

Otter Tail Power Company (SD)
Electric Utility - South Dakota Retail Jurisdiction
Cost of Service Study
2015 Actuals

Current Income Tax Summary

	Total Company Electric	SD Retail Electric	All Others
Income Before Taxes			
Total Operating Revenues	\$399,543,857	\$34,393,061	\$365,150,796
less: Total Operating Expenses	(258,695,303)	(23,562,501)	(235,132,802)
Book Depreciation & Amortization	(44,677,098)	(4,170,627)	(40,506,471)
Taxes (Other Than Current Income)	(13,504,765)	(1,083,144)	(12,421,621)
Total Before Tax Book Income	\$82,666,691	\$5,576,789	\$77,089,902
less: Interest Cost	24,624,631	2,666,379	21,958,252
Net Income Before Tax	\$58,042,060	\$2,910,410	\$55,131,650
Federal Schedule M Adjustments			
Additional Tax Depreciation	\$129,911,058	\$11,661,459	\$118,249,599
Cost to Remove	5,262,893	472,423	4,790,470
Directly Assigned Schedule M Items	(223,316)	(4,335)	(218,981)
Accrued Vacation Pay	(15,583)	(1,399)	(14,184)
Charges - Operating Reserves	5,923,207	531,696	5,391,511
Provisions - Operating Reserves	(7,662,768)	(687,848)	(6,974,920)
Unbilled Revenues	0	0	0
Preferred Dividends Paid Credits	0	0	0
Other Schedule M Items	(870,730)	(78,161)	(792,569)
Total Schedule M Adjustments	\$132,324,761	\$11,893,835	\$120,430,926
Federal Adjusted Income Before Income Taxes	(74,282,701)	(8,983,425)	(65,299,276)
Less:			
Minnesota State Income Tax	1,278,696	0	1,278,696
North Dakota State Income Tax	(1,277,440)	0	(1,277,440)
Federal Taxable Income	(74,283,957)	(8,983,425)	(65,300,532)
Federal Tax Rate	35%	35%	35%
Federal Income Tax Before Credits	(25,999,385)	(3,144,199)	(22,855,186)
Investment Tax Credit - Debits Utilized	0	0	0
Federal Income Taxes	(\$25,999,385)	(\$3,144,199)	(\$22,855,186)
State Income Taxes			
Minnesota State Income Tax	1,278,696	0	1,278,696
North Dakota State Income Tax	(1,277,440)	0	(1,277,440)
Total Current Income Taxes	(\$25,998,129)	(\$3,144,199)	(\$22,853,930)