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

September 1, 2017

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

RE: In the Matter of Otter Tail Power Company's Petition for Approval of its 2017 Annual Review of Depreciation Certification
Docket No. E017/D-17-

Dear Mr. Wolf:

Otter Tail Power Company (Otter Tail) hereby submits its 2017 Annual Review of Depreciation Certification.

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

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

Sincerely,

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

jch
Enclosures
By electronic filing
c: Service List

STATE OF MINNESOTA
BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

In the Matter of Otter Tail Power Company's Petition for Approval of its 2017 Annual Review of Depreciation Certification	Docket No. E017/D-17-

SUMMARY OF FILING

Please take notice that on September 1, 2017, Otter Tail Power Company filed its 2017 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 2017 Annual Review of Depreciation Certification	Docket No. E017/D-17-

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 2017 Annual Petition for Depreciation Certification. Otter Tail requests that the study be certified effective January 1, 2018.

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
P. O. 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
P. O. Box 496
Fergus Falls, MN 56538-0496
(218) 739-8956
cstephenson@otpco.com

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

The filing date is September 1, 2017, and Otter Tail requests approval as of January 1, 2018.

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
P. O. Box 496
Fergus Falls, MN 56538-0496
(218) 739-8659
ldemmer@otpco.com

III. DESCRIPTION OF FILING

This filing constitutes Otter Tail's 2017 Annual Petition for Depreciation Certification. Otter Tail's last five-year comprehensive depreciation study was filed in 2013 and approved by the Minnesota Public Utilities Commission (Commission) on April 7, 2014, in Docket No. E017/D-13-795. Otter Tail's next five-year comprehensive depreciation study is due September 1, 2018. Annual depreciation certification filings are to be filed on or before September 1 of each year in the four interim years between the five-year comprehensive depreciation studies.

This petition contains four attachments:

1. 2017 Depreciation Rate Study prepared by Foster Associates Consultants, LLC, Attachment No. 1;

2. Proposed Remaining Lives and Salvage Percentages for Use in 2018, Attachment No. 2;

3. Supplemental Comments, Attachment No. 3;

4. Schedule and Narrative of Comparison with 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, 2016. 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 2018 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 so there is no cost information to report with this filing.

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
P. O. Box 496
Fergus Falls, MN 56538-0496
ldemmer@otpco.com

and

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

B. Service on Other Parties

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

C. Summary of Filing

A one-paragraph summary of the Petition is attached.

VI. CONCLUSION

Otter Tail respectfully requests that the Commission approve this annual petition for depreciation certification, to be effective January 1, 2018.

Dated: September 1, 2017

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
P. O. Box 496
Fergus Falls, MN 56538-0496
(218) 739-8659
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2017 Technical Update

OTTER TAIL POWER COMPANY

foster associates

CONTENTS

EXECUTIVE SUMMARY

INTRODUCTION

This report presents the findings and recommendations developed in a 2017 Technical Update of depreciation rates for Otter Tail Power Company prepared by Foster Associates Consultants, LLC. The parameters (*i.e.*, projection curves, projection lives and future net salvage rates) used in the update were developed in the Company's 2013 Depreciation Study based on December 31, 2012 plant and reserve balances. Age distributions of surviving plant on December 31, 2016 were used in the 2017 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 2017 Technical Update included:

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

Accrual rates currently used by the Company were developed from parameters approved in Docket No. E–017/D–16–729 (Order Dated May 5, 2017, Erratum Notice dated July 7, 2017). Depreciation accruals and reserve activity recorded in 2016 were posted to December 31, 2015 reserves to obtain appropri-

ate reserve ratios for the 2017 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 asserted in Docket No. E–017/D–11–886 that: "... the only clear effect of OTP's practice of redistributing reserves is to create a layer of confusion on OTP's depreciation calculations." The Commission accepted the Department's comment and ordered that: "OTP shall discontinue redistributing its depreciation reserves effective with this filing." The stability in accrual rates and control of amortization accounts that Otter Tail achieved by rebalancing depreciation reserves has been eliminated by Commission order and removed from all future studies and technical updates.

UPDATED DEPRECIATION RATES

Table 1 provides a summary of the changes in annual rates and accruals resulting from the 2017 Technical Update. Rates updated for each primary account (with the exception of amortization accounts) have been developed including authorized allowances for net salvage.

	Accrual Rate			2017 Annualized Accrual		
Function	Current	Updated	Difference	Current	Updated	Difference
A	B	C	D=C-B	E	F	G=F-E
Production						
Steam	2.92%	3.02%	0.10%	$ 16,523,594	$ 17,102,615	$ 579,021
Hydraulic	8.66%	8.94%	0.28%	609,377	629,026	19,649
Other	4.10%	4.14%	0.04%	12,706,829	12,816,164	109,335
Transmission	1.71%	1.71%	0.00%	6,778,407	6,770,036	(8,371)
Distribution	2.48%	2.46%	-0.02%	11,551,124	11,421,490	(129,634)
General Plant	4.26%	4.26%	0.00%	2,144,454	2,146,060	1,606
Total Utility	2.80%	2.84%	0.04%	$ 50,313,785	$50,885,391	$571,606

Table 1. Current and Updated Rates and Accruals

Adjustments developed in the technical update produce a composite depreciation rate of 2.84 percent. Depreciation expense is currently accrued at an equivalent rate of 2.80 percent. The updated change in the composite depreciation rate is, therefore, an increase of 0.04 percentage points.

A continued application of rates derived from currently approved parameters would produce annual depreciation expense of $50,313,785 compared with an annual expense of $50,885,391 using the rates developed in the update. The increase of $571,606 is largely attributable to changes in the mix of plant investments among primary accounts and changes in the age distributions of surviving plant. (The change in accruals would be a reduction of $397,736 if the Otter Tail was permitted to rebalance depreciation reserves). The portion of the $571,606 increase allocated to the Minnesota jurisdiction is $321,163.

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 2017 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 2017 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 2016:

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

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

OTTER TAIL POWER COMPANY

Statement A

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

		Current			Updated			
	Account Description	Rem. Life	Fut. Net Salvage	Accrual Rate	Rem. Life	Fut. Net Salvage	Reserve Ratio	Accrual Rate
	A	B	C	D	E	F	G	H
STEAM PRODUCTION								
311.00	Structures and Improvements	27.20	-7.0%	2.49%	26.24	-6.9%	41.04%	2.52%
312.00	Boiler Plant Equipment	22.18	-7.5%	3.27%	21.38	-7.5%	36.79%	3.42%
312.10	Boiler Plant Equipment - Ash Ponds	33.91		1.96%	32.99		41.50%	1.77%
314.00	Turbogenerator Units	21.20	-8.0%	2.33%	20.34	-8.0%	63.02%	2.43%
315.00	Accessory Electric Equipment	25.49	-7.3%	2.40%	24.57	-7.2%	48.56%	2.42%
316.00	Miscellaneous Power Plant Equipment	18.80	-7.6%	3.08%	18.16	-7.7%	53.22%	3.25%
	Total Steam Production Plant			2.92%	22.48	-7.3%	41.79%	3.02%
HYDRAULIC PRODUCTION								
331.00	Structures and Improvements	5.46		6.22%	4.47		71.30%	6.42%
332.00	Reservoirs, Dams and Waterways	5.46		9.96%	4.47		54.06%	10.28%
333.00	Water Wheels, Turbines & Generators	5.46		5.65%	4.47		73.92%	5.83%
334.00	Accessory Electric Equipment	5.46		5.57%	4.47		74.28%	5.75%
335.00	Miscellaneous Power Plant Equipment	5.46		11.51%	4.47		46.91%	11.88%
	Total Hydraulic Production Plant			8.66%	4.47		60.05%	8.94%
OTHER PRODUCTION								
341.00	Structures and Improvements	18.42	-1.1%	3.73%	17.46	-1.1%	36.24%	3.73%
342.00	Fuel Holders and Accessories	19.80	-1.2%	2.64%	18.85	-1.1%	51.56%	2.57%
343.00	Prime Movers	20.56	-0.9%	2.36%	19.47	-0.9%	51.03%	2.51%
344.00	Generators	17.09	-1.5%	4.36%	16.13	-1.5%	30.72%	4.39%
345.00	Accessory Electric Equipment	17.21	-1.4%	4.17%	16.25	-1.4%	33.63%	4.17%
346.00	Miscellaneous Power Plant Equipment	19.22	-1.0%	3.62%	18.40	-1.0%	33.69%	3.64%
	Total Other Production Plant			4.10%	16.46	-1.4%	33.38%	4.14%
TRANSMISSION PLANT								
353.00	Station Equipment	53.06	-5.0%	1.56%	53.63	-5.0%	22.21%	1.54%
354.00	Towers and Fixtures	66.45	-10.0%	1.57%	65.34	-10.0%	7.42%	1.57%
355.00	Poles and Fixtures	54.30	-50.0%	1.96%	54.21	-50.0%	43.71%	1.96%
356.00	Overhead Conductors and Devices	55.22	-30.0%	1.69%	55.11	-30.0%	36.19%	1.70%
358.00	Underground Conductors and Devices	9.36	-5.0%	1.36%	8.92	-5.0%	93.54%	1.28%
	Total Transmission Plant			1.71%	56.53	-25.6%	29.10%	1.71%
DISTRIBUTION PLANT								
362.00	Station Equipment	32.11	5.0%	2.12%	32.00	5.0%	27.42%	2.11%
364.00	Poles, Towers and Fixtures	47.61	-75.0%	2.49%	47.20	-75.0%	57.40%	2.49%
365.00	Overhead Conductors and Devices	43.53	-100.0%	2.80%	43.09	-100.0%	79.39%	2.80%
367.00	Underground Conductors and Devices	24.39	-5.0%	2.36%	24.22	-5.0%	47.60%	2.37%
368.00	Line Transformers	28.21	50.0%	1.25%	28.05	50.0%	14.88%	1.25%
369.00	Overhead Services	32.19	-150.0%	4.23%	31.60	-150.0%	115.94%	4.24%
369.10	Underground Services	29.99	-20.0%	2.61%	29.63	-20.0%	42.69%	2.61%
370.00	Meters	20.69		3.20%	20.73		33.20%	3.22%
370.10	Load Management Switches	2.12		11.70%	1.59		84.05%	10.03%
371.20	Other Private Lighting	16.83	10.0%	3.90%	17.03	10.0%	21.87%	4.00%
373.00	Street Lighting and Signal Systems	15.03	-5.0%	3.41%	15.13	-5.0%	52.21%	3.49%
	Total Distribution Plant			2.48%	28.45	-17.9%	43.69%	2.46%

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	Current Rem. Life	Current Fut. Net Salvage	Current Accrual Rate	Updated Rem. Life	Updated Fut. Net Salvage	Updated Reserve Ratio	Updated Accrual Rate
A	B	C	D	E	F	G	H
GENERAL PLANT							
Depreciable							
390.00 Structures and Improvements	30.54	10.0%	2.05%	30.07	10.0%	28.57%	2.04%
390.10 General Office Buildings	14.22	49.6%	0.53%	13.26	49.6%	43.26%	0.54%
390.20 Fleet Service Center Building	9.38	33.6%	1.47%	8.41	33.6%	53.91%	1.49%
390.30 Central Stores Building	18.98	92.6%	-2.09%	18.03	92.6%	44.66%	-2.07%
396.00 Power Operated Equipment	16.89	20.0%	2.62%	17.81	20.0%	26.99%	2.98%
397.40 Communication Towers	24.13	5.0%	2.06%	23.32	5.0%	47.24%	2.05%
Total Depreciable			1.28%	23.32	27.5%	34.83%	1.28%
Amortizable							
391.00 Office Furniture	← 15 Year Amortization →			← 15 Year Amortization →			
391.10 Office Equipment	← 10 Year Amortization →			← 10 Year Amortization →			
391.20 Duplicating Equipment	← 10 Year Amortization →			← 10 Year Amortization →			
391.50 Computer Systems	← 5 Year Amortization →			← 5 Year Amortization →			
391.60 Computer Related Equipment	← 5 Year Amortization →			← 5 Year Amortization →			
394.00 Tools, Shop and Garage Equipment	← 15 Year Amortization →			← 15 Year Amortization →			
394.20 Automated Meter Reading Equipment	← 15 Year Amortization →			← 15 Year Amortization →			
397.00 Communication Equipment	← 15 Year Amortization →			← 15 Year Amortization →			
397.10 Radio Telecommunication Equipment	← 10 Year Amortization →			← 10 Year Amortization →			
397.20 Microwave Equipment	← 15 Year Amortization →			← 15 Year Amortization →			
397.30 Radio Load Control Equipment	← 10 Year Amortization →			← 10 Year Amortization →			
Total Amortizable			9.96%	4.72		51.54%	9.96%
Total General Plant			4.26%	10.51	18.0%	40.56%	4.26%
TOTAL UTILITY			2.80%	25.48	-12.3%	38.07%	2.84%
STEAM PRODUCTION							
Big Stone							
311.00 Structures and Improvements	29.32	-6.0%	2.87%	28.39	-6.0%	24.66%	2.87%
312.00 Boiler Plant Equipment	29.32	-6.0%	3.17%	28.39	-6.0%	16.29%	3.16%
312.10 Boiler Plant Equipment - Ash Ponds							
314.00 Turbogenerator Units	29.29	-6.0%	1.63%	28.36	-6.0%	59.58%	1.64%
315.00 Accessory Electric Equipment	29.31	-6.0%	2.60%	28.39	-6.0%	32.35%	2.59%
316.00 Miscellaneous Power Plant Equipment	29.29	-5.6%	1.96%	28.37	-5.6%	48.11%	2.03%
Total Big Stone			2.90%	28.39	-6.0%	23.88%	2.89%
Hoot Lake Units 2 and 3							
311.00 Structures and Improvements	5.46	-12.2%	2.64%	4.47	-13.5%	100.08%	3.00%
312.00 Boiler Plant Equipment	5.46	-12.2%	7.96%	4.47	-13.5%	76.11%	8.36%
312.10 Boiler Plant Equipment - Ash Ponds	33.91		1.96%	32.99		41.50%	1.77%
314.00 Turbogenerator Units	5.46	-12.2%	4.33%	4.47	-13.5%	92.40%	4.72%
315.00 Accessory Electric Equipment	5.46	-12.2%	3.77%	4.47	-13.5%	94.89%	4.16%
316.00 Miscellaneous Power Plant Equipment	5.46	-12.1%	7.36%	4.47	-13.4%	78.23%	7.87%
Total Hoot Lake Units 2 and 3			6.05%	5.85	-12.1%	78.47%	6.39%
Coyote							
311.00 Structures and Improvements	24.62	-8.5%	1.52%	23.69	-8.0%	71.26%	1.55%
312.00 Boiler Plant Equipment	24.63	-8.5%	1.71%	23.71	-8.0%	59.41%	2.05%
312.10 Boiler Plant Equipment - Ash Ponds							
314.00 Turbogenerator Units	24.65	-8.5%	2.25%	23.72	-8.0%	53.28%	2.31%
315.00 Accessory Electric Equipment	24.63	-8.5%	1.71%	23.70	-8.0%	67.93%	1.69%
316.00 Miscellaneous Power Plant Equipment	24.65	-8.2%	2.43%	23.72	-7.7%	47.13%	2.55%
Total Coyote			1.76%	23.71	-8.0%	61.32%	1.97%

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	Current Rem. Life	Current Fut. Net Salvage	Current Accrual Rate	Updated Rem. Life	Updated Fut. Net Salvage	Updated Reserve Ratio	Updated Accrual Rate
A	B	C	D	E	F	G	H
HYDRAULIC PRODUCTION							
Hoot Lake							
331.00 Structures and Improvements	5.46		0.28%	4.47		98.72%	0.29%
332.00 Reservoirs, Dams and Waterways	5.46		2.49%	4.47		88.54%	2.56%
333.00 Water Wheels, Turbines & Generators	5.46		1.69%	4.47		92.21%	1.74%
334.00 Accessory Electric Equipment	5.46		2.32%	4.47		89.28%	2.40%
335.00 Miscellaneous Power Plant Equipment	5.46		13.20%	4.47		39.11%	13.62%
Total Hoot Lake			3.00%	4.47		86.20%	3.09%
Wright							
331.00 Structures and Improvements	5.46		3.51%	4.47		83.82%	3.62%
332.00 Reservoirs, Dams and Waterways	5.46		11.88%	4.47		45.19%	12.26%
333.00 Water Wheels, Turbines & Generators	5.46		4.40%	4.47		79.71%	4.54%
334.00 Accessory Electric Equipment	5.46		6.03%	4.47		72.17%	6.23%
335.00 Miscellaneous Power Plant Equipment	5.46		9.55%	4.47		55.96%	9.85%
Total Wright			8.68%	4.47		59.97%	8.95%
Pisgah							
331.00 Structures and Improvements	5.46		2.80%	4.47		87.10%	2.89%
332.00 Reservoirs, Dams and Waterways	5.46		9.07%	4.47		58.15%	9.36%
333.00 Water Wheels, Turbines & Generators	5.46		7.80%	4.47		64.02%	8.05%
334.00 Accessory Electric Equipment	5.46		6.68%	4.47		69.17%	6.90%
335.00 Miscellaneous Power Plant Equipment	5.46		13.86%	4.47		36.06%	14.30%
Total Pisgah			8.76%	4.47		59.56%	9.05%
Dayton Hollow							
331.00 Structures and Improvements	5.46		12.26%	4.47		43.44%	12.65%
332.00 Reservoirs, Dams and Waterways	5.46		11.98%	4.47		44.71%	12.37%
333.00 Water Wheels, Turbines & Generators	5.46		7.68%	4.47		64.55%	7.93%
334.00 Accessory Electric Equipment	5.46		5.35%	4.47		75.30%	5.53%
335.00 Miscellaneous Power Plant Equipment	5.46		12.77%	4.47		41.06%	13.19%
Total Dayton Hollow			10.80%	4.47		50.14%	11.16%
Taplin Gorge							
331.00 Structures and Improvements	5.45		1.07%	4.47		95.09%	1.10%
332.00 Reservoirs, Dams and Waterways	5.46		7.27%	4.47		66.44%	7.51%
333.00 Water Wheels, Turbines & Generators	5.45		0.92%	4.47		95.74%	0.95%
334.00 Accessory Electric Equipment	5.46		4.68%	4.47		78.42%	4.83%
335.00 Miscellaneous Power Plant Equipment	5.46		10.11%	4.47		53.35%	10.44%
Total Taplin Gorge			7.06%	4.47		67.41%	7.29%
Bemidji							
331.00 Structures and Improvements	5.46		9.16%	4.47		57.72%	9.46%
332.00 Reservoirs, Dams and Waterways	5.46		9.77%	4.47		54.93%	10.08%
333.00 Water Wheels, Turbines & Generators	5.46		6.79%	4.47		68.68%	7.01%
334.00 Accessory Electric Equipment	5.45		6.78%	4.47		68.79%	6.98%
335.00 Miscellaneous Power Plant Equipment	5.46		11.34%	4.47		47.70%	11.70%
Total Bemidji			8.95%	4.47		58.69%	9.24%

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	Current Rem. Life	Current Fut. Net Salvage	Current Accrual Rate	Updated Rem. Life	Updated Fut. Net Salvage	Updated Reserve Ratio	Updated Accrual Rate
A	B	C	D	E	F	G	H
OTHER PRODUCTION							
Jamestown							
341.00 Structures and Improvements	17.10	-1.7%	1.77%	16.14	-1.6%	75.06%	1.64%
342.00 Fuel Holders and Accessories	17.11	-1.7%	2.78%	16.15	-1.6%	59.72%	2.59%
343.00 Prime Movers	17.08	-1.7%	0.99%	16.13	-1.6%	78.67%	1.42%
344.00 Generators							
345.00 Accessory Electric Equipment	17.09	-1.7%	2.45%	16.14	-1.6%	64.68%	2.29%
346.00 Miscellaneous Power Plant Equipment	17.11	-1.7%	3.50%	16.15	-1.6%	49.00%	3.26%
Total Jamestown			1.18%	16.14	-1.6%	76.82%	1.53%
Jamestown Unit 1							
341.00 Structures and Improvements	17.10	-1.7%	1.66%	16.14	-1.6%	76.68%	1.54%
342.00 Fuel Holders and Accessories	17.11	-1.7%	2.94%	16.15	-1.6%	57.34%	2.74%
343.00 Prime Movers	17.09	-1.7%	1.14%	16.14	-1.6%	74.35%	1.69%
344.00 Generators							
345.00 Accessory Electric Equipment	17.07	-1.7%	1.60%	16.12	-1.6%	77.65%	1.49%
346.00 Miscellaneous Power Plant Equipment	17.11	-1.7%	3.64%	16.15	-1.6%	46.73%	3.40%
Total Jamestown Unit 1			1.42%	16.14	-1.6%	72.41%	1.81%
Jamestown Unit 2							
341.00 Structures and Improvements	17.11	-1.7%	2.98%	16.15	-1.6%	56.73%	2.78%
342.00 Fuel Holders and Accessories	17.08	-1.7%	1.16%	16.12	-1.6%	84.25%	1.08%
343.00 Prime Movers	17.08	-1.7%	0.87%	16.13	-1.6%	82.01%	1.21%
344.00 Generators							
345.00 Accessory Electric Equipment	17.11	-1.7%	4.29%	16.15	-1.6%	36.86%	4.01%
346.00 Miscellaneous Power Plant Equipment	17.09	-1.7%	-0.31%	16.13	-1.6%	109.46%	-0.49%
Total Jamestown Unit 2			0.95%	16.13	-1.6%	81.09%	1.27%
Lake Preston							
341.00 Structures and Improvements	17.09	-2.9%	1.36%	16.13	-2.8%	82.39%	1.27%
342.00 Fuel Holders and Accessories	17.09	-2.9%	1.56%	16.14	-2.8%	79.28%	1.46%
343.00 Prime Movers	17.08	-2.9%	0.85%	16.13	-2.8%	81.89%	1.30%
344.00 Generators							
345.00 Accessory Electric Equipment	17.08	-2.9%	0.74%	16.13	-2.8%	81.02%	1.35%
346.00 Miscellaneous Power Plant Equipment	17.08	-2.9%	0.75%	16.13	-2.8%	91.60%	0.69%
Total Lake Preston			0.92%	16.13	-2.8%	81.68%	1.31%
Ashtabula Wind Generation							
341.00 Structures and Improvements	17.11	-1.2%	4.28%	16.15	-1.2%	32.09%	4.28%
342.00 Fuel Holders and Accessories							
343.00 Prime Movers							
344.00 Generators	17.11	-1.2%	4.36%	16.15	-1.2%	30.43%	4.38%
345.00 Accessory Electric Equipment	17.11	-1.2%	4.30%	16.15	-1.2%	31.84%	4.29%
346.00 Miscellaneous Power Plant Equipment	17.11	-1.2%	5.12%	16.16	-1.2%	18.47%	5.12%
Total Ashtabula Wind Generation			4.35%	16.15	-1.2%	30.55%	4.37%
Langdon Wind Generation							
341.00 Structures and Improvements	16.15	-1.4%	4.32%	15.19	-1.4%	35.79%	4.32%
342.00 Fuel Holders and Accessories							
343.00 Prime Movers							
344.00 Generators	16.15	-1.4%	4.39%	15.19	-1.4%	33.93%	4.44%
345.00 Accessory Electric Equipment	16.15	-1.4%	4.40%	15.19	-1.4%	34.55%	4.40%
346.00 Miscellaneous Power Plant Equipment	16.16	-1.5%	5.37%	15.20	-1.4%	19.86%	5.36%
Total Langdon Wind Generation			4.39%	15.19	-1.4%	34.03%	4.43%

