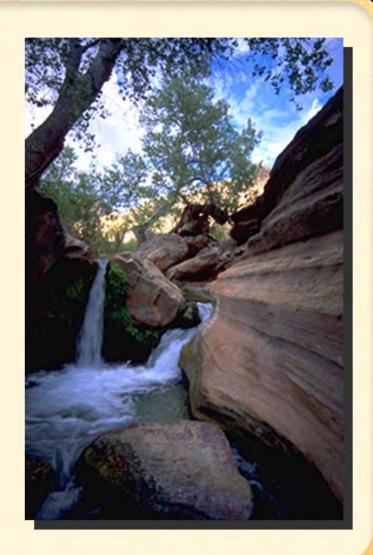






## Agenda

- Questar Gas Company & ThermWise® background
- Introduction to ThermWise
- ThermWise Marketing
- ThermWise Results









## Questar Gas Company & ThermWise<sup>®</sup> Background





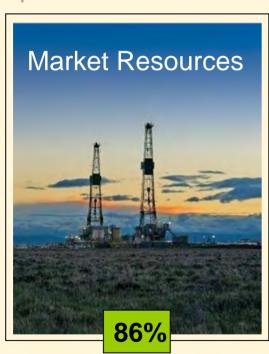
## Questar Corporation (NYSE: STR)

