October 14, 2014



Dr. Burl Haar 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 the Annual Rate Update to its Environmental Upgrades Cost Recovery Rider Rate, Rate Schedule 13.08

Docket No. E017/M-14-647
Supplemental Informational Filing

Dear Dr. Haar:

Otter Tail Power Company ("Otter Tail") submits this Supplemental Informational Filing to demonstrate the impact of two different implementation dates, November 1, 2014 and December 1, 2014. Otter Tail also explains the impact of budget reductions on the baghouse and Activated Carbon Injection ("ACI") system.

After discussions with Department of Commerce ("DOC") Staff, Otter Tail has prepared two updated versions of the Environmental Upgrades Cost Recovery Rider Rate ("ECR"). Otter Tail's initial request filed July 31, 2014 was based on a collection period from October 1, 2014 to September 30, 2015. Attachment A updates Attachments 1-4 from Otter Tail's July 31, 2014 filing using the collection period of November 1, 2014 to September 30, 2015. Attachment B updates Attachments 1-4 from Otter Tail's July 31, 2014 filing using the collection period of December 1, 2014 to September 30, 2015. Table One below shows the rate for the three implementation dates.

Table On	e
October 1, 2014	6.515%
November 1, 2014	6.731%
December 1, 2014	7.006%

Table Two shows the incremental impact of the rate update for the three implementation dates.

Table Two											
	Residential	Commercial	Industrial								
October 1, 2014	2.378%	2.381%	2.358%								
November 1, 2014	2.579%	2.582%	2.557%								
December 1, 2014	2.835%	2.838%	2.811%								



Dr. Burl Haar October 14, 2014 Page 2

In addition, DOC Staff requested updated information on the bag house and ACI exclusion calculation. The budget reductions to the baghouse and ACI have been proportional to the overall project budget reductions. As a result Otter Tail continues to use the same percentage (10.40%) as was used in the initial filing in Docket No. E017/M-13-648. The following is the description of the baghouse and ACI exclusion from page 6 of Otter Tail's July 31, 2014 filing in Docket E017/M-14-647:

"Baghouse and ACI exclusion. The Commission's ADP approval did not include the new baghouse portion of the AQCS project or the ACI system that is being added to comply with the MATS rule. The baghouse was not part of the ADP approval because the Commission determined it to be beyond the scope of the ADP statute, not because it was found imprudent. The ACI system was not included in Otter Tail's ADP request, because it did not fit within the scope of the ADP statute. The construction of the baghouse is expected to cost \$38 million in the revised budget (total project). The construction of the ACI system equipment is expected to cost approximately \$2 million in the revised budget (total project). To remove these costs, a portion of the monthly CWIP balance, and AFUDC through 2013, is removed in the same ratio as the cost of the baghouse and ACI as compared to the total AQCS project cost. The ratio is found by dividing the total projected cost of the baghouse and ACI by the total projected cost of the AOCS project (inclusive of the baghouse and ACI). The ratio is approximately 10.40 percent and this amount is removed from the project costs to arrive at the AQCS costs excluding the baghouse and ACI. The AFUDC calculation does not exclude the baghouse directly. Rather, the baghouse exclusion is calculated in the CWIP calculation section (Attachment 2, pages 1-3, lines 13 and 14). Within that section, the baghouse portion of each month's CWIP and AFUDC amounts are removed from the totals."

Otter Tail hopes the Commission finds this information helpful.

Otter Tail has electronically filed this document with the Commission which, in compliance with Minn. Rule 7829.1300, subp. 2, also constitutes service on the Department of Commerce, Division of Energy Resources and the Office of Attorney General, Antitrust and Utilities Division. A copy of the filing has been served on all persons on the official service list for this docket. A Certificate of Service is also enclosed.

If you have any questions regarding this filing, please contact me at 218-739-8607 or at pbeithon@otpco.com.

Sincerely,

/s/ PETE BEITHON
Pete Beithon, Manager
Regulatory Recovery

jce Enclosures By electronic filing c: Service List Otter Tail Power Company Environmental Cost Recovery Rider Supplemental/Information Filing Docket No. E017/M-14-647

Summary of Revenue Requirements

Line No.	Revenue Requirements	2014-2015
1	Air Quality Control System	\$9,077,350
2	Carrying Cost	1,788
3	True Up	692,826
4	Total	\$9,771,964

Line No.	Year>>	2012 Actual Total	2013 Actual January	2013 Actual February	2013 Actual March	2013 Actual April	2013 Actual May	2013 Actual June	2013 Actual July	2013 Actual August	2013 Actual September	2013 Actual October	2013 Actual November	2013 Actual December	2013 Actual Total
1	RATE BASE Plant Balance	0	0	0	0	. 0	0	0	0	0	0	0	0		
2	Accumulated. Depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	Net Plant in Service	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4 5	CWIP Calculation Eligible AFUDC CWIP		21,057,583	21,312,487	22,634,317	27,354,559	28,705,631	31,116,292	37,224,815	44,970,982	55,511,149	62,301,483	70,427,366	78,772,183	
6	Additional CWIP		254,904	1,321,829	4,720,242	1,351,072	2,410,661	6,108,524	7,746,167	10,540,167	6,790,335	8,125,883	8,344,818	7,038,696	
7 8	Ending Eligible AFUDC CWIP AFUDC	21,057,583	21,312,487	22,634,317	27,354,559	28,705,631	31,116,292	37,224,815	44,970,982	55,511,149	62,301,483	70,427,366	78,772,183	85,810,879	85,810,879
9	Additional AFUDC		133,819	137,920	158,007	161,640	172,088	208,725	261,280	314,216	367,428	472,238	542,328	615,308	
10 11	Ending AFUDC AFUDC Rate		133,819 7.5800%	271,739 7.5320%	429,745 7.5860%	591,386 6.9200%	763,473 6.9040%	972,198 7.3300%	1,233,478 7.6290%	1,547,694 7.5050%	1,915,122 7.4850%	2,387,360 8.5390%	2,929,688 8.7238%	3,544,995 8.9726%	3,544,995
12	Bag House Exclusion				7.3000%	6.9200%	6.9040%		7.0290%	7.5050%	7.4030%	6.5390%	0.7230%	0.9720%	
13	Additional Bag House Exclusion Total Bag House Exclusion	(4.044.070)	(46,935)	(150,141)	(505,568)	(155,255)	(267,049)	(655,003)	(831,035)	(1,127,131)	(742,657)	(892,209)	(922,260)	(793,885)	(0.004.007)
14 15	Accumulated Deferred Income Taxes Fedederal & State	(1,914,879) 0	(1,961,815) 0	(2,111,956) 0	(2,617,524)	(2,772,779)	(3,039,827)	(3,694,830)	(4,525,866) 0	(5,652,996) 0	(6,395,653) 0	(7,287,862) 0	(8,210,122) 0	(9,004,007) 0	(9,004,007) 0
16	Ending Rate Base	19,142,703	19,484,491	20,794,099	25,166,780	26,524,238	28,839,938	34,502,183	41,678,594	51,405,846	57,820,952	65,526,864	73,491,749	80,351,868	80,351,868
17 18	Average Rate Base		3,491,861	3,491,861	3,491,861	3,491,861	3,491,861	3,491,861	3,491,861	3,491,861	3,491,861	3,491,861	3,491,861	3,491,861	41,902,331
19			2013 does not use					.,.,.	., . ,	., . ,	., . ,	.,.,.	., . ,	., . ,	,
20	Return on Rate Base					•	-								
21 22	Available for Return (equity portion of rate base)														
23															
24 25	EXPENSES O&M and Depreciation														
26	Operating Costs														
27	Property Tax														
28 29	Book Depreciation Total O&M and Depreciation Expense														
30															
31 32	Income before Taxes Available for Return (from above)														
33	Taxable Income (grossed up) 1.7056														
34 35	Income Taxes														
36	Current and Def Income Taxes 41.37%														
37	Total Income Tax Expense														
38 39															
40	REVENUE REQUIREMENTS														
41 42	Expenses Return on Rate Base														
43	Subtotal Revenue Requirements														
44 45	Adjustments Total Revenue Requirements														
46															
47	Base Demand Factor 75.29%														
48 49	Peak Demand Factor 24.71%														
50	Minnesota share - E1 factor 51.5408%														
51 52	Minnesota share - D1 factor 48.3009%														
53	Minnesota Revenue Requirements														
ш															
Line No.															
	SUPPORTING INFORMATION / DATA														
1 2			MN Cap Structure	with allowed POE	nor order										
3			Capital Structure	witti allowed ROE	per order. Ratio	Cost	WA Cost					Property tax			
4			Debt	_	48.28%	6.33%	3.06%					013 composite ra	ate	0.00%	
5 6			Preferred equity Common equity		0.00% 51.72%	0.00% 10.74%	0.00% 5.55%								
7			Total	_	100.00%		8.61%	Overall Return							
8					Book	Tax									
10			Project life (years)		30	7-year MACRS									
11 12						Federal	State								
13				tutory Tax Rate	41.37%	31.57%	9.80%								
14			Tax co	nversion factor Demand Factor	1.70561										
15 16				Demand Factor Demand Factor	75.29% 24.71%										
17			MN sh	are - E1 factor	51.5408%										
18 19			MN sh	are - D1 factor	48.3009%										
20	Deferred Tax														
	Book depreciation Tax depreciation-Federal		0	0	0	0	0	0	0	0	0	0	0	0	0
23	Tax depreciation-State		0	0	0	0	0	0	0	0	0	0	0	0	0
24	Federal deferred income taxes 35.00% State deferred income taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
25	State deterred InCOME TAXES		0	0	0	0	0	0	0	0	0	0	0	0	0

