



November 29, 2016

Ms. Patricia Van Gerpen, Executive Director
South Dakota Public Utilities Commission
State Capitol Building
500 East Capitol Avenue
Pierre, South Dakota 57501-5070

Re: EL16-018 - In the Matter of the Petition of Northern States Power Company dba Xcel Energy for Approval of Its 2015 DSM Report and 2017 Proposed DSM Plan

Dear Ms. Van Gerpen:

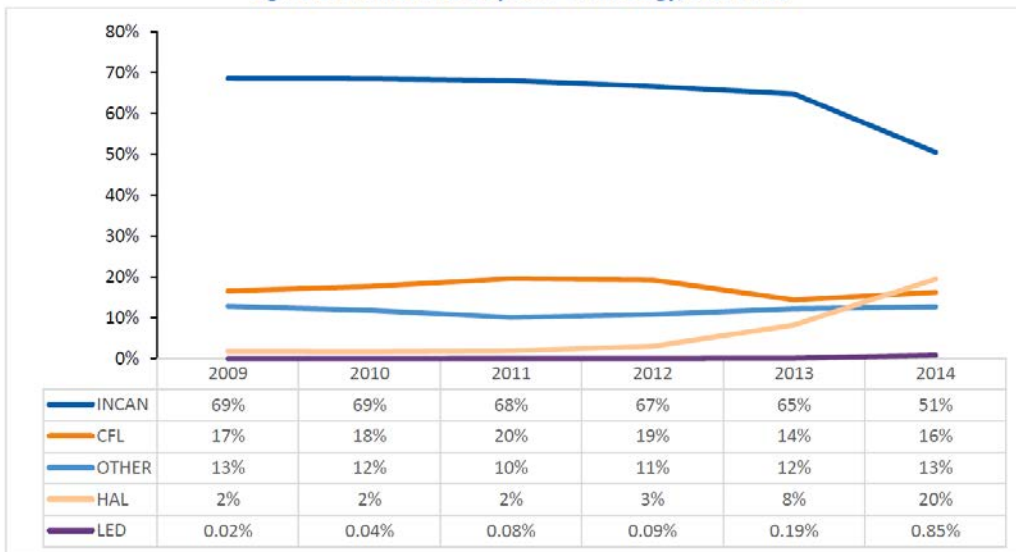
At the November 22, 2017 South Dakota Public Utilities Commission (Commission) meeting in this matter, the Commissioners raised questions regarding the Home Lighting Program in our Demand Side Management Plan. In response to the Commissioners' questions, we committed to provide additional information following the hearing.

The Commissioners specifically asked what the market share of certain lighting technologies were including incandescent, compact fluorescents and LEDs. The Company has not conducted a market share analysis in South Dakota, however, we have completed this analysis most recently in our Colorado Lighting Market Study in 2015. We provided this study to the Commission as part of Discovery Request No. 2-11 filed on November 2, 2016.

In Figure 5, page 19, Cadmas provided the national level of market share by bulb technology in the United States. We represent this figure in Table 1 below.

Table 1. Cadmas Figure 5

Figure 5. Market Share by Bulb Technology, U.S. Sales

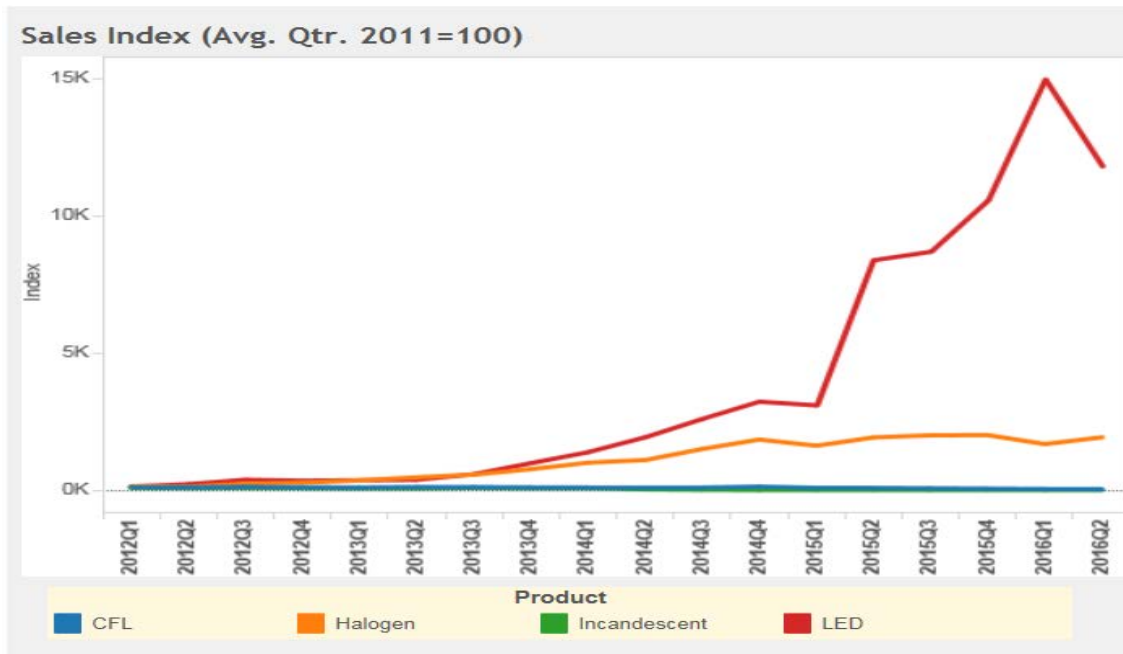


From the national perspective this shows that the market share for CFL’s was still increasing in 2014 and that LED technologies were also beginning to take off. The study further noted that this trend differed by state (see Figure 6, page 20) showing that sales of LED technologies were dependent upon location.

Another helpful resource is information provided by the National Electrical Manufacturers Association (NEMA). Their website¹ provides lighting production as noted below. This shows an increase in LED technology in 2015 to today.

¹ See NEMA website at <http://www.nema.org/Intelligence/Pages/Lamp-Indices.aspx>.

Table 2. NEMA Sales Index



We can further analyze the market specific to South Dakota by reviewing what types of bulbs were sold by our retail partners in 2015.

Table 3. Sales Figures December 2014 – December 2015.

	Residential	Business	Total	% of Total
LED Bulbs	24,887	1,558	26,445	38%
CFL Bulbs	41,390	2,588	43,978	62%
Total	66,277	4,146	70,423	

As presented by Table 3, the percent of market share through the Xcel Energy Residential Lighting program was approximately 60/40 with an increase in LED bulbs from previous years. We anticipate this trend to continue based on both the Cadmus study and NEMA sales index.

For any further questions, please call me at (605)339-8303.

Sincerely,

Eric Pauli
 Community Relations Manager