

BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING

IN THE MATTER OF THE APPLICATION)
OF QUESTAR GAS COMPANY FOR)
APPROVAL OF THE 2016 YEAR BUDGET)
FOR ENERGY EFFICIENCY PROGRAMS)

Docket No. 30010-149-GT-15
(Record No. 14278)

ORDER

(Issued January 4, 2016)

This matter is before the Wyoming Public Service Commission (Commission) upon the Application of Questar Gas Company (Questar or the Company), for approval of the 2016 budget year for Energy Efficiency Programs. The Commission, having reviewed the Application, its files regarding Questar, applicable Wyoming utility law, and otherwise being fully advised in the premises, FINDS and CONCLUDES:

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

2. On October 28, 2015, Questar submitted its Application requesting approval of its 2016 year budget and modifications to the ThermWise® Energy Efficiency Programs. Questar's modifications and continuation of the Company's Energy Efficiency Programs was approved by the Commission in Docket No. 30010-119-GT-12 (Sub 119) wherein it was ordered that Questar would make future budget filings and program modifications in the form of a Tariff filing in October of the preceding program year. This Tariff filing is in accordance with the *Order* issued in Sub 119.

3. In its Application, Questar proposed to continue the five existing ThermWise® EE programs. They are: [i] Appliance Rebates Program; [ii] Builder Rebates Program; [iii] Business Rebates Program; [iv] Home Energy Plan Program; and [v] Weatherization Rebates Program. The Company proposed to make modifications to the Programs, primarily through additions and substitutions of rebate-qualifying equipment. Changes in the standards and methods for rating energy efficiency are the basis for some of the proposed modifications requested in this application. In April 2015, the U.S. Department of Energy enacted new water heating appliance standards, compelling manufacturers to implement higher minimum Energy Factor (EF) ratings. Additionally, Questar also proposed to continue its Market Transformation initiative.

4. Questar stated the total 2016 budget for the Energy Efficiency Programs and Market Transformation Initiative was projected to be \$215,294, a decrease of 6% from the 2015 budget. Questar claimed the decrease was due to lower than expected participation and administrative or non-incentive costs.

5. On October 29, 2015, the Commission issued its *Suspension Order* pursuant to W.S. § 37-3-106, suspending the effectiveness of the Application for the initial statutory period provided therein.

6. On October 29, 2015, the Commission issued a *Notice of Application* which provided a protest deadline of November 30, 2015. 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. No interventions or protests were received by the deadline.

7. Questar's Application came before the Commission for consideration pursuant to due notice at its open meeting of December 22, 2015. Jenniffer Nelson Clark, Corporate Counsel; Barrie McKay, Vice President Energy Efficiency; Michael Orton, Director Energy Efficiency; and Travis Willey, Supervisor Energy Efficiency; participated for Questar via telephone. Orton summarized the Application stating the Company was requesting approval of its proposed 2016 budget for its Energy Efficiency Programs and to make changes to currently rebate-eligible equipment. He stated the budget for 2016 is proposed to be \$215,294 which is 6% lower than the Commission approved 2015 budget. The proposed reduction in budget is mainly attributable to lower expected rebates to be paid to customers in 2016. The proposed changes to rebate-eligible equipment include eliminating the Tier 1 storage water heater from the Appliance, Builder and Business Programs and a proposed increase in the efficiency standard for rebate-eligible clothes washers from a modified energy factor of 2.6 to an integrated modified energy factor of 2.74. Questar also proposed to [i] add char broilers, conveyor ovens, modulating gas dryers, moisture sensors for gas dryers and solar-assisted swimming pool heaters to the ThermWise® Business Program; [ii] introduce Pre-Rinse Spray Valves (PRSV) to the ThermWise® Business Rebates Program¹; and, [iii] eliminate lower grade retrofit windows ($\leq .30$ U value). He stated the Company was proposing no changes for the Home Energy Plan, Weatherization Program or the Energy Comparison Report for 2016. Commission Advisory Staff recommended approval of the Application.

8. Based upon the Application, Questar's representations, and the analysis and recommendations of the Commission Advisory Staff, the Commission finds that Questar's energy efficiency programs continue 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 costs to run the programs. The Commission concludes that Questar's Application for approval of the 2016 Year Budget and modifications to its Wyoming ThermWise® Energy Efficiency Programs is in the public interest and should be approved, effective January 1, 2016.

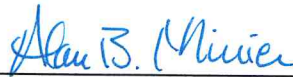
¹ High efficiency PSRV are typically used to remove food prior to dishwashing in restaurants and are estimated by the EPA to reduce water usage 7,000 gallons a year in a typical establishment. Rebates for PSRV are currently offered in Questar's program, but historically have had low participation. Questar proposes to introduce a pilot PSRV installation initiative which would provide PSRV's in 20 targeted establishments at no cost to the businesses. The Company states it hopes the data demonstrating the cost savings of this measure will compel other businesses to engage in PSRV installations.

IT IS THEREFORE ORDERED:

1. Pursuant to open meeting action taken on December 22, 2015, the Application of Questar Gas Company for approval of the 2016 Year Budget and Modifications to the ThermWise® Energy Efficiency Programs is approved, effective January 1, 2016.
2. This *Order* is effective immediately.

MADE AND ENTERED at Cheyenne, Wyoming, on January 4, 2016.

PUBLIC SERVICE COMMISSION OF WYOMING



ALAN B. MINIER, Chairman



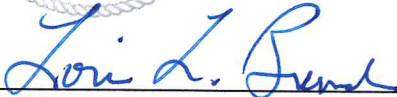
WILLIAM F. RUSSELL, Deputy Chairman



KARA BRIGHTON, Commissioner



Attest:



LORI L. BRAND, Assistant Secretary