

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Proposed Amendments to) DOCKET NO. 960023-EG
Rule 25-17.003, F.A.C., Energy) ORDER NO. PSC-96-0219-NOR-EG
Audits; and Proposed Repeal of) ISSUED: February 15, 1996
Rules 25-17.051, F.A.C.,)
Definitions as Used in this)
Part; 25-17.052, F.A.C.,)
Auditors, Minimum)
Qualifications; 25-17.053,)
F.A.C., Program Announcement;)
25-17.054, F.A.C., Energy Audit;)
Offer and Initial Contact; 25-)
17.0545, F.A.C., Contracts for)
Performing Audits; 25-17.055,)
F.A.C., Performance of the)
Energy Conservation Audit; 25-)
17.0555, F.A.C., The Five-Star)
Rating System; 25-17.056,)
F.A.C., Program Inspections; 25-)
17.057, F.A.C., Energy)
Conservation Audit Results; 25-)
17.059, F.A.C., Energy)
Conservation Audit Charges,)
Disclosures, and Disclaimers;)
25-17.061, F.A.C., Financing and)
Installation Arrangements; 25-)
17.064, F.A.C., Program Work)
Plans and Reports; and 25-)
17.065, F.A.C., Program)
Recordkeeping)
_____)

The following Commissioners participated in the disposition of this matter:

SUSAN F. CLARK, Chairman
J. TERRY DEASON
JOE GARCIA
JULIA L. JOHNSON
DIANE K. KIESLING

NOTICE OF RULEMAKING

NOTICE is hereby given that the Florida Public Service Commission, pursuant to Section 120.54, Florida Statutes, has initiated rulemaking to amend Rule 25-17.003 and repeal Rules 25-17.051, 25-17.052, 25-17.053, 25-17.054, 25-17.0545, 25-17.055, 25-

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17.0555, 25-17.056, 25-17.057, 25-17.059, 25-17.061, 25-17.064, and 25-17.065, Florida Administrative Code, relating to energy audits.

The attached Notice of Rulemaking will appear in the February 23, 1996 edition of the Florida Administrative Weekly.

If timely requested, a hearing will be held at the following time and place:

Florida Public Service Commission
9:30 a.m., April 11, 1996
Betty Easley Conference Center
Room 152, 4075 Esplanade Way
Tallahassee, Florida

Written requests for hearing and written comments or suggestions on the rules must be received by the Director, Division of Records and Reporting, Florida Public Service Commission, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-0862, no later than March 15, 1996.

By ORDER of the Florida Public Service Commission, this 15th day of February, 1996.



BLANCA S. BAYÓ, Director
Division of Records & Reporting

(S E A L)

MAH

FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 960023-EG

RULE TITLE:	RULE NO.:
Energy Audits	25-17.003
Definitions As Used In This Part	25-17.051
Auditors; Minimum Qualifications	25-17.052
Program Announcement	25-17.053
Energy Audit; Offer and Initial Contact	25-17.054
Contracts for Performing Audits	25-17.0545
Performance of the Energy Conservation Audit	25-17.055
The Five-Star Rating System	25-17.0555
Program Inspections	25-17.056
Energy Conservation Audit Results	25-17.057
Energy Conservation Audit Charges, Disclosures, and Disclaimers	25-17.059
Financing and Installation Arrangements	25-17.061
Program Work Plans and Reports	25-17.064
Program Recordkeeping	25-17.065

PURPOSE AND EFFECT: Section 366.82(5), Florida Statutes, requires the Commission to require those utilities that fall under the "Florida Energy Efficiency and Conservation Act" (FEECA) to offer energy audits to residential customers. Rule 25-17.003, Florida Administrative Code, and Part II of Chapter 25-17, Florida Administrative Code, currently set forth the Commission's minimum

requirements for energy audits. Many of these rules refer to the now obsolete Federal Residential Conservation Service (RCS) that was mandated by the National Energy Conservation Policy Act of 1978. Since RCS was sunset in 1986, those portions of the audit rules that refer to the federal program have been proposed for repeal. The remaining relevant portions of the rules have been streamlined and consolidated into proposed Rule 25-17.003, which will result in less burdensome regulations over energy audits.

