

NorthWestern Energy
Docket GE16-005
South Dakota 2017 DSM Filing

South Dakota Public Utilities Commission
First Data Request (1-1 – 1-12)

Data Requests received December 7, 2016

1-3) Looking back at the first two years of the DSM Plan performance, please explain if the Home Energy Audits generated participation in other rebate programs as expected.

RESPONSE:

No. While NorthWestern Energy did not set specific targets for participation in rebates generated from Home Energy Audits, the level of rebates associated with audits in the first two years was less than anticipated. Since the Home Energy Audit program was a new offering with a limited number of audits funded each year, it is difficult to determine an appropriate response level.

In an effort to manage the flow of customer demand to fit the program budget and provide equitable opportunities to participate in the Home Energy Audits, NorthWestern primarily promoted this program through mailings to subsets of potentially qualifying residential natural gas or electric heat customers. Each of the eight mailings was sent to a geographically representative, randomly selected subset of approximately 5,000 customers. While allowing for an equitable distribution of a limited number of audits each year, the random selection process may have skewed the ability to reach the customers most likely to take immediate action on audit findings.

NorthWestern recognizes that any number of factors impact a customer's willingness to act on energy efficiency and that there is not a predictable timeline on which customers take action on recommendations from Home Energy Audits.

Customer satisfaction with the Home Energy Audit has been high. Depending on the attributes of the home and the customer choices around energy usage, customers received a mix of recommendations ranging from low-cost, no-cost measures as well as major measures and information to assist them in prioritizing their decisions.

Customer action is voluntary. Some customers may only be able to afford to act on the low-cost or behavioral measures at the time of the audit. Others may place a priority on measures for which rebates are not offered, such as replacement windows. The number of measures qualifying for rebates and the dollar value of the rebates may not be sufficient to attract customer participation at a given time. Also, customers may not act on recommendations in the near term. It is not uncommon for customers to act on recommendations separate of the rebate offering or in future years following an audit.