



State of Utah  
Department of Commerce  
Division of Public Utilities

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## MEMORANDUM

To: Public Service Commission of Utah

From: Utah Division of Public Utilities

Chris Parker, Director

Artie Powell, Energy Section Manager

Carolyn Roll, Technical Consultant

Justin Christensen, Utility Analyst

Date: May 31, 2018

Re: **Division's Review of Dominion Energy's Energy Efficiency Report for Year Ending December 31<sup>st</sup>, 2017.**

**Docket No. 18-057-02**

### ISSUE

On December 23, 2016, the Utah Public Service Commission (PSC or Commission) issued an order in Docket No. 16-057-15 authorizing Questar Gas Company (QGC or the Company), now known as Dominion Energy Utah (DEU), to continue to offer to customers in the GS Rate Class, Energy Efficiency Programs (EE) for 2017 with a budget of \$25.1 million.

The purpose of this report is to provide 2017 year end actual results compared to the 2017 EE budget, as approved by the Commission in Docket No. 16-057-15.<sup>1</sup> On May 30, 2017, the Commission approved the Utah Natural Gas Tariff to reflect Questar's name change to Dominion Energy Utah with an effective date of June 1, 2017. Some EE expenses and activities

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<sup>1</sup> Commission Order, Docket No. 16-057-15, December 23, 2016.

reflected in this report occurred prior to the Commission's approval of Questar's name change; however, the Division will use DEU in this report.

## **REPORT**

There are six separate ThermWise EE programs designed to help customers improve the efficiency of their natural gas consumption in the 2017 DEU EE budget plan. In the 2017 plan, the Company proposed to merge the Business Custom Rebates Program with the Business Rebate Program. This was proposed to reduce the overall costs required to administer two separate programs. The 2017 proposed budget of 25.1 million was a 1.8 million decrease from the 2016 budget. This decrease was mainly attributed to decrease demand for weatherization measures<sup>2</sup>.

The programs contain multiple prescriptive measures designed to help customers reduce their natural gas consumption. These programs are (1) the **ThermWise Appliance Rebates Program**; (2) the **ThermWise Builder Rebates Program**; (3) the **ThermWise Business Rebates Program**; (4) the **ThermWise Home Energy Plan Program**; (5) the **ThermWise Weatherization Program**; and (6) **The Low Income Efficiency Program**. The **Low Income Efficiency Program** adds an additional annual funding of \$500,000 to the \$250,000 Low Income Weatherization Assistance Program, bringing the total annual amount provided by DEU to \$750,000. The Utah Department of Workforce Services administers the funds and provides the expertise to improve energy efficiency for low income residents by using the additional \$500,000 to upgrade customers to high efficiency furnaces. In addition to these six programs, funds were budgeted for a continuation of the **Market Transformation Initiative**. During 2015 the Company launched the **ThermWise Energy Comparison Report** as a stand-alone program. These Initiatives are designed to help educate natural gas customers on the benefits of reducing their consumption of natural gas on an ongoing basis.

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<sup>2</sup> Docket 16-057-15 DEU Application

## 2017 THERMWISE EE PROGRAM SUMMARY

Table 1 below compares the 2017 actual rebate expenditures with the 2017 annual budget. Table 1 shows that a total of \$22.4 million (col. E Ln. 13), or 89.2% of the \$25.1 million total annual budget was spent. The table also shows that the expenditures resulted in 892,241 Dth of deemed savings during the year compared to an estimated budgeted deemed savings of 903,631 Dth, these savings include the deemed savings from the **ThermWise Energy Comparison Report**. There were 76,049 participants during the year compared to an estimated 69,795 participants. The Total Resource Cost (TRC) ratio for all of the programs was 1.02. Col E, line 19 shows an increase of \$1.6 million in the FERC Account 184200 for the year resulting in a December 2017 ending balance of \$1,578,600.

