaken in the course of conducting the 2020 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 reported as currently used by the Company were developed from parameters estimated in Docket No. E-017/D-19-547. Depreciation accruals and reserve activity recorded in 2019 were posted to December 31, 2019 reserves to obtain appropriate reserve ratios for the 2020 technical 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 objected in Docket No. E-017/D-11-886 claiming 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 this and all future studies and technical updates.

UPDATED DEPRECIATION RATES

Table 1 below provides a summary of the changes in annual rates and accruals resulting from the 2020 technical update. Rates updated for each primary account (with the exception of amortization accounts) have been developed including authorized allowances for net salvage.

Function	Accrual Rate			2020 Annualized Accrual		
	Current	Updated	Difference	Current	Updated	Difference
A	B	C	D=C-B	E	F	G=F-E
Intangible Plant	13.03%	13.03%	0.00%	\$ 3,843,178	\$ 3,843,178	\$ -
Steam Production	3.27%	3.72%	0.45%	19,222,417	21,817,464	2,595,047
Hydraulic Production	10.19%	12.05%	1.86%	717,110	848,064	130,954
Other Production	4.37%	2.79%	-1.58%	13,572,733	8,675,628	(4,897,105)
Transmission	1.60%	1.62%	0.02%	10,064,939	10,202,147	137,208
Distribution	2.35%	2.35%	0.00%	12,319,847	12,344,418	24,571
General Plant	4.34%	4.36%	0.02%	2,441,033	2,450,440	9,407
Total Utility	2.90%	2.81%	-0.09%	\$62,181,257	\$ 60,181,339	(\$1,999,918)

Table 1. Current and Updated Rates and Accruals

Adjustments developed in the technical update produce a composite depreciation rate of 2.81 percent. Depreciation expense is currently accrued at an equivalent rate of 2.90 percent. The updated change in the composite depreciation rate is, therefore, a decrease of 0.09 percentage points.

A continued application of rates derived from currently approved parameters would produce annual depreciation expense of \$62,181,257 compared with an annual expense of \$60,181,339 using the rates developed in the update. The total utility reduction of \$1,999,918 is largely attributable to an updated estimate of the cost of demolishing Hoot Lake Units 2 and 3, an increase in salvage estimated for the Fleet Service Center, and extensions to the estimated year of final retirement for wind farms. Changes in the mix of plant investments among primary accounts and changes in the age distributions of surviving plant also contribute to the total utility reduction. (The change in accruals would be a reduction of \$3,032,166 if Otter Tail were permitted to rebalance depreciation reserves). The portion of the \$1,999,918 reduction allocated to the Minnesota jurisdiction is \$1,091,624.

STATEMENTS

INTRODUCTION

This section provides a comparative summary of depreciation rates, annual depreciation accruals, recorded and computed depreciation reserves, and current and updated 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 updated annual depreciation rates for calendar year 2020 using the straight-line method, vintage group procedure, remaining-life technique.
- Statement B provides a comparison of the current and updated annualized depreciation accruals for calendar year 2020 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 updated parameters including projection life, projection curve and future net salvage rates. The statement also contains current and updated 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, updated depreciation accruals shown on Statement B are the product of the plant investment and updated depreciation rates (Column H) shown on Statement A. 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 2019:

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
Comparison of Current and Updated Accrual Rates
Current: VG Procedure / RL Technique
Updated: VG Procedure / RL Technique

Statement A

Account Description A	Current			Updated			
	Rem. Life B	Fut. Net Salvage C	Accrual Rate D	Rem. Life E	Fut. Net Salvage F	Reserve Ratio G	Accrual Rate H
INTANGIBLE PLANT							
303.91 Software - 5 Year	← 5 Year Amortization →			← 5 Year Amortization →			
303.92 Software - 10 Year	← 10 Year Amortization →			← 10 Year Amortization →			
Total Intangible Plant			13.03%	6.17		20.02%	13.03%
STEAM PRODUCTION							
311.00 Structures and Improvements	24.24	-7.2%	2.52%	23.28	-7.2%	49.82%	2.69%
312.00 Boiler Plant Equipment	19.83	-7.9%	3.74%	18.95	-8.1%	41.10%	4.26%
312.10 Boiler Plant Equipment - Landfill	31.16		2.25%	30.24		32.11%	2.25%
314.00 Turbogenerator Units	18.47	-8.7%	2.73%	17.58	-9.1%	67.78%	3.37%
315.00 Accessory Electric Equipment	22.53	-7.6%	2.49%	21.59	-7.7%	56.58%	2.76%
316.00 Miscellaneous Power Plant Equipment	15.93	-8.6%	4.12%	15.25	-9.0%	53.33%	4.98%
Total Steam Production Plant			3.27%	19.84	-7.8%	46.86%	3.72%
HYDRAULIC PRODUCTION							
331.00 Structures and Improvements	2.49		7.31%	1.50		87.03%	8.65%
332.00 Reservoirs, Dams and Waterways	2.49		11.70%	1.50		79.24%	13.84%
333.00 Water Wheels, Turbines & Generators	2.49		6.64%	1.50		88.21%	7.86%
334.00 Accessory Electric Equipment	2.49		6.84%	1.50		87.86%	8.09%
335.00 Miscellaneous Power Plant Equipment	2.49		13.50%	1.50		76.05%	15.97%
Total Hydraulic Production Plant			10.19%	1.50		81.92%	12.05%
OTHER PRODUCTION							
341.00 Structures and Improvements	15.69	-3.4%	3.93%	20.65	-4.0%	45.64%	2.84%
342.00 Fuel Holders and Accessories	16.94	-3.6%	2.74%	16.04	-3.6%	56.61%	2.87%
343.00 Prime Movers	17.65	-3.0%	2.70%	16.66	-3.2%	48.96%	3.17%
344.00 Generators	14.22	-4.3%	4.62%	22.78	-5.3%	42.78%	2.75%
345.00 Accessory Electric Equipment	14.34	-4.2%	4.39%	22.12	-5.1%	45.38%	2.70%
346.00 Miscellaneous Power Plant Equipment	16.49	-3.2%	3.94%	18.67	-3.7%	39.14%	3.42%
Total Other Production Plant			4.37%	21.98	-5.0%	43.77%	2.79%
TRANSMISSION PLANT							
353.00 Station Equipment	55.33	-5.0%	1.57%	55.50	-5.0%	18.01%	1.57%
354.00 Towers and Fixtures	69.84	-10.0%	1.46%	70.54	-10.0%	7.06%	1.46%
355.00 Poles and Fixtures	59.02	-50.0%	1.81%	59.83	-50.0%	40.17%	1.84%
356.00 Overhead Conductors and Devices	61.24	-30.0%	1.59%	64.91	-30.0%	23.41%	1.64%
358.00 Underground Conductors and Devices	14.32	-5.0%	0.63%	13.70	-5.0%	96.52%	0.62%
Total Transmission Plant			1.60%	62.97	-23.7%	21.64%	1.62%
DISTRIBUTION PLANT							
362.00 Station Equipment	34.63	5.0%	1.94%	34.85	5.0%	26.82%	1.96%
364.00 Poles, Towers and Fixtures	48.80	-100.0%	2.91%	48.52	-100.0%	58.84%	2.91%
365.00 Overhead Conductors and Devices	43.13	-75.0%	2.24%	42.96	-75.0%	78.24%	2.25%
367.00 Underground Conductors and Devices	28.94	-5.0%	2.02%	29.04	-5.0%	45.65%	2.04%
368.00 Line Transformers	30.71	30.0%	1.79%	30.77	30.0%	15.66%	1.77%
369.00 Overhead Services	30.41	-200.0%	5.91%	29.87	-200.0%	123.58%	5.91%
369.10 Underground Services	33.62	-20.0%	2.24%	33.20	-20.0%	45.51%	2.24%
370.00 Meters	20.02		3.41%	19.51		34.69%	3.35%
370.05 Smart Meters	20.02		3.41%	18.57		4.65%	5.13%
370.10 Load Management Switches	2.70		2.10%	2.17		96.22%	1.74%
371.20 Other Private Lighting	24.42		3.39%	24.46		11.76%	3.61%
373.00 Street Lighting and Signal Systems	15.68	-5.0%	3.74%	16.60	-5.0%	36.92%	4.10%
Total Distribution Plant			2.35%	31.07	-23.2%	43.26%	2.35%

OTTER TAIL POWER COMPANY

Statement A

Comparison of Current and Updated Accrual Rates

Current: VG Procedure / RL Technique

Updated: VG Procedure / RL Technique

Account Description A	Current			Updated			
	Rem. Life B	Fut. Net Salvage C	Accrual Rate D	Rem. Life E	Fut. Net Salvage F	Reserve Ratio G	Accrual Rate H
GENERAL PLANT							
Depreciable							
390.00 Structures and Improvements	33.73	5.0%	1.92%	33.37	5.0%	31.64%	1.90%
390.10 General Office Buildings	20.89	47.3%	0.56%	19.95	44.7%	39.07%	0.81%
390.20 Fleet Service Center Building	16.14	31.2%	0.76%	24.68	68.0%	17.19%	0.60%
390.30 Central Stores Building	25.55	76.2%	-0.57%	24.61	75.8%	37.39%	-0.54%
396.00 Power Operated Equipment	18.80	5.0%	4.01%	20.12	5.0%	13.06%	4.07%
397.40 Communication Towers	32.06	-5.0%	1.69%	31.31	-5.0%	51.56%	1.71%
Total Depreciable			1.37%	27.85	24.6%	32.68%	1.40%
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			10.32%	4.77		48.10%	10.32%
Total General Plant			4.34%	11.84	16.4%	37.79%	4.36%
TOTAL UTILITY			2.90%	27.87	-15.1%	37.64%	2.81%
STEAM PRODUCTION							
Big Stone							
311.00 Structures and Improvements	26.53	-5.8%	2.78%	25.60	-5.7%	34.82%	2.77%
312.00 Boiler Plant Equipment	26.54	-5.8%	3.30%	25.60	-5.7%	20.08%	3.34%
312.10 Boiler Plant Equipment - Landfill							
314.00 Turbogenerator Units	26.51	-5.8%	1.65%	25.58	-5.7%	62.86%	1.67%
315.00 Accessory Electric Equipment	26.53	-5.8%	2.51%	25.59	-5.7%	41.58%	2.51%
316.00 Miscellaneous Power Plant Equipment	26.52	-5.8%	2.36%	25.59	-5.7%	41.77%	2.50%
Total Big Stone			2.97%	25.60	-5.7%	29.05%	2.99%
Hoot Lake Units 2 and 3							
311.00 Structures and Improvements	2.49	-15.6%	4.39%	1.50	-18.9%	107.73%	7.45%
312.00 Boiler Plant Equipment	2.49	-15.6%	10.57%	1.50	-18.9%	96.81%	14.73%
312.10 Boiler Plant Equipment - Landfill	31.16		2.25%	30.24		32.11%	2.25%
314.00 Turbogenerator Units	2.49	-15.6%	6.29%	1.50	-18.9%	104.27%	9.75%
315.00 Accessory Electric Equipment	2.49	-15.6%	5.65%	1.50	-18.9%	105.53%	8.91%
316.00 Miscellaneous Power Plant Equipment	2.49	-15.6%	11.41%	1.50	-18.9%	95.33%	15.71%
Total Hoot Lake Units 2 and 3			7.90%	3.71	-16.1%	89.68%	11.20%
Coyote							
311.00 Structures and Improvements	21.81	-9.0%	1.61%	20.87	-8.6%	73.95%	1.66%
312.00 Boiler Plant Equipment	21.83	-9.0%	2.16%	20.89	-8.6%	60.39%	2.31%
312.10 Boiler Plant Equipment - Landfill							
314.00 Turbogenerator Units	21.84	-9.0%	2.39%	20.89	-8.6%	56.86%	2.48%
315.00 Accessory Electric Equipment	21.82	-9.0%	1.74%	20.88	-8.6%	71.21%	1.79%
316.00 Miscellaneous Power Plant Equipment	21.84	-9.0%	2.83%	20.90	-8.6%	47.93%	2.90%
Total Coyote			2.07%	20.89	-8.6%	63.06%	2.18%

OTTER TAIL POWER COMPANY

Statement A

Comparison of Current and Updated Accrual Rates

Current: VG Procedure / RL Technique

Updated: VG Procedure / RL Technique

Account Description A	Current			Updated			
	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	2.49		0.33%	1.50		99.42%	0.39%
332.00 Reservoirs, Dams and Waterways	2.49		2.92%	1.50		94.82%	3.45%
333.00 Water Wheels, Turbines & Generators	2.49		1.98%	1.50		96.48%	2.35%
334.00 Accessory Electric Equipment	2.49		2.73%	1.50		95.15%	3.23%
335.00 Miscellaneous Power Plant Equipment	2.49		15.51%	1.50		72.49%	18.34%
Total Hoot Lake			3.52%	1.50		93.76%	4.16%
<u>Wright</u>							
331.00 Structures and Improvements	2.49		4.12%	1.50		92.69%	4.87%
332.00 Reservoirs, Dams and Waterways	2.49		13.96%	1.50		75.23%	16.51%
333.00 Water Wheels, Turbines & Generators	2.49		5.17%	1.50		90.83%	6.11%
334.00 Accessory Electric Equipment	2.49		7.53%	1.50		86.65%	8.90%
335.00 Miscellaneous Power Plant Equipment	2.49		11.22%	1.50		80.10%	13.27%
Total Wright			10.24%	1.50		81.83%	12.11%
<u>Pisgah</u>							
331.00 Structures and Improvements	2.49		3.29%	1.50		94.17%	3.89%
332.00 Reservoirs, Dams and Waterways	2.49		10.66%	1.50		81.09%	12.61%
333.00 Water Wheels, Turbines & Generators	2.49		9.16%	1.50		83.74%	10.84%
334.00 Accessory Electric Equipment	2.49		8.64%	1.50		84.67%	10.22%
335.00 Miscellaneous Power Plant Equipment	2.49		16.29%	1.50		71.10%	19.27%
Total Pisgah			10.40%	1.50		81.54%	12.31%
<u>Dayton Hollow</u>							
331.00 Structures and Improvements	2.49		14.40%	1.50		74.44%	17.04%
332.00 Reservoirs, Dams and Waterways	2.49		14.08%	1.50		75.02%	16.65%
333.00 Water Wheels, Turbines & Generators	2.49		9.03%	1.50		83.98%	10.68%
334.00 Accessory Electric Equipment	2.49		6.29%	1.50		88.84%	7.44%
335.00 Miscellaneous Power Plant Equipment	2.49		15.01%	1.50		73.37%	17.75%
Total Dayton Hollow			12.70%	1.50		77.47%	15.02%
<u>Taplin Gorge</u>							
331.00 Structures and Improvements	2.49		1.25%	1.50		97.78%	1.48%
332.00 Reservoirs, Dams and Waterways	2.49		8.55%	1.50		84.83%	10.11%
333.00 Water Wheels, Turbines & Generators	2.49		1.08%	1.50		98.08%	1.28%
334.00 Accessory Electric Equipment	2.49		5.50%	1.50		90.25%	6.50%
335.00 Miscellaneous Power Plant Equipment	2.49		11.64%	1.50		79.35%	13.77%
Total Taplin Gorge			8.24%	1.50		85.38%	9.74%
<u>Bemidji</u>							
331.00 Structures and Improvements	2.49		10.77%	1.50		80.89%	12.74%
332.00 Reservoirs, Dams and Waterways	2.49		11.48%	1.50		79.63%	13.58%
333.00 Water Wheels, Turbines & Generators	2.49		7.98%	1.50		85.85%	9.43%
334.00 Accessory Electric Equipment	2.49		7.94%	1.50		85.91%	9.39%
335.00 Miscellaneous Power Plant Equipment	2.49		13.32%	1.50		76.36%	15.76%
Total Bemidji			10.52%	1.50		81.33%	12.44%

OTTER TAIL POWER COMPANY
Comparison of Current and Updated Accrual Rates
Current: VG Procedure / RL Technique
Updated: VG Procedure / RL Technique

Statement A

Account Description A	Current			Updated			
	Rem. Life B	Fut. Net Salvage C	Accrual Rate D	Rem. Life E	Fut. Net Salvage F	Reserve Ratio G	Accrual Rate H
OTHER PRODUCTION							
Jamestown							
341.00 Structures and Improvements	14.22	-5.9%	2.09%	13.26	-5.9%	78.13%	2.10%
342.00 Fuel Holders and Accessories	14.23	-5.9%	2.90%	13.26	-5.9%	67.33%	2.91%
343.00 Prime Movers	14.22	-5.9%	1.71%	13.25	-5.9%	83.14%	1.71%
344.00 Generators							
345.00 Accessory Electric Equipment	14.22	-5.9%	2.59%	13.26	-5.9%	71.43%	2.60%
346.00 Miscellaneous Power Plant Equipment	14.23	-5.9%	3.57%	13.27	-5.9%	58.49%	3.57%
Total Jamestown			1.84%	13.26	-5.9%	81.52%	1.84%
Jamestown Unit 1							
341.00 Structures and Improvements	14.22	-5.9%	2.00%	13.26	-5.9%	79.28%	2.01%
342.00 Fuel Holders and Accessories	14.23	-5.9%	3.05%	13.26	-5.9%	65.37%	3.06%
343.00 Prime Movers	14.22	-5.9%	1.98%	13.26	-5.9%	79.61%	1.98%
344.00 Generators							
345.00 Accessory Electric Equipment	14.21	-5.9%	1.79%	13.24	-5.9%	82.13%	1.80%
346.00 Miscellaneous Power Plant Equipment	14.23	-5.9%	3.71%	13.27	-5.9%	56.62%	3.71%
Total Jamestown Unit 1			2.11%	13.26	-5.9%	77.81%	2.12%
Jamestown Unit 2							
341.00 Structures and Improvements	14.23	-5.9%	3.09%	13.26	-5.9%	64.86%	3.10%
342.00 Fuel Holders and Accessories	14.21	-5.9%	1.38%	13.25	-5.9%	87.58%	1.38%
343.00 Prime Movers	14.22	-5.9%	1.51%	13.25	-5.9%	85.88%	1.51%
344.00 Generators							
345.00 Accessory Electric Equipment	14.23	-5.9%	4.32%	13.27	-5.9%	48.47%	4.33%
346.00 Miscellaneous Power Plant Equipment	14.21	-5.9%	-0.19%	13.25	-5.9%	108.37%	-0.19%
Total Jamestown Unit 2			1.57%	13.25	-5.9%	85.12%	1.57%
Lake Preston							
341.00 Structures and Improvements	14.22	-6.9%	1.62%	13.25	-6.9%	85.36%	1.63%
342.00 Fuel Holders and Accessories	14.22	-6.9%	1.75%	13.25	-6.9%	83.67%	1.75%
343.00 Prime Movers	14.22	-6.9%	1.57%	13.25	-6.9%	86.01%	1.58%
344.00 Generators							
345.00 Accessory Electric Equipment	14.22	-6.9%	1.64%	13.25	-6.9%	85.11%	1.64%
346.00 Miscellaneous Power Plant Equipment	14.21	-6.9%	0.98%	13.25	-6.9%	93.83%	0.99%
Total Lake Preston			1.59%	13.25	-6.9%	85.75%	1.60%
Ashtabula Wind Generation							
341.00 Structures and Improvements	14.23	-3.4%	4.44%	22.79	-4.3%	44.33%	2.63%
342.00 Fuel Holders and Accessories							
343.00 Prime Movers							
344.00 Generators	14.23	-3.4%	4.57%	22.79	-4.3%	42.64%	2.71%
345.00 Accessory Electric Equipment	14.23	-3.4%	4.51%	22.79	-4.3%	43.46%	2.67%
346.00 Miscellaneous Power Plant Equipment	14.23	-3.4%	5.29%	22.80	-4.3%	33.09%	3.12%
Total Ashtabula Wind Generation			4.56%	22.79	-4.3%	42.73%	2.71%
Langdon Wind Generation							
341.00 Structures and Improvements	13.27	-4.0%	4.53%	21.85	-5.0%	48.13%	2.60%
342.00 Fuel Holders and Accessories							
343.00 Prime Movers							
344.00 Generators	13.27	-4.0%	4.66%	21.85	-5.0%	46.55%	2.68%
345.00 Accessory Electric Equipment	13.27	-4.0%	4.61%	21.85	-5.0%	47.11%	2.65%
346.00 Miscellaneous Power Plant Equipment	13.27	-4.0%	5.58%	21.86	-5.0%	21.07%	3.84%
Total Langdon Wind Generation			4.65%	21.85	-5.0%	46.62%	2.68%

OTTER TAIL POWER COMPANY
Comparison of Current and Updated Accrual Rates
Current: VG Procedure / RL Technique
Updated: VG Procedure / RL Technique

Statement A

Account Description A	Current			Updated			
	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	15.19	-5.9%	4.54%	23.73	-7.2%	41.28%	2.78%
342.00 Fuel Holders and Accessories							
343.00 Prime Movers							
344.00 Generators	15.19	-5.9%	4.65%	23.73	-7.2%	39.10%	2.87%
345.00 Accessory Electric Equipment	15.19	-5.9%	4.54%	23.73	-7.2%	41.25%	2.78%
346.00 Miscellaneous Power Plant Equipment	15.20	-5.9%	5.32%	23.74	-7.2%	30.00%	3.25%
Total Luverne Wind Generation			4.64%	23.73	-7.2%	39.29%	2.86%
<u>Solway Combustion Turbine</u>							
341.00 Structures and Improvements	19.01	-1.5%	3.23%	18.06	-1.6%	43.25%	3.23%
342.00 Fuel Holders and Accessories	19.01	-1.5%	2.99%	18.06	-1.6%	43.51%	3.22%
343.00 Prime Movers	19.01	-1.5%	3.19%	18.06	-1.6%	30.94%	3.91%
344.00 Generators							
345.00 Accessory Electric Equipment	19.01	-1.5%	3.20%	18.06	-1.6%	43.72%	3.20%
346.00 Miscellaneous Power Plant Equipment	19.01	-1.5%	3.24%	18.06	-1.6%	38.88%	3.47%
Total Solway Combustion Turbine			3.19%	18.06	-1.6%	34.19%	3.73%
<u>Fergus Falls Control Center</u>							
341.00 Structures and Improvements							
342.00 Fuel Holders and Accessories							
343.00 Prime Movers	11.32	-5.0%	3.52%	10.35	-5.0%	68.44%	3.53%
344.00 Generators							
345.00 Accessory Electric Equipment							
346.00 Miscellaneous Power Plant Equipment							
Total Fergus Falls Control Center			3.52%	10.35	-5.0%	68.44%	3.53%