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	Current Rem. Life	Current Fut. Net Salvage	Current Accrual Rate	Updated Rem. Life	Updated Fut. Net Salvage	Updated Reserve Ratio	Updated Accrual Rate
A	B	C	D	E	F	G	H
Luverne Wind Generation							
341.00 Structures and Improvements	18.07	-2.0%	4.27%	17.11	-2.0%	28.93%	4.27%
342.00 Fuel Holders and Accessories							
343.00 Prime Movers							
344.00 Generators	18.07	-2.0%	4.33%	17.11	-2.0%	27.79%	4.34%
345.00 Accessory Electric Equipment	18.07	-2.0%	4.27%	17.11	-2.0%	28.90%	4.27%
346.00 Miscellaneous Power Plant Equipment	18.07	-2.0%	5.06%	17.11	-2.0%	15.42%	5.06%
Total Luverne Wind Generation			4.32%	17.11	-2.0%	27.89%	4.33%
Solway Combustion Turbine							
341.00 Structures and Improvements	21.85	-0.4%	2.98%	20.90	-0.4%	38.22%	2.98%
342.00 Fuel Holders and Accessories	21.85	-0.4%	2.93%	20.90	-0.4%	39.11%	2.93%
343.00 Prime Movers	21.85	-0.4%	3.02%	20.90	-0.4%	37.14%	3.03%
344.00 Generators							
345.00 Accessory Electric Equipment	21.85	-0.4%	3.14%	20.90	-0.4%	34.82%	3.14%
346.00 Miscellaneous Power Plant Equipment	21.85	-0.4%	3.07%	20.91	-0.4%	33.92%	3.18%
Total Solway Combustion Turbine			3.02%	20.90	-0.4%	37.23%	3.03%
Fergus Falls Control Center							
341.00 Structures and Improvements							
342.00 Fuel Holders and Accessories							
343.00 Prime Movers	14.22		3.05%	13.26		59.51%	3.05%
344.00 Generators							
345.00 Accessory Electric Equipment							
346.00 Miscellaneous Power Plant Equipment							
Total Fergus Falls Control Center			3.05%	13.26		59.51%	3.05%

OTTER TAIL POWER COMPANY

Statement B

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

Account	Description	12/31/16 Plant Investment	Minnesota Allocation Factor	Current Annual Accrual Total	Current Annual Accrual Minnesota	Updated Annual Accrual Total	Updated Annual Accrual Minnesota	Difference Total	Difference Minnesota
A		B	C	D	E=C*D	F	G=C*F	H=F-D	I=G-E
STEAM PRODUCTION									
311.00	Structures and Improvements	$ 125,448,487	0.53882583	$ 3,123,925	$ 1,683,252	$ 3,156,104	$ 1,700,591	$ 32,179	$ 17,339
312.00	Boiler Plant Equipment	325,383,494	0.53882583	10,653,615	5,740,443	11,133,765	5,999,160	480,150	258,717
312.10	Boiler Plant Equipment - Ash Ponds	6,695,049	0.53882583	131,223	70,706	118,502	63,852	(12,721)	(6,854)
314.00	Turbogenerator Units	65,898,799	0.53882583	1,535,867	827,565	1,598,423	861,272	62,556	33,707
315.00	Accessory Electric Equipment	36,676,240	0.53882583	880,512	474,443	886,726	477,791	6,214	3,348
316.00	Miscellaneous Power Plant Equipment	6,434,345	0.53882583	198,452	106,931	209,095	112,667	10,643	5,736
	Total Steam Production Plant	$ 566,536,414		$ 16,523,594	$ 8,903,340	$ 17,102,615	$ 9,215,333	$ 579,021	$ 311,993
HYDRAULIC PRODUCTION									
331.00	Structures and Improvements	$ 351,712	0.53882583	$ 21,874	$ 11,788	$ 22,587	$ 12,171	$ 713	$ 383
332.00	Reservoirs, Dams and Waterways	4,277,055	0.53882583	425,871	229,471	439,574	236,854	13,703	7,383
333.00	Water Wheels, Turbines & Generators	1,373,867	0.53882583	77,680	41,856	80,177	43,202	2,497	1,346
334.00	Accessory Electric Equipment	592,400	0.53882583	33,018	17,790	34,114	18,382	1,096	592
335.00	Miscellaneous Power Plant Equipment	442,624	0.53882583	50,934	27,445	52,574	28,328	1,640	883
	Total Hydraulic Production Plant	$ 7,037,658		$ 609,377	$ 328,350	$ 629,026	$ 338,937	$ 19,649	$ 10,587
OTHER PRODUCTION									
341.00	Structures and Improvements	$ 12,946,210	0.53882583	$ 483,121	$ 261,025	$ 482,527	$ 260,706	$ (594)	$ (319)
342.00	Fuel Holders and Accessories	1,748,265	0.53882583	46,108	24,844	44,991	24,242	(1,117)	(602)
343.00	Prime Movers	32,326,159	0.53882583	763,897	411,608	810,823	436,892	46,926	25,284
344.00	Generators	241,601,355	0.53882583	10,534,896	5,698,233	10,597,428	5,732,055	62,532	33,822
345.00	Accessory Electric Equipment	20,551,753	0.53882583	856,085	462,945	857,519	463,718	1,434	773
346.00	Miscellaneous Power Plant Equipment	628,270	0.53882583	22,722	12,261	22,876	12,344	154	83
	Total Other Production Plant	$ 309,802,012		$ 12,706,829	$ 6,870,916	$ 12,816,164	$ 6,929,957	$ 109,335	$ 59,041
TRANSMISSION PLANT									
353.00	Station Equipment	$ 95,137,119	0.50617698	$ 1,484,139	$ 751,237	$ 1,465,112	$ 741,606	$ (19,027)	$ (9,631)
354.00	Towers and Fixtures	81,106,418	0.50617698	1,273,371	644,551	1,273,371	644,551		
355.00	Poles and Fixtures	112,685,716	0.50617698	2,208,640	1,117,963	2,208,640	1,117,963		
356.00	Overhead Conductors and Devices	107,171,847	0.50617698	1,811,204	916,790	1,821,921	922,214	10,717	5,424
358.00	Underground Conductors and Devices	77,461	0.50617698	1,053	533	992	502	(61)	(31)
	Total Transmission Plant	$ 396,178,561		$ 6,778,407	$ 3,431,074	$ 6,770,036	$ 3,426,836	$ (8,371)	$ (4,238)
DISTRIBUTION PLANT									
362.00	Station Equipment	$ 78,123,696	0.43977948	$ 1,656,222	$ 728,372	$ 1,648,410	$ 724,937	$ (7,812)	$ (3,435)
364.00	Poles, Towers and Fixtures	70,849,816	0.43977948	1,764,160	775,841	1,764,160	775,841		
365.00	Overhead Conductors and Devices	49,842,699	0.43977948	1,395,596	613,754	1,395,596	613,754		
367.00	Underground Conductors and Devices	74,699,089	0.43977948	1,762,899	775,287	1,770,368	778,572	7,469	3,285
368.00	Line Transformers	93,713,427	0.43977948	1,171,418	515,166	1,171,418	515,166		

OTTER TAIL POWER COMPANY

Statement B

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

	Account Description	12/31/16 Plant Investment	Minnesota Allocation Factor	Current Annual Accrual Total	Current Annual Accrual Minnesota	Updated Annual Accrual Total	Updated Annual Accrual Minnesota	Difference Total	Difference Minnesota
	A	B	C	D	E=C*D	F	G=C*F	H=F-D	I=G-E
369.00	Overhead Services	12,990,947	0.43977948	549,517	241,666	550,816	242,238	1,299	572
369.10	Underground Services	40,988,218	0.43977948	1,069,792	470,473	1,069,792	470,473		
370.00	Meters	24,832,623	0.43977948	794,644	349,468	799,610	351,652	4,966	2,184
370.10	Load Management Switches	8,665,511	0.43977948	1,013,865	445,877	869,151	382,235	(144,714)	(63,642)
371.20	Other Private Lighting	4,786,865	0.43977948	186,688	82,102	191,475	84,207	4,787	2,105
373.00	Street Lighting and Signal Systems	5,464,004	0.43977948	186,323	81,941	190,694	83,863	4,371	1,922
	Total Distribution Plant	$ 464,956,895		$ 11,551,124	$ 5,079,947	$ 11,421,490	$ 5,022,938	$ (129,634)	$ (57,009)
	GENERAL PLANT								
	Depreciable								
390.00	Structures and Improvements	$ 19,890,073	0.49195116	$ 407,746	$ 200,591	$ 405,757	$ 199,613	$ (1,989)	$ (978)
390.10	General Office Buildings	5,718,958	0.49195116	30,310	14,911	30,882	15,192	572	281
390.20	Fleet Service Center Building	937,678	0.49195116	13,784	6,781	13,971	6,873	187	92
390.30	Central Stores Building	4,027,548	0.49195116	(84,176)	(41,410)	(83,370)	(41,014)	806	396
396.00	Power Operated Equipment	616,048	0.49195116	16,140	7,940	18,358	9,031	2,218	1,091
397.40	Communication Towers	1,888,762	0.49195116	38,908	19,141	38,720	19,048	(188)	(93)
	Total Depreciable	$ 33,079,067		$ 422,712	$ 207,954	$ 424,318	$ 208,743	$ 1,606	$ 789
	Amortizable								
391.00	Office Furniture	$ 1,177,317	0.49195116	$ 78,527	$ 38,631	$ 78,527	$ 38,631	$ -	$ -
391.10	Office Equipment	807,128	0.49195116	80,713	39,707	80,713	39,707		
391.20	Duplicating Equipment	287,696	0.49195116	28,770	14,153	28,770	14,153		
391.50	Computer Systems	2,677,295	0.49195116	535,459	263,420	535,459	263,420		
391.60	Computer Related Equipment	944,691	0.49195116	188,938	92,948	188,938	92,948		
394.00	Tools, Shop and Garage Equipment	3,996,914	0.49195116	266,594	131,151	266,594	131,151		
394.20	Automated Meter Reading Equipment	617,570	0.49195116	41,192	20,264	41,192	20,264		
397.00	Communication Equipment	818,647	0.49195116	54,604	26,863	54,604	26,863		
397.10	Radio Telecommunication Equipment	1,184,478	0.49195116	118,448	58,271	118,448	58,271		
397.20	Microwave Equipment	4,448,448	0.49195116	296,711	145,967	296,711	145,967		
397.30	Radio Load Control Equipment	317,859	0.49195116	31,786	15,637	31,786	15,637		
	Total Amortizable	$ 17,278,043		$ 1,721,742	$ 847,012	$ 1,721,742	$ 847,012	$ -	$ -
	Total General Plant	$ 50,357,110		$ 2,144,454	$ 1,054,966	$ 2,146,060	$ 1,055,755	$ 1,606	$ 789
	TOTAL UTILITY	$ 1,794,868,650		$ 50,313,785	$ 25,668,593	$ 50,885,391	$ 25,989,756	$ 571,606	$ 321,163

OTTER TAIL POWER COMPANY

Statement B

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

Account Description	12/31/16 Plant Investment	Minnesota Allocation Factor	Current Annual Accrual Total	Current Annual Accrual Minnesota	Updated Annual Accrual Total	Updated Annual Accrual Minnesota	Difference Total	Difference Minnesota
A	B	C	D	E=C*D	F	G=C*F	H=F-D	I=G-E
STEAM PRODUCTION								
Big Stone								
311.00 Structures and Improvements	$ 85,108,485	0.53882583	$ 2,442,614	$ 1,316,144	$ 2,442,614	$ 1,316,144	$ -	$ -
312.00 Boiler Plant Equipment	185,435,375	0.53882583	5,878,301	3,167,380	5,859,758	3,157,389	(18,543)	(9,991)
312.10 Boiler Plant Equipment - Ash Ponds								
314.00 Turbogenerator Units	30,154,765	0.53882583	491,523	264,845	494,538	266,470	3,015	1,625
315.00 Accessory Electric Equipment	22,062,273	0.53882583	573,619	309,081	571,413	307,892	(2,206)	(1,189)
316.00 Miscellaneous Power Plant Equipment	3,188,424	0.53882583	62,493	33,673	64,725	34,876	2,232	1,203
Total Big Stone	$ 325,949,322		$ 9,448,550	$ 5,091,123	$ 9,433,048	$ 5,082,771	$ (15,502)	$ (8,352)
Hoot Lake Units 2 and 3								
311.00 Structures and Improvements	$ 6,084,167	0.53882583	$ 160,622	$ 86,547	$ 182,525	$ 98,349	$ 21,903	$ 11,802
312.00 Boiler Plant Equipment	38,115,216	0.53882583	3,033,971	1,634,782	3,186,432	1,716,932	152,461	82,150
312.10 Boiler Plant Equipment - Ash Ponds	6,695,049	0.53882583	131,223	70,706	118,502	63,852	(12,721)	(6,854)
314.00 Turbogenerator Units	11,543,445	0.53882583	499,831	269,322	544,851	293,580	45,020	24,258
315.00 Accessory Electric Equipment	2,766,673	0.53882583	104,304	56,202	115,094	62,016	10,790	5,814
316.00 Miscellaneous Power Plant Equipment	1,157,884	0.53882583	85,220	45,919	91,125	49,101	5,905	3,182
Total Hoot Lake Units 2 and 3	$ 66,362,434		$ 4,015,171	$ 2,163,478	$ 4,238,529	$ 2,283,830	$ 223,358	$ 120,352
Coyote								
311.00 Structures and Improvements	$ 34,255,835	0.53882583	$ 520,689	$ 280,561	$ 530,965	$ 286,098	$ 10,276	$ 5,537
312.00 Boiler Plant Equipment	101,832,903	0.53882583	1,741,343	938,281	2,087,575	1,124,839	346,232	186,558
312.10 Boiler Plant Equipment - Ash Ponds								
314.00 Turbogenerator Units	24,200,589	0.53882583	544,513	293,398	559,034	301,222	14,521	7,824
315.00 Accessory Electric Equipment	11,847,294	0.53882583	202,589	109,160	200,219	107,883	(2,370)	(1,277)
316.00 Miscellaneous Power Plant Equipment	2,088,037	0.53882583	50,739	27,339	53,245	28,690	2,506	1,351
Total Coyote	$ 174,224,658		$ 3,059,873	$ 1,648,739	$ 3,431,038	$ 1,848,732	$ 371,165	$ 199,993
HYDRAULIC PRODUCTION								
Hoot Lake								
331.00 Structures and Improvements	$ 69,354	0.53882583	$ 194	$ 105	$ 201	$ 108	$ 7	$ 3
332.00 Reservoirs, Dams and Waterways	297,674	0.53882583	7,412	3,994	7,620	4,106	208	112
333.00 Water Wheels, Turbines & Generators	104,195	0.53882583	1,761	949	1,813	977	52	28
334.00 Accessory Electric Equipment	34,651	0.53882583	804	433	832	448	28	15
335.00 Miscellaneous Power Plant Equipment	48,801	0.53882583	6,442	3,471	6,647	3,582	205	111
Total Hoot Lake	$ 554,675		$ 16,613	$ 8,952	$ 17,113	$ 9,221	$ 500	$ 269
Wright								
331.00 Structures and Improvements	$ 19,026	0.53882583	$ 668	$ 360	$ 689	$ 371	$ 21	$ 11
332.00 Reservoirs, Dams and Waterways	892,711	0.53882583	106,054	57,145	109,446	58,972	3,392	1,827
333.00 Water Wheels, Turbines & Generators	545,392	0.53882583	23,997	12,930	24,761	13,342	764	412
334.00 Accessory Electric Equipment	200,524	0.53882583	12,092	6,515	12,493	6,732	401	217
335.00 Miscellaneous Power Plant Equipment	115,218	0.53882583	11,003	5,929	11,349	6,115	346	186
Total Wright	$ 1,772,871		$ 153,814	$ 82,879	$ 158,738	$ 85,532	$ 4,924	$ 2,653

OTTER TAIL POWER COMPANY

Statement B

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

Account	Description	12/31/16 Plant Investment	Minnesota Allocation Factor	Current Annual Accrual Total	Current Annual Accrual Minnesota	Updated Annual Accrual Total	Updated Annual Accrual Minnesota	Difference Total	Difference Minnesota
A		B	C	D	E=C*D	F	G=C*F	H=F-D	I=G-E
Pisgah									
331.00	Structures and Improvements	$ 12,118	0.53882583	$ 339	$ 183	$ 350	$ 189	$ 11	$ 6
332.00	Reservoirs, Dams and Waterways	376,297	0.53882583	34,130	18,390	35,221	18,978	1,091	588
333.00	Water Wheels, Turbines & Generators	159,732	0.53882583	12,459	6,713	12,858	6,928	399	215
334.00	Accessory Electric Equipment	99,812	0.53882583	6,667	3,592	6,887	3,711	220	119
335.00	Miscellaneous Power Plant Equipment	62,744	0.53882583	8,696	4,686	8,972	4,834	276	148
	Total Pisgah	$ 710,703		$ 62,291	$ 33,564	$ 64,288	$ 34,640	$ 1,997	$ 1,076
Dayton Hollow									
331.00	Structures and Improvements	$ 16,269	0.53882583	$ 1,995	$ 1,075	$ 2,058	$ 1,109	$ 63	$ 34
332.00	Reservoirs, Dams and Waterways	1,291,391	0.53882583	154,709	83,361	159,745	86,075	5,036	2,714
333.00	Water Wheels, Turbines & Generators	226,751	0.53882583	17,414	9,383	17,981	9,689	567	306
334.00	Accessory Electric Equipment	193,342	0.53882583	10,344	5,574	10,692	5,761	348	187
335.00	Miscellaneous Power Plant Equipment	111,159	0.53882583	14,195	7,649	14,662	7,900	467	251
	Total Dayton Hollow	$ 1,838,912		$ 198,657	$ 107,042	$ 205,138	$ 110,534	$ 6,481	$ 3,492
Taplin Gorge									
331.00	Structures and Improvements	$ 35,140	0.53882583	$ 376	$ 203	$ 387	$ 209	$ 11	$ 6
332.00	Reservoirs, Dams and Waterways	602,762	0.53882583	43,821	23,612	45,267	24,391	1,446	779
333.00	Water Wheels, Turbines & Generators	15,110	0.53882583	139	75	144	78	5	3
334.00	Accessory Electric Equipment	58,695	0.53882583	2,747	1,480	2,835	1,528	88	48
335.00	Miscellaneous Power Plant Equipment	103,632	0.53882583	10,477	5,645	10,819	5,830	342	185
	Total Taplin Gorge	$ 815,339		$ 57,560	$ 31,015	$ 59,452	$ 32,036	$ 1,892	$ 1,021
Bemidji									
331.00	Structures and Improvements	$ 199,805	0.53882583	$ 18,302	$ 9,862	$ 18,902	$ 10,185	$ 600	$ 323
332.00	Reservoirs, Dams and Waterways	816,220	0.53882583	79,745	42,969	82,275	44,332	2,530	1,363
333.00	Water Wheels, Turbines & Generators	322,687	0.53882583	21,910	11,806	22,620	12,188	710	382
334.00	Accessory Electric Equipment	5,376	0.53882583	364	196	375	202	11	6
335.00	Miscellaneous Power Plant Equipment	1,070	0.53882583	121	65	125	67	4	2
	Total Bemidji	$ 1,345,158		$ 120,442	$ 64,898	$ 124,297	$ 66,974	$ 3,855	$ 2,076
OTHER PRODUCTION									
Jamestown									
341.00	Structures and Improvements	$ 305,657	0.53882583	$ 5,402	$ 2,910	$ 5,015	$ 2,702	$ (387)	$ (208)
342.00	Fuel Holders and Accessories	415,964	0.53882583	11,575	6,237	10,787	5,812	(788)	(425)
343.00	Prime Movers	6,952,527	0.53882583	68,670	37,002	98,674	53,168	30,004	16,166
344.00	Generators								
345.00	Accessory Electric Equipment	227,590	0.53882583	5,586	3,009	5,214	2,810	(372)	(199)
346.00	Miscellaneous Power Plant Equipment	88,665	0.53882583	3,101	1,671	2,890	1,557	(211)	(114)
	Total Jamestown	$ 7,990,403		$ 94,334	$ 50,829	$ 122,580	$ 66,049	$ 28,246	$ 15,220