Table 1: DSM Energy Efficiency Report Summary									
DOMINION ENERGY									
ENERGY EFFICIENCY REPORT									
December 31, 2017									
DOCKET NO. 18-057-02									
1	A	B	C	D	E	F	G	H	I
2		2017	YTD	2017	YTD	YTD \$	2017 Budget	YTD Actual	TRC
3		Estimated	Actual	Budget	Actual Costs	% of	Dth	Dth	B/C
4		Participants	Participants	(000)	(000)	Budget	Savings*	Savings*	Ratio
5	ThermWise Appliance	20,529	25,741	\$ 6,160.3	\$ 5,924.5	96.2%	225,881	248,661	1.51
6	ThermWise Builder	16,764	22,919	\$ 5,332.6	\$ 5,643.8	105.8%	113,332	135,585	0.80
7	ThermWise Business	2,257	1,748	\$ 2,906.9	\$ 3,980.4	136.9%	140,630	164,302	1.10
8	ThermWise Home Energy F	2,800	2,166	\$ 760.3	\$ 491.4	64.6%	36,166	30,851	1.55
9	ThermWise Weatherization	25,783	22,491	\$ 7,248.0	\$ 4,044.0	55.8%	136,886	70,373	0.84
10	Market Transformation	NA	NA	\$ 1,340.0	\$ 1,228.2	91.7%	NA	NA	0.00
11	Energy Comparison Report	255,000	255,000	\$ 480.2	\$ 392.2	81.7%	232,050	232,050	1.74
12	Low Income Efficiency	1,662	984	\$ 859.7	\$ 669.2	77.8%	18,686	10,418	0.66
13	Total**	69,795	76,049	\$ 25,088.0	\$ 22,373.8	89.2%	903,631	892,241	1.02
14	DSM Interest				\$ 12.2				
15	DSM Amortization				\$ (20,807.0)				
16	Y/E Accruals and Estimates				\$ 594.5				
17	R&D Funds Transfer				\$ -				
18	YTD Change Acct 182400				\$ 2,173.6				
19	December 2016 Acct 182400 Bal				\$ 883.9				
20	Ending Balance Acct 182400				\$ 3,057.5				
21	*Savings reflects the net Dth deemed savings based on actual participants with an 80% net-to-gross ratio applied.								
	**Total participation reflects rebate and energy plan participants. Energy Comparison Report participants are shown only for the purpose of calculating cost effectiveness.								

## THERMWISE EE APPLIANCE PROGRAM

Table 2 on the next page summarizes the ThermWise EE Appliance Program. This program rebated 96.2% of the expected budget (col. F, Ln. 22). The High-Efficiency Gas Furnace measures (tier 3 and tier 4) were second in participation, and first in dollars rebated, with tier 3 (92% and 95% efficient) at 65.2% and 80.7% of budget and tier 4 (95% and 98% efficient with ECM) at 93.8% and 118.2% of budget. The Smart Thermostat was first in participation with 14,753 participants and second in dollars rebated, this program was at 158.5% of budget. The 2017 budget for the EE Appliance Program assumed a total weighted cost of \$27.27 per saved Dth. Due to the mix of measures chosen in 2017, the actual total weighted cost for those same measures was \$23.83 per saved Dth.

