

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

In the Matter of the Application of)
Questar Gas for Approval of Third Year) DOCKET NO. 08-057-22
Budget for 2009 Demand Side)
Management Programs and Market) ORDER
Transformation Initiative)

ISSUED: December 3, 2008

SYNOPSIS

The Commission approves Questar Gas Company's proposed demand side management and market transformation budget for 2009.

By The Commission:

On October 1, 2008, Questar Gas Company ("Questar", "Company") submitted its proposed demand side management and market transformation 2009 budget for Commission approval. On December 3, 2008, the Utah Division of Public Utilities ("Division") filed a memo recommending approval of the budget as submitted.

The total requested budget is \$17.787 million. The proposed 2009 budget consists of the following programs: ThermWise Appliance Rebates, ThermWise Builder Rebates, ThermWise Business Rebates, ThermWise Weatherization Rebates, ThermWise Home Energy Audit, Low-Income Weatherization Assistance, ThermWise Multifamily Rebates, ThermWise Business Custom Rebates, and Market Transformation programs. We note that all of the programs pass all of the standard cost benefit tests with the exception of the ThermWise Home Energy Audit, Low Income Weatherization and Market Transformation efforts. The ThermWise Home Energy Audit and the Low Income Weatherization pass all of the tests except for the Ratepayer Impact Measure Test (scoring a .8 and .9 respectively) and, for the Low

Income Weatherization program, the Participant Test is not calculated. The Market Transformation efforts do not have specific savings (benefits) directly attributable to the program as modeled in the application, therefore these measures receive a cost benefit ratio of zero. However, when the Market Transformation program costs are added into the overall 2009 program costs the overall 2009 program passes the relevant cost benefit tests. We anticipate the upcoming formal impact evaluation of the full DSM pilot program will allow for complete cost benefit modeling to be undertaken in future evaluations.

After review of the proposed budget and the Division's recommendation we find the proposed budget is in the public interest.

ORDER

NOW, THEREFORE, IT IS HEREBY ORDERED, that:

1. Questar's proposed demand side management and market transformation 2009 budget, filed on October 1, 2008, is approved.

DATED at Salt Lake City, Utah, this 3rd day of December, 2008.

/s/ Ted Boyer, Chairman

/s/ Ric Campbell, Commissioner

/s/ Ron Allen, Commissioner

Attest:

/s/ Julie Orchard
Commission Secretary
G#59994