OTTER TAIL POWER COMPANY

Statement B

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

Account Description	12/31/16 Plant Investment	Minnesota Allocation Factor	Current Annual Accrual Total	Current Annual Accrual Minnesota	Updated Annual Accrual Total	Updated Annual Accrual Minnesota	Difference Total	Difference Minnesota
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	$ 280,804	0.53882583	$ 4,661	$ 2,511	$ 4,324	$ 2,330	$ (337)	$ (181)
342.00 Fuel Holders and Accessories	379,195	0.53882583	11,148	6,007	10,390	5,598	(758)	(409)
343.00 Prime Movers	3,030,866	0.53882583	34,552	18,618	51,222	27,600	16,670	8,982
344.00 Generators								
345.00 Accessory Electric Equipment	155,272	0.53882583	2,484	1,338	2,314	1,247	(170)	(91)
346.00 Miscellaneous Power Plant Equipment	85,462	0.53882583	3,111	1,676	2,906	1,566	(205)	(110)
Total Jamestown Unit 1	$ 3,931,599		$ 55,956	$ 30,150	$ 71,156	$ 38,341	$ 15,200	$ 8,191
Jamestown Unit 2								
341.00 Structures and Improvements	$ 24,853	0.53882583	$ 741	$ 399	$ 691	$ 372	$ (50)	$ (27)
342.00 Fuel Holders and Accessories	36,769	0.53882583	427	230	397	214	(30)	(16)
343.00 Prime Movers	3,921,661	0.53882583	34,118	18,384	47,452	25,568	13,334	7,184
344.00 Generators								
345.00 Accessory Electric Equipment	72,318	0.53882583	3,102	1,671	2,900	1,563	(202)	(108)
346.00 Miscellaneous Power Plant Equipment	3,203	0.53882583	(10)	(5)	(16)	(9)	(6)	(4)
Total Jamestown Unit 2	$ 4,058,804		$ 38,378	$ 20,679	$ 51,424	$ 27,708	$ 13,046	$ 7,029
Lake Preston								
341.00 Structures and Improvements	$ 229,834	0.53882583	$ 3,126	$ 1,684	$ 2,919	$ 1,573	$ (207)	$ (111)
342.00 Fuel Holders and Accessories	328,705	0.53882583	5,128	2,763	4,799	2,586	(329)	(177)
343.00 Prime Movers	3,282,642	0.53882583	27,902	15,034	42,674	22,994	14,772	7,960
344.00 Generators								
345.00 Accessory Electric Equipment	400,094	0.53882583	2,961	1,595	5,401	2,910	2,440	1,315
346.00 Miscellaneous Power Plant Equipment	21,607	0.53882583	162	87	149	80	(13)	(7)
Total Lake Preston	$ 4,262,882		$ 39,279	$ 21,163	$ 55,942	$ 30,143	$ 16,663	$ 8,980
Ashtabula Wind Generation								
341.00 Structures and Improvements	$ 3,248,290	0.54089120	$ 139,027	$ 75,198	$ 139,027	$ 75,198	$ -	$ -
342.00 Fuel Holders and Accessories								
343.00 Prime Movers								
344.00 Generators	106,668,515	0.54089120	4,650,747	2,515,548	4,672,081	2,527,087	21,334	11,539
345.00 Accessory Electric Equipment	6,347,379	0.54089120	272,937	147,629	272,303	147,286	(634)	(343)
346.00 Miscellaneous Power Plant Equipment	28,417	0.54089120	1,455	787	1,455	787		
Total Ashtabula Wind Generation	$ 116,292,601		$ 5,064,166	$ 2,739,162	$ 5,084,866	$ 2,750,358	$ 20,700	$ 11,196
Langdon Wind Generation								
341.00 Structures and Improvements	$ 2,484,069	0.54089120	$ 107,312	$ 58,044	$ 107,312	$ 58,044	$ -	$ -
342.00 Fuel Holders and Accessories								
343.00 Prime Movers								
344.00 Generators	69,262,415	0.54089120	3,040,620	1,644,645	3,075,251	1,663,376	34,631	18,731
345.00 Accessory Electric Equipment	7,407,275	0.54089120	325,920	176,287	325,920	176,287		
346.00 Miscellaneous Power Plant Equipment	65,210	0.54089120	3,502	1,894	3,495	1,890	(7)	(4)
Total Langdon Wind Generation	$ 79,218,969		$ 3,477,354	$ 1,880,870	$ 3,511,978	$ 1,899,597	$ 34,624	$ 18,727

OTTER TAIL POWER COMPANY

Statement B

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

Account Description	12/31/16 Plant Investment	Minnesota Allocation Factor	Current Annual Accrual Total	Current Annual Accrual Minnesota	Updated Annual Accrual Total	Updated Annual Accrual Minnesota	Difference Total	Difference Minnesota
A	B	C	D	E=C*D	F	G=C*F	H=F-D	I=G-E
Luverne Wind Generation								
341.00 Structures and Improvements	$ 2,266,581	0.54089120	$ 96,783	$ 52,349	$ 96,783	$ 52,349	$ -	$ -
342.00 Fuel Holders and Accessories								
343.00 Prime Movers								
344.00 Generators	65,670,425	0.54089120	2,843,529	1,538,040	2,850,096	1,541,592	6,567	3,552
345.00 Accessory Electric Equipment	4,863,837	0.54089120	207,686	112,336	207,686	112,336		
346.00 Miscellaneous Power Plant Equipment	74,045	0.54089120	3,747	2,027	3,747	2,027		
Total Luverne Wind Generation	$ 72,874,888		$ 3,151,745	$ 1,704,752	$ 3,158,312	$ 1,708,304	$ 6,567	$ 3,552
Solway Combustion Turbine								
341.00 Structures and Improvements	$ 4,411,779	0.53882583	$ 131,471	$ 70,840	$ 131,471	$ 70,840	$ -	$ -
342.00 Fuel Holders and Accessories	1,003,596	0.53882583	29,405	15,844	29,405	15,844		
343.00 Prime Movers	21,499,352	0.53882583	649,280	349,849	651,430	351,007	2,150	1,158
344.00 Generators								
345.00 Accessory Electric Equipment	1,305,578	0.53882583	40,995	22,089	40,995	22,089		
346.00 Miscellaneous Power Plant Equipment	350,326	0.53882583	10,755	5,795	11,140	6,003	385	208
Total Solway Combustion Turbine	$ 28,570,631		$ 861,906	$ 464,417	$ 864,441	$ 465,783	$ 2,535	$ 1,366
Fergus Falls Control Center								
341.00 Structures and Improvements	$ -		$ -	$ -	$ -	$ -	$ -	$ -
342.00 Fuel Holders and Accessories								
343.00 Prime Movers	591,638	0.53882583	18,045	9,723	18,045	9,723		
344.00 Generators								
345.00 Accessory Electric Equipment								
346.00 Miscellaneous Power Plant Equipment								
Total Fergus Falls Control Center	$ 591,638		$ 18,045	$ 9,723	$ 18,045	$ 9,723	$ -	$ -

OTTER TAIL POWER COMPANY
Depreciation Reserve Summary
Vintage Group Procedure
December 31, 2016

Statement C

Account Description	Plant Investment	Recorded Reserve Amount	Recorded Reserve Ratio	Computed Reserve Amount	Computed Reserve Ratio	Reserve Imbalance Amount	Reserve Imbalance Multiple
A	B	C	D=C/B	E	F=E/B	G=C-E	H=G/C
STEAM PRODUCTION							
311.00 Structures and Improvements	$ 125,448,487	$ 51,489,586	41.04%	$ 41,166,417	32.82%	$ 10,323,169	20.05%
312.00 Boiler Plant Equipment	325,383,494	119,714,391	36.79%	107,943,395	33.17%	11,770,996	9.83%
312.10 Boiler Plant Equipment - Ash Ponds	6,695,049	2,778,539	41.50%	896,423	13.39%	1,882,116	67.74%
314.00 Turbogenerator Units	65,898,799	41,528,331	63.02%	33,599,753	50.99%	7,928,578	19.09%
315.00 Accessory Electric Equipment	36,676,240	17,810,797	48.56%	14,178,139	38.66%	3,632,658	20.40%
316.00 Miscellaneous Power Plant Equipment	6,434,345	3,424,119	53.22%	2,899,583	45.06%	524,536	15.32%
Total Steam Production Plant	$ 566,536,414	$ 236,745,762	41.79%	$ 200,683,709	35.42%	$ 36,062,053	15.23%
HYDRAULIC PRODUCTION							
331.00 Structures and Improvements	$ 351,712	$ 250,775	71.30%	$ 265,343	75.44%	$ (14,569)	-5.81%
332.00 Reservoirs, Dams and Waterways	4,277,055	2,311,994	54.06%	2,749,641	64.29%	(437,647)	-18.93%
333.00 Water Wheels, Turbines & Generators	1,373,867	1,015,522	73.92%	876,590	63.80%	138,932	13.68%
334.00 Accessory Electric Equipment	592,400	440,013	74.28%	459,027	77.49%	(19,014)	-4.32%
335.00 Miscellaneous Power Plant Equipment	442,624	207,633	46.91%	248,365	56.11%	(40,732)	-19.62%
Total Hydraulic Production Plant	$ 7,037,658	$ 4,225,938	60.05%	$ 4,598,966	65.35%	$ (373,029)	-8.83%
OTHER PRODUCTION							
341.00 Structures and Improvements	$ 12,946,210	$ 4,691,839	36.24%	$ 4,674,429	36.11%	$ 17,411	0.37%
342.00 Fuel Holders and Accessories	1,748,265	901,455	51.56%	756,576	43.28%	144,879	16.07%
343.00 Prime Movers	32,326,159	16,495,256	51.03%	14,586,281	45.12%	1,908,975	11.57%
344.00 Generators	241,601,355	74,211,140	30.72%	81,051,104	33.55%	(6,839,963)	-9.22%
345.00 Accessory Electric Equipment	20,551,753	6,911,316	33.63%	7,183,939	34.96%	(272,623)	-3.94%
346.00 Miscellaneous Power Plant Equipment	628,270	211,689	33.69%	194,109	30.90%	17,581	8.30%
Total Other Production Plant	$ 309,802,012	$ 103,422,696	33.38%	$ 108,446,437	35.01%	$ (5,023,740)	-4.86%
TRANSMISSION PLANT							
353.00 Station Equipment	$ 95,137,119	$ 21,130,782	22.21%	$ 21,097,277	22.18%	$ 33,505	0.16%
354.00 Towers and Fixtures	81,106,418	6,022,108	7.42%	5,939,307	7.32%	82,801	1.37%
355.00 Poles and Fixtures	112,685,716	49,257,358	43.71%	42,722,651	37.91%	6,534,707	13.27%
356.00 Overhead Conductors and Devices	107,171,847	38,788,960	36.19%	33,106,945	30.89%	5,682,016	14.65%
358.00 Underground Conductors and Devices	77,461	72,457	93.54%	63,881	82.47%	8,575	11.84%
Total Transmission Plant	$ 396,178,561	$ 115,271,665	29.10%	$ 102,930,061	25.98%	$ 12,341,605	10.71%
DISTRIBUTION PLANT							
362.00 Station Equipment	$ 78,123,696	$ 21,420,786	27.42%	$ 17,131,850	21.93%	$ 4,288,936	20.02%
364.00 Poles, Towers and Fixtures	70,849,816	40,670,751	57.40%	37,266,171	52.60%	3,404,580	8.37%
365.00 Overhead Conductors and Devices	49,842,699	39,572,569	79.39%	34,384,378	68.99%	5,188,191	13.11%

OTTER TAIL POWER COMPANY
Depreciation Reserve Summary
Vintage Group Procedure
December 31, 2016

Statement C

Account	Description	Plant Investment	Recorded Reserve Amount	Recorded Reserve Ratio	Computed Reserve Amount	Computed Reserve Ratio	Reserve Imbalance Amount	Reserve Imbalance Multiple
A		B	C	D=C/B	E	F=E/B	G=C-E	H=G/C
367.00	Underground Conductors and Devices	74,699,089	35,553,204	47.60%	31,008,978	41.51%	4,544,226	12.78%
368.00	Line Transformers	93,713,427	13,945,405	14.88%	13,056,828	13.93%	888,577	6.37%
369.00	Overhead Services	12,990,947	15,061,134	115.94%	13,471,130	103.70%	1,590,004	10.56%
369.10	Underground Services	40,988,218	17,497,915	42.69%	16,840,931	41.09%	656,984	3.75%
370.00	Meters	24,832,623	8,243,380	33.20%	7,482,042	30.13%	761,338	9.24%
370.10	Load Management Switches	8,665,511	7,283,294	84.05%	7,574,603	87.41%	(291,310)	-4.00%
371.20	Other Private Lighting	4,786,865	1,047,023	21.87%	1,105,846	23.10%	(58,823)	-5.62%
373.00	Street Lighting and Signal Systems	5,464,004	2,852,491	52.21%	1,929,823	35.32%	922,668	32.35%
	Total Distribution Plant	$ 464,956,895	$ 203,147,952	43.69%	$ 181,252,580	38.98%	$ 21,895,372	10.78%
	GENERAL PLANT							
	Depreciable							
390.00	Structures and Improvements	$ 19,890,073	$ 5,683,518	28.57%	$ 7,000,331	35.20%	$ (1,316,814)	-23.17%
390.10	General Office Buildings	5,718,958	2,474,268	43.26%	1,460,335	25.53%	1,013,933	40.98%
390.20	Fleet Service Center Building	937,678	505,503	53.91%	409,018	43.62%	96,485	19.09%
390.30	Central Stores Building	4,027,548	1,798,731	44.66%	160,584	3.99%	1,638,146	91.07%
396.00	Power Operated Equipment	616,048	166,253	26.99%	152,836	24.81%	13,417	8.07%
397.40	Communication Towers	1,888,762	892,278	47.24%	764,297	40.47%	127,981	14.34%
	Total Depreciable	$ 33,079,067	$ 11,520,550	34.83%	$ 9,947,402	30.07%	$ 1,573,148	13.66%
	Amortizable							
391.00	Office Furniture	$ 1,177,317	$ 764,665	64.95%	$ 772,640	65.63%	$ (7,975)	-1.04%
391.10	Office Equipment	807,128	593,716	73.56%	607,866	75.31%	(14,150)	-2.38%
391.20	Duplicating Equipment	287,696	170,812	59.37%	176,918	61.49%	(6,106)	-3.57%
391.50	Computer Systems	2,677,295	1,490,523	55.67%	1,644,987	61.44%	(154,464)	-10.36%
391.60	Computer Related Equipment	944,691	562,427	59.54%	608,819	64.45%	(46,392)	-8.25%
394.00	Tools, Shop and Garage Equipment	3,996,914	1,682,229	42.09%	1,707,064	42.71%	(24,835)	-1.48%
394.20	Automated Meter Reading Equipment	617,570	381,068	61.70%	377,073	61.06%	3,995	1.05%
397.00	Communication Equipment	818,647	368,365	45.00%	380,477	46.48%	(12,112)	-3.29%
397.10	Radio Telecommunication Equipment	1,184,478	694,473	58.63%	720,492	60.83%	(26,019)	-3.75%
397.20	Microwave Equipment	4,448,448	2,034,320	45.73%	2,100,637	47.22%	(66,317)	-3.26%
397.30	Radio Load Control Equipment	317,859	162,556	51.14%	177,897	55.97%	(15,341)	-9.44%
	Total Amortizable	$ 17,278,043	$ 8,905,155	51.54%	$ 9,274,870	53.68%	$ (369,715)	-4.15%
	Total General Plant	$ 50,357,110	$ 20,425,705	40.56%	$ 19,222,272	38.17%	$ 1,203,432	5.89%
	TOTAL UTILITY	$ 1,794,868,650	$ 683,239,718	38.07%	$ 617,134,025	34.38%	$ 66,105,693	9.68%

OTTER TAIL POWER COMPANY

Statement C

Depreciation Reserve Summary
Vintage Group Procedure
December 31, 2016

Account Description	Plant Investment	Recorded Reserve Amount	Recorded Reserve Ratio	Computed Reserve Amount	Computed Reserve Ratio	Reserve Imbalance Amount	Reserve Imbalance Multiple
A	B	C	D=C/B	E	F=E/B	G=C-E	H=G/C
STEAM PRODUCTION							
Big Stone							
311.00 Structures and Improvements	$ 85,108,485	$ 20,991,263	24.66%	$ 15,342,917	18.03%	$ 5,648,345	26.91%
312.00 Boiler Plant Equipment	185,435,375	30,208,687	16.29%	28,698,468	15.48%	1,510,219	5.00%
312.10 Boiler Plant Equipment - Ash Ponds							
314.00 Turbogenerator Units	30,154,765	17,967,397	59.58%	11,667,721	38.69%	6,299,676	35.06%
315.00 Accessory Electric Equipment	22,062,273	7,138,006	32.35%	5,062,276	22.95%	2,075,730	29.08%
316.00 Miscellaneous Power Plant Equipment	3,188,424	1,534,104	48.11%	1,099,550	34.49%	434,554	28.33%
Total Big Stone	$ 325,949,322	$ 77,839,457	23.88%	$ 61,870,932	18.98%	$ 15,968,525	20.51%
Hoot Lake Units 2 and 3							
311.00 Structures and Improvements	$ 6,084,167	$ 6,088,761	100.08%	$ 6,032,528	99.15%	$ 56,233	0.92%
312.00 Boiler Plant Equipment	38,115,216	29,010,816	76.11%	29,528,007	77.47%	(517,191)	-1.78%
312.10 Boiler Plant Equipment - Ash Ponds	6,695,049	2,778,539	41.50%	896,423	13.39%	1,882,116	67.74%
314.00 Turbogenerator Units	11,543,445	10,666,374	92.40%	10,650,739	92.27%	15,635	0.15%
315.00 Accessory Electric Equipment	2,766,673	2,625,337	94.89%	2,601,949	94.05%	23,388	0.89%
316.00 Miscellaneous Power Plant Equipment	1,157,884	905,826	78.23%	928,205	80.16%	(22,380)	-2.47%
Total Hoot Lake Units 2 and 3	$ 66,362,434	$ 52,075,652	78.47%	$ 50,637,851	76.30%	$ 1,437,801	2.76%
Coyote							
311.00 Structures and Improvements	$ 34,255,835	$ 24,409,562	71.26%	$ 19,790,972	57.77%	$ 4,618,590	18.92%
312.00 Boiler Plant Equipment	101,832,903	60,494,888	59.41%	49,716,919	48.82%	10,777,968	17.82%
312.10 Boiler Plant Equipment - Ash Ponds							
314.00 Turbogenerator Units	24,200,589	12,894,560	53.28%	11,281,293	46.62%	1,613,267	12.51%
315.00 Accessory Electric Equipment	11,847,294	8,047,454	67.93%	6,513,914	54.98%	1,533,540	19.06%
316.00 Miscellaneous Power Plant Equipment	2,088,037	984,189	47.13%	871,828	41.75%	112,361	11.42%
Total Coyote	$ 174,224,658	$ 106,830,653	61.32%	$ 88,174,926	50.61%	$ 18,655,727	17.46%
HYDRAULIC PRODUCTION							
Hoot Lake							
331.00 Structures and Improvements	$ 69,354	$ 68,464	98.72%	$ 64,297	92.71%	$ 4,167	6.09%
332.00 Reservoirs, Dams and Waterways	297,674	263,550	88.54%	253,187	85.06%	10,363	3.93%
333.00 Water Wheels, Turbines & Generators	104,195	96,078	92.21%	91,315	87.64%	4,763	4.96%
334.00 Accessory Electric Equipment	34,651	30,936	89.28%	29,612	85.46%	1,324	4.28%
335.00 Miscellaneous Power Plant Equipment	48,801	19,088	39.11%	24,346	49.89%	(5,258)	-27.55%
Total Hoot Lake	$ 554,675	$ 478,116	86.20%	$ 462,757	83.43%	$ 15,359	3.21%