OTTER TAIL POWER COMPANY

Comparison of Current and Updated Accruals

Current: VG Procedure / RL Technique

Proposed: VG Procedure / RL Technique

Statement B

Account Description	12/31/19 Plant Investment	Minnesota Allocation Factor	Current Annual Accrual		Updated Annual Accrual		Difference	
			Total	Minnesota	Total	Minnesota	Total	Minnesota
			D	E=C*D	F	G=C*F	H=F-D	I=G-E
INTANGIBLE PLANT								
303.91 Software - 5 Year	\$ 8,945,673	0.49147197	\$ 1,789,135	\$ 879,310	\$ 1,789,135	\$ 879,310	\$ -	\$ -
303.92 Software - 10 Year	20,540,434	0.49147197	2,054,043	1,009,505	2,054,043	1,009,505		
Total Intangible Plant	\$ 29,486,107		\$ 3,843,178	\$ 1,888,815	\$ 3,843,178	\$ 1,888,815	\$ -	\$ -
STEAM PRODUCTION								
311.00 Structures and Improvements	\$ 120,658,715	0.54449800	\$ 3,044,197	\$ 1,657,559	\$ 3,240,224	\$ 1,764,295	\$ 196,027	\$ 106,736
312.00 Boiler Plant Equipment	346,700,203	0.54449800	12,951,129	7,051,863	14,768,115	8,041,209	1,816,986	989,346
312.10 Boiler Plant Equipment - Landfill	10,412,772	0.54449800	234,287	127,569	234,287	127,569		
314.00 Turbogenerator Units	66,959,044	0.54449800	1,825,485	993,973	2,253,924	1,227,257	428,439	233,284
315.00 Accessory Electric Equipment	35,770,319	0.54449800	891,233	485,274	987,497	537,690	96,264	52,416
316.00 Miscellaneous Power Plant Equipment	6,694,669	0.54449800	276,086	150,329	333,417	181,545	57,331	31,216
Total Steam Production Plant	\$ 587,195,722		\$ 19,222,417	\$ 10,466,567	\$ 21,817,464	\$ 11,879,565	\$ 2,595,047	\$ 1,412,998
HYDRAULIC PRODUCTION								
331.00 Structures and Improvements	\$ 351,712	0.54449800	\$ 25,713	\$ 14,001	\$ 30,415	\$ 16,560	\$ 4,702	\$ 2,559
332.00 Reservoirs, Dams and Waterways	4,277,055	0.54449800	500,493	272,517	591,907	322,292	91,414	49,775
333.00 Water Wheels, Turbines & Generators	1,373,867	0.54449800	91,280	49,702	107,926	58,765	16,646	9,063
334.00 Accessory Electric Equipment	597,103	0.54449800	40,869	22,255	48,325	26,313	7,456	4,058
335.00 Miscellaneous Power Plant Equipment	435,295	0.54449800	58,755	31,992	69,491	37,838	10,736	5,846
Total Hydraulic Production Plant	\$ 7,035,032		\$ 717,110	\$ 390,467	\$ 848,064	\$ 461,768	\$ 130,954	\$ 71,301
OTHER PRODUCTION								
341.00 Structures and Improvements	\$ 13,335,844	0.54388633	\$ 524,710	\$ 285,316	\$ 378,136	\$ 205,663	\$ (146,574)	\$ (79,653)
342.00 Fuel Holders and Accessories	1,764,466	0.54450778	48,316	26,308	50,699	27,606	2,383	1,298
343.00 Prime Movers	31,398,808	0.54449869	847,838	461,647	996,344	542,508	148,506	80,861
344.00 Generators	242,928,642	0.54342015	11,217,734	6,095,944	6,669,611	3,624,401	(4,548,123)	(2,471,543)
345.00 Accessory Electric Equipment	20,688,763	0.54352766	908,922	493,985	558,932	303,795	(349,990)	(190,190)
346.00 Miscellaneous Power Plant Equipment	640,149	0.54414316	25,213	13,717	21,906	11,920	(3,307)	(1,797)
Total Other Production Plant	\$ 310,756,672		\$ 13,572,733	\$ 7,376,917	\$ 8,675,628	\$ 4,715,893	\$ (4,897,105)	\$ (2,661,024)
TRANSMISSION PLANT								
353.00 Station Equipment	\$ 136,645,010	0.50886740	\$ 2,145,327	\$ 1,091,687	\$ 2,145,327	\$ 1,091,687	\$ -	\$ -
354.00 Towers and Fixtures	163,336,557	0.50886740	2,384,714	1,213,503	2,384,714	1,213,503		
355.00 Poles and Fixtures	136,793,831	0.50886740	2,475,968	1,259,939	2,517,006	1,280,822	41,038	20,883
356.00 Overhead Conductors and Devices	192,354,851	0.50886740	3,058,442	1,556,341	3,154,620	1,605,283	96,178	48,942
358.00 Underground Conductors and Devices	77,461	0.50886740	488	248	480	244	(8)	(4)
Total Transmission Plant	\$ 629,207,710		\$ 10,064,939	\$ 5,121,718	\$ 10,202,147	\$ 5,191,539	\$ 137,208	\$ 69,821
DISTRIBUTION PLANT								
362.00 Station Equipment	\$ 88,316,598	0.43368450	\$ 1,713,342	\$ 743,050	\$ 1,731,005	\$ 750,710	\$ 17,663	\$ 7,660
364.00 Poles, Towers and Fixtures	77,332,882	0.43368450	2,250,387	975,958	2,250,387	975,958		
365.00 Overhead Conductors and Devices	54,575,103	0.43368450	1,222,482	530,171	1,227,940	532,539	5,458	2,368
367.00 Underground Conductors and Devices	87,459,520	0.43368450	1,766,682	766,183	1,784,174	773,769	17,492	7,586
368.00 Line Transformers	109,365,606	0.43368450	1,957,644	849,000	1,935,771	839,514	(21,873)	(9,486)

OTTER TAIL POWER COMPANY

Comparison of Current and Updated Accruals

Current: VG Procedure / RL Technique

Proposed: VG Procedure / RL Technique

Statement B

Account Description	12/31/19 Plant Investment	Minnesota Allocation Factor	Current Annual Accrual		Updated Annual Accrual		Difference		
			Total	Minnesota	Total	Minnesota	Total	Minnesota	
			D	E=C*D	F	G=C*F	H=F-D	I=G-E	
369.00 Overhead Services	13,454,302	0.43368450	795,149	344,844	795,149	344,844			
369.10 Underground Services	44,829,424	0.43368450	1,004,179	435,497	1,004,179	435,497			
370.00 Meters	27,157,509	0.43368450	926,071	401,623	909,777	394,556	(16,294)	(7,067)	
370.05 Smart Meters	921,313	0.43368450	31,417	13,625	47,263	20,497	15,846	6,872	
370.10 Load Management Switches	8,904,685	0.43368450	186,998	81,098	154,942	67,196	(32,056)	(13,902)	
371.20 Other Private Lighting	6,087,654	0.43368450	206,371	89,500	219,764	95,308	13,393	5,808	
373.00 Street Lighting and Signal Systems	6,928,474	0.43368450	259,125	112,378	284,067	123,195	24,942	10,817	
Total Distribution Plant	\$ 525,333,070		\$ 12,319,847	\$ 5,342,927	\$ 12,344,418	\$ 5,353,583	\$ 24,571	\$ 10,656	
GENERAL PLANT									
Depreciable									
390.00 Structures and Improvements	\$ 20,551,184	0.49147197	\$ 394,583	\$ 193,926	\$ 390,472	\$ 191,906	\$ (4,111)	\$ (2,020)	
390.10 General Office Buildings	6,423,100	0.49147197	35,969	17,678	52,027	25,570	16,058	7,892	
390.20 Fleet Service Center Building	3,132,102	0.49147197	23,804	11,699	18,793	9,236	(5,011)	(2,463)	
390.30 Central Stores Building	4,276,593	0.49147197	(24,377)	(11,981)	(23,094)	(11,350)	1,283	631	
396.00 Power Operated Equipment	1,356,176	0.49147197	54,383	26,728	55,196	27,127	813	399	
397.40 Communication Towers	1,877,722	0.49147197	31,734	15,596	32,109	15,781	375	185	
Total Depreciable	\$ 37,616,877		\$ 516,096	\$ 253,646	\$ 525,503	\$ 258,270	\$ 9,407	\$ 4,624	
Amortizable									
391.00 Office Furniture	\$ 695,720	0.49147197	\$ 46,405	\$ 22,807	\$ 46,405	\$ 22,807	\$ -	\$ -	
391.10 Office Equipment	419,229	0.49147197	41,923	20,604	41,923	20,604			
391.20 Duplicating Equipment	269,841	0.49147197	26,984	13,262	26,984	13,262			
391.50 Computer Systems	3,685,323	0.49147197	737,065	362,247	737,065	362,247			
391.60 Computer Related Equipment	892,783	0.49147197	178,557	87,756	178,557	87,756			
394.00 Tools, Shop and Garage Equipment	4,093,917	0.49147197	273,064	134,203	273,064	134,203			
394.20 Automated Meter Reading Equipment	916,850	0.49147197	61,154	30,055	61,154	30,055			
397.00 Communication Equipment	2,965,064	0.49147197	197,770	97,198	197,770	97,198			
397.10 Radio Telecommunication Equipment	975,692	0.49147197	97,569	47,952	97,569	47,952			
397.20 Microwave Equipment	3,276,047	0.49147197	218,512	107,393	218,512	107,393			
397.30 Radio Load Control Equipment	459,343	0.49147197	45,934	22,575	45,934	22,575			
Total Amortizable	\$ 18,649,809		\$ 1,924,937	\$ 946,052	\$ 1,924,937	\$ 946,052	\$ -	\$ -	
Total General Plant	\$ 56,266,686		\$ 2,441,033	\$ 1,199,698	\$ 2,450,440	\$ 1,204,322	\$ 9,407	\$ 4,624	
TOTAL UTILITY	\$ 2,145,280,999		\$ 62,181,257	\$ 31,787,109	\$ 60,181,339	\$ 30,695,485	\$ (1,999,918)	\$ (1,091,624)	

OTTER TAIL POWER COMPANY

Statement B

Comparison of Current and Updated Accruals

Current: VG Procedure / RL Technique

Proposed: VG Procedure / RL Technique

Account Description A	12/31/19 Plant Investment B	Minnesota Allocation Factor C	Current Annual Accrual		Updated Annual Accrual		Difference		
			Total	Minnesota	Total	Minnesota	Total	Minnesota	
			D	E=C*D	F	G=C*F	H=F-D	I=G-E	
STEAM PRODUCTION									
Big Stone									
311.00 Structures and Improvements	\$ 79,667,876	0.54449800	\$ 2,214,767	\$ 1,205,936	\$ 2,206,800	\$ 1,201,598	\$ (7,967)	\$ (4,338)	
312.00 Boiler Plant Equipment	200,072,990	0.54449800	6,602,409	3,594,998	6,682,438	3,638,574	80,029	43,576	
312.10 Boiler Plant Equipment - Landfill									
314.00 Turbogenerator Units	30,488,121	0.54449800	503,054	273,912	509,152	277,232	6,098	3,320	
315.00 Accessory Electric Equipment	20,863,979	0.54449800	523,686	285,146	523,686	285,146			
316.00 Miscellaneous Power Plant Equipment	3,293,483	0.54449800	77,726	42,322	82,337	44,832	4,611	2,510	
Total Big Stone	\$ 334,386,449		\$ 9,921,642	\$ 5,402,314	\$ 10,004,413	\$ 5,447,382	\$ 82,771	\$ 45,068	
Hoot Lake Units 2 and 3									
311.00 Structures and Improvements	\$ 6,096,309	0.54449800	\$ 267,628	\$ 145,723	\$ 454,175	\$ 247,297	\$ 186,547	\$ 101,574	
312.00 Boiler Plant Equipment	37,830,819	0.54449800	3,998,718	2,177,294	5,572,480	3,034,204	1,573,762	856,910	
312.10 Boiler Plant Equipment - Landfill	10,412,772	0.54449800	234,287	127,569	234,287	127,569			
314.00 Turbogenerator Units	11,558,367	0.54449800	727,021	395,861	1,126,941	613,617	399,920	217,756	
315.00 Accessory Electric Equipment	2,766,673	0.54449800	156,317	85,114	246,511	134,225	90,194	49,111	
316.00 Miscellaneous Power Plant Equipment	1,190,054	0.54449800	135,785	73,935	186,957	101,798	51,172	27,863	
Total Hoot Lake Units 2 and 3	\$ 69,854,994		\$ 5,519,756	\$ 3,005,496	\$ 7,821,351	\$ 4,258,710	\$ 2,301,595	\$ 1,253,214	
Coyote									
311.00 Structures and Improvements	\$ 34,894,530	0.54449800	\$ 561,802	\$ 305,900	\$ 579,249	\$ 315,400	\$ 17,447	\$ 9,500	
312.00 Boiler Plant Equipment	108,796,394	0.54449800	2,350,002	1,279,571	2,513,197	1,368,431	163,195	88,860	
312.10 Boiler Plant Equipment - Landfill		0.54449800							
314.00 Turbogenerator Units	24,912,556	0.54449800	595,410	324,200	617,831	336,408	22,421	12,208	
315.00 Accessory Electric Equipment	12,139,667	0.54449800	211,230	115,014	217,300	118,319	6,070	3,305	
316.00 Miscellaneous Power Plant Equipment	2,211,132	0.54449800	62,575	34,072	64,123	34,915	1,548	843	
Total Coyote	\$ 182,954,279		\$ 3,781,019	\$ 2,058,757	\$ 3,991,700	\$ 2,173,473	\$ 210,681	\$ 114,716	
HYDRAULIC PRODUCTION									
Hoot Lake									
331.00 Structures and Improvements	\$ 69,354	0.54449800	\$ 229	\$ 125	\$ 270	\$ 147	\$ 41	\$ 22	
332.00 Reservoirs, Dams and Waterways	297,674	0.54449800	8,692	4,733	10,270	5,592	1,578	859	
333.00 Water Wheels, Turbines & Generators	104,195	0.54449800	2,063	1,123	2,449	1,333	386	210	
334.00 Accessory Electric Equipment	34,651	0.54449800	946	515	1,119	609	173	94	
335.00 Miscellaneous Power Plant Equipment	48,801	0.54449800	7,569	4,121	8,950	4,873	1,381	752	
Total Hoot Lake	\$ 554,675		\$ 19,499	\$ 10,617	\$ 23,058	\$ 12,554	\$ 3,559	\$ 1,937	
Wright									
331.00 Structures and Improvements	\$ 19,026	0.54449800	\$ 784	\$ 427	\$ 927	\$ 505	\$ 143	\$ 78	
332.00 Reservoirs, Dams and Waterways	892,711	0.54449800	124,622	67,856	147,387	80,252	22,765	12,396	
333.00 Water Wheels, Turbines & Generators	545,392	0.54449800	28,197	15,353	33,323	18,144	5,126	2,791	
334.00 Accessory Electric Equipment	202,552	0.54449800	15,252	8,305	18,027	9,816	2,775	1,511	
335.00 Miscellaneous Power Plant Equipment	115,218	0.54449800	12,927	7,039	15,289	8,325	2,362	1,286	
Total Wright	\$ 1,774,899		\$ 181,782	\$ 98,980	\$ 214,953	\$ 117,042	\$ 33,171	\$ 18,062	

OTTER TAIL POWER COMPANY

Statement B

Comparison of Current and Updated Accruals

Current: VG Procedure / RL Technique

Proposed: VG Procedure / RL Technique

Account Description A	12/31/19 Plant Investment B	Minnesota Allocation Factor C	Current Annual Accrual		Updated Annual Accrual		Difference		
			Total	Minnesota	Total	Minnesota	Total	Minnesota	
			D	E=C*D	F	G=C*F	H=F-D	I=G-E	
Pisgah									
331.00 Structures and Improvements	\$ 12,118	0.54449800	\$ 399	\$ 217	\$ 471	\$ 256	\$ 72	\$ 39	
332.00 Reservoirs, Dams and Waterways	376,297	0.54449800	40,113	21,841	47,451	25,837	7,338	3,996	
333.00 Water Wheels, Turbines & Generators	159,732	0.54449800	14,631	7,967	17,315	9,428	2,684	1,461	
334.00 Accessory Electric Equipment	102,487	0.54449800	8,855	4,822	10,474	5,703	1,619	881	
335.00 Miscellaneous Power Plant Equipment	62,744	0.54449800	10,221	5,565	12,091	6,584	1,870	1,019	
Total Pisgah	\$ 713,378		\$ 74,219	\$ 40,412	\$ 87,802	\$ 47,808	\$ 13,583	\$ 7,396	
Dayton Hollow									
331.00 Structures and Improvements	\$ 16,269	0.54449800	\$ 2,343	\$ 1,276	\$ 2,772	\$ 1,509	\$ 429	\$ 233	
332.00 Reservoirs, Dams and Waterways	1,291,391	0.54449800	181,828	99,005	215,017	117,076	33,189	18,071	
333.00 Water Wheels, Turbines & Generators	226,751	0.54449800	20,476	11,149	24,217	13,186	3,741	2,037	
334.00 Accessory Electric Equipment	193,342	0.54449800	12,161	6,622	14,385	7,833	2,224	1,211	
335.00 Miscellaneous Power Plant Equipment	111,159	0.54449800	16,685	9,085	19,731	10,743	3,046	1,658	
Total Dayton Hollow	\$ 1,838,912		\$ 233,493	\$ 127,137	\$ 276,122	\$ 150,347	\$ 42,629	\$ 23,210	
Taplin Gorge									
331.00 Structures and Improvements	\$ 35,140	0.54449800	\$ 439	\$ 239	\$ 520	\$ 283	\$ 81	\$ 44	
332.00 Reservoirs, Dams and Waterways	602,762	0.54449800	51,536	28,061	60,939	33,181	9,403	5,120	
333.00 Water Wheels, Turbines & Generators	15,110	0.54449800	163	89	193	105	30	16	
334.00 Accessory Electric Equipment	58,695	0.54449800	3,228	1,758	3,815	2,077	587	319	
335.00 Miscellaneous Power Plant Equipment	96,303	0.54449800	11,210	6,104	13,261	7,221	2,051	1,117	
Total Taplin Gorge	\$ 808,010		\$ 66,576	\$ 36,251	\$ 78,728	\$ 42,867	\$ 12,152	\$ 6,616	
Bemidji									
331.00 Structures and Improvements	\$ 199,805	0.54449800	\$ 21,519	\$ 11,717	\$ 25,455	\$ 13,860	\$ 3,936	\$ 2,143	
332.00 Reservoirs, Dams and Waterways	816,220	0.54449800	93,702	51,021	110,843	60,354	17,141	9,333	
333.00 Water Wheels, Turbines & Generators	322,687	0.54449800	25,750	14,021	30,429	16,569	4,679	2,548	
334.00 Accessory Electric Equipment	5,376	0.54449800	427	233	505	275	78	42	
335.00 Miscellaneous Power Plant Equipment	1,070	0.54449800	143	78	169	92	26	14	
Total Bemidji	\$ 1,345,158		\$ 141,541	\$ 77,070	\$ 167,401	\$ 91,150	\$ 25,860	\$ 14,080	
OTHER PRODUCTION									
Jamestown									
341.00 Structures and Improvements	\$ 311,512	0.54449800	\$ 6,501	\$ 3,540	\$ 6,532	\$ 3,556	\$ 31	\$ 16	
342.00 Fuel Holders and Accessories	415,964	0.54449800	12,072	6,573	12,110	6,594	38	21	
343.00 Prime Movers	6,952,527	0.54449800	119,228	64,920	119,228	64,920			
344.00 Generators		0.54449800							
345.00 Accessory Electric Equipment	227,590	0.54449800	5,903	3,214	5,926	3,227	23	13	
346.00 Miscellaneous Power Plant Equipment	88,665	0.54449800	3,165	1,724	3,165	1,724			
Total Jamestown	\$ 7,996,258		\$ 146,869	\$ 79,971	\$ 146,961	\$ 80,021	\$ 92	\$ 50	

OTTER TAIL POWER COMPANY

Comparison of Current and Updated Accruals

Current: VG Procedure / RL Technique

Proposed: VG Procedure / RL Technique

Statement B

Account Description A	12/31/19 Plant Investment B	Minnesota Allocation Factor C	Current Annual Accrual		Updated Annual Accrual		Difference	
			Total	Minnesota	Total	Minnesota	Total	Minnesota
			D	E=C*D	F	G=C*F	H=F-D	I=G-E
Jamestown Unit 1								
341.00 Structures and Improvements	\$ 286,659	0.54449800	\$ 5,733	\$ 3,122	\$ 5,762	\$ 3,137	\$ 29	\$ 15
342.00 Fuel Holders and Accessories	379,195	0.54449800	11,565	6,297	11,603	6,318	38	21
343.00 Prime Movers	3,030,866	0.54449800	60,011	32,676	60,011	32,676		
344.00 Generators		0.54449800						
345.00 Accessory Electric Equipment	155,272	0.54449800	2,779	1,513	2,795	1,522	16	9
346.00 Miscellaneous Power Plant Equipment	85,462	0.54449800	3,171	1,727	3,171	1,727		
Total Jamestown Unit 1	\$ 3,937,454		\$ 83,259	\$ 45,335	\$ 83,342	\$ 45,380	\$ 83	\$ 45
Jamestown Unit 2								
341.00 Structures and Improvements	\$ 24,853	0.54449800	\$ 768	\$ 418	\$ 770	\$ 419	\$ 2	\$ 1
342.00 Fuel Holders and Accessories	36,769	0.54449800	507	276	507	276		
343.00 Prime Movers	3,921,661	0.54449800	59,217	32,244	59,217	32,244		
344.00 Generators		0.54449800						
345.00 Accessory Electric Equipment	72,318	0.54449800	3,124	1,701	3,131	1,705	7	4
346.00 Miscellaneous Power Plant Equipment	3,203	0.54449800	(6)	(3)	(6)	(3)		
Total Jamestown Unit 2	\$ 4,058,804		\$ 63,610	\$ 34,636	\$ 63,619	\$ 34,641	\$ 9	\$ 5
Lake Preston								
341.00 Structures and Improvements	\$ 233,982	0.54449800	\$ 3,791	\$ 2,064	\$ 3,814	\$ 2,077	\$ 23	\$ 13
342.00 Fuel Holders and Accessories	328,705	0.54449800	5,752	3,132	5,752	3,132		
343.00 Prime Movers	3,282,642	0.54449800	51,537	28,062	51,866	28,241	329	179
344.00 Generators		0.54449800						
345.00 Accessory Electric Equipment	400,094	0.54449800	6,562	3,573	6,562	3,573		
346.00 Miscellaneous Power Plant Equipment	21,607	0.54449800	212	115	214	117	2	2
Total Lake Preston	\$ 4,267,030		\$ 67,854	\$ 36,946	\$ 68,208	\$ 37,140	\$ 354	\$ 194
Ashtabula Wind Generation								
341.00 Structures and Improvements	\$ 3,248,290	0.54342023	\$ 144,224	\$ 78,374	\$ 85,430	\$ 46,424	\$ (58,794)	\$ (31,950)
342.00 Fuel Holders and Accessories								
343.00 Prime Movers								
344.00 Generators	106,724,521	0.54342023	4,877,311	2,650,429	2,892,235	1,571,699	(1,985,076)	(1,078,730)
345.00 Accessory Electric Equipment	6,479,774	0.54342023	292,238	158,808	173,010	94,017	(119,228)	(64,791)
346.00 Miscellaneous Power Plant Equipment	28,417	0.54342023	1,503	817	887	482	(616)	(335)
Total Ashtabula Wind Generation	\$ 116,481,002		\$ 5,315,276	\$ 2,888,428	\$ 3,151,562	\$ 1,712,622	\$ (2,163,714)	\$ (1,175,806)
Langdon Wind Generation								
341.00 Structures and Improvements	\$ 2,484,069	0.54342023	\$ 112,528	\$ 61,150	\$ 64,586	\$ 35,097	\$ (47,942)	\$ (26,053)
342.00 Fuel Holders and Accessories								
343.00 Prime Movers								
344.00 Generators	69,306,474	0.54342023	3,229,682	1,755,075	1,857,414	1,009,356	(1,372,268)	(745,719)
345.00 Accessory Electric Equipment	7,407,275	0.54342023	341,475	185,564	196,293	106,670	(145,182)	(78,894)
346.00 Miscellaneous Power Plant Equipment	108,791	0.54342023	6,071	3,299	4,178	2,270	(1,893)	(1,029)
Total Langdon Wind Generation	\$ 79,306,609		\$ 3,689,756	\$ 2,005,088	\$ 2,122,471	\$ 1,153,393	\$ (1,567,285)	\$ (851,695)

OTTER TAIL POWER COMPANY

Statement B

Comparison of Current and Updated Accruals

Current: VG Procedure / RL Technique

Proposed: VG Procedure / RL Technique

Account Description A	12/31/19 Plant Investment B	Minnesota Allocation Factor C	Current Annual Accrual		Updated 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	0.54342023	\$ 102,903	\$ 55,920	\$ 63,011	\$ 34,241	\$ (39,892)	\$ (21,679)
342.00 Fuel Holders and Accessories								
343.00 Prime Movers								
344.00 Generators	66,897,647	0.54342023	3,110,741	1,690,440	1,919,962	1,043,346	(1,190,779)	(647,094)
345.00 Accessory Electric Equipment	4,863,837	0.54342023	220,818	119,997	135,215	73,479	(85,603)	(46,518)
346.00 Miscellaneous Power Plant Equipment	74,045	0.54342023	3,939	2,141	2,406	1,307	(1,533)	(834)
Total Luverne Wind Generation	\$ 74,102,110		\$ 3,438,401	\$ 1,868,498	\$ 2,120,594	\$ 1,152,373	\$ (1,317,807)	\$ (716,125)
<u>Solway Combustion Turbine</u>								
341.00 Structures and Improvements	\$ 4,791,410	0.54449800	\$ 154,763	\$ 84,268	\$ 154,763	\$ 84,268	\$ -	\$ -
342.00 Fuel Holders and Accessories	1,019,797	0.54449800	30,492	16,603	32,837	17,880	2,345	1,277
343.00 Prime Movers	20,572,001	0.54449800	656,247	357,325	804,365	437,975	148,118	80,650
344.00 Generators								
345.00 Accessory Electric Equipment	1,310,193	0.54449800	41,926	22,829	41,926	22,829		
346.00 Miscellaneous Power Plant Equipment	318,624	0.54449800	10,323	5,621	11,056	6,020	733	399
Total Solway Combustion Turbine	\$ 28,012,025		\$ 893,751	\$ 486,646	\$ 1,044,947	\$ 568,972	\$ 151,196	\$ 82,326
<u>Fergus Falls Control Center</u>								
341.00 Structures and Improvements	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
342.00 Fuel Holders and Accessories								
343.00 Prime Movers	591,638	0.54449800	20,826	11,340	20,885	11,372	59	32
344.00 Generators								
345.00 Accessory Electric Equipment								
346.00 Miscellaneous Power Plant Equipment								
Total Fergus Falls Control Center	\$ 591,638		\$ 20,826	\$ 11,340	\$ 20,885	\$ 11,372	\$ 59	\$ 32

