

Energy Efficiency Program Proposal

ThermWise® Builder Rebates Program

Program Overview

Description

Questar Gas Company (Questar Gas) is proposing to continue the ThermWise® Builder Rebates program. The program will be delivered to the market and administered by Questar Gas. The program will be available to residential builders in the Questar Gas Utah service territory and include rebates for installing natural gas energy-efficiency measures in newly constructed single and multifamily residences receiving service on the GS rate schedule. Rebates under the program will be paid directly to the home builder or owner-builder (Builder) or as indicated on the application form for energy efficient construction. Rebates will be paid for installing specific energy-efficient natural gas measures, including high efficiency natural gas space heating and water heating appliances or solar assisted gas water heating systems.

The program is designed to leverage marketing and delivery directly to Utah home builders through a combination of Questar Gas staff and program implementation staff. Development, implementation, training, support, and administration will be provided by Questar Gas. All Questar Gas rebates will be available directly to Builders upon completion of program requirements.

Program Design

Program Measures

Qualifying Customers

Separately metered single family or multifamily newly constructed residences, in Questar Gas' Utah service territory and billed on the GS rate schedule are eligible to participate in the ThermWise Builder Rebates program.

List of Qualified Energy Efficiency Measures

| Single (1-4 units) & Multifamily (5 or more units) | | | |
|---|---|--|--|
| Measure | Specification | | |
| Whole home options (must include and qualifying stand-alone furnace & water heater) | | | |
| ThermWise® Builder Option Package 1 (Builder Cert.) | Builder certifies unit meets IECC 2009 energy code, field verification and includes qualifying space heating appliance and water heater. Supporting documentation by builder must be provided. Includes Class I insulation and TBC. | | |
| ThermWise® Builder Option Package 2 (Rater Cert.) | Rater certifies unit meets IECC 2009 energy code, field verification and includes qualifying space heating appliance and water heater. Must provide required rater documentation. | | |
| ThermWise® ENERGY STAR® Version 3.0 | Meet or exceed ENERGY STAR Version 3.0 and include qualified gas space heating appliance and water heater. Field verification and supporting documentation by home energy rater (HERS) must be provided. | | |
| ThermWise® High Performance Home | Exceed ENERGY STAR Version 3.0 and achieve a HERS score of 50 or better. Include a qualified gas space heating appliance and/or water heater. Field verification and supporting documentation by home energy rater (HERS) must be provided. | | |
| | Stand-alone options | | |
| 2X6 R-20 Walls | IECC - R-20 or code equivalent exterior walls | | |
| Storage Water Heater .62 EF | EF ≥ .62 < .67 | | |
| Storage Water Heater .67 EF | EF ≥ .67 | | |
| Condensing Storage Water Heater .90 EF | EF of \geq .90 or TE of \geq 90% | | |
| Hybrid Water Heater .90 EF | EF of \geq .90 or TE of \geq 90% | | |
| Tankless Water Heater .82 EF | EF ≥ .82 < .90 | | |
| Tankless Water Heater .90 EF | EF ≥.90 | | |
| Natural Gas Furnace 92% AFUE | AFUE Rating of 92%-94.9% | | |

| Natural Gas Furnace 95% AFUE | AFUE Rating of ≥95% |
|--|--|
| Natural Gas Furnace with ECM 95% AFUE | AFUE Rating of ≥95% with Electronically Commutated Motor (ECM) |
| Natural Gas Furnace with ECM 98% AFUE | AFUE Rating of ≥98% with Electronically Commutated Motor (ECM) |
| Natural Gas Boiler 85% AFUE | AFUE Rating of ≥ 85% < 95% |
| Natural Gas Boiler 95% AFUE | AFUE Rating of > 95% |
| Solar Assisted Water Heating SRCC OG-300 | Active system certified OG- 300 by SRCC |
| Solar Assisted Pool Heater SRCC OG-100 | Certified OG-100 by SRCC |
| Windows – U-value ≤ 0.22 | High performance windows with U-value ≤ 0.22 |

ENERGY STAR® Version 3.0

Builders may receive rebates for building a dwelling unit that qualifies under ENERGY STAR® Version 3. Field verification and ENERGY STAR® Version 3 compliance certificate by Home Energy Rater (HERS) will be required before ENERGY STAR® Version 3 rebate will be paid. To be eligible homes must include qualified gas space heating and water heating.

High Performance Home

Builders may receive rebates for building a high performance home. To qualify a dwelling must meet or exceed ENERGY STAR® Version 3 and the home must also meet or exceed a HERS score of 50. Field verification, an ENERGY STAR® certificate and documentation verifying the home has met the high performance home requirements will be required from rater before high performance home rebate will be paid. To be eligible homes must include qualified gas space heating and water heating.

ThermWise® Builder Option Package 1 (BOP 1) - Builder certified 2009 IECC with TBC

Builders may receive rebates for building a dwelling unit that qualifies under the 2009 IECC. Field verification and builder certification will be required before IECC 2009 builder certified rebate will be paid

ThermWise® Builder Option Package 2 (BOP 2) - Rater certified 2009 IECC

Builders may receive rebates for building a dwelling unit that qualifies under the 2009 IECC. Field verification and supporting documentation by (HERS) will be required before IECC 2009 rater certified rebate will be paid.