ne o.	Year>	> 2014 Actual January	2014 Actual February	2014 Actual March	2014 Actual April	2014 Actual May	2014 Projected June	2014 Projected July	2014 Projected August	2014 Projected September	2014 Projected October	2014 Projected November	2014 Projected December	2014 Projecte Total
).	RATE BASE	January	rebluary	march	April	may	Julie	July	August	September	October	November	December	TOtal
,	Plant Balance	0	0	0	0	0	0	0	0	0	0	0	0	
	Accumulated. Depreciation Net Plant in Service	0	0	0	0	0	0	0	0	0	0	0	0	
۱	CWIP Calculation	0	U	U	U	U	U	U	U	U	U	U	U	
ı	Eligible AFUDC CWIP	85,810,879	92,180,069	97,913,992	102,895,506	106,952,334	111,322,508	117,712,138	123,353,328	128,694,019	134,199,708	139,157,757	143,563,860	
ı	Additional CWIP	6,369,190	5,733,923	4,981,513	4,056,828	4,370,174	6,389,630	5,641,190	5,340,691	5,505,688	4,958,049	4,406,103	4.196.772	
ı	Ending Eligible AFUDC CWIP	92,180,069	97,913,992	102,895,506	106,952,334	111,322,508	117,712,138	123,353,328	128,694,019	134,199,708	139,157,757	143,563,860	147,760,631	147,760,
	AFUDC													
ı	Additional AFUDC	0	0	0	0	0	0	0	0	0	0	0	0	
ı	Ending AFUDC	3,544,995	3,544,995	3,544,995	3,544,995	3,544,995	3,544,995	3,544,995	3,544,995	3,544,995	3,544,995	3,544,995	3,544,995	3,544
ı	AFUDC Rate	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
ı	Bag House Exclusion		((((((
ı	Additional Bag House Exclusion Total Bag House Exclusion	(662,377) (9,666,384)	(595,735) (10,262,119)	(518,083) (10,780,202)	(421,954) (11,202,156)	(454,507) (11,656,663)	(664,534) (12,321,197)	(586,695) (12,907,893)	(555,443) (13,463,335)	(572,603) (14,035,938)	(515,647) (14,551,585)	(458,244) (15,009,828)	(436,473) (15,446,301)	(15,446
ı	Accumulated Deferred Income Taxes Fedederal & State	(9,000,384)	(10,262,119)	(10,780,202)	(11,202,156)	(11,000,003)	(12,321,197)	(12,907,893)	(13,463,335)	(14,035,938)	(14,551,585)	(15,009,828)	(15,446,301)	(15,446
	Ending Rate Base	86,058,680	91,196,868	95,660,299	99,295,173	103,210,840	108.935.936	113,990,431	118,775,679	123,708,765	128,151,167	132,099,027	135,859,325	135 859
	Inding reac base	00,000,000	01,100,000	00,000,200	00,200,170	100,210,040	100,000,000	110,000,401	110,770,070	120,700,700	120,101,101	102,000,021	100,000,020	100,000
ı	Average Rate Base	9,085,218	9,085,218	9,085,218	9,085,218	9,085,218	9,085,218	9,085,218	9,085,218	9,085,218	9,085,218	9,085,218	9,085,218	109,022
		.,,											.,,	,.
	Return on Rate Base	782,303	782,303	782,303	782,303	782,303	782,303	782,303	782,303	782,303	782,303	782,303	782,303	9,387
ı	Vetuili dii Nate Dase	702,303	702,303	702,303	702,303	702,303	702,303	702,303	702,303	702,303	702,303	702,303	702,303	3,301
ı	Available for Return (equity portion of rate base)	504.630	504.630	504.630	504.630	504.630	504.630	504.630	504.630	504.630	504.630	504.630	504.630	6.055
				22.,,222		22.1922	201,000	00.110.00	22.1022	20.11222		22.1222		
	EXPENSES													
I	O&M and Depreciation													
١	Operating Costs	0	0	0	0	0	0	0	0	0	0	0	0	
	Property Tax	0	0	0	0	0	0	0	0	0	0	0	0	1
	Book Depreciation	0	0	0	0	0	0	0	0	0	0	0	0	
	Total O&M and Depreciation Expense	0	0	0	0	0	0	0	0	0	0	0	0	
ı	Income before Taxes	504.000	504.000	504.000	504.000	504.000	504.000	504.000	504.000	504.000	504.000	504.000	504.000	0.05
ı	Available for Return (from above)	504,630	504,630	504,630	504,630	504,630	504,630	504,630	504,630	504,630	504,630	504,630	504,630	6,05
I	Taxable Income (grossed up) 1.705	66 860,703	860,703	860,703	860,703	860,703	860,703	860,703	860,703	860,703	860,703	860,703	860,703	10,328
	Income Taxes													
	Current and Def Income Taxes 41.37	7% 356,073	356,073	356,073	356,073	356,073	356,073	356,073	356,073	356,073	356,073	356,073	356,073	4,27
	Total Income Tax Expense	356.073	356.073	356.073	356.073	356,073	356.073	356.073	356.073	356.073	356.073	356,073	356.073	4,27
I														
ı														
ı	REVENUE REQUIREMENTS													
ı	Expenses	356,073	356,073	356,073	356,073	356,073	356,073	356,073	356,073	356,073	356,073	356,073	356,073	4,272
ı	Return on Rate Base	782,303	782,303	782,303	782,303	782,303	782,303	782,303	782,303	782,303	782,303	782,303	782,303	9,387
I	Subtotal Revenue Requirements	1,138,375	1,138,375	1,138,375	1,138,375	1,138,375	1,138,375	1,138,375	1,138,375	1,138,375	1,138,375	1,138,375	1,138,375	13,660
ı	Adjustments	1,138,375	4 400 075	4 400 075	4 400 075	4 400 075	4 400 075	4 400 075	4 400 075	1,138,375	4 400 075	1,138,375	4 400 075	40.000
ı	Total Revenue Requirements	1,138,375	1,138,375	1,138,375	1,138,375	1,138,375	1,138,375	1,138,375	1,138,375	1,138,375	1,138,375	1,138,375	1,138,375	13,660
ı	Base Demand Factor 75.29	857.027	857 027	857.027	857 027	857 027	857.027	857.027	857.027	857.027	857 027	857.027	857 027	10.28
ı	Peak Demand Factor 24.7		281,349	281,349	281,349	281,349	281,349	281,349	281,349	281,349	281,349	281,349	281,349	3,37
ı	Tour Domaile Factor	201,040	201,040	201,040	201,040	201,040	201,040	201,040	201,040	201,040	201,040	201,040	201,040	0,07
I	Minnesota share - E1 factor 51.5408	3% 441,718	441,718	441,718	441,718	441,718	441,718	441,718	441,718	441,718	441,718	441,718	441,718	5,300
	Minnesota share - D1 factor 48.3009		135,894	135,894	135,894	135,894	135,894	135,894	135,894	135,894	135,894	135,894	135,894	1,63
ı				-			-	-	-	-				
ı	Minnesota Revenue Requirements	577,612	577,612	577,612	577,612	577,612	577,612	577,612	577,612	577,612	577,612	577,612	577,612	6,93
١	SUPPORTING INFORMATION / DATA													
		M1 0 0												
		MN Cap Structure Capital Structure	with allowed RO	Ratio	Cost	WA Cost					Property tax			
I		Debt	-	48 28%	6.33%	3.06%					2014 composite ra	ate	0.00%	
		Preferred equity		0.00%	0.00%	0.00%				•	LOT 4 COMPOSITO II	110	0.0070	
		Common equity		51.72%	10.74%	5.55%								
		Total	-	100.00%			Overall Return							
					-									
١				Book	Tax									1
		Project life (years))	30	7-year MACRS									
			_		Federal	State								
			atutory Tax Rate	41.37%	31.57%	9.80%								
ı			conversion factor	1.70561										
١		Base	Demand Factor	75.29%										
			Demand Factor	24.71%										
			share - E1 factor	51.5408%										
		MN s	share - D1 factor	48.3009%										
														1
	Deferred Tax	_	_	_	_	_	_	_	_	_	_	_		
۱	Book depreciation	0	0	0	0	0	0	0	0	0	0	0	0	
۱	Book depreciation Tax depreciation-Federal	0	ō	0	ō	ō	ō	ō	ō	ō	ō	ō	ō	
	Book depreciation Tax depreciation-Federal Tax depreciation-State	0	0	0	0	0	0	0	0	0	0	0	0	
	Book depreciation Tax depreciation-Federal	0	ō	0	ō	ō	ō	ō	ō	ō	ō	ō	ō	

