

BEFORE THE PUBLIC SERVICE COMMISSION

In re: Energy conservation cost recovery  
clause.

DOCKET NO. 040002-EG  
ORDER NO. PSC-04-1178-FOF-EG  
ISSUED: November 30, 2004

The following Commissioners participated in the disposition of this matter:

BRAULIO L. BAEZ, Chairman  
J. TERRY DEASON  
RUDOLPH "RUDY" BRADLEY  
CHARLES M. DAVIDSON

APPEARANCES:

JEFFREY A. STONE, ESQUIRE AND RUSSELL A. BADDERS, ESQUIRE,  
Beggs & Lane, Post Office Box 12950, Pensacola, Florida 32591-2950  
On behalf of Gulf Power Company.

JAMES D. BEASLEY, ESQUIRE, Ausley & McMullen, Post Office Box 391,  
Tallahassee, Florida 32302  
On behalf of Tampa Electric Company.

R. WADE LITCHFIELD, ESQUIRE AND NATALIE F. SMITH, ESQUIRE,  
700 Universe Boulevard, Juno Beach, FL 33408-0420  
On behalf of Florida Power & Light Company.

JAMES A. MCGEE, ESQUIRE, Post Office Box 14042, St. Petersburg, Florida  
33733-4042  
On behalf of Progress Energy Florida, Inc.

NORMAN H. HORTON, JR., ESQUIRE, Post Office Box 1876, Tallahassee,  
Florida 32302-1876  
On behalf of Florida Public Utilities Company.

JOHN MCWHIRTER, JR., ESQUIRE, McWhirter Reeves McGlothlin Davidson  
Kaufman & Arnold, P.A., 400 North Tampa Street, Suite 2450, Tampa, Florida  
33601-3350 and VICKI GORDON KAUFMAN, ESQUIRE & TIMOTHY J.  
PERRY, ESQUIRE, McWhirter Reeves McGlothlin Davidson Kaufman &  
Arnold, P.A., 117 South Gadsden Street, Tallahassee, Florida 32301  
On behalf of Florida Industrial Power Users Group.

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FPSC-COMMISSIONER

PATRICIA A. CHRISTENSEN, ESQUIRE, Office of the Public Counsel, c/o  
The Florida Legislature, 111 West Madison Street, Room 812, Tallahassee,  
Florida 32399-1400.

On behalf of the Citizens of the State of Florida.

MARTHA CARTER BROWN, ESQUIRE, Florida Public Service Commission,  
2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850

On behalf of the Florida Public Service Commission.

FINAL ORDER APPROVING ENERGY CONSERVATION COST RECOVERY AMOUNTS  
AND ESTABLISHING ENERGY CONSERVATION COST RECOVERY FACTORS FOR  
THE PERIOD JANUARY 2005 THROUGH DECEMBER 2005

BY THE COMMISSION:

I. Case Background

As part of the Commission's ongoing energy conservation cost recovery proceedings, a hearing was held on November 12, 2003, in this docket. The parties submitted testimony and exhibits in support of their proposed final and estimated true-up amounts and their proposed conservation cost recovery factors. Prior to the hearing all parties agreed to stipulated resolutions of the issues. We accept those stipulations as reasonable, and we approve them as set forth below. We have jurisdiction over the subject matter by the provisions of Chapter 366, Florida Statutes, including Chapter 366.04, 366.05, 366.06 and 366.82, Florida Statutes.

II. Generic Energy Conservation Cost Recovery Issues

A. End-of-period final true-up amounts (Actual vs. Estimated) for the period January 2003 through December 2003.

We approve as reasonable the following stipulated final true-up amounts for the period January 2003 through December 2003:

|               |                           |
|---------------|---------------------------|
| PEFI:         | \$ 554,003 Over Recovery  |
| FPL:          | \$4,698,364 Over Recovery |
| GPC:          | \$ 355,105 Under Recovery |
| TECO:         | \$ 41,515 Over Recovery   |
| FPUC: (Cons.) | \$ 14,717 Over Recovery   |

B. Energy Conservation Cost Recovery Factors by Customer Class for the Period January 2005 through December 2005.

We approve as reasonable the following stipulated energy conservation cost recovery factors for the period January 2005 through December 2005:

| PEF: | <u>Rate Class</u>             | <u>ECCR Factor</u> |
|------|-------------------------------|--------------------|
|      | Residential                   | 0.169 cents/Kwh    |
|      | General Svc. Non-Demand       | 0.157 cents/Kwh    |
|      | @ Primary Voltage             | 0.155 cents/Kwh    |
|      | @ Transmission Voltage        | 0.154 cents/Kwh    |
|      | General Svc. 100% Load Factor | 0.116 cents/Kwh    |
|      | General Svc. Demand           | 0.143 cents/Kwh    |
|      | @ Primary Voltage             | 0.142 cents/Kwh    |
|      | @ Transmission Voltage        | 0.140 cents/Kwh    |
|      | Curtaillable                  | 0.133 cents/Kwh    |
|      | @ Primary Voltage             | 0.132 cents/Kwh    |
|      | @ Transmission Voltage        | 0.130 cents/Kwh    |
|      | Interruptible                 | 0.119 cents/Kwh    |
|      | @ Primary Voltage             | 0.118 cents/Kwh    |
|      | @ Transmission Voltage        | 0.117 cents/Kwh    |
|      | Lighting                      | 0.064 cents/Kwh    |

