



# Green Sticker Program

- Why the Green Sticker Program?
- Questar Gas's roles
- Green Sticker Program progress
- Where are we going?

Nov. 23, 2004



# Why the Green Sticker Program?

- **Safety concerns posed by a change in heat content are real.**
- **In 1998, the Commission ordered Questar Gas to manage supplies within a new heat-content range.**
- **Customers have always been responsible for having their appliances inspected and, if necessary, adjusted to safely burn the gas supplied by Questar Gas.**
- **In response to changing supplies and the Commission-approved new heat-content range, Questar Gas began educating customers.**
- **The Green Sticker Program increases customer awareness and action.**



# Questar Gas's Roles

- Maintain heat value of gas within the Commission-approved range.  
(Commission rule 746-320-2.B)
- Educate customers about the approved range.
- Encourage customers to periodically have appliances inspected.



# Maintain Heat Value

- “Utilities shall maintain the heating value established in their tariffs and in so doing shall regulate the chemical composition and specific gravity of the gas so as to maintain satisfactory combustion in customers’ appliances without repeated adjustment of the burners.”  
(Commission rule 746-320-2.B.2)



# Educate Customers

- Encourage customers to periodically have appliances inspected and adjusted if necessary.
  - GasLight News
  - Annual “Fall Prep” campaign
  - Public-interest advertising/presentations
  - Ask-a-tech/Call center
- Educate other parties about the approved range.



# Others' Roles

- Regulators
- Division of Occupational and Professional Licensing
- Manufacturers
- Contractors
- Building-Code Officials
- Customers



# Regulators' Roles

- Approve the heat-content tariff provision.  
(Utah Code Ann. §54-4-18)
  
- Determine cost coverage for:
  - actions taken to maintain gas within the approved range;
  - actions taken to educate customers.  
(Utah Code Ann. § 54-4-1,-4)



# Division of Occupational and Professional Licensing's Roles

- Adopt nationally recognized building codes.  
(Utah Code Ann. § 58-56-4)
- License qualified contractors, specify rules for training their employees, certify those who have been trained and monitor compliance.  
(Utah Code Ann. § 58-55-308)
- “with respect to contractors, builders and installers... the training responsibility ... does not rest with Questar Gas ... ongoing compliance will be performed under the auspices of the Uniform Building Code Commission and the Division of Occupational and Professional Licensing.”  
(PSCU Order Docket No. 00-057-T04)





# Manufacturers' Roles

- Manufacture, test and label equipment that will safely operate within a range of gas supplies.

“Appliances shall be designed for use with the type of fuel gas to which they will be connected and the altitude at which they are installed. Appliances that comprise parts of the installation shall not be converted for the usage of a different fuel, except where approved and converted in accordance with the manufacturer’s instructions. The fuel gas input rate shall not be increased or decreased beyond the limit rating for the altitude at which the appliance is installed.”

(International Fuel Gas Code 301.7)



# Contractors' Roles

- Install and adjust equipment to operate safely.

“Equipment and appliances shall be installed as required by the terms of their approval, in accordance with the conditions of listing, the manufacturer’s instructions and this code.”

(International Fuel Gas Code 305.1)

# Building-Code Officials' Roles

- Inspect to ensure proper installation of new and existing appliances.

“... the ultimate responsibility for inspection of gas piping, installation, venting and all other associated installation for natural gas usage rests with the political subdivisions that perform inspections generally and issue building permits.”

(PSCU Order Docket No. 00-057-T04)

“The code official shall make all of the required inspections, or shall accept reports of inspection by approved agencies or individuals. All reports of such inspections shall be in writing and shall be certified by a responsible officer of such approved agency or by the responsible individual.”

(International Fuel Gas Code 104.4)

“To determine compliance with this provision, the code official shall have the authority to require an installation to be reinspected.”

(International Fuel Gas Code 102.3)



# Customers' Roles

- Maintain their equipment to ensure it operates safely.

“All pipes and appliances necessary to utilize service that are located beyond the Company’s point of delivery, must be installed and maintained by and at the expense of the customer.”

(Questar Gas Company Tariff, 7.04)



# Customers' Roles (cont.)

“Installations, both existing and new, and parts thereof shall be maintained in proper operation condition in accordance with the original design and in a safe condition. Devices or safeguards which are required by this code shall be maintained in compliance with the code edition under which they were installed. The owner or the owner’s designated agent shall be responsible for the maintenance of installations. To determine compliance with this provision, the code official shall have the authority to require an installation to be reinspected.”