Line No.	Year>:	Projected January	2015 Projected February	2015 Projected March	2015 Projected April	2015 Projected May	2015 Projected June	2015 Projected July	2015 Projected August	2015 Projected September	2015 Projected October	2015 Projected November	2015 Projected December	2015 Projected Total
1	Plant Balance	0	0	0	0	0	0	0	0	0	185.697.112	189,399,840	190,151,233	190.151.233
2	Accumulated. Depreciation Net Plant in Service	0	0	0	0	0	0	0	0	0	185,697,112	(515,309) 188,884,531	(1,040,894) 189,110,339	(1,040,894)
4 5 6 7	CWIP Calculation Eligible AFUDC CWIP Additional CWIP Ending Eligible AFUDC CWIP	147,760,631 5,574,050 153,334,681	153,334,681 8,456,409 161,791,090	161,791,090 7,840,706 169,631,796	169,631,796 7,217,746 176,849,542	176,849,542 6,917,301 183,766,843	183,766,843 5,590,204 189,357,047	189,357,047 2,828,037 192,185,084	192,185,084 2,820,693 195,005,777	195,005,777 2,373,658 197,379,435	197,379,435 (179,693,262) 17,686,173	17,686,173 106,365 17,792,538	17,792,538 87,217 17,879,756	
8 9 10 11	AFUDC Additional AFUDC Ending AFUDC AFUDC Rate	0 3,544,995 0.00%	0 3,544,995 0.00%	0 3,544,995 0.00%	0 3,544,995 0.00%	0 3,544,995 0.00%	0 3,544,995 0.00%	0 3,544,995 0.00%	0 3,544,995 0.00%	0 3,544,995 0.00%	0 3,544,995 0.00%	0 3,544,995 0.00%	0 3,544,995 0.00%	
12 13 14 15	Bag House Exclusion Additional Bag House Exclusion Total Bag House Exclusion Accumulated Deferred Income Taxes Fedederal & State	(579,712) (16,026,014) 0	(879,484) (16,905,497) 0	(815,449) (17,720,946) 0	(750,660) (18,471,606) 0	(719,413) (19,191,020) 0	(581,392) (19,772,412) 0	(294,122) (20,066,534) 0	(293,358) (20,359,891) 0	(246,865) (20,606,757) 0	(624,412) (21,231,169) (3,739,237)	(106,365) (21,337,534) (7,265,290)	(87,217) (21,424,751) (10,787,092)	(10,787,092)
16 17 18	Ending Rate Base Average Rate Base	140,853,663 13,845,162	148,430,588 13,845,162	155,455,845 13,845,162	161,922,931 13,845,162	168,120,819 13,845,162	173,129,630 13,845,162	175,663,546 13,845,162	178,190,881 13,845,162	180,317,674 13,845,162	181,957,875 13,845,162	181,619,241 13,845,162	178,323,247 13,845,162	178,323,247 166,141,943
19 20	Return on Rate Base	1,192,168	1,192,168	1,192,168	1,192,168	1,192,168	1,192,168	1,192,168	1,192,168	1,192,168	1,192,168	1,192,168	1,192,168	14,306,017
21 22 23	Available for Return (equity portion of rate base)	769,016	769,016	769,016	769,016	769,016	769,016	769,016	769,016	769,016	769,016	769,016	769,016	9,228,198
24	EXPENSES													
25 26 27	O&M and Depreciation Operating Costs Property Tax	0	0	0	0	0	0	0	0	0	125,610 0	125,610 0	125,610 0	376,830 0
28 29 30	Book Depreciation Total O&M and Depreciation Expense	0	0	0	0	0	0	0	0	0	0 125,610	515,309 640,919	525,585 651,195	1,040,894 1,417,724
31 32 33 34	Income before Taxes Available for Return (from above) Taxable Income (grossed up) 1.705	769,016 6 1,311,643	769,016 1,311,643	769,016 1,311,643	769,016 1,311,643	769,016 1,311,643	769,016 1,311,643	769,016 1,311,643	769,016 1,311,643	769,016 1,311,643	769,016 1,311,643	769,016 1,311,643	769,016 1,311,643	9,228,198 15,739,720
35 36 37 38	Income Taxes Current and Def Income Taxes 41.37 Total Income Tax Expense	% 542,627 542,627	542,627 542,627	542,627 542,627	542,627 542,627	542,627 542,627	542,627 542,627	542,627 542,627	542,627 542,627	542,627 542,627	542,627 542,627	542,627 542,627	542,627 542,627	6,511,522 6,511,522
39 40	REVENUE REQUIREMENTS													
40	Expenses	542 627	542 627	542 627	542 627	542 627	542 627	542 627	542 627	542 627	668 237	1.183.546	1.193.821	7 929 246
42 43 44	Return on Rate Base Subtotal Revenue Requirements Adjustments	1,192,168 1,734,795	1,192,168 1,734,795	1,192,168 1,734,795	1,192,168 1,734,795	1,192,168 1,734,795	1,192,168 1,734,795	1,192,168 1,734,795	1,192,168 1,734,795	1,192,168 1,734,795	1,192,168 1,860,405	1,192,168 2,375,714	1,192,168 2,385,989	14,306,017 22,235,263
45 46	Total Revenue Requirements	1,734,795	1,734,795	1,734,795	1,734,795	1,734,795	1,734,795	1,734,795	1,734,795	1,734,795	1,860,405	2,375,714	2,385,989	22,235,263
47 48 49	Base Demand Factor 75.29 Peak Demand Factor 24.71		1,306,042 428,753	1,306,042 428,753	1,306,042 428,753	1,306,042 428,753	1,306,042 428,753	1,306,042 428,753	1,306,042 428,753	1,306,042 428,753	1,400,607 459,798	1,788,558 587,156	1,796,294 589,696	16,739,833 5,495,430
50 51 52	Minnesota share - E1 factor 51.5408 Minnesota share - D1 factor 48.3008		673,144 207,092	673,144 207,092	673,144 207,092	673,144 207,092	673,144 207,092	673,144 207,092	673,144 207,092	673,144 207,092	721,884 222,086	921,837 283,602	925,824 284,828	8,627,846 2,654,342
53	Minnesota Revenue Requirements	880,236	880,236	880,236	880,236	880,236	880,236	880,236	880,236	880,236	943,971	1,205,439	1,210,653	11,282,187
Line														
No.	SUPPORTING INFORMATION / DATA													
1 2 3 4 5 6 7		MN Cap Structure Capital Structure Debt Preferred equity Common equity Total	-	E per order. Ratio 48.28% 0.00% 51.72% 100.00%	Cost 6.33% 0.00% 10.74%	WA Cost 3.06% 0.00% 5.55% 8.61%	Overall Return				Property tax 2015 composite ra	ate	0.00%	
8 9 10 11 12		Project life (years)	Book 30	Tax 7-year MACRS Federal	State								
13 14 15 16 17 18 19		Tax e Base Peal MN :	atutory Tax Rate conversion factor Demand Factor Demand Factor share - E1 factor share - D1 factor	41.37% 1.70561 75.29% 24.71% 51.5408% 48.3009%	31.57%	9.80%								
20	Deferred Tax Book depreciation Tax depreciation-Federal Tax depreciation-State	0 0	0 0	0 0	0 0	0 0 0	0 0 0	0 0	0 0 0	0 0	0 9,038,522 9,038,522	515,309 9,038,522 9,038,522	525,585 9,038,522 9,038,522	1,040,894 27,115,566 27,115,566
24	Federal deferred income taxes 35.00 State deferred income taxes		0	0	0	0	0	0	0	0	(2,853,461) (885,775)	(2,690,778) (835,275)	(2,687,534) (834,268)	(8,231,774) (2,555,318)