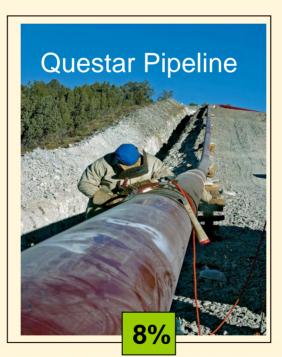
**\$7** billion enterprise value

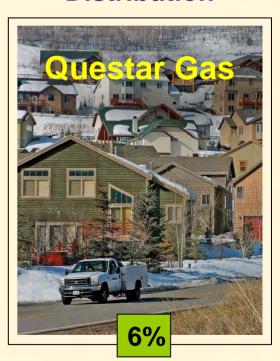
**Exploration & Production** 

Transmission

**Distribution** 







**2008 Net Income Contribution** 





ThermWise® Rebate Programs

## Territory

#### Year-End 2008

Communities served 281

**Customers** 

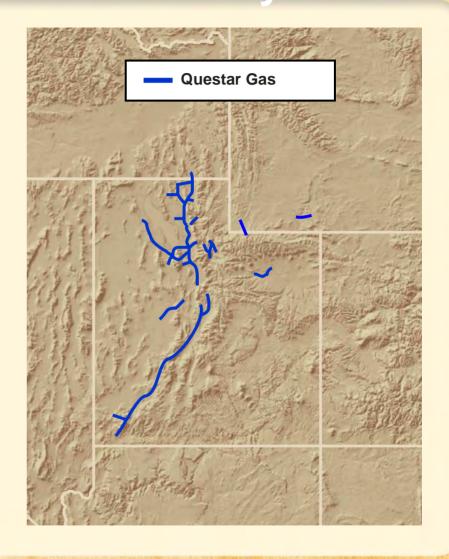
Residential 823,151

Commercial/Industrial 65,451

**Annual deliveries** 

Residential 621 MMdth

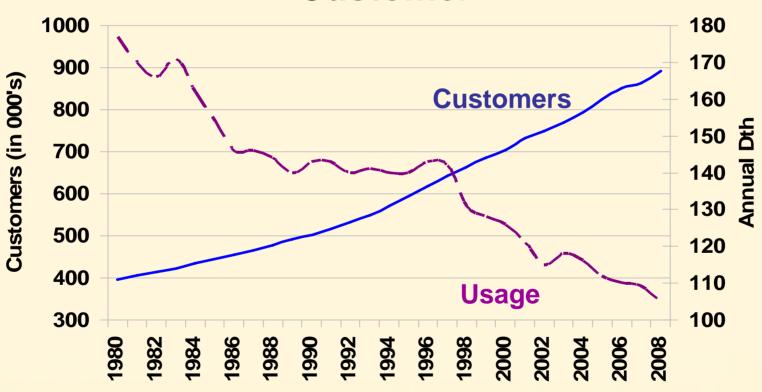
Commercial/Industrial 327 MMdth







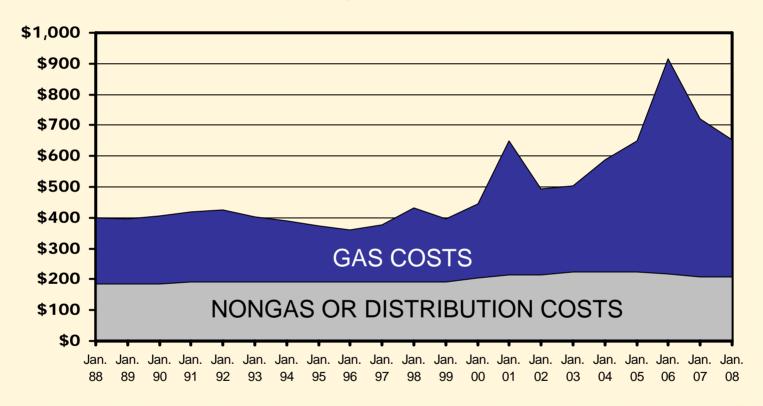
## Questar Gas Customer Growth/Usage per Customer







## What is driving customer prices?



Utah annual typical residential bill





## The Questar Gas Solution

ThermWise® Rebate Programs

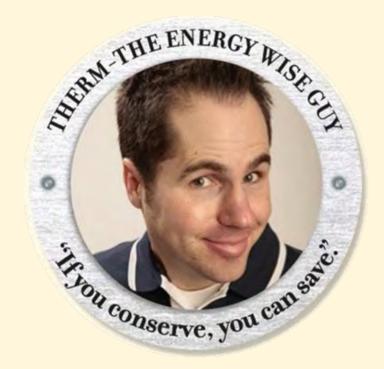


# Conservation Enabling Tariff (CET)

- Align with customers needs
- Remove economic barrier to aggressively pursuing customer energy efficiency (DSM)
- Collect Public Service Commission allowed revenue (Revenue Decoupling)
  - Separates revenues and customer usage
- Four year pilot program starting







## Introducing:

# ThermWise





## 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
- Culture change within company









ThermWise® Programs

- Home Energy Audits
- Weatherization
- Appliance
- Builder
- Multifamily
- Business
- Business Custom
- Low-Income
   Weatherization







# ThermWise® Marketing





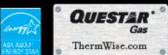
## ThermWise® Marketing

- Advertising Campaign
  - TV, Radio, Print, Theater, HTR, Billboards
- ThermWise.com
- Questar Gas Publications
  - Inserts, Newsletters
- Alliance Network
  - POP, Promotions, Direct Sales
- Community Events
  - State & County Fairs, Parade of Homes events