SUMMARY: Rule 25-17.003, Energy Audits. The proposed amendments to this rule set forth the minimum requirements for performing energy audits.

Rule 25-17.051, Definitions as Used in this Part. Those definitions which are still relevant have been moved to proposed Rule 25-17.003(2). The remaining obsolete definitions have been proposed for repeal.

Rule 25-17.052, Auditors, Minimum Qualifications. This rule has been proposed for rule. An updated version of this rule has been incorporated into proposed Rule 25-17.003(5).

Rule 25-17.053, Program Announcement. Much of this rule relates to the sunset RCS program; therefore, it has been proposed for repeal. The requirement to make program announcements every six months has been moved to proposed Rule 25-17.003(11).

Rule 25-17.054, Energy Audit; Offer and Initial Contact. This rule has been proposed for repeal since much of it relates to the RCS

program and the Five-Star Rating System. The relevant portions of the rule have been moved to proposed Rule 25-17.003(3) and (4).

Rule 25-17.0545, Contracts for Performing Audits. This rule has been proposed for repeal and the requirement has been moved to proposed Rule 25-17.003(14).

Rule 25-17.055, Performance of the Energy Conservation Audit. This rule has been proposed for repeal since much of it refers to the obsolete RCS program, the Department of Energy, and the Five-Star Rating System. The relevant portions have been moved to proposed Rule 25-17.003(6) and (7).

Rule 25-17.0555, The Five-Star Rating System. This rule has been proposed for repeal.

Rule 25-17.056, Program Inspections. This rule has been proposed for repeal since the minimum standards contained in the rule are nearly identical to the now defunct federal program. The less burdensome requirement that 10 percent of installed conservation measures be inspected is part of proposed Rule 25-17.003(10).

Rule 25-17.057, Energy Conservation Audit Results. This obsolete rule has been proposed for repeal. Updated requirements concerning audit results have been moved to proposed Rule 25-17.003(7)(d).

Rule 25-17.059, Energy Conservation Audit Charges, Disclosures, and Disclaimers. This rule has been proposed for repealed. Streamlined requirements concerning charges, disclosures, and

disclaimers have been set forth in proposed Rule 25-17.003(4) and (8).

Rule 25-17.061, Financing and Installation Arrangements. This rule has been proposed for repeal. In proposed Rule 25-17.003(9), it is voluntary for utilities to offer installation requirements.

Rule 25-17.064, Program Work Plans and Reports. This rule has been proposed for repeal.

Rule 25-17.065, Program Recordkeeping. This rule has been proposed for repeal since much of it relates to the sunset RCS program. Less burdensome program recordkeeping requirements have been moved to proposed Rule 25-17.003(13).

RULEMAKING AUTHORITY: 366.05(1), 350.127(2) F.S.

LAW IMPLEMENTED: 366.82(5), 366.82(7), F.S.

WRITTEN COMMENTS OR SUGGESTIONS ON THE PROPOSED RULE MAY BE SUBMITTED TO THE FPSC, DIVISION OF RECORDS AND REPORTING, WITHIN 21 DAYS OF THE DATE OF THIS NOTICE FOR INCLUSION IN THE RECORD OF THE PROCEEDING.

IF REQUESTED WITHIN 21 DAYS OF THE DATE OF THIS NOTICE, A HEARING WILL BE HELD AT THE DATE AND PLACE SHOWN BELOW:

TIME AND DATE: 9:30 A.M., April 11, 1996.

PLACE: Room 152, Betty Easley Conference Center, 4075 Esplanade Way, Tallahassee, Florida.

THE PERSON TO BE CONTACTED REGARDING THESE RULES AND THE ECONOMIC IMPACT STATEMENT IS: Director of Appeals, Florida Public Service Commission, 2540 Shumard Oak Blvd., Tallahassee, Florida 32399.