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Table 2								
DOMINION ENERGY								
THERMWISE APPLIANCE PROGRAM								
December 31, 2017								
DOCKET NO. 18-057-02								
	A	B	C	D	E	F	G	H
1		2017	YTD	2017	YTD	YTD \$	Budget	YTD
2	THERMWISE APPLIANCE PROGRAM	Budgeted	Actual	Budget	Actual Costs	% of	Dth	Dth
3		Participants	Participants	(000)	(000)	Budget	Savings*	Savings*
4	92% Efficient Furnace	66	43	13.2	8.6	65.2%	832	571
5	95% Efficient Furnace	3,424	2,762	1,198.4	966.7	80.7%	55,482	43,494
6	95% Efficient Furnace with ECM	4,854	4,555	1,941.6	1,822.0	93.8%	78,934	74,467
7	98% Efficient Furnace with ECM	705	833	317.3	374.9	118.2%	12,295	14,528
8	2.7 IMEF Washer	-	843	-	42.2	NA		823
9	Gas Water Heater - Tier 2	766	566	76.6	56.6	73.9%	1,753	1,295
10	Condensing Gas Water Heater	75	58	26.3	20.3	77.3%	508	403
11	Hybrid Gas Water Heater	15	17	5.3	6.0	113.3%	91	118
12	Boilers Tier 1	40	19	16.0	7.6	47.5%	598	284
13	Boilers Tier 2	86	92	51.6	55.2	107.0%	1,697	1,847
14	Solar Assisted Water Heater (domestic)	12	2	9.0	1.5	16.7%	168	28
15	Solar Assisted Water Heater (pool)	12	10	9.0	7.5	83.3%	661	551
16	Tankless Gas Water Heater (tier 1)	78	28	23.4	8.4	35.9%	522	192
17	Tankless Gas Water Heater (tier 2)	730	713	255.5	249.6	97.7%	5,459	5,332
18	Direct Vent Gas Fireplace	356	447	71.2	89.4	125.6%	3,049	3,862
19	Smart Thermostat (appliance)	9,310	14,753	931.0	1,475.3	158.5%	63,832	100,868
20	Administrative & Overheads	NA	NA	1,215.0	732.9	60.3%	NA	NA
21								
22	TOTAL	20,529	25,741	\$ 6,160.3	\$ 5,924.5	96.2%	225,881	248,661
23								
24	*Savings reflects the net Dth deemed savings based on actual participants with an 80% net-to-gross ratio applied.							

The Appliance Program has a TRC test ratio of 1.51 as shown in Table 1 (col. I, ln. 5).

## **THERMWISE BUILDER PROGRAM**

The ThermWise EE Builder Program is designed to offer builders (both contractors and self-build) who use energy efficient construction techniques specific rebates. There are three different construction tiers: (1) meet or exceed Energy Star Version 3.0 and include qualified gas space heating appliance and water heater; (2) high performance home that exceed Energy Star Version 3, meet or exceed a HERS score of 50, and include a qualified gas space heating appliance and water heater; or (3) builders may receive a rebate for a home that exceeds the current building code by at least 10%. There are also separate prescriptive rebates available to builders for energy efficient appliance installations if one of the above construction conscripts is not followed. The 2015 program included the addition of the Smart Thermostat as a prescriptive rebate.

As shown in Table 3 on the following page for 2017, the Builder Program rebated 105.8% of its budget (col. F, Ln. 31). The 95% High-Efficiency Gas Furnace measures (tier 3 and tier 4) had the greatest participation, number wise, as well as dollars rebated, at 75.4% of budget, followed by the 2x6 Walls measure at 170.8% of budget. The Company continued the rebate credit to builders to offset up-front costs for meter and service line contributions. This rebate credit was implemented in October 2014.

