

SUB 12/12/17

NORTHWEST NATURAL GAS COMPANY

WN U-6

Fourth Revision of Sheet I.2

Cancels Third Revision of Sheet I.2

SCHEDULE I**WASHINGTON LOW-INCOME ENERGY EFFICIENCY (WA-LIEE) PROGRAMS**
(continued)**MEASURE INCENTIVES:****Energy Efficiency Measures and Rebates.**

Qualifying energy efficiency measures shall be determined under one of the following three methods:

1. Those measures recommended by an approved, residential energy analysis software tool that complies with the Department of Energy's standard for cost-effective energy efficiency; hereafter, this software tool will be referred to as Conservation Software. To qualify for a rebate, the total group of measures prescribed by Conservation Software for the whole house must meet or exceed a Savings to Investment Ratio (SIR) of 1.0 or better, and except for certain approved exceptions, measures must be chosen in the ranked order of Conservation Software prescriptions;
2. Those measures deemed cost-effective under the State of Washington Department of Commerce Weatherization Program Priority List;
3. Measures deemed cost-effective based on the hybrid method outlined in the State of Washington Department of Commerce Weatherization Manual; or
4. Pilot offerings described in the Company's Energy Efficiency Plan and reviewed by the EEAG. (N)

(N)

Rebates will be paid based on the cost of the total group of qualifying measures for the whole house, as recommended by Conservation Software, and installed by the Agency. At the beginning of each program year, the maximum rebate amount per home shall be reset to the greater of either \$5,000 or an amount equal to the average total installed cost of measures as reported by the Agencies for the most recent four quarters prior to filing the Company's annual Energy Efficiency Plan. To accommodate timing differences between measure installations, the rebate may be disbursed through one or more reimbursement requests provided all of the work is based on the same audit. Only one energy efficiency audit per home will be eligible for rebates under this program.

Health, Safety and Repair (HSR) Allowance and Reimbursement.

In addition to the rebate for qualifying energy efficiency measures, a rebate will be available for the costs of health, safety and repair (HSR) measures. HSR measures are those items that if not completed would adversely impact the safety and effectiveness of the energy efficiency measures or the health of the occupants. Standard efficiency furnace replacements may qualify for HSR funds if the existing furnace is broken, is found to produce an unsafe level of CO emissions, is back-drafting, or has a cracked heat exchanger and a high-efficiency furnace is not cost-effective or if it is physically impossible to install a high-efficiency furnace. When a furnace is replaced with a standard efficiency furnace, the Agency must specify the reasons for the replacement in the reimbursement request.

The maximum annual HSR disbursement available to each Agency will be \$1,000 times the actual number of households treated by the Agency in the Program Year (HSR Allowance).

Each Agency will have discretion in the use of their individual HSR Allowance such that they may use more or less than the \$1,000 on any one home. Each Agency must manage their HSR funds to ensure that the average HSR amount per home is not more than \$1,000.

(continue to Sheet I.3)

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