

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Annual Percentage Increase)	DOCKET NO. 910018-EG
in Costs Per KWH for use in RCS)	ORDER NO. 24487
Audit Payback Calculations)	ISSUED: 5/7/91
Required by Rule 25-17.057(5),)	
F.A.C.)	

The following Commissioners participated in the disposition of this matter:

J. TERRY DEASON
 BETTY EASLEY
 GERALD L. GUNTER
 MICHAEL McK. WILSON

NOTICE OF PROPOSED AGENCY ACTION

ORDER AUTHORIZING ANNUAL PERCENTAGE INCREASE
REQUIRED BY RULE 25-17.057(5), F.A.C.

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.

Pursuant to Rule 25-17.057(5), Florida Administrative Code, energy auditors performing conservation audits are required to give customers an estimate of the expected time for payback of the customers' cost of purchasing and installing any conservation measure. The rule further states that all payback computations be based on a percentage change in energy billed as formulated by the Commission and that the Commission provide the utilities with the applicable rate for each succeeding year. All utilities must use the rate formulated by the Commission; however, Rule 25-17.055(1)(c), Florida Administrative Code, provides that if it is satisfactorily demonstrated that the Commission's calculation of the rate is not applicable to a particular utility, that particular utility need not use the Commission formulated rate.

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We find that Florida's electric utilities shall use an annual increase of 3.53 percent to compute payback periods of conservation measures which are evaluated in the Residential Conservation Service (RCS) audits during the next year. The 3.53 percent annual rate of increase is based on projected revenue requirements for the period 1990 through 1999. These projections are derived by aggregating projections for the four investor-owned electric utilities. The 3.53 percent rate is the projected average rate of increase in electric rates for the period 1990 through 1999.

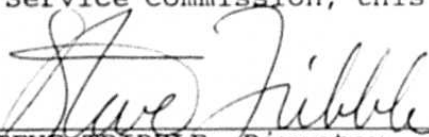
Except for fuel costs, the 1990 data is based on the utilities' rate of return reports for December, 1990. This data is the jurisdictional, PSC-adjusted 13 month average for the period ending December 31, 1990. Fuel costs are based on the utilities' projections of quantities and prices from the 1990 Ten-Year Site Plans and from the 1989 Annual Planning Hearing (APH) documents. Rates of return are based on the December rate of return reports. The after-tax rates of return are weighted averages of the four major investor-owned utilities.

Based on the foregoing, it is,

ORDERED by the Florida Public Service Commission that an annual increase of 3.53 percent be used for computing payback periods of conservation measures. It is further

ORDERED that this Order shall become final unless an appropriate petition for a formal proceeding is received by the Division of Records and Reporting, 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on the date indicated in the Notice of Further Proceedings or Judicial Review.

By ORDER of the Florida Public Service Commission, this 7th
day of MAY, 1991.


STEVE TRIBBLE, Director
Division of Records and Reporting

(S E A L)

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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 May 28, 1991.

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.

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.