| FPL: | <u>Rate Class</u>     | <u>ECCR Factor</u> |
|------|-----------------------|--------------------|
|      | RS1/RST1              | 0.148 cents/Kwh    |
|      | GS1/GST1              | 0.138 cents/Kwh    |
|      | GSD1/GSDT1            | 0.130 cents/Kwh    |
|      | OS2                   | 0.113 cents/Kwh    |
|      | GSLD1/GSLDT1/CS1/CST1 | 0.124 cents/Kwh    |
|      | GSLD2/GSLDT2/CS2/CST2 | 0.168 cents/Kwh    |
|      | GSLD3/GSLDT3/CS3/CST3 | 0.115 cents/Kwh    |
|      | ISST1D                | 0.113 cents/Kwh    |
|      | ISST1T                | 0.115 cents/Kwh    |
|      | SST1T                 | 0.115 cents/Kwh    |
|      | SST1D1/SST1D2/SST1D3  | 0.113 cents/Kwh    |
|      | CILCD/CILCG           | 0.116 cents/Kwh    |
|      | CILCT                 | 0.110 cents/Kwh    |
|      | MET                   | 0.134 cents/Kwh    |
|      | OL1/SL1/PL1           | 0.062 cents/Kwh    |
|      | SL2                   | 0.112 cents/Kwh    |

| GPC: | <u>Rate Class</u>      | <u>ECCR Factor</u> |
|------|------------------------|--------------------|
|      | RS, RSVP               | 0.088 cents/Kwh    |
|      | GS                     | 0.087 cents/Kwh    |
|      | GSD, GSDT, GSTOU       | 0.084 cents/Kwh    |
|      | LP, LPT                | 0.079 cents/Kwh    |
|      | PX, PXT, RTP, CSA, SBS | 0.074 cents/Kwh    |
|      | OSI, OSII              | 0.069 cents/Kwh    |

|                            |                    |
|----------------------------|--------------------|
| OSIII                      | 0.077 cents/Kwh    |
| <u>TECO: Rate Class</u>    | <u>ECCR Factor</u> |
| Interruptible              | 0.031 cents/Kwh    |
| Residential                | 0.098 cents/Kwh    |
| General Svc., TS           | 0.090 cents/Kwh    |
| General Svc. Demand        | 0.078 cents/Kwh    |
| @ Primary Voltage          | 0.077 cents/Kwh    |
| General Svc. LD, SBF       | 0.073 cents/Kwh    |
| @ Primary Voltage          | 0.073 cents/Kwh    |
| @ Subtransmission Voltage  | 0.072 cents/Kwh    |
| SL, OL                     | 0.031 cents/Kwh    |
| <u>FPUC: Rate Class</u>    | <u>ECCR Factor</u> |
| (Residential Consolidated) | 0.054 cents/Kwh    |

C. Effective Date of the Energy Conservation Cost Recovery Factors for Billing Purposes.

We approve as reasonable the following stipulation regarding the effective date of the new energy conservation cost recovery factors for billing purposes:

The factors should be effective beginning with the specified conservation cost recovery cycle and thereafter for the period January, 2005, through December, 2005. Billing cycles may start before January 1, 2005, and the last cycle may be read after December 31, 2005, so that each customer is billed for twelve months regardless of when the adjustment factor became effective.

III. Company Specific Energy Conservation Cost Recovery Issues

A. Tampa Electric Company

Contracted Credit Value for the GSLM-2 and GSLM-3 Rate Riders for the period January 2005 through December 2004.

We approve as reasonable the following stipulation regarding Tampa Electric Company's Contracted Credit Value for the GSLM-2 and GSLM-3 Rate Riders for the period January 2005 through December 2005:

In accordance with Order No. PSC-99-1778-FOF-EI, issued September 10, 1999 in Docket No.990037-EI, for the period, January 2005 through December 2005, the Contracted Credit Value for the GSLM-2 and GSLM-3 rate riders will be \$4.46 per KW.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the stipulations set forth in the body of this Order are approved. It is further

ORDERED that each utility party to this docket shall abide by the stipulations applicable to it. It is further

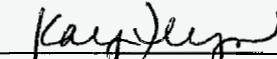
ORDERED that the utility parties to this docket are authorized to collect the energy conservation cost recovery amounts and utilize the factors approved herein for the period beginning with the specified conservation cost recovery cycle and thereafter for the period January 1, 2005, through December 31, 2005. Billing cycles may start before January 1, 2005, and the last cycle may be read after December 31, 2005, so that each customer is billed for twelve months regardless of when the adjustment factor became effective. It is further

ORDERED that, for the forthcoming cost recovery period, January 2005 – December, 2005, Tampa Electric Company's Contracted Credit Value for the GSLM-2 and GSLM-3 rate riders shall be \$4.46 per KW.

By ORDER of the Florida Public Service Commission this 30th day of November, 2004.

BLANCA S. BAYÓ, Director  
Division of the Commission Clerk  
and Administrative Services

By:



Kay Flynn, Chief  
Bureau of Records

( S E A L )

MCB

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), 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.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water and/or wastewater utility by filing a notice of appeal with the Director, Division of the Commission Clerk and Administrative Services 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 after the issuance 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.