Residential Demand Service Rate Program





Demand Management Objective

□ To shift residential home's peak demand for electricity to other (off-peak) times of the day.

□ Through participation in this program and how they change their energy usage, customers could experience an average monthly electricity cost savings of up to 30%.

The Customer

Customers averaging over 1,000 kWh per month may qualify for the Residential Demand Service Rate. As a result, most qualifying customers residing in larger homes or have electric heat/or electric water heating

may qualify.

BHP Residential Rates

□ Residential Service

Customer Charge \$8.00

■ kWh Charge 8.41 cents per kWh

□ Residential Total Electric

Customer Charge \$10.50

■ kWh Charge 6.81 cents per kWh

□ Residential Demand Service Rate

Customer Charge \$11.50

■ kWh Charge 3.26 cents per kWh

■ kW Demand Charge 5.65 cents per kW

Program Results to Date

- □ Program began in late 1980's.
- □ 3,600 customers 7% of total residential customers
- Anticipate 16% of new customer connections will qualify for the demand service rate.
- □ Estimated winter peak reduction of 7.2 MW (2kW) per customer and summer peak reduction of 1.8 MW.
- We have experienced increased energy sales when customers participate in the Residential Deman Energy Rate program.

How does it work?

- Energy Sentry DemandController
 - An energy management device, Demand Controller by Brayden Automation, is used to control the customer's large energy loads during peak periods of the day.
 - The customer does all of the controlling—it is not controlled by Black Hills Power.



The Off-Peak/On-Peak Periods

- □ The Demand Controller allows customers three-times the On-Peak demand during weekends and designated holidays, including nightly off-peak periods.
 - Summer Season April 31 through October 31
 - □ Off-Peak 10:00 pm to 10:00 am
 - Winter Season November 1 through March 31
 - □ Off-Peak 11:00 pm to 7:00 am

What does it control?

- □ Any and all heating circuits (240 Volts)
- Radiant heating units
- Heat Pumps
- Central Air Conditioning
- □ Electric Water Heating Not "instant hot" or "ondemand" water heaters
- □ Hot Tubs (240 Volt models)



What it does not control...

- □ Home lighting
- □ Small kitchen appliances
- □ White appliances Range, Refrigerator, dishwasher, microwave
- □ Clothes washer
- □ Fans
- □ Shop tools
- □ 120 Volt hot tubs
- □ Standard 120 Volt outlets
- □ Entertainment devises (computers, TV, sound systems, etc)

The Product

- □ Energy Sentry Demand Controller
- Manufactured by Brayden Automation, Fort Collins, CO.
- □ Three year warranty by Brayden Automation
- □ Extended warranty available at BHP at \$36 per year.
- □ Price Range \$747 to \$807
- □ 0% Financing
- □ FREE Installation for existing homes
- □ Pre-inspection to ensure home qualifies for Rate and proper size controller is being installed.
- □ \$200 Rebate for New Home Construction
- □ Certified licensed electricians are used for every installation!

Demand Controller Promotions

- □ Direct Mail
- DVD for customers and trade allies
- □ BlackHillsPower.com
- □ Customer Service Representatives
- Builder and Contractor referrals
- □ Customer monthly newsletter
- □ Customer referrals and testimonials





THANK YOU