Otter Tail Power Company Environmental Cost Recovery Rider Tracker Supplemental/Informational Filing Docket No. E017/M-14-647

					2013							2013						2014					
TRACKER SUMMARY . Requirements Compared to Billed:	January Actual	February Actual	March Actual	April Actual	May Actual	June Actual	July Actual	August Actual	September Actual	October Actual	November Actual	December Actual	January Actual	February Actual	March Actual	April Actual	May Actual	June Projected	July Projected	August Projected	September Projected	October Projected	Collection Period
Revenue Requirements																							
Air Quality Control System	0	0	0	0	0	0	0	0	0	0	0	0	577,612	577,612	577,612	577,612	577,612	577,612	577,612	577,612	577,612	577,612	5,776,12
· ·																							
Billed (forecast kWh x adj factor)	0	0	0	0	0	0	0	0	0	0	0	0	641.917	619.350	558,128	531.915	473,531	424.980	451.134	477.685	471,700	442.387	5,092,72
																				,,,,,		-	
Difference	0	0	0	0	0	0	0	0	0	0	0	0	(64,305)	(41,738)	19,484	45,698	104.082	152,632	126,478	99,927	105,912	135,225	
Carrying Charge	-	ō	ō	ō	o o	ō	o o	ō	o o	ō	ō	o o	(0.,000,	(461)	(764)	(630)	(307)	438	1,537	2.455	3,190	3,973	
Cummulative Difference	0	0	0	0	n	0	0	0	0	0	0	0	(64,305)	(106,504)	(87,784)	(42,716)	61.059	214,129	342,144	444,526	553,628	692,826	
Gammadave Billerence													(04,000)	(100,004)	(07,704)	(42,710)	01,000	214,120	042,144	444,020	000,020	OUL,ULU	-
Carrying Charge Calculation	0	0	0	0	0	0	0	0	0	0	0	0	(461)	(764)	(630)	(307)	438	1,537	2,455	3,190	3,973	4,971	14 40
Cumulative Carrying Charge	0	0	0	0	0	0	0	0	0	0	0	0	(461)	(1,226)	(1,856)	(2,162)	(1,724)	(187)	2,268	5,457	9,430	14,401	14,40
	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%		8.61%	
Carrying cost	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	
Forecasted Sales (MWh)																		157,400	167,087	176,920	174,704	163,847	839,95

Approved in Docket E017/M-13-648	
SUMMARY	Oct 2013 - Sept 2014
Revenue Requirements Carrying Charge	\$6,173,838 (38,914
Total Revenue Requirements	\$6,134,924
Dec 2013 - Sept 2014 projected sales in mWh	2,272,477

Otter Tail Power Company Environmental Cost Recovery Rider Tracker Supplemental/Informational Filing Docket No. E017/M-14-647