THE FULL TEXT OF THESE RULES ARE:

25-17.003 Energy Audits, ~~Related Provisions.~~

(1) Purpose. ~~+~~ This rule specifies the minimum requirements for performing energy audits by every each utility that falls under the definition of "utility" in Section 366.82(1), Florida Statutes ~~subject to the requirements of this rule.~~

~~(2) Applicability: This rule applies to each utility as defined in s. 366.82(1), F.S.~~

~~(2)(3)~~ Definitions. ~~+~~

~~(a) "Alternative (Walk Through) Audit" means an energy audit as defined in Chapter 25 17.51(8), F.A.C.~~

(a) "Class A Audit" means a computer assisted energy analysis of a residence in which a qualified auditor performs a comprehensive on-site evaluation of the residence in accordance with subsection (6) and paragraphs (7)(c) and (7)(d), and, if applicable, provides installation arrangements and inspections pursuant to this rule.

(b) "Class B Audit" means a walk through energy analysis of a residence in which a qualified auditor walks through the residence making extensive observations as to the physical structure and components, performs simplified heat gain and heat

loss computations, and advises the customer of feasible energy conservation practices and measures.

~~(c)~~(b) "Commercial Audit" means an energy analysis of a commercial building and its associated energy systems to determine its energy efficiency and to identify for the customer those ~~most~~ effective measures that ~~which~~ may improve its energy efficiency.

~~(e) "Energy Conservation Audit" means an energy audit as defined in Chapter 25 17.51(6), F.A.C.~~

(d) "Conservation Measures" refers to the following examples of replacing, upgrading, or installing equipment which reduce energy usage or peak demand contribution:

1. Installation of clock thermostat;
2. Replacement of furnace or boiler;
3. Replacement of resistance heat with heat pump or natural gas furnace;
4. Replacement of central air conditioning system;
5. Installation of duct or pipe insulation;
6. Sealing leaks in pipes and ducts;
7. Caulking of windows or doors;
8. Weatherstripping of windows or doors;
9. Installation of heat-reflective, heat-gain retardant, and heat-absorbing window or door materials;
10. Insertion of plastic window panels;
11. Installation of storm or thermal windows;

12. Installation of wall insulation;
13. Installation of ceiling insulation;
14. Installation of floor insulation;
15. Plugging leaks in attic, basement, and fireplace;
16. Installation of waste heat recovery water heating system;
17. Installation of heat pump or natural gas water heater;
18. Installation of solar water heating system;
19. Installation of water heater insulation;
20. Installation of water flow restrictors in showers and faucets;
21. Installation of solar swimming pool heating system; and
22. Installation of load management devices, where load management rates are offered.

(e) "Conservation Practices" refers to the following actions performed by a customer which reduce energy usage or peak demand contribution:

1. Furnace efficiency maintenance and adjustments;
2. Cooling system efficiency maintenance and adjustments;
3. Nighttime temperature setback;
4. Reduction of thermostat setting in winter;
5. Increase of thermostat setting in summer;
6. Reduction of hot water temperature;
7. Reduction of energy use when residence is unoccupied; and
8. Efficient use of shading.

(f) "Eligible Customer" means the owner or occupant of a residence that receives a bill for service from a utility.

(g)(d) "Industrial Audit" means an energy analysis of an industrial facility and its associated energy systems to determine its energy efficiency and to identify for the customer those ~~most~~ effective measures ~~that~~ which may improve its energy efficiency.

(h) "Mail In Audit" means an energy analysis of a residence in which the utility supplies to the eligible customer a data collection form which is completed by the customer, and, upon receipt of the completed form, the utility analyzes the data and submits to the customer the results of its evaluation.

(3) Scope.

(a) All utilities are required to offer eligible residential customers Class A and Class B audits which comply with subsections (4) through (14) below. Prior to conducting Class A and Class B audits, procedures for conducting these audits must be approved by the Commission.

(b) Any utility may offer mail in audits to eligible customers. Every utility that performs mail in audits shall comply with subsections (13) and (14) below.

(c) Any utility may offer a commercial or industrial audit to commercial and industrial customers. Every utility that performs commercial or industrial audits shall comply with subsections (13) and (14) below.

(4) Energy Audit Charges.

(a) Every utility may charge an eligible customer for a Class A Audit. The amount of this charge, which shall not exceed \$15, shall first be filed with the Commission as part of the utility's tariff.

(b) Every utility may charge an eligible customer for a Class B Audit. The amount of this charge, which shall not exceed \$5, shall first be filed with the Commission as part of the utility's tariff.