(International Fuel Gas Code 102.3)



# Green Sticker Program Progress

- Program description
- Manufacturers' support
- Communication
- Actions taken
- Contractor education/actions



# Green Sticker Program

## Goal:

Educate customers about the need to have appliances inspected and, if necessary, adjusted for the changed heat-content range.

- Continue to encourage customers to have periodic appliance inspections.
- Increase public awareness about the importance of appliance inspections during transition period.
- Provide training and green stickers for contractors.



# G.A.M.A. Support

“We distributed the information provided by Questar Gas to all of our members who manufacture gas appliances or gas controls. Also, we have discussed that information further with the technical representatives of some of our larger appliance divisions. Based on our members’ review of that information, we now better understand the situation in which Questar Gas finds itself and recognize that **the program which Questar Gas has initiated represents a well researched, reasoned and thoroughly analyzed solution to a complex problem.** ... Significant changes in the heating value of the gas being supplied to appliances will require many appliances to be readjusted.”

**Frank A. Stanonik**

*Chief Technical Advisor*

*Gas Appliance Manufacturers Association*





# Communication 1998-2001

## ■ 1998 – Sept. 2001

- Informed all parties about the program
- Launched “Green Bill of Health” campaign

## ■ Oct./Nov. '01

- Mixed messages confused customers
- Revised communications



# Communication

## Fall 2002/2003/2004

- Radio spots
- Bill inserts
- GasLight News
- Print ads
- Trade shows
- Safety fairs
- Public presentations
- TV news coverage



