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South Dakota

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Patricia Van Gerpen
Executive Director
South Dakota Public Utilities Commission
500 E Capitol Ave.
Pierre, SD 57501

RE: Staff's White Paper on the Difference in Investor Owned Utility Total Resource Cost Test Calculations for Ground Source Heat Pumps

Ms. Van Gerpen,

Enclosed is a white paper on the difference in investor owned utility Total Resource Cost (TRC) test calculations for ground source heat pumps. Staff submits this white paper as an informational filing in order to provide clarity to the Commission as to how the TRC test is calculated for a ground source heat pump by three utilities (Otter Tail Power, MidAmerican Energy, and Black Hills Energy).

It is Staff's intention to discuss the white paper with the Commission at the August 15, 2017, Commission meeting. The white paper will be brought to the Commission as an item for Commission discussion.

Sincerely,

Darren Kearney
Utility Analyst
SD PUC