(5) Minimum Auditor Qualifications.

(a) Every utility shall certify that each of its residential energy auditors meets the minimum qualifications in paragraph (5)(b). The certification, along with a list of auditors performing energy audits, shall be filed annually with the Director, Division of Electric and Gas, by September 30 of each year.

(b) To be qualified to perform energy audits, a person must:

1. Have been trained in a program meeting the curriculum requirements of paragraph (5)(c); and
2. Have demonstrated a proficiency in the areas listed in paragraph (5)(c) through a written test or practical demonstration.

(c) At a minimum, the curriculum to be followed in training auditors shall include instruction in the following areas:

1. The three types of heat transfer and the effects of temperature and humidity on heat transfer;
2. General mathematics, including powers of ten, decimals and fractions, simple equations, heat loss and heat gain computations utilizing British Thermal Units (BTUs), and pay back calculations;
3. Utility billing procedures, meter reading, and identification of weather sensitive consumption relationships based on a customer's billing history;
4. Residential construction terminology and components;
5. The operation of heating and cooling systems used in residential buildings; and
6. The application of energy conservation practices and measures including the advantages and disadvantages of each.

(6) Pre-audit performance criteria for Class A Audits.

(a) Every utility shall adopt procedures to assure that estimates of energy cost savings and costs for conservation measures are based on:

1. Typical and recent local prices for materials and installation;
2. Typical local climate data for the audited residence; and

3. Typical local price of electricity.

(b) At least twice annually, each utility shall update the data collected pursuant to paragraph (6) (a).

(7) Performance of the audit.

(a) Upon arrival at a residence, the auditor shall provide proper identification and confirm the customer's understanding of the scope and cost of the audit.

1. The auditor shall discontinue or decline to perform the audit if the customer, at any time, objects to its performance.

2. The auditor may discontinue or decline to perform the audit if the auditor determines that continuation of the audit may be dangerous.

(b) The auditor shall determine and explain to the customer which conservation practices are applicable and recommend that the customer apply them prior to or in conjunction with adopting any conservation measure.

(c) For Class A Audits, to determine the appropriate conservation measures, the auditor shall gather and record the following information where applicable:

1. Exterior opaque wall area, including present level of wall insulation;
2. Type and condition of exterior window and door areas;

3. Ceiling area, including present level of attic insulation;
4. Floor area, including present level of floor insulation, if any;
5. Water heater size, age, and type;
6. Air conditioning system type, size, age, fuel type, and duct condition;
7. Heating system type, size, age, and fuel type; and
8. Other items as appropriate.

(d) For Class A Audits, using the data gathered pursuant to paragraph (7)(c), the auditor shall provide the customer with a result sheet showing:

1. An estimate of the potential energy and cost savings of each applicable conservation measure;
2. An estimate of the total installation cost for each applicable conservation measure, both by the customer and by a contractor;
3. An estimate of the expected payback time for the customer's cost of purchasing and installing each applicable conservation measure, calculated using the anticipated percentage change in energy costs;
4. An example calculation which clearly indicates that total energy cost savings from the installation of more than one conservation measure could be less

than the sum of energy cost savings of each individually installed conservation measure; and

5. An explanation of the availability of energy conservation and load management programs.

(8) Energy Audit Disclosures and Disclaimers.

(a) Each Class A Audit result sheet shall include the following or similar statement: "The procedures used to make these installation cost and energy savings estimates are consistent with Commission rules and good engineering practices. However, the actual installation costs you incur and energy savings you realize from installing these measures may be different from the estimates contained in this audit report. Although the estimates are based on measurements of your house, they are also based on assumptions which may not be entirely correct for your household due to differing energy use patterns."

(b) The auditor shall provide the eligible customer with a written statement of any interest, direct or indirect, which the auditor or the utility has in the sale or installation of any energy conservation measure.

(c) Upon customer request, the auditor shall disclose the results of any prior audit of the customer's residence if such records are still available.

(d) The results of the energy audit shall contain the following or a similar disclaimer: "The utility does not warrant

or guarantee the audit findings or recommendations, nor is the utility liable as a result of the audit for the acts or omissions of any person who implements or attempts to implement those conservation measures recommended by the auditor."