OTTER TAIL POWER COMPANY

Statement C

Depreciation Reserve Summary
Vintage Group Procedure
December 31, 2016

Account Description	Plant Investment	Recorded Reserve Amount	Recorded Reserve Ratio	Computed Reserve Amount	Computed Reserve Ratio	Reserve Imbalance Amount	Reserve Imbalance Multiple
A	B	C	D=C/B	E	F=E/B	G=C-E	H=G/C
Wright							
331.00 Structures and Improvements	$ 19,026	$ 15,948	83.82%	$ 16,259	85.46%	$ (312)	-1.96%
332.00 Reservoirs, Dams and Waterways	892,711	403,382	45.19%	589,373	66.02%	(185,991)	-46.11%
333.00 Water Wheels, Turbines & Generators	545,392	434,726	79.71%	273,815	50.21%	160,911	37.01%
334.00 Accessory Electric Equipment	200,524	144,720	72.17%	150,196	74.90%	(5,476)	-3.78%
335.00 Miscellaneous Power Plant Equipment	115,218	64,477	55.96%	72,742	63.13%	(8,265)	-12.82%
Total Wright	$ 1,772,871	$ 1,063,252	59.97%	$ 1,102,385	62.18%	$ (39,133)	-3.68%
Pisgah							
331.00 Structures and Improvements	$ 12,118	$ 10,555	87.10%	$ 10,721	88.47%	$ (167)	-1.58%
332.00 Reservoirs, Dams and Waterways	376,297	218,808	58.15%	246,809	65.59%	(28,001)	-12.80%
333.00 Water Wheels, Turbines & Generators	159,732	102,261	64.02%	108,090	67.67%	(5,829)	-5.70%
334.00 Accessory Electric Equipment	99,812	69,042	69.17%	74,472	74.61%	(5,430)	-7.86%
335.00 Miscellaneous Power Plant Equipment	62,744	22,623	36.06%	31,113	49.59%	(8,490)	-37.53%
Total Pisgah	$ 710,703	$ 423,289	59.56%	$ 471,206	66.30%	$ (47,917)	-11.32%
Dayton Hollow							
331.00 Structures and Improvements	$ 16,269	$ 7,068	43.44%	$ 8,960	55.08%	$ (1,893)	-26.78%
332.00 Reservoirs, Dams and Waterways	1,291,391	577,416	44.71%	696,319	53.92%	(118,904)	-20.59%
333.00 Water Wheels, Turbines & Generators	226,751	146,371	64.55%	147,981	65.26%	(1,609)	-1.10%
334.00 Accessory Electric Equipment	193,342	145,591	75.30%	152,922	79.09%	(7,330)	-5.03%
335.00 Miscellaneous Power Plant Equipment	111,159	45,645	41.06%	55,468	49.90%	(9,824)	-21.52%
Total Dayton Hollow	$ 1,838,912	$ 922,091	50.14%	$ 1,061,651	57.73%	$ (139,560)	-15.14%
Taplin Gorge							
331.00 Structures and Improvements	$ 35,140	$ 33,413	95.09%	$ 33,030	94.00%	$ 383	1.15%
332.00 Reservoirs, Dams and Waterways	602,762	400,460	66.44%	429,637	71.28%	(29,177)	-7.29%
333.00 Water Wheels, Turbines & Generators	15,110	14,467	95.74%	14,287	94.55%	180	1.24%
334.00 Accessory Electric Equipment	58,695	46,026	78.42%	46,836	79.80%	(810)	-1.76%
335.00 Miscellaneous Power Plant Equipment	103,632	55,290	53.35%	64,050	61.81%	(8,760)	-15.84%
Total Taplin Gorge	$ 815,339	$ 549,655	67.41%	$ 587,840	72.10%	$ (38,184)	-6.95%

OTTER TAIL POWER COMPANY Statement C
Depreciation Reserve Summary
Vintage Group Procedure
December 31, 2016

Account Description	Plant Investment	Recorded Reserve Amount	Recorded Reserve Ratio	Computed Reserve Amount	Computed Reserve Ratio	Reserve Imbalance Amount	Reserve Imbalance Multiple
A	B	C	D=C/B	E	F=E/B	G=C-E	H=G/C
Bemidji							
331.00 Structures and Improvements	$ 199,805	$ 115,328	57.72%	$ 132,076	66.10%	$ (16,748)	-14.52%
332.00 Reservoirs, Dams and Waterways	816,220	448,379	54.93%	534,316	65.46%	(85,936)	-19.17%
333.00 Water Wheels, Turbines & Generators	322,687	221,619	68.68%	241,102	74.72%	(19,483)	-8.79%
334.00 Accessory Electric Equipment	5,376	3,698	68.79%	4,989	92.80%	(1,290)	-34.89%
335.00 Miscellaneous Power Plant Equipment	1,070	510	47.70%	646	60.34%	(135)	-26.50%
Total Bemidji	$ 1,345,158	$ 789,535	58.69%	$ 913,128	67.88%	$ (123,593)	-15.65%
OTHER PRODUCTION							
Jamestown							
341.00 Structures and Improvements	$ 305,657	$ 229,429	75.06%	$ 170,953	55.93%	$ 58,475	25.49%
342.00 Fuel Holders and Accessories	415,964	248,399	59.72%	176,516	42.44%	71,883	28.94%
343.00 Prime Movers	6,952,527	5,469,483	78.67%	4,211,120	60.57%	1,258,363	23.01%
344.00 Generators							
345.00 Accessory Electric Equipment	227,590	147,214	64.68%	134,462	59.08%	12,752	8.66%
346.00 Miscellaneous Power Plant Equipment	88,665	43,443	49.00%	30,467	34.36%	12,976	29.87%
Total Jamestown	$ 7,990,403	$ 6,137,968	76.82%	$ 4,723,519	59.11%	$ 1,414,449	23.04%
Jamestown Unit 1							
341.00 Structures and Improvements	$ 280,804	$ 215,331	76.68%	$ 160,521	57.16%	$ 54,810	25.45%
342.00 Fuel Holders and Accessories	379,195	217,422	57.34%	157,241	41.47%	60,181	27.68%
343.00 Prime Movers	3,030,866	2,253,467	74.35%	1,728,557	57.03%	524,910	23.29%
344.00 Generators							
345.00 Accessory Electric Equipment	155,272	120,561	77.65%	112,252	72.29%	8,309	6.89%
346.00 Miscellaneous Power Plant Equipment	85,462	39,937	46.73%	28,181	32.98%	11,756	29.44%
Total Jamestown Unit 1	$ 3,931,599	$ 2,846,718	72.41%	$ 2,186,752	55.62%	$ 659,966	23.18%
Jamestown Unit 2							
341.00 Structures and Improvements	$ 24,853	$ 14,098	56.73%	$ 10,432	41.98%	$ 3,666	26.00%
342.00 Fuel Holders and Accessories	36,769	30,977	84.25%	19,275	52.42%	11,702	37.78%
343.00 Prime Movers	3,921,661	3,216,016	82.01%	2,482,563	63.30%	733,453	22.81%
344.00 Generators							
345.00 Accessory Electric Equipment	72,318	26,653	36.86%	22,211	30.71%	4,442	16.67%
346.00 Miscellaneous Power Plant Equipment	3,203	3,506	109.46%	2,286	71.37%	1,220	34.80%
Total Jamestown Unit 2	$ 4,058,804	$ 3,291,250	81.09%	$ 2,536,767	62.50%	$ 754,483	22.92%

OTTER TAIL POWER COMPANY
Depreciation Reserve Summary
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Statement C

Account Description	Plant Investment	Recorded Reserve Amount	Recorded Reserve Ratio	Computed Reserve Amount	Computed Reserve Ratio	Reserve Imbalance Amount	Reserve Imbalance Multiple
A	B	C	D=C/B	E	F=E/B	G=C-E	H=G/C
Lake Preston							
341.00 Structures and Improvements	$ 229,834	$ 189,358	82.39%	$ 145,444	63.28%	$ 43,913	23.19%
342.00 Fuel Holders and Accessories	328,705	260,597	79.28%	200,891	61.12%	59,707	22.91%
343.00 Prime Movers	3,282,642	2,688,159	81.89%	2,105,601	64.14%	582,558	21.67%
344.00 Generators							
345.00 Accessory Electric Equipment	400,094	324,160	81.02%	253,113	63.26%	71,047	21.92%
346.00 Miscellaneous Power Plant Equipment	21,607	19,791	91.60%	15,566	72.04%	4,225	21.35%
Total Lake Preston	$ 4,262,882	$ 3,482,065	81.68%	$ 2,720,615	63.82%	$ 761,450	21.87%
Ashtabula Wind Generation							
341.00 Structures and Improvements	$ 3,248,290	$ 1,042,289	32.09%	$ 1,103,419	33.97%	$ (61,130)	-5.87%
342.00 Fuel Holders and Accessories							
343.00 Prime Movers							
344.00 Generators	106,668,515	32,461,781	30.43%	35,669,562	33.44%	(3,207,781)	-9.88%
345.00 Accessory Electric Equipment	6,347,379	2,020,918	31.84%	2,140,298	33.72%	(119,380)	-5.91%
346.00 Miscellaneous Power Plant Equipment	28,417	5,249	18.47%	6,055	21.31%	(806)	-15.36%
Total Ashtabula Wind Generation	$ 116,292,601	$ 35,530,237	30.55%	$ 38,919,335	33.47%	$ (3,389,098)	-9.54%
Langdon Wind Generation							
341.00 Structures and Improvements	$ 2,484,069	$ 889,004	35.79%	$ 946,250	38.09%	$ (57,245)	-6.44%
342.00 Fuel Holders and Accessories							
343.00 Prime Movers							
344.00 Generators	69,262,415	23,499,195	33.93%	25,854,991	37.33%	(2,355,796)	-10.03%
345.00 Accessory Electric Equipment	7,407,275	2,558,924	34.55%	2,725,250	36.79%	(166,326)	-6.50%
346.00 Miscellaneous Power Plant Equipment	65,210	12,953	19.86%	14,315	21.95%	(1,362)	-10.51%
Total Langdon Wind Generation	$ 79,218,969	$ 26,960,076	34.03%	$ 29,540,806	37.29%	$ (2,580,729)	-9.57%
Luverne Wind Generation							
341.00 Structures and Improvements	$ 2,266,581	$ 655,793	28.93%	$ 683,390	30.15%	$ (27,597)	-4.21%
342.00 Fuel Holders and Accessories							
343.00 Prime Movers							
344.00 Generators	65,670,425	18,250,164	27.79%	19,526,550	29.73%	(1,276,386)	-6.99%
345.00 Accessory Electric Equipment	4,863,837	1,405,508	28.90%	1,465,041	30.12%	(59,532)	-4.24%
346.00 Miscellaneous Power Plant Equipment	74,045	11,421	15.42%	12,765	17.24%	(1,344)	-11.77%
Total Luverne Wind Generation	$ 72,874,888	$ 20,322,886	27.89%	$ 21,687,745	29.76%	$ (1,364,860)	-6.72%

OTTER TAIL POWER COMPANY
Depreciation Reserve Summary
Vintage Group Procedure
December 31, 2016

Statement C

Account Description	Plant Investment	Recorded Reserve Amount	Recorded Reserve Ratio	Computed Reserve Amount	Computed Reserve Ratio	Reserve Imbalance Amount	Reserve Imbalance Multiple
A	B	C	D=C/B	E	F=E/B	G=C-E	H=G/C
Solway Combustion Turbine							
341.00 Structures and Improvements	$ 4,411,779	$ 1,685,967	38.22%	$ 1,624,973	36.83%	$ 60,995	3.62%
342.00 Fuel Holders and Accessories	1,003,596	392,459	39.11%	379,169	37.78%	13,290	3.39%
343.00 Prime Movers	21,499,352	7,985,522	37.14%	7,906,939	36.78%	78,583	0.98%
344.00 Generators							
345.00 Accessory Electric Equipment	1,305,578	454,592	34.82%	465,775	35.68%	(11,183)	-2.46%
346.00 Miscellaneous Power Plant Equipment	350,326	118,832	33.92%	114,940	32.81%	3,892	3.28%
Total Solway Combustion Turbine	$ 28,570,631	$ 10,637,373	37.23%	$ 10,491,796	36.72%	$ 145,577	1.37%
Fergus Falls Control Center							
341.00 Structures and Improvements	$ -	$ -		$ -		$ -	
342.00 Fuel Holders and Accessories							
343.00 Prime Movers	591,638	352,092	59.51%	362,620	61.29%	(10,528)	-2.99%
344.00 Generators							
345.00 Accessory Electric Equipment							
346.00 Miscellaneous Power Plant Equipment							
Total Fergus Falls Control Center	$ 591,638	$ 352,092	59.51%	$ 362,620	61.29%	$ (10,528)	-2.99%

OTTER TAIL POWER COMPANY
Average Net Salvage

Statement D

Account Description		Plant Investment			Salvage Rate		Net Salvage			Average
		Additions	Retirements	Survivors	Realized	Future	Realized	Future	Total	Rate
A		B	C	D=B-C	E	F	G=E*C	H=F*D	I=G+H	J=I/B
STEAM PRODUCTION										
311.00	Structures and Improvements	$ 127,520,856	$ 2,072,369	$ 125,448,487	-11.8%	-6.9%	$ (245,243)	$ (8,668,338)	$ (8,913,582)	-7.0%
312.00	Boiler Plant Equipment	390,550,060	65,166,566	325,383,494	-11.9%	-7.5%	(7,724,808)	(24,418,309)	(32,143,117)	-8.2%
312.10	Boiler Plant Equipment - Ash Ponds	6,695,049		6,695,049						
314.00	Turbogenerator Units	82,247,608	16,348,809	65,898,799	19.1%	-8.0%	3,118,105	(5,303,698)	(2,185,593)	-2.7%
315.00	Accessory Electric Equipment	38,542,621	1,866,381	36,676,240	-10.1%	-7.2%	(188,081)	(2,645,021)	(2,833,102)	-7.4%
316.00	Miscellaneous Power Plant Equipment	9,020,686	2,586,341	6,434,345	8.0%	-7.7%	207,817	(494,487)	(286,670)	-3.2%
	Total Steam Production Plant	$ 654,576,880	$ 88,040,466	$ 566,536,414	-5.5%	-7.3%	$ (4,632,210)	$ (41,529,853)	$ (46,362,064)	-7.1%
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	609,547	17,147	592,400	-8.5%		(1,463)		(1,463)	-0.2%
335.00	Miscellaneous Power Plant Equipment	512,735	70,111	442,624	-3.4%		(2,367)		(2,367)	-0.5%
	Total Hydraulic Production Plant	$ 7,244,828	$ 207,170	$ 7,037,658	-17.7%		$ (36,681)	$ -	$ (36,681)	-0.5%
OTHER PRODUCTION										
341.00	Structures and Improvements	$ 12,959,338	$ 13,128	$ 12,946,210	-6.7%	-1.1%	$ (876)	$ (148,061)	$ (148,937)	-1.1%
342.00	Fuel Holders and Accessories	1,970,922	222,657	1,748,265	-11.1%	-1.1%	(24,683)	(19,874)	(44,557)	-2.3%
343.00	Prime Movers	33,563,831	1,237,672	32,326,159	-18.0%	-0.9%	(222,746)	(289,152)	(511,897)	-1.5%
344.00	Generators	245,413,170	3,811,815	241,601,355	-1.0%	-1.5%	(38,137)	(3,563,104)	(3,601,242)	-1.5%
345.00	Accessory Electric Equipment	20,654,775	103,022	20,551,753	7.4%	-1.4%	7,612	(297,214)	(289,602)	-1.4%
346.00	Miscellaneous Power Plant Equipment	682,303	54,033	628,270	25.5%	-1.0%	13,800	(6,160)	7,640	1.1%
	Total Other Production Plant	$ 315,244,339	$ 5,442,327	$ 309,802,012	-4.9%	-1.4%	$ (265,030)	$ (4,323,564)	$ (4,588,594)	-1.5%
TRANSMISSION PLANT										
353.00	Station Equipment	$ 104,705,710	$ 9,568,591	$ 95,137,119	42.8%	-5.0%	$ 4,095,357	$ (4,756,856)	$ (661,499)	-0.6%
354.00	Towers and Fixtures	81,106,418		81,106,418		-10.0%		(8,110,642)	(8,110,642)	-10.0%
355.00	Poles and Fixtures	118,151,503	5,465,787	112,685,716	47.9%	-50.0%	2,618,112	(56,342,858)	(53,724,746)	-45.5%
356.00	Overhead Conductors and Devices	112,799,285	5,627,438	107,171,847	43.8%	-30.0%	2,464,818	(32,151,554)	(29,686,736)	-26.3%
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	$ 416,840,872	$ 20,662,311	$ 396,178,561	44.4%	-25.6%	$ 9,176,461	$ (101,365,783)	$ (92,189,322)	-22.1%
DISTRIBUTION PLANT										
362.00	Station Equipment	$ 98,119,251	$ 19,995,555	$ 78,123,696	15.7%	5.0%	$ 3,139,302	$ 3,906,185	$ 7,045,487	7.2%
364.00	Poles, Towers and Fixtures	74,100,711	3,250,895	70,849,816	-110.4%	-75.0%	(3,588,988)	(53,137,362)	(56,726,350)	-76.6%
365.00	Overhead Conductors and Devices	53,758,326	3,915,627	49,842,699	-76.0%	-100.0%	(2,975,877)	(49,842,699)	(52,818,576)	-98.3%
367.00	Underground Conductors and Devices	79,516,638	4,817,549	74,699,089	-1.2%	-5.0%	(57,811)	(3,734,954)	(3,792,765)	-4.8%
368.00	Line Transformers	106,102,186	12,388,759	93,713,427	36.2%	50.0%	4,484,731	46,856,714	51,341,444	48.4%
369.00	Overhead Services	13,746,929	755,982	12,990,947	-255.4%	-150.0%	(1,930,778)	(19,486,421)	(21,417,199)	-155.8%
369.10	Underground Services	41,531,454	543,236	40,988,218	-40.1%	-20.0%	(217,838)	(8,197,644)	(8,415,481)	-20.3%
370.00	Meters	31,637,844	6,805,221	24,832,623	0.7%		47,637		47,637	0.2%

OTTER TAIL POWER COMPANY
Average Net Salvage

Statement D

Account Description	Plant Investment			Salvage Rate		Net Salvage			Average
	Additions	Retirements	Survivors	Realized	Future	Realized	Future	Total	Rate
A	B	C	D=B-C	E	F	G=E*C	H=F*D	I=G+H	J=I/B
370.10 Load Management Switches	10,873,289	2,207,778	8,665,511						
371.20 Other Private Lighting	7,991,829	3,204,964	4,786,865	7.7%	10.0%	246,782	478,687	725,469	9.1%
373.00 Street Lighting and Signal Systems	9,159,505	3,695,501	5,464,004	-2.2%	-5.0%	(81,301)	(273,200)	(354,501)	-3.9%
Total Distribution Plant	$ 526,537,962	$ 61,581,067	$ 464,956,895	-1.5%	-17.9%	$ (934,140)	$ (83,430,695)	$ (84,364,835)	-16.0%
GENERAL PLANT									
Depreciable									
390.00 Structures and Improvements	$ 23,971,876	$ 4,081,803	$ 19,890,073	29.5%	10.0%	$ 1,204,132	$ 1,989,007	$ 3,193,139	13.3%
390.10 General Office Buildings	6,971,368	1,252,410	5,718,958	-12.9%	49.6%	(161,561)	2,836,603	2,675,042	38.4%
390.20 Fleet Service Center Building	1,035,431	97,753	937,678	-47.0%	33.6%	(45,944)	315,060	269,116	26.0%
390.30 Central Stores Building	4,114,104	86,556	4,027,548	-2.2%	92.6%	(1,904)	3,729,509	3,727,605	90.6%
396.00 Power Operated Equipment	1,200,333	584,285	616,048	21.5%	20.0%	125,621	123,210	248,831	20.7%
397.40 Communication Towers	1,998,548	109,786	1,888,762	13.2%	5.0%	14,492	94,438	108,930	5.5%
Total Depreciable	$ 39,291,660	$ 6,212,593	$ 33,079,067	18.3%	27.5%	$ 1,134,836	$ 9,087,827	$ 10,222,663	26.0%
Amortizable									
391.00 Office Furniture	$ 6,121,482	$ 4,944,165	$ 1,177,317			$ -	$ -	$ -	
391.10 Office Equipment	3,004,829	2,197,701	807,128						
391.20 Duplicating Equipment	2,195,365	1,907,669	287,696						
391.50 Computer Systems	14,044,903	11,367,608	2,677,295						
391.60 Computer Related Equipment	11,160,143	10,215,452	944,691						
394.00 Tools, Shop and Garage Equipment	7,608,433	3,611,519	3,996,914						
394.20 Automated Meter Reading Equipment	2,097,424	1,479,854	617,570						
397.00 Communication Equipment	2,141,639	1,322,992	818,647						
397.10 Radio Telecommunication Equipment	6,541,973	5,357,495	1,184,478						
397.20 Microwave Equipment	7,831,382	3,382,934	4,448,448						
397.30 Radio Load Control Equipment	1,771,492	1,453,633	317,859						
Total Amortizable	$ 64,519,065	$ 47,241,022	$ 17,278,043			$ -	$ -	$ -	
Total General Plant	$ 103,810,725	$ 53,453,615	$ 50,357,110	2.1%	18.0%	$ 1,134,836	$ 9,087,827	$ 10,222,663	9.8%
TOTAL UTILITY	$ 2,024,255,606	$ 229,386,956	$ 1,794,868,650	4.0%	-12.3%	$ 9,109,759	$ (221,562,068)	$ (217,318,833)	-10.7%
STEAM PRODUCTION									
Big Stone									
311.00 Structures and Improvements	$ 86,177,085	$ 1,068,600	$ 85,108,485	-10.3%	-6.0%	$ (110,066)	$ (5,106,509)	$ (5,216,575)	-6.1%
312.00 Boiler Plant Equipment	229,224,878	43,789,503	185,435,375	-12.1%	-6.0%	(5,298,530)	(11,126,123)	(16,424,652)	-7.2%
312.10 Boiler Plant Equipment - Ash Ponds									
314.00 Turbogenerator Units	36,713,754	6,558,989	30,154,765	15.6%	-6.0%	1,023,202	(1,809,286)	(786,084)	-2.1%
315.00 Accessory Electric Equipment	22,965,058	902,785	22,062,273	-15.8%	-6.0%	(142,640)	(1,323,736)	(1,466,376)	-6.4%
316.00 Miscellaneous Power Plant Equipment	4,448,494	1,260,070	3,188,424	2.5%	-5.6%	31,502	(178,552)	(147,050)	-3.3%
Total Big Stone	$ 379,529,269	$ 53,579,947	$ 325,949,322	-8.4%	-6.0%	$ (4,496,532)	$ (19,544,206)	$ (24,040,737)	-6.3%

