

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF SOUTH DAKOTA**

**IN THE MATTER OF THE FILING BY )  
OTTER TAIL POWER COMPANY )  
REGARDING ITS PROPOSED )  
SOUTH DAKOTA ENERGY )  
EFFICIENCY PLAN FOR 2017-2019 )**

**ORDER APPROVING  
REVISIONS TO SOUTH DAKOTA  
ENERGY EFFICIENCY PLAN**

**EL16-020**

On April 29, 2016, the South Dakota Public Utilities Commission (Commission) received a filing from Otter Tail Power Company (Otter Tail) requesting approval of its proposed South Dakota Energy Efficiency Plan for 2017-2019 (2017-19 SD EEP). In the 2017-19 SD EEP, Otter Tail planned to continue, with modifications, its portfolio of cost-effective energy efficiency projects in South Dakota. Otter Tail did not propose to include new projects in the 2017-19 SD EEP; however, proposed modifications to the plan incorporated new technologies. Finally, Otter Tail proposed to increase the 2017-19 EEP budget to \$449,000 and continue the fixed percentage incentive at 30 percent of actual expenses with a cap set at 30 percent of the approved budget.

On May 5, 2016, the Commission electronically transmitted notice of the filing and the intervention deadline of May 20, 2016, to interested individuals and entities on the Commission's PUC Weekly Filings electronic listserv. No petitions to intervene or comments were filed.

On November 28, 2016, the Commission issued an order approving Otter Tail's 2017-19 EEP and budgets subject to certain PUC Staff recommendations. On September 21, 2018, Otter Tail filed a budget increase request for Commission approval. Specifically, Otter Tail requested to increase the EEP budget from \$449,000 to \$699,000 or a \$250,000 annual increase for three years, beginning in 2019 through 2021, to allow Otter Tail to spread out the payment of eligible rebates to a single large industrial customer as well as allow for up to an additional \$110,000 in funds to be available for other customers over three years. Further, Otter Tail proposes to cap the amount of rebates the single large industrial customer is eligible to receive at \$250,000 each year.

The Commission has jurisdiction over this matter pursuant to SDCL 49-34A, specifically, 49-34A-6, 49-34A-8, and 49-34A-8.2.

At the Commission's regularly scheduled meeting on November 27, 2018 and December 11, 2018, the Commission considered this matter. Finding that Otter Tail's request is just and reasonable based on the projected Total Resource Cost test results and the amount the single large industrial customer is projected to pay into the energy efficiency program, the Commission voted unanimously to approve the requested revisions to Otter Tail's South Dakota Energy Efficiency Plan. It is therefore

ORDERED, that Otter Tail's request to increase the 2017-2019 EEP budget from \$449,000 to \$699,000 for 2019 is approved. It is further

ORDERED, that the amount of rebates the single large industrial customer is eligible to receive is \$250,000 each year for 2019 through 2021. It is further,

ORDERED, that Otter Tail's request to spread out the payment of eligible rebates to the single large industrial customer and allow for up to an additional \$110,000 in funds to be available for other customers over three years is approved.

Dated at Pierre, South Dakota, this 12<sup>th</sup> day of December 2018.

<p style="text-align: center;"><b>CERTIFICATE OF SERVICE</b></p> <p>The undersigned hereby certifies that this document has been served today upon all parties of record in this docket, as listed on the docket service list, electronically or by mail.</p> <p>By: <u>Karen E. Cremer</u></p> <p>Date: <u>12/13/18</u></p> <p style="text-align: center;">(OFFICIAL SEAL)</p>
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BY ORDER OF THE COMMISSION:

Kristie Fiegen  
KRISTIE FIEGEN, Chairperson

Gary Hanson  
GARY HANSON, Commissioner

Chris Nelson  
CHRIS NELSON, Commissioner