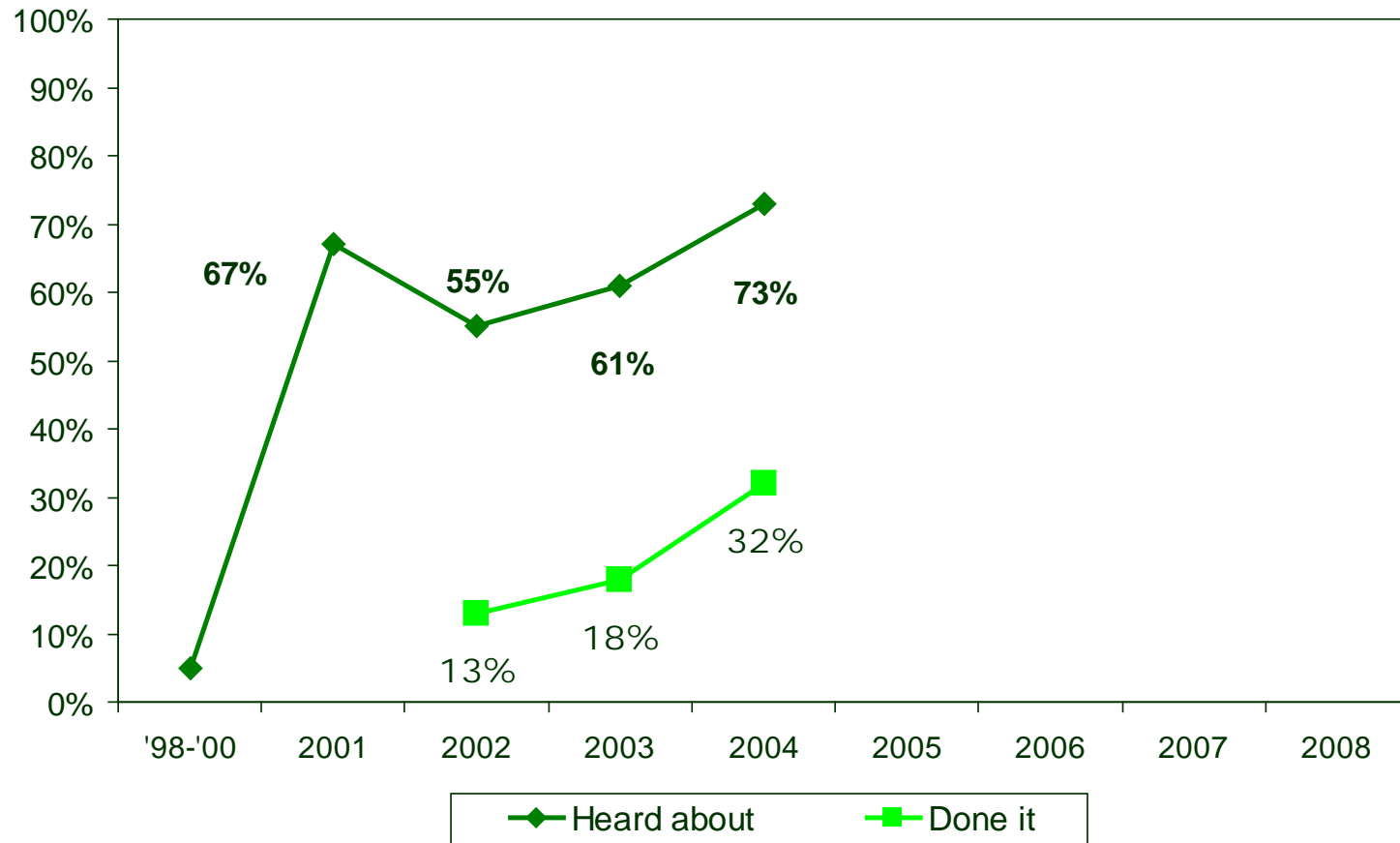
# Field Communications

Anytime a Service Rep is in home –

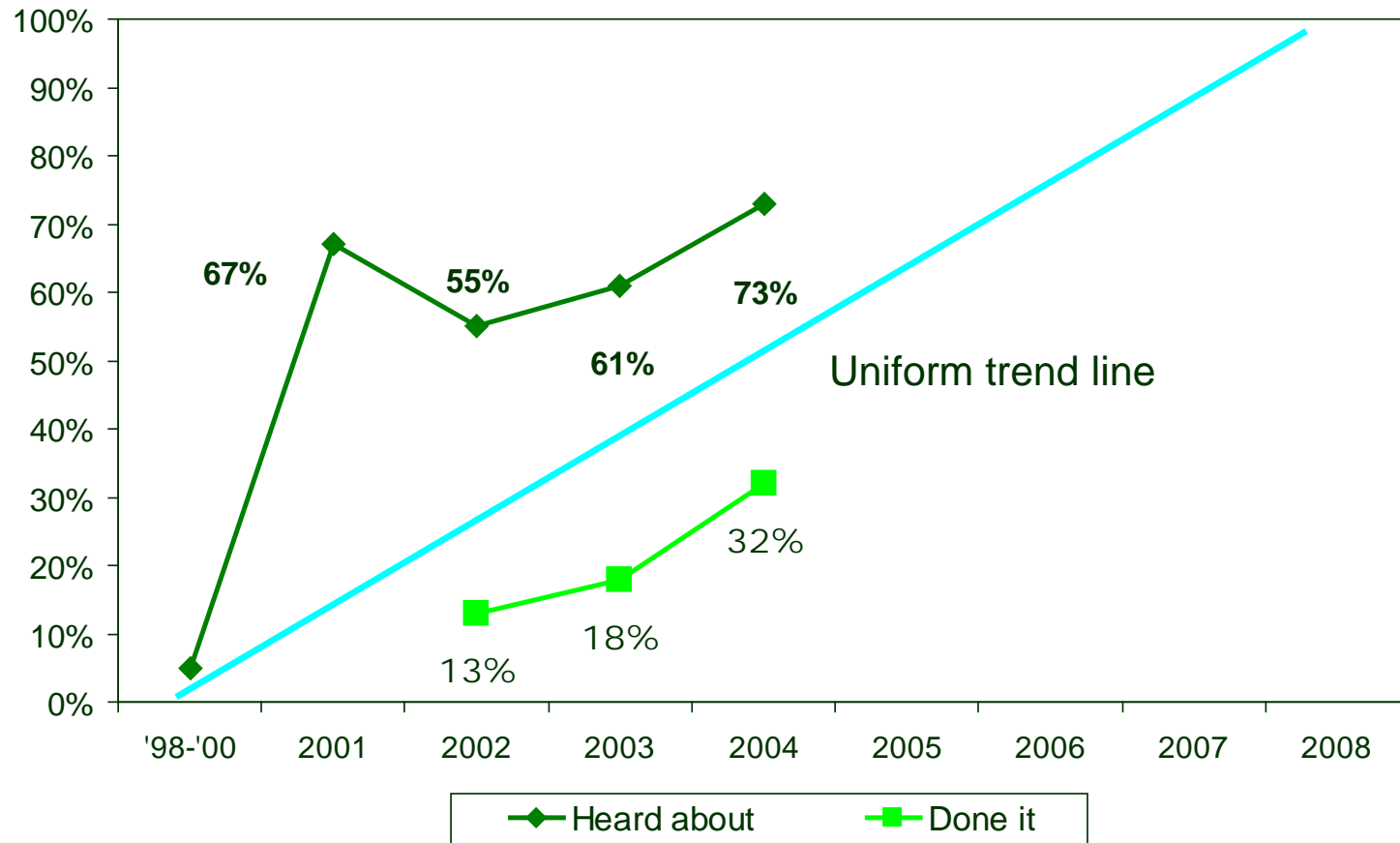
- Look for green sticker
- Educate customer about Green Sticker Program
- Leave information with customer