OTTER TAIL POWER COMPANY

Depreciation Reserve Summary
Vintage Group Procedure
December 31, 2019

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
INTANGIBLE PLANT							
303.91 Software - 5 Year	\$ 8,945,673	\$ 4,235,865	47.35%	\$ 4,752,446	53.13%	\$ (516,581)	-12.20%
303.92 Software - 10 Year	20,540,434	1,668,481		1,027,022		641,459	
Total Intangible Plant	\$ 29,486,107	\$ 5,904,346	20.02%	\$ 5,779,468	19.60%	\$ 124,878	2.12%
STEAM PRODUCTION							
311.00 Structures and Improvements	\$ 120,658,715	\$ 60,116,655	49.82%	\$ 50,768,966	42.08%	\$ 9,347,689	15.55%
312.00 Boiler Plant Equipment	346,700,203	142,499,186	41.10%	139,609,124	40.27%	2,890,062	2.03%
312.10 Boiler Plant Equipment - Landfill	10,412,772	3,343,367	32.11%	1,646,563	15.81%	1,696,803	50.75%
314.00 Turbogenerator Units	66,959,044	45,382,156	67.78%	39,332,937	58.74%	6,049,219	13.33%
315.00 Accessory Electric Equipment	35,770,319	20,239,055	56.58%	17,090,577	47.78%	3,148,478	15.56%
316.00 Miscellaneous Power Plant Equipment	6,694,669	3,570,193	53.33%	3,493,686	52.19%	76,506	2.14%
Total Steam Production Plant	\$ 587,195,722	\$ 275,150,612	46.86%	\$ 251,941,854	42.91%	\$ 23,208,758	8.43%
HYDRAULIC PRODUCTION							
331.00 Structures and Improvements	\$ 351,712	\$ 306,100	87.03%	\$ 322,905	91.81%	\$ (16,805)	-5.49%
332.00 Reservoirs, Dams and Waterways	4,277,055	3,389,055	79.24%	3,766,999	88.07%	(377,944)	-11.15%
333.00 Water Wheels, Turbines & Generators	1,373,867	1,211,933	88.21%	1,207,840	87.92%	4,093	0.34%
334.00 Accessory Electric Equipment	597,103	524,806	87.86%	550,387	92.18%	(25,781)	-4.91%
335.00 Miscellaneous Power Plant Equipment	435,295	331,062	76.05%	371,429	85.33%	(40,367)	-12.19%
Total Hydraulic Production Plant	\$ 7,035,032	\$ 5,762,756	81.92%	\$ 6,219,560	88.41%	\$ (456,805)	-7.93%
OTHER PRODUCTION							
341.00 Structures and Improvements	\$ 13,335,844	\$ 6,086,196	45.64%	\$ 5,156,453	38.67%	\$ 929,743	15.28%
342.00 Fuel Holders and Accessories	1,764,466	998,862	56.61%	925,793	52.47%	73,068	7.32%
343.00 Prime Movers	31,398,808	15,373,705	48.96%	16,266,411	51.81%	(892,706)	-5.81%
344.00 Generators	242,928,642	103,930,117	42.78%	80,796,368	33.26%	23,133,749	22.26%
345.00 Accessory Electric Equipment	20,688,763	9,387,943	45.38%	7,370,042	35.62%	2,017,902	21.49%
346.00 Miscellaneous Power Plant Equipment	640,149	250,547	39.14%	229,035	35.78%	21,511	8.59%
Total Other Production Plant	\$ 310,756,672	\$ 136,027,369	43.77%	\$ 110,744,102	35.64%	\$ 25,283,267	18.59%
TRANSMISSION PLANT							
353.00 Station Equipment	\$ 136,645,010	\$ 24,606,584	18.01%	\$ 24,903,978	18.23%	\$ (297,394)	-1.21%
354.00 Towers and Fixtures	163,336,557	11,528,440	7.06%	10,684,389	6.54%	844,051	7.32%
355.00 Poles and Fixtures	136,793,831	54,953,673	40.17%	46,309,910	33.85%	8,643,763	15.73%
356.00 Overhead Conductors and Devices	192,354,851	45,027,542	23.41%	37,364,469	19.42%	7,663,073	17.02%
358.00 Underground Conductors and Devices	77,461	74,764	96.52%	58,945	76.10%	15,819	21.16%
Total Transmission Plant	\$ 629,207,710	\$ 136,191,003	21.64%	\$ 119,321,691	18.96%	\$ 16,869,312	12.39%

OTTER TAIL POWER COMPANY
Depreciation Reserve Summary
Vintage Group Procedure
December 31, 2019

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
DISTRIBUTION PLANT							
362.00 Station Equipment	\$ 88,316,598	\$ 23,686,237	26.82%	\$ 17,840,989	20.20%	\$ 5,845,248	24.68%
364.00 Poles, Towers and Fixtures	77,332,882	45,500,157	58.84%	47,261,426	61.11%	(1,761,269)	-3.87%
365.00 Overhead Conductors and Devices	54,575,103	42,700,381	78.24%	32,678,481	59.88%	10,021,900	23.47%
367.00 Underground Conductors and Devices	87,459,520	39,927,191	45.65%	32,537,864	37.20%	7,389,327	18.51%
368.00 Line Transformers	109,365,606	17,130,928	15.66%	22,556,529	20.62%	(5,425,601)	-31.67%
369.00 Overhead Services	13,454,302	16,627,141	123.58%	18,264,589	135.75%	(1,637,448)	-9.85%
369.10 Underground Services	44,829,424	20,403,457	45.51%	18,049,097	40.26%	2,354,360	11.54%
370.00 Meters	27,157,509	9,421,425	34.69%	9,042,753	33.30%	378,672	4.02%
370.05 Smart Meters	921,313	42,815	4.65%	65,874	7.15%	(23,059)	-53.86%
370.10 Load Management Switches	8,904,685	8,567,968	96.22%	7,671,554	86.15%	896,414	10.46%
371.20 Other Private Lighting	6,087,654	715,760	11.76%	430,577	7.07%	285,184	39.84%
373.00 Street Lighting and Signal Systems	6,928,474	2,557,738	36.92%	1,988,601	28.70%	569,137	22.25%
Total Distribution Plant	\$ 525,333,070	\$ 227,281,199	43.26%	\$ 208,388,334	39.67%	\$ 18,892,866	8.31%
GENERAL PLANT							
Depreciable							
390.00 Structures and Improvements	\$ 20,551,184	\$ 6,502,364	31.64%	\$ 7,256,642	35.31%	\$ (754,278)	-11.60%
390.10 General Office Buildings	6,423,100	2,509,468	39.07%	1,370,640	21.34%	1,138,828	45.38%
390.20 Fleet Service Center Building	3,132,102	538,447	17.19%	72,679	2.32%	465,768	86.50%
390.30 Central Stores Building	4,276,593	1,598,942	37.39%	535,680	12.53%	1,063,262	66.50%
396.00 Power Operated Equipment	1,356,176	177,110	13.06%	242,471	17.88%	(65,362)	-36.90%
397.40 Communication Towers	1,877,722	968,162	51.56%	762,877	40.63%	205,285	21.20%
Total Depreciable	\$ 37,616,877	\$ 12,294,493	32.68%	\$ 10,240,989	27.22%	\$ 2,053,503	16.70%
Amortizable							
391.00 Office Furniture	\$ 695,720	\$ 423,339	60.85%	\$ 426,557	61.31%	\$ (3,218)	-0.76%
391.10 Office Equipment	419,229	263,243	62.79%	275,341	65.68%	(12,098)	-4.60%
391.20 Duplicating Equipment	269,841	130,915	48.52%	137,951	51.12%	(7,036)	-5.37%
391.50 Computer Systems	3,685,323	1,783,107	48.38%	2,079,415	56.42%	(296,308)	-16.62%
391.60 Computer Related Equipment	892,783	442,528	49.57%	545,998	61.16%	(103,470)	-23.38%
394.00 Tools, Shop and Garage Equipment	4,093,917	2,105,153	51.42%	2,137,297	52.21%	(32,144)	-1.53%
394.20 Automated Meter Reading Equipment	916,850	528,009	57.59%	530,516	57.86%	(2,507)	-0.47%
397.00 Communication Equipment	2,965,064	742,803	25.05%	833,918	28.12%	(91,115)	-12.27%
397.10 Radio Telecommunication Equipment	975,692	812,300	83.25%	833,269	85.40%	(20,969)	-2.58%
397.20 Microwave Equipment	3,276,047	1,451,028	44.29%	1,503,992	45.91%	(52,964)	-3.65%
397.30 Radio Load Control Equipment	459,343	288,119	62.72%	320,106	69.69%	(31,987)	-11.10%
Total Amortizable	\$ 18,649,809	\$ 8,970,544	48.10%	\$ 9,624,360	51.61%	\$ (653,816)	-7.29%
Total General Plant	\$ 56,266,686	\$ 21,265,036	37.79%	\$ 19,865,349	35.31%	\$ 1,399,687	6.58%

OTTER TAIL POWER COMPANY
Depreciation Reserve Summary
Vintage Group Procedure
December 31, 2019

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
TOTAL UTILITY	\$ 2,145,280,999	\$ 807,582,321	37.64%	\$ 722,260,359	33.67%	\$ 85,321,962	10.57%

OTTER TAIL POWER COMPANY
Depreciation Reserve Summary
Vintage Group Procedure
December 31, 2019

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							
Big Stone							
311.00 Structures and Improvements	\$ 79,667,876	\$ 27,744,066	34.82%	\$ 21,863,135	27.44%	\$ 5,880,931	21.20%
312.00 Boiler Plant Equipment	200,072,990	40,173,106	20.08%	42,355,914	21.17%	(2,182,808)	-5.43%
312.10 Boiler Plant Equipment - Landfill							
314.00 Turbogenerator Units	30,488,121	19,165,339	62.86%	13,443,056	44.09%	5,722,283	29.86%
315.00 Accessory Electric Equipment	20,863,979	8,674,253	41.58%	6,655,626	31.90%	2,018,627	23.27%
316.00 Miscellaneous Power Plant Equipment	3,293,483	1,375,815	41.77%	1,213,986	36.86%	161,829	11.76%
Total Big Stone	\$ 334,386,449	\$ 97,132,578	29.05%	\$ 85,531,717	25.58%	\$ 11,600,861	11.94%
Hoot Lake Units 2 and 3							
311.00 Structures and Improvements	\$ 6,096,309	\$ 6,567,630	107.73%	\$ 6,939,431	113.83%	\$ (371,801)	-5.66%
312.00 Boiler Plant Equipment	37,830,819	36,625,596	96.81%	40,189,202	106.23%	(3,563,606)	-9.73%
312.10 Boiler Plant Equipment - Landfill	10,412,772	3,343,367	32.11%	1,646,563	15.81%	1,696,803	50.75%
314.00 Turbogenerator Units	11,558,367	12,052,384	104.27%	12,872,671	111.37%	(820,287)	-6.81%
315.00 Accessory Electric Equipment	2,766,673	2,919,780	105.53%	3,101,561	112.10%	(181,781)	-6.23%
316.00 Miscellaneous Power Plant Equipment	1,190,054	1,134,518	95.33%	1,262,750	106.11%	(128,232)	-11.30%
Total Hoot Lake Units 2 and 3	\$ 69,854,994	\$ 62,643,273	89.68%	\$ 66,012,177	94.50%	\$ (3,368,904)	-5.38%
Coyote							
311.00 Structures and Improvements	\$ 34,894,530	\$ 25,804,960	73.95%	\$ 21,966,400	62.95%	\$ 3,838,560	14.88%
312.00 Boiler Plant Equipment	108,796,394	65,700,485	60.39%	57,064,008	52.45%	8,636,477	13.15%
312.10 Boiler Plant Equipment - Landfill							
314.00 Turbogenerator Units	24,912,556	14,164,433	56.86%	13,017,210	52.25%	1,147,223	8.10%
315.00 Accessory Electric Equipment	12,139,667	8,645,021	71.21%	7,333,390	60.41%	1,311,631	15.17%
316.00 Miscellaneous Power Plant Equipment	2,211,132	1,059,861	47.93%	1,016,951	45.99%	42,909	4.05%
Total Coyote	\$ 182,954,279	\$ 115,374,760	63.06%	\$ 100,397,960	54.88%	\$ 14,976,800	12.98%
HYDRAULIC PRODUCTION							
Hoot Lake							
331.00 Structures and Improvements	\$ 69,354	\$ 68,952	99.42%	\$ 67,669	97.57%	\$ 1,283	1.86%
332.00 Reservoirs, Dams and Waterways	297,674	282,253	94.82%	282,835	95.01%	(582)	-0.21%
333.00 Water Wheels, Turbines & Generators	104,195	100,527	96.48%	99,902	95.88%	625	0.62%
334.00 Accessory Electric Equipment	34,651	32,972	95.15%	32,972	95.15%	0	0.00%
335.00 Miscellaneous Power Plant Equipment	48,801	35,374	72.49%	40,640	83.28%	(5,266)	-14.89%
Total Hoot Lake	\$ 554,675	\$ 520,078	93.76%	\$ 524,018	94.47%	\$ (3,940)	-0.76%

OTTER TAIL POWER COMPANY

Depreciation Reserve Summary
Vintage Group Procedure
December 31, 2019

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
Wright							
331.00 Structures and Improvements	\$ 19,026	\$ 17,635	92.69%	\$ 18,104	95.15%	\$ (469)	-2.66%
332.00 Reservoirs, Dams and Waterways	892,711	671,586	75.23%	791,342	88.64%	(119,756)	-17.83%
333.00 Water Wheels, Turbines & Generators	545,392	495,383	90.83%	454,649	83.36%	40,734	8.22%
334.00 Accessory Electric Equipment	202,552	175,506	86.65%	184,928	91.30%	(9,422)	-5.37%
335.00 Miscellaneous Power Plant Equipment	115,218	92,289	80.10%	101,023	87.68%	(8,734)	-9.46%
Total Wright	\$ 1,774,899	\$ 1,452,399	81.83%	\$ 1,550,045	87.33%	\$ (97,646)	-6.72%
Pisgah							
331.00 Structures and Improvements	\$ 12,118	\$ 11,412	94.17%	\$ 11,653	96.16%	\$ (241)	-2.11%
332.00 Reservoirs, Dams and Waterways	376,297	305,129	81.09%	333,078	88.51%	(27,949)	-9.16%
333.00 Water Wheels, Turbines & Generators	159,732	133,761	83.74%	142,511	89.22%	(8,750)	-6.54%
334.00 Accessory Electric Equipment	102,487	86,776	84.67%	92,634	90.39%	(5,859)	-6.75%
335.00 Miscellaneous Power Plant Equipment	62,744	44,614	71.10%	52,189	83.18%	(7,575)	-16.98%
Total Pisgah	\$ 713,378	\$ 581,691	81.54%	\$ 632,064	88.60%	\$ (50,373)	-8.66%
Dayton Hollow							
331.00 Structures and Improvements	\$ 16,269	\$ 12,111	74.44%	\$ 13,829	85.00%	\$ (1,718)	-14.18%
332.00 Reservoirs, Dams and Waterways	1,291,391	968,750	75.02%	1,092,632	84.61%	(123,883)	-12.79%
333.00 Water Wheels, Turbines & Generators	226,751	190,428	83.98%	200,466	88.41%	(10,038)	-5.27%
334.00 Accessory Electric Equipment	193,342	171,764	88.84%	179,867	93.03%	(8,103)	-4.72%
335.00 Miscellaneous Power Plant Equipment	111,159	81,554	73.37%	92,575	83.28%	(11,021)	-13.51%
Total Dayton Hollow	\$ 1,838,912	\$ 1,424,606	77.47%	\$ 1,579,369	85.89%	\$ (154,763)	-10.86%
Taplin Gorge							
331.00 Structures and Improvements	\$ 35,140	\$ 34,360	97.78%	\$ 34,437	98.00%	\$ (77)	-0.22%
332.00 Reservoirs, Dams and Waterways	602,762	511,342	84.83%	544,985	90.41%	(33,643)	-6.58%
333.00 Water Wheels, Turbines & Generators	15,110	14,819	98.08%	14,836	98.19%	(17)	-0.11%
334.00 Accessory Electric Equipment	58,695	52,970	90.25%	54,740	93.26%	(1,770)	-3.34%
335.00 Miscellaneous Power Plant Equipment	96,303	76,415	79.35%	84,074	87.30%	(7,659)	-10.02%
Total Taplin Gorge	\$ 808,010	\$ 689,906	85.38%	\$ 733,073	90.73%	\$ (43,166)	-6.26%
Bemidji							
331.00 Structures and Improvements	\$ 199,805	\$ 161,630	80.89%	\$ 177,214	88.69%	\$ (15,584)	-9.64%
332.00 Reservoirs, Dams and Waterways	816,220	649,995	79.63%	722,127	88.47%	(72,132)	-11.10%
333.00 Water Wheels, Turbines & Generators	322,687	277,015	85.85%	295,476	91.57%	(18,461)	-6.66%
334.00 Accessory Electric Equipment	5,376	4,618	85.91%	5,246	97.59%	(628)	-13.60%
335.00 Miscellaneous Power Plant Equipment	1,070	817	76.36%	928	86.77%	(111)	-13.63%
Total Bemidji	\$ 1,345,158	\$ 1,094,076	81.33%	\$ 1,200,992	89.28%	\$ (106,916)	-9.77%

OTTER TAIL POWER COMPANY
Depreciation Reserve Summary
Vintage Group Procedure
December 31, 2019

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
OTHER PRODUCTION							
<u>Jamestown</u>							
341.00 Structures and Improvements	\$ 311,512	\$ 243,376	78.13%	\$ 204,409	65.62%	\$ 38,967	16.01%
342.00 Fuel Holders and Accessories	415,964	280,070	67.33%	230,489	55.41%	49,580	17.70%
343.00 Prime Movers	6,952,527	5,780,629	83.14%	4,938,403	71.03%	842,226	14.57%
344.00 Generators							
345.00 Accessory Electric Equipment	227,590	162,578	71.43%	158,723	69.74%	3,854	2.37%
346.00 Miscellaneous Power Plant Equipment	88,665	51,856	58.49%	43,323	48.86%	8,533	16.46%
Total Jamestown	\$ 7,996,258	\$ 6,518,508	81.52%	\$ 5,575,347	69.72%	\$ 943,160	14.47%
<u>Jamestown Unit 1</u>							
341.00 Structures and Improvements	\$ 286,659	\$ 227,256	79.28%	\$ 190,730	66.54%	\$ 36,526	16.07%
342.00 Fuel Holders and Accessories	379,195	247,869	65.37%	207,493	54.72%	40,376	16.29%
343.00 Prime Movers	3,030,866	2,412,763	79.61%	2,062,783	68.06%	349,980	14.51%
344.00 Generators							
345.00 Accessory Electric Equipment	155,272	127,527	82.13%	125,731	80.97%	1,796	1.41%
346.00 Miscellaneous Power Plant Equipment	85,462	48,385	56.62%	40,726	47.65%	7,658	15.83%
Total Jamestown Unit 1	\$ 3,937,454	\$ 3,063,799	77.81%	\$ 2,627,464	66.73%	\$ 436,335	14.24%
<u>Jamestown Unit 2</u>							
341.00 Structures and Improvements	\$ 24,853	\$ 16,120	64.86%	\$ 13,679	55.04%	\$ 2,441	15.14%
342.00 Fuel Holders and Accessories	36,769	32,201	87.58%	22,996	62.54%	9,205	28.59%
343.00 Prime Movers	3,921,661	3,367,866	85.88%	2,875,620	73.33%	492,246	14.62%
344.00 Generators							
345.00 Accessory Electric Equipment	72,318	35,050	48.47%	32,993	45.62%	2,058	5.87%
346.00 Miscellaneous Power Plant Equipment	3,203	3,471	108.37%	2,596	81.05%	875	25.21%
Total Jamestown Unit 2	\$ 4,058,804	\$ 3,454,708	85.12%	\$ 2,947,883	72.63%	\$ 506,825	14.67%
<u>Lake Preston</u>							
341.00 Structures and Improvements	\$ 233,982	\$ 199,736	85.36%	\$ 171,386	73.25%	\$ 28,349	14.19%
342.00 Fuel Holders and Accessories	328,705	275,033	83.67%	234,916	71.47%	40,118	14.59%
343.00 Prime Movers	3,282,642	2,823,377	86.01%	2,433,114	74.12%	390,263	13.82%
344.00 Generators							
345.00 Accessory Electric Equipment	400,094	340,518	85.11%	293,344	73.32%	47,174	13.85%
346.00 Miscellaneous Power Plant Equipment	21,607	20,275	93.83%	17,460	80.81%	2,814	13.88%
Total Lake Preston	\$ 4,267,030	\$ 3,658,938	85.75%	\$ 3,150,221	73.83%	\$ 508,718	13.90%
<u>Ashtabula Wind Generation</u>							
341.00 Structures and Improvements	\$ 3,248,290	\$ 1,439,837	44.33%	\$ 1,092,047	33.62%	\$ 347,790	24.15%
342.00 Fuel Holders and Accessories							
343.00 Prime Movers							

OTTER TAIL POWER COMPANY
Depreciation Reserve Summary
Vintage Group Procedure
December 31, 2019

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
344.00 Generators	106,724,521	45,511,841	42.64%	35,342,260	33.12%	10,169,580	22.34%
345.00 Accessory Electric Equipment	6,479,774	2,815,953	43.48%	2,135,834	32.96%	680,119	24.15%
346.00 Miscellaneous Power Plant Equipment	28,417	9,402	33.09%	7,015	24.69%	2,387	25.38%
Total Ashtabula Wind Generation	\$ 116,481,002	\$ 49,777,033	42.73%	\$ 38,577,157	33.12%	\$ 11,199,876	22.50%
<u>Langdon Wind Generation</u>							
341.00 Structures and Improvements	\$ 2,484,069	\$ 1,195,486	48.13%	\$ 915,143	36.84%	\$ 280,343	23.45%
342.00 Fuel Holders and Accessories							
343.00 Prime Movers							
344.00 Generators	69,306,474	32,264,170	46.55%	25,124,844	36.25%	7,139,326	22.13%
345.00 Accessory Electric Equipment	7,407,275	3,489,877	47.11%	2,662,003	35.94%	827,874	23.72%
346.00 Miscellaneous Power Plant Equipment	108,791	22,924	21.07%	17,557	16.14%	5,367	23.41%
Total Langdon Wind Generation	\$ 79,306,609	\$ 36,972,457	46.62%	\$ 28,719,547	36.21%	\$ 8,252,910	22.32%
<u>Luverne Wind Generation</u>							
341.00 Structures and Improvements	\$ 2,266,581	\$ 935,562	41.28%	\$ 714,257	31.51%	\$ 221,305	23.65%
342.00 Fuel Holders and Accessories							
343.00 Prime Movers							
344.00 Generators	66,897,647	26,154,106	39.10%	20,329,263	30.39%	5,824,842	22.27%
345.00 Accessory Electric Equipment	4,863,837	2,006,153	41.25%	1,531,622	31.49%	474,531	23.65%
346.00 Miscellaneous Power Plant Equipment	74,045	22,215	30.00%	16,542	22.34%	5,672	25.53%
Total Luverne Wind Generation	\$ 74,102,110	\$ 29,118,035	39.29%	\$ 22,591,685	30.49%	\$ 6,526,350	22.41%
<u>Solway Combustion Turbine</u>							
341.00 Structures and Improvements	\$ 4,791,410	\$ 2,072,199	43.25%	\$ 2,059,210	42.98%	\$ 12,989	0.63%
342.00 Fuel Holders and Accessories	1,019,797	443,759	43.51%	460,389	45.15%	(16,630)	-3.75%
343.00 Prime Movers	20,572,001	6,364,806	30.94%	8,459,775	41.12%	(2,094,969)	-32.91%
344.00 Generators							
345.00 Accessory Electric Equipment	1,310,193	572,864	43.72%	588,515	44.92%	(15,650)	-2.73%
346.00 Miscellaneous Power Plant Equipment	318,624	123,876	38.88%	127,138	39.90%	(3,262)	-2.63%
Total Solway Combustion Turbine	\$ 28,012,025	\$ 9,577,504	34.19%	\$ 11,695,027	41.75%	\$ (2,117,522)	-22.11%
<u>Fergus Falls Control Center</u>							
341.00 Structures and Improvements	\$ -	\$ -		\$ -		\$ -	
342.00 Fuel Holders and Accessories							
343.00 Prime Movers	591,638	404,893	68.44%	435,118	73.54%	(30,225)	-7.46%
344.00 Generators							
345.00 Accessory Electric Equipment							
346.00 Miscellaneous Power Plant Equipment							
Total Fergus Falls Control Center	\$ 591,638	\$ 404,893	68.44%	\$ 435,118	73.54%	\$ (30,225)	-7.46%

