



Otter Tail Power Company
Before the
Minnesota Public Utilities Commission

Application for Authority to
Increase Electric Rates in Minnesota
Docket No. E017/GR-20-719

November 2, 2020

Volume 5
Budget Documentation



Budget Documentation

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O&M Executive Summary

O&M Executive Summary

This Executive Summary provides an overview of how the components of the Otter Tail Power Company (OTP) Operations and Maintenance (O&M) budget were assembled to produce the 2021 fiscal year budget. The 2021 fiscal year budget provides the foundation for the 2021 Test Year cost of service. The information provided herein demonstrates that financial budget and forecast information surrounding O&M provides a fair and reasonable budget that can be relied on to set just and reasonable rates for OTP's Minnesota retail electric operations using a 2021 Test Year.

The 2021 O&M budget was developed using Utilities International (UI) software. This system allows us to accurately, and efficiently load data to build budgets and forecasts. OTP transitioned to the use of UI in 2013 to improve the accuracy and reduce the amount of time needed to produce forward looking financial statements.

The following provides an overview of the information contained in the primary segments of OTP's O&M budget.

Budget Process. The information contained in this section of OTP's budget documentation describes the process involved in the revenue forecast, along with a description of budgeting for fuel and purchased power costs. The budget process used to develop an O&M expense budget for labor and non-labor costs is also described.

O&M Narratives by Functional Area. This section of OTP's budget documentation contains a discussion of the functions and key activities performed by each OTP functional area. It also provides analysis of changes between 2019 actual expenses and 2020 forecast expenses, and between 2020 forecast expenses and 2021 budget expenses.

To create this section of OTP's budget documentation, leadership within each functional area created its own area-specific budget documentation. Each area received a set of similar instructions asking for a narrative surrounding O&M expense details and variance explanations. Each area is led by a Vice President that is responsible for its planning and operations. The functional areas include:

- Regulatory Affairs and Compliance – Business area that is responsible for rate recovery, pricing, and regulatory policy and compliance.
- Information Technology - Functional area delivers cyber-secure and valuable business solutions to OTP.
- Asset Management – Functional area that oversees the reliability and integrity of OTP's transmission and distribution system.
- Customer Service – Functional area that ensures the delivery of safe and reliable electric service to OTP's customers as well as customer support services.

- Energy Supply – Functional area that includes the operation and management of OTP’s generating facilities as well as, develops the resource plan, engages in the wholesale energy market, and is responsible for the strategic planning of OTP.
- Finance/Other – Functional area that compiles the financial statements of OTP along with creating the budgets, forecasts, and cost of service studies. The “other” areas manage the Company’s legal risk and the public policy discourse with legislatures.
- Human Resources & Safety Services – Functional area that oversees all matters relating to OTP’s employees including safety policies.
- Communications – Functional area that facilitates open and timely communication with OTP’s customers, regulators, employees, and shareholders.
- Benefits – A Support area that contains lost time labor costs, pension costs, incentive costs, and worker’s compensations costs.
- Corporate Services –Functional area that provides support to OTP through the Board of Directors, external financial reporting, Internal Audit, financial planning, and investor relations.
- Accounting Transactions Cost Center 0960- An Administrative tracking cost center for multiple overhead loading adjustments and accounting assignments that either support overall company operations or are not assigned elsewhere.

Summary Reports. The Summary Reports section of OTP’s budget documentation provides a high level look at OTP’s O&M costs, comparing 2019 actuals to 2021 budget and 2020 forecast with 2021 budget by FERC Sub-Function, FERC Account, and Sub-Account.

- Summary Report 1a & 1b compares O&M expenses by FERC Sub-Function, including dollar and percentage variances. Refer to Schedule 2 in Tab 5 for explanations of the major changes for 2019 versus 2020.
- Summary Report 2a & 2b compares O&M expenses by FERC Account, including dollar and percentage variances.
- Summary Report 3a & 3b compares O&M expenses by FERC Sub-Account, including dollar and percentage variances.

Supporting Schedules. This section of OTP’s budget documentation includes a number of reports created to provide an understanding of how OTP’s O&M costs for a specific year’s actual costs compare to a forecasted test year’s O&M costs. Schedules 1 through 4 listed below compare Actual 2019 O&M expenses with Budgeted 2021 O&M expenses:

- Schedule 1 - O&M expenses by FERC Account by Functional Area
- Schedule 2 – O&M expenses by FERC Account
- Schedule 3 -O&M expenses by Sub-Account by Functional Area
- Schedule 5 – O&M expenses by Sub-Account

O&M Historical Reports. This section of OTP's budget documentation contains supplemental historical reports for years 2018 through 2020 that compare actual results to OTP's budget amounts. Two reports are shown for each of the three historical years 2018 through 2020. Historical Report #1 presents each specific year's actual versus budgeted O&M costs by Functional Area and Sub-Account with. Historical Report #2 presents actual versus budgeted O&M costs by Functional Area and FERC account.

Volume 5

O&M Budget Process



O&M Budget Process

This document discusses at a high level the process involved with budgeting for Revenue, Fuel and Purchased Power Costs, and Operating and Maintenance expenses.

Revenue Forecast Process

The process Otter Tail Power Company (OTP) undertakes to develop its Revenue Forecast on a quarterly basis. First the regulatory pricing area gathers the following revenue forecast factors as described below.

Forecasted Sales (kWh)

The Business Planning department creates an energy sales forecast, in a software product called MetrixND. This forecast is generally for five years. The data is by month and rate group. It is entered directly into Utilities International (UI), OTP's budgeting and forecasting model. The process to develop the sales forecast is further described in Mr. Dan G. Hansen's Direct Testimony.

Current Retail Rates

Retail rates are generally taken from the current rate book. At times, it is necessary to combine rates for different rate schedules, as some rate groups contain multiple rate schedules.

Customer Counts

Customer counts are obtained from our Customer Information System (CIS) and forecasted for each year.

Estimated Demands (kW)

Demands are estimated from the Energy Forecasted Sales using an average ratio between demand and energy, and then multiplied by the energy for each month.

Estimated Ratcheted Demand (kW)

Ratcheted demands are estimated from the Energy Forecasted Sales using an average ratio between ratcheted demand and energy, and then multiplied by the energy for each month.

Energy Sales and Demand for Separately Forecasted Customers

The Resource Planning department provides the energy sales forecast for large customers. They are generally the largest OTP customers. The demand for these customers is based on their forecasted load factors or baseline demand. There are currently 11 accounts separately forecasted.

Then the revenue factors above are used to determine the following billing determinants: the energy charge, the demand charge, the customer charge, and the facilities charge. Customers'

bills may or may not be made up of all of these factors. These billing determinants are calculated in UI for each month of the forecast years, by rate group. Rate groups are then combined into the five customer classes used by Business Planning: Residential, Commercial, Industrial, Street lighting, and Other Public Authorities. The end result is forecasted revenues that are computed within UI and reported at both the state and system level.

Fuel & Purchased Power Costs

The process that OTP uses to budget its fuel and purchased power cost involves a number of different sources. The Resource Planning Department utilizes a software program from EnCompass for the majority of the fuel budget calculations. EnCompass uses the sales/load forecast data to determine the overall amount of energy that is needed to meet our customers' needs. EnCompass computes an full year, 8760 hourly modeling, of available resources to meet the needs of our load.

The EnCompass model performs an economic dispatch of available resources to meet the energy requirements, taking into account operational specifications and performance parameters of existing thermal resources (heat rates, maintenance schedules, forced outage rates, minimum/maximum capabilities), hydro units, owned wind, and power purchase agreements (both wind and non-wind). Price forecasts for oil, coal, and natural gas, as well as forecasted locational marginal prices (LMPs) for the Otter Tail load zone (OTP.OTP) are used as key inputs into EnCompass. There are also several 'shapes' being used in EnCompass to determine economic dispatch: The load shape associated with retail sales, the price shape applied to monthly market prices, and a generation profile for each wind facility.

Operating & Maintenance Costs

Operating and Maintenance Costs are made up of two key components, Labor and Non-labor costs. Below is a brief description on how each of these components is budgeted.

Labor Expenses

There are two types of costs that make up a Labor budget: productive time and lost time. Productive hours represent total hours less lost time. Lost time hours represent paid leave which includes vacation, sick, holiday, etc.

The labor pool for OTP is represented by individual employee by cost center with straight time hours for both full time and part time. Full time employees are allotted 173.33 hours each month or 2080 hours for a year. Part Time employees are entered based on prior history. Each cost center manager is able to view detailed employee information and make the appropriate changes for a budget year to each employee they oversee which may include lost time hours, retirements, and increase in pay rates.

The starting point for building a labor budget is the entering of prior year lost time hours into the budgeting system by the Business Planning Department. Each cost center manager must review and make adjustments to the prior year's lost time as they may be aware that someone does not have any leave scheduled for the budgeted year when compared to the prior year. Lost time is converted to dollars simply by taking a specific employee's lost time hours times the current pay rate for that employee.

Productive labor is the entering of the prior year productive labor dollars into the budgeting system by account, sub-account, and FERC account by the Business Planning Department. An inflationary rate is then applied to the year of the budget being built. Adjustments are made to productive labor by each cost center manager once they have determined the amount of lost time hours for each employee as they are able to derive the amount of productive hours based on the 2080 hours worked by a full time employee. Utilities International then calculates a composite rate based on total employees' salaries for a specific cost center which is then applied to that cost center's budget for productive dollars. Each manager must review their total labor dollars to determine if they seem appropriate given their employees and the circumstances that they foresee.

OTP uses a labor loading rate applied to all raw labor. Once the raw labor dollars are allocated to each FERC account, the employee benefit payroll loadings are automatically added based on the calculated loading rate for each area.

Cost center managers also input the amount of total hours estimated each month for overtime by cost center rather than individual employee depending on the type of projects that their area anticipates working on. Overtime hours are then converted to dollars by taking the composite

rate for each cost center and multiplying it by a 1.5 factor. In addition to overtime, each cost center looks at their prior year history for premium pay in an attempt to appropriately budget for the current year. Premium pay is assigned dollars rather than hours and is mainly given to employees that receive a step up in pay when the direct supervisor is not on duty.

Non-Labor Expenses

Non-Labor Budgets are developed for all cost centers by the appropriate managers on an annual basis. This process is completed during the second and third quarters of the year preceding the budgeted year.

The starting point for the development of the non-labor budget is prior year average dollars. Prior year dollars are entered into the budgeting system by account, sub account, and FERC account by the Business Planning Department. The guidelines are adjusted for known and measurable changes from the prior year such as plant outages, in addition to input from the Executive Management Team. The cost center averages are distributed to managers to give them a guideline to use while creating their non-labor budget. Each manager will review each account and determine if the amounts included in their budget are appropriate given the circumstances that they foresee in the budget year.

If the cost center has gone over its total cost center expense target, the manager needs to provide an explanation so that the Vice President of the area can review to determine if the overage is necessary. If the overage is determined to be unnecessary, the cost center manager will have to make the necessary changes in the Budgeting System and then formally repeat the approval process. If the overage is determined to be necessary by the Vice President, then a different cost center needs to absorb the difference and reduce its budget to stay within the target as a whole.

For more information on O&M budget process see Ms. Petersen's Direct Testimony



Budget Documentation

Instructions

The purpose of this section is to describe the major functions and key activities that each area is responsible for, to attest as to how these areas add value to our customers, and to provide explanations for items that have changed significantly from one time period to the next. Each of OTP's functional areas were asked to prepare budget documentation using the outline discussed below.

Section I – Introduction and Customer Value

This section generally describes the organization (VP-level business unit), the unit's primary focus and the sub-areas included in the business unit.

This section also discusses the key priorities, strategic initiatives and elements of the business area and how they optimize direct benefit to the customer. Examples include productivity improvements, overall management of the generation plants, environmental initiatives, infrastructure modernization and new technologies, increasing capacity requirements, compliance with reliability standards, ensuring the safe delivery of our energy products, etc.

Section II – Major Cost Drivers

Show the business area's 2019 O&M actual costs and the major spend components in the form of a pie chart. Brief explanations of the major components are also to be provided. Then provide a walk-forward schedule of the business drivers and amounts that make up the majority of the increases and/or decreases in costs in the form of tables and bar graphs comparing the 2019 actuals to 2020 forecast and the 2020 forecast to 2021 budget. Essentially this process is walking us from the 2019 actual O&M's to how OTP arrives at the 2021 budgeted O&M's. The walk-forward tables are prepared on an activity-based perspective and include high-level explanations of the changes. Detailed explanations are provided for each major cost driver following the bar graph. Pie charts are also prepared as a graphic for the major components that make up both the 2020 forecast and the 2021 budget to aid in the walking forward from one time period to the next.

Section III – Full-Tim Equivalent

This section should include an chart for each year on the Full-Time Equivalent employees to show the year over year change in employee counts.

Section IVI – Functional Organization Chart

This section should include an organization chart that identifies all areas that fit within the organization entity being discussed by function.

Section V – Major Business Functions and Key Activities

This section generally describes the overall responsibilities of each of the areas included in the functional organizational chart. In paragraph form, explain what each function is responsible for and use bullets to show each function's key activities.

Section VI – Cost Allocation Methodologies

This section is applicable to business areas that manage costs in OTP that must be assigned to other utilities (such as jointly owned power plants or transmission facilities). All cost assignment or allocation methods used to distribute the business area's budget dollars between legal entities and utilities are shown here. This includes explanations of how each area's costs are assigned directly, or, if allocated, the allocation methodology used.

If not applicable, please write N/A.



2021 O&M Budget Documentation

Asset Management

Section I - Introduction and Customer Value

1.1 Introduction

Asset Management oversees all aspects (construction, operation and maintenance) of Otter Tail Power Company's (OTP's) transmission system, including all transmission lines and associated substation assets and operations. It is accountable for the quality, availability and delivery of materials and engineering associated with providing electric service to OTP customers down to the distribution level. The focus of Asset Management is to efficiently and effectively plan, construct, operate and maintain this system in compliance with all regulations and requirements, in a safe and responsible manner, and to best meet the reliability and energy needs of our customers and regions. The functional areas within Asset Management include Transmission Construction and Maintenance, System Engineering, Delivery Planning, Advanced Concepts, Metering and Land Rights, System Operations, System Infrastructure and Reliability and Policy.

1.2 Customer Value

Asset Management provides customer value through the maintenance of the company's existing transmission and distribution assets, along with analysis and planning to add new assets when needed to enhance the system, and strategic business engagement in the areas of policy and planning.

Existing Assets: Includes operating, maintaining, restoring, and analyzing the performance of the many existing transmission and substation assets. This includes meeting reliability standards and compliance requirements that are focused on ensuring ongoing system reliability.

New Assets: Includes engineering, permitting and construction of large capital investment commitments and infrastructure modernization.

Strategic Operations: Includes planning for new and upgraded asset development, standards compliance management, business relations, contract management, influencing rules and standards development, regional planning, policy evolution, and facilitating execution and opportunity.

How the seven departments within Asset Management carry out these responsibilities is described below.

Transmission Construction and Maintenance

Responsible for maintaining the existing assets and for the reliable operation of the system, this group provides customer value in the following ways:

Section I - Introduction and Customer Value

- Managing and extending the life of our aging assets: The ability to delay the purchase of major assets reduces the cost for the company which in turn benefits our customers by keeping our rates competitive.
- Improving reliability: A proactive approach to monitoring, inspections and testing improves reliability by reducing system interruptions.

System Infrastructure and Reliability:

Responsible for the design of new assets for the company, Delivery Engineering provides customer value in the following ways:

- Maintaining power quality for our customers: Attention to power quality mitigates the risk of customer equipment malfunction, failure, and degradation.
- All transmission and distribution line designs in Delivery Engineering adhere to the National Electric Safety Code (NESC). The NESC contains the basic provisions that are considered necessary for the safety of employees and the public.
- Systems are designed to leverage the latest technology and contribute to the overall reliability of the electric system.
- Designs are made to minimize interruptions to the delivery of electricity to the greatest extent possible.
- Systems are designed such that the completed projects are cost-effective solutions to minimize the cost to customers.
- Projects are managed with a high level of scrutiny to facilitate completion on time and on budget.
- Management of OTPs Geographic Information System which maintains the database of geospatially located assets; largely transmission and distribution assets.
- Oversight of OTP's Facilities, Construction and Survey team. This team is focused on the management of OTP's facilities (buildings and infrastructure) and the surveying and related services that support OTP field construction
-

System Engineering:

- Systems are designed to leverage the latest technology and contribute to the overall reliability of the electric system.

Section I - Introduction and Customer Value

Delivery Planning

The Delivery Planning department carries out several activities that result in direct customer value. These activities include:

- Identification of least cost transmission plans to meet reliability standards.
- Compliance with the North American Electric Reliability Corporation (NERC) reliability standards to minimize penalties arising from non-compliance.
- Optimization of transmission plans (i.e. conductor sizes, configurations, etc.) that result in reduced losses and/or enhanced reliability.
- Participation in regional stakeholder groups that define regional cost sharing criteria within the Midcontinent Independent System Operator, Inc. (MISO).
- Evaluating new interconnection requests to the OTP transmission and distribution system to ensure that the reliability of the overall delivery system is maintained.
- Negotiation of transmission contracts to best position OTP from a financial perspective and minimize risk for the company.

System Operations

Responsible for the operation and control of the electric system, System Operations has a direct impact on customer value in the following ways:

- System operations strictly adheres to operational and switching procedures designed for safe, reliable, and economic movement of power through, out of, within or into our balancing authority area.
- Safe and efficient power system restoration efforts minimize the duration of power outages to customers.
- Continuous engineering review of the system allows for continuous improvement of operational procedures as the system continues to evolve (upgrades and new additions) ensuring continued reliable and economic delivery of electricity.
- Load balancing, reconciling, and reporting ensure the accurate accounting of power within our balancing authority area.
- Providing accurate load forecast data enables the most economic real-time operations through proper planning of generation resource use.
- Continuous maintenance of our IT resources ensures high-availability of critical applications ensuring high reliability as real-time information is exchanged.
- Extensive training ensures that all personnel are properly trained to perform their functions and all rules and regulations are being followed minimizing the risk of non-compliance.

Section I - Introduction and Customer Value

Policy

OTP actively engages in MISO and other stakeholder groups and at the Federal Energy Regulatory Commission on transmission policy and federal regulatory matters. With an increasingly diverse group of parties participating in the transmission policy discussions at all levels, the company continues to place a priority on maintaining a presence and a voice to ensure that customer interests are protected.

Advanced Concepts

- Finally, Special Projects directs the Technology and Infrastructure Program. The Technology and Infrastructure Program sets and directs enterprise strategy related to development of technology to achieve improved reliability, improved customer satisfaction, and improved business efficiency.

Section II – Major Cost Drivers

2.1 Breakdown of Non-Labor Operations and Maintenance Expenses

Chart of Account

Travel/Meals: employee travel related costs associated with operation and maintenance of equipment located in OTP's approximately 70,000 square mile service territory. This includes mileage, meals, lodging, fuel, airfare, other transportation expenses, and conference or training registrations

Dues and Subscriptions: includes industry memberships for the company and employees, subscriptions to industry publications, and training and other reference materials.

Materials and Operating Supplies: includes non-capitalized materials for maintenance and repairs incurred in operating transmission and distribution lines and substation equipment, building maintenance, right-of-way, and hardware, equipment and tools less than \$1,000.

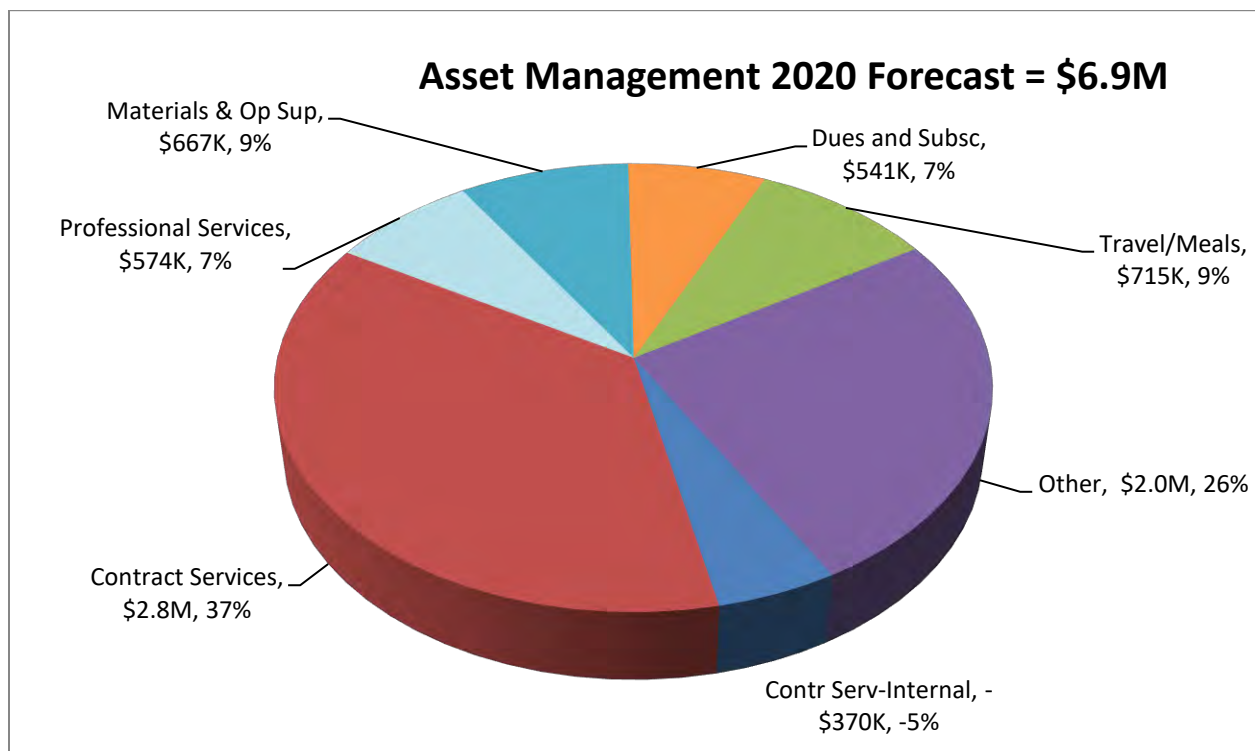
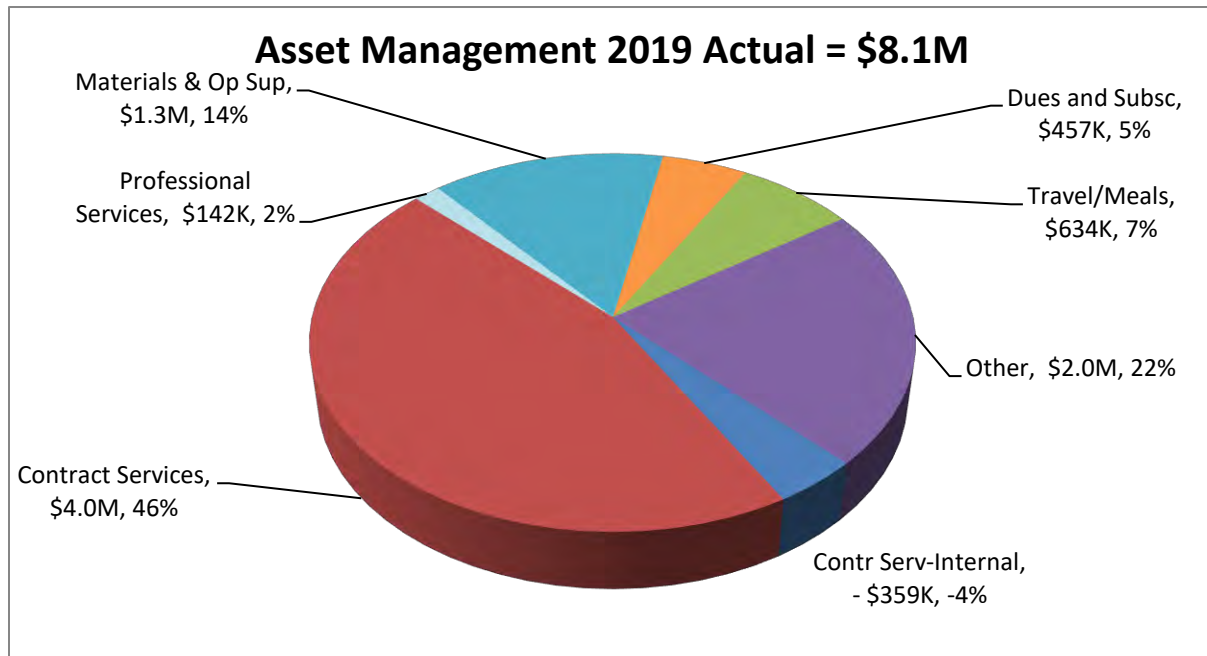
Professional Services: includes external legal expenses and outside engineering services.

Contract Services: includes expenses related to work performed by contractors, such as vegetation management and snow removal.

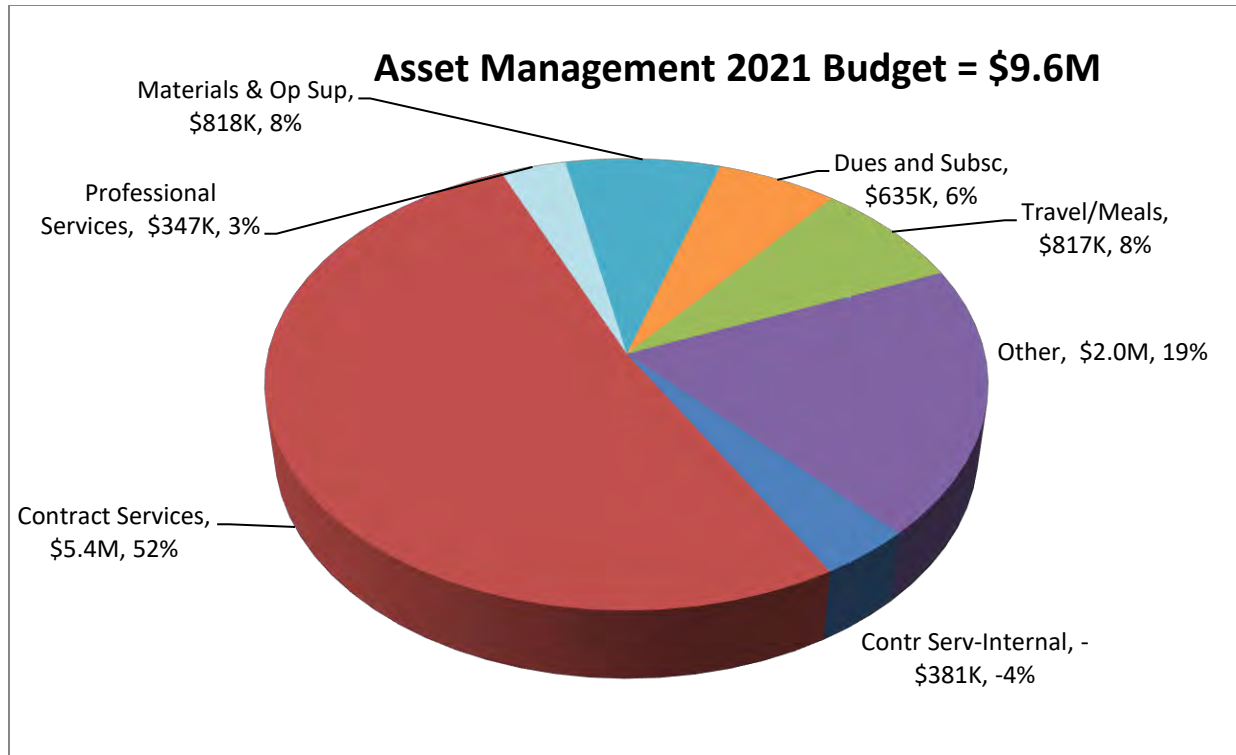
Other: includes MISO Tariff Schedule 11 expense, telephone and communications, lease and rental, office expenses, miscellaneous expenses, and employee benefits.

Section II – Major Cost Drivers

2.2 Breakdown of Non-Labor Operations and Maintenance Expenses

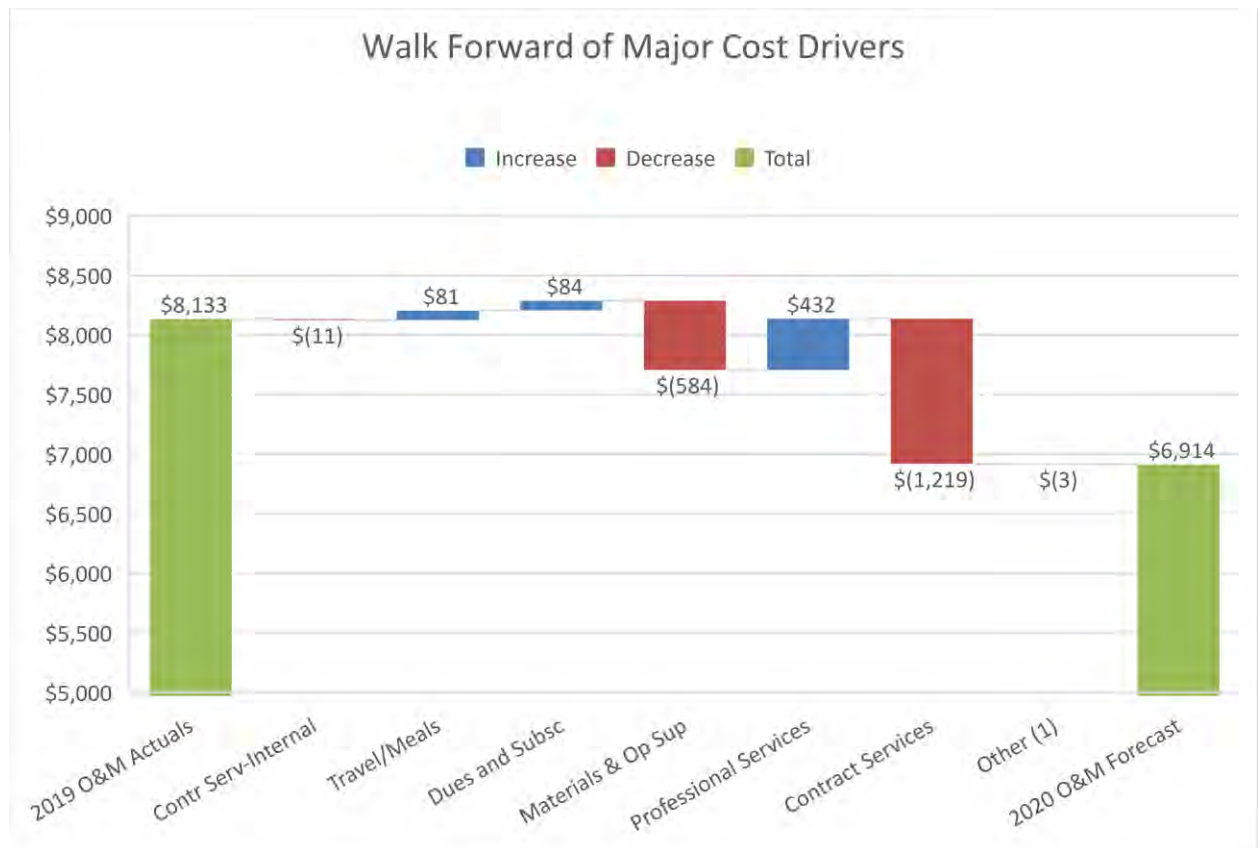


Section II – Major Cost Drivers



Section II – Major Cost Drivers

2.2 Walk of Major Cost Drivers in comparison of 2019 Actuals to 2020 Forecast Forecast Non-Labor Operations & Maintenance

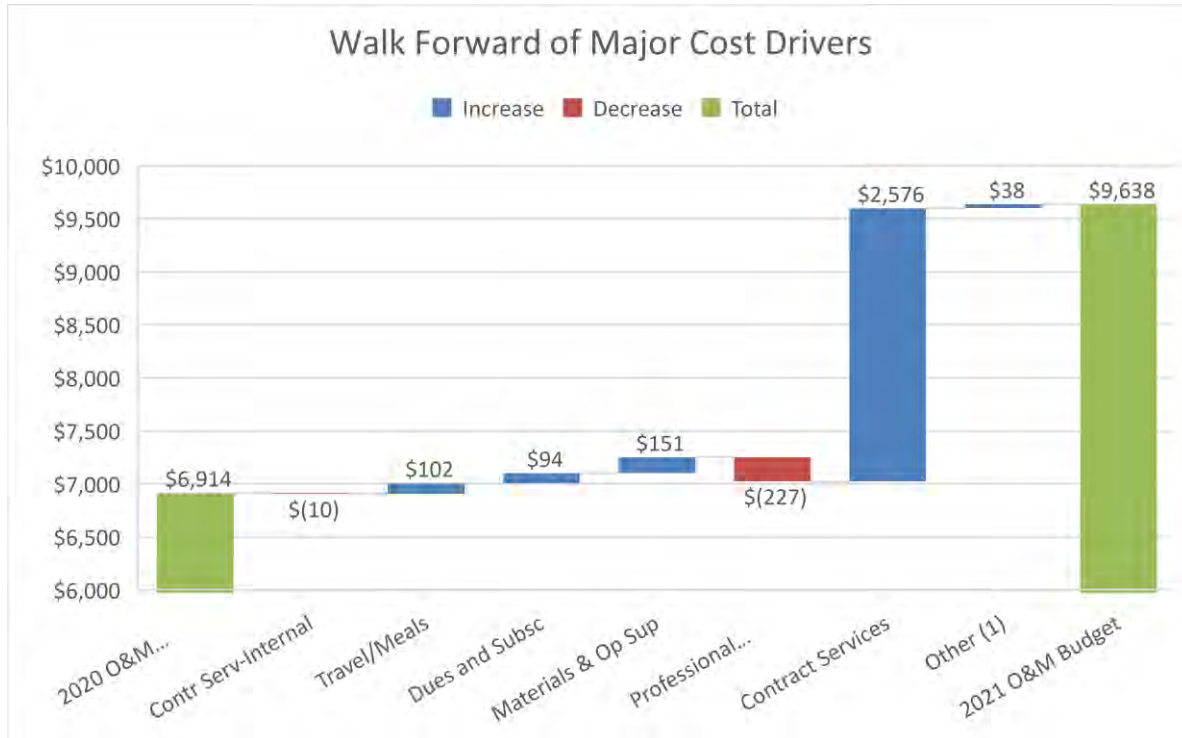


Explanations for the major cost drivers for 2019 Actual versus 2020 Forecast:

Materials and Operating Supplies and Contract Service: Decrease is due to the deferral of vegetation maintenance program in 2020, the deferred vegetation work is being spread out over successive years.

Section II – Major Cost Drivers

2.3 Walk of Major Cost Drivers in comparison of 2020 Forecast to 2021 Budget Non-Labor Operations & Maintenance

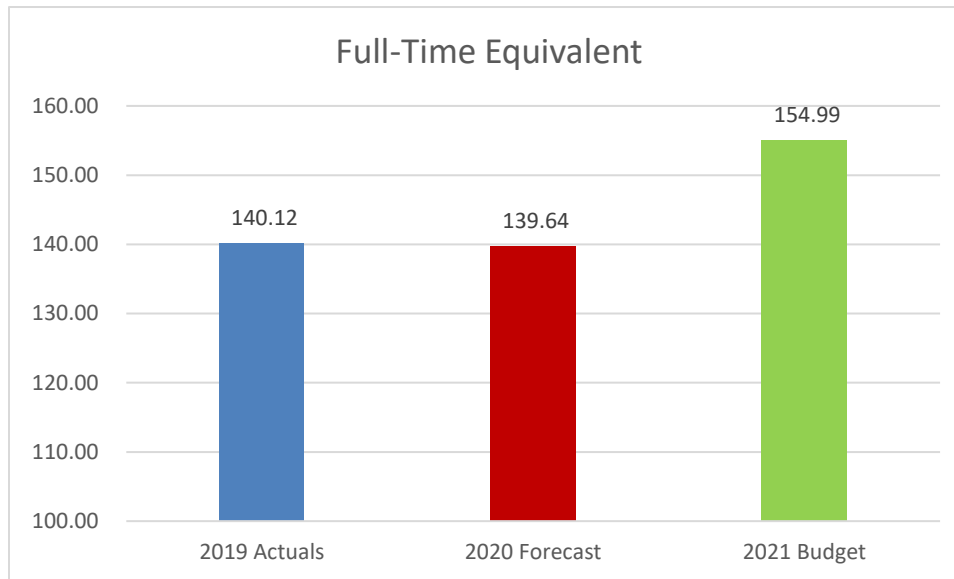


Explanations for the major cost drivers for 2020 Forecast versus 2021 Budget:

Contract services: To make-up for reductions to the vegetation management program in 2020, the deferred vegetation work is being spread out over successive years. Other increases were related to enhanced inspection and maintenance programs to improve reliability.

Section III – Labor

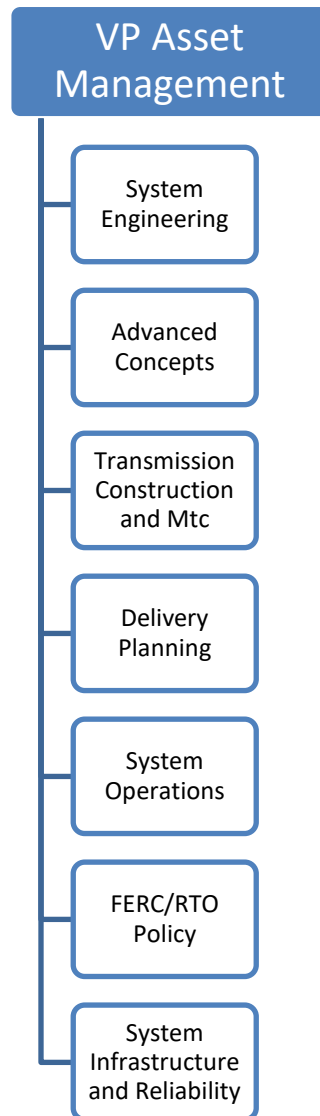
3.1 Full-Time Equivalent (FTE) by Year for Asset Management



The increase in FTE's for 2021 are mainly due to transfer of some Hoot Lake Plant employees to cost centers in Asset Management due to some potential upcoming retirements that will overlap for training.

Section IV- Functional Organization Chart

Asset Management



Section V- Major Business Functions and Key Activities

Asset Management

Transmission Construction and Maintenance

Major Functions

The primary areas of responsibility of the Delivery Maintenance group are reliability, maintenance of transmission lines and substations, repair of a variety of substation assets, power quality and stray voltage testing and mitigation. The integrity of OTP's entire transmission and distribution system is directly related to interruption frequency. Delivery Maintenance works to minimize the system interruptions and improve reliability.

In addition, the Delivery Maintenance department is also responsible for Central Stores. Central Stores is OTP's hub for large and frequently used equipment. They house, deliver and distribute equipment to support Maintenance and Capital projects throughout the 70,000-sq. mile territory. They strive to have adequate material on hand, with timely delivery to the jobsite to support and maintain a reliable electrical system.

Key Activities

- Proactive efforts to communicate, investigate, and resolve reliability issues across our system
- Inform replacement decisions, programs have been developed to monitor, inspect, and test equipment to identify assets that are not performing
- Implement preventative maintenance programs and replacement programs to prolong the lives of our assets
- Recommend and implement inventory levels that provide timely material delivery and do not impede OTP's construction of projects
- Develop vendor alliances when the total cost to OTP can be reduced
- Manage internal Customer Relations and minimize to the extent possible inventory levels and cost
- Transmission Engineering designs lines on the 41.6, 69, 115, 230 and 345 kilovolt (kV) levels
- Substation Civil is responsible for site grading, foundations, ground grid, steel and wood structures that make up the physical aspects of our substations, both distribution and transmission.

Major Functions

System Engineering

Major Functions

Key Activities

Section V- Major Business Functions and Key Activities

Asset Management

- System Engineering is responsible for the protective devices and controls found within our substations, both distribution and transmission and performs the routine maintenance on the protective devices

Delivery Planning

Major Functions

The Delivery Planning department within OTP is responsible for the development of long range transmission plans and strategic transmission projects, evaluating various types of interconnection requests to OTP's transmission and distribution system and the administration and negotiation of all transmission related contracts.

Key Activities

- Perform transmission studies to develop long range transmission plans necessary for OTP to provide safe, reliable energy in the most economical manner
- Monitor transmission studies performed by neighboring utilities and/or regional transmission organizations to ensure that performance of the OTP transmission system complies with all applicable reliability standards
- Develop business cases to support the development of least-cost transmission projects
- Provide engineering expertise to support regulatory filings as they are related to transmission projects, rate cases, or other policy goals of OTP
- Participate actively in state and regional transmission planning activities and represent OTP on key industry stakeholder groups as it relates to transmission planning
- Evaluate third party interconnection requests to OTP's transmission system that result in safe and reliable interconnections to OTP's transmission that adhere to applicable reliability standards
- Process third party generation interconnection requests to OTP's distribution system to facilitate safe and reliable interconnections to OTP's distribution system
- Manage several different transmission contracts and assist in the negotiation of new contracts involving transmission, including integrated transmission agreements, generation interconnections and other transmission-related agreements.

Advanced Concepts

Major Functions

OTP's Advanced Concepts group (also includes the Land Rights and Permitting department) is accountable to route, permit, acquire land rights and manage the construction of transmission lines and substations. OTP established the Advanced department in 2018. The acquisition of land rights includes the sale and lease of real property and real property rights for the company.

Section V- Major Business Functions and Key Activities

Asset Management

Key Activities

- Manage transmission and large substation projects
- Lead the major permitting efforts, such as state route permits and federal and state Environmental Impact Statements
- Lead minor permitting efforts, including road crossings, U.S. Fish and Wildlife permits, rail road crossing permits and state and county permits.

System Operations

Major Functions

The System Operations department is responsible for the reliable and safe operation of the company's electric transmission system and neighboring systems by administering the movement of power through, out of, within or into our balancing authority area while maintaining transmission voltages on transmission facilities within acceptable limits. The department is responsible for developing and implementing real-time operational procedures and switching procedures for all existing facilities and new system facilities as they are added.

The System Operations department also is responsible for Energy Management and Control (EM&C). EM&C operates an accurate metering system for all customer classes and interchanges of energy between utilities on the bulk electric system.

Key Activities

- Oversee the operation and control of electric system generation dispatch, transmission coordination, interconnected operations and interchange functions
- Manage emergency preparedness and oversee and direct power system restoration efforts and coordination such activities
- Evaluate, initiate, and maintain operational and switching procedures that assist the Power System Operators to safely and efficiently perform their accountabilities
- Perform engineering studies and analysis to provide guidance for reliable and economic operation of the transmission system
- Manage the IT support resources and core applications for system operations ensuring high-availability of critical real-time applications
- Perform hourly, daily, and monthly verifications of balancing area meter readings, reconcile this data, and report this info to the regional transmission operator
- Provide load forecast data and performs analysis to resolve errors and inconsistencies with market participants within our load balancing area
- Provide training to ensure compliance with the rules and regulations that govern the safe, reliable operation of the electric transmission system
- Oversee the installation and testing of all energy meters
- Provide for the timely delivery of energy metering information

Section V- Major Business Functions and Key Activities

Asset Management

- Operate a Reliable Radio Load Management System (RLM) and annually assess receivability and controllability
- Verify the RLM system is monitored and maintained for efficient and reliable performance

Policy

Major Functions

The Policy department directs and manages the company's FERC regulatory policy program and is responsible for the development of the company's strategic direction on FERC and MISO transmission policy and federal regulatory matters. The objective is to ensure that customer interests are protected. In response to FERC Order 1000, for example, the company has been engaged in stakeholder groups addressing the impacts on regional planning, project selection methodology, rule-making and cost allocation development.

Key Activities

- Identify, monitor and analyze impacts and inform others on major FERC initiatives
- Represent the company and lead interactions with FERC, MISO, EEI and the states on transmission policy and federal regulatory matters

Manage FERC regulatory filings **System Infrastructure and Reliability**

The System Infrastructure and Reliability department is home to distribution engineering, material and construction standards, power quality and reliability engineering, Building Management, Survey, Substation Construction, and OTP's Computer-Aided Design & Geographic Information System Services (CAD & GIS Services). This department also manages OTPs T&D initiative called SIRI which standards for System Infrastructure and Reliability Initiative.

- Management of OTPs GIS and development of applications to leverage OTP's GIS
- Management of OTP buildings
- Survey
- Substation Construction
- Development of material and construction standards for the most efficient and safe construction of T&D infrastructure.
- Proactive efforts to communicate, investigate, and resolve reliability issues across our system
- Area Engineering designs overhead and underground lines below 41.6 kV and manages the annual capital budget within their respective areas

Section V- Major Business Functions and Key Activities

Asset Management

Key Activities

- Accurately document and map information related to company transmission and distribution assets
- Implement a rigorous system to provide timely, accurate and ongoing updates
- Provide timely and accurate mapping and other informational services for those maintaining, tracking, or building OTP facilities
- Administer company's One-call processes
- Develop relationships to various data sets within the company to aid in better decision making throughout the business
- Maintain buildings and grounds in good condition
- Provide timely, quality service to maximize cleanliness and comfort
- Minimize safety issues or hazards
- Provide survey services that are timely and accurate
- Maintain excellent landowner relations
- Focuses on the customers and employees
- Identify gaps between current business functions and desired or common market functions. Developing technology roadmaps.
- Coordinate related technology developments across the enterprise to reduce overlap/redundancy and gain efficiency
-
- Distribution engineering including project management of distribution projects
- Capital budget forecasting for building and distribution projects
- Material standards and construction standards review and updates
- Review and improve asset replacement philosophies related to SIRI
- Investigate future technologies to improve operations within SIRI



2021 O&M Budget Documentation

Communications

Section I - Introduction and Customer Value

1.1 Introduction

Otter Tail Power Company brings light to life with reliable, affordable electricity. Our customers will keep paying less for the energy to power their homes than they would almost anywhere else in the nation, as we create a strong, smarter energy grid and cleaner energy future.

Balancing competing environmental, economic, and community interests can be difficult. But we've been successful at finding a balanced approach to serving multi-state customers. We credit that success, in part, to being:

- Exceptional at both practical and innovative operations.
- Proactively engaged and collaborative with people who care about *who* we are and *how* and *why* we do what we do.

Communications works cross functionally to inform, inspire, calm, and connect customers, regulators, employees, shareholders, and other audiences. We partner with other business units to continue earning trust as an electric utility that does the right thing at the right time. And we take a lead role in:

- **Differentiating our company** by building brand loyalty, improving customer satisfaction, and activating supporters to advocate on our company's behalf.
- **Boosting employee performance** by aligning employees with company strategy and improving employee access to information.
- **Enabling leader effectiveness** by improving leader-to-stakeholder communication and partnering with company leadership to diagnose and resolve company communication breakdowns.
- **Reducing organizational risk exposure** by monitoring and managing company reputation and mitigating company crisis communications.

1.2 Customer Value

Through open and timely communication, the Communications teams helps to empower the individuals, households, businesses, and communities we serve to save energy and money through energy conservation. We advise on the writing, design, and distribution of all communications that encourage it. We talk to our customers—and others who are interested in who we are and how and why we do what we do—as we would dinner guests across the table.

Providing similar customer value are our load-management programs, which allow us to curtail portions of participating customers' electrical loads during periods of high demand, high energy prices, or system maintenance. Again, we advise on the writing, design, and distribution of strategies that inform customers about money-saving options and encourage program participation. One third of our customers partner with us in load management—a participation rate unmatched by our peers.

Section I - Introduction and Customer Value

Communications

Our company serves approximately 130,000 customers that live in 422 communities and rural areas throughout our 70,000-square-mile footprint. Approximately 90 percent of these communities are home to less than 1,000 people (Winger represents a typical Minnesota town we serve with its population of approximately 220). Our century-plus success stems largely from our hometown understanding of our customers, who are our friends and neighbors. That understanding gives us the perspective we need to know *how* and *when* to best engage our customers.

Sample initiatives

- **Project communications (generation, transmission, and others):** Through public and agency meetings, Communications and project teams make a unified effort to implement processes and communications that are as transparent as legally permissible. We develop and implement comprehensive public and stakeholder relations strategies that reach our audiences where they are to help to simplify processes and encourage open participation.
- **Advertising and marketing:** To help ensure safe, reliable, and affordable electric service, we partner with our Market Planning team to provide customers with information about using electricity wisely. Our website (otpc.com), bill inserts, newsletters, news releases, advertisements, and related tactics emphasize energy conservation, load management, and safety.
- **Employee communications:** We develop and implement companywide internal communication strategies and plans that drive employees' understanding of company priorities and key initiatives. Because employees are the foundation of quality service and customer satisfaction, we help ensure that they know about and understand our company's goals, objectives, plans, and directions, which include top-notch customer service.
- **Otter Impact:** We manage our company's portfolio of generously giving to and actively engaging in our communities—our Otter Impact. We focus our charitable giving and volunteer efforts to connect with our rural communities to support young minds, invest in our current and future workforce, create vibrant culture and vital communities, improve health and human services, and protect our natural resources. While we provide support to a broad array of activities and organizations, we focus our resources on the rural communities we serve.
- **Sustainability report:** We publish an annual Sustainability Report (otpsustainability.com) based on the environmental, economic, and community disclosures outlined in the Global Reporting Initiative (GRI) Standards. As a member of the Edison Electric Institute, we've also joined with member companies to provide environmental, social, governance, and sustainability (ESG/sustainability) information. These reports tell our ongoing story of commitment to environmental, community, and economic responsibility. We're driven to do the right things—with every bolt we fasten, every mile we drive, and every kilowatt-hour we generate—and these reports publicly

Section I - Introduction and Customer Value

affirm our promise to ensure that the behaviors and values that have guided us for more than a century continue to do so.

Section II- Major Cost Drivers

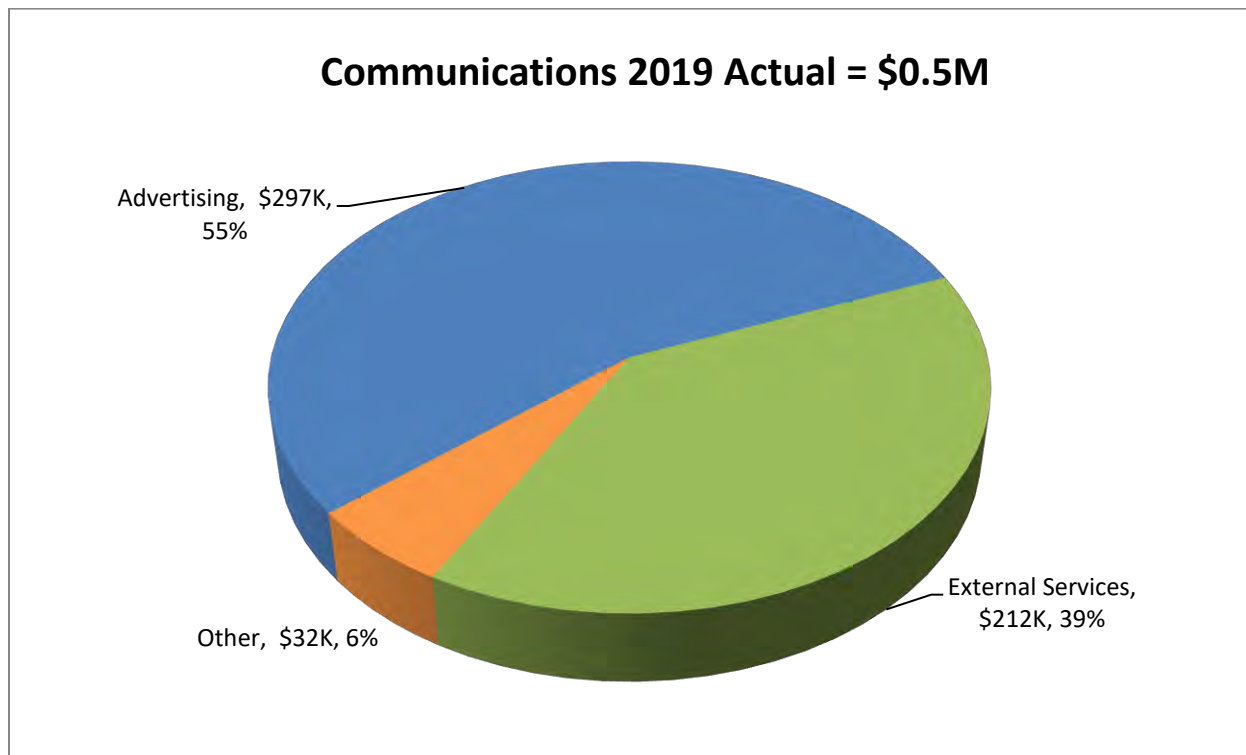
2.1 Breakdown of Non-Labor Operations and Maintenance Expenses

Chart of Accounts

Advertising and program promotions include expenses associated with broad public sharing of information about safety, conservation, load management, community engagement, and more.

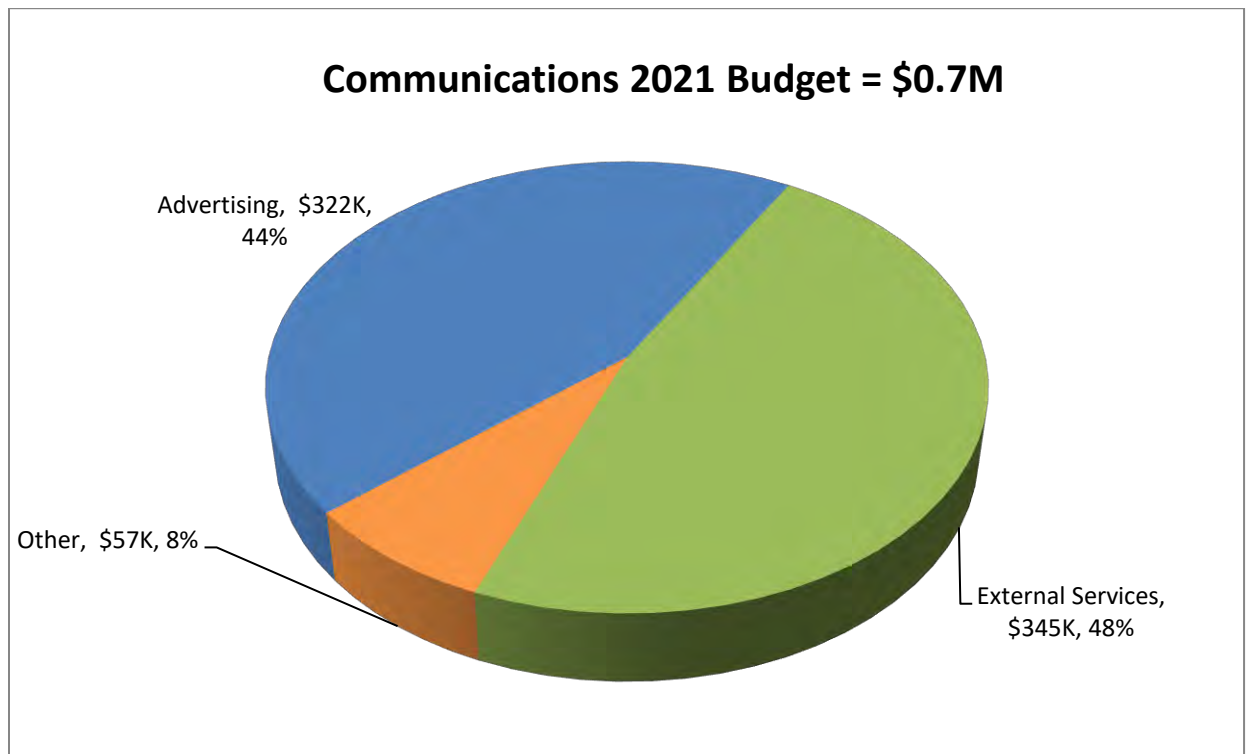
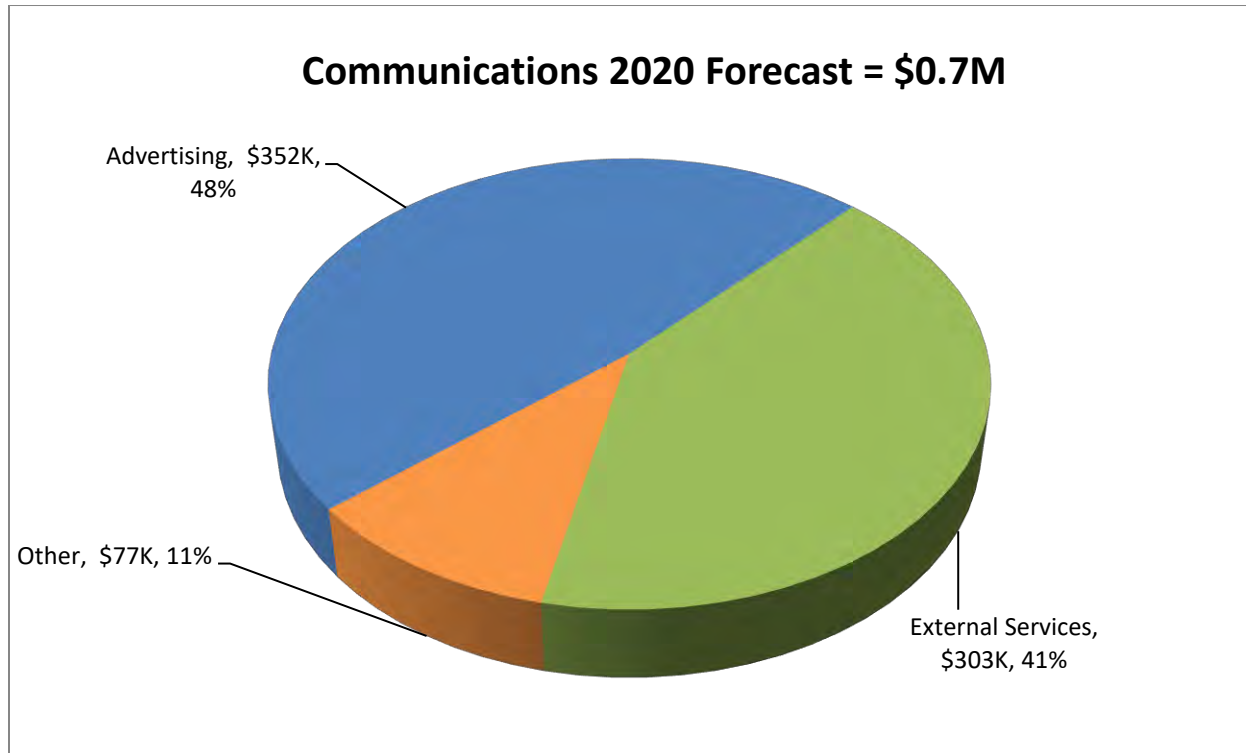
External services include costs associated with external partners who provide the additional expertise and/or human resources that we don't have in-house.

Other includes costs associated with employee expense and travel, office supplies and materials.



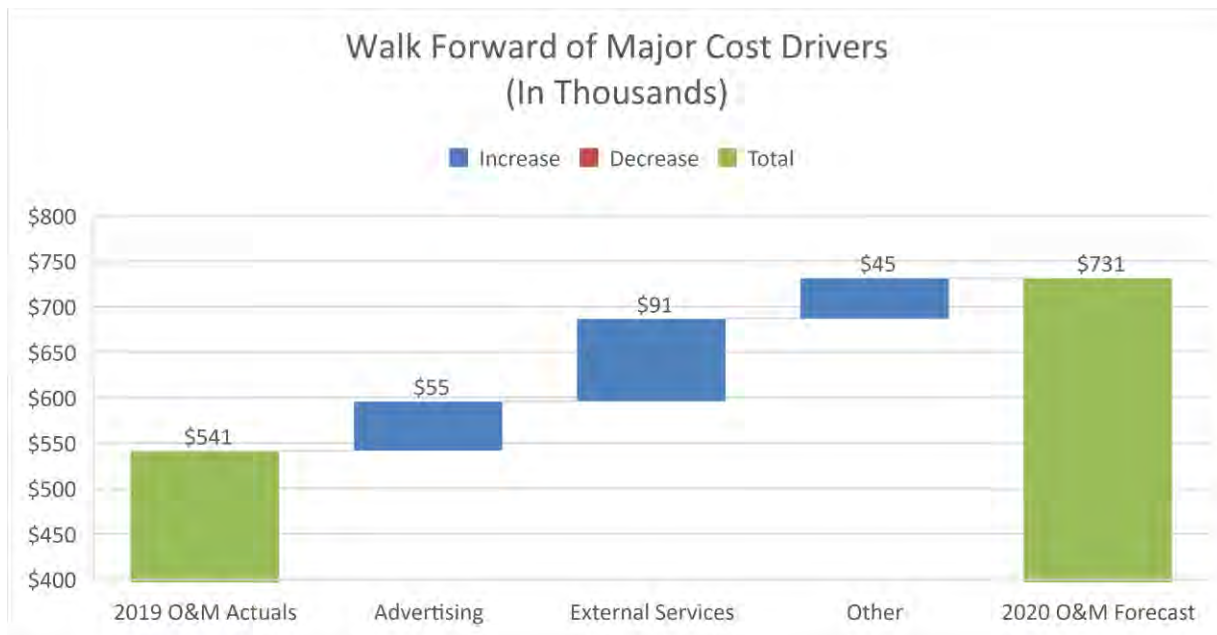
Section II- Major Cost Drivers

2.1 Breakdown of Non-Labor Operations and Maintenance Expenses



Section II- Major Cost Drivers

2.2 Walk of Major Cost Drivers in comparison of 2019 Actuals to 2020 Forecast Non-Labor Operations & Maintenance



Explanations for the major cost drivers for 2019 Actual versus 2020 Forecast:

Advertising and Program Promotions increase primarily reflects reallocation dollars to ensure that we have adequate external services required to support our initiatives.

External services increase reflects the shifting of dollars from advertising and program promotions to ensure that we have adequate external services required to support our initiatives.

Section II- Major Cost Drivers

2.3 Walk of Major Cost Drivers in comparison of 2020 Forecast to 2021 Budget Non-Labor Operations & Maintenance

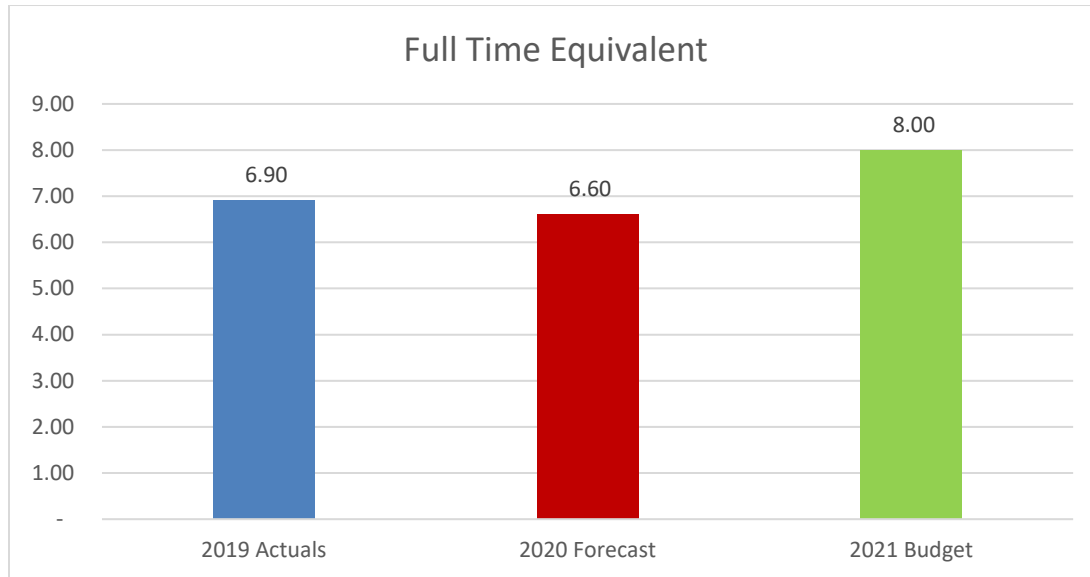


Explanations for the major cost drivers for 2020 Forecast versus 2021 Budget:

Variance is tracking close to forecast.

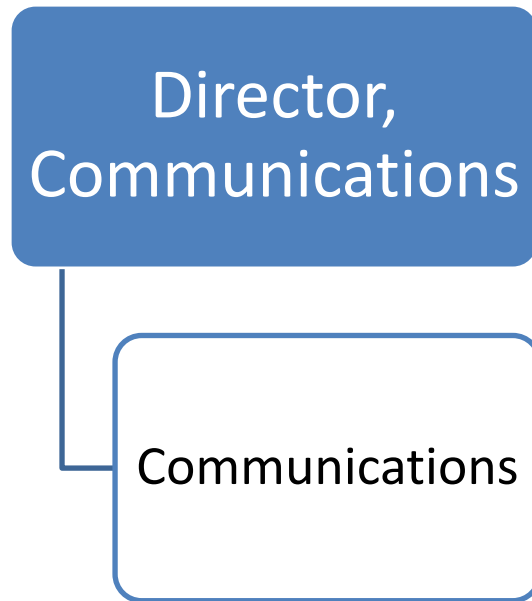
Section III- Labor

3.1 Full-Time Equivalent (FTE) by Year for Communications



Explanations for the change in Full-Time Equivalent (FTE): Communications has stayed pretty consistent year over year in FTE counts.

Section IV- Functional Organization Chart



Section V Major Business Functions and Key Activities

Communications

Communications

Major Functions

Our Communications team researches, develops, implements, and analyzes communication strategy for company and corporate initiatives. We ensure that communication is timely and easy to understand—helping to meet customer satisfaction as well as conservation and load-management goals and to protect the company’s and the corporation’s brands.

Key Activities

- Proactively engage and collaborate with people who care about *who* we are and *how* and *why* we do what we do.
- Advise on marketing and customer service tactics, working cross-functionally with the Market Planning, Customer Service, and Print and Mail Services Departments, as well as external vendors.
- Lead communications strategy for company initiatives, including generation and transmission projects.
- Develop and implement internal communications strategies and plans.
- Advise on and develop brand-related writing, editing, and channel expertise (including otpco.com and social media).
- Provide multimedia services including, but not limited to, photography, videography, audio recordings, digital content, and equipment purchases and maintenance.
- Help ensure a safe workplace.



2021 O&M Budget Documentation

Customer Service

Section I - Introduction and Customer Value

1.1 Introduction

Otter Tail Power Company's (OTP's) Customer Service organization provides for the safe and reliable delivery of electric service as well as customer support services to 130,000 customers in Minnesota, North Dakota and South Dakota. This area is responsible for providing high quality customer service in the areas of field and operational support, frontline office personnel and vehicle fleet services. The major areas within customer service consist of: Customer Service-Field Operations, Customer Care and Relations, and Sales, Implementation and Economic Development. Each area is described in more detail below.

1.2 Customer Value

Customer Service-Field Operations

The Customer Service-Field Operations department consists of field service representatives, lineman, operations support and management responsible for delivering safe and reliable electric service to our customers. Customer value is provided by effective and efficient maintenance and investment in the transmission and distribution system for the purpose of adding capacity, improving reliability and replacing assets as necessary to maintain optimal system performance. Customer Service-Field Operations budgets for electric system asset replacement and maintenance programs in order to meet the objective of providing safe and reliable electric service. Customer Service-Field Operations also provides value to our customers by promoting electric technology options and safe and efficient use of electric service. The Operations Support team provides support to company field operations and efficiently manages transportation needs across the company along with providing support to ensure employees are adequately equipped with the appropriate vehicles and equipment to efficiently complete construction and operations and maintenance projects in a safe and timely manner.

Customer Care and Relations

The Customer Care and Relations department operates our virtual call center, billing, credit and collections, service order processing, overall customer account management, customer service plan design and development, operational audit review support, Customer Idea Center support, quality assurance and training, and administrative support. Within our three jurisdictions, all Customer Service Representatives (CSRs) and Customer Service Managers (CSMs) are trained to handle requests, through our virtual call center, from customers residing in OTP's three state jurisdictions. CSRs and CSMs are responsible for delivering an aligned, consistent, and high-quality response to customer requests and act as an energy advisor to customers with questions about electric service. The employees within Customer Care and Relations are aligned and engaged in an effort to ensure a high-quality customer experience and optimal business results.

Section I - Introduction and Customer Value

The Customer Care and Relations department provides customer value by continually improving the customer experience provided to OTP customers.

Sales, Implementation and Economic Development

The Sales, Implementation and Economic Development department is responsible for offering 1) residential, commercial and industrial customers energy management services related to electrical system, such as proven energy efficient technology options, rate information and analysis, rate selection, renewable energy, and onsite generation; 2) promoting energy efficiency programs to meet customers' goals and needs, and; 3) providing analysis and assistance to customers regarding new and expanding load opportunities. Expertise is offered in electric technologies including, but not limited to, heating and cooling technologies, water heating, electricity conservation, indoor and outdoor lighting, electric motors, and commercial refrigeration. In addition, this department serves as the single point of contact for our communities and economic development activities with both new and prospective customers.

Section II- Walk Forward of Major Cost Drivers

2.1 Breakdown of Non-Labor Operations and Maintenance Expenses in Customer Service

Chart of Account

Travel: The majority of the travel related costs consist of utilization of company-owned vehicles and personal mileage reimbursements for travel within OTP's approximately 70,000 square mile service territory. Also included in the travel expense category is fleet loading. Fleet loading is used to clear all costs associated with OTP's Fleet Service Center. Fleet loading is a systematic and consistent way to allocate the cost of using company vehicles associated with having a Fleet. Field service representatives and lineman are assigned service trucks and other vehicles for the purpose of operation, maintenance and capital work associated with safe and reliable delivery of electricity to our customers. The majority of the service representatives have an assigned area that averages 600 plus square miles. In addition, managers and supervisors in the department have responsibility for employees in multiple communities across the service territory. Travel is necessary for the day to day supervision and management of employees. Similarly, commercial and industrial customer representatives have responsibility for customers across the service territory. In all cases and because our service territory is so widely dispersed, it is not uncommon for employees to travel several hundred miles in a day to supervise employees or meet with customers. All employees also participate in company sponsored meetings and training.

External Services: Customer Service uses outside contractors to perform work in the following areas: reading meters, after-hours answering services, installation of underground facilities, online customer service, snow removal, lawn care and cleaning services.

Materials and Operating Supplies/Building & Grounds: Materials and operating supplies consists of purchases of tools, non-capitalized equipment, maintenance of tools, equipment and office furniture, non-capitalized material necessary for maintaining the transmission and distribution system, safety equipment and supplies and buildings under the responsibility of customer service.

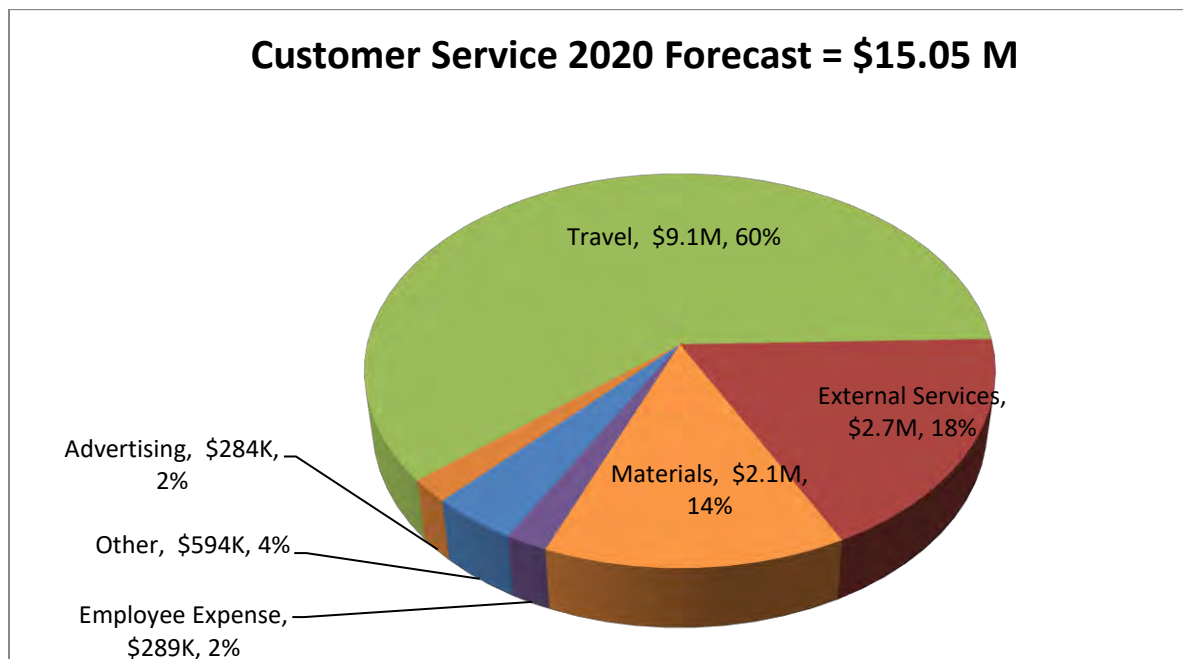
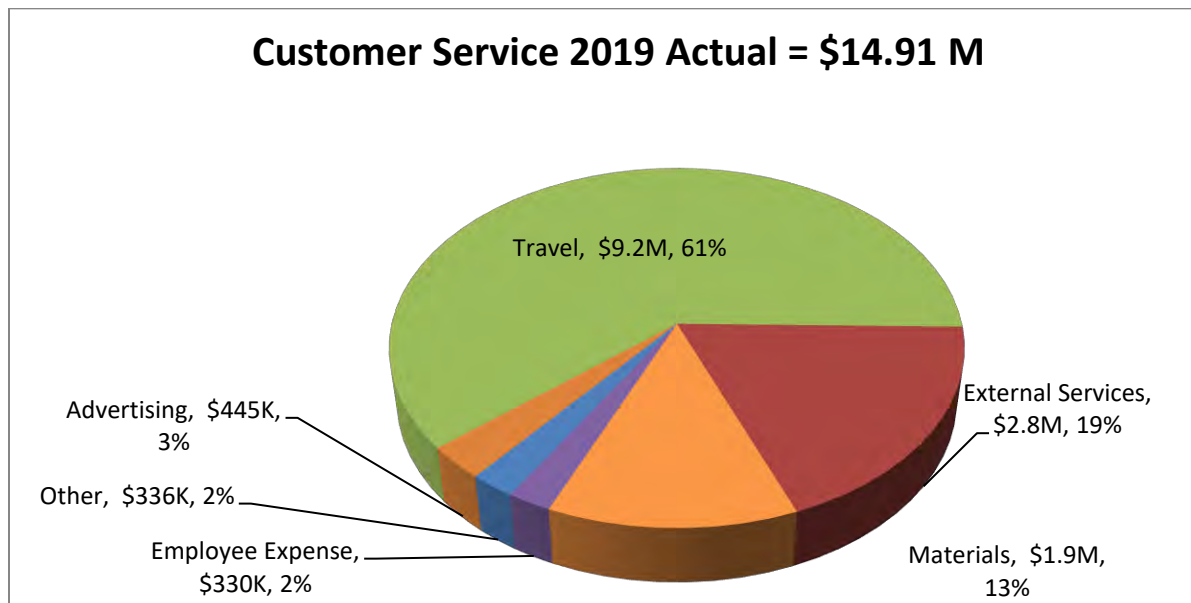
Employee Expense: Expenses of employees.

