

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

- 1.3. Referring to the allocation of the Company's Conservation Analyst position, MDU indicates labor costs being higher than those budgeted in 2022 despite lower than anticipated participation. Please explain the allocation of this position to South Dakota. Did lower and anticipated participation in conservation programs in other MDU jurisdictions play a role?

Response:

The Conservation Analyst labor allocation is calculated annually and based on the previous year's participation across conservation programs offered in each of the Company's jurisdictions. The 2022 labor allocation was based on 2021 program year participation numbers. The labor allocation factor for South Dakota's gas program in 2022 was 14.4 percent. At the time the budget was prepared in NG20-011, the allocation to South Dakota's gas program was 12.9 percent. In addition, the current labor and benefits costs have increased in the years since the budget was approved. The lower participation in the South Dakota gas programs in 2022 has reflected an allocation of 14 percent for the 2023 program year.