
Energy Efficiency Program Proposal

Low-Income Weatherization Assistance Program

Program Overview

Background

A low-income weatherization program, allocating \$250,000 annually to weatherize the residences of low-income Questar Gas customers, was proposed for the first time and approved by the Utah Public Service Commission (Commission) in Docket No. 99-057-20. Customer funding of the program was found to be in the public interest. The approved funds, recovered in general rates, supplement efforts of the Utah Department of Community and Economic Development. The Commission concluded that the funds would reduce the energy burden of participants, promote cost-effective energy conservation, help mitigate health and safety issues related to the participants' natural gas usage, and leverage federal funds.

In the stipulation in Docket No. 05-057-T01, approved by the Commission on October 5, 2006, the parties agreed to an additional funding of \$250,000 to be utilized by the state's Low Income Weatherization Assistance Program. The stipulation provides that least \$250,000, subject to Commission approval, of the amount spent on energy efficiency in the first year of the Pilot Program will be allocated to the Low-Income Weatherization Program that the Company currently funds or other low-income energy-efficiency programs. These costs would be recorded in the deferred energy efficiency account 182400 and collected in rates through amortization of that account.

Based on the recommendation of the Questar Gas DSM Advisory Group in 2009, the Company sought and received approval from the Commission (Docket No. 08-057-22) to increase low-income funding to \$500,000 annually. The Company proposes to continue funding the Low-Income Weatherization Assistance Program in 2013 at the level of \$500,000 and to disburse these funds in increments of \$250,000 every six months, with the first disbursement of these energy efficiency funds to occur in January and the second to occur in July.

The Company has implemented the Commission approved exemption for the Low-Income Weatherization Program to allow for a simplified rebate application process and to allow payments directly to the Implementation Agencies contracted to the state agency administering the Low-Income Weatherization Assistance Program (Utah Department of Workforce Services, Housing and Community Development Division).

Based on recommendations from Salt Lake Community Action Program, the Utah DSM Advisory Group considered and recommends an additional waiver to the qualifications for the six (6) Implementation Agencies (See Table 1) that have been unable to fully qualify as Authorized Contractors. These six (6) Implementation Agencies will be granted a temporary waiver of the requirement to have an appropriate contractor's license. Moreover, all eight (8) Implementation Agencies (See Table 1) will be allowed to submit claims for rebates dating back to January 1, 2012 and will be allowed to continue to submit claims for rebates through June 30, 2013 for work done in 2012. Work completed in 2013 will be subject to the applicable submission deadlines. Effective July 1, 2013, the temporary waiver of the requirement to hold a valid and appropriate contractor's license will be fully enforced, along with all other requirements to be an Authorized Contractor.

Implementation Agencies working with the Low-Income Weatherization Assistance Program must comply with all other aspects of the Company's tariff to qualify for ThermWise rebates requested.

Table 1
HCD Implementation Agencies

Agency	Type of Agency	Contractor's License
Bear River Association of Governments	AOG	
Davis County Health/Tri-County Weatherization Assistance Program	Davis County	
Salt Lake Community Action Program	Non-profit	Yes
Housing Authority of Utah County	Utah County	Yes
Six County Association of Governments	AOG	
Five County Association of Governments	AOG	
Uintah Basin Association of Governments	AOG	
Southeastern Utah Association of Local Governments	AOG	

AOG – Association of Governments