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	
INTANGIBLE PLANT									
303.91 Software - 5 Year	\$ 13,853,591	\$ 4,907,918	\$ 8,945,673			\$ -	\$ -	\$ -	
303.92 Software - 10 Year	20,540,434		20,540,434						
Total Intangible Plant	\$ 34,394,025	\$ 4,907,918	\$ 29,486,107			\$ -	\$ -	\$ -	
STEAM PRODUCTION									
311.00 Structures and Improvements	\$ 122,880,544	\$ 2,221,829	\$ 120,658,715	-12.3%	-7.2%	\$ (273,155)	\$ (8,694,201)	\$ (8,967,355)	-7.3%
312.00 Boiler Plant Equipment	416,121,909	69,421,706	346,700,203	-18.2%	-8.1%	(12,646,961)	(27,910,675)	(40,557,636)	-9.7%
312.10 Boiler Plant Equipment - Landfill	10,440,272	27,500	10,412,772						
314.00 Turbogenerator Units	83,869,893	16,910,849	66,959,044	18.4%	-9.1%	3,103,757	(6,064,834)	(2,961,077)	-3.5%
315.00 Accessory Electric Equipment	37,725,855	1,955,536	35,770,319	-7.7%	-7.7%	(149,724)	(2,756,159)	(2,905,883)	-7.7%
316.00 Miscellaneous Power Plant Equipment	9,777,581	3,082,912	6,694,669	7.4%	-9.0%	227,195	(602,806)	(375,611)	-3.8%
Total Steam Production Plant	\$ 680,816,054	\$ 93,620,332	\$ 587,195,722	-10.4%	-7.8%	\$ (9,738,888)	\$ (46,028,676)	\$ (55,767,563)	-8.2%
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	4,361,532	84,477	4,277,055	86.0%		72,610		72,610	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	616,329	19,226	597,103	16.1%		3,086		3,086	0.5%
335.00 Miscellaneous Power Plant Equipment	512,735	77,440	435,295	0.6%		461		461	0.1%
Total Hydraulic Production Plant	\$ 7,251,610	\$ 216,578	\$ 7,035,032	-13.5%		\$ (29,303)	\$ -	\$ (29,303)	-0.4%
OTHER PRODUCTION									
341.00 Structures and Improvements	\$ 13,364,751	\$ 28,907	\$ 13,335,844	-4.5%	-4.0%	\$ (1,302)	\$ (538,260)	\$ (539,562)	-4.0%
342.00 Fuel Holders and Accessories	2,020,135	255,669	1,764,466	-9.7%	-3.6%	(24,683)	(63,539)	(88,222)	-4.4%
343.00 Prime Movers	36,119,624	4,720,816	31,398,808	-5.1%	-3.2%	(241,182)	(995,435)	(1,236,617)	-3.4%
344.00 Generators	247,327,044	4,398,402	242,928,642	-4.6%	-5.3%	(201,361)	(12,871,109)	(13,072,469)	-5.3%
345.00 Accessory Electric Equipment	20,793,765	105,002	20,688,763	7.2%	-5.1%	7,612	(1,061,188)	(1,053,576)	-5.1%
346.00 Miscellaneous Power Plant Equipment	702,278	62,129	640,149	22.2%	-3.7%	13,800	(23,813)	(10,013)	-1.4%
Total Other Production Plant	\$ 320,327,597	\$ 9,570,925	\$ 310,756,672	-4.7%	-5.0%	\$ (447,116)	\$ (15,553,344)	\$ (16,000,460)	-5.0%
TRANSMISSION PLANT									
353.00 Station Equipment	\$ 148,182,844	\$ 11,537,834	\$ 136,645,010	35.5%	-5.0%	\$ 4,095,931	\$ (6,832,251)	\$ (2,736,319)	-1.8%
354.00 Towers and Fixtures	163,336,557		163,336,557		-10.0%		(16,333,656)	(16,333,656)	-10.0%
355.00 Poles and Fixtures	143,132,319	6,338,488	136,793,831	38.5%	-50.0%	2,440,318	(68,396,916)	(65,956,598)	-46.1%
356.00 Overhead Conductors and Devices	198,718,086	6,363,235	192,354,851	35.8%	-30.0%	2,278,038	(57,706,455)	(55,428,417)	-27.9%
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	\$ 653,447,762	\$ 24,240,052	\$ 629,207,710	36.4%	-23.7%	\$ 8,812,461	\$ (149,273,150)	\$ (140,460,689)	-21.5%

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	
DISTRIBUTION PLANT									
362.00 Station Equipment	\$ 110,741,304	\$ 22,424,706	\$ 88,316,598	13.2%	5.0%	\$ 2,960,061	\$ 4,415,830	\$ 7,375,891	6.7%
364.00 Poles, Towers and Fixtures	80,988,275	3,655,393	77,332,882	-114.3%	-100.0%	(4,178,114)	(77,332,882)	(81,510,996)	-100.6%
365.00 Overhead Conductors and Devices	59,141,957	4,566,854	54,575,103	-72.2%	-75.0%	(3,297,269)	(40,931,327)	(44,228,596)	-74.8%
367.00 Underground Conductors and Devices	93,213,741	5,754,221	87,459,520	-2.1%	-5.0%	(120,839)	(4,372,976)	(4,493,815)	-4.8%
368.00 Line Transformers	124,153,850	14,788,244	109,365,606	38.8%	30.0%	5,737,839	32,809,682	38,547,520	31.0%
369.00 Overhead Services	14,250,862	796,560	13,454,302	-277.1%	-200.0%	(2,207,268)	(26,908,604)	(29,115,872)	-204.3%
369.10 Underground Services	45,505,768	676,344	44,829,424	-46.3%	-20.0%	(313,147)	(8,965,885)	(9,279,032)	-20.4%
370.00 Meters	35,355,377	8,197,868	27,157,509	0.6%		49,187		49,187	0.1%
370.05 Smart Meters	921,313		921,313						
370.10 Load Management Switches	11,115,823	2,211,138	8,904,685						
371.20 Other Private Lighting	10,218,183	4,130,529	6,087,654	6.0%		247,832		247,832	2.4%
373.00 Street Lighting and Signal Systems	11,580,562	4,652,088	6,928,474	-1.5%	-5.0%	(69,781)	(346,424)	(416,205)	-3.6%
Total Distribution Plant	\$ 597,187,015	\$ 71,853,945	\$ 525,333,070	-1.7%	-23.2%	\$ (1,191,499)	\$ (121,632,586)	\$ (122,824,085)	-20.6%
GENERAL PLANT									
Depreciable									
390.00 Structures and Improvements	\$ 24,995,312	\$ 4,444,128	\$ 20,551,184	26.8%	5.0%	\$ 1,191,026	\$ 1,027,559	\$ 2,218,586	8.9%
390.10 General Office Buildings	7,707,979	1,284,879	6,423,100	-15.3%	44.7%	(196,586)	2,871,126	2,674,539	34.7%
390.20 Fleet Service Center Building	3,229,856	97,754	3,132,102	-47.0%	68.0%	(45,944)	2,129,829	2,083,885	64.5%
390.30 Central Stores Building	4,373,149	96,556	4,276,593	-7.2%	75.8%	(6,952)	3,241,657	3,234,705	74.0%
396.00 Power Operated Equipment	2,098,147	741,971	1,356,176	19.2%	5.0%	142,458	67,809	210,267	10.0%
397.40 Communication Towers	2,040,260	162,538	1,877,722	12.0%	-5.0%	19,505	(93,886)	(74,382)	-3.6%
Total Depreciable	\$ 44,444,703	\$ 6,827,826	\$ 37,616,877	16.2%	24.6%	\$ 1,103,506	\$ 9,244,094	\$ 10,347,601	23.3%
Amortizable									
391.00 Office Furniture	\$ 6,154,949	\$ 5,459,229	\$ 695,720			\$ -	\$ -	\$ -	
391.10 Office Equipment	3,110,403	2,691,174	419,229						
391.20 Duplicating Equipment	2,301,117	2,031,276	269,841						
391.50 Computer Systems	16,773,411	13,088,088	3,685,323						
391.60 Computer Related Equipment	11,790,935	10,898,152	892,783						
394.00 Tools, Shop and Garage Equipment	8,083,312	3,989,395	4,093,917						
394.20 Automated Meter Reading Equipment	2,396,703	1,479,853	916,850						
397.00 Communication Equipment	4,331,376	1,366,312	2,965,064						
397.10 Radio Telecommunication Equipment	6,541,973	5,566,281	975,692						
397.20 Microwave Equipment	8,088,862	4,812,815	3,276,047						
397.30 Radio Load Control Equipment	1,912,977	1,453,634	459,343						
Total Amortizable	\$ 71,486,018	\$ 52,836,209	\$ 18,649,809			\$ -	\$ -	\$ -	
Total General Plant	\$ 115,930,721	\$ 59,664,035	\$ 56,266,686	1.8%	16.4%	\$ 1,103,506	\$ 9,244,094	\$ 10,347,601	8.9%
TOTAL UTILITY	\$ 2,409,354,784	\$ 264,073,785	\$ 2,145,280,999	-0.6%	-15.1%	\$ (1,490,838)	\$ (323,243,661)	\$ (324,734,499)	-13.5%

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		
STEAM PRODUCTION									
Big Stone									
311.00 Structures and Improvements	\$ 80,753,902	\$ 1,086,026	\$ 79,667,876	-10.1%	-5.7%	\$ (109,689)	\$ (4,541,069)	\$ (4,650,758)	-5.8%
312.00 Boiler Plant Equipment	246,809,074	46,736,084	200,072,990	-21.6%	-5.7%	(10,094,994)	(11,404,160)	(21,499,155)	-8.7%
312.10 Boiler Plant Equipment - Landfill									
314.00 Turbogenerator Units	37,290,796	6,802,675	30,488,121	15.0%	-5.7%	1,020,401	(1,737,823)	(717,422)	-1.9%
315.00 Accessory Electric Equipment	21,828,351	964,372	20,863,979	-14.8%	-5.7%	(142,727)	(1,189,247)	(1,331,974)	-6.1%
316.00 Miscellaneous Power Plant Equipment	4,905,053	1,611,570	3,293,483	1.6%	-5.7%	25,785	(187,729)	(161,943)	-3.3%
Total Big Stone	\$ 391,587,176	\$ 57,200,727	\$ 334,386,449	-16.3%	-5.7%	\$ (9,301,223)	\$ (19,060,028)	\$ (28,361,251)	-7.2%
Hoot Lake Units 2 and 3									
311.00 Structures and Improvements	\$ 6,334,971	\$ 238,662	\$ 6,096,309	-133.9%	-18.9%	\$ (319,568)	\$ (1,152,202)	\$ (1,471,771)	-23.2%
312.00 Boiler Plant Equipment	45,176,497	7,345,678	37,830,819	-38.5%	-18.9%	(2,828,086)	(7,150,025)	(9,978,111)	-22.1%
312.10 Boiler Plant Equipment - Landfill	10,440,272	27,500	10,412,772						
314.00 Turbogenerator Units	13,120,993	1,562,626	11,558,367	-2.3%	-18.9%	(35,940)	(2,184,531)	(2,220,472)	-16.9%
315.00 Accessory Electric Equipment	2,802,942	36,269	2,766,673	-148.3%	-18.9%	(53,787)	(522,901)	(576,688)	-20.6%
316.00 Miscellaneous Power Plant Equipment	1,363,460	173,406	1,190,054	41.3%	-18.9%	71,617	(224,920)	(153,304)	-11.2%
Total Hoot Lake Units 2 and 3	\$ 79,239,135	\$ 9,384,141	\$ 69,854,994	-33.7%	-16.1%	\$ (3,165,765)	\$ (11,234,580)	\$ (14,400,345)	-18.2%
Covote									
311.00 Structures and Improvements	\$ 35,791,671	\$ 897,141	\$ 34,894,530	17.4%	-8.6%	\$ 156,103	\$ (3,000,930)	\$ (2,844,827)	-7.9%
312.00 Boiler Plant Equipment	124,136,338	15,339,944	108,796,394	1.8%	-8.6%	276,119	(9,356,490)	(9,080,371)	-7.3%
312.10 Boiler Plant Equipment - Landfill									
314.00 Turbogenerator Units	33,458,104	8,545,548	24,912,556	24.8%	-8.6%	2,119,296	(2,142,480)	(23,184)	-0.1%
315.00 Accessory Electric Equipment	13,094,562	954,895	12,139,667	4.9%	-8.6%	46,790	(1,044,011)	(997,222)	-7.6%
316.00 Miscellaneous Power Plant Equipment	3,509,068	1,297,936	2,211,132	10.0%	-8.6%	129,794	(190,157)	(60,364)	-1.7%
Total Coyote	\$ 209,989,743	\$ 27,035,464	\$ 182,954,279	10.1%	-8.6%	\$ 2,728,101	\$ (15,734,068)	\$ (13,005,967)	-6.2%
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	901,305	8,594	892,711	2843.7%		244,388		244,388	27.1%
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	203,915	1,363	202,552	334.2%		4,555		4,555	2.2%
335.00 Miscellaneous Power Plant Equipment	127,250	12,032	115,218	-7.9%		(951)		(951)	-0.7%
Total Wright	\$ 1,803,917	\$ 29,018	\$ 1,774,899	785.7%		\$ 227,988	\$ -	\$ 227,988	12.6%

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*F	Future H=F*D		
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	114,648	12,161	102,487	-2.4%		(292)		(292)	-0.3%
335.00 Miscellaneous Power Plant Equipment	84,563	21,819	62,744	-2.5%		(545)		(545)	-0.6%
Total Pisgah	\$ 748,826	\$ 35,448	\$ 713,378	-70.5%		\$ (24,987)	\$ -	\$ (24,987)	-3.3%
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	34,200	96,303	6.7%		2,291		2,291	1.8%
Total Taplin Gorge	\$ 863,942	\$ 55,932	\$ 808,010	-49.9%		\$ (27,890)	\$ -	\$ (27,890)	-3.2%
Bemidji									
331.00 Structures and Improvements	\$ 211,217	\$ 11,412	\$ 199,805	-2.1%		\$ (240)	\$ -	\$ (240)	-0.1%
332.00 Reservoirs, Dams and Waterways	821,755	5,535	816,220	-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	\$ 1,367,855	\$ 22,697	\$ 1,345,158	-189.0%		\$ (42,902)	\$ -	\$ (42,902)	-3.1%
OTHER PRODUCTION									
Jamestown									
341.00 Structures and Improvements	\$ 317,686	\$ 6,174	\$ 311,512	-15.2%	-5.9%	\$ (938)	\$ (18,379)	\$ (19,318)	-6.1%
342.00 Fuel Holders and Accessories	593,813	177,849	415,964	-12.6%	-5.9%	(22,488)	(24,542)	(47,029)	-7.9%
343.00 Prime Movers	7,502,045	549,518	6,952,527	-23.6%	-5.9%	(129,431)	(410,199)	(539,630)	-7.2%
344.00 Generators									
345.00 Accessory Electric Equipment	263,937	36,347	227,590	22.6%	-5.9%	8,205	(13,428)	(5,222)	-2.0%
346.00 Miscellaneous Power Plant Equipment	139,078	50,413	88,665	22.2%	-5.9%	11,201	(5,231)	5,970	4.3%
Total Jamestown	\$ 8,816,559	\$ 820,301	\$ 7,996,258	-16.3%	-5.9%	\$ (133,451)	\$ (471,779)	\$ (605,230)	-6.9%

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*F	Future H=F*D		
Jamestown Unit 1									
341.00 Structures and Improvements	\$ 292,833	\$ 6,174	\$ 286,659	-15.2%	-5.9%	\$ (938)	\$ (16,913)	\$ (17,851)	-6.1%
342.00 Fuel Holders and Accessories	407,203	28,008	379,195	-51.4%	-5.9%	(14,396)	(22,373)	(36,769)	-9.0%
343.00 Prime Movers	3,322,728	291,862	3,030,866	-33.4%	-5.9%	(97,482)	(178,821)	(276,303)	-8.3%
344.00 Generators									
345.00 Accessory Electric Equipment	157,825	2,553	155,272	19.6%	-5.9%	500	(9,161)	(8,661)	-5.5%
346.00 Miscellaneous Power Plant Equipment	112,036	26,574	85,462	26.9%	-5.9%	7,148	(5,042)	2,106	1.9%
Total Jamestown Unit 1	\$ 4,292,625	\$ 355,171	\$ 3,937,454	-29.6%	-5.9%	\$ (105,168)	\$ (232,310)	\$ (337,477)	-7.9%
Jamestown Unit 2									
341.00 Structures and Improvements	\$ 24,853	\$ -	\$ 24,853		-5.9%	\$ -	\$ (1,466)	\$ (1,466)	-5.9%
342.00 Fuel Holders and Accessories	186,610	149,841	36,769	-5.4%	-5.9%	(8,091)	(2,169)	(10,261)	-5.5%
343.00 Prime Movers	4,179,317	257,656	3,921,661	-12.4%	-5.9%	(31,949)	(231,378)	(263,327)	-6.3%
344.00 Generators									
345.00 Accessory Electric Equipment	106,112	33,794	72,318	22.8%	-5.9%	7,705	(4,267)	3,438	3.2%
346.00 Miscellaneous Power Plant Equipment	27,042	23,839	3,203	17.0%	-5.9%	4,053	(189)	3,864	14.3%
Total Jamestown Unit 2	\$ 4,523,934	\$ 465,130	\$ 4,058,804	-6.1%	-5.9%	\$ (28,283)	\$ (239,469)	\$ (267,753)	-5.9%
Lake Preston									
341.00 Structures and Improvements	\$ 233,982	\$ -	\$ 233,982		-6.9%	\$ -	\$ (16,145)	\$ (16,145)	-6.9%
342.00 Fuel Holders and Accessories	373,513	44,808	328,705	-4.9%	-6.9%	(2,196)	(22,681)	(24,876)	-6.7%
343.00 Prime Movers	3,514,567	231,925	3,282,642	-4.6%	-6.9%	(10,669)	(226,502)	(237,171)	-6.7%
344.00 Generators									
345.00 Accessory Electric Equipment	418,651	18,557	400,094	-3.2%	-6.9%	(594)	(27,606)	(28,200)	-6.7%
346.00 Miscellaneous Power Plant Equipment	25,227	3,620	21,607	71.8%	-6.9%	2,599	(1,491)	1,108	4.4%
Total Lake Preston	\$ 4,565,940	\$ 298,910	\$ 4,267,030	-3.6%	-6.9%	\$ (10,859)	\$ (294,425)	\$ (305,284)	-6.7%
Ashtabula Wind Generation									
341.00 Structures and Improvements	\$ 3,248,290	\$ -	\$ 3,248,290		-4.3%	\$ -	\$ (139,676)	\$ (139,676)	-4.3%
342.00 Fuel Holders and Accessories									
343.00 Prime Movers									
344.00 Generators	108,929,352	2,204,831	106,724,521		-4.3%		(4,589,154)	(4,589,154)	-4.2%
345.00 Accessory Electric Equipment	6,481,754	1,980	6,479,774		-4.3%		(278,630)	(278,630)	-4.3%
346.00 Miscellaneous Power Plant Equipment	28,417		28,417		-4.3%		(1,222)	(1,222)	-4.3%
Total Ashtabula Wind Generation	\$ 118,687,813	\$ 2,206,811	\$ 116,481,002		-4.3%	\$ -	\$ (5,008,683)	\$ (5,008,683)	-4.2%
Langdon Wind Generation									
341.00 Structures and Improvements	\$ 2,484,069	\$ -	\$ 2,484,069		-5.0%	\$ -	\$ (124,203)	\$ (124,203)	-5.0%
342.00 Fuel Holders and Accessories									
343.00 Prime Movers									
344.00 Generators	70,592,333	1,285,859	69,306,474	-0.2%	-5.0%	(2,572)	(3,465,324)	(3,467,895)	-4.9%
345.00 Accessory Electric Equipment	7,407,275		7,407,275		-5.0%		(370,364)	(370,364)	-5.0%
346.00 Miscellaneous Power Plant Equipment	108,791		108,791		-5.0%		(5,440)	(5,440)	-5.0%
Total Langdon Wind Generation	\$ 80,592,468	\$ 1,285,859	\$ 79,306,609	-0.2%	-5.0%	\$ (2,572)	\$ (3,965,330)	\$ (3,967,902)	-4.9%

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	
<u>Luverne Wind Generation</u>									
341.00 Structures and Improvements	\$ 2,266,581	\$ -	\$ 2,266,581		-7.2%	\$ -	\$ (163,194)	\$ (163,194)	-7.2%
342.00 Fuel Holders and Accessories									
343.00 Prime Movers									
344.00 Generators	67,805,359	907,712	66,897,647	-21.9%	-7.2%	(198,789)	(4,816,631)	(5,015,420)	-7.4%
345.00 Accessory Electric Equipment	4,863,837		4,863,837		-7.2%		(350,196)	(350,196)	-7.2%
346.00 Miscellaneous Power Plant Equipment	74,045		74,045		-7.2%		(5,331)	(5,331)	-7.2%
Total Luverne Wind Generation	\$ 75,009,822	\$ 907,712	\$ 74,102,110	-21.9%	-7.2%	\$ (198,789)	\$ (5,335,352)	\$ (5,534,141)	-7.4%
<u>Solway Combustion Turbine</u>									
341.00 Structures and Improvements	\$ 4,814,143	\$ 22,733	\$ 4,791,410	-1.6%	-1.6%	\$ (364)	\$ (76,663)	\$ (77,026)	-1.6%
342.00 Fuel Holders and Accessories	1,052,809	33,012	1,019,797		-1.6%		(16,317)	(16,317)	-1.5%
343.00 Prime Movers	24,452,038	3,880,037	20,572,001	-2.7%	-1.6%	(104,761)	(329,152)	(433,913)	-1.8%
344.00 Generators									
345.00 Accessory Electric Equipment	1,358,311	48,118	1,310,193		-1.6%		(20,963)	(20,963)	-1.5%
346.00 Miscellaneous Power Plant Equipment	326,720	8,096	318,624		-1.6%		(5,098)	(5,098)	-1.6%
Total Solway Combustion Turbine	\$ 32,004,021	\$ 3,991,996	\$ 28,012,025	-2.6%	-1.6%	\$ (105,125)	\$ (448,192)	\$ (553,317)	-1.7%
<u>Fergus Falls Control Center</u>									
341.00 Structures and Improvements	\$ -	\$ -	\$ -			\$ -	\$ -	\$ -	
342.00 Fuel Holders and Accessories									
343.00 Prime Movers	650,974	59,336	591,638	6.2%	-5.0%	3,679	(29,582)	(25,903)	-4.0%
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%	-5.0%	\$ 3,679	\$ (29,582)	\$ (25,903)	-4.0%

OTTER TAIL POWER COMPANY

Future Net Salvage
Steam and Other Production

Statement E

Account Description A	12/31/19 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	\$ 79,667,876	\$ 5,377,336	\$ 74,290,540	-10.0%	-5.4%	\$ (537,734)	\$ (4,033,927)	\$ (4,571,661)	-5.7%
312.00 Boiler Plant Equipment	200,072,990	13,413,021	186,659,969	-10.0%	-5.4%	(1,341,302)	(10,135,513)	(11,476,815)	-5.7%
312.10 Boiler Plant Equipment - Landfill									
314.00 Turbogenerator Units	30,488,121	2,103,704	28,384,417	-10.0%	-5.4%	(210,370)	(1,541,255)	(1,751,626)	-5.7%
315.00 Accessory Electric Equipment	20,863,979	1,421,729	19,442,250	-10.0%	-5.4%	(142,173)	(1,055,701)	(1,197,874)	-5.7%
316.00 Miscellaneous Power Plant Equipment	3,293,483	226,136	3,067,347	-10.0%	-5.4%	(22,614)	(166,555)	(189,169)	-5.7%
Total Big Stone	\$ 334,386,449	\$ 22,541,927	\$ 311,844,522	-10.0%	-5.4%	\$ (2,254,193)	\$ (16,932,952)	\$ (19,187,145)	-5.7%
Hoot Lake Units 2 and 3									
311.00 Structures and Improvements	\$ 6,096,309	\$ 17,438	\$ 6,078,871	-10.0%	-18.9%	\$ (1,744)	\$ (1,151,123)	\$ (1,152,867)	-18.9%
312.00 Boiler Plant Equipment	37,830,819	100,979	37,729,840	-10.0%	-18.9%	(10,098)	(7,144,695)	(7,154,793)	-18.9%
312.10 Boiler Plant Equipment - Landfill	10,412,772	821,436	9,591,336						
314.00 Turbogenerator Units	11,558,367	32,119	11,526,248	-10.0%	-18.9%	(3,212)	(2,182,663)	(2,185,875)	-18.9%
315.00 Accessory Electric Equipment	2,766,673	7,854	2,758,819	-10.0%	-18.9%	(785)	(522,423)	(523,208)	-18.9%
316.00 Miscellaneous Power Plant Equipment	1,190,054	3,120	1,186,934	-10.0%	-18.9%	(312)	(224,763)	(225,075)	-18.9%
Total Hoot Lake Units 2 and 3	\$ 69,854,994	\$ 982,945	\$ 68,872,049	-1.6%	-18.9%	\$ (16,151)	\$ (11,225,667)	\$ (11,241,818)	-16.1%
Coyote									
311.00 Structures and Improvements	\$ 34,894,530	\$ 2,003,199	\$ 32,891,331	-10.0%	-8.5%	\$ (200,320)	\$ (2,804,066)	\$ (3,004,386)	-8.6%
312.00 Boiler Plant Equipment	108,796,394	6,138,402	102,657,992	-10.0%	-8.5%	(613,840)	(8,751,844)	(9,365,685)	-8.6%
312.10 Boiler Plant Equipment - Landfill									
314.00 Turbogenerator Units	24,912,556	1,390,208	23,522,348	-10.0%	-8.5%	(139,021)	(2,005,338)	(2,144,358)	-8.6%
315.00 Accessory Electric Equipment	12,139,667	692,887	11,446,780	-10.0%	-8.5%	(69,289)	(975,866)	(1,045,155)	-8.6%
316.00 Miscellaneous Power Plant Equipment	2,211,132	122,626	2,088,506	-10.0%	-8.5%	(12,263)	(178,050)	(190,313)	-8.6%
Total Coyote	\$ 182,954,279	\$ 10,347,322	\$ 172,606,957	-10.0%	-8.5%	\$ (1,034,732)	\$ (14,715,165)	\$ (15,749,897)	-8.6%
OTHER PRODUCTION									
Jamestown									
341.00 Structures and Improvements	\$ 311,512	\$ 10,942	\$ 300,570	-5.0%	-5.9%	\$ (547)	\$ (17,719)	\$ (18,266)	-5.9%
342.00 Fuel Holders and Accessories	415,964	14,425	401,539	-5.0%	-5.9%	(721)	(23,672)	(24,393)	-5.9%
343.00 Prime Movers	6,952,527	248,154	6,704,373	-5.0%	-5.9%	(12,408)	(395,238)	(407,645)	-5.9%
344.00 Generators									
345.00 Accessory Electric Equipment	227,590	8,090	219,500	-5.0%	-5.9%	(404)	(12,940)	(13,345)	-5.9%
346.00 Miscellaneous Power Plant Equipment	88,665	2,977	85,688	-5.0%	-5.9%	(149)	(5,052)	(5,200)	-5.9%
Total Jamestown	\$ 7,996,258	\$ 284,588	\$ 7,711,670	-5.0%	-5.9%	\$ (14,229)	\$ (454,620)	\$ (468,849)	-5.9%

