

Energy Efficiency Program Proposal

Low-Income Weatherization Assistance Program

Program Overview

Background

A low-income weatherization program, allocating \$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 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 usage, 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 that least \$250,000, subject to Commission approval, of the amount spent on energy efficiency 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. These costs would be recorded in the deferred energy efficiency account 182400 and collected in rates through amortization of that account.

Based on the recommendation of the Questar Gas DSM Advisory Group in 2009, the Company sought and received approval from the Commission (Docket No. 08-057-22) to increase low-income funding to \$500,000 annually.

Proposal

The Company proposes to continue funding the Low-Income Weatherization Assistance Program in 2012 at the level of \$500,000 and to disburse these funds in increments of \$250,000 every six months, with the first disbursement of these energy efficiency funds to occur in January and the second to occur in July.

The Company recommends that that Commission approve an exemption for the Low-Income Weatherization Program to allow for a simplified rebate application process and to allow payments directly to the State agency administering the Low-Income Weatherization Assistance Program (Utah Department of Community and Culture). The Low-Income Weatherization Assistance Program must comply with all other aspects of the Company's tariff to qualify for ThermWise rebates it requests.

Rebate Limitations

The following requirements apply for all measures:

- Measures must be installed in residences within the Questar Gas Utah service territory with an active Questar Gas account.
- Natural gas must be the primary source of heat to qualify for a rebate.
- Measures must be purchased new, not used or leased.
- Each rebate will be mailed to the Utah Department of Community and Culture which administers the Low-Income Weatherization Assistance Program.

 Before any rebates are paid, the Utah Department of Community and Culture will submit to the Company a spreadsheet (in a format designated by the Company) detailing, at a minimum, the account holder name, account number, service agreement number, measure(s) installed, and square footage/unit quantity installed.

Rebate Application Process

See Application (Section VI. 2012 Rebate Processing) for information regarding rebate applications and processing.

Projected Participants & Savings Measure Tool

Projected participation in the simplified rebate application

Table 1

Measure	Unit/Square Footage Gross Annual Savings (Dth)	Participants	Total Gross Annual Savings (Dth)
High-Efficiency Gas Furnace- Tier 3	20.5	631	12,936
Attic Insulation - Tier 1	.0053 sq. ft.	547	3,290
Floor Insulation	.0068 sq. ft.	232	1,680
Wall Insulation	.0053 sq. ft.	198	885
Windows	.0412	481	2,107
Programmable Thermostat	2.66	579	1,540
Duct Sealing & Insulation	13.48	214	2,885
TOTAL	N/A	2,882	25,323