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# Energy Efficiency Program Proposal

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## ThermWise<sup>®</sup> Business Rebates Program

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# Program Overview

## Description

The ThermWise Business Rebate program is a comprehensive program that offers rebates to Questar Gas Company (Questar Gas or the Company) GS commercial customers, through a contracted program administrator, Nexant, Inc. (Nexant). Rebates are available for purchasing and installing qualifying natural gas-efficiency measures in commercial units. Qualifying measures include those that target cost-effective natural gas savings including retrofits of existing systems and first time installations. Rebates will be paid directly to participating customers.

Program measures include high-efficiency space and water-heating applications, high-efficiency clothes washers, high-efficiency gas unit heaters, gas infrared heaters, boiler controls and tune-ups, food service equipment, building shell and weatherization measures.

The program is designed to leverage the marketing access and existing delivery channels of local businesses, wholesalers and retailers. Primary program delivery functions have been contracted to Nexant. Questar Gas will support the program delivery by identifying customer installation opportunities, marketing activities and assisting customers with program requirements where applicable.

# Program Design

## Program Measures

### Qualifying Customers

Commercial customers in Questar Gas' Utah service territory and billed on a GS rate schedule are eligible to participate in the ThermWise Business Rebates program.

### Measure Eligibility

Table 1 lists the ThermWise Business Rebates program's energy-efficiency measures and the corresponding size and eligibility requirements for each.

**Table 1. Business Energy Efficiency Measures**

Measure	Size Category	Minimum Efficiency Requirements
Gas Storage Water Heater - Tier 1	≤ 75,000 Btu/hr input	≥ 0.62 EF
Gas Storage Water Heater - Tier 2	≤ 75,000 Btu/hr input	ENERGY STAR Qualified
Gas Storage Water Heater - Tier 3	> 75,000 Btu/hr input	Thermal Efficiency ≥ 82%
Tankless Gas Water Heater	< 200,000 Btu/hr input	≥ 0.82 EF
	≥ 200,000 Btu/hr input	Thermal Efficiency ≥ 82%
Clothes Washer – 2.6 MEF	Residential Clothes Washer Used in a Business	MEF of 2.6 or greater
Commercial Clothes Washer	ENERGYSTAR Commercial High Efficiency Clothes Washer (Coin-op/Laundromat)	MEF of 2.0 or greater, and WF of 6.0 or less
Low Flow Pre-Rinse Spray Valve	N/A	≤ 1.6 GPM (retrofit only)
95% AFUE Furnace	N/A	AFUE of 95% or greater
95% AFUE Furnace with ECM		AFUE of 95% or greater with ECM
Gas Boiler (hot water) – Tier 1	< 300,000 Btu/hr input	AFUE ≥ 85%
Gas Boiler (hot water) – Tier 2	≥ 300,000 Btu/hr input	Thermal Efficiency ≥ 90%
Gas Boiler (steam) – Tier 1	< 300,000 Btu/hr input	AFUE ≥ 85%
Gas Boiler (steam) – Tier 2	≥ 300,000 Btu/hr input	Thermal Efficiency ≥ 82%
Direct Contact Gas Water Heater	All	Thermal Efficiency ≥ 90%
Gas Unit Heater (Non Condensing)	N/A	Thermal Efficiency 83% - 89%
Gas Unit Heater (Condensing)		Thermal Efficiency ≥ 90%
Gas Infrared Heating System	N/A	Infrared Heating System (must replace existing natural gas non-infrared heating systems or be installed as part of new construction project)
Boiler Outside Air Reset Control	N/A	Boiler Outside Air Reset Control
Gas Boiler Tune-up	Existing natural gas boiler	Perform a qualifying tune-up

Measure	Size Category	Minimum Efficiency Requirements
		that complies with the boiler tune-up program requirements and yields an improvement in combustion efficiency (Only one tune-up rebate per boiler within a 2-year period)
Gas Commercial Fryer	N/A	ENERGY STAR Qualified
Gas Steam Cooker	N/A	ENERGY STAR Qualified
Gas Convection Oven	N/A	ENERGY STAR Qualified
Gas Combination Oven	N/A	40% Cooking Efficiency
Gas Griddle	N/A	ENERGY STAR Qualified
Windows (New Construction)	Site-Built Window	U-value of 0.30 or less (Glazing Only Rating)
	Pre-fabricated Window Assembly	U-value of 0.30 or less (Entire Window Assembly Rating)
Windows (Retrofit)	Site-Built Window	U-value of 0.30 or less (Glazing Only Rating)
	Pre-fabricated Window Assembly	U-value of 0.30 or less (Entire Window Assembly Rating)
Roof Insulation (New Construction)	N/A	Incremental addition of R-5 or higher above code
Roof Insulation (Retrofit)	N/A	Incremental addition of R-10
Wall Insulation (New Construction)	N/A	Incremental addition of R-3.7 continuous insulation or higher above code
Wall Insulation (Retrofit)	N/A	Incremental addition of R-10
Condensing Gas Storage Water Heater	≤ 75,000 Btu/hr input	ENERGY STAR Qualified
Hybrid Gas Storage Water Heater	≥ 75,000 Btu/hr input	Thermal Efficiency of 90% or greater

## Program Rebates, Projected Participation and Savings

Table 2 lists the ThermWise® Business Rebate program's incentive levels, projected participation and natural gas savings for each energy-efficiency measure. Incentive levels are shown by either unit or per connected-equipment input shown in terms of kBtu to allow for a more customized offering per customer application.

