



GARY R. HERBERT
Governor

GREG BELL
Lieutenant Governor

State of Utah
DEPARTMENT OF COMMERCE
Office of Consumer Services

MICHELE BECK
Director

To: The Public Service Commission

From: The Office of Consumer Services
Michele Beck
Dan Martinez
Eric Orton

Date: November 9, 2011

Subject: Docket 11-057-12

Application for Approval of the 2012 Year Budget for Energy Efficiency Programs and Market Transformation Initiative

Background

On December 13, 2010, the Office of Consumer Services (Office) filed comments with the Public Service Commission of Utah (Commission) regarding Questar Gas Company's (Company) 2011 DSM Budget. Within its comments, the Office recommended that the Company take certain actions to improve ongoing Budget filings. Throughout the year, the DSM Advisory Group has met regularly and previewed all the items that were included in the 2012 budget for implementation. On October 18, 2011, QGC filed its 2012 DSM Annual Budget.

Discussion

The DSM budget is 10.7% less than the 2011 budget. However, some programs have increased budgets. For example, the ThermWise Business Custom Program has an increased budget for a market segmentation study to maximize where the Business Custom Program can focus marketing efforts to get larger savings. Another example is in the Home Audit program. The Company will add blower door testing, create more customized features and reporting to customers, and create a system based auditor follow-up mechanism to help customers take actions to implement DSM measures.

The Office reviewed the Company's application and all of its budget information. The Office met with the Company twice to discuss questions and concerns, which were all resolved by the Company. Overall, the Office notes that the Company incorporated changes the Office requested in its December 13, 2010 comments. The Office has no concerns with the proposed 2012 DSM budget.

Recommendation

The Office recommends that the Commission approve the 2012 DSM budget.