OTTER TAIL POWER COMPANY

Future Net Salvage
Steam and Other Production

Statement E

Account Description A	12/31/19 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	\$ 233,982	\$ 8,358	\$ 225,624	-5.0%	-7.0%	\$ (418)	\$ (15,728)	\$ (16,146)	-6.9%
342.00 Fuel Holders and Accessories	328,705	11,681	317,024	-5.0%	-7.0%	(584)	(22,100)	(22,684)	-6.9%
343.00 Prime Movers	3,282,642	117,583	3,165,059	-5.0%	-7.0%	(5,879)	(220,639)	(226,518)	-6.9%
344.00 Generators									
345.00 Accessory Electric Equipment	400,094	14,330	385,764	-5.0%	-7.0%	(717)	(26,892)	(27,608)	-6.9%
346.00 Miscellaneous Power Plant Equipment	21,607	775	20,832	-5.0%	-7.0%	(39)	(1,452)	(1,491)	-6.9%
Total Lake Preston	\$ 4,267,030	\$ 152,727	\$ 4,114,303	-5.0%	-7.0%	\$ (7,636)	\$ (286,812)	\$ (294,448)	-6.9%
Solway Combustion Turbine									
341.00 Structures and Improvements	\$ 4,791,410	\$ 223,916	\$ 4,567,494	-5.0%	-1.4%	\$ (11,196)	\$ (65,629)	\$ (76,824)	-1.6%
342.00 Fuel Holders and Accessories	1,019,797	47,756	972,041	-5.0%	-1.4%	(2,388)	(13,967)	(16,355)	-1.6%
343.00 Prime Movers	20,572,001	960,289	19,611,712	-5.0%	-1.4%	(48,014)	(281,794)	(329,808)	-1.6%
344.00 Generators									
345.00 Accessory Electric Equipment	1,310,193	61,346	1,248,847	-5.0%	-1.4%	(3,067)	(17,944)	(21,012)	-1.6%
346.00 Miscellaneous Power Plant Equipment	318,624	14,835	303,789	-5.0%	-1.4%	(742)	(4,365)	(5,107)	-1.6%
Total Solway Combustion Turbine	\$ 28,012,025	\$ 1,308,143	\$ 26,703,882	-5.0%	-1.4%	\$ (65,407)	\$ (383,699)	\$ (449,106)	-1.6%
Ashtabula Wind Generation									
341.00 Structures and Improvements	\$3,248,290	\$192,306	\$ 3,055,984	-5.0%	-4.2%	\$ (9,615)	\$ (129,284)	\$ (138,899)	-4.3%
342.00 Fuel Holders and Accessories					-4.2%				
343.00 Prime Movers					-4.2%				
344.00 Generators	106,724,521	6,315,825	100,408,696	-5.0%	-4.2%	(315,791)	(4,247,814)	(4,563,605)	-4.3%
345.00 Accessory Electric Equipment	6,479,774	383,360	6,096,414	-5.0%	-4.2%	(19,168)	(257,910)	(277,078)	-4.3%
346.00 Miscellaneous Power Plant Equipment	28,417	1,665	26,752	-5.0%	-4.2%	(83)	(1,132)	(1,215)	-4.3%
Total Ashtabula Wind Generation	\$ 116,481,002	\$ 6,893,156	\$ 109,587,846	-5.0%	-4.2%	\$ (344,658)	\$ (4,636,140)	\$ (4,980,797)	-4.3%
Langdon Wind Generation									
341.00 Structures and Improvements	\$2,484,069	\$141,031	\$ 2,343,038	-5.0%	-5.0%	\$ (7,052)	\$ (116,538)	\$ (123,589)	-5.0%
342.00 Fuel Holders and Accessories					-5.0%				
343.00 Prime Movers					-5.0%				
344.00 Generators	69,306,474	3,932,957	65,373,517	-5.0%	-5.0%	(196,648)	(3,251,540)	(3,448,187)	-5.0%
345.00 Accessory Electric Equipment	7,407,275	420,111	6,987,164	-5.0%	-5.0%	(21,006)	(347,527)	(368,532)	-5.0%
346.00 Miscellaneous Power Plant Equipment	108,791	6,054	102,737	-5.0%	-5.0%	(303)	(5,110)	(5,413)	-5.0%
Total Langdon Wind Generation	\$ 79,306,609	\$ 4,500,153	\$ 74,806,456	-5.0%	-5.0%	\$ (225,008)	\$ (3,720,714)	\$ (3,945,722)	-5.0%

OTTER TAIL POWER COMPANY

Future Net Salvage
Steam and Other Production

Statement E

Account Description A	12/31/19 Plant Investment B	Future Retirements		Net Salvage Rate		Future Net Salvage			Future Rate
		Interim C	Final D=B-C	Interim E	Final F	Interim G=C*E	Final H=D*F	Total I=G+H	J=I/B
<u>Luverne Wind Generation</u>									
341.00 Structures and Improvements	\$2,266,581	\$139,661	\$ 2,126,920	-5.0%	-7.3%	\$ (6,983)	\$ (155,507)	\$ (162,491)	-7.2%
342.00 Fuel Holders and Accessories									#DIV/0!
343.00 Prime Movers									
344.00 Generators	66,897,647	4,119,033	62,778,614	-5.0%	-7.3%	(205,952)	(4,589,992)	(4,795,944)	-7.2%
345.00 Accessory Electric Equipment	4,863,837	299,693	4,564,144	-5.0%	-7.3%	(14,985)	(333,703)	(348,687)	-7.2%
346.00 Miscellaneous Power Plant Equipment	74,045	4,518	69,527	-5.0%	-7.3%	(226)	(5,083)	(5,309)	-7.2%
Total Luverne Wind Generation	\$ 74,102,110	\$ 4,562,905	\$ 69,539,205	-5.0%	-7.3%	\$ (228,145)	\$ (5,084,286)	\$ (5,312,431)	-7.2%
GENERAL PLANT									
390.10 General Office Buildings	\$6,423,100	\$345,290	\$ 6,077,810	-5.0%	47.5%	\$ (17,264)	\$ 2,888,813	\$ 2,871,549	44.7%
390.20 Fleet Service Center Building	3,132,102	201,270	2,930,832	-5.0%	73.0%	(10,064)	2,138,330	2,128,266	68.0%
390.30 Central Stores Building	4,276,593	293,894	3,982,699	-5.0%	81.7%	(14,695)	3,255,719	3,241,024	75.8%

OTTER TAIL POWER COMPANY
Current and Updated Parameters
Vintage Group Procedure

Statement F

Account Description A	Current Parameters						Updated Parameters					
	P-Life/ AYFR B	Curve Shape C	VG ASL D	Rem. Life E	Avg. Sal. F	Fut. Sal. G	P-Life/ AYFR H	Curve Shape I	VG ASL J	Rem. Life K	Avg. Sal. L	Fut. Sal. M
INTANGIBLE PLANT												
303.91 Software - 5 Year	5.00	SQ	5.00	2.92			5.00	SQ	5.00	2.34		
303.92 Software - 10 Year							10.00	SQ	10.00	9.50		
Total Intangible Plant			5.00	2.92					7.68	6.17		
STEAM PRODUCTION												
311.00 Structures and Improvements			38.15	24.24	-7.3	-7.2			37.98	23.28	-7.3	-7.2
312.00 Boiler Plant Equipment			30.66	19.83	-9.6	-7.9			30.36	18.95	-9.7	-8.1
312.10 Boiler Plant Equipment - Landfill			35.91	31.16					35.92	30.24		
314.00 Turbogenerator Units			36.01	18.47	-3.2	-8.7			35.46	17.58	-3.5	-9.1
315.00 Accessory Electric Equipment			38.59	22.53	-7.6	-7.6			38.40	21.59	-7.7	-7.7
316.00 Miscellaneous Power Plant Equipment			27.96	15.93	-3.6	-8.6			27.65	15.25	-3.8	-9.0
Total Steam Production Plant			33.03	20.76	-8.0	-7.7			32.72	19.84	-8.2	-7.8
HYDRAULIC PRODUCTION												
331.00 Structures and Improvements			18.29	2.49	-0.1				18.33	1.50	-0.1	
332.00 Reservoirs, Dams and Waterways			12.17	2.49	1.7				12.19	1.50	1.7	
333.00 Water Wheels, Turbines & Generators			13.24	2.49	-7.5				13.26	1.50	-7.5	
334.00 Accessory Electric Equipment			19.01	2.49	0.5				19.03	1.50	0.5	
335.00 Miscellaneous Power Plant Equipment			10.20	2.49	0.1				10.22	1.50	0.1	
Total Hydraulic Production Plant			12.82	2.49	-0.4				12.85	1.50	-0.4	
OTHER PRODUCTION												
341.00 Structures and Improvements			26.88	15.69	-3.4	-3.4			32.90	20.65	-4.0	-4.0
342.00 Fuel Holders and Accessories			33.19	16.94	-4.4	-3.6			32.55	16.04	-4.4	-3.6
343.00 Prime Movers			34.51	17.65	-3.5	-3.0			33.38	16.66	-3.4	-3.2
344.00 Generators			24.07	14.22	-4.3	-4.3			33.30	22.78	-5.3	-5.3
345.00 Accessory Electric Equipment			24.74	14.34	-4.1	-4.2			33.46	22.12	-5.1	-5.1
346.00 Miscellaneous Power Plant Equipment			26.25	16.49	-0.9	-3.2			28.22	18.67	-1.4	-3.7
Total Other Production Plant			25.09	14.57	-4.1	-4.1			33.29	21.98	-5.0	-5.0
TRANSMISSION PLANT												
353.00 Station Equipment	65.00	R1	65.12	55.33	-1.6	-5.0	65.00	R1	65.11	55.50	-1.8	-5.0
354.00 Towers and Fixtures	75.00	R5	75.00	69.84	-10.0	-10.0	75.00	R5	75.00	70.54	-10.0	-10.0
355.00 Poles and Fixtures	75.00	R2	75.27	59.02	-45.6	-50.0	75.00	R2	75.26	59.83	-46.1	-50.0
356.00 Overhead Conductors and Devices	75.00	R2	75.12	61.24	-26.9	-30.0	75.00	R2	75.08	64.91	-27.9	-30.0
358.00 Underground Conductors and Devices	50.00	S4	50.68	14.32	-7.3	-5.0	50.00	S4	50.86	13.70	-7.3	-5.0
Total Transmission Plant			72.31	60.95	-21.2	-24.1			72.68	62.97	-21.5	-23.7

OTTER TAIL POWER COMPANY
Current and Updated Parameters
Vintage Group Procedure

Statement F

Account Description	Current Parameters						Updated 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	43.00	SC	43.47	34.63	6.8	5.0	43.00	SC	43.47	34.85	6.7	5.0
364.00 Poles, Towers and Fixtures	70.00	R3	70.07	48.80	-100.5	-100.0	70.00	R3	70.08	48.52	-100.6	-100.0
365.00 Overhead Conductors and Devices	65.00	R2.5	65.22	43.13	-74.8	-75.0	65.00	R2.5	65.23	42.96	-74.8	-75.0
367.00 Underground Conductors and Devices	45.00	R4	44.86	28.94	-4.8	-5.0	45.00	R4	44.89	29.04	-4.8	-5.0
368.00 Line Transformers	43.00	R2.5	43.00	30.71	30.6	30.0	43.00	R2.5	43.00	30.77	31.0	30.0
369.00 Overhead Services	55.00	S5	55.30	30.41	-203.8	-200.0	55.00	S5	55.34	29.87	-204.3	-200.0
369.10 Underground Services	50.00	R4	50.11	33.62	-20.4	-20.0	50.00	R4	50.13	33.20	-20.4	-20.0
370.00 Meters	28.00	L1	29.17	20.02	0.1		28.00	L1	29.22	19.51	0.1	
370.05 Smart Meters	28.00	L1	29.17	20.02	0.1		20.00	S3	20.00	18.57		
370.10 Load Management Switches	15.00	R5	15.35	2.70			15.00	R5	15.67	2.17		
371.20 Other Private Lighting	25.00	O3	25.82	24.42	2.7		25.00	O3	25.69	24.46	2.4	
373.00 Street Lighting and Signal Systems	22.00	L0.5	22.64	15.68	-3.8	-5.0	22.00	L0.5	22.54	16.60	-3.6	-5.0
Total Distribution Plant			45.05	31.13	-21.3	-23.9			44.94	31.07	-20.6	-23.2
GENERAL PLANT												
Depreciable												
390.00 Structures and Improvements	50.00	R1	50.89	33.73	8.9	5.0	50.00	R1	50.93	33.37	8.9	5.0
390.10 General Office Buildings	2040	200-SC	40.53	20.89	36.4	47.3	2040	200-SC	38.36	19.95	34.7	44.7
390.20 Fleet Service Center Building	2035	200-SC	39.44	16.14	23.8	31.2	2045	200-SC	29.52	24.68	64.5	68.0
390.30 Central Stores Building	2045	200-SC	55.14	25.55	74.3	76.2	2045	200-SC	54.81	24.61	74.0	75.8
396.00 Power Operated Equipment	23.00	L0	24.10	18.80	11.3	5.0	23.00	L0	23.48	20.12	10.0	5.0
397.40 Communication Towers	50.00	R2.5	50.35	32.06	-3.7	-5.0	50.00	R2.5	50.39	31.31	-3.6	-5.0
Total Depreciable			47.38	28.75	20.6	21.5			44.25	27.85	23.3	24.6
Amortizable												
391.00 Office Furniture	15.00	SQ	15.00	5.92			15.00	SQ	15.00	5.80		
391.10 Office Equipment	10.00	SQ	10.00	4.06			10.00	SQ	10.00	3.64		
391.20 Duplicating Equipment	10.00	SQ	10.00	5.17			10.00	SQ	10.00	4.89		
391.50 Computer Systems	5.00	SQ	5.00	3.06			5.00	SQ	5.00	2.34		
391.60 Computer Related Equipment	5.00	SQ	5.00	2.28			5.00	SQ	5.00	2.12		
394.00 Tools, Shop and Garage Equipment	15.00	SQ	15.00	7.55			15.00	SQ	15.00	7.19		
394.20 Automated Meter Reading Equipment	15.00	SQ	15.00	7.12			15.00	SQ	15.00	6.32		
397.00 Communication Equipment	15.00	SQ	15.00	11.30			15.00	SQ	15.00	10.78		
397.10 Radio Telecommunication Equipment	10.00	SQ	10.00	2.35			10.00	SQ	10.00	1.46		
397.20 Microwave Equipment	15.00	SQ	15.00	7.30			15.00	SQ	15.00	8.11		
397.30 Radio Load Control Equipment	10.00	SQ	10.00	4.03			10.00	SQ	10.00	3.03		
Total Amortizable			9.83	5.19					9.69	4.77		
Total General Plant			19.90	11.51	7.6	13.7			20.28	11.84	8.9	16.4
TOTAL UTILITY			36.95	25.42	-13.1	-14.8			39.15	27.87	-13.5	-15.1

OTTER TAIL POWER COMPANY
Current and Updated Parameters
Vintage Group Procedure

Statement F

Account Description	Current Parameters						Updated 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												
<u>Big Stone</u>												
311.00 Structures and Improvements	2046	200-SC	34.61	26.53	-5.9	-5.8	2046	200-SC	34.61	25.60	-5.8	-5.7
312.00 Boiler Plant Equipment	2046	200-SC	33.07	26.54	-8.7	-5.8	2046	200-SC	32.92	25.60	-8.7	-5.7
312.10 Boiler Plant Equipment - Landfill												
314.00 Turbogenerator Units	2046	200-SC	42.87	26.51	-2.0	-5.8	2046	200-SC	42.31	25.58	-1.9	-5.7
315.00 Accessory Electric Equipment	2046	200-SC	36.79	26.53	-6.2	-5.8	2046	200-SC	36.79	25.59	-6.1	-5.7
316.00 Miscellaneous Power Plant Equipment	2046	200-SC	39.51	26.52	-3.4	-5.8	2046	200-SC	38.40	25.59	-3.3	-5.7
Total Big Stone			34.41	26.53	-7.3	-5.8			34.29	25.60	-7.2	-5.7
<u>Hoot Lake Units 2 and 3</u>												
311.00 Structures and Improvements	2021	200-SC	36.47	2.49	-20.1	-15.6	2021	200-SC	36.45	1.50	-23.2	-18.9
312.00 Boiler Plant Equipment	2021	200-SC	14.46	2.49	-19.3	-15.6	2021	200-SC	14.46	1.50	-22.1	-18.9
312.10 Boiler Plant Equipment - Landfill	2051	200-SC	35.91	31.18			2051	200-SC	35.92	30.24		
314.00 Turbogenerator Units	2021	200-SC	23.62	2.49	-14.0	-15.6	2021	200-SC	23.29	1.50	-16.9	-18.9
315.00 Accessory Electric Equipment	2021	200-SC	26.56	2.49	-17.3	-15.6	2021	200-SC	26.62	1.50	-20.6	-18.9
316.00 Miscellaneous Power Plant Equipment	2021	200-SC	13.05	2.49	-8.4	-15.6	2021	200-SC	13.04	1.50	-11.2	-18.9
Total Hoot Lake Units 2 and 3			18.59	4.70	-15.7	-13.3			18.55	3.71	-18.2	-16.1
<u>Coyote</u>												
311.00 Structures and Improvements	2041	200-SC	50.55	21.81	-8.3	-9.0	2041	200-SC	49.33	20.87	-7.9	-8.6
312.00 Boiler Plant Equipment	2041	200-SC	42.01	21.83	-7.6	-9.0	2041	200-SC	39.92	20.89	-7.3	-8.6
312.10 Boiler Plant Equipment - Landfill												
314.00 Turbogenerator Units	2041	200-SC	38.15	21.84	-0.2	-9.0	2041	200-SC	37.11	20.89	-0.1	-8.6
315.00 Accessory Electric Equipment	2041	200-SC	47.66	21.82	-7.8	-9.0	2041	200-SC	46.62	20.88	-7.6	-8.6
316.00 Miscellaneous Power Plant Equipment	2041	200-SC	34.76	21.84	-1.9	-9.0	2041	200-SC	33.95	20.90	-1.7	-8.6
Total Coyote			43.07	21.83	-6.4	-9.0			41.30	20.89	-6.2	-8.6

OTTER TAIL POWER COMPANY
Current and Updated Parameters
Vintage Group Procedure

Statement F

Account Description A	Current Parameters						Updated 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.
	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	61.59	2.49			2021	200-SC	61.74	1.50		
332.00 Reservoirs, Dams and Waterways	2021	200-SC	30.05	2.49	-0.1		2021	200-SC	30.12	1.50	-0.1	
333.00 Water Wheels, Turbines & Generators	2021	200-SC	36.32	2.49			2021	200-SC	36.41	1.50		
334.00 Accessory Electric Equipment	2021	200-SC	30.88	2.49			2021	200-SC	30.95	1.50		
335.00 Miscellaneous Power Plant Equipment	2021	200-SC	8.95	2.49			2021	200-SC	8.97	1.50		
Total Hoot Lake			27.09	2.49					27.15	1.50		
<u>Wright</u>												
331.00 Structures and Improvements	2021	200-SC	30.87	2.49			2021	200-SC	30.94	1.50		
332.00 Reservoirs, Dams and Waterways	2021	200-SC	9.61	2.49	27.1		2021	200-SC	9.63	1.50	27.1	
333.00 Water Wheels, Turbines & Generators	2021	200-SC	9.33	2.49	-3.6		2021	200-SC	9.34	1.50	-3.6	
334.00 Accessory Electric Equipment	2021	200-SC	16.82	2.49	2.2		2021	200-SC	16.86	1.50	2.2	
335.00 Miscellaneous Power Plant Equipment	2021	200-SC	12.24	2.49	-0.7		2021	200-SC	12.26	1.50	-0.7	
Total Wright			10.23	2.49	12.6				10.25	1.50	12.6	
<u>Pisgah</u>												
331.00 Structures and Improvements	2021	200-SC	38.96	2.49			2021	200-SC	39.05	1.50		
332.00 Reservoirs, Dams and Waterways	2021	200-SC	13.03	2.49			2021	200-SC	13.06	1.50		
333.00 Water Wheels, Turbines & Generators	2021	200-SC	15.96	2.49	-15.0		2021	200-SC	16.00	1.50	-15.0	
334.00 Accessory Electric Equipment	2021	200-SC	15.70	2.49	-0.3		2021	200-SC	15.65	1.50	-0.3	
335.00 Miscellaneous Power Plant Equipment	2021	200-SC	8.95	2.49	-0.6		2021	200-SC	8.97	1.50	-0.6	
Total Pisgah			13.53	2.49	-3.3				13.55	1.50	-3.3	
<u>Dayton Hollow</u>												
331.00 Structures and Improvements	2021	200-SC	9.98	2.49			2021	200-SC	10.00	1.50		
332.00 Reservoirs, Dams and Waterways	2021	200-SC	10.72	2.49	-10.2		2021	200-SC	10.74	1.50	-10.2	
333.00 Water Wheels, Turbines & Generators	2021	200-SC	14.23	2.49	-10.2		2021	200-SC	14.26	1.50	-10.2	
334.00 Accessory Electric Equipment	2021	200-SC	21.45	2.49	0.1		2021	200-SC	21.50	1.50	0.1	
335.00 Miscellaneous Power Plant Equipment	2021	200-SC	8.97	2.49	-0.2		2021	200-SC	8.99	1.50	-0.2	
Total Dayton Hollow			11.53	2.49	-8.5				11.56	1.50	-8.5	

OTTER TAIL POWER COMPANY
Current and Updated Parameters
Vintage Group Procedure

Statement F

Account Description A	Current Parameters						Updated Parameters					
	P-Life/ AYFR B	Curve Shape C	VG ASL D	Rem. Life E	Avg. Sal. F	Fut. Sal. G	P-Life/ AYFR H	Curve Shape I	VG ASL J	Rem. Life K	Avg. Sal. L	Fut. Sal. M
Taplin Gorge												
331.00 Structures and Improvements	2021	200-SC	74.80	2.49			2021	200-SC	74.98	1.50		
332.00 Reservoirs, Dams and Waterways	2021	200-SC	16.37	2.49	-4.8		2021	200-SC	16.40	1.50	-4.8	
333.00 Water Wheels, Turbines & Generators	2021	200-SC	82.49	2.49			2021	200-SC	82.69	1.50		
334.00 Accessory Electric Equipment	2021	200-SC	22.28	2.49	-0.3		2021	200-SC	22.33	1.50	-0.3	
335.00 Miscellaneous Power Plant Equipment	2021	200-SC	11.59	2.49	1.8		2021	200-SC	11.60	1.50	1.8	
Total Taplin Gorge			16.69	2.49	-3.2				16.72	1.50	-3.2	
Bemidji												
331.00 Structures and Improvements	2021	200-SC	13.25	2.49	-0.1		2021	200-SC	13.28	1.50	-0.1	
332.00 Reservoirs, Dams and Waterways	2021	200-SC	13.06	2.49	-0.6		2021	200-SC	13.09	1.50	-0.6	
333.00 Water Wheels, Turbines & Generators	2021	200-SC	19.74	2.49	-11.2		2021	200-SC	19.78	1.50	-11.2	
334.00 Accessory Electric Equipment	2021	200-SC	73.16	2.49	-17.7		2021	200-SC	73.22	1.50	-17.7	
335.00 Miscellaneous Power Plant Equipment	2021	200-SC	11.93	2.49	-5.5		2021	200-SC	11.96	1.50	-5.5	
Total Bemidji			14.30	2.49	-3.1				14.33	1.50	-3.1	
OTHER PRODUCTION												
Jamestown												
341.00 Structures and Improvements			34.87	14.22	-6.1	-5.9			34.92	13.26	-6.1	-5.9
342.00 Fuel Holders and Accessories			28.59	14.23	-7.9	-5.9			28.55	13.26	-7.9	-5.9
343.00 Prime Movers			40.73	14.22	-7.2	-5.9			40.76	13.25	-7.2	-5.9
344.00 Generators												
345.00 Accessory Electric Equipment			36.91	14.22	-2.0	-5.9			36.92	13.26	-2.0	-5.9
346.00 Miscellaneous Power Plant Equipment			22.75	14.23	4.3	-5.9			22.77	13.27	4.3	-5.9
Total Jamestown			39.15	14.22	-6.9	-5.9			39.18	13.26	-6.9	-5.9
Jamestown Unit 1												
341.00 Structures and Improvements	2033	200-SC	35.69	14.22	-6.1	-5.9	2033	200-SC	35.74	13.26	-6.1	-5.9
342.00 Fuel Holders and Accessories	2033	200-SC	28.23	14.23	-9.0	-5.9	2033	200-SC	28.24	13.26	-9.0	-5.9
343.00 Prime Movers	2033	200-SC	37.92	14.22	-8.3	-5.9	2033	200-SC	37.95	13.26	-8.3	-5.9
344.00 Generators												
345.00 Accessory Electric Equipment	2033	200-SC	55.93	14.21	-5.5	-5.9	2033	200-SC	56.04	13.24	-5.5	-5.9
346.00 Miscellaneous Power Plant Equipment	2033	200-SC	22.33	14.23	1.9	-5.9	2033	200-SC	22.35	13.27	1.9	-5.9
Total Jamestown Unit 1			36.46	14.22	-7.9	-5.9			36.49	13.26	-7.9	-5.9