Gas Furnaces

Builders may receive a rebate for installing a high-efficiency natural gas furnace. Eligibility requirements are as follows:

- The builder must purchase and install a model with an AFUE Rating of >92%.
- The builder must purchase and install a model with an AFUE Rating of >95%.
- The builder must purchase and install a model with an AFUE Rating of ≥95% with Electronically Commutated Motor (ECM).
- The builder must purchase and install a model with an AFUE Rating of ≥98% with Electronically Commutated Motor (ECM).

Gas Storage Water Heaters

Builders may receive a rebate for installing a high-efficiency natural gas storage water heater. Eligibility requirements are as follows:

- The builder must purchase and install a model with an (EF) ≥ .62 < .67.
- The builder must purchase and install a model with an (EF) ≥.67. Qualifying water heaters will have a
 minimum of 40 gallons in capacity.

Tankless Gas Water Heater

Builders may receive a rebate for installing a high-efficiency tankless natural gas water heater. Eligibility requirements are as follows:

- The builder must purchase and install a model with an (EF) >.82 < .90.
- The builder must purchase and install a model with an (EF) >.90.

Condensing Storage Gas Water Heater

Builders may receive a rebate for installing a high-efficiency condensing natural gas storage water heater. To be eligible for a rebate, the builder must purchase and install a model with an (EF) of \geq .90 or Thermal Efficiency (TE) of > 90%.

Hybrid Gas Water Heater

Builders may receive a rebate for installing a high efficiency hybrid natural gas storage water heater. To be eligible for a rebate, the builder must purchase and install a qualified model with a (EF) of \geq 90%.

Gas Boilers

Builders may receive a rebate for installing a high-efficiency natural gas boiler. Eligibility requirements are as follows:

- The builder must purchase and install a model with an AFUE Rating of ≥ 85% < 95%.
- The builder must purchase and install a model with an AFUE Rating of \geq 95.

Solar Assisted Gas Water Heating (domestic)

Builders may receive a rebate for installing solar assisted domestic natural gas water heating system, certified OG-300 by the Solar Rating and Certification Corporation (SRCC).

Solar Assisted Gas Water Heating (pool)

Builders may receive a rebate for installing solar assisted pool natural gas water heating system, certified OG-100 by the Solar Rating and Certification Corporation (SRCC).

2x6 Walls

Builders may receive rebates for installing an IECC 2x6 R-20 or code equivalent exterior wall. To be eligible builder must certify the installation of qualifying products.

Windows - U-value ≤ 0.22

Builders may receive rebates for installing a window with a U-value ≤ 0.22 . To be eligible, builder must purchase and install qualified windows.

Program Rebates

A completed rebate application must be submitted within 6 months of the initiation of gas service for the subject dwelling units to be eligible to receive a rebate. Upon Builder rebate credit process implementation, Builders may elect to receive either a rebate check or a rebate credit for installing furnaces or storage water heaters which meet the minimum efficiency qualifications listed in the Builder Rebates Table. A rebate credit will be applied against the Company assessed meter charge and service line contributions. In the case where the rebate credit exceeds the meter and service line contribution charges, a rebate check will be issued to the Builder for the overage. Credits will be calculated using the established furnace and/or storage water heater rebate amounts listed in the following table. A rebate check will be the only option for all other measures (nonfurnace and storage water heaters) listed in the following table. Rebates will be sent to the Builder contact listed on the builder participation agreement.

| Single (1-4 units) & Multifamily (5 or more units) | | |
|---|---|--|
| Measure | Rebate SF/MF | |
| Whole home options (must include qualifying stand-alone furnace & | water heater) | |
| ThermWise® BOP 1 (Builder Cert.) • Furnace • Water heater | \$50 (SF) /\$50 (MF) \$200-\$450 \$50-\$350 | |
| ThermWise® BOP 2 (Rater Cert.) • Furnace • Water heater | \$100 (SF) /\$100 (MF) \$200-\$450 \$50-\$350 | |
| ENERGY STAR® Version 3.0 | \$300 (SF) /\$200 (MF) \$200-\$450 \$50-\$350 | |
| High Performance Home | \$500 (SF) /\$300 (MF) \$200-\$450 \$50-\$350 | |
| Stand-alone options | | |
| 2X6 R-20 Walls | \$350/\$150 | |
| Storage Water Heater .62 EF | \$50 | |
| Storage Water Heater .67 EF | \$100 | |
| Condensing Storage Water Heater .90 EF | \$350 | |
| Hybrid Water Heater .90 EF | \$350 | |
| Tankless Water Heater .82 EF | \$300 | |
| Tankless Water Heater .90 EF | \$350 | |
| Natural Gas Furnace 92% AFUE | \$200 | |
| Natural Gas Furnace 95 % AFUE | \$350 | |
| Natural Gas Furnace with ECM 95% AFUE | \$400 | |
| Natural Gas Furnace with ECM 98% AFUE | \$450 | |
| Natural Gas Boiler 85 % AFUE | \$400 | |

| Natural Gas Boiler 95 % AFUE | \$600 |
|--|-----------------|
| Solar Assisted Water Heating SRCC OG-300 | \$750 |
| Solar Assisted Pool Heater SRCC OG-100 | \$750 |
| Windows – U-value ≤ 0.22 | \$2.50/ sq. ft. |

