SWEEP Conference
November 16, 2006
Conservation Enabling Tariff (CET)

• PSC approved 3 year pilot program – Oct. 5, 2006
  – Culmination of 4 year process
  – Un-Opposed Settlement Stipulation
  – Includes one year review

• Removes rate design barrier to energy efficiency
  – Consistent with Governors energy efficiency policy and HB46
  – Company only collects allowed revenue per customer
  – Breaks link to volumetric rates

• Applicable to General Service customers
  – Residential & Small Commercial
Typical GS-1 Customer Not Participating In DSM Can Save $108 Over Five Years

Note: Assumes 1% decline in average Utah GS-1 usage per customer per year.
Energy-Wise Leadership

• Forging path for greater natural gas energy efficiency practices in the Mountain West
• Natural gas savings goal = 1% per year
• Energy Efficiency programs application to be submitted in the 3 weeks
• Ultimate goal is to help QGC customers to be….
QGC’s Goal for Customers

W A R M

W I S E

W I N N I N G

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Energy Efficiency Initiatives

• Aggressively Promote Cost Effective Customer Energy Efficiency Practices
  – Market Transformation
  – Initial Energy Efficiency Programs
    • Home Audits & Weatherization Measures
    • Residential Appliance Rebates
    • ENERGY STAR® New Homes Incentive
    • Commercial Prescriptive Rebates
    • Low Income Weatherization Program (LIWAP)
Market Transformation

• Education & Awareness
  – Advertising Campaign

• Building Codes Training
  – State of Utah Sponsored
Audits & Weatherization Program

• In-home Energy Audits by QGC Technicians
  – Audit Report Provided to Customer

• Weatherization Incentives
  – Post Installation Customer Rebates
  – Shell Measures
  – Ductwork Improvements
  – Programmable Thermostats
Residential Appliance Incentives

- Existing Single-family Homes
- Post Purchase / Installation Rebates
- Target Space & Water Heat Applications
ENERGY STAR® New Homes

- Two Levels of Builder Incentives
  - Space & Water Heat Incentives
  - ENERGY STAR® Certification Incentive
Commercial Prescriptive Incentives

- Existing GS Commercial Customers
- Post Purchase / Installation Rebates
- Target Space & Water Heat Use
Low Income Weatherization Program

- Additional $250,000 funding from DSM accounts
- Program / Funding managed by State of Utah
- Primarily 90+ furnace replacements
- Some health & safety measures
Conclusion

• Alignment of Customer / Company Interests
  – Potential for millions of dollars in customer savings
  – Energy Efficiency programs to be approved by PSC
  – Company is excited about prospects for customer energy efficiency