Other: The costs included in the other expenses category consist of employee expenses, dues, subscriptions and books, communication expense (landline and cell phones); miscellaneous office expenses, advertising, promotional expenses, demand side management rebates, maintenance expense for company, lease/rental expense, insurance and other miscellaneous employee expenses.

Section II- Walk Forward of Major Cost Drivers

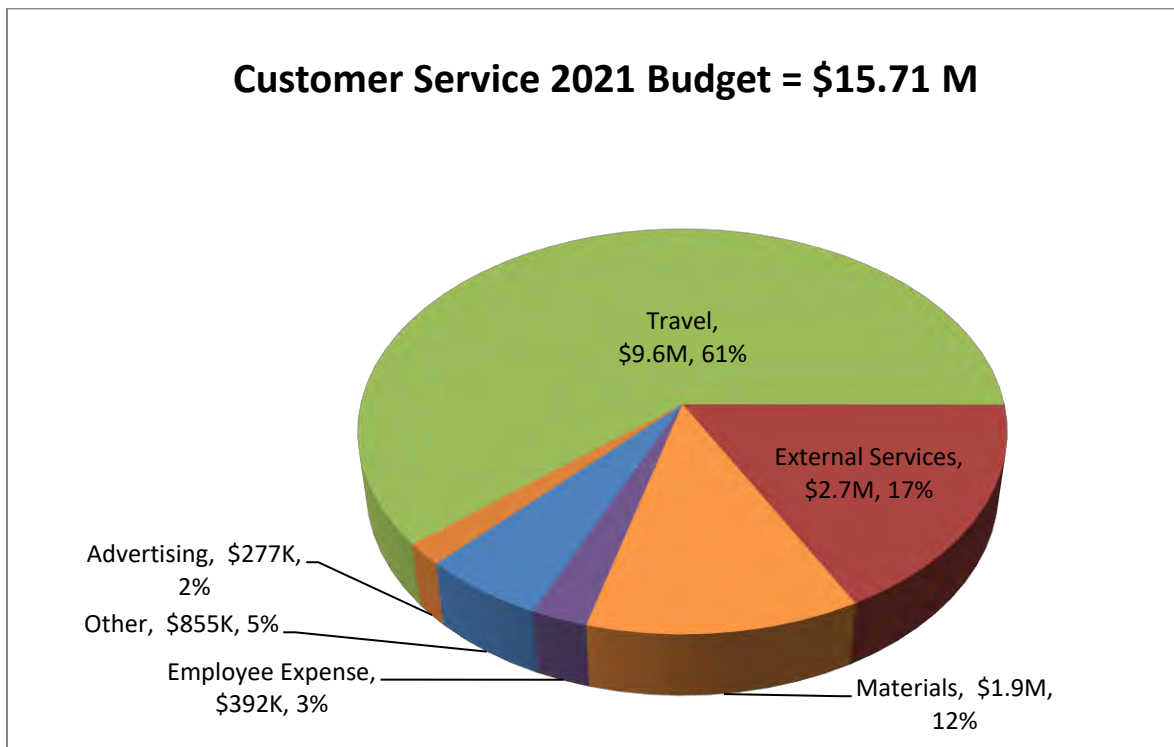
2.1 Breakdown of Non-Labor Operations and Maintenance Expenses in Customer Service

Advertising: Advertising, promotional expenses, and demand side management rebates.



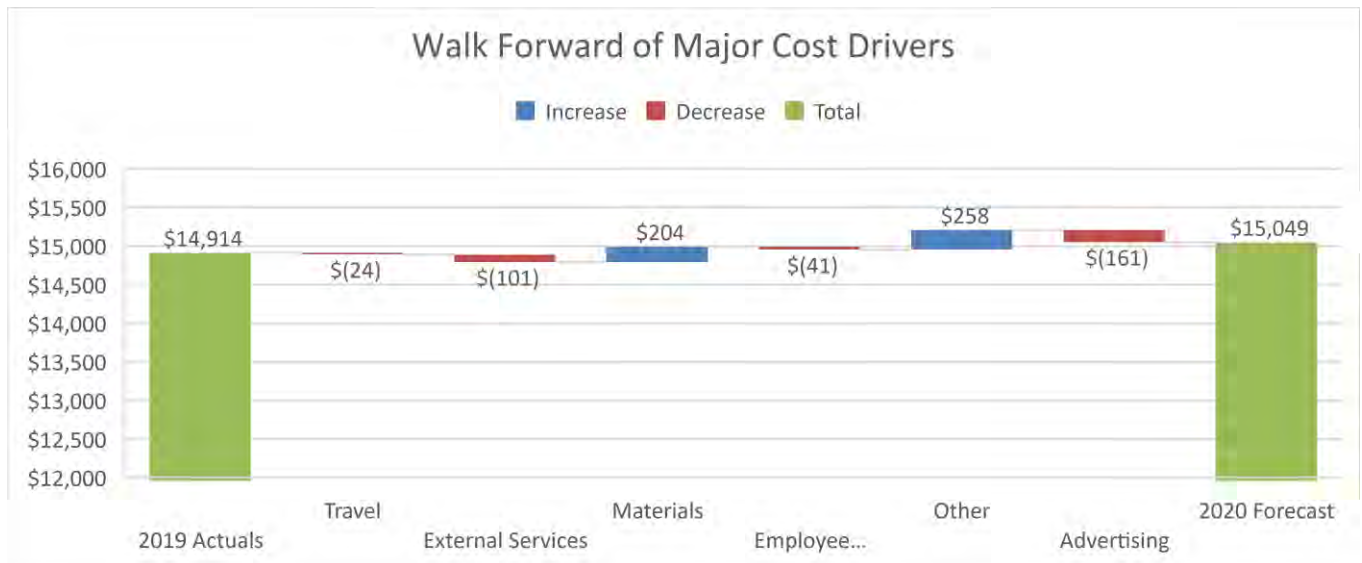
Section II- Walk Forward of Major Cost Drivers

2.1 Breakdown of Non-Labor Operations and Maintenance Expenses in Customer Service



Section II- Walk Forward of Major Cost Drivers

2.2 Walk of Major Cost Drivers in comparison of 2019 Actuals to 2020 Forecast Forecast Non-Labor Operations & Maintenance



Explanations for the major cost drivers for 2019 Actual versus 2020 Forecast:

Spend for 2020 is less than 1% of 2019 actuals. 2020 is tracking close to 2019.

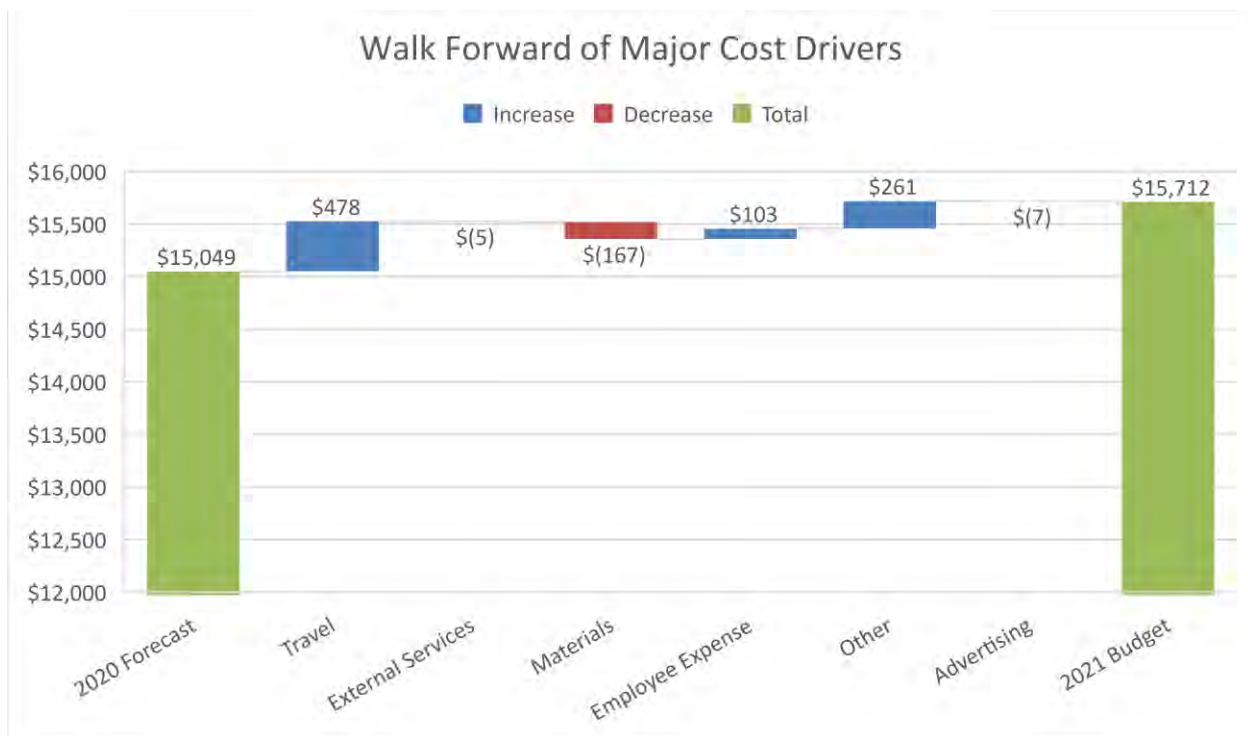
Travel and Employee Expense: Travel was limited in 2020 due to the pandemic and gas prices remained low. Training for employees were done virtually.

Materials Expense: Materials were lower due to more capital work than anticipated in 2020.

Advertising: The advertising budget that was in Customer Service has been moved to the Communications department.

Section II- Walk Forward of Major Cost Drivers

2.3 Walk of Major Cost Drivers in comparison of 2020 Forecast to 2021 Budget Non-Labor Operations & Maintenance

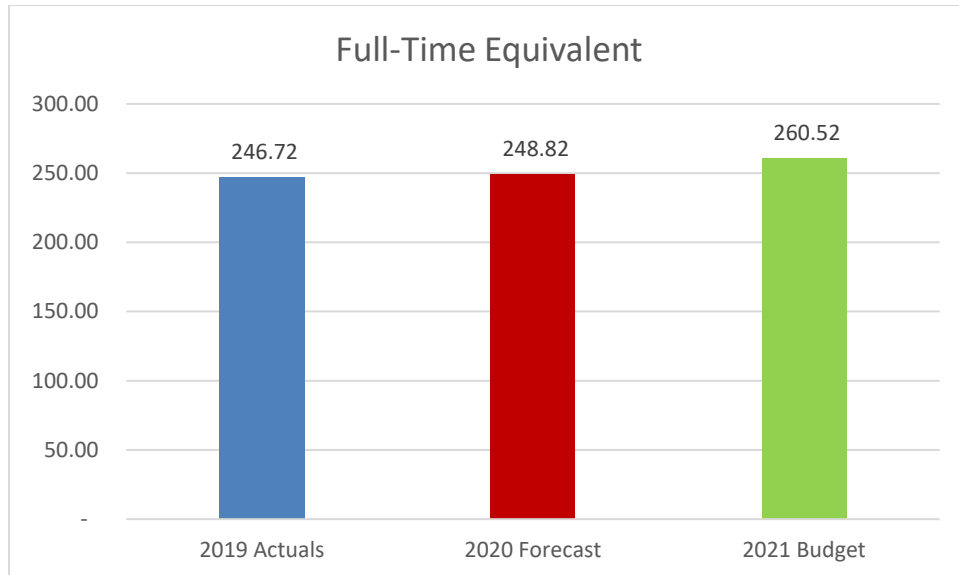


Explanations for the major cost drivers for 2020 Forecast versus 2021 Budget:

Travel: Increases in travel costs are related to anticipated increase in travel over 2020 due to the pandemic and limited travel for the company as a whole. If the increase in travel was normal year over year Customer Service would again be within the 1% spending year over year.

Section III- Labor

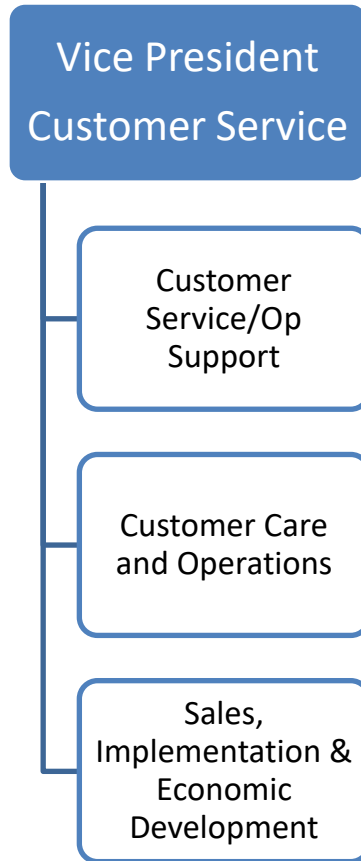
3.1 Full-Time Equivalent (FTE) by Year for Customer Service



Explanations for FTE year over year:

2019 and 2020 are very consistent years. 2021 is higher due to open positions that need to be filled and those positions need overlap due to training new employees from experienced as well as a hiring freeze due to the pandemic. At any given point in time Customer Service has an average of 10 open positions mainly due to retirements and the need to fill them with qualified people has been a struggle. Furthermore, it takes 3.5 years for an apprentice to be at journeyman level.

Section IV- Functional Organization Chart



Section V. Major Business Functions and Key Activities

Customer Service-Field Operations

Major Functions

The services provided by the Customer Service-Field Operations area are primarily for the efficient, safe, and reliable electric service for OTP customers. Customer Service-Field Operations has management and field personnel strategically located throughout our Minnesota, North Dakota and South Dakota service territory. These employees provide day-to day services to our customers located in and around 422 communities. The services provided include operations, service restoration, maintenance and construction of the Company's transmission and distribution system, promoting energy efficiency and demand response programs, and direct customer contact which includes collections, customer service connections, and underground locates. It also provides support to company field operations, and efficiently managing transportation needs across the company.

Key Activities

- Manage and complete projects associated with the overall operation, maintenance and investments in OTP's transmission and distribution system
- Develop and implement workforce plans to assist in scheduling line crews and service representatives
- Manage initiatives for safety, expense/capital budgets, and reliability as well as supporting the achievement of marketing goals and objectives
- Respond to service interruptions including after-hours coverage
- Provide meter reading services
- Respond to customer requests, which includes, start, stop and adding services, and the updating of customer account information by working closely with the appropriate customer service representative
- Account collection services including performing disconnections and reconnections related to non-payment
- Responsibility for the purchase, repair, inspection, maintenance, placement and replacement of Company vehicles and equipment
- Manage apprenticeship program and provide technical training for field personnel.
- Assist with coordination of resources and equipment necessary for storm restoration and mutual aid to other electric utilities
- Accountable for the specification and purchasing of tools, equipment, and line service vehicles
- Investigation and co-management of projects related to O&M and construction work for other entities

Section V. Major Business Functions and Key Activities

Customer Care and Relations

Major Functions

The primary function of Customer Care is to provide training and quality assurance for CSRs and overall customer service support for CSMs. Customer Care employees are also responsible for business process development and standardization, assessing customer satisfaction, and providing communications to customer service staff. The primary functions of Customer Relations are to provide administrative support operations of our virtual call center, credit and collections, and billing and overall customer account management services to OTP customers. CSMs and CSRs are responsible for handling general requests from residential and commercial customers as well as advising customers on energy usage and electric heating and cooling technology options, working with customers who have trouble paying their bills in full or on time and billing support services for timely and accurate billing statements to all customers.

Key Activities

- **Customer Care**
 - Train and provide quality assurance monitoring for staff, including phone call reviews and accuracy of data entry
 - Customer Information System training for all new employees in Customer Service
 - Circulate communications to Customer Service staff
 - Develop, review, and update Customer Service procedure documents
 - Monitor and respond to customer satisfaction results, customer data privacy processes and improve/standardize internal business processes
 - Educate customers on rates, electric heating and cooling technologies, and energy efficiency
 - Project management for the evaluation, selection and implementation of a commercial off the shelf customer information system
- **Virtual Call Center**
 - Respond to and resolve customer inquiries, including start/stop/transfer service, billing and usage questions, payment arrangements, customer complaints and other miscellaneous requests
 - Provide support to low-income customers and government agencies
 - Educate customers on ways to manage energy use through available programs, rates, and electric heating and cooling technologies
- **Credit and Collections**
 - Assist customers with payment options that take into consideration their specific circumstances
 - Minimize bad debt expense by working with customers whose accounts are delinquent

Section V. Major Business Functions and Key Activities

- Monitor delinquent accounts and initiate action with Customer Service Operations staff based on Company collections criteria
- Assess and process deposits for customers with unsatisfactory credit
- Process payments received on bad debts
- Work with other internal departments on managing bad debt including relationships with collection agencies
- **Billing and overall customer account management services**
 - Process exception reports to ensure accurate billing
 - Process retail customer payments
 - Educate customers on the types of payment services that are available to them with a focus on paperless billing and electronic payment
 - Provide customer support for billing questions and complaints related to but not limited to energy use, how to read an electric service statement, availability of rate/rider options
 - Maintaining accurate data associated with meters and associated equipment
 - Updating customer account information based on requests from the customer
 - Initiating and processing service orders based on specific requests from customers
 - Logging customer contacts

Sales, Implementation and Economic Development

Major Functions

This area has ultimate accountability for residential, commercial, and industrial customer contacts and sales as well as the promotion of company conservation and demand response programs and economic development.

Key Activities

- Provide overall strategic planning and guidance related contacts and electric sales opportunities with commercial and industrial customers
- Customer support providing rate analyst and cost information
- Accountable for marketing and support of electric sales, conservation and demand side management programs
- Identifies community partnerships, financing packages, and labor pools to help ensure the success of new business
- Lead economic development, community involvement and customer relationships

Section VI. Cost Allocation Methodologies

Not applicable for the Customer Service area.



2021 O&M Budget Documentation

Energy Supply

Section I - Introduction and Customer Value

1.1 Introduction

Energy Supply areas include oversight and support the generating units with Otter Tail Power Company (OTP). This includes operation, engineering, environmental services, power services, and resource planning. The following description is general in nature but is applicable to all areas of Energy Supply.

Energy Supply is charged with the safe, reliable, and efficient operation of the generating units that OTP owns or is under contract with, as well as long term planning and MISO market operation. The group provides for the setting of environmental planning and policy, resource planning, market planning and wholesale energy market operations. Energy Supply is largely divided into operational and support groups as outlined below. The following areas fall under the responsibility of Energy Supply: the operations of Big Stone Plant, Coyote Station, and Hoot Lake Plant, Supply Engineering and CT Operations, Environmental Compliance, Renewable Energy Construction and Operation, Resource Planning and .Power Services.

Big Stone, Coyote, Hoot Lake Plants, Renewable Energy, Combustion Turbine Operations and Engineering

- OTP operates both Big Stone Plant and Coyote Station, which are jointly owned with slightly different ownership groups.
- These areas are charged with the on-going operation, maintenance, and planning of the generation facilities. These areas maintain a well-trained staff and operate the unit in a safe, efficient and environmentally compliant manner.
- They plan for needed minor and major maintenance overhauls, and research, justify, and execute capital projects as approved by the co-owners of the facilities.
- They interact with the fuel supply chain to maintain adequate supply and inventories of fuel for the stations. They oversee implementation of predictive maintenance systems to proactively maintain equipment.
- They work with vendors and equipment suppliers to stay current with industry trends and information as it relates to the reliability of existing equipment, or the possibility of equipment upgrades that would increase reliability and efficiency.
They work with local area stakeholders to maintain positive neighbor and community relationships.
- Management of large projects

The other non-operational areas are described below.

Environmental Services

Section I - Introduction and Customer Value

- Maintain compliance with environmental rules and regulations.
- Develop strategies for future environmental regulations and compliance
- Monitor legislative and regulatory actions related to environmental issues

Power Services

- Participate in wholesale energy markets to effectively meet the energy, capacity, and ancillary services needs of Otter Tail Power Company's (OTP's) customers while minimizing cost and/or risk.
- Identify and execute wholesale energy trading opportunities on behalf of OTP customers.
- Ensure compliance with regulatory requirements.

Resource Planning

- Monitor for new resource alternatives and opportunities.
- Plan for future short-term and long-term capacity and energy needs.
- Prepare and file the Integrated Resource Plan as required by state commissions.
- Work with all affected regulatory bodies and ensure compliance with applicable rules and obligations.

1.2 Customer Value

Customer value is brought forth by Energy Supply by planning, operating and maintaining energy supply assets effectively so they are available for customer needs. The major contributor to success is the setting and tracking of key performance indicators for the generating plants and all areas within supply. While the specific goals are set every year, the Key Performance Indicators for Energy Supply are as follows:

- Safety (OSHA Rate)
- Non-fuel O&M cost per MWh generated
- Equivalent Availability
- Net Plant Heat Rate
- Cost per MMBTU delivered coal
- No NERC violations
- No Environmental violations
- Capital budget accuracy

Additional initiatives not directly related to operations include

Section I - Introduction and Customer Value

1. Optimization of OTP's generation resources with other resource alternatives to meet customer needs in a low-cost manner.
2. Load forecasting of demand and energy requirements.
3. Identification and determination of future long-term resource needs.
4. Monitoring, developing, and planning for environmental compliance.
5. Organizing and facilitating utility strategic planning efforts.
6. Developing customer focused products and services to meet customers' growing expectations.

Safety (OSHA Rate)

Maintaining a safe work environment has been and will continue to be a hallmark of Energy Supply and OTP management philosophy. Energy Supply believes that maintaining a focus on safety is not only the right thing to do for its employees, but is a key factor in a productive operation.

Non-fuel O&M cost per MWH generated

This is primarily focused on OTP's coal units as base loaded facilities. It is generally reflective of staffing levels at each of the three coal-fired stations as well as on-going maintenance costs. One of the key drivers in maintenance costs is the outage planning and schedule coordination which has been and will continue to be a key driver for O&M costs at our coal facilities. Tracking and focusing on this allows for adequate planning to ensure that customer costs for generation remain low.

Equivalent Availability (EA)

EA is a direct reflection of the amount of planned and forced outages at each of our facilities, in addition to derates because of an operational condition or restriction. The major factors for availability have been outage requirements for planned major outages, or short boiler wash outages to maintain the coal units. In addition, equipment failures such as boiler leaks (routine) or major failures (one-time events) can impact availability. A high EA reflects more availability of the generation assets for OTP customers. This would reduce replacement power or capacity costs that would be incurred if the generating units were not available.

Net Plant Heat Rate (NPHR)

NPHR is a direct measure of the overall efficiency of the unit in converting fossil fuel to electricity. Actively monitoring this component ensures that the generating units continue to operate efficiently which correlates to low fuel costs. Many key initiatives or projects have been undertaken at our facilities to maintain or improve efficiency. The initiatives/projects include fuel switching (lignite to subbituminous), steam turbine path efficiency improvements, boiler maintenance and efficiency improvements, feedwater heater and condenser tube replacements,

Section I - Introduction and Customer Value

control system upgrades, energy saving efforts such as variable frequency drives, and energy management systems. OTP installed real-time on-line performance monitoring in the early 1990s which has been used to monitor and improve the performance of the coal units.

Cost per MMBTU delivered fuel

This cost is a major factor for our existing coal units, but is significantly different at each of our three facilities. Coyote is a mine-mouth plant that is completing a 35-year contract from an adjacent mine. As the end of the contract neared, the owners of Coyote competitively bid the fuel supply. A new fuel supplier was chosen to supply the coal needs of Coyote station. Low delivered fuel cost is a key component in the cost of generation at the plants which ultimately impacts OTP customers.

At Big Stone Plant, the key driver in delivered coal cost is the rail transportation which is under the Surface Transportation Board (STB) Tariff to the site. As there are not competitive rail options at the Big Stone Plant site, this cost is under the oversight and control of the STB. For coal supply, Big Stone Plant acquires fuel through a competitive bid process in various amounts for out years depending on need and operating level.

Hoot Lake Plant is currently planning to cease operations at the end of the 2020 MISO Planning Year. This is a factor for planning its fuel supply for the plant's remaining years of operation. The rail shipments are under a STB declared tariff. OTP completed a requirements contract which is a "no minimums" contract and the price is indexed based on the prior year's average price. This allows for periods of time when the Hoot Lake Plant may be off-line due to MISO wholesale market conditions which cannot be forecast with a high degree of precision.

No NERC violations

Many NERC standards and processes have been developed over the last decade, and security and reliability of OTP facilities remains of paramount concern. Therefore, Energy Supply is engaged in the review and planning of compliance with NERC standards as they exist and as they are being planned in the future. Maintaining a culture of compliance is a hallmark of OTP and important in the reliable operation of owned generation.

No Environmental violations

An on-going goal within Energy Supply is no Environmental violations. Energy Supply works closely with the Environmental Services Department to meet all on-going requirements as well as awareness of upcoming requirements at each of our facilities.

Capital Budget Accuracy

Major capital initiatives are primarily driven by either environmental regulation needs or major overhaul requirements. Accurately planning and managing capital projects is an on-going effort

Section I - Introduction and Customer Value

and is also under the scrutiny of all other co-owners at Big Stone Plant and Coyote Station. These facilities have their own governance and reviews through the co-ownership agreements. The capital spending for the co-owned units is the majority of the capital spending within Energy Supply.

The non-operational areas of Energy Supply bring value to OTP customers through five primary initiatives.

1. Optimization of OTP's generation resources with other resource alternatives to meet customer needs in a low-cost manner.
2. Load forecasting of demand and energy requirements.
3. Identification and determination of future long-term resource needs.
4. Monitoring, developing, and planning for environmental compliance.
5. Organizing and facilitating utility strategic planning efforts.

The combination of the above mentioned functional areas into one organizational structure results in a number of natural synergies. A few examples of such synergies include:

1. Resource Planning's identification of long term energy and capacity needs combines with Power Services' knowledge of the wholesale energy and capacity markets to procure such products at the best possible pricing. Market planning provides added benefit to capacity planning by growing Otter Tail's ability to control capacity on the customer's side of the meter through demand response program offerings.
2. Environmental Services and Power Services interact in a similar manner when the need for procurement of environmental allowances is required on the wholesale market.
3. Combination of Resource Planning and Environmental Services into the same organizational structure ensures proper assumptions and environmental considerations are evaluated when planning for the future OTP generation portfolio.\

Section II – Major Cost Drivers

2.1 Breakdown of Non-labor Operations and Maintenance Expenses

Chart of Account:

Labor: on-going operation, maintenance, supervision, and administration within Energy Supply.

External Services: includes costs related to the overhaul of steam turbines, maintenance of the wind farms, chemical and fireside cleaning of the boiler and turbine systems, and contract maintenance at the steam generating plants.

Materials & Operating Supplies: includes items such as oil for wind farm gear boxes, insulation and refractory, steam turbine parts, chemical cleaning tank rental, oil not used for generation, scaffolding for overhaul, air compressor service and parts.

Water treatment and supply: costs consist of water treatment chemicals for fossil generating units, water supply, ash hauling contract, leachate treatment, and laboratory testing.

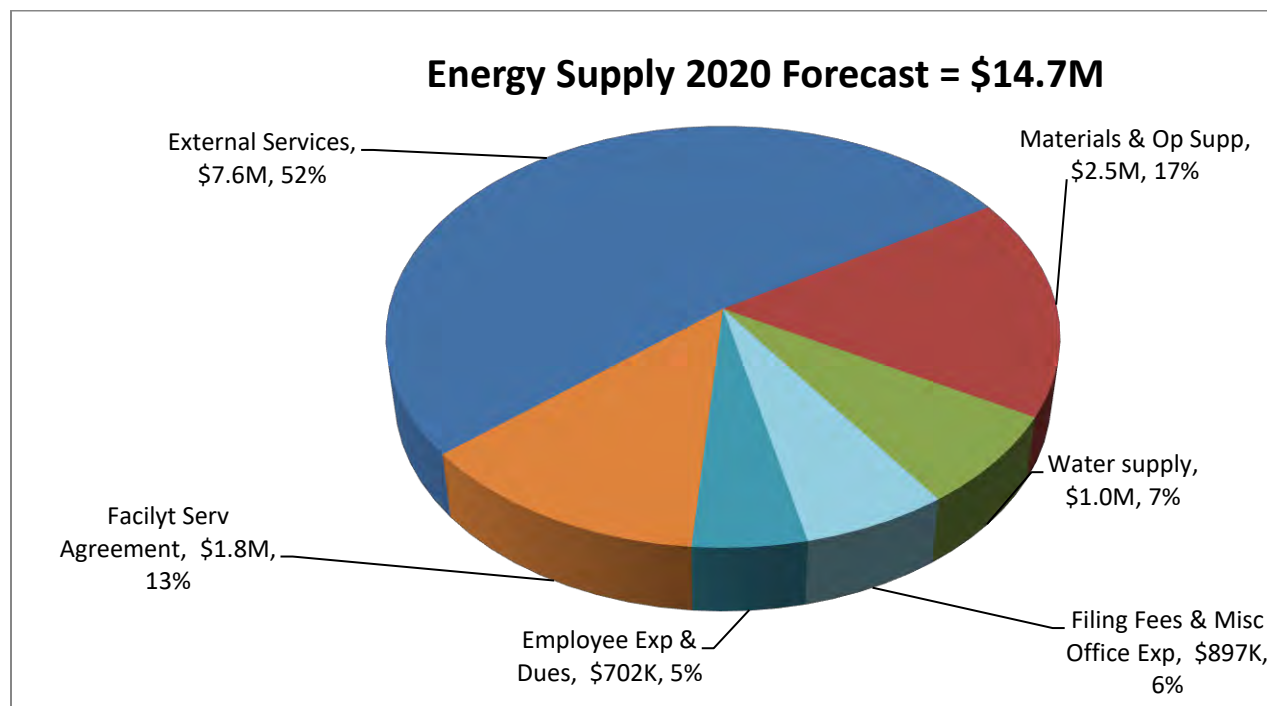
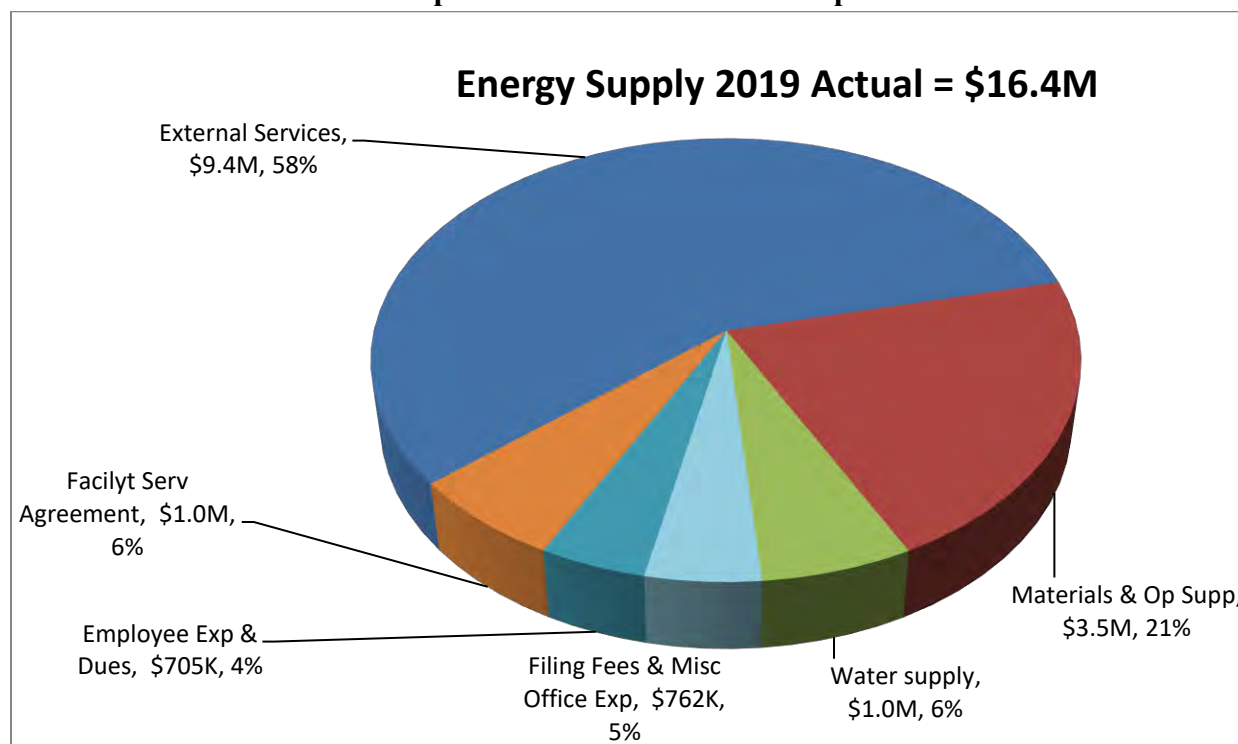
Filing Fees & Misc. office expenses: includes the costs necessary for State Agency filing fees and charges, and office supplies.

Employee Expenses and dues: costs consist of control system maintenance contracts, training costs, safety equipment, meals, and travel.

Other: includes costs for building and grounds maintenance, insurance premiums, and landowner leases for wind farms.

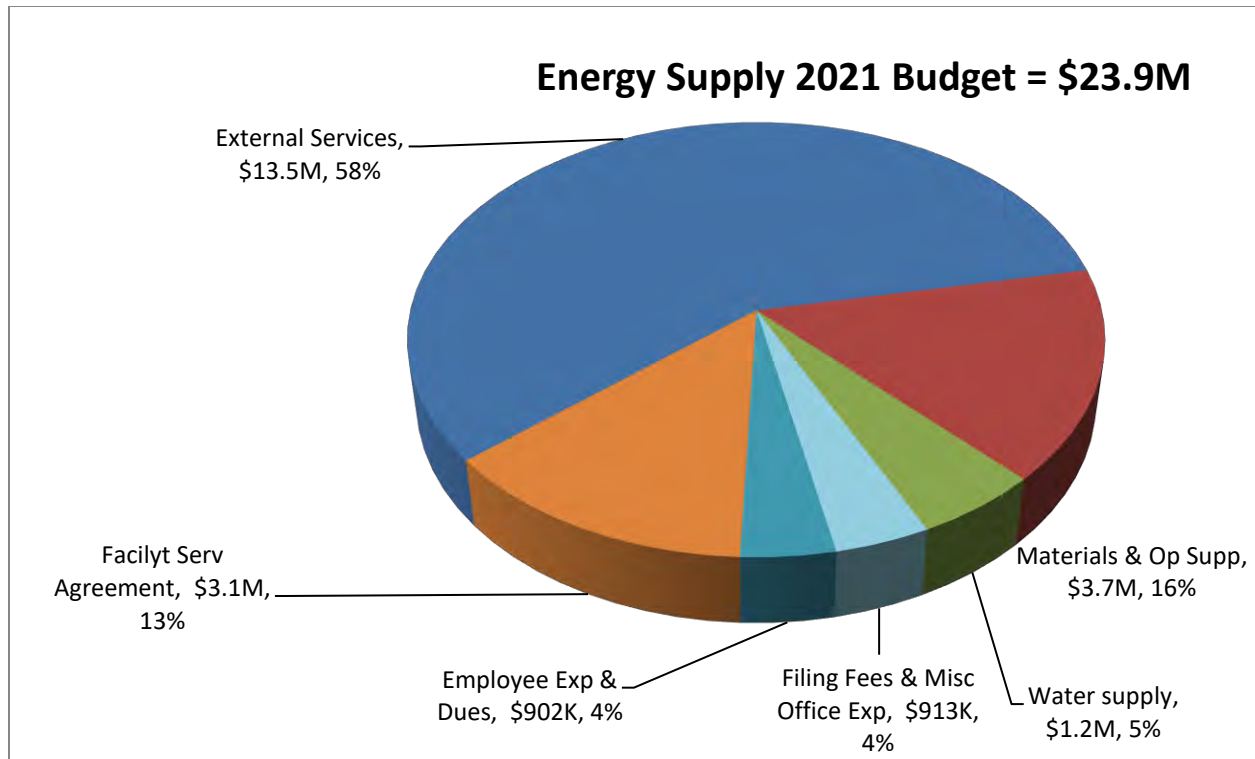
Section II – Major Cost Drivers

2.1 Breakdown of Non-labor Operations and Maintenance Expenses



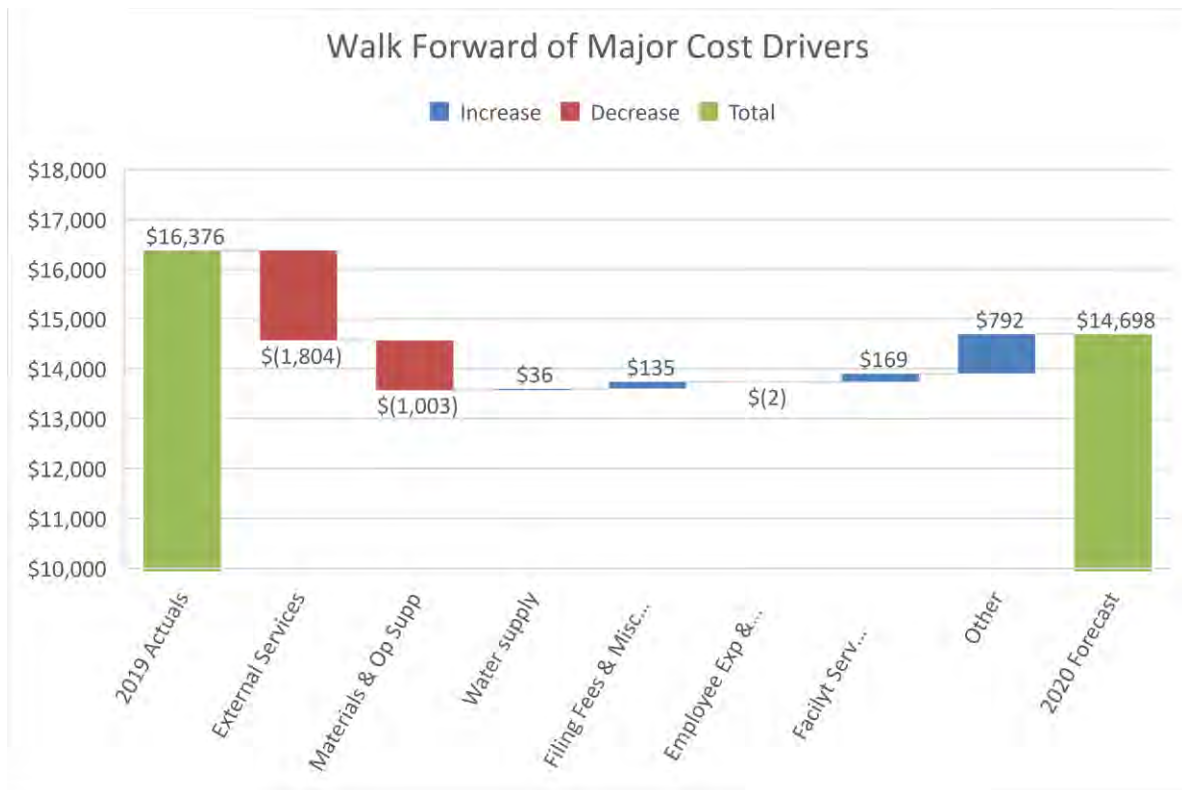
Section II – Major Cost Drivers

2.1 Breakdown of Non-labor Operations and Maintenance Expenses



Section II – Major Cost Drivers

2.2 Walk of Major Cost Drivers in comparison of 2019 Actuals to 2020 Forecast Non-Labor Operations & Maintenance



Explanations for the major cost drivers for 2019 Actual versus 2020 Budget:

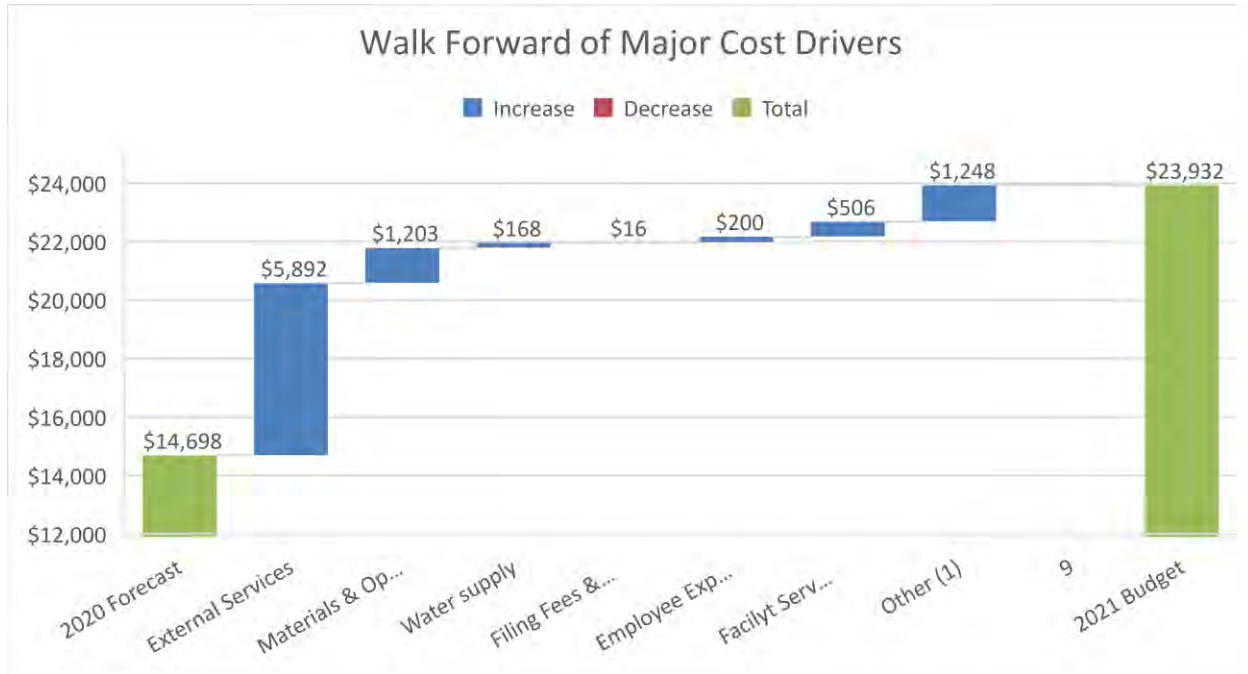
External Services: The reduction is due to Coyote having a major outage in 2019 but no outage costs are in 2020.

Material & Operating Supplies: The reduction is due to Coyote having a major outage in 2019 but no outage costs are in 2020..

Other: This increase was primarily due to a payroll loading adjustment at Coyote Station.

Section II – Major Cost Drivers

2.3 Walk of Major Cost Drivers in comparison of 2021 Forecast to 2021 Budget Non-Labor Operations & Maintenance



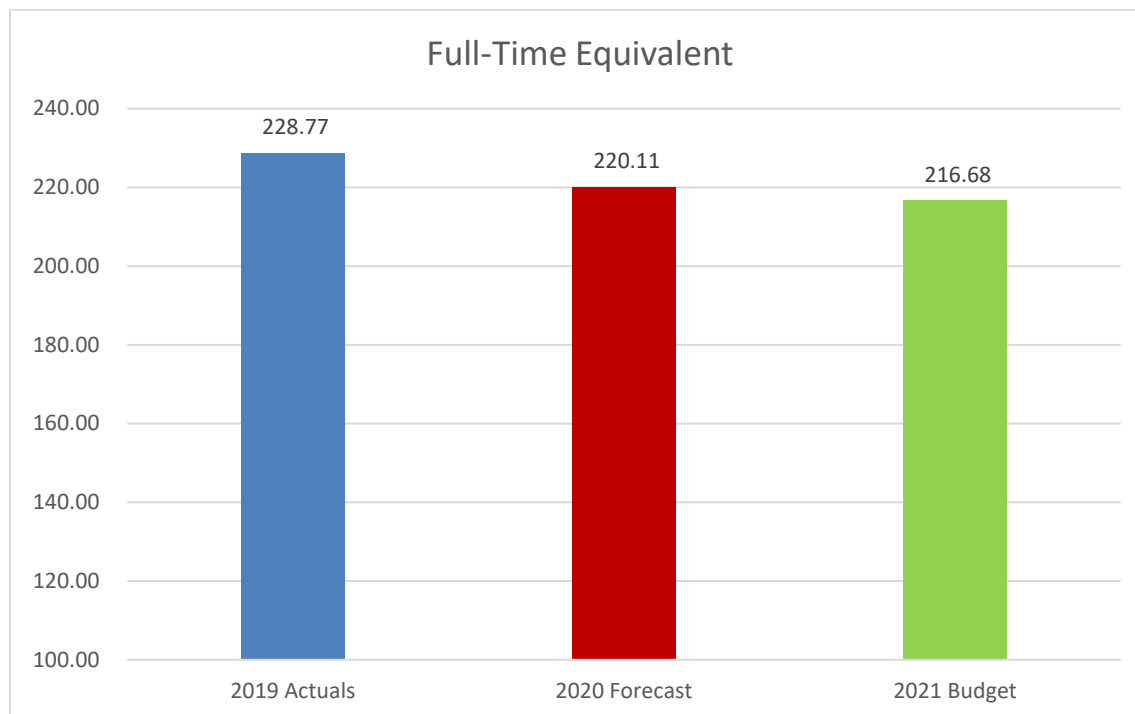
External Services: the increase is mainly due to a major planned outage at our Big Stone Plant during the 2021 year as well as new expenses for our new wind farm, Merricourt.

Materials & Operating Supplies: the increase is due to a major planned outage at our Big Stone Plant during the 2021 year.

Other: Overall all increases are due to Merricourt and Astora coming online for the full year in 2021

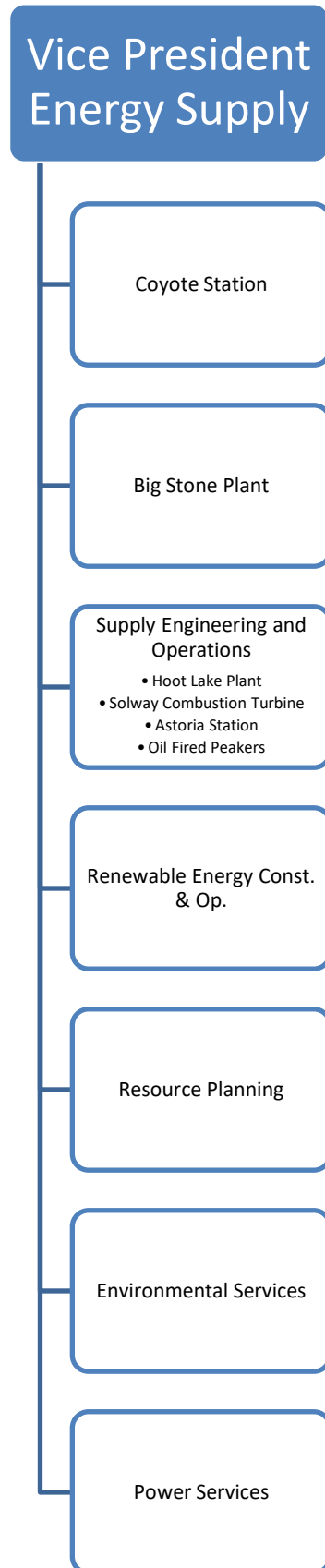
Section III – Labor

3.1 Full-Time Equivalent (FTE) by Year for Energy Supply



The decrease in FTE's over the years is mainly due to transfer of Hoot Lake Plant employees to cost centers in other areas of the company. This is somewhat offset with hiring for our two new plants Astoria and Merricourt.

Section IV – Functional Organization Chart



Section V – Major Business Functions and Key Activities

Coyote Station

Major Functions

This function is responsible for the safe, reliable and efficient operation of Coyote Station. Coyote Station is a 427 MW coal burning facility near Beulah, ND and is a mine-mouth facility. The source of lignite coal for this plant is a nearby coal mine. The plant is co-owned by:

- OTP (35%)
- Northern Municipal Power Agency (30%)
- Montana-Dakota Utilities, Co. (25%)
- Northwestern Energy (10%)

Key Activities

- Safe and reliable operations
- Planning and tracking capital and O&M Budgets
- Planning for major and minor overhauls
- Performing maintenance
- Supervision and hiring plant staff
- Communication with the adjacent coal mine for forecasting fuel needs
- Research and justification of capital projects
- Staying current with industry trends

Big Stone Plant

Major Functions

This function is responsible for the safe, reliable and efficient operation of the Big Stone Plant. Big Stone Plant is a 475 MW coal burning facility near Big Stone City, SD. This plant burns Powder River Basin coal as its primary fuel and is delivered to the plant by rail shipment. The plant is co-owned by:

- OTP (53.9%)
- Northwestern Energy (23.4%)
- Montana-Dakota Utilities, Co. (22.7%)

Section V – Major Business Functions and Key Activities

Key Activities

- Safe and reliable operations
- Planning and tracking capital and O&M Budgets
- Planning for major and minor overhauls
- Performing maintenance
- Supervision and hiring plant staff
- Communication with the coal mine(s) under contract for forecasting fuel needs
- Communication with the rail shipper for coal
- Research and justification of capital projects
- Staying current with industry trends

Hoot Lake Plant

Major Functions

The Hoot Lake Plant is a two unit site that is approximately 138 MW. It consists of two units, Unit #2 (~58 MW) and Unit #3 (~80 MW). Hoot Lake Plant is wholly owned by OTP. The source of coal for Hoot Lake Plant is a mine in the Powder River Basin and the coal is delivered by rail to the plant site. Additionally, all of the hydro generation on the Otter Tail River is managed by personnel at the plant site.

The Hydro plants under the supervision of Hoot Lake Plant are:

- Dayton Hollow - 1 MW
- Hoot Lake – 0.3 MW
- Pisgah – 0.6 MW
- Wright – 0.2 MW
- Taplin Gorge – 0.4 MW
- Diversion (not a power generator but supplies water to Hoot Lake Plant)

OTP is currently planning for the retirement of both Hoot Lake Plant Unit #2 and Unit #3 at approximately the end of the 2020 MISO Planning Year.

Hoot Lake Site and Hydro Operation

Hoot Lake Plant final operation period is planned for May 2021 (coincident with the MISO planning year). OTP is in the process of qualifying bidders for regulated materials removal and demolition of the plant structures. The hydro generation facility will remain at the site as it is part of 5 dams that are owned and operated by OTP on the Otter Tail river system. Some additional smaller storage and office buildings will remain on site as well.

Section V – Major Business Functions and Key Activities

Largely the operational and maintenance staff at HLP will either move to other roles within the company or retire. Three FTEs will remain at the site for Hydro operation and site maintenance and security needs.

Thy Hydro plants under supervision of Hoot Lake Plant are:

- Dayton Hollow - 1 MW
- Hoot Lake – 0.3 MW
- Pisgah – 0.6 MW
- Wright – 0.2 MW
- Taplin Gorge – 0.4 MW
- Diversion (not a power generator but supplies water to Hoot Lake Hydro)

Key Activities

- Safe and reliable operations
- Planning and tracking capital and O&M Budgets
- Performing maintenance
- Supervision and hiring plant staff
- Staying current with industry trends

Renewable Energy Construction and Operation

Major Functions

This area oversees the operation and maintenance of the wind generation and oil-fired peaking units in North and South Dakota. There are currently 5 wind farms either owned or under power purchase agreement for OTP:

- North Dakota Wind II (21 MW purchase) – Edgeley, ND – 2003
- Langdon Wind Energy Center (40.5 MW own and 19.5 MW purchase) – Langdon, ND - 2008
- Ashtabula Wind Energy Center (48 MW own) – Barnes County, ND – 2008
- Luverne Wind Farm (49.5 MW own) – Steele County, ND – 2009
- Ashtabula III (62.4 MW purchase) – Barnes County, ND – 2010
- **Merricourt Wind Energy Center (150 MW) – McIntosh & Dickey Counties, ND 2020**

Key Activities

- Manage the maintenance and operation contracts for the wind farms
- Safe and reliable operation

Section V – Major Business Functions and Key Activities

- Planning and tracking capital and O&M Budgets
- Planning for major and minor overhauls for the oil-fired turbines
- Supervision and hiring staff
- Stay current with industry trends

Supply Engineering

Major Functions

Supply Engineering oversees the natural gas fired generation at OTP's Solway site, as well as the hydro generation at the Bemidji site (0.1 MW).

- Solway, MN natural gas-fired combustion turbine, 43.1 MW
- Astoria Station, SD natural gas-fired combustion turbine, 245 MW
- Jamestown, ND – two fuel oil combustion turbines – 41.5 MW
- Lake Preston, SD – fuel oil combustion turbine – 19.7 MW
-

Additionally, various engineering, project management and generation plant support and administrative tasks are overseen.

Key Activities

- Oversight and management of large engineering studies
- Support of turbine and rotating equipment outages
- Support of stack testing and verification
- Review and compliance of NERC standards
- Review and submittal of Energy Supply statistics
- Review of Energy Supply Capital and O&M budgets and forecasts
- Management of Capital Projects as needed
- Predictive Maintenance support of generation units

All O&M costs incurred at our jointly owned Big Stone Plant and Coyote Station are allocated to our co-owners based on their ownership share of each plant. A secondary calculation is performed to apportion fuel and reagents consumed above minimum net load fuel costs based on the percentage of generation each owner required over/under their ownership percentage. In that way, each owner can view and offer in the Big Stone Plant cost in their respective market or situation somewhat independently.

Environmental Services

Major Functions

Environmental Services provides engineering and technical experience to ensure that the Company's obligations and commitments to achieving and maintaining compliance with all

Section V – Major Business Functions and Key Activities

applicable regulatory requirements are fulfilled. The department is responsible for overseeing environmental compliance and policy functions, with a primary focus on the Company's generating plants as they are subject to numerous federal and state laws and regulations. This includes the areas of air quality, climate, water, land and natural resources, solid waste, and chemical management.

Key Activities

- Develop and maintain accurate records and supporting documentation to comply with State and Federal laws. Prepare and submit reports to State and Federal agencies in an accurate and timely manner.
- Determine requirements and applicability of new regulations, permit requirements, and regulatory policy. Develop guidance, directives and provide technical assistance and training to plant personnel for implementation of the requirements of regulations, permits and/or policies.
- Participate in strategic planning and decision making to provide insight on environmental policy and regulation.
- Develop accurate information with respect to the Company's financial exposure associated with environmental compliance.
- Direct the acquisition of permits, approvals, or licenses.
- Conduct compliance reviews of Company activities and investigations of environmental incidents, such as spills or plant upsets, provide guidance to response personnel, and provide documentation of the incident and recommendations to the facility operator on prevention of future incidents.
- Keep informed of current industry technology relating to equipment or procedures for meeting environmental regulatory requirements.

Power Services

Major Functions

The Power Services responsibilities encompass all wholesale energy trading related functions including origination, day-ahead, real-time, and ancillary services. Additional responsibilities include capacity purchases and sales, procurement of natural gas fuel, procurement of environmental allowances, and vehicle fuel hedging for the OTP fleet vehicles. Prior to December 31st, 2014, Power Services also maintained an unregulated, non-asset based trading portfolio. As of December 31st, 2014 this unregulated function was dissolved. Currently Power Services only maintains regulated, asset-based trading portfolios.

Power Services serves as the OTP interface with the MISO and SPP wholesale energy markets. Power Services employees work on behalf of OTP customers to implement strategies to maximize the value of generation resources and minimize the cost to serve load. The organization coordinates all market related aspects of generation optimization and outage

Section V – Major Business Functions and Key Activities

coordination. Power Services staff also monitor, verify, and account for all energy market related charges, invoices, and settlements.

Power Services has the responsibility for structuring and negotiating long-term purchase power agreements, monitoring and influencing regional wholesale electric market designs, and monitoring changes in the regulatory environment. The organization is also responsible for procuring and maintaining all financial transmission rights which serve as hedging mechanisms against congestion charges between OTP generation and load.

Key Activities

- Trading/Origination
 - Interface with the day ahead and real time MISO and SPP energy markets to purchase and sell energy and ancillary services on behalf of our retail customers.
 - Procure wholesale long-term energy transactions on behalf of retail customers once a need is identified.
 - Manage the OTP generation resources and long-term purchase power contracts to minimize energy costs and risk to retail customers.
 - Procurement and sales of capacity.
 - Maintain market knowledge in the regions surrounding OTP.
 - Procure and maintain financial transmission rights.
 - Maintain and manage existing wholesale contracts including billing support.
 - Monitor, verify, and account for all energy market related charges, invoices, and settlements.
 - Acquire transmission service to support the above requirements.
- Market Operations
 - Guide the company as a stakeholder in the development of regional transmission organizations and energy markets.
 - Interact with state and federal regulatory agencies, as well as independent market monitors, regarding market operations and related activity.
- Other Wholesale Activities
 - Procurement of natural gas fuel purchases for OTP combustion turbines.
 - Procurement of environmental allowances.
 - Procurement of vehicle fuel futures contracts (Reformulated Blendstock for Oxygenate Blending (RBOB) contracts for hedging purposes).

Resource Planning

Major Functions

The overall function for Resource Planning is to ensure that the Company has adequate capacity and energy resources to meet our customers' needs both in the short-term and the long-term.

Section V – Major Business Functions and Key Activities

The resources need to be planned for and acquired at the least possible cost to customers while meeting regulatory and environmental obligations. In order to accomplish this objective, Resource Planning has significant regulatory reporting obligations in the three states that OTP serves.

Additionally, Resource Planning is responsible for the short-term and long-term load forecast for both capacity and energy. This load forecast is used for internal planning and management as well as regulatory filings such as resource plans and rate cases. Resource Planning is responsible for the resource adequacy requirements of MISO. Load and capability need to be reported so that all MISO requirements are met. Another function of Resource Planning is to determine when bi-lateral capacity and/or energy purchases need to be made. These purchases could be for when a generating source has an expected or unexpected outage or as a “bridge” to a new resource addition.

Key Activities

- Load Forecasting
 - The load forecast is one of the most critical functions in the entire company.
 - It is the basis for future resource acquisition decisions. These decisions drive company financial and financing decisions.
 - The load forecast is the basis for many regulatory proceedings and is subjected to rigorous scrutiny.
- Integrated Resource Plan
 - The resource plan describes the desired generation resource mix and long terms plans to achieve that mix for the Company.
- MISO Resource Adequacy
 - OTP is a member of MISO and is therefore subjected to the resource adequacy requirements of MISO.
 - A detailed knowledge of filing requirements around resource adequacy as well as following possible changes in the protocol that are being contemplated is needed.
- Capacity / Energy for customers
 - In addition to meeting MISO resource adequacy requirements, the Company often has the need for short-term capacity and energy resulting from planned and unplanned outages of generating stations.
 - Responsible for short-term “bridge” purchases which are often made as a least cost way to have adequate capacity and energy until new facilities are constructed.



2021 O&M Budget Documentation

Finance / Legal & Strategic Sourcing

Section I- Introduction

1.1 Introduction

The Finance Department provides financial leadership and is responsible for the overall financial health of the Utility through the closing of monthly and year-end books, producing monthly and year-end financial statements, creating annual budgets and monthly forecasts, calculating the actual and forward looking Cost of Service Study (COSS) for each jurisdiction, income and property tax reporting, maintaining the Fixed Asset system, processing invoices and disbursements, and negotiating and monitoring contracts and their execution. The Finance Department is responsible for providing accurate financial information that can be used in making decisions to operate the company in an efficient manner for the benefit of the customers. The Chief Financial Officer (CFO) leads the Finance Department as a whole and the following Departments report to the CFO: Accounting Research & Consulting, Fixed Asset Accounting, Financial Reporting, Business Planning-Regulatory Accounting, and Strategic Sourcing. Additional areas that will be discussed within this narrative include the Legal Department and Governmental Affairs.

The primary responsibility of the Legal Department is to manage the legal risks of Otter Tail Power Company (OTP), with a goal of reducing unanticipated litigation exposure and to advance OTP's legal interests. The lawyers within the Legal Department work with internal OTP areas on a daily basis, advising them with regards to changing laws, rules and regulations, contract interpretation and negotiations, as well as drafting transactional documents arising out of business relationships. The members of the Legal Department understand the electric utility industry and OTP's strategic objectives and are able to provide accurate and timely legal advice to its business clients to enhance risk mitigation, improve the likelihood of success in transactions and aptly represent the organization with various stakeholders. Legal Department members also manage external counsel which typically is specialists in certain areas that OTP does not have internal expertise. The Legal Department selects, manages and evaluates the costs of external counsel.

Government Affairs manages the Company's public policy discourse with legislatures in the three state jurisdictions where OTP has utility customers, as well as with Congress in Washington DC. Government Affairs coordinates internal formulations of public policy appropriate to each of these deliberative arenas and manages the company's efforts to engage policy makers with clear and persuasive messages that serve the interests of both ratepayers and shareholders.

1.2 Customer Value

Each of the area's mentioned above has a role in providing benefit to our customers. Overall, the Finance area adds value to our customers through the creation of accounting records in accordance with applicable regulations to ensure accurate reporting to financial and jurisdictional regulatory entities.

Section I- Introduction

Accounting Research & Consulting's key priorities are to ensure proper internal controls are in place over financial reporting, provide quality financial data, remit taxes collected on behalf of taxing jurisdictions, and to pay the taxes that the company owes on a least cost basis. These activities give our customers reassurance that we are abiding by the rules and regulations of the Internal Revenue Service.

Fixed Assets maintains all aspects of property accounting, including depreciation for the fixed assets of the utility. Fixed Assets also prepares and provides support for regulatory filings and performs depreciation studies for the utility. Fixed Assets provides value by supporting utility tax strategies involving calculation of safe harbor tax deductions under section §263(a) of the Internal Revenue Code; is responsible for accounting duties related to jointly owned generation plants; administers the accounting for alternate rate recovery mechanisms such as the cost recovery riders and coordinates the capital budgeting process in order to facilitate prudent construction project evaluation and approval. The Fixed Assets area maintains the necessary accounting to support projects the Company is undertaking which is being completed to ensure the safe and efficient generation, transmission, and distribution of electricity to our customers.

The Payroll Department drives value by coordinating time sheet management across multiple collection platforms and pay schedules in order to facilitate accurate and timely payment of employee wages. Benefit programs implemented by Human Resources are supported by Payroll through administering collection of deductions and program funding. Cash Management supports customer billing procedures by handling non-electronic transactions through the remittance center, administers billing processes for work performed by the utility on behalf of others as well as managing the cash position to minimize handling expenses and ensure adequate liquidity for operations.

Accounts Payable is responsible for processing the payment of OTP business transactions accurately, timely, and as efficiently as possible to maximize the company's use of funds and to protect the company's credit rating.

The Financial Reporting area is responsible for maintaining the integrity of the general ledger system as well as preparing accurate financial statements in accordance with Generally Accepted Accounting Principles. Through compliance with the Securities and Exchange Commission (SEC), Federal Energy Regulatory Commission (FERC) and Sarbanes Oxley (SOX), our customers are benefited by having transparent, accurate information and through the knowledge that we have sound practices in place. Financial Reporting also serves as a liaison to Corporate to ensure accuracy and completeness throughout the consolidation process.

The Business Planning-Regulatory Accounting Department is responsible for all financial planning and forecasting as deemed necessary by OTP and Otter Tail Corporation for use in strategic planning and decision making which includes annual company budgets as well as short and long-term forecasts produced either monthly or annually. In addition, the department is

Section I- Introduction

responsible for leading the work group that prepares the jurisdictional COSS used to calculate the revenue requirements of the Company for use in determining the need for potential rate case filings in each of the jurisdictions OTP serves, providing testimony in those filings as well as miscellaneous other financial analysis used in determining revenue requirements. This Department also manages the production of FERC revenue requirements (O, GG and MM) and provides financial analysis on any other filing that includes revenue requirements calculations such as Renewable Riders, Transmission Riders and Environmental Riders. Our customers receive value through compliance with regulatory rules and processes.

Strategic Sourcing provides procurement and contracting services for the business transactions of OTP to avoid costs and mitigate risk. Effective sourcing keeps costs low for customers.

The in-house Legal Department for OTP provides benefits to OTP's customers through two primary factors:

1. Lawyers who understand the industry, business and people within the organization, and are in a position to better proactively and effectively manage legal issues within the organization; and
2. Reduce legal costs through leveraging the experience of the in-house staff as well as partnering with external counsel and overseeing those relationships so that OTP, and ultimately its customers, receive efficient and cost-effective legal advice to the organization.

Government Affairs adds customer value by advocating public policy positions that best protect the near and long-term interests of customers, with a continuous view toward producing and delivering electricity as "reliably, economically and environmentally responsibly as possible". Government Affairs works closely with state and federal legislators to sponsor and support policies consistent with OTP's mission. Customer value is achieved through these means:

1. Government Affairs employees engage consultants in each state to work as cost-effectively as possible to achieve the company's mission.
2. Government Affairs works closely with business allies, consumer and environmental advocates, state administrative agency representatives and public policy makers to achieve balanced outcomes for customers.

Section II- Major Cost Drivers of Non-Labor

2.1 Breakdown of Non-Labor Operations and Maintenance Expenses in Finance/Legal & Strategic Sourcing

Chart of Accounts

Dues & Subscriptions: These costs include civic service and business club dues, professional dues and certification, as well as software subscriptions or minor upgrades.

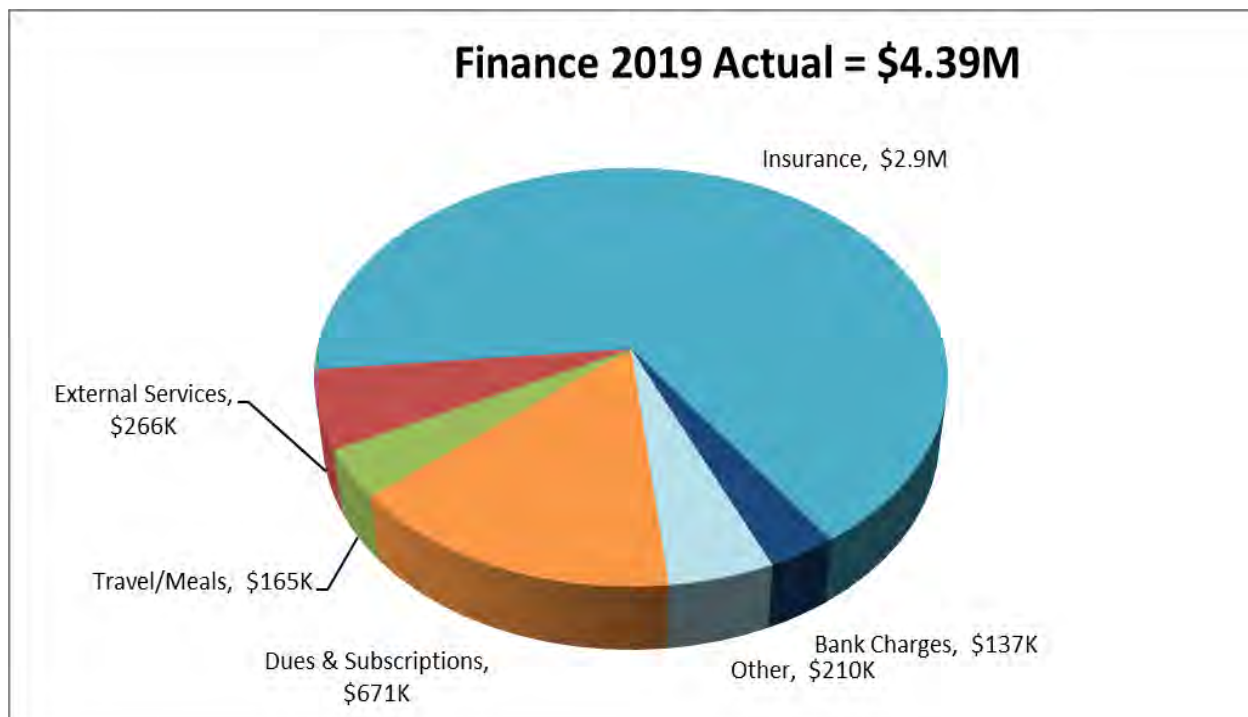
Travel/Meals: The costs included in this category primarily include transportation, lodging, and meals for meetings and conferences.

External Services: This cost category consists of legal and financial professional services and temporary employees.

Insurance: This cost category consists of premiums for various types of insurance including, property, auto, general liability, fiduciary, professional liability, commercial crime, excess liability and aircraft.

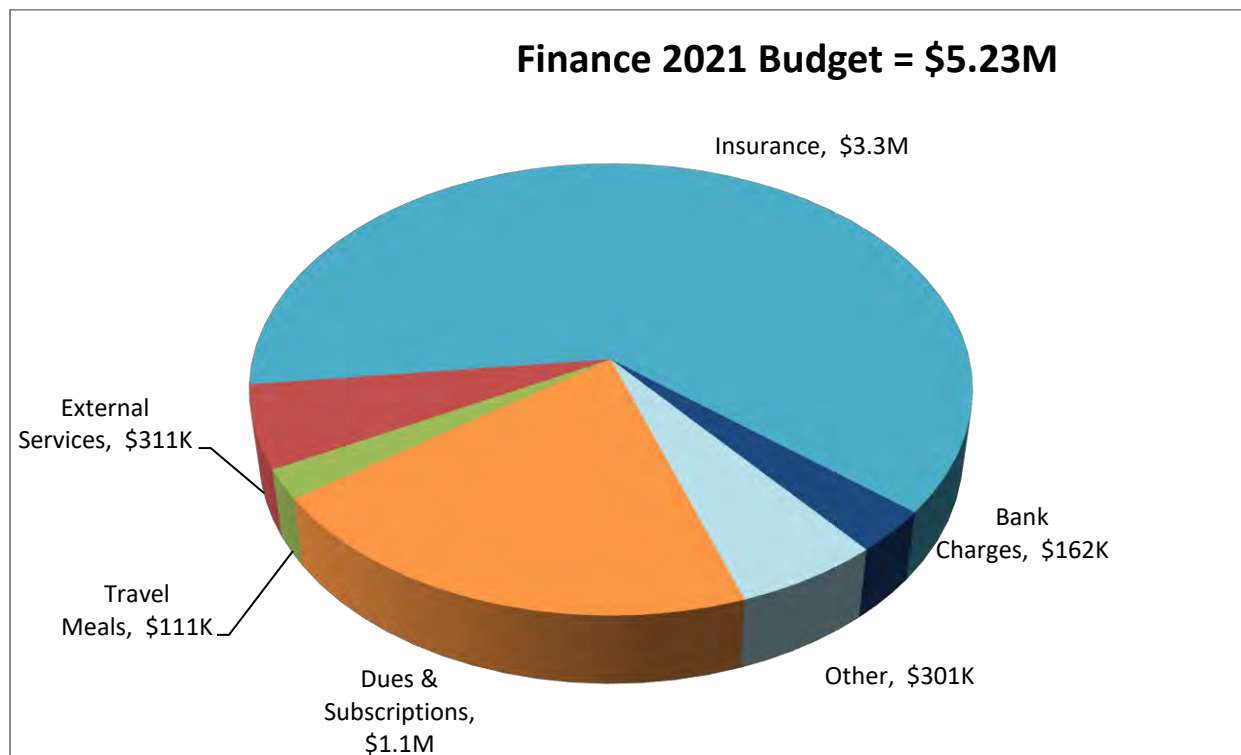
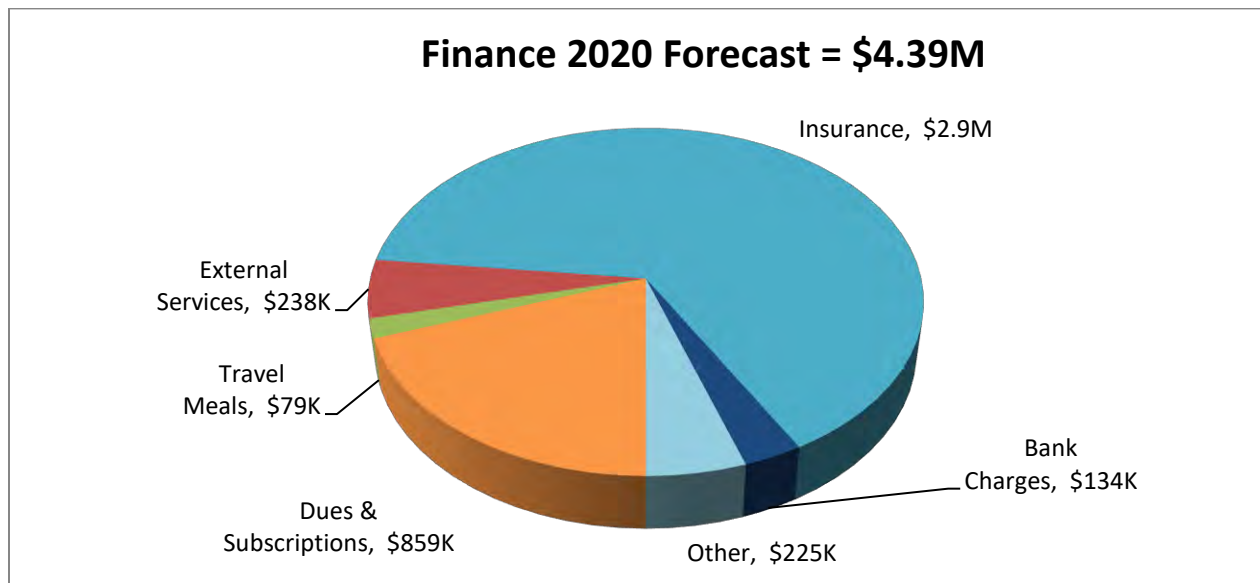
Bank Service Charges: This category contains letter of credit annual agency fees and various other fees charged by financial institutions.

Other: Miscellaneous costs including phone charges, office expenses, lease/rental charges, and de minimis employee benefits.



