

Energy Efficiency Program Proposal

Low-Income Weatherization Assistance Program

Program Overview

A low-income weatherization program, making available \$250,000 annually to weatherize the residences of low-income Questar Gas customers, was proposed for the first time and approved by the Utah Public Service Commission (Commission) in Docket No. 99-057-20. Customer funding of the program was found to be in the public interest. The approved funds, recovered in general rates, supplement the efforts of the Utah Department of Community and Economic Development. The Commission concluded that the funds would reduce the energy burden of participants, promote cost-effective energy conservation, help mitigate health and safety issues related to the participants' natural gas use, and leverage federal funds.

In the stipulation in Docket No. 05-057-T01, approved by the Commission on October 5, 2006, the parties agreed to an additional funding of \$250,000 to be utilized by the state's Low Income Weatherization Assistance Program. The stipulation provides, "At least \$250,000, subject to Commission approval, of the amount spent on DSM in the first year of the Pilot Program will be allocated to the Low-Income Weatherization Program that the Company currently funds or other low-income energy-efficiency programs."

The Company proposes to disburse \$125,000 every six months, with the first disbursement of these DSM funds to occur within 30 days following approval of the program or January 1, 2008, whichever is later.