

### **Montana Electric Energy Efficiency Potential Study RFP Questions**

- 1) Has Montana-Dakota conducted any market characterization studies (e.g. Residential Appliance Saturation Studies) that can be used to determine baseline conditions for this assessment? If so, please provide the studies or a summary of their contents. If not, will primary data collection be a component of this study?

Answer: Montana-Dakota has conducted market characterization studies. The most recent study was conducted in 2006. The study will be provided to the successful respondent upon contract execution. We do not see primary data collection as a component of this study at this time. Secondary data collection (i.e. available market data for Eastern Montana) will be required.

- 2) Will demand response strategies be included in this assessment?

Answer: Yes, the study should identify additional demand response programs and validate various assumptions for identified demand response programs detailed in the 2011 Montana IRP.

- 3) Are saturation surveys available for the Montana service territory? If so, please provide details.

Answer: Please refer to Question 1.

- 4) Does the scope include development of measure cost and savings specific for Montana or will we be expected to use the Minnesota deemed database?

Answer: Yes, Montana-Dakota would like specific measure costs and savings for Montana; however, adaptations of existing deemed databases, like the Minnesota deemed database or industry-standard engineering algorithms, can be utilized.

- 5) How many years will the potential study cover?

Answer: 10 years.

- 6) Is MDU willing to share the amount of budget available for the potential study?

Answer: Montana-Dakota is unsure of what a potential study for its Montana electric service territory would cost and therefore does not have a specific budget target in mind. Montana-Dakota will select a vendor based upon the best perceived value and qualifications for the scope identified in this RFP.

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- 7) Is the hard copy response that is mailed to contain everything submitted electronically, including the cost proposal?

Answer: Yes.

- 8) Do you have count of those customers participating in one or more programs and the kW and kwh saved by program and by customer type (commercial, residential)?

Answer: Yes. This data will be provided to the successful respondent upon execution of the contract.

- 9) You don't specify a confidence interval or margin of error. Standard practice is 90% confidence that results are accurate to plus or minus 10 percentage points. Will the Montana PSC accept this? For residential customers this yields a surveyed sample of 68. Would there be a reason that you'd want a larger sample in order to have a representation across particular markets or places that you are targeting, for example?

Answer: Montana-Dakota believes that 90% confidence that results are accurate to plus or minus 10 percentage points would be sufficient for this study.

- 10) The RFP references using a cost-benefit software tool acceptable to the Montana PSC. Could you please provide clarification regarding the types of software programs that have been used or are accepted by the PSC?

Answer: Montana-Dakota feels that any cost-benefit tool or spreadsheet that conforms to all five California standard practice tests (i.e. Participant Cost Test, Program Administrator Test, Rate Impact Measure Test, Total Resource Cost Test, and Societal Cost Test) would be acceptable.

- 11) Do you have an anticipated budget range for this project? The methods employed, degree of rigor, sampling requirements, and other factors often depend on the available budget for the project. If you have a range in mind, it would help to tailor a proposal that has the highest likelihood of meeting your needs within any budgetary constraints.

Answer: Please refer to Question 6. Montana-Dakota would encourage respondents to utilize industry standards and accepted ranges regarding the methods employed, degree of rigor, sampling requirements, and other factors in their proposals.

- 12) Do you have any statistical precision requirements for this study?

Answer: Please refer to Question 9.

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13) Do you desire the subcontractor to conduct primary research to establish the baseline (e.g., onsite surveys of residential commercial and industrial customers)? Or, do you prefer that only secondary data be used to minimize costs?

Answer: Secondary data should be used to minimize cost. Some primary data collected by Montana-Dakota previously will be provided for use in the study to the successful respondent upon contract execution.