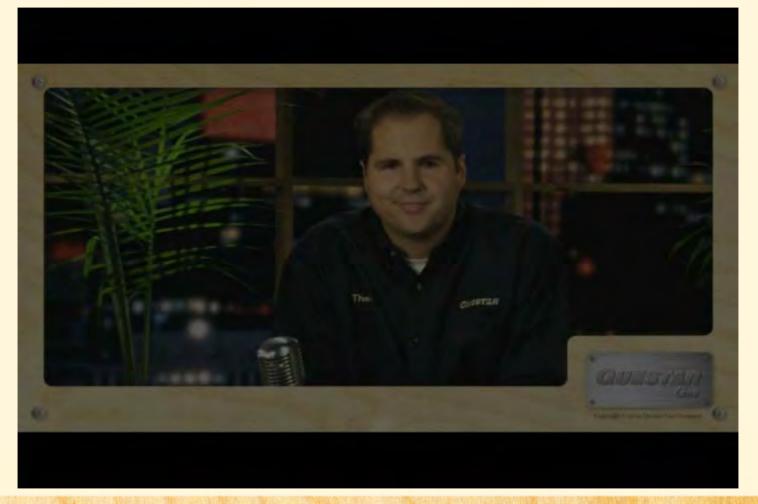


2008 ThermWise® Television Commercials – Summer Olympics			





#### 2009 ThermWise® Television Commercials – ENERGY STAR® Water







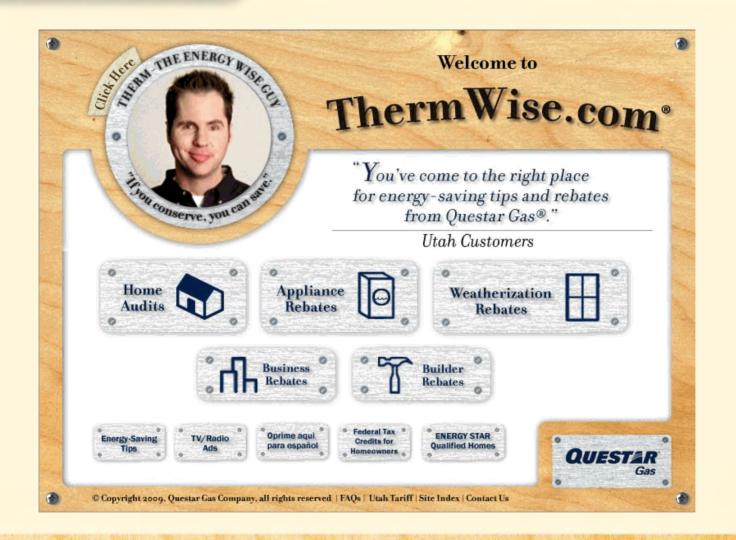
## ThermWise® Billboards







## ThermWise® Web site







## ThermWise® Promotions



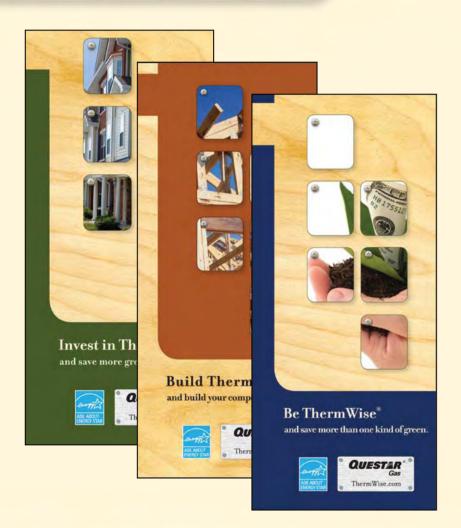




#### i nermwise wiarketing

### **Material**

#### ThermWise® Rebate Programs



#### ThermWise® Builder Rebates Program

#### NEW CONSTRUCTION REBATES

Are you thinking about incorporating energy efficiency into the homes you build? Through the **ThermWise Builder Rebates Program**, Questar Gas® offers cash rebates for installing high-efficiency equipment and building ENERGY STAR® homes in the Questar Gas service territor.

#### It Pays to Build ThermWise!

Single Famil 4 units or fewe
\$500
\$50
\$300
\$300
\$400
\$750

Appliance and weatherization rebates also available for existing Single Family properties. Refer to ThermWise.com for a complete list of eligible rebates for your existing property.

#### PARTICIPATION IS EASY!

- Step 1: Sign and submit a Builder Participation Agreement.
- Step 2: Contact a HERS Rater for your ENERGY STAR project. Visit ThermWise.com for a list of HERS Raters in your area and their contact information.
- Step 3: Build a new single family home and include one or more energy efficiency measures.

Step 4: Submit the ThermWise Rebate Application and documentation.

Visit **ThermWise.com** for a Builder Participation Agreement, Rebate Applications and additional program information.



THERMWISE PROGRAM CONTACT INFORMATION:

ThermWise Builder Hotline 866-699-6034

E-mail Builder@ThermWise.com

Build Value. Build Quality. Build ThermWise.

Visit ThermWise.com for details.