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	Table 3							
	DOMINION ENERGY							
	THERMWISE BUILDER PROGRAM							
	December 31, 2017							
	DOCKET NO. 18-057-02							
	A	B	C	D	E	F	G	H
1		2017	YTD	2017	YTD	YTD \$	Budget	YTD
2	THERMWISE BUILDER PROGRAM	Estimated	Actual	Budget	Actual Costs	% of	Dth	Dth
3	Program	Participants	Participants	(000)	(000)	Budget	Savings*	Savings*
4	Energy Star 3.0	-	785	\$ -	\$ 184.8	NA	-	7,769
5	High Performance Homes	-	7	\$ -	\$ 3.3	NA	-	160
6	HERS Index 62 or lower (builder)	1,190	902	\$ 119.0	\$ 69.4	58.3%	4,950	2,785
7	HERS Index 55 or lower (builder)	33	355	\$ 6.6	\$ 55.2	836.4%	275	2,220
8	HERS Index 48 or lower (builder)	16	11	\$ 4.8	\$ 2.1	43.8%	200	82
9	Energy Star 3.0 Bonus (builder)	330	556	\$ 16.5	\$ 18.6	112.6%	734	749
10	92% Efficient Furnace	1,650	203	\$ 330.0	\$ 40.6	12.3%	8,789	1,384
11	95% Efficient Furnace	10,000	7,537	\$ 3,500.0	\$ 2,638.0	75.4%	83,960	56,643
12	95% Efficient Furnace with ECM	533	1,064	\$ 213.2	\$ 425.6	199.6%	4,652	9,500
13	98% Efficient Furnace with ECM	85	10	\$ 38.3	\$ 4.5	11.8%	822	99
14	Tier 1 Storage Water Heater	-	117	\$ -	\$ 5.9	NA	2,431	160
15	.67 EF Storage Water Heater	715	1,240	\$ 71.5	\$ 124.0	173.4%	-	1,387
16	.67 EF Storage Water Heater	715	1,057	\$ 71.5	\$ 105.7	147.8%	-	2,418
17	Tankless Water Heater Tier 1	85	8	\$ 25.5	\$ 2.4	9.4%	557	56
18	Tankless Water Heater Tier 2	110	335	\$ 38.5	\$ 117.3	304.5%	942	2,229
19	Condensing Gas Water Heater	10	3	\$ 3.5	\$ 1.1	30.0%	69	21
20	Hybrid Gas Water Heater	10	1	\$ 3.5	\$ 0.4	10.0%	56	7
21	Gas Boiler Rebates Paid - Tier 1	14	1	\$ 5.6	\$ 0.4	7.1%	135	10
22	Gas Boiler Rebates Paid - Tier 2	38	23	\$ 22.8	\$ 13.8	60.5%	490	296
23	Solar Assisted Water Heater - domestic	10	-	\$ 7.5	\$ -	0.0%	140	-
24	Solar Assisted Water Heater - pool	10	-	\$ 7.5	\$ -	0.0%	551	-
25	2x6 Walls	-	3,534	\$ -	\$ 768.5	NA	-	19,700
26	2X6 R-23 Walls	650	1,110	\$ 97.5	\$ 166.5	170.8%	2,808	4,795
27	R-5 Window	335	546	\$ 0.8	\$ 20.8	2486.9%	8	191
28	Smart Thermostat (builder)	225	919	\$ 22.5	\$ 91.9	408.4%	764	1,537
29	HERS- 10% better than code (builder)	-	2,595	\$ -	\$ 370.8	NA	-	21,386
30	Administrative & Overheads	NA	NA	\$ 726.0	\$ 412.5	56.8%	NA	NA
31	TOTAL	16,764	22,919	\$ 5,332.6	\$ 5,643.8	105.8%	113,332	135,585

\*Savings reflects the net Dth deemed savings based on actual participants with an 80% net-to-gross ratio applied.

The 2017 budget for the EE Builder Program assumed a total weighted cost of \$47.05 per saved Dth. The actual total weighted cost for the 2017 budgeted measures is \$41.63 per saved Dth due in large part to higher participation in furnace rebates. The TRC ratio for the Builder Program is 0.8.

## **THERMWISE EE BUSINESS PROGRAM**

In the ThermWise EE Business program, there are over 30 prescriptive measures available to commercial entities to improve their energy efficiency. Table 4 provides the detail of those measures. There were 17 measures that had \$10,000 or more of total 2017 rebate incentive costs. The total rebate expense of these 17 measures is \$2.6 million, which accounts for 95.5% of the rebates paid. For the year, the total program spent 136.9% of the annual budget. The 2017 budget cost per deemed Dth saved was \$20.67 compared to an actual cost of \$24.23.

