# **NORTHWEST NATURAL GAS COMPANY**

WN U-6

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# NORTHWEST NATURAL GAS COMPANY

WN U-6 Third Revision of Sheet G.1
Cancels Second Revision of Sheet G.1



# SCHEDULE G ENERGY EFFICIENCY SERVICES AND PROGRAMS – RESIDENTIAL AND COMMERCIAL

## **APPLICABLE:**

This program is intended to provide an economical and effective means for conserving Natural Gas through reduced heat loss and improved efficiencies in Residential dwellings and Commercial buildings.

# AVAILABLE:

To all Residential Customers served on Rate Schedules 1, 2 and 27; and all Commercial Firm Sales and Interruptible Sales Customers served on Rate Schedules 3, 41 and 42 in all territory served by the Company under the Tariff of which this program is a part.

## **DESCRIPTION:**

The Energy Trust of Oregon (Energy Trust) will deliver and administer a cost-effective energy efficiency program to NW Natural's Residential and Commercial Firm Sales and Interruptible Sales Customers. Energy Trust administered programs will offer applicable Customers incentive dollars for installing specific, cost-effective energy efficient measures, including rebates for energy efficient retrofit or replacement appliances. Program offerings may vary from time-to-time. Current offerings are described on the following Company webpage:

https://www.nwnatural.com/content\_yourhome.asp?id=228

## **OVERSIGHT**

Oversight of these programs will be provided by the Energy Efficiency Advisory Group (EEAG), which is a group comprised of interested parties to the Company's 2008 general rate case. EEAG oversight is required per the stipulated agreement attached to Commission Order No. 04 to the Company's rate case, docketed as UG-080546. The Company will consult with the EEAG prior to making any significant program changes such as changing an incentive amount or adding program measures.

### **REPORTING**

Energy Trust will provide the EEAG and WUTC with Quarterly and an Annual Reports demonstrating total program costs, therms saved and levelized costs of measures offered. Reporting will be consistent with the Company's Energy Efficiency Plan, revised on February 18, 2010.

## **COST-EFFECTIVE STANDARD**

The portfolio of programs offered through the Energy Trust will be deemed cost-effective if the program meets the following Benefit Cost Ratio (BCR) tests: 1) Total Resource Cost (TRC) test; and 2) the Utility Cost (UC) test. The program is cost-effective when the end value for each of the following test is greater than one (1):

1) <u>Total Resource Cost</u> (TRC) looks at the total benefits attributable to the program divided by the total program costs. A TRC value equal to or greater than one means the benefits are equal to or exceed the costs, and the program is cost-effective.

TRC is expressed formulaically as follows:

TRC = Present Value of Benefits / Present Value of Costs

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Issued February 18, 2010 NWN Advice No. WUTC 10-2

# NORTHWEST NATURAL GAS COMPANY

WN U-6 Second Revision of Sheet No. G.3
Cancels First Revision of Sheet No. G.3

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# SCHEDULE G ENERGY EFFICIENCY SERVICES AND PROGRAMS – RESIDENTIAL AND COMMERCIAL

#### LEVELIZED COST METRIC

The portfolio of measures promoted through the program will also meet the following Levelized Cost metric, which is determined as follows:

The levelized cost is the present value of the total cost of a measure over its economic life, converted to equal annual payments. The levelized cost calculation starts with the incremental capital cost of a given measure or package of measures. The total cost is amortized over an estimated measure lifetime using the discount rate established in the Company's most current IRP. The annual net measure cost is then divided by the annual net energy savings (therms) from the measure application (again relative to a standard technology) to produce the levelized cost estimate in dollars per therm saved, as illustrated in the following formula.

 $Levelized\ Cost = \frac{Net\ Annual\ Cost\ (\$)}{Net\ Annual\ Savings}$ 

The levelized cost of an energy efficiency measure is cost-effective if it is less than the average levelized costs of other supply-side options. A cost-effective threshold is established in the Company's most current Integrated Resource Plan (IRP) and further refined through the BCR test.

## **CUSTOMER NOTIFICATION**

This information may be provided through the use of bill inserts, displays, booklets, handouts, advertisements, and industry and public agency literature.

#### <u>FUNDING</u>

The costs incurred for the administration and delivery of the services and programs offered under this Schedule will be deferred as allowed by Washington Utility and Transportation Commission (WUTC) Orders to UG-011230 and UG-011231. Each year, the Company will seek recovery of ongoing program costs from Residential and Commercial customers through Schedule 215, coincident with the Company's Annual Purchased Gas Adjustment filing made in accordance with Schedule P. Deferred balances will accrue interest.

