



# COMMISSION NEWS

ARIZONA CORPORATION COMMISSION 1200 W. WASHINGTON, PHOENIX, AZ 85007

FOR IMMEDIATE RELEASE: February 14, 2008

CONTACT: Rebecca Wilder (602) 542-0844

## **Corporation Commission Approves UNS Gas Plan To Help Consumers Save Energy and Lower Costs**

**PHOENIX, AZ**—During today’s regularly scheduled open meeting, the Arizona Corporation Commission (ACC) approved a plan by UNS Gas, Inc. to implement a Demand Side Management (DSM) Portfolio Plan to increase energy savings and reduce energy costs by enabling customers to use certain energy-efficiency products, services, and practices. The programs included in the plan will help customers adopt energy efficiency measures and mitigate the impact of rising energy prices through a combination of rebates, technical assistance and training, and consumer education.

The UNS Gas Program Portfolio consists of four programs, three residential and one non-residential, with a total proposed budget of \$1,033,400. The residential programs include a Low-Income Weatherization Program, an Efficient Home Heating Program and an Energy Star Home® Program. The non-residential program is a Commercial and Industrial Facilities Gas Efficiency Program.

The Low-Income Weatherization Program is an ongoing program that UNS Gas will move into its DSM Portfolio in order to expand the set of weatherization measures it can provide. The program will provide qualifying residential low-income customers with funding assistance for the installation of energy-efficiency measures in their homes. Steps taken to reduce energy use will, in turn, reduce electric and gas bills. UNS estimates that up to 98 homes could be weatherized in 2008 with the increased budget, saving nearly 22 million pounds of carbon emissions over a 4-year period (2008-2012).

Expansions to the program include: (1) increased funding to weatherization agencies; (2) an expanded list of weatherization measures allowed in each home; (3) inclusion of low-flow showers, faucet aerators, and water heater blankets for every low-income home that qualifies for emergency repair funding; and (4) an increase in reporting of each measure installed in the homes.

The Efficient Home Heating Program will provide incentives for residential and multi-family homeowners to invest in energy-efficient gas-fueled furnaces and to conserve energy which will reduce energy bills. UNSG will provide training, qualification and promotion for HVAC contractors who are knowledgeable and meet UNS Gas standards for the installation and operation of high-efficiency residential gas furnace systems. UNS expects to complete an estimated 545 homes per year under this program, eliminating over 82 million pounds of carbon emissions over the next 4 years.

The Energy Star Home® Program emphasizes a “whole-house” approach to improving health, safety, comfort, durability and energy efficiency. This new program will provide incentives to builders to meet 2006 Energy Star Home® performance requirements. Homes built to meet these requirements will conserve energy and reduce homeowners’ energy costs. This program is expected reduce carbon emissions by over 362 million pounds over the next 4 years.

The Commercial and Industrial Facilities Gas Efficiency Program will provide incentives to owners and operators of non-residential facilities for installation of energy-efficient restaurant equipment and heating and cooling systems. Specifically, the program provides incentives for high-efficiency space heating, service water heating, and commercial cooking equipment and systems. The program will be available to UNS Gas' existing non-residential customers, including schools and government buildings. This program will reduce carbon emissions by nearly 64 million pounds over the next 4 years.

**Commissioner Comments:**

“The least expensive energy of all is the energy we don't use,” said **Commissioner Jeff Hatch-Miller**. “These programs offer all of us opportunities to lower energy bills. I applaud the efforts of UNS gas.”

“With our approval today of another DSM program, the ACC continues to implement its policy of promoting energy efficiency,” said **Commissioner Bill Mundell**. “As Arizona's need for energy grows, these kinds of conservation programs become more and more important.”

“These energy efficiency programs will help the residents of Northern Arizona fight the high cost of natural gas, which has been a huge burden in recent years,” said **Commissioner Kris Mayes**. “It will also prevent millions of pounds of carbon dioxide from entering the atmosphere. This is a good day for ratepayers and the environment we live in.”

“As Arizona's population continues to grow, we need to be aggressive in our energy efficiency efforts, as those efforts appear to be the low-cost method for meeting our future energy demands,” said **Commissioner Gary Pierce**.

**Chairman Mike Gleason**—the sole “no” vote—said, “Energy conservation is important. However, if these DSM programs are ever going to be self-sufficient, we should be directing more money to marketing them, instead of maintaining and even increasing subsidies for equipment.”

###