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Table 4								
DOMINION ENERGY THERMWISE BUSINESS PROGRAM December 31, 2017 DOCKET NO. 18-057-02								
	A	B	C	D	E	F	G	H
1		2017	YTD	2017	YTD	YTD \$	Budget	YTD
2	THERMWISE BUSINESS PROGRAM	Estimated	Actual	Budget	Actual Costs	% of	Dth	Dth
3	Program	Participants	Participants	(000)	(000)	Budget	Savings*	Savings*
4	Business Custom	15	17	\$ 60.0	\$ 82.5	137.5%	15,000	8,688
5	92% Efficient Furnace	2	1	\$ 0.4	\$ 0.2	50.0%	26	13
6	95% Efficient Furnace	150	326	\$ 52.5	\$ 114.1	217.3%	2,172	4,720
7	95% Efficient Furnace with ECM	75	103	\$ 30.0	\$ 41.2	137.3%	1,086	1,491
8	98% Efficient Furnace with ECM NEW 2017	15	2	\$ 6.8	\$ 0.9	13.3%	262	35
9	Gas Storage Water Heater - Tier 2 <75kBtu .67	5	1	\$ 0.5	\$ 0.1	20.0%	12	2
10	Gas Storage Water Heater >75kBtu	30	70	\$ 18.0	\$ 36.1	200.7%	2,088	4,171
11	High Efficiency Gas Water Heater - Tankless <200kBTU	30	7	\$ 12.0	\$ 400.0	3333.3%	840	28,213
12	High Efficiency Gas Water Heater - Tankless >200kBTU	1	19	\$ 1.0	\$ 32.9	3223.5%	71	2,319
13	Condensing Gas Water Heater NEW 2017	3	7	\$ 1.1	\$ 2.5	233.3%	24	57
14	Hybrid Gas Water Heater	1	3	\$ 0.4	\$ 1.1	300.0%	8	24
15	Combined Space / Water Heater (business)	1	-	\$ 0.5	\$ -	0.0%	15	-
16	Commercial Clothes Washer	5	-	\$ 0.4	\$ -	0.0%	10	-
17	Boiler Reset Control	2	8	\$ 0.5	\$ 2.0	400.0%	119	474
18	Boiler Tune-up	100	10	\$ 18.5	\$ 3.2	17.0%	4,337	817
19	Low Flow Pre-rinse Spray Valve	500	-	\$ 16.0	\$ -	0.0%	4,320	-
20	Smart Thermostat (business)	450	99	\$ 31.5	\$ 9.8	31.0%	2,520	781
21	Direct Contact Water Heater	1	-	\$ 0.3	\$ -	0.0%	50	-
22	High Efficiency Boiler Hot Water Tier 1	15	11	\$ 60.0	\$ 12.2	20.3%	4,310	875
23	High Efficiency Boiler Hot Water Tier 2	75	25	\$ 304.7	\$ 124.6	40.9%	25,448	10,407
24	Boiler Hot Water ≥ 2,500,000 Btu/h (business)	52	88	\$ 507.0	\$ 777.8	153.4%	38,688	55,758
25	High Efficiency Boiler Steam Tier 1	1	1	\$ 4.1	\$ 9.6	232.9%	297	693
26	Boiler Steam ≥ 300,000 Btu/h (business)	2	3	\$ 21.6	\$ 10.9	50.3%	821	440
27	Gas Unit Heater NonCondensing	10	5	\$ 2.5	\$ 1.6	62.5%	88	55
28	Gas Unit Heater Condensing	5	46	\$ 8.1	\$ 56.9	702.8%	183	1,288
29	Infrared Heating System	524	590	\$ 393.0	\$ 405.9	103.3%	30,266	31,263
30	Modulating Infrared Heaters (NC ) (business)	1	-	\$ 1.1	\$ -	0.0%	64	-
31	Modulating Infrared Heaters (Replacing Non-IR) (business)	1	-	\$ 0.3	\$ -	0.0%	8	-
32	Condensing RTU's (business)	1	-	\$ 1.9	\$ -	0.0%	123	-
33	High Efficiency Gas Combo Oven	1	16	\$ 1.0	\$ 16.0	1600.0%	32	516
34	Energy Star Gas Commercial Fryer	30	36	\$ 22.5	\$ 18.0	80.0%	1,454	1,164
35	High Efficiency Gas Convection Oven	10	108	\$ 7.5	\$ 54.0	720.0%	194	1,395
36	High Efficiency Gas Griddle	5	-	\$ 1.5	\$ -	0.0%	35	-
37	Energy Star Gas Steam Cooker	1	2	\$ 1.0	\$ 2.0		28	56
38	Attic Insulation	100	125	\$ 112.0	\$ 486.1		3,472	8,036
39	Wall Insulation	10	13	\$ 12.0	\$ 7.5		290	129
40	Demand Control Ventilation Systems	10	5	\$ 40.0	\$ 13.3		1,088	361
41	High Efficiency Charbroiler	5	1	\$ 5.0	\$ 1.0	20.0%	300	60
42	Conveyor Oven	5	-	\$ 5.0	\$ -	0.0%	354	-
43	Gas Dryer Moisture Sensor	5	-	\$ 0.1	\$ -	0.0%	45	-
44	Modulating Gas Dryer	1	-	\$ 0.1	\$ -	0.0%	26	-
45	Solar Assisted Water Heater- Pool- Business	1	-	\$ 0.8	\$ -	0.0%	55	-
46	Business Custom Rebates	-	-	\$ -	\$ -		-	-
47					\$ -			
48	Administrative & Overheads	N/A	N/A	\$ 1,144.0	\$ 1,256.5	109.8%	NA	N/A
49	TOTAL	2,257	1,748	\$ 2,906.9	\$ 3,980.4	136.9%	140,630	164,302
50	*Savings reflects the net Dth deemed savings based on actual participants with an 80% net-to-gross ratio applied.							

