## 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

## <u>Information Request No</u>: SD-PUC-01-02

1-2) For the Custom Efficiency Program, the actual number of participants exceeded expectations however actual energy savings fell short of expected savings. Please provide an explanation of the projects completed in this program during the year and why they resulted in low energy savings.

## **RESPONSE:**

For 2013 the Customer Efficiency Program consisted of four building envelope grants and two variable speed drive grants. Building envelope measures typically consist of increasing a building's roof and wall insulation, installing higher efficiency windows, or installing insulated doors. While cost effective, building envelope measures do not produce significant energy savings when compared to traditional large industrial custom grants like variable speed drives. In 2012, Otter Tail's savings in the Custom Efficiency Program was 280 percent of budget. This was achieved with eleven industrial variable speed drive projects and only one building envelope project.