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#### inermwise Events &

#### ThermWise® Rebate Programs

# Choose ThermWise. QUESTAR nes. save.





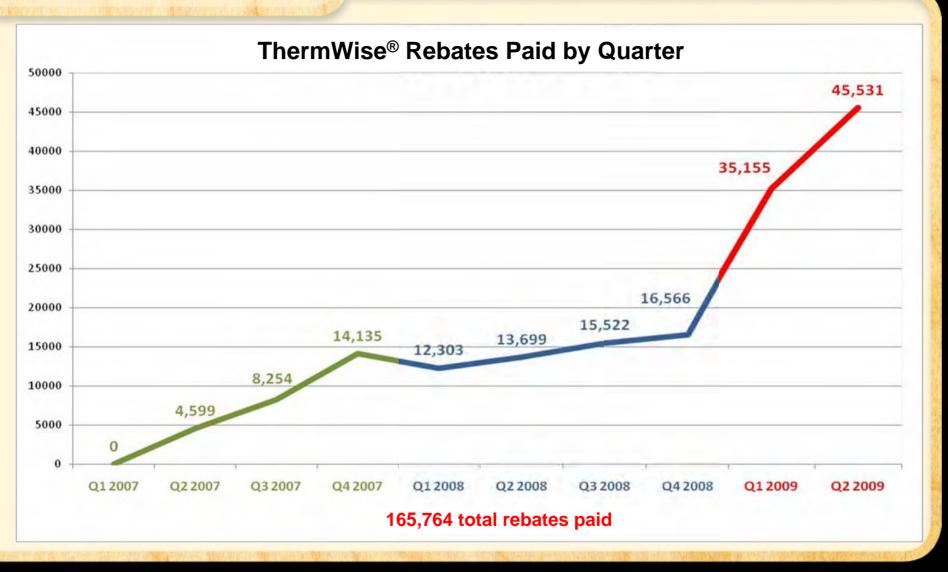




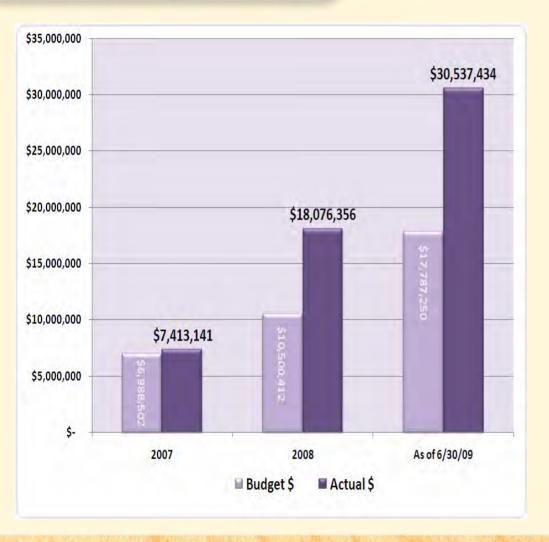
# ThermWise® Results









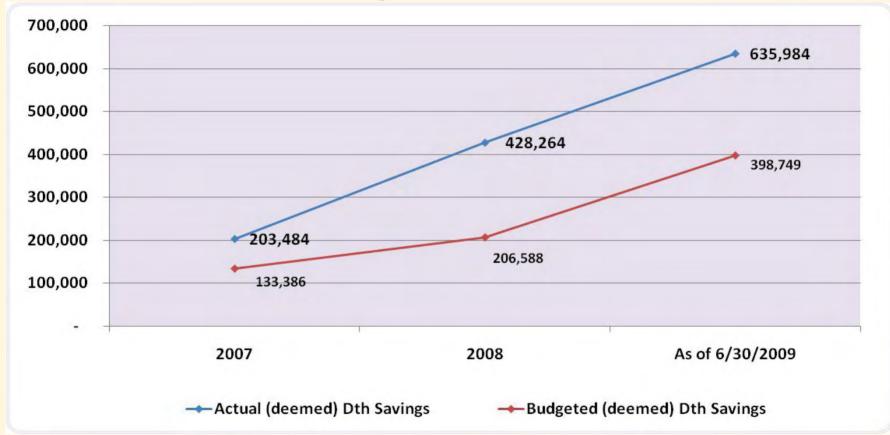


- Total ThermWise®
   Program spending of \$56,026,931 from 2007 through Q2 2009
- 2008 ThermWise® spending was 1.8% of 2008 operating revenues





## ThermWise® Programs: Budget vs. Actual Dth Savings 2007 – Q2 2009





## ThermWise® Programs: Utah Customer Benefits 2007 - Q2 2009

Utility Cost Test			
	Net Present Value	Benefit/Cost Ratio	
2007	\$12,643,449	2.71	
2008	\$30,574,714	2.69	
2009	\$50,069,974	2.64	
Total	\$93,288,137	2.66	





Questar Gas's residential rates are the lowest in the continental U.S.

