

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Conservation Cost Recovery)	DOCKET NO. 910002-EG
Clause.)	ORDER NO. 25342
<hr/>		ISSUED: 11/13/91

The following Commissioners participated in the disposition of this matter:

THOMAS M. BEARD, Chairman
 J. TERRY DEASON
 BETTY EASLEY

ORDER DENYING CERTAIN ENERGY CONSERVATION COST RECOVERY

BY THE COMMISSION:

At the August, 1991 hearing in this docket, the Office of Public Counsel (OPC) raised three issues concerning the operation of Florida Power Corporation's Home Energy Fixup (HEFU) program. A late-filed exhibit was required. Having reviewed that exhibit and the Staff recommendation, we issue this Order.

Florida Power Corporation (FPC) originally submitted its Home Energy Fixup Program as part of the energy conservation plan filed in Docket No. 800663-EG. This plan was approved by the Commission on March 30, 1981 in Order No. 9897. FPC's HEFU program provided minor energy-conserving repairs that were identified during a home energy audit and installed at a cost given by a pre-determined price list. Half of this cost (up to a maximum of \$50 for a residential fixup) was subsidized by FPC; the other half was paid by the customer. Although FPC maintained internal practices and procedures which were used to administer its HEFU program, Order No. 9897 did not require FPC to submit, for Commission approval, specific procedures for any of the programs contained in FPC's conservation plan.

In 1990, all electric utilities were required to file new conservation plans with the Public Service Commission. FPC's plan was approved in Order No. 23556, Docket No. 900103-EG, on October 2, 1990. This order required FPC to file standards and procedures for each of the programs in the conservation plan, which were approved administratively in January of 1991. The HEFU program was continued in FPC's newly approved conservation plan. As was the case in the previous program, FPC would pay half the cost for a residential fixup (now up to a maximum of \$75), with the customer paying the balance. The costs associated with a given conservation measure or repair were contained on one of two price lists. One list was used for fixups on single-family dwellings (houses), the other for fixups on multi-family (apartment) dwellings.

DOCUMENT NUMBER-DATE

11256 NOV 13 1991

FPSC-RECORDS/REPORTING

ORDER NO. 25342
DOCKET NO. 910002-EG
PAGE 2

We find that in the administration of its HEFU program, FPC has deviated from these procedures in three ways:

1. FPC has encouraged contractors to perform fixups on multi-family dwellings without any reimbursement of the customer's portion of the cost;
2. FPC has used the price list for single-family dwelling fixups to reimburse contractors for fixups performed on multi-family dwellings; and
3. FPC has reimbursed contractors for the customer's portion of the bill for single-family dwelling fixups.

In the late-filed exhibit to the August hearing, FPC provided the cost differences resulting from its use of the single-family price list for fixups on multi-family dwellings. These costs are determined for three time periods:

1. the period from February 1991 to March 1991, for which FPC was required to have HEFU procedures on file and approved by the Commission (\$4,766);
2. the period from October 1990 to March 1991 covering the true-up period for the ECCR hearing (\$5,994);
3. the period from January 1988 to March 1991 (\$25,880).

We find that the appropriate disallowance is the amount incurred after the final approval of FPC's procedures in January 1991. This amount is \$4,766.

In several other instances, FPC reimbursed the contractor for the customer's portion of the bill for a single-family dwelling fixup, totaling \$693. This amount is in addition to the company portion approved for recovery. We disallow this amount, as the filed program does not, in any circumstance, provide for the recovery of the customer portion.

Public Counsel has proposed that the Commission suspend FPC's Home Energy Fixup program until FPC can demonstrate that sufficient internal controls are in place and that FPC will operate its program in conformance with the program filed with the Commission

ORDER NO. 25342
DOCKET NO. 910002-EG
PAGE 3

FPC states that its efforts to market home energy fixups to apartment complexes have greatly helped to increase customer participation in this program. FPC's Home Energy Fixup program, as currently implemented, appears to be successful at gaining new participants and reducing energy usage for both single-family and multi-family dwellings.

We find that FPC should suspend performing fixups in contravention of its filed procedures until FPC files new program standards and procedures that accurately describe exactly how the multi-family HEFU program is to be implemented.

Based on the foregoing it is

ORDERED by the Florida Public Service Commission that the recovery of \$5,459 submitted by Florida Power Corporation through the Energy Conservation Cost Recovery clause is disallowed. It is further

ORDERED that Florida Power Corporation shall not perform Home Energy Fix-Ups in contravention of its filed Guidelines.

By ORDER of the Florida Public Service Commission, this 13th day of NOVEMBER, 1991.

STEVE TRIBBLE, Director
Division of Records and Reporting

(S E A L)

RVE

910002p.rve

by: Kay Lynn
Chief, Bureau of Records

ORDER NO. 25342
DOCKET NO. 910002-EG
PAGE 4

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.

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 Records and Reporting 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 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 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.