(9) Installation Arrangements.

(a) A utility may offer installation arrangement services such as providing a list of suppliers and installers of conservation measures.

(b) If a utility provides these services, the availability of the services shall be noted on the written results of the energy audit.

(c) When arranging installation services pursuant to this rule, a utility shall not:

1. Discriminate among eligible customers, suppliers, or contractors; or
2. Arrange for installation of any measure which is not included in the utility's most recent Demand Side Management Plan approved by the Commission.

(10) Post-Audit Inspection.

(a) To ensure quality control, the utility performing the audit shall ensure that its recommended installations conform to quality standards.

(b) The utility performing the installations shall be responsible for performing post-audit inspections of 10 percent of

each type of energy conservation measure installed as a result of the utility's recommendation.

(c) The utility shall reinspect a residence if a violation of materials or installation standards is found.

(11) Program announcement.

(a) Each utility shall send a program announcement to all eligible customers at least every six months.

(b) The program announcement shall describe the Class A and Class B Audits, offer them to all eligible customers, and advise eligible customers of any fee charged for the audits.

(c) A gas utility and an electric utility servicing the same geographical area are encouraged to jointly issue a single Program Announcement.

~~(4) Each utility shall notify its residential, commercial, and industrial customers of the availability of energy audits at least once every six months. Notification of audit availability, at a minimum, must be made by use of notices in billing statements or other means that involves direct notification to the customer. The announcement of the Residential Conservation Audits as required in Chapter 25 17.53(3)(c) can count as one of the biannual notifications for the residential customers.~~

(12)(5) For every each customer requesting either a Class A or Class B Audit an Energy Conservation Audit or an Alternative Audit, every each utility shall; provide the requested audit to the

~~customer in accordance with the provisions of Chapter 25 17.51 through 25 17.65, F.A.C.~~

(a) Advise the customer as to the scope and cost of the Class A Audit;

(b) Advise the customer as to the scope and cost of the Class B Audit;

(c) Schedule the audit within 15 days of an eligible customer's request, as well as provide the name, title, and phone number of the auditor; and

(d) Perform the audit within 21 days of scheduling it, unless the eligible customer requests a later date.

~~(6) For each customer requesting either a Commercial Audit or an Industrial Audit, each utility shall provide or arrange to provide the requested audit to the customer within 120 days of the date the customer makes the request. The utility may recover the actual expenses incurred by providing audits from those commercial or industrial customers requesting such audits.~~

(13) Program Record Keeping.

(a) For every audit performed, every utility shall keep for 3 years from the audit performance a record that consists of the customer's energy use for 12 months prior and 12 months after the date of the audit. The record shall list the amount of electricity and natural gas purchased for every month of both 12 month periods.

(b) Every electric utility shall record the amount collected pursuant to Rule 25-17.003(11)(a) in subaccounts within Account 456. Every gas utility shall record the amount collected pursuant to Rule 25-17.003 (11)(a) in subaccounts within Account 495.

(14) Contracts for Performing Audits. Any utility may contract with another entity to perform the audits required by this rule.

Specific Authority: 366.05(1), 350.127(2), F.S.

Law Implemented: 366.82(5) & (7), F.S.

History: New 12/2/80, formerly 25-17.03, Amended 12/30/82, 11/24/86, 5/10/93, _____.

25-17.051 Definitions As Used in This Part:

Specific Authority: §366.05(1), 366.82(1)(5), F.S.

Law Implemented: §366.82, F.S.

History: New 5/4/80, Amended 12/6/80, 9/28/81; transferred from 25-6.111, except that subsections (9) and (10) were transferred from 25-6.115, Amended 10/28/82, 2/22/84, formerly 25-17.51, repealed _____.

25-17.052 Auditors; Minimum Qualifications.

Specific Authority: 366.05(1), 366.82(7), F.S.

Law Implemented: 366.82(7), F.S.

History: New 10/28/82, formerly 25-17.52, repealed _____.

25-17.053 Program Announcement.

Specific Authority: 366.05(1), 366.82(1), (5), F.S.

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Law Implemented: 366.82, F.S.