As shown in Table 1, the ThermWise EE Business Program has a TRC benefit ratio of 1.10.



## THERMWISE EE HOME ENERGY PLAN PROGRAM

The ThermWise EE Home Energy Plan Program is designed to give customers an opportunity to have their current energy efficiency efforts evaluated and suggestions offered on ways to improve those efforts. The home energy plans can either be an on-site audit, conducted by a qualified DEU technician or a mail in audit in which the participants answers questions and receive advice from DEU. Multi-family property owners have been receptive to the Energy Plan Program, which was included in the program beginning in 2013, and the waiving of \$25 audit fee for lower-income senior homeowners continued in 2017. This program continues to have benefits in addition to those seen in the data below as it introduces customers to the potential savings they may realize by implementing additional energy efficiency measures.

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Table 5	DOMINION ENERGY							
	THERMWISE HOME ENERGY PLAN PROGRAM							
	December 31, 2017							
	DOCKET NO. 18-057-02							
	A	B	C	D	E	F	G	H
1		2017	YTD	2017	YTD	YTD \$	Budget	YTD
2	THERMWISE HOME ENERGY PLAN P	Estimated	Actual	Budget	Actual Costs	% of	Dth	Dth
3		Participants	Participants	(000)	(000)			
4	Efficiency Measures	2,800	2,166	\$ 52.3	37.1	70.9%	36,166	30,851
5	Administrative & Overheads	N/A	N/A	\$ 708.0	454.3	64.2%		N/A
6	TOTAL	2,800	2,166	\$ 760.3	491.4	64.6%	36,166	30,851
7								
8	*Savings reflects the net Dth deemed savings based on actual participants with an 80% net-to-gross ratio applied.							

Table 5 shows the actual efficiency units given out amount to 70.9% of the budgeted amount. The Dth savings in 2017 was 30,851 compared to 2016 savings of 31,530. The TRC ratio for the Home Energy Program is 1.55.