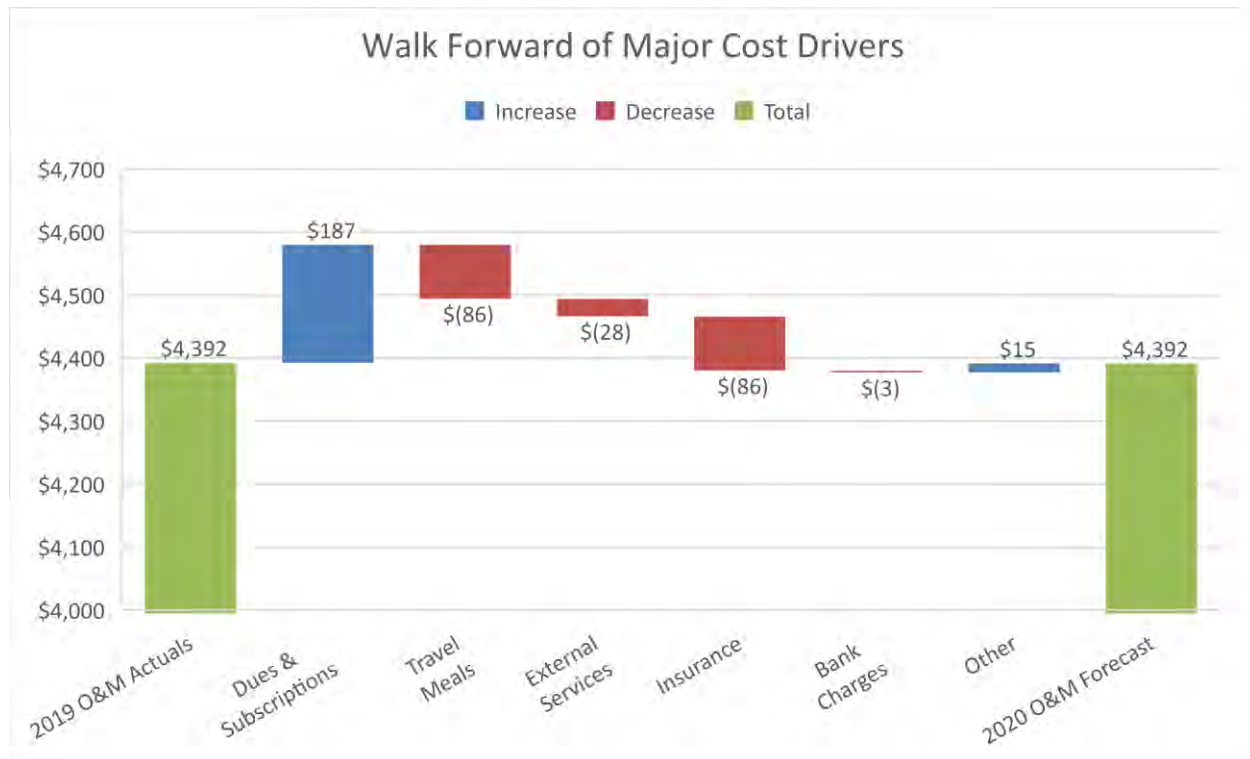
Section II- Major Cost Drivers of Non-Labor

2.1 Breakdown of Non-Labor Operations and Maintenance Expenses in Finance/Legal & Strategic Sourcing



Section II- Major Cost Drivers of Non-Labor

2.2 Walk of Major Cost Drivers in comparison of 2019 Actuals to 2020 Forecast Forecast Non-Labor Operations & Maintenance

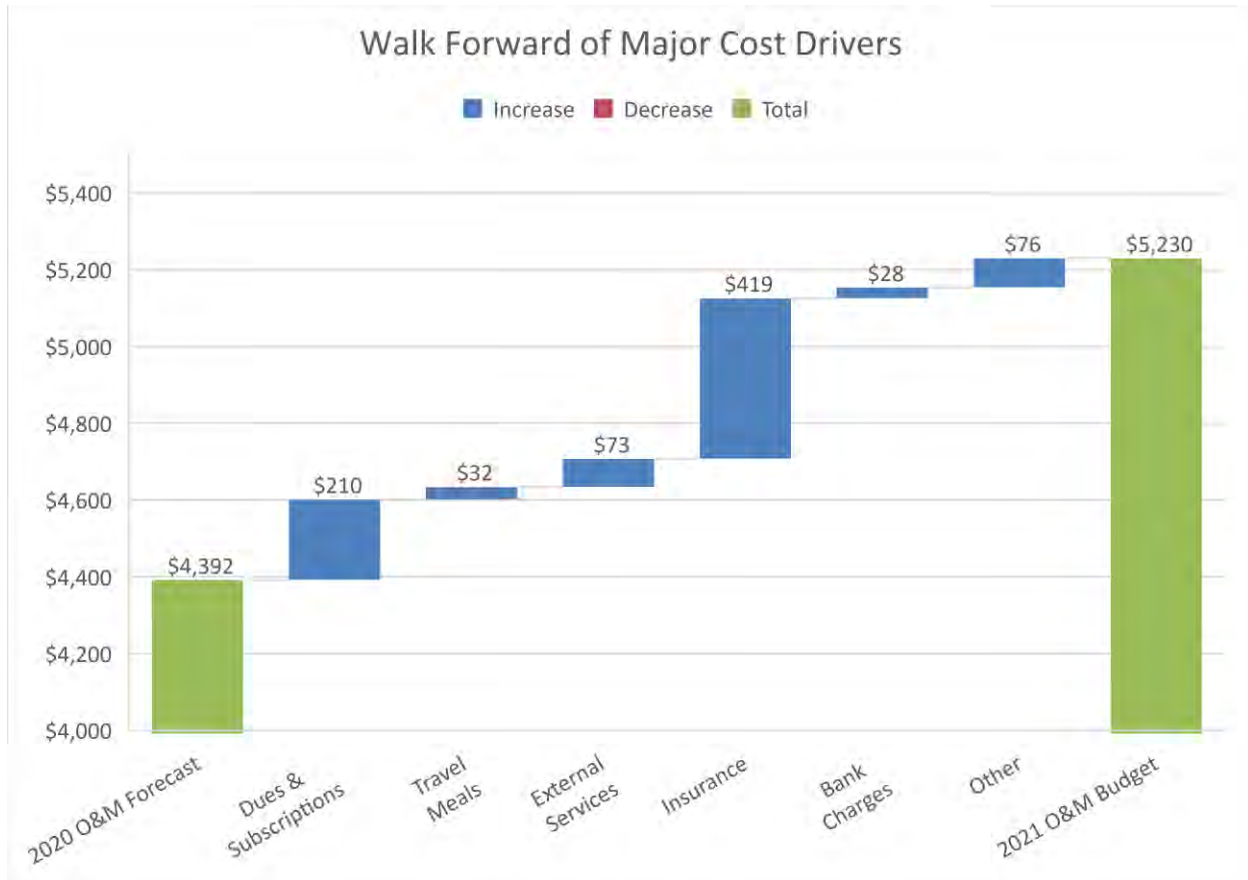


Explanations for the major cost drivers for 2019 Actual versus 2020 Forecast:

Dues and Subscriptions: The increase in dues and subscriptions is due to an increase in fees for Oracle

Section II- Major Cost Drivers of Non-Labor

2.3 Walk of Major Cost Drivers in comparison of 2020 Forecast to 2021 Budget Non-Labor Operations & Maintenance

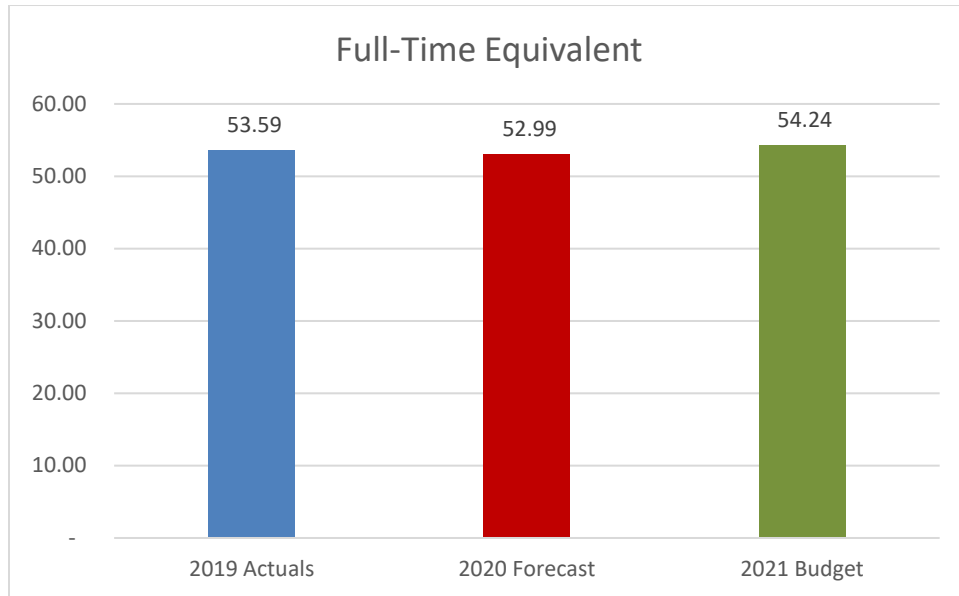


Explanations for the major cost drivers for 2020 Forecast versus 2021 Budget:

Dues and Subscriptions: The increase in dues and subscriptions is mainly due to an increase in Oracle for upgrade

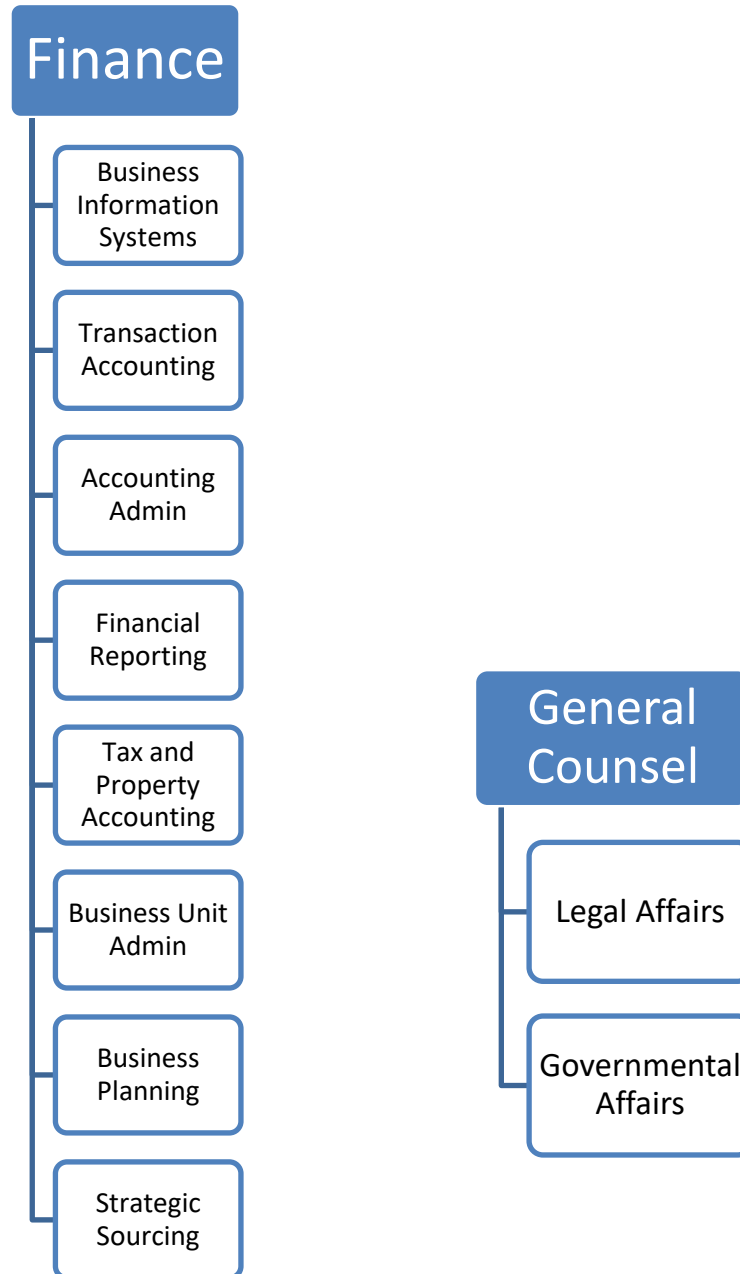
Insurance: The increase in insurance is mainly due to the additional of our Merricourt Wind Farm and Astoria Natural Gas Plant coming online for the full year in 2021.

3.1 Full-Time Equivalent (FTE) by Year for Finance



Explanations for the change in Full-Time Equivalent (FTE): The Finance, Legal and Strategic sourcing group has stayed pretty consistent year over year in the FTE counts.

Section IV Functional Organization Chart



Section V. Major Business Functions and Key Activities

The Finance group's primary duties include the closing of month and year-end books, producing financial statements, along with creating annual budgets and monthly forecasts.

Fixed Assets

Major Functions

The Fixed Assets Department is responsible for maintaining all aspects of property accounting including depreciation for the fixed assets of the company.

Key Activities

- Depreciation calculation and accounting including annual depreciation filings
- Accounting related to jointly owned generation plants
- Production, Transmission, Distribution and General Plant property accounting
- Work order initiation and project management support
- Revenue requirement accounting for transmission and environmental cost recovery riders
- Capital budget administration

Cash Management

Major Functions

The Cash Management Department coordinates the collection of non-electronic receipts through the remittance center and manages the overall cash balance position within the company.

Key Activities

- Responsible for remittance processing center
- Manage company line of credit and maintain liquidity
- Provides system administration of Oracle Accounts Receivable module
- Manage third party collection agencies

Payroll Accounting

Major Functions

The Payroll Department is responsible for coordinating the collection of time sheets summary in order to facilitate the accurate and timely payment of employee wages.

Key Activities

- Administers payroll for company personnel
- Payroll tax withholding and remittance to jurisdictions

Section V. Major Business Functions and Key Activities

- Administers benefit related payroll deductions and tracking
- Payroll loading administration

Financial Reporting

Major Functions

The Financial Reporting Department is focused on maintaining the integrity of the general ledger and preparing financial statements in accordance with required standards. Additional responsibilities include maintaining documentation needed to be in compliance with various reporting organization and requirements.

Key Activities

- Preparation of journal entries and account reconciliations
- Generate internal reports and draft financial statements
- Perform financial analysis and review of financial statements
- Responsible for the financial close process including consolidation
- Monitoring of SOX controls/processes
- Identify, update, and implement appropriate accounting policies
- Responsible for the management of financial systems
- Submit required filings and ensure compliance with the SEC and FERC

Tax

Major Functions

The Tax Department is focused on tax planning, reporting and payment for all types of non-payroll taxes.

Key Activities

- Responsible for preparing monthly income tax estimates
- Research the effective of new tax legislation and provide advice to benefit the company
- Responsible for preparing annual income tax return and supporting schedules
- Manage non-payroll taxes other than income taxes such as ad valorem property taxes, real estate, sales and vehicle taxes
- Respond to IRS audits

Section V. Major Business Functions and Key Activities

Accounts Payable

Major Functions

The Accounts Payable Department is accountable for processing payments in an accurate, timely and as efficiently as possible to maximize use of funds and protect the company's credit rating.

Key Activities

- Manage payables and disbursements related reporting. Ensure no negative OTP credit ratings related to company payments.
- Ensure proper payment methodologies to payees. Research, plan, and initiate innovative payment systems.
- Manage the transfer of information and transactions from other systems (i.e. CIS, MIS, etc.) into the AP system.

Business Planning

Major Functions

The focus of the Business Planning area is preparing financial plans and forecasts for use in strategic planning and decision making.

Key Activities

- Manage the process of modeling the impact of multiple strategic initiatives, utilizing specific Company information, historical data, assumptions and expectations of future conditions, and other external factors
- Develop and manage the process of analyzing financial data to support financial forecasts to prove accuracy of data
- Provide company executives with monthly projected financial updates with recommendations for specific actions
- Manage the long term financial model for strategic planning process
- Manage the production of official company's budget to successfully support cost of services studies and regulatory proceedings

Regulatory Accounting

Major Functions

The Regulatory Accounting area leads the preparation of required regulatory reports.

Section V. Major Business Functions and Key Activities

Key Activities

- Lead the preparation of historic and forecasted test year cost of service studies used in annual jurisdictional filings and rate case analysis
- Lead the preparation of FERC Revenue Requirements via Attachments O, GG and MM
- Provide support to Regulatory Services in regulatory filings and data requests related to revenue requirements ensuring consistency across multiple simultaneous regulatory proceedings

Strategic Sourcing

Major Functions

The Strategic Sourcing Department is responsible for providing procurement and contracting services for the business transactions to avoid costs and mitigate risks.

Key Activities

- Develop and implement sourcing strategies leading to the proper procurement of materials and services including – vendor research and selection, bidding methodologies, RFIs, RFQs, RFPs, selection and respective contract development, administration, follow-up, etc.
- Manage the network of internal and external relationships related to the sourcing and contracting processes, including vendor negotiations.
- Develop and carry-out policy for administering procurement contracts and the contracting process.
- Manage purchasing contracts, assess and mitigate risk, and negotiate terms
- Manage and perform Risk Assessments on long-term construction projects. Evaluate, initiate, and assist Project Managers in procuring proper project insurance, bonding, retainage, and other assurances to protect OTP and other Owners. Lead the commercial aspects of projects.
- Lead large-project bid evaluation sessions and pre-sign contract strategy sessions with Subject Matter Experts, formulating appropriate strategies for procurement and methodologies for contracting.

Section V. Major Business Functions and Key Activities

Legal Affairs

Major Functions

The primary responsibility of the Legal Department is to manage the legal risks of OTP, with a goal of reducing unanticipated litigation exposure and to advance Otter Tail Power Company's legal interests.

Key Activities

- Advising OTP employees, managers and executives with regards to applicable laws, change in or newly- issued regulations and court or agency decisions that could have impact on the organization's processes, initiatives or plans.
- Reviewing, drafting and negotiating contracts to advance and protect the company's interests with regards to vendors or joint owners of significant capital projects.
- Advising on topics such as labor and employment issues, real property or right of way matters and litigation or disputed matters.

Governmental Affairs

Major Functions

Governmental Affairs advocates public policy positions that best protect the near and long-term interest of the customers.

Key Activities

- Engage consultants in each state to work as cost-effectively as possible to achieve the company's mission.
- Works closely with business allies, consumer and environmental advocates, state administrative agency representatives and public policy makers to achieve balanced outcomes for customers.
- Maintains productive relationships with the federal delegations of the three states in which the company has customers. The positions taken have a continuous eye toward the value of producing and delivering electricity for the company's customers as "reliably, economically and environmentally responsibly as possible".

Section IV. Cost Allocation Methodologies

Members of the Legal Department often provide legal services that benefit jointly-owned transmission or generation assets within OTP. As a result, the Legal Department members frequently assign their time to joint, shared billing entries. To the extent the advice is provided to OTP alone and not the joint owners of those facilities, the charges remain solely and exclusively paid for by OTP. Furthermore, the General Counsel of the Legal Department also serves as Otter Tail Corporation's Assistant Secretary, and in that role, attends and participates in Otter Tail Corporation's Board of Directors' meetings. In that capacity and in those instances, she designates the actual hours of her time to the corporate general allocator (account 100560).

The Legal Department members do not allocate costs directly to any other internal cost center. To the extent there is a capital work order, the lawyers charge to those work orders.

The Governmental Affairs group, when actively lobbying, assigns its costs to the non-utility/shareholder-only work order (Project 100280).

Government Affairs (Project 100280, Tasks LBYM, LBYN, LBYS and LYBF) includes the labor and non-labor costs for state and federal lobbying activities, as well as the work necessary to support the activities of the federal Political Action Committee (PAC). Lobbying activities are not assessed to the company's ratepayers.

Government Affairs, (Project 100280, Tasks LEGM, LEGN, LEGS and LEGF) includes the labor and non-labor costs associated with monitoring and interpretation of laws and proposed legislation to ensure cost-effectiveness and value for the company's customers.



2021 O&M Budget Documentation

Human Resources and Safety Services

1.1 Introduction

Otter Tail Power Company's (OTP) Human Resources (HR) and Safety Services Departments provide leadership and support throughout the company in all matters relating to HR and Safety.

HR and Safety Services encourages workforce diversity, offers employees competitive compensation and benefits, promotes and strives for a safe work environment, and challenges employees to excel through leadership training and development all in an effort to support the company's mission statement: to produce and deliver electricity as reliably, economically, and environmentally responsibly as possible to the balanced benefit of customers, shareholders, and employees and to improve the quality of life in the areas in which we do business.

HR provides compensation and benefits, employee recruitment and retention, compliance guidance for Federal and State laws and company policies, employee and labor relations and workers compensation.

The Safety Services department provides the development and implementation of safety policies, training and new safety initiatives to ensure compliance with company safety rules, policies and procedures. Safety Services helps to provide safe working conditions, extensive safety training, and appropriate protective equipment for every department by focusing on injury prevention. Safety Services also works to ensure security for employees and assets. The department provides expert technical assistance in all areas and specialties of industrial safety and OSHA regulatory compliance.

1.2 Customer Value

HR provides and administers a compensation and benefits program that helps OTP attract, engage, and retain a quality workforce to provide our customers with reliable and economical service. HR's objective is to ensure that compensation and benefits are competitive in relation to the market in order to retain a skilled workforce while ensuring they are cost effective and do not result in unreasonable costs for our customers. HR is also responsible for providing leadership development training and ensuring employee performance goals are in alignment with company objectives.

Within the next 10 years, OTP anticipates approximately 35-40% of our workforce to reach our average retirement age, taking precious skills and expertise with them. OTP will continue to address this projected labor shortage in our internal succession planning process and by working with current employees to improve efficiencies and maximize the value that the company holds in human capital to maintain service levels while keeping overall customer rates as reasonable as possible.

HR's centralized role in the company ensures that the company is recruiting the right caliber and grade of existing and new employees to be matched to the right job at the right price. HR also builds efficiencies for the business by streamlining HR operations and executing on long-term strategic goals to achieve operational excellence by focusing on the following areas:

- Compensation and Benefits
- Employee Recruitment, Retention and Development
- Compliance: Employment Laws and Company Policy
- Employee and Labor Relations
- Workers Compensation

Compensation and Benefits - Accountable for formulating a total rewards program that has the power to attract, motivate, engage and retain employees with a focus on shared accountability between the employee and the company.

- Compensation - Providing a total compensation package that contains base pay along with variable pay that provides value for the customer, shareholder and employee. Analyzing programs to ensure plans are competitive to the market. Providing service to employees, management and retirees regarding pay and benefit questions.
- Benefits - Developing a comprehensive package of health and welfare programs. Developing and administering retirement programs that are competitive with the utility industry to attract and retain our employees.

Employee Recruitment, Retention and Development – Delivers value by working with outside employment firms, recruiters, colleges and university to maintain a company presence and actively recruit future employees and students in fields of study to provide a future workforce and smooth transition through company restructures, transitions and attrition; evaluates workforce risks and trends in order to develop long-term labor planning; develops and supports leadership development through a series of programs designed to build a common understanding of our company's culture, strategy and processes among all of our employees.

Compliance: Employment Laws and Company Policy - Delivers value by ensuring personnel policies and procedures are followed consistently by all departments; ensuring workforce strategies, actions and practices meet the focus, compliance and needs of all individuals to provide the greatest level of opportunity for all current and potential employees; provides training, both in-person and on-line, around hiring, our anti-harassment policy, and supervision; ensures consistent application of HR practices and processes to minimize risk and liability to the company and to strengthen our company through the benefits that diversity provides.

Employee and Labor Relations –Working directly with Local Union representatives, including representative employees, to create the optimum value related to this segment of the workforce;

Section I – Introduction and Customer Value

Human Resources & Safety Services

providing strong, effective communications with Union represented employees to foster and promote a climate of full cooperation; collectively working with Union leadership to minimize disruptions through safe and productive labor, delivers value.

- Provide workforce resources for consulting on existing labor agreements.
- Provide workforce relations resources to negotiate new labor agreements.
- Provide workforce relations resources for the grievance and arbitration process and procedures.
- Administer workforce relations training including labor contract interpretation training and positive discipline training.

Workers Compensation – Providing direct oversight and management to minimize the potential adverse impact of Workers Compensation related incidents.

- Working closely with the OTP Safety Services Department to focus on injury and incident prevention thru proactive programs designed to maintain employee safety awareness.
- Managing claims directly, maintaining close contact with employees and medical care providers to ensure a safe and productive return to work for employees away due to injury or incident.
- Working with management and industry organizations to proactively manage Workers Compensation claims, minimizing the impact of any Workers Compensation related incident.

Safety Services

Safety Services creates value by seeking to continuously improve all areas in safety performance by developing and implementing safety programs as well as providing best safety practices across the organization. Safety Services also sustains the protection of Company employees and assets by providing security and protection services.

Some of the Safety programs include: Fire Retardant Clothing for workers exposed to electrical and fire hazards, GPiLEARN On-Line Safety Learning, Hazardous Communication or “Right to Know,” Safety Recognition and Safety Rule Review/Training and Driver Safety. The Safety department strives to create a culture where their customers perceive training as an essential element to their success; It also develops and implements technical skills through quality apprentice and journeyman training programs, while instilling safe work practices and personal accountability, are critical elements of the safety training.

2.1 Breakdown of Non-Labor Operations and Maintenance Expenses

Travel/Employee Expenses: Includes travel and related expenses to design and administer health, welfare, compensation, recruitment and selection, payroll, HR administration, labor relations, diversity, health services, retirement, learning, training, talent management programs, Safety related training and programs and also pre-hire assessments, physicals, drug tests, and other expenses such as pre-employment background checks and driving records.

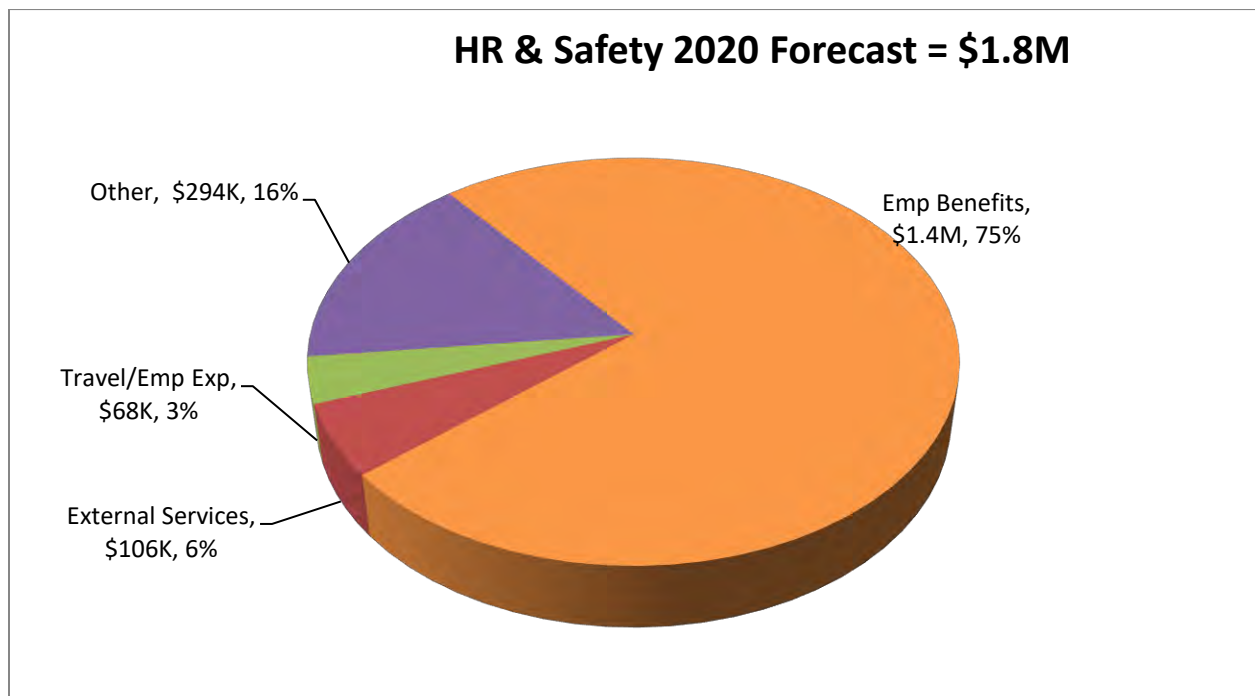
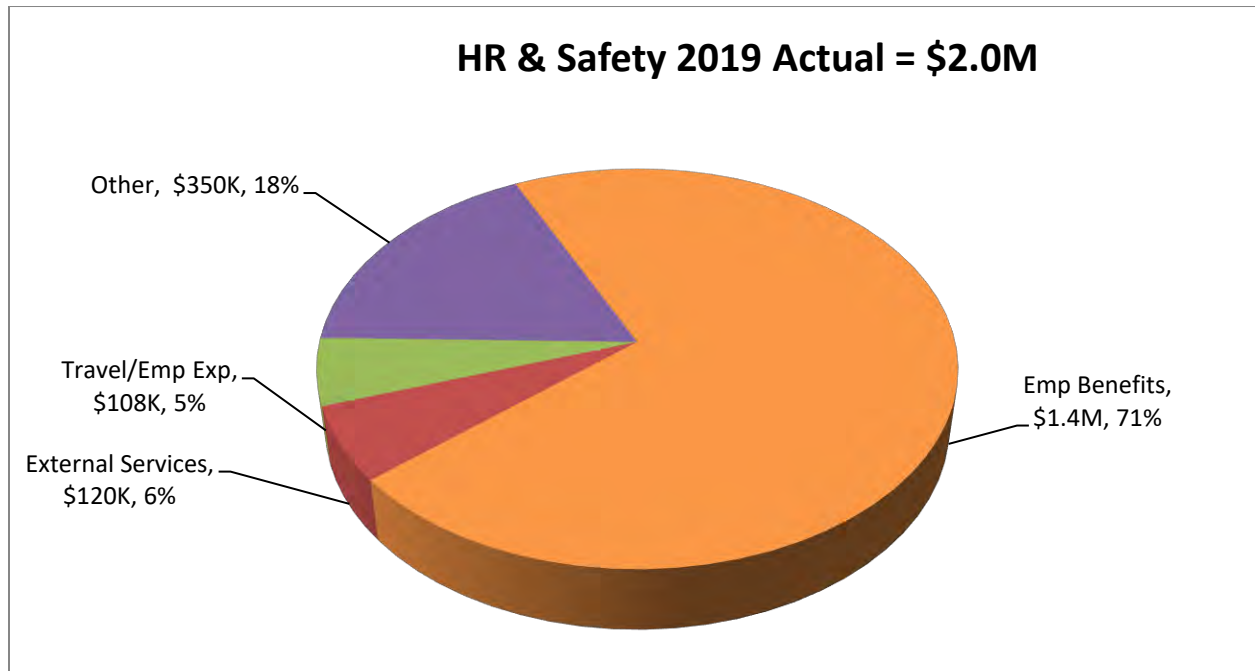
External Services: Consulting costs are incurred for compensation and benefits related studies, workforce planning, employee engagement, leadership training, and health services. HR uses contract outside vendors for employment compliance and benefits program administration. Safety Services hires external speakers each year to present safety related topics at an annual Safety Round Table that provides safety leadership training for approximately ten percent of our employees.

Employee Benefits – Nonqualified Pension: Includes the cost for the Executive Survivor and Supplemental Retirement Plan (ESSRP). The ESSRP provides nonqualified defined benefit payments to executive officers hired prior to September 1, 2006 and to certain key management employees who were working for OTP prior to September 1, 2006.

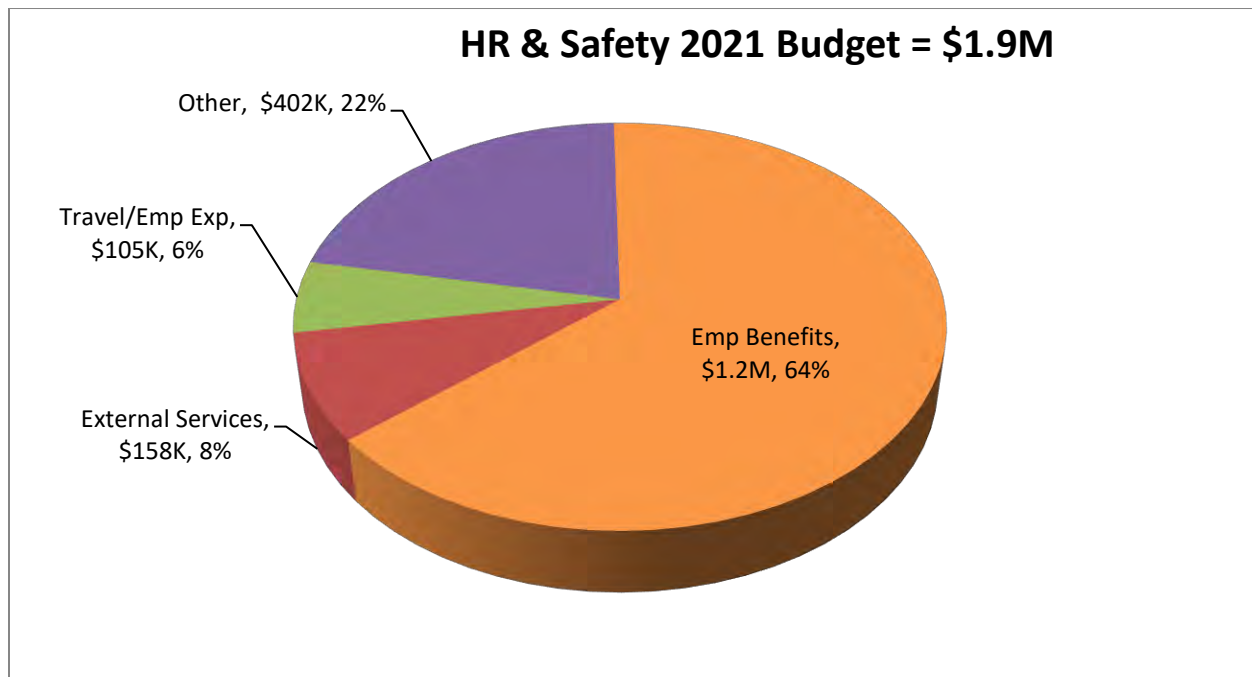
Employee Benefits – Other: Includes items in support of employee benefits that are not part of the Labor Loading Process. These items include, tuition reimbursement programs, annual service awards and meetings, and other employment recognition programs such as Otter Bucks and Dinner for Two certificates. Safety Services related items include training materials such as GPiLEARN On-Line Learning, PowerLift and SafeStart, personal protective equipment (hard hats, fall restraint belts, eye wash stations), compliance software (MSDSonline for Safety Data Sheets tracking, IndustrySafe for injury and incident tracking and reporting) and other related safety items for the security of employees and assets.

Other: Items include lease and rental fees as they pertain to offers of employment, filing fees, dues, subscriptions and books, advertising costs associated with posting of jobs to employment websites and newspapers, and materials and operating supplies to support the Safety Services Department. These include Fire Retardant Clothing program, elementary school training supplies and other safety related programs.

2.1 Breakdown of Non-Labor Operations and Maintenance Expenses



2.1 Breakdown of Non-Labor Operations and Maintenance Expenses



Section II – Major Cost Drivers

Human Resources & Safety Services

2.2 Walk of Major Cost Drivers in comparison of 2019 Actuals to 2020 Forecast Forecast Non-Labor Operations & Maintenance



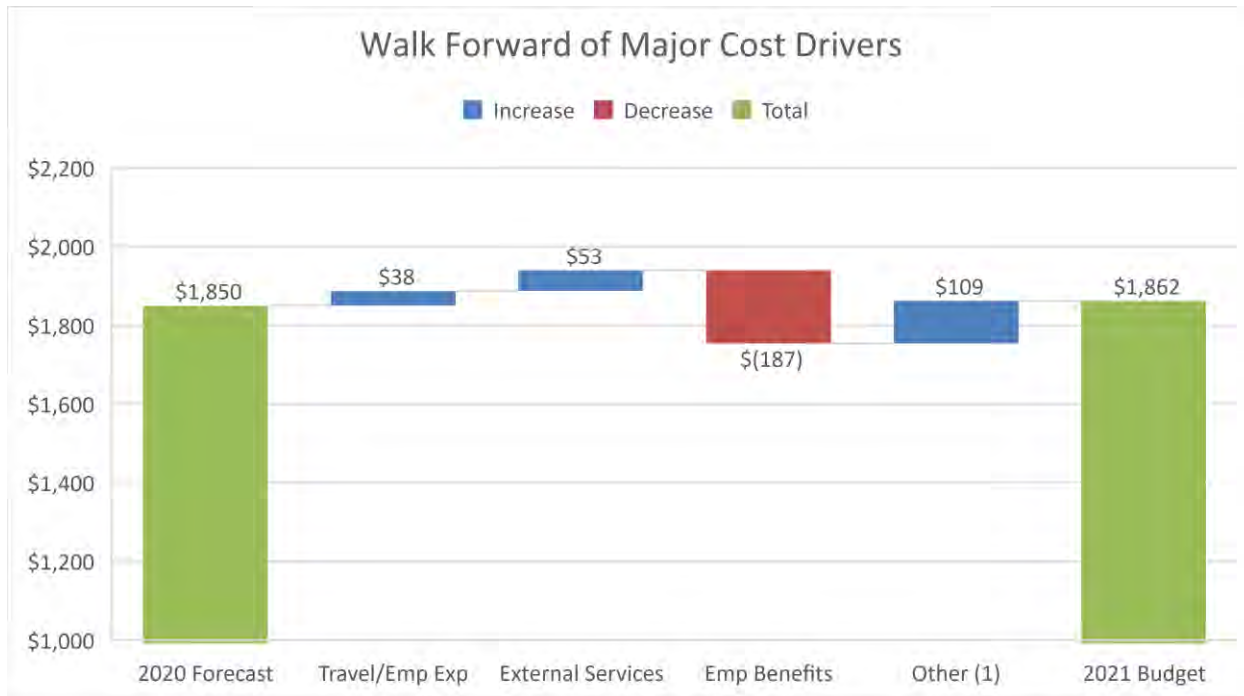
Explanations for the major cost drivers for 2019 Actual versus 2020 Forecast:

Variance is tracking close to actuals.

Section II – Major Cost Drivers

Human Resources & Safety Services

2.3 Walk of Major Cost Drivers in comparison of 2020 Forecast to 2021 Budget Non-Labor Operations & Maintenance



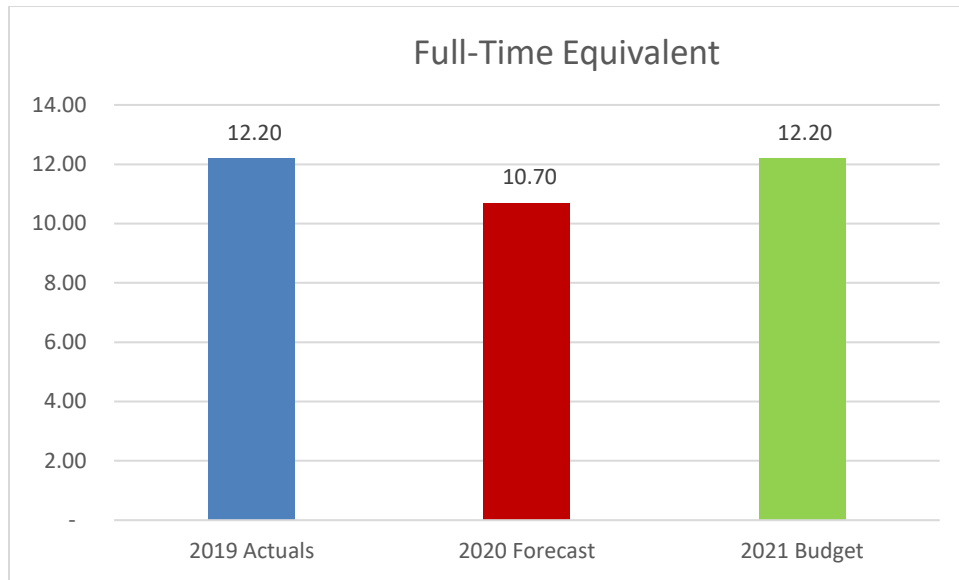
Explanations for the major cost drivers for 2020 Forecast versus 2021 Budget:

Variance is tracking close to budget.

Section III – Labor

Human Resources & Safety Services

3.1 Labor



4.0 Functional Organization Chart



Section V – Major Business Functions and Key Activities Services

Human Resources & Safety

Human Resources

Major Functions

The Human Resources Department is centralized and focuses on management of all HR functions with individuals focused on Compensation & Benefits, Employee Recruitment and Retention, Compliance with Employment Laws and Company Policies, Employee and Labor Relations and Workers Compensation.

Key Activities

- **Compensation and Benefits**
 - Monitor and administer the compensation system to ensure equity across ranges and within roles to retain current employees and provide a marketing advantage for future and potential employees.
 - Manage and administer the total compensation package, including incentive plan compensation, to foster and encourage a system that offers a pay for performance component to promote a high level of employee performance through targeted levels of individual and company performance.
 - Oversight and administration of the health and welfare plans to assist employees in making informed choices relating to the benefits offered in these plans, maximizing the value of the plan for employees.
 - Provide accurate data entry of monthly pension payments and changes to reflect the actual obligations and choices of our retirees.
 - Management of the Job Evaluation Team ensuring that roles are properly and equitably placed within the current matrix and employees are compensated in relation to the value of the role for OTP.
- **Employee Recruitment and Retention**
 - Manage resumes and applications of potential professional hires to ensure a qualified pool of individuals to replace attrition and resignations.
 - Provide aptitude testing to provide a pool of potential future craft employees to replace attrition and resignations.
 - Maintain a presence at local educational institution career fairs to foster relations with the institutions and advertise future employment opportunities with OTP.
 - Promote and respond to requests for employment information to promote OTP as an employer of choice to interested individuals and potential new hires.
 - Work internally through the company's intranet and through external sources to provide a broad base of potential hires. The primary goal is to ensure OTP the best value for related employment marketing while attracting the highest level of candidates.

**Section V – Major Business Functions and Key Activities
Services**

Human Resources & Safety

- **Compliance: Employment Laws and Company Policy**
 - Review all internal and external postings and hires. Work with hiring managers and supervisors to ensure consistency and compliance with the Equal Employment Opportunity Commission (EEOC) and Affirmative Action (AA) laws.
 - Provide an annual review of the AA plan to comply with related laws and ensure an audit proof plan.
 - Collaborate with company personnel to make sure we comply with and practice activities in compliance with the Fair Labor Standards Act (FLSA).
 - Engage in and complete all required non-discrimination testing and annual filings as it relates to the Employment Retirement Income Security Act (ERISA) benefit plans.
 - Collaborate with company management to develop and maintain an accurate list of all company HR policies.
 - Promotion of employee performance evaluations to company management and review of all completed evaluations to ensure compliance with related employment law requirements.
 - Collaborate with OTP management and employees to ensure a consistent, legal application of the Family Medical Leave Act (FMLA) and company sick leave policy.
 - Oversight and management of the OTP Commercial Driver's License (CDL) compliance program.
- **Employee and Labor Relations**
 - Provide pre-retirement planning workshops with employee groups to ensure a smooth transition for the employee and company through the retirement process.
 - Manage the Long-Term Disability (LTD) process to allow all parties to make informed decisions relating to current and future employment status.
 - Provide customer service to internal employees and to retirees as it relates to all HR related matters.
 - Promotion of company assisted programs such as the Employee Assistance Program (EAP) and the Employee Self Improvement Plan.
 - Provide training and administer employee evaluations.
 - Provide Leadership Essential Training.
 - Collaborate with company management to ensure consistent administration of the Positive Discipline Program to appropriately address employee negative performance and behaviors as they relate to the program.
 - Maintain a strong relationship with union business managers and business representatives to ensure an expedient administration of the collective bargaining agreements to maximize productivity and minimize disruption to operations.

Section V – Major Business Functions and Key Activities Services

Human Resources & Safety

- Provide consultation and consistent point of contact for management and union representatives to minimize the instances of debate and grievances' which will limit related business disruptions.
- Facilitate and manage union negotiations and administration of collective bargaining agreements.
- **Workers Compensation**
 - OTP is self-insured for Workers Compensation in Minnesota and South Dakota and is part of the North Dakota Workforce Safety Insurance plan.
 - OTP manages Workers Compensation programs internally and provides excellent value to the Company and Customers with strong program management, keeping rates extremely low with only minimum state required retention limits needed.
 - Managed care programs including monitoring medical treatment and assisting employees and managers regarding their treatment.

Safety Services

Major Functions

Safety Services seeks to continuously improve all areas in safety performance by developing and implementing safety programs as well as providing best safety practices across the organization. Safety Services also sustains the protection of Company employees and assets by providing security and protection services.

Key Activities

- Secure OTP's employees and assets.
- Develop and implement a contractor safety program that includes policy review, policy implementation and program development.
- Improve all areas in safety performance by implementing safety programs such as; SafeStart, Safety Alerts, Near Miss, Best Operating Practices, Monthly Communications, Recognition Programs and PowerLift Program.
- Develop safety rules and best practices that are both in compliance with OSHA and other industry standards applicable to our work environments, in order to drive down risk for OTP employees, contractors and the general public.
- Identify and implement best safety practices across the organization with help from industry peers and organization experts.
- Track and report all injuries in compliance with OSHA.
- Investigate injuries and incidents to determine root cause(s) in order to develop awareness of the hazard and prevent future incidents.

Section VI – Cost Allocation Methodologies

Human Resources & Safety Services

HR and Safety Services departments allocate a percentage of their labor to the jointly-owned plants (Big Stone Plant and Coyote Station). This percentage is calculated by using a headcount ratio of plant employees to total employees. The percentage is then allocated based on the amount of work that is performed by HR and Safety Services staff as it relates to the amount of time spent working on various HR and Safety Services matters. In addition, this same allocation percentage is applied to related benefit expenses such as any outside consulting service or charges directly benefiting the employees of these jointly-owned plants.



2021 O&M Budget Documentation

Information Technology

1.1 Introduction

Otter Tail Power Company's (OTP's) Information Technology department supports OTP's mission of providing for the safe and reliable delivery of electric service to customers in Minnesota, North Dakota, and South Dakota.

The Information Technology department strives to deliver cyber-secure and valuable business solutions to the enterprise to support operational excellence. Through collaboration with our business partners, we identify and implement solutions that add value by applying technology, achieving process improvements, and increasing business intelligence. Information Technology contains the following departments: Computer Systems, Telecommunications, and IT Compliance.

1.2 Customer Value

The Information Technology Department oversees the maintenance and operations of the systems utilized by OTP. Specifically, one of the system's this area maintains is the customer billing system through which OTP ensures that the related data is secure. The systems this area oversees provide essential services so employees can concentrate on serving OTP customers and the communities in which the company operates. This area stays abreast of technological advances and recommends and implements improvements that are beneficial in ensuring accurate and reliable customer data. In addition, this area ensures that OTP's computer network and physical perimeter is secure.

Information Technology also ensures compliance requirements by designing technology solutions, implementing controls, and documenting all aspects of the NERC Compliance discipline. By properly documenting and reviewing standards and regularly updating senior management, we can ensure the intellectual safety of our facilities and data ultimately allowing us to deliver reliable energy to our customers to fulfill their electricity based needs.

2.1 Breakdown of Non-Labor Operations and Maintenance Expenses

Chart of Accounts

External Services: These costs include contracts for services to support Information Technology services like Help Desk and Network Infrastructure Support.

Dues & Subscriptions: Costs associated with monthly and on-going costs for recurring services for applications and products used to support daily functions with this area.

Travel/Meals: Costs associated with meal and travel expenses for remote location maintenance and updating software and training for employees for meals and lodging incurred while traveling.

Materials & Operating Supplies: Expenses, such as network switches, servers, racks, , associated with the day-to-day operations for all cost centers within Information Technology.

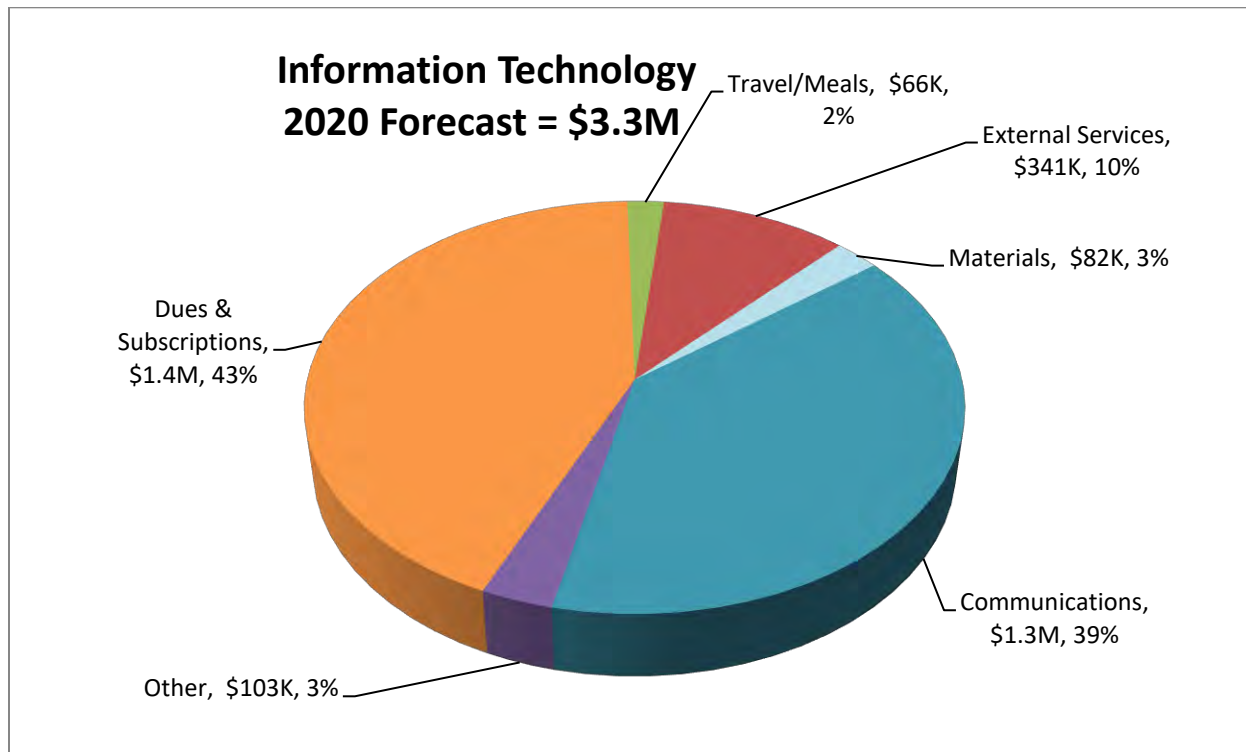
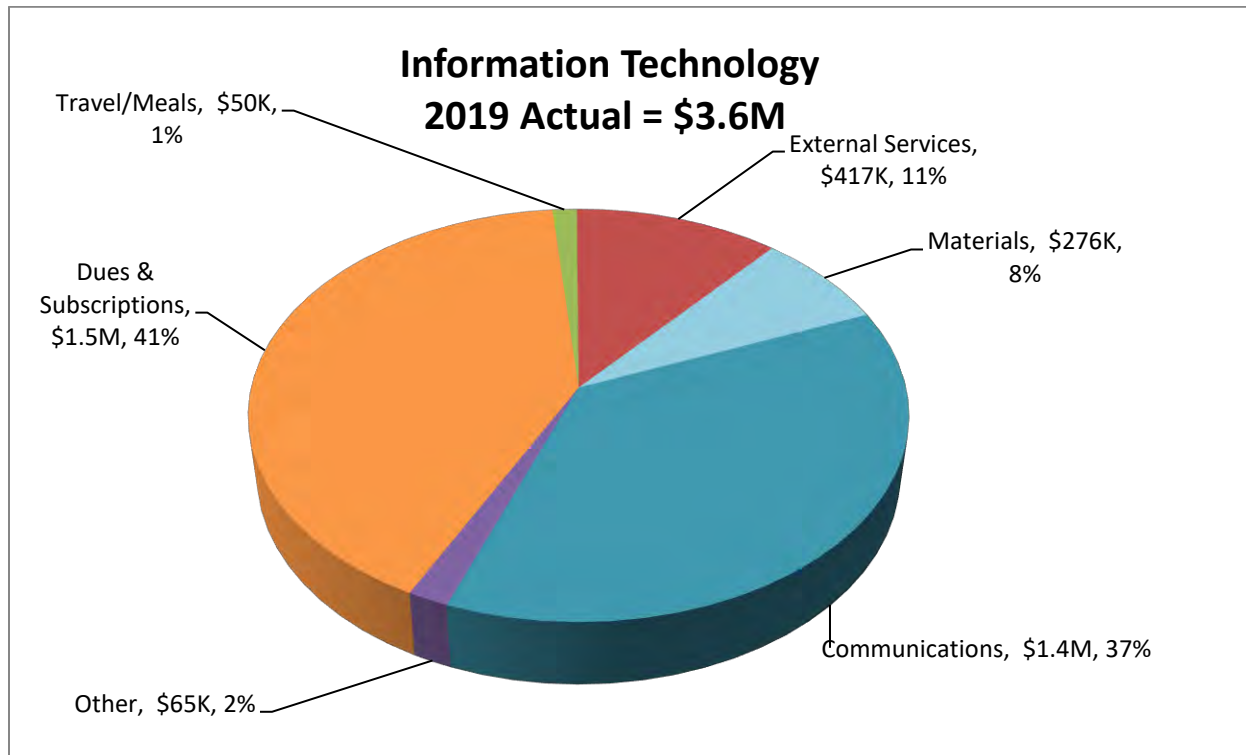
Telephone/Communications: Includes lease circuit costs that provide connectivity to substations, plants and office locations. Also includes equipment and fees associated with maintaining and operating the two-way radio communication system, microwave, cellular and industrial networks.

Other: Includes costs associated with buildings and grounds, office supplies, lease/rental, miscellaneous expenses, and other employee benefits.

Section II. Major Cost Drivers of Non-Labor

Information Technology

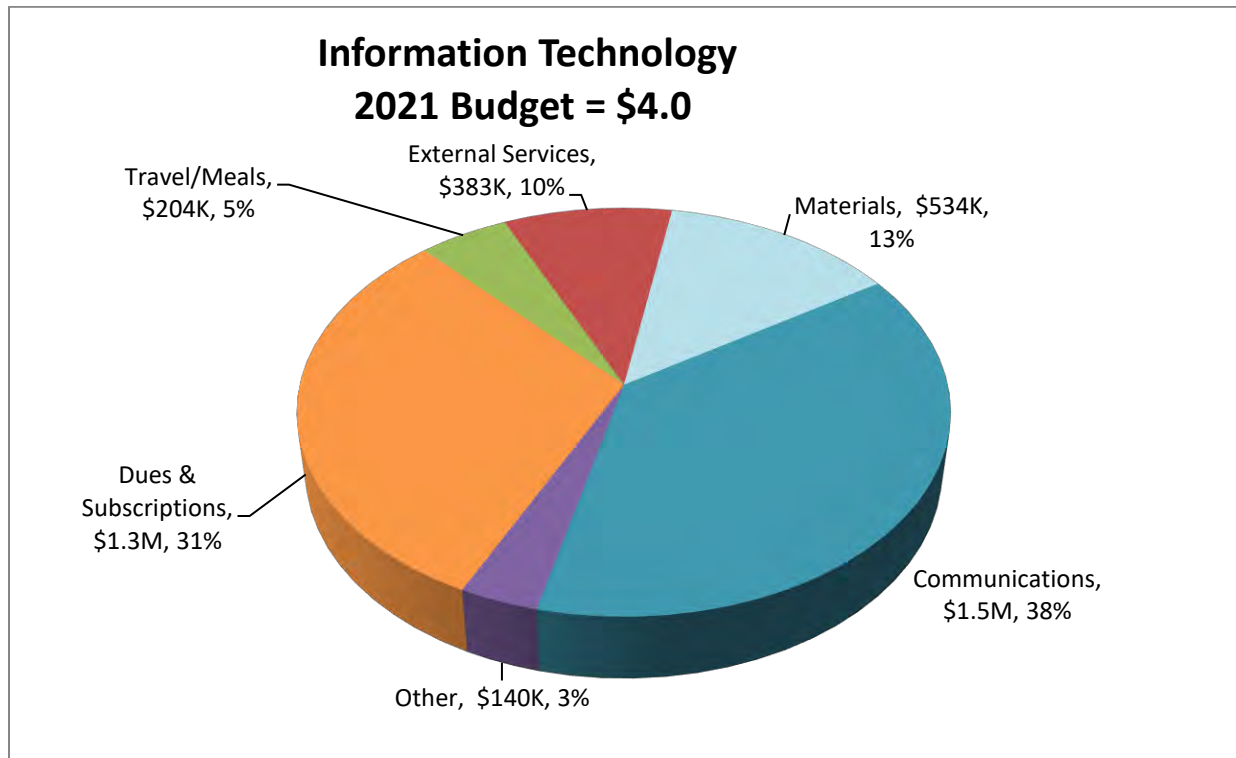
2.1 Breakdown of Non-Labor Operations and Maintenance Expenses



Section II. Major Cost Drivers of Non-Labor

Information Technology

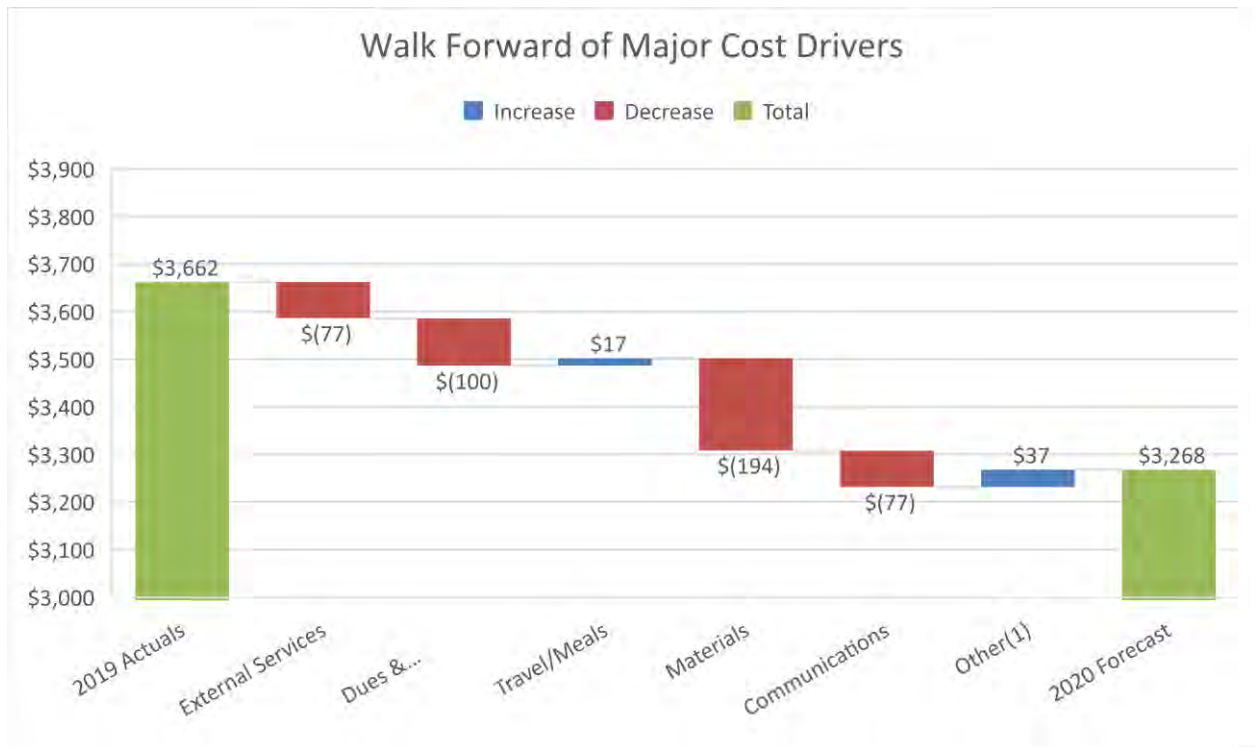
2.1 Breakdown of Non-Labor Operations and Maintenance Expenses



Section II. Major Cost Drivers of Non-Labor

Information Technology

2.2 Walk of Major Cost Drivers in comparison of 2019 Actuals to 2020 Forecast Forecast Non-Labor Operations & Maintenance



Explanations for the major cost drivers for 2019 Actual versus 2020 Forecast:

Materials & Operating Supplies: the reduction in Materials is mainly due to software maintenance costs related to a specific department is now budgeting for the expenses not the IT department.

Section II. Major Cost Drivers of Non-Labor

Information Technology

2.3 Walk of Major Cost Drivers in comparison of 2020 Forecast to 2021 Budget Non-Labor Operations & Maintenance



Explanations for the major cost drivers for 2020 Forecast versus 2021 Budget:

Dues and Subscriptions: Renegotiated software license/maintenance agreements to reduce costs. Some costs that were paid in one year are now spread across several months (prepaid accounting used – JE 49) so total amount is not in one calendar year.

Travel/Meals: Travel and meals associated with training were reduced in 2020 and added back for 2021. Also, due to pandemic, not as much travel by technicians in 2020.

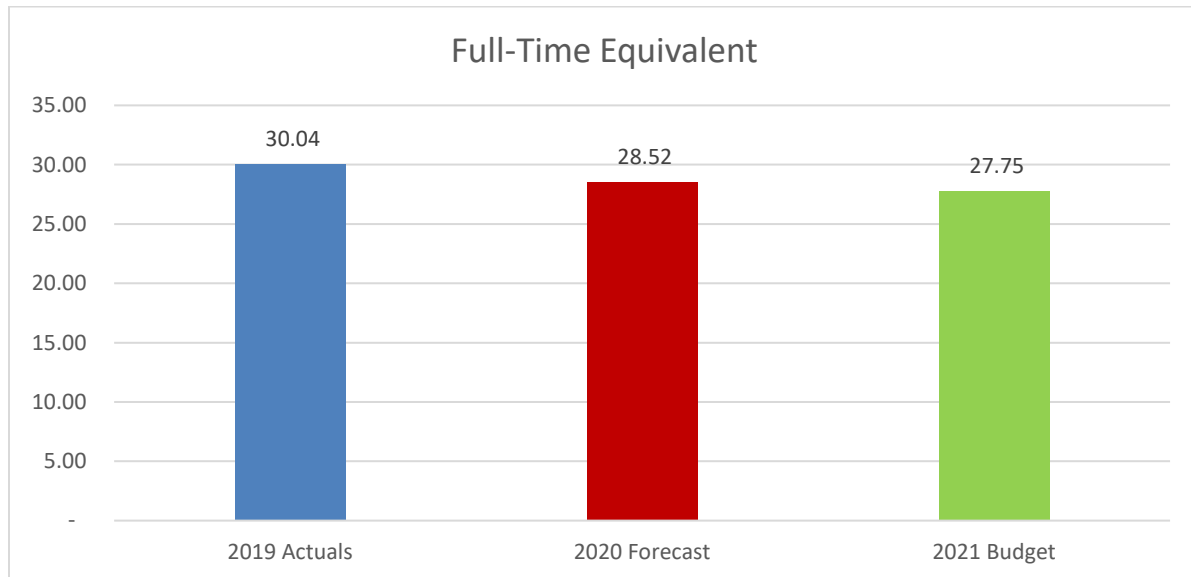
Materials: Increase in hardware costs over prior year as well as some maintenance agreements are paid every 3 years and are coming due in 2021.

Telephone/Communications: Additional lease circuits due to projects needing communications and cost increases for existing lines.

Section III. Labor

Information Technology

3. Labor



Explanations for the change in Full-Time Equivalent (FTE): The Information Technology group has stayed pretty consistent year over year in the FTE counts.

Section IV. Functional Organization Chart

Information Technology



Computer Network Services

Major Functions

Computer Network Services at OTP is typically driven by two major forces. First, Legacy Systems, where end of life prompts replacing old IT Systems by purchasing new IT systems to drive operating improvements. Investing money on IT comes with a lot of hard, smart work and a disciplined structured methodology. Forecasting the benefits and tracking and implementing Organizational Change Management (OCM) are each equally as important as the successful implementation of IT. "GoLive" of new systems need to reflect the system's performance requirements and the changes in business processes that drove the IT initiative.

Second, new IT Systems can be justified when there are new business requirements and there is an available automated solution to drive a more efficient process.

Key Activities

- Ensure a Benefit/Cost or Value justification analysis is in place for all new IT Project requests. A contribution to Productivity, cost reduction is a goal for IT Green Field projects.
- Implement a utility wide team to coordinate consistent prioritization and justification of capital projects
- Develop IT asset replacement plans for buildings, office furniture, Mainframe, Server, Desktop, Laptop and other ancillary IT assets, utilizing diagnostic procedures, criteria for replacement, and age tracking
- Identify types of maintenance (diagnostic, predictive, repair, system patches) and prioritize use of System Specialists (people and dollars)
- Maximize the utilization of Servers by "Virtualizing"
- Move to implement the Virtual Desktop Infrastructure (VDI) to centralize the administration of Virus, Spam, Malware and other outside attacks on the Enterprise System.
- Provide timely response and concise answers to all questions related to OTP IT supported systems.
- Provide an IT Reliability that is maintained over time.

Telecommunications

Major Functions

Telecommunications is focused on developing our Telecommunication, Microwave and Enterprise and Industrial Network through the maintenance of a reliable and secure communications infrastructure for all facets of the enterprise.

Section V. Major Business Functions and Key Activities

Information Technology

Key Activities

- Oversee the design and operation of systems to provide information connectivity to OTP IT systems in a secure manner with system performance KPIs as drivers
- Maintain Reliability at current levels
- Allow proper operation of employee accountabilities.
- Protects enterprise and customer data all while supporting day-to-day business functions.

IT Compliance

Major Functions

IT Compliance maintains compliance with all aspects of the NERC Compliance discipline. It implements a robust security protocol to protect enterprise and customer data all while supporting day-to-day business functions.

Key Activities

- Properly document and review all standards
- Provide updates to senior management to maintain understanding among all departments
- Self-report potential issues in a timely manner
- Manage and maintain OTP's physical and electronic records
- Coordinate the various regulatory, legal and compliance requirements that apply to records management
- Retention schedules are applied to records as appropriate.

Section VI. Cost Allocation Methodologies

Information Technology

N/A for this business area.



2021 O&M Budget Documentation

Regulatory Affairs and Compliance

1.1 Introduction

The Regulatory Affairs and Compliance Group consists of the following key functional areas:, Regulatory Administration, Regulatory Recovery, Regulatory Proceedings and Compliance and Market Planning. The organization is responsible for submitting regulatory filings, managing regulatory proceedings, managing the company's state and Federal utility compliance programs , including the company's programs for compliance with Federal Energy Regulatory Commission (FERC) and North American Electric Reliability Corporation (NERC) standards and requirements.

1.2 Customer Value

The Regulatory Affairs and Compliance area contains the Regulatory Proceedings and Compliance and Regulatory Recovery areas. Regulatory Proceedings and Compliance stewards continuous assessment of the Company's NERC compliance program, with the overall objective to maintain reliability of the system. Regulatory Proceedings and Compliance also conducts rate case planning and provides advice to management and utility personnel on state (Minnesota, North Dakota and South Dakota) and Federal regulatory statutes, administrative rules, Commission orders, and tariff requirements. The Regulatory Recovery area is responsible for managing recovery of capital investments and related operating and maintenance expenses, including strategy development and making recommendations to OTP's executive team. The Regulatory Recovery area also provides input into the utility's long-term business and capital strategy. Overall, the Regulatory Affairs and Compliance area is responsible for managing regulatory relationships with all areas of the utility. Customers benefit from the work of the Regulatory Affairs and Compliance group because the group promotes compliance with regulations designed to ensure reliability, accuracy, transparency and well-designed cost effective rates. The Regulatory Administration area oversees development of rates, administration of rates, Company compliance with regulatory policies and procedures, and manages the submittal of regulatory annual filings and reporting requirements. Customers benefit through compliance with regulatory rules designed to ensure reliability and well designed, cost effective rates. Market Planning develops and manages short, mid-term, and long-term marketing strategies and supporting tactics. Understands markets and customers by monitoring changes in the market, determining customer expectations and needs, and strengths and weaknesses of product/service offerings. Works in cross functional teams that develop pricing, communication, and advertising strategies. The Print and Mail Services arm of our organization fulfills OTP business needs, many of which require high-quality machines that run efficiently and reliably. Sometimes company projects don't require those machines to run at full capacity. To benefit utility customers, we make smart use of machine availability as we provide select services to customers beyond our company.

2.1 Breakdown of Non-Labor Operations and Maintenance Expenses

Chart of Accounts

External Services: This includes legal fees for assistance on various regulatory issues and work performed by outside firms on required studies such as regulatory studies.

Dues and Subscriptions: Includes specialized billing software, Open Access Technology International (OATI) software for NERC compliance, CaseWorks software and other miscellaneous dues and subscriptions.

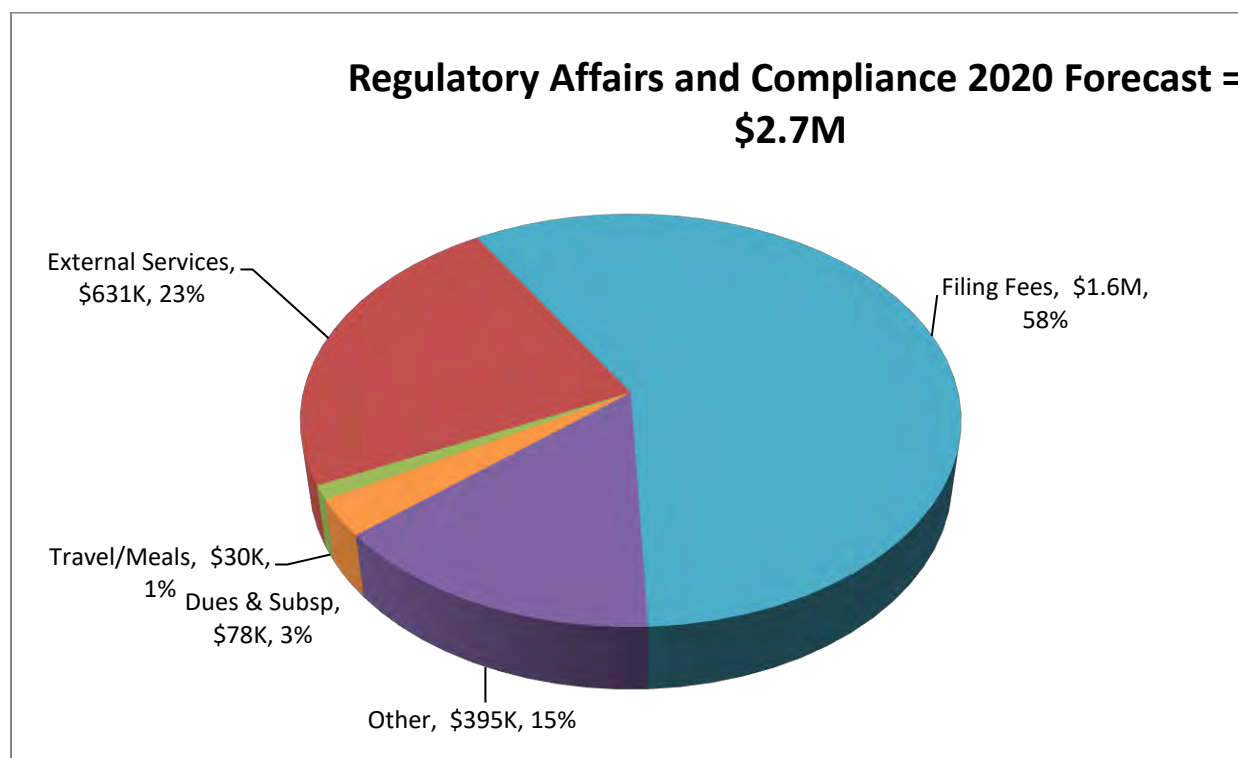
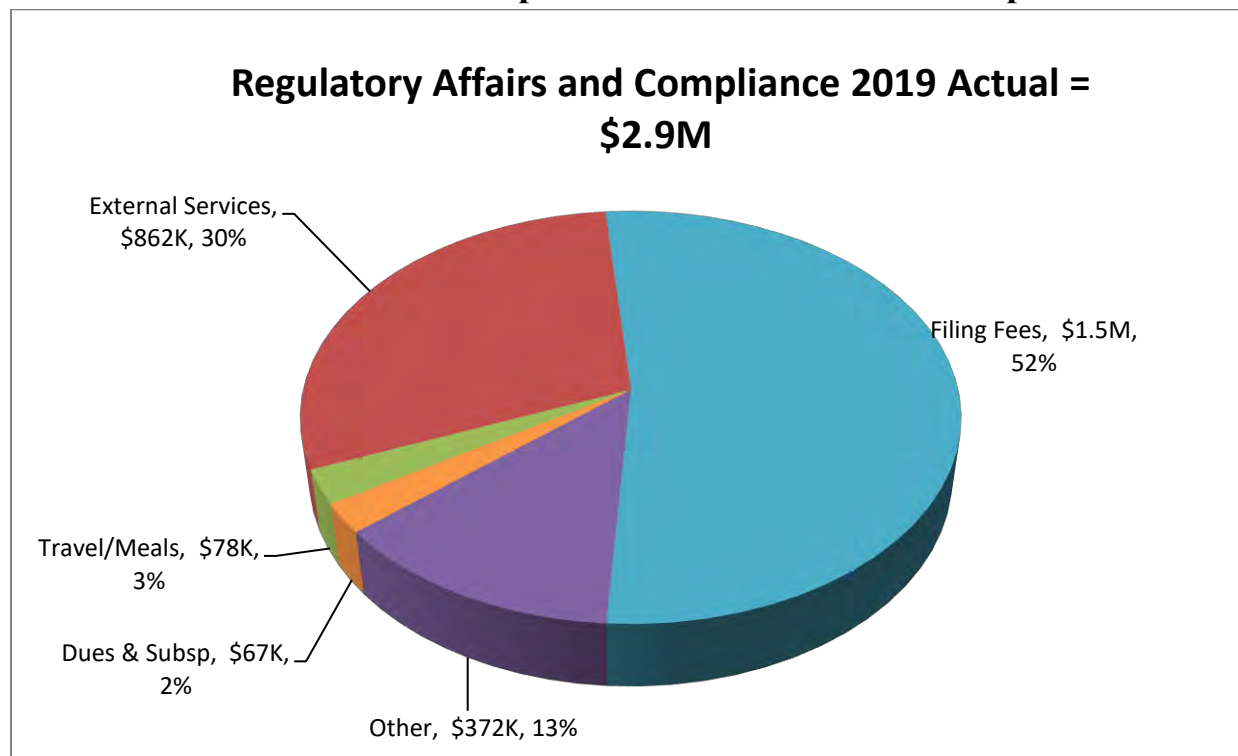
Filing Fees: OTP is billed by the Commissions for the time spent on specific dockets and also charged annual assessments. NERC fees account for most of the remainder.

Travel/Meals: Contains expenditures related to attendance at regulatory hearings in the capital cities of our three jurisdictions, and attendance at meetings and training.

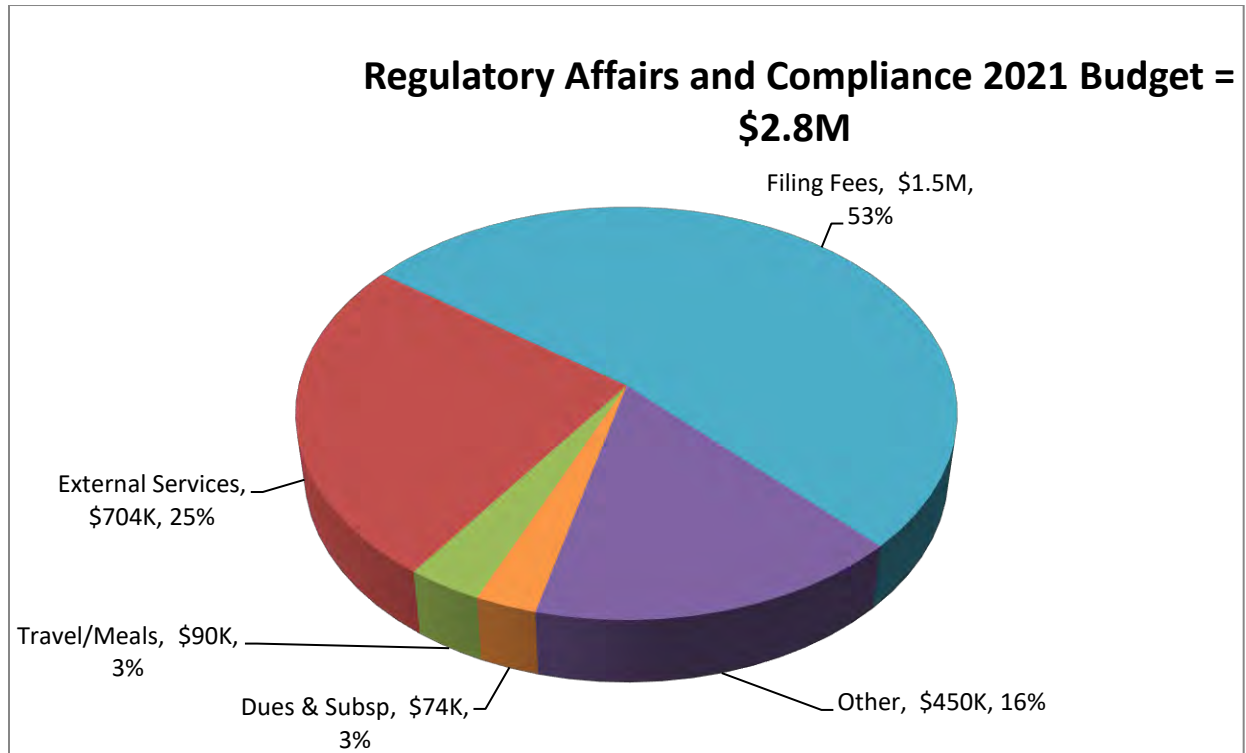
Other: Includes copier expense, case management software, telephone and communication costs, along with other minor expenses.

