



UTAH PUBLIC  
SERVICE COMMISSION

2011 NOV 10 P 2:03

Questar Gas Company

180 East 100 South  
P.O. Box 45360  
Salt Lake City, UT 84145-0360  
Tel 801 324 5491 • Fax 801 324 5485  
Barrie.McKay@Questar.com

Barrie L. McKay  
General Manager, Regulatory Affairs

November 8, 2011

RECEIVED

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

Dear Commissioners:

11-057-13

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. 05-057-T01, dated January 16, 2007 (Order), a report on DSM expenditures and decatherm (Dth) savings to date. Specifically the Order in paragraph 4 stated:

Questar shall report to the Commission when the amount spent for any program reaches ninety percent of the budgeted amount, with an estimate of the projected spending needed for the remainder of the year. To the extent the projected spending exceeds the original budgeted amount Questar must seek Commission approval for the higher projected levels of spending.

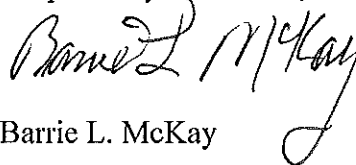
Per the Order, Questar Gas reports that in the month of August 2011 the Builder program exceeded ninety percent of the 2011 budget. At the end of July, the Builder program had expenses of \$2,355,672 or 89% of the total 2011 Builder budget. Expenses in the month of August totaled \$136,724. This resulted in the program reaching a total of \$2,492,396 or 94% of the 2011 Builder program budget.

The higher than expected spending in the Builder Rebates program has been driven by participation in new construction projects which began and were eligible for rebates under the 2010 program requirements but which were completed in 2011. Participation in these measures account for fifty-seven percent (57%) of total spending in the program through the first eight months of 2011. The Company expects rebates paid for 2010 Builder program qualifying measures to decrease through the remainder of the year. Based on these projections the Builder program could reach one hundred twenty-six percent (126%) of budget or \$3,337,866. To the extent the projected increase in the Builder program budget expenses need Commission approval, Questar Gas respectfully requests that the Commission approve the higher program budget level.

The total ThermWise® expenses for 2011 are expected to be reach seventy-one percent (71%) of the original Commission approved budget or \$22,951,088. 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,

A handwritten signature in black ink that reads "Barrie L. McKay". The signature is written in a cursive style with a large, stylized "M" and "K".

Barrie L. McKay

cc: Division of Public Utilities  
Office of Consumer Services

Table 1

Line #	Description	(A) Participants	(B) Estimated Participants	(C) Actual Costs	(D) Budget	(E) % of measure budget spent
1	ThermWise Builder Option Package 1	-	1,550	\$ -	\$ 930,000	0%
2	ThermWise Builder Option Package 2	-	150	-	105,000	0%
3	ThermWise Builder Option Package 3	-	10	-	8,500	0%
4	Tier 1 Storage Water Heater	371	25	18,550	1,250	1484%
5	.67 EF Storage Water Heater	3	5	300	500	60%
6	Condensing Gas Water Heater	-	10	-	3,500	0%
7	Hybrid Gas Water Heater	7	10	2,450	3,500	70%
8	Tankless Water Heater	63	50	18,900	15,000	126%
9	Tankless Water Heater Tier 2	1	5	350	1,750	20%
10	90% Efficient Furnace (tier 1)	59	500	11,800	100,000	12%
11	92% Efficient Furnace (tier 2)	132	300	39,600	90,000	44%
12	95% Efficient Furnace (tier 3)	131	50	45,850	17,500	262%
13	Gas Boiler Rebates Paid (2011 specs)	2	5	1,200	3,000	40%
14	Solar Assisted Water Heater Rebates Paid	27	1	20,250	750	2700%
15	2010 ENERGY STAR Multifamily	966	400	241,500	100,000	242%
16	2011 ENERGY STAR Multifamily	-	100	-	50,000	0%
17	Tier 1 Storage Water Heater	-	25	-	1,250	0%
18	.67 EF Storage Water Heater	2	5	200	500	40%
19	Condensing Gas Water Heater	-	10	-	3,500	0%
20	Hybrid Gas Water Heater	-	10	-	3,500	0%
21	Tankless Water Heater	3	50	900	15,000	6%
22	Tankless Water Heater Tier 2	-	5	-	1,750	0%
23	90% Efficient Furnace (tier 1)	1	150	200	30,000	1%
24	92% Efficient Furnace (tier 2)	42	220	12,600	66,000	19%
25	95% Efficient Furnace (tier 3)	17	5	5,950	1,750	340%
26	Gas Boiler Rebates Paid (2011 Multifamily)	-	5	-	3,000	0%
27	Solar Assisted Water Heater	-	1	-	750	0%
28	90% Plus AFUE Gas Furnace	1,336	-	400,800	-	N/A
29	ENERGY STAR Homes	1,986	-	993,000	-	N/A
30	High Performance Homes	1	-	800	-	N/A
31	Gas Boiler Rebates Paid (2010 specs)	65	-	26,000	-	N/A
32	Administrative & Overheads	N/A	N/A	651,196	1,082,411	60%
33	<b>TOTAL</b>	<b>5,215</b>	<b>3,657</b>	<b>\$ 2,492,396</b>	<b>\$ 2,639,661</b>	<b>94%</b>

Table 2

Line #	Description	(A) Participants	(B) Estimated Participants	(C) Actual Costs	(D) % of Total Spending	(E) Budget
1	2011 Program Measures	1,827	3,657	\$ 420,600	17%	\$ 1,557,250
2	2010 Program Measures	3,388	-	1,420,600	57%	-
3	Administrative & Overheads	N/A	N/A	651,196	26%	1,082,411
4	<b>TOTAL</b>	<b>5,215</b>	<b>3,657</b>	<b>\$ 2,492,396</b>	<b>100%</b>	<b>\$ 2,639,661</b>

Table 3

Line #	Program	(A) Actual Costs	(B) Budget	(C) Projected Costs	(D) Projected % of Budget
1	ThermWise Appliance Rebates	\$ 4,022,718	\$ 7,533,770	\$ 6,034,077	80%
2	ThermWise Builder Rebates	2,492,396	2,639,661	3,337,866	126%
3	ThermWise Business Rebates	537,145	1,299,182	805,717	62%
4	ThermWise Home Energy Audits	384,890	760,634	611,724	80%
5	ThermWise Weatherization Rebates	6,352,677	17,296,837	9,529,015	55%
7	ThermWise Business Custom Rebates	253,710	452,588	380,565	84%
8	Market Transformation	1,068,683	1,752,124	1,752,124	100%
9	Low Income Weatherization	500,000	500,000	500,000	100%
10	<b>TOTAL</b>	<b>\$ 15,612,219</b>	<b>\$ 32,234,796</b>	<b>\$ 22,951,088</b>	<b>71%</b>