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Xcel Energy		Data Request No.	1-9
Docket No.:	EL26-022		
Response To:	South Dakota Public Utilities Commission Staff		
Requestor:	Brittany Mehlhaff		
Date Received:	October 28, 2026		

Question:
Refer to Attachment E.

a) Explain the reduction in participants expected for the Business Saver's Switch program (18 in 2027 compared to 34 actual in 2025 (Attachment A) and 20 anticipated for 2026 (EL25-020 Supplemental Filing Attachment C)).
b) Given Xcel had no new participants for the Peak and Energy Control program in 2025, explain the assumption of 3 participants for 2027.
c) Explain the increase in participants expected in 2027 for the HVAC+R program compared to those estimated for 2026 in Docket EL25-020. Are the new participants all expected for the newly proposed VFD rebates, or does Xcel expect increased participation for the DX units as well? How many participants has the HVAC+R program had to-date in 2026?
d) Explain the reduction in Residential Demand Response participants for 2027 compared to 2025 and 2026.
e) Explain the increase in the budget for consumer education compared to 2025 and 2026.

Response:

a) Recruiting for Business Saver's Switch has historically been more challenging than the residential program. Notably, participants in 2025 included a mix of new customer installations as well as maintenance replacements for switches that had exceeded their lifetime.[1] For 2026 and 2027, the maintenance replacement work has been shifted to the rate base in Docket EL25-024.[2] This has resulted in only accounting for new installations and service calls to the DSM portfolio, shifting the full volume to new installations and thus lowering participation.

[1] Petition for 2025 DSM Program Approval and Proposed 2027 DSM Cost Adjustment Factor at 5.
[2] *In the Matter of the Application of Northern States Power Co. dba Xcel Energy for Authority to Increase Its Electric Rates*, Docket No. EL25-024, ORDER GRANTING JOINT MOTION FOR APPROVAL OF SETTLEMENT STIPULATION; ORDER APPROVING REFUND PLAN; ORDER APPROVING TARIFF REVISIONS, at 3 (May 13, 2026).

b) The Peak and Energy Control program continues to conduct outreach and promote the program to eligible business customers in South Dakota. The program is promoted directly through the Company's Account Management and Business Solutions Center teams, with Account Managers serving as a primary channel for identifying prospective participants, educating customers about the program, and supporting the enrollment process. The Company's South Dakota Account Management team is actively recruiting customers in the program and the Company believes an assumption of three new participants in 2027 is appropriate.
c) The overall 170 participation goal for HVAC-R is comprised of 70 DX (no change from 2026) and 100 VFD (new). There are three DX projects currently submitted and in processing.
d) For 2026 and 2027, maintenance replacement work has been shifted to rate base keeping new installations and service calls to the DSM portfolio.
e) The year-over-year increase in the Consumer Education budget amount is due to increased labor costs for 2026.

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