

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF SOUTH DAKOTA**

<b>IN THE MATTER OF THE ) APPLICATION OF BLACK HILLS ) POWER, INC. FOR APPROVAL OF ) ENERGY EFFICIENCY PROGRAMS, ) TARIFFS, AND COST RECOVERY ) MECHANISM ) ) ) )</b>	<b>ORDER APPROVING ENERGY ) EFFICIENCY PLAN STATUS ) REPORTS FOR PLAN YEARS 2013 ) AND 2014 AND REVISED ENERGY ) EFFICIENCY PLAN FOR PLAN ) YEARS 2015 AND 2016 )  EL15-044</b>
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On October 29, 2015, the South Dakota Public Utilities Commission (Commission) received an Application from Black Hills Power, Inc. (BHP) for Approval of Energy Efficiency Program Modifications, Tariffs, and Cost Recovery Mechanism (Application). In its filing, BHP requests that the Commission approve: 1) the status report of Plan Year 3 of its previous Energy Efficiency Solutions Plan (EESP) approved in docket EL11-002, 2) the status report of Plan Year 1 of its currently effective EESP, 3) modifications to the currently effective EESP for Plan Years 2015 and 2016, and 4) new Energy Efficiency Solutions Adjustment (EESA) rates of \$0.0004/kWh for residential services and \$0.0009/kWh for commercial and industrial services. The currently effective EESP is a 3-year plan that was approved by the Commission in docket EL14-038 and is effective through November 30, 2017. The following tariff sheets filed by BHP reflect the revised EESA rates.

South Dakota Electric Rate Book

Section No. 3C

Sixteenth Revised Sheet No. 11

Fourth Revised Sheet No. 21

Cancels Fifteenth Revised Sheet No. 11

Cancels Third Revised Sheet No. 21

On November 5, 2015, the Commission electronically transmitted notice of the Application and the intervention deadline of November 20, 2015, to interested individuals and entities on the Commission's PUC Weekly Filings electronic listserv. No petitions to intervene or comments were filed. The Commission has jurisdiction over this matter pursuant to SDCL 49-34A, specifically, 49-34A-6, 49-34A-8, 49-34A-8.2, 49-34A-8.4, 49-34A-10, and 49-34A-11. On December 4, 2015, BHP filed its responses to Commission Staff's (Staff) data requests and Staff filed a Staff Memorandum containing analyses and recommendations for the docket.

At its regularly scheduled meeting on December 8, 2015, the Commission considered this matter. Staff recommended approval of: 1) the status report of Plan Year 2013 and performance incentive of its previous EESP approved in docket EL11-002, 2) the status report of Plan Year 2014 and performance incentive of its currently effective EESP, 3) modifications to the currently effective EESP for Plan Years 2015 and 2016 with additional modifications as outlined in Staff's Memorandum, and 4) new EESA rates of \$0.0004/kWh for residential services and \$0.0009/kWh for commercial and industrial services with an effective date of January 1, 2016. Finding that BHP's Application meets the standards set forth in the statutes cited above and that the true up, approval, and program modifications as amended by the Commission are just and reasonable, the Commission voted unanimously to approve BHP's Application as revised per Staff's recommendation and with dealer incentives removed from the Appliance Recycling Program and Residential Efficiency HVAC program. It is therefore

ORDERED, that BHP's status report of Plan Year 2013, and performance incentive, of its previous Energy Efficiency Solutions Plan (EESP) from docket EL11-002 is approved. It is further

ORDERED, that BHP's status report of Plan Year 2014, and performance incentive, of its currently effective EESP is approved. It is further

ORDERED, that BHP's proposed EESP for Plan Years 2015 and 2016 is approved subject to the following:

- 1) Dealer incentives shall be removed from the Appliance Recycling program;
- 2) Dealer incentives shall be removed from the Residential Efficiency HVAC program;
- 3) BHP shall revise the "Recycle and Replace – ENERGY STAR Refrigerator" measure to make it cost effective or, in the alternative, ~~remove the measure~~ from the EESP;
- 4) BHP shall revise the "Central Air Conditioner (SEER 15)" and "Ductless Mini Split Air Conditioner (SEER ≥19)" measures to make them cost effective or, in the alternative, remove the measures from the EESP; and
- 5) BHP shall revise the "Ceiling Mount Occupancy Sensors" measure to make it cost effective or, in the alternative, remove the measure from the EESP. It is further

ORDERED, that the proposed EESA rates of \$0.0004/kWh for residential services and \$0.0009/kWh for commercial and industrial services are approved, effective January 1, 2016. It is further

ORDERED, that the tariff sheets referenced above are hereby approved.

Dated at Pierre, South Dakota, this 11th day of December, 2015.

<b>CERTIFICATE OF SERVICE</b>
The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, electronically or by mail.
By: <u>Karen E. Bremer</u>
Date: <u>12/11/2015</u>
(OFFICIAL SEAL)

BY ORDER OF THE COMMISSION:

Chris Nelson

CHRIS NELSON, Chairman

Kristie Eegen

KRISTIE EEGEN, Commissioner

Gary Hanson

GARY HANSON, Commissioner