OTTER TAIL POWER COMPANY
Average Net Salvage

Statement D

Account Description	Plant Investment			Salvage Rate		Net Salvage			Average
	Additions	Retirements	Survivors	Realized	Future	Realized	Future	Total	Rate
A	B	C	D=B-C	E	F	G=E*C	H=F*D	I=G+H	J=I/B
Hoot Lake Units 2 and 3									
311.00 Structures and Improvements	$ 6,322,829	$ 238,662	$ 6,084,167	-133.9%	-13.5%	$ (319,568)	$ (821,363)	$ (1,140,931)	-18.0%
312.00 Boiler Plant Equipment	45,098,010	6,982,794	38,115,216	-39.9%	-13.5%	(2,786,135)	(5,145,554)	(7,931,689)	-17.6%
312.10 Boiler Plant Equipment - Ash Ponds	6,695,049		6,695,049						
314.00 Turbogenerator Units	13,106,070	1,562,625	11,543,445	-2.3%	-13.5%	(35,940)	(1,558,365)	(1,594,305)	-12.2%
315.00 Accessory Electric Equipment	2,802,942	36,269	2,766,673	-148.3%	-13.5%	(53,787)	(373,501)	(427,288)	-15.2%
316.00 Miscellaneous Power Plant Equipment	1,303,576	145,692	1,157,884	48.9%	-13.4%	71,243	(155,156)	(83,913)	-6.4%
Total Hoot Lake Units 2 and 3	$ 75,328,476	$ 8,966,042	$ 66,362,434	-34.8%	-12.1%	$ (3,124,187)	$ (8,053,939)	$ (11,178,126)	-14.8%
Coyote									
311.00 Structures and Improvements	$ 35,020,942	$ 765,107	$ 34,255,835	24.1%	-8.0%	$ 184,391	$ (2,740,467)	$ (2,556,076)	-7.3%
312.00 Boiler Plant Equipment	116,227,172	14,394,269	101,832,903	2.5%	-8.0%	359,857	(8,146,632)	(7,786,776)	-6.7%
312.10 Boiler Plant Equipment - Ash Ponds									
314.00 Turbogenerator Units	32,427,784	8,227,195	24,200,589	25.9%	-8.0%	2,130,844	(1,936,047)	194,796	0.6%
315.00 Accessory Electric Equipment	12,774,621	927,327	11,847,294	0.9%	-8.0%	8,346	(947,784)	(939,438)	-7.4%
316.00 Miscellaneous Power Plant Equipment	3,268,616	1,180,579	2,088,037	8.9%	-7.7%	105,072	(160,779)	(55,707)	-1.7%
Total Coyote	$ 199,719,135	$ 25,494,477	$ 174,224,658	10.9%	-8.0%	$ 2,788,508	$ (13,931,709)	$ (11,143,200)	-5.6%
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	200,524		200,524						
335.00 Miscellaneous Power Plant Equipment	127,250	12,032	115,218	-7.9%		(951)		(951)	-0.7%
Total Wright	$ 1,800,526	$ 27,655	$ 1,772,871	807.9%		$ 223,433	$ -	$ 223,433	12.4%
Pisgah									
331.00 Structures and Improvements	$ 12,118	$ -	$ 12,118			$ -	$ -	$ -	
332.00 Reservoirs, Dams and Waterways	376,297		376,297						
333.00 Water Wheels, Turbines & Generators	161,200	1,468	159,732	-1645.1%		(24,150)		(24,150)	-15.0%
334.00 Accessory Electric Equipment	111,257	11,445	99,812	-2.5%		(286)		(286)	-0.3%
335.00 Miscellaneous Power Plant Equipment	84,563	21,819	62,744	-2.5%		(545)		(545)	-0.6%
Total Pisgah	$ 745,435	$ 34,732	$ 710,703	-71.9%		$ (24,982)	$ -	$ (24,982)	-3.4%

OTTER TAIL POWER COMPANY
Average Net Salvage

Statement D

Account Description	Plant Investment			Salvage Rate		Net Salvage			Average
	Additions	Retirements	Survivors	Realized	Future	Realized	Future	Total	Rate
A	B	C	D=B-C	E	F	G=E*C	H=F*D	I=G+H	J=I/B
Dayton Hollow									
331.00 Structures and Improvements	$ 16,269	$ -	$ 16,269			$ -	$ -	$ -	
332.00 Reservoirs, Dams and Waterways	1,335,655	44,264	1,291,391	-309.1%		(136,820)		(136,820)	-10.2%
333.00 Water Wheels, Turbines & Generators	239,295	12,544	226,751	-195.3%		(24,498)		(24,498)	-10.2%
334.00 Accessory Electric Equipment	193,849	507	193,342	41.7%		211		211	0.1%
335.00 Miscellaneous Power Plant Equipment	119,243	8,084	111,159	-2.5%		(202)		(202)	-0.2%
Total Dayton Hollow	$ 1,904,311	$ 65,399	$ 1,838,912	-246.7%		$ (161,309)	$ -	$ (161,309)	-8.5%
Taplin Gorge									
331.00 Structures and Improvements	$ 35,140	$ -	$ 35,140			$ -	$ -	$ -	
332.00 Reservoirs, Dams and Waterways	620,762	18,000	602,762	-166.7%		(30,006)		(30,006)	-4.8%
333.00 Water Wheels, Turbines & Generators	15,110		15,110						
334.00 Accessory Electric Equipment	62,427	3,732	58,695	-4.7%		(175)		(175)	-0.3%
335.00 Miscellaneous Power Plant Equipment	130,503	26,871	103,632	-2.0%		(537)		(537)	-0.4%
Total Taplin Gorge	$ 863,942	$ 48,603	$ 815,339	-63.2%		$ (30,719)	$ -	$ (30,719)	-3.6%
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	$ 310,786	$ 5,129	$ 305,657	-9.9%	-1.6%	$ (508)	$ (4,891)	$ (5,398)	-1.7%
342.00 Fuel Holders and Accessories	593,813	177,849	415,964	-12.6%	-1.6%	(22,488)	(6,655)	(29,143)	-4.9%
343.00 Prime Movers	7,502,045	549,518	6,952,527	-25.9%	-1.6%	(142,517)	(111,240)	(253,757)	-3.4%
344.00 Generators									
345.00 Accessory Electric Equipment	263,937	36,347	227,590	22.6%	-1.6%	8,205	(3,641)	4,564	1.7%
346.00 Miscellaneous Power Plant Equipment	139,078	50,413	88,665	22.2%	-1.6%	11,201	(1,419)	9,782	7.0%
Total Jamestown	$ 8,809,659	$ 819,256	$ 7,990,403	-17.8%	-1.6%	$ (146,106)	$ (127,846)	$ (273,952)	-3.1%
Jamestown Unit 1									
341.00 Structures and Improvements	$ 285,933	$ 5,129	$ 280,804	-9.9%	-1.6%	$ (508)	$ (4,493)	$ (5,001)	-1.7%
342.00 Fuel Holders and Accessories	407,203	28,008	379,195	-51.4%	-1.6%	(14,396)	(6,067)	(20,463)	-5.0%
343.00 Prime Movers	3,322,728	291,862	3,030,866	-35.5%	-1.6%	(103,611)	(48,494)	(152,105)	-4.6%
344.00 Generators									
345.00 Accessory Electric Equipment	157,825	2,553	155,272	19.6%	-1.6%	500	(2,484)	(1,984)	-1.3%
346.00 Miscellaneous Power Plant Equipment	112,036	26,574	85,462	26.9%	-1.6%	7,148	(1,367)	5,781	5.2%
Total Jamestown Unit 1	$ 4,285,725	$ 354,126	$ 3,931,599	-31.3%	-1.6%	$ (110,866)	$ (62,906)	$ (173,772)	-4.1%

OTTER TAIL POWER COMPANY
Average Net Salvage

Statement D

Account Description	Plant Investment			Salvage Rate		Net Salvage			Average
	Additions	Retirements	Survivors	Realized	Future	Realized	Future	Total	Rate
A	B	C	D=B-C	E	F	G=E*C	H=F*D	I=G+H	J=I/B
Jamestown Unit 2									
341.00 Structures and Improvements	$ 24,853	$ -	$ 24,853		-1.6%	$ -	$ (398)	$ (398)	-1.6%
342.00 Fuel Holders and Accessories	186,610	149,841	36,769	-5.4%	-1.6%	(8,091)	(588)	(8,680)	-4.7%
343.00 Prime Movers	4,179,317	257,656	3,921,661	-15.1%	-1.6%	(38,906)	(62,747)	(101,653)	-2.4%
344.00 Generators									
345.00 Accessory Electric Equipment	106,112	33,794	72,318	22.8%	-1.6%	7,705	(1,157)	6,548	6.2%
346.00 Miscellaneous Power Plant Equipment	27,042	23,839	3,203	17.0%	-1.6%	4,053	(51)	4,001	14.8%
Total Jamestown Unit 2	$ 4,523,934	$ 465,130	$ 4,058,804	-7.6%	-1.6%	$ (35,240)	$ (64,941)	$ (100,181)	-2.2%
Lake Preston									
341.00 Structures and Improvements	$ 229,833	$ (1)	$ 229,834		-2.8%	$ -	$ (6,435)	$ (6,435)	-2.8%
342.00 Fuel Holders and Accessories	373,513	44,808	328,705	-4.9%	-2.8%	(2,196)	(9,204)	(11,399)	-3.1%
343.00 Prime Movers	3,514,567	231,925	3,282,642	-7.6%	-2.8%	(17,626)	(91,914)	(109,540)	-3.1%
344.00 Generators									
345.00 Accessory Electric Equipment	418,651	18,557	400,094	-3.2%	-2.8%	(594)	(11,203)	(11,796)	-2.8%
346.00 Miscellaneous Power Plant Equipment	25,227	3,620	21,607	71.8%	-2.8%	2,599	(605)	1,994	7.9%
Total Lake Preston	$ 4,561,791	$ 298,909	$ 4,262,882	-6.0%	-2.8%	$ (17,817)	$ (119,361)	$ (137,177)	-3.0%
Ashtabula Wind Generation									
341.00 Structures and Improvements	$ 3,248,290	$ -	$ 3,248,290		-1.2%	$ -	$ (38,979)	$ (38,979)	-1.2%
342.00 Fuel Holders and Accessories									
343.00 Prime Movers									
344.00 Generators	108,547,275	1,878,760	106,668,515		-1.2%		(1,280,022)	(1,280,022)	-1.2%
345.00 Accessory Electric Equipment	6,347,379		6,347,379		-1.2%		(76,169)	(76,169)	-1.2%
346.00 Miscellaneous Power Plant Equipment	28,417		28,417		-1.2%		(341)	(341)	-1.2%
Total Ashtabula Wind Generation	$ 118,171,361	$ 1,878,760	$ 116,292,601		-1.2%	$ -	$ (1,395,511)	$ (1,395,511)	-1.2%
Langdon Wind Generation									
341.00 Structures and Improvements	$ 2,484,069	$ -	$ 2,484,069		-1.4%	$ -	$ (34,777)	$ (34,777)	-1.4%
342.00 Fuel Holders and Accessories									
343.00 Prime Movers									
344.00 Generators	70,526,392	1,263,977	69,262,415		-1.4%		(969,674)	(969,674)	-1.4%
345.00 Accessory Electric Equipment	7,407,275		7,407,275		-1.4%		(103,702)	(103,702)	-1.4%
346.00 Miscellaneous Power Plant Equipment	65,210		65,210		-1.4%		(913)	(913)	-1.4%
Total Langdon Wind Generation	$ 80,482,946	$ 1,263,977	$ 79,218,969		-1.4%	$ -	$ (1,109,066)	$ (1,109,066)	-1.4%
Luverne Wind Generation									
341.00 Structures and Improvements	$ 2,266,581	$ -	$ 2,266,581		-2.0%	$ -	$ (45,332)	$ (45,332)	-2.0%
342.00 Fuel Holders and Accessories									
343.00 Prime Movers									
344.00 Generators	66,339,503	669,078	65,670,425	-5.7%	-2.0%	(38,137)	(1,313,409)	(1,351,546)	-2.0%
345.00 Accessory Electric Equipment	4,863,837		4,863,837		-2.0%		(97,277)	(97,277)	-2.0%
346.00 Miscellaneous Power Plant Equipment	74,045		74,045		-2.0%		(1,481)	(1,481)	-2.0%
Total Luverne Wind Generation	$ 73,543,966	$ 669,078	$ 72,874,888	-5.7%	-2.0%	$ (38,137)	$ (1,457,498)	$ (1,495,635)	-2.0%

OTTER TAIL POWER COMPANY
Average Net Salvage

Statement D

Account Description		Plant Investment			Salvage Rate		Net Salvage			Average
		Additions	Retirements	Survivors	Realized	Future	Realized	Future	Total	Rate
A		B	C	D=B-C	E	F	G=E*C	H=F*D	I=G+H	J=I/B
Solway Combustion Turbine										
341.00	Structures and Improvements	$ 4,419,779	$ 8,000	$ 4,411,779	-4.6%	-0.4%	$ (368)	$ (17,647)	$ (18,015)	-0.4%
342.00	Fuel Holders and Accessories	1,003,596		1,003,596		-0.4%		(4,014)	(4,014)	-0.4%
343.00	Prime Movers	21,896,245	396,893	21,499,352	-16.7%	-0.4%	(66,281)	(85,997)	(152,279)	-0.7%
344.00	Generators									
345.00	Accessory Electric Equipment	1,353,696	48,118	1,305,578		-0.4%		(5,222)	(5,222)	-0.4%
346.00	Miscellaneous Power Plant Equipment	350,326		350,326		-0.4%		(1,401)	(1,401)	-0.4%
	Total Solway Combustion Turbine	$ 29,023,642	$ 453,011	$ 28,570,631	-14.7%	-0.4%	$ (66,649)	$ (114,283)	$ (180,932)	-0.6%
Fergus Falls Control Center										
341.00	Structures and Improvements	$ -	$ -	$ -			$ -	$ -	$ -	
342.00	Fuel Holders and Accessories									
343.00	Prime Movers	650,974	59,336	591,638	6.2%		3,679		3,679	0.6%
344.00	Generators									
345.00	Accessory Electric Equipment									
346.00	Miscellaneous Power Plant Equipment									
	Total Fergus Falls Control Center	$ 650,974	$ 59,336	$ 591,638	6.2%		$ 3,679	$ -	$ 3,679	0.6%

OTTER TAIL POWER COMPANY
Future Net Salvage
Steam and Other Production

Statement E

Account Description	12/31/16 Plant Investment	Future Retirements		Net Salvage Rate		Future Net Salvage			Future Rate
		Interim	Final	Interim	Final	Interim	Final	Total	
A	B	C	D=B-C	E	F	G=C*E	H=D*F	I=G+H	J=I/B
STEAM PRODUCTION									
Big Stone									
311.00 Structures and Improvements	$ 85,108,485	$ 6,347,551	$ 78,760,934	-5.0%	-6.1%	$ (317,378)	$ (4,783,530)	$ (5,100,907)	-6.0%
312.00 Boiler Plant Equipment	185,435,375	13,791,854	171,643,521	-5.0%	-6.1%	(689,593)	(10,424,736)	(11,114,328)	-6.0%
312.10 Boiler Plant Equipment - Ash Ponds									
314.00 Turbogenerator Units	30,154,765	2,305,311	27,849,454	-5.0%	-6.1%	(115,266)	(1,691,431)	(1,806,697)	-6.0%
315.00 Accessory Electric Equipment	22,062,273	1,661,081	20,401,192	-5.0%	-6.1%	(83,054)	(1,239,062)	(1,322,116)	-6.0%
316.00 Miscellaneous Power Plant Equipment	3,188,424	243,964	2,944,460		-6.1%		(178,831)	(178,831)	-5.6%
Total Big Stone	$ 325,949,322	$ 24,349,761	$ 301,599,561	-4.9%	-6.1%	$ (1,205,290)	$ (18,317,590)	$ (19,522,880)	-6.0%
Hoot Lake Units 2 and 3									
311.00 Structures and Improvements	$ 6,084,167	$ 69,035	$ 6,015,132	-5.0%	-13.6%	$ (3,452)	$ (816,857)	$ (820,309)	-13.5%
312.00 Boiler Plant Equipment	38,115,216	403,846	37,711,370	-5.0%	-13.6%	(20,192)	(5,121,219)	(5,141,411)	-13.5%
312.10 Boiler Plant Equipment - Ash Ponds	6,695,049	578,539	6,116,510						
314.00 Turbogenerator Units	11,543,445	127,262	11,416,183	-5.0%	-13.6%	(6,363)	(1,550,322)	(1,556,685)	-13.5%
315.00 Accessory Electric Equipment	2,766,673	31,149	2,735,524	-5.0%	-13.6%	(1,557)	(371,485)	(373,043)	-13.5%
316.00 Miscellaneous Power Plant Equipment	1,157,884	12,063	1,145,821		-13.6%		(155,603)	(155,603)	-13.4%
Total Hoot Lake Units 2 and 3	$ 66,362,434	$ 1,221,894	$ 65,140,540	-2.6%	-13.6%	$ (31,565)	$ (8,015,486)	$ (8,047,050)	-12.1%
Coyote									
311.00 Structures and Improvements	$ 34,255,835	$ 2,233,210	$ 32,022,625	-5.0%	-8.2%	$ (111,661)	$ (2,623,964)	$ (2,735,625)	-8.0%
312.00 Boiler Plant Equipment	101,832,903	6,546,359	95,286,544	-5.0%	-8.2%	(327,318)	(7,807,870)	(8,135,188)	-8.0%
312.10 Boiler Plant Equipment - Ash Ponds									
314.00 Turbogenerator Units	24,200,589	1,534,982	22,665,607	-5.0%	-8.2%	(76,749)	(1,857,241)	(1,933,991)	-8.0%
315.00 Accessory Electric Equipment	11,847,294	768,053	11,079,241	-5.0%	-8.2%	(38,403)	(907,844)	(946,246)	-8.0%
316.00 Miscellaneous Power Plant Equipment	2,088,037	131,959	1,956,078		-8.2%		(160,283)	(160,283)	-7.7%
Total Coyote	$ 174,224,658	$ 11,214,564	$ 163,010,094	-4.9%	-8.2%	$ (554,130)	$ (13,357,202)	$ (13,911,333)	-8.0%
OTHER PRODUCTION							-		
Jamestown									
341.00 Structures and Improvements	$ 305,657	$ 13,131	$ 292,526		-1.7%	$ -	$ (4,928)	$ (4,928)	-1.6%
342.00 Fuel Holders and Accessories	415,964	17,612	398,352		-1.7%		(6,711)	(6,711)	-1.6%
343.00 Prime Movers	6,952,527	302,923	6,649,604		-1.7%		(112,031)	(112,031)	-1.6%
344.00 Generators									
345.00 Accessory Electric Equipment	227,590	9,876	217,714		-1.7%		(3,668)	(3,668)	-1.6%
346.00 Miscellaneous Power Plant Equipment	88,665	3,635	85,030		-1.7%		(1,433)	(1,433)	-1.6%
Total Jamestown	$ 7,990,403	$ 347,177	$ 7,643,226		-1.7%	$ -	$ (128,771)	$ (128,771)	-1.6%

