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# Energy Efficiency Program Proposal

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## ThermWise<sup>®</sup> Appliance Rebates Program

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# Program Overview

## Description

Questar Gas Company (Questar Gas) is proposing to continue offering the ThermWise Appliance Rebates Program to Questar Gas residential GS customers in Utah. This program will be delivered to customers in the Company's Utah service territory and administered by (PECI). Rebates will be offered on qualified program measures and mailed to the participating customer upon proof of purchase and/or installation.

Program measures will include high-efficiency clothes washers, space and water-heating appliances, and energy-efficient gas fireplaces. Rebates for most measures will be available regardless of who installs the product.

The program will be delivered through local retail, distributor and contractor channels.

# Program Design

## Program Measures

### Qualifying Customers

All residences receiving service on the GS rate schedule in Questar Gas’s Utah service territory are eligible to participate in the program.

### List of Qualified Energy Efficiency Measures-

**Table 1. Appliance Energy Efficiency Measures**

Measure	Specification
95% AFUE natural gas furnace	AFUE Rating of $\geq 95\%$
95% AFUE natural gas furnace with ECM	AFUE Rating $\geq 95\%$ with an ECM (electrically commutated motor)
Gas Storage Water Heater (Tier 1)	Energy Factor (EF) $\geq 0.62 < 0.67$
Gas Storage Water Heater (Tier 2)	Energy Factor (EF) $\geq 0.67$
Gas Tankless Water Heater (Tier 1)	Energy Factor (EF) $\geq 0.82 \leq 0.90$
Gas Tankless Water Heater (Tier 2)	Energy Factor (EF) $> 0.90$
Condensing Storage Water Heater	Energy Factor (EF) $> 0.90$ or Thermal Efficiency (TE) $> 90\%$
Hybrid Water Heater	Energy Factor (EF) $> 0.90$ or Thermal Efficiency (TE) $> 90\%$
Gas Boiler (Tier 1)	AFUE $\geq 85\% < 95\%$
Gas Boiler (Tier 2)	AFUE $\geq 95\%$
Solar Assisted Gas Water Heating (domestic)	Active system certified OG- 300 by SRCC
Solar Assisted Gas Water Heating (pool)	Active system certified OG-100 by SRCC
Clothes Washer	(MEF) $> 2.60$ - requires gas water heating
Direct Vent Gas Fireplace	AFUE $> 70\%$ or greater, intermittent ignition, heat rated, thermostatically controlled with a blower

### Gas Furnaces

Customers may receive a rebate for installing a high-efficiency gas furnace. Eligibility requirements for differing tiers are defined as follows:

- Tier 1, the customer must purchase and install a model with an AFUE rating of greater than 95%.
- Tier 2, the customer must purchase and install a model with an AFUE rating of greater than 95% with an ECM (electrically commutated motor).

## Gas Storage Water Heaters

Customers may receive a rebate for installing a high-efficiency gas storage water heater. Eligibility requirements for differing tiers are defined as follows:

- Tier 1, the customer must purchase and install a model with an Energy Factor (EF) of greater than 0.62 and less than or equal to 0.67.
- Tier 2, the customer must purchase and install a model with an Energy Factor (EF) of greater than 0.67.

## Tankless Gas Water Heaters

Customers may receive a rebate for installing a high-efficiency tankless gas water heater. Eligibility requirements for differing tiers are defined as follows:

- Tier 1, the customer must purchase and install a model with an Energy Factor (EF) greater than 0.82 and less than 0.90.
- Tier 2, the customer must purchase and install a model with an Energy Factor (EF) greater than 0.90.

## Condensing Storage Water Heater

Customers may receive a rebate for installing a high-efficiency gas condensing storage water heater. To be eligible for a rebate, the customer must purchase and install a model with an Energy Factor (EF) greater than 0.90 or a Thermal Efficiency (TE) greater than 0.90.

## Hybrid Water Heater

Customers may receive a rebate for installing a high-efficiency gas hybrid storage water heater. To be eligible for a rebate, the customer must purchase and install a qualified model with an Energy Factor (EF) greater than 0.90 or a Thermal Efficiency (TE) greater than 0.90.

## Gas Boilers

Customers may receive a rebate for installing a high-efficiency gas boiler. Eligibility requirements for differing tiers are defined as follows:

- Tier 1, the customer must purchase and install a qualified model with an AFUE rating greater than 85% and less than or equal to 95%.
- Tier 2, the customer must purchase and install a qualified model with an AFUE rating greater than 95%.

