
Energy Efficiency Program Proposal

ThermWise[®] Business Rebates Program

Program Overview

Description

The ThermWise Business Rebate program is a comprehensive program that offers rebates to Questar Gas Company (Questar Gas or the Company) GS commercial customers. Rebates are available for purchasing and installing qualifying natural gas-efficiency measures in commercial units. Qualifying measures include those that target cost-effective natural gas savings including retrofits of existing systems and first time installations. Rebates will be paid directly to participating customers.

Program measures include high-efficiency space and water-heating applications, high-efficiency clothes washers, high-efficiency gas unit heaters, gas infrared heaters, boiler controls and tune-ups, food service equipment, building shell and weatherization measures.

The program is designed to leverage the marketing access and existing delivery channels of local businesses, wholesalers and retailers. Questar Gas will identify customer installation opportunities, marketing activities, and assist customers with program requirements where applicable.

Program Design

Program Measures

Qualifying Customers

Commercial customers in Questar Gas' Utah service territory and billed on a GS rate schedule are eligible to participate in the ThermWise Business Rebates program.

Measure Eligibility

For a complete list of minimum efficiency requirements and rebate amounts, see section 2.12 of the Questar Gas Company Utah Tariff (QGC Energy Efficiency Exhibit 1.9).

Prescriptive Rebates, Projected Participation and Savings

Table 1 lists the ThermWise Business prescriptive program's incentive levels, projected participation, and natural gas savings for each energy-efficiency measure. Incentive levels are shown by either unit or per connected-equipment input shown in terms of kBtu to allow for a more customized offering per customer application.

Table 1. Business Energy Efficiency Incentives, Projected Participation and Savings

Measure	Projected Participation	Total Projected Savings (annual Dth)
Storage Water Heater (< 75 kBtu)	5	15
Storage Water Heater (> 75 kBtu)	30	2,610
Tankless Gas Water Heater (< 200 kBtu)	30	840
Tankless Gas Water Heater (≥ 200 kBtu)	1	71
Clothes Washer – Commercial	5	13
Modulating Gas Dryer	1	32
Gas Dryer Moisture Sensor	5	56
High Efficiency Pre-Rinse Spray Valve	500	5,400
Smart Thermostat	450	3,150
Natural Gas Furnace 92% AFUE	2	32
Natural Gas Furnace 95% AFUE	150	2,715
Natural Gas Furnace with ECM 95% AFUE	75	1,358
Natural Gas Furnace with ECM 98% AFUE	15	327
Natural Gas Boiler (hot water) 85% AFUE (<300,000 Btu/h)	15	5,388
Natural Gas Boiler (hot water) 90% TE (≥ 300,000< 2,500,000 Btu/h)	75	31,809
Natural Gas Boiler (hot water) 90% TE (≥ 2,500,000 Btu/h)	52	48,360
Natural Gas Boiler (steam) 85% AFUE (<300,000 Btu/h)	1	372
Natural Gas Boiler (steam) (Except Natural Draft ≥ 300,000 Btu/h)	1	378

Measure	Projected Participation	Total Projected Savings (annual Dth)
Natural Gas Boiler (steam) (Natural Draft \geq 300,000 Btu/h)	1	648
Combined Space/Water Heater	1	19
Direct Contact Gas Water Heater	1	62
Gas Unit Heater (Non Condensing) 83% TE	10	110
Gas Unit Heater (Condensing) 90% TE	5	229
Gas Infrared Heating System	524	37,834
Modulating Gas Infrared Heating System (new const. or replacing non-IR system)	1	80
Modulating Gas Infrared Heating System	1	10
Condensing Roof Top Units (RTUs)	1	154
Boiler Outside Air Reset Control	2	148
Boiler Tune-up – Tier 1	10	98
Boiler Tune-up – Tier 2	50	2,443
Boiler Tune-up – Tier 3	40	2,880
Gas Commercial Fryer	30	1,818
Gas Steam Cooker	1	35
Gas Convection Oven	10	242
Gas Combination Oven	1	40
Gas Griddle	5	44
Charbroiler	5	375
Gas Conveyor Oven	5	442
Roof Insulation (Retrofit)	100	4,340
Wall Insulation (Retrofit)	10	362
Condensing Gas Storage Water Heater	3	31
Hybrid Gas Storage Water Heater 90% TE	1	10
Solar Assisted Pool Heater	1	69
Demand Control Ventilation System (DCV)	10	1,360
TOTAL Business Program prescriptive rebates	2,242	156,810

Commercial Benchmarking

The Commercial Benchmarking service will provide customers on a Commercial GS rate schedule with technical guidance to identify natural-gas saving opportunities and provide recommendations on the appropriate ThermWise for Business Rebates program to pursue. This service will ensure that eligible customers with a potential for savings are actualizing the benefits offered by the natural-gas savings measures and ThermWise for Business Rebates program, resulting in savings for both the customer and the Company. In particular, Commercial Benchmarking will be a targeted customer outreach service, focused on customers with significant savings potential that do not otherwise have the in-house technical resources to determine and/or pursue such opportunities. The Commercial Benchmarking service will actualize these savings and benefits for both the customer and the Company.

