

South Dakota Resources Coalition

December 15, 2010

SD PUBLIC UTILITIES COMMISSION
500 E. Capitol Avenue
Pierre SD 57501'

Re: comments on draft rules regarding utility reporting obligations and measurement of conserved energy

The South Dakota Resources Coalition highly recommends the continued use of these rules. Some of our reasons are :

- 1) The rules are the only way to get honest data about the value of renewable (wind) energy cost per KWH including investment and meaning of wind capacity. This will provide excellent comparison to coal and natural gas investment and their operational expenses.
- 2) The rules will allow the ongoing education of the public and the utilities about energy efficiency; what the public/consumer is willing to do depending on the cost of electricity at any period of the day/night or peak demand. This will define what "conserved energy" and "demand response" are all about. There are many ways to conserve, include building better energy efficient houses, storage of excess renewable wind in electric car batteries, not just turning off lights.
- 3) The capital spent by utilities (and passed on to consumers) for conservation, efficiency and demand response metering needs to be compared (analyzed by independent third parties) to the cost of building and utilizing carbon based electric production.
- 4) Renewable development and energy efficiency are quite predictable now since there is a "track record" of building costs, in and out of state. Coal and natural gas do have price swings based on international prices and the cost of pollution.
- 5) America is only getting its feet wet about the economics of renewable and energy efficiency. The carbon based utilities have only in the past year or two stopped "shouting and screaming" . The utility industry think-tank of progressive ideas and research, EUCI, is finally getting the attention of the "can't change the way we do things" managers. Let's give the utilities 5 to 10 years to grow up and look at the data. The cost of wind in the expense column remains zero. The capital costs can be more competitive if the level playing field can be identified, tax advantages potentially eliminated, distributed transmission system developed , etc.

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