## Solar Assisted Gas Water Heating

Customers may receive a rebate for installing a high-efficiency solar assisted gas water heating system. Eligibility requirements for differing tiers are defined as follows:

- Customers may receive a rebate for installing solar assisted domestic gas water heating systems, certified OG-300 by the Solar Rating and Certification Corporation (SRCC).
- Customers may receive a rebate for installing solar assisted pool gas water heating systems, certified OG-100 by SRCC

## Clothes Washer

Customers may receive a rebate for installing a top tier qualified clothes washer. To be eligible for a rebate, the customer must purchase an ENERGY STAR qualified model with a Modified Energy Factor (MEF) of 2.60 or greater and have a gas water heater.

## Direct Vent Gas Fireplace

Customers may receive a rebate for installing a high-efficiency direct-vent, natural gas fireplace with an AFUE of 70% or greater, intermittent ignition, heat rated, thermostatically controlled with a blower.

## Program Rebates, Projected Participation and Savings

To receive a rebate, customers must install a qualifying program measure, complete and then submit a rebate application form within 6 months of the measure installation date. Rebate amounts, projected participation and natural gas savings estimates are provided in Table 2. Rebate amounts are shown per unit and were determined by examining the best available information on incremental costs of the equipment, recognizing the minimum rebate levels necessary to constitute a viable marketing message and overall program cost effectiveness.

**Table 2. Appliance Energy Efficiency Incentives, Projected Participation and Savings**

Single Family (1-4 units)			
Measure	Incentive	Projected Participation	Total Projected Savings (annual Dth)
95% AFUE natural gas furnace	\$350	3,607	73,944
95% AFUE natural gas furnace with ECM	\$400	3,479	71,320
Gas Storage Water Heater (Tier 1)	\$50	2,508	4,289
Gas Storage Water Heater (Tier 2)	\$100	277	1,097
Gas Tankless Water Heater (Tier 1)	\$300	231	2,033
Gas Tankless Water Heater (Tier 2)	\$350	460	4,416
Condensing Storage Water Heater	\$350	37	340
Hybrid Water Heater	\$350	81	826
Gas Boiler (Tier 1)	\$400	13	243
Gas Boiler (Tier 2)	\$600	72	1,814
Solar Assisted Gas Water Heating (domestic)	\$750	464	8,120
Solar Assisted Gas Water Heating (pool)	\$750	12	827
Clothes Washer	\$50	5,131	8,928
Direct Vent Gas Fireplace	\$200	250	2,700
<b>Total Single Family</b>		<b>16,622</b>	<b>180,897</b>
Multifamily (5 or more units)			
95% AFUE natural gas furnace	\$350	120	780
95% AFUE natural gas furnace with ECM	\$400	116	754
Gas Storage Water Heater (Tier 1)	\$50	8	14
Gas Storage Water Heater (Tier 2)	\$100	1	4
Gas Tankless Water Heater (Tier 1)	\$300	0	0
Gas Tankless Water Heater (Tier 2)	\$350	0	0
Condensing Storage Water Heater	\$350	0	0
Hybrid Water Heater	\$350	0	0

Gas Boiler (Tier 1)	\$400	0	0
Gas Boiler (Tier 2)	\$600	2	32
Solar Assisted Gas Water Heating (domestic)	\$750	5	88
Solar Assisted Gas Water Heating (pool)	\$750	5	345
Clothes Washer	\$50	29	50
Direct Vent Gas Fireplace	\$200	0	0
<b>Total Multifamily</b>		<b>286</b>	<b>2,067</b>
<b>TOTAL Appliance Program</b>		<b>16,908</b>	<b>182,963</b>

## Rebate Limitations

The following requirements apply for all measures:

- Measures must be installed in residences within the Questar Gas Utah service territory with an active Questar Gas account.
- Natural gas must be the primary source of heat to qualify for a rebate.
- Measures must be purchased new, not used or leased.
- Rebates will be paid for up to two of each type of measure purchased and installed per dwelling unit. For example, a rebate will be paid for up to two high-efficiency gas furnaces and up to two high-efficiency gas water heaters, etc., purchased and installed per dwelling unit.
- Except as otherwise provided in the Low-Income Weatherization Assistance Program, each rebate will be mailed to the mailing address listed on the Questar Gas customer account.
- A complete rebate application must be submitted within 6 months of the purchase of the qualifying measure to be eligible to receive a rebate.
- Each rebate check will be made payable to the Questar Gas customer account name on record, not the name provided by the customer in the rebate application.
- Property Owner Addendum will be required when applicable.

## Implementation

This program is currently in the marketplace. Upon Commission approval, implementation activities will begin for the new program year in order to launch January 1, 2013.

## Administration

The program administration represents the on-going delivery of the program. All internal systems, processes and procedures have been created and are in place. Some modifications may be required due to program changes for 2013.