**Table 2. Business Energy Efficiency Incentives, Projected Participation and Savings**

Measure	Incentive	Projected Participation	Total Projected Savings (annual Dth)
Gas Storage Water Heater Tier 1	\$50 per unit	5	6
Gas Storage Water Heater Tier 2	\$100 per unit	10	37

Measure	Incentive	Projected Participation	Total Projected Savings (annual Dth)
Gas Storage Water Heater Tier 3	\$2.00 per kBtu	5	174
Tankless Gas Water Heater (< 200 kBtu)	\$2.00 per kBtu	15	421
Tankless Gas Water Heater ( $\geq$ 200 kBtu)	\$2.00 per kBtu	5	1,416
Clothes Washer – 2.6 MEF	\$50 per unit	5	9
Commercial Clothes Washer	\$75 per unit	2	5
Low Flow Pre-Rinse Spray Valve	\$25 per unit	25	840
95% AFUE Furnace	\$350 per unit	180	3,620
95% AFUE Furnace with ECM	\$400 per unit	20	0
Gas Boiler (hot water) – Tier 1	\$2.00 per kBtu	10	305
Gas Boiler (hot water) – Tier 2	\$3.25 per kBtu	55	37,480
Gas Boiler (steam) – Tier 1	\$2.00 per kBtu	2	62
Gas Boiler (steam) – Tier 2	\$2.00 per kBtu	1	324
Direct Contact Gas Water Heater	\$1.10 per kBtu	5	1,145
Gas Unit Heater – Noncondensing	\$1.25 per kBtu	50	684
Gas Unit Heater – Condensing	\$6.00 per kBtu	50	2,618
Gas Infrared Heating System	\$5.00 per kBtu	300	16,021
Boiler Outside Air Reset Control	\$250 per unit	10	741
Boiler Tune-up	Up to \$300 per unit	50	2,443
Gas Commercial Fryer	\$500 per vat	10	404
Gas Steam Cooker	\$1,000 per unit	15	530
Gas Convection Oven	\$500 per cavity	50	808
Gas Combination Oven	\$1,000 per unit	20	806
Gas Griddle	\$300 per unit	10	88
Windows (New Construction) – Site Built	\$0.28 per sq. ft.	1	53
Windows (New Construction) – Prefab	\$0.28 per sq. ft.	1	83
Windows (Retrofit) – Site Built	\$0.37 sq. ft.	1	49
Windows (Retrofit) – Prefab	\$0.37 sq. ft.	10	15
Roof Insulation (New Construction)	\$0.04 per sq. ft.	1	20
Roof Insulation (Retrofit)	\$0.16 sq. ft.	25	1,847
Wall Insulation (New Construction)	\$0.03 sq. ft.	1	5
Wall Insulation (Retrofit)	\$0.12 sq. ft.	1	19
Condensing Gas Storage Water Heater	\$350 per unit	1	9
Hybrid Gas Storage Water Heater	\$350 per unit	1	10
<b>TOTAL Business Program</b>		<b>953</b>	<b>73,097</b>

## Rebate Limitation

The following requirements apply to rebate application payments for the program:

- Customers may receive only one (1) boiler tune-up rebate per boiler for the period of two years.

- Measures which are required by code are not eligible for rebates through the Business Rebates Program. Customers may be required to document that their installation exceeds code requirements prior to receiving a rebate.
- Rebates for infrared heating systems must replace existing natural gas non-infrared heating systems or be installed as part of a new construction project.
- Energy performance of window assemblies and glazing products must be rated in accordance with NFRC. Skylights are not eligible to receive incentives. Site-built window systems must have a non-metal frame or include a thermal break within the frame to qualify for rebates.
- Rebates for retrofit installations of wall and roof insulation apply only to the first increment of R-10 insulation added to the wall or floor. Additional increments of R-10 beyond the first are not eligible to receive an incentive.
- Qualifying measures receiving rebates under the program may not receive equipment purchase and installation rebates under any other Questar Gas energy efficiency program.
- Business units must be located in Questar Gas' Utah service territory and be a Questar Gas commercial GS customer (i.e. meter set or account activated).
- Each rebate will be mailed to the mailing address listed on the Questar Gas customer account.
- Each rebate check will be made payable to the Questar Gas customer account name on record, not necessarily the name provided by the customer in the rebate application.

## Implementation

This program is currently in the marketplace. Upon Commission approval, implementation activities will begin for the new program year in order to launch January 1, 2013.

## Administration

The program administration represents the on-going delivery of the program. All internal systems, processes and procedures have been created and are in place. Some modifications may be required due to program changes for 2013.