Other: Includes copier expense, case management software, telephone and communication costs, along with other minor expenses.

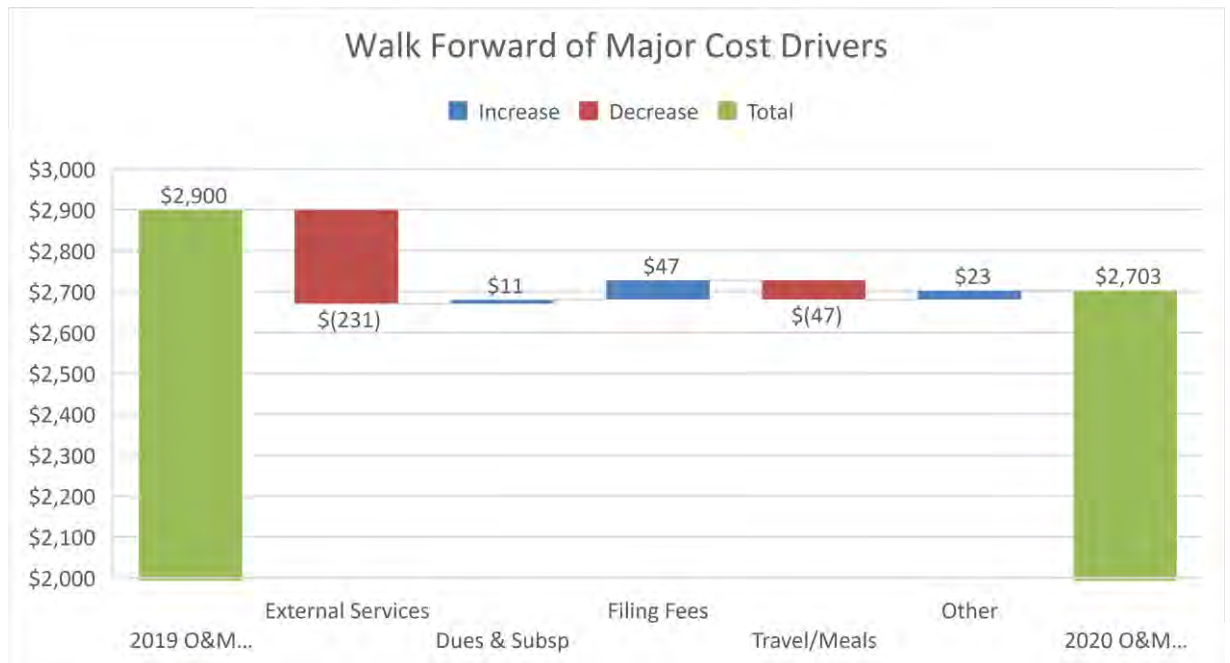
2.1 Breakdown of Non-Labor Operations and Maintenance Expenses



2.1 Breakdown of Non-Labor Operations and Maintenance Expenses



2.2 Walk Forward of Major Cost Drivers in comparison of 2019 Actuals to 2020 Forecast Non-Labor Operations & Maintenance



Explanations for the major cost drivers for 2019 Actual versus 2020 Forecast:

External Services: Decrease due to the majority of legal and other consultant fees for the Minnesota rate case being accounted for in the rate case project.

Dues and Subscriptions: Expenses are tracking close to 2019

Filing Fees: Increase due to filing fees for the Minnesota dockets as more activity and carryover billings from 2019 activity.

Travel/Meals: Travel and meals are decreased due the pandemic reduction in travel to Commission and other regulatory meetings.

Other: Increased postage and shipping costs are the main contributor to the increase in part due to the pandemic and in part due to higher rates.

2.2 Walk Forward of Major Cost Drivers in comparison of 2020 Actuals to 2021 Budget Non-Labor Operations & Maintenance



Explanations for the major cost drivers for 2020 Forecast versus 2021 Budget:

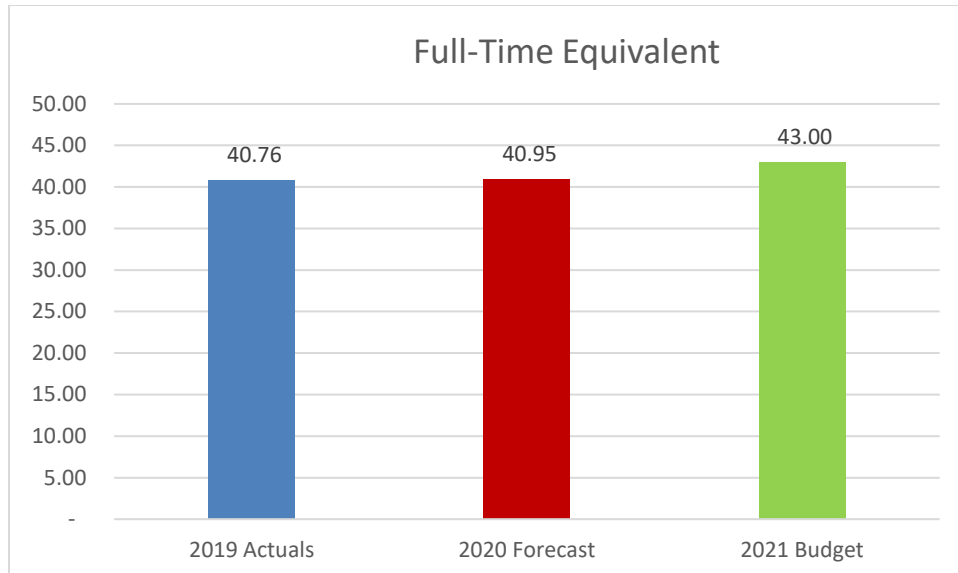
External Services: Increase due to additional legal and other consultant fees related to the Minnesota rate case being incurred in 2021.

Filing Fees: Commission fees are budgeted without anticipated billings for prior years filings.

Travel/Meals: Travel and meals are budgeted to increase to more normal level after pandemic.

Other: Program expenses for pilot.

3.1 Full-Time Equivalent (FTE) by Year



FTEs: Market Planning a Regulatory Proceedings and Compliance both have one open position to be filled in 2021, delayed by the pandemic from 2020.

Section IV Functional Organization Chart

Regulatory Affairs and Compliance



Section V – Major Business Functions+Key Activities: Regulatory Affairs and Compliance

Major Business Functions and Key Activities

Regulatory Proceedings and Compliance

Major Functions

The Regulatory Proceedings and Compliance area provides technical analysis and consulting services on regulatory policy and regulatory compliance, and is responsible for submitting regulatory filings and submissions.

Key Activities

- Provides expert testimony to support company positions in regulatory proceedings and coordinates the preparation of expert testimony of subject matter experts in other business areas.
- Manages ongoing communications with regulators to ensure constructive relationships and sharing of timely and accurate information so that Regulators and OTP decision makers have the necessary facts to understand the implications of their actions on customers, shareholders, employees, and the industry.
- Manages the regulatory compliance function to assure compliance with all regulatory requirements for OTP.
- Provides authority and guidance on regulatory policy, requirements, and impacts on numerous projects and activities through interactions with other functional areas in the regulated utility.
- Develops regulatory strategies.

Regulatory Administration

Major Functions

Regulatory Administration manages the pricing and rate design function for OTP. Regulatory Administration is responsible for designing and implementing new rates and updating existing rates, if appropriate, and obtaining necessary regulatory approvals.

Key Activities

- Oversees the development of costing and pricing strategies, theories, methodologies and procedures for the three states in OTP's jurisdiction.
- Prepares and files annual updates to transmission, environmental, cost of energy adjustment and renewable energy riders.
- Completes the monthly calculation of delivered, delivered and billed, and unbilled sales and revenue by rate group within the jurisdiction of the company.

Section V – Major Business Functions+Key Activities: Regulatory Affairs and Compliance

- Develops and maintains the forecasting and pricing models and the data used to make these calculations.
- Designs, manages, and analyzes the company's load research program across its system.
- Develops and maintains the models and data necessary to efficiently develop allocation factors used in the class and jurisdictional cost of service studies and to develop models used to investigate alternative methodologies.

Regulatory Recovery

Major Functions

Regulatory Recovery manages and supports advocacy for State utility regulation. In coordination with the Regulatory Administration and the Regulatory Proceedings and Compliance, manages communications with Commissioners, Commission Staffs and other agencies.

Key Activities

- Advises management and utility personnel on State (Minnesota, North Dakota and South Dakota) regulatory statutes, administrative rules, Commission orders, and tariff requirements.
- Develops regulatory strategies for rate recovery. Works with other Regulatory and Legal areas to develop theories and strategies for any new issues relating to rate recovery.
- Participates in negotiations, mediations, settlement conferences, and other alternative dispute resolution proceedings.

Market Planning

Major Functions

The Market Planning area is responsible for compliance with regulatory policies and procedures related to demand response, customer service, related rates, market research, and marketing programs. Performance goals for Market Planning include demand response goals, electronic payment goals, and customer satisfaction goals.

Key Activities

- Develops and manages short, mid-term, and long-term marketing strategies and supporting tactics.
- Understands markets and customers by monitoring changes in the market, determining customer expectations and needs, and strengths and weaknesses of product/service offerings.
- Works in cross-functional teams that develop pricing, communication, and advertising strategies.

Section V – Major Business Functions+Key Activities: Regulatory Affairs and Compliance

Print and Mail Services

Major Functions

Our Print and Mail Services team runs a small full-service print shop that provides the confidentiality, speed, and professional services (including design) required to cost effectively fulfill OTP's needs. We are a nimble team that helps to keep costs low as we operate equipment that otherwise would not be available within 60 miles of Fergus Falls.

Key Activities

- Design effective, attractive, relevant, and timely marketing (and other) materials to accomplish company goals and reinforce company brand.
- Operate digital and offset printing, finishing, bindery, and mailing equipment.
- Provide top-notch customer service.
- Help ensure a safe workplace.

As a service organization, Public Relations directly charges the Minnesota Conservation Improvement Program (CIP), South Dakota Energy Efficiency Plan (EEP), large-project capital budgets, and Corporate Communications Department as needed for time spent on related activities.

Section VI – Cost Allocation Methodologies

Regulatory Affairs and Compliance

Not applicable for the Administration area.



2021 O&M Budget Documentation

Corporate Services

Section I - Introduction and Customer Value

1.1 Introduction

Otter Tail Corporation (Corporate or OTC) is a holding company and is publicly traded on NASDAQ. In 2009, the company re-organized into a holding company and Otter Tail Power Company (OTP) became a wholly-owned subsidiary of OTC. At the holding company level, services are provided to all subsidiaries of the organization and are staffed by approximately 50 employees on average. Except for the President of OTP, all Officers of the Corporation are employed by OTC. The Officer team consists of the Chief Executive Officer (CEO), the Chief Financial Officer (CFO), the General Counsel, the President of Varistar, the President of OTP, and the Vice President of Human Resources.

The primary focus of Corporate is to ensure the organization is living its values and mission statement and to set the overall vision for the organization. Corporate does this by working with each of its operating companies to grow their business, to achieve operational excellence, and to develop our employees.

Services performed by Corporate include Board of Directors and governance-related matters, strategic planning, external financial reporting, tax reporting, audit and business risk management, financial planning, treasury, traditional risk management, corporate-related legal matters, investor relations, shareholder services and Human Resource services.

The remainder of this documentation describes Corporate services provided to OTP and the related costs.

1.2 Customer Value

Corporate's strategic planning is essential to the long-term well-being of OTP. Corporate brings value to OTP customers by ensuring that the organization maintains its ability to effectively finance the necessary capital to build and maintain infrastructure to serve OTP's customers. Corporate provides services in representing OTP in dealings with creditors who provide funding through bonds, and shareholders who provide funding through buying stock in Otter Tail Corporation. Corporate also maintains the company's good standing with the Securities and Exchange Commission, with Rating Agencies, and with Financial Institutions.

Section II – Major Cost Drivers

2.1 Breakdown of Non-Labor Operations and Maintenance Expenses in Corporate Services

Labor: Labor includes the costs for Corporate employees that provide services to OTP along with any short-term incentive compensation received based on targets set by the Board of Directors. Labor is directly assigned or allocated. Directly assigned labor is maintained through timesheets by Corporate employees each week as they directly assign their labor to OTP for OTP specific work performed. Any Corporate labor costs that aren't directly assigned get allocated to OTP via indirect allocators or the general allocator.

Dues & Subscriptions: These costs include dues and subscriptions for various publications and membership fees. In addition, OTP's allocated share of Corporate's computer maintenance agreements and general insurance are recorded in this category via the allocator related to the specific department being charged.

Contract Services: These costs are OTP's allocated share of all other external service providers who Corporate contracts with to provide needed services across the functions performed at Corporate. Contract services can include services such as outside valuation firms, rating agency fees, shareholder proxy services, and others. All contract services are allocated via the specific department allocator or general allocator, unless related to a project specific to OTP.

Professional Services: The costs for these services are mainly associated with two services - fees paid to external independent accountants and legal fees. The audit fees are billed directly to OTC, then are allocated to OTP based on budgeted audit hours (direct assigned), and OTC related audit work (indirect allocation). Amounts paid to external independent accountants relate to audit and tax services. Certain income tax related consulting fees and legal fees associated with matters concerning OTP are directly paid by OTP. Any remaining accounting fees and legal fees associated with corporate matters for items such as compensation plans, matters concerning the Board of Directors, and SEC filings are allocated to OTP via the general allocator.

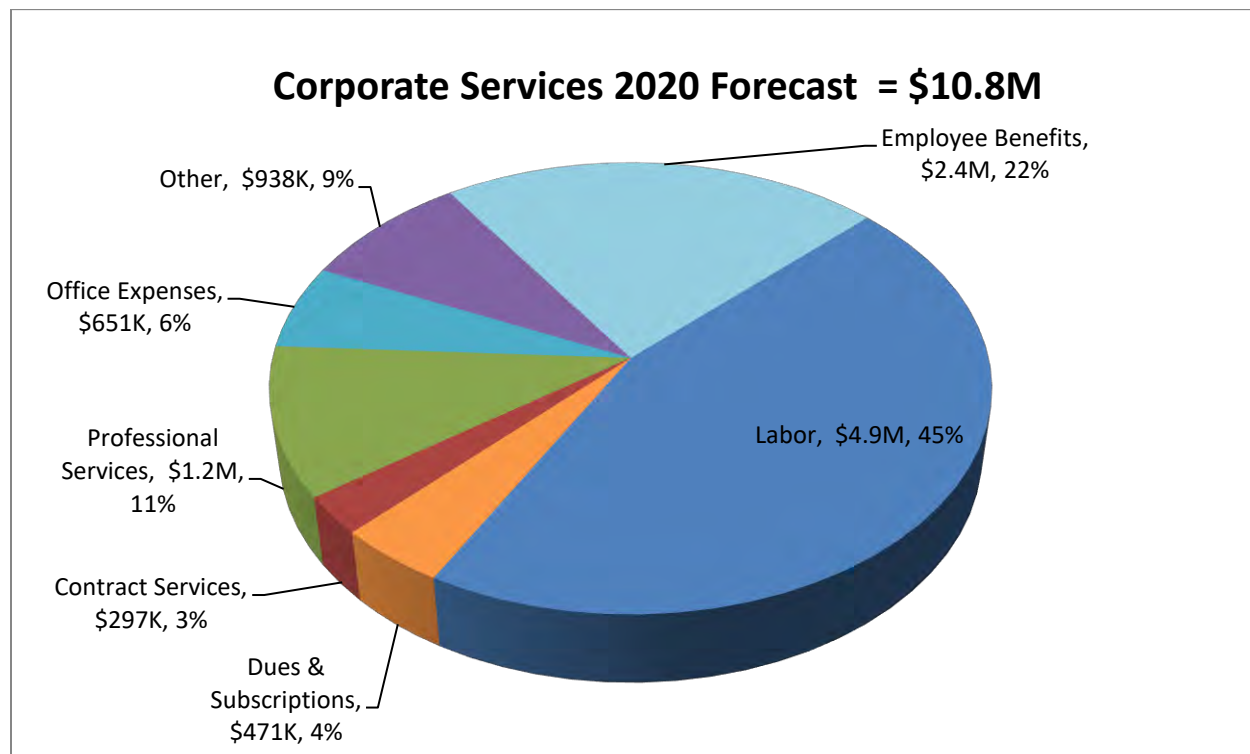
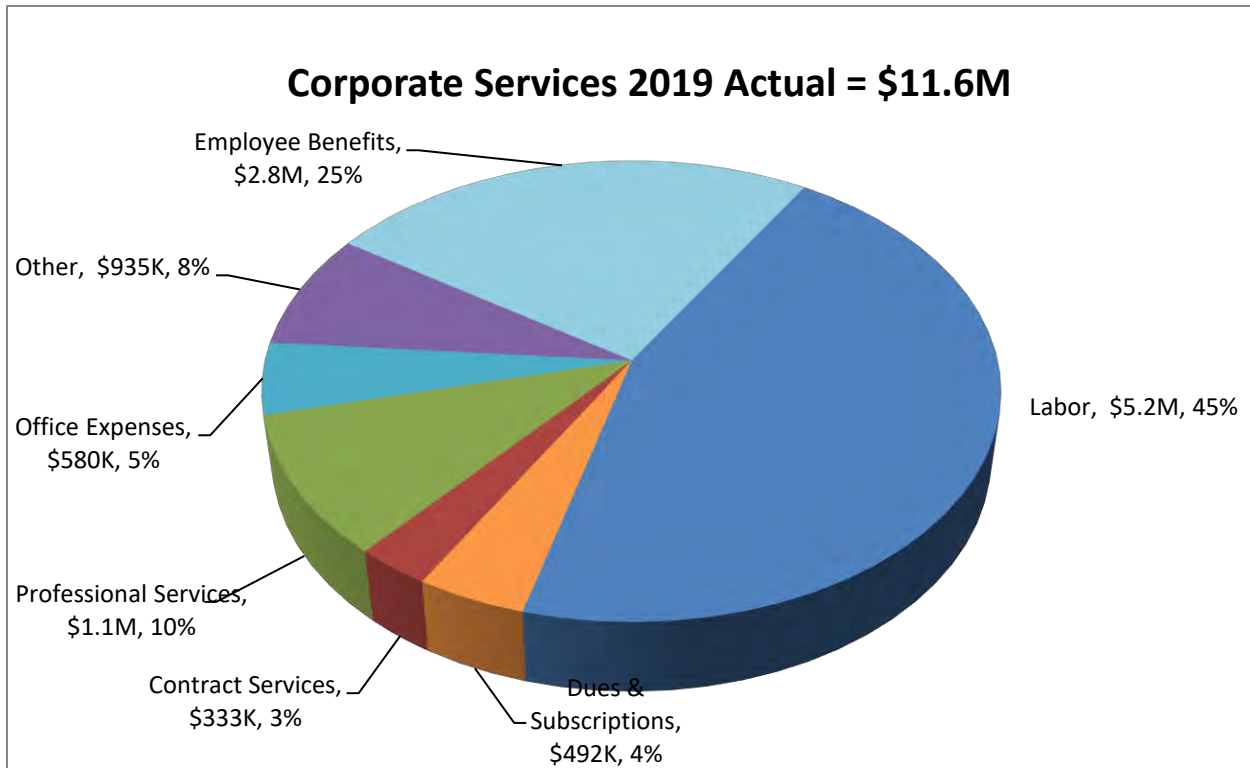
Office Expenses: Office supplies, bank charges, license fees, equipment leases, building lease, building maintenance, and software maintenance fees are all included in this category of expense.

Employee Benefits: The costs in this account are associated with the stock incentive plans provided to key employees. This includes amortization of Restricted Stock, Restricted Stock Units, and Performance Shares.

Other: Includes costs associated with employee expense, telephone, advertising, and other miscellaneous costs. The bulk of these costs are Board of Director retainers.

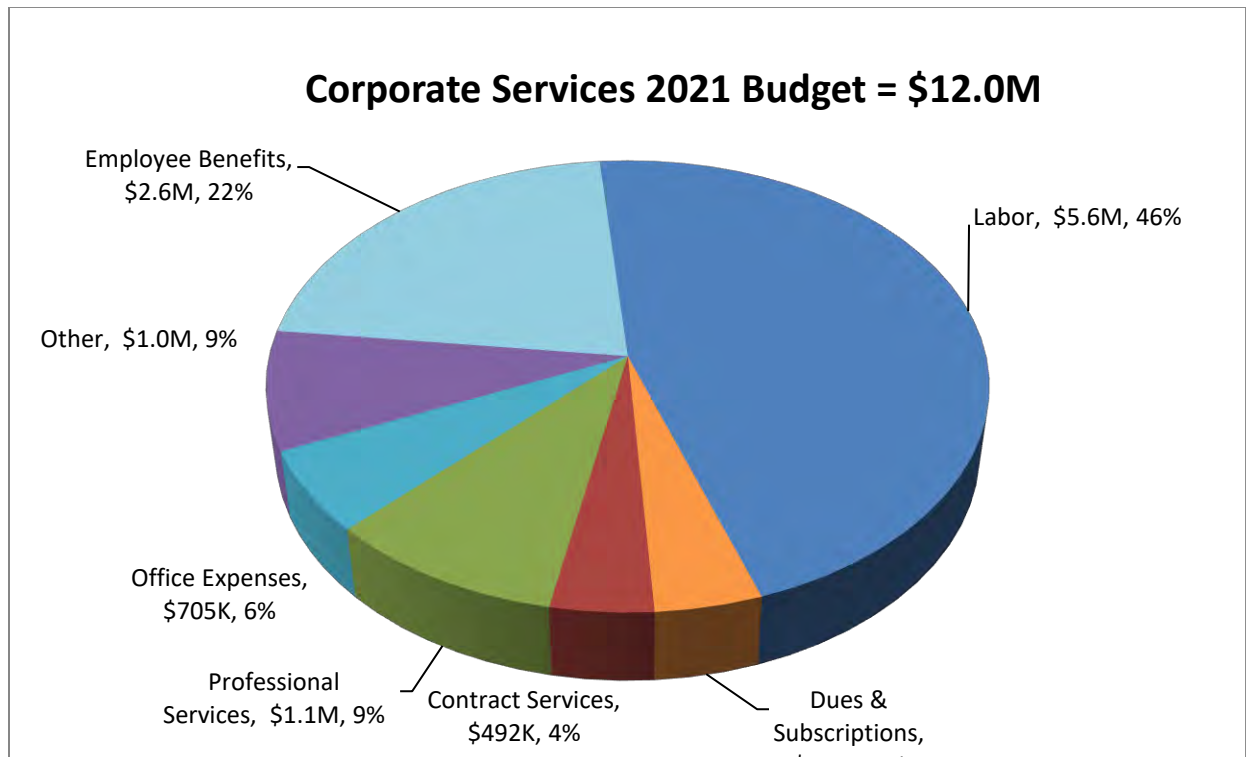
Section II – Major Cost Drivers

2.1 Breakdown of Operations and Maintenance Expenses in Corporate Services



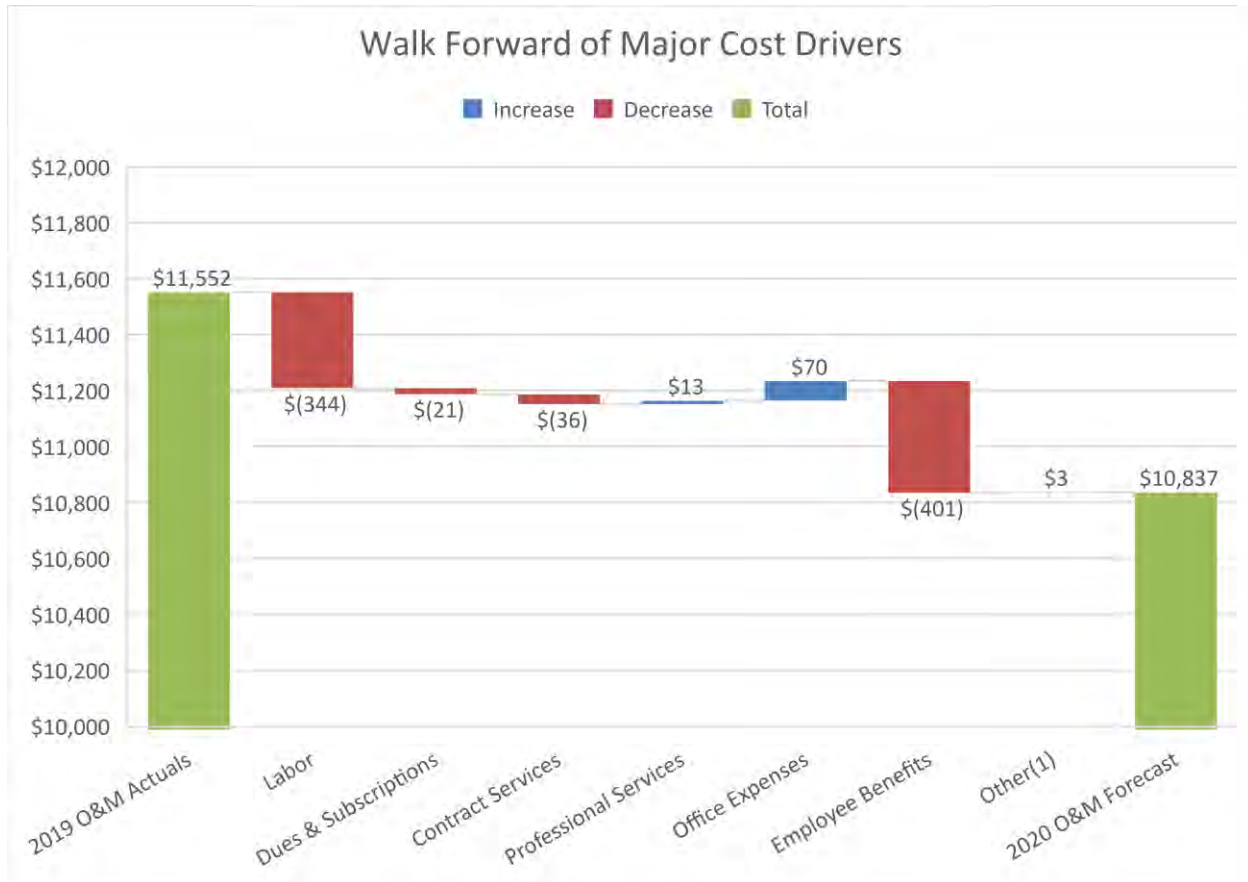
Section II – Major Cost Drivers

2.1 Breakdown of Operations and Maintenance Expenses in Corporate Services



Section II – Major Cost Drivers

2.2 Walk of Major Cost Drivers in comparison of 2019 Actuals to 2020 Forecast Operations and Maintenance



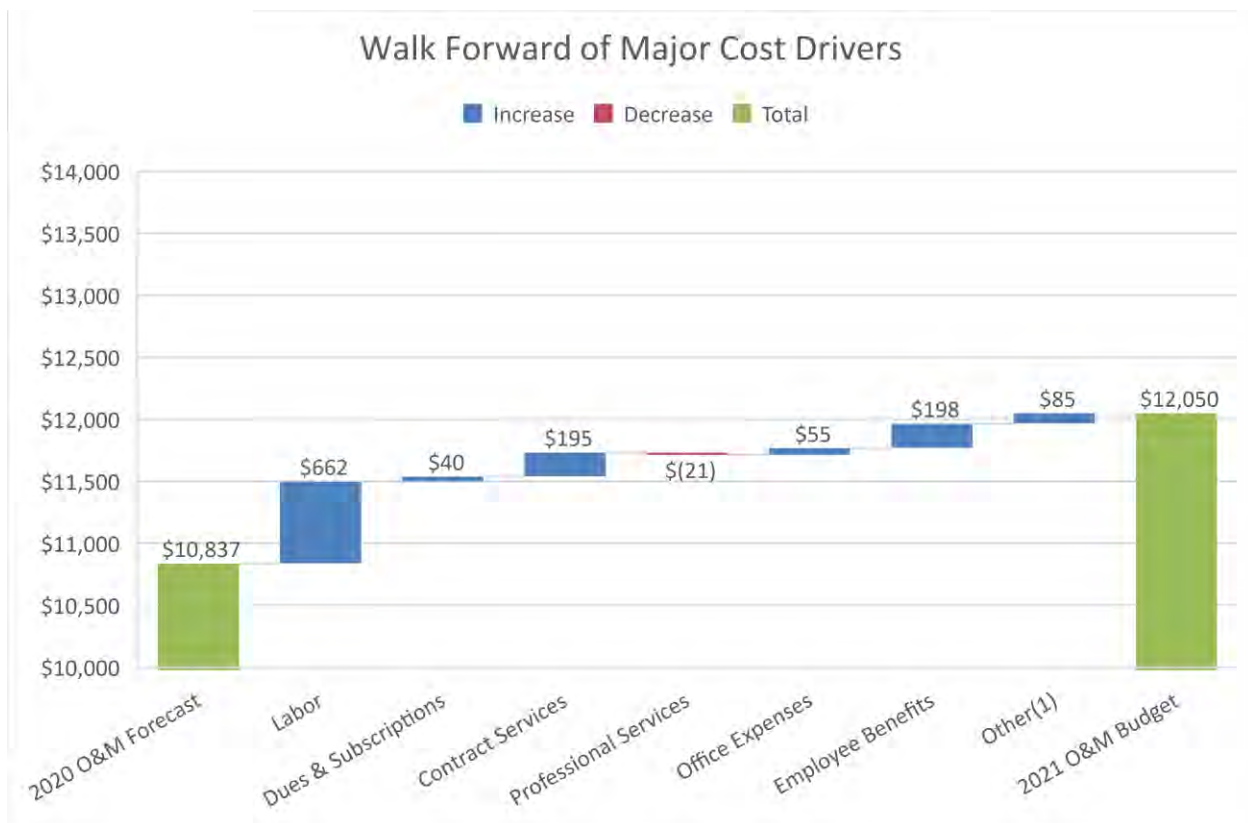
Explanations for the major cost drivers for 2019 Actual versus 2020 Forecast:

Labor: Labor costs decreased primarily due to a decrease in projected short term incentive (bonus) payments, employee salary reductions, and employee furloughs related to recession impacts on financial performance in 2020.

Employee Benefits: Employee benefit costs decreased in 2020 due to executive Performance Share awards being paid out at a higher level in 2019, related to Otter Tail's share price performance as compared to peer companies.

Section II – Major Cost Drivers

2.3 Walk of Major Cost Drivers in comparison of 2020 Forecast to 2021 Budget Operations and Maintenance



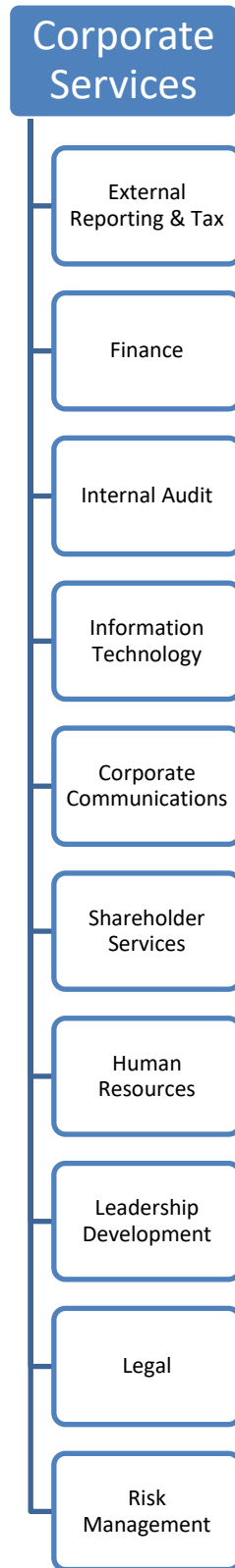
Explanations for the major cost drivers for 2020 Forecast versus 2021 Budget:

Labor: Labor costs are projected to be higher in 2021 due to the increase in short term incentive (bonus) costs, normal wage increases, no employee salary reductions, and employee furloughs as 2020 was projected to be lower than normal due to recession impacts on financial performance. This increase also includes normal wage increases.

Contract Services: The increase in contract services is partly related to Leadership development and employee engagement survey services.

Employee Benefits: The increase in employee benefits is related to a 2020 adjustment on the ROE component associated performance shares which caused a decrease in this expense account for 2020 that is not forecasted to occur in 2021.

Section III – Functional Organization Chart



Section IV. Major Business Functions & Key Activities

External Reporting & Tax

Major Functions

The primary function of the External Reporting and Tax area is to prepare accurate consolidated financial results of the Corporation for shareholders and for SEC and tax reporting. The reports prepared are necessary to obtain the appropriate funding needed by OTP for its major construction projects.

Key Activities

- Complete the 10-Q and 10-K for SEC reporting compliance
- Management Reporting
- Accurately record transactions
- Maintain and perform allocations between Corporate and OTP
- Prepare federal and state income tax returns
- Consult with OTP

Finance

Major Functions

Finance is responsible for coordinating and consolidating the financial forecasts of the Corporation. Corporate also has a centralized treasury function that has the responsibility for overall corporate financing functions as well as cash management.

Key Activities

- Consolidate financial forecasts
- Maintain the software used for budgeting and consolidation purposes
- Collaborate with OTP to review their monthly results
- Conduct goodwill testing when necessary
- Perform financial and enterprise value analysis as needed
- Lender relationship management for all of OTP's debt instruments, including responsibility for interest payments on OTP's debt and covenant compliance.
- Access the equity and debt markets to raise funds for OTP. The scope includes: negotiating pricing, terms and optimal agreements, as well as ongoing monitoring of the debt and equity markets.
- Monitor and maintain an optimal capital structure
- Oversee lease agreements and negotiate lease arrangements.
- Chairs the Investment Sub-Committee that is responsible for overseeing the pension plan investments.

Section IV. Major Business Functions & Key Activities

Internal Audit

Major Functions

The primary function of Internal Audit is performing strategic, financial, compliance and consulting projects. Internal Audit accomplishes its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of the organization's risk management, control, and governance processes.

Key Activities

- Develop a flexible annual audit plan using appropriate risk-based methodology, including any risk or control concerns identified by management
- Establish an adequate balance of financial, operational, regulatory and strategic auditing according to the organizational needs that support strategic objectives.
- Evaluate the reliability and integrity of information and the means used to identify, measure, classify, and report such information.
- Assess the effectiveness and efficiency of organizational resources and recommend process and system improvements.
- Follow up on project findings and recommendations until open issues are cleared.
- Issue periodic reports to the Audit Committee and senior management summarizing the internal audit activity's purpose, authority, responsibility, and performance relative to its plan.

Information Technology

Major Functions

The primary function of IT is to manage and support long term planning, direction and organization of enterprise IT services. In addition, this area supports the Corporate office's computers, networks, software, and telephonic components.

Section IV. Major Business Functions & Key Activities

Key Activities

- Determine the systems and applications appropriate for corporation.
- Perform maintenance and patches on networks and software
- Management of the Microsoft Enterprise Agreement, Gartner Agreement and Antivirus Software agreements for entire organization.
- Supports corporate workstations, networks server infrastructure, phone system, software and company-owned mobile devices.
- Responsible for review of cyber security issues across the organization.
- Provide training for cyber security
- VP of Information Technology is on the Steering Committee for the implementation of the new customer information services project
- VP of Information Technology will lead the enterprise centralization strategy

Corporate Communications

Major Functions

The primary function of Corporate Communications is to communicate the Corporation's strategic plan inside and outside OTP, along with providing consistent and clear communication to all stakeholders including shareholders and employees.

Key activities

- Act as a spokesperson in relations with media and the public
- Maintain the Corporation's website
- Publish quarterly press releases
- Coordinate the preparation of the annual report

Shareholder Services

Major Functions

The primary function of Shareholder Services is to perform the various services on behalf of shareholders and manage investor relations.

Key Activities

- Plan and attend investor fairs
- Maintain shareholder records
- Manage transfer agent and activities
- Plan the annual shareholder meeting

Section IV. Major Business Functions & Key Activities

Human Resources

Major Functions

The primary function of Human Resources is to oversee and consult on all HR, leadership development and benefit-related matters across the organization and to establish and maintain policies related to executive compensation, employment and benefits of corporate employees.

Key Activities

- System administrator duties for the UltiPro Software, which is a comprehensive HR management system used by OTP and all operating companies. Establish and maintain policies related to employment, incentive comp, benefits and executive compensation, including various stock-based compensation programs
- Search for candidates for upper-level management positions
- Plan and facilitate leadership training
- Interacts with the Board of Directors' compensation committee in the review and approval of executive compensation and benefits
- Assist in the completion of the annual proxy statement with Legal and Shareholder Services for filing with the SEC

Leadership Development

Major Functions

The primary function of Leadership Development is to oversee and consult on succession planning, employee engagement, leadership development and inclusion and diversity related efforts across the organization.

Key Activities

- Project manage the succession planning process; create and assist with development plans
- Project manage the employee engagement survey, report on results, action key drivers of engagement
- Plan and facilitate leadership development training at all levels across the organization
- Establish and assist with enterprise wide inclusion and diversity efforts; equip our organizations with tools and resources to drive action plans

Section IV. Major Business Functions & Key Activities

Legal

Major Functions

The primary function of Legal is to handle legal matters associated with the operations of a publicly held Corporation. This includes matters pertaining to the Board of Directors, SEC filings, Officer-related matters, benefit plans, and other Corporate-related matters.

Key Activities

- Review contracts with third parties along with any other matter needing legal review or input
- Coordinate Board of Director meetings
- Maintain minutes for all Board-related meetings
- Coordinate litigation
- Coordinate completion of annual proxy statement with Human Resources and Shareholder Services for filing with the SEC

Section IV. Major Business Functions & Key Activities

Risk Management

Major Functions

The primary function of Risk Management is to assist operating companies with assessing and managing risk of loss, implementing loss-control strategies, managing loss claims, and identifying and documenting environmental conditions of OTP.

Key Activities

- Manage the consolidated insurance program including property, casualty, D&O, excess general liability, crime, and fiduciary
- Manage the captive insurance program for casualty insurance (the self-retention layer of commercial casualty)
- Act as liaison between insurance carriers and OTP on recommendations of loss-control measures
- Manage loss claims along with our third-party claims management party

Section V. Cost Allocation Methodologies

The following documentation is from the Corporate Cost Allocation Procedures document and describes the way that Corporate costs are allocated to the operating companies.

Corporate identifies costs in three categories: 1) directly assignable costs, 2) indirect costs that are allocated on a department or functional allocation factor, and 3) general costs that are allocated using a general allocation factor.

Directly assignable costs are those costs where the purpose behind the costs can be attributed to a specific operating company. If there is a forecasted cost which is specifically for OTP, then it will be directly assigned in the forecast/budget.

The five allocation factors developed are as follows:

- General Allocator
- IT Allocator
- HR Allocator
- RM Allocator
- Internal Audit Allocator

Corporate employees track their time each pay period and based on how their time is distributed between operating companies, labor and benefit costs are allocated accordingly. For budget/forecast purposes, each employee's time allocation over the previous 12 months is used to allocate their respective salary and benefit costs.

Non-labor O&M in the budget/forecast is allocated using the same allocation factors as mentioned previously. The allocations factors for the current year are based on actual results from the prior year. Since the budget is prepared before actual results are available, the allocation factors for the following year are estimated using the nine months of actual data and three months of forecasted data.



2021 O&M Budget Documentation

Benefits

Section I – Introduction and Customer Value

1.1 – Introduction

Estimated benefit costs processed through payroll loading are divided by the estimated annual productive labor dollars to determine the loading rate necessary to allocate the entire cost of benefits to labor. These costs are best understood and explained by accounting and human resources, not at the individual cost center level; therefore, this document is a summary of those costs.

The following costs are budgeted and processed through payroll loading and applied to the overall Otter Tail Power Company (OTP) productive labor dollars. The amounts represented within this benefits narrative includes O&M and capitalized labor. The loading costs follow where the productive labor is charged to.

- Qualified pension expense
- 401k match
- 401k enhanced contribution
- Post-retirement medical
- Active medical less premiums paid by employees
- Active dental less premiums paid by employees
- Health Savings Account Company Contributions
- Life and Long-Term Disability (LTD) insurance premiums
- Post-employment (LTD) expense
- Workers compensation
- Taxable Meals
- Vacation and vacation accrual
- FICA and unemployment taxes
- Holidays and floating holidays
- Sick leave and other miscellaneous lost time activity
- Other sundry employee benefits.

This payroll loading process and additional benefits offered to employees that do not run through payroll loading are discussed in more detail in Sections IV and V of this document.

1.2 Customer Value

A strong benefits program helps OTP attract, engage, and retain a quality workforce to provide our customers with reliable and economical service. Human Resource's objective is to ensure that compensation and benefits are competitive in relation to the market in order to retain a skilled workforce while ensuring they are cost effective.

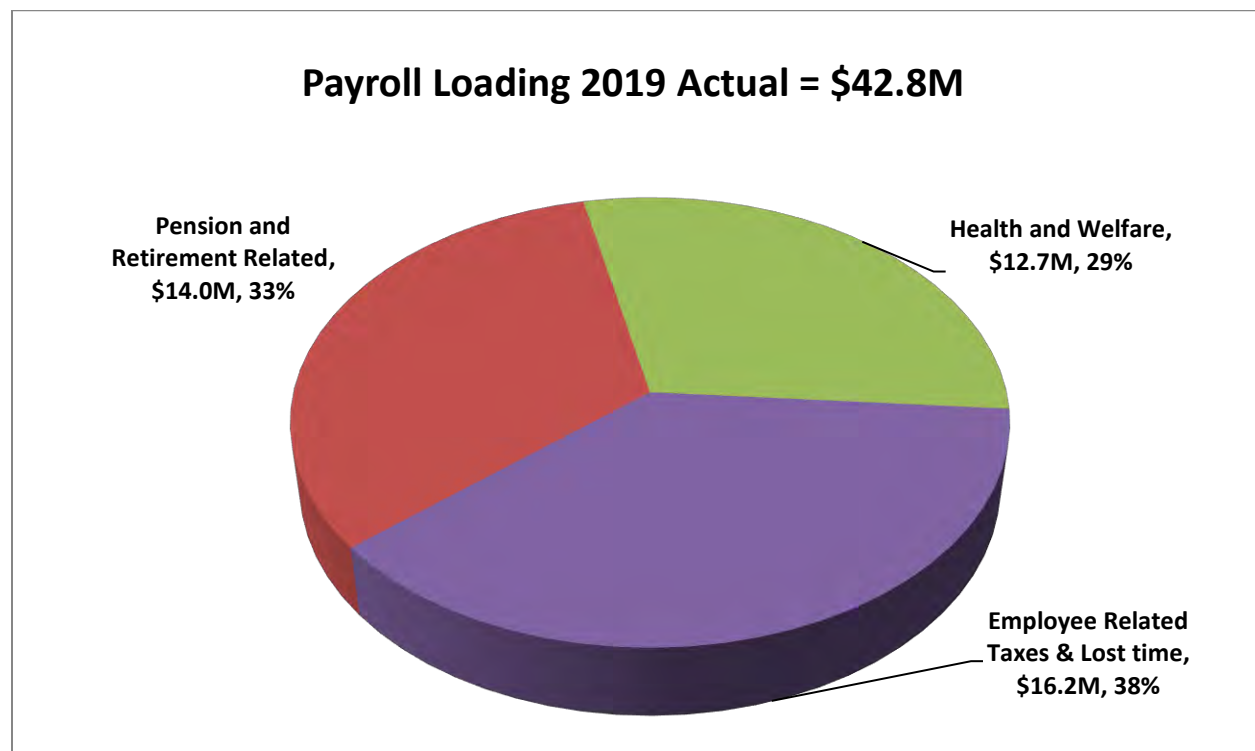
Section II – Major Cost Drivers

2.1 Breakdown of Loading Benefits for each year

Pension & Retirement Related – This category includes pension costs, post-retirement medical benefits for retirees, 401k match, and enhanced contribution costs.

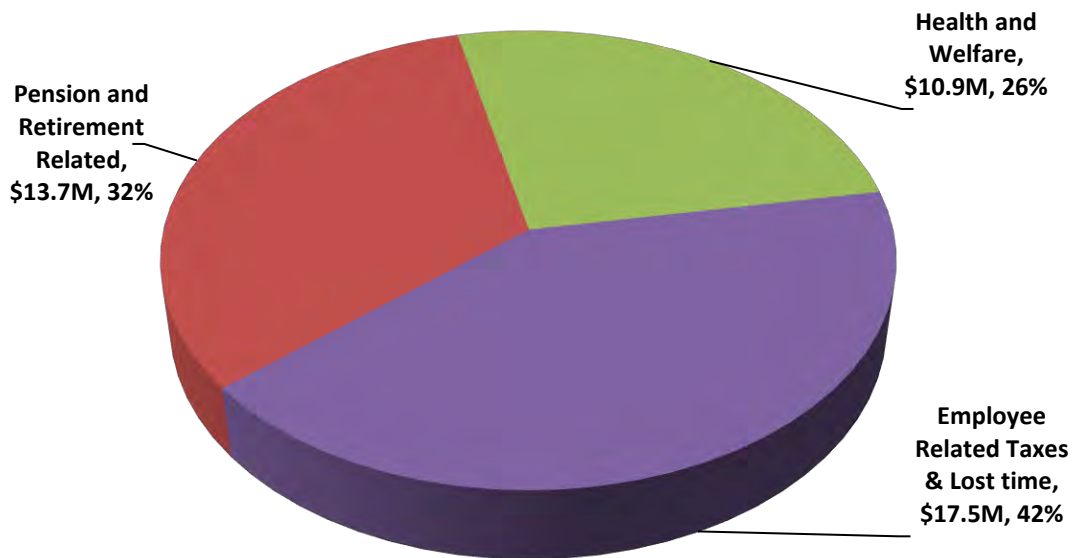
Health & Welfare – Costs include healthcare (medical and dental) for both active employees and long-term disability employees. It also includes workers compensation benefits, company paid life insurance and long-term disability premiums, and company contributions to employees' Health Savings Account through wellness program participation.

Employee Related Taxes & Lost Time – These costs include employer paid FICA and unemployment taxes, taxable meals, vacation, holidays and floating holidays, sick leave, and other miscellaneous lost time.

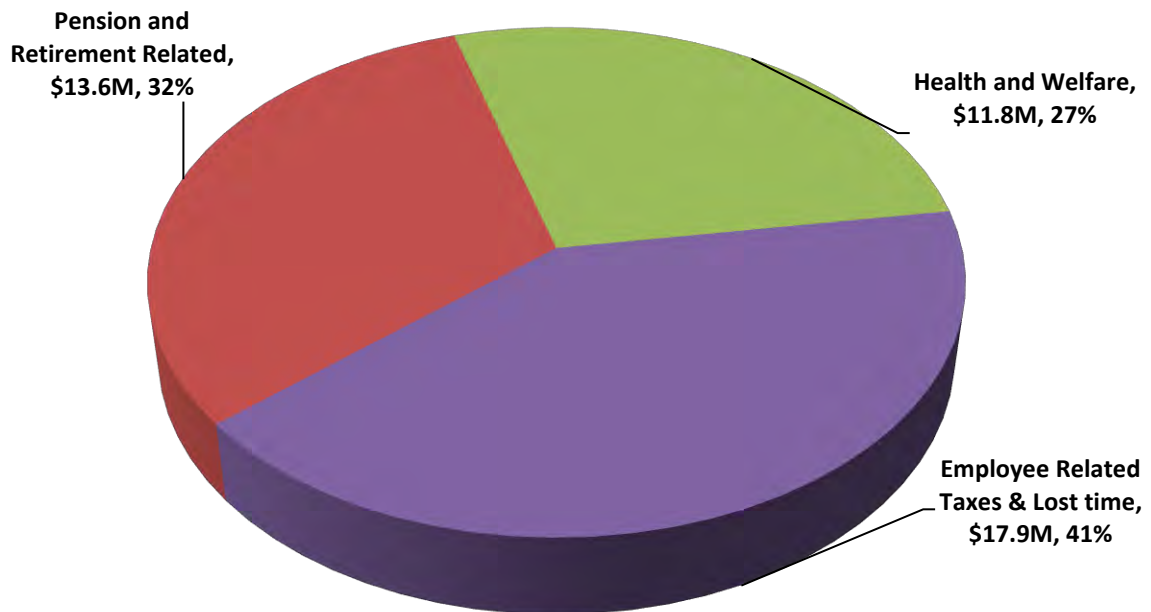


Section II – Major Cost Drivers

Payroll Loading 2020 Forecast = \$42.1M

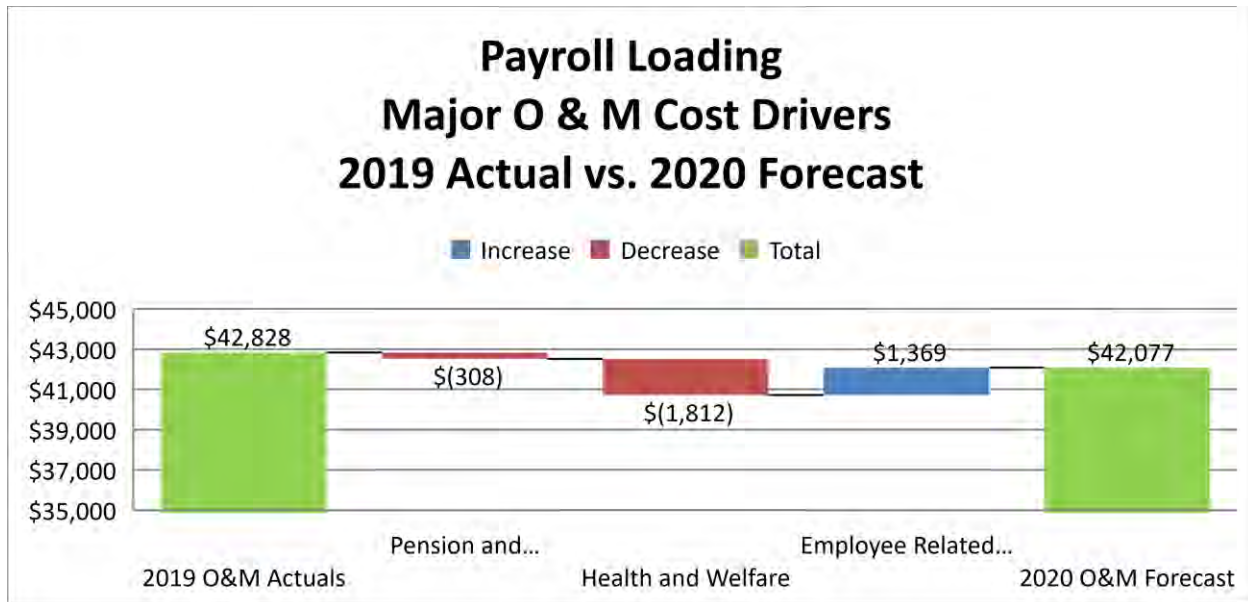


Payroll Loading 2021 Budget = \$43.2M



Section II – Major Cost Drivers

2.2 2019 Payroll Loading Actuals vs 2020 Payroll Loading Forecast



Explanations for the major cost drivers for 2019 Actual versus 2020 Forecast:

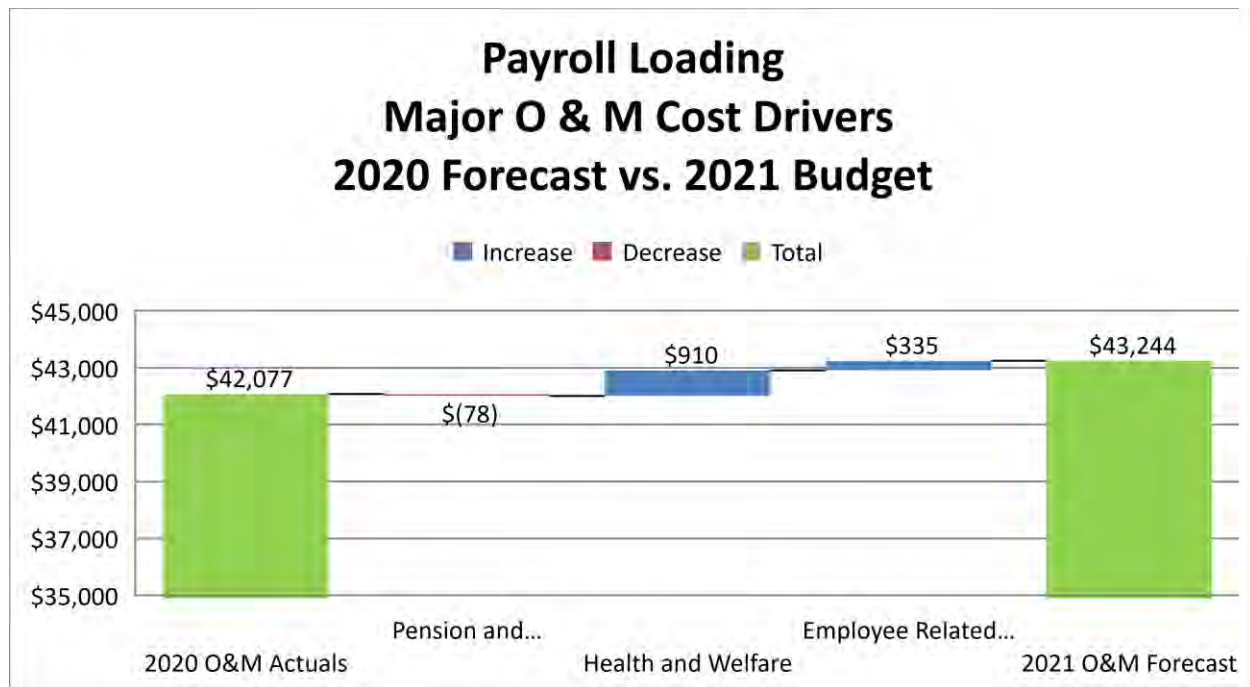
Pension & Retirement Related – 2020 Forecast is tracking close to 2019 Actuals

Health & Welfare – The majority of the decrease is for active medical expenses due to lower health care costs mainly due to the pandemic.

Employee Related Taxes & Lost Time – Increase is seen mainly in higher amounts in the lost time categories, more people are planning taking vacation.

Section II – Major Cost Drivers

2.3 2020 Payroll Loading Forecast vs 2021 Payroll Loading Budget



Explanations for the major cost drivers for 2020 Forecast versus 2021 Budget:

Pension & Retirement Related – 2021 Budget is tracking close to 2020 Forecast

Health & Welfare - Most of the increase is for active medical expenses due to higher health care costs due to the reversal of healthcare costs due to the pandemic.

Employee Related Taxes & Lost Time - 2021 Budget is tracking close to 2020 Forecast

Section III – Functional Organization Chart

Not applicable for the Benefits area.

Section IV – Major Business Functions & Key Activities

The following paragraphs are descriptions of the major components of the payroll loading process. Also described are other benefits that make up the total OTP benefit package. These benefits are not included in the payroll loading process but rather are charged directly to O&M as noted; further discussion on these costs can be seen in the Human Resources & Safety Services Budget Narrative.

Health & Welfare

Active Medical

Active medical costs consist of active employee healthcare costs net of employee contributions. Medical (including prescription drugs) and dental plan options are the typical costs associated with active medical expenses. Blue Cross and Blue Shield of North Dakota and Delta Dental administer these plan options. The budget calculations for active healthcare and dental programs are based on trended claims and administration fee experience related to each plan.

Monthly maintenance fees for health saving accounts, the administration of flex spending accounts (that includes health and dependent care) and company contributions to Health Savings Accounts through wellness programs are included with the payroll loading process. An outside actuarial consulting company, Mercer, provides these budget cost estimates.

Life Insurance

Premium negotiations between Otter Tail Corporation (OTC) and insurance vendors provide the basis for group life and accidental death and dismemberment insurance costs. Life insurance plans are provided by Liberty Mutual. Mercer provides these budget calculations for OTP.

Long-term Disability (Post Employment) Medical

OTP accrues for long-term disability medical benefits under ASC 715.

ASC 715 requires an accrual for all future expected disability medical benefit payments for employees who have been determined to be disabled by our insurance providers, Liberty Mutual (for new LTD cases effective 10/01/2015) or UNUM and previously The Standard. Mercer provides these budget cost estimates. The income replacement feature of the LTD plan is fully insured by Liberty Mutual, UNUM and The Standard.

Workers Compensation

OTP provides workers compensation benefits to active and inactive employees. Some of the benefits that may be included through workers compensation include salary continuation, supplemental unemployment benefits, settlements, and ongoing medical and disability related payments. Workers Compensation benefits are self-insured for Minnesota and South Dakota employees. For North Dakota employees, all workers compensation benefits are covered under

Section IV – Major Business Functions and Key Activities

the fully-ensured North Dakota State Plan. The accounting department provides the budget estimates.

Miscellaneous Items

OTP provides other health and welfare benefits to employees that are directly charged to O&M and are not part of the payroll loading process. They consist of programs such as the Employee Assistance Program, adoption assistance, business travel accident insurance, and tuition reimbursement programs. Budget calculations are based on prior year trends, anticipated costs and administration fee experience related to each program.

Pension & Retirement Related

Pension

OTC has one pension plan with two different formulas. OTP recognizes pension costs under ASC 715 (formerly FAS 87). The company's noncontributory funded pension plan covers substantially all company employees and OTP nonunion employees hired prior to January 1, 2006, and all union employees of OTP hired prior to November 1, 2013, excluding Coyote Station employees. Coyote Station employees hired before January 1, 2009 are covered under the plan. The plan provides 100% vesting after 5 years of service and for retirement compensation at age 65, with reduced compensation in cases of retirement prior to age 62. The company reserves the right to discontinue the plan but no change or discontinuance may affect the pensions theretofore vested. Mercer provides the budget cost estimates.

Post-Retirement Medical

OTP accrues for post-retirement medical costs under ASC 715 (formerly FAS 106). The net periodic post-retirement benefit cost consists of service cost, interest cost, and the amortization of prior service costs. Mercer provides the budget cost estimates net of Medicare Part D subsidy for qualifying prescription drugs.

401k Match & Enhanced Contribution

OTP has a 401k Savings Plan which contains a 401k component, with an employer matching contribution as well as an additional company enhanced contribution (non-contributory). Wells Fargo Retirement Services is OTP's record keeper and trustee for the 401k plan. Funding for the Plan comes through voluntary pre-tax and after-tax contributions from participants along with additional matching and enhanced contributions from OTP. Human Resources calculates the budgeted amounts for the 401k match and the enhanced contribution. The budget calculations are based on prior year trends adjusted for salary increases, new employees added and anticipated changes, if any.

Section IV – Major Business Functions and Key Activities

Employee Stock Ownership Plan

OTP has an Employee Stock Ownership Plan (ESOP). This is a non-contributory plan where the company contribution is based on income tax benefits available to OTP for a tax deduction on dividends held in the Trust and made in OTTR stock to eligible employees. Wells Fargo Retirement Services is our current record keeper and trustee for the ESOP. The budget calculations are determined by Accounting.

Executive Survivor and Supplemental Retirement Plan

The Executive Survivor and Supplemental Retirement Plan (ESSRP) is an unfunded, nonqualified supplemental employee retirement plan (SERP) for executive officers and certain key management employees. The ESSRP provides defined benefit payments to these employees upon their retirement for life or to their beneficiaries on their deaths for a 15-year post-retirement period. Life insurance carried on certain plan participants is payable to the Company on the employee's death. There are no plan assets in this nonqualified benefit plan due to the nature of the plan. Budget estimates are provided by M Benefit Solutions. The ESSRP is not included in the benefits costs of payroll loading. It is recorded directly in O&M.

Employee Related Taxes & Lost-time

Included in the payroll loading process are employee related taxes such as FICA and unemployment taxes and taxable meals. Lost-time hours included in payroll loading include:

- Vacation and vacation accrual
- Holidays and Floating Holidays
- Sick leave, jury duty and other miscellaneous lost-time codes

Incentive and Recognition

- Annual Incentive: The individual annual incentive budget is based on current eligible employees, their base salary and any applicable assumed base salary increases, and the percent of targeted incentive. OTP's accounting and human resources departments provide the incentive accruals and budget calculations. The annual incentive is not part of the benefit costs of payroll loading; rather, it is recorded directly to O&M.

Section IV – Major Business Functions and Key Activities

Stock-Based Compensation Programs

OTC's stock-based compensation programs are designed to align the interests of the grantees, which consist of upper level management and executive officers, with that of shareholders by providing an incentive award that will increase in value if shareholder value increases. The awards also promote and reward continuity of service since they generally vest over extended service periods of three to four years and unvested awards are forfeited upon voluntary termination. The actual number of stock-based compensation awards granted varies by grantee. The number of awards granted to upper level management employees is based on the employee's position and the market value of OTC common stock near the date of grant. The number of awards granted to executive officers is based on competitive practices, employee position, and an at-risk component of total compensation and the fair value of the award on the date of grant. Stock-based compensation awards are accounted for in accordance with the requirements of ASC 718, Compensation—Stock Compensation, and described in Note 7 to OTC's consolidated financial statements in its 2016 Annual Report to Shareholders. The budget reflects the estimated fair value to be expensed for future grants and amounts expected to be expensed related to prior years' outstanding grants. The values for future grants are provided by OTC's Human Resources Department. The amortized costs of stock-based compensation awards granted to OTP employees are directly charged (100% allocated) to OTP. The amortized costs of stock-based compensation awards granted to OTC employees, including its executive officers, are allocated to OTP through allocation factors that are based on estimated and actual time devoted to OTP operations. The amortized costs of stock-based compensation awards do not go through the payroll loading process.

Below are the specific features of the Performance Share Plan and Restricted Stock Units:

Performance Share Plan

The Performance Share Plan provides executives with the potential to earn awards based on company performance relative to peer companies on two performance measurements. Total Shareholder Return (TSR) and Adjusted 3-Year Return on Equity (ROE). TSR is measured cumulatively over three-year performance periods using overlapping cycles. OTC's TSR is measured against all other companies in its EEI (Edison Electric Institute) peer group. At the end of each three-year performance period executives receive an award that correlates the extent to which the Company's TSR out-performs or under-performs the other companies in its peer group. The TSR portion of the awards pay out 0% of target shares for below threshold performance and from 33.3% of target shares for threshold performance to 66.7% of target shares at target performance to 100% of target shares for maximum performance. Adjusted 3-Year ROE is equal to the average of the adjusted Return on Equity for each of the three years in the performance

Section IV – Major Business Functions and Key Activities

period. Adjusted ROE is equal to the Corporation's Adjusted Earnings divided by the 13-month average of Total Outstanding Common Equity using the 13 months ending at the end of the fiscal year. The ROE portion of the awards pays out 0% of target shares for below threshold performance and from 16.7% of target shares at threshold to 33.3% of target shares at target to 50% of target shares at maximum. The grant-date fair value of these awards is based on a Monte-Carlo simulation valuation methodology for the TSR portion of the award and the Black-Scholes Option Pricing Model for the adjusted ROE component of the award. Because of certain personal income tax withholding provisions in the performance share award agreements, presently, the expense recorded for these awards will ultimately be based on the market value of shares actually earned on the date the shares are issued or transferred to the grantee. OTC's Human Resources Department provides the budget estimates for future awards and the budget reflects 100% of target performance. Expenses for outstanding awards granted in previous periods are based on the ratable allocation of the most recent fair valuation of these awards.

Restricted Stock Units granted to OTP's President and OTC's Executive Officers:

These Restricted Stock Units vest 25% per year for four years after the date of grant. The grant-date fair value of these awards, to be expensed ratably over the grantees requisite service period, is based on the grant-date market value of a share of OTC common stock since the grantees of these awards receive dividend equivalent payments on unvested units during the four-year vesting period.

Restricted Stock Units Granted to Employees other than OTP's President and OTC's Executive Officers:

These Restricted Stock Units cliff vest 100% four years after the date of grant, meaning the employee earns the right to receive full benefits at a specified date, rather than becoming vested gradually over a given period of time. The grant-date fair value of these awards, to be expensed ratably over the grantees requisite service period, is based on the grant-date market value of a share of OTC common stock, discounted to reflect the effect of not receiving a dividend for four years.

Section IV – Major Business Functions and Key Activities

Other

Other costs that are recorded directly in O&M and do not go through the payroll loading process include:

- Annual Service Awards. The Human Resources department provides the budget estimates.
- Employee performance recognition, which consists of company store items and recognition meals, may be presented to acknowledge employees for specific business-related actions or results. The Human Resources department provides the budget estimates.
- Achievement Awards, a performance based cash award program for non-exempt employees.

Section V – Cost Allocation Methodologies

Payroll Loading Process

The calculation of payroll loading begins with an estimate of the annual cost of each item that is included in the loading rate. The annual cost estimates are then divided by the estimated productive labor dollars to determine the loading rate necessary to allocate the entire cost of the benefits to labor expense. The loading rate is reviewed and changed as needed due to changes in assumptions. If a significant difference between actual and expected costs is present, either the loading rate will be changed or a journal entry will be made to adjust the difference. All items are balanced at year-end to match the actual costs of these items.

All labor on nonregulated projects receives the regular payroll-loading rate as described above and an extra overhead loading rate. The overhead loading rate is applied and consists of two parts: the general support rate and the facility rate. This rate is analyzed and updated annually.



Accounting Transactions

Cost Center 0960

Cost Center 0960 is used as an Administrative tracking cost center for multiple overhead loading adjustments and accounting assignments that either support overall company operations or are not assigned elsewhere.

Credits

Credits of various types are the result of accounting transfers from one cost center to another, generally for the purpose of charging the correct FERC account. Typically the debit side of the journal entry is controlled and the responsibility of an operating area or construction project. The Credit side of the entry, if not posted to a single cost center, i.e. 0960, can be very confusing to managers. Therefore, the credit side of these entries is accumulated in a single cost center to reduce confusion and facilitate better control over the charged accounts. Credits in Cost Center 0960 are as follows:

Loading for Joint CapX 2020 Transmission projects

Jointly owned CapX 2020 Transmission projects have a labor loading component as agreed upon as part of the operating agreements. This represents the allocation of administration and general expenses as a percentage of total company O&M salaries and wages which is charged to all labor charges and applied to a CapX 2020 Transmission project.

Loading for Joint Operations of Big Stone Plant and Coyote Station

Jointly owned power plants have labor loadings as part of the operating agreement. This represents the administration loading to all labor charged to jointly owned plants, not originating from the plant cost center.

Administrative and General Transfers to Capital work

There is an administration loading for all capital work, excluding jointly owned plants. Charges are made to each work-order, and the credit is posted to Cost Center 0960.

Loadings for Below-the-line Projects

Below-the-line Projects are accounted for as non-utility and require a loading to reduce the cost to above-the-line Utility operations.

Loadings for Billings to Others

On occasion, OTP will bill for work performed for others. When this occurs, there is a labor administrative loading component applied to the bill.

Vehicle Use

When a vehicle is utilized, the charge to the appropriate expense or capital project follows the cost center that has used the vehicle. The vehicle use credit is posted to Cost Center 0960.

Warehouse Clearing / Loading

Materials in warehouse inventory are charged to the user's Cost Center and the correct FERC account, whereas the credit for their use is posted to Cost Center 0960.

Meter Installation Capitalization

The costs to install a meter are capitalized (charged) to meter inventory when it is purchased. The corresponding credit is posted to Cost Center 0960.

Computer Installation Costs

The costs to install computers are capitalized (charged) to computer capital FERC accounts when in is purchased. The credit is posted to Cost Center 0960.

Other Charges (Debits)

Other charges also appear in this cost center for expenses to support the entire company, yet are not the responsibility of any one Cost Center manager.

- Annual incentive payments to all employees
- Annual year end payroll and expense accruals
- Annual bad debt provision
- Other miscellaneous accruals and charges not the responsibility of any single Cost Center manager.



O&M Summary Reports

OTP presents three Summary Reports for two time periods to provide an overview of our operating and maintenance (O&M) costs along with additional detailed schedules within the Schedules portion of Volume 5, Budget Documentation.

Summary Report #1a and 1b – shows O&M costs by FERC Sub-Function for 2019 Actuals versus 2020 Budget data as well as 2020 Forecast versus 2021 Budget data. Refer to Schedule 2 in Tab 5 for explanations of the major changes for 2019 versus 2021.

Summary Report #2a and 2b – shows O&M costs by FERC Account for 2019 Actuals versus 2021 Budget data as well as 2020 Forecast versus 2021 Budget data.

Summary Report #3a and 3b – shows O&M costs by Sub-Account for 2019 Actuals versus 2021 Budget data as well as 2020 Forecast versus 2021 Budget data.

