

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request for Approval of)	DOCKET NO. 900115-EG
Energy Conservation Plan by)	ORDER NO. 23550
Gainesville Regional Utilities.)	ISSUED: 10-02-90
)	

The following Commissioners participated in the disposition of this matter:

- MICHAEL McK. WILSON, Chairman
- THOMAS M. BEARD
- BETTY EASLEY
- FRANK S. MESSERSMITH

NOTICE OF PROPOSED AGENCY ACTION
ORDER APPROVING GAINESVILLE
REGIONAL UTILITIES' CONSERVATION PLAN

BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are adversely affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

CASE BACKGROUND

During the 1989 regular session, the Legislature of the State of Florida amended Section 366.82, Florida Statutes, requiring this Commission to adopt goals for increasing the efficiency of energy consumption and increasing the development of cogeneration. Section 366.82, Florida Statutes also directed the Commission to require affected electric and natural gas utilities to submit updated energy conservation programs. On November 14, 1989 the Commission issued Order No. 22186, adopting the goals stated in Rule 25-17.001, Florida Administrative Code, and required the affected utilities to submit new and revised plans and programs to meet the goals within 90 days of the issuance of the Order. Also in the Order, the Commission stated that the conservation programs will be judged by the following criteria:

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1. Does each component program advance the policy objectives set forth in Rule 25-17.001 and the FEECA statute?
2. Is each component program directly monitorable and yield measurable results?
3. Is each component program cost effective? (The Commission stated that municipal and cooperative utilities were free to implement non-cost effective programs if they so desired).

The utilities were directed to file programs in four areas: (1) demand side management programs; (2) natural gas programs where cost effective; (3) residential energy audits; and (4) a program for attracting qualifying facilities (cogeneration) into its service area.

Subsequently the Commission deleted that part of Order No. 22176 requiring the electric utilities promotion of gas programs.

Conservation Plan

We agree with our Staff's recommendation that Gainesville's conservation programs listed below should be approved:

Existing Programs:

1. Residential Energy Audits:

Conservation Audits and Alternative Walk-Through Audits are offered by Gainesville Regional Utilities (GRU) to all residential customers within their service territory. GRU estimates a demand reduction of 0.152 kW per customer and an energy reduction of 220 kWh per customer as a result of these audits. They expect a total of 16,066 customers to participate by the year 1998.

2. Walkthrough Commercial Audit:

GRU's staff auditors review thermal, equipment, and consumption characteristics of commercial structures. Lighting specialists make recommendations for lighting when a large potential for lighting conservation exists. GRU projects a demand reduction of 3.43 kW per customer and an

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energy reduction of 9735 kWh per customer. They expect 1,942 customers to participate by the year 1998.

3. Water Heater Thermal Enhancement:

Water heater jackets and pipe insulation are installed by the energy auditors in conjunction with the residential energy audits. GRU estimates a demand reduction of 0.093 kW per customer and an energy reduction of 817 kWh per customer. By 1998, they expect a total of 256 participants.

4. Low-Flow Showerhead Installation:

Low-flow showerheads and aerators are installed by the energy auditor in conjunction with the residential energy audits. GRU projects a demand reduction of 0.072 kW per installation and an energy savings of 252 kWh per installation. By 1998, GRU expects a total of 492 installations.

5. "Prime Cash" Promotion:

GRU advertises the availability of funds available through the FPSC energy conservation loan guarantee/subsidy program. Prior to the customer's participation, GRU does an energy audit, and they follow up with inspections of the conservation measure installations. GRU projects a demand reduction of 0.605 kW per customer and an energy reduction of 912 kWh per customer as a result of this program. Between 1990 and 1998, GRU expects 643 customers to participate.

6. Commercial Lighting Service:

This program provides instruction on lighting conservation practices and an estimate of potential savings resulting from implementation. Lighting audits are performed free of charge in conjunction with GRU's commercial energy audits. GRU will relamp and clean existing fixtures and may replace other devices which impair fixture efficiency. Customers are charged for this service. GRU estimates a demand savings of 2.4 kW per customer and an energy savings of 7,263 kWh per customer. By 1998, GRU expects to have had 486 participants in this program.

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7. Promotion of Natural Gas in Residential Construction:

GRU pays an allowance to contractors who install gas space heating and water heating in new construction and connect to GRU's natural gas distribution system. Payments are made from gas utility funds. This program is projected to reduce demand by 0.4 kW per customer and reduce energy consumption by 5,025 kWh annually per customer. Between 1990 and 1998, GRU expects 1,961 new implementations of this program.

