

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

IN THE MATTER OF THE PETITION OF  
NORTHERN STATES POWER COMPANY  
FOR APPROVAL OF THE 2014 ANNUAL  
DSM STATUS REPORT, INCLUDING 2014  
COST RECOVERY AND INCENTIVE AND  
APPROVAL OF THE PROPOSED 2016 DSM  
COST ADJUSTMENT FACTOR AND  
PROGRAM PLAN

**PETITION FOR 2014 DSM  
PROGRAM APPROVAL AND  
PROPOSED 2016 DSM COST  
ADJUSTMENT FACTOR**

DOCKET NO. EL15- 015

Northern States Power Company, doing business as Xcel Energy, submits to the South Dakota Public Utilities Commission, this update to our May 1, 2015 Petition seeking approval of the 2014 annual Demand Side Management Status (DSM) Report, including 2014 cost recovery and incentive, as well as approval of the 2016 DSM Cost Adjustment Factor and DSM Plan.

Specifically, the Company requests that the Commission:

- Approve the addition of new construction measures to the Business Lighting Efficiency program;
- Increase the 2016 Proposed Goals to 2.2 MW and 9,305,532 Gen. kWh;
- Accept our bill message adjustment from January 2015 to January 2016.

The following sections explain in our requested update.

- I. ***Business Lighting Efficiency Update*** – Presents an update to Business Lighting Efficiency program.
- II. ***Updated 2016 Executive Summary*** – Presents the updated Executive Summary with the additional savings associated with additional lighting measures.
- III. ***Bill Message Update*** – Gives an update of bill messaging for 2016.

## UPDATE

### I. Business Lighting Efficiency Update

#### *Lighting Efficiency*

The Lighting Efficiency program offers retrofit rebate incentives to Xcel Energy commercial and industrial customers who purchase and install qualifying energy efficient lighting products. Rebates are offered to encourage customers to purchase energy efficient lighting by reducing the up-front costs associated with new lighting equipment. Customers apply for rebates by completing the application and providing a detailed invoice for the newly installed equipment.

#### *Proposed Program Changes for 2016*

The program will introduce seven LED new construction measures to the Business Lighting Efficiency program in 2016. The new measures are in response to increased new construction activity in our service territory. Customers will now have access to new construction incentives for many of the same technologies currently offered in the retrofit LED program, including both interior and exterior lighting options.

Below is a table summarizing these LED additions. We will continue to monitor market conditions closely and manage the program's offerings to ensure market-appropriate rebate levels and technology requirements.

## II. 2016 Executive Summary

This section includes an updated summary of Xcel Energy's proposed 2016 DSM Plan. The Company has included the addition of new construction measures within the Business Lighting Efficiency program.

The impact of this change includes an addition of 3 GWh to our original Petition. As shown in the table below, we are increasing participation in the Business Lighting Efficiency program by adding additional LED technologies. However, while there is an increase in savings based on participation growth, we anticipate that the mix of measures will alter in a way that allows us to maintain our originally requested budget.

The summary also shows the total portfolio has a passing TRC Ratio of 2.44. A full Executive Summary, which includes all cost-effectiveness test results, is provided in Attachment A. We respectfully request that the Commission approved this revised 2016 Plan.

**Table 1 – Executive Summary Table of 2016 Forecast**

<b>Updated Executive Summary Table - 2016</b>					
<b>2016</b>	<b>Electric Participants</b>	<b>Electric Budget</b>	<b>Generator kW</b>	<b>Generator kWh</b>	<b>TRC Ratio</b>
<b>Business Segment</b>					
Lighting Efficiency	2,565	\$433,191	1,448	8,367,645	2.40
Business Saver's Switch	20	\$30,950	30	224	1.42
Peak and Energy Control	1	\$6,000	101	2,612	10.14
<b>Business Segment Total</b>	<b>2,586</b>	<b>\$470,141</b>	<b>1,579</b>	<b>8,370,481</b>	<b>2.44</b>
<b>Residential Segment</b>					
Ground Source Heat Pump	12	\$25,050	19	102,398	0.94
Home Lighting	7,851	\$56,035	108	828,699	2.61
Residential Saver's Switch	758	\$181,650	502	3,954	4.05
Consumer Education	68,000	\$27,165	0	0	-
<b>Residential Segment Total</b>	<b>76,621</b>	<b>\$289,900</b>	<b>630</b>	<b>935,051</b>	<b>2.53</b>
<b>Planning Segment</b>					
Regulatory Affairs	0	\$15,000	0	0	-
<b>Planning Segment Total</b>	<b>0</b>	<b>\$15,000</b>	<b>0</b>	<b>0</b>	<b>-</b>
<b>PORTFOLIO TOTAL</b>	<b>79,207</b>	<b>\$775,041</b>	<b>2,209</b>	<b>9,305,532</b>	<b>2.44</b>

### **III. Bill Message Update**

Our review of the May Petition in preparation for this filing showed a minor error in the our bill message language. As such, we provide an updated version to inform the record. We have changed the date of the bill message from January 1, 2015 to January 1, 2016. This update is detailed in Attachment B.

## Service of Filings

We request that communications regarding this Application be directed to:

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## CONCLUSION

In summary, the Company respectfully requests that the Commission:

- Approve the addition of new construction measures to the Business Lighting Efficiency program;
- Increase the 2016 Proposed Goals to 2.2 MW and 9,305,532 Gen. kWh;
- Accept our bill message adjustment from January 2015 to January 2016.

Xcel Energy looks forward to continuing these programs in South Dakota. The Company appreciates the interest and efforts of South Dakota policy makers in supporting this DSM portfolio.

Dated: October 5, 2015

Xcel Energy



By: \_\_\_\_\_

ERIC PAULI

Community Relations Manager