ThermWise® Builder Rebates Program

ENERGY STAR Partners Meeting
March 24th, 2010
Session Agenda

- Questar Gas Overview
- What is the ThermWise Builder Rebates Program?
- ThermWise Brand
- Builder Outreach
- Trainings
- Marketing Support
- Results
About $9.5 billion enterprise value

Exploration & Production

Market Resources

72%

Transmission

Questar Pipeline

16%

Distribution

Questar Gas®

12%

Net Income Contribution
Questar Gas Service Territory

Year End 2008

Customers
- Residential: 823,151
- Commercial/Industrial: 65,451

Annual deliveries
- Residential: 621 MMdth
- Commercial/Industrial: 327 MMdth
Introducing Therm

• Branded portfolio of energy efficiency Programs
• Integrated marketing approach increases consumer recognition
• Supports ENERGY STAR brand

Therm, the “Energy Wise Guy”
ThermWise® Rebate Programs

ThermWise Goals & Strategy

Goals

• Cost-effective customer gas savings
• Market transformation
• Lower customer gas prices

Strategy

• Customer incentives (rebates)
• Marketing emphasis – education and awareness
• Umbrella campaign - branding
• Integrated marketing approach
• Culture change within Company / Market
• Coordination / Collaboration with Industry
## ThermWise Builder Rebates

<table>
<thead>
<tr>
<th>Measure</th>
<th>Requirements</th>
<th>Rebate</th>
</tr>
</thead>
<tbody>
<tr>
<td>ENERGY STAR Gas Storage Water</td>
<td>EF 0.62 to 0.66 / .67 or higher (minimum 40 gallons, 75,000 Btu/hr or less)</td>
<td>$50 /$100</td>
</tr>
<tr>
<td>Water Heater</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ENERGY STAR Tankless Gas Water</td>
<td>EF 0.82 or higher</td>
<td>$300</td>
</tr>
<tr>
<td>Water Heater</td>
<td></td>
<td></td>
</tr>
<tr>
<td>High-Efficiency Gas Furnace</td>
<td>AFUE 90% or higher</td>
<td>$300</td>
</tr>
<tr>
<td>High-Efficiency Gas Boilers</td>
<td>AFUE 85% or higher</td>
<td>$400</td>
</tr>
<tr>
<td>Solar Assisted Gas Water Heating</td>
<td>Must be Active and Certified OG-100 by SRCC</td>
<td>$750</td>
</tr>
<tr>
<td>ENERGY STAR Whole House</td>
<td>HERS Index of 85 or lower</td>
<td>$500</td>
</tr>
<tr>
<td>High Performance Home</td>
<td>50% improvement over 2004 IECC</td>
<td>$800</td>
</tr>
</tbody>
</table>
## ThermWise Multifamily Rebates

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</tr>
<tr>
<td>High-Efficiency Gas Boilers</td>
<td>AFUE 85% or higher</td>
<td>$400</td>
</tr>
<tr>
<td>ENERGY STAR Certification</td>
<td>HERS index of 85 or lower</td>
<td>$250/unit</td>
</tr>
<tr>
<td>Solar Assisted Gas Water Heating</td>
<td>Must be Active and Certified OG-100 by SRCC</td>
<td>$750</td>
</tr>
<tr>
<td>ENERGY STAR Clothes Washer</td>
<td>MEF 1.72 or higher</td>
<td>$50-$75</td>
</tr>
<tr>
<td>High-Efficiency Gas Dryer</td>
<td>Moisture sensor included</td>
<td>$30</td>
</tr>
</tbody>
</table>
Other Programs include:

- ThermWise Appliance Program
- ThermWise Weatherization Program
- ThermWise Business Program

- **Actual (deemed) Dth Savings**:
  - 2007: 203,484
  - 2008: 428,264
  - 2009: 1,086,249

- **Budgeted (deemed) Dth Savings**:
  - 2007: 133,386
  - 2008: 206,588
  - 2009: 398,749
# 2010 ThermWise Dth Savings

