



Questar Gas Company

333 South State Street
PO Box 45003
Salt Lake City, UT 84145-0003
Tel 801 324 5491 • Fax 801 324 5485
Barrie.McKay@Questar.com

Barrie L. McKay

Vice President Regulatory Affairs

August 25, 2016

Docket No. 15-057-16

Utah Public Service Commission
Heber M. Wells Building
P. O. Box 45585
Salt Lake City, UT 84145-0585

Dear Commissioners:

Questar Gas Company (Questar Gas or the Company) respectfully submits to the Utah Public Service Commission (Commission), pursuant to the order issued in Docket No. 09-057-15, dated January 12, 2010 (Order), a report on DSM expenditures to date. Specifically, the Order in paragraph 1 states:

In addition to the current requirement that Questar report to the Commission when any DSM program reaches 90% of its budget, if any DSM program reaches fifty percent (50%) of its budget before June 2010 or eighty percent (80%) by August 2010, Questar must notify the Commission.

Per the Order and the Division of Public Utilities (DPU) request in its memorandum (Memorandum, Docket No. 10-057-15, Questar Gas DSM budget for 2011, December 6, 2010) to keep “current reporting requirements in place” for future ThermWise® program years, the Company reports that in the month of May 2016 the Builder Rebates Program and the Business Program surpassed fifty percent (50%) of the 2016 budget. At the end of April, the Builder Program had expenses of \$2.04 million or forty-one percent (41%) of the 2016 budget and the Business Program had expenses of \$0.99 million or forty-seven percent (47%) of the 2016 budget. Expenditures for the Builder Program in the month of May totaled \$0.48 million which brought program spending to fifty-one percent (51%) of the 2016 budget. Expenditures for the Business Program totaled \$0.42 million or sixty-seven percent (67%) of the 2016 budgets.

The Builder Program is experiencing higher than projected customer participation mainly in the 95% efficient furnace rebate measure for both single family and multi-family projects but also in the R-20 exterior wall measure. Together, these measures account for over seventy percent (70%) of the total Builder Program gas savings through the first five months of 2016.

The Business Program has also experienced higher than projected customer participation in high efficiency boilers and infrared heaters. These high natural gas saving

measures account for over twenty-five percent (25%) of the total Business Program gas savings through the first five month of 2016. The Business Program is also experiencing higher than projected participation in the retrofit attic insulation measure.

As a result of the higher participation, forecasted spending for the Builder Program could reach \$6.1 million (Attachment 1, Line 2), and Business Program participation spending could reach \$3.4 million (Attachment 2, Line 3). If current trends for all other programs continue, the Company forecasts that total program spending for 2016 could reach \$24.3 million or ninety-one percent (91%) of the approved \$26.7 million budget (Attachment 1, Line 10).

If this participation trend does continue, these higher than expected customer rebate totals would result in higher related Dth savings than budgeted. Higher customer participation rates would also improve the overall program cost-effectiveness.

Questar Gas will continue to closely monitor customer participation and efficiently manage spending for all ThermWise® programs and the Market Transformation initiative. Detailed quarterly reports will continue to be provided to the Division of Public Utilities on actual program spending and customer participation compared to budget.

Respectfully Submitted,



Barrie L. McKay

cc: Division of Public Utilities
Committee of Consumer Services

**Questar Gas Company
ThermWise® Programs
Actual and Forecast Expenditures
As of May 31, 2016**

Program
ThermWise® Appliance Program
ThermWise® Builder Program
ThermWise® Business Program
ThermWise® Home Energy Plan
ThermWise® Weatherization Program
ThermWise® Business Custom Program
ThermWise® Energy Comparison Report
Market Transformation
Low Income Weatherization
TOTAL

	(A)		(B)		(C)		(D)		(E)		(F)
	Year-to-Date April 2016		May 2016 Results		Year-End 2016 Forecast		YTD as of May 31, 2016 plus Forecast		TOTAL		
	Actual	Forecast	May Expenditures	Forecast	Year-End 2016 Forecast	Forecast	Actual plus Forecast	Budget	% of Budget		
1	2,134,467	3,027,493	368,067	3,027,493			5,530,026	5,558,600	99%		
2	2,041,128	3,612,254	482,072	3,612,254			6,135,454	4,986,675	123%		
3	990,169	2,034,501	421,830	2,034,501			3,446,500	2,094,546	165%		
4	191,265	580,202	49,153	580,202			820,620	919,840	89%		
5	1,677,451	3,644,938	224,606	3,644,938			5,546,995	9,947,770	56%		
6	74,215	269,634	24,739	269,634			368,588	498,000	74%		
7	117,453	261,241	13,513	261,241			392,207	410,000	96%		
8	641,699	581,630	131,291	581,630			1,354,621	1,424,200	95%		
9	326,652	386,253	30,248	386,253			743,152	889,817	84%		
10	8,194,499	14,398,145	1,745,518	14,398,145			24,338,162	26,729,448	91%		