## THERMWISE EE WEATHERIZATION PROGRAM

Table 6 summarizes the results for the ThermWise EE Weatherization program. Insulation projects were the highest rebated measures of this program however these measures decreased substantially from 2016 levels. On a total program basis, the EE Weatherization program reached

only 55.8% of budgeted expenditures. The Attic Insulation measures are the primary driver for this program, but were below budgeted levels at 27.1% for tier 1, and 50.7% for tier 2 of its budgeted amount. Duct Sealing and Insulation participants and rebates, which had been increasing, also decreased in 2017 with rebates paid at 35.4% of budgeted levels. However, actual participants increased almost 22% from last year.

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Table 6								
DOMINION ENERGY								
THERMWISE WEATHERIZATION PROGRAM								
December 31, 2017								
DOCKET NO. 18-057-02								
	A	B	C	D	E	F	G	H
1		2017	YTD	2017	YTD	YTD \$	Budget	YTD
2	THERMWISE WEATHERIZATION PROGRAM	Estimated	Actual	Budget	Actual Costs	% of	Dth	Dth
3		Participants	Participants	(000)	(000)	Budget	Savings	Savings*
4	Attic Insulation - Tier 1 (weatherization)	12,000	3,840	\$ 3,583	\$ 970	27.1%	60,774	16,457
5	Attic Insulation - Tier 2 (weatherization)	4,200	2,045	\$ 338	\$ 171	50.7%	5,017	2,541
6	Floor Insulation (weatherization)	270	158	\$ 40	\$ 30	74.5%	1,096	817
7	Wall Insulation (weatherization)	863	495	\$ 222	\$ 146	65.7%	3,138	2,063
8	Windows - R-5 (weatherization)	450	9,647	\$ 17	\$ 363	2108.1%	385	8,116
9	Duct Sealing & Insulation (weatherization)	7,600	2,448	\$ 2,022	\$ 717	35.4%	62,800	24,032
10	Air Sealing (weatherization)	400	95	\$ 211	\$ 54	25.5%	3,678	861
11	DI- Insulation- Attic- Tier 1	-	1,728	\$ -	\$ 308	NB	-	5,216
12	DI- Insulation- Attic- Tier 2	-	689	\$ -	\$ 56	NB	-	833
13	DI- Sealing- Air	-	1,346	\$ -	\$ 590	NB	-	9,439
14	Administrative & Overheads	N/A	N/A	\$ 815	\$ 640	78.5%	-	
15								
16	TOTAL	25,783	22,491	\$ 7,248	\$ 4,044.0	55.8%	136,886	70,373
17	*Savings reflects the net Dth deemed savings based on actual participants with an 80% net-to-gross ratio applied.							

The 2017 budget for the EE Weatherization Program assumed a total weighted cost of \$52.95 per saved Dth. The actual total weighted cost for the same budgeted measures is \$57.47 per saved Dth. The program's TRC ratio was 0.84.

### THERMWISE MARKET TRANSFORMATION PROGRAM

Table 1, on page 3, shows the ThermWise EE Market Transformation Program achieved 91.7% of the expected 2017 levels.

## THERMWISE ENERGY COMPARISON REPORT

Table 1, on page 3, shows the ThermWise Energy Comparison Report spent 81.7% of the expected 2017 levels. Current distribution of the report is to approximately 255,000 customers, the report is available to customers via opt-in and opt-out programs. The program's TRC ratio was 1.74.

## THERMWISE LOW INCOME EFFICIENCY PROGRAM

The ThermWise Low Income Efficiency Program funded its target amount of \$500,000. This \$500,000 is used to provide low-income qualified residences with energy efficient furnaces. The Low-Income Efficiency Tariff includes a paragraph allowing approved non-profit or governmental agencies to apply for rebates under the ThermWise Programs. This allows qualified agencies to utilize rebates for work they have performed to do additional weatherization measures. The Utah Department of Workforce Services' Housing and Community Development Division (HCD) currently qualifies under this provision. This allows the qualifying HDCs to report its activity quarterly and include the saved Dths as a result of its efforts as part of the report filed by the Company on the EE program results.