			2014						201	15				
	TRACKER SUMMARY Requirements Compared to Billed:	November Projected	December Projected	YE Projected	January Projected	February Projected	March Projected	April Projected	May Projected	June Projected	July Projected	August Projected	September Projected	Collection Period
1 2	Revenue Requirements Air Quality Control System	577,612	577,612	12,707,473	880,236	880,236	880,236	880,236	880,236	880,236	880,236	880,236	880,236	9,077,350
3	Billed (forecast kWh x adj factor)	839,592	932,827	11,957,875	1,042,105	1,027,695	933,140	850,236	772,270	764,773	812,651	902,680	893,995	9,771,964
5 6	Difference Carrying Charge	(261,979) 4,971	(355,215) 3,127		(161,869) 601	(147,459) (556)	(52,904) (1,618)	30,001 (2,010)	107,966 (1,809)	115,463 (1,047)	67,585 (226)	(22,444) 257	(13,759) 98	1,788
7 8	Cummulative Difference	435,818	83,731		(77,537)	(225,552)	(280,075)	(252,084)	(145,927)	(31,511)	35,848	13,661	0	
9 10	Carrying Charge Calculation Cumulative Carrying Charge	3,127 17,529	601 18,130		(556) 17,573	(1,618) 15,955	(2,010) 13,945	(1,809) 12,136	(1,047) 11,089	(226) 10,863	257 11,120	98 11,218	0 11,218	
11 12 13		8.61%	8.61%		8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	
	Forecasted Sales (MWh)	183,894	204,315	2,068,126	228,250	225,094	204,384	186,226	169,149	167,507	177,993	197,712	195,810	2,140,336

SUMMARY	Nov 2014 - Sept 2015
Revenue Requirements	\$9,077,350
Carrying Charge	1,788
2014 True Up	692,826
Total Revenue Requirements	\$9,771,964
Nov 2014 - Sept 2015 projected sales in mWh Average Rate	2,140,336 \$0.00457

November 1, 2014 Implementation Attachment A Revised Attachment 4 Page 1 of 1

Otter Tail Power Company Environmental Cost Recovery Rider Supplemental/Information Filing Docket No. E017/M-14-647

Rate Design

Minnesota Revenue Requirements

\$9,771,964

Percent of Revenue

Forecasted Retail Sales, all classes (Nov 2014 - Sept 2015)	\$145,182,080
12 Month Revenue Requirement	\$9,771,964
Percentage of revenue rate	6.731%

Otter Tail Power Company Environmental Cost Recovery Rider Supplemental/Information Filing Docket No. E017/M-14-647

Summary of Revenue Requirements

Line No.	Revenue Requirements	2014-2015
1	Air Quality Control System	\$8,499,737
2	Carrying Cost	10,073
3	True Up	778,895
4	Total	\$9,288,706

Line No.	Year>>	2012 Actual Total	2013 Actual January	2013 Actual February	2013 Actual March	2013 Actual April	2013 Actual May	2013 Actual June	2013 Actual July	2013 Actual August	2013 Actual September	2013 Actual October	2013 Actual November	2013 Actual December	2013 Actual Total
	RATE BASE														10.00
1 2	Plant Balance Accumulated. Depreciation	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	Net Plant in Service	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4	CWIP Calculation										== =		70 107 000	70 770 100	
5 6	Eligible AFUDC CWIP Additional CWIP		21,057,583 254,904	21,312,487 1,321,829	22,634,317 4,720,242	27,354,559 1,351,072	28,705,631 2,410,661	31,116,292 6,108,524	37,224,815 7,746,167	44,970,982 10,540,167	55,511,149 6,790,335	62,301,483 8,125,883	70,427,366 8,344,818	78,772,183 7,038,696	
7	Ending Eligible AFUDC CWIP	21,057,583	21,312,487	22,634,317	27,354,559	28,705,631	31,116,292	37,224,815	44,970,982	55,511,149	62,301,483	70,427,366	78,772,183	85,810,879	85,810,879
8	AFUDC Additional AFUDC		133,819	137,920	158,007	161,640	172,088	208,725	261,280	314,216	367,428	472,238	542,328	615,308	
10	Ending AFUDC		133,819	271,739	429,745	591,386	763,473	972,198	1,233,478	1,547,694	1,915,122	2,387,360	2,929,688	3,544,995	3,544,995
11 12	AFUDC Rate Bag House Exclusion		7.5800%	7.5320%	7.5860%	6.9200%	6.9040%	7.3300%	7.6290%	7.5050%	7.4850%	8.5390%	8.7238%	8.9726%	
13	Additional Bag House Exclusion		(46,935)	(150,141)	(505,568)	(155,255)	(267,049)	(655,003)	(831,035)	(1,127,131)	(742,657)	(892,209)	(922,260)	(793,885)	
14 15	Total Bag House Exclusion Accumulated Deferred Income Taxes Fedederal & State	(1,914,879)	(1,961,815)	(2,111,956)	(2,617,524)	(2,772,779)	(3,039,827)	(3,694,830)	(4,525,866)	(5,652,996)	(6,395,653)	(7,287,862)	(8,210,122)	(9,004,007)	(9,004,007)
16	Ending Rate Base	19,142,703	19,484,491	20,794,099	25,166,780	26,524,238	28,839,938	34,502,183	41,678,594	51,405,846	57,820,952	65,526,864	73,491,749	80,351,868	80,351,868
17 18	Average Rate Base		3,491,861	3,491,861	3,491,861	3,491,861	3,491,861	3,491,861	3,491,861	3,491,861	3,491,861	3,491,861	3,491,861	3,491,861	41,902,331
19	Average Nate base		2013 does not use					3,431,001	3,431,001	3,431,001	3,491,001	3,491,001	3,491,001	3,491,001	41,302,331
20	Return on Rate Base		2013 does not use	a revenue redu	rments calculat	ion, only the AF	DC accrual.								
21	Aurilable for Datum (amits and an af anta base)														
22 23	Available for Return (equity portion of rate base)														
24	EXPENSES OR M and Depresiation														
25 26	O&M and Depreciation Operating Costs														
27	Property Tax														
28 29	Book Depreciation Total O&M and Depreciation Expense														
30															
31 32	Income before Taxes Available for Return (from above)														
33	Taxable Income (grossed up) 1.7056														
34 35	Income Taxes														
36	Current and Def Income Taxes 41.37%														
37 38	Total Income Tax Expense														
39															
40 41	REVENUE REQUIREMENTS Expenses														
42	Return on Rate Base														
43 44	Subtotal Revenue Requirements Adjustments														
45	Total Revenue Requirements														
46 47	Base Demand Factor 75.29%														
48	Peak Demand Factor 24.71%														
49 50	Minnesota share - E1 factor 51.5408%														
51	Minnesota share - D1 factor 48.3009%														
52 53	Minnesota Revenue Requirements														
	1														
Line															
No.	SUPPORTING INFORMATION / DATA														
1			MNI Con Ctro-to	with allows 4 DOS	nor orde-										
2			MN Cap Structure v Capital Structure	vitri allowed ROE	Ratio	Cost	WA Cost					Property tax			
4			Debt	_	48.28% 0.00%	6.33% 0.00%	3.06%				2	013 composite ra	te	0.00%	
5 6			Preferred equity Common equity		0.00% 51.72%	0.00% 10.74%	0.00% 5.55%								
7			Total	_	100.00%			verall Return							
9					Book	Tax									
10			Project life (years)		30 7	7-year MACRS									
11 12						Federal	State								
13			Star	utory Tax Rate	41.37%	31.57%	9.80%								
14 15				nversion factor Demand Factor	1.70561 75.29%										
16				Demand Factor	24.71%										
17 18			MN sh MN sh	are - E1 factor are - D1 factor	51.5408% 48.3009%										
19			101												
20 21	Deferred Tax Book depreciation		0	0	0	0	0	0	0	0	0	0	0	0	0
22	Tax depreciation-Federal		0	0	0	0	0	0	0	0	0	0	0	0	0
23 24	Tax depreciation-State Federal deferred income taxes 35.00%		0	0	0	0	0	0	0	0	0	0	0	0	0
25	State deferred income taxes 35.00%		ő	0	0	0	0	0	0	ő	0	0	0	0	0
ш															

