

OTTER TAIL POWER COMPANY  
Docket No. EL13-016

Response to: South Dakota Public Utilities Commission  
Analyst: SDPUC Staff  
Date Received: 7/10/2013  
Date Due: 8/2/2013  
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Responding Witness: Kim Pederson, Manager Market Planning - (218) 739-8303

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Information Request No: SD-PUC-01-07

In the Custom Program, is there a limit to the incentive amount a participant can receive?

**RESPONSE:**

Yes, Otter Tail operates the Custom Grant program under several incentive guidelines to ensure cost effectiveness and to promote customer participation:

1. The maximum incentive is limited to 75% of total project installed cost.
2. The maximum incentive is limited to 90% of the premium portion of the energy efficient (premium) option.
3. Each custom project must pass both the Utility and Societal cost effectiveness tests.
4. No single customer will be paid more than 20% of the South Dakota EEP total budget in a single year unless approved by Otter Tail management. Grants approaching upper limits in the guidelines may be capped at the discretion of the company.
5. Otter Tail Power Company reserves the right to review applications and determine suitability of projects.
6. Otter Tail Power Company reserves the right to modify the incentive amounts as needed to fulfill its EEP requirements (or limits) or base incentive amounts on current market development, technology development, evaluation, measurement and verification (EM&V) results and program implementation experience.