OTTER TAIL POWER COMPANY
Future Net Salvage
Steam and Other Production

Statement E

Account Description	12/31/16 Plant Investment	Future Retirements		Net Salvage Rate		Future Net Salvage			Future Rate
		Interim	Final	Interim	Final	Interim	Final	Total	
A	B	C	D=B-C	E	F	G=C*E	H=D*F	I=G+H	J=I/B
Lake Preston									
341.00 Structures and Improvements	$ 229,834	$ 10,026	$ 219,808		-3.0%	$ -	$ (6,515)	$ (6,515)	-2.8%
342.00 Fuel Holders and Accessories	328,705	14,260	314,445		-3.0%		(9,320)	(9,320)	-2.8%
343.00 Prime Movers	3,282,642	143,530	3,139,112		-3.0%		(93,039)	(93,039)	-2.8%
344.00 Generators									
345.00 Accessory Electric Equipment	400,094	17,493	382,601		-3.0%		(11,340)	(11,340)	-2.8%
346.00 Miscellaneous Power Plant Equipment	21,607	946	20,661		-3.0%		(612)	(612)	-2.8%
Total Lake Preston	$ 4,262,882	$ 186,254	$ 4,076,628		-3.0%	$ -	$ (120,826)	$ (120,826)	-2.8%
Solway Combustion Turbine									
341.00 Structures and Improvements	$ 4,411,779	$ 239,390	$ 4,172,389		-0.4%	$ -	$ (17,063)	$ (17,063)	-0.4%
342.00 Fuel Holders and Accessories	1,003,596	54,503	949,093		-0.4%		(3,881)	(3,881)	-0.4%
343.00 Prime Movers	21,499,352	1,166,861	20,332,491		-0.4%		(83,151)	(83,151)	-0.4%
344.00 Generators									
345.00 Accessory Electric Equipment	1,305,578	70,775	1,234,803		-0.4%		(5,050)	(5,050)	-0.4%
346.00 Miscellaneous Power Plant Equipment	350,326	18,925	331,401		-0.4%		(1,355)	(1,355)	-0.4%
Total Solway Combustion Turbine	$ 28,570,631	$ 1,550,454	$ 27,020,177		-0.4%	$ -	$ (110,501)	$ (110,501)	-0.4%
Ashtabula Wind Generation									
341.00 Structures and Improvements	$3,248,290	$132,753	$ 3,115,537		-1.2%	$ -	$ (38,782)	$ (38,782)	-1.2%
342.00 Fuel Holders and Accessories					-1.2%				
343.00 Prime Movers					-1.2%				
344.00 Generators	106,668,515	4,358,040	102,310,475		-1.2%		(1,273,544)	(1,273,544)	-1.2%
345.00 Accessory Electric Equipment	6,347,379	259,356	6,088,023		-1.2%		(75,783)	(75,783)	-1.2%
346.00 Miscellaneous Power Plant Equipment	28,417	1,150	27,267		-1.2%		(339)	(339)	-1.2%
Total Ashtabula Wind Generation	$ 116,292,601	$ 4,751,298	$ 111,541,303		-1.2%	$ -	$ (1,388,447)	$ (1,388,447)	-1.2%
Langdon Wind Generation									
341.00 Structures and Improvements	$2,484,069	$95,419	$ 2,388,650		-1.5%	$ -	$ (35,967)	$ (35,967)	-1.4%
342.00 Fuel Holders and Accessories					-1.5%				
343.00 Prime Movers					-1.5%				
344.00 Generators	69,262,415	2,659,337	66,603,078		-1.5%		(1,002,879)	(1,002,879)	-1.4%
345.00 Accessory Electric Equipment	7,407,275	284,241	7,123,034		-1.5%		(107,255)	(107,255)	-1.4%
346.00 Miscellaneous Power Plant Equipment	65,210	2,473	62,737		-1.5%		(945)	(945)	-1.4%
Total Langdon Wind Generation	$ 79,218,969	$ 3,041,469	$ 76,177,500		-1.5%	$ -	$ (1,147,046)	$ (1,147,046)	-1.4%

OTTER TAIL POWER COMPANY
Future Net Salvage
Steam and Other Production

Statement E

Account Description	12/31/16 Plant Investment	Future Retirements		Net Salvage Rate		Future Net Salvage			Future Rate
		Interim	Final	Interim	Final	Interim	Final	Total	
A	B	C	D=B-C	E	F	G=C*E	H=D*F	I=G+H	J=I/B
Luverne Wind Generation									
341.00 Structures and Improvements	$2,266,581	$98,171	$ 2,168,410		-2.1%	$ -	$ (45,424)	$ (45,424)	-2.0%
342.00 Fuel Holders and Accessories									
343.00 Prime Movers									
344.00 Generators	65,670,425	2,843,688	62,826,737		-2.1%		(1,316,090)	(1,316,090)	-2.0%
345.00 Accessory Electric Equipment	4,863,837	210,660	4,653,177		-2.1%		(97,474)	(97,474)	-2.0%
346.00 Miscellaneous Power Plant Equipment	74,045	3,176	70,869		-2.1%		(1,485)	(1,485)	-2.0%
Total Luverne Wind Generation	$ 72,874,888	$ 3,155,694	$ 69,719,194		-2.1%	$ -	$ (1,460,473)	$ (1,460,473)	-2.0%
GENERAL PLANT									
390.10 General Office Buildings	$5,718,958	$199,942	$ 5,519,016	-5.0%	51.6%	$ (9,997)	$ 2,846,923	$ 2,836,926	49.6%
390.20 Fleet Service Center Building	937,678	20,297	917,381	-5.0%	34.4%	(1,015)	315,851	314,836	33.6%
390.30 Central Stores Building	4,027,548	198,744	3,828,804	-5.0%	97.7%	(9,937)	3,739,918	3,729,981	92.6%

OTTER TAIL POWER COMPANY
Current and Updated Parameters
Vintage Group Procedure

Statement F

Account Description	Current Parameters P-Life/ AYFR	Curve Shape	VG ASL	Rem. Life	Avg. Sal.	Fut. Sal.	Updated Parameters P-Life/ AYFR	Curve Shape	VG ASL	Rem. Life	Avg. Sal.	Fut. Sal.
A	B	C	D	E	F	G	H	I	J	K	L	M
STEAM PRODUCTION												
311.00 Structures and Improvements			37.88	27.20	-7.3	-7.0			37.69	26.24	-7.0	-6.9
312.00 Boiler Plant Equipment			31.46	22.18	-8.6	-7.5			30.96	21.38	-8.2	-7.5
312.10 Boiler Plant Equipment - Ash Ponds			38.25	33.91					38.09	32.99		
314.00 Turbogenerator Units			36.48	21.20	-2.6	-8.0			36.21	20.34	-2.7	-8.0
315.00 Accessory Electric Equipment			38.31	25.49	-7.4	-7.3			38.29	24.57	-7.4	-7.2
316.00 Miscellaneous Power Plant Equipment			30.12	18.80	-3.0	-7.6			29.88	18.16	-3.2	-7.7
Total Steam Production Plant			33.74	23.36	-7.3	-7.3			33.31	22.48	-7.1	-7.3
HYDRAULIC PRODUCTION												
331.00 Structures and Improvements			18.19	5.46	-0.1				18.22	4.47	-0.1	
332.00 Reservoirs, Dams and Waterways			12.12	5.46	1.7				12.14	4.47	1.7	
333.00 Water Wheels, Turbines & Generators			13.17	5.46	-7.5				13.19	4.47	-7.5	
334.00 Accessory Electric Equipment			19.86	5.46	-0.2				19.87	4.47	-0.2	
335.00 Miscellaneous Power Plant Equipment			10.21	5.46	-0.5				10.23	4.47	-0.5	
Total Hydraulic Production Plant			12.80	5.46	-0.5				12.82	4.47	-0.5	
OTHER PRODUCTION												
341.00 Structures and Improvements			27.14	18.42	-1.2	-1.1			27.16	17.46	-1.1	-1.1
342.00 Fuel Holders and Accessories			33.17	19.80	-2.3	-1.2			33.17	18.85	-2.3	-1.1
343.00 Prime Movers			36.37	20.56	-1.4	-0.9			35.35	19.47	-1.5	-0.9
344.00 Generators			24.15	17.09	-1.5	-1.5			24.11	16.13	-1.5	-1.5
345.00 Accessory Electric Equipment			24.79	17.21	-1.4	-1.4			24.79	16.25	-1.4	-1.4
346.00 Miscellaneous Power Plant Equipment			26.46	19.22	1.1	-1.0			26.21	18.40	1.1	-1.0
Total Other Production Plant			25.22	17.42	-1.5	-1.4			25.15	16.46	-1.5	-1.4
TRANSMISSION PLANT												
353.00 Station Equipment	65.00	R1	65.15	53.06	-0.7	-5.0	65.00	R1	65.14	53.63	-0.6	-5.0
354.00 Towers and Fixtures	70.00	R5	70.00	66.45	-10.0	-10.0	70.00	R5	70.00	65.34	-10.0	-10.0
355.00 Poles and Fixtures	70.00	R2	70.36	54.30	-45.2	-50.0	70.00	R2	70.37	54.21	-45.5	-50.0
356.00 Overhead Conductors and Devices	70.00	R2	70.23	55.22	-26.1	-30.0	70.00	R2	70.23	55.11	-26.3	-30.0
358.00 Underground Conductors and Devices	40.00	S4	42.08	9.36	-7.3	-5.0	40.00	S4	42.48	8.92	-7.3	-5.0
Total Transmission Plant			69.00	56.93	-22.0	-25.5			68.92	56.53	-22.1	-25.6

OTTER TAIL POWER COMPANY
Current and Updated Parameters
Vintage Group Procedure

Statement F

Account Description	Current Parameters P-Life/ AYFR	Curve Shape	VG ASL	Rem. Life	Avg. Sal.	Fut. Sal.	Updated Parameters P-Life/ AYFR	Curve Shape	VG ASL	Rem. Life	Avg. Sal.	Fut. Sal.
A	B	C	D	E	F	G	H	I	J	K	L	M
DISTRIBUTION PLANT												
362.00 Station Equipment	40.00	SC	40.63	32.11	7.3	5.0	40.00	SC	40.64	32.00	7.2	5.0
364.00 Poles, Towers and Fixtures	68.00	R3	68.09	47.61	-76.5	-75.0	68.00	R3	68.10	47.20	-76.6	-75.0
365.00 Overhead Conductors and Devices	65.00	R2.5	65.21	43.53	-98.3	-100.0	65.00	R2.5	65.22	43.09	-98.3	-100.0
367.00 Underground Conductors and Devices	40.00	R4	39.95	24.39	-4.7	-5.0	40.00	R4	39.98	24.22	-4.8	-5.0
368.00 Line Transformers	40.00	R2.5	40.13	28.21	48.5	50.0	40.00	R2.5	40.13	28.05	48.4	50.0
369.00 Overhead Services	55.00	S5	55.23	32.19	-155.4	-150.0	55.00	S5	55.25	31.60	-155.8	-150.0
369.10 Underground Services	45.00	R4	45.15	29.99	-20.2	-20.0	45.00	R4	45.17	29.63	-20.3	-20.0
370.00 Meters	28.00	L0.5	29.71	20.69	0.1		28.00	L0.5	29.61	20.73	0.2	
370.10 Load Management Switches	12.00	R5	12.31	2.12			12.00	R5	12.63	1.59		
371.20 Other Private Lighting	23.00	L0	23.17	16.83	9.3	10.0	23.00	L0	23.14	17.03	9.1	10.0
373.00 Street Lighting and Signal Systems	22.00	L0.5	22.55	15.03	-3.9	-5.0	22.00	L0.5	22.56	15.13	-3.9	-5.0
Total Distribution Plant			42.02	28.61	-16.4	-18.5			42.09	28.45	-16.0	-17.9
GENERAL PLANT												
Depreciable												
390.00 Structures and Improvements	47.00	R1.5	47.53	30.54	13.4	10.0	47.00	R1.5	47.57	30.07	13.3	10.0
390.10 General Office Buildings	2030	200-SC	32.96	14.22	38.4	49.6	2030	200-SC	32.85	13.26	38.4	49.6
390.20 Fleet Service Center Building	2025	200-SC	27.31	9.38	26.0	33.6	2025	200-SC	27.32	8.41	26.0	33.6
390.30 Central Stores Building	2035	200-SC	49.71	18.98	90.9	92.6	2035	200-SC	49.66	18.03	90.6	92.6
396.00 Power Operated Equipment	24.00	L0	26.23	16.89	21.7	20.0	24.00	L0	25.59	17.81	20.7	20.0
397.40 Communication Towers	40.00	R3	40.35	24.13	5.5	5.0	40.00	R3	40.41	23.32	5.5	5.0
Total Depreciable			42.53	23.94	26.2	27.6			42.49	23.32	26.0	27.5
Amortizable												
391.00 Office Furniture	15.00	SQ	15.00	5.51			15.00	SQ	15.00	5.16		
391.10 Office Equipment	10.00	SQ	10.00	3.46			10.00	SQ	10.00	2.47		
391.20 Duplicating Equipment	10.00	SQ	10.00	4.44			10.00	SQ	10.00	3.85		
391.50 Computer Systems	5.00	SQ	5.00	2.52			5.00	SQ	5.00	2.15		
391.60 Computer Related Equipment	5.00	SQ	5.00	2.13			5.00	SQ	5.00	1.78		
394.00 Tools, Shop and Garage Equipment	15.00	SQ	15.00	8.83			15.00	SQ	15.00	8.59		
394.20 Automated Meter Reading Equipment	15.00	SQ	15.00	6.84			15.00	SQ	15.00	5.84		
397.00 Communication Equipment	15.00	SQ	15.00	8.49			15.00	SQ	15.00	8.03		

OTTER TAIL POWER COMPANY
Current and Updated Parameters
Vintage Group Procedure

Statement F

Account Description	Current Parameters P-Life/ AYFR	Curve Shape	VG ASL	Rem. Life	Avg. Sal.	Fut. Sal.	Updated Parameters P-Life/ AYFR	Curve Shape	VG ASL	Rem. Life	Avg. Sal.	Fut. Sal.
A	B	C	D	E	F	G	H	I	J	K	L	M
397.10 Radio Telecommunication Equipment	10.00	SQ	10.00	4.83			10.00	SQ	10.00	3.92		
397.20 Microwave Equipment	15.00	SQ	15.00	7.69			15.00	SQ	15.00	7.92		
397.30 Radio Load Control Equipment	10.00	SQ	10.00	5.40			10.00	SQ	10.00	4.40		
Total Amortizable			8.70	4.34					10.04	4.72		
Total General Plant			16.90	9.09	9.9	16.8			20.14	10.51	9.8	18.0
TOTAL UTILITY			36.08	25.69	-10.8	-12.3			36.50	25.48	-10.7	-12.3
STEAM PRODUCTION												
Big Stone												
311.00 Structures and Improvements	2046	200-SC	34.26	29.32	-6.1	-6.0	2046	200-SC	34.24	28.39	-6.1	-6.0
312.00 Boiler Plant Equipment	2046	200-SC	33.69	29.32	-7.1	-6.0	2046	200-SC	33.62	28.39	-7.2	-6.0
312.10 Boiler Plant Equipment - Ash Ponds												
314.00 Turbogenerator Units	2046	200-SC	43.25	29.29	-2.1	-6.0	2046	200-SC	43.02	28.36	-2.1	-6.0
315.00 Accessory Electric Equipment	2046	200-SC	36.40	29.31	-6.4	-6.0	2046	200-SC	36.37	28.39	-6.4	-6.0
316.00 Miscellaneous Power Plant Equipment	2046	200-SC	41.96	29.29	-3.3	-5.6	2046	200-SC	41.21	28.37	-3.3	-5.6
Total Big Stone			34.79	29.32	-6.3	-6.0			34.73	28.39	-6.3	-6.0
Hoot Lake Units 2 and 3												
311.00 Structures and Improvements	2021	200-SC	36.71	5.46	-16.8	-12.2	2021	200-SC	36.76	4.47	-18.0	-13.5
312.00 Boiler Plant Equipment	2021	200-SC	14.58	5.46	-16.6	-12.2	2021	200-SC	14.59	4.47	-17.6	-13.5
312.10 Boiler Plant Equipment - Ash Ponds	2051	200-SC	38.25	33.91			2051	200-SC	38.09	32.99		
314.00 Turbogenerator Units	2021	200-SC	23.57	5.46	-11.0	-12.2	2021	200-SC	23.62	4.47	-12.2	-13.5
315.00 Accessory Electric Equipment	2021	200-SC	26.43	5.46	-14.0	-12.2	2021	200-SC	26.47	4.47	-15.2	-13.5
316.00 Miscellaneous Power Plant Equipment	2021	200-SC	14.31	5.46	-5.3	-12.1	2021	200-SC	14.31	4.47	-6.4	-13.4
Total Hoot Lake Units 2 and 3			18.32	6.88	-13.8	-10.9			18.29	5.85	-14.8	-12.1
Coyote												
311.00 Structures and Improvements	2041	200-SC	52.25	24.62	-8.6	-8.5	2041	200-SC	50.61	23.69	-7.3	-8.0
312.00 Boiler Plant Equipment	2041	200-SC	48.13	24.63	-8.2	-8.5	2041	200-SC	42.75	23.71	-6.7	-8.0
312.10 Boiler Plant Equipment - Ash Ponds												
314.00 Turbogenerator Units	2041	200-SC	39.15	24.65	0.3	-8.5	2041	200-SC	38.41	23.72	0.6	-8.0
315.00 Accessory Electric Equipment	2041	200-SC	48.02	24.63	-7.8	-8.5	2041	200-SC	48.01	23.70	-7.4	-8.0
316.00 Miscellaneous Power Plant Equipment	2041	200-SC	37.89	24.65	-1.8	-8.2	2041	200-SC	36.58	23.72	-1.7	-7.7
Total Coyote			47.14	24.63	-6.7	-8.5			43.63	23.71	-5.6	-8.0

OTTER TAIL POWER COMPANY
Current and Updated Parameters
Vintage Group Procedure

Statement F

Account Description	Current Parameters P-Life/ AYFR	Curve Shape	VG ASL	Rem. Life	Avg. Sal.	Fut. Sal.	Updated Parameters P-Life/ AYFR	Curve Shape	VG ASL	Rem. Life	Avg. Sal.	Fut. Sal.
A	B	C	D	E	F	G	H	I	J	K	L	M
HYDRAULIC PRODUCTION												
Hoot Lake												
331.00 Structures and Improvements	2021	200-SC	61.16	5.46			2021	200-SC	61.30	4.47		
332.00 Reservoirs, Dams and Waterways	2021	200-SC	29.89	5.46	-0.1		2021	200-SC	29.94	4.47	-0.1	
333.00 Water Wheels, Turbines & Generators	2021	200-SC	36.08	5.46			2021	200-SC	36.16	4.47		
334.00 Accessory Electric Equipment	2021	200-SC	30.68	5.46			2021	200-SC	30.74	4.47		
335.00 Miscellaneous Power Plant Equipment	2021	200-SC	8.91	5.46			2021	200-SC	8.92	4.47		
Total Hoot Lake			26.94	5.46					26.99	4.47		
Wright												
331.00 Structures and Improvements	2021	200-SC	30.68	5.46			2021	200-SC	30.74	4.47		
332.00 Reservoirs, Dams and Waterways	2021	200-SC	9.58	5.46	27.1		2021	200-SC	9.59	4.47	27.1	
333.00 Water Wheels, Turbines & Generators	2021	200-SC	9.29	5.46	-3.6		2021	200-SC	9.30	4.47	-3.6	
334.00 Accessory Electric Equipment	2021	200-SC	17.78	5.46			2021	200-SC	17.81	4.47		
335.00 Miscellaneous Power Plant Equipment	2021	200-SC	12.20	5.46	-0.7		2021	200-SC	12.21	4.47	-0.7	
Total Wright			10.23	5.46	12.4				10.25	4.47	12.4	
Pisgah												
331.00 Structures and Improvements	2021	200-SC	38.70	5.46			2021	200-SC	38.78	4.47		
332.00 Reservoirs, Dams and Waterways	2021	200-SC	12.97	5.46			2021	200-SC	12.99	4.47		
333.00 Water Wheels, Turbines & Generators	2021	200-SC	15.87	5.46	-15.0		2021	200-SC	15.90	4.47	-15.0	
334.00 Accessory Electric Equipment	2021	200-SC	17.73	5.46	-0.3		2021	200-SC	17.66	4.47	-0.3	
335.00 Miscellaneous Power Plant Equipment	2021	200-SC	8.91	5.46	-0.6		2021	200-SC	8.92	4.47	-0.6	
Total Pisgah			13.65	5.46	-3.4				13.66	4.47	-3.4	
Dayton Hollow												
331.00 Structures and Improvements	2021	200-SC	9.93	5.46			2021	200-SC	9.95	4.47		
332.00 Reservoirs, Dams and Waterways	2021	200-SC	10.67	5.46	-10.2		2021	200-SC	10.69	4.47	-10.2	
333.00 Water Wheels, Turbines & Generators	2021	200-SC	14.16	5.46	-10.2		2021	200-SC	14.18	4.47	-10.2	
334.00 Accessory Electric Equipment	2021	200-SC	21.32	5.46	0.1		2021	200-SC	21.36	4.47	0.1	
335.00 Miscellaneous Power Plant Equipment	2021	200-SC	8.93	5.46	-0.2		2021	200-SC	8.94	4.47	-0.2	
Total Dayton Hollow			11.48	5.46	-8.5				11.50	4.47	-8.5	