Summary Report #1a
O&M's by FERC Sub-Function
2019 Actuals versus 2021 Budget

	2019	2021	Variance	% Variance
Steam Power Generation	\$ 27,069,212	\$ 26,865,927	\$ (203,285)	-1%
Hydraulic Power Generation	332,689	329,404	(3,285)	-1%
Other Power Generation	4,499,018	12,044,457	7,545,439	168%
Other Power Supply	378,865	651,612	272,747	72%
Total Power Production	\$ 32,279,783	\$ 39,891,400	\$ 7,611,616	24%
Transmission	9,775,416	13,852,929	\$ 4,077,514	42%
Regional Market Expenses	239,647	240,838	\$ 1,190	0%
Distribution	18,329,594	17,370,045	\$ (959,548)	-5%
Customer Accounts	13,387,241	15,632,083	\$ 2,244,842	17%
Customer Service	1,948,034	2,967,054	\$ 1,019,020	52%
Sales	197,817	438,450	\$ 240,634	122%
Administrative & General	45,434,592	47,572,133	\$ 2,137,541	5%
Total O&M	\$ 121,592,123	\$ 137,964,932	\$ 16,372,809	13%

Summary Report #1a
O&M's by FERC Sub-Function
2020 Forecast versus 2021 Budget

	2020	2021	Variance	% Variance
Steam Power Generation	\$ 24,535,115	\$ 26,865,927	\$ 2,330,812	9%
Hydraulic Power Generation	399,903	329,404	(70,500)	-18%
Other Power Generation	6,389,498	12,044,457	5,654,959	89%
Other Power Supply	524,494	651,612	127,118	24%
Total Power Production	\$ 31,849,011	\$ 39,891,400	\$ 8,042,389	25%
Transmission	10,710,414	13,852,929	\$ 3,142,515	29%
Regional Market Expenses	256,204	240,838	\$ (15,366)	-6%
Distribution	15,856,154	17,370,045	\$ 1,513,891	10%
Customer Accounts	15,337,823	15,632,083	\$ 294,260	2%
Customer Service	2,633,549	2,967,054	\$ 333,505	13%
Sales	294,840	438,450	\$ 143,611	49%
Administrative & General	42,476,061	47,572,133	\$ 5,096,072	12%
Total O&M	\$ 119,414,055	\$ 137,964,932	\$ 18,550,877	16%

Summary Report #2a
O&M's by FERC Account
2019 Actuals versus 2021 Budget

	2019	2021	Variance	% Variance
4118 - Gains from disposition of allowances	(16)	-	16	-100%
5000 - Steam Power Generation - Operation supervision and engineering	1,601,269	2,134,026	532,757	33%
5010 - Steam Power Generation - Fuel	586,997	493,968	(93,029)	-16%
5020 - Steam Power Generation - Steam expenses	3,269,351	3,018,959	(250,392)	-8%
5050 - Steam Power Generation - Electric expenses	2,601,360	2,294,737	(306,624)	-12%
5060 - Steam Power Generation - Miscellaneous steam power expenses	4,417,320	5,360,537	943,217	21%
5070 - Steam Power Generation - Rents	16,352	-	(16,352)	-100%
5090 - Steam Power Generation - Emmisions	-	-	-	0%
5100 - Steam Power Generation - Maintenance supervision and engineering	964,831	1,036,964	72,133	7%
5110 - Steam Power Generation - Maintenance of structures	883,200	793,128	(90,073)	-10%
5120 - Steam Power Generation - Maintenance of boiler plant	8,465,029	8,205,372	(259,657)	-3%
5130 - Steam Power Generation - Maintenance of electric plant	2,869,209	2,044,118	(825,091)	-29%
5140 - Steam Power Generation - Maintenance of miscellaneous steam plant	1,394,309	1,484,118	89,809	6%
5350 - Hydraulic Power Generation - Operation supervision and engineering	28,008	28,155	147	1%
5370 - Hydraulic Power Generation - Hydraulic Expenses	18,606	10,874	(7,732)	-42%
5380 - Hydraulic Power Generation - Electric Expenses	(134)	41,282	41,416	-30862%
5390 - Hydraulic Power Generation - Miscellaneous hydraulic power generation expenses	23,996	6,810	(17,186)	-72%
5400 - Hyrdaulic Power Generation - Rents	400	-	(400)	-100%
5410 - Hydraulic Power Generation - Maintenance supervision and engineering	881	3,872	2,991	339%
5420 - Hydraulic Power Generation - Maintenance of structures	40	6,264	6,224	15560%
5430 - Hydraulic Power Generation - Maintenance of reservoirs, dams and waterways	250,983	225,645	(25,339)	-10%
5440 - Hydraulic Power Generation - Maintenance of electric plant	9,908	5,875	(4,033)	-41%
5450 - Hydraulic Power Generation - Maintenance of miscellaneous hydraulic plant	-	626	626	0%
5460 - Other Power Generation - Operation supervision and engineering	285,954	282,992	(2,963)	-1%
5480 - Other Power Generation - Generation Expenses	2,308,679	6,244,746	3,936,068	170%
5490 - Other Power Generation - Miscellaneous other power generation expenses	659,484	3,060,023	2,400,538	364%
5500 - Other Power Generation - Rents	617,494	1,484,496	867,002	140%
5510 - Other Power Generation - Maintenance supervision and engineering	39,346	93,428	54,082	137%
5520 - Other Power Generation - Maintenance of structures	25,836	211,316	185,480	718%
5530 - Other Power Generation - Maintenance of generating and electric plant	450,672	500,430	49,759	11%
5540 - Other Power Generation - Maintenance of miscellaneous other power generation plant	111,553	167,026	55,473	50%
5560 - Other Power Supply Expenses - System control and load dispatching	364,029	587,574	223,545	61%
5570 - Other Power Supply Expenses - Other Expenses	14,836	64,038	49,202	332%
5600 - Transmission Expenses - Operation supervision and engineering	280,564	383,815	103,251	37%
5611 - Transmission Expenses - Load dispatch - reliability	86,346	79,224	(7,122)	-8%
5612 - Transmission Expenses - Load dispatch - monitor and operate transmission system	2,206,064	2,619,344	413,280	19%
5614 - Transmission Expenses - Scheduling, system control, and dispatching services	1,078,721	1,064,368	(14,353)	-1%
5615 - Transmission Expenses - Reliability, planning, and standards development	646,304	927,773	281,469	44%
5616 - Transmission Expenses - Transmission service studies	3	2,219	2,216	73868%
5617 - Transmission Expenses - Generation interconnection studies	1,002	-	(1,002)	-100%
5620 - Transmission Expenses - Station expenses	393,004	397,147	4,143	1%
5630 - Transmission Expenses - Overhead line expenses	395,340	436,470	41,130	10%
5650 - Transmission Expenses - Transmission of electricity by others	(170,542)	353,402	523,944	-307%
5660 - Transmission Expenses - Miscellaneous transmission expenses	683,470	512,131	(171,339)	-25%
5670 - Transmission Expenses - Rents	44,807	42,756	(2,051)	-5%
5680 - Transmission Expenses - Maintenance supervision and engineering	180,614	267,057	86,443	48%
5691 - Transmission Expenses - Maintenance of computer hardware	40,519	68,189	27,670	68%
5692 - Transmission Expenses - Maintenance of computer software	690,424	917,276	226,853	33%
5693 - Transmission Expenses - Maintenance of communication equipment	102,056	89,847	(12,209)	-12%
5700 - Transmission Expenses - Maintenance of station equipment	1,168,342	1,482,679	314,338	27%
5710 - Transmission Expenses - Maintenance of overhead lines	1,219,884	3,394,831	2,174,946	178%
5720 - Transmission Expenses - Maintenance of underground lines	2,126	-	(2,126)	-100%
5730 - Transmission Expenses - Maintenance of miscellaneous transmission plant	-	-	-	0%
5752 - Regional Market Expenses - Day-ahead and real-time market administration	700,355	773,270	72,915	10%
5753 - Regional Market Expenses - Transmission rights market administration	(4,837)	8,226	13,063	-270%
5755 - Regional Market Expenses - Ancillary services market administration	26,105	24,679	(1,427)	-5%
5756 - Regional Market Expenses - Market monitoring and compliance	4,746	8,226	3,481	73%
5763 - Regional Market Expenses - Maintenance of computer software	239,647	240,838	1,190	0%
5800 - Distribution Expenses - Operation supervision and engineering	246,995	296,560	49,565	20%
5810 - Distribution Expenses - Load Dispatching	209,155	273,826	64,671	31%
5820 - Distribution Expenses - Station expenses	353,886	366,556	12,670	4%
5830 - Distribution Expenses - Overhead line expenses	450,965	335,444	(115,521)	-26%
5840 - Distribution Expenses - Underground line expenses	1,888,464	1,468,639	(419,825)	-22%
5850 - Distribution Expenses - Street lighting and signal system expenses	-	1,487	1,487	0%
5860 - Distribution Expenses - Meter expenses	856,681	1,132,182	275,501	32%
5870 - Distribution Expenses - Customer installation expenses	55,604	266,039	210,436	378%

Summary Report #2a
O&M's by FERC Account
2019 Actuals versus 2021 Budget

	2019	2021	Variance	% Variance
5880 - Distribution Expenses - Miscellaneous distribution expenses	4,216,920	3,491,010	(725,910)	-17%
5890 - Distribution Expenses - Rents	244,374	307,936	63,562	26%
5900 - Distribution Expenses - Maintenance supervision and engineering	908,841	740,542	(168,298)	-19%
5920 - Distribution Expenses - Maintenance of station equipment	527,167	718,400	191,233	36%
5930 - Distribution Expenses - Maintenance of overhead lines	5,594,639	4,630,833	(963,805)	-17%
5940 - Distribution Expenses - Maintenance of underground lines	951,679	1,196,648	244,969	26%
5950 - Distribution Expenses - Maintenance of line transformers	152,378	36,267	(116,111)	-76%
5960 - Distribution Expenses - Maintenance of street lighting and signal systems	642,073	1,181,758	539,684	84%
5970 - Distribution Expenses - Maintenance of meters	886,524	814,598	(71,926)	-8%
5980 - Distribution Expenses - Maintenance of miscellaneous distribution plant	143,250	111,320	(31,930)	-22%
9010 - Customer Accounts Expenses - Supervision	50,329	246,842	196,513	390%
9020 - Customer Accounts Expenses - Meter reading expenses	6,245,114	5,800,784	(444,330)	-7%
9030 - Customer Accounts Expenses - Customer records and collection expenses	5,563,023	7,731,251	2,168,228	39%
9040 - Customer Accounts Expenses - Uncollectible accounts	998,462	1,200,000	201,538	20%
9050 - Customer Accounts Expenses - Miscellaneous customer accounts expenses	530,313	653,205	122,892	23%
9070 - Customer Service and Informational Expenses - Supervision	504,116	1,058,713	554,597	110%
9080 - Customer Service and Informational Expenses - Customer assistance expenses	1,134,646	1,725,958	591,312	52%
9090 - Customer Service and Informational Expenses - Informational and instructional advertising ex	289,700	161,716	(127,984)	-44%
9100 - Customer Service and Informational Expenses - Miscellaneous customer service and informat	19,571	20,666	1,095	6%
9110 - Sales Expense - Supervision	47,902	22,648	(25,253)	-53%
9120 - Sales Expenses - Demonstrating and selling expenses	159,751	401,102	241,351	151%
9130 - Sales Expenses - Advertising expenses	298	1,451	1,153	386%
9160 - Sales Expenses - Miscellaneous sales expenses	(10,134)	13,249	23,384	-231%
9200 - Administrative and general salaries	25,097,807	23,610,910	(1,486,897)	-6%
9210 - Office supplies and expenses	8,823,394	10,037,724	1,214,330	14%
9220 - Administrative expenses transferred -- Credit	(2,188,987)	(2,228,655)	(39,669)	2%
9230 - Outside services employed	1,345,400	2,239,042	893,642	66%
9240 - Property insurance	2,185,576	2,809,875	624,299	29%
9250 - Injuries and damages	2,264,655	2,230,618	(34,037)	-2%
9260 - Employee pensions and benefits	1,684,605	1,571,921	(112,684)	-7%
9280 - Regulatory commission expenses	2,369,443	1,895,897	(473,546)	-20%
9301 - General advertising expenses	346,004	499,768	153,765	44%
9302 - Miscellaneous general expenses	1,908,835	1,536,167	(372,668)	-20%
9310 - Administrative and General Expenses - Rents	230,464	328,856	98,392	43%
9350 - Maintenance of general plant	1,367,396	3,040,011	1,672,614	122%
Grand Total	121,592,123	137,964,932	16,372,809	

**Summary Report #2a
O&M's by FERC Account
2019 Actuals versus 2021 Budget**

	2,020	2021	Variance	% Variance
4118 - Gains from disposition of allowances	(6)		6	-100%
5000 - Steam Power Generation - Operation supervision and engineering	1,908,807	2,134,026	225,218	12%
5010 - Steam Power Generation - Fuel	422,159	493,968	71,809	17%
5020 - Steam Power Generation - Steam expenses	3,122,306	3,018,959	(103,347)	-3%
5050 - Steam Power Generation - Electric expenses	2,595,033	2,294,737	(300,296)	-12%
5060 - Steam Power Generation - Miscellaneous steam power expenses	7,042,048	5,360,537	(1,681,511)	-24%
5070 - Steam Power Generation - Rents	153		(153)	-100%
5090 - Steam Power Generation - Emmisions			-	0%
5100 - Steam Power Generation - Maintenance supervision and engineering	988,772	1,036,964	48,192	5%
5110 - Steam Power Generation - Maintenance of structures	680,192	793,128	112,936	17%
5120 - Steam Power Generation - Maintenance of boiler plant	5,527,772	8,205,372	2,677,600	48%
5130 - Steam Power Generation - Maintenance of electric plant	1,105,512	2,044,118	938,606	85%
5140 - Steam Power Generation - Maintenance of miscellaneous steam plant	1,142,367	1,484,118	341,751	30%
5350 - Hydraulic Power Generation - Operation supervision and engineering	25,318	28,155	2,837	11%
5370 - Hydraulic Power Generation - Hydraulic Expenses	26,009	10,874	(15,134)	-58%
5380 - Hydraulic Power Generation - Electric Expenses	66,897	41,282	(25,615)	-38%
5390 - Hydraulic Power Generation - Miscellaneous hydraulic power generation e:	6,759	6,810	52	1%
5400 - Hyrdraulic Power Generation - Rents			-	0%
5410 - Hydraulic Power Generation - Maintenance supervision and engineering	3,173	3,872	700	22%
5420 - Hydraulic Power Generation - Maintenance of structures	2,330	6,264	3,934	169%
5430 - Hydraulic Power Generation - Maintenance of reservoirs, dams and waterv	265,334	225,645	(39,689)	-15%
5440 - Hydraulic Power Generation - Maintenance of electric plant	4,023	5,875	1,852	46%
5450 - Hydraulic Power Generation - Maintenance of miscellaneous hydraulic plar	61	626	566	932%
5460 - Other Power Generation - Operation supervision and engineering	200,367	282,992	82,625	41%
5480 - Other Power Generation - Generation Expenses	3,872,244	6,244,746	2,372,502	61%
5490 - Other Power Generation - Miscellaneous other power generation expenses	861,494	3,060,023	2,198,529	255%
5500 - Other Power Generation - Rents	840,465	1,484,496	644,031	77%
5510 - Other Power Generation - Maintenance supervision and engineering	30,369	93,428	63,059	208%
5520 - Other Power Generation - Maintenance of structures	38,093	211,316	173,223	455%
5530 - Other Power Generation - Maintenance of generating and electric plant	475,839	500,430	24,591	5%
5540 - Other Power Generation - Maintenance of miscellaneous other power gen	70,627	167,026	96,399	136%
5560 - Other Power Supply Expenses - System control and load dispatching	480,984	587,574	106,590	22%
5570 - Other Power Supply Expenses - Other Expenses	43,510	64,038	20,528	47%
5600 - Transmission Expenses - Operation supervision and engineering	268,641	383,815	115,174	43%
5611 - Transmission Expenses - Load dispatch - reliability	80,899	79,224	(1,676)	-2%
5612 - Transmission Expenses - Load dispatch - monitor and operate transmission	2,597,592	2,619,344	21,752	1%
5614 - Transmission Expenses - Scheduling, system control, and dispatching servic	1,092,319	1,064,368	(27,951)	-3%
5615 - Transmission Expenses - Reliability, planning, and standards development	653,454	927,773	274,319	42%
5616 - Transmission Expenses - Transmission service studies		2,219	2,219	0%
5617 - Transmission Expenses - Generation interconnection studies			-	0%
5620 - Transmission Expenses - Station expenses	452,520	397,147	(55,372)	-12%
5630 - Transmission Expenses - Overhead line expenses	562,197	436,470	(125,727)	-22%
5650 - Transmission Expenses - Transmission of electricity by others	(46,792)	353,402	400,194	-855%
5660 - Transmission Expenses - Miscellaneous transmission expenses	641,568	512,131	(129,437)	-20%
5670 - Transmission Expenses - Rents	38,740	42,756	4,017	10%
5680 - Transmission Expenses - Maintenance supervision and engineering	199,733	267,057	67,324	34%
5691 - Transmission Expenses - Maintenance of computer hardware	62,715	68,189	5,473	9%
5692 - Transmission Expenses - Maintenance of computer software	777,473	917,276	139,803	18%
5693 - Transmission Expenses - Maintenance of communication equipment	98,027	89,847	(8,180)	-8%
5700 - Transmission Expenses - Maintenance of station equipment	1,172,980	1,482,679	309,700	26%
5710 - Transmission Expenses - Maintenance of overhead lines	1,219,492	3,394,831	2,175,339	178%
5720 - Transmission Expenses - Maintenance of underground lines			-	0%
5730 - Transmission Expenses - Maintenance of miscellaneous transmission plant			-	0%
5752 - Regional Market Expenses - Day-ahead and real-time market administration	794,979	773,270	(21,709)	-3%
5753 - Regional Market Expenses - Transmission rights market administration	12,890	8,226	(4,663)	-36%
5755 - Regional Market Expenses - Ancillary services market administration	26,136	24,679	(1,458)	-6%
5756 - Regional Market Expenses - Market monitoring and compliance	4,852	8,226	3,375	70%
5763 - Regional Market Expenses - Maintenance of computer software	256,204	240,838	(15,366)	-6%
5800 - Distribution Expenses - Operation supervision and engineering	284,919	296,560	11,641	4%
5810 - Distribution Expenses - Load Dispatching	280,227	273,826	(6,401)	-2%

**Summary Report #2a
O&M's by FERC Account
2019 Actuals versus 2021 Budget**

	2,020	2021	Variance	% Variance
5820 - Distribution Expenses - Station expenses	336,069	366,556	30,487	9%
5830 - Distribution Expenses - Overhead line expenses	339,029	335,444	(3,585)	-1%
5840 - Distribution Expenses - Underground line expenses	1,776,265	1,468,639	(307,625)	-17%
5850 - Distribution Expenses - Street lighting and signal system expenses		1,487	1,487	0%
5860 - Distribution Expenses - Meter expenses	764,004	1,132,182	368,178	48%
5870 - Distribution Expenses - Customer installation expenses	154,991	266,039	111,048	72%
5880 - Distribution Expenses - Miscellaneous distribution expenses	3,348,207	3,491,010	142,803	4%
5890 - Distribution Expenses - Rents	303,471	307,936	4,465	1%
5900 - Distribution Expenses - Maintenance supervision and engineering	788,763	740,542	(48,220)	-6%
5920 - Distribution Expenses - Maintenance of station equipment	800,629	718,400	(82,229)	-10%
5930 - Distribution Expenses - Maintenance of overhead lines	3,776,367	4,630,833	854,467	23%
5940 - Distribution Expenses - Maintenance of underground lines	1,104,180	1,196,648	92,468	8%
5950 - Distribution Expenses - Maintenance of line transformers	116,103	36,267	(79,835)	-69%
5960 - Distribution Expenses - Maintenance of street lighting and signal systems	777,059	1,181,758	404,699	52%
5970 - Distribution Expenses - Maintenance of meters	772,113	814,598	42,485	6%
5980 - Distribution Expenses - Maintenance of miscellaneous distribution plant	133,759	111,320	(22,440)	-17%
9010 - Customer Accounts Expenses - Supervision	155,890	246,842	90,952	58%
9020 - Customer Accounts Expenses - Meter reading expenses	5,756,440	5,800,784	44,345	1%
9030 - Customer Accounts Expenses - Customer records and collection expenses	6,749,491	7,731,251	981,760	15%
9040 - Customer Accounts Expenses - Uncollectible accounts	2,001,749	1,200,000	(801,749)	-40%
9050 - Customer Accounts Expenses - Miscellaneous customer accounts expenses	674,254	653,205	(21,049)	-3%
9070 - Customer Service and Informational Expenses - Supervision	868,644	1,058,713	190,069	22%
9080 - Customer Service and Informational Expenses - Customer assistance expen	1,450,476	1,725,958	275,482	19%
9090 - Customer Service and Informational Expenses - Informational and instructi	82,407	161,716	79,309	96%
9100 - Customer Service and Informational Expenses - Miscellaneous customer se	232,022	20,666	(211,356)	-91%
9110 - Sales Expense - Supervision	9,327	22,648	13,321	143%
9120 - Sales Expenses - Demonstrating and selling expenses	274,135	401,102	126,967	46%
9130 - Sales Expenses - Advertising expenses	487	1,451	964	198%
9160 - Sales Expenses - Miscellaneous sales expenses	10,890	13,249	2,360	22%
9200 - Administrative and general salaries	22,211,087	23,610,910	1,399,823	6%
9210 - Office supplies and expenses	8,402,751	10,037,724	1,634,973	19%
9220 - Administrative expenses transferred -- Credit	(2,360,252)	(2,228,655)	131,596	-6%
9230 - Outside services employed	1,528,753	2,239,042	710,289	46%
9240 - Property insurance	2,329,416	2,809,875	480,459	21%
9250 - Injuries and damages	1,969,618	2,230,618	261,000	13%
9260 - Employee pensions and benefits	1,426,579	1,571,921	145,342	10%
9280 - Regulatory commission expenses	2,013,011	1,895,897	(117,114)	-6%
9301 - General advertising expenses	570,878	499,768	(71,110)	-12%
9302 - Miscellaneous general expenses	2,263,232	1,536,167	(727,065)	-32%
9310 - Administrative and General Expenses - Rents	242,802	328,856	86,054	35%
9350 - Maintenance of general plant	1,878,186	3,040,011	1,161,825	62%
Grand Total	119,414,055	137,964,932	18,550,877	

Summary Report #3a
O&M's by Sub-Account
2019 Actuals versus 2021 Budget

	2019	2021	Variance	% Variance
4340.0000 - Gain from Disposition of Allowances	(16)		16	-100%
5015.0000 - Pollution Control Equipment/Reagents		688	688	0%
5020.1000 - Water Supply / Chemicals	446,891	596,558	149,667	33%
5020.1200 - Water Supply / Ash Handling - Plants O	513,113	546,681	33,568	7%
5020.2000 - Water Supply / Water Supply/Miscellaneous	40,910	61,571	20,661	51%
5043.0000 - Non-RTO Tariff Expense-Transmission	(255,276)	(338,539)	(83,263)	33%
5044.0010 - SPP Transmission Expense / SPP Scheduling	82,081	84,146	2,065	3%
5044.0015 - SPP Transmission Expense / SPP Scheduling	132,275	146,056	13,781	10%
5044.0020 - SPP Transmission Expense / SPP Scheduling		-	-	0%
5044.0070 - SPP Transmission Expense / SPP Scheduling		-	-	0%
5044.0080 - SPP Transmission Expense / SPP Scheduling		-	-	0%
5044.0120 - SPP Transmission Expense / SPP Scheduling	25,538	38,327	12,789	50%
5045.0100 - MISO Tariff Expense / MISO Schedule 10	1,298,906	1,276,788	(22,118)	-2%
5045.0110 - MISO Tariff Expense / MISO Schedule 11	568	-	(568)	-100%
5100.1100 - Labor / Operations	58,032,188	60,052,728	2,020,540	3%
5100.1110 - Labor / Operations - Transfer To (out)	(153,265)	20,562	173,827	-113%
5100.1120 - Labor / Operations - Transfer From (in)	(460,230)	3,312	463,541	-101%
5100.1200 - Labor / Maintenance	14,713,389	17,309,019	2,595,630	18%
5100.1210 - Labor / Maintenance - Transfer To (out)	(106,031)	136	106,167	-100%
5100.1220 - Labor / Maintenance - Transfer From (in)	(239,977)	-	239,977	-100%
5100.1230 - Labor / Fleet Mtc-Transfer to ac 5103	679,895	-	(679,895)	-100%
5100.1300 - Labor / Construction	0	-	(0)	-100%
5100.1700 - Labor / Fuel Inventory	(24,912)	-	24,912	-100%
5100.2100 - Labor / Offsetting Entry	(395,687)	-	395,687	-100%
5100.2150 - Labor / Labor True-up	(3,128)	308,669	311,797	-9968%
5101.2500 - Employee Expense / Miscellaneous	722,912	995,402	272,490	38%
5101.2600 - Employee Expense / Meals 50% Deductible	362,086	137,510	(224,577)	-62%
5101.2700 - Employee Expense / Meals		192,039	192,039	0%
5102.0000 - Dues, Subscriptions & Books	3,909,044	4,504,452	595,408	15%
5103.0000 - Travel	1,133,339	1,844,014	710,675	63%
5103.1000 - Travel / Vehicle Depreciation	1,925,693	1,846,813	(78,880)	-4%
5105.0000 - Telephone/Communications	2,082,899	2,468,141	385,241	18%
5106.1000 - Misc Office Expense / Postage & Shipping	781,167	830,215	49,049	6%
5106.2000 - Misc Office Expense / Filing Fees & As	1,544,630	1,467,324	(77,306)	-5%
5106.3000 - Misc Office Expense / Bank Service Charge	189,514	275,758	86,244	46%
5106.4000 - Misc Office Expense / Other Misc Office	668,703	802,348	133,645	20%
5107.0000 - Materials & Operating Supplies	5,129,379	4,351,234	(778,144)	-15%
5107.9999 - Materials & Operating Supplies / Invoiced	-	29,423	29,423	0%
5108.0000 - Building & Grounds	1,009,316	1,345,463	336,147	33%
5109.0000 - Contract Services - Internal	(4)	(9,093)	(9,089)	239195%
5110.1000 - External Services / Professional Services	2,700,061	3,229,663	529,602	20%
5110.2000 - External Services / Contract Services	16,584,070	22,421,876	5,837,805	35%

Summary Report #3a
O&M's by Sub-Account
2019 Actuals versus 2021 Budget

	2019	2021	Variance	% Variance
5111.0000 - Lease/Rental	1,153,891	2,164,045	1,010,153	88%
5115.3000 - Insurance / Property Insurance	2,042,313	2,670,407	628,094	31%
5115.3100 - Insurance / Provision for Storm Reserv	719,085	1,066,410	347,325	48%
5115.3200 - Insurance / Injuries & Damages - Other	1,598,377	1,590,007	(8,370)	-1%
5115.3201 - Insurance / Injuries & Damages - Vehic	7,680	-	(7,680)	-100%
5116.0000 - Miscellaneous	1,318,004	1,323,053	5,048	0%
5117.0000 - Advertising Promo & PR	763,008	648,043	(114,965)	-15%
5118.0000 - Uncollectible Accts	1,061,402	1,260,000	198,598	19%
5120.2000 - Facility Service Agreement Expenses /		675,180	675,180	0%
5240.1000 - Employee Benefits / Insurance	(629,766)	-	629,766	-100%
5240.2000 - Employee Benefits / Pension	1,124,115	757,416	(366,699)	-33%
5240.3000 - Employee Benefits / Other	3,287,434	3,040,254	(247,180)	-8%
5800.0000 - Allocations	(3,707,719)	(3,313,984)	393,736	-11%
5800.1000 - Allocations / CAPX 2020	(151,874)	(667,966)	(516,093)	340%
5800.2000 - Allocations / Standard Billings	(63,872)	(87,218)	(23,346)	37%
Grand Total	121,592,123	137,964,931	16,372,808	

Summary Report #3b
O&M's by Sub-Account
2020 Forecast versus 2021 Budget

	2020	2021	Variance	% Variance
4340.0000 - Gain from Disposition of Allowances	(6)		6	-100%
5015.0000 - Pollution Control Equipment/Reagents	352	688	336	95%
5020.1000 - Water Supply / Chemicals	515,204	596,558	81,354	16%
5020.1200 - Water Supply / Ash Handling - Plants O	466,905	546,681	79,775	17%
5020.2000 - Water Supply / Water Supply/Miscellane	54,562	61,571	7,010	13%
5043.0000 - Non-RTO Tariff Expense-Transmission	(292,860)	(338,539)	(45,679)	16%
5044.0010 - SPP Transmission Expense / SPP Schedul	72,341	84,146	11,805	16%
5044.0015 - SPP Transmission Expense / SPP Schedul	162,132	146,056	(16,076)	-10%
5044.0020 - SPP Transmission Expense / SPP Schedul	(0)	-	0	-100%
5044.0070 - SPP Transmission Expense / SPP Schedul	-	-	-	0%
5044.0080 - SPP Transmission Expense / SPP Schedul	(996)	-	996	-100%
5044.0120 - SPP Transmission Expense / SPP Schedul	15,468	38,327	22,859	148%
5045.0100 - MISO Tariff Expense / MISO Schedule 10	1,268,844	1,276,788	7,944	1%
5045.0110 - MISO Tariff Expense / MISO Schedule 11	1,980	-	(1,980)	-100%
5100.1100 - Labor / Operations	58,782,271	60,052,728	1,270,458	2%
5100.1110 - Labor / Operations - Transfer To (out)	(57,334)	20,562	77,897	-136%
5100.1120 - Labor / Operations - Transfer From (in	(211,559)	3,312	214,871	-102%
5100.1200 - Labor / Maintenance	14,771,208	17,309,019	2,537,811	17%
5100.1210 - Labor / Maintenance - Transfer To (out	(28,418)	136	28,555	-100%
5100.1220 - Labor / Maintenance - Transfer From (i	(14,495)	-	14,495	-100%
5100.1230 - Labor / Fleet Mtce-Transfer to ac 5103	402,380	-	(402,380)	-100%
5100.1300 - Labor / Construction	(0)	-	0	-100%
5100.1700 - Labor / Fuel Inventory	(14,597)	-	14,597	-100%
5100.2100 - Labor / Offsetting Entry	(302,036)	-	302,036	-100%
5100.2150 - Labor / Labor True-up	(984,229)	308,669	1,292,898	-131%
5101.2500 - Employee Expense / Miscellaneous	569,859	995,402	425,543	75%
5101.2600 - Employee Expense / Meals 50% Deductibl	171,173	137,510	(33,664)	-20%
5101.2700 - Employee Expense / Meals	92,488	192,039	99,551	108%
5102.0000 - Dues, Subscriptions & Books	4,217,371	4,504,452	287,081	7%
5103.0000 - Travel	1,103,239	1,844,014	740,775	67%
5103.1000 - Travel / Vehicle Depreciation	1,926,919	1,846,813	(80,106)	-4%
5105.0000 - Telephone/Communications	2,038,845	2,468,141	429,296	21%
5106.1000 - Misc Office Expense / Postage & Shippi	871,141	830,215	(40,926)	-5%
5106.2000 - Misc Office Expense / Filing Fees & As	1,623,763	1,467,324	(156,439)	-10%
5106.3000 - Misc Office Expense / Bank Service Cha	226,503	275,758	49,256	22%
5106.4000 - Misc Office Expense / Other Misc Offic	632,647	802,348	169,702	27%
5107.0000 - Materials & Operating Supplies	2,698,080	4,351,234	1,653,154	61%
5107.9999 - Materials & Operating Supplies / Invoi	9,956	29,423	19,466	196%
5108.0000 - Building & Grounds	1,250,302	1,345,463	95,162	8%
5109.0000 - Contract Services - Internal	(2,793)	(9,093)	(6,300)	226%
5110.1000 - External Services / Professional Servi	3,274,452	3,229,663	(44,789)	-1%
5110.2000 - External Services / Contract Services	13,090,080	22,421,876	9,331,796	71%
5111.0000 - Lease/Rental	1,425,631	2,164,045	738,414	52%
5115.3000 - Insurance / Property Insurance	2,093,077	2,670,407	577,330	28%
5115.3100 - Insurance / Provision for Storm Reserv	934,041	1,066,410	132,369	14%
5115.3200 - Insurance / Injuries & Damages - Other	1,397,516	1,590,007	192,491	14%
5115.3201 - Insurance / Injuries & Damages - Vehic	5,000	-	(5,000)	-100%
5116.0000 - Miscellaneous	2,807,331	1,323,053	(1,484,278)	-53%
5117.0000 - Advertising Promo & PR	643,611	648,043	4,432	1%

Summary Report #3b
O&M's by Sub-Account
2020 Forecast versus 2021 Budget

	2020	2021	Variance	% Variance
5118.0000 - Uncollectible Accts	2,071,500	1,260,000	(811,500)	-39%
5120.2000 - Facility Service Agreement Expenses /	168,795	675,180	506,385	300%
5240.1000 - Employee Benefits / Insurance	0	-	(0)	-100%
5240.2000 - Employee Benefits / Pension	783,515	757,416	(26,099)	-3%
5240.3000 - Employee Benefits / Other	2,811,559	3,040,254	228,695	8%
5800.0000 - Allocations	(3,680,947)	(3,313,984)	366,963	-10%
5800.1000 - Allocations / CAPX 2020	(357,700)	(667,966)	(310,266)	87%
5800.2000 - Allocations / Standard Billings	(90,015)	(87,218)	2,797	-3%
Grand Total	119,414,055	137,964,931	18,550,877	



O&M Supporting Schedules

Schedule 1 – O&M expenses by Functionanl Area and FERC

This schedule is by Functional Area and FERC to show the 2019 Actual O&M expenses versus the 2021 Budget O&M expenses along with the dollar and percentage variances.

Schedule 2 – O&M expenses by FERC Account

OTP has also previously provided this schedule within Summary Report #2 in Volume 5.

Schedule 3 - O&M expenses by Functional Area and Sub-Account

This schedule Functional Area to show the 2019 Actual O&M expenses versus the 2021 Budget O&M expenses along with the dollar and percentage variances.

Schedule 4 – O&M expenses by Sub-Account

OTP has also previously provided this schedule within Summary Report #3 in Volume 5.

Schedule #5.1
O&M's by Functional Area and FERC
2019 Actuals versus 2021 Budget

	2019	2021	Variance	% Variance
Asset Management	21,044,274	25,143,250	4,098,976	19%
5000 - Steam Power Generation - Operation supervision and engineering	(13,847)	30,028	43,874	-317%
5010 - Steam Power Generation - Fuel		3,697	3,697	0%
5020 - Steam Power Generation - Steam expenses	15,669	199	(15,469)	-99%
5060 - Steam Power Generation - Miscellaneous steam power expenses	1,011	-	(1,011)	-100%
5100 - Steam Power Generation - Maintenance supervision and engineering		4,076	4,076	0%
5110 - Steam Power Generation - Maintenance of structures	3,290	3,438	149	5%
5120 - Steam Power Generation - Maintenance of boiler plant		100	100	0%
5130 - Steam Power Generation - Maintenance of electric plant	67	8,207	8,140	12149%
5140 - Steam Power Generation - Maintenance of miscellaneous steam plant	9,136	811	(8,325)	-91%
5370 - Hydraulic Power Generation - Hydraulic Expenses	1,389	2,033	643	46%
5430 - Hydraulic Power Generation - Maintenance of reservoirs, dams and waterways	2,436	4,932	2,497	102%
5440 - Hydraulic Power Generation - Maintenance of electric plant	761	1,081	319	42%
5480 - Other Power Generation - Generation Expenses		3,714	3,714	0%
5490 - Other Power Generation - Miscellaneous other power generation expenses	4,189	25,203	21,015	502%
5530 - Other Power Generation - Maintenance of generating and electric plant	5,435	8,189	2,754	51%
5540 - Other Power Generation - Maintenance of miscellaneous other power generation plant	1,142		(1,142)	-100%
5560 - Other Power Supply Expenses - System control and load dispatching	(6,799)	152,914	159,713	-2349%
5600 - Transmission Expenses - Operation supervision and engineering	367,279	478,440	111,161	30%
5611 - Transmission Expenses - Load dispatch - reliability	85,582	79,224	(6,358)	-7%
5612 - Transmission Expenses - Load dispatch - monitor and operate transmission system	2,172,482	2,603,118	430,636	20%
5614 - Transmission Expenses - Scheduling, system control, and dispatching services	1,078,721	1,064,368	(14,353)	-1%
5615 - Transmission Expenses - Reliability, planning, and standards development	640,395	907,934	267,539	42%
5616 - Transmission Expenses - Transmission service studies		2,219	2,219	0%
5617 - Transmission Expenses - Generation interconnection studies	998		(998)	-100%
5620 - Transmission Expenses - Station expenses	356,814	340,156	(16,657)	-5%
5630 - Transmission Expenses - Overhead line expenses	376,469	415,260	38,791	10%
5650 - Transmission Expenses - Transmission of electricity by others	(172,628)	(254,393)	(81,765)	47%
5660 - Transmission Expenses - Miscellaneous transmission expenses	627,252	470,456	(156,796)	-25%
5670 - Transmission Expenses - Rents	20,732	21,518	785	4%
5680 - Transmission Expenses - Maintenance supervision and engineering	141,353	169,454	28,102	20%
5692 - Transmission Expenses - Maintenance of computer software	688,504	917,276	228,772	33%
5700 - Transmission Expenses - Maintenance of station equipment	1,120,278	1,455,166	334,888	30%
5710 - Transmission Expenses - Maintenance of overhead lines	938,578	2,936,567	1,997,989	213%
5763 - Regional Market Expenses - Maintenance of computer software	36,284	32,021	(4,263)	-12%
5800 - Distribution Expenses - Operation supervision and engineering	261,760	282,879	21,119	8%
5810 - Distribution Expenses - Load Dispatching	151,831	220,338	68,507	45%
5820 - Distribution Expenses - Station expenses	157,872	150,491	(7,381)	-5%
5830 - Distribution Expenses - Overhead line expenses	162,170	238,041	75,871	47%
5840 - Distribution Expenses - Underground line expenses	(2,157)	2,636	4,793	-222%
5860 - Distribution Expenses - Meter expenses	984,093	1,220,480	236,387	24%
5870 - Distribution Expenses - Customer installation expenses	45,919	217,404	171,485	373%
5880 - Distribution Expenses - Miscellaneous distribution expenses	1,279,577	1,483,619	204,042	16%
5890 - Distribution Expenses - Rents	93,935	98,512	4,577	5%
5900 - Distribution Expenses - Maintenance supervision and engineering	201,553	338,521	136,968	68%
5920 - Distribution Expenses - Maintenance of station equipment	523,508	525,892	2,384	0%
5930 - Distribution Expenses - Maintenance of overhead lines	3,824,594	3,205,850	(618,744)	-16%
5940 - Distribution Expenses - Maintenance of underground lines	9,738	38,555	28,818	296%
5950 - Distribution Expenses - Maintenance of line transformers	151,540	36,267	(115,273)	-76%
5960 - Distribution Expenses - Maintenance of street lighting and signal systems		35,846	35,846	0%
5970 - Distribution Expenses - Maintenance of meters	879,609	814,553	(65,055)	-7%
5980 - Distribution Expenses - Maintenance of miscellaneous distribution plant	142,432	111,320	(31,112)	-22%
9020 - Customer Accounts Expenses - Meter reading expenses		557	557	0%
9030 - Customer Accounts Expenses - Customer records and collection expenses	1,284		(1,284)	-100%
9050 - Customer Accounts Expenses - Miscellaneous customer accounts expenses	-	112	112	0%
9070 - Customer Service and Informational Expenses - Supervision	896	870	(26)	-3%
9080 - Customer Service and Informational Expenses - Customer assistance expenses	1,762	1,504	(258)	-15%
9100 - Customer Service and Informational Expenses - Miscellaneous customer service and informational expenses	17,184	18,541	1,357	8%
9200 - Administrative and general salaries	1,797,206	1,385,090	(412,115)	-23%
9210 - Office supplies and expenses	133,511	241,157	107,647	81%
9220 - Administrative expenses transferred -- Credit	(0)	-	0	0%
9230 - Outside services employed	21,483	-	(21,483)	-100%
9240 - Property insurance	300	808	508	169%
9250 - Injuries and damages	3,433	17,489	14,056	409%
9260 - Employee pensions and benefits	61,620	109,738	48,118	78%
9280 - Regulatory commission expenses	484,015	530,869	46,854	10%
9301 - General advertising expenses	2,867	9,000	6,133	214%
9302 - Miscellaneous general expenses	237,941	231,541	(6,400)	-3%
9310 - Administrative and General Expenses - Rents	2,395	-	(2,395)	-100%
9350 - Maintenance of general plant	907,434	1,687,364	779,930	86%
Communications	1,178,247	1,571,300	393,053	33%
5000 - Steam Power Generation - Operation supervision and engineering	3,578		(3,578)	-100%
5060 - Steam Power Generation - Miscellaneous steam power expenses	1,650		(1,650)	-100%
5490 - Other Power Generation - Miscellaneous other power generation expenses		769	769	0%
5510 - Other Power Generation - Maintenance supervision and engineering	1,595		(1,595)	-100%
9070 - Customer Service and Informational Expenses - Supervision	92		(92)	-99%
9080 - Customer Service and Informational Expenses - Customer assistance expenses	62,239	183,296	121,057	195%
9090 - Customer Service and Informational Expenses - Informational and instructional advertising expenses	246,764	142,054	(104,709)	-42%
9100 - Customer Service and Informational Expenses - Miscellaneous customer service and informational expenses		-	-	0%
9130 - Sales Expenses - Advertising expenses	115	312	197	171%
9160 - Sales Expenses - Miscellaneous sales expenses		51	51	0%
9200 - Administrative and general salaries	504,704	648,112	143,408	28%

Schedule #5.1
O&M's by Functional Area and FERC
2019 Actuals versus 2021 Budget

	2019	2021	Variance	% Variance
9210 - Office supplies and expenses	64,500	47,850	(16,650)	-26%
9250 - Injuries and damages	265		(265)	-100%
9260 - Employee pensions and benefits		-	-	0%
9280 - Regulatory commission expenses	2,830		(2,830)	-100%
9301 - General advertising expenses	162,404	417,419	255,015	157%
9302 - Miscellaneous general expenses	115,761	118,797	3,035	3%
9350 - Maintenance of general plant	11,750	12,641	891	8%
Customer Service	35,589,054	39,770,695	4,181,641	12%
5050 - Steam Power Generation - Electric expenses		15,237	15,237	0%
5120 - Steam Power Generation - Maintenance of boiler plant		161	161	0%
5130 - Steam Power Generation - Maintenance of electric plant		16,275	16,275	0%
5140 - Steam Power Generation - Maintenance of miscellaneous steam plant	53,257	83,509	30,252	57%
5370 - Hydraulic Power Generation - Hydraulic Expenses	1,624	1,770	146	9%
5380 - Hydraulic Power Generation - Electric Expenses	1,197	233	(964)	-81%
5460 - Other Power Generation - Operation supervision and engineering		15,365	15,365	0%
5480 - Other Power Generation - Generation Expenses	3,511	32,973	29,462	839%
5490 - Other Power Generation - Miscellaneous other power generation expenses	25	20	(5)	-18%
5530 - Other Power Generation - Maintenance of generating and electric plant	24,254	51,606	27,352	113%
5540 - Other Power Generation - Maintenance of miscellaneous other power generation plant	14,696	20,865	6,169	42%
5600 - Transmission Expenses - Operation supervision and engineering		-	-	0%
5612 - Transmission Expenses - Load dispatch - monitor and operate transmission system	3,482	1,295	(2,187)	-63%
5615 - Transmission Expenses - Reliability, planning, and standards development		19,839	19,839	0%
5620 - Transmission Expenses - Station expenses	33,949	56,991	23,042	68%
5630 - Transmission Expenses - Overhead line expenses	17,389	19,517	2,128	12%
5650 - Transmission Expenses - Transmission of electricity by others	2,086	3,208	1,122	54%
5660 - Transmission Expenses - Miscellaneous transmission expenses	19,084	41,675	22,591	118%
5670 - Transmission Expenses - Rents		239	239	0%
5680 - Transmission Expenses - Maintenance supervision and engineering	82,255	157,019	74,764	91%
5693 - Transmission Expenses - Maintenance of communication equipment	244		(244)	-100%
5700 - Transmission Expenses - Maintenance of station equipment	32,505	27,352	(5,153)	-16%
5710 - Transmission Expenses - Maintenance of overhead lines	318,576	455,973	137,397	43%
5720 - Transmission Expenses - Maintenance of underground lines	2,126		(2,126)	-100%
5800 - Distribution Expenses - Operation supervision and engineering	35,114	95,985	60,871	173%
5810 - Distribution Expenses - Load Dispatching	53,906	53,487	(418)	-1%
5820 - Distribution Expenses - Station expenses	194,949	216,065	21,116	11%
5830 - Distribution Expenses - Overhead line expenses	251,206	104,728	(146,479)	-58%
5840 - Distribution Expenses - Underground line expenses	1,872,099	1,466,003	(406,096)	-22%
5850 - Distribution Expenses - Street lighting and signal system expenses		1,487	1,487	0%
5860 - Distribution Expenses - Meter expenses	497,702	756,542	258,839	52%
5870 - Distribution Expenses - Customer installation expenses	8,169	48,635	40,466	495%
5880 - Distribution Expenses - Miscellaneous distribution expenses	2,904,278	1,998,491	(905,787)	-31%
5890 - Distribution Expenses - Rents	90,949	124,574	33,625	37%
5900 - Distribution Expenses - Maintenance supervision and engineering	988,358	684,309	(304,049)	-31%
5920 - Distribution Expenses - Maintenance of station equipment	57,650	187,338	129,688	225%
5930 - Distribution Expenses - Maintenance of overhead lines	3,694,605	3,960,924	266,319	7%
5940 - Distribution Expenses - Maintenance of underground lines	934,416	1,158,093	223,676	24%
5960 - Distribution Expenses - Maintenance of street lighting and signal systems	633,790	1,145,912	512,122	81%
5970 - Distribution Expenses - Maintenance of meters	263	44	(218)	-83%
9010 - Customer Accounts Expenses - Supervision	49,403	246,842	197,439	400%
9020 - Customer Accounts Expenses - Meter reading expenses	6,201,184	5,800,228	(400,957)	-6%
9030 - Customer Accounts Expenses - Customer records and collection expenses	4,435,957	6,387,782	1,951,825	44%
9050 - Customer Accounts Expenses - Miscellaneous customer accounts expenses	529,340	653,094	123,754	23%
9070 - Customer Service and Informational Expenses - Supervision	335,687	797,184	461,497	137%
9080 - Customer Service and Informational Expenses - Customer assistance expenses	1,017,129	1,480,808	463,679	46%
9090 - Customer Service and Informational Expenses - Informational and instructional advertising expenses	42,859	19,661	(23,197)	-54%
9110 - Sales Expenses - Supervision	42,642	22,648	(19,994)	-47%
9120 - Sales Expenses - Demonstrating and selling expenses	148,487	381,312	232,825	157%
9130 - Sales Expenses - Advertising expenses	179	1,139	960	536%
9160 - Sales Expenses - Miscellaneous sales expenses	205	6,240	6,035	2944%
9200 - Administrative and general salaries	2,445,769	2,430,636	(15,133)	-1%
9210 - Office supplies and expenses	(186,127)	(69,459)	116,668	-63%
9230 - Outside services employed		74,880	74,880	0%
9250 - Injuries and damages	114,790	111,319	(3,471)	-3%
9260 - Employee pensions and benefits	28,443	59,728	31,285	110%
9280 - Regulatory commission expenses	961	1,552	591	62%
9301 - General advertising expenses	158,099	50,310	(107,789)	-68%
9302 - Miscellaneous general expenses	25,066	10,774	(14,292)	-57%
9310 - Administrative and General Expenses - Rents	44,485	50,131	5,645	13%
9350 - Maintenance of general plant	7,326,782	8,230,149	903,367	12%
Energy Supply	33,523,386	42,489,931	8,966,545	27%
4118 - Gains from disposition of allowances	(16)		16	-97%
5000 - Steam Power Generation - Operation supervision and engineering	1,396,444	1,805,176	408,733	29%
5010 - Steam Power Generation - Fuel	581,901	490,272	(91,629)	-16%
5020 - Steam Power Generation - Steam expenses	3,233,290	3,018,150	(215,140)	-7%
5050 - Steam Power Generation - Electric expenses	2,575,485	2,279,500	(295,985)	-11%
5060 - Steam Power Generation - Miscellaneous steam power expenses	3,652,422	4,099,362	446,939	12%
5070 - Steam Power Generation - Rents	16,352	-	(16,352)	-100%
5100 - Steam Power Generation - Maintenance supervision and engineering	961,467	1,032,888	71,422	7%
5110 - Steam Power Generation - Maintenance of structures	876,630	789,689	(86,941)	-10%
5120 - Steam Power Generation - Maintenance of boiler plant	8,308,205	8,205,111	(103,094)	-1%
5130 - Steam Power Generation - Maintenance of electric plant	2,862,414	2,019,637	(842,777)	-29%
5140 - Steam Power Generation - Maintenance of miscellaneous steam plant	1,203,744	1,442,514	238,771	20%

Schedule #5.1
O&M's by Functional Area and FERC
2019 Actuals versus 2021 Budget

	2019	2021	Variance	% Variance
5350 - Hydraulic Power Generation - Operation supervision and engineering	27,802	28,155	353	1%
5370 - Hydraulic Power Generation - Hydraulic Expenses	15,593	7,071	(8,522)	-55%
5380 - Hydraulic Power Generation - Electric Expenses	(1,332)	41,049	42,381	-3182%
5390 - Hydraulic Power Generation - Miscellaneous hydraulic power generation expenses	23,937	6,810	(17,126)	-72%
5400 - Hydraulic Power Generation - Rents	400		(400)	-100%
5410 - Hydraulic Power Generation - Maintenance supervision and engineering	881	3,872	2,991	340%
5420 - Hydraulic Power Generation - Maintenance of structures	40	6,264	6,224	15560%
5430 - Hydraulic Power Generation - Maintenance of reservoirs, dams and waterways	248,548	220,712	(27,835)	-11%
5440 - Hydraulic Power Generation - Maintenance of electric plant	9,147	4,794	(4,353)	-48%
5450 - Hydraulic Power Generation - Maintenance of miscellaneous hydraulic plant		626	626	0%
5460 - Other Power Generation - Operation supervision and engineering	285,770	267,627	(18,143)	-6%
5480 - Other Power Generation - Generation Expenses	2,303,210	6,208,152	3,904,942	170%
5490 - Other Power Generation - Miscellaneous other power generation expenses	652,592	3,022,656	2,370,063	363%
5500 - Other Power Generation - Rents	617,494	1,484,496	867,002	140%
5510 - Other Power Generation - Maintenance supervision and engineering	37,390	93,428	56,038	150%
5520 - Other Power Generation - Maintenance of structures	25,818	211,316	185,498	718%
5530 - Other Power Generation - Maintenance of generating and electric plant	420,129	440,267	20,138	5%
5540 - Other Power Generation - Maintenance of miscellaneous other power generation plant	107,255	163,948	56,693	53%
5560 - Other Power Supply Expenses - System control and load dispatching	351,504	384,617	33,113	9%
5570 - Other Power Supply Expenses - Other Expenses	10,712	64,038	53,327	498%
5600 - Transmission Expenses - Operation supervision and engineering	8,387	7,102	(1,285)	-15%
5612 - Transmission Expenses - Load dispatch - monitor and operate transmission system		14,501	14,501	0%
5650 - Transmission Expenses - Transmission of electricity by others		675,180	675,180	0%
5660 - Transmission Expenses - Miscellaneous transmission expenses	343		(343)	-100%
5670 - Transmission Expenses - Rents	24,075	21,000	(3,075)	-13%
5700 - Transmission Expenses - Maintenance of station equipment	-		-	0%
5710 - Transmission Expenses - Maintenance of overhead lines		2,291	2,291	0%
5752 - Regional Market Expenses - Day-ahead and real-time market administration	689,038	773,270	84,232	12%
5753 - Regional Market Expenses - Transmission rights market administration	(5,959)	8,226	14,185	-238%
5755 - Regional Market Expenses - Ancillary services market administration	25,962	24,679	(1,283)	-5%
5756 - Regional Market Expenses - Market monitoring and compliance	4,746	8,226	3,481	73%
5763 - Regional Market Expenses - Maintenance of computer software	203,364	208,817	5,453	3%
5800 - Distribution Expenses - Operation supervision and engineering	13,646	13,419	(226)	-2%
5880 - Distribution Expenses - Miscellaneous distribution expenses	535		(535)	-100%
5930 - Distribution Expenses - Maintenance of overhead lines	12,876		(12,876)	-100%
9070 - Customer Service and Informational Expenses - Supervision	(638)		638	-100%
9160 - Sales Expenses - Miscellaneous sales expenses	-		-	0%
9200 - Administrative and general salaries	868,032	1,772,221	904,189	104%
9210 - Office supplies and expenses	216,767	112,788	(103,979)	-48%
9240 - Property insurance	592,995	887,283	294,288	50%
9250 - Injuries and damages	1,359	-	(1,359)	-100%
9260 - Employee pensions and benefits	1,270	250	(1,020)	-80%
9280 - Regulatory commission expenses	38,971	82,311	43,341	111%
9301 - General advertising expenses	36		(36)	-99%
9302 - Miscellaneous general expenses	15,983	12,576	(3,407)	-21%
9350 - Maintenance of general plant	6,373	23,591	17,218	270%
Finance	13,688,267	11,789,347	(1,898,920)	-14%
5000 - Steam Power Generation - Operation supervision and engineering	114,273	139,423	25,150	22%
5010 - Steam Power Generation - Fuel	5,096		(5,096)	-100%
5020 - Steam Power Generation - Steam expenses	20,392	609	(19,783)	-97%
5050 - Steam Power Generation - Electric expenses	25,875		(25,875)	-100%
5060 - Steam Power Generation - Miscellaneous steam power expenses	761,705	989,064	227,359	30%
5100 - Steam Power Generation - Maintenance supervision and engineering	3,365		(3,365)	-100%
5110 - Steam Power Generation - Maintenance of structures	3,280	-	(3,280)	-100%
5120 - Steam Power Generation - Maintenance of boiler plant	156,823	-	(156,823)	-100%
5130 - Steam Power Generation - Maintenance of electric plant	6,728		(6,728)	-100%
5140 - Steam Power Generation - Maintenance of miscellaneous steam plant	128,173	(42,715)	(170,888)	-133%
5350 - Hydraulic Power Generation - Operation supervision and engineering	206		(206)	-100%
5390 - Hydraulic Power Generation - Miscellaneous hydraulic power generation expenses	59		(59)	-101%
5460 - Other Power Generation - Operation supervision and engineering	184		(184)	-100%
5480 - Other Power Generation - Generation Expenses	1,957	(93)	(2,050)	-105%
5490 - Other Power Generation - Miscellaneous other power generation expenses	2,479	9,724	7,245	292%
5510 - Other Power Generation - Maintenance supervision and engineering	362		(362)	-100%
5520 - Other Power Generation - Maintenance of structures	18		(18)	-101%
5530 - Other Power Generation - Maintenance of generating and electric plant	708		(708)	-100%
5540 - Other Power Generation - Maintenance of miscellaneous other power generation plant	(11,540)	(18,110)	(6,570)	57%
5560 - Other Power Supply Expenses - System control and load dispatching	1,327		(1,327)	-100%
5570 - Other Power Supply Expenses - Other Expenses	4,124		(4,124)	-100%
5600 - Transmission Expenses - Operation supervision and engineering	(95,102)	(108,398)	(13,296)	14%
5611 - Transmission Expenses - Load dispatch - reliability	764		(764)	-100%
5612 - Transmission Expenses - Load dispatch - monitor and operate transmission system	30,100	-	(30,100)	-100%
5615 - Transmission Expenses - Reliability, planning, and standards development	5,909		(5,909)	-100%
5616 - Transmission Expenses - Transmission service studies	3		(3)	-100%
5617 - Transmission Expenses - Generation interconnection studies	3		(3)	-112%
5620 - Transmission Expenses - Station expenses	2,242		(2,242)	-100%
5630 - Transmission Expenses - Overhead line expenses	1,481	-	(1,481)	-100%
5660 - Transmission Expenses - Miscellaneous transmission expenses	36,791	-	(36,791)	-100%
5680 - Transmission Expenses - Maintenance supervision and engineering	(42,994)	(59,416)	(16,422)	38%
5691 - Transmission Expenses - Maintenance of computer hardware	309		(309)	-100%
5692 - Transmission Expenses - Maintenance of computer software	3,903		(3,903)	-100%
5693 - Transmission Expenses - Maintenance of communication equipment	774		(774)	-100%
5700 - Transmission Expenses - Maintenance of station equipment	13,710	101	(13,609)	-99%

Schedule #5.1
O&M's by Functional Area and FERC
2019 Actuals versus 2021 Budget

	2019	2021	Variance	% Variance
5710 - Transmission Expenses - Maintenance of overhead lines	(37,270)		37,270	-100%
5752 - Regional Market Expenses - Day-ahead and real-time market administration	11,317	-	(11,317)	-100%
5753 - Regional Market Expenses - Transmission rights market administration	1,123		(1,123)	-100%
5755 - Regional Market Expenses - Ancillary services market administration	144		(144)	-100%
5756 - Regional Market Expenses - Market monitoring and compliance	0		(0)	0%
5800 - Distribution Expenses - Operation supervision and engineering	(63,525)	(95,723)	(32,198)	51%
5810 - Distribution Expenses - Load Dispatching	3,418	-	(3,418)	-100%
5820 - Distribution Expenses - Station expenses	1,065		(1,065)	-100%
5830 - Distribution Expenses - Overhead line expenses	37,588	(7,325)	(44,913)	-119%
5840 - Distribution Expenses - Underground line expenses	18,522		(18,522)	-100%
5860 - Distribution Expenses - Meter expenses	(625,114)	(844,840)	(219,726)	35%
5870 - Distribution Expenses - Customer installation expenses	1,515		(1,515)	-100%
5880 - Distribution Expenses - Miscellaneous distribution expenses	32,530	8,899	(23,630)	-73%
5900 - Distribution Expenses - Maintenance supervision and engineering	(281,070)	(282,288)	(1,218)	0%
5920 - Distribution Expenses - Maintenance of station equipment	(53,991)	5,171	59,162	-110%
5930 - Distribution Expenses - Maintenance of overhead lines	(1,937,436)	(2,535,941)	(598,504)	31%
5940 - Distribution Expenses - Maintenance of underground lines	7,525		(7,525)	-100%
5950 - Distribution Expenses - Maintenance of line transformers	838		(838)	-100%
5960 - Distribution Expenses - Maintenance of street lighting and signal systems	8,284		(8,284)	-100%
5970 - Distribution Expenses - Maintenance of meters	6,653		(6,653)	-100%
5980 - Distribution Expenses - Maintenance of miscellaneous distribution plant	818		(818)	-100%
9010 - Customer Accounts Expenses - Supervision	926		(926)	-100%
9020 - Customer Accounts Expenses - Meter reading expenses	43,398		(43,398)	-100%
9030 - Customer Accounts Expenses - Customer records and collection expenses	412,112	446,746	34,633	8%
9040 - Customer Accounts Expenses - Uncollectible accounts	998,462	1,200,000	201,538	20%
9050 - Customer Accounts Expenses - Miscellaneous customer accounts expenses	973	-	(973)	-100%
9070 - Customer Service and Informational Expenses - Supervision	122,609	-	(122,609)	-100%
9080 - Customer Service and Informational Expenses - Customer assistance expenses	9,257		(9,257)	-100%
9090 - Customer Service and Informational Expenses - Informational and instructional advertising expenses	78		(78)	-100%
9100 - Customer Service and Informational Expenses - Miscellaneous customer service and informational expenses	23		(23)	-100%
9110 - Sales Expenses - Supervision	5,260		(5,260)	-100%
9120 - Sales Expenses - Demonstrating and selling expenses	11,264	19,790	8,526	76%
9130 - Sales Expenses - Advertising expenses	4		(4)	-105%
9160 - Sales Expenses - Miscellaneous sales expenses	(10,340)		10,340	-100%
9200 - Administrative and general salaries	13,089,348	11,063,212	(2,026,136)	-15%
9210 - Office supplies and expenses	4,691,436	5,404,020	712,584	15%
9220 - Administrative expenses transferred -- Credit	(2,188,987)	(2,228,655)	(39,669)	2%
9230 - Outside services employed	1,076,986	1,850,352	773,366	72%
9240 - Property insurance	1,588,837	1,911,019	322,182	20%
9250 - Injuries and damages	1,543,684	1,382,746	(160,938)	-10%
9260 - Employee pensions and benefits	4,716	8,639	3,923	83%
9280 - Regulatory commission expenses	163,222	96,423	(66,800)	-41%
9301 - General advertising expenses	12,598	14,011	1,414	11%
9302 - Miscellaneous general expenses	1,419,176	1,134,421	(284,755)	-20%
9310 - Administrative and General Expenses - Rents	43,946	117,923	73,977	168%
9350 - Maintenance of general plant	(7,667,143)	(7,789,441)	(122,298)	2%
Human Resources - Safety	3,506,628	3,452,741	(53,887)	-2%
5000 - Steam Power Generation - Operation supervision and engineering	98,884	157,123	58,238	59%
5060 - Steam Power Generation - Miscellaneous steam power expenses	532	272,112	271,580	51049%
5600 - Transmission Expenses - Operation supervision and engineering		6,671	6,671	0%
9030 - Customer Accounts Expenses - Customer records and collection expenses		8,901	8,901	0%
9070 - Customer Service and Informational Expenses - Supervision	(75)		75	-101%
9100 - Customer Service and Informational Expenses - Miscellaneous customer service and informational expenses	2,523	1,626	(897)	-36%
9160 - Sales Expenses - Miscellaneous sales expenses		6,671	6,671	0%
9200 - Administrative and general salaries	788,249	596,884	(191,365)	-24%
9210 - Office supplies and expenses	416,075	285,443	(130,631)	-31%
9240 - Property insurance	3,445	10,764	7,319	212%
9250 - Injuries and damages	601,124	719,063	117,939	20%
9260 - Employee pensions and benefits	1,586,151	1,366,435	(219,715)	-14%
9280 - Regulatory commission expenses	4,163	6,671	2,508	60%
9301 - General advertising expenses		6,671	6,671	0%
9302 - Miscellaneous general expenses	4,160	2,504	(1,656)	-40%
9310 - Administrative and General Expenses - Rents	1,396	5,200	3,804	272%
Information Technology	6,679,620	7,070,262	390,642	6%
5140 - Steam Power Generation - Maintenance of miscellaneous steam plant		-	-	0%
5490 - Other Power Generation - Miscellaneous other power generation expenses		1,650	1,650	0%
5530 - Other Power Generation - Maintenance of generating and electric plant	147	369	222	151%
5540 - Other Power Generation - Maintenance of miscellaneous other power generation plant		323	323	0%
5600 - Transmission Expenses - Operation supervision and engineering		-	-	0%
5612 - Transmission Expenses - Load dispatch - monitor and operate transmission system		429	429	0%
5630 - Transmission Expenses - Overhead line expenses		1,693	1,693	0%
5691 - Transmission Expenses - Maintenance of computer hardware	40,210	68,189	27,979	70%
5692 - Transmission Expenses - Maintenance of computer software	(1,984)		1,984	-100%
5693 - Transmission Expenses - Maintenance of communication equipment	101,037	89,847	(11,190)	-11%
5700 - Transmission Expenses - Maintenance of station equipment	1,849	60	(1,789)	-97%
5890 - Distribution Expenses - Rents	59,490	84,851	25,360	43%
9030 - Customer Accounts Expenses - Customer records and collection expenses	20,031	142,397	122,365	611%
9070 - Customer Service and Informational Expenses - Supervision		229	229	0%
9100 - Customer Service and Informational Expenses - Miscellaneous customer service and informational expenses		-	-	0%
9200 - Administrative and general salaries	2,722,267	2,508,536	(213,731)	-8%
9210 - Office supplies and expenses	2,927,248	3,421,433	494,185	17%
9230 - Outside services employed	75,952	-	(75,952)	-100%

Schedule #5.1
O&M's by Functional Area and FERC
2019 Actuals versus 2021 Budget

	2019	2021	Variance	% Variance
9260 - Employee pensions and benefits	53	27,000	26,947	50843%
9280 - Regulatory commission expenses		311	311	0%
9302 - Miscellaneous general expenses	70,418	5,363	(65,054)	-92%
9350 - Maintenance of general plant	662,902	717,583	54,681	8%
OTESCO	-	-	-	0%
5490 - Other Power Generation - Miscellaneous other power generation expenses	-	-	-	0%
9200 - Administrative and general salaries	-	-	-	0%
9350 - Maintenance of general plant	-	-	-	0%
Regulatory Affairs & Compliance	6,382,648	6,677,406	294,758	5%
5000 - Steam Power Generation - Operation supervision and engineering	1,936	2,276	341	18%
5060 - Steam Power Generation - Miscellaneous steam power expenses		-	-	0%
5490 - Other Power Generation - Miscellaneous other power generation expenses	199		(199)	-100%
5560 - Other Power Supply Expenses - System control and load dispatching	17,997	50,043	32,046	178%
9030 - Customer Accounts Expenses - Customer records and collection expenses	694,170	745,426	51,256	7%
9070 - Customer Service and Informational Expenses - Supervision	45,546	260,431	214,885	472%
9080 - Customer Service and Informational Expenses - Customer assistance expenses	44,261	60,351	16,090	36%
9100 - Customer Service and Informational Expenses - Miscellaneous customer service and informational expenses	(159)	498	657	-413%
9120 - Sales Expenses - Demonstrating and selling expenses		-	-	0%
9160 - Sales Expenses - Miscellaneous sales expenses		288	288	0%
9200 - Administrative and general salaries	2,882,233	3,185,910	303,676	11%
9210 - Office supplies and expenses	559,984	543,712	(16,273)	-3%
9230 - Outside services employed	170,978	313,810	142,832	84%
9260 - Employee pensions and benefits	2,353	131	(2,222)	-94%
9280 - Regulatory commission expenses	1,675,280	1,178,245	(497,035)	-30%
9301 - General advertising expenses	10,000	2,370	(7,630)	-76%
9302 - Miscellaneous general expenses	20,329	20,190	(139)	-1%
9310 - Administrative and General Expenses - Rents	138,241	155,602	17,361	13%
9350 - Maintenance of general plant	119,299	158,125	38,826	33%
Grand Total	121,592,123	137,964,932	16,372,809	

Summary Report #2a
O&M's by FERC Account
2019 Actuals versus 2021 Budget

	2019	2021	Variance	% Variance
4118 - Gains from disposition of allowances	(16)	-	16	-100%
5000 - Steam Power Generation - Operation supervision and engineering	1,601,269	2,134,026	532,757	33%
5010 - Steam Power Generation - Fuel	586,997	493,968	(93,029)	-16%
5020 - Steam Power Generation - Steam expenses	3,269,351	3,018,959	(250,392)	-8%
5050 - Steam Power Generation - Electric expenses	2,601,360	2,294,737	(306,624)	-12%
5060 - Steam Power Generation - Miscellaneous steam power expenses	4,417,320	5,360,537	943,217	21%
5070 - Steam Power Generation - Rents	16,352	-	(16,352)	-100%
5090 - Steam Power Generation - Emmisions	-	-	-	0%
5100 - Steam Power Generation - Maintenance supervision and engineering	964,831	1,036,964	72,133	7%
5110 - Steam Power Generation - Maintenance of structures	883,200	793,128	(90,073)	-10%
5120 - Steam Power Generation - Maintenance of boiler plant	8,465,029	8,205,372	(259,657)	-3%
5130 - Steam Power Generation - Maintenance of electric plant	2,869,209	2,044,118	(825,091)	-29%
5140 - Steam Power Generation - Maintenance of miscellaneous steam plant	1,394,309	1,484,118	89,809	6%
5350 - Hydraulic Power Generation - Operation supervision and engineering	28,008	28,155	147	1%
5370 - Hydraulic Power Generation - Hydraulic Expenses	18,606	10,874	(7,732)	-42%
5380 - Hydraulic Power Generation - Electric Expenses	(134)	41,282	41,416	-30862%
5390 - Hydraulic Power Generation - Miscellaneous hydraulic power generation expenses	23,996	6,810	(17,186)	-72%
5400 - Hyrdraulic Power Generation - Rents	400	-	(400)	-100%
5410 - Hydraulic Power Generation - Maintenance supervision and engineering	881	3,872	2,991	339%
5420 - Hydraulic Power Generation - Maintenance of structures	40	6,264	6,224	15560%
5430 - Hydraulic Power Generation - Maintenance of reservoirs, dams and waterways	250,983	225,645	(25,339)	-10%
5440 - Hydraulic Power Generation - Maintenance of electric plant	9,908	5,875	(4,033)	-41%
5450 - Hydraulic Power Generation - Maintenance of miscellaneous hydraulic plant	-	626	626	0%
5460 - Other Power Generation - Operation supervision and engineering	285,954	282,992	(2,963)	-1%
5480 - Other Power Generation - Generation Expenses	2,308,679	6,244,746	3,936,068	170%
5490 - Other Power Generation - Miscellaneous other power generation expenses	659,484	3,060,023	2,400,538	364%
5500 - Other Power Generation - Rents	617,494	1,484,496	867,002	140%
5510 - Other Power Generation - Maintenance supervision and engineering	39,346	93,428	54,082	137%
5520 - Other Power Generation - Maintenance of structures	25,836	211,316	185,480	718%
5530 - Other Power Generation - Maintenance of generating and electric plant	450,672	500,430	49,759	11%
5540 - Other Power Generation - Maintenance of miscellaneous other power generation plant	111,553	167,026	55,473	50%
5560 - Other Power Supply Expenses - System control and load dispatching	364,029	587,574	223,545	61%
5570 - Other Power Supply Expenses - Other Expenses	14,836	64,038	49,202	332%
5600 - Transmission Expenses - Operation supervision and engineering	280,564	383,815	103,251	37%
5611 - Transmission Expenses - Load dispatch - reliability	86,346	79,224	(7,122)	-8%
5612 - Transmission Expenses - Load dispatch - monitor and operate transmission system	2,206,064	2,619,344	413,280	19%
5614 - Transmission Expenses - Scheduling, system control, and dispatching services	1,078,721	1,064,368	(14,353)	-1%
5615 - Transmission Expenses - Reliability, planning, and standards development	646,304	927,773	281,469	44%
5616 - Transmission Expenses - Transmission service studies	3	2,219	2,216	73868%
5617 - Transmission Expenses - Generation interconnection studies	1,002	-	(1,002)	-100%
5620 - Transmission Expenses - Station expenses	393,004	397,147	4,143	1%
5630 - Transmission Expenses - Overhead line expenses	395,340	436,470	41,130	10%
5650 - Transmission Expenses - Transmission of electricity by others	(170,542)	353,402	523,944	-307%
5660 - Transmission Expenses - Miscellaneous transmission expenses	683,470	512,131	(171,339)	-25%
5670 - Transmission Expenses - Rents	44,807	42,756	(2,051)	-5%
5680 - Transmission Expenses - Maintenance supervision and engineering	180,614	267,057	86,443	48%
5691 - Transmission Expenses - Maintenance of computer hardware	40,519	68,189	27,670	68%
5692 - Transmission Expenses - Maintenance of computer software	690,424	917,276	226,853	33%
5693 - Transmission Expenses - Maintenance of communication equipment	102,056	89,847	(12,209)	-12%
5700 - Transmission Expenses - Maintenance of station equipment	1,168,342	1,482,679	314,338	27%
5710 - Transmission Expenses - Maintenance of overhead lines	1,219,884	3,394,831	2,174,946	178%
5720 - Transmission Expenses - Maintenance of underground lines	2,126	-	(2,126)	-100%
5730 - Transmission Expenses - Maintenance of miscellaneous transmission plant	-	-	-	0%
5752 - Regional Market Expenses - Day-ahead and real-time market administration	700,355	773,270	72,915	10%
5753 - Regional Market Expenses - Transmission rights market administration	(4,837)	8,226	13,063	-270%
5755 - Regional Market Expenses - Ancillary services market administration	26,105	24,679	(1,427)	-5%
5756 - Regional Market Expenses - Market monitoring and compliance	4,746	8,226	3,481	73%
5763 - Regional Market Expenses - Maintenance of computer software	239,647	240,838	1,190	0%
5800 - Distribution Expenses - Operation supervision and engineering	246,995	296,560	49,565	20%
5810 - Distribution Expenses - Load Dispatching	209,155	273,826	64,671	31%
5820 - Distribution Expenses - Station expenses	353,886	366,556	12,670	4%
5830 - Distribution Expenses - Overhead line expenses	450,965	335,444	(115,521)	-26%
5840 - Distribution Expenses - Underground line expenses	1,888,464	1,468,639	(419,825)	-22%
5850 - Distribution Expenses - Street lighting and signal system expenses	-	1,487	1,487	0%
5860 - Distribution Expenses - Meter expenses	856,681	1,132,182	275,501	32%
5870 - Distribution Expenses - Customer installation expenses	55,604	266,039	210,436	378%

Summary Report #2a
O&M's by FERC Account
2019 Actuals versus 2021 Budget

	2019	2021	Variance	% Variance
5880 - Distribution Expenses - Miscellaneous distribution expenses	4,216,920	3,491,010	(725,910)	-17%
5890 - Distribution Expenses - Rents	244,374	307,936	63,562	26%
5900 - Distribution Expenses - Maintenance supervision and engineering	908,841	740,542	(168,298)	-19%
5920 - Distribution Expenses - Maintenance of station equipment	527,167	718,400	191,233	36%
5930 - Distribution Expenses - Maintenance of overhead lines	5,594,639	4,630,833	(963,805)	-17%
5940 - Distribution Expenses - Maintenance of underground lines	951,679	1,196,648	244,969	26%
5950 - Distribution Expenses - Maintenance of line transformers	152,378	36,267	(116,111)	-76%
5960 - Distribution Expenses - Maintenance of street lighting and signal systems	642,073	1,181,758	539,684	84%
5970 - Distribution Expenses - Maintenance of meters	886,524	814,598	(71,926)	-8%
5980 - Distribution Expenses - Maintenance of miscellaneous distribution plant	143,250	111,320	(31,930)	-22%
9010 - Customer Accounts Expenses - Supervision	50,329	246,842	196,513	390%
9020 - Customer Accounts Expenses - Meter reading expenses	6,245,114	5,800,784	(444,330)	-7%
9030 - Customer Accounts Expenses - Customer records and collection expenses	5,563,023	7,731,251	2,168,228	39%
9040 - Customer Accounts Expenses - Uncollectible accounts	998,462	1,200,000	201,538	20%
9050 - Customer Accounts Expenses - Miscellaneous customer accounts expenses	530,313	653,205	122,892	23%
9070 - Customer Service and Informational Expenses - Supervision	504,116	1,058,713	554,597	110%
9080 - Customer Service and Informational Expenses - Customer assistance expenses	1,134,646	1,725,958	591,312	52%
9090 - Customer Service and Informational Expenses - Informational and instructional advertising ex	289,700	161,716	(127,984)	-44%
9100 - Customer Service and Informational Expenses - Miscellaneous customer service and informat	19,571	20,666	1,095	6%
9110 - Sales Expense - Supervision	47,902	22,648	(25,253)	-53%
9120 - Sales Expenses - Demonstrating and selling expenses	159,751	401,102	241,351	151%
9130 - Sales Expenses - Advertising expenses	298	1,451	1,153	386%
9160 - Sales Expenses - Miscellaneous sales expenses	(10,134)	13,249	23,384	-231%
9200 - Administrative and general salaries	25,097,807	23,610,910	(1,486,897)	-6%
9210 - Office supplies and expenses	8,823,394	10,037,724	1,214,330	14%
9220 - Administrative expenses transferred -- Credit	(2,188,987)	(2,228,655)	(39,669)	2%
9230 - Outside services employed	1,345,400	2,239,042	893,642	66%
9240 - Property insurance	2,185,576	2,809,875	624,299	29%
9250 - Injuries and damages	2,264,655	2,230,618	(34,037)	-2%
9260 - Employee pensions and benefits	1,684,605	1,571,921	(112,684)	-7%
9280 - Regulatory commission expenses	2,369,443	1,895,897	(473,546)	-20%
9301 - General advertising expenses	346,004	499,768	153,765	44%
9302 - Miscellaneous general expenses	1,908,835	1,536,167	(372,668)	-20%
9310 - Administrative and General Expenses - Rents	230,464	328,856	98,392	43%
9350 - Maintenance of general plant	1,367,396	3,040,011	1,672,614	122%
Grand Total	121,592,123	137,964,932	16,372,809	

Schedule #5.3
O&M's by Functional Area and Sub-Account
2019 Actuals versus 2021 Budget

	2019	2021	Variance	% Variance
Asset Management	21,044,274	25,143,250	4,098,976	19%
5043.0000 - Non-RTO Tariff Expense-Transmission	(255,276)	(338,539)	(83,263)	33%
5044.0010 - SPP Transmission Expense / SPP Schedul	82,081	84,146	2,065	3%
5044.0015 - SPP Transmission Expense / SPP Schedul	132,275	146,056	13,781	10%
5044.0020 - SPP Transmission Expense / SPP Schedul	-	-	-	0%
5044.0070 - SPP Transmission Expense / SPP Schedul	-	-	-	0%
5044.0080 - SPP Transmission Expense / SPP Schedul	-	-	-	0%
5044.0120 - SPP Transmission Expense / SPP Schedul	25,538	38,327	12,789	50%
5045.0100 - MISO Tariff Expense / MISO Schedule 10	1,298,906	1,276,788	(22,118)	-2%
5045.0110 - MISO Tariff Expense / MISO Schedule 11	568	-	(568)	-100%
5100.1100 - Labor / Operations	8,619,301	9,463,196	843,895	10%
5100.1110 - Labor / Operations - Transfer To (out)	(14,549)	71	14,620	-100%
5100.1120 - Labor / Operations - Transfer From (in	(15,528)	-	15,528	-100%
5100.1200 - Labor / Maintenance	4,177,022	6,006,485	1,829,463	44%
5100.1210 - Labor / Maintenance - Transfer To (out	(21,448)	-	21,448	-100%
5100.1220 - Labor / Maintenance - Transfer From (i	(20,758)	-	20,758	-100%
5100.2100 - Labor / Offsetting Entry	38,115	-	(38,115)	-100%
5100.2150 - Labor / Labor True-up	29,990	35,846	5,856	20%
5101.2500 - Employee Expense / Miscellaneous	111,175	191,915	80,740	73%
5101.2600 - Employee Expense / Meals 50% Deductibl	49,632	46,631	(3,001)	-6%
5101.2700 - Employee Expense / Meals	-	23,702	23,702	0%
5102.0000 - Dues, Subscriptions & Books	457,080	634,838	177,758	39%
5103.0000 - Travel	473,241	555,041	81,800	17%
5105.0000 - Telephone/Communications	228,425	218,800	(9,625)	-4%
5106.1000 - Misc Office Expense / Postage & Shippi	67,471	61,454	(6,017)	-9%
5106.2000 - Misc Office Expense / Filing Fees & As	16,977	14,264	(2,713)	-16%
5106.3000 - Misc Office Expense / Bank Service Cha	8	2,307	2,300	28745%
5106.4000 - Misc Office Expense / Other Misc Offic	51,536	75,100	23,563	46%
5107.0000 - Materials & Operating Supplies	1,250,290	818,103	(432,188)	-35%
5108.0000 - Building & Grounds	157,266	141,259	(16,007)	-10%
5109.0000 - Contract Services - Internal	(359,361)	(380,544)	(21,183)	6%
5110.1000 - External Services / Professional Servi	142,034	346,755	204,721	144%
5110.2000 - External Services / Contract Services	4,038,899	5,395,909	1,357,009	34%
5111.0000 - Lease/Rental	117,062	120,029	2,967	3%
5116.0000 - Miscellaneous	94,539	52,200	(42,339)	-45%
5117.0000 - Advertising Promo & PR	2,867	3,000	133	5%
5240.3000 - Employee Benefits / Other	68,896	120,198	51,301	74%
5800.0000 - Allocations	(0)	(10,086)	(10,086)	0%
Communications	1,178,247	1,571,300	393,053	33%
5100.1100 - Labor / Operations	623,656	838,912	215,255	35%
5100.1110 - Labor / Operations - Transfer To (out)	(1,545)	-	1,545	-100%
5100.1120 - Labor / Operations - Transfer From (in	(93)	-	93	-100%
5100.1200 - Labor / Maintenance	10,359	8,441	(1,918)	-19%
5100.2100 - Labor / Offsetting Entry	2,082	-	(2,082)	-100%
5100.2150 - Labor / Labor True-up	30	-	(30)	-100%
5101.2500 - Employee Expense / Miscellaneous	10,572	-	(10,572)	-100%
5101.2600 - Employee Expense / Meals 50% Deductibl	1,922	500	(1,422)	-74%
5102.0000 - Dues, Subscriptions & Books	5,131	44,850	39,719	774%
5103.0000 - Travel	6,068	1,500	(4,568)	-75%
5105.0000 - Telephone/Communications	2,850	3,000	150	5%
5106.3000 - Misc Office Expense / Bank Service Cha	21	-	(21)	-98%
5106.4000 - Misc Office Expense / Other Misc Offic	7,969	5,200	(2,769)	-35%
5107.0000 - Materials & Operating Supplies	(420)	1,500	1,920	-457%
5110.1000 - External Services / Professional Servi	212,172	345,351	133,179	63%
5116.0000 - Miscellaneous	8,026	2,500	(5,526)	-69%
5117.0000 - Advertising Promo & PR	289,448	319,547	30,099	10%
Customer Service	35,589,054	39,770,695	4,181,641	12%
5100.1100 - Labor / Operations	14,704,768	17,016,850	2,312,081	16%
5100.1110 - Labor / Operations - Transfer To (out)	(9,844)	-	9,844	-100%
5100.1120 - Labor / Operations - Transfer From (in	(8,866)	-	8,866	-100%
5100.1200 - Labor / Maintenance	5,160,081	6,248,843	1,088,762	21%
5100.1210 - Labor / Maintenance - Transfer To (out	(33,219)	136	33,356	-100%
5100.1220 - Labor / Maintenance - Transfer From (i	(34,340)	-	34,340	-100%
5100.1230 - Labor / Fleet Mtce-Transfer to ac 5103	679,895	-	(679,895)	-100%
5100.2100 - Labor / Offsetting Entry	(636,477)	-	636,477	-100%
5100.2150 - Labor / Labor True-up	10,535	91,925	81,390	773%
5101.2500 - Employee Expense / Miscellaneous	188,304	226,962	38,657	21%
5101.2600 - Employee Expense / Meals 50% Deductibl	141,577	52,572	(89,005)	-63%
5101.2700 - Employee Expense / Meals	-	112,150	112,150	0%
5102.0000 - Dues, Subscriptions & Books	230,999	402,560	171,561	74%
5103.0000 - Travel	8,179,010	8,750,387	571,377	7%
5103.1000 - Travel / Vehicle Depreciation	1,925,693	1,846,813	(78,880)	-4%
5105.0000 - Telephone/Communications	264,101	382,754	118,653	45%
5106.1000 - Misc Office Expense / Postage & Shippi	40,327	46,182	5,855	15%
5106.2000 - Misc Office Expense / Filing Fees & As	3,382	5,726	2,344	69%
5106.3000 - Misc Office Expense / Bank Service Cha	(7,181)	6,563	13,743	-191%
5106.4000 - Misc Office Expense / Other Misc Offic	110,092	122,662	12,570	11%
5107.0000 - Materials & Operating Supplies	1,443,316	1,430,080	(13,236)	-1%
5108.0000 - Building & Grounds	410,096	460,696	50,600	12%
5110.1000 - External Services / Professional Servi	3,165	25,368	22,203	702%
5110.2000 - External Services / Contract Services	2,793,564	2,665,296	(128,268)	-5%
5111.0000 - Lease/Rental	135,435	174,944	39,509	29%