DOMINION ENERGY								
LOW INCOME EFFICIENCY PROGRAM								
1000 December 31, 2017								
Table 7 DOCKET NO. 18-057-02								
	A	B	C	D	E	F	G	H
1		2017	YTD	2017	YTD	YTD \$	Budget	YTD
2	LOW INCOME EFFICIENCY PROGRAM	Estimated	Actual	Budget	Actual Costs	% of	Dth	Dth
3		Participants	Participants	(000)	(000)	Budget	Savings	Savings*
4	95% Efficient Furnace	210	68	\$ 73.50	\$ 23.80	32.4%	3,444	1394
5	95% and 98% Efficient Furnace with ECM	42	24	\$ 16.80	\$ 9.65	57.4%	689	493
6	Gas Water Heater - Tier 2	38	4	\$ 3.80	\$ 0.40	10.5%	120	16
7	Attic Insulation - Tier 1	242	202	\$ 76.91	\$ 31.15	40.5%	1,165	660
8	Attic Insulation Tier 2	154	89	\$ 15.01	\$ 1.06	7.1%	223	20
9	Floor Insulation	62	24	\$ 13.21	\$ 2.97	22.5%	359	101
10	Wall Insulation	54	91	\$ 15.94	\$ 15.25	95.7%	193	269
11	Duct Sealing & Insulation	70	-	\$ 30.59	\$ -	0.0%	755	0
12	Air Sealing	280	197	\$ 81.05	\$ 81.11	100.1%	1,415	1622
13	Tank Less Gas Water Heater - Tier 1 & Tier 2	10	-	\$ 3.25	\$ -	0.0%	74	0
14	Low Income Furnace Replacement	500	285	\$ 500.00	\$ 500.00	100.0%	10,250	5843
15	Administrative & Overheads	N/A	N/A	\$ 29.62	\$ 3.86	13.0%	N/A	N/A
16	TOTAL	1,662	984	\$ 859.7	\$ 669.2	77.8%	18,686	10,418

Table 7 shows the results for the ThermWise Low Income Efficiency Program. The table shows that 77.8% of the total budget has been spent. The 2017 budget for the EE Low Income Efficiency Program assumed a total weighted cost of \$46.01 per saved Dth, the actual total weighted cost for those the measures implemented was \$64.24 per saved Dth.

### **DSM Amortization Account Balance**

As shown in Table 1, FERC account 182.400 is the account where the company accumulates the costs expended in the multiple EE programs and at least semi-annually, requests permission from the Commission to amortize those accumulated balances. In Table 1 on page 3, the balance at of the end of December 2017 was \$3,057,500 (Col E, Line 20). The current amortization rate for the GS class is \$0.20/ Dth (rounded), which was set in Docket No. 17-057-17, effective October 1, 2017, to amortize an estimated July, 2017 balance of \$816,312 as well as projected current expenditures of continuing EE programs.

### **CONCLUSION & RECOMMENDATIONS**

The Division acknowledges the success of the Energy Efficiency Programs initiated by Dominion Energy as they benefit all rate payers by reducing usage levels. The Division notes as shown on page 3, in Column I, Line 13 of Table 1, the TRC for all Energy Efficiency programs is 1.02. The Division requests that the Company discuss these results and trends that are forecasted for the ThermWise programs at a future 2018 Advisory Group meeting.

The Division commends DEU and the Advisory Group for their active participation and commitment to continue to develop and promote strong Energy Efficiency programs, with the intent to promote the energy saving measures to an even broader base of GS customers and urges all GS customers to participate in these programs whenever possible.

CC Michael Orton, Dominion Energy  
Michele Beck, Office of Consumer Services