

**MONTANA-DAKOTA UTILITIES CO.
SOUTH DAKOTA PUBLIC UTILITIES COMMISSION
DATA REQUEST SET 1
ISSUED FEBRUARY 9, 2023 – DUE FEBRUARY 23, 2023
DOCKET NO. NG23-004**

- 1.2. After having reduced participation in the 2022 program year, does MDU anticipate having similar challenges this upcoming year? Would MDU propose revising the 2023 budget?

Response:

It is difficult at this time to determine if Montana-Dakota will experience similar challenges in the upcoming year. The Company experienced excellent participation in the programs offered in program year 2021. In program year 2022, the main drivers of lower participation were the new construction furnace programs, which the Company believes to have been partially affected by rising mortgage interest rates. The Company also has experienced challenges identifying commercial customers that are looking to invest in energy savings programs through the customer efficiency program. After internal discussion, the Company is open to revising the 2023 budget as follows:

	2023 Participation Goal	2023 Partipation Adjustment	2023 Budget Adjustment
Residential Programs:			
95% or greater AFUE> Furnace NEW	180	120	(\$9,000.00)
95% or greater AFUE> Furnace REPLACEMENT	290	290	\$0.00
Programmable Thermostats - Tier 1	80	80	\$0.00
Programmable Thermostats - Tier 2	185	185	\$0.00
Total Residential	735	675	(\$9,000.00)
Commercial Programs:			
95% or greater AFUE> Furnace NEW	10	5	(\$750.00)
95% or greater AFUE> Furnace REPLACEMENT	20	20	\$0.00
Custom Efficiency	8	3	(\$15,000.00)
Total Commercial	38	28	(\$15,750.00)
Total Budget Reduction			(\$24,750.00)