The Commercial Benchmarking service provides customers with an assessment of their facility's energy consumption and benchmarks the energy use relative to the national population of similar buildings, based on the Commercial Building Energy Consumption Survey (CBECS) data. CBECS data is collected through a survey conducted by the U.S. Department of Energy. It consists of the energy performance of buildings across a wide

spectrum of space types. The benchmarking service entails a utility data review and preliminary facility audit. The utility bill data will be compared to CBECS data to determine whether the building is more or less efficient than the average, comparable building. Based on the initial findings of the utility data review and facility audit, in addition to the customer's load and complexity of systems, the Consultant will either align the customer with a Trade Ally or Preferred Contractor to pursue prescriptive measures, or recommend a "Lite Audit" or "Heavy Audit". The Consultant will also work with the Company to provide recommendations to the customer regarding natural-gas saving measures to consider and the correlating ThermWise Business Rebates program/s to pursue.

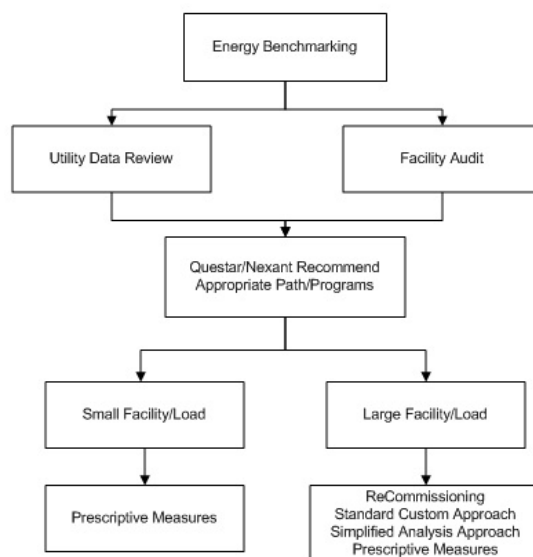
The Lite Audit, or Assessment, is intended for small and medium commercial businesses. The audit will utilize a tablet-based tool preconfigured with prescriptive measures and other custom recommendations. The Consultant has already designed and effectively implemented similar tools for other utility DSM programs. The audit tool will generate a benchmarking report for the customer, including the natural-gas saving opportunities identified. The Consultant's existing tablet-based audit tool will be reconfigured to align with the specific measures and metrics of the Company's ThermWise for Business Rebates Programs.

The Heavy Audit, or Assessment, is intended for large customers on the GS commercial rate schedule. The Consultant will perform a custom on-site assessment intended to recommend capital improvements and/or recommissioning measures. Following a Heavy Audit, the Consultant will also recommend the appropriate path for the customer to pursue for Prescriptive, Standard Custom, and Simplified Analysis measures identified.

To assess projects for eligibility for the Commercial Benchmarking Service, the customer must submit an application with the following information:

- Identification of the project site and account information, including most recent utility bill
- A description of the facility and its energy-using systems

ThermWise for Business Programs Energy Benchmarking



Custom Rebates, Projected Participation and Savings

The Company provides a custom rebate opportunity with the goal of obtaining verifiable, cost-effective, and long-term natural gas savings. The program is designed to provide rebates to those business customers who do not qualify through the prescriptive measures offered in the ThermWise Business Rebates Program and includes both Simplified Analysis Rebates, as well as custom rebates. Program participants submit project proposals for a firm quantity of natural gas reduction through the installation of energy-efficiency measures after review and

approval by Questar Gas. Rebates paid to a third party will require a third party release form. For further detail on custom rebates, rebate structure, and limitations see Section 2.12 of the Questar Gas Company Utah Tariff (QGC Energy Efficiency Exhibit 1.9).

Table 2 lists the projected participation and natural gas savings for custom rebates in 2017.

Table 2. Custom Rebates Projected Participation and Savings

Measure	Projected Participation	Total Projected Savings (annual Dth)
TOTAL Business Program custom measures	15	15,000

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, 2017.

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.