

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

In the Matter of the Application of Questar
Gas Company for Approval of the 2015 Year
Budget for Energy Efficiency Programs and
Market Transformation Initiative

DOCKET NO. 14-057-25
REPORT AND ORDER APPROVING
QUESTAR'S BUILDER PROGRAM
AND BUSINESS PROGRAM 2015
BUDGET INCREASES

ISSUED: December 11, 2015

PROCEDURAL HISTORY

This matter is before the Public Service Commission of Utah (Commission) on Questar Gas Company's (Questar) November 24, 2015 report on Demand Side Management expenditures and decatherm savings to date (Report), filed pursuant to the Commission's January 16, 2007 Order (2007 Order) in Docket No. 05-057-T01.¹ Ordering paragraph 4 of the 2007 Order states:

Questar shall report to the Commission when the amount spent for any program reaches ninety percent of the budgeted amount, along 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.

The Report states that in September 2015, actual spending for the Builder and Business programs surpassed ninety percent of the respective 2015 program budgets. Specifically, the Builder and Business programs reached 96 percent and 93 percent of budget, respectively, in September 2015, and will likely exceed the annual budgeted amounts by the end of the year.

¹ See Docket No. 05-057-T01, *In the Matter of the Approval of the Conservation Enabling Tariff Adjustment Option and Accounting Orders*.

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Questar projects the Builder and Business programs will likely reach \$4.9 million (142% of budget) and \$3.9 million (144% of budget), respectively.

Questar requests approval for the higher levels of forecasted spending (\$4.9 and \$3.9 million, respectively) for both the Builder program and the Business program.

On November 24, 2015, the Commission issued an action request to the Division of Public Utilities (Division). On December 10, 2015, the Division filed a reply to the action request recommending approval of the requested budget increases.

DIVISION'S COMMENTS

The Division states that the higher than expected spending in the Builder program is due to higher participation particularly in the 95% efficient furnace rebate measure for both single and multi-family market segments. The Division adds that the higher than expected spending for the Business program is due to higher participation in high efficiency boilers, boiler tune-ups, and infrared heaters.

The Division concludes that the higher than estimated customer participation rates will result in greater decatherm savings and that the overall cost-effectiveness results of the programs will improve. The Division reports that for the quarter ending June 30, 2015, the Builder and Business programs Total Resource Cost benefit cost ratios were 0.7 and 0.8, respectively. The Division concludes that the requested \$4.9 million budget for the Builder program and \$3.9 million budget for the Business program are in the public interest and recommends the Commission approve the budget increases. The Division notes that the other energy efficiency programs within Questar's overall energy efficiency effort, except for the Builder and Business

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programs, are expected to come in under budget and the total spent for all energy efficiency programs will likely be close to 96% of the amount budgeted for 2015.

DISCUSSION, FINDINGS AND CONCLUSIONS

Based upon Questar's Report and the Division's recommendation, the Commission finds the requested budget increases for Questar's Builder program and Business program are in the public interest, and concludes that Questar's application for approval in this docket complies with appropriate statutes, rules, and orders.

ORDER

We approve Questar's increase in expected spending of \$4.9 million for the 2015 Business program and \$3.9 million for the 2015 Builder program.

DATED at Salt Lake City, Utah, this 11th day of December, 2015.

/s/ Thad LeVar, Chair

/s/ David R. Clark, Commissioner

/s/ Jordan A. White, Commissioner

Attest:

/s/ Gary L. Widerburg
Commission Secretary

DW#270936

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Notice of Opportunity for Agency Review or Rehearing

Pursuant to Utah Code Ann. §§ 63G-4-301 and 54-7-15, a party may seek agency review or rehearing of this order by filing a request for review or rehearing with the Commission within 30 days after the issuance of the order. Responses to a request for agency review or rehearing must be filed within 15 days of the filing of the request for review or rehearing. If the Commission fails to grant a request for review or rehearing within 20 days after the filing of a request for review or rehearing, it is deemed denied. Judicial review of the Commission's final agency action may be obtained by filing a Petition for Review with the Utah Supreme Court within 30 days after final agency action. Any Petition for Review must comply with the requirements of Utah Code Ann. §§ 63G-4-401, 63G-4-403, and the Utah Rules of Appellate Procedure.

CERTIFICATE OF SERVICE

I CERTIFY that on the 11th day of December, 2015, a true and correct copy of the foregoing was served upon the following as indicated below:

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