8. Natural Gas Water Heating Promotion:

GRU pays an allowance of \$150 to dwelling owners who connect to GRU's natural gas distribution system and install high efficiency gas water heating to replace electric or oil water heaters. The demand savings per customer is expected to be 0.4 kW and the annual energy savings is expected to be 2,650 per customer. Between 1990 and 1998, GRU expects 1,158 customers to participate in this program.

9. Natural Gas Space Heating Promotion:

GRU pays an allowance of \$300 to dwelling owners who connect to GRU's natural gas distribution system and install efficient gas central heating systems to replace electric or oil heating devices. Natural gas water heating must be present or installed in conjunction with gas space heating to be eligible for the allowance. GRU does not anticipate a reduction in demand; however, they expect a 1,400 kWh energy savings per customer. They expect 926 participants in the program between 1990 and 1998.

10. Cogeneration Negotiation Assistance:

Upon request, GRU will furnish a listing of avoided cost data to allow the customer to perform cost/benefit calculations and they will negotiate with any prospective cogenerator. GRU does not project the installation of cogeneration facilities in its service territory through the time period of its analysis.

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New Programs and Feasibility Analyses

11. Residential Direct Load Control:

GRU plans to start direct load control of residential air conditioning, water heating and pool pumps in 1994. They expect a demand reduction of 0.86 kW per customer and an energy reduction of 236 kWh per customer. By 1998, GRU expects 7,033 customers to be participating in this program.

12. Customer Conservation Education and Information Programs:

GRU publishes conservation tips in the monthly customer newsletter, in bill stuffers and in displays at local exhibits. They also make presentations at grade schools and other community activities. The benefits of this program are not quantifiable.

13. Trade Alliance Development:

GRU promotes energy efficient equipment and construction practices with local trade associations and appliance dealers. GRU predicts that energy efficient construction practices could provide an estimated 20 percent increase in residential energy efficiency at a negligible cost to the customer. GRU expects a demand reduction of 1.43 kW per dwelling and an annual energy savings of 2,156 kWh per dwelling. By 1998, GRU expects 12,585 new implementations.

14. Low Impact Home Award Feasibility Analysis:

GRU will study the feasibility of paying incentives to residential customers who own or install devices which verifiably eliminate or shift loads during on-peak hours. If the analysis warrant program development, implementation will coincide with direct load control implementation. Cost-effectiveness calculations are not yet available for this program.

15. Customer Voluntary Peak Management Promotion:

This program consists of public service announcements designed to enlist customer assistance in lowering peak demand during potential service disruptions. Cost-effectiveness calculations are not available at this time.

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16. Commercial Energy Management Rebate Feasibility Analysis:

GRU will study the feasibility of promoting load management equipment installations in commercial establishments. If the analysis warrants program development, implementation will coincide with residential direct load control implementation. Cost-effectiveness calculations are not yet available for this program.

17. Large Commercial DSM Feasibility Analysis:

GRU will investigate the potential for cogeneration, load management, natural gas fired air conditioning, thermal storage, interruptible rates, and other peak load shifting implementations for large commercial customers. Cost-effectiveness calculations for this program are not available at this time.

Cogeneration

GRU does not have a standard offered contract for the purchase of capacity and energy from qualifying facilities. We agree with Staff's recommendation that GRU should be required to file with the Commission as soon as possible a standard offer contract. Since the existence of such a contract may influence a cogenerator's decision to locate in a utility's service territory. This filing requirement will in our opinion not cause an undue burden on the utility.

In consideration of the foregoing, it is

ORDERED by the Florida Public Service Commission that Gainesville Regional Utilities' conservation plan as described in the body of this Order is approved. It is further

ORDERED that GRU, or its designee file a standard offer contract for the purchase of capacity and energy from qualified facilities. It is further

ORDERED that if a protest is filed within 20 days of the date of this Order it will be resolved by the appropriate Commission panel pursuant to Rule 25-22.006(3)(d), Florida Administrative Code.

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By ORDER of the Florida Public Service Commission,
this 2nd day of OCTOBER, 1990.



STEVE TRIBBLE, Director
Division of Records and Reporting

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

The action proposed herein is preliminary in nature and will not become effective or final, except as provided by Rule 25-22.029, Florida Administrative Code. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, as provided by Rule 25-22.029(4), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a) and (f), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting at his office at 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on October 23, 1990.

In the absence of such a petition, this order shall become effective on the day subsequent to the above date as provided by Rule 25-22.029(6), Florida Administrative Code, and as reflected in a subsequent order.

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Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

If this order becomes final and effective on the date described above, any party adversely affected may request judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or by the First District Court of Appeal in the case of a water or sewer utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days of the effective date of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.