OTTER TAIL POWER COMPANY
Current and Updated Parameters
Vintage Group Procedure

Statement F

Account Description A	Current Parameters						Updated Parameters					
	P-Life/ AYFR B	Curve Shape C	VG ASL D	Rem. Life E	Avg. Sal. F	Fut. Sal. G	P-Life/ AYFR H	Curve Shape I	VG ASL J	Rem. Life K	Avg. Sal. L	Fut. Sal. M
Jamestown Unit 2												
341.00 Structures and Improvements	2033	200-SC	27.57	14.23	-5.9	-5.9	2033	200-SC	27.61	13.26	-5.9	-5.9
342.00 Fuel Holders and Accessories	2033	200-SC	32.93	14.21	-5.5	-5.9	2033	200-SC	32.24	13.25	-5.5	-5.9
343.00 Prime Movers	2033	200-SC	43.20	14.22	-6.3	-5.9	2033	200-SC	43.24	13.25	-6.3	-5.9
344.00 Generators												
345.00 Accessory Electric Equipment	2033	200-SC	21.33	14.23	3.2	-5.9	2033	200-SC	21.31	13.27	3.2	-5.9
346.00 Miscellaneous Power Plant Equipment	2033	200-SC	45.62	14.21	14.3	-5.9	2033	200-SC	45.70	13.25	14.3	-5.9
Total Jamestown Unit 2			42.17	14.22	-5.9	-5.9			42.19	13.25	-5.9	-5.9
Lake Preston												
341.00 Structures and Improvements	2033	200-SC	42.02	14.22	-6.9	-6.9	2033	200-SC	42.09	13.25	-6.9	-6.9
342.00 Fuel Holders and Accessories	2033	200-SC	39.90	14.22	-6.7	-6.9	2033	200-SC	39.90	13.25	-6.7	-6.9
343.00 Prime Movers	2033	200-SC	43.09	14.22	-6.7	-6.9	2033	200-SC	43.13	13.25	-6.7	-6.9
344.00 Generators												
345.00 Accessory Electric Equipment	2033	200-SC	42.04	14.22	-6.7	-6.9	2033	200-SC	42.10	13.25	-6.7	-6.9
346.00 Miscellaneous Power Plant Equipment	2033	200-SC	48.46	14.21	4.4	-6.9	2033	200-SC	48.55	13.25	4.4	-6.9
Total Lake Preston			42.69	14.22	-6.7	-6.9			42.73	13.25	-6.7	-6.9
Ashtabula Wind Generation												
341.00 Structures and Improvements	2033	200-SC	24.36	14.23	-3.4	-3.4	2043	200-SC	33.63	22.79	-4.3	-4.3
342.00 Fuel Holders and Accessories												
343.00 Prime Movers												
344.00 Generators	2033	200-SC	24.08	14.23	-3.3	-3.4	2043	200-SC	33.36	22.79	-4.2	-4.3
345.00 Accessory Electric Equipment	2033	200-SC	23.99	14.23	-3.4	-3.4	2043	200-SC	33.32	22.79	-4.3	-4.3
346.00 Miscellaneous Power Plant Equipment	2033	200-SC	20.50	14.23	-3.4	-3.4	2043	200-SC	29.87	22.80	-4.3	-4.3
Total Ashtabula Wind Generation			24.08	14.23	-3.3	-3.4			33.36	22.79	-4.2	-4.3
Langdon Wind Generation												
341.00 Structures and Improvements	2032	200-SC	24.38	13.27	-4.0	-4.0	2042	200-SC	33.66	21.85	-5.0	-5.0
342.00 Fuel Holders and Accessories												
343.00 Prime Movers												
344.00 Generators	2032	200-SC	24.04	13.27	-3.9	-4.0	2042	200-SC	33.34	21.85	-4.9	-5.0
345.00 Accessory Electric Equipment	2032	200-SC	23.89	13.27	-4.0	-4.0	2042	200-SC	33.22	21.85	-5.0	-5.0
346.00 Miscellaneous Power Plant Equipment	2032	200-SC	19.43	13.27	-4.0	-4.0	2042	200-SC	25.83	21.86	-5.0	-5.0
Total Langdon Wind Generation			24.03	13.27	-3.9	-4.0			33.33	21.85	-4.9	-5.0

OTTER TAIL POWER COMPANY
Current and Updated Parameters
Vintage Group Procedure

Statement F

Account Description A	Current Parameters						Updated Parameters					
	P-Life/ AYFR B	Curve Shape C	VG ASL D	Rem. Life E	Avg. Sal. F	Fut. Sal. G	P-Life/ AYFR H	Curve Shape I	VG ASL J	Rem. Life K	Avg. Sal. L	Fut. Sal. M
<u>Luverne Wind Generation</u>												
341.00 Structures and Improvements	2034	200-SC	24.33	15.19	-5.9	-5.9	2044	200-SC	33.61	23.73	-7.2	-7.2
342.00 Fuel Holders and Accessories												
343.00 Prime Movers												
344.00 Generators	2034	200-SC	24.10	15.19	-6.1	-5.9	2044	200-SC	33.18	23.73	-7.4	-7.2
345.00 Accessory Electric Equipment	2034	200-SC	24.32	15.19	-5.9	-5.9	2044	200-SC	33.60	23.73	-7.2	-7.2
346.00 Miscellaneous Power Plant Equipment	2034	200-SC	20.61	15.20	-5.9	-5.9	2044	200-SC	29.99	23.74	-7.2	-7.2
Total Luverne Wind Generation			24.12	15.19	-6.1	-5.9			33.22	23.73	-7.4	-7.2
<u>Solway Combustion Turbine</u>												
341.00 Structures and Improvements	2038	200-SC	31.28	19.01	-1.5	-1.5	2038	200-SC	31.30	18.06	-1.6	-1.6
342.00 Fuel Holders and Accessories	2038	200-SC	33.58	19.01	-1.5	-1.5	2038	200-SC	32.47	18.06	-1.5	-1.6
343.00 Prime Movers	2038	200-SC	32.08	19.01	-1.8	-1.5	2038	200-SC	30.40	18.06	-1.8	-1.6
344.00 Generators												
345.00 Accessory Electric Equipment	2038	200-SC	32.34	19.01	-1.4	-1.5	2038	200-SC	32.34	18.06	-1.5	-1.6
346.00 Miscellaneous Power Plant Equipment	2038	200-SC	31.12	19.01	-1.5	-1.5	2038	200-SC	29.74	18.06	-1.6	-1.6
Total Solway Combustion Turbine			32.00	19.01	-1.7	-1.5			30.70	18.06	-1.7	-1.6
<u>Fergus Falls Control Center</u>												
341.00 Structures and Improvements												
342.00 Fuel Holders and Accessories												
343.00 Prime Movers	2030	200-SC	34.16	11.32	-4.0	-5.0	2030	200-SC	34.22	10.35	-4.0	-5.0
344.00 Generators												
345.00 Accessory Electric Equipment												
346.00 Miscellaneous Power Plant Equipment												
Total Fergus Falls Control Center			34.16	11.32	-4.0	-5.0			34.22	10.35	-4.0	-5.0

OTTER TAIL POWER COMPANY
Plant Activity for 2019

Statement G

Account Description A	Beginning Balance B	Additions C	Retirements D	Adjustments E	Transfers F	Ending Balance G
INTANGIBLE PLANT						
303.91 Software - 5 Yr.	\$ 8,829,669	\$ 19,666,437	\$ 696,391		(\$18,854,043)	\$ 8,945,673
303.92 Software - 10 Yr.		1,686,392			18,854,043	20,540,434
Intangible Plant	\$ 8,829,669	\$ 21,352,828	\$ 696,391			\$ 29,486,107
STEAM PRODUCTION						
311.00 Structures and Improvements	\$ 119,993,612	\$ 719,541	\$ 56,981		\$2,542	\$ 120,658,715
312.00 Boiler Plant Equipment	340,331,009	8,652,342	2,283,149			346,700,203
312.10 Boiler Plant Equipment - Landfill	10,414,056	(1,284)				10,412,772
314.00 Turbo Generator Units	65,812,501	1,242,133	95,590			66,959,044
315.00 Accessory Electric Equipment	35,548,097	230,411	8,189			35,770,319
316.00 Misc. Power Plant Equipment	6,552,745	244,947	103,023			6,694,669
Total Steam Production	\$ 578,652,021	\$ 11,088,090	\$ 2,546,932		\$2,542	\$ 587,195,721
HYDRAULIC PRODUCTION						
331.00 Structures and Improvements	\$ 351,712	\$ -	\$ -			\$ 351,712
332.00 Reservoirs, Dams and Waterways	4,277,054					4,277,054
333.00 Water Wheels, Turbines and Gen.	1,373,867					1,373,867
334.00 Accessory Electric Equipment	597,103					597,103
335.00 Misc. Power Plant Equipment	435,296					435,296
Total Hydraulic Production	\$ 7,035,032	\$ -	\$ -			\$ 7,035,032
OTHER PRODUCTION						
341.00 Structures and Improvements	\$ 13,335,843	\$ -	\$ -			\$ 13,335,843
342.00 Fuel Holders and Accessories	1,748,266	49,212	33,012			1,764,467
343.00 Prime Movers	33,356,309	1,518,642	3,476,143			31,398,808
344.00 Generators	241,850,905	1,077,736				242,928,642
345.00 Accessory Electric Equipment	20,688,763					20,688,763
346.00 Misc. Power Plant Equipment	628,270	65,987	8,096		(46,012)	640,149
Total Other Production	\$ 311,608,357	\$ 2,711,578	\$ 3,517,250		\$ (46,012)	\$ 310,756,673
TRANSMISSION PLANT						
353.00 Station Equipment	\$ 125,116,170	\$ 11,569,779	\$ 226,744		\$185,804	\$ 136,645,010
354.00 Towers and Fixtures	114,207,269	48,898,623			230,665	163,336,557
355.00 Poles and Fixtures	123,728,553	13,731,802	176,514		(490,010)	136,793,831
356.00 Overhead Conductors and Devices	131,339,013	61,094,563	89,569		10,844	192,354,851
358.00 Underground Conductors and Devices	77,461					77,461
Total Transmission Plant	\$ 494,468,466	\$ 135,294,767	\$ 492,827		\$ (62,697)	\$ 629,207,710
DISTRIBUTION PLANT						
362.00 Station Equipment	\$ 82,220,295	\$ 7,135,228	\$ 826,319		(\$212,607)	\$ 88,316,598
364.00 Poles, Towers and Fixtures	75,363,243	2,067,232	97,593			77,332,882
365.00 Overhead Conductors and Devices	53,159,258	1,534,657	139,295		20,483	54,575,103

OTTER TAIL POWER COMPANY
Plant Activity for 2019

Statement G

Account Description	Beginning Balance	Additions	Retirements	Adjustments	Transfers	Ending Balance
A	B	C	D	E	F	G
367.00 Underground Conductors and Devices	82,606,884	5,132,184	280,041		493	87,459,520
368.00 Line Transformers	103,417,431	6,963,818	1,010,830		(4,814)	109,365,606
369.00 Overhead Services	13,287,178	180,736	13,613			13,454,302
369.10 Underground Services	43,548,794	1,310,009	29,379			44,829,424
370.00 Meters	27,166,163	928,510	89,002		(848,162)	27,157,509
370.05 Smart Meters		73,150			848,162	921,313
370.10 Load Management Switches	8,907,627		2,942			8,904,685
370.20 Interruption Monitors	(0)					(0)
371.20 Other Private Lighting	5,429,418	1,062,810	404,850		276	6,087,654
373.00 Street Lighting and Signal Systems	5,966,592	1,438,037	475,676		(480)	6,928,474
Total Distribution Plant	\$ 501,072,883	\$ 27,826,372	\$ 3,369,539		\$ (196,648)	\$ 525,333,069
GENERAL PLANT						
390.00 Structures and Improvements	\$ 20,230,767	\$ 328,903	\$ 5,944		(\$2,542)	\$ 20,551,184
390.10 General Office Buildings	6,066,473	362,570	5,943			6,423,100
390.20 Fleet Service Center Buildings	937,678	2,194,424				3,132,102
390.30 Central Stores Building	4,250,359	26,234				4,276,593
391.00 Office Furniture	816,310	10,554	109,335		(21,809)	695,720
391.10 Office Equipment	408,787	6,315	17,406		21,533	419,229
391.20 Duplicating Equipment	303,558	14,475	54,507		6,315	269,841
391.50 Computer Systems	3,516,830	168,493				3,685,323
391.60 Computer Related Equipment	1,034,533	249,630	391,380			892,783
394.00 Tools, Shop and Garage Equipment	4,048,897	212,511	133,098		(34,394)	4,093,917
394.20 Automated Meter Reading Equipment	892,082	24,768				916,850
396.00 Power Operated Equipment	922,562	477,554	77,095		33,155	1,356,176
397.00 Communication Equipment	2,722,368	270,322	27,627			2,965,064
397.10 Radio Telecommunications Equipment	1,032,843		57,150			975,692
397.20 Microwave Equipment	4,150,620		874,572			3,276,047
397.30 Radio Load Control Equipment	459,343					459,343
397.40 Communication Equipment - Towers	1,861,238		24,727		41,212	1,877,722
Total General Plant	\$ 53,655,247	\$ 4,346,754	\$ 1,778,784		\$ 43,470	\$ 56,266,688
TOTAL DEPRECIABLE PLANT	\$ 1,955,321,677	\$ 202,620,391	\$ 12,401,723	\$ -	\$ (259,345)	\$ 2,145,280,999

OTTER TAIL POWER COMPANY
Analysis of Depreciation Reserve for 2019

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
INTANGIBLE PLANT							
303.91 Software - 5 Yr.	\$ 3,233,725	\$ 1,698,531	\$ -	\$ 696,391	\$ -	\$ -	\$ 4,235,865
303.92 Software - 10 Yr.		1,668,481					1,668,481
Total Intangible Plant	\$ 3,233,725	\$ 3,367,012	\$ -	\$ 696,391	\$ -	\$ -	\$ 5,904,346
STEAM PRODUCTION							
311.00 Structures and Improvements	\$ 57,293,175	\$ 2,857,875	\$ 14	\$ 56,981	\$ 30,811	\$ 142	\$ 60,063,414
312.00 Boiler Plant Equipment	131,542,329	11,368,196	56,271	2,283,149	462,984		140,220,663
312.10 Boiler Plant Equipment - Landfill	5,447,657	227,472					5,675,129
314.00 Turbo Generator Units	43,923,036	1,557,134		95,590	2,424		45,382,156
315.00 Accessory Electric Equipment	19,452,762	817,754		8,189	23,272		20,239,055
316.00 Misc. Power Plant Equipment	3,439,968	230,417	7,651	103,023	4,820		3,570,193
Total Steam Production	\$ 261,098,928	\$ 17,058,847	\$ 63,936	\$ 2,546,932	\$ 524,311	\$ 142	\$ 275,150,610
HYDRAULIC PRODUCTION							
331.00 Structures and Improvements	\$ 287,707	\$ 18,392	\$ -	\$ -	\$ -	\$ -	\$ 306,100
332.00 Reservoirs, Dams and Waterways	3,030,991	358,064					3,389,055
333.00 Water Wheels, Turbines and Gen.	1,146,637	65,296					1,211,933
334.00 Accessory Electric Equipment	495,373	29,233					524,606
335.00 Misc. Power Plant Equipment	289,032	42,030					331,062
Total Hydraulic Production	\$ 5,249,741	\$ 513,015	\$ -	\$ -	\$ -	\$ -	\$ 5,762,756
OTHER PRODUCTION							
341.00 Structures and Improvements	\$ 5,592,031	\$ 494,165	\$ -	\$ -	\$ -	\$ -	\$ 6,086,196
342.00 Fuel Holders and Accessories	987,110	45,642		33,012	879		998,862
343.00 Prime Movers	18,054,729	835,706	13,500	3,476,143	54,087		15,373,705
344.00 Generators	93,454,882	10,475,235					103,930,117
345.00 Accessory Electric Equipment	8,536,022	851,922					9,387,944
346.00 Misc. Power Plant Equipment	255,117	22,170		8,096		(18,644)	250,547
Total Other Production	\$ 126,879,890	\$ 12,724,840	\$ 13,500	\$ 3,517,250	\$ 54,966	(\$18,644)	\$ 136,027,370
TRANSMISSION PLANT							
353.00 Station Equipment	\$ 22,843,629	\$ 2,040,873	\$ 577	\$ 226,744	\$ 60,635	\$ 8,884	\$ 24,606,584
354.00 Towers and Fixtures	9,288,599	2,231,604				8,237	11,528,440
355.00 Poles and Fixtures	53,076,626	2,395,852	100,968	176,514	375,755	(67,503)	54,953,673
356.00 Overhead Conductors and Devices	42,473,645	2,800,261	49,661	89,569	207,047	592	45,027,542
358.00 Underground Conductors and Devices	74,294	470					74,764
Total Transmission Plant	\$ 127,756,792	\$ 9,469,061	\$ 151,206	\$ 492,827	\$ 643,437	\$ (49,791)	\$ 136,191,004

OTTER TAIL POWER COMPANY
Analysis of Depreciation Reserve for 2019

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	\$ 22,842,036	\$ 1,657,109	\$ 135,680	\$ 826,319	\$ 114,169	\$ (8,098)	\$ 23,686,238
364.00 Poles, Towers and Fixtures	43,596,276	2,210,828	172,725	97,593	382,078		45,500,157
365.00 Overhead Conductors and Devices	41,729,648	1,198,917	68,288	139,295	156,411	(767)	42,700,381
367.00 Underground Conductors and Devices	38,484,132	1,721,484	77,509	280,041	75,898	7	39,927,192
368.00 Line Transformers	15,397,573	1,898,696	1,181,248	1,010,830	335,150	(610)	17,130,928
369.00 Overhead Services	15,962,406	774,890	267	13,613	96,809		16,627,141
369.10 Underground Services	19,484,769	970,667		29,379	22,600		20,403,458
370.00 Meters	8,604,397	924,247		89,002		(18,217)	9,421,425
370.05 Smart Meters		24,598				18,217	42,815
370.10 Load Management Switches	8,402,612	168,297		2,942			8,567,967
370.20 Interruption Monitors	0						0
371.20 Other Private Lighting	934,137	190,338	19,300	404,850	23,200	36	715,761
373.00 Street Lighting and Signal Systems	2,770,167	244,006	37,151	475,676	17,866	(44)	2,557,738
Total Distribution Plant	\$ 218,208,152	\$ 11,984,078	\$ 1,692,168	\$ 3,369,539	\$ 1,224,182	\$ (9,476)	\$ 227,281,201
GENERAL PLANT							
390.00 Structures and Improvements	\$ 6,124,928	\$ 383,521	\$ -	\$ 5,944	\$ -	\$ (142)	\$ 6,502,363
390.10 General Office Buildings	2,482,844	32,567		5,943			2,509,468
390.20 Fleet Service Center Buildings	530,430	8,018					538,447
390.30 Central Stores Building	1,626,817	(27,875)					1,598,941
391.00 Office Furniture	485,290	51,651		109,335		(4,269)	423,338
391.10 Office Equipment	234,493	41,074		17,406		5,083	263,243
391.20 Duplicating Equipment	157,552	27,595		54,507		275	130,914
391.50 Computer Systems	1,063,171	719,936					1,783,107
391.60 Computer Related Equipment	673,792	160,117		391,380			442,528
394.00 Tools, Shop and Garage Equipment	1,985,926	269,772		133,098		(17,446)	2,105,154
394.20 Automated Meter Reading Equipment	467,986	60,023					528,009
396.00 Power Operated Equipment	181,180	46,052	9,756	77,095		17,216	177,109
397.00 Communication Equipment	589,401	181,029		27,627			742,803
397.10 Radio Telecommunications Equipment	766,165	103,284		57,150			812,300
397.20 Microwave Equipment	2,071,835	253,765		874,572			1,451,028
397.30 Radio Load Control Equipment	242,185	76,893	683	24,727		17,785	312,819
397.40 Communication Equipment - Towers	943,462						943,462
Total General Plant	\$ 20,627,456	\$ 2,387,421	\$ 10,439	\$ 1,778,784	\$ -	\$ 18,502	\$ 21,265,034
TOTAL DEPRECIABLE PLANT	\$ 763,054,684	\$ 57,504,275	\$ 1,931,249	\$ 12,401,723	\$ 2,446,896	\$ (59,267)	\$ 807,582,322

OTTER TAIL POWER COMPANY
Summary of Annual Depreciation Accruals for 2019

Statement I

Account Description	Beginning Plant Balance	Est. Future Net Salvage		Beginning Depreciation Reserve	Net Balance	Projection Life (Yrs.)	Remaining Life (Yrs.)	Annual Accrual	Accrual Rate
		Percent	Amount						
A	B	C	D	E	F=B-D-E	G	H	I=F/H	J=I/B
INTANGIBLE PLANT									
303.91 Software - 5 Yr.	\$ 8,829,669		\$ -	\$ 3,233,725	\$ 5,595,944	5.00	2.92	\$ 1,916,419	21.70%
303.92 Software - 10 Yr.									
Total Intangible Plant	\$ 8,829,669		\$ -	\$ 3,233,725	\$ 5,595,944		2.92	\$ 1,916,419	21.70%
STEAM PRODUCTION									
311.00 Structures and Improvements	\$ 119,993,612	-7.2%	\$ (8,639,540)	\$ 57,293,175	\$ 71,339,978		25.31	\$ 2,818,648	2.35%
312.00 Boiler Plant Equipment	340,331,009	-7.9%	(26,886,150)	131,542,329	235,674,830		20.46	11,518,809	3.38%
312.10 Boiler Plant Equipment - Landfill	10,414,056			5,447,657	4,966,398		32.08	154,813	1.49%
314.00 Turbo Generator Units	65,812,501	-8.7%	(5,725,688)	43,923,036	27,615,153		19.43	1,421,264	2.16%
315.00 Accessory Electric Equipment	35,548,097	-7.6%	(2,701,655)	19,452,762	18,796,990		23.64	795,135	2.24%
316.00 Misc. Power Plant Equipment	6,552,745	-8.6%	(563,536)	3,439,968	3,676,313		16.91	217,405	3.32%
Total Steam Production	\$ 578,652,021	-7.7%	\$ (44,516,569)	\$ 261,098,928	\$ 362,069,662		21.39	\$ 16,926,073	2.93%
HYDRAULIC PRODUCTION									
331.00 Structures and Improvements	\$ 351,712		\$ -	\$ 287,707	\$ 64,004		3.48	\$ 18,392	5.23%
332.00 Reservoirs, Dams and Waterways	4,277,054			3,030,991	1,246,063		3.48	358,064	8.37%
333.00 Water Wheels, Turbines and Gen.	1,373,867			1,146,637	227,230		3.48	65,296	4.75%
334.00 Accessory Electric Equipment	597,103			495,373	101,730		3.48	29,233	4.90%
335.00 Misc. Power Plant Equipment	435,296			289,032	146,264		3.48	42,030	9.66%
Total Hydraulic Production	\$ 7,035,032		\$ -	\$ 5,249,741	\$ 1,785,292		3.48	\$ 513,015	7.29%
OTHER PRODUCTION									
341.00 Structures and Improvements	\$ 13,335,843	-3.4%	\$ (453,419)	\$ 5,592,031	\$ 8,197,231		16.51	\$ 496,501	3.72%
342.00 Fuel Holders and Accessories	1,748,266	-3.6%	(62,938)	987,110	824,094		17.90	46,039	2.63%
343.00 Prime Movers	33,356,309	-3.0%	(1,000,689)	18,054,729	16,302,270		18.52	880,252	2.64%
344.00 Generators	241,850,905	-4.3%	(10,399,589)	93,454,882	158,795,613		15.18	10,460,844	4.33%
345.00 Accessory Electric Equipment	20,688,763	-4.2%	(868,928)	8,536,022	13,021,669		15.29	851,646	4.12%
346.00 Misc. Power Plant Equipment	628,270	-3.2%	(20,105)	255,117	393,258		17.44	22,549	3.59%
Total Other Production	\$ 311,608,357		\$ (12,805,667)	\$ 126,879,890	\$ 197,534,135		15.48	\$ 12,757,831	4.09%
TRANSMISSION PLANT									
353.00 Station Equipment	\$ 125,116,170	-5.0%	\$ (6,255,809)	\$ 22,843,629	\$ 108,528,350	65.00	55.72	\$ 1,947,745	1.56%
354.00 Towers and Fixtures	114,207,269	-10.0%	(11,420,727)	9,288,599	116,339,397	75.00	70.63	1,647,167	1.44%
355.00 Poles and Fixtures	123,728,553	-50.0%	(61,864,277)	53,076,626	132,516,204	75.00	58.91	2,249,469	1.82%
356.00 Overhead Conductors and Devices	131,339,013	-30.0%	(39,401,704)	42,473,645	128,267,072	75.00	62.70	2,045,727	1.56%
358.00 Underground Conductors and Devices	77,461	-5.0%	(3,873)	74,294	7,040	50.00	14.97	470	0.61%
Total Transmission Plant	\$ 494,468,466	-24.1%	\$ (118,946,389)	\$ 127,756,792	\$ 485,658,063		61.55	\$ 7,890,578	1.60%