Continue providing Green Sticker service to “special needs” customers

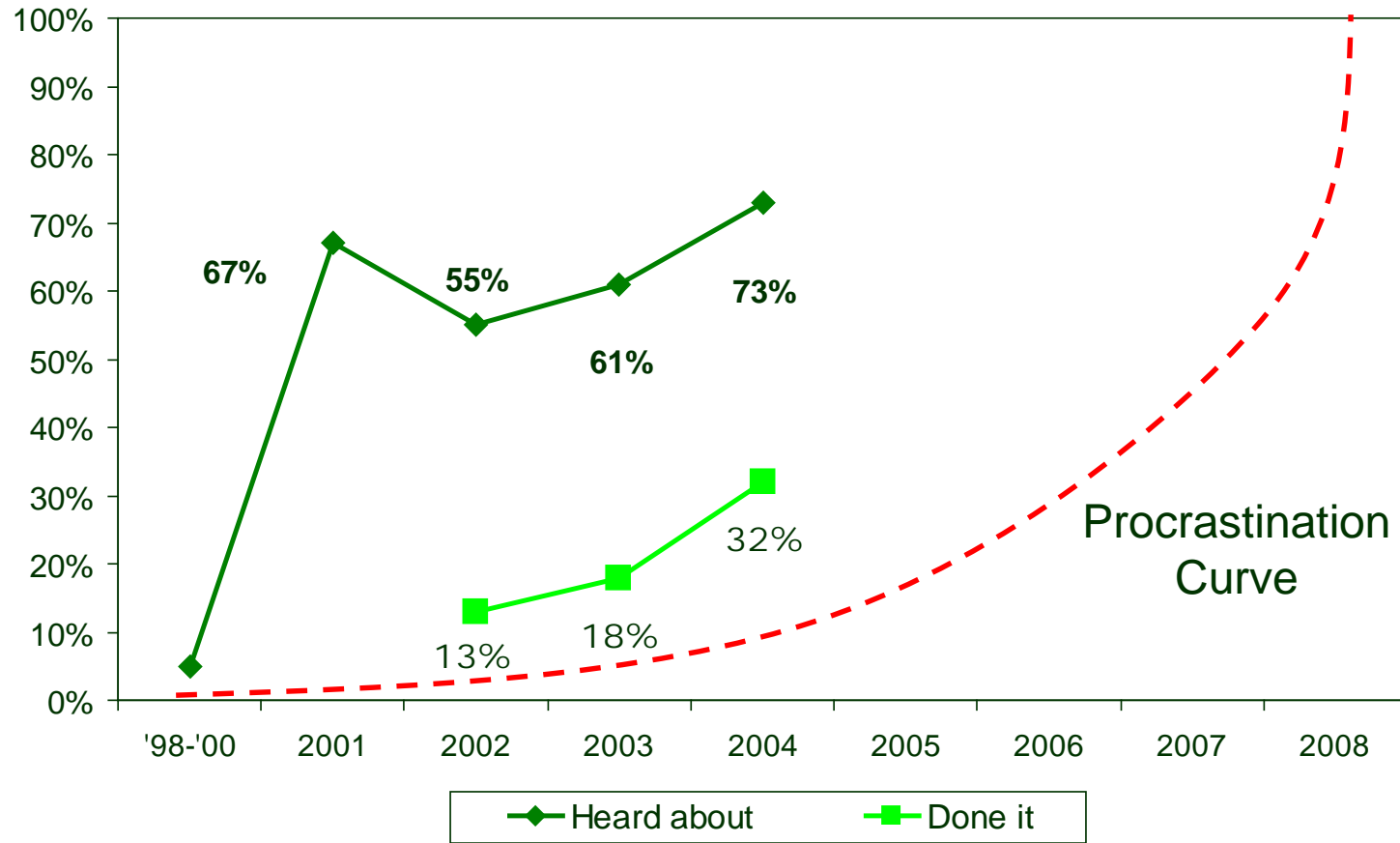
# Customer Awareness/Action Taken



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# Customer Awareness/Action Taken