Line No.	DATE MADE	Year>>	2014 Actual January	2014 Actual February	2014 Actual March	2014 Actual April	2014 Actual May	2014 Projected June	2014 Projected July	2014 Projected August	2014 Projected September	2014 Projected October	2014 Projected November	2014 Projected December	2014 Projected Total
1 2	RATE BASE Plant Balance Accumulated. Depreciation		0	0	0	0	0	0	0	0	0	0	0	0	0
	Net Plant in Service CWIP Calculation		0	0	0	0	0	0	0	0	0	0	0	0	0
5 6 7 8	Eligible AFUDC CWIP Additional CWIP Ending Eligible AFUDC CWIP AFUDC		85,810,879 6,369,190 92,180,069	92,180,069 5,733,923 97,913,992	97,913,992 4,981,513 102,895,506	102,895,506 4,056,828 106,952,334	106,952,334 4,370,174 111,322,508	111,322,508 6,389,630 117,712,138	117,712,138 5,641,190 123,353,328	123,353,328 5,340,691 128,694,019	128,694,019 5,505,688 134,199,708	134,199,708 4,958,049 139,157,757	139,157,757 4,406,103 143,563,860	143,563,860 4,196,772 147,760,631	147,760,631
9 10 11	Additional AFUDC Ending AFUDC AFUDC Rate		0 3,544,995 0.00%	0 3,544,995 0.00%	0 3,544,995 0.00%	0 3,544,995 0.00%	0 3,544,995 0.00%	0 3,544,995 0.00%	0 3,544,995 0.00%	0 3,544,995 0.00%	0 3,544,995 0.00%	0 3,544,995 0.00%	0 3,544,995 0.00%	0 3,544,995 0.00%	3,544,995
12 13 14 15	Bag House Exclusion Additional Bag House Exclusion Total Bag House Exclusion Accumulated Deferred Income Taxes Fedederal 8	k State	(662,377) (9,666,384) 0	(595,735) (10,262,119) 0	(518,083) (10,780,202) 0	(421,954) (11,202,156) 0	(454,507) (11,656,663) 0	(664,534) (12,321,197) 0	(586,695) (12,907,893) 0	(555,443) (13,463,335) 0	(572,603) (14,035,938) 0	(515,647) (14,551,585) 0	(458,244) (15,009,828) 0	(436,473) (15,446,301) 0	(15,446,301) 0
16 E	Ending Rate Base	ĺ	86,058,680	91,196,868	95,660,299	99,295,173	103,210,840	108,935,936	113,990,431	118,775,679	123,708,765	128,151,167	132,099,027	135,859,325	135,859,325
18 A	Average Rate Base		9,085,218	9,085,218	9,085,218	9,085,218	9,085,218	9,085,218	9,085,218	9,085,218	9,085,218	9,085,218	9,085,218	9,085,218	109,022,620
20 F 21	Return on Rate Base		782,303	782,303	782,303	782,303	782,303	782,303	782,303	782,303	782,303	782,303	782,303	782,303	9,387,632
22 A	Available for Return (equity portion of rate base)		504,630	504,630	504,630	504,630	504,630	504,630	504,630	504,630	504,630	504,630	504,630	504,630	6,055,559
24	EXPENSES														
26	O&M and Depreciation Operating Costs		0	0	0	0	0	0	0	0	0	0	0	0	0
27 28	Property Tax Book Depreciation		0	0	0	0	0	0	0	0	0	0	0	0	0
29	Total O&M and Depreciation Expense		0	0	0	0	0	0	0	0	0	0	0	0	0
30 31 I	Income before Taxes														
32	Available for Return (from above)	1.7056	504,630	504,630	504,630 860,703	504,630	504,630	504,630	504,630	504,630	504,630	504,630 860,703	504,630 860.703	504,630 860,703	6,055,559
33 T	Taxable Income (grossed up)	1.7056	860,703	860,703	860,703	860,703	860,703	860,703	860,703	860,703	860,703	860,703	860,703	860,703	10,328,430
35 I 36	Income Taxes Current and Def Income Taxes	41.37%	356,073	356.073	356,073	356,073	356,073	356.073	356.073	356,073	356.073	356,073	356,073	356,073	4.272.872
37	Total Income Tax Expense	41.37 %	356,073	356,073	356,073	356,073	356,073	356,073	356,073	356,073	356,073	356,073	356,073	356,073	4,272,872
38 39															
40 /	REVENUE REQUIREMENTS														
41 42	Expenses Return on Rate Base		356,073 782,303	356,073 782,303	356,073 782,303	356,073 782,303	356,073 782,303	356,073 782,303	356,073 782,303	356,073 782,303	356,073 782,303	356,073 782,303	356,073 782,303	356,073 782,303	4,272,872 9,387,632
43 5	Subtotal Revenue Requirements		1,138,375	1,138,375	1,138,375	1,138,375	1,138,375	1,138,375	1,138,375	1,138,375	1,138,375	1,138,375	1,138,375	1,138,375	13,660,504
44 45	Adjustments Total Revenue Requirements		1,138,375	1,138,375	1,138,375	1,138,375	1,138,375	1,138,375	1,138,375	1,138,375	1,138,375	1,138,375	1,138,375	1,138,375	13,660,504
46 47	Base Demand Factor	75.29%	857,027	857,027	857,027	857,027	857,027	857.027	857.027	857,027	857,027	857.027	857.027	857.027	10,284,319
48 49	Peak Demand Factor	24.71%	281,349	281,349	281,349	281,349	281,349	281,349	281,349	281,349	281,349	281,349	281,349	281,349	3,376,184
50 51 52	Minnesota share - E1 factor Minnesota share - D1 factor	51.5408% 48.3009%	441,718 135,894	441,718 135,894	441,718 135,894	441,718 135,894	441,718 135,894	441,718 135,894	441,718 135,894	441,718 135,894	441,718 135,894	441,718 135,894	441,718 135,894	441,718 135,894	5,300,622 1,630,727
53	Minnesota Revenue Requirements		577,612	577,612	577,612	577,612	577,612	577,612	577,612	577,612	577,612	577,612	577,612	577,612	6,931,349
Line															
No.	SUPPORTING INFORMATION / DATA		_												
1	SOLI ON INC IN CINIATION DATA														
2 3 4 5 6 7 8			MN Cap Structure Capital Structure Debt Preferred equity Common equity Total	with allowed ROI	Ratio 48.28% 0.00% 51.72% 100.00%	Cost 6.33% 0.00% 10.74%	WA Cost 3.06% 0.00% 5.55% 8.61%	Overall Return			:	Property tax 2014 composite ra	ate	0.00%	
9			Project life (years)		Book 30	Tax 7-year MACRS									
11 12 13 14 15 16 17 18			Tax c Base Peak MN s	atutory Tax Rate onversion factor Demand Factor Demand Factor share - E1 factor hare - D1 factor	41.37% 1.70561 75.29% 24.71% 51.5408% 48.3009%	Federal 31.57%	State 9.80%								
20	Deferred Tax Book depreciation		0	0	0	0	0	0	0	0	0	0	0	0	0
22	Tax depreciation-Federal		0	0	0	0	0	0	0	0	0	0	0	0	0
24 F	Tax depreciation-State Federal deferred income taxes State deferred income taxes	35.00%	0 0 0	0 0 0	0 0 0	0 0 0	0 0 0	0 0 0	0 0 0	0 0 0	0 0 0	0 0 0	0 0 0	0 0 0	0 0 0