OTTER TAIL POWER COMPANY
Summary of Annual Depreciation Accruals for 2019

Statement I

Account Description	Beginning Plant Balance	Est. Future Net Salvage		Beginning Depreciation Reserve	Net Balance	Projection Life (Yrs.)	Remaining Life (Yrs.)	Annual Accrual	Accrual Rate
		Percent	Amount						
A	B	C	D	E	F=B-D-E	G	H	I=F/H	J=I/B
DISTRIBUTION PLANT									
362.00 Station Equipment	\$ 82,220,295	5.0%	\$ 4,111,015	\$ 22,842,036	\$ 55,267,245	43.00	34.81	\$ 1,587,683	1.93%
364.00 Poles, Towers and Fixtures	75,363,243	-100.0%	(75,363,243)	43,596,276	107,130,210	70.00	48.98	2,187,224	2.90%
365.00 Overhead Conductors and Devices	53,159,258	-75.0%	(39,869,444)	41,729,648	51,299,054	65.00	43.27	1,185,557	2.23%
367.00 Underground Conductors and Devices	82,606,884	-5.0%	(4,130,344)	38,484,132	48,253,097	45.00	28.66	1,683,639	2.04%
368.00 Line Transformers	103,417,431	30.0%	31,025,229	15,397,573	56,994,629	43.00	30.70	1,856,503	1.80%
369.00 Overhead Services	13,287,178	-200.0%	(26,574,357)	15,962,406	23,899,129	55.00	31.01	770,691	5.80%
369.10 Underground Services	43,548,794	-20.0%	(8,709,759)	19,484,769	32,773,783	50.00	34.03	963,085	2.21%
370.00 Meters	27,166,163			8,604,397	18,561,766	28.00	19.76	939,361	3.46%
370.05 Smart Meters									
370.10 Load Management Switches	8,907,627			8,402,612	505,015	15.00	3.00	168,338	1.89%
370.20 Interruption Monitors*	(0)			0	(0)				
371.20 Other Private Lighting	5,429,418			934,137	4,495,281	25.00	24.39	184,308	3.39%
373.00 Street Lighting and Signal Systems	5,966,592	-5.0%	(298,330)	2,770,167	3,494,755	22.00	15.09	231,594	3.88%
Total Distribution Plant	\$ 501,072,883	-23.9%	\$ (119,809,231)	\$ 218,208,152	\$ 402,673,963		34.25	\$ 11,757,983	2.35%
GENERAL PLANT									
390.00 Structures and Improvements	\$ 20,230,767	5.0%	\$ 1,011,538	\$ 6,124,928	\$ 13,094,300	50.00	34.19	\$ 382,986	1.89%
390.10 General Office Buildings	6,066,473	47.3%	2,869,442	2,482,844	714,187	2040	21.83	32,716	0.54%
390.20 Fleet Service Center Buildings	937,678	31.2%	292,556	530,430	114,693	2035	17.09	6,711	0.72%
390.30 Central Stores Building	4,250,359	79.0%	3,357,784	1,626,817	(734,241)	2045	26.47	(27,739)	-0.65%
391.00 Office Furniture*	816,310			485,290	331,020				
391.10 Office Equipment*	408,787			234,493	174,294				
391.20 Duplicating Equipment*	303,558			157,552	146,006				
391.50 Computer Systems*	3,516,830			1,063,171	2,453,659				
391.60 Computer Related Equipment*	1,034,533			673,792	360,741				
394.00 Tools, Shop and Garage Equipment*	4,048,897			1,985,926	2,062,971				
394.20 Automated Meter Reading Equipment*	892,082			467,986	424,096				
396.00 Power Operated Equipment	922,562	5.0%	46,128	181,180	695,254	23.00	17.09	40,682	4.41%
397.00 Communication Equipment*	2,722,368			589,401	2,132,967				
397.10 Radio Telecommunications Equipment*	1,032,843			766,165	266,677				
397.20 Microwave Equipment*	4,150,620			2,071,835	2,078,785				
397.30 Radio Load Control Equipment*	459,343			242,185	217,159				
397.40 Communication Equipment - Towers	1,861,238	-5.0%	(93,062)	943,462	1,010,837	50.00	32.70	30,912	1.66%
Total General Plant	\$ 53,655,247	13.9%	\$ 7,484,386	\$ 20,627,456	\$ 25,543,405		54.78	\$ 466,269	0.87%
TOTAL DEPRECIABLE PLANT	\$ 1,946,492,007	-14.8%	\$ (288,593,471)	\$ 759,820,959	\$ 1,475,264,519		29.32	\$ 50,311,749	2.58%

**OTTER TAIL POWER COMPANY
2020 ANNUAL REVIEW OF DEPRECIATION CERTIFICATION
PROPOSED REMAINING LIVES & SALVAGE %'s FOR USE IN 2021**

<u>Account Number</u>	<u>Class of Utility Plant</u>	<u>Remaining Life (Yrs) per Depr Study (books dated 12/31/2019)</u>	<u>Remaining Life (Yrs) for 2021 Depr Rate Calculation</u>	<u>Net Salvage (%)</u>	<u>Amortization Period (Yrs)</u>
INTANGIBLES					
303.91	Software: 5-year Amortization Period				5
303.92	Software: 10-year Amortization Period				10
STEAM PRODUCTION					
<u>Big Stone Plant</u>					
311-101	Structures & Improvements	25.60	24.60	-5.7%	
312-101	Boiler Plant Equipment	25.60	24.60	-5.7%	
314-101	Turbogenerator Units	25.58	24.58	-5.7%	
315-101	Accessory Electric Equipment	25.59	24.59	-5.7%	
316-101	Misc. Power Plant Equipment	25.59	24.59	-5.7%	
<u>Hoot Lake Plant - Units 2 & 3</u>					
311-102	Structures & Improvements	1.50	0.50	-18.9%	
312-102	Boiler Plant Equipment	1.50	0.50	-18.9%	
312.1-102	Boiler Plant Equipment	30.24	29.24	0.0%	
314-102	Turbogenerator Units	1.50	0.50	-18.9%	
315-102	Accessory Electric Equipment	1.50	0.50	-18.9%	
316-102	Misc. Power Plant Equipment	1.50	0.50	-18.9%	
<u>Coyote Station</u>					
311-103	Structures & Improvements	20.87	19.87	-8.6%	
312-103	Boiler Plant Equipment	20.89	19.89	-8.6%	
314-103	Turbogenerator Units	20.89	19.89	-8.6%	
315-103	Accessory Electric Equipment	20.88	19.88	-8.6%	
316-103	Misc. Power Plant Equipment	20.90	19.90	-8.6%	
HYDRAULIC PRODUCTION					
<u>Hoot Lake Hydro Unit</u>					
331-131	Structures & Improvements	1.50	40.00	0.0%	
332-131	Reservoirs, Dams & Waterways	1.50	40.00	0.0%	
333-131	Water Wheels, Turbines & Gen.	1.50	40.00	0.0%	
334-131	Accessory Electric Equipment	1.50	40.00	0.0%	
335-131	Misc. Power Plant Equipment	1.50	40.00	0.0%	
<u>Wright Hydro Unit</u>					
331-132	Structures & Improvements	1.50	40.00	0.0%	
332-132	Reservoirs, Dams & Waterways	1.50	40.00	0.0%	
333-132	Water Wheels, Turbines & Gen.	1.50	40.00	0.0%	
334-132	Accessory Electric Equipment	1.50	40.00	0.0%	
335-132	Misc. Power Plant Equipment	1.50	40.00	0.0%	
<u>Pisgah Hydro Unit</u>					
331-133	Structures & Improvements	1.50	40.00	0.0%	
332-133	Reservoirs, Dams & Waterways	1.50	40.00	0.0%	
333-133	Water Wheels, Turbines & Gen.	1.50	40.00	0.0%	
334-133	Accessory Electric Equipment	1.50	40.00	0.0%	
335-133	Misc. Power Plant Equipment	1.50	40.00	0.0%	
<u>Dayton Hollow Hydro Unit</u>					
331-134	Structures & Improvements	1.50	40.00	0.0%	
332-134	Reservoirs, Dams & Waterways	1.50	40.00	0.0%	
333-134	Water Wheels, Turbines & Gen.	1.50	40.00	0.0%	
334-134	Accessory Electric Equipment	1.50	40.00	0.0%	
335-134	Misc. Power Plant Equipment	1.50	40.00	0.0%	

**OTTER TAIL POWER COMPANY
2020 ANNUAL REVIEW OF DEPRECIATION CERTIFICATION
PROPOSED REMAINING LIVES & SALVAGE %'s FOR USE IN 2021**

<u>Account Number</u>	<u>Class of Utility Plant</u>	<u>Remaining Life (Yrs) per Depr Study (books dated 12/31/2019)</u>	<u>Remaining Life (Yrs) for 2021 Depr Rate Calculation</u>	<u>Net Salvage (%)</u>	<u>Amortization Period (Yrs)</u>
	<u>Taplin Gorge Hydro Unit</u>				
331-135	Structures & Improvements	1.50	40.00	0.0%	
332-135	Reservoirs, Dams & Waterways	1.50	40.00	0.0%	
333-135	Water Wheels, Turbines & Gen.	1.50	40.00	0.0%	
334-135	Accessory Electric Equipment	1.50	40.00	0.0%	
335-135	Misc. Power Plant Equipment	1.50	40.00	0.0%	
	<u>Bemidji Hydro Unit</u>				
331-138	Structures & Improvements	1.50	40.00	0.0%	
332-138	Reservoirs, Dams & Waterways	1.50	40.00	0.0%	
333-138	Water Wheels, Turbines & Gen.	1.50	40.00	0.0%	
334-138	Accessory Electric Equipment	1.50	40.00	0.0%	
335-138	Misc. Power Plant Equipment	1.50	40.00	0.0%	
OTHER PRODUCTION					
	<u>Jamestown Unit 1</u>				
341-140	Structures & Improvements	13.26	12.26	-5.9%	
342-140	Fuel Holders & Accessories	13.26	12.26	-5.9%	
343-140	Prime Movers	13.26	12.26	-5.9%	
345-140	Accessory Electric Equipment	13.24	12.24	-5.9%	
346-140	Misc. Power Plant Equipment	13.27	12.27	-5.9%	
	<u>Jamestown Unit 2</u>				
341-142	Structures & Improvements	13.26	12.26	-5.9%	
342-142	Fuel Holders & Accessories	13.25	12.25	-5.9%	
343-142	Prime Movers	13.25	12.25	-5.9%	
345-142	Accessory Electric Equipment	13.27	12.27	-5.9%	
346-142	Misc. Power Plant Equipment	13.25	12.25	-5.9%	
	<u>Lake Preston</u>				
341-141	Structures & Improvements	13.25	12.25	-6.9%	
342-141	Fuel Holders & Accessories	13.25	12.25	-6.9%	
343-141	Prime Movers	13.25	12.25	-6.9%	
345-141	Accessory Electric Equipment	13.25	12.25	-6.9%	
346-141	Misc. Power Plant Equipment	13.25	12.25	-6.9%	
	<u>Fergus Falls Control Center</u>				
343-143	Prime Movers	10.35	9.35	-5.0%	
	<u>Solway Combustion Turbine Plant</u>				
341-144	Structures & Improvements	18.06	17.06	-1.6%	
342-144	Fuel Holders & Accessories	18.06	17.06	-1.6%	
343-144	Prime Movers	18.06	17.06	-1.6%	
345-144	Accessory Electric Equipment	18.06	17.06	-1.6%	
346-144	Misc. Power Plant Equipment	18.06	17.06	-1.6%	
	<u>Astoria Station</u>				
341-145	Structures & Improvements		35.00	-1.3%	
342-145	Fuel Holders & Accessories		35.00	-1.3%	
343-145	Prime Movers		35.00	-1.3%	
345-145	Accessory Electric Equipment		35.00	-1.3%	
346-145	Misc. Power Plant Equipment		35.00	-1.3%	
	<u>Langdon Wind Energy Center</u>				
341-160	Structures & Improvements	21.85	20.85	-5.0%	
344-160	Generators	21.85	20.85	-5.0%	
345-160	Accessory Electric Equipment	21.85	20.85	-5.0%	
346-160	Misc. Power Plant Equipment	21.86	20.86	-5.0%	
	<u>Ashtabula Wind Energy Center</u>				
341-161	Structures & Improvements	22.79	21.79	-4.3%	
344-161	Generators	22.79	21.79	-4.3%	
345-161	Accessory Electric Equipment	22.79	21.79	-4.3%	
346-161	Misc. Power Plant Equipment	22.80	21.80	-4.3%	

**OTTER TAIL POWER COMPANY
2020 ANNUAL REVIEW OF DEPRECIATION CERTIFICATION
PROPOSED REMAINING LIVES & SALVAGE %'s FOR USE IN 2021**

<u>Account Number</u>	<u>Class of Utility Plant</u>	<u>Remaining Life (Yrs) per Depr Study (books dated 12/31/2019)</u>	<u>Remaining Life (Yrs) for 2021 Depr Rate Calculation</u>	<u>Net Salvage (%)</u>	<u>Amortization Period (Yrs)</u>
<u>Luverne Wind Energy Center</u>					
341-162	Structures & Improvements	23.73	22.73	-7.2%	
344-162	Generators	23.73	22.73	-7.2%	
345-162	Accessory Electric Equipment	23.73	22.73	-7.2%	
346-162	Misc. Power Plant Equipment	23.74	22.74	-7.2%	
<u>Merricourt Wind Energy Center</u>					
341-163	Structures & Improvements		34.00	-4.0%	
344-163	Generators		34.00	-4.0%	
345-163	Accessory Electric Equipment		34.00	-4.0%	
346-163	Misc. Power Plant Equipment		34.00	-4.0%	
<u>Utility Solar</u>					
340.00	<u>Structures & Improvements</u>		35.00	-1.0%	
341.00	Structures & Improvements		35.00	-1.0%	
342.00	Fuel Holders & Accessories		35.00	-1.0%	
343.00	Prime Movers		35.00	-1.0%	
344.00	Generators		35.00	-1.0%	
345.00	Accessory Electric Equipment		35.00	-1.0%	
346.00	Misc. Power Plant Equipment		35.00	-1.0%	
TRANSMISSION					
353	Station Equipment	55.50	55.50	-5.0%	
354	Towers & Fixtures	70.54	70.54	-10.0%	
355	Poles & Fixtures	59.83	59.83	-50.0%	
356	Overhead Conductor & Devices	64.91	64.91	-30.0%	
358	Underground Conductor & Devices	13.70	13.70	-5.0%	
DISTRIBUTION					
362	Station Equipment	34.85	34.85	5.0%	
364	Poles, Towers & Fixtures	48.52	48.52	-100.0%	
365	Overhead Conductor & Devices	42.96	42.96	-75.0%	
367	Underground Conductor & Devices	29.04	29.04	-5.0%	
368	Line Transformers	30.77	30.77	30.0%	
369	Overhead Services	29.87	29.87	-200.0%	
369.1	Underground Services	33.20	33.20	-20.0%	
370	Meters	19.51	19.51		
370.05	Smart Meters	18.57	18.57		
370.1	Load Management Switches	2.17	2.17		
370.20	Interruption Monitors				5
371.10	Electric Vehicle (EV) Charging Stations		10.00	0.0%	
371.20	Other Private Lighting	24.46	24.46		
373	Street Lighting & Signal System	16.60	16.60	-5.0%	
	Utility Vehicle Charging Statons				
GENERAL PLANT					
Depreciable					
390	Structures & Improvements	33.37	33.37	5.0%	
390.1	General Office Buildings	19.95	18.95	44.7%	
390.2	Fleet Service Center Buildings	24.68	33.68	68.0%	
390.3	Central Stores Building	24.61	23.61	75.8%	
396	Power Operated Equipment	20.12	20.12	5.0%	
397.4	Communication Towers	31.31	31.31	-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 2020 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 (Otter Tail) is unaware of any additional major future additions or retirements that will materially affect this filing’s certification results, other than those already addressed in the petition to this docket. Those being the addition of the Merricourt Wind farm and Astoria Station, along with solar generation investments, and hydro relicensing. As for retirements, the Hoot Lake Plant retirement will take place in 2021 through 2022 or 2023. While future years major additions or retirements will affect future depreciation certification results, historic additions and retirements primarily affect this filing depreciation certification results due to the look back, or historic review back to books dated December 31st of the prior year.

In addition to discussing future additions or retirements that could affect the current certification results, it is the Company’s practice to discuss future (and potential future) additions or retirements that may influence *future* depreciation expense or *future* certification results. Historically Otter Tail described these types of project. What follows are updates on current projects or projects being considered.

On November 17, 2016, Otter Tail announced agreements with EDF Renewable Development Inc. and certain of its affiliated companies (collectively EDF) whereby EDF will develop and construct and OTP will acquire a 150-megawatt (MW) wind farm to be built near the southeastern North Dakota town of Merricourt. Otter Tail closed on the purchase of certain development assets from EDF in July 2016. Construction began on the project in August 2019 with a targeted completion in 2020. The project is expected to cost approximately \$270 million and have the capacity to generate enough energy to power more than 65,000 homes. Further discussion on Otter Tail requested remaining lives and salvage percentages for the Merricourt wind farm are found in the petition to this filing.

On March 27, 2017, the company announced plans to seek regulatory approvals to build a new 245 MW simple cycle, natural gas-fired electricity-generating station (Astoria Station) northwest of Astoria in Deuel County, South Dakota. This plant is located near the intersection of the Northern Border Pipeline and the Big Stone South-to-Brookings County 345-kilovolt electric transmission line. Construction began on Astoria Station in May of 2019. Upon completion Astoria Station will be a state-of-the-art, highly efficient simple-cycle natural gas combustion turbine. Otter Tail Power Company expects to invest about \$158 million in the project with a planned in-service date in late Q4 of 2020 or Q1 of 2021. Otter requests remaining lives and

**OTTER TAIL POWER COMPANY
ANNUAL REVIEW OF DEPRECIATION CERTIFICATION
Supplemental Comments**

salvage percentages for this new facility for use in 2021 depreciation calculations in the petition to this filing.

Together these new generation facilities will help offset the scheduled 2021 retirement of coal-fired Units 2 and 3 at Hoot Lake Plant located outside of Fergus Falls, MN. Astoria Station will help offset capacity needs, while the Merricourt wind farm will help offset energy needs. The Hoot Lake Plant units began serving customers in 1959 and 1964 respectively and have a combined output of 140-megawatts (MW).

Additionally, Otter Tail will continue investing in renewing its existing asset mix and continue to make additional investments in Transmission and Solar applications.

OTTER TAIL POWER COMPANY
2020 ANNUAL REVIEW OF DEPRECIATION CERTIFICATION
Comparison of Resource Plan and Depreciation Filing Retirement Dates

Generating Unit	Retirement Dates			Comments
	Resource Plan 2017 - 2031	2020 Depreciation Study (Attachment No. 1)	Difference	
BASE LOAD				
➤ Hoot Lake Plant Units 2 & 3	Jun-2021	Jun-2021	None	Hoot Lake Plant Units 2 & 3 have an Average Year of Final Retirement (AYFR) of 2021. The Depreciation Study adopts a mid-year convention where all asset activity is assumed to take place on June 30th of its respective activity years, whether that activity is a plant addition or plant retirement. Therefore the depreciation study identifies June 2021 as its retirement date. The IRP in Appendix F also adopts June 2021 as the retirement month matching the Depreciation filing.
➤ Big Stone Plant	Jun-2046	Jun-2046	None	Big Stone Plant has an Average Year of Final Retirement (AYFR) of 2046. The Depreciation Study adopts a mid-year convention where all asset activity is assumed to take place on June 30th of its respective activity years, whether that activity is a plant addition or plant retirement. Therefore the depreciation study has June, 2046 as its retirement date. The IRP in Appendix F also adopts June, 2046 as the retirement month matching the Depreciation filing.
➤ Coyote Station	Jun-2041	Jun-2041	None	Coyote Station has an Average Year of Final Retirement (AYFR) of 2041. The Depreciation Study adopts a mid-year convention where all asset activity is assumed to take place on June 30th of its respective activity years, whether that activity is a plant addition or plant retirement. Therefore the depreciation study has June, 2041 as its retirement date. The IRP in Appendix F also adopts June, 2041 as the retirement month matching the Depreciation filing.
WIND				
➤ Langdon Wind Energy Center	Dec-2032	Jun-2042	9 years, 6 months (outside of IRP study period)	The Langdon Wind Energy Center has an Average Year of Final Retirement (AYFR) of 2042. The Depreciation Study adopts a mid-year convention where all asset activity is assumed to take place on June 30th of its respective activity years, whether that activity is a plant addition or plant retirement. Therefore the depreciation study has June, 2042 as its retirement date. The IRP models the Wind Farms as Purchase Power Agreements which expire at the end of their termination year, therefore the IRP uses December, 2032 as its retirement month.
➤ Ashtabula Wind Energy Center	Dec-2033	Jun-2043	9 years, 6 months (outside of IRP study period)	The Ashtabula Wind Energy Center has an Average Year of Final Retirement (AYFR) of 2043. The Depreciation Study adopts a mid-year convention where all asset activity is assumed to take place on June 30th of its respective activity years, whether that activity is a plant addition or plant retirement. Therefore the depreciation study has June, 2043 as its retirement date. The IRP models the Wind Farms as Purchase Power Agreements which expire at the end of their termination year, therefore the IRP uses December, 2033 as its retirement month.
➤ Luverne Wind Energy Center	Dec-2034	Jun-2044	9 years, 6 months (outside of IRP study period)	The Luverne Wind Energy Center has an Average Year of Final Retirement (AYFR) of 2043. The Depreciation Study adopts a mid-year convention where all asset activity is assumed to take place on June 30th of its respective activity years, whether that activity is a plant addition or plant retirement. Therefore the depreciation study has June, 2044 as its retirement date. The IRP models the Wind Farms as Purchase Power Agreements which expire at the end of their termination year, therefore the IRP uses December, 2034 as its retirement month.
➤ Merricourt Wind Energy Center	N/A	Jun-2055	N/A	The Merricourt Wind Energy Center (MWEC) has an Average Year of Final Retirement (AYFR) of 2055. The Depreciation Study adopts a mid-year convention where all asset activity is assumed to take place on June 30th of its respective activity years, whether that activity is a plant addition or plant retirement. Therefore the depreciation study has June, 2055 as its retirement date. The 2016 IRP models the Wind Farms as Purchase Power Agreements which expire at the end of their termination year. The MWEC was not represented in that IRP as an OTP owned resource, but as a generic wind purchased power agreement.
HYDRO				
➤ 6 units in 5 dams on the Otter Tail River, FERC licensed	No retirement date discussed - IRP assumes operating perpetually	Jun-2061	Program assumption differences	The latest approved IRP assume these permanent hydro dam structures operate perpetually until a final retirement date is established. Depreciation Studies tie the retirement date to the end of the current active FERC hydro operating license. This is the latest date these facilities can operate as generation resources until a new license renewal is granted pursuant to the satisfaction of its stated conditions. OTP is currently pursuing renewing its FERC Hydro license and expects that the 40 year license will be renewed in 2021, the year OTP is seeking Depreciation Certification for in its filing. Therefore the depreciation study uses Jun-2061 as its retirement date.
➤ 2 units on outlet of Lake Bemidji – not subject to FERC jurisdiction	No retirement date discussed - IRP assumes operating perpetually	Jun-2061	Program assumption differences	The latest approved 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	Jun-2033	Jun-2033	None	The two Jamestown Combustion Turbines have an Average Year of Final Retirement (AYFR) of 2033. The Depreciation Study adopts a mid-year convention where all asset activity is assumed to take place on June 30th of its respective activity years, whether that activity is a plant addition or plant retirement. Therefore the depreciation study has June, 2033 as its retirement date. The IRP in Appendix F also adopts June, 2033 as the retirement month matching the Depreciation filing.
➤ Lake Preston Combustion Turbine	Jun-2033	Jun-2033	None	The Lake Preston Combustion Turbine has an Average Year of Final Retirement (AYFR) of 2033. The Depreciation Study adopts a mid-year convention where all asset activity is assumed to take place on June 30th of its respective activity years, whether that activity is a plant addition or plant retirement. Therefore the depreciation study has June, 2033 as its retirement date. The IRP in Appendix F also adopts June, 2033 as the retirement month matching the Depreciation filing.
➤ Solway Combustion Turbine	Jun-2038	Jun-2038	None	The Solway Combustion Turbine has an Average Year of Final Retirement (AYFR) of 2038. The Depreciation Study adopts a mid-year convention where all asset activity is assumed to take place on June 30th of its respective activity years, whether that activity is a plant addition or plant retirement. Therefore the depreciation study has June, 2038 as its retirement date. The IRP in Appendix F also adopts June, 2038 as the retirement month matching the Depreciation filing.
➤ 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.
➤ Astoria Station	Dec-56	Jun-2056	6 months (outside of IRP study period)	2016 resource plan modeled as New Thermal Alternative with a thirty five year operating life. Depreciation study assumes an initial average service life of 35 years and utilizes the mid-year convention.

