

BLACK HILLS POWER, INC.
SD PUC DOCKET: EL 15-044
ENERGY EFFICIENCY PROGRAM, TARIFFS, COST RECOVERY MECHANISM

REQUEST DATE : November 25, 2015

RESPONSE DATE : December 3, 2015

REQUESTING PARTY: SDPUC Staff

SDPUC Request No. 1-6:

In the 2015 Status Report, please provide justification and reasoning for the Cross Marketing and Training cost allocation being set to 70% to Residential and 30% to C&I.

Response to SDPUC Request No. 1-6:

Company has consistently used an allocation of 70% for Residential programs and 30% for Commercial since the inception of energy efficiency programs for Black Hills Power customers. The higher allocation of 70% for Residential Programs is primarily due to the fact that it costs more and takes a more considerable effort to market and promote Residential Programs. Our plans typically have offered more programs for residential customers, and in contrast to commercial markets, due to the higher number of customers needing to be reached, traditional mass marketing/advertising tactics, and the costs associated with these tactics, are necessary to build program participation in the residential sector.

Attachments: None