3 Net Plant in 4 CWIP Cal 5 Eligible 6 Addition 7 Ending I 8 AFUDC 9 Addition 10 Ending 0 11 AFUDC 12 Bag Hous 13 Addition 14 Total Ba	ance ated. Depreciation Service Icclustrion AFUDC CWIP half AFUDC CWIP half AFUDC CWIP half AFUDC AFUDC AFUDC		0 0 0 147,760,631 5,574,050 153,334,681	0 0 0 153,334,681 8,456,409	0 0 0	0	0	0							
5 Eligible 6 Addition 7 Ending I 8 AFUDC 9 Addition 10 Ending I 11 AFUDC 12 Bag Hous 13 Addition 14 Total Ba 15 Accumula 16 Ending Rate	AFUDC CWIP hald CWIP Eligible AFUDC CWIP hald AFUDC AFUDC Fate se Exclusion hald Bag House Exclusion		5,574,050 153,334,681	153,334,681 8,456,409		0	0	0	0 0	0 0	0 0 0	185,697,112 0 185,697,112	189,399,840 (515,309) 188,884,531	190,151,233 (1,040,894) 189,110,339	190,151,233 (1,040,894) 189,110,339
9 Addition 10 Ending / 11 AFUDC 12 Bag Hous 13 Addition 14 Total Ba 15 Accumula 16 Ending Rate	AFUDC Crate se Exclusion nal Bag House Exclusion			161,791,090	161,791,090 7,840,706 169,631,796	169,631,796 7,217,746 176,849,542	176,849,542 6,917,301 183,766,843	183,766,843 5,590,204 189,357,047	189,357,047 2,828,037 192,185,084	192,185,084 2,820,693 195,005,777	195,005,777 2,373,658 197,379,435	197,379,435 (179,693,262) 17,686,173	17,686,173 106,365 17,792,538	17,792,538 87,217 17,879,756	
13 Addition 14 Total Ba 15 Accumula 16 Ending Rate	nal Bag House Exclusion		3,544,995 0.00%	0 3,544,995 0.00%	0 3,544,995 0.00%	0 3,544,995 0.00%	0 3,544,995 0.00%	0 3,544,995 0.00%	0 3,544,995 0.00%	0 3,544,995 0.00%	0 3,544,995 0.00%	0 3,544,995 0.00%	0 3,544,995 0.00%	0 3,544,995 0.00%	
	ated Deferred Income Taxes Fedederal &	State	(579,712) (16,026,014) 0	(879,484) (16,905,497) 0	(815,449) (17,720,946) 0	(750,660) (18,471,606) 0	(719,413) (19,191,020) 0	(581,392) (19,772,412) 0	(294,122) (20,066,534) 0	(293,358) (20,359,891) 0	(246,865) (20,606,757) 0	(624,412) (21,231,169) (3,739,237)	(106,365) (21,337,534) (7,265,290)	(87,217) (21,424,751) (10,787,092)	(10,787,092)
18 Average Ra			140,853,663 13,845,162	148,430,588 13,845,162	155,455,845 13,845,162	161,922,931 13,845,162	168,120,819 13,845,162	173,129,630 13,845,162	175,663,546 13,845,162	178,190,881 13,845,162	180,317,674 13,845,162	181,957,875 13,845,162	181,619,241 13,845,162	178,323,247 13,845,162	178,323,247 166,141,943
19 20 Return on R 21	Rate Base		1,192,168	1,192,168	1,192,168	1,192,168	1,192,168	1,192,168	1,192,168	1,192,168	1,192,168	1,192,168	1,192,168	1,192,168	14,306,017
23	or Return (equity portion of rate base)		769,016	769,016	769,016	769,016	769,016	769,016	769,016	769,016	769,016	769,016	769,016	769,016	9,228,198
	Depreciation											105.010	105.010	105.010	070.000
26 Operating 27 Property 7 28 Book Dep	Tax		0 0 0	0	0 0	0 0 0	0 0 0	0	0 0 0	0	0	125,610 0 0	125,610 0 515,309	125,610 0 525,585	376,830 0 1,040,894
	and Depreciation Expense		0	0	0	0	0	0	0	0	0	125,610	640,919	651,195	1,417,724
31 Income befo 32 Available 33 Taxable Inc	for Return (from above) come (grossed up)	1.7056	769,016 1,311,643	769,016 1,311,643	769,016 1,311,643	769,016 1,311,643	769,016 1,311,643	769,016 1,311,643	769,016 1,311,643	769,016 1,311,643	769,016 1,311,643	769,016 1,311,643	769,016 1,311,643	769,016 1,311,643	9,228,198 15,739,720
37 Total Incom 38	xes und Def Income Taxes ne Tax Expense	41.37%	542,627 542,627	542,627 542,627	542,627 542,627	542,627 542,627	542,627 542,627	542,627 542,627	542,627 542,627	542,627 542,627	542,627 542,627	542,627 542,627	542,627 542,627	542,627 542,627	6,511,522 6,511,522
41 Expenses 42 Return on	n Rate Base evenue Requirements		542,627 1,192,168 1,734,795	542,627 1,192,168 1,734,795	542,627 1,192,168 1,734,795	542,627 1,192,168 1,734,795	542,627 1,192,168 1,734,795	542,627 1,192,168 1,734,795	542,627 1,192,168 1,734,795	542,627 1,192,168 1,734,795	542,627 1,192,168 1,734,795	668,237 1,192,168 1,860,405	1,183,546 1,192,168 2,375,714	1,193,821 1,192,168 2,385,989	7,929,246 14,306,017 22,235,263
45 Total Rever	nue Requirements		1,734,795	1,734,795	1,734,795	1,734,795	1,734,795	1,734,795	1,734,795	1,734,795	1,734,795	1,860,405	2,375,714	2,385,989	22,235,263
48 Peak Den 49	mand Factor mand Factor	75.29% 24.71%	1,306,042 428,753	1,306,042 428,753	1,306,042 428,753	1,306,042 428,753	1,306,042 428,753	1,306,042 428,753	1,306,042 428,753	1,306,042 428,753	1,306,042 428,753	1,400,607 459,798	1,788,558 587,156	1,796,294 589,696	16,739,833 5,495,430
	a share - E1 factor a share - D1 factor	51.5408% 48.3009%	673,144 207,092	673,144 207,092	673,144 207,092	673,144 207,092	673,144 207,092	673,144 207,092	673,144 207,092	673,144 207,092	673,144 207,092	721,884 222,086	921,837 283,602	925,824 284,828	8,627,846 2,654,342
	Revenue Requirements		880,236	880,236	880,236	880,236	880,236	880,236	880,236	880,236	880,236	943,971	1,205,439	1,210,653	11,282,187
Line															
No.	ING INFORMATION / DATA														
1 2 3 4 5 6 7			MN Cap Structure Capital Structure Debt Preferred equity Common equity Total	with allowed ROI	E per order. Ratio 48.28% 0.00% 51.72% 100.00%	Cost 6.33% 0.00% 10.74%	WA Cost 3.06% 0.00% 5.55% 8.61% C	Overall Return			2	Property tax 2015 composite ra	ate	0.00%	
8 9 10 11			Project life (years)		Book 30	Tax 7-year MACRS									
12 13 14 15 16 17 18			Tax o Base Peak MN s	atutory Tax Rate conversion factor Demand Factor Demand Factor share - E1 factor share - D1 factor	41.37% 1.70561 75.29% 24.71% 51.5408% 48.3009%	Federal 31.57%	State 9.80%								
20 Deferred Ta 21 Book depre 22 Tax depreci			0	0	0	0	0	0	0	0	0	0 9,038,522	515,309 9,038,522	525,585 9,038,522	1,040,894 27,115,566
23 Tax depreci 24 Federal defe	ciation-State ferred income taxes red income taxes	35.00%	0	0 0	0	0	0	0 0	0	0 0	0 0	9,038,522 (2,853,461) (885,775)	9,038,522 (2,690,778) (835,275)	9,038,522 (2,687,534) (834,268)	27,115,566 (8,231,774) (2,555,318)

