
Energy Efficiency Program Proposal

ThermWise[®] Energy Comparison Report

Program Description

Background

The ThermWise® Energy Comparison Report (ECR) is a customized report that includes a series of four graphical illustrations that show how a customer's usage compares (confidentially) to customers with similar housing and other characteristics. The goals of the ECR are to help influence customers' behavior, lifestyle, appliance purchases, shell measures, and to encourage customers to be more energy efficient, while boosting participation in other rebate programs including the ThermWise® Home Energy Plan.

The ECR is available to customers via opt-in and opt-out programs. Customers participate in these programs by visiting the Company's website, QuestarGas.com or by being selected to receive the ECR at regular intervals throughout the year. The program's cost effectiveness is measured based on an analysis of savings achieved through initial pilot groups of the ECR.

ThermWise® Energy Comparison Report History

In 2010, Questar Gas began researching utility behavior-driven programs operating throughout the United States and reporting usage-analysis to residential customers. In 2011, the Company launched the first ECR. Since development, the ECR has been an integrated component of the Market Transformation Budget. In Questar Gas' 2015 Budget Filing the Company launched the ECR as a stand-alone program and claim natural gas savings as part of the program. In 2016 the Company intends to maintain this program as a stand-alone program.

The following table describes the current distribution of the ECR. The column labeled "Control" are those customers who have not received the ECR in order to compare statistically against the recipients for the purpose of evaluating the program's effectiveness.

ThermWise® Energy Comparison Report Distribution

Description	Recipients	Control	Planned Group Discontinuance
Group A (Initial Pilot – Nov 2011 Launch)	8,000		December 2015
Group B (High Usage – December 2012)	25,000	25,000	December 2016
Monthly Opt-In (Opt-In as of July 2015)	2,616		Ongoing
Group C (Roll – Out – September 2013)	100,000	10,000	December 2017
Group D (Roll – Out – November 2014)	100,000	10,000	December 2018
Total	235,616	45,000	N/A

Elements of Comparison

Customers are compared to one-hundred premises that share the same dwelling type, are located in the same weather zone, have similar square footage, and built within the same time period. Additionally, the Company employs a comparison of homes based on a "similarity index" of base load, peak to base usage, and weather sensitivity. This similarity index is designed to account indirectly for things such as the efficiency of gas equipment,

number of appliances, customer's behaviors, and a home's occupancy without actually having that specific information. When combined with dwelling type, weather zone, square footage, and year built, comparison groups are formed to create a benchmark by which a customer may understand how their natural gas usage ranks relative to other similarly categorized customers.

2015 Changes

As this program works to better accommodate to customer needs, in 2015, the Company modified the ranking language located at the beginning of the report to "More than Average." Also, the Company added an alternative graph for customers who have received the rank of "More than Average" for at least three consecutive report send outs. This alternative graph is designed to encourage customers to make smaller improvements, thus helping them become more energy efficient.

ThermWise® Energy Comparison Report Savings

At the end of a full year's distribution of the report and for each reporting group, the Company performs studies to verify the Energy Comparison Report's effectiveness. To date, the Company has found that reports distributed by postal mail are the most effective at saving energy. Deemed savings are calculated annually using savings from each eligible group to determine a Weighted Deemed Savings. The Company computes a weighted deemed savings of approximately 0.76 decatherms for all program recipients. The following chart highlights the savings by group. Please note, as the distribution weight varies between postal mail and email, the impact on savings will vary.

Composite Savings Estimate

Description	Recipients	Annual Savings	
Group B (High Usage – December 2012)	5,000	1.13	1/
Group C (Roll – Out – September 2013)	100,000	0.74	2/
Weighted Deemed Savings	105,000	0.76	3/

1/ This includes savings for the print group only.

2/ Savings include energy savings across both email and print groups. This group achieved 1.51 decatherms for the print group and 0.31 for the email group.

3/ Weighted Savings across two groups.

Consistent with standard testing procedures, the Company will run an annual savings tests using known and measurable statistical techniques following the yearly completion of each of the distribution pilots. Customers that view the report online or alternatively opt-in to receive the report do not undergo statistical savings testing.

ThermWise® Energy Comparison Report Future

In 2016, the Company plans to continue to distribute the ECR. In addition, the Company will conduct customer surveys, ongoing program persistence testing, and continue to push reports to higher-usage customers. As appropriate, the Company may extend the reach of the program further.

As the Company encourages more energy savings through better appliance and shell measures in homes and businesses, Questar Gas believes that behavioral energy savings will become even more important in reducing natural gas energy consumption. The ECR stands ready to aid in this transition. Questar Gas looks forward to continue to reach more customers in this program, and examine additional ways to engage customers and achieve behavioral savings.

The Company will continue to review the ECR process to examine ways to increase customer participation and improve the customer's energy efficiency. Any changes would not alter the general framework of the program as outlined above but merely expand on and enhance the elements already in place.