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Issued February 18, 2010 NWN Advice No. WUTC 10-2

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# SCHEDULE G ENERGY EFFICIENCY SERVICES AND PROGRAMS – RESIDENTIAL AND COMMERCIAL

# **RESIDENTIAL PROGRAM INCENTIVES**

The following are offerings for Residential customers:

DESCRIPTION	INCENTIVE				
Weatherization					
Air Sealing	50% of cost, up to \$275				
Air Leakage Test	\$35.00 per site tested				
Attic/Celing Insulation	\$0.25 per square foot				
Duct Insulation	50% of cost, up to \$100				
Floor Insulation	\$0.30per square foot				
Knee-Wall Insulation	\$0.30 per square foot				
Boiler Pipe Insulation	\$0.50 per linear foot				
Wall Insulation	\$0.30 per square foot				
Duct Sealing	50% of cost up to \$325				
Duct Leakage Test	\$35.00 per duct system tested				
Windows	\$2.25 per square foot				
Heating					
Gas Furnace	\$100.00				
Direct Vent Gas Unit Heater	\$100.00				
Direct Vent Gas Fireplace	\$100.00 to \$150.00				
Gas Boiler	\$200.00				
Water Heating					
Gas Tankless Water Heater	\$200.00				
Gas Water Heater	\$35.00				
Home Energy Review Measures					
Faucet Aerator	Free to customer				
Home Energy Review	Free to customer				
Showerhead	Free to customer				
Shower wand	Free to customer				
Water Heater Set Back	Free to customer				

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# SCHEDULE G ENERGY EFFICIENCY SERVICES AND PROGRAMS – RESIDENTIAL AND COMMERCIAL

## **COMMERCIAL PROGRAM INCENTIVES**

The following are offerings for Commercial Customers.

Attic Insulation	\$ 0.20 per square foot
Wall Insulation	\$ 0.20 per square foot
Roof Insulation	\$ 0.20 per square foot

## Heating

Steam Traps, Small Commercial, <12 hrs/day, small-med pressure	\$ 100.00 per trap
Gas-fired Condensing Boiler > 2500 kbtuh 0.9 EC	\$ 4.00 per kBtu hr in
Gas-fired Condensing Boiler < 300 kbtuh 0.9 AFUE	\$ 4.00 per kBtu hr in
Gas-fired Condensing Boiler >= 300 kbtuh, <= 2500 kbtuh 0.9 ET	\$ 4.00 per kBtu hr in
Boiler Vent Damper	\$ 1,000.00 per unit
High Efficiency Unit Heater - Non-Condensing with Electronic Ign	\$ 1.50 per kBtu hr in
High Efficiency Condensing Furnace <225,000 kBtuh	\$ 3.00 per kBtu hr in
Direct-fired Radiant Heating	\$ 6.50 per kBtu hr in

#### **Water Heating**

Domestic Tankless/Instanaeous Water Heater with Electronic Ignit	\$ 2.00 per kBtu hr in
Domestic Tankless/Instanaeous Water Heater with Standing Pilot	\$ 1.50 per kBtu hr in
Condensing Tank	\$ 2.50 per kBtu hr in
Commercial Clothes Washer, Gas Water Heat, Partial Gas	\$ 200.00 per unit
Showerhead Gas	\$ 6.00 per unit

## **Food Service**

Gas Full-Size Convection Oven	\$ 300.00 per unit
Gas Fryer	\$ 1,000.00 per unit
Gas Griddle	\$ 150.00 per unit
Gas Steam Cooker	\$ 1,300.00 per unit
Dishwasher - Single Tank Conveyor - Low temp - Gas hot water	\$ 500.00 per unit
Dishwasher - Single Tank Door/Upright - Low Temp - Gas water heat	\$ 400.00 per unit
Dishwasher - Single Tank Conveyor - High temp - Gas hot water	\$ 500.00 per unit
Dishwasher - Single Tank Door/Upright - High Temp - Gas water heat	\$ 400.00 per unit
Dishwasher - Undercounter - high temp - Gas water heat	\$ 200.00 per unit
Turbo Pot – limit one per applicant	\$40 per pot*

<sup>\*</sup> Customers installing one other food service measure may receive one free turbo pot while promotional quantities last.

## **GENERAL TERMS:**

This Schedule is governed by the terms of this Schedule, the General Rules and Regulations contained in this Tariff and by all rules and regulations prescribed by regulatory authorities, as amended from time to time.

Issued February 18, 2010 NWN Advice No. WUTC 10-2