Schedule #5.3
O&M's by Functional Area and Sub-Account
2019 Actuals versus 2021 Budget

	2019	2021	Variance	% Variance
5115.3000 - Insurance / Property Insurance	93,471	97,300	3,829	4%
5115.3200 - Insurance / Injuries & Damages - Other	10,907	-	(10,907)	-100%
5115.3201 - Insurance / Injuries & Damages - Vehic	7,680	-	(7,680)	-100%
5116.0000 - Miscellaneous	264,678	292,180	27,502	10%
5117.0000 - Advertising Promo & PR	445,464	276,971	(168,493)	-38%
5240.3000 - Employee Benefits / Other	24,508	25,307	800	3%
5800.0000 - Allocations	(952,067)	(990,531)	(38,464)	4%
Energy Supply	33,523,386	42,489,931	8,966,545	27%
4340.0000 - Gain from Disposition of Allowances	(16)	-	16	-97%
5015.0000 - Pollution Control Equipment/Reagents	-	688	688	0%
5020.1000 - Water Supply / Chemicals	446,891	596,558	149,667	33%
5020.1200 - Water Supply / Ash Handling - Plants O	513,113	546,681	33,568	7%
5020.2000 - Water Supply / Water Supply/Miscellane	40,910	61,571	20,661	51%
5100.1100 - Labor / Operations	11,879,400	12,856,360	976,960	8%
5100.1110 - Labor / Operations - Transfer To (out)	(102,802)	10,962	113,764	-111%
5100.1120 - Labor / Operations - Transfer From (in	(385,738)	3,312	389,049	-101%
5100.1200 - Labor / Maintenance	5,733,263	5,653,128	(80,135)	-1%
5100.1210 - Labor / Maintenance - Transfer To (out	(49,617)	-	49,617	-100%
5100.1220 - Labor / Maintenance - Transfer From (i	(81,070)	-	81,070	-100%
5100.1300 - Labor / Construction	-	-	-	0%
5100.1700 - Labor / Fuel Inventory	(24,912)	-	24,912	-100%
5100.2100 - Labor / Offsetting Entry	221,113	-	(221,113)	-100%
5100.2150 - Labor / Labor True-up	(41,864)	34,223	76,087	-182%
5101.2500 - Employee Expense / Miscellaneous	155,102	216,392	61,289	40%
5101.2600 - Employee Expense / Meals 50% Deductibl	25,540	10,069	(15,472)	-61%
5101.2700 - Employee Expense / Meals	-	29,083	29,083	0%
5102.0000 - Dues, Subscriptions & Books	429,210	455,383	26,173	6%
5103.0000 - Travel	94,800	191,120	96,320	102%
5105.0000 - Telephone/Communications	162,494	190,493	27,999	17%
5106.1000 - Misc Office Expense / Postage & Shippi	11,729	39,767	28,037	239%
5106.2000 - Misc Office Expense / Filing Fees & As	541,542	587,073	45,531	8%
5106.3000 - Misc Office Expense / Bank Service Cha	106	127	21	20%
5106.4000 - Misc Office Expense / Other Misc Offic	46,091	95,743	49,652	108%
5107.0000 - Materials & Operating Supplies	3,466,087	3,666,283	200,196	6%
5107.9999 - Materials & Operating Supplies / Invoi	0	(19)	(19)	0%
5108.0000 - Building & Grounds	321,573	577,525	255,951	80%
5109.0000 - Contract Services - Internal	359,361	371,451	12,090	3%
5110.1000 - External Services / Professional Servi	440,550	275,585	(164,966)	-37%
5110.2000 - External Services / Contract Services	8,604,685	12,845,658	4,240,972	49%
5111.0000 - Lease/Rental	658,321	1,505,496	847,175	129%
5115.3000 - Insurance / Property Insurance	592,995	887,283	294,288	50%
5116.0000 - Miscellaneous	14,640	12,355	(2,285)	-16%
5120.2000 - Facility Service Agreement Expenses /	-	675,180	675,180	0%
5240.1000 - Employee Benefits / Insurance	(629,766)	-	629,766	-100%
5240.2000 - Employee Benefits / Pension	-	9,416	9,416	0%
5240.3000 - Employee Benefits / Other	79,653	84,988	5,335	7%
Finance	13,688,267	11,789,347	(1,898,920)	-14%
5100.1100 - Labor / Operations	14,351,192	11,380,827	(2,970,365)	-21%
5100.1110 - Labor / Operations - Transfer To (out)	3,209	4,806	1,597	50%
5100.1120 - Labor / Operations - Transfer From (in	(9,249)	-	9,249	-100%
5100.1200 - Labor / Maintenance	(528,728)	(837,634)	(308,906)	58%
5100.1210 - Labor / Maintenance - Transfer To (out	(296)	-	296	-100%
5100.1220 - Labor / Maintenance - Transfer From (i	(102,360)	-	102,360	-100%
5100.1300 - Labor / Construction	0	-	(0)	0%
5100.2100 - Labor / Offsetting Entry	(64,470)	-	64,470	-100%
5100.2150 - Labor / Labor True-up	(136)	100,500	100,636	-73997%
5101.2500 - Employee Expense / Miscellaneous	163,912	179,539	15,627	10%
5101.2600 - Employee Expense / Meals 50% Deductibl	106,628	10,077	(96,551)	-91%
5101.2700 - Employee Expense / Meals	-	11,219	11,219	0%
5102.0000 - Dues, Subscriptions & Books	1,163,528	1,579,964	416,436	36%
5103.0000 - Travel	(7,721,117)	(7,834,194)	(113,077)	1%
5105.0000 - Telephone/Communications	63,656	130,881	67,225	106%
5106.1000 - Misc Office Expense / Postage & Shippi	52,737	(3,718)	(56,455)	-107%
5106.2000 - Misc Office Expense / Filing Fees & As	60,141	69,606	9,466	16%
5106.3000 - Misc Office Expense / Bank Service Cha	196,550	266,743	70,193	36%
5106.4000 - Misc Office Expense / Other Misc Offic	272,117	311,256	39,139	14%
5107.0000 - Materials & Operating Supplies	(1,543,983)	(2,434,229)	(890,246)	58%
5107.9999 - Materials & Operating Supplies / Invoi	0	-	(0)	0%
5108.0000 - Building & Grounds	111,557	154,547	42,990	39%
5110.1000 - External Services / Professional Servi	1,337,227	1,974,745	637,518	48%
5110.2000 - External Services / Contract Services	313,309	531,525	218,216	70%
5111.0000 - Lease/Rental	43,946	117,923	73,977	168%
5115.3000 - Insurance / Property Insurance	1,355,847	1,685,824	329,977	24%
5115.3100 - Insurance / Provision for Storm Reserv	719,085	1,066,410	347,325	48%
5115.3200 - Insurance / Injuries & Damages - Other	1,587,470	1,590,007	2,537	0%
5116.0000 - Miscellaneous	781,666	808,043	26,377	3%
5117.0000 - Advertising Promo & PR	15,229	13,525	(1,704)	-11%
5118.0000 - Uncollectible Accts	1,061,402	1,260,000	198,598	19%
5240.3000 - Employee Benefits / Other	2,827,263	2,620,155	(207,108)	-7%
5800.0000 - Allocations	(2,713,319)	(2,213,815)	499,504	-18%
5800.1000 - Allocations / CAPX 2020	(151,874)	(667,966)	(516,093)	340%
5800.2000 - Allocations / Standard Billings	(63,872)	(87,218)	(23,346)	37%

Schedule #5.3
O&M's by Functional Area and Sub-Account
2019 Actuals versus 2021 Budget

	2019	2021	Variance	% Variance
Human Resources - Safety	3,506,628	3,452,741	(53,887)	-2%
5100.1100 - Labor / Operations	1,511,113	1,846,901	335,788	22%
5100.1110 - Labor / Operations - Transfer To (out)	7,228	4,438	(2,790)	-39%
5100.1120 - Labor / Operations - Transfer From (in)	(1,003)	-	1,003	-100%
5100.2100 - Labor / Offsetting Entry	7,259	-	(7,259)	-100%
5100.2150 - Labor / Labor True-up	(444)	-	444	-100%
5101.2500 - Employee Expense / Miscellaneous	48,899	48,682	(218)	0%
5101.2600 - Employee Expense / Meals 50% Deductibl	17,214	1,664	(15,550)	-90%
5101.2700 - Employee Expense / Meals	-	13,337	13,337	0%
5102.0000 - Dues, Subscriptions & Books	52,890	62,722	9,832	19%
5103.0000 - Travel	38,395	36,546	(1,849)	-5%
5105.0000 - Telephone/Communications	3,101	5,224	2,123	68%
5106.2000 - Misc Office Expense / Filing Fees & As	20	-	(20)	-100%
5106.4000 - Misc Office Expense / Other Misc Offic	10,435	13,059	2,625	25%
5107.0000 - Materials & Operating Supplies	140,906	169,526	28,620	20%
5110.1000 - External Services / Professional Servi	84,017	91,600	7,583	9%
5110.2000 - External Services / Contract Services	35,901	66,787	30,886	86%
5111.0000 - Lease/Rental	1,396	5,200	3,804	272%
5116.0000 - Miscellaneous	144,127	151,935	7,808	5%
5240.1000 - Employee Benefits / Insurance	(0)	-	0	0%
5240.2000 - Employee Benefits / Pension	1,124,115	748,000	(376,115)	-33%
5240.3000 - Employee Benefits / Other	281,057	187,120	(93,937)	-33%
Information Technology	6,679,620	7,070,262	390,642	6%
5100.1100 - Labor / Operations	2,831,724	2,801,190	(30,534)	-1%
5100.1110 - Labor / Operations - Transfer To (out)	(5,585)	-	5,585	-100%
5100.1120 - Labor / Operations - Transfer From (in)	(7,628)	-	7,628	-100%
5100.1200 - Labor / Maintenance	161,392	229,757	68,365	42%
5100.1210 - Labor / Maintenance - Transfer To (out)	-	-	-	0%
5100.1220 - Labor / Maintenance - Transfer From (i	(1,449)	-	1,449	-100%
5100.2100 - Labor / Offsetting Entry	5,585	-	(5,585)	-100%
5100.2150 - Labor / Labor True-up	265	-	(265)	-100%
5101.2500 - Employee Expense / Miscellaneous	17,759	102,369	84,610	476%
5101.2600 - Employee Expense / Meals 50% Deductibl	9,653	5,332	(4,321)	-45%
5101.2700 - Employee Expense / Meals	-	604	604	0%
5102.0000 - Dues, Subscriptions & Books	1,503,089	1,250,089	(253,000)	-17%
5103.0000 - Travel	22,406	95,439	73,034	326%
5105.0000 - Telephone/Communications	1,350,929	1,529,100	178,171	13%
5106.1000 - Misc Office Expense / Postage & Shippi	64	328	264	412%
5106.2000 - Misc Office Expense / Filing Fees & As	10,045	13,342	3,297	33%
5106.3000 - Misc Office Expense / Bank Service Cha	10	18	8	77%
5106.4000 - Misc Office Expense / Other Misc Offic	5,589	27,039	21,450	384%
5107.0000 - Materials & Operating Supplies	276,092	533,615	257,522	93%
5108.0000 - Building & Grounds	8,825	11,437	2,612	30%
5110.1000 - External Services / Professional Servi	872	-	(872)	-100%
5110.2000 - External Services / Contract Services	416,187	382,850	(33,337)	-8%
5111.0000 - Lease/Rental	59,490	84,851	25,360	43%
5116.0000 - Miscellaneous	8,743	1,617	(7,126)	-82%
5240.3000 - Employee Benefits / Other	5,562	1,286	(4,276)	-77%
OTESCO	-	-	-	0%
5100.1100 - Labor / Operations	-	-	-	0%
5100.1110 - Labor / Operations - Transfer To (out)	(680)	-	680	-100%
5100.1200 - Labor / Maintenance	-	-	-	0%
5100.1210 - Labor / Maintenance - Transfer To (out)	(1,449)	-	1,449	-100%
5100.2100 - Labor / Offsetting Entry	2,129	-	(2,129)	-100%
Regulatory Affairs & Compliance	6,382,648	6,677,406	294,758	5%
5100.1100 - Labor / Operations	3,511,033	3,848,493	337,460	10%
5100.1110 - Labor / Operations - Transfer To (out)	(28,696)	286	28,982	-101%
5100.1120 - Labor / Operations - Transfer From (in)	(32,126)	-	32,126	-100%
5100.2100 - Labor / Offsetting Entry	28,976	-	(28,976)	-100%
5100.2150 - Labor / Labor True-up	(1,504)	46,175	47,679	-3170%
5101.2500 - Employee Expense / Miscellaneous	27,188	29,544	2,356	9%
5101.2600 - Employee Expense / Meals 50% Deductibl	9,920	10,665	745	8%
5101.2700 - Employee Expense / Meals	-	1,944	1,944	0%
5102.0000 - Dues, Subscriptions & Books	67,118	74,046	6,929	10%
5103.0000 - Travel	40,537	48,175	7,638	19%
5105.0000 - Telephone/Communications	7,343	7,890	546	7%
5106.1000 - Misc Office Expense / Postage & Shippi	608,837	686,202	77,365	13%
5106.2000 - Misc Office Expense / Filing Fees & As	912,523	777,313	(135,210)	-15%
5106.4000 - Misc Office Expense / Other Misc Offic	164,875	152,291	(12,585)	-8%
5107.0000 - Materials & Operating Supplies	97,090	166,357	69,267	71%
5107.9999 - Materials & Operating Supplies / Invoi	-	29,442	29,442	0%
5109.0000 - Contract Services - Internal	(4)	-	4	-95%
5110.1000 - External Services / Professional Servi	480,025	170,260	(309,764)	-65%
5110.2000 - External Services / Contract Services	381,524	533,851	152,327	40%
5111.0000 - Lease/Rental	138,241	155,602	17,361	13%
5116.0000 - Miscellaneous	1,585	2,222	637	40%
5117.0000 - Advertising Promo & PR	10,000	35,000	25,000	250%
5240.3000 - Employee Benefits / Other	495	1,200	706	143%
5800.0000 - Allocations	(42,332)	(99,552)	(57,219)	135%
Grand Total	121,592,123	137,964,932	16,372,809	13%

Summary Report #3a
O&M's by Sub-Account
2019 Actuals versus 2021 Budget

	2019	2021	Variance	% Variance
4340.0000 - Gain from Disposition of Allowances	(16)		16	-100%
5015.0000 - Pollution Control Equipment/Reagents		688	688	0%
5020.1000 - Water Supply / Chemicals	446,891	596,558	149,667	33%
5020.1200 - Water Supply / Ash Handling - Plants O	513,113	546,681	33,568	7%
5020.2000 - Water Supply / Water Supply/Miscellaneous	40,910	61,571	20,661	51%
5043.0000 - Non-RTO Tariff Expense-Transmission	(255,276)	(338,539)	(83,263)	33%
5044.0010 - SPP Transmission Expense / SPP Scheduling	82,081	84,146	2,065	3%
5044.0015 - SPP Transmission Expense / SPP Scheduling	132,275	146,056	13,781	10%
5044.0020 - SPP Transmission Expense / SPP Scheduling		-	-	0%
5044.0070 - SPP Transmission Expense / SPP Scheduling		-	-	0%
5044.0080 - SPP Transmission Expense / SPP Scheduling		-	-	0%
5044.0120 - SPP Transmission Expense / SPP Scheduling	25,538	38,327	12,789	50%
5045.0100 - MISO Tariff Expense / MISO Schedule 10	1,298,906	1,276,788	(22,118)	-2%
5045.0110 - MISO Tariff Expense / MISO Schedule 11	568	-	(568)	-100%
5100.1100 - Labor / Operations	58,032,188	60,052,728	2,020,540	3%
5100.1110 - Labor / Operations - Transfer To (out)	(153,265)	20,562	173,827	-113%
5100.1120 - Labor / Operations - Transfer From (in)	(460,230)	3,312	463,541	-101%
5100.1200 - Labor / Maintenance	14,713,389	17,309,019	2,595,630	18%
5100.1210 - Labor / Maintenance - Transfer To (out)	(106,031)	136	106,167	-100%
5100.1220 - Labor / Maintenance - Transfer From (in)	(239,977)	-	239,977	-100%
5100.1230 - Labor / Fleet Mtc-Transfer to ac 5103	679,895	-	(679,895)	-100%
5100.1300 - Labor / Construction	0	-	(0)	-100%
5100.1700 - Labor / Fuel Inventory	(24,912)	-	24,912	-100%
5100.2100 - Labor / Offsetting Entry	(395,687)	-	395,687	-100%
5100.2150 - Labor / Labor True-up	(3,128)	308,669	311,797	-9968%
5101.2500 - Employee Expense / Miscellaneous	722,912	995,402	272,490	38%
5101.2600 - Employee Expense / Meals 50% Deductible	362,086	137,510	(224,577)	-62%
5101.2700 - Employee Expense / Meals		192,039	192,039	0%
5102.0000 - Dues, Subscriptions & Books	3,909,044	4,504,452	595,408	15%
5103.0000 - Travel	1,133,339	1,844,014	710,675	63%
5103.1000 - Travel / Vehicle Depreciation	1,925,693	1,846,813	(78,880)	-4%
5105.0000 - Telephone/Communications	2,082,899	2,468,141	385,241	18%
5106.1000 - Misc Office Expense / Postage & Shipping	781,167	830,215	49,049	6%
5106.2000 - Misc Office Expense / Filing Fees & As	1,544,630	1,467,324	(77,306)	-5%
5106.3000 - Misc Office Expense / Bank Service Charge	189,514	275,758	86,244	46%
5106.4000 - Misc Office Expense / Other Misc Office	668,703	802,348	133,645	20%
5107.0000 - Materials & Operating Supplies	5,129,379	4,351,234	(778,144)	-15%
5107.9999 - Materials & Operating Supplies / Invoiced	-	29,423	29,423	0%
5108.0000 - Building & Grounds	1,009,316	1,345,463	336,147	33%
5109.0000 - Contract Services - Internal	(4)	(9,093)	(9,089)	239195%
5110.1000 - External Services / Professional Services	2,700,061	3,229,663	529,602	20%
5110.2000 - External Services / Contract Services	16,584,070	22,421,876	5,837,805	35%

Summary Report #3a
O&M's by Sub-Account
2019 Actuals versus 2021 Budget

	2019	2021	Variance	% Variance
5111.0000 - Lease/Rental	1,153,891	2,164,045	1,010,153	88%
5115.3000 - Insurance / Property Insurance	2,042,313	2,670,407	628,094	31%
5115.3100 - Insurance / Provision for Storm Reserv	719,085	1,066,410	347,325	48%
5115.3200 - Insurance / Injuries & Damages - Other	1,598,377	1,590,007	(8,370)	-1%
5115.3201 - Insurance / Injuries & Damages - Vehic	7,680	-	(7,680)	-100%
5116.0000 - Miscellaneous	1,318,004	1,323,053	5,048	0%
5117.0000 - Advertising Promo & PR	763,008	648,043	(114,965)	-15%
5118.0000 - Uncollectible Accts	1,061,402	1,260,000	198,598	19%
5120.2000 - Facility Service Agreement Expenses /		675,180	675,180	0%
5240.1000 - Employee Benefits / Insurance	(629,766)	-	629,766	-100%
5240.2000 - Employee Benefits / Pension	1,124,115	757,416	(366,699)	-33%
5240.3000 - Employee Benefits / Other	3,287,434	3,040,254	(247,180)	-8%
5800.0000 - Allocations	(3,707,719)	(3,313,984)	393,736	-11%
5800.1000 - Allocations / CAPX 2020	(151,874)	(667,966)	(516,093)	340%
5800.2000 - Allocations / Standard Billings	(63,872)	(87,218)	(23,346)	37%
Grand Total	121,592,123	137,964,931	16,372,808	



O&M Historical Reports

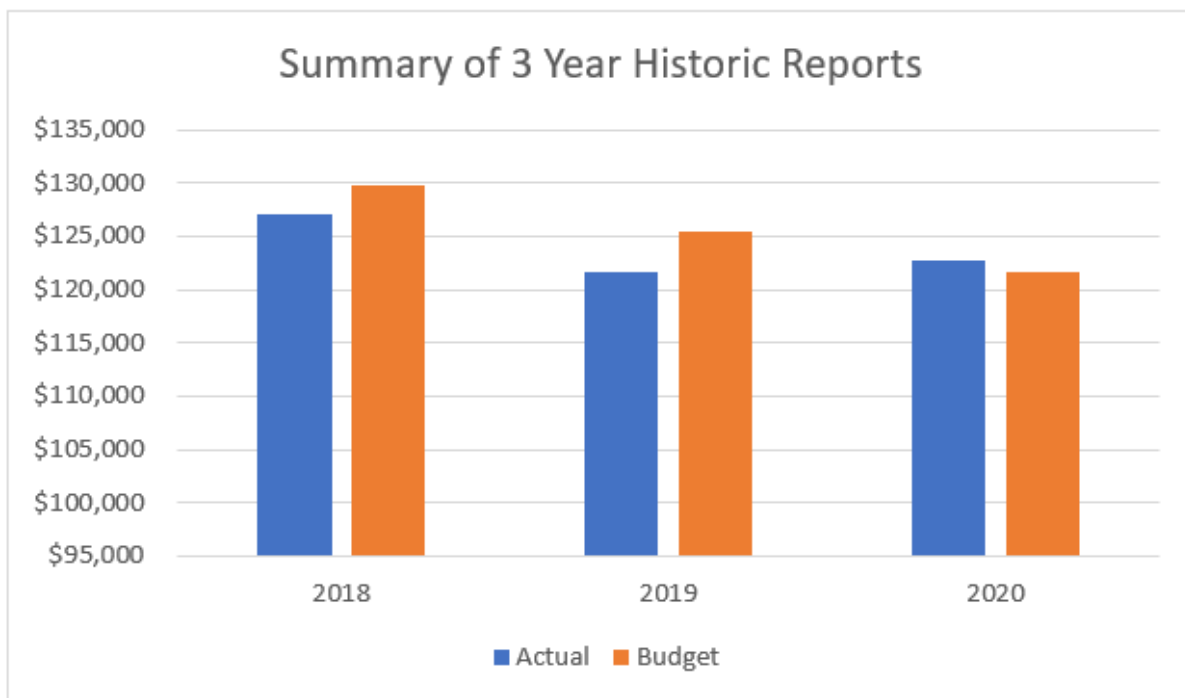
Historical Report #1 - O&M by Functional Area by Sub-Account

In order to gain some perspective as to how OTP's historical actual results compare to the budget for the same year, OTP will show this report for the most recent three years. Each year's O&M costs by functional area and by sub-account will compare actual results with that same year's budget. High level explanations are also included.

Historical Report #2 – O&M by FERC Function by FERC Account

This report will show the actual O&M costs compared to budget by FERC Function and by FERC Account for each year making up the most recent three years.

Shown below is a summary of how each of the most recent three year's actual O&M costs compared to budget.



	Actual	Budget	Variance	Percent of Budget
2018	\$ 127,084	\$ 129,830	\$ 2,746	97.84%
2019	\$ 121,592	\$ 125,467	\$ 3,875	96.81%
2020	\$ 122,814	\$ 121,689	\$ (1,124)	100.92%
3 year Average				98.52%

Historical Report #1
O&M's by Functional Area & Sub-Account
Actuals versus Budget - 2018

	Actuals	Budget	Variance	% Variance
Asset Management	22,959,288	26,389,598	3,430,310	14.9%
5043.0000 - Non-RTO Tariff Expense-Transmission	57,781	-	(57,781)	-100.0%
5044.0010 - SPP Transmission Expense / SPP Schedul	90,671	92,700	2,029	2.2%
5044.0015 - SPP Transmission Expense / SPP Schedul	97,964	257,088	159,124	162.4%
5044.0120 - SPP Transmission Expense / SPP Schedul	19,586	6,705	(12,881)	-65.8%
5045.0100 - MISO Tariff Expense / MISO Schedule 10	1,245,048	1,577,076	332,028	26.7%
5045.0110 - MISO Tariff Expense / MISO Schedule 11	1,982	1,165,680	1,163,698	58700.6%
5100.1100 - Labor / Operations	9,274,966	9,408,728	133,762	1.4%
5100.1110 - Labor / Operations - Transfer To (out)	630	66	(563)	-89.4%
5100.1120 - Labor / Operations - Transfer From (in	(2,077)	-	2,077	-100.0%
5100.1200 - Labor / Maintenance	4,384,096	4,819,981	435,885	9.9%
5100.1210 - Labor / Maintenance - Transfer To (out	386	-	(386)	-100.0%
5100.2150 - Labor / Labor True-up	36,921	17,852	(19,069)	-51.6%
5101.2500 - Employee Expense / Miscellaneous	121,718	228,120	106,403	87.4%
5101.2600 - Employee Expense / Meals 50% Deductibl	48,486	57,225	8,739	18.0%
5101.2700 - Employee Expense / Meals	14,047	28,152	14,105	100.4%
5102.0000 - Dues, Subscriptions & Books	455,448	476,514	21,067	4.6%
5103.0000 - Travel	504,715	639,999	135,284	26.8%
5105.0000 - Telephone/Communications	184,118	196,838	12,720	6.9%
5106.1000 - Misc Office Expense / Postage & Shippi	80,949	70,991	(9,958)	-12.3%
5106.2000 - Misc Office Expense / Filing Fees & As	(25,778)	9,706	35,485	-137.7%
5106.3000 - Misc Office Expense / Bank Service Cha	35	195	160	452.7%
5106.4000 - Misc Office Expense / Other Misc Offic	57,638	59,820	2,182	3.8%
5107.0000 - Materials & Operating Supplies	964,652	790,156	(174,496)	-18.1%
5108.0000 - Building & Grounds	136,745	141,731	4,986	3.6%
5109.0000 - Contract Services - Internal	(348,758)	(348,924)	(166)	0.0%
5110.1000 - External Services / Professional Servi	199,232	1,023,800	824,569	413.9%
5110.2000 - External Services / Contract Services	5,087,605	5,356,552	268,947	5.3%
5111.0000 - Lease/Rental	113,465	103,044	(10,421)	-9.2%
5115.3201 - Insurance / Injuries & Damages - Vehic	3,522	-	(3,522)	-100.0%
5116.0000 - Miscellaneous	31,992	57,561	25,569	79.9%
5117.0000 - Advertising Promo & PR	-	480	480	0.0%
5240.3000 - Employee Benefits / Other	121,504	161,513	40,010	32.9%
5800.0000 - Allocations	-	(9,753)	(9,753)	0.0%
Customer Service	36,268,838	38,346,425	2,077,587	5.7%
5100.1100 - Labor / Operations	15,554,196	16,416,533	862,337	5.5%
5100.1110 - Labor / Operations - Transfer To (out)	296	-	(296)	-100.0%
5100.1120 - Labor / Operations - Transfer From (in	(1,502)	-	1,502	-100.0%
5100.1200 - Labor / Maintenance	5,447,207	5,768,678	321,471	5.9%
5100.1210 - Labor / Maintenance - Transfer To (out	352	423	71	20.3%
5100.1230 - Labor / Fleet Mtce-Transfer to ac 5103	682,156	221,096	(461,060)	-67.6%
5100.2100 - Labor / Offsetting Entry	(682,315)	(221,096)	461,218	-67.6%
5100.2150 - Labor / Labor True-up	32,089	-	(32,089)	-100.0%
5101.2500 - Employee Expense / Miscellaneous	208,007	205,240	(2,767)	-1.3%
5101.2600 - Employee Expense / Meals 50% Deductibl	90,282	33,188	(57,094)	-63.2%
5101.2700 - Employee Expense / Meals	56,708	128,222	71,514	126.1%
5102.0000 - Dues, Subscriptions & Books	20,943	22,399	1,457	7.0%
5103.0000 - Travel	8,530,233	9,345,985	815,751	9.6%
5103.1000 - Travel / Vehicle Depreciation	1,922,330	1,873,063	(49,268)	-2.6%
5105.0000 - Telephone/Communications	276,109	335,872	59,763	21.6%
5106.1000 - Misc Office Expense / Postage & Shippi	53,134	60,542	7,407	13.9%
5106.2000 - Misc Office Expense / Filing Fees & As	3,920	6,472	2,551	65.1%
5106.3000 - Misc Office Expense / Bank Service Cha	(8,195)	(8,201)	(6)	0.1%
5106.4000 - Misc Office Expense / Other Misc Offic	127,453	114,478	(12,975)	-10.2%
5107.0000 - Materials & Operating Supplies	1,472,546	1,431,824	(40,722)	-2.8%
5108.0000 - Building & Grounds	419,424	451,790	32,366	7.7%
5110.1000 - External Services / Professional Servi	4,518	55,727	51,209	1133.4%
5110.2000 - External Services / Contract Services	2,071,576	1,773,439	(298,137)	-14.4%
5111.0000 - Lease/Rental	139,152	190,904	51,752	37.2%
5115.3000 - Insurance / Property Insurance	108,802	131,647	22,845	21.0%
5115.3200 - Insurance / Injuries & Damages - Other	32,907	-	(32,907)	-100.0%
5116.0000 - Miscellaneous	194,435	527,273	332,838	171.2%
5117.0000 - Advertising Promo & PR	417,585	436,443	18,859	4.5%
5240.3000 - Employee Benefits / Other	24,180	15,124	(9,056)	-37.5%
5330.0000 - Non Operating Expenses	-	-	-	0.0%
5800.0000 - Allocations	(929,691)	(970,638)	(40,947)	4.4%
Energy Supply	36,473,122	37,919,682	1,446,560	4.0%

Historical Report #1
O&M's by Functional Area & Sub-Account
Actuals versus Budget - 2018

	Actuals	Budget	Variance	% Variance
4340.0000 - Gain from Disposition of Allowances	(16)	-	16	-100.0%
5015.0000 - Pollution Control Equipment/Reagents	-	10,216	10,216	0.0%
5015.1000 - Pollution Control Reagents / Lime - Co	903,146	687,193	(215,953)	-23.9%
5020.1000 - Water Supply / Chemicals	575,443	611,293	35,850	6.2%
5020.1200 - Water Supply / Ash Handling - Plants O	538,141	461,529	(76,612)	-14.2%
5020.2000 - Water Supply / Water Supply/Miscellane	69,651	63,454	(6,197)	-8.9%
5100.1100 - Labor / Operations	12,190,980	12,838,103	647,122	5.3%
5100.1110 - Labor / Operations - Transfer To (out)	(15,371)	12,966	28,338	-184.4%
5100.1120 - Labor / Operations - Transfer From (in	(391,438)	2,160	393,598	-100.6%
5100.1200 - Labor / Maintenance	5,463,769	6,027,062	563,293	10.3%
5100.1210 - Labor / Maintenance - Transfer To (out	1,348	1,138	(210)	-15.6%
5100.1220 - Labor / Maintenance - Transfer From (i	(40,378)	-	40,378	-100.0%
5100.1700 - Labor / Fuel Inventory	(27,204)	-	27,204	-100.0%
5100.2100 - Labor / Offsetting Entry	101,916	-	(101,916)	-100.0%
5100.2150 - Labor / Labor True-up	(29,140)	-	29,140	-100.0%
5101.2500 - Employee Expense / Miscellaneous	166,078	271,812	105,735	63.7%
5101.2600 - Employee Expense / Meals 50% Deductibl	17,484	13,831	(3,653)	-20.9%
5101.2700 - Employee Expense / Meals	8,969	25,134	16,165	180.2%
5102.0000 - Dues, Subscriptions & Books	525,471	499,702	(25,769)	-4.9%
5103.0000 - Travel	146,794	258,370	111,576	76.0%
5105.0000 - Telephone/Communications	148,976	162,538	13,561	9.1%
5106.1000 - Misc Office Expense / Postage & Shippi	13,978	33,687	19,708	141.0%
5106.2000 - Misc Office Expense / Filing Fees & As	492,321	478,737	(13,584)	-2.8%
5106.3000 - Misc Office Expense / Bank Service Cha	159	321	162	101.8%
5106.4000 - Misc Office Expense / Other Misc Offic	41,385	59,057	17,671	42.7%
5107.0000 - Materials & Operating Supplies	3,681,550	4,956,673	1,275,124	34.6%
5107.9999 - Materials & Operating Supplies / Invoi	-	136	136	0.0%
5108.0000 - Building & Grounds	333,206	608,900	275,694	82.7%
5109.0000 - Contract Services - Internal	348,758	348,897	138	0.0%
5110.1000 - External Services / Professional Servi	385,116	344,890	(40,226)	-10.4%
5110.2000 - External Services / Contract Services	8,832,361	7,780,118	(1,052,243)	-11.9%
5111.0000 - Lease/Rental	633,581	644,980	11,399	1.8%
5115.3000 - Insurance / Property Insurance	565,370	603,458	38,088	6.7%
5116.0000 - Miscellaneous	28,820	20,396	(8,424)	-29.2%
5240.1000 - Employee Benefits / Insurance	672,865	-	(672,865)	-100.0%
5240.2000 - Employee Benefits / Pension	-	8,465	8,465	0.0%
5240.3000 - Employee Benefits / Other	89,030	84,465	(4,565)	-5.1%
Finance	11,425,790	5,584,634	(5,841,155)	-51.1%
5045.0100 - MISO Tariff Expense / MISO Schedule 10	-	-	-	0.0%
5100.1100 - Labor / Operations	13,445,968	9,017,123	(4,428,845)	-32.9%
5100.1110 - Labor / Operations - Transfer To (out)	30,596	3,926	(26,670)	-87.2%
5100.1120 - Labor / Operations - Transfer From (in	(5,904)	-	5,904	-100.0%
5100.1200 - Labor / Maintenance	(937,098)	(685,361)	251,736	-26.9%
5100.1210 - Labor / Maintenance - Transfer To (out	(1,481)	-	1,481	-100.0%
5100.1220 - Labor / Maintenance - Transfer From (i	(34,530)	-	34,530	-100.0%
5100.2100 - Labor / Offsetting Entry	(107,068)	582	107,650	-100.5%
5100.2150 - Labor / Labor True-up	(532)	-	532	-100.0%
5101.2500 - Employee Expense / Miscellaneous	110,114	202,678	92,565	84.1%
5101.2600 - Employee Expense / Meals 50% Deductibl	11,041	8,861	(2,180)	-19.7%
5101.2700 - Employee Expense / Meals	17,286	22,678	5,392	31.2%
5102.0000 - Dues, Subscriptions & Books	1,111,779	1,139,478	27,699	2.5%
5103.0000 - Travel	(8,113,392)	(7,919,600)	193,792	-2.4%
5105.0000 - Telephone/Communications	57,999	143,719	85,720	147.8%
5106.1000 - Misc Office Expense / Postage & Shippi	57,119	(3,991)	(61,110)	-107.0%
5106.2000 - Misc Office Expense / Filing Fees & As	53,269	15,214	(38,056)	-71.4%
5106.3000 - Misc Office Expense / Bank Service Cha	161,967	218,540	56,573	34.9%
5106.4000 - Misc Office Expense / Other Misc Offic	270,463	277,397	6,934	2.6%
5107.0000 - Materials & Operating Supplies	(1,988,259)	(2,300,203)	(311,943)	15.7%
5107.9999 - Materials & Operating Supplies / Invoi	-	(46)	(46)	0.0%
5108.0000 - Building & Grounds	54,409	(2,305)	(56,714)	-104.2%
5109.0000 - Contract Services - Internal	-	1,200	1,200	0.0%
5110.1000 - External Services / Professional Servi	1,330,304	1,316,906	(13,398)	-1.0%
5110.2000 - External Services / Contract Services	313,210	543,193	229,982	73.4%
5111.0000 - Lease/Rental	72,486	188,393	115,907	159.9%
5115.3000 - Insurance / Property Insurance	1,145,354	1,206,481	61,127	5.3%
5115.3100 - Insurance / Provision for Storm Reserv	1,209,958	1,000,000	(209,958)	-17.4%
5115.3200 - Insurance / Injuries & Damages - Other	1,381,789	1,551,671	169,882	12.3%

Historical Report #1
O&M's by Functional Area & Sub-Account
Actuals versus Budget - 2018

	Actuals	Budget	Variance	% Variance
5116.0000 - Miscellaneous	933,810	801,034	(132,776)	-14.2%
5117.0000 - Advertising Promo & PR	9,702	24,500	14,798	152.5%
5118.0000 - Uncollectible Accts	1,213,061	967,000	(246,061)	-20.3%
5240.3000 - Employee Benefits / Other	2,140,867	1,598,345	(542,523)	-25.3%
5800.0000 - Allocations	(2,141,290)	(2,995,858)	(854,568)	39.9%
5800.1000 - Allocations / CAPX 2020	(327,002)	(669,501)	(342,499)	104.7%
5800.2000 - Allocations / Standard Billings	(50,205)	(87,419)	(37,213)	74.1%
Human Resources - Safety	3,599,408	5,052,875	1,453,467	40.4%
5100.1100 - Labor / Operations	1,453,984	1,429,221	(24,762)	-1.7%
5100.1110 - Labor / Operations - Transfer To (out)	15,391	4,163	(11,228)	-73.0%
5100.1200 - Labor / Maintenance	404	8,756	8,353	2069.6%
5100.1300 - Labor / Construction	-	26,041	26,041	0.0%
5100.2150 - Labor / Labor True-up	(140)	-	140	-100.0%
5101.2500 - Employee Expense / Miscellaneous	51,585	47,957	(3,628)	-7.0%
5101.2600 - Employee Expense / Meals 50% Deductibl	8,906	2,099	(6,807)	-76.4%
5101.2700 - Employee Expense / Meals	4,823	12,600	7,777	161.2%
5102.0000 - Dues, Subscriptions & Books	40,735	197,933	157,198	385.9%
5103.0000 - Travel	32,298	59,462	27,164	84.1%
5105.0000 - Telephone/Communications	4,029	4,901	872	21.7%
5106.2000 - Misc Office Expense / Filing Fees & As	154	423	269	175.0%
5106.3000 - Misc Office Expense / Bank Service Cha	-	27	27	0.0%
5106.4000 - Misc Office Expense / Other Misc Offic	8,602	16,541	7,939	92.3%
5107.0000 - Materials & Operating Supplies	139,510	172,933	33,423	24.0%
5110.1000 - External Services / Professional Servi	191,015	409,332	218,316	114.3%
5110.2000 - External Services / Contract Services	41,854	86,790	44,936	107.4%
5111.0000 - Lease/Rental	-	2,993	2,993	0.0%
5116.0000 - Miscellaneous	211,877	206,176	(5,701)	-2.7%
5240.1000 - Employee Benefits / Insurance	-	0	0	0.0%
5240.2000 - Employee Benefits / Pension	1,350,578	1,426,000	75,422	5.6%
5240.3000 - Employee Benefits / Other	43,803	938,528	894,724	2042.6%
Information Technology	8,009,541	7,495,773	(513,768)	-6.4%
5100.1100 - Labor / Operations	2,793,014	2,708,300	(84,714)	-3.0%
5100.1110 - Labor / Operations - Transfer To (out)	0	-	(0)	-100.0%
5100.1200 - Labor / Maintenance	190,702	422,980	232,277	121.8%
5100.2150 - Labor / Labor True-up	471	-	(471)	-100.0%
5101.2500 - Employee Expense / Miscellaneous	52,199	24,726	(27,473)	-52.6%
5101.2600 - Employee Expense / Meals 50% Deductibl	11,281	5,816	(5,464)	-48.4%
5101.2700 - Employee Expense / Meals	4,302	13,274	8,973	208.6%
5102.0000 - Dues, Subscriptions & Books	1,343,170	1,253,038	(90,132)	-6.7%
5103.0000 - Travel	35,576	107,408	71,832	201.9%
5105.0000 - Telephone/Communications	1,630,894	1,446,817	(184,078)	-11.3%
5106.1000 - Misc Office Expense / Postage & Shippi	267	320	53	19.8%
5106.2000 - Misc Office Expense / Filing Fees & As	8,799	13,016	4,218	47.9%
5106.3000 - Misc Office Expense / Bank Service Cha	6	18	12	196.2%
5106.4000 - Misc Office Expense / Other Misc Offic	8,604	3,254	(5,350)	-62.2%
5107.0000 - Materials & Operating Supplies	533,736	627,056	93,320	17.5%
5108.0000 - Building & Grounds	5,611	10,201	4,590	81.8%
5110.1000 - External Services / Professional Servi	87,750	81,893	(5,857)	-6.7%
5110.2000 - External Services / Contract Services	1,223,234	716,938	(506,296)	-41.4%
5111.0000 - Lease/Rental	65,595	56,722	(8,873)	-13.5%
5116.0000 - Miscellaneous	13,293	2,455	(10,838)	-81.5%
5240.3000 - Employee Benefits / Other	1,037	1,541	504	48.6%
Public Relations	1,388,622	1,793,882	405,260	29.2%
5100.1100 - Labor / Operations	681,898	852,289	170,391	25.0%
5100.1200 - Labor / Maintenance	10,792	8,602	(2,190)	-20.3%
5100.2150 - Labor / Labor True-up	(1,397)	-	1,397	-100.0%
5101.2500 - Employee Expense / Miscellaneous	20,610	14,160	(6,450)	-31.3%
5101.2600 - Employee Expense / Meals 50% Deductibl	597	-	(597)	-100.0%
5101.2700 - Employee Expense / Meals	991	937	(54)	-5.4%
5102.0000 - Dues, Subscriptions & Books	61,815	23,683	(38,132)	-61.7%
5103.0000 - Travel	8,420	7,539	(881)	-10.5%
5105.0000 - Telephone/Communications	3,399	3,274	(124)	-3.7%
5106.3000 - Misc Office Expense / Bank Service Cha	1	-	(1)	-100.0%
5106.4000 - Misc Office Expense / Other Misc Offic	12,109	5,062	(7,047)	-58.2%
5107.0000 - Materials & Operating Supplies	(240)	1,420	1,660	-691.8%
5110.1000 - External Services / Professional Servi	270,680	368,410	97,730	36.1%
5110.2000 - External Services / Contract Services	-	5,150	5,150	0.0%

Historical Report #1
O&M's by Functional Area & Sub-Account
Actuals versus Budget - 2018

	Actuals	Budget	Variance	% Variance
5116.0000 - Miscellaneous	7,384	21,558	14,175	192.0%
5117.0000 - Advertising Promo & PR	311,564	481,798	170,234	54.6%
5330.0000 - Non Operating Expenses	-	-	-	0.0%
Regulatory Affairs & Compliance	6,959,810	7,247,536	287,725	4.1%
5100.1100 - Labor / Operations	3,487,299	3,851,610	364,311	10.4%
5100.1110 - Labor / Operations - Transfer To (out)	368	268	(100)	-27.1%
5100.2150 - Labor / Labor True-up	(452)	-	452	-100.0%
5101.2500 - Employee Expense / Miscellaneous	21,379	50,591	29,212	136.6%
5101.2600 - Employee Expense / Meals 50% Deductibl	3,541	12,397	8,855	250.1%
5101.2700 - Employee Expense / Meals	4,411	8,329	3,918	88.8%
5102.0000 - Dues, Subscriptions & Books	47,537	84,042	36,506	76.8%
5103.0000 - Travel	28,557	64,480	35,923	125.8%
5103.1000 - Travel / Vehicle Depreciation	-	-	-	0.0%
5105.0000 - Telephone/Communications	6,861	7,815	954	13.9%
5106.1000 - Misc Office Expense / Postage & Shippi	622,256	676,638	54,382	8.7%
5106.2000 - Misc Office Expense / Filing Fees & As	1,130,926	837,184	(293,742)	-26.0%
5106.4000 - Misc Office Expense / Other Misc Offic	157,782	145,581	(12,201)	-7.7%
5107.0000 - Materials & Operating Supplies	156,170	143,970	(12,200)	-7.8%
5107.9999 - Materials & Operating Supplies / Invoi	-	618	618	0.0%
5110.1000 - External Services / Professional Servi	827,084	855,468	28,384	3.4%
5110.2000 - External Services / Contract Services	382,547	425,242	42,696	11.2%
5111.0000 - Lease/Rental	122,026	149,526	27,500	22.5%
5116.0000 - Miscellaneous	1,781	2,522	741	41.6%
5117.0000 - Advertising Promo & PR	4,000	25,760	21,760	544.0%
5240.3000 - Employee Benefits / Other	1,017	1,160	143	14.1%
5800.0000 - Allocations	(45,278)	(95,664)	(50,386)	111.3%
Grand Total	127,084,418	129,830,405	2,745,986	2.2%

Historical Report #1
O&M's by Functional Area & Sub-Account
Actuals versus Budget - 2019

	Actuals	Budget	Variance	% Variance
Asset Management	21,044,274	24,172,367	3,128,093	14.9%
5043.0000 - Non-RTO Tariff Expense-Transmission	(255,276)	20,000	275,276	-107.8%
5044.0010 - SPP Transmission Expense / SPP Schedul	82,081	79,759	(2,322)	-2.8%
5044.0015 - SPP Transmission Expense / SPP Schedul	132,275	103,665	(28,610)	-21.6%
5044.0070 - SPP Transmission Expense / SPP Schedul	-	-	-	0.0%
5044.0080 - SPP Transmission Expense / SPP Schedul	-	-	-	0.0%
5044.0120 - SPP Transmission Expense / SPP Schedul	25,538	17,934	(7,604)	-29.8%
5045.0100 - MISO Tariff Expense / MISO Schedule 10	1,298,906	1,434,516	135,610	10.4%
5045.0110 - MISO Tariff Expense / MISO Schedule 11	568	8,676	8,108	1428.5%
5100.1100 - Labor / Operations	8,619,301	9,346,458	727,157	8.4%
5100.1110 - Labor / Operations - Transfer To (out)	(14,549)	68	14,617	-100.5%
5100.1120 - Labor / Operations - Transfer From (in	(15,528)	-	15,528	-100.0%
5100.1200 - Labor / Maintenance	4,177,022	4,892,578	715,556	17.1%
5100.1210 - Labor / Maintenance - Transfer To (out	(21,448)	-	21,448	-100.0%
5100.1220 - Labor / Maintenance - Transfer From (i	(20,758)	-	20,758	-100.0%
5100.2100 - Labor / Offsetting Entry	38,115	-	(38,115)	-100.0%
5100.2150 - Labor / Labor True-up	29,990	-	(29,990)	-100.0%
5101.2500 - Employee Expense / Miscellaneous	111,175	184,734	73,559	66.2%
5101.2600 - Employee Expense / Meals 50% Deductibl	49,632	73,630	23,998	48.4%
5101.2700 - Employee Expense / Meals	-	25,948	25,948	0.0%
5102.0000 - Dues, Subscriptions & Books	457,080	521,411	64,331	14.1%
5103.0000 - Travel	473,241	620,962	147,721	31.2%
5105.0000 - Telephone/Communications	228,425	209,018	(19,406)	-8.5%
5106.1000 - Misc Office Expense / Postage & Shippi	67,471	77,247	9,775	14.5%
5106.2000 - Misc Office Expense / Filing Fees & As	16,977	14,250	(2,727)	-16.1%
5106.3000 - Misc Office Expense / Bank Service Cha	8	15	8	100.9%
5106.4000 - Misc Office Expense / Other Misc Offic	51,536	61,044	9,508	18.4%
5107.0000 - Materials & Operating Supplies	1,250,290	795,702	(454,589)	-36.4%
5108.0000 - Building & Grounds	157,266	141,316	(15,950)	-10.1%
5109.0000 - Contract Services - Internal	(359,361)	(359,388)	(27)	0.0%
5110.1000 - External Services / Professional Servi	142,034	317,049	175,016	123.2%
5110.2000 - External Services / Contract Services	4,038,899	5,347,187	1,308,288	32.4%
5111.0000 - Lease/Rental	117,062	72,777	(44,285)	-37.8%
5116.0000 - Miscellaneous	94,539	58,725	(35,814)	-37.9%
5117.0000 - Advertising Promo & PR	2,867	480	(2,387)	-83.3%
5240.3000 - Employee Benefits / Other	68,896	116,602	47,706	69.2%
5800.0000 - Allocations	-	(9,997)	(9,997)	0.0%
Customer Service	35,589,054	37,326,371	1,737,317	4.9%
5100.1100 - Labor / Operations	14,704,768	16,065,101	1,360,333	9.3%
5100.1110 - Labor / Operations - Transfer To (out)	(9,844)	-	9,844	-100.0%
5100.1120 - Labor / Operations - Transfer From (in	(8,866)	-	8,866	-100.0%
5100.1200 - Labor / Maintenance	5,160,081	5,662,514	502,433	9.7%
5100.1210 - Labor / Maintenance - Transfer To (out	(33,219)	131	33,350	-100.4%
5100.1220 - Labor / Maintenance - Transfer From (i	(34,340)	-	34,340	-100.0%
5100.1230 - Labor / Fleet Mtce-Transfer to ac 5103	679,895	-	(679,895)	-100.0%
5100.2100 - Labor / Offsetting Entry	(636,477)	-	636,477	-100.0%
5100.2150 - Labor / Labor True-up	10,535	44,676	34,142	324.1%
5101.2500 - Employee Expense / Miscellaneous	188,304	220,534	32,230	17.1%
5101.2600 - Employee Expense / Meals 50% Deductibl	141,577	50,174	(91,404)	-64.6%
5101.2700 - Employee Expense / Meals	-	112,639	112,639	0.0%
5102.0000 - Dues, Subscriptions & Books	230,999	20,499	(210,501)	-91.1%
5103.0000 - Travel	8,179,010	8,983,332	804,322	9.8%
5103.1000 - Travel / Vehicle Depreciation	1,925,693	1,828,694	(96,999)	-5.0%
5105.0000 - Telephone/Communications	264,101	315,386	51,285	19.4%
5106.1000 - Misc Office Expense / Postage & Shippi	40,327	57,926	17,599	43.6%
5106.2000 - Misc Office Expense / Filing Fees & As	3,382	5,736	2,354	69.6%
5106.3000 - Misc Office Expense / Bank Service Cha	(7,181)	(9,443)	(2,262)	31.5%
5106.4000 - Misc Office Expense / Other Misc Offic	110,092	116,303	6,211	5.6%
5107.0000 - Materials & Operating Supplies	1,443,316	1,438,586	(4,729)	-0.3%
5108.0000 - Building & Grounds	410,096	450,430	40,335	9.8%
5110.1000 - External Services / Professional Servi	3,165	43,994	40,829	1290.0%
5110.2000 - External Services / Contract Services	2,793,564	1,862,302	(931,262)	-33.3%
5111.0000 - Lease/Rental	135,435	188,874	53,440	39.5%
5115.3000 - Insurance / Property Insurance	93,471	109,177	15,706	16.8%
5115.3200 - Insurance / Injuries & Damages - Other	10,907	-	(10,907)	-100.0%
5115.3201 - Insurance / Injuries & Damages - Vehic	7,680	-	(7,680)	-100.0%
5116.0000 - Miscellaneous	264,678	302,901	38,223	14.4%

Historical Report #1
O&M's by Functional Area & Sub-Account
Actuals versus Budget - 2019

		Actuals	Budget	Variance	% Variance
Energy Supply	5117.0000 - Advertising Promo & PR	445,464	388,616	(56,849)	-12.8%
	5240.3000 - Employee Benefits / Other	24,508	14,935	(9,573)	-39.1%
	5800.0000 - Allocations	(952,067)	(947,646)	4,421	-0.5%
		33,523,386	34,642,310	1,118,924	3.3%
	4340.0000 - Gain from Disposition of Allowances	(16)	-	16	-100.0%
	5015.0000 - Pollution Control Equipment/Reagents	-	10,456	10,456	0.0%
	5015.1000 - Pollution Control Reagents / Lime - Co	-	8,653	8,653	0.0%
	5020.1000 - Water Supply / Chemicals	446,891	570,235	123,344	27.6%
	5020.1200 - Water Supply / Ash Handling - Plants O	513,113	504,532	(8,581)	-1.7%
	5020.2000 - Water Supply / Water Supply/Miscellane	40,910	51,657	10,747	26.3%
	5100.1100 - Labor / Operations	11,879,400	12,890,557	1,011,157	8.5%
	5100.1110 - Labor / Operations - Transfer To (out)	(102,802)	13,065	115,867	-112.7%
	5100.1120 - Labor / Operations - Transfer From (in	(385,738)	3,078	388,815	-100.8%
	5100.1200 - Labor / Maintenance	5,733,263	5,923,133	189,870	3.3%
	5100.1210 - Labor / Maintenance - Transfer To (out	(49,617)	941	50,558	-101.9%
	5100.1220 - Labor / Maintenance - Transfer From (i	(81,070)	-	81,070	-100.0%
	5100.1700 - Labor / Fuel Inventory	(24,912)	-	24,912	-100.0%
	5100.2100 - Labor / Offsetting Entry	221,113	-	(221,113)	-100.0%
	5100.2150 - Labor / Labor True-up	(41,864)	-	41,864	-100.0%
	5101.2500 - Employee Expense / Miscellaneous	155,102	311,707	156,605	101.0%
	5101.2600 - Employee Expense / Meals 50% Deductibl	25,540	13,081	(12,460)	-48.8%
	5101.2700 - Employee Expense / Meals	-	32,191	32,191	0.0%
	5102.0000 - Dues, Subscriptions & Books	429,210	448,288	19,078	4.4%
	5103.0000 - Travel	94,800	286,666	191,866	202.4%
	5105.0000 - Telephone/Communications	162,494	185,195	22,701	14.0%
	5106.1000 - Misc Office Expense / Postage & Shippi	11,729	39,914	28,185	240.3%
	5106.2000 - Misc Office Expense / Filing Fees & As	541,542	438,269	(103,273)	-19.1%
	5106.3000 - Misc Office Expense / Bank Service Cha	106	315	208	196.3%
	5106.4000 - Misc Office Expense / Other Misc Offic	46,091	66,140	20,049	43.5%
	5107.0000 - Materials & Operating Supplies	3,466,087	3,750,614	284,527	8.2%
5107.9999 - Materials & Operating Supplies / Invoi	-	110	110	0.0%	
5108.0000 - Building & Grounds	321,573	567,384	245,810	76.4%	
5109.0000 - Contract Services - Internal	359,361	360,633	1,272	0.4%	
5110.1000 - External Services / Professional Servi	440,550	317,512	(123,039)	-27.9%	
5110.2000 - External Services / Contract Services	8,604,685	6,619,421	(1,985,265)	-23.1%	
5111.0000 - Lease/Rental	658,321	644,701	(13,620)	-2.1%	
5115.3000 - Insurance / Property Insurance	592,995	442,035	(150,960)	-25.5%	
5116.0000 - Miscellaneous	14,640	31,736	17,097	116.8%	
5240.1000 - Employee Benefits / Insurance	(629,766)	-	629,766	-100.0%	
5240.2000 - Employee Benefits / Pension	-	8,442	8,442	0.0%	
5240.3000 - Employee Benefits / Other	79,653	101,650	21,997	27.6%	
Finance		13,688,267	10,510,951	(3,177,316)	-23.2%
	5100.1100 - Labor / Operations	14,351,192	11,008,305	(3,342,887)	-23.3%
	5100.1110 - Labor / Operations - Transfer To (out)	3,209	4,621	1,412	44.0%
	5100.1120 - Labor / Operations - Transfer From (in	(9,249)	-	9,249	-100.0%
	5100.1200 - Labor / Maintenance	(528,728)	(657,352)	(128,624)	24.3%
	5100.1210 - Labor / Maintenance - Transfer To (out	(296)	-	296	-100.0%
	5100.1220 - Labor / Maintenance - Transfer From (i	(102,360)	-	102,360	-100.0%
	5100.1300 - Labor / Construction	0	-	(0)	-100.0%
	5100.2100 - Labor / Offsetting Entry	(64,470)	-	64,470	-100.0%
	5100.2150 - Labor / Labor True-up	(136)	5,932	6,067	-4464.3%
	5101.2500 - Employee Expense / Miscellaneous	163,912	208,659	44,747	27.3%
	5101.2600 - Employee Expense / Meals 50% Deductibl	106,628	9,516	(97,112)	-91.1%
	5101.2700 - Employee Expense / Meals	-	23,204	23,204	0.0%
	5102.0000 - Dues, Subscriptions & Books	1,163,528	1,195,952	32,425	2.8%
	5103.0000 - Travel	(7,721,117)	(7,759,277)	(38,160)	0.5%
	5105.0000 - Telephone/Communications	63,656	150,460	86,804	136.4%
	5106.1000 - Misc Office Expense / Postage & Shippi	52,737	(3,759)	(56,496)	-107.1%
	5106.2000 - Misc Office Expense / Filing Fees & As	60,141	58,831	(1,310)	-2.2%
	5106.3000 - Misc Office Expense / Bank Service Cha	196,550	239,043	42,492	21.6%
	5106.4000 - Misc Office Expense / Other Misc Offic	272,117	264,073	(8,043)	-3.0%
	5107.0000 - Materials & Operating Supplies	(1,543,983)	(1,555,115)	(11,132)	0.7%
	5107.9999 - Materials & Operating Supplies / Invoi	-	(48)	(48)	0.0%
	5108.0000 - Building & Grounds	111,557	74,920	(36,637)	-32.8%
	5109.0000 - Contract Services - Internal	-	1,230	1,230	0.0%
	5110.1000 - External Services / Professional Servi	1,337,227	1,297,384	(39,843)	-3.0%
	5110.2000 - External Services / Contract Services	313,309	533,982	220,672	70.4%

Historical Report #1
O&M's by Functional Area & Sub-Account
Actuals versus Budget - 2019

	Actuals	Budget	Variance	% Variance
5111.0000 - Lease/Rental	43,946	130,483	86,537	196.9%
5115.3000 - Insurance / Property Insurance	1,355,847	1,284,670	(71,177)	-5.2%
5115.3100 - Insurance / Provision for Storm Reserv	719,085	1,025,000	305,915	42.5%
5115.3200 - Insurance / Injuries & Damages - Other	1,587,470	1,435,248	(152,222)	-9.6%
5116.0000 - Miscellaneous	781,666	870,553	88,888	11.4%
5117.0000 - Advertising Promo & PR	15,229	14,488	(741)	-4.9%
5118.0000 - Uncollectible Accts	1,061,402	997,500	(63,902)	-6.0%
5240.3000 - Employee Benefits / Other	2,827,263	2,486,344	(340,919)	-12.1%
5800.0000 - Allocations	(2,713,319)	(2,113,076)	600,243	-22.1%
5800.1000 - Allocations / CAPX 2020	(151,874)	(637,571)	(485,697)	319.8%
5800.2000 - Allocations / Standard Billings	(63,872)	(83,249)	(19,378)	30.3%
Human Resources - Safety	3,506,628	3,469,185	(37,442)	-1.1%
5100.1100 - Labor / Operations	1,511,113	1,425,881	(85,232)	-5.6%
5100.1110 - Labor / Operations - Transfer To (out)	7,228	4,267	(2,961)	-41.0%
5100.1120 - Labor / Operations - Transfer From (in	(1,003)	-	1,003	-100.0%
5100.1200 - Labor / Maintenance	-	-	-	0.0%
5100.2100 - Labor / Offsetting Entry	7,259	-	(7,259)	-100.0%
5100.2150 - Labor / Labor True-up	(444)	-	444	-100.0%
5101.2500 - Employee Expense / Miscellaneous	48,899	46,809	(2,090)	-4.3%
5101.2600 - Employee Expense / Meals 50% Deductibl	17,214	1,600	(15,614)	-90.7%
5101.2700 - Employee Expense / Meals	-	12,824	12,824	0.0%
5102.0000 - Dues, Subscriptions & Books	52,890	36,156	(16,734)	-31.6%
5103.0000 - Travel	38,395	39,948	1,553	4.0%
5105.0000 - Telephone/Communications	3,101	5,023	1,922	62.0%
5106.2000 - Misc Office Expense / Filing Fees & As	20	-	(20)	-100.0%
5106.4000 - Misc Office Expense / Other Misc Office	10,435	12,557	2,122	20.3%
5107.0000 - Materials & Operating Supplies	140,906	172,621	31,715	22.5%
5110.1000 - External Services / Professional Servi	84,017	40,000	(44,018)	-52.4%
5110.2000 - External Services / Contract Services	35,901	51,500	15,599	43.4%
5111.0000 - Lease/Rental	1,396	5,000	3,604	258.1%
5116.0000 - Miscellaneous	144,127	193,500	49,373	34.3%
5240.1000 - Employee Benefits / Insurance	-	0	0	0.0%
5240.2000 - Employee Benefits / Pension	1,124,115	1,256,000	131,885	11.7%
5240.3000 - Employee Benefits / Other	281,057	165,500	(115,557)	-41.1%
Information Technology	6,679,620	6,854,666	175,046	2.6%
5100.1100 - Labor / Operations	2,831,724	2,488,160	(343,565)	-12.1%
5100.1110 - Labor / Operations - Transfer To (out)	(5,585)	-	5,585	-100.0%
5100.1120 - Labor / Operations - Transfer From (in	(7,628)	-	7,628	-100.0%
5100.1200 - Labor / Maintenance	161,392	480,961	319,569	198.0%
5100.1220 - Labor / Maintenance - Transfer From (i	(1,449)	-	1,449	-100.0%
5100.2100 - Labor / Offsetting Entry	5,585	-	(5,585)	-100.0%
5100.2150 - Labor / Labor True-up	265	-	(265)	-100.0%
5101.2500 - Employee Expense / Miscellaneous	17,759	24,341	6,582	37.1%
5101.2600 - Employee Expense / Meals 50% Deductibl	9,653	5,272	(4,381)	-45.4%
5101.2700 - Employee Expense / Meals	-	11,304	11,304	0.0%
5102.0000 - Dues, Subscriptions & Books	1,503,089	1,293,501	(209,588)	-13.9%
5103.0000 - Travel	22,406	106,681	84,276	376.1%
5105.0000 - Telephone/Communications	1,350,929	1,460,065	109,135	8.1%
5106.1000 - Misc Office Expense / Postage & Shippi	64	328	264	410.0%
5106.2000 - Misc Office Expense / Filing Fees & As	10,045	13,342	3,297	32.8%
5106.3000 - Misc Office Expense / Bank Service Cha	10	18	8	74.4%
5106.4000 - Misc Office Expense / Other Misc Office	5,589	3,336	(2,253)	-40.3%
5107.0000 - Materials & Operating Supplies	276,092	564,211	288,119	104.4%
5108.0000 - Building & Grounds	8,825	10,456	1,631	18.5%
5110.1000 - External Services / Professional Servi	872	19,500	18,628	2137.3%
5110.2000 - External Services / Contract Services	416,187	305,636	(110,551)	-26.6%
5111.0000 - Lease/Rental	59,490	64,040	4,550	7.6%
5116.0000 - Miscellaneous	8,743	2,516	(6,226)	-71.2%
5240.3000 - Employee Benefits / Other	5,562	1,000	(4,562)	-82.0%
Public Relations	1,178,247	1,541,386	363,139	30.8%
5100.1100 - Labor / Operations	623,656	696,008	72,352	11.6%
5100.1110 - Labor / Operations - Transfer To (out)	(1,545)	-	1,545	-100.0%
5100.1120 - Labor / Operations - Transfer From (in	(93)	-	93	-100.0%
5100.1200 - Labor / Maintenance	10,359	6,862	(3,496)	-33.8%
5100.2100 - Labor / Offsetting Entry	2,082	-	(2,082)	-100.0%
5100.2150 - Labor / Labor True-up	30	-	(30)	-100.0%
5101.2500 - Employee Expense / Miscellaneous	10,572	11,850	1,278	12.1%

Historical Report #1
O&M's by Functional Area & Sub-Account
Actuals versus Budget - 2019

	Actuals	Budget	Variance	% Variance
5101.2600 - Employee Expense / Meals 50% Deductibl	1,922	-	(1,922)	-100.0%
5101.2700 - Employee Expense / Meals	-	2,030	2,030	0.0%
5102.0000 - Dues, Subscriptions & Books	5,131	49,400	44,269	862.8%
5103.0000 - Travel	6,068	5,300	(768)	-12.7%
5105.0000 - Telephone/Communications	2,850	3,600	750	26.3%
5106.3000 - Misc Office Expense / Bank Service Cha	21	-	(21)	-100.0%
5106.4000 - Misc Office Expense / Other Misc Offic	7,969	6,000	(1,969)	-24.7%
5107.0000 - Materials & Operating Supplies	(420)	800	1,220	-290.5%
5110.1000 - External Services / Professional Servi	212,172	259,100	46,928	22.1%
5116.0000 - Miscellaneous	8,026	32,400	24,374	303.7%
5117.0000 - Advertising Promo & PR	289,448	468,036	178,588	61.7%
Regulatory Affairs & Compliance	6,382,648	6,950,099	567,451	8.9%
5100.1100 - Labor / Operations	3,511,033	3,739,766	228,733	6.5%
5100.1110 - Labor / Operations - Transfer To (out)	(28,696)	275	28,971	-101.0%
5100.1120 - Labor / Operations - Transfer From (in	(32,126)	-	32,126	-100.0%
5100.2100 - Labor / Offsetting Entry	28,976	-	(28,976)	-100.0%
5100.2150 - Labor / Labor True-up	(1,504)	-	1,504	-100.0%
5101.2500 - Employee Expense / Miscellaneous	27,188	44,087	16,898	62.2%
5101.2600 - Employee Expense / Meals 50% Deductibl	9,920	10,124	204	2.1%
5101.2700 - Employee Expense / Meals	-	7,222	7,222	0.0%
5102.0000 - Dues, Subscriptions & Books	67,118	80,029	12,911	19.2%
5103.0000 - Travel	40,537	56,340	15,802	39.0%
5105.0000 - Telephone/Communications	7,343	8,087	744	10.1%
5106.1000 - Misc Office Expense / Postage & Shippi	608,837	675,891	67,054	11.0%
5106.2000 - Misc Office Expense / Filing Fees & As	912,523	847,582	(64,941)	-7.1%
5106.4000 - Misc Office Expense / Other Misc Offic	164,875	150,269	(14,607)	-8.9%
5107.0000 - Materials & Operating Supplies	97,090	157,536	60,446	62.3%
5107.9999 - Materials & Operating Supplies / Invoi	-	8,205	8,205	0.0%
5109.0000 - Contract Services - Internal	(4)	-	4	-100.0%
5110.1000 - External Services / Professional Servi	480,025	664,253	184,228	38.4%
5110.2000 - External Services / Contract Services	381,524	407,061	25,537	6.7%
5111.0000 - Lease/Rental	138,241	153,264	15,023	10.9%
5116.0000 - Miscellaneous	1,585	10,576	8,991	567.2%
5117.0000 - Advertising Promo & PR	10,000	26,400	16,400	164.0%
5240.3000 - Employee Benefits / Other	495	1,190	696	140.6%
5800.0000 - Allocations	(42,332)	(98,056)	(55,723)	131.6%
Grand Total	121,592,123	125,467,335	3,875,211	3.2%

Historical Report #1
O&M's by Functional Area & Sub-Account
Actuals/Forecasted versus Budget - 2020

	Forecast	Budget	Variance	% Variance
Asset Management	20,487,858	22,433,487	1,945,629	9.5%
5043.0000 - Non-RTO Tariff Expense-Transmission	(292,860)	(292,860)	-	0.0%
5044.0010 - SPP Transmission Expense / SPP Schedul	72,341	72,341	-	0.0%
5044.0015 - SPP Transmission Expense / SPP Schedul	162,132	162,132	-	0.0%
5044.0020 - SPP Transmission Expense / SPP Schedul	(0)		0	-100.0%
5044.0070 - SPP Transmission Expense / SPP Schedul	-	-	-	0.0%
5044.0080 - SPP Transmission Expense / SPP Schedul	(4,868)	-	4,868	-100.0%
5044.0120 - SPP Transmission Expense / SPP Schedul	15,468	15,468	-	0.0%
5045.0100 - MISO Tariff Expense / MISO Schedule 10	1,268,844	1,268,844	-	0.0%
5045.0110 - MISO Tariff Expense / MISO Schedule 11	1,980	1,980	0	0.0%
5100.1100 - Labor / Operations	8,897,824	9,400,166	502,342	5.6%
5100.1110 - Labor / Operations - Transfer To (out)	126	69	(56)	-44.7%
5100.1120 - Labor / Operations - Transfer From (in		-	-	0.0%
5100.1200 - Labor / Maintenance	4,586,083	5,034,481	448,398	9.8%
5100.1210 - Labor / Maintenance - Transfer To (out	197	-	(197)	-100.0%
5100.2150 - Labor / Labor True-up	(94,562)	-	94,562	-100.0%
5101.2500 - Employee Expense / Miscellaneous	148,034	177,123	29,089	19.6%
5101.2600 - Employee Expense / Meals 50% Deductibl	33,644	51,096	17,452	51.9%
5101.2700 - Employee Expense / Meals	12,027	21,536	9,509	79.1%
5102.0000 - Dues, Subscriptions & Books	469,623	521,876	52,253	11.1%
5103.0000 - Travel	443,789	575,545	131,756	29.7%
5105.0000 - Telephone/Communications	185,073	254,654	69,581	37.6%
5106.1000 - Misc Office Expense / Postage & Shippi	56,468	63,617	7,149	12.7%
5106.2000 - Misc Office Expense / Filing Fees & As	8,484	14,568	6,084	71.7%
5106.3000 - Misc Office Expense / Bank Service Cha	52	4	(48)	-92.6%
5106.4000 - Misc Office Expense / Other Misc Offic	49,232	68,439	19,207	39.0%
5107.0000 - Materials & Operating Supplies	679,599	612,436	(67,163)	-9.9%
5108.0000 - Building & Grounds	138,476	147,286	8,810	6.4%
5109.0000 - Contract Services - Internal	(370,248)	(369,636)	612	-0.2%
5110.1000 - External Services / Professional Servi	680,289	468,958	(211,331)	-31.1%
5110.2000 - External Services / Contract Services	3,106,816	3,881,600	774,784	24.9%
5111.0000 - Lease/Rental	115,568	118,103	2,535	2.2%
5116.0000 - Miscellaneous	40,398	46,312	5,915	14.6%
5117.0000 - Advertising Promo & PR	3,000	3,000	-	0.0%
5240.3000 - Employee Benefits / Other	84,620	124,522	39,902	47.2%
5800.0000 - Allocations	(9,790)	(10,174)	(384)	3.9%
Communications	1,884,380	1,628,725	(255,655)	-13.6%
5100.1100 - Labor / Operations	722,601	867,644	145,043	20.1%
5100.1110 - Labor / Operations - Transfer To (out)		-	-	0.0%
5100.1200 - Labor / Maintenance	6,853	8,729	1,876	27.4%
5100.2150 - Labor / Labor True-up	(6,532)	-	6,532	-100.0%
5101.2500 - Employee Expense / Miscellaneous	80	-	(80)	-100.0%
5101.2600 - Employee Expense / Meals 50% Deductibl	213	-	(213)	-100.0%
5101.2700 - Employee Expense / Meals		-	-	0.0%
5102.0000 - Dues, Subscriptions & Books	162,337	25,000	(137,337)	-84.6%
5103.0000 - Travel	582	3,152	2,570	442.0%
5105.0000 - Telephone/Communications	2,750	3,600	850	30.9%
5106.3000 - Misc Office Expense / Bank Service Cha	0	-	(0)	-100.0%
5106.4000 - Misc Office Expense / Other Misc Offic	4,268	-	(4,268)	-100.0%
5107.0000 - Materials & Operating Supplies	-	-	-	0.0%
5110.1000 - External Services / Professional Servi	566,353	438,942	(127,411)	-22.5%
5116.0000 - Miscellaneous	13,217	-	(13,217)	-100.0%
5117.0000 - Advertising Promo & PR	411,658	281,658	(130,000)	-31.6%
Customer Service	36,718,988	38,806,891	2,087,902	5.7%
5100.1100 - Labor / Operations	15,506,404	16,712,651	1,206,247	7.8%
5100.1200 - Labor / Maintenance	5,516,444	6,032,463	516,019	9.4%
5100.1210 - Labor / Maintenance - Transfer To (out	266	134	(132)	-49.6%
5100.1230 - Labor / Fleet Mtce-Transfer to ac 5103	548,103	-	(548,103)	-100.0%
5100.2100 - Labor / Offsetting Entry	(548,103)	-	548,103	-100.0%
5100.2150 - Labor / Labor True-up	(174,725)	44,343	219,069	-125.4%
5101.2500 - Employee Expense / Miscellaneous	155,628	236,459	80,832	51.9%
5101.2600 - Employee Expense / Meals 50% Deductibl	71,417	61,747	(9,670)	-13.5%
5101.2700 - Employee Expense / Meals	45,078	111,735	66,656	147.9%
5102.0000 - Dues, Subscriptions & Books	296,619	253,890	(42,728)	-14.4%
5103.0000 - Travel	8,046,681	8,632,363	585,682	7.3%
5103.1000 - Travel / Vehicle Depreciation	2,000,865	1,821,025	(179,840)	-9.0%
5105.0000 - Telephone/Communications	299,095	322,239	23,144	7.7%
5106.1000 - Misc Office Expense / Postage & Shippi	36,938	42,568	5,629	15.2%
5106.2000 - Misc Office Expense / Filing Fees & As	6,470	5,782	(688)	-10.6%

