Attachment 1 OCS Comments

P.S.C.U. Docket No. 13-057-14 Data Request No. 1.02 Requested by Office of Consumer Services Date of QGC Response 11/25/2013

1.02 Please provide an additional explanation of the Business Custom strategic energy management service. What steps do commercial GS customers have to take before they can participate?

Answer:

The ThermWise Business Custom Rebates program's goal is to obtain verifiable and cost-effective natural gas savings with commercial businesses. Program participants provide submittals for a specific quantity of natural gas reduction through the installation of energy efficient measures in return for a fixed price per decatherm rebate up to a cap equal to a percentage of the eligible incurred project cost(s).

The ThermWise Business Custom Rebates program requires customers to submit specific information for each project and to conduct energy engineering and commissioning at their own cost. This project information will be provided in two reports: the Pre-Installation Report (PIR) and Post-Installation Report (POR).

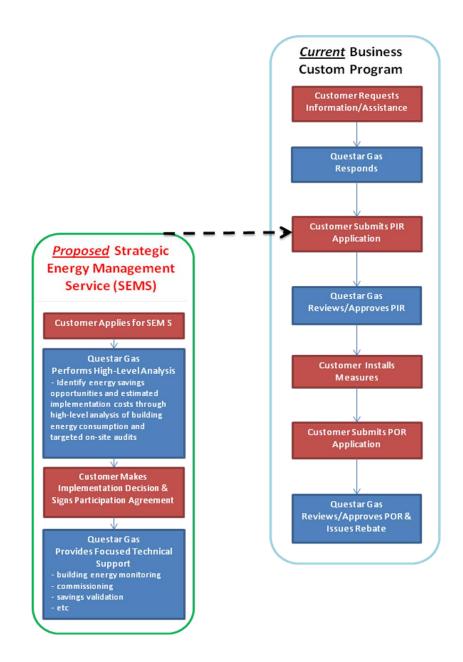
The Company uses the PIR to determine project eligibility. The customer must submit the following information as part of the PIR:

- Identification of the project site and account information.
- An energy analysis report adhering to industry standard practices for energy engineering containing the following:
 - o Descriptions of the proposed set of energy-efficiency measures;
 - Engineering calculation of energy savings and eligible project costs;
 - Baseline operational conditions and energy consumption data supported by spot or short-term measurements, trended data, or accepted engineering practices for each proposed measure;
 - A description of the calculations and methodologies that support the baseline, proposed operation, natural gas savings, and eligible costs;
 - o Supporting documentation for the estimated eligible measure costs;
 - O Any additional information necessary for the review of the project such as calculation spreadsheets, simulation models, vendor quotes, and equipment specifications; and

- o Commissioning plan for verifying the proposed measure operation and energy savings.
- Brief summary of the anticipated project timeline.

Upon final review, the Company will either approve or deny the PIR. Once the PIR is approved, businesses would be eligible to apply for participation in the Strategic Energy Management Service (SEMS). SEMS will include a site visit during which a commercial energy plan, (similar to the residential ThermWise Home Energy Plan program) will be conducted. Additionally, the SEMS may include services such as natural gas usage monitoring of the subject facility (or facilities), calibration of equipment to perform at PIR calculated efficiency levels (commissioning), and validation of natural gas savings between the PIR and POR phases. The POR will detail, among other things, a verification of installation and savings.

The following exhibit illustrates how the proposed SEMS would be integrated with the Company's current Business Custom Program:



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