Rebate Limitations

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

- Rebates are limited to one energy-efficient Whole House Certification rebate per qualifying newly
 constructed, dwelling unit (as further described above under the Qualified Energy Efficiency Measures
 section) and will be tracked by Builder, meter number and address.
- Builders are eligible to receive rebates for a maximum of two (2) qualifying measures per measure type in
 each newly constructed, dwelling unit. Builders are only eligible to receive an additional whole home
 performance option measure if they have installed a qualifying space heating appliance and water heater.
 They can receive a maximum of two individual measure incentives per home plus one performance
 measure.
- A complete rebate application must be submitted within 6 months of the initiation of gas service for the subject dwelling unit to be eligible to receive a rebate.
- Qualifying packages and/or measures receiving rebates under the program may not receive equipment purchase and installation rebates under any other Questar Gas Energy Efficiency program.
- Dwelling unit must be located in Questar Gas' Utah service territory.

Projected Participants

| Single (1-4 units) & Multifamily (5 or more units) | | | |
|--|---------------|-------------|--|
| Measure | Participants | | |
| | Single Family | Multifamily | |
| Whole home options (must include and qualifying standalone furnace & water heater) | | | |
| ThermWise® BOP 1 (Builder Cert.) | 296 | 69 | |
| ThermWise® BOP 2 (Rater Cert.) | 291 | 69 | |
| ENERGY STAR® Version 3.0 | 276 | 100 | |
| High Performance Home | 22 | 84 | |
| Total Whole home options | 885 | 322 | |
| Stand-alone options | | | |
| 2X6 R-20 Walls | 108 | 200 | |
| Storage Water Heater .62 EF | 922 | 500 | |
| Storage Water Heater .67 EF | 150 | 20 | |
| Condensing Storage Water Heater .90 EF | 5 | 5 | |
| Hybrid Water Heater .90 EF | 20 | 5 | |
| Tankless Water Heater .82 EF | 30 | 12 | |
| Tankless Water Heater .90 EF | 30 | 5 | |
| Natural Gas Furnace 92% AFUE | 1,179 | 730 | |
| Natural Gas Furnace 95 % AFUE | 1,614 | 559 | |

| Natural Gas Furnace with ECM 95% AFUE | 104 | 28 |
|--|-------|-------|
| Natural Gas Furnace with ECM 98% AFUE | 2 | 0 |
| Natural Gas Boiler 85% AFUE | 5 | 5 |
| Natural Gas Boiler 95% AFUE | 38 | 5 |
| Solar Assisted Water Heating SRCC OG-300 | 35 | 0 |
| Solar Assisted Pool Heater SRCC OG-100 | 5 | 2 |
| Windows – U-value ≤ 0.22 | 5 | 5 |
| Total Stand-alone options | 4,252 | 2,081 |
| TOTAL Builder Program | 5,137 | 2,403 |

Projected Savings

| Measure | Single Family Total Annual Gross Savings (decatherms) | Multifamily Total Annual Gross Savings (decatherms) |
|--|---|--|
| ThermWise® BOP 1 (Builder Cert.) | 5,062 | 449 |
| ThermWise® BOP 2 (Rater Cert.) | 6,227 | 573 |
| ENERGY STAR® Version 3.0 | 8,446 | 1,470 |
| High Performance Home | 950 | 1,739 |
| 2X6 R-20 Walls | 1,382 | 800 |
| Storage Water Heater .62 EF | 1,577 | 855 |
| Storage Water Heater .67 EF | 594 | 79 |
| Condensing Storage Water Heater .90 EF | 46 | 46 |
| Hybrid Water Heater .90 EF | 204 | 51 |
| Tankless Water Heater .82 EF | 264 | 44 |
| Tankless Water Heater .90 EF | 288 | 115 |
| Natural Gas Furnace 92% AFUE | 11,177 | 4,088 |
| Natural Gas Furnace 95% AFUE | 18,077 | 3,634 |
| Natural Gas Furnace with ECM 95% AFUE | 1,165 | 182 |
| Natural Gas Furnace with ECM 98% AFUE | 25 | 0 |
| Natural Gas Boiler 85% AFUE | 612 | 60 |
| Natural Gas Boiler 95% AFUE | 60 | 81 |
| Solar Assisted Water Heating SRCC OG-300 | 613 | 0 |
| Solar Assisted Pool Heater SRCC OG-100 | 345 | 138 |
| Windows – U-value ≤ 0.22 | 36 | 13 |
| TOTAL Builder Program | 57,149 | 14,416 |

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, 2014

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 2014.