

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

**IN THE MATTER OF THE SOUTH DAKOTA)
PUBLIC UTILITIES COMMISSION,)
DEMAND RESPONSE INVESTIGATION)**

**ORDER REQUESTING COMMENT)
ON DEMAND RESPONSE RATE)
MECHANISMS)**

AA22-003

On November 15, 2021, the President of the United States signed The Infrastructure Investment and Jobs Act ("IIJA"), H.R. 3684, 117th Cong. (2021). Pursuant to the IIJA, Section 111(d) of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. 2621(d)) was amended ("Amendments") by adding the following standard:

Each electric utility shall promote the use of demand-response and demand flexibility practices by commercial, residential, and industrial customers to reduce electricity consumption during periods of unusually high demand.

The Amendments provide that each State regulatory authority shall consider establishing rate mechanisms to allow an electric public utility to timely recover the costs of promoting demand-response and demand flexibility practices. Consideration of the standard or a hearing for consideration must be set within one year of the date of enactment. Consideration must provide a determination within two years of the date of enactment. If prior state actions were taken to address the standard, the requirements do not apply.

At its regularly scheduled meeting on July 19, 2022, the Commission considered this matter. The Commission finds that it is in the public interest to review past action taken regarding demand-response and demand flexibility and consider available opportunities from the promotion of demand-response and demand flexibility practices. Accordingly, the Commission requests that each electric public utility file written comments that provide the following:

- a. A report of existing demand response and demand flexibility practices used by commercial, residential, and industrial customers to reduce electricity consumption during periods of unusually high demand for service to South Dakota, as well as adjoining jurisdictions;
- b. Current rate mechanisms employed for timely recovery of the costs of demand- response and demand flexibility practices;
- c. Previous actions taken by the Public Utilities Commission or State Legislature to implement the standard or a comparable standard;
- d. Opportunities to further promote the use of demand-response and demand flexibility practices to reduce electricity consumption during periods of unusually high demand; and
- e. Any other information that the Commission should consider.

It is therefore

ORDERED, that the South Dakota Electric Public Utilities file initial comments addressing the standard by October 21, 2022.

Dated at Pierre, South Dakota, this 20th day of July 2022.

CERTIFICATE OF SERVICE

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: Adam de Hened

Date: 7/20/22

(OFFICIAL SEAL)

BY ORDER OF THE COMMISSIONER:

Chris Nelson
CHRIS NELSON, Commissioner

Kristie Fiegen
KRISTIE FIEGEN, Commissioner

Gary Hanson
GARY HANSON, Commissioner