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	Forecast	Budget	Variance	% Variance		
Energy Supply	5106.3000 - Misc Office Expense / Bank Service Cha	(7,432)	7,350	-98.9%		
	5106.4000 - Misc Office Expense / Other Misc Offic	113,357	107,019	(6,338)	-5.6%	
	5107.0000 - Materials & Operating Supplies	1,328,278	1,396,117	67,839	5.1%	
	5108.0000 - Building & Grounds	588,700	452,302	(136,398)	-23.2%	
	5110.1000 - External Services / Professional Servi	154,486	52,227	(102,259)	-66.2%	
	5110.2000 - External Services / Contract Services	2,732,258	2,597,478	(134,780)	-4.9%	
	5111.0000 - Lease/Rental	169,696	180,889	11,193	6.6%	
	5115.3000 - Insurance / Property Insurance	95,039	95,750	711	0.7%	
	5115.3200 - Insurance / Injuries & Damages - Other	3,606	-	(3,606)	-100.0%	
	5115.3201 - Insurance / Injuries & Damages - Vehic	5,000	-	(5,000)	-100.0%	
	5116.0000 - Miscellaneous	314,158	304,988	(9,170)	-2.9%	
	5117.0000 - Advertising Promo & PR	387,495	272,730	(114,764)	-29.6%	
	5240.3000 - Employee Benefits / Other	17,064	15,476	(1,588)	-9.3%	
	5800.0000 - Allocations	(989,895)	(945,403)	44,492	-4.5%	
		31,826,491	35,019,710	3,193,220	10.0%	
		4340.0000 - Gain from Disposition of Allowances	(6)	6	-100.0%	
		5015.0000 - Pollution Control Equipment/Reagents	214	356	166.7%	
		5015.1000 - Pollution Control Reagents / Lime - Co	-	-	0.0%	
		5020.1000 - Water Supply / Chemicals	467,051	617,017	149,966	32.1%
		5020.1200 - Water Supply / Ash Handling - Plants O	498,766	532,272	33,506	6.7%
	5020.2000 - Water Supply / Water Supply/Miscellane	53,013	53,642	630	1.2%	
	5100.1100 - Labor / Operations	12,529,226	13,692,627	1,163,400	9.3%	
	5100.1110 - Labor / Operations - Transfer To (out)	(38,783)	12,283	51,066	-131.7%	
	5100.1120 - Labor / Operations - Transfer From (in	(223,433)	1,133	224,566	-100.5%	
	5100.1200 - Labor / Maintenance	5,018,279	6,224,931	1,206,652	24.0%	
	5100.1210 - Labor / Maintenance - Transfer To (out	(32,175)	557	32,731	-101.7%	
	5100.1220 - Labor / Maintenance - Transfer From (i	(8,441)	-	8,441	-100.0%	
	5100.1300 - Labor / Construction	(0)	-	0	-100.0%	
	5100.1700 - Labor / Fuel Inventory	(18,786)	-	18,786	-100.0%	
	5100.2100 - Labor / Offsetting Entry	113,370	-	(113,370)	-100.0%	
	5100.2150 - Labor / Labor True-up	(93,685)	1,859	95,545	-102.0%	
	5101.2500 - Employee Expense / Miscellaneous	115,150	255,940	140,790	122.3%	
	5101.2600 - Employee Expense / Meals 50% Deductibl	10,912	10,878	(34)	-0.3%	
	5101.2700 - Employee Expense / Meals	6,910	24,437	17,527	253.6%	
	5102.0000 - Dues, Subscriptions & Books	437,128	372,650	(64,478)	-14.8%	
	5103.0000 - Travel	104,628	187,004	82,375	78.7%	
	5105.0000 - Telephone/Communications	181,651	152,196	(29,454)	-16.2%	
	5106.1000 - Misc Office Expense / Postage & Shippi	12,153	30,835	18,681	153.7%	
	5106.2000 - Misc Office Expense / Filing Fees & As	688,341	664,778	(23,563)	-3.4%	
	5106.3000 - Misc Office Expense / Bank Service Cha	222	652	430	194.1%	
	5106.4000 - Misc Office Expense / Other Misc Offic	36,201	66,450	30,249	83.6%	
	5107.0000 - Materials & Operating Supplies	2,431,469	3,217,919	786,450	32.3%	
	5107.9999 - Materials & Operating Supplies / Invoi	234	86	(148)	-63.1%	
	5108.0000 - Building & Grounds	349,777	619,278	269,501	77.0%	
	5109.0000 - Contract Services - Internal	368,386	364,661	(3,726)	-1.0%	
	5110.1000 - External Services / Professional Servi	527,980	230,744	(297,236)	-56.3%	
	5110.2000 - External Services / Contract Services	6,630,022	6,034,606	(595,416)	-9.0%	
	5111.0000 - Lease/Rental	856,701	919,220	62,519	7.3%	
	5115.3000 - Insurance / Property Insurance	537,229	633,827	96,598	18.0%	
	5116.0000 - Miscellaneous	7,929	9,343	1,414	17.8%	
	5120.2000 - Facility Service Agreement Expenses /	168,795	-	(168,795)	-100.0%	
	5240.1000 - Employee Benefits / Insurance	-	-	-	0.0%	
	5240.2000 - Employee Benefits / Pension	-	5,760	5,760	0.0%	
	5240.3000 - Employee Benefits / Other	90,062	81,556	(8,506)	-9.4%	
Finance		16,009,478	7,309,758	(8,699,720)	-54.3%	
	5100.1100 - Labor / Operations	13,703,294	10,559,030	(3,144,264)	-22.9%	
	5100.1110 - Labor / Operations - Transfer To (out)	(46,045)	4,713	50,758	-110.2%	
	5100.1120 - Labor / Operations - Transfer From (in	(10,000)	-	10,000	-100.0%	
	5100.1200 - Labor / Maintenance	(795,020)	(846,977)	(51,958)	6.5%	
	5100.1210 - Labor / Maintenance - Transfer To (out	142	-	(142)	-100.0%	
	5100.1220 - Labor / Maintenance - Transfer From (i	(9,914)	-	9,914	-100.0%	
	5100.2100 - Labor / Offsetting Entry	9,167	-	(9,167)	-100.0%	
	5100.2150 - Labor / Labor True-up	(396,790)	5,183	401,973	-101.3%	
	5101.2500 - Employee Expense / Miscellaneous	54,116	206,509	152,393	281.6%	
	5101.2600 - Employee Expense / Meals 50% Deductibl	45,287	38,592	(6,695)	-14.8%	
	5101.2700 - Employee Expense / Meals	3,584	39,491	35,907	1001.8%	
	5102.0000 - Dues, Subscriptions & Books	1,330,999	1,211,836	(119,163)	-9.0%	
	5103.0000 - Travel	(8,074,536)	(9,171,523)	(1,096,987)	13.6%	
	5105.0000 - Telephone/Communications	70,370	136,481	66,111	93.9%	

Historical Report #1
O&M's by Functional Area & Sub-Account
Actuals/Forecasted versus Budget - 2020

	Forecast	Budget	Variance	% Variance
5106.1000 - Misc Office Expense / Postage & Shippi	59,246	(3,869)	(63,115)	-106.5%
5106.2000 - Misc Office Expense / Filing Fees & As	81,184	90,460	9,276	11.4%
5106.3000 - Misc Office Expense / Bank Service Cha	228,097	240,522	12,425	5.4%
5106.4000 - Misc Office Expense / Other Misc Offic	244,043	260,890	16,846	6.9%
5107.0000 - Materials & Operating Supplies	(2,333,588)	(2,399,064)	(65,476)	2.8%
5107.9999 - Materials & Operating Supplies / Invoi	266	-	(266)	-100.0%
5108.0000 - Building & Grounds	144,452	(32,153)	(176,606)	-122.3%
5110.1000 - External Services / Professional Servi	1,346,204	1,115,415	(230,789)	-17.1%
5110.2000 - External Services / Contract Services	517,138	198,830	318,308	62.5%
5111.0000 - Lease/Rental	69,005	123,129	54,124	78.4%
5115.3000 - Insurance / Property Insurance	1,460,632	1,505,510	44,878	3.1%
5115.3100 - Insurance / Provision for Storm Reserv	1,094,829	1,045,500	(49,330)	-4.5%
5115.3200 - Insurance / Injuries & Damages - Other	1,391,949	1,500,068	108,119	7.8%
5116.0000 - Miscellaneous	4,328,397	752,828	(3,575,568)	-82.6%
5117.0000 - Advertising Promo & PR	6,101	14,555	8,454	138.6%
5118.0000 - Uncollectible Accts	2,333,979	1,015,950	(1,318,029)	-56.5%
5240.3000 - Employee Benefits / Other	2,482,150	2,270,119	(212,031)	-8.5%
5800.0000 - Allocations	(2,790,651)	(2,155,337)	635,314	-22.8%
5800.1000 - Allocations / CAPX 2020	(241,183)	(650,322)	(409,139)	169.6%
5800.2000 - Allocations / Standard Billings	(98,598)	(84,914)	13,684	-13.9%
Human Resources - Safety	3,181,789	3,469,797	288,008	9.1%
5100.1100 - Labor / Operations	1,798,074	1,624,567	(173,506)	-9.6%
5100.1110 - Labor / Operations - Transfer To (out)	12,240	4,352	(7,888)	-64.4%
5100.1120 - Labor / Operations - Transfer From (in	(51,170)		51,170	-100.0%
5100.2150 - Labor / Labor True-up	7,307	-	(7,307)	-100.0%
5101.2500 - Employee Expense / Miscellaneous	31,965	47,745	15,780	49.4%
5101.2600 - Employee Expense / Meals 50% Deductibl	7,224	1,632	(5,592)	-77.4%
5101.2700 - Employee Expense / Meals	2,138	13,080	10,942	511.9%
5102.0000 - Dues, Subscriptions & Books	57,295	61,879	4,585	8.0%
5103.0000 - Travel	18,217	32,247	14,029	77.0%
5105.0000 - Telephone/Communications	3,263	5,122	1,859	57.0%
5106.2000 - Misc Office Expense / Filing Fees & As		-	-	0.0%
5106.4000 - Misc Office Expense / Other Misc Offic	6,796	12,808	6,012	88.5%
5107.0000 - Materials & Operating Supplies	175,684	176,074	390	0.2%
5110.1000 - External Services / Professional Servi	27,701	35,799	8,098	29.2%
5110.2000 - External Services / Contract Services	52,525	52,530	5	0.0%
5111.0000 - Lease/Rental	-	5,100	5,100	0.0%
5116.0000 - Miscellaneous	95,321	129,052	33,731	35.4%
5240.1000 - Employee Benefits / Insurance	(4,894)	-	4,894	-100.0%
5240.2000 - Employee Benefits / Pension	783,514	1,111,000	327,486	41.8%
5240.3000 - Employee Benefits / Other	158,589	156,810	(1,780)	-1.1%
Information Technology	6,261,642	6,609,703	348,061	5.6%
5100.1100 - Labor / Operations	2,790,769	2,705,897	(84,872)	-3.0%
5100.1200 - Labor / Maintenance	229,854	237,065	7,212	3.1%
5100.1210 - Labor / Maintenance - Transfer To (out	130		(130)	-100.0%
5100.2150 - Labor / Labor True-up	(26,309)	-	26,309	-100.0%
5101.2500 - Employee Expense / Miscellaneous	2,935	96,587	93,652	3190.5%
5101.2600 - Employee Expense / Meals 50% Deductibl	1,718	5,192	3,475	202.3%
5101.2700 - Employee Expense / Meals	59	604	545	926.0%
5102.0000 - Dues, Subscriptions & Books	1,377,969	1,589,168	211,199	15.3%
5103.0000 - Travel	43,451	87,807	44,357	102.1%
5105.0000 - Telephone/Communications	1,242,915	1,285,670	42,755	3.4%
5106.1000 - Misc Office Expense / Postage & Shippi	(122)	328	450	-368.8%
5106.2000 - Misc Office Expense / Filing Fees & As	555	13,342	12,787	2303.9%
5106.3000 - Misc Office Expense / Bank Service Cha	-	18	18	0.0%
5106.4000 - Misc Office Expense / Other Misc Offic	6,774	1,364	(5,411)	-79.9%
5107.0000 - Materials & Operating Supplies	128,202	48,098	(80,103)	-62.5%
5108.0000 - Building & Grounds	18,449	11,762	(6,687)	-36.2%
5110.1000 - External Services / Professional Servi		-	-	0.0%
5110.2000 - External Services / Contract Services	358,716	439,330	80,614	22.5%
5111.0000 - Lease/Rental	85,016	70,804	(14,212)	-16.7%
5116.0000 - Miscellaneous	86	15,416	15,330	17913.6%
5240.3000 - Employee Benefits / Other	476	1,250	774	162.6%
Regulatory Affairs & Compliance	6,442,957	6,411,251	(31,706)	-0.5%
5100.1100 - Labor / Operations	3,700,504	3,852,043	151,539	4.1%
5100.1110 - Labor / Operations - Transfer To (out)	147	281	134	90.7%
5100.2150 - Labor / Labor True-up	(18,123)	-	18,123	-100.0%
5101.2500 - Employee Expense / Miscellaneous	(3,250)	25,335	28,585	-879.5%
5101.2600 - Employee Expense / Meals 50% Deductibl	2,868	9,907	7,039	245.4%

Historical Report #1
O&M's by Functional Area & Sub-Account
Actuals/Forecasted versus Budget - 2020

	Forecast	Budget	Variance	% Variance
5101.2700 - Employee Expense / Meals	929	3,403	2,474	266.4%
5102.0000 - Dues, Subscriptions & Books	77,491	73,945	(3,546)	-4.6%
5103.0000 - Travel	20,452	47,652	27,200	133.0%
5105.0000 - Telephone/Communications	6,621	7,802	1,182	17.8%
5106.1000 - Misc Office Expense / Postage & Shippi	688,527	706,108	17,581	2.6%
5106.2000 - Misc Office Expense / Filing Fees & As	835,719	745,476	(90,243)	-10.8%
5106.3000 - Misc Office Expense / Bank Service Cha	3		(3)	-100.0%
5106.4000 - Misc Office Expense / Other Misc Offic	143,469	167,382	23,913	16.7%
5107.0000 - Materials & Operating Supplies	170,841	163,037	(7,804)	-4.6%
5107.9999 - Materials & Operating Supplies / Invoi	7,491	8,205	714	9.5%
5109.0000 - Contract Services - Internal		-	-	0.0%
5110.1000 - External Services / Professional Servi	386,882	138,289	(248,593)	-64.3%
5110.2000 - External Services / Contract Services	362,284	391,163	28,879	8.0%
5111.0000 - Lease/Rental	122,894	162,592	39,698	32.3%
5116.0000 - Miscellaneous	1,213	2,155	943	77.7%
5117.0000 - Advertising Promo & PR	10,000	10,000	-	0.0%
5240.3000 - Employee Benefits / Other	500	500	-	0.0%
5800.0000 - Allocations	(74,503)	(104,024)	(29,521)	39.6%
Grand Total	122,813,584	121,689,322	(1,124,261)	-0.9%

Historical Report #2
O&M's by Functional Area & FERC Account
Actuals/Forecasted versus Budget - 2018

	Actuals	Budget	Variance	% Variance
Asset Management	22,959,288	26,389,598	3,430,310	14.9%
5000 - Steam Power Generation - Operation supervision and engineering	2,841	19,395	16,553	582.6%
5010 - Steam Power Generation - Fuel	512	3,302	2,790	545.4%
5020 - Steam Power Generation - Steam expenses	845	282	(563)	-66.6%
5060 - Steam Power Generation - Miscellaneous steam power expenses	1,248	-	(1,248)	-100.0%
5100 - Steam Power Generation - Maintenance supervision and engineering	-	3,037	3,037	0.0%
5110 - Steam Power Generation - Maintenance of structures	2,399	2,408	10	0.4%
5120 - Steam Power Generation - Maintenance of boiler plant	178	141	(36)	-20.4%
5130 - Steam Power Generation - Maintenance of electric plant	243	9,838	9,595	3941.6%
5140 - Steam Power Generation - Maintenance of miscellaneous steam plant	-	729	729	0.0%
5370 - Hydraulic Power Generation - Hydraulic Expenses	1,068	1,463	395	37.0%
5390 - Hydraulic Power Generation - Miscellaneous hydraulic power generation expen	929	-	(929)	-100.0%
5430 - Hydraulic Power Generation - Maintenance of reservoirs, dams and waterways	2,151	3,823	1,672	77.7%
5440 - Hydraulic Power Generation - Maintenance of electric plant	-	1,462	1,462	0.0%
5480 - Other Power Generation - Generation Expenses	428	3,593	3,165	738.9%
5490 - Other Power Generation - Miscellaneous other power generation expenses	13,399	71,988	58,589	437.3%
5530 - Other Power Generation - Maintenance of generating and electric plant	1,225	9,152	7,927	647.0%
5540 - Other Power Generation - Maintenance of miscellaneous other power generati	3,077	-	(3,077)	-100.0%
5560 - Other Power Supply Expenses - System control and load dispatching	(39,815)	204,184	243,999	-612.8%
5600 - Transmission Expenses - Operation supervision and engineering	442,654	584,851	142,198	32.1%
5611 - Transmission Expenses - Load dispatch - reliability	78,097	84,575	6,478	8.3%
5612 - Transmission Expenses - Load dispatch - monitor and operate transmission syst	2,359,557	2,849,805	490,248	20.8%
5614 - Transmission Expenses - Scheduling, system control, and dispatching services	986,303	997,846	11,543	1.2%
5615 - Transmission Expenses - Reliability, planning, and standards development	598,527	773,765	175,238	29.3%
5616 - Transmission Expenses - Transmission service studies	550	3,781	3,231	587.3%
5620 - Transmission Expenses - Station expenses	312,751	329,742	16,991	5.4%
5630 - Transmission Expenses - Overhead line expenses	538,158	310,475	(227,683)	-42.3%
5650 - Transmission Expenses - Transmission of electricity by others	150,015	25,551	(124,464)	-83.0%
5660 - Transmission Expenses - Miscellaneous transmission expenses	755,630	1,969,215	1,213,585	160.6%
5670 - Transmission Expenses - Rents	19,643	17,244	(2,399)	-12.2%
5680 - Transmission Expenses - Maintenance supervision and engineering	146,546	173,774	27,228	18.6%
5692 - Transmission Expenses - Maintenance of computer software	541,044	813,929	272,885	50.4%
5700 - Transmission Expenses - Maintenance of station equipment	1,368,807	1,444,157	75,350	5.5%
5710 - Transmission Expenses - Maintenance of overhead lines	1,594,363	2,152,233	557,870	35.0%
5763 - Regional Market Expenses - Maintenance of computer software	53,443	34,795	(18,647)	-34.9%
5800 - Distribution Expenses - Operation supervision and engineering	375,643	289,770	(85,873)	-22.9%
5810 - Distribution Expenses - Load Dispatching	169,718	234,225	64,507	38.0%
5820 - Distribution Expenses - Station expenses	161,840	150,708	(11,133)	-6.9%
5830 - Distribution Expenses - Overhead line expenses	233,865	283,546	49,681	21.2%
5840 - Distribution Expenses - Underground line expenses	8,433	3,377	(5,056)	-60.0%
5860 - Distribution Expenses - Meter expenses	890,698	1,063,860	173,162	19.4%
5870 - Distribution Expenses - Customer installation expenses	144,389	206,207	61,819	42.8%
5880 - Distribution Expenses - Miscellaneous distribution expenses	1,152,208	1,112,428	(39,780)	-3.5%
5890 - Distribution Expenses - Rents	89,505	83,686	(5,819)	-6.5%
5900 - Distribution Expenses - Maintenance supervision and engineering	343,594	379,504	35,910	10.5%
5920 - Distribution Expenses - Maintenance of station equipment	750,441	602,612	(147,829)	-19.7%
5930 - Distribution Expenses - Maintenance of overhead lines	3,546,353	3,586,571	40,219	1.1%
5940 - Distribution Expenses - Maintenance of underground lines	21,092	36,606	15,515	73.6%
5950 - Distribution Expenses - Maintenance of line transformers	109,398	51,217	(58,181)	-53.2%
5960 - Distribution Expenses - Maintenance of street lighting and signal systems	3,557	38,223	34,666	974.6%
5970 - Distribution Expenses - Maintenance of meters	889,906	758,784	(131,122)	-14.7%
5980 - Distribution Expenses - Maintenance of miscellaneous distribution plant	149,174	121,175	(27,999)	-18.8%
9020 - Customer Accounts Expenses - Meter reading expenses	271	554	283	104.2%
9030 - Customer Accounts Expenses - Customer records and collection expenses	6,465	-	(6,465)	-100.0%
9050 - Customer Accounts Expenses - Miscellaneous customer accounts expenses	-	117	117	0.0%
9070 - Customer Service and Informational Expenses - Supervision	406	671	266	65.5%
9080 - Customer Service and Informational Expenses - Customer assistance expenses	-	3,351	3,351	0.0%
9100 - Customer Service and Informational Expenses - Miscellaneous customer service	48,581	50,278	1,698	3.5%
9200 - Administrative and general salaries	1,658,972	1,383,941	(275,031)	-16.6%
9210 - Office supplies and expenses	197,930	725,556	527,626	266.6%
9220 - Administrative expenses transferred -- Credit	0	0	(0)	-94.8%
9230 - Outside services employed	13,668	3,083	(10,585)	-77.4%
9240 - Property insurance	300	309	9	3.0%
9250 - Injuries and damages	6,872	11,869	4,997	72.7%
9260 - Employee pensions and benefits	182,815	153,446	(29,369)	-16.1%
9280 - Regulatory commission expenses	484,686	802,063	317,377	65.5%
9301 - General advertising expenses	2,555	1,680	(875)	-34.2%
9302 - Miscellaneous general expenses	429,665	24,061	(405,604)	-94.4%
9310 - Administrative and General Expenses - Rents	4,317	2,114	(2,203)	-51.0%
9350 - Maintenance of general plant	944,725	1,323,468	378,744	40.1%
5617 - Transmission Expenses - Generation interconnection studies	616	-	(616)	-100.0%
5400 - Hydraulic Power Generation - Rents	(185)	-	185	-100.0%
Customer Service	36,268,838	38,346,425	2,077,587	5.7%
5050 - Steam Power Generation - Electric expenses	-	14,014	14,014	0.0%
5060 - Steam Power Generation - Miscellaneous steam power expenses	783	-	(783)	-100.0%
5120 - Steam Power Generation - Maintenance of boiler plant	-	109	109	0.0%

Historical Report #2
O&M's by Functional Area & FERC Account
Actuals/Forecasted versus Budget - 2018

	Actuals	Budget	Variance	% Variance
5130 - Steam Power Generation - Maintenance of electric plant	-	15,014	15,014	0.0%
5140 - Steam Power Generation - Maintenance of miscellaneous steam plant	58,125	76,051	17,926	30.8%
5370 - Hydraulic Power Generation - Hydraulic Expenses	1,142	1,502	359	31.4%
5380 - Hydraulic Power Generation - Electric Expenses	1,881	210	(1,671)	-88.8%
5460 - Other Power Generation - Operation supervision and engineering	13	14,135	14,123	111996.1%
5480 - Other Power Generation - Generation Expenses	4,487	28,821	24,333	542.3%
5490 - Other Power Generation - Miscellaneous other power generation expenses	-	26	26	0.0%
5530 - Other Power Generation - Maintenance of generating and electric plant	31,584	52,573	20,989	66.5%
5540 - Other Power Generation - Maintenance of miscellaneous other power generati	29,600	19,814	(9,786)	-33.1%
5560 - Other Power Supply Expenses - System control and load dispatching	74	-	(74)	-100.0%
5612 - Transmission Expenses - Load dispatch - monitor and operate transmission syst	2,654	1,196	(1,458)	-54.9%
5615 - Transmission Expenses - Reliability, planning, and standards development	-	18,955	18,955	0.0%
5620 - Transmission Expenses - Station expenses	30,115	46,162	16,047	53.3%
5630 - Transmission Expenses - Overhead line expenses	-	18,124	18,124	0.0%
5650 - Transmission Expenses - Transmission of electricity by others	2,815	3,697	882	31.3%
5660 - Transmission Expenses - Miscellaneous transmission expenses	21,145	32,524	11,379	53.8%
5670 - Transmission Expenses - Rents	116	228	112	96.3%
5680 - Transmission Expenses - Maintenance supervision and engineering	159,975	135,280	(24,695)	-15.4%
5693 - Transmission Expenses - Maintenance of communication equipment	595	-	(595)	-100.0%
5700 - Transmission Expenses - Maintenance of station equipment	25,749	20,543	(5,206)	-20.2%
5710 - Transmission Expenses - Maintenance of overhead lines	436,493	449,238	12,746	2.9%
5800 - Distribution Expenses - Operation supervision and engineering	45,417	93,249	47,833	105.3%
5810 - Distribution Expenses - Load Dispatching	45,504	49,035	3,531	7.8%
5820 - Distribution Expenses - Station expenses	142,036	147,459	5,423	3.8%
5830 - Distribution Expenses - Overhead line expenses	154,510	101,480	(53,031)	-34.3%
5840 - Distribution Expenses - Underground line expenses	1,988,421	1,529,398	(459,023)	-23.1%
5850 - Distribution Expenses - Street lighting and signal system expenses	97	1,588	1,491	1530.7%
5860 - Distribution Expenses - Meter expenses	631,152	785,760	154,608	24.5%
5870 - Distribution Expenses - Customer installation expenses	15,063	99,179	84,116	558.4%
5880 - Distribution Expenses - Miscellaneous distribution expenses	2,941,502	1,998,434	(943,068)	-32.1%
5890 - Distribution Expenses - Rents	91,700	125,433	33,733	36.8%
5900 - Distribution Expenses - Maintenance supervision and engineering	946,816	695,300	(251,516)	-26.6%
5920 - Distribution Expenses - Maintenance of station equipment	95,596	180,940	85,344	89.3%
5930 - Distribution Expenses - Maintenance of overhead lines	3,596,235	3,960,414	364,179	10.1%
5940 - Distribution Expenses - Maintenance of underground lines	988,711	1,153,783	165,073	16.7%
5960 - Distribution Expenses - Maintenance of street lighting and signal systems	1,133,517	1,194,434	60,918	5.4%
5970 - Distribution Expenses - Maintenance of meters	630	37	(593)	-94.1%
9010 - Customer Accounts Expenses - Supervision	29,891	225,048	195,158	652.9%
9020 - Customer Accounts Expenses - Meter reading expenses	6,265,025	5,509,437	(755,588)	-12.1%
9030 - Customer Accounts Expenses - Customer records and collection expenses	4,199,449	6,094,247	1,894,797	45.1%
9050 - Customer Accounts Expenses - Miscellaneous customer accounts expenses	551,150	518,510	(32,640)	-5.9%
9070 - Customer Service and Informational Expenses - Supervision	376,356	668,587	292,231	77.6%
9080 - Customer Service and Informational Expenses - Customer assistance expenses	1,025,102	1,411,596	386,494	37.7%
9090 - Customer Service and Informational Expenses - Informational and instructional	47,830	58,988	11,158	23.3%
9120 - Sales Expenses - Demonstrating and selling expenses	227,320	327,364	100,044	44.0%
9130 - Sales Expenses - Advertising expenses	250	1,186	936	374.4%
9160 - Sales Expenses - Miscellaneous sales expenses	722	3,698	2,976	412.2%
9200 - Administrative and general salaries	2,268,377	2,196,341	(72,037)	-3.2%
9210 - Office supplies and expenses	(311,422)	(189,269)	122,153	-39.2%
9230 - Outside services employed	1,473	28,941	27,469	1865.4%
9250 - Injuries and damages	147,339	146,093	(1,246)	-0.8%
9260 - Employee pensions and benefits	13,114	43,699	30,585	233.2%
9280 - Regulatory commission expenses	2,385	1,212	(1,173)	-49.2%
9301 - General advertising expenses	134,208	176,756	42,547	31.7%
9302 - Miscellaneous general expenses	72,231	17,542	(54,689)	-75.7%
9310 - Administrative and General Expenses - Rents	47,430	65,243	17,814	37.6%
9350 - Maintenance of general plant	7,444,022	7,946,399	502,377	6.7%
9110 - Sales Expenses - Supervision	96,952	30,668	(66,284)	-68.4%
5720 - Transmission Expenses - Maintenance of underground lines	5,382	-	(5,382)	-100.0%
Energy Supply	36,473,122	37,919,682	1,446,560	4.0%
5000 - Steam Power Generation - Operation supervision and engineering	1,367,244	1,938,996	571,752	41.8%
5010 - Steam Power Generation - Fuel	524,226	555,125	30,899	5.9%
5020 - Steam Power Generation - Steam expenses	4,198,933	3,842,119	(356,814)	-8.5%
5050 - Steam Power Generation - Electric expenses	2,762,237	2,791,999	29,763	1.1%
5060 - Steam Power Generation - Miscellaneous steam power expenses	5,235,331	4,977,740	(257,591)	-4.9%
5070 - Steam Power Generation - Rents	7,828	376	(7,453)	-95.2%
5100 - Steam Power Generation - Maintenance supervision and engineering	954,793	1,005,225	50,432	5.3%
5110 - Steam Power Generation - Maintenance of structures	988,677	962,533	(26,144)	-2.6%
5120 - Steam Power Generation - Maintenance of boiler plant	9,008,867	8,962,535	(46,332)	-0.5%
5130 - Steam Power Generation - Maintenance of electric plant	2,243,922	2,200,007	(43,915)	-2.0%
5140 - Steam Power Generation - Maintenance of miscellaneous steam plant	972,317	1,722,650	750,333	77.2%
5350 - Hydraulic Power Generation - Operation supervision and engineering	26,144	22,552	(3,592)	-13.7%
5370 - Hydraulic Power Generation - Hydraulic Expenses	11,622	9,927	(1,695)	-14.6%
5380 - Hydraulic Power Generation - Electric Expenses	31,360	113,095	81,735	260.6%
5390 - Hydraulic Power Generation - Miscellaneous hydraulic power generation expen	12,928	6,949	(5,978)	-46.2%
5410 - Hydraulic Power Generation - Maintenance supervision and engineering	2,731	2,943	212	7.8%

Historical Report #2
O&M's by Functional Area & FERC Account
Actuals/Forecasted versus Budget - 2018

	Actuals	Budget	Variance	% Variance
5420 - Hydraulic Power Generation - Maintenance of structures	12,239	7,607	(4,632)	-37.8%
5430 - Hydraulic Power Generation - Maintenance of reservoirs, dams and waterways	219,533	273,710	54,176	24.7%
5440 - Hydraulic Power Generation - Maintenance of electric plant	907	16,586	15,679	1729.3%
5450 - Hydraulic Power Generation - Maintenance of miscellaneous hydraulic plant	38	1,674	1,637	4335.6%
5460 - Other Power Generation - Operation supervision and engineering	292,003	194,534	(97,468)	-33.4%
5480 - Other Power Generation - Generation Expenses	2,235,911	2,601,756	365,844	16.4%
5490 - Other Power Generation - Miscellaneous other power generation expenses	716,036	923,528	207,492	29.0%
5500 - Other Power Generation - Rents	605,389	613,105	7,716	1.3%
5510 - Other Power Generation - Maintenance supervision and engineering	71,682	38,404	(33,278)	-46.4%
5520 - Other Power Generation - Maintenance of structures	37,457	40,702	3,245	8.7%
5530 - Other Power Generation - Maintenance of generating and electric plant	643,645	653,977	10,333	1.6%
5540 - Other Power Generation - Maintenance of miscellaneous other power generati	17,890	83,296	65,406	365.6%
5560 - Other Power Supply Expenses - System control and load dispatching	362,255	356,743	(5,512)	-1.5%
5570 - Other Power Supply Expenses - Other Expenses	44,868	251,592	206,724	460.7%
5600 - Transmission Expenses - Operation supervision and engineering	3,199	7,031	3,832	119.8%
5612 - Transmission Expenses - Load dispatch - monitor and operate transmission syst	653	10,121	9,468	1450.1%
5660 - Transmission Expenses - Miscellaneous transmission expenses	(735)	250	985	-134.1%
5670 - Transmission Expenses - Rents	20,364	17,500	(2,864)	-14.1%
5700 - Transmission Expenses - Maintenance of station equipment	-	13,475	13,475	0.0%
5710 - Transmission Expenses - Maintenance of overhead lines	-	480	480	0.0%
5752 - Regional Market Expenses - Day-ahead and real-time market administration	793,616	518,521	(275,095)	-34.7%
5753 - Regional Market Expenses - Transmission rights market administration	2,851	76,017	73,166	2566.8%
5763 - Regional Market Expenses - Maintenance of computer software	227,601	200,699	(26,902)	-11.8%
5800 - Distribution Expenses - Operation supervision and engineering	11,423	13,060	1,636	14.3%
5870 - Distribution Expenses - Customer installation expenses	316	-	(316)	-100.0%
5880 - Distribution Expenses - Miscellaneous distribution expenses	876	-	(876)	-100.0%
5930 - Distribution Expenses - Maintenance of overhead lines	22,290	-	(22,290)	-100.0%
9200 - Administrative and general salaries	932,568	984,548	51,980	5.6%
9210 - Office supplies and expenses	215,255	239,230	23,974	11.1%
9230 - Outside services employed	6,450	-	(6,450)	-100.0%
9240 - Property insurance	565,370	603,458	38,088	6.7%
9260 - Employee pensions and benefits	252	-	(252)	-100.0%
9280 - Regulatory commission expenses	14,121	18,424	4,302	30.5%
9301 - General advertising expenses	24	-	(24)	-100.0%
9302 - Miscellaneous general expenses	195	7,950	7,755	3976.8%
9350 - Maintenance of general plant	4,030	28,174	24,143	599.0%
5755 - Regional Market Expenses - Ancillary services market administration	26,390	6,547	(19,843)	-75.2%
5756 - Regional Market Expenses - Market monitoring and compliance	19,362	2,214	(17,147)	-88.6%
4118 - Gains from disposition of allowances	(16)	-	16	-100.0%
5618 - Transmission Expenses - Reliability planning and standards development servic	(2,347)	-	2,347	-100.0%
Finance	11,425,790	5,584,634	(5,841,155)	-51.1%
5000 - Steam Power Generation - Operation supervision and engineering	98,171	224,988	126,817	129.2%
5010 - Steam Power Generation - Fuel	(8,557)	-	8,557	-100.0%
5020 - Steam Power Generation - Steam expenses	(14,503)	589	15,092	-104.1%
5050 - Steam Power Generation - Electric expenses	(28,057)	-	28,057	-100.0%
5060 - Steam Power Generation - Miscellaneous steam power expenses	657,085	758,575	101,490	15.4%
5100 - Steam Power Generation - Maintenance supervision and engineering	(17,487)	-	17,487	-100.0%
5110 - Steam Power Generation - Maintenance of structures	(2,017)	-	2,017	-100.0%
5120 - Steam Power Generation - Maintenance of boiler plant	14,675	-	(14,675)	-100.0%
5130 - Steam Power Generation - Maintenance of electric plant	(2,466)	-	2,466	-100.0%
5140 - Steam Power Generation - Maintenance of miscellaneous steam plant	(19,975)	(43,323)	(23,348)	116.9%
5350 - Hydraulic Power Generation - Operation supervision and engineering	(773)	-	773	-100.0%
5390 - Hydraulic Power Generation - Miscellaneous hydraulic power generation expen	(1,119)	-	1,119	-100.0%
5460 - Other Power Generation - Operation supervision and engineering	(336)	-	336	-100.0%
5480 - Other Power Generation - Generation Expenses	(8,077)	(90)	7,987	-98.9%
5490 - Other Power Generation - Miscellaneous other power generation expenses	(5,116)	19,324	24,440	-477.8%
5510 - Other Power Generation - Maintenance supervision and engineering	(12)	-	12	-100.0%
5520 - Other Power Generation - Maintenance of structures	(99)	-	99	-100.0%
5530 - Other Power Generation - Maintenance of generating and electric plant	(1,811)	-	1,811	-100.0%
5540 - Other Power Generation - Maintenance of miscellaneous other power generati	(6,035)	(90,446)	(84,411)	1398.7%
5560 - Other Power Supply Expenses - System control and load dispatching	(2,033)	-	2,033	-100.0%
5570 - Other Power Supply Expenses - Other Expenses	(99)	-	99	-100.0%
5600 - Transmission Expenses - Operation supervision and engineering	(78,169)	(100,418)	(22,249)	28.5%
5611 - Transmission Expenses - Load dispatch - reliability	(2,315)	-	2,315	-100.0%
5612 - Transmission Expenses - Load dispatch - monitor and operate transmission syst	(75,696)	-	75,696	-100.0%
5614 - Transmission Expenses - Scheduling, system control, and dispatching services	-	-	-	0.0%
5615 - Transmission Expenses - Reliability, planning, and standards development	(16,971)	-	16,971	-100.0%
5616 - Transmission Expenses - Transmission service studies	(16)	-	16	-100.0%
5620 - Transmission Expenses - Station expenses	(7,569)	-	7,569	-100.0%
5630 - Transmission Expenses - Overhead line expenses	(2,542)	-	2,542	-100.0%
5660 - Transmission Expenses - Miscellaneous transmission expenses	(4,862)	-	4,862	-100.0%
5680 - Transmission Expenses - Maintenance supervision and engineering	(57,106)	(55,329)	1,777	-3.1%
5691 - Transmission Expenses - Maintenance of computer hardware	(760)	-	760	-100.0%
5692 - Transmission Expenses - Maintenance of computer software	(7,066)	-	7,066	-100.0%
5693 - Transmission Expenses - Maintenance of communication equipment	(2,222)	-	2,222	-100.0%
5700 - Transmission Expenses - Maintenance of station equipment	(17,984)	98	18,082	-100.5%

Historical Report #2
O&M's by Functional Area & FERC Account
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	Actuals	Budget	Variance	% Variance
5710 - Transmission Expenses - Maintenance of overhead lines	(13,533)	-	13,533	-100.0%
5752 - Regional Market Expenses - Day-ahead and real-time market administration	(21,912)	(0)	21,912	-100.0%
5753 - Regional Market Expenses - Transmission rights market administration	(78)	-	78	-100.0%
5763 - Regional Market Expenses - Maintenance of computer software	(838)	-	838	-100.0%
5800 - Distribution Expenses - Operation supervision and engineering	(84,654)	(89,138)	(4,484)	5.3%
5810 - Distribution Expenses - Load Dispatching	(4,814)	-	4,814	-100.0%
5820 - Distribution Expenses - Station expenses	(3,725)	-	3,725	-100.0%
5830 - Distribution Expenses - Overhead line expenses	(19,517)	22,331	41,848	-214.4%
5840 - Distribution Expenses - Underground line expenses	(35,885)	-	35,885	-100.0%
5860 - Distribution Expenses - Meter expenses	(1,144,749)	(792,227)	352,522	-30.8%
5870 - Distribution Expenses - Customer installation expenses	(2,463)	-	2,463	-100.0%
5880 - Distribution Expenses - Miscellaneous distribution expenses	(55,637)	10,591	66,228	-119.0%
5900 - Distribution Expenses - Maintenance supervision and engineering	(315,707)	(262,871)	52,836	-16.7%
5920 - Distribution Expenses - Maintenance of station equipment	101,641	-	(101,641)	-100.0%
5930 - Distribution Expenses - Maintenance of overhead lines	(2,064,480)	(2,365,916)	(301,436)	14.6%
5940 - Distribution Expenses - Maintenance of underground lines	(16,822)	-	16,822	-100.0%
5950 - Distribution Expenses - Maintenance of line transformers	(2,624)	-	2,624	-100.0%
5960 - Distribution Expenses - Maintenance of street lighting and signal systems	(20,090)	-	20,090	-100.0%
5970 - Distribution Expenses - Maintenance of meters	(18,008)	-	18,008	-100.0%
5980 - Distribution Expenses - Maintenance of miscellaneous distribution plant	(3,075)	-	3,075	-100.0%
9010 - Customer Accounts Expenses - Supervision	(807)	-	807	-100.0%
9020 - Customer Accounts Expenses - Meter reading expenses	(116,201)	-	116,201	-100.0%
9030 - Customer Accounts Expenses - Customer records and collection expenses	253,016	317,239	64,223	25.4%
9040 - Customer Accounts Expenses - Uncollectible accounts	1,135,000	900,000	(235,000)	-20.7%
9050 - Customer Accounts Expenses - Miscellaneous customer accounts expenses	(4,413)	-	4,413	-100.0%
9070 - Customer Service and Informational Expenses - Supervision	(10,832)	-	10,832	-100.0%
9080 - Customer Service and Informational Expenses - Customer assistance expenses	(21,008)	60,000	81,008	-385.6%
9090 - Customer Service and Informational Expenses - Informational and instructional	(384)	-	384	-100.0%
9100 - Customer Service and Informational Expenses - Miscellaneous customer service	-	-	-	0.0%
9120 - Sales Expenses - Demonstrating and selling expenses	5,930	21,183	15,254	257.2%
9130 - Sales Expenses - Advertising expenses	(23)	-	23	-100.0%
9160 - Sales Expenses - Miscellaneous sales expenses	10	-	(10)	-100.0%
9200 - Administrative and general salaries	13,050,259	8,491,220	(4,559,039)	-34.9%
9210 - Office supplies and expenses	4,119,673	4,174,334	54,660	1.3%
9220 - Administrative expenses transferred -- Credit	(1,889,726)	(3,063,358)	(1,173,631)	62.1%
9230 - Outside services employed	1,046,354	1,070,951	24,597	2.4%
9240 - Property insurance	1,911,384	1,616,890	(294,494)	-15.4%
9250 - Injuries and damages	1,346,335	1,347,320	984	0.1%
9260 - Employee pensions and benefits	(5,943)	1,325	7,268	-122.3%
9280 - Regulatory commission expenses	369,574	148,573	(221,001)	-59.8%
9301 - General advertising expenses	6,772	25,066	18,294	270.1%
9302 - Miscellaneous general expenses	1,476,563	862,615	(613,947)	-41.6%
9310 - Administrative and General Expenses - Rents	72,486	188,393	115,907	159.9%
9350 - Maintenance of general plant	(7,965,721)	(7,813,855)	151,866	-1.9%
5755 - Regional Market Expenses - Ancillary services market administration	(780)	-	780	-100.0%
5756 - Regional Market Expenses - Market monitoring and compliance	(176)	-	176	-100.0%
9110 - Sales Expenses - Supervision	(2,537)	-	2,537	-100.0%
5617 - Transmission Expenses - Generation interconnection studies	(18)	-	18	-100.0%
5720 - Transmission Expenses - Maintenance of underground lines	(110)	-	110	-100.0%
5754 - Regional Market Expenses - Capacity market administration	-	-	-	0.0%
Human Resources - Safety	3,599,408	5,052,875	1,453,467	40.4%
5000 - Steam Power Generation - Operation supervision and engineering	102,022	141,159	39,137	38.4%
5060 - Steam Power Generation - Miscellaneous steam power expenses	3,783	6,913	3,130	82.7%
5600 - Transmission Expenses - Operation supervision and engineering	-	2,954	2,954	0.0%
5880 - Distribution Expenses - Miscellaneous distribution expenses	-	1,277	1,277	0.0%
5900 - Distribution Expenses - Maintenance supervision and engineering	-	8,756	8,756	0.0%
5920 - Distribution Expenses - Maintenance of station equipment	404	-	(404)	-100.0%
9030 - Customer Accounts Expenses - Customer records and collection expenses	-	5,029	5,029	0.0%
9100 - Customer Service and Informational Expenses - Miscellaneous customer service	2,514	2,974	459	18.3%
9160 - Sales Expenses - Miscellaneous sales expenses	-	2,954	2,954	0.0%
9200 - Administrative and general salaries	694,079	538,587	(155,492)	-22.4%
9210 - Office supplies and expenses	310,140	534,199	224,059	72.2%
9240 - Property insurance	6,063	6,661	597	9.8%
9250 - Injuries and damages	628,701	704,771	76,070	12.1%
9260 - Employee pensions and benefits	1,809,463	3,060,642	1,251,178	69.1%
9280 - Regulatory commission expenses	24,911	2,954	(21,956)	-88.1%
9301 - General advertising expenses	-	2,954	2,954	0.0%
9302 - Miscellaneous general expenses	17,326	1,055	(16,271)	-93.9%
9310 - Administrative and General Expenses - Rents	-	2,993	2,993	0.0%
1070 - Construction work in progress -- Electric	-	26,041	26,041	0.0%
Information Technology	8,009,541	7,495,773	(513,768)	-6.4%
5000 - Steam Power Generation - Operation supervision and engineering	-	455	455	0.0%
5490 - Other Power Generation - Miscellaneous other power generation expenses	-	1,959	1,959	0.0%
5530 - Other Power Generation - Maintenance of generating and electric plant	-	443	443	0.0%
5540 - Other Power Generation - Maintenance of miscellaneous other power generati	-	430	430	0.0%
5600 - Transmission Expenses - Operation supervision and engineering	-	86	86	0.0%

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O&M's by Functional Area & FERC Account
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	Actuals	Budget	Variance	% Variance
5612 - Transmission Expenses - Load dispatch - monitor and operate transmission syst	-	583	583	0.0%
5630 - Transmission Expenses - Overhead line expenses	-	1,935	1,935	0.0%
5660 - Transmission Expenses - Miscellaneous transmission expenses	-	765	765	0.0%
5691 - Transmission Expenses - Maintenance of computer hardware	46,270	89,159	42,889	92.7%
5692 - Transmission Expenses - Maintenance of computer software	26,965	-	(26,965)	-100.0%
5693 - Transmission Expenses - Maintenance of communication equipment	102,873	100,882	(1,991)	-1.9%
5700 - Transmission Expenses - Maintenance of station equipment	-	58	58	0.0%
5880 - Distribution Expenses - Miscellaneous distribution expenses	403	-	(403)	-100.0%
5890 - Distribution Expenses - Rents	65,595	56,722	(8,873)	-13.5%
9030 - Customer Accounts Expenses - Customer records and collection expenses	134,473	188,710	54,237	40.3%
9070 - Customer Service and Informational Expenses - Supervision	243	958	715	294.4%
9120 - Sales Expenses - Demonstrating and selling expenses	-	-	-	0.0%
9200 - Administrative and general salaries	2,606,501	2,506,005	(100,495)	-3.9%
9210 - Office supplies and expenses	3,925,313	3,673,638	(251,675)	-6.4%
9260 - Employee pensions and benefits	53	61	8	14.8%
9280 - Regulatory commission expenses	-	414	414	0.0%
9302 - Miscellaneous general expenses	333,683	6,431	(327,252)	-98.1%
9350 - Maintenance of general plant	767,169	866,079	98,910	12.9%
Public Relations	1,388,622	1,793,882	405,260	29.2%
5490 - Other Power Generation - Miscellaneous other power generation expenses	-	776	776	0.0%
9070 - Customer Service and Informational Expenses - Supervision	184	-	(184)	-100.0%
9080 - Customer Service and Informational Expenses - Customer assistance expenses	92,504	291,737	199,233	215.4%
9090 - Customer Service and Informational Expenses - Informational and instructional	302,509	373,266	70,757	23.4%
9120 - Sales Expenses - Demonstrating and selling expenses	302	-	(302)	-100.0%
9130 - Sales Expenses - Advertising expenses	768	321	(447)	-58.2%
9160 - Sales Expenses - Miscellaneous sales expenses	-	52	52	0.0%
9200 - Administrative and general salaries	566,106	658,520	92,413	16.3%
9210 - Office supplies and expenses	100,802	56,218	(44,584)	-44.2%
9230 - Outside services employed	-	3,090	3,090	0.0%
9260 - Employee pensions and benefits	5,308	824	(4,484)	-84.5%
9280 - Regulatory commission expenses	4,631	-	(4,631)	-100.0%
9301 - General advertising expenses	157,323	319,690	162,368	103.2%
9302 - Miscellaneous general expenses	145,440	80,614	(64,826)	-44.6%
9350 - Maintenance of general plant	12,746	8,775	(3,970)	-31.2%
Regulatory Affairs & Compliance	6,959,810	7,247,536	287,725	4.1%
5000 - Steam Power Generation - Operation supervision and engineering	2,455	2,164	(291)	-11.9%
5560 - Other Power Supply Expenses - System control and load dispatching	14,440	40,234	25,793	178.6%
5830 - Distribution Expenses - Overhead line expenses	412	-	(412)	-100.0%
9030 - Customer Accounts Expenses - Customer records and collection expenses	681,739	730,606	48,867	7.2%
9070 - Customer Service and Informational Expenses - Supervision	62,863	243,055	180,192	286.6%
9080 - Customer Service and Informational Expenses - Customer assistance expenses	41,144	54,355	13,212	32.1%
9100 - Customer Service and Informational Expenses - Miscellaneous customer service	-	399	399	0.0%
9120 - Sales Expenses - Demonstrating and selling expenses	1,151	-	(1,151)	-100.0%
9160 - Sales Expenses - Miscellaneous sales expenses	-	5,400	5,400	0.0%
9200 - Administrative and general salaries	2,455,123	3,099,858	644,735	26.3%
9210 - Office supplies and expenses	516,441	606,468	90,027	17.4%
9230 - Outside services employed	209,700	223,580	13,880	6.6%
9260 - Employee pensions and benefits	766	219	(547)	-71.4%
9280 - Regulatory commission expenses	2,700,932	1,903,146	(797,786)	-29.5%
9301 - General advertising expenses	-	1,744	1,744	0.0%
9302 - Miscellaneous general expenses	18,516	34,832	16,316	88.1%
9310 - Administrative and General Expenses - Rents	122,026	149,526	27,500	22.5%
9350 - Maintenance of general plant	132,099	151,950	19,850	15.0%
Grand Total	127,084,418	129,830,405	2,745,986	2.2%

Historical Report #2
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	Actuals	Budget	Variance	% Variance
Asset Management	21,044,274	24,172,367	3,128,093	14.9%
5000 - Steam Power Generation - Operation supervision and engineering	(13,847)	30,118	43,964	-317.5%
5010 - Steam Power Generation - Fuel	-	3,273	3,273	0.0%
5020 - Steam Power Generation - Steam expenses	15,669	221	(15,447)	-98.6%
5060 - Steam Power Generation - Miscellaneous steam power expenses	1,011	-	(1,011)	-100.0%
5100 - Steam Power Generation - Maintenance supervision and engineering	-	4,370	4,370	0.0%
5110 - Steam Power Generation - Maintenance of structures	3,290	2,522	(768)	-23.3%
5120 - Steam Power Generation - Maintenance of boiler plant	-	111	111	0.0%
5130 - Steam Power Generation - Maintenance of electric plant	67	10,179	10,112	15034.3%
5140 - Steam Power Generation - Maintenance of miscellaneous steam plant	9,136	692	(8,444)	-92.4%
5370 - Hydraulic Power Generation - Hydraulic Expenses	1,389	1,936	546	39.3%
5390 - Hydraulic Power Generation - Miscellaneous hydraulic power generation expen	-	-	-	0.0%
5400 - Hydraulic Power Generation - Rents	-	-	-	0.0%
5430 - Hydraulic Power Generation - Maintenance of reservoirs, dams and waterways	2,436	4,576	2,140	87.9%
5440 - Hydraulic Power Generation - Maintenance of electric plant	761	1,637	876	115.0%
5480 - Other Power Generation - Generation Expenses	-	3,559	3,559	0.0%
5490 - Other Power Generation - Miscellaneous other power generation expenses	4,189	29,583	25,395	606.3%
5530 - Other Power Generation - Maintenance of generating and electric plant	5,435	9,750	4,315	79.4%
5540 - Other Power Generation - Maintenance of miscellaneous other power generati	1,142	-	(1,142)	-100.0%
5560 - Other Power Supply Expenses - System control and load dispatching	(6,799)	203,546	210,345	-3093.6%
5600 - Transmission Expenses - Operation supervision and engineering	367,279	779,812	412,533	112.3%
5611 - Transmission Expenses - Load dispatch - reliability	85,582	81,031	(4,550)	-5.3%
5612 - Transmission Expenses - Load dispatch - monitor and operate transmission syst	2,172,482	2,685,595	513,113	23.6%
5614 - Transmission Expenses - Scheduling, system control, and dispatching services	1,078,721	998,081	(80,640)	-7.5%
5615 - Transmission Expenses - Reliability, planning, and standards development	640,395	703,600	63,206	9.9%
5616 - Transmission Expenses - Transmission service studies	-	4,173	4,173	0.0%
5617 - Transmission Expenses - Generation interconnection studies	998	-	(998)	-100.0%
5620 - Transmission Expenses - Station expenses	356,814	314,869	(41,945)	-11.8%
5630 - Transmission Expenses - Overhead line expenses	376,469	277,081	(99,388)	-26.4%
5650 - Transmission Expenses - Transmission of electricity by others	(172,628)	62,759	235,387	-136.4%
5660 - Transmission Expenses - Miscellaneous transmission expenses	627,252	580,441	(46,811)	-7.5%
5670 - Transmission Expenses - Rents	20,732	8,931	(11,801)	-56.9%
5680 - Transmission Expenses - Maintenance supervision and engineering	141,353	168,540	27,187	19.2%
5692 - Transmission Expenses - Maintenance of computer software	688,504	812,203	123,699	18.0%
5700 - Transmission Expenses - Maintenance of station equipment	1,120,278	1,446,311	326,033	29.1%
5710 - Transmission Expenses - Maintenance of overhead lines	938,578	2,404,412	1,465,834	156.2%
5763 - Regional Market Expenses - Maintenance of computer software	36,284	32,955	(3,329)	-9.2%
5800 - Distribution Expenses - Operation supervision and engineering	261,760	264,576	2,815	1.1%
5810 - Distribution Expenses - Load Dispatching	151,831	223,206	71,375	47.0%
5820 - Distribution Expenses - Station expenses	157,872	136,955	(20,917)	-13.2%
5830 - Distribution Expenses - Overhead line expenses	162,170	297,740	135,570	83.6%
5840 - Distribution Expenses - Underground line expenses	(2,157)	2,854	5,011	-232.3%
5860 - Distribution Expenses - Meter expenses	984,093	999,466	15,373	1.6%
5870 - Distribution Expenses - Customer installation expenses	45,919	201,529	155,610	338.9%
5880 - Distribution Expenses - Miscellaneous distribution expenses	1,279,577	1,275,046	(4,531)	-0.4%
5890 - Distribution Expenses - Rents	93,935	63,846	(30,089)	-32.0%
5900 - Distribution Expenses - Maintenance supervision and engineering	201,553	371,868	170,314	84.5%
5920 - Distribution Expenses - Maintenance of station equipment	523,508	583,060	59,552	11.4%
5930 - Distribution Expenses - Maintenance of overhead lines	3,824,594	3,198,227	(626,367)	-16.4%
5940 - Distribution Expenses - Maintenance of underground lines	9,738	32,892	23,154	237.8%
5950 - Distribution Expenses - Maintenance of line transformers	151,540	53,201	(98,339)	-64.9%
5960 - Distribution Expenses - Maintenance of street lighting and signal systems	-	39,901	39,901	0.0%
5970 - Distribution Expenses - Maintenance of meters	879,609	696,243	(183,365)	-20.8%
5980 - Distribution Expenses - Maintenance of miscellaneous distribution plant	142,432	112,008	(30,424)	-21.4%
9020 - Customer Accounts Expenses - Meter reading expenses	-	526	526	0.0%
9030 - Customer Accounts Expenses - Customer records and collection expenses	1,284	-	(1,284)	-100.0%
9050 - Customer Accounts Expenses - Miscellaneous customer accounts expenses	-	116	116	0.0%
9070 - Customer Service and Informational Expenses - Supervision	896	629	(266)	-29.7%
9080 - Customer Service and Informational Expenses - Customer assistance expenses	1,762	3,044	1,283	72.8%
9100 - Customer Service and Informational Expenses - Miscellaneous customer service	17,184	60,682	43,498	253.1%
9200 - Administrative and general salaries	1,797,206	1,342,114	(455,092)	-25.3%
9210 - Office supplies and expenses	133,511	209,683	76,172	57.1%
9220 - Administrative expenses transferred -- Credit	(0)	0	0	-118.0%
9230 - Outside services employed	21,483	6,800	(14,683)	-68.3%
9240 - Property insurance	300	874	574	191.3%
9250 - Injuries and damages	3,433	7,534	4,101	119.5%
9260 - Employee pensions and benefits	61,620	106,636	45,016	73.1%
9280 - Regulatory commission expenses	484,015	593,791	109,776	22.7%
9301 - General advertising expenses	2,867	1,680	(1,187)	-41.4%
9302 - Miscellaneous general expenses	237,941	294,625	56,684	23.8%
9310 - Administrative and General Expenses - Rents	2,395	-	(2,395)	-100.0%
9350 - Maintenance of general plant	907,434	1,324,149	416,715	45.9%
Customer Service	35,589,054	37,326,371	1,737,317	4.9%
5050 - Steam Power Generation - Electric expenses	-	16,002	16,002	0.0%
5060 - Steam Power Generation - Miscellaneous steam power expenses	-	-	-	0.0%
5120 - Steam Power Generation - Maintenance of boiler plant	-	115	115	0.0%

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	Actuals	Budget	Variance	% Variance
5130 - Steam Power Generation - Maintenance of electric plant	-	17,018	17,018	0.0%
5140 - Steam Power Generation - Maintenance of miscellaneous steam plant	53,257	79,105	25,848	48.5%
5370 - Hydraulic Power Generation - Hydraulic Expenses	1,624	1,672	48	3.0%
5380 - Hydraulic Power Generation - Electric Expenses	1,197	239	(959)	-80.1%
5460 - Other Power Generation - Operation supervision and engineering	-	16,134	16,134	0.0%
5480 - Other Power Generation - Generation Expenses	3,511	30,662	27,151	773.2%
5490 - Other Power Generation - Miscellaneous other power generation expenses	25	25	0	0.6%
5530 - Other Power Generation - Maintenance of generating and electric plant	24,254	52,784	28,530	117.6%
5540 - Other Power Generation - Maintenance of miscellaneous other power generati	14,696	20,515	5,819	39.6%
5560 - Other Power Supply Expenses - System control and load dispatching	-	-	-	0.0%
5612 - Transmission Expenses - Load dispatch - monitor and operate transmission syst	3,482	1,195	(2,287)	-65.7%
5615 - Transmission Expenses - Reliability, planning, and standards development	-	20,742	20,742	0.0%
5620 - Transmission Expenses - Station expenses	33,949	48,226	14,277	42.1%
5630 - Transmission Expenses - Overhead line expenses	17,389	20,162	2,773	15.9%
5650 - Transmission Expenses - Transmission of electricity by others	2,086	3,252	1,166	55.9%
5660 - Transmission Expenses - Miscellaneous transmission expenses	19,084	36,058	16,974	88.9%
5670 - Transmission Expenses - Rents	-	233	233	0.0%
5680 - Transmission Expenses - Maintenance supervision and engineering	82,255	138,417	56,163	68.3%
5693 - Transmission Expenses - Maintenance of communication equipment	244	-	(244)	-100.0%
5700 - Transmission Expenses - Maintenance of station equipment	32,505	25,774	(6,730)	-20.7%
5710 - Transmission Expenses - Maintenance of overhead lines	318,576	443,153	124,577	39.1%
5720 - Transmission Expenses - Maintenance of underground lines	2,126	-	(2,126)	-100.0%
5800 - Distribution Expenses - Operation supervision and engineering	35,114	90,319	55,206	157.2%
5810 - Distribution Expenses - Load Dispatching	53,906	54,580	674	1.3%
5820 - Distribution Expenses - Station expenses	194,949	164,976	(29,973)	-15.4%
5830 - Distribution Expenses - Overhead line expenses	251,206	103,661	(147,545)	-58.7%
5840 - Distribution Expenses - Underground line expenses	1,872,099	1,452,331	(419,767)	-22.4%
5850 - Distribution Expenses - Street lighting and signal system expenses	-	1,396	1,396	0.0%
5860 - Distribution Expenses - Meter expenses	497,702	753,325	255,623	51.4%
5870 - Distribution Expenses - Customer installation expenses	8,169	47,714	39,545	484.1%
5880 - Distribution Expenses - Miscellaneous distribution expenses	2,904,278	1,952,818	(951,460)	-32.8%
5890 - Distribution Expenses - Rents	90,949	125,908	34,959	38.4%
5900 - Distribution Expenses - Maintenance supervision and engineering	988,358	670,739	(317,619)	-32.1%
5920 - Distribution Expenses - Maintenance of station equipment	57,650	185,466	127,815	221.7%
5930 - Distribution Expenses - Maintenance of overhead lines	3,694,605	3,867,074	172,469	4.7%
5940 - Distribution Expenses - Maintenance of underground lines	934,416	1,123,193	188,776	20.2%
5960 - Distribution Expenses - Maintenance of street lighting and signal systems	633,790	1,136,290	502,500	79.3%
5970 - Distribution Expenses - Maintenance of meters	263	41	(222)	-84.4%
9010 - Customer Accounts Expenses - Supervision	49,403	224,515	175,112	354.5%
9020 - Customer Accounts Expenses - Meter reading expenses	6,201,184	5,287,827	(913,357)	-14.7%
9030 - Customer Accounts Expenses - Customer records and collection expenses	4,435,957	5,972,940	1,536,983	34.6%
9050 - Customer Accounts Expenses - Miscellaneous customer accounts expenses	529,340	583,144	53,804	10.2%
9070 - Customer Service and Informational Expenses - Supervision	335,687	728,870	393,183	117.1%
9080 - Customer Service and Informational Expenses - Customer assistance expenses	1,017,129	1,431,060	413,931	40.7%
9090 - Customer Service and Informational Expenses - Informational and instructional	42,859	60,149	17,291	40.3%
9110 - Sales Expenses - Supervision	42,642	26,842	(15,800)	-37.1%
9120 - Sales Expenses - Demonstrating and selling expenses	148,487	328,398	179,911	121.2%
9130 - Sales Expenses - Advertising expenses	179	1,050	871	486.7%
9160 - Sales Expenses - Miscellaneous sales expenses	205	6,000	5,795	2821.7%
9200 - Administrative and general salaries	2,445,769	2,168,115	(277,654)	-11.4%
9210 - Office supplies and expenses	(186,127)	(394,398)	(208,271)	111.9%
9230 - Outside services employed	-	72,000	72,000	0.0%
9250 - Injuries and damages	114,790	123,231	8,442	7.4%
9260 - Employee pensions and benefits	28,443	50,292	21,849	76.8%
9280 - Regulatory commission expenses	961	1,358	397	41.4%
9301 - General advertising expenses	158,099	129,816	(28,283)	-17.9%
9302 - Miscellaneous general expenses	25,066	12,131	(12,935)	-51.6%
9310 - Administrative and General Expenses - Rents	44,485	62,733	18,248	41.0%
9350 - Maintenance of general plant	7,326,782	7,748,983	422,201	5.8%
Energy Supply	33,523,386	34,642,310	1,118,924	3.3%
4118 - Gains from disposition of allowances	(16)	-	16	-100.0%
5000 - Steam Power Generation - Operation supervision and engineering	1,396,444	1,915,377	518,933	37.2%
5010 - Steam Power Generation - Fuel	581,901	550,244	(31,657)	-5.4%
5020 - Steam Power Generation - Steam expenses	3,233,290	3,061,965	(171,325)	-5.3%
5050 - Steam Power Generation - Electric expenses	2,575,485	2,687,015	111,530	4.3%
5060 - Steam Power Generation - Miscellaneous steam power expenses	3,652,422	4,864,375	1,211,952	33.2%
5070 - Steam Power Generation - Rents	16,352	-	(16,352)	-100.0%
5100 - Steam Power Generation - Maintenance supervision and engineering	961,467	1,049,479	88,013	9.2%
5110 - Steam Power Generation - Maintenance of structures	876,630	883,242	6,612	0.8%
5120 - Steam Power Generation - Maintenance of boiler plant	8,308,205	7,531,034	(777,171)	-9.4%
5130 - Steam Power Generation - Maintenance of electric plant	2,862,414	1,840,997	(1,021,417)	-35.7%
5140 - Steam Power Generation - Maintenance of miscellaneous steam plant	1,203,744	1,644,556	440,812	36.6%
5350 - Hydraulic Power Generation - Operation supervision and engineering	27,802	27,497	(305)	-1.1%
5370 - Hydraulic Power Generation - Hydraulic Expenses	15,593	7,750	(7,843)	-50.3%
5380 - Hydraulic Power Generation - Electric Expenses	(1,332)	120,298	121,630	-9134.6%
5390 - Hydraulic Power Generation - Miscellaneous hydraulic power generation expen	23,937	5,036	(18,901)	-79.0%

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	Actuals	Budget	Variance	% Variance
5400 - Hydraulic Power Generation - Rents	400	-	(400)	-100.0%
5410 - Hydraulic Power Generation - Maintenance supervision and engineering	881	1,904	1,023	116.1%
5420 - Hydraulic Power Generation - Maintenance of structures	40	5,777	5,737	14342.6%
5430 - Hydraulic Power Generation - Maintenance of reservoirs, dams and waterways	248,548	252,384	3,837	1.5%
5440 - Hydraulic Power Generation - Maintenance of electric plant	9,147	7,069	(2,078)	-22.7%
5450 - Hydraulic Power Generation - Maintenance of miscellaneous hydraulic plant	-	606	606	0.0%
5460 - Other Power Generation - Operation supervision and engineering	285,770	192,674	(93,097)	-32.6%
5480 - Other Power Generation - Generation Expenses	2,303,210	2,461,550	158,340	6.9%
5490 - Other Power Generation - Miscellaneous other power generation expenses	652,592	985,334	332,741	51.0%
5500 - Other Power Generation - Rents	617,494	599,201	(18,293)	-3.0%
5510 - Other Power Generation - Maintenance supervision and engineering	37,390	65,191	27,801	74.4%
5520 - Other Power Generation - Maintenance of structures	25,818	57,684	31,866	123.4%
5530 - Other Power Generation - Maintenance of generating and electric plant	420,129	663,586	243,457	57.9%
5540 - Other Power Generation - Maintenance of miscellaneous other power generati	107,255	94,962	(12,293)	-11.5%
5560 - Other Power Supply Expenses - System control and load dispatching	351,504	367,743	16,239	4.6%
5570 - Other Power Supply Expenses - Other Expenses	10,712	71,078	60,366	563.6%
5600 - Transmission Expenses - Operation supervision and engineering	8,387	7,005	(1,383)	-16.5%
5612 - Transmission Expenses - Load dispatch - monitor and operate transmission syst	-	10,043	10,043	0.0%
5618 - Transmission Expenses - Reliability planning and standards development servic	-	-	-	0.0%
5660 - Transmission Expenses - Miscellaneous transmission expenses	343	262	(81)	-23.6%
5670 - Transmission Expenses - Rents	24,075	21,000	(3,075)	-12.8%
5700 - Transmission Expenses - Maintenance of station equipment	-	13,475	13,475	0.0%
5710 - Transmission Expenses - Maintenance of overhead lines	-	427	427	0.0%
5752 - Regional Market Expenses - Day-ahead and real-time market administration	689,038	754,999	65,961	9.6%
5753 - Regional Market Expenses - Transmission rights market administration	(5,959)	8,032	13,991	-234.8%
5755 - Regional Market Expenses - Ancillary services market administration	25,962	24,096	(1,866)	-7.2%
5756 - Regional Market Expenses - Market monitoring and compliance	4,746	8,032	3,286	69.3%
5763 - Regional Market Expenses - Maintenance of computer software	203,364	237,317	33,953	16.7%
5800 - Distribution Expenses - Operation supervision and engineering	13,646	13,014	(632)	-4.6%
5870 - Distribution Expenses - Customer installation expenses	-	-	-	0.0%
5880 - Distribution Expenses - Miscellaneous distribution expenses	535	-	(535)	-100.0%
5930 - Distribution Expenses - Maintenance of overhead lines	12,876	-	(12,876)	-100.0%
9070 - Customer Service and Informational Expenses - Supervision	(638)	-	638	-100.0%
9160 - Sales Expenses - Miscellaneous sales expenses	-	-	-	0.0%
9200 - Administrative and general salaries	868,032	956,844	88,812	10.2%
9210 - Office supplies and expenses	216,767	88,317	(128,450)	-59.3%
9240 - Property insurance	592,995	442,035	(150,960)	-25.5%
9250 - Injuries and damages	1,359	-	(1,359)	-100.0%
9260 - Employee pensions and benefits	1,270	-	(1,270)	-100.0%
9280 - Regulatory commission expenses	38,971	9,761	(29,210)	-75.0%
9301 - General advertising expenses	36	-	(36)	-100.0%
9302 - Miscellaneous general expenses	15,983	7,372	(8,611)	-53.9%
9350 - Maintenance of general plant	6,373	24,674	18,302	287.2%
Finance	13,688,267	10,510,951	(3,177,316)	-23.2%
5000 - Steam Power Generation - Operation supervision and engineering	114,273	139,207	24,934	21.8%
5010 - Steam Power Generation - Fuel	5,096	-	(5,096)	-100.0%
5020 - Steam Power Generation - Steam expenses	20,392	584	(19,808)	-97.1%
5050 - Steam Power Generation - Electric expenses	25,875	-	(25,875)	-100.0%
5060 - Steam Power Generation - Miscellaneous steam power expenses	761,705	739,829	(21,875)	-2.9%
5100 - Steam Power Generation - Maintenance supervision and engineering	3,365	-	(3,365)	-100.0%
5110 - Steam Power Generation - Maintenance of structures	3,280	-	(3,280)	-100.0%
5120 - Steam Power Generation - Maintenance of boiler plant	156,823	-	(156,823)	-100.0%
5130 - Steam Power Generation - Maintenance of electric plant	6,728	-	(6,728)	-100.0%
5140 - Steam Power Generation - Maintenance of miscellaneous steam plant	128,173	(42,296)	(170,469)	-133.0%
5350 - Hydraulic Power Generation - Operation supervision and engineering	206	-	(206)	-100.0%
5390 - Hydraulic Power Generation - Miscellaneous hydraulic power generation expen	59	-	(59)	-100.0%
5460 - Other Power Generation - Operation supervision and engineering	184	-	(184)	-100.0%
5480 - Other Power Generation - Generation Expenses	1,957	(89)	(2,046)	-104.6%
5490 - Other Power Generation - Miscellaneous other power generation expenses	2,479	13,125	10,647	429.5%
5510 - Other Power Generation - Maintenance supervision and engineering	362	-	(362)	-100.0%
5520 - Other Power Generation - Maintenance of structures	18	-	(18)	-100.0%
5530 - Other Power Generation - Maintenance of generating and electric plant	708	-	(708)	-100.0%
5540 - Other Power Generation - Maintenance of miscellaneous other power generati	(11,540)	(91,813)	(80,273)	695.6%
5560 - Other Power Supply Expenses - System control and load dispatching	1,327	-	(1,327)	-100.0%
5570 - Other Power Supply Expenses - Other Expenses	4,124	-	(4,124)	-100.0%
5600 - Transmission Expenses - Operation supervision and engineering	(95,102)	(103,127)	(8,025)	8.4%
5611 - Transmission Expenses - Load dispatch - reliability	764	-	(764)	-100.0%
5612 - Transmission Expenses - Load dispatch - monitor and operate transmission syst	30,100	-	(30,100)	-100.0%
5615 - Transmission Expenses - Reliability, planning, and standards development	5,909	-	(5,909)	-100.0%
5616 - Transmission Expenses - Transmission service studies	3	-	(3)	-100.0%
5617 - Transmission Expenses - Generation interconnection studies	3	-	(3)	-100.0%
5620 - Transmission Expenses - Station expenses	2,242	-	(2,242)	-100.0%
5630 - Transmission Expenses - Overhead line expenses	1,481	-	(1,481)	-100.0%
5660 - Transmission Expenses - Miscellaneous transmission expenses	36,791	-	(36,791)	-100.0%
5680 - Transmission Expenses - Maintenance supervision and engineering	(42,994)	(56,712)	(13,718)	31.9%
5691 - Transmission Expenses - Maintenance of computer hardware	309	-	(309)	-100.0%

