

**SCHEDULE 301
LOW INCOME WEATHERIZATION INCENTIVE PROGRAM**

(T)

AVAILABILITY

This program is available to Department of Commerce approved Low Income Weatherization providers and other Low Income Agencies providing weatherization services (Agencies) to income-eligible residential dwellings served by Cascade Natural Gas.

(T)

PROGRAM DESCRIPTION

This program is designed to increase energy efficiency in low-income households within Cascade’s service territory by providing rebates to Agencies for the installation of approved energy efficiency measures in qualifying residential dwellings following the completion of a home energy evaluation performed by a qualifying Agency.

(T)

ELIGIBILITY

In order to qualify for the Weatherization Incentive Program (WIP) and Enhanced Weatherization Incentive Program (E-WIP) benefits, the customer must be a residential customer of Cascade Natural Gas, must be certified as low-income by a qualified Low-Income Weatherization provider in Washington State, and must live in a dwelling where the primary heat source is fueled by natural gas. Combined WIP and E-WIP rebates may cover the full cost of weatherization measures for customers.

(T)

In order to receive rebates for the installed cost of weatherization measures under E-WIP, the Agency delivering weatherization services must meet the requirements above and must also have in place a current, signed Memorandum of Understanding (MOU) with Cascade Natural Gas with individualized targets for the number of homes anticipated to be served by that Agency for the calendar year. This target shall be developed in coordination with the Agency and shall be adjusted on an annual basis.

ENERGY EFFICIENCY MEASURES

The following measures qualify for rebate under both the WIP and E-WIP programs:

(T)

- Ceiling insulation
- Wall insulation
- Floor insulation
- Water heater insulation
- Duct sealing
- Duct insulation
- Infiltration reduction
- Low-flow faucet aerators
- Low-flow showerheads
- Natural gas furnaces (95% AFUE or greater)¹
- Furnace tune-up and filter replacement
- Direct vent space heater (90% AFUE or greater)
- Natural gas water heaters (0.91 EF or greater tankless)
- Natural gas water heaters (0.64 EF or greater storage)

¹ Unless Department of Commerce specifications specifically recommend a lower efficiency unit, and documentation is provided to the Company to verify this is the case.

(continued)

(T)

**SCHEDULE 301
LOW INCOME WEATHERIZATION INCENTIVE PROGRAM**

ENERGY EFFICIENCY MEASURES (continued)

These measures will qualify for a rebate payment to the Agency when: (a) the measures are identified as cost effective under the appropriate climate zone and housing type under the Washington State Department of Commerce Weatherization Priority List, or (b) each measure is identified as having a savings-to-investment ratio of 1.0 or higher according to the Agency's energy audit in the dwelling in which a measure is being installed. Participating Agencies shall use TREAT energy modeling software when conducting audits. Agency shall provide a copy of TREAT or Priority List report along with its completed rebate application, and other documentation as specified on the Company's current rebate application form in order to qualify for incentives.

REBATE CALCULATION & PAYMENT:

Cascade will provide a rebate to participating Agencies for the installation of the measures listed above. The following formula will be used to calculate the rebate under the standard WIP:

Projected Annual Therm Savings of Measure(s) x 100% of the Avoided Cost per Therm

The rebate will not exceed 100% of the Avoided cost of the annual therm savings.

The avoided cost per therm for 30-year measures is \$18.77 which is based on the Company's most recent Integrated Resource Plan, which is the 2016 IRP.

(I)
(T)

Agencies participating in the E-WIP program shall receive a rebate payment in the amount of the total installed cost of the approved weatherization measure/s. Installed cost shall include incidental repair work necessary to the installation of a qualified measure, provided advanced review and approval is provided to the Company prior to payment. Agency shall demonstrate total install costs by providing the Company with all requisite documentation including contractor invoices, where available, or an otherwise itemized list of work performed and cost incurred.

Agencies will be provided reimbursement for actual project costs for homes treated under both the WIP and E-WIP programs. Expenses associated with project coordination will be funded up to a maximum program average of 15 percent of the total project cost as billed to the Company. An additional agency indirect-rate will be provided in the amount of 10% of the total project cost as billed to the Company.

(C)
|
(C)

(K)

(K) Text previously on Sheet 301-A is found on Sheet 301-B
(continued)

(N)

BY AUTH. OF SECRETARY LETTER DATED 7/31/18 AND ORDER 06 OF WASH. UTILITIES & TRANSPORTATION COMM. DOCKET UG-170929

CNG/W18-07-01
Issued July 25, 2018

Effective for Service on and after
August 1, 2018

Issued by CASCADE NATURAL GAS CORPORATION

By:  Michael Parvinen

Director, Regulatory Affairs

CASCADE NATURAL GAS CORPORATION

WN U-3

Original Sheet No. 301-B

(N)

**SCHEDULE 301
LOW INCOME WEATHERIZATION INCENTIVE PROGRAM**

GENERAL PROVISIONS:

The low-income weatherization investment costs associated with this program will be accounted for and recovered through an annual deferral amortization. All installations of weatherization must comply with all codes and permit requirements applicable in the state of Washington and must be properly inspected, if required, by appropriate agencies. The Company reserves the right to verify installation prior to payment of any rebates. Rebates are qualified for payment under the terms of the most recent rebate application form and are subject to update. Cascade, in conjunction with its Conservation Advisory group, and the agencies that deliver the low-income weatherization program, will develop and report annual savings goals based on projected annual completions. Agency spending will be monitored by the Company in conjunction with the CAG to ensure that proper fiscal management is taking place by those delivering the program. To the extent possible, these activities will be integrated with Cascade's existing biennial and annual conservation planning and reporting processes.

(C)

(M)

(C)

(M)

(M) Text was previously found on Sheet 301-A

(N)

BY AUTH. OF SECRETARY LETTER DATED 7/31/18 AND ORDER 06 OF WASH. UTILITIES & TRANSPORTATION COMM. DOCKET UG-170929

CNG/W18-07-01
Issued July 25, 2018

Effective for Service on and after
August 1, 2018

Issued by CASCADE NATURAL GAS CORPORATION

By:  Michael Parvinen

Director, Regulatory Affairs