OTTER TAIL POWER COMPANY
Current and Updated Parameters
Vintage Group Procedure

Statement F

Account Description	Current Parameters P-Life/ AYFR	Curve Shape	VG ASL	Rem. Life	Avg. Sal.	Fut. Sal.	Updated Parameters P-Life/ AYFR	Curve Shape	VG ASL	Rem. Life	Avg. Sal.	Fut. Sal.
A	B	C	D	E	F	G	H	I	J	K	L	M
Taplin Gorge												
331.00 Structures and Improvements	2021	200-SC	74.27	5.45			2021	200-SC	74.44	4.47		
332.00 Reservoirs, Dams and Waterways	2021	200-SC	16.29	5.46	-4.8		2021	200-SC	16.31	4.47	-4.8	
333.00 Water Wheels, Turbines & Generators	2021	200-SC	81.90	5.45			2021	200-SC	82.09	4.47		
334.00 Accessory Electric Equipment	2021	200-SC	22.15	5.46	-0.3		2021	200-SC	22.19	4.47	-0.3	
335.00 Miscellaneous Power Plant Equipment	2021	200-SC	11.73	5.46	-0.4		2021	200-SC	11.75	4.47	-0.4	
Total Taplin Gorge			16.59	5.46	-3.6				16.61	4.47	-3.6	
Bemidji												
331.00 Structures and Improvements	2021	200-SC	13.18	5.46	-0.1		2021	200-SC	13.20	4.47	-0.1	
332.00 Reservoirs, Dams and Waterways	2021	200-SC	13.00	5.46	-0.6		2021	200-SC	13.02	4.47	-0.6	
333.00 Water Wheels, Turbines & Generators	2021	200-SC	19.62	5.46	-11.2		2021	200-SC	19.66	4.47	-11.2	
334.00 Accessory Electric Equipment	2021	200-SC	73.00	5.45	-17.7		2021	200-SC	73.05	4.47	-17.7	
335.00 Miscellaneous Power Plant Equipment	2021	200-SC	11.87	5.46	-5.5		2021	200-SC	11.89	4.47	-5.5	
Total Bemidji			14.23	5.46	-3.1				14.25	4.47	-3.1	
OTHER PRODUCTION												
Jamestown												
341.00 Structures and Improvements			35.90	17.10	-1.8	-1.7			35.94	16.14	-1.7	-1.6
342.00 Fuel Holders and Accessories			28.68	17.11	-5.0	-1.7			28.65	16.15	-4.9	-1.6
343.00 Prime Movers			45.82	17.08	-3.2	-1.7			40.67	16.13	-3.4	-1.6
344.00 Generators												
345.00 Accessory Electric Equipment			36.89	17.09	1.6	-1.7			36.88	16.14	1.7	-1.6
346.00 Miscellaneous Power Plant Equipment			22.92	17.11	7.0	-1.7			22.73	16.15	7.0	-1.6
Total Jamestown			43.13	17.09	-2.9	-1.7			39.16	16.14	-3.1	-1.6
Jamestown Unit 1												
341.00 Structures and Improvements	2033	200-SC	36.90	17.10	-1.8	-1.7	2033	200-SC	36.94	16.14	-1.7	-1.6
342.00 Fuel Holders and Accessories	2033	200-SC	28.19	17.11	-5.1	-1.7	2033	200-SC	28.20	16.15	-5.0	-1.6
343.00 Prime Movers	2033	200-SC	43.53	17.09	-4.4	-1.7	2033	200-SC	37.88	16.14	-4.6	-1.6
344.00 Generators												
345.00 Accessory Electric Equipment	2033	200-SC	55.62	17.07	-1.4	-1.7	2033	200-SC	55.72	16.12	-1.3	-1.6
346.00 Miscellaneous Power Plant Equipment	2033	200-SC	22.30	17.11	5.1	-1.7	2033	200-SC	22.31	16.15	5.2	-1.6
Total Jamestown Unit 1			40.27	17.09	-3.9	-1.7			36.51	16.14	-4.1	-1.6

OTTER TAIL POWER COMPANY
Current and Updated Parameters
Vintage Group Procedure

Statement F

Account Description	Current Parameters P-Life/ AYFR	Curve Shape	VG ASL	Rem. Life	Avg. Sal.	Fut. Sal.	Updated Parameters 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
Jamestown Unit 2												
341.00 Structures and Improvements	2033	200-SC	27.49	17.11	-1.7	-1.7	2033	200-SC	27.52	16.15	-1.6	-1.6
342.00 Fuel Holders and Accessories	2033	200-SC	35.02	17.08	-4.7	-1.7	2033	200-SC	34.32	16.12	-4.7	-1.6
343.00 Prime Movers	2033	200-SC	47.71	17.08	-2.3	-1.7	2033	200-SC	43.13	16.13	-2.4	-1.6
344.00 Generators												
345.00 Accessory Electric Equipment	2033	200-SC	21.40	17.11	6.1	-1.7	2033	200-SC	21.37	16.15	6.2	-1.6
346.00 Miscellaneous Power Plant Equipment	2033	200-SC	45.86	17.09	14.7	-1.7	2033	200-SC	45.46	16.13	14.8	-1.6
Total Jamestown Unit 2			46.29	17.08	-2.1	-1.7			42.12	16.13	-2.2	-1.6
Lake Preston												
341.00 Structures and Improvements	2033	200-SC	41.90	17.09	-2.9	-2.9	2033	200-SC	41.96	16.13	-2.8	-2.8
342.00 Fuel Holders and Accessories	2033	200-SC	39.93	17.09	-3.1	-2.9	2033	200-SC	39.92	16.14	-3.1	-2.8
343.00 Prime Movers	2033	200-SC	48.60	17.08	-3.0	-2.9	2033	200-SC	43.02	16.13	-3.1	-2.8
344.00 Generators												
345.00 Accessory Electric Equipment	2033	200-SC	51.03	17.08	-2.9	-2.9	2033	200-SC	41.94	16.13	-2.8	-2.8
346.00 Miscellaneous Power Plant Equipment	2033	200-SC	48.22	17.08	7.8	-2.9	2033	200-SC	48.30	16.13	7.9	-2.8
Total Lake Preston			47.55	17.08	-2.9	-2.9			42.63	16.13	-3.0	-2.8
Ashtabula Wind Generation												
341.00 Structures and Improvements	2033	200-SC	24.29	17.11	-1.2	-1.2	2033	200-SC	24.31	16.15	-1.2	-1.2
342.00 Fuel Holders and Accessories												
343.00 Prime Movers												
344.00 Generators	2033	200-SC	24.14	17.11	-1.2	-1.2	2033	200-SC	24.12	16.15	-1.2	-1.2
345.00 Accessory Electric Equipment	2033	200-SC	24.18	17.11	-1.2	-1.2	2033	200-SC	24.22	16.15	-1.2	-1.2
346.00 Miscellaneous Power Plant Equipment	2033	200-SC	20.46	17.11	-1.2	-1.2	2033	200-SC	20.47	16.16	-1.2	-1.2
Total Ashtabula Wind Generation			24.15	17.11	-1.2	-1.2			24.13	16.15	-1.2	-1.2
Langdon Wind Generation												
341.00 Structures and Improvements	2032	200-SC	24.31	16.15	-1.4	-1.4	2032	200-SC	24.33	15.19	-1.4	-1.4
342.00 Fuel Holders and Accessories												
343.00 Prime Movers												
344.00 Generators	2032	200-SC	24.13	16.15	-1.4	-1.4	2032	200-SC	24.04	15.19	-1.4	-1.4
345.00 Accessory Electric Equipment	2032	200-SC	23.82	16.15	-1.4	-1.4	2032	200-SC	23.84	15.19	-1.4	-1.4
346.00 Miscellaneous Power Plant Equipment	2032	200-SC	19.39	16.16	-1.5	-1.5	2032	200-SC	19.40	15.20	-1.4	-1.4
Total Langdon Wind Generation			24.10	16.15	-1.4	-1.4			24.03	15.19	-1.4	-1.4

OTTER TAIL POWER COMPANY
Current and Updated Parameters
Vintage Group Procedure

Statement F

Account Description	Current Parameters P-Life/ AYFR	Curve Shape	VG ASL	Rem. Life	Avg. Sal.	Fut. Sal.	Updated Parameters 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
Luverne Wind Generation												
341.00 Structures and Improvements	2034	200-SC	24.27	18.07	-2.0	-2.0	2034	200-SC	24.29	17.11	-2.0	-2.0
342.00 Fuel Holders and Accessories												
343.00 Prime Movers												
344.00 Generators	2034	200-SC	24.17	18.07	-2.0	-2.0	2034	200-SC	24.15	17.11	-2.0	-2.0
345.00 Accessory Electric Equipment	2034	200-SC	24.26	18.07	-2.0	-2.0	2034	200-SC	24.28	17.11	-2.0	-2.0
346.00 Miscellaneous Power Plant Equipment	2034	200-SC	20.58	18.07	-2.0	-2.0	2034	200-SC	20.59	17.11	-2.0	-2.0
Total Luverne Wind Generation			24.17	18.07	-2.0	-2.0			24.16	17.11	-2.0	-2.0
Solway Combustion Turbine												
341.00 Structures and Improvements	2038	200-SC	32.98	21.85	-0.4	-0.4	2038	200-SC	33.01	20.90	-0.4	-0.4
342.00 Fuel Holders and Accessories	2038	200-SC	33.48	21.85	-0.4	-0.4	2038	200-SC	33.51	20.90	-0.4	-0.4
343.00 Prime Movers	2038	200-SC	33.10	21.85	-0.7	-0.4	2038	200-SC	33.08	20.90	-0.7	-0.4
344.00 Generators												
345.00 Accessory Electric Equipment	2038	200-SC	32.42	21.85	-0.4	-0.4	2038	200-SC	32.42	20.90	-0.4	-0.4
346.00 Miscellaneous Power Plant Equipment	2038	200-SC	32.11	21.85	-0.4	-0.4	2038	200-SC	31.06	20.91	-0.4	-0.4
Total Solway Combustion Turbine			33.05	21.85	-0.6	-0.4			33.03	20.90	-0.6	-0.4
Fergus Falls Control Center												
341.00 Structures and Improvements												
342.00 Fuel Holders and Accessories												
343.00 Prime Movers	2030	200-SC	33.99	14.22	0.6		2030	200-SC	34.05	13.26	0.6	
344.00 Generators												
345.00 Accessory Electric Equipment												
346.00 Miscellaneous Power Plant Equipment												
Total Fergus Falls Control Center			33.99	14.22	0.6				34.05	13.26	0.6	

OTTER TAIL POWER COMPANY
Plant Activity for 2016

Statement G

Account Description	Beginning Balance	Additions	Retirements	Adjustments	Transfers	Ending Balance
A	B	C	D	E	F	G
STEAM PRODUCTION						
311.00 Structures and Improvements	$ 124,286,056	$ 1,328,567	$ 179,042		($35,353)	$ 125,400,228
312.00 Boiler Plant Equipment	315,197,162	13,841,360	3,929,420		37,023	325,146,126
312.10 Boiler Plant Equipment - Ash Pond	6,980,676					6,980,676
314.00 Turbo Generator Units	65,472,261	779,348	351,141		(1,670)	65,898,798
315.00 Accessory Electric Equipment	36,595,821	80,419				36,676,241
316.00 Misc. Power Plant Equipment	6,238,030	241,384	45,069			6,434,345
Total Steam Production	$ 554,770,006	$ 16,271,078	$ 4,504,671		$0	$ 566,536,413
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	592,400					592,400
335.00 Misc. Power Plant Equipment	442,624					442,624
Total Hydraulic Production	$ 7,037,658	$ -	$ -			$ 7,037,658
OTHER PRODUCTION						
341.00 Structures and Improvements	$ 12,946,209					$ 12,946,209
342.00 Fuel Holders and Accessories	1,748,266					1,748,266
343.00 Prime Movers	31,897,513	886,326	457,680			32,326,159
344.00 Generators	241,512,941	976,677	888,263			241,601,355
345.00 Accessory Electric Equipment	20,546,283	19,516	14,046			20,551,752
346.00 Misc. Power Plant Equipment	605,668	24,173	1,570			628,270
Total Other Production	$ 309,256,880	$ 1,906,692	$ 1,361,559			$ 309,802,012
TRANSMISSION PLANT						
353.00 Station Equipment	$ 85,468,068	$ 9,723,713	$ 52,512		$ (2,150)	$ 95,137,119
354.00 Towers and Fixtures	85,885,043	(4,778,625)				81,106,418
355.00 Poles and Fixtures	107,218,331	5,604,070	126,649		(10,036)	112,685,716
356.00 Overhead Conductors and Devices	102,215,587	5,231,832	272,799		(2,773)	107,171,847
358.00 Underground Conductors and Devices	77,461					77,461
Total Transmission Plant	$ 380,864,490	$ 15,780,989	$ 451,960		$ (14,959)	$ 396,178,561

OTTER TAIL POWER COMPANY
Plant Activity for 2016

Statement G

Account Description	Beginning Balance	Additions	Retirements	Adjustments	Transfers	Ending Balance
A	B	C	D	E	F	G
DISTRIBUTION PLANT						
362.00 Station Equipment	$ 75,495,956	$ 3,126,434	$ 507,888		$ 9,195	$ 78,123,696
364.00 Poles, Towers and Fixtures	69,428,763	1,526,673	107,218		1,597	70,849,816
365.00 Overhead Conductors and Devices	49,145,267	868,414	163,092		(7,895)	49,842,694
367.00 Underground Conductors and Devices	71,676,278	3,156,140	154,495		21,166	74,699,089
368.00 Line Transformers	89,762,013	4,543,501	574,675		(17,411)	93,713,427
369.00 Overhead Services	12,837,241	171,099	17,392			12,990,947
369.10 Underground Services	39,609,183	1,416,942	37,907			40,988,218
370.00 Meters	24,243,214	1,332,990	743,581			24,832,623
370.10 Load Management Switches	8,681,054		15,543			8,665,511
370.20 Interruption Monitors	36,582		36,582			(0)
371.20 Other Private Lighting	4,482,178	531,616	226,928			4,786,865
373.00 Street Lighting and Signal Systems	5,156,980	409,496	102,472			5,464,004
Total Distribution Plant	$ 450,554,709	$ 17,083,304	$ 2,687,775		$ 6,652	$ 464,956,890
GENERAL PLANT						
390.00 Structures and Improvements	$ 19,735,934	$ 263,994	$ 107,949		($1,907)	$ 19,890,073
390.10 General Office Buildings	5,712,599	4,453			1,907	5,718,958
390.20 Fleet Service Center Buildings	937,678					937,678
390.30 Central Stores Building	4,026,350	14,414	13,216			4,027,548
391.00 Office Furniture	1,315,610	4,873	143,166			1,177,317
391.10 Office Equipment	808,231		1,102			807,128
391.20 Duplicating Equipment	433,343	5,274	150,921			287,696
391.50 Computer Systems	4,837,066	144,339	2,304,110			2,677,295
391.60 Computer Related Equipment	2,087,637		1,142,947			944,691
394.00 Tools, Shop and Garage Equipment	3,927,992	241,148	172,226			3,996,914
394.20 Automated Meter Reading Equipment	617,570					617,570
396.00 Power Operated Equipment	605,062	79,588	68,603			616,048
397.00 Communication Equipment	873,580		54,934			818,647
397.10 Radio Telecommunications Equipment	1,206,997		22,519			1,184,478
397.20 Microwave Equipment	4,625,643	278,053	455,249			4,448,448
397.30 Radio Load Control Equipment	317,859					317,859
397.40 Communication Equipment - Towers	1,888,762					1,888,762
Total General Plant	$ 53,957,915	$ 1,036,135	$ 4,636,941		$ (0)	$ 50,357,109
TOTAL DEPRECIABLE PLANT	$ 1,756,441,657	$ 52,078,198	$ 13,642,907		$ (8,306)	$ 1,794,868,642

OTTER TAIL POWER COMPANY
Analysis of Depreciation Reserve for 2016

Statement H

Account Description	Beginning Balance	Credits: Accruals	Credits: Gross Salvage	Debits: Retirements	Debits: Cost of Removal	Other Credits (Debits)	Ending Balance
A	B	C	D	E	F	G	H
STEAM PRODUCTION							
311.00 Structures and Improvements	$ 48,168,882	$ 3,176,214	$ 359,376	$ 179,042	$ 45,517	$ (43,568)	$ 51,436,346
312.00 Boiler Plant Equipment	111,776,563	11,091,766	3,479,724	3,929,420	2,251,526	-2,731,239	117,435,868
312.10 Boiler Plant Equipment - Ash Pond	2,331,763					2,778,538.97	5,110,302
314.00 Turbo Generator Units	40,426,334	1,482,833.98		351,140.52	25,964.10	(3,732.38)	41,528,331
315.00 Accessory Electric Equipment	16,924,678	886,118.22					17,810,797
316.00 Misc. Power Plant Equipment	3,285,952	184,783.37	13.85	45,069.28	1,561.47		3,424,119
Total Steam Production	$ 222,914,172	$ 16,821,716	$ 3,839,114	$ 4,504,671	$ 2,324,568	$0	$ 236,745,762
HYDRAULIC PRODUCTION							
331.00 Structures and Improvements	$ 232,252	$ 18,523	$ -	$ -	$ -	$ -	$ 250,775
332.00 Reservoirs, Dams and Waterways	1,951,421	360,573					2,311,994
333.00 Water Wheels, Turbines and Gen.	949,768	65,754					1,015,522
334.00 Accessory Electric Equipment	412,050	27,963					440,013
335.00 Misc. Power Plant Equipment	164,516	43,118					207,633
Total Hydraulic Production	$ 3,710,007	$ 515,931	$ -	$ -	$ -		$ 4,225,938
OTHER PRODUCTION							
341.00 Structures and Improvements	$ 4,224,111	$ 467,728	$ -	$ -	$ -	$ -	$ 4,691,839
342.00 Fuel Holders and Accessories	839,554	61,901					901,455
343.00 Prime Movers	16,172,104	824,392		457,680	43,560		16,495,256
344.00 Generators	65,109,184	9,972,219	50,000	888,263	32,000		74,211,140
345.00 Accessory Electric Equipment	6,105,810	820,171	582	14,046	1,200		6,911,316
346.00 Misc. Power Plant Equipment	188,548	24,712		1,570			211,689
Total Other Production	$ 92,639,311	$ 12,171,123	$ 50,582	$ 1,361,559	$ 76,760		$ 103,422,696
TRANSMISSION PLANT							
353.00 Station Equipment	$ 19,070,943	$ 1,414,405	$ 708,619	$ 52,512	$ 10,666	$ (7)	$ 21,130,782
354.00 Towers and Fixtures	4,645,065	1,377,044					6,022,108
355.00 Poles and Fixtures	46,666,786	2,133,012	783,924	126,649	199,577	(138)	49,257,358
356.00 Overhead Conductors and Devices	37,479,558	1,776,996	15,331	272,799	210,098	(27)	38,788,960
358.00 Underground Conductors and Devices	71,452	1,005					72,457
Total Transmission Plant	$ 107,933,803	$ 6,702,462	$ 1,507,874	$ 451,960	$ 420,341	$ (172)	$ 115,271,665

OTTER TAIL POWER COMPANY
Analysis of Depreciation Reserve for 2016

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	$ 20,315,547	$ 1,611,229	$ 106,933	$ 507,888	$ 105,624	$ 590	$ 21,420,786
364.00 Poles, Towers and Fixtures	39,199,927	1,726,805	151,117	107,218	299,905	25	40,670,751
365.00 Overhead Conductors and Devices	38,461,822	1,370,994	61,717	163,092	158,667	(206)	39,572,569
367.00 Underground Conductors and Devices	34,057,834	1,688,486	11,667	154,495	50,566	279	35,553,204
368.00 Line Transformers	13,295,616	1,135,401	403,144	574,675	313,565	(516)	13,945,405
369.00 Overhead Services	14,631,437	536,170	1,516	17,392	90,597		15,061,134
369.10 Underground Services	16,533,211	1,031,812		37,907	29,200		17,497,915
370.00 Meters	8,194,870	790,830	1,260	743,581	(1)		8,243,380
370.10 Load Management Switches	6,528,489	770,348		15,543			7,283,294
370.20 Interruption Monitors	31,704	4,878		36,582			(0)
371.20 Other Private Lighting	1,091,142	180,550	11,561	226,928	9,301		1,047,023
373.00 Street Lighting and Signal Systems	2,775,730	179,668	9,984	102,472	10,419		2,852,491
Total Distribution Plant	$ 195,117,328	$ 11,027,172	$ 758,898	$ 2,687,775	$ 1,067,843	$ 172	$ 203,147,952
GENERAL PLANT							
390.00 Structures and Improvements	$ 5,394,392	$ 397,096	$ -	$ 107,949	$ -	$ (22)	$ 5,683,518
390.10 General Office Buildings	2,446,088	28,158				22	2,474,268
390.20 Fleet Service Center Buildings	493,191	12,312					505,503
390.30 Central Stores Building	1,892,161	(80,215)		13,216			1,798,731
391.00 Office Furniture	823,448	84,382		143,166			764,665
391.10 Office Equipment	513,995	80,823		1,102			593,716
391.20 Duplicating Equipment	288,196	33,537		150,921			170,812
391.50 Computer Systems	3,114,539	680,094		2,304,110			1,490,523
391.60 Computer Related Equipment	1,350,464	354,910		1,142,947			562,427
394.00 Tools, Shop and Garage Equipment	1,591,786	262,670		172,226			1,682,230
394.20 Automated Meter Reading Equipment	339,897	41,171					381,068
396.00 Power Operated Equipment	216,353	15,582	2,921	68,603			166,253
397.00 Communication Equipment	365,060	58,239		54,934			368,365
397.10 Radio Telecommunications Equipment	596,480	120,512		22,519			694,473
397.20 Microwave Equipment	2,182,086	307,241		455,249	(242)		2,034,320
397.30 Radio Load Control Equipment	130,770	31,786					162,556
397.40 Communication Equipment - Towers	854,487	37,790					892,278
Total General Plant	$ 22,593,394	$ 2,466,089	$ 2,921	$ 4,636,941	$ (242)	$ -	$ 20,425,705
TOTAL DEPRECIABLE PLANT	$ 644,908,015	$ 49,704,491	$ 6,159,389	$ 13,642,907	$ 3,889,270	$ 0	$ 683,239,718

