**Return on Equity accruals made by Otter Tail Power in 2016.**

Otter Tail Power accrued $1,666,194 for a reduction in the return on equity for projects included in formula rate templates. The accruals were recorded as a reduction in FERC account 456.1, revenues from transmission of electricity by others, with the corresponding liability in FERC account 232, accounts payable. The cumulative entry was the following:

Dr. Account 456.1 $1,666,194

 Cr. Account 232 $1,666,194