Historical Report #2
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	Actuals	Budget	Variance	% Variance
5692 - Transmission Expenses - Maintenance of computer software	3,903	-	(3,903)	-100.0%
5693 - Transmission Expenses - Maintenance of communication equipment	774	-	(774)	-100.0%
5700 - Transmission Expenses - Maintenance of station equipment	13,710	97	(13,613)	-99.3%
5710 - Transmission Expenses - Maintenance of overhead lines	(37,270)	-	37,270	-100.0%
5752 - Regional Market Expenses - Day-ahead and real-time market administration	11,317	-	(11,317)	-100.0%
5753 - Regional Market Expenses - Transmission rights market administration	1,123	-	(1,123)	-100.0%
5755 - Regional Market Expenses - Ancillary services market administration	144	-	(144)	-100.0%
5756 - Regional Market Expenses - Market monitoring and compliance	-	-	-	0.0%
5800 - Distribution Expenses - Operation supervision and engineering	(63,525)	(91,367)	(27,842)	43.8%
5810 - Distribution Expenses - Load Dispatching	3,418	-	(3,418)	-100.0%
5820 - Distribution Expenses - Station expenses	1,065	-	(1,065)	-100.0%
5830 - Distribution Expenses - Overhead line expenses	37,588	21,058	(16,530)	-44.0%
5840 - Distribution Expenses - Underground line expenses	18,522	-	(18,522)	-100.0%
5860 - Distribution Expenses - Meter expenses	(625,114)	(812,033)	(186,919)	29.9%
5870 - Distribution Expenses - Customer installation expenses	1,515	-	(1,515)	-100.0%
5880 - Distribution Expenses - Miscellaneous distribution expenses	32,530	9,507	(23,023)	-70.8%
5900 - Distribution Expenses - Maintenance supervision and engineering	(281,070)	(269,443)	11,628	-4.1%
5920 - Distribution Expenses - Maintenance of station equipment	(53,991)	5,932	59,923	-111.0%
5930 - Distribution Expenses - Maintenance of overhead lines	(1,937,436)	(2,365,591)	(428,155)	22.1%
5940 - Distribution Expenses - Maintenance of underground lines	7,525	-	(7,525)	-100.0%
5950 - Distribution Expenses - Maintenance of line transformers	838	-	(838)	-100.0%
5960 - Distribution Expenses - Maintenance of street lighting and signal systems	8,284	-	(8,284)	-100.0%
5970 - Distribution Expenses - Maintenance of meters	6,653	-	(6,653)	-100.0%
5980 - Distribution Expenses - Maintenance of miscellaneous distribution plant	818	-	(818)	-100.0%
9010 - Customer Accounts Expenses - Supervision	926	-	(926)	-100.0%
9020 - Customer Accounts Expenses - Meter reading expenses	43,398	-	(43,398)	-100.0%
9030 - Customer Accounts Expenses - Customer records and collection expenses	412,112	379,224	(32,889)	-8.0%
9040 - Customer Accounts Expenses - Uncollectible accounts	998,462	922,500	(75,962)	-7.6%
9050 - Customer Accounts Expenses - Miscellaneous customer accounts expenses	973	-	(973)	-100.0%
9070 - Customer Service and Informational Expenses - Supervision	122,609	-	(122,609)	-100.0%
9080 - Customer Service and Informational Expenses - Customer assistance expenses	9,257	-	(9,257)	-100.0%
9090 - Customer Service and Informational Expenses - Informational and instructional	78	-	(78)	-100.0%
9100 - Customer Service and Informational Expenses - Miscellaneous customer service	23	-	(23)	-100.0%
9110 - Sales Expenses - Supervision	5,260	-	(5,260)	-100.0%
9120 - Sales Expenses - Demonstrating and selling expenses	11,264	15,201	3,937	35.0%
9130 - Sales Expenses - Advertising expenses	4	-	(4)	-100.0%
9160 - Sales Expenses - Miscellaneous sales expenses	(10,340)	-	10,340	-100.0%
9200 - Administrative and general salaries	13,089,348	11,398,438	(1,690,910)	-12.9%
9210 - Office supplies and expenses	4,691,436	5,239,265	547,829	11.7%
9220 - Administrative expenses transferred -- Credit	(2,188,987)	(2,127,241)	61,746	-2.8%
9230 - Outside services employed	1,076,986	1,125,591	48,605	4.5%
9240 - Property insurance	1,588,837	1,704,155	115,318	7.3%
9250 - Injuries and damages	1,543,684	1,252,069	(291,615)	-18.9%
9260 - Employee pensions and benefits	4,716	7,289	2,574	54.6%
9280 - Regulatory commission expenses	163,222	62,282	(100,940)	-61.8%
9301 - General advertising expenses	12,598	14,963	2,365	18.8%
9302 - Miscellaneous general expenses	1,419,176	941,578	(477,598)	-33.7%
9310 - Administrative and General Expenses - Rents	43,946	130,483	86,537	196.9%
9350 - Maintenance of general plant	(7,667,143)	(7,651,713)	15,430	-0.2%
Human Resources - Safety	3,506,628	3,469,185	(37,442)	-1.1%
5000 - Steam Power Generation - Operation supervision and engineering	98,884	139,933	41,049	41.5%
5060 - Steam Power Generation - Miscellaneous steam power expenses	532	6,913	6,381	1198.9%
5600 - Transmission Expenses - Operation supervision and engineering	-	2,896	2,896	0.0%
5920 - Distribution Expenses - Maintenance of station equipment	-	-	-	0.0%
9030 - Customer Accounts Expenses - Customer records and collection expenses	-	4,928	4,928	0.0%
9070 - Customer Service and Informational Expenses - Supervision	(75)	-	75	-100.0%
9100 - Customer Service and Informational Expenses - Miscellaneous customer service	2,523	1,564	(959)	-38.0%
9160 - Sales Expenses - Miscellaneous sales expenses	-	2,896	2,896	0.0%
9200 - Administrative and general salaries	788,249	531,923	(256,326)	-32.5%
9210 - Office supplies and expenses	416,075	309,154	(106,921)	-25.7%
9240 - Property insurance	3,445	6,633	3,188	92.6%
9250 - Injuries and damages	601,124	672,080	70,956	11.8%
9260 - Employee pensions and benefits	1,586,151	1,777,064	190,913	12.0%
9280 - Regulatory commission expenses	4,163	2,896	(1,267)	-30.4%
9301 - General advertising expenses	-	2,896	2,896	0.0%
9302 - Miscellaneous general expenses	4,160	2,408	(1,752)	-42.1%
9310 - Administrative and General Expenses - Rents	1,396	5,000	3,604	258.1%
Information Technology	6,679,620	6,854,666	175,046	2.6%
5000 - Steam Power Generation - Operation supervision and engineering	-	653	653	0.0%
5490 - Other Power Generation - Miscellaneous other power generation expenses	-	1,707	1,707	0.0%
5530 - Other Power Generation - Maintenance of generating and electric plant	147	389	242	164.8%
5540 - Other Power Generation - Maintenance of miscellaneous other power generati	-	268	268	0.0%
5600 - Transmission Expenses - Operation supervision and engineering	-	164	164	0.0%
5612 - Transmission Expenses - Load dispatch - monitor and operate transmission syst	-	347	347	0.0%
5630 - Transmission Expenses - Overhead line expenses	-	1,710	1,710	0.0%
5660 - Transmission Expenses - Miscellaneous transmission expenses	-	1,410	1,410	0.0%

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Actuals/Forecasted versus Budget - 2019

	Actuals	Budget	Variance	% Variance
5691 - Transmission Expenses - Maintenance of computer hardware	40,210	57,920	17,710	44.0%
5692 - Transmission Expenses - Maintenance of computer software	(1,984)	-	1,984	-100.0%
5693 - Transmission Expenses - Maintenance of communication equipment	101,037	91,193	(9,845)	-9.7%
5700 - Transmission Expenses - Maintenance of station equipment	1,849	57	(1,792)	-96.9%
5880 - Distribution Expenses - Miscellaneous distribution expenses	-	-	-	0.0%
5890 - Distribution Expenses - Rents	59,490	64,040	4,550	7.6%
9030 - Customer Accounts Expenses - Customer records and collection expenses	20,031	116,381	96,350	481.0%
9070 - Customer Service and Informational Expenses - Supervision	-	1,156	1,156	0.0%
9200 - Administrative and general salaries	2,722,267	2,066,649	(655,617)	-24.1%
9210 - Office supplies and expenses	2,927,248	3,458,345	531,098	18.1%
9230 - Outside services employed	75,952	-	(75,952)	-100.0%
9260 - Employee pensions and benefits	53	62	9	17.7%
9280 - Regulatory commission expenses	-	258	258	0.0%
9302 - Miscellaneous general expenses	70,418	5,700	(64,718)	-91.9%
9350 - Maintenance of general plant	662,902	986,257	323,355	48.8%
Public Relations	1,178,247	1,541,386	363,139	30.8%
5000 - Steam Power Generation - Operation supervision and engineering	3,578	-	(3,578)	-100.0%
5060 - Steam Power Generation - Miscellaneous steam power expenses	1,650	-	(1,650)	-100.0%
5490 - Other Power Generation - Miscellaneous other power generation expenses	-	539	539	0.0%
5510 - Other Power Generation - Maintenance supervision and engineering	1,595	-	(1,595)	-100.0%
9070 - Customer Service and Informational Expenses - Supervision	92	-	(92)	-100.0%
9080 - Customer Service and Informational Expenses - Customer assistance expenses	62,239	187,025	124,786	200.5%
9090 - Customer Service and Informational Expenses - Informational and instructional	246,764	359,647	112,883	45.7%
9120 - Sales Expenses - Demonstrating and selling expenses	-	-	-	0.0%
9130 - Sales Expenses - Advertising expenses	115	273	158	136.9%
9160 - Sales Expenses - Miscellaneous sales expenses	-	43	43	0.0%
9200 - Administrative and general salaries	504,704	537,758	33,055	6.5%
9210 - Office supplies and expenses	64,500	41,880	(22,620)	-35.1%
9250 - Injuries and damages	265	-	(265)	-100.0%
9260 - Employee pensions and benefits	-	-	-	0.0%
9280 - Regulatory commission expenses	2,830	-	(2,830)	-100.0%
9301 - General advertising expenses	162,404	347,203	184,799	113.8%
9302 - Miscellaneous general expenses	115,761	60,155	(55,606)	-48.0%
9350 - Maintenance of general plant	11,750	6,862	(4,887)	-41.6%
Regulatory Affairs & Compliance	6,382,648	6,950,099	567,451	8.9%
5000 - Steam Power Generation - Operation supervision and engineering	1,936	2,039	103	5.3%
5490 - Other Power Generation - Miscellaneous other power generation expenses	199	-	(199)	-100.0%
5560 - Other Power Supply Expenses - System control and load dispatching	17,997	49,404	31,407	174.5%
5830 - Distribution Expenses - Overhead line expenses	-	-	-	0.0%
9030 - Customer Accounts Expenses - Customer records and collection expenses	694,170	734,944	40,774	5.9%
9070 - Customer Service and Informational Expenses - Supervision	45,546	221,883	176,337	387.2%
9080 - Customer Service and Informational Expenses - Customer assistance expenses	44,261	50,927	6,666	15.1%
9100 - Customer Service and Informational Expenses - Miscellaneous customer service	(159)	487	646	-407.3%
9120 - Sales Expenses - Demonstrating and selling expenses	-	-	-	0.0%
9160 - Sales Expenses - Miscellaneous sales expenses	-	686	686	0.0%
9200 - Administrative and general salaries	2,882,233	3,034,692	152,459	5.3%
9210 - Office supplies and expenses	559,984	568,673	8,689	1.6%
9230 - Outside services employed	170,978	193,038	22,061	12.9%
9260 - Employee pensions and benefits	2,353	333	(2,021)	-85.9%
9280 - Regulatory commission expenses	1,675,280	1,746,501	71,221	4.3%
9301 - General advertising expenses	10,000	1,787	(8,213)	-82.1%
9302 - Miscellaneous general expenses	20,329	35,693	15,364	75.6%
9310 - Administrative and General Expenses - Rents	138,241	153,264	15,023	10.9%
9350 - Maintenance of general plant	119,299	155,749	36,450	30.6%
Grand Total	121,592,123	125,467,335	3,875,211	3.2%

Historical Report #2
O&M's by Functional Area & FERC Account
Actuals/Forecasted versus Budget - 2020

	Forecast	Budget	Variance	% Variance
Asset Management	20,487,858	22,433,487	1,945,629	9.5%
5000 - Steam Power Generation - Operation supervision and engineering	9,603	30,626	21,023	218.9%
5010 - Steam Power Generation - Fuel	-	3,199	3,199	0.0%
5020 - Steam Power Generation - Steam expenses	-	164	164	0.0%
5060 - Steam Power Generation - Miscellaneous steam power expenses	341	-	(341)	-100.0%
5100 - Steam Power Generation - Maintenance supervision and engineering	2,351	4,655	2,304	98.0%
5110 - Steam Power Generation - Maintenance of structures	1,395	2,294	899	64.4%
5120 - Steam Power Generation - Maintenance of boiler plant	-	82	82	0.0%
5130 - Steam Power Generation - Maintenance of electric plant	4,095	10,909	6,814	166.4%
5140 - Steam Power Generation - Maintenance of miscellaneous steam plant	-	800	800	0.0%
5370 - Hydraulic Power Generation - Hydraulic Expenses	2,308	2,214	(94)	-4.1%
5430 - Hydraulic Power Generation - Maintenance of reservoirs, dams and waterways	4,838	4,990	151	3.1%
5440 - Hydraulic Power Generation - Maintenance of electric plant	2,025	1,634	(391)	-19.3%
5480 - Other Power Generation - Generation Expenses	3,142	3,786	644	20.5%
5490 - Other Power Generation - Miscellaneous other power generation expenses	5,392	22,553	17,162	318.3%
5530 - Other Power Generation - Maintenance of generating and electric plant	564	6,837	6,273	1113.1%
5540 - Other Power Generation - Maintenance of miscellaneous other power generation plant	-	-	-	0.0%
5560 - Other Power Supply Expenses - System control and load dispatching	50,599	143,293	92,694	183.2%
5600 - Transmission Expenses - Operation supervision and engineering	358,841	525,690	166,850	46.5%
5611 - Transmission Expenses - Load dispatch - reliability	79,664	86,770	7,106	8.9%
5612 - Transmission Expenses - Load dispatch - monitor and operate transmission syst	2,510,559	2,891,574	381,015	15.2%
5614 - Transmission Expenses - Scheduling, system control, and dispatching services	1,089,168	1,068,420	(20,748)	-1.9%
5615 - Transmission Expenses - Reliability, planning, and standards development	596,136	769,993	173,857	29.2%
5616 - Transmission Expenses - Transmission service studies	-	1,953	1,953	0.0%
5617 - Transmission Expenses - Generation interconnection studies	-	-	-	0.0%
5620 - Transmission Expenses - Station expenses	409,508	329,469	(80,039)	-19.5%
5630 - Transmission Expenses - Overhead line expenses	610,724	241,989	(368,735)	-60.4%
5650 - Transmission Expenses - Transmission of electricity by others	(223,407)	(218,539)	4,868	-2.2%
5660 - Transmission Expenses - Miscellaneous transmission expenses	509,593	379,614	(129,979)	-25.5%
5670 - Transmission Expenses - Rents	16,540	13,925	(2,615)	-15.8%
5680 - Transmission Expenses - Maintenance supervision and engineering	136,108	180,520	44,412	32.6%
5692 - Transmission Expenses - Maintenance of computer software	774,403	885,304	110,901	14.3%
5700 - Transmission Expenses - Maintenance of station equipment	1,186,721	1,217,644	30,923	2.6%
5710 - Transmission Expenses - Maintenance of overhead lines	698,809	1,866,934	1,168,125	167.2%
5763 - Regional Market Expenses - Maintenance of computer software	55,804	35,329	(20,475)	-36.7%
5800 - Distribution Expenses - Operation supervision and engineering	280,503	291,993	11,490	4.1%
5810 - Distribution Expenses - Load Dispatching	212,587	242,358	29,771	14.0%
5820 - Distribution Expenses - Station expenses	150,143	143,560	(6,583)	-4.4%
5830 - Distribution Expenses - Overhead line expenses	196,462	194,289	(2,173)	-1.1%
5840 - Distribution Expenses - Underground line expenses	1,675	2,575	899	53.7%
5860 - Distribution Expenses - Meter expenses	1,105,996	1,157,888	51,892	4.7%
5870 - Distribution Expenses - Customer installation expenses	77,421	213,511	136,089	175.8%
5880 - Distribution Expenses - Miscellaneous distribution expenses	1,169,744	1,245,093	75,350	6.4%
5890 - Distribution Expenses - Rents	97,936	104,178	6,242	6.4%
5900 - Distribution Expenses - Maintenance supervision and engineering	147,561	378,603	231,042	156.6%
5920 - Distribution Expenses - Maintenance of station equipment	624,929	571,985	(52,944)	-8.5%
5930 - Distribution Expenses - Maintenance of overhead lines	2,279,912	2,463,105	183,193	8.0%
5940 - Distribution Expenses - Maintenance of underground lines	12,009	37,197	25,188	209.7%
5950 - Distribution Expenses - Maintenance of line transformers	132,544	43,685	(88,859)	-67.0%
5960 - Distribution Expenses - Maintenance of street lighting and signal systems	18,532	32,774	14,242	76.9%
5970 - Distribution Expenses - Maintenance of meters	820,469	737,320	(83,148)	-10.1%
5980 - Distribution Expenses - Maintenance of miscellaneous distribution plant	128,685	121,068	(7,618)	-5.9%
9020 - Customer Accounts Expenses - Meter reading expenses	-	541	541	0.0%
9030 - Customer Accounts Expenses - Customer records and collection expenses	-	-	-	0.0%
9050 - Customer Accounts Expenses - Miscellaneous customer accounts expenses	-	120	120	0.0%
9070 - Customer Service and Informational Expenses - Supervision	610	697	87	14.2%
9080 - Customer Service and Informational Expenses - Customer assistance expenses	537	805	268	49.9%
9100 - Customer Service and Informational Expenses - Miscellaneous customer service	26,568	21,627	(4,940)	-18.6%
9200 - Administrative and general salaries	1,358,544	1,376,785	18,240	1.3%
9210 - Office supplies and expenses	102,191	204,783	102,592	100.4%
9220 - Administrative expenses transferred -- Credit	0	-	(0)	-100.0%
9230 - Outside services employed	120,122	3,000	(117,122)	-97.5%
9240 - Property insurance	291	441	150	51.7%
9250 - Injuries and damages	2,125	7,455	5,330	250.8%
9260 - Employee pensions and benefits	79,661	116,951	37,291	46.8%
9280 - Regulatory commission expenses	597,343	632,919	35,576	6.0%
9301 - General advertising expenses	4,709	9,000	4,291	91.1%
9302 - Miscellaneous general expenses	658,327	298,697	(359,630)	-54.6%
9310 - Administrative and General Expenses - Rents	1,092	-	(1,092)	-100.0%
9350 - Maintenance of general plant	1,182,804	1,263,857	81,053	6.9%
Communications	1,884,380	1,628,725	(255,655)	-13.6%
5000 - Steam Power Generation - Operation supervision and engineering	-	-	-	0.0%
5060 - Steam Power Generation - Miscellaneous steam power expenses	-	-	-	0.0%
5490 - Other Power Generation - Miscellaneous other power generation expenses	-	796	796	0.0%
5510 - Other Power Generation - Maintenance supervision and engineering	-	-	-	0.0%
9080 - Customer Service and Informational Expenses - Customer assistance expenses	60,490	126,440	65,950	109.0%
9090 - Customer Service and Informational Expenses - Informational and instructional	93,668	129,567	35,899	38.3%
9100 - Customer Service and Informational Expenses - Miscellaneous customer service	689	-	(689)	-100.0%

Historical Report #2
O&M's by Functional Area & FERC Account
Actuals/Forecasted versus Budget - 2020

	Forecast	Budget	Variance	% Variance
9130 - Sales Expenses - Advertising expenses	306	322	16	5.1%
9160 - Sales Expenses - Miscellaneous sales expenses	-	53	53	0.0%
9200 - Administrative and general salaries	593,164	670,399	77,235	13.0%
9210 - Office supplies and expenses	441,787	42,102	(399,685)	-90.5%
9230 - Outside services employed		215,000	215,000	0.0%
9250 - Injuries and damages		-	-	0.0%
9260 - Employee pensions and benefits	1,331		(1,331)	-100.0%
9280 - Regulatory commission expenses		-	-	0.0%
9301 - General advertising expenses	561,143	325,345	(235,798)	-42.0%
9302 - Miscellaneous general expenses	121,152	109,973	(11,180)	-9.2%
9350 - Maintenance of general plant	10,651	8,729	(1,922)	-18.0%
Customer Service	36,718,988	38,806,891	2,087,902	5.7%
5050 - Steam Power Generation - Electric expenses	4,860	14,345	9,485	195.2%
5120 - Steam Power Generation - Maintenance of boiler plant	117	124	7	6.0%
5130 - Steam Power Generation - Maintenance of electric plant	5,009	15,377	10,369	207.0%
5140 - Steam Power Generation - Maintenance of miscellaneous steam plant	66,383	78,801	12,418	18.7%
5370 - Hydraulic Power Generation - Hydraulic Expenses	1,141	1,798	657	57.6%
5380 - Hydraulic Power Generation - Electric Expenses	-	237	237	0.0%
5460 - Other Power Generation - Operation supervision and engineering	4,860	14,463	9,604	197.6%
5480 - Other Power Generation - Generation Expenses	12,365	29,985	17,620	142.5%
5490 - Other Power Generation - Miscellaneous other power generation expenses	-	26	26	0.0%
5530 - Other Power Generation - Maintenance of generating and electric plant	38,849	42,956	4,108	10.6%
5540 - Other Power Generation - Maintenance of miscellaneous other power generati	13,792	20,592	6,801	49.3%
5600 - Transmission Expenses - Operation supervision and engineering	552		(552)	-100.0%
5612 - Transmission Expenses - Load dispatch - monitor and operate transmission syst	5,246	1,309	(3,937)	-75.0%
5615 - Transmission Expenses - Reliability, planning, and standards development	5,158	19,007	13,849	268.5%
5620 - Transmission Expenses - Station expenses	51,454	52,864	1,410	2.7%
5630 - Transmission Expenses - Overhead line expenses	7,077	18,445	11,367	160.6%
5650 - Transmission Expenses - Transmission of electricity by others	3,489	3,319	(170)	-4.9%
5660 - Transmission Expenses - Miscellaneous transmission expenses	22,377	40,228	17,851	79.8%
5670 - Transmission Expenses - Rents	750	238	(512)	-68.3%
5680 - Transmission Expenses - Maintenance supervision and engineering	96,542	148,069	51,527	53.4%
5693 - Transmission Expenses - Maintenance of communication equipment		-	-	0.0%
5700 - Transmission Expenses - Maintenance of station equipment	42,580	23,171	(19,409)	-45.6%
5710 - Transmission Expenses - Maintenance of overhead lines	418,713	437,758	19,045	4.5%
5720 - Transmission Expenses - Maintenance of underground lines		-	-	0.0%
5800 - Distribution Expenses - Operation supervision and engineering	69,873	93,684	23,811	34.1%
5810 - Distribution Expenses - Load Dispatching	58,695	52,134	(6,561)	-11.2%
5820 - Distribution Expenses - Station expenses	181,620	199,857	18,238	10.0%
5830 - Distribution Expenses - Overhead line expenses	138,476	101,345	(37,130)	-26.8%
5840 - Distribution Expenses - Underground line expenses	2,009,213	1,421,166	(588,047)	-29.3%
5850 - Distribution Expenses - Street lighting and signal system expenses	-	1,452	1,452	0.0%
5860 - Distribution Expenses - Meter expenses	493,348	732,469	239,121	48.5%
5870 - Distribution Expenses - Customer installation expenses	31,632	45,287	13,655	43.2%
5880 - Distribution Expenses - Miscellaneous distribution expenses	2,131,740	1,942,125	(189,615)	-8.9%
5890 - Distribution Expenses - Rents	113,436	126,363	12,927	11.4%
5900 - Distribution Expenses - Maintenance supervision and engineering	987,222	677,172	(310,050)	-31.4%
5920 - Distribution Expenses - Maintenance of station equipment	170,389	187,619	17,230	10.1%
5930 - Distribution Expenses - Maintenance of overhead lines	3,931,954	3,925,441	(6,513)	-0.2%
5940 - Distribution Expenses - Maintenance of underground lines	1,082,402	1,153,209	70,807	6.5%
5960 - Distribution Expenses - Maintenance of street lighting and signal systems	624,587	1,137,739	513,152	82.2%
5970 - Distribution Expenses - Maintenance of meters	19	43	24	126.8%
9010 - Customer Accounts Expenses - Supervision	110,681	246,901	136,220	123.1%
9020 - Customer Accounts Expenses - Meter reading expenses	5,894,585	5,646,776	(247,809)	-4.2%
9030 - Customer Accounts Expenses - Customer records and collection expenses	5,135,968	6,368,241	1,232,273	24.0%
9050 - Customer Accounts Expenses - Miscellaneous customer accounts expenses	566,411	604,787	38,375	6.8%
9070 - Customer Service and Informational Expenses - Supervision	607,146	788,935	181,789	29.9%
9080 - Customer Service and Informational Expenses - Customer assistance expenses	1,327,333	1,513,843	186,510	14.1%
9090 - Customer Service and Informational Expenses - Informational and instructional	7,315	14,230	6,915	94.5%
9110 - Sales Expenses - Supervision	10,053	23,617	13,564	134.9%
9120 - Sales Expenses - Demonstrating and selling expenses	228,542	380,325	151,783	66.4%
9130 - Sales Expenses - Advertising expenses	570	1,119	549	96.3%
9160 - Sales Expenses - Miscellaneous sales expenses	2,311	4,993	2,683	116.1%
9200 - Administrative and general salaries	2,244,142	2,332,424	88,282	3.9%
9210 - Office supplies and expenses	(174,968)	(152,517)	22,451	-12.8%
9230 - Outside services employed	128,057	73,323	(54,735)	-42.7%
9250 - Injuries and damages	108,267	109,071	804	0.7%
9260 - Employee pensions and benefits	40,161	49,551	9,389	23.4%
9280 - Regulatory commission expenses	3,323	1,627	(1,696)	-51.0%
9301 - General advertising expenses	37,966	26,022	(11,944)	-31.5%
9302 - Miscellaneous general expenses	37,934	11,454	(26,480)	-69.8%
9310 - Administrative and General Expenses - Rents	55,510	54,288	(1,222)	-2.2%
9350 - Maintenance of general plant	7,521,764	7,947,663	425,899	5.7%
Energy Supply	31,826,491	35,019,710	3,193,220	10.0%
4118 - Gains from disposition of allowances	(6)		6	-100.0%
5000 - Steam Power Generation - Operation supervision and engineering	1,635,871	2,052,784	416,913	25.5%
5010 - Steam Power Generation - Fuel	414,208	617,192	202,983	49.0%
5020 - Steam Power Generation - Steam expenses	3,185,639	3,306,337	120,699	3.8%

Historical Report #2
O&M's by Functional Area & FERC Account
Actuals/Forecasted versus Budget - 2020

	Forecast	Budget	Variance	% Variance
5050 - Steam Power Generation - Electric expenses	2,550,236	2,918,490	368,254	14.4%
5060 - Steam Power Generation - Miscellaneous steam power expenses	4,856,213	5,157,096	300,884	6.2%
5070 - Steam Power Generation - Rents	153	-	(153)	-100.0%
5100 - Steam Power Generation - Maintenance supervision and engineering	942,754	1,139,748	196,994	20.9%
5110 - Steam Power Generation - Maintenance of structures	801,180	871,429	70,249	8.8%
5120 - Steam Power Generation - Maintenance of boiler plant	5,208,798	6,003,337	794,539	15.3%
5130 - Steam Power Generation - Maintenance of electric plant	1,088,222	1,024,829	(63,393)	-5.8%
5140 - Steam Power Generation - Maintenance of miscellaneous steam plant	984,087	1,535,223	551,136	56.0%
5350 - Hydraulic Power Generation - Operation supervision and engineering	25,773	29,161	3,387	13.1%
5370 - Hydraulic Power Generation - Hydraulic Expenses	17,470	8,323	(9,147)	-52.4%
5380 - Hydraulic Power Generation - Electric Expenses	43,274	103,535	60,261	139.3%
5390 - Hydraulic Power Generation - Miscellaneous hydraulic power generation exper	9,049	2,178	(6,871)	-75.9%
5410 - Hydraulic Power Generation - Maintenance supervision and engineering	3,497	2,042	(1,455)	-41.6%
5420 - Hydraulic Power Generation - Maintenance of structures	1,882	3,985	2,104	111.8%
5430 - Hydraulic Power Generation - Maintenance of reservoirs, dams and waterways	271,574	252,605	(18,969)	-7.0%
5440 - Hydraulic Power Generation - Maintenance of electric plant	4,127	5,677	1,551	37.6%
5450 - Hydraulic Power Generation - Maintenance of miscellaneous hydraulic plant	63	497	434	691.5%
5460 - Other Power Generation - Operation supervision and engineering	214,830	181,401	(33,429)	-15.6%
5480 - Other Power Generation - Generation Expenses	3,729,666	3,632,853	(96,813)	-2.6%
5490 - Other Power Generation - Miscellaneous other power generation expenses	843,201	1,025,094	181,893	21.6%
5500 - Other Power Generation - Rents	840,253	898,220	57,967	6.9%
5510 - Other Power Generation - Maintenance supervision and engineering	33,457	41,455	7,998	23.9%
5520 - Other Power Generation - Maintenance of structures	33,433	43,138	9,705	29.0%
5530 - Other Power Generation - Maintenance of generating and electric plant	415,437	675,223	259,787	62.5%
5540 - Other Power Generation - Maintenance of miscellaneous other power generati	142,777	101,133	(41,644)	-29.2%
5560 - Other Power Supply Expenses - System control and load dispatching	368,331	367,877	(454)	-0.1%
5570 - Other Power Supply Expenses - Other Expenses	40,990	58,483	17,493	42.7%
5600 - Transmission Expenses - Operation supervision and engineering	3,802	7,450	3,648	96.0%
5612 - Transmission Expenses - Load dispatch - monitor and operate transmission syst	1,710	7,601	5,891	344.6%
5650 - Transmission Expenses - Transmission of electricity by others	168,795	-	(168,795)	-100.0%
5660 - Transmission Expenses - Miscellaneous transmission expenses	-	-	-	0.0%
5670 - Transmission Expenses - Rents	16,295	21,000	4,705	28.9%
5700 - Transmission Expenses - Maintenance of station equipment	-	13,475	13,475	0.0%
5710 - Transmission Expenses - Maintenance of overhead lines	-	472	472	0.0%
5752 - Regional Market Expenses - Day-ahead and real-time market administration	788,701	803,786	15,085	1.9%
5753 - Regional Market Expenses - Transmission rights market administration	11,809	8,551	(3,258)	-27.6%
5755 - Regional Market Expenses - Ancillary services market administration	26,857	25,653	(1,204)	-4.5%
5756 - Regional Market Expenses - Market monitoring and compliance	4,132	8,551	4,419	106.9%
5763 - Regional Market Expenses - Maintenance of computer software	204,235	210,239	6,004	2.9%
5800 - Distribution Expenses - Operation supervision and engineering	20,356	15,656	(4,700)	-23.1%
5880 - Distribution Expenses - Miscellaneous distribution expenses	-	1,859	1,859	0.0%
5930 - Distribution Expenses - Maintenance of overhead lines	-	-	-	0.0%
9200 - Administrative and general salaries	894,654	1,022,019	127,366	14.2%
9210 - Office supplies and expenses	415,811	96,727	(319,084)	-76.7%
9240 - Property insurance	537,229	633,827	96,598	18.0%
9250 - Injuries and damages	1,174	-	(1,174)	-100.0%
9260 - Employee pensions and benefits	250	350	100	40.0%
9280 - Regulatory commission expenses	11,329	45,171	33,843	298.7%
9301 - General advertising expenses	-	-	-	0.0%
9302 - Miscellaneous general expenses	7,869	10,793	2,924	37.2%
9350 - Maintenance of general plant	5,045	27,183	22,138	438.8%
Finance	16,009,478	7,309,758	(8,699,720)	-54.3%
5000 - Steam Power Generation - Operation supervision and engineering	33,946	148,538	114,593	337.6%
5010 - Steam Power Generation - Fuel	-	-	-	0.0%
5020 - Steam Power Generation - Steam expenses	912	621	(291)	-31.9%
5050 - Steam Power Generation - Electric expenses	-	-	-	0.0%
5060 - Steam Power Generation - Miscellaneous steam power expenses	850,360	789,743	(60,617)	-7.1%
5100 - Steam Power Generation - Maintenance supervision and engineering	-	-	-	0.0%
5110 - Steam Power Generation - Maintenance of structures	(197)	-	197	-100.0%
5120 - Steam Power Generation - Maintenance of boiler plant	46,469	-	(46,469)	-100.0%
5130 - Steam Power Generation - Maintenance of electric plant	-	-	-	0.0%
5140 - Steam Power Generation - Maintenance of miscellaneous steam plant	(6,581)	(42,119)	(35,538)	540.0%
5350 - Hydraulic Power Generation - Operation supervision and engineering	-	-	-	0.0%
5460 - Other Power Generation - Operation supervision and engineering	-	-	-	0.0%
5480 - Other Power Generation - Generation Expenses	254	(95)	(349)	-137.4%
5490 - Other Power Generation - Miscellaneous other power generation expenses	788	14,784	13,996	1776.2%
5510 - Other Power Generation - Maintenance supervision and engineering	-	-	-	0.0%
5530 - Other Power Generation - Maintenance of generating and electric plant	-	-	-	0.0%
5540 - Other Power Generation - Maintenance of miscellaneous other power generati	(2,875)	(93,216)	(90,341)	3142.2%
5560 - Other Power Supply Expenses - System control and load dispatching	-	-	-	0.0%
5570 - Other Power Supply Expenses - Other Expenses	-	-	-	0.0%
5600 - Transmission Expenses - Operation supervision and engineering	(85,768)	(105,415)	(19,647)	22.9%
5611 - Transmission Expenses - Load dispatch - reliability	-	-	-	0.0%
5612 - Transmission Expenses - Load dispatch - monitor and operate transmission syst	32,816	-	(32,816)	-100.0%
5615 - Transmission Expenses - Reliability, planning, and standards development	-	-	-	0.0%
5620 - Transmission Expenses - Station expenses	-	-	-	0.0%
5630 - Transmission Expenses - Overhead line expenses	678	-	(678)	-100.0%
5660 - Transmission Expenses - Miscellaneous transmission expenses	(14,921)	-	14,921	-100.0%

Historical Report #2
O&M's by Functional Area & FERC Account
Actuals/Forecasted versus Budget - 2020

	Forecast	Budget	Variance	% Variance
5680 - Transmission Expenses - Maintenance supervision and engineering	(57,770)	(57,847)	(77)	0.1%
5691 - Transmission Expenses - Maintenance of computer hardware	-	-	-	0.0%
5692 - Transmission Expenses - Maintenance of computer software	-	-	-	0.0%
5693 - Transmission Expenses - Maintenance of communication equipment	-	-	-	0.0%
5700 - Transmission Expenses - Maintenance of station equipment	-	103	103	0.0%
5710 - Transmission Expenses - Maintenance of overhead lines	-	-	-	0.0%
5752 - Regional Market Expenses - Day-ahead and real-time market administration	14,941	-	(14,941)	-100.0%
5753 - Regional Market Expenses - Transmission rights market administration	-	-	-	0.0%
5800 - Distribution Expenses - Operation supervision and engineering	(82,681)	(93,194)	(10,513)	12.7%
5810 - Distribution Expenses - Load Dispatching	726	-	(726)	-100.0%
5820 - Distribution Expenses - Station expenses	-	-	-	0.0%
5830 - Distribution Expenses - Overhead line expenses	(9,271)	21,672	30,943	-333.8%
5840 - Distribution Expenses - Underground line expenses	-	-	-	0.0%
5860 - Distribution Expenses - Meter expenses	(828,276)	(828,274)	2	0.0%
5870 - Distribution Expenses - Customer installation expenses	-	-	-	0.0%
5880 - Distribution Expenses - Miscellaneous distribution expenses	20,419	9,186	(11,232)	-55.0%
5900 - Distribution Expenses - Maintenance supervision and engineering	(296,466)	(274,832)	21,635	-7.3%
5920 - Distribution Expenses - Maintenance of station equipment	(8,339)	5,183	13,522	-162.2%
5930 - Distribution Expenses - Maintenance of overhead lines	(2,352,489)	(2,583,639)	(231,150)	9.8%
5940 - Distribution Expenses - Maintenance of underground lines	-	-	-	0.0%
5950 - Distribution Expenses - Maintenance of line transformers	-	-	-	0.0%
5960 - Distribution Expenses - Maintenance of street lighting and signal systems	-	-	-	0.0%
5970 - Distribution Expenses - Maintenance of meters	-	-	-	0.0%
5980 - Distribution Expenses - Maintenance of miscellaneous distribution plant	-	-	-	0.0%
9010 - Customer Accounts Expenses - Supervision	-	-	-	0.0%
9020 - Customer Accounts Expenses - Meter reading expenses	-	-	-	0.0%
9030 - Customer Accounts Expenses - Customer records and collection expenses	490,688	461,911	(28,777)	-5.9%
9040 - Customer Accounts Expenses - Uncollectible accounts	2,266,768	940,950	(1,325,818)	-58.5%
9050 - Customer Accounts Expenses - Miscellaneous customer accounts expenses	21,554	-	(21,554)	-100.0%
9070 - Customer Service and Informational Expenses - Supervision	120,334	-	(120,334)	-100.0%
9080 - Customer Service and Informational Expenses - Customer assistance expenses	-	-	-	0.0%
9090 - Customer Service and Informational Expenses - Informational and instructional advertising expenses	-	-	-	0.0%
9100 - Customer Service and Informational Expenses - Miscellaneous customer service and informational e	-	-	-	0.0%
9110 - Sales Expenses - Supervision	-	-	-	0.0%
9120 - Sales Expenses - Demonstrating and selling expenses	8,366	20,402	12,036	143.9%
9160 - Sales Expenses - Miscellaneous sales expenses	-	-	-	0.0%
9200 - Administrative and general salaries	15,941,537	8,771,252	(7,170,285)	-45.0%
9210 - Office supplies and expenses	4,324,984	4,620,154	295,170	6.8%
9220 - Administrative expenses transferred -- Credit	(2,430,428)	(2,169,786)	260,643	-10.7%
9230 - Outside services employed	1,158,319	990,737	(167,582)	-14.5%
9240 - Property insurance	1,947,943	1,907,809	(40,135)	-2.1%
9250 - Injuries and damages	1,317,601	1,305,836	(11,765)	-0.9%
9260 - Employee pensions and benefits	48	9,178	9,130	18875.3%
9280 - Regulatory commission expenses	38,274	37,863	(411)	-1.1%
9301 - General advertising expenses	6,101	15,056	8,955	146.8%
9302 - Miscellaneous general expenses	1,393,491	1,047,710	(345,781)	-24.8%
9310 - Administrative and General Expenses - Rents	69,005	123,129	54,124	78.4%
9350 - Maintenance of general plant	(7,921,783)	(7,683,644)	238,139	-3.0%
Human Resources - Safety	3,181,789	3,469,797	288,008	9.1%
5000 - Steam Power Generation - Operation supervision and engineering	121,445	160,252	38,807	32.0%
5060 - Steam Power Generation - Miscellaneous steam power expenses	415,011	11,393	(403,617)	-97.3%
5600 - Transmission Expenses - Operation supervision and engineering	5,466	7,068	1,602	29.3%
9030 - Customer Accounts Expenses - Customer records and collection expenses	7,350	9,441	2,091	28.4%
9100 - Customer Service and Informational Expenses - Miscellaneous customer service	2,652	1,595	(1,057)	-39.9%
9160 - Sales Expenses - Miscellaneous sales expenses	5,466	7,068	1,602	29.3%
9200 - Administrative and general salaries	622,318	601,873	(20,446)	-3.3%
9210 - Office supplies and expenses	205,824	242,018	36,194	17.6%
9240 - Property insurance	7,065	10,965	3,900	55.2%
9250 - Injuries and damages	582,550	730,926	148,376	25.5%
9260 - Employee pensions and benefits	1,194,390	1,665,505	471,115	39.4%
9280 - Regulatory commission expenses	5,466	7,068	1,602	29.3%
9301 - General advertising expenses	5,466	7,068	1,602	29.3%
9302 - Miscellaneous general expenses	1,319	2,456	1,138	86.3%
9310 - Administrative and General Expenses - Rents	-	5,100	5,100	0.0%
Information Technology	6,261,642	6,609,703	348,061	5.6%
5140 - Steam Power Generation - Maintenance of miscellaneous steam plant	865	-	(865)	-100.0%
5490 - Other Power Generation - Miscellaneous other power generation expenses	885	1,722	836	94.5%
5530 - Other Power Generation - Maintenance of generating and electric plant	159	386	227	142.3%
5540 - Other Power Generation - Maintenance of miscellaneous other power generati	-	333	333	0.0%
5600 - Transmission Expenses - Operation supervision and engineering	24	32	8	34.0%
5612 - Transmission Expenses - Load dispatch - monitor and operate transmission syst	283	443	160	56.4%
5630 - Transmission Expenses - Overhead line expenses	-	1,734	1,734	0.0%
5691 - Transmission Expenses - Maintenance of computer hardware	56,285	70,172	13,887	24.7%
5692 - Transmission Expenses - Maintenance of computer software	-	-	-	0.0%
5693 - Transmission Expenses - Maintenance of communication equipment	101,560	92,636	(8,924)	-8.8%
5700 - Transmission Expenses - Maintenance of station equipment	-	61	61	0.0%
5890 - Distribution Expenses - Rents	85,016	70,804	(14,212)	-16.7%
9030 - Customer Accounts Expenses - Customer records and collection expenses	47,561	146,462	98,901	207.9%

Historical Report #2
O&M's by Functional Area & FERC Account
Actuals/Forecasted versus Budget - 2020

	Forecast	Budget	Variance	% Variance
9070 - Customer Service and Informational Expenses - Supervision	-	236	236	0.0%
9100 - Customer Service and Informational Expenses - Miscellaneous customer service	19,276		(19,276)	-100.0%
9200 - Administrative and general salaries	2,594,569	2,403,319	(191,250)	-7.4%
9210 - Office supplies and expenses	2,562,382	3,083,572	521,189	20.3%
9230 - Outside services employed	106,333	-	(106,333)	-100.0%
9260 - Employee pensions and benefits	-	21,500	21,500	0.0%
9280 - Regulatory commission expenses	-	321	321	0.0%
9302 - Miscellaneous general expenses	29,350	5,500	(23,850)	-81.3%
9350 - Maintenance of general plant	657,091	710,470	53,378	8.1%
Regulatory Affairs & Compliance	6,442,957	6,411,251	(31,706)	-0.5%
5000 - Steam Power Generation - Operation supervision and engineering	17,019	2,292	(14,727)	-86.5%
5060 - Steam Power Generation - Miscellaneous steam power expenses	8,764		(8,764)	-100.0%
5490 - Other Power Generation - Miscellaneous other power generation expenses		-	-	0.0%
5560 - Other Power Supply Expenses - System control and load dispatching	37,018	47,305	10,286	27.8%
9030 - Customer Accounts Expenses - Customer records and collection expenses	723,209	771,946	48,738	6.7%
9070 - Customer Service and Informational Expenses - Supervision	141,652	240,417	98,766	69.7%
9080 - Customer Service and Informational Expenses - Customer assistance expenses	54,628	38,115	(16,513)	-30.2%
9100 - Customer Service and Informational Expenses - Miscellaneous customer service	18,887	475	(18,412)	-97.5%
9120 - Sales Expenses - Demonstrating and selling expenses	12,960		(12,960)	-100.0%
9160 - Sales Expenses - Miscellaneous sales expenses	20	258	239	1214.6%
9200 - Administrative and general salaries	3,010,996	3,140,361	129,365	4.3%
9210 - Office supplies and expenses	492,774	462,727	(30,048)	-6.1%
9230 - Outside services employed	186,036	237,372	51,336	27.6%
9260 - Employee pensions and benefits	215	55	(160)	-74.6%
9280 - Regulatory commission expenses	1,441,545	1,143,188	(298,357)	-20.7%
9301 - General advertising expenses	-	677	677	0.0%
9302 - Miscellaneous general expenses	35,868	20,711	(15,158)	-42.3%
9310 - Administrative and General Expenses - Rents	122,894	162,592	39,698	32.3%
9350 - Maintenance of general plant	138,473	142,761	4,288	3.1%
Grand Total	122,813,584	121,689,322	(1,124,261)	-0.9%

Volume 5

Capital Budget Process



Capital Budget

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ATTACHMENTS

Attachment 1 – Capital Budget Actuals Report Template

Attachment 2 – Capital Budget Variance Report Template

I. Capital Budgeting Process

1.0 Executive Summary

The Otter Tail Power Company (OTP or the Company) capital budget is comprised of “Routine” capital projects and “Non-routine” capital projects. Routine projects are projects done in the normal course of business for utilities which help maintain the functionality of an asset, support typical customer growth, address minor compliance requirements, and maintain system reliability. Routine projects also include projects related to serving new customers by building new facilities or upgrading existing facilities. Routine projects are typically lower cost projects for which the construction does not normally span more than one year. Non-routine projects are typically done to address major compliance requirements and/or adding a significant transmission or generation asset.

Non-routine capital projects are typically higher cost projects which are not done on a yearly basis and for which the construction duration normally spans more than one year.

OTP’s capital budget process includes a Five-Year horizon and begins during the first quarter of each year when Project Sponsors assigned to carry out capital projects within OTP submit forecasts for new projects. After all potential capital projects have been submitted and reviewed by their respective Vice Presidents, the Capital Budget Committee prioritizes a list of capital projects during the second quarter of each year to develop a preliminary Five-Year Capital Budget. The preliminary Five-Year Capital Budget must conform to the Routine capital budget targets established for OTP by its Chief Financial Officer (CFO). The OTP Executive Team approves the preliminary Five-Year Capital Budget during June of each year. Following approval of the preliminary Five-Year Capital Budget, presentations of new Routine and Non-routine capital projects expected to begin in the following year are given by Project Sponsors within OTP.

During the fourth quarter of each year, the preliminary Five-Year Capital Budget is refreshed by Project Sponsors with any necessary updates that have occurred since the June timeframe. This refreshed Five-Year Capital Budget is reviewed and modified by the Capital Budget Committee as necessary. After the refreshed Five-Year Capital Budget is completed by the Capital Budget Committee, the OTP Executive Team approves the final Five-Year Capital Budget in early November of each year. Thereafter, the final Five-Year Capital Budget is reviewed and approved by the OTP Board of Directors and Otter Tail Corporation Board of Directors. As part of this approval process, the OTP Executive Team finalizes the overall project-by-project details of the Five-Year Capital Budget while the OTP Board of the Directors and Otter Tail Corporation Board of Directors approves the total spending within the Five-Year Capital Budget.

Following approval, OTP has various processes in place to closely monitor Routine and Non-routine capital projects to promote completion on time and on budget, and to mitigate risk. One methodology used by OTP to actively manage Routine and Non-routine capital projects is the Phase Review Process. This process allows for an incremental approach to project commitment and is used mostly for Non-routine capital projects and a limited number of Routine capital projects. The first phase of this review process is development, which secures funding to do the necessary research to determine the feasibility of the project. The second phase of this process is construction, which is when construction agreements are executed, vendors are chosen, material is procured and construction commences. The third phase of this review process is post project review and includes an assessment of the performance of the project against the scope and objectives developed during the development phase.

Capital budget spending is monitored and reported on a monthly basis through various reports. The core document for monthly reporting of capital projects is the Capital Budget Actuals Report, which includes monthly, year-to-date, and forecasted year end spending for each project and is sent to the OTP Executive Team, Project Sponsors, and other interested OTP employees.

Forecasted spending for capital projects is updated for all Routine and Non-routine capital projects. The reforecasting process is different between Routine and Non-routine capital projects. Monthly reforecasting for Non-routine capital projects is done by Project Sponsors between the 18th and 22nd of each month. Reforecasting for Routine capital projects is performed monthly through a system re-spread, with Project Sponsors requested to verify and/or update forecasts during two different times of each year.

The capital budget process is continuous throughout each year and has proven to be effective resulting in accurate performance of actual spending to budget. Overview and Planning Horizon

The capital budget for OTP is developed, maintained, and updated by the Fixed Assets Department. The OTP capital budget normally covers a six-year horizon, from the current year to five years into the future. For example, during 2019, actual monthly spending plus the remaining forecast for the current year is closely tracked while a Five-Year budget (2020 – 2024) is also developed and maintained. The OTP capital budget for Routine capital projects and Non-routine capital projects is described in further detail below.

2.0 Routine Capital Projects

Routine projects are projects done in the normal course of business for utilities which help maintain the functionality of an asset, support typical customer growth, address minor compliance requirements, and maintain system reliability. Routine projects also include projects related to serving new customers by building new facilities or upgrading existing facilities. These projects are typically lower cost projects for which the construction does not normally span more than one year. Examples of Routine capital projects include, but are not limited to,

the replacement of: (1) poles; (2) underground cable; (3) circuit breakers; (4) substation batteries; (5) vehicles; (6) computer equipment; and (7) other necessary equipment needed to generate, transmit, and deliver energy to customers. The Routine capital budget also includes projects related to serving new customers by building new facilities or upgrading existing facilities.

OTP's Routine capital budget is divided into nine Business Units: (1) Energy Supply; (2) Asset Management; (3) Customer Service; (4) Information Technology (IT) & Special Projects; (5) Administration; (6) Finance & Business Planning; (7) Communications; (8) Human Relations/Safety; and (9) Resource Planning/Risk Management. Many capital budget reports published internally have these nine Business Units broken out separately for easy identification and reference. Administration, Human Relations/Safety, and Resource Planning/Risk Management seldom have projects included in the annual capital budget.

3.0 Non-routine Capital Projects

Non-routine projects are typically done to address major compliance requirements and/or adding a significant transmission or generation asset. Non-routine capital projects are typically higher cost projects which are not done on a yearly basis and for which the construction duration normally spans more than one year. Examples of Non-routine capital projects include but are not limited to: (1) generation additions; (2) large transmission projects; (3) environmental upgrades at generation stations; and (4) generation interconnection projects. Recent Non-routine capital projects within OTP have included the Merricourt Wind Farm, Astoria Natural Gas, CISOne, and Self-Funding Interconnection Transmission upgrades.

4.0 Development and Approval of the Five-Year Capital Budget

OTP's capital budget process for the upcoming five-year horizon begins the first quarter of each year. Project Sponsors assigned to carry out capital projects within OTP are responsible for submitting forecasts for new projects and/or updating existing projects in the five-year horizon. The Project Sponsors submit these projects into OTP's capital budgeting software called Power Plan ("Power Plant").

Project Sponsors are required to justify each new capital project by identifying: (1) the need for the project; (2) the work to be completed; (3) the benefits of the project; and (4) any alternatives considered. Project Sponsors are also required to identify the location, estimated start date, estimated in-service date, and if Allowances for Funds Used During Construction (AFUDC) should accrue for each project.

Project Sponsors are also responsible for forecasting monthly cash flows for projects and are required to answer ranking questions to assist the Capital Budget Committee in the prioritizing projects during the development of the preliminary and final Five-Year Capital Budget.

After all capital project submittals are verified for completeness by the Plant & Capital Budget Accountant, they are reviewed by the Vice President of the corresponding Business Unit and either approved or denied for consideration in the Five-Year Capital Budget.

4.1 Project Prioritization

After all capital projects have been submitted and reviewed by the respective Vice Presidents, the Capital Budget Committee begins the process of prioritizing projects during the second quarter of each year to develop the preliminary Five-Year Capital Budget. The objective of the Capital Budget Committee is to develop the list of projects to include in the preliminary Five-Year Capital Budget in accordance with the Routine capital budget targets that have been established for OTP.

4.2 Routine Capital Budget Targets

The annual targets for OTP's Routine capital budget are determined by the OTP CFO. The development of a Routine capital budget target each year has evolved to be set at the level of depreciation expense that is being recovered in our various jurisdictions. This level identifies a reasonable spending rate to keep the assets of OTP operating safely and dependably and to ensure continued reliable service to OTP customers at reasonable rates.

4.3 Capital Budget Committee

OTP's Capital Budget Committee is comprised of managers from various Business Units and serves as a decision making body for determining the priority of particular projects and whether certain projects can be deferred, removed, combined or need to stay in the year in which they are forecasted. These activities are largely driven by committee members consulting with Project Sponsors and their respective Vice Presidents. Factors that are considered by the Capital Budget Committee when developing the Five-Year Capital Budget include: ; (1) planned outages for coal plants; (2) historical spending patterns; and (3) consequences of not completing projects in a given year. Through past interaction between the Capital Budget Committee and the OTP Executive Team, general guidance on the priority of allocating dollars within the Five-Year Capital Budget is as follows: (1) safety; (2) regulatory requirements (federal, state); (3) generation; (4) transmission; (5) information technology and telecommunications; (6) vehicles; and (7) buildings.

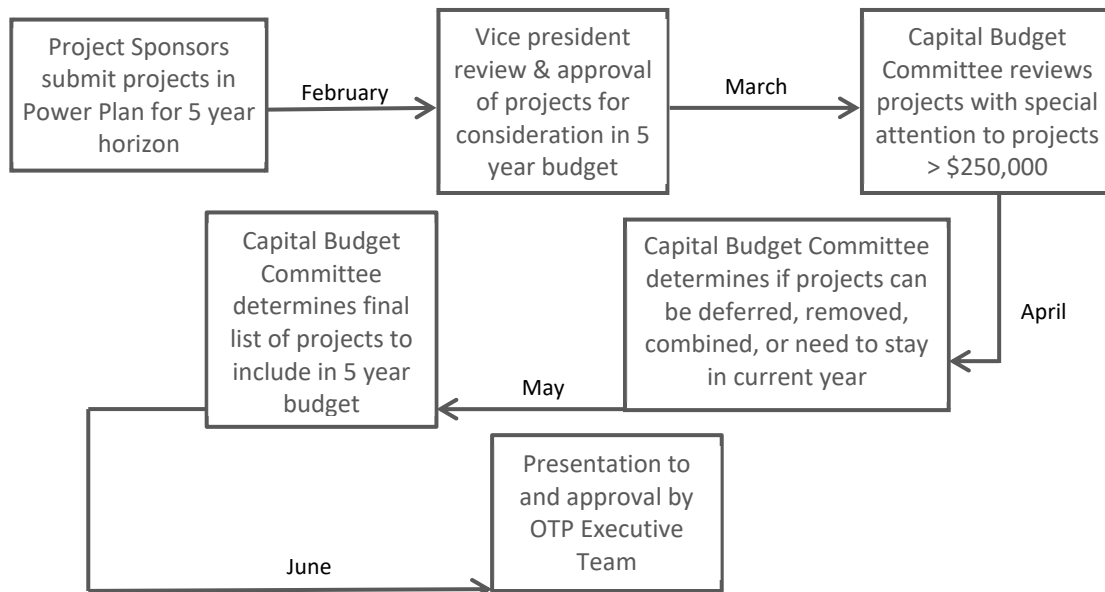
The Capital Budget Committee generally discusses all Routine capital projects greater than \$250,000. The Capital Budget Committee does not typically review the list of the Non-routine capital projects because these projects have generally been approved during

the previous budget cycle. Through this process, a list of Routine capital projects is developed for inclusion in the preliminary Five-Year Capital Budget during the second quarter of each year.

4.4 Approval by OTP Executive Team

After the Capital Budget Committee has finalized a list of projects to include in the preliminary Five-Year Capital Budget, the Plant & Capital Budget Accountant along with the Supervisor of Fixed Assets present that preliminary Five-Year Capital Budget to the OTP Executive Team for approval. The presentation and approval from the OTP Executive Team normally occurs during the first half of June each year. After approval of the preliminary Five-Year Capital Budget by the OTP Executive Team, the preliminary Five-Year Capital Budget is returned to the Capital Budget Committee and shared by the members of the Capital Budget Committee within each of their Business Units to assist in planning for the upcoming year.

The following block diagram gives a general overview of how the preliminary Five-Year Capital Budget is developed and approved within OTP each year:



4.5 Individual Project Review & Approval for Routine and Non-routine Projects

Following approval of the preliminary Five-Year Capital Budget by the OTP Executive Team, formal presentations of new Routine and Non-routine capital projects expected to begin in the following year are prepared by Project Sponsors.

Smaller Routine projects (generally less than \$500,000) are presented and approved through staff meetings of the respective Vice President. Larger Routine projects (generally greater than \$500,000) are have greater project approval requirements. These projects are required to prepare a justification including a financial analysis and present at OTP Executive Team meetings for approval. The project sponsor and executive sponsor meets with the Finance Review Team to review the financial analysis. The main purpose of this team is to support the Vice President and Project Sponsor. The goal is to provide and overall financial outlook for the company as well as information on recovery from riders and the timing of rate cases. This allows the group to determine the appropriate timing of these large project requests.

Routine and Non-routine capital projects over \$1,000,000 generally require project review and approval from the full OTP Executive Team. The OTP President can approve Routine and Non-routine capital projects up to \$5,000,000. If the Routine or Non-routine capital project is greater than \$5,000,000, the project requires approval by the OTP Board of Directors. The OTP Board of Directors can approve Routine and Non-routine projects up to \$15,000,000. Any Routine or Non-routine capital project over \$15,000,000 requires approval by the Otter Tail Corporation Board of Directors.

4.6 Finalization and Approval by OTP Board of Directors

During the fourth quarter of each year, the preliminary Five-Year Capital Budget is refreshed with any necessary updates as the Company may have become aware of additional project needs. After finalization of the refreshed Five-Year Capital Budget by the Capital Budget Committee, presentations are made to the OTP Executive Team, normally in early November each year. Following approval by the OTP Executive Team, the final Five-Year Capital Budget is presented to the OTP Board of Directors and the Otter Tail Corporation Board of Directors for approval. As part of this approval process, the OTP Executive Team finalizes the overall project-by-project details of the Five-Year Capital Budget while the OTP Board of the Directors and Otter Tail Corporation Board of Directors approves the total spending within the Five-Year Capital Budget. After approval of the Five-Year Capital Budget, it is returned to the Capital Budget Committee and shared within each of the Business Units.

5.0 Management and Oversight of Construction – Phase Review

OTP has implemented a process to closely monitor approved Routine and Non-routine capital projects to ensure they are completed on time, on budget, and with minimal risk. This process is called Phase Review.

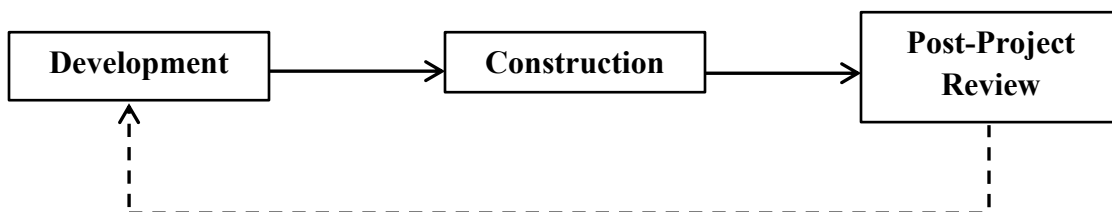
The methodology used by OTP to manage Routine and Non-routine capital projects is the Phase Review Process implemented in 2010. The Phase Review Process allows an incremental approach to project commitment and management and is typically used for capital projects classified as Non-routine, but has also been applied to Routine projects on a very limited basis.

The first phase of the Phase Review Process is development (the “Development Phase”). During the Development Phase, funding is secured to do the necessary research to determine the feasibility of the project. This research includes, but is not limited to, negotiations of project development agreements, preparing and submitting regulatory filings, and developing detailed projects scopes with a cash flow forecast. During the Development Phase, there is no commitment to proceed with the full project.

After the Development Phase, the Project Sponsor seeks approval and final commitment to proceed with construction of the project (the “Construction Phase”). During the Construction Phase, construction agreements are executed, leading to the selection of vendors, procurement of material and construction of the project.

After the project is completed, the project is reviewed (the “Post Project Review Phase”). The Post Project Review Phase includes an assessment of (1) the performance of the project against the scope and objectives developed at the beginning of the project; (2) expenses and savings; and (3) lessons learned. Knowledge gained from the Post-Project Review Phase is applied to future capital projects.

The Phase Review Process is illustrated in the block diagram below.



6.0 Reporting

6.1 Routine / Non-routine Capital Projects

Capital budget spending is monitored and reported on a monthly basis by the Plant & Capital Budget Accountant through coordination with the Accounting and Business Planning Departments.

The Plant & Capital Budget Accountant creates the monthly Capital Budget Actuals Report that outlines the capital spending for OTP's Routine and Non-routine capital projects on a project-by-project basis divided into each of the nine Business Units. The Capital Budget Actuals Report includes monthly, year-to-date spending, and forecasted year end spending for each project and is sent to the OTP Executive Team, Project Sponsors, and other interested OTP employees by the 10th of each month. Attachment 1 is a template of the Capital Budget Actuals Report.

The Plant & Capital Budget Accountant also creates a Capital Budget Variance Report quarterly. Project Sponsors provide an explanation for the variance in this report, which is also sent to the OTP Executive Team, Project Sponsors, and other interested OTP employees. Attachment 2 is a template of the monthly Capital Budget Variance Report.

7.0 Reforecasting

7.1 Monthly Capital Budget Reforecasting

Monthly reforecasting is performed for all Routine and Non-routine capital projects. Monthly reforecasting process is different between Routine and Non-routine projects.

7.1.1 Non-routine Capital Projects

Monthly reforecasting for Non-routine capital projects is done each month by Project Sponsors to ensure that the Non-routine capital project forecasts included in each monthly Capital Budget Actuals Report reflects the most accurate information possible.

7.1.2 Routine Capital Projects

Reforecasting for Routine capital projects also occurs monthly but is largely driven by the Plant & Capital Budget Accountant rather than the Project Sponsors. If a Routine capital project had more spent than what was forecasted for a particular month, the forecasted spending in the next month of cash flows for that project is reduced. If a Routine capital project has spent less than what was

forecasted for a particular month, the unspent dollars from that month are re-spread over the remaining months of that year.

7.2 Quarterly Capital Budget Reforecasting for Routine Capital Projects

Reforecasting for Routine capital projects, which occurs at the end of the second and third quarter of each year, is more extensive than the monthly reforecasting process described above. For the second and third quarter reforecasts of Routine capital projects, all Project Sponsors are requested to update all current year forecasts on their respective capital projects. This allows a refresh of the projects during the construction phase of most capital projects after some of the uncertainty in projects has been eliminated. This quarterly process of reforecasting Routine capital projects also ensures that any inaccuracies introduced by the monthly re-spread of cash flows are corrected.

7.3 Quarterly Capital Budget Reforecasting for Non-routine Capital Projects

Non-routine capital projects are re-forecasted on a monthly basis. Accordingly, there is no need for additional quarterly reforecasting for Non-routine capital projects.

II. COMPARISON OF BUDGET TO ACTUAL (2018-2019)

1.0 Executive Summary

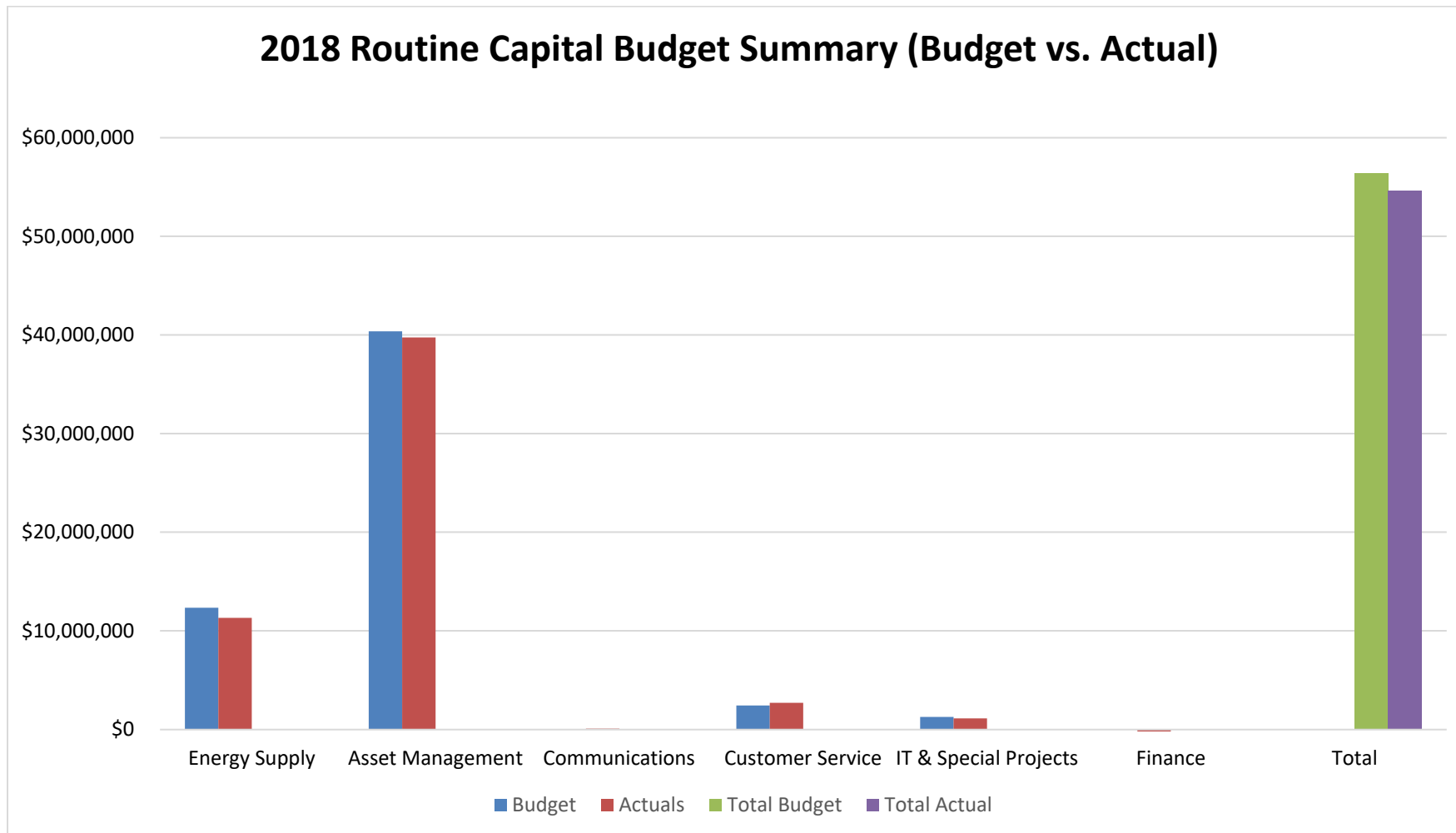
A 2018-2019 comparison of budget to actual spending for Routine capital projects shows that OTP actual spending is less than one percent of budget (< 2% of budget) for that period. This information is presented in both tabular and graphical form below, shown separately for each Business Unit along with a roll-up of the total Routine capital budget for 2018-2019.

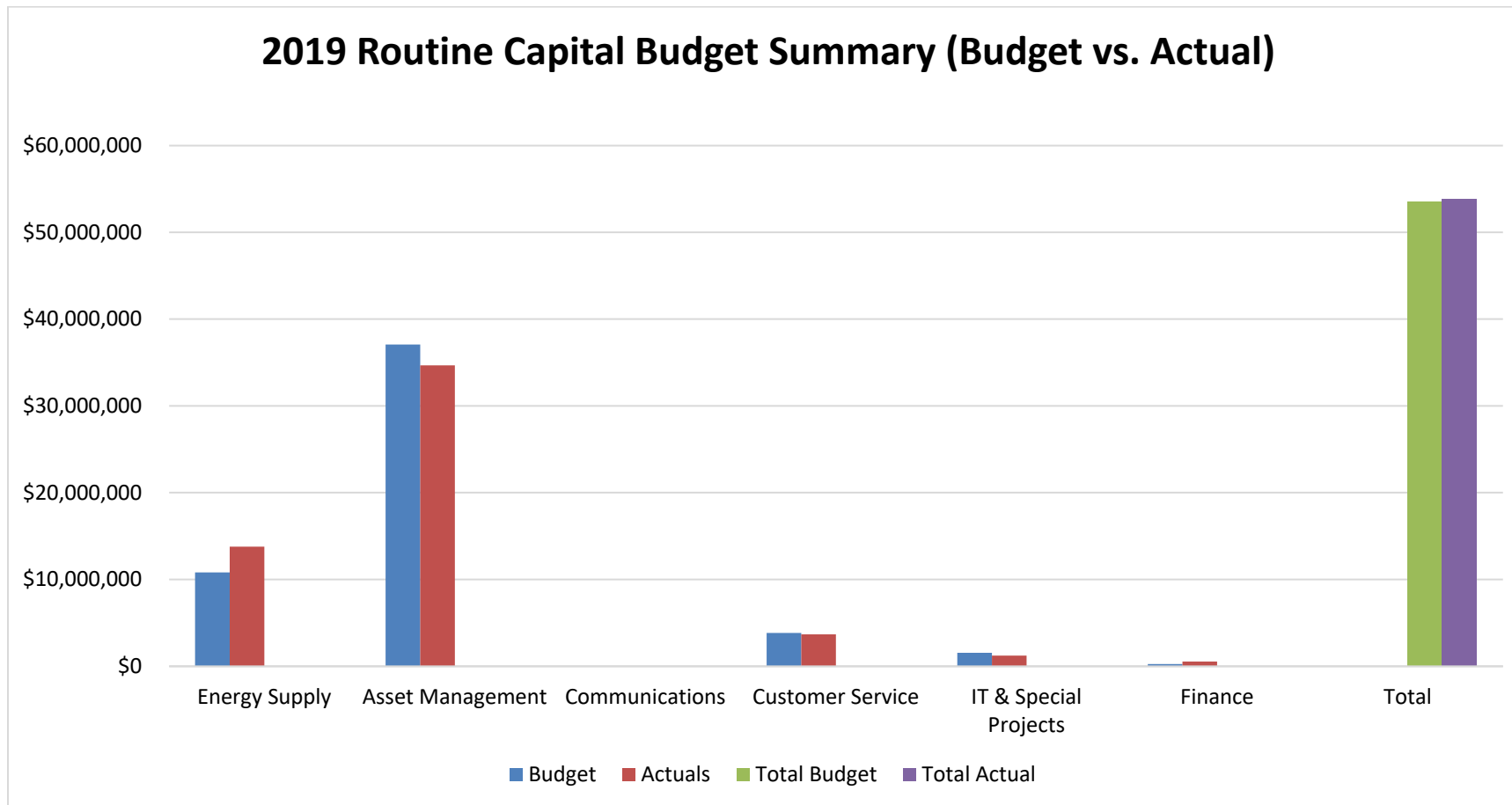
2.0 Routine Capital Spending By Business Unit.

The following tables and charts are a summary of the Routine capital budget comparing the actual spend with the budget by Business Unit for 2018-2019. As previously mentioned, Administration, Human Relations/Safety, and Resource Planning/Risk Management seldom have specific projects in the annual capital budget.

2018 Capital Budget				
<u>Business Unit</u>	<u>Budget</u>	<u>Actuals</u>	<u>\$ Variance</u>	<u>% Variance</u>
Energy Supply	\$12,342,617	\$11,311,627	(\$1,030,990)	91.6%
Asset Management	\$40,368,243	\$39,738,597	(\$629,646)	98.4%
Communications	\$1,500	\$76,975	\$75,475	5131.7%
Customer Service	\$2,424,476	\$2,701,658	\$277,182	111.4%
IT & Special Projects	\$1,266,833	\$1,127,595	(\$139,239)	89.0%
Finance & Business Planning	\$0.00	(\$318,969)	(\$318,969)	--%
Total	\$56,403,669	\$54,637,481	(\$1,766,188)	96.9%

2019 Capital Budget				
<u>Business Unit</u>	<u>Budget</u>	<u>Actuals</u>	<u>\$ Variance</u>	<u>% Variance</u>
Energy Supply	\$10,801,115	\$13,769,757	\$2,968,642	127.5%
Asset Management	\$37,064,107	\$34,670,740	(\$2,393,366)	93.5%
Communications	\$16,000	\$9,630	(\$6,370)	60.2%
Customer Service	\$3,830,501	\$3,675,664	(\$154,754)	96.0%
IT & Special Projects	\$1,543,000	\$1,218,089	(\$324,911)	78.9%
Finance & Business Planning	\$250,000	\$532,747	\$282,747	213.1%
Total	\$53,504,723	\$53,876,627	\$371,904	100.7%





3.0 Total OTP Routine Capital Spending

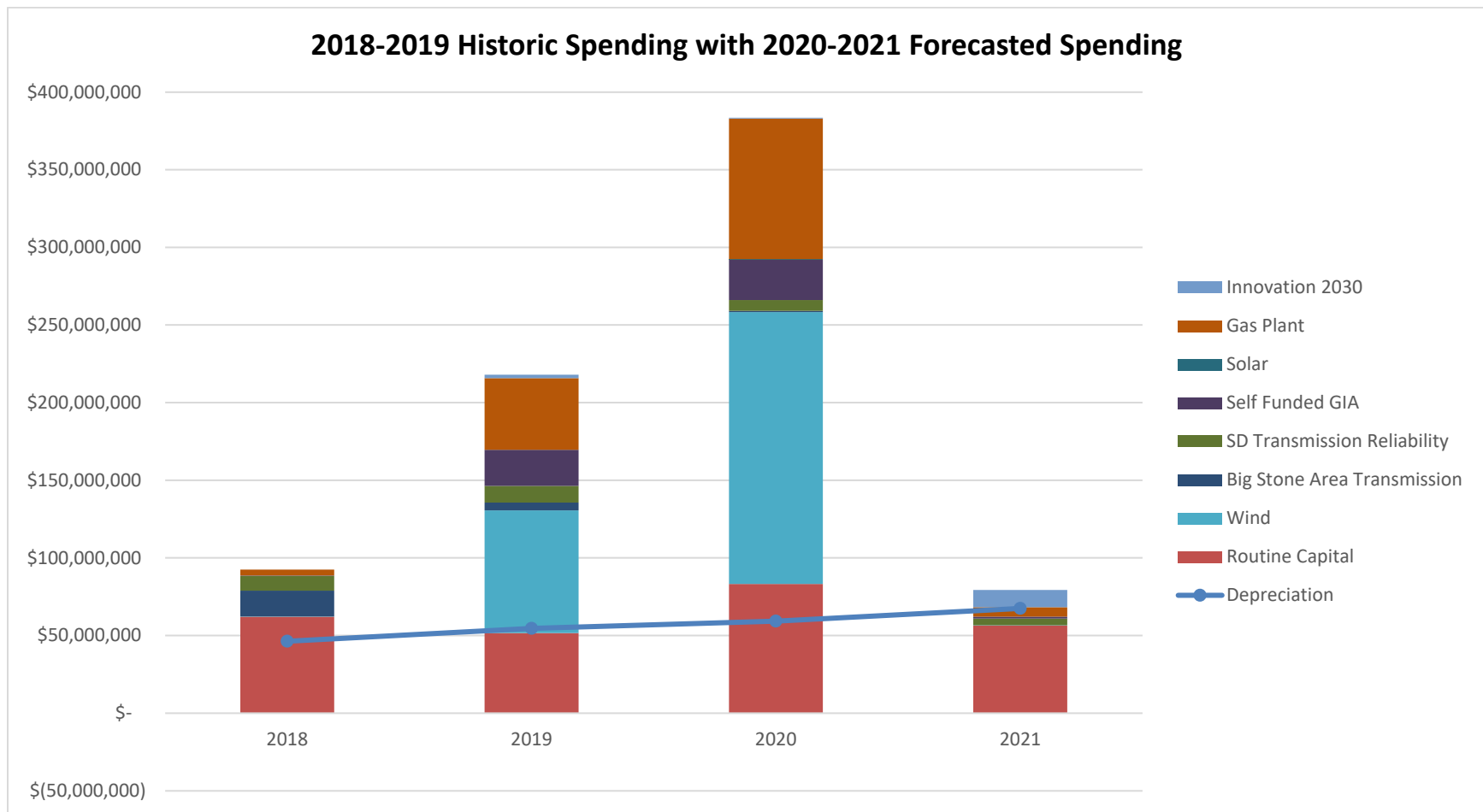
The following table provides a summary of the Routine capital budget and actual Routine capital spending for 2018-2019:

Year	Budget	Actual	\$ Variance	% Variance
2108	\$56,403,669	\$54,637,481	(\$1,766,188)	96.9%
2019	\$53,504,723	\$53,876,627	\$371,904	100.7%

*No AFUDC

4.0 2018-2019 Historical and 2020-2021 Forecasted Spending

The following chart shows OTP's historical capital spending from 2018-2019 as well as OTP's forecasted capital spending for 2020 through 2021



Otter Tail Power Company

Department	FP Number	Description	Proj Mgr	Original Budget	Change	Year End Forecast		Current Month Budget	Current Month Actual	Current Month Variance		Year to Date Budget	Year to Date Actual	YTD Budget Variance

RE: 20XX QX Results

Summary:

[illegible]

