

OTTER TAIL POWER COMPANY
Docket No. EL14-039

Response to: South Dakota Public Utilities Commission
Analyst: Brian Rounds
Date Received: 6/23/2014
Date Due:
Date of Response: 06/26/2014
Responding Witness: Jason A. Grenier, Market Research Evaluation Analyst – (218)
739-8639

Information Request No: SD-PUC-01-01

- 1-1) For the Air Conditioning Control Program, please explain why 9 participants resulted in actual spending of 98% of budget when the budget was based on 30 participants. In other words, why was actual spending on budget if there were fewer participants than originally planned for?

RESPONSE:

Cost such as program development labor, program evaluation labor, advertising, and promotional material expenses are incurred regardless of the number of participants in the program. Implementation labor and service provider expenses for installing the control device at the customer's home fluctuate with customer participation. These costs were much less in 2013 since participation was down.

Otter Tail recognized the lack of customer participation during 2013 and took steps to improve participation in 2014. Included in the 2013 budget are labor costs for recruiting electrical contractors to participate in installing the AC control equipment and educating contractors on installation and paperwork procedures. New participants in 2014 are already at 14, exceeding our 2013 actuals.