



While South Dakota does not offer financial incentives for energy efficiency, investor-owned utilities have had ratepayer funded energy efficiency programs since the mid-2000s. Since 2010, investor-owned utilities have been able to recover revenues lost from operating EE programs, negotiating a fixed percentage of returns with the SD Public Utilities Commission. Energy efficiency has failed to grow significantly in spend per capita or energy saved, consistently ranking near the bottom of MEEA's 13-state region. While the State of South Dakota leads by requiring benchmarking and certain energy efficiency standards in government buildings, further investment is needed to reduce energy demand and lower energy costs in households across the state.

## SOUTH DAKOTA EE QUICK FACTS

**South Dakota has potential to grow its energy efficiency industry.  
Here's what's in the cards:**

### Energy Savings Target



South Dakota does not have a current mandatory or voluntary savings target.

### EE Spend per Capita



**2023 electric EE \$ per customer:**  
\$2.87

**2021 gas EE \$ per residential customer:** \$0.70

### Building Energy Codes



There is no mandatory statewide energy code, though most jurisdictions have adopted 2015 IECC standards for residential and commercial buildings.

### Stakeholder Collaboration



South Dakota does not have a statewide energy efficiency collaborative.

### Energy Efficiency Financing



The State of South Dakota Energy Loan Fund provides no-interest loans to State government energy efficiency projects.

### Fuel-Switching



There are no fuel switching policies or programs established in South Dakota.

## JOBS AND ECONOMICS

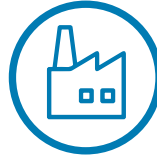
**Strong EE policies lead to utility investment and job growth** throughout the South Dakota economy. The South Dakota EE industry employs more state residents than any other energy sector; most employers are small businesses providing local jobs.



**7,643** EE jobs, out of **19,386** total energy jobs or **13,773** clean energy jobs



**Veterans** comprise **10%** of the EE workforce



**2,514** EE businesses

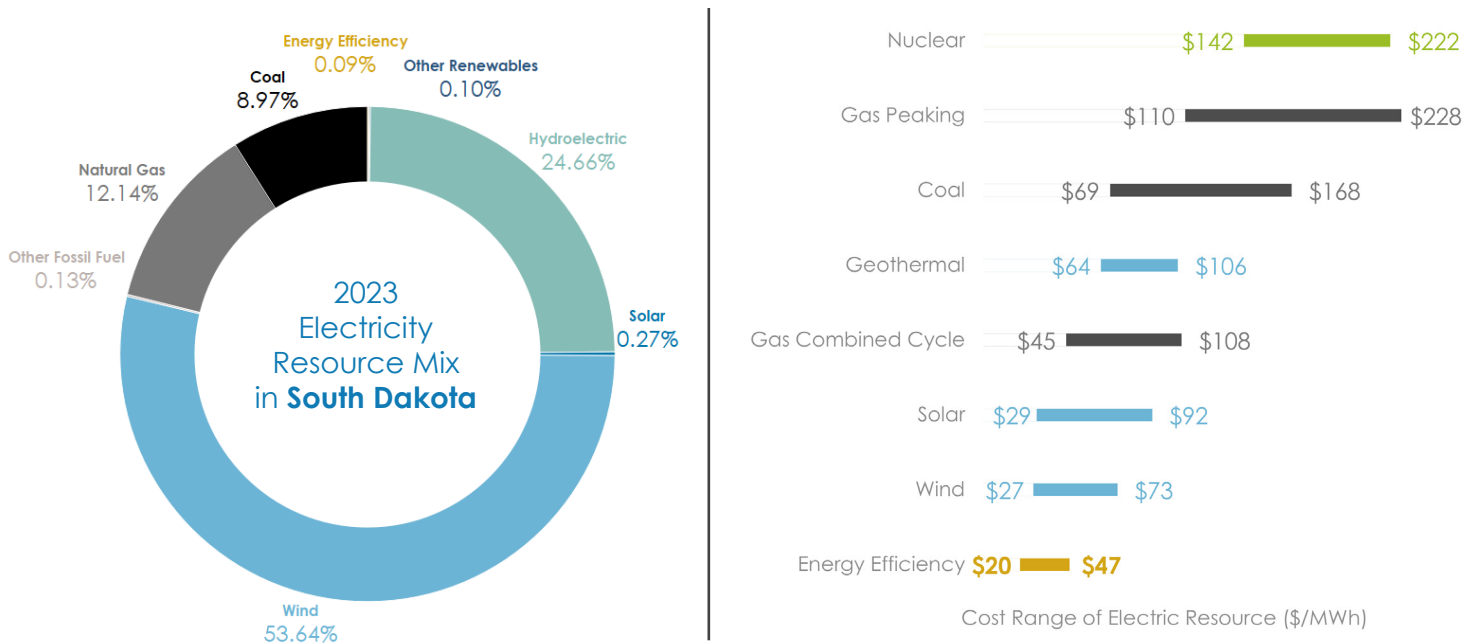


of those are **small** businesses (fewer than **100** employees)

## STATE ENERGY PLANNING

In South Dakota, all investor-owned utilities are required to participate in integrated resource planning (IRP), filing every two years for a 10-year planning horizon. Most recent IRP filings were registered in 2022. Energy efficiency is considered as a potential resource to meet demands within IRP filings.

There is currently no state-wide energy plan in South Dakota, and the state was one of only five states to reject funds for the Climate Pollution Reduction Grant program which would have helped the state design a plan to reduce greenhouse gas emissions.



## INCLUSIVITY: INCREASING ACCESS TO EE

There are no specific spending or savings targets for low-income households in South Dakota. Like most states, South Dakota receives federal funding to operate a Weatherization Assistance Program (WAP) and Low-Income Energy Assistance Program (LIHEAP). WAP is designed to help low-income households make their homes more efficient without the high upfront cost and assists approximately 191 households per year. South Dakota could do much more to support low-income households through utility energy efficiency programs. The state would benefit from targeted efforts to reach energy-burdened households, especially those in rural areas or on tribal reservations.