Note:

Otter Tail's most recently approved IRP was filed under Docket No. E07-RP-16-386. 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 a more exact forecast used for appropriate depreciation expense allocation of our current investment over the current plants remaining life. The RP is far less exact in the long-term, so there can be potential difference because of the intended purposes and assumptions the two filings.

CERTIFICATE OF SERVICE

**RE: In the Matter of Otter Tail Power Company's Petition for Approval of its
2020 Annual Review of Depreciation Certification
Docket No. E017/D-20-**

I, Carly Haiby, hereby certify that I have this day served a copy of the following, or a summary thereof, on Will Seuffert 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
Initial Filing**

Dated this **1st** day of **September 2020**.

/s/ CARLY HAIBY

Carly Haiby
Regulatory Filing Coordinator
Otter Tail Power Company
215 South Cascade Street
Fergus Falls MN 56537
(218) 739-8472

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_2020 Depreciation
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_2020 Depreciation
Generic Notice	Commerce Attorneys	commerce.attorneys@ag.state.mn.us	Office of the Attorney General-DOC	445 Minnesota Street Suite 1400 St. Paul, MN 55101	Electronic Service	No	GEN_SL_Otter Tail Power Company_2020 Depreciation
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_2020 Depreciation
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 280 Saint Paul, MN 551012198	Electronic Service	No	GEN_SL_Otter Tail Power Company_2020 Depreciation
Jessica	Fyhrie	jfyhrie@otpc.com	Otter Tail Power Company	PO Box 496 Fergus Falls, MN 56538-0496	Electronic Service	No	GEN_SL_Otter Tail Power Company_2020 Depreciation
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_2020 Depreciation
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_2020 Depreciation
Douglas	Larson	dlarson@dakotaelectric.com	Dakota Electric Association	4300 220th St W Farmington, MN 55024	Electronic Service	No	GEN_SL_Otter Tail Power Company_2020 Depreciation
Kavita	Maini	kmmaini@wi.rr.com	KM Energy Consulting, LLC	961 N Lost Woods Rd Oconomowoc, WI 53066	Electronic Service	No	GEN_SL_Otter Tail Power Company_2020 Depreciation

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Andrew	Moratzka	andrew.moratzka@stoel.com	Steel Rives LLP	33 South Sixth St Ste 4200 Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Otter Tail Power Company_2020 Depreciation
Generic Notice	Residential Utilities Division	residential.utilities@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012131	Electronic Service	No	GEN_SL_Otter Tail Power Company_2020 Depreciation
Larry L.	Schedin	Larry@LLSResources.com	LLS Resources, LLC	332 Minnesota St, Ste W1390 St. Paul, MN 55101	Electronic Service	No	GEN_SL_Otter Tail Power Company_2020 Depreciation
Will	Seuffert	Will.Seuffert@state.mn.us	Public Utilities Commission	121 7th PI E Ste 350 Saint Paul, MN 55101	Electronic Service	No	GEN_SL_Otter Tail Power Company_2020 Depreciation
Cary	Stephenson	cStephenson@otpc.com	Otter Tail Power Company	215 South Cascade Street Fergus Falls, MN 56537	Electronic Service	No	GEN_SL_Otter Tail Power Company_2020 Depreciation
Stuart	Tommerdahl	stommerdahl@otpc.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_2020 Depreciation

Otter Tail Power Company's
2020 Minnesota Annual Review of
Depreciation Certification Filing
Compliance Filing

Minnesota Docket No. E017/D-20-703

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

May 17, 2021



Will Seuffert
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
2020 Annual Review of Depreciation Certification
Docket No. E017/D-20-703
Compliance Filing**

Dear Mr. Seuffert:

Otter Tail Power Company (Otter Tail) hereby submits to the Minnesota Public Utilities Commission its Compliance Filing regarding the actual depreciation rate calculations for use in calendar year 2021 as referenced in the above docket. The subsequent five pages contain Otter Tail's 2021 calculated depreciation rates for the FERC accounts identified in its 2020 depreciation filing. Attachment 1 contains the Excel spreadsheet calculation source document.

Otter Tail electronically filed this document with the Commission. In compliance with Minn. R. 7829.1300, subp. 2., Otter Tail served a copy of this filing on the Minnesota Department of Commerce - Division of Energy Resources, the Office of Attorney General – Antitrust & Utilities Division, and all parties 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
Senior Depreciation Accountant

cjh
Enclosures
By electronic filing
c: Service List

2021
PROPERTY DEPRECIATION RATES

FERC Account Reference	Description	Forecast Retirement Year	Average Service Life (Yrs)	Remaining Life (Yrs) (Composite)	Amortize Period	Salvage Percent	Deprec. Rate Percent
	Intangible - Software						
303.91	Computer 5 Year Software				5		20.0000%
303.92	Computer 10 Year Software				10		10.0000%
	Composite - Software						12.2469%
	PRODUCTION - STEAM						
	Big Stone Plant	2046					
311-101	Structures & Improvements		34.61	24.60		-5.70%	2.7898%
312-101	Boiler Plant Equipment		32.92	24.60		-5.70%	3.4233%
314-101	Turbo-Generator Units		42.31	24.58		-5.70%	1.6835%
315-101	Accessory Electrical Equip.		36.79	24.59		-5.70%	2.5093%
316-101	Misc. Power Plant Equipment		38.40	24.59		-5.70%	2.5387%
	Composite plant rate		34.29	24.60		-5.70%	3.0426%
	Hoot Lake Plant Units 2 & 3	2021					
311-102	Structures & Improvements		36.45	0.50		-18.90%	11.7755%
312-102	Boiler Plant Equipment		14.46	0.50		-18.90%	18.9558%
312.1-102	Boiler Plant Equipment (ash landfill)	2051	35.92	29.24		0.00%	2.2474%
314-102	Turbo-Generator Units		23.29	0.50		-18.90%	14.0574%
315-102	Accessory Electrical Equip.		26.62	0.50		-18.90%	13.2206%
316-102	Misc. Power Plant Equipment		13.04	0.50		-18.90%	19.9299%
	Composite rate - Units 2 & 3		18.55	2.71		-16.08%	14.8175%
	Coyote Station	2041					
311-103	Structures & Improvements		49.33	19.87		-8.60%	1.6598%
312-103	Boiler Plant Equipment		39.92	19.89		-8.60%	2.3818%
314-103	Turbo-Generator Units		37.11	19.89		-8.60%	2.5655%
315-103	Accessory Electrical Equip.		46.62	19.88		-8.60%	1.7935%
316-103	Misc. Power Plant Equipment		33.95	19.90		-8.60%	3.2151%
	Composite plant rate		41.30	19.89		-8.60%	2.2371%
	Composite Steam rate		32.72	18.84		-7.85%	4.2124%
	PRODUCTION - HYDRO						
	Hoot Lake Hydro	2061					
331-131	Structures & Improvements		61.74	40.00		0.00%	0.0048%
332-131	Reservoir, Dams & Waterways		30.12	40.00		0.00%	0.0426%
333-131	Water Wheels, Turbines & Gen.		36.41	40.00		0.00%	0.0289%
334-131	Accessory Electrical Equipment		30.95	40.00		0.00%	0.0398%
335-131	Misc. Power Plant Equipment		8.97	40.00		0.00%	0.2262%
	Composite plant rate		27.15	40.00		0.00%	0.0513%
	Wright Dam Hydro	2061					
331-132	Structures & Improvements		30.94	40.00		0.00%	0.0601%
332-132	Reservoir, Dams & Waterways		9.63	40.00		0.00%	0.2036%
333-132	Water Wheels, Turbines & Gen.		9.34	40.00		0.00%	0.0754%
334-132	Accessory Electrical Equip.		16.86	40.00		0.00%	0.1098%

2021
PROPERTY DEPRECIATION RATES

FERC Account Reference	Description	Forecast Retirement Year	Average Service Life (Yrs)	Remaining Life (Yrs) (Composite)	Amortize Period	Salvage Percent	Deprec. Rate Percent
335-132	Misc. Power Plant Equipment		12.26	40.00		0.00%	0.1636%
	Composite plant rate		10.25	40.00		0.00%	0.1494%
	Pisgah Hydro	2061					
331-133	Structures & Improvements		39.05	40.00		0.00%	0.0479%
332-133	Reservoir, Dams & Waterways		13.06	40.00		0.00%	2.2112%
333-133	Water Wheels, Turbines & Gen.		16.00	40.00		0.00%	0.1337%
334-133	Accessory Electrical Equip.		15.65	40.00		0.00%	0.1260%
335-133	Misc. Power Plant Equipment		8.97	40.00		0.00%	0.2376%
	Composite plant rate		13.55	40.00		0.00%	2.0061%
	Dayton Hollow Hydro	2061					
331-134	Structures & Improvements		10.00	40.00		0.00%	0.2101%
332-134	Reservoir, Dams & Waterways		10.74	40.00		0.00%	0.8696%
333-134	Water Wheels, Turbines & Gen.		14.26	40.00		0.00%	0.1317%
334-134	Accessory Electrical Equip.		21.50	40.00		0.00%	0.0918%
335-134	Misc. Power Plant Equipment		8.99	40.00		0.00%	0.2190%
	Composite plant rate		11.56	40.00		0.00%	0.7002%
	Taplin Gorge Hydro	2061					
331-135	Structures & Improvements		74.98	40.00		0.00%	0.0182%
332-135	Reservoir, Dams & Waterways		16.40	40.00		0.00%	0.1247%
333-135	Water Wheels, Turbines & Gen.		82.69	40.00		0.00%	0.0158%
334-135	Accessory Electrical Equip.		22.33	40.00		0.00%	0.0803%
335-135	Misc. Power Plant Equipment		11.60	40.00		0.00%	0.1698%
	Composite plant rate		16.72	40.00		0.00%	0.1202%
	Bemidji Hydro	2061					
331-138	Structures & Improvements		13.28	40.00		0.00%	0.1571%
332-138	Reservoir, Dams & Waterways		13.09	40.00		0.00%	0.2163%
333-138	Water Wheels, Turbines & Gen.		19.78	40.00		0.00%	0.1149%
334-138	Accessory Electrical Equip.		73.22	40.00		0.00%	0.1159%
335-138	Misc. Power Plant Equipment		11.96	40.00		0.00%	0.1945%
	Composite plant rate		14.33	40.00		0.00%	0.1832%
	Composite Hydro rate		12.85	40.00		0.00%	0.8872%
	PRODUCTION - OTHER						
	Jamestown Peaking Plant - Unit 1	2033					
341-140	Structures & Improvements		35.74	12.26		-5.90%	2.0188%
342-140	Fuel Holders & Access.		28.24	12.26		-5.90%	3.0738%
343-140	Prime Movers		37.95	12.26		-5.90%	1.9938%
345-140	Accessory Electrical Equip.		56.04	12.24		-5.90%	1.8052%
346-140	Misc. Power Plant Equipment		22.35	12.27		-5.90%	3.7344%
	Composite plant rate		36.49	12.26		-5.90%	2.1300%

2021
PROPERTY DEPRECIATION RATES

FERC Account Reference	Description	Forecast Retirement Year	Average Service Life (Yrs)	Remaining Life (Yrs) (Composite)	Amortize Period	Salvage Percent	Deprec. Rate Percent
341-141	Structures & Improvements		42.09	12.25		-6.90%	1.6344%
342-141	Fuel Holders & Access.		39.90	12.25		-6.90%	1.7628%
343-141	Prime Movers		43.13	12.25		-6.90%	1.5854%
345-141	Accessory Electrical Equip.		42.10	12.25		-6.90%	1.6537%
346-141	Misc. Power Plant Equipment		48.55	12.25		-6.90%	0.9914%
	Composite plant rate		42.73	12.25		-6.90%	1.6051%
	Jamestown Peaking Plant - Unit 2	2033					
341-142	Structures & Improvements		27.61	12.26		-5.90%	3.1121%
342-142	Fuel Holders & Access.		32.24	12.25		-5.90%	1.3906%
343-142	Prime Movers		43.24	12.25		-5.90%	1.5195%
345-142	Accessory Electrical Equip.		21.31	12.27		-5.90%	4.3518%
346-142	Misc. Power Plant Equipment		45.70	12.25		-5.90%	-0.1866%
	Composite plant rate		42.19	12.25		-5.90%	1.5772%
343-143	Fergus Falls Control Center	2030	34.22	9.35		-5.00%	3.5651%
	Solway Combustion Turbine	2038					
341-144	Structures & Improvements		31.30	17.06		-1.60%	3.2408%
342-144	Fuel Holders & Access.		32.47	17.06		-1.60%	3.2260%
343-144	Prime Movers		30.40	17.06		-1.60%	3.9548%
345-144	Accessory Electrical Equip.		32.34	17.06		-1.60%	3.2144%
346-144	Misc. Power Plant Equipment		29.74	17.06		-1.60%	3.4847%
	Composite plant rate		30.70	17.06		-1.60%	3.7682%
	Astoria Station Combustion Turbine	2056					
341-145	Structures & Improvements		35.00	35.00		-1.60%	2.9029%
342-145	Fuel Holders & Access.		35.00	35.00		-1.60%	2.9029%
343-145	Prime Movers		35.00	35.00		-1.60%	2.9029%
345-145	Accessory Electrical Equip.		35.00	35.00		-1.60%	2.9029%
346-145	Misc. Power Plant Equipment		35.00	35.00		-1.60%	2.9029%
	Composite plant rate		35.00	35.00		-1.60%	2.9029%
	Composite peaker rate		36.89	16.36		-3.03%	3.1686%
	Langdon Wind Energy Center	2042					
341-160	Structures & Improvements		33.66	20.85		-5.00%	2.5258%
344-160	Generators		33.34	20.85		-5.00%	2.6599%
345-160	Accessory Electrical Equip.		33.22	20.85		-5.00%	2.5707%
346-160	Misc. Power Plant Equipment		25.83	20.86		-5.00%	4.9463%
	Composite plant rate		33.33	20.85		-5.00%	2.6518%
	Ashtabula Wind Energy Center	2043					
341-161	Structures & Improvements		33.63	21.79		-4.30%	2.5618%
344-161	Generators		33.36	21.79		-4.30%	2.6416%
345-161	Accessory Electrical Equip.		33.32	21.79		-4.30%	2.5989%
346-161	Misc. Power Plant Equipment		29.87	21.80		-4.30%	5.0832%

2021
PROPERTY DEPRECIATION RATES

FERC Account Reference	Description	Forecast Retirement Year	Average Service Life (Yrs)	Remaining Life (Yrs) (Composite)	Amortize Period	Salvage Percent	Deprec. Rate Percent
	Composite plant rate		33.36	21.79		-4.30%	2.6395%
	Luverne Wind Energy Center	2044					
341-162	Structures & Improvements		33.61	22.73		-7.20%	2.7131%
344-162	Generators		33.18	22.73		-7.20%	2.8553%
345-162	Accessory Electrical Equip.		33.60	22.73		-7.20%	2.7144%
346-162	Misc. Power Plant Equipment		29.99	22.74		-7.20%	4.5782%
	Composite plant rate		33.22	22.73		-7.20%	2.8456%
	Merricourt Wind Energy Center	2055					
341-163	Structures & Improvements		35.00	35.00		-5.00%	2.9945%
344-163	Generators		35.00	35.00		-5.00%	2.9945%
345-163	Accessory Electrical Equip.		35.00	35.00		-5.00%	2.9945%
346-163	Misc. Power Plant Equipment		35.00	35.00		-5.00%	3.0000%
	Composite plant rate		35.00	35.00		-5.00%	2.9945%
	Composite wind rate	2046	33.73	25.09		-5.16%	2.8408%
	Minnesota Small Solar						
343-166	Prime Movers	2045	25.00	25.00		-1.00%	4.0400%
	North Dakota Small Solar						
343-167	Prime Movers	2044	25.00	25.00		-1.00%	4.0400%
	South Dakota Small Solar						
343-168	Prime Movers	2047	25.00	25.00		-1.00%	4.0400%
	Composite Small Solar	2045	25.00	25.00		-1.00%	4.0400%
	Composite Other Production rate		33.29	20.98		-5.00%	2.8649%
	TRANSMISSION						
353	Station Equipment		65.11	55.50		-5.00%	1.5751%
354	Towers & Equipment		75.00	70.54		-10.00%	1.4560%
355	Poles & Fixtures		75.26	59.83		-50.00%	1.8561%
356	Overhead Conductor & Devices		75.08	64.91		-30.00%	1.5718%
358	Underground Conductor & Devices		50.86	13.70		-5.00%	0.5758%
	Composite Transmission rate		72.68	62.97		-23.70%	1.6018%
	Composite Pole Transmission Line rate		75.17	62.37		-27.40%	1.7029%
	Composite Tower Transmission Line rate		75.04	67.73		-19.47%	1.5109%
	DISTRIBUTION						
362	Station Equipment		43.47	34.85		5.00%	1.9138%
364	Poles, Towers & Fixtures		70.08	48.52		-100.00%	2.8872%
365	Overhead Conductor & Devices		65.23	42.96		-75.00%	2.2842%
367	Underground Conductor & Devices		44.89	29.04		-5.00%	2.0710%
368	Line Transformers		43.00	30.77		30.00%	1.7298%
369	Services		55.34	29.87		-200.00%	5.7981%
369.1	Underground Services		50.13	33.20		-20.00%	2.2291%

2021
PROPERTY DEPRECIATION RATES

<u>FERC Account Reference</u>	<u>Description</u>	<u>Forecast Retirement Year</u>	<u>Average Service Life (Yrs)</u>	<u>Remaining Life (Yrs) (Composite)</u>	<u>Amortize Period</u>	<u>Salvage Percent</u>	<u>Deprec. Rate Percent</u>
370	Meters		29.22	19.51		0.00%	3.3485%
370.05	Meters - Smart		20.00	18.57		0.00%	4.8783%
370.1	Load Management Switches		15.67	2.17		0.00%	1.0981%
370.2	Interruption Monitors		5.00	0.00	5		20.0000%
371.1	Installations on Customer Premise - EV Chargers		10.00	10.00		0.00%	10.0000%
371.2	All Other Private Lighting		25.69	24.46		0.00%	3.7442%
373	Street Lighting & Signal Systems		22.54	16.60		-5.00%	4.9184%
	Composite Distribution rate		44.94	31.07		-23.20%	2.3466%
GENERAL							
390	Structures & Improvements		50.93	33.37		5.00%	1.8494%
390.1	General Office Buildings	2040	38.36	18.95		44.70%	0.8325%
390.20	Fleet Service Center Bldgs. - Fergus Falls	2035	29.52	15.14		31.20%	0.6597%
390.25	Fleet Service Center Bldgs. - Jamestown	2079	60.00	58.00		50.00%	0.7130%
390.3	Central Stores Buildings	2045	54.81	23.61		75.80%	-0.5361%
391	Office Furniture			5.80	15		6.6667%
391.1	Office Equipment			3.64	10		10.0000%
391.2	Duplicating Equipment			4.89	10		10.0000%
391.5	Computer Systems			2.34	5		20.0000%
391.6	Computer Related Equipment			2.12	5		20.0000%
393	Stores Equipment			0.00	15		6.6667%
394	Tools, Shop & Garage Equipment			7.19	15		6.6667%
394.2	AMR Equipment			6.32	15		6.6667%
395	Laboratory Equipment			0.00	15		6.6667%
396	Power-Operated Equipment		23.48	20.12		5.00%	3.9495%
397	Communication Equipment			10.78	15		6.6667%
397.1	Radio Tele-Communication Equip.			1.46	10		10.0000%
397.2	Microwave Equipment			8.11	15		6.6667%
397.3	Radio Load Control Equipment			3.03	10		10.0000%
397.4	Communication Towers		50.39	31.31		-5.00%	1.6535%
	Composite General rate (excl.392)		20.28	11.84		16.40%	4.6345%

CERTIFICATE OF SERVICE

**RE: In the Matter of Otter Tail Power Company's Petition for Approval of its
2020 Annual Review of Depreciation Certification
Docket No. E017/D-20-703**

I, Carly Haiby, hereby certify that I have this day served a copy of the following, or a summary thereof, on Will Seuffert 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 **17th** day of **May, 2021**

/s/ CARLY HAIBY

Carly Haiby
Regulatory Filing Coordinator
Otter Tail Power Company
215 South Cascade Street
Fergus Falls MN 56537
(218) 739-8472

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Ray	Choquette	rchoquette@agp.com	Ag Processing Inc.	12700 West Dodge Road PO Box 2047 Omaha, NE 68103-2047	Electronic Service	No	OFF_SL_20-703_D-20-703
Generic Notice	Commerce Attorneys	commerce.attorneys@ag.state.mn.us	Office of the Attorney General-DOC	445 Minnesota Street Suite 1400 St. Paul, MN 55101	Electronic Service	Yes	OFF_SL_20-703_D-20-703
Brooke	Cooper	bcooper@allete.com	Minnesota Power	30 W Superior St Duluth, MN 558022191	Electronic Service	No	OFF_SL_20-703_D-20-703
Loyal	Demmer	ldemmer@otpc.com	Otter Tail Power Co.	215 South Cascade Street PO Box 496 Fergus Falls, MN 565380496	Electronic Service	No	OFF_SL_20-703_D-20-703
James C.	Erickson	jericksonkbc@gmail.com	Kelly Bay Consulting	17 Quechee St Superior, WI 54880-4421	Electronic Service	No	OFF_SL_20-703_D-20-703
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 280 Saint Paul, MN 551012198	Electronic Service	No	OFF_SL_20-703_D-20-703
Jessica	Fyhrie	jfyhrie@otpc.com	Otter Tail Power Company	PO Box 496 Fergus Falls, MN 56538-0496	Electronic Service	Yes	OFF_SL_20-703_D-20-703
Shane	Henriksen	shane.henriksen@enbridge.com	Enbridge Energy Company, Inc.	1409 Hammond Ave FL 2 Superior, WI 54880	Electronic Service	No	OFF_SL_20-703_D-20-703
Douglas	Larson	dlarson@dakotaelectric.com	Dakota Electric Association	4300 220th St W Farmington, MN 55024	Electronic Service	No	OFF_SL_20-703_D-20-703
James D.	Larson	james.larson@avantenergy.com	Avant Energy Services	220 S 6th St Ste 1300 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_20-703_D-20-703

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	OFF_SL_20-703_D-20-703
Andrew	Moratzka	andrew.moratzka@stoel.com	Stoel Rives LLP	33 South Sixth St Ste 4200 Minneapolis, MN 55402	Electronic Service	No	OFF_SL_20-703_D-20-703
Generic Notice	Residential Utilities Division	residential.utilities@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012131	Electronic Service	Yes	OFF_SL_20-703_D-20-703
Larry L.	Schedin	Larry@LLSResources.com	LLS Resources, LLC	332 Minnesota St, Ste W1390 St. Paul, MN 55101	Electronic Service	No	OFF_SL_20-703_D-20-703
Will	Seuffert	Will.Seuffert@state.mn.us	Public Utilities Commission	121 7th PI E Ste 350 Saint Paul, MN 55101	Electronic Service	Yes	OFF_SL_20-703_D-20-703
Cary	Stephenson	cStephenson@otpc.com	Otter Tail Power Company	215 South Cascade Street Fergus Falls, MN 56537	Electronic Service	Yes	OFF_SL_20-703_D-20-703
Stuart	Tommerdahl	stommerdahl@otpc.com	Otter Tail Power Company	215 S Cascade St PO Box 496 Fergus Falls, MN 56537	Electronic Service	Yes	OFF_SL_20-703_D-20-703