## ThermWise® Rebate Programs

### Pie Chart:
- **Weatherization**: 65.44%
- **Appliance**: 16.27%
- **Business**: 5.25%
- **Multi Family**: 6.51%
- **Audit**: 1.36%
- **Builder**: 4.40%

### Table:

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<tr>
<th>Program</th>
<th>Dth Savings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Home Energy Audits</td>
<td>13,344</td>
</tr>
<tr>
<td>Appliance</td>
<td>159,208</td>
</tr>
<tr>
<td>Builder</td>
<td>43,049</td>
</tr>
<tr>
<td>Weatherization</td>
<td>640,536</td>
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<tr>
<td>Multifamily</td>
<td>63,760</td>
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<tr>
<td>Business</td>
<td>51,424</td>
</tr>
<tr>
<td>Business Custom</td>
<td>7,513</td>
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<tr>
<td>Low-Income Wx</td>
<td>n/a</td>
</tr>
<tr>
<td>Market Transformation</td>
<td>n/a</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>978,832</strong></td>
</tr>
</tbody>
</table>
ThermWise® Rebate Programs

ThermWise Budget vs. Actual

Total ThermWise® Program spending of $72,938,646 from 2007 thru 2009
Builder Outreach

• Two points of contact when a builder begins the building process:
  – Preconstruction letter
  – Construction Monitor mailing
• Partnership with Rocky Mountain Power
• Streamlined application
• Ongoing efforts to recruit and maintain builders in the program
Partnerships

- Rocky Mountain Power (RMP)
- Builders
- Local and State HBAs
- Trade Allies
- HERS Raters
- Non-profit organizations – Utah Clean Energy
- Customers
Trainings
Builder

- Free trainings
- Builders and contractors
- Topics include:
  - Technical - ENERGY STAR
  - Marketing
  - General Program information
- Hands-on or field component
Trade Ally

- **Energy Efficiency and Green Building Training**
  - Free CE credit class for real estate professionals
  - Nearly 100 REALTORS trained in 2009

- **HVAC Training and Working Groups**
  - Installation best practices for HVAC equipment
  - Working groups inform trade allies of Program details and identify opportunities for improvement
Marketing and Sales Support
Parade of Homes Incentive

- Offered to all parade builders
- Additional $500-$1000
- Incentive for participating HBAs
- Benefits include:
  - Increased builder & consumer awareness
  - Strengthened relationships with HBAs
  - More ThermWise and ENERGY STAR homes in events
    - 2009 – 99 homes participated with a total of 130 measures
    - 2009 – 47 ENERGY STAR homes featured
Model Home Incentive

• Additional $500-$1000

• Benefits include:
  – Increased builder & consumer awareness of energy efficiency
  – Increased recognition of the ThermWise brand

• Increase in participants each year
  – 15 model homes since program inception
  – Working with an exclusively ENERGY STAR community in 2010
  – Working with large production builder with over 40 model homes
Materials

Yard Signs

ENERGY STAR® Homes Flyer

Call-out Cards:
Furnace, Boilers, Water Heaters, Windows, Duct Sealing, Insulation

ThermWise® Rebate Programs
Builder of the Year Award

- Recognition Program for participating builders

Winners receive:

- Award funds to apply towards energy efficiency marketing ($2500, $1500 or $500)
- Recognition in Builder News Magazine and Salt Lake Tribune
- Access to the 2009 Builder of the Year logo
Building Consumer Demand

- Marketing and Advertising highlights features and benefits of ENERGY STAR homes
- Print ads in major Utah publications
- EPA co-op advertising campaign in partnership with Rocky Mountain Power
QA/QC

- Partnership with Rocky Mountain Power
- Issues are shared with builders, raters and trade allies
- Utilize as an opportunity to train builders and share best practices
- Continually work with builders to improve practices
The Results Are In!

- 6,100 ENERGY STAR Homes and Federal Tax Credit Homes certified to date
- 868 ENERGY STAR multifamily units certified to date
- 68,794 decatherms saved = planting 94,700 trees
- 2009 single family market share: 35.4%
- 2010 EPA Partner of the Year Award
Questions?