

BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING

IN THE MATTER OF THE APPLICATION)
OF QUESTAR GAS COMPANY d/b/a)
DOMINION ENERGY WYOMING FOR)
APPROVAL OF THE 2018 YEAR BUDGET)
FOR ENERGY EFFICIENCY PROGRAMS)

Docket No. 30010-172-GA-17
(Record No. 14869)

ORDER

(Issued April 4, 2018)

This matter is before the Wyoming Public Service Commission (Commission) upon the Application of Questar Gas Company d/b/a Dominion Energy Wyoming (Dominion Energy or Company) for approval of the 2018-year budget for the Company's ThermWise® Energy Efficiency Programs. The Commission, having reviewed the Application, its files regarding Dominion Energy, applicable Wyoming utility law, and otherwise being fully advised in the premises, FINDS and CONCLUDES:

1. Dominion Energy is a public utility as defined by Wyo. Stat. § 37-1-101(a)(vi)(D), subject to the Commission's jurisdiction pursuant to Wyo. Stat. § 37-2-112.

2. On October 31, 2017, Dominion Energy submitted its Application requesting approval of its 2018-year budget and modifications to the ThermWise® Energy Efficiency Programs pursuant to Wyo. Stat. § 37-2-121, Commission Rule Chapter 3, Section 21, and the Commission's *Order* issued on February 6, 2013, in Docket No. 30010-119-GT-12 (Sub 119). In Sub 119, the Commission approved Dominion Energy's modification and continuation of the Company's ThermWise® Energy Efficiency Programs, including future budget filings and program modifications in the form of a Tariff filing in October of the preceding program year. This Tariff filing represents the fifth filing.

3. Dominion Energy proposes continuing the five existing ThermWise® Energy Efficiency Programs (Programs): [i] Appliance Rebates Programs; [ii] Builder Rebates Program; [iii] Business Rebates Program; [iv] Home Energy Plan Program; and [v] Weatherization Rebates Program. The Company proposes to make modifications to the Programs, primarily through additions, discontinuations and substitutions of rebate-qualifying measures. Specifically, Dominion Energy proposes offering a rebate to customers that install boiler reset controls and combined space and water heaters. The Company further proposes eliminating rebates for tankless tier 1 water heaters and decreasing the rebate for smart thermostats and annual fuel utilization efficiency furnaces. For commercial GS customers, the Company proposes introducing pipe insulation as a rebate qualifying measure, and reducing rebate amounts for annual fuel utilization efficiency furnaces. Additionally, the Company proposes continuing its Market Transformation initiative through development and enhancement of the dedicated Company website (www.ThermWise.com) and by continuing to deliver, via U.S. and electronic mail, the Comparison Report to certain groups of customers with high usage.

4. Dominion Energy projects the total 2018 budget for the Programs and Market Transformation Initiative to be \$313,574—an increase of 40% from the 2017-year budget. Dominion Energy states the requested budget increase is due to higher expected incentives, including a spending increase of 57% from the 2017 budget. The Company states the rise in incentive spending is primarily due to several large Business Program boiler projects, which are expected to be completed at the beginning of 2018. Additionally, Dominion Energy projects the non-incentive costs will account for 18% of the total budget. The Company estimates a total natural gas savings of \$13,462 Dth/year, 80% above the 2017 natural gas savings estimate.

5. On November 2, 2017, the Commission issued its *Suspension Order* pursuant to Wyo. Stat. § 37-3-106(c), suspending the effectiveness of the Application for the initial statutory period.

6. On November 29, 2017, the Commission issued a *Notice of Application* which provided a protest deadline of December 20, 2017. It was published once per week for two consecutive weeks in the *Uinta County Herald* in Evanston, the *Kemmerer Gazette*, the *Rawlins Daily Times*, the *Pinedale Roundup*, and the *Daily Rocket-Miner* in Rock Springs. The notice period expired without comment, intervention or protest.

7. Dominion Energy's Application came before the Commission for consideration pursuant to due notice at its Open Meeting of January 4, 2018. Michael Orton, Director Energy Efficiency, participated by telephone for Dominion Energy. Mr. Orton summarized the Application stating the Company proposes to make changes to its Wyoming ThermWise® Energy Efficiency Program. Mr. Orton stated the proposed changes to the program include adding boiler reset controls, combined space and water heaters, pipe insulation and eliminating .82 or tier 1 tankless water heaters from rebate eligible equipment. Mr. Orton stated the Company further proposes reducing the rebate amount by \$50 for 95% to 98% efficiency furnaces and for smart thermostats. Mr. Orton stated the proposed changes are to align the ThermWise® Energy Efficiency Program with current market conditions. With regard to the ThermWise® Business Rebates, Mr. Orton discussed that the current projects receiving incentive funds involve the installation of high efficiency natural gas boilers and infrared heaters at municipal facilities located in Lincoln County and Sweetwater County. Mr. Orton explained that the driving force for the increased budget for the ThermWise® Business Rebates is rebates being paid for a small number of facilities installing a larger number of high efficiency natural gas boilers and infrared heaters that generate substantial savings. Commission Staff recommended Approval of Application, for use on and after January 1, 2018.

8. Based upon the Application, Dominion Energy's representations, and the analysis and recommendations of Commission Staff, the Commission finds that Dominion Energy's Wyoming ThermWise® Energy Efficiency Program continues to encourage awareness of the cost of energy and support measures and programs to encourage increases in the efficient use of natural gas. The Commission also finds these programs continue to provide benefits to customers that outweigh the administrative costs to run the programs. The Commission concludes that Dominion Energy's Application for approval of the 2018-year budget and modifications to its Wyoming ThermWise® Energy Efficiency Programs is in the public interest and should be approved, effective January 1, 2018.

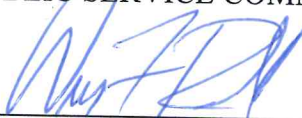
IT IS THEREFORE ORDERED:

1. Pursuant to Open Meeting action taken on January 4, 2018, the Application of Questar Gas Company d/b/a Dominion Energy Wyoming for approval of the 2018-year budget for the Company's ThermWise® Energy Efficiency Programs is approved, effective January 1, 2018.

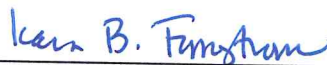
2. This *Order* is effective immediately.

MADE and ENTERED at Cheyenne, Wyoming, on April 4, 2018.

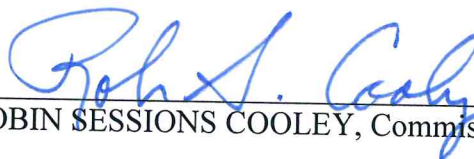
PUBLIC SERVICE COMMISSION OF WYOMING



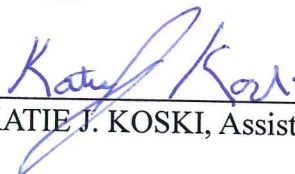
WILLIAM F. RUSSELL, Chairman



KARA BRIGHTON FORNSTROM, Deputy Chair



ROBIN SESSIONS COOLEY, Commissioner



KATIE J. KOSKI, Assistant Secretary