

OTTER TAIL POWER COMPANY

Docket No: EL20-016

Response to: South Dakota Public Utilities Commission

Analyst: Staff

Date Received: May 18, 2020

Date Due: June 01, 2020

Date of Response: June 01, 2020

Responding Witness: Jason A. Grenier, Manager Market Planning - (218) 739-8639

Data Request:

Explain how OTP was able to stay significantly under budget for the residential lighting program while having almost as many participants as projected.

Attachments: 0

Response:

Otter Tail's 2019 residential lighting program consisted of two measure types:

- 1) Screw-in LED retrofits—simple and often relatively inexpensive replacement of incandescent lamps of varying wattages with LED bulbs.
- 2) Hard-wired LED retrofits—more complex, expensive replacement of entire fixtures, often requiring services of an electrical contractor licensed in the State of South Dakota to complete electrical service.

Otter Tail staff reviewed program participation data for 2019 and points to the following factors as possible reasons for program participation near goal with actual expenses significantly less than budgeted amounts:

- 1) The majority of residential lighting installations in 2019 were simple, screw-in LED lamp retrofits.
- 2) Incentive costs for residential screw-in retrofits were only \$1.98/bulb on average compared to budget amount of \$4.50/ bulb. This was likely due to the reduction in costs of LED measures over a shorter period of time than originally anticipated.