History: New 5/4/80, Amended 12/16/80, Transferred from 25-6.113,
Amended 10/28/82, 2/22/84, formerly 25-17.53, repealed.

25-17.054 Energy Audit; Offer and Initial Contact.

Specific Authority: 366.05(1), 366.82(1), (5), F.S.

Law Implemented: 366.82, F.S.

History: New 5/4/80, Amended 12/16/80, Transferred from 25-6.114,
Amended 10/28/82, 2/22/84, formerly 25-17.54, repealed.

25-17.0545 Contracts for Performing Audits.

Specific Authority: 366.05(1), 368.82(1) (5), F.S.

Law Implemented: 366.82, F.S.

History: New 10/28/82, formerly 25-17.545, repealed.

25-17.055 Performance of the Energy Conservation Audit.

Specific Authority: 366.05(1), 366.82(1), (5), F.S.

Law Implemented: 366.82, F.S.

History: New 5/4/80, Amended 12/16/80, Transferred from 25-6.115,
25-6.115(3)(a), transferred to 25-17.51(9), 25-6.115(3)(c),
transferred to 25-17.51(10), Amended 10/28/82, 2/22/84, 5/20/92,
formerly 25-17.55, repealed.

25-17.0555 The Five-Star Rating System.

Specific Authority: §366.05(1), 366.82(1), (5), F.S.

Law Implemented: §366.82, F.S.

History: New 2/22/84, formerly 25-17.555, repealed.

25-17.056 Program Inspections.

Specific Authority: §366.05(1), 366.82(1), (5), F.S.

Law Implemented: 366.82, F.S.

History: New 5/4/80, Amended 12/16/80, Transferred from 25-6.116,
Amended 10/28/82, formerly 25-17.56, repealed.

25-17.057 Energy Conservation Audit Results.

Specific Authority: 366.05(1), 366.82, F.S.

Law Implemented: 366.82, F.S.

History: New 5/4/80, Amended 12/16/80, Transferred from 25-6.117,
Amended 10/28/82, 5/20/92, formerly 25-17.57, repealed.

25-17.059 Energy Conservation Audit Charges, Disclosures, and
Disclaimers.

Specific Authority: 366.05(1), 366.82(1), F.S.

Law Implemented: 366.82, F.S.

History: New 5/4/80, Amended 12/16/80, Transferred from 25-6.119,
Amended 10/28/82, formerly 25-17.59, repealed.

25-17.061 Financing and Installation Arrangements.

Specific Authority: 366.05(1), 366.82(5), F.S.

Law Implemented: 366.82, F.S.

History: New 12/17/80, Amended 10/28/82, formerly 25-17.61,
repealed.

25-17.064 Program Work Plans and Reports.

Specific Authority: 366.05(1), 366.82(5), F.S.

Law Implemented: 366.82, F.S.

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History: New 5/4/80, Amended 12/16/80, Transferred from 25-6.124,
Amended 10/28/82, 2/22/84, formerly 25-17.64, repealed.

25-17.065 Program Recordkeeping.

Specific Authority: 366.05(1), 366.82(5), F.S.

Law Implemented: 366.82, F.S.

History: New 5/4/80, Amended 12/16/80, Transferred from 25-6.124,
Amended 10/28/82, 2/22/84, formerly 25-17.65, repealed.

NAME OF PERSON ORIGINATING PROPOSED RULES: Michael Haff, Division
of Electric and Gas.

NAME OF SUPERVISOR OR PERSON(S) WHO APPROVED THE PROPOSED RULES:
Florida Public Service Commission.

DATE PROPOSED RULES APPROVED: February 6, 1996.

If any person decides to appeal any decision of the Commission with
respect to any matter considered at the rulemaking hearing, if
held, a record of the hearing is necessary. The appellant must
ensure that a verbatim record, including testimony and evidence
forming the basis of the appeal is made. The Commission usually
makes a verbatim record of rulemaking hearings.

Any person requiring some accommodation at this hearing because of
a physical impairment should call the Division of Records and
Reporting at (904) 413-6770 at least five calendar days prior to
the hearing. If you are hearing or speech impaired, please contact
the Florida Public Service Commission using the Florida Relay
Service, which can be reached at: 1-800-955-8771 (TDD).