

OTTER TAIL POWER COMPANY
Docket No: EL19-020

Response to: South Dakota Public Utilities Commission
Analyst: SDPUC Staff
Date Received: 05/08/2019
Date Due: 05/22/2019
Date of Response: 05/22/2019
Responding Witness: Jason A. Grenier, Manager Market Planning - (218) 739-8639

Data Request:

Explain why Air Source Heat Pumps (C) had limited participation in 2018. What is OTP doing to increase participation in 2019?

Attachments: 0

Response:

Even with Otter Tail Power's Air Source Heat Pump rebate these systems still come at a significant cost to our customers. An investment in an air source heat pump comes at a premium cost and is usually evaluated against available alternative fuels, which are subject to varying prices and overall market trends.

Otter Tail will continue to promote air source heat pumps through those channels identified in our Status Report to encourage participation in 2019 and look for additional opportunities to push the technology.

Otter Tail has changed its focus from promoting standard air source heat pumps to promoting cold-climate air source heat pumps (CCHP). CCHPs can heat to much lower temperatures than standard heat pumps with many operating efficiently at temperatures below zero. The CCHP also provide cooling to buildings in the summer months similar to standard heat pumps. The CCHP technology is fairly new in the marketplace and Otter Tail is working hard to promote this technology and build awareness with customers. Otter Tail is very excited about this heating and cooling solution for customers moving forward.