Otter Tail Power Company Environmental Cost Recovery Rider Tracker Docket No. E017/M-14-647

					2013							2013						20	14					
TRACKER SUMMARY	January	February	March	April	May	June	July	August	September	October	November	December	January	February	March	April	May	June	July	August	September	October	November	Collection
Requirements Compared to Billed:	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected	Projected	Period
Revenue Requirements																			-		•			
Air Quality Control System	0	0	0	0	0	0	0	0	0	0	0	0	577,612	577,612	577,612	577,612	577,612	577,612	577,612	577,612	577,612	577,612	577,612	6,353,7
Billed (forecast kWh x adj factor)	0	0	0	0	0	0	0	0	0	0	0	0	641,917	619,350	558,128	531,915	473,531	424,980	451,134	477,685	471,700	442,387	496,515	5,589,2
Difference	0	0	0	0	0	0	0	0	0	0	0	0	(64,305)	(41,738)	19,484	45,698	104,082	152,632	126,478	99,927	105,912	135,225	81,098	
Carrying Charge		0	0	0	0	0	0	0	0	0	0	0	0	(461)	(764)	(630)	(307)	438	1,537	2,455	3,190	3,973	4,971	
Cummulative Difference	0	0	0	0	0	0	0	0	0	0	0	0	(64,305)	(106,504)	(87,784)	(42,716)	61,059	214,129	342,144	444,526	553,628	692,826	778,895	
Carrying Charge Calculation	0	0	0	0	0	0	0	0	0	0	0	0	(461)	(764)	(630)	(307)	438	1,537	2,455	3,190	3,973	4,971	5,589	
Cumulative Carrying Charge	0	0	0	0	0	0	0	0	0	0	0	0	(461)	(1,226)	(1,856)	(2,162)	(1,724)	(187)	2,268	5,457	9,430	14,401	19,990	
Carrying cost	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	
Forecasted Sales (MWh)																		157,400	167,087	176,920	174,704	163,847	183,894	

SUMMARY	Oct 2013 - Sept 2014
SOMMAKI	3ept 2014
Revenue Requirements	\$6,173,838
Carrying Charge	(38,914
Total Revenue Requirements	\$6,134,924
Dec 2013 - Sept 2014 projected sales in mWh	2.272.477
Average Rate	\$0.00270

Otter Tail Power Company Environmental Cost Recovery Rider Tracker Docket No. E017/M-14-647

		2014			2015										
Line	TRACKER SUMMARY	December	YE	January	February	March	April	May	June	July	August	September	Collection		
No.	Requirements Compared to Billed:	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Period		
	Revenue Requirements														
1	Air Quality Control System	577,612	13,285,085	880,236	880,236	880,236	880,236	880,236	880,236	880,236	880,236	880,236	8,499,737		
2															
3	Billed (forecast kWh x adj factor)	970,040	12,148,525	1,083,677	1,068,692	970,366	884,153	803,078	795,282	845,070	938,690	929,659	9,288,706		
4															
5	Difference	(392,427)		(203,441)	(188,456)	(90,129)	(3,917)	77,158	84,954	35,166	(58,454)	(49,423)			
6	Carrying Charge	5,589		2,813	1,374	31	(615)	(648)	(99)	510	766	352	10,073		
7	Cummulative Difference	392,057		191,430	4,347	(85,751)	(90,284)	(13,774)	71,082	106,758	49,070	0			
8															
9	Carrying Charge Calculation	2,813		1,374	31	(615)	(648)	(99)	510	766	352	0			
10	Cumulative Carrying Charge	22,804		24,177	24,209	23,593	22,945	22,847	23,357	24,123	24,475	24,475			
11	Carrying cost	8.61%		8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%	8.61%			
12															
13															
14	Forecasted Sales (MWh)	204,315	1,228,168	228,250	225,094	204,384	186,226	169,149	167,507	177,993	197,712	195,810	1,956,441		

SUMMARY	Dec 2014 - Sept 2015
Revenue Requirements	\$8,499,737
Carrying Charge	10,073
2014 True Up	778,895
Total Revenue Requirements	\$9,288,706
Oct 2014 - Sept 2015 projected sales in mWh	1,956,441
Average Rate	\$0.00475

Otter Tail Power Company Environmental Cost Recovery Rider Docket No. E017/M-14-647

Rate Design

Minnesota Revenue Requirements

\$9,288,706

Percent of Revenue

\$132,589,456
\$9,288,706
7.006%

CERTIFICATE OF SERVICE

RE: In the Matter of Otter Tail Power Company's Petition for Approval of the Annual Rate Update to its Environmental Upgrades Cost Recovery Rider Rate, Rate Schedule 13.08

Docket No. E017/M-14-647

I, Jana Emery, hereby certify that I have this day served a copy of the following, or a summary thereof, on Dr. Burl W. Haar and Sharon Ferguson by e-filing, and to all other persons on the attached service list by electronic service or by First Class mail.

Otter Tail Power Company Supplemental Informational Filing

Dated this 14th day of October, 2014

/s/ JANA EMERY

Jana Emery Regulatory Filing Coordinator Otter Tail Power Company 215 South Cascade Street Fergus Falls MN 56537 (218) 739-8879

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Stuart	Tommerdahl	stommerdahl@otpco.com	Otter Tail Power Company	215 S Cascade St PO Box 496 Fergus Falls, MN 56537	Electronic Service	No	OFF_SL_14-647_M-14-647