# Reasons for Delay

	3Q03	4Q03	1Q04	2Q04	3Q04
I have new appliances, don't need to	21%	26%	21%	22%	18%
Not mandatory yet, I have time	13%	15%	19%	9%	9%
Costs too much	8%	9%	17%	10%	13%
No time, I'm too busy	9%	18%	13%	12%	15%
Lazy/procrastination	6%	9%	9%	9%	7%
I don't understand why it needs to be done	5%	10%	6%	5%	2%
Appliances are not my responsibility	10%	8%	3%	7%	6%
Keep forgetting	5%	6%	5%	2%	1%
Questar should do it for free/low price	2%	3%	5%	--	1%
Not having problems/everything working	--	2%	--	3%	3%

# Reasons for Delay (cont.)

	3Q03	4Q03	1Q04	2Q04	3Q04
Need more info	3%	1%	3%	4%	1%
Don't want to do it	2%	1%	1%	2%	3%
Need to replace old appliance	2%	1%	2%	1%	4%
Marketing ploy by Questar	1%	1%	3%	1%	2%
Waiting to see if Questar will do it for free	1%	--	2%	1%	1%
Just found out about Green Sticker	4%	1%	--	--	--
Scheduled service, repairman hasn't shown	2%	1%	3%	2%	2%
Checked myself, had it checked	3%	1%	5%	--	1%
No specific reason	1%	1%	2%	1%	3%
Moving, just moved	--	--	4%	2%	3%
Spouse takes care of it	--	--	--	--	2%



# Contractor Employee Training

<b>1998</b>	245	<b>2002</b>	298
<b>1999</b>	68	<b>2003</b>	370
<b>2000</b>	10	<b>2004</b>	124
<b>2001</b>	1309	<b>Total</b>	<b>2424</b>



# Contractor Survey

- Kagel Research conducted 200 telephone interviews with contractors during August and September 2004
- Sample confidence level is 95%, +/- 5% margin of error.



# Survey Summary

- 90% were familiar with the Questar's Best Practices manual.
- 99% of those familiar with the Good Practices Manual follow it when servicing or installing gas appliances.
- 94% check for proper Btu input as part of a normal inspection.
- 94% de-rate for heat content and altitude.



# Survey Summary

- 98% were familiar with the Green Sticker Program.
- 76% of those aware of the Green Sticker Program believe space and water heaters should have a Green Sticker inspection.
- 86% apply a Green Sticker on newly installed natural gas space and water heaters.
- 86% will inform customers they need a Green Sticker inspection when servicing existing space and water heaters.



# Survey Summary

- 92% will apply a Green Sticker to existing appliances they inspect or adjust.
- 9% say they have discouraged a customer from getting a Green Sticker for various reasons.
- 36% say they have declined to put a Green Sticker on an appliance in the past.
- 30% say they need more information and/or training regarding the Green Sticker program.



# Where Are We Going?

- Communication
- Duration of transition period
- Questar Gas's position



# Communication Plan

Messages of increasing frequency and urgency

- Radio Spots
- Bill Inserts
- Gaslight News
- Print Advertising
- Trade Shows
- Safety Fairs
- Public Presentations
- 2003 – Announced '08 transition date
- 2005-2007 – Direct-Mail Campaign
- 2007-2008 – Monthly message in billing and mass-media campaign



# Duration of Transition Period

- A deadline is essential
  - 2008 remains an appropriate goal
  
- The transition period will end when Questar Gas and the PSC are satisfied that:
  - the customer education program has been successfully executed; and,
  - customers have had sufficient opportunity to have their appliances inspected and adjusted for safe operation.





# Summary

- We're half way through the transition period.
- Three quarters of our customers are aware of the program; one-third have taken action.
- Customers need to have appliances inspected/adjusted to approved safe-operating range.
- All parties benefit from completing the transition, at which time our customers will be safer.
- Cooperation is key; mixed messages confuse customers.



# Questar Gas's position

- Questar Gas is acting within its role to manage gas supplies and educate customers.
- Questar Gas's role should not be expanded.
- The Green Sticker Program is an effective education campaign that should be continued with all parties' support.



# Green Sticker Program