OTTER TAIL POWER COMPANY
Summary of Annual Depreciation Accruals for 2016

Statement I

Account Description	Beginning Plant Balance	Est. Future Net Salvage Percent	Est. Future Net Salvage Amount	Beginning Depreciation Reserve	Net Balance	Projection Life (Yrs.)	Remaining Life (Yrs.)	Annual Accrual	Accrual Rate
A	B	C	D=B*C	E	F=B-D-E	G	H	I=F/H	J=I/B
STEAM PRODUCTION									
311.00 Structures and Improvements	$ 124,286,056	-10.2%	$ (12,677,178)	$ 48,168,882	$ 88,794,352		24.22	$ 3,666,158	2.95%
312.00 Boiler Plant Equipment	315,197,162	-10.6%	(33,410,899)	111,776,563	236,831,498		18.11	13,077,388	4.15%
312.10 Boiler Plant Equipment - Ash Pond	6,980,676			2,331,763	4,648,913		18.11	256,704	3.68%
314.00 Turbo Generator Units	65,472,261	-10.8%	(7,071,004)	40,426,334	32,116,931		22.00	1,459,861	2.23%
315.00 Accessory Electric Equipment	36,595,821	-10.3%	(3,769,370)	16,924,678	23,440,512		23.31	1,005,599	2.75%
316.00 Misc. Power Plant Equipment	6,238,030	-10.5%	(654,993)	3,285,952	3,607,071		19.58	184,222	2.95%
Total Steam Production	$ 554,770,006	-10.4%	$ (57,583,444)	$ 222,914,172	$ 389,439,278		19.82	$ 19,649,932	3.54%
HYDRAULIC PRODUCTION									
331.00 Structures and Improvements	$ 351,712		$ -	$ 232,252	$ 119,460		6.45	$ 18,521	5.27%
332.00 Reservoirs, Dams and Waterways	4,277,054			1,951,421	2,325,633		6.45	360,563	8.43%
333.00 Water Wheels, Turbines and Gen.	1,373,867			949,768	424,099		6.45	65,752	4.79%
334.00 Accessory Electric Equipment	592,400			412,050	180,350		6.45	27,961	4.72%
335.00 Misc. Power Plant Equipment	442,624			164,516	278,109		6.45	43,118	9.74%
Total Hydraulic Production	$ 7,037,658		$ -	$ 3,710,007	$ 3,327,650		6.45	$ 515,915	7.33%
OTHER PRODUCTION									
341.00 Structures and Improvements	$ 12,946,209	-1.2%	$ (155,355)	$ 4,224,111	$ 8,877,452		18.94	$ 468,714	3.62%
342.00 Fuel Holders and Accessories	1,748,266	-1.0%	(17,483)	839,554	926,194		14.94	61,994	3.55%
343.00 Prime Movers	31,897,513	-0.8%	(255,180)	16,172,104	15,980,589		18.49	864,283	2.71%
344.00 Generators	241,512,941	-1.5%	(3,622,694)	65,109,184	180,026,451		18.05	9,973,765	4.13%
345.00 Accessory Electric Equipment	20,546,283	-1.5%	(308,194)	6,105,810	14,748,667		17.97	820,738	3.99%
346.00 Misc. Power Plant Equipment	605,668	-1.0%	(6,057)	188,548	423,177		18.23	23,213	3.83%
Total Other Production	$ 309,256,880		$ (4,364,962)	$ 92,639,311	$ 220,982,531		18.09	$ 12,212,708	3.95%
TRANSMISSION PLANT									
353.00 Station Equipment	$ 85,468,068	-5.0%	$ (4,273,403)	$ 19,070,943	$ 70,670,528	65.00	52.75	$ 1,339,726	1.57%
354.00 Towers and Fixtures	85,885,043	-10.0%	(8,588,504)	4,645,065	89,828,483	70.00	65.48	1,371,846	1.60%
355.00 Poles and Fixtures	107,218,331	-50.0%	(53,609,165)	46,666,786	114,160,711	70.00	53.90	2,118,009	1.98%
356.00 Overhead Conductors and Devices	102,215,587	-30.0%	(30,664,676)	37,479,558	95,400,706	70.00	54.34	1,755,626	1.72%
358.00 Underground Conductors and Devices	77,461	-5.0%	(3,873)	71,452	9,882	40.00	9.83	1,005	1.30%
Total Transmission Plant	$ 380,864,490	-25.5%	$ (97,139,622)	$ 107,933,803	$ 370,070,309		56.19	$ 6,586,212	1.73%

OTTER TAIL POWER COMPANY
Summary of Annual Depreciation Accruals for 2016

Statement I

Account Description	Beginning Plant Balance	Est. Future Net Salvage Percent	Est. Future Net Salvage Amount	Beginning Depreciation Reserve	Net Balance	Projection Life (Yrs.)	Remaining Life (Yrs.)	Annual Accrual	Accrual Rate
A	B	C	D=B*C	E	F=B-D-E	G	H	I=F/H	J=I/B
DISTRIBUTION PLANT									
362.00 Station Equipment	$ 75,495,956	5.0%	$ 3,774,798	$ 20,315,547	$ 51,405,611	40.00	32.19	$ 1,596,944	2.12%
364.00 Poles, Towers and Fixtures	69,428,763	-75.0%	(52,071,572)	39,199,927	82,300,408	68.00	47.99	1,714,949	2.47%
365.00 Overhead Conductors and Devices	49,145,267	-100.0%	(49,145,267)	38,461,822	59,828,712	65.00	43.86	1,364,084	2.78%
367.00 Underground Conductors and Devices	71,676,278	-5.0%	(3,583,814)	34,057,834	41,202,258	40.00	24.61	1,674,208	2.34%
368.00 Line Transformers	89,762,013	50.0%	44,881,006	13,295,616	31,585,391	40.00	28.29	1,116,486	1.24%
369.00 Overhead Services	12,837,241	-150.0%	(19,255,861)	14,631,437	17,461,664	55.00	32.68	534,323	4.16%
369.10 Underground Services	39,609,183	-20.0%	(7,921,837)	16,533,211	30,997,809	45.00	30.25	1,024,721	2.59%
370.00 Meters	24,243,214			8,194,870	16,048,345	28.00	20.68	776,032	3.20%
370.10 Load Management Switches	8,681,054			6,528,489	2,152,566	12.00	2.79	771,529	8.89%
370.20 Interruption Monitors*	36,582			31,704	4,878	5.00	1.00	4,878	13.33%
371.20 Other Private Lighting	4,482,178	10.0%	448,218	1,091,142	2,942,818	23.00	16.90	174,131	3.88%
373.00 Street Lighting and Signal Systems	5,156,980	-5.0%	(257,849)	2,775,730	2,639,099	22.00	15.11	174,659	3.39%
Total Distribution Plant	$ 450,554,709	-18.5%	$ (83,132,177)	$ 195,117,328	$ 338,569,558		30.98	$ 10,926,943	2.43%
GENERAL PLANT									
390.00 Structures and Improvements	$ 19,735,934	10.0%	$ 1,973,593	$ 5,394,392	$ 12,367,949	47.00	31.17	$ 396,790	2.01%
390.10 General Office Buildings	5,712,599	49.7%	2,839,161	2,446,088	427,349		15.18	28,152	0.49%
390.20 Fleet Service Center Buildings	937,678	33.8%	316,935	493,191	127,552		10.36	12,312	1.31%
390.30 Central Stores Building	4,026,350	92.7%	3,732,426	1,892,161	(1,598,238)		19.93	(80,193)	-1.99%
391.00 Office Furniture*	1,315,610			823,448	492,162	15.00		87,707	6.67%
391.10 Office Equipment*	808,231			513,995	294,236	10.00		80,823	10.00%
391.20 Duplicating Equipment*	433,343			288,196	145,147	10.00		43,334	10.00%
391.50 Computer Systems*	4,837,066			3,114,539	1,722,527	5.00		967,413	20.00%
391.60 Computer Related Equipment*	2,087,637			1,350,464	737,173	5.00		417,527	20.00%
394.00 Tools, Shop and Garage Equipment*	3,927,992			1,591,786	2,336,206	15.00		261,866	6.67%
394.20 Automated Meter Reading Equipment*	617,570			339,897	277,674	15.00		41,171	6.67%
396.00 Power Operated Equipment	605,062	20.0%	121,012	216,353	267,697	24.00	17.28	15,492	2.56%
397.00 Communication Equipment*	873,580			365,060	508,520	15.00		58,239	6.67%
397.10 Radio Telecommunications Equipment*	1,206,997			596,480	610,518	10.00		120,700	10.00%
397.20 Microwave Equipment*	4,625,643			2,182,086	2,443,558	15.00		308,376	6.67%
397.30 Radio Load Control Equipment*	317,859			130,770	187,088	10.00		31,786	10.00%
397.40 Communication Equipment - Towers	1,888,762	5.0%	94,438	854,487	939,837	40.00	24.87	37,790	2.00%
Total General Plant	$ 53,957,915	16.8%	$ 9,077,567	$ 22,593,394	$ 22,286,955		7.88	$ 2,829,287	5.24%
TOTAL DEPRECIABLE PLANT	$ 1,756,441,657	-13.3%	$ (233,142,639)	$ 644,908,015	$ 1,344,676,281		25.51	$ 52,720,997	3.00%

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

OTTER TAIL POWER COMPANY
2017 ANNUAL REVIEW OF DEPRECIATION CERTIFICATION
PROPOSED REMAINING LIVES & SALVAGE FOR USE IN 2018

Account Number	Class of Utility Plant	Remaining Life (Yrs)	Net Salvage (%)	Amortization Period (Yrs)
STEAM PRODUCTION				
	Big Stone Plant			
311-101	Structures & Improvements	28.39	-6.0%	
312-101	Boiler Plant Equipment	28.39	-6.0%	
314-101	Turbogenerator Units	28.36	-6.0%	
315-101	Accessory Electric Equipment	28.39	-6.0%	
316-101	Misc. Power Plant Equipment	28.37	-5.6%	
	Hoot Lake Plant - Units 2 & 3			
311-102	Structures & Improvements	4.47	-13.5%	
312-102	Boiler Plant Equipment	4.47	-13.5%	
312.1-102	Boiler Plant Equipment	32.99		
314-102	Turbogenerator Units	4.47	-13.5%	
315-102	Accessory Electric Equipment	4.47	-13.5%	
316-102	Misc. Power Plant Equipment	4.47	-13.4%	
	Coyote Station			
311-103	Structures & Improvements	23.69	-8.0%	
312-103	Boiler Plant Equipment	23.71	-8.0%	
314-103	Turbogenerator Units	23.72	-8.0%	
315-103	Accessory Electric Equipment	23.70	-8.0%	
316-103	Misc. Power Plant Equipment	23.72	-7.7%	
HYDRAULIC PRODUCTION				
	Hoot Lake Hydro Unit			
331-131	Structures & Improvements	4.47	0.0%	
332-131	Reservoirs, Dams & Waterways	4.47	0.0%	
333-131	Water Wheels, Turbines & Gen.	4.47	0.0%	
334-131	Accessory Electric Equipment	4.47	0.0%	
335-131	Misc. Power Plant Equipment	4.47	0.0%	
	Wright Hydro Unit			
331-132	Structures & Improvements	4.47	0.0%	
332-132	Reservoirs, Dams & Waterways	4.47	0.0%	
333-132	Water Wheels, Turbines & Gen.	4.47	0.0%	
334-132	Accessory Electric Equipment	4.47	0.0%	
335-132	Misc. Power Plant Equipment	4.47	0.0%	
	Pisgah Hydro Unit			
331-133	Structures & Improvements	4.47	0.0%	
332-133	Reservoirs, Dams & Waterways	4.47	0.0%	
333-133	Water Wheels, Turbines & Gen.	4.47	0.0%	
334-133	Accessory Electric Equipment	4.47	0.0%	
335-133	Misc. Power Plant Equipment	4.47	0.0%	
	Dayton Hollow Hydro Unit			
331-134	Structures & Improvements	4.47	0.0%	
332-134	Reservoirs, Dams & Waterways	4.47	0.0%	
333-134	Water Wheels, Turbines & Gen.	4.47	0.0%	
334-134	Accessory Electric Equipment	4.47	0.0%	
335-134	Misc. Power Plant Equipment	4.47	0.0%	

OTTER TAIL POWER COMPANY
2017 ANNUAL REVIEW OF DEPRECIATION CERTIFICATION
PROPOSED REMAINING LIVES & SALVAGE FOR USE IN 2018

Account Number	Class of Utility Plant	Remaining Life (Yrs)	Net Salvage (%)	Amortization Period (Yrs)
	Taplin Gorge Hydro Unit			
331-135	Structures & Improvements	4.47	0.0%	
332-135	Reservoirs, Dams & Waterways	4.47	0.0%	
333-135	Water Wheels, Turbines & Gen.	4.47	0.0%	
334-135	Accessory Electric Equipment	4.47	0.0%	
335-135	Misc. Power Plant Equipment	4.47	0.0%	
	Bemidji Hydro Unit			
331-138	Structures & Improvements	4.47	0.0%	
332-138	Reservoirs, Dams & Waterways	4.47	0.0%	
333-138	Water Wheels, Turbines & Gen.	4.47	0.0%	
334-138	Accessory Electric Equipment	4.47	0.0%	
335-138	Misc. Power Plant Equipment	4.47	0.0%	
OTHER PRODUCTION				
	Jamestown Unit 1			
341-140	Structures & Improvements	16.14	-1.6%	
342-140	Fuel Holders & Accessories	16.15	-1.6%	
343-140	Prime Movers	16.14	-1.6%	
345-140	Accessory Electric Equipment	16.12	-1.6%	
346-140	Misc. Power Plant Equipment	16.15	-1.6%	
	Jamestown Unit 2			
341-142	Structures & Improvements	16.15	-1.6%	
342-142	Fuel Holders & Accessories	16.12	-1.6%	
343-142	Prime Movers	16.13	-1.6%	
345-142	Accessory Electric Equipment	16.15	-1.6%	
346-142	Misc. Power Plant Equipment	16.13	-1.6%	
	Lake Preston			
341-141	Structures & Improvements	16.13	-2.8%	
342-141	Fuel Holders & Accessories	16.14	-2.8%	
343-141	Prime Movers	16.13	-2.8%	
345-141	Accessory Electric Equipment	16.13	-2.8%	
346-141	Misc. Power Plant Equipment	16.13	-2.8%	
	Fergus Falls Control Center			
343-143	Prime Movers	13.26	0.0%	
	Solway Combustion Turbine Plant			
341-144	Structures & Improvements	20.90	-0.4%	
342-144	Fuel Holders & Accessories	20.90	-0.4%	
343-144	Prime Movers	20.90	-0.4%	
345-144	Accessory Electric Equipment	20.90	-0.4%	
346-144	Misc. Power Plant Equipment	20.91	-0.4%	
	Langdon Wind Energy Center			
341-160	Structures & Improvements	15.19	-1.4%	
344-160	Generators	15.19	-1.4%	
345-160	Accessory Electric Equipment	15.19	-1.4%	
346-160	Misc. Power Plant Equipment	15.20	-1.4%	
	Ashtabula Wind Energy Center			
341-161	Structures & Improvements	16.15	-1.2%	
344-161	Generators	16.15	-1.2%	
345-161	Accessory Electric Equipment	16.15	-1.2%	
346-161	Misc. Power Plant Equipment	16.16	-1.2%	

OTTER TAIL POWER COMPANY
2017 ANNUAL REVIEW OF DEPRECIATION CERTIFICATION
PROPOSED REMAINING LIVES & SALVAGE FOR USE IN 2018

Account Number	Class of Utility Plant	Remaining Life (Yrs)	Net Salvage (%)	Amortization Period (Yrs)
	Luverne Wind Energy Center			
341-162	Structures & Improvements	17.11	-2.0%	
344-162	Generators	17.11	-2.0%	
345-162	Accessory Electric Equipment	17.11	-2.0%	
346-162	Misc. Power Plant Equipment	17.11	-2.0%	
TRANSMISSION				
353	Station Equipment	53.63	-5.0%	
354	Towers & Fixtures	65.34	-10.0%	
355	Poles & Fixtures	54.21	-50.0%	
356	Overhead Conductor & Devices	55.11	-30.0%	
358	Underground Conductor & Devices	8.92	-5.0%	
DISTRIBUTION				
362	Station Equipment	32.00	5.0%	
364	Poles, Towers & Fixtures	47.20	-75.0%	
365	Overhead Conductor & Devices	43.09	-100.0%	
367	Underground Conductor & Devices	24.22	-5.0%	
368	Line Transformers	28.05	50.0%	
369	Overhead Services	31.60	-150.0%	
369.1	Underground Services	29.63	-20.0%	
370	Meters	20.73	0.0%	
370.1	Load Management Switches	1.59	0.0%	
370.20	Interruption Monitors			5
371.20	Other Private Lighting	17.03	10.0%	
373	Street Lighting & Signal System	15.13	-5.0%	
GENERAL PLANT				
	Depreciable			
390	Structures & Improvements	30.07	10.0%	
390.1	General Office Buildings	13.26	49.6%	
390.2	Fleet Service Center Buildings	8.41	33.6%	
390.3	Central Stores Building	18.03	92.6%	
396	Power Operated Equipment	17.81	20.0%	
397.4	Communication Towers	23.32	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 2017 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 major future additions that will materially affect this filing's certification results.

Otter Tail continues to invest in the CapX2020 transmission line construction initiatives in Minnesota, North Dakota, and South Dakota. CapX2020 project segments have gone into service from 2012 through 2015. For the next phase of CAPX2020 projects, Otter Tail is actively participating in the development and construction of two new 345 kV transmission projects and corresponding substation upgrades in the Big Stone, South Dakota, area. We are working closely with MISO and area utilities on these projects, which are part of MISO's Multi-Value Project ("MVP") portfolio. These two 345 kV projects under construction are; Big Stone South – Brookings and Big Stone South – Ellendale. These projects are eligible for regional cost sharing under the MISO's FERC-approved MVP cost allocation methodology. These projects are actively under construction and are expected to go into service in phases from late in 2017 through the early 2019 timeframe at an estimated cost of approximately $200M (Otter Tail Power Company share).

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

In addition to discussing active future additions or retirements that could affect the current certification results, it is the Company's practice to also discuss future (and potential future) additions and retirements that may have an effect on *future* depreciation expense or *future* certification results.

Otter Tail Power Company's 2013 five-year depreciation filing provided some discussion on these projects and we provide below additional updates on current projects or projects being considered.

On November 17, 2016, Otter Tail announced plans to purchase a 150-megawatt (MW) wind farm proposed to be built in southeastern North Dakota near the small town of Merricourt. The company expects the wind farm to cost more than $250 million to construct, and expects it will go into service in 2019.

OTTER TAIL POWER COMPANY
ANNUAL REVIEW OF DEPRECIATION CERTIFICATION
Supplemental Comments

On March 27, 2017, the company announced plans to seek regulatory approvals to build a new gas-fired electricity-generating station northwest of Astoria in Deuel County, South Dakota. This plant is proposed to be located at the intersection of the Northern Border Pipeline and the Big Stone South-to-Brookings County 345-kilovolt electric transmission line. The Astoria Station will be a state-of-the-art, highly efficient simple-cycle natural gas combustion turbine with the capacity to provide approximately 250 MW of energy. Otter Tail Power Company expects to invest $165 million in the project with a planned in-service date in 2021.

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 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).

OTTER TAIL POWER COMPANY
2017 ANNUAL REVIEW OF DEPRECIATION CERTIFICATION
Comparison of Resource Plan to Annual Depreciation Filing

	Retirement Dates			
Generating Unit	**Resource Plan 2017 - 2031**	**2017 Depreciation Study (Attachment No. 1)**	**Difference**	**Comments**
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 has 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-2032	6 months (outside of IRP study period)	The Langdon Wind Energy Center has an Average Year of Final Retirement (AYFR) of 2032. 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, 2032 as its retirement date. The IRP models the Wind Farms as Purchase Power Agrements which expire at the end of their terminaltion year, therefore the IRP uses December, 2032 as its retirement month.
➢ Ashtabula Wind Energy Center	Dec-2033	Jun-2033	6 months (outside of IRP study period)	The Ashtabula Wind Energy Center 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 models the Wind Farms as Purchase Power Agrements which expire at the end of their terminaltion year, therefore the IRP uses December, 2033 as its retirement month.
➢ Luverne Wind Energy Center	Dec-2034	Jun-2034	6 months (outside of IRP study period)	The Luverne Wind Energy Center has an Average Year of Final Retirement (AYFR) of 2034. 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, 2034 as its retirement date. The IRP models the Wind Farms as Purchase Power Agrements which expire at the end of their terminaltion year, therefore the IRP uses December, 2034 as its retirement month.
HYDRO				
➢ 6 units in 5 dams on the Otter Tail River, FERC licensed	No retirement date discussed - IRP assumes operating perpetually	Jun-2021	Program assumption differences	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 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.
➢ 2 units on outlet of Lake Bemidji – not subject to FERC jurisdiction	No retirement date discussed - IRP assumes operating perpetually	Jun-2021	Program assumption differences	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-2023	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-2023	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.

Note:

Otter Tail 's most recently approve IRP was filed under Docket No. E07-RP-16-386. In the RP's, the near-term is intended to be very specific with regard to resource changes, additions, retirements, etc. The long-term is much more uncertain and identifies resources that a utility is likely to use. The depreciation study is intended to be an exact forecast used for appropriate depreciation expense allocation 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 assumstions the two filings.