

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition by Florida
Public Utilities Company for
approval of conservation plans.

DOCKET NO. 010992-EG
ORDER NO. PSC-01-2026-PAA-EG
ISSUED: October 11, 2001

The following Commissioners participated in the disposition of this matter:

E. LEON JACOBS, JR., Chairman
J. TERRY DEASON
LILA A. JABER
BRAULIO L. BAEZ
MICHAEL A. PALECKI

NOTICE OF PROPOSED AGENCY ACTION
ORDER APPROVING FLORIDA PUBLIC UTILITIES COMPANY'S
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 substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

CASE BACKGROUND

The Florida Energy Efficiency and Conservation Act (FEECA), Chapter 366.82, Florida Statutes, requires the Commission to adopt goals to reduce and control the growth rates of electric consumption and weather sensitive peak demand. In Order No. PSC-00-1029-PAA-EG, (issued May 24, 2000 in Docket No. 990721-EG), the Commission approved numeric conservation goals for the Florida Public Utilities Company (FPUC).

Rule 25-17.0021(4), Florida Administrative Code, requires that following Commission approval of numeric conservation goals, each

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FPSC-COMMISSION CLERK*

utility shall submit a demand-side management plan (DSM) designed to meet the utility's goals. FPUC apparently timely filed its DSM Plan after the Commission's order was issued approving the numeric goals. This document was filed in Docket No. 990721-EG, and did not include a request for approval of the plan. The programs contained in FPUC's DSM Plan are the same programs that were reviewed by the Commission during FPUC's goal setting process. On July 17, 2001, FPUC filed its DSM Plan and petition for approval. FPUC requests approval of its DSM Plan, including approval for cost recovery. By this order, we approve FPUC's conservation plans, including cost recovery through the Energy Conservation Cost Recovery Clause.

Demand-side Management Plan

FPUC's proposed DSM Plan contains eight programs, including four residential programs, two commercial/industrial (C/I) programs, and two educational programs. A summary of each of these programs is included as Attachment A.

In Order No. 22176, issued November 14, 1989, the Commission stated that conservation programs will be judged by the following criteria:

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 does it yield measurable results?
3. Is each component program cost-effective?

The programs contained in FPUC's Plan are the same programs that were reviewed during FPUC's goal setting process. We believe that the DSM programs in FPUC's Plan meet the three-pronged test. FPUC's DSM programs advance the policy objectives of FEECA and applicable rules, appear to be directly monitorable and should yield measurable results. Each program is cost-effective under the Rate Impact Measure test. The resulting demand and energy savings also appear to meet the numeric goals set by the Commission in Order No. PSC-00-1029-PAA-EG, issued May 24, 2000.

Program participation standards

FPUC's DSM Plan contains a brief description of the participation standards for each program in the Plan. FPUC shall file a separate document containing proposed participation standards which clearly states: 1) the requirements for participation in the programs, 2) eligibility requirements, 3) details on how rebates or incentives will be processed, 4) technical specifications on equipment eligibility, and 5) necessary reporting requirements. Accordingly, these standards shall be administratively approved if they conform to the description of the programs contained in FPUC's approved DSM Plan. For these reasons, we find that the petition to approve the DSM plan proposed by FPUC, including cost recovery, shall be granted.

Based on the foregoing, it is

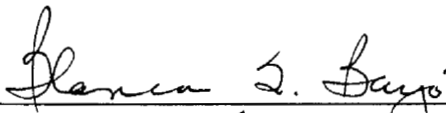
ORDERED by the Florida Public Service Commission that the Petition to Approve Florida Public Utilities Company's Conservation Plan is granted. It is further

ORDERED that the provisions of this Order, issued as proposed agency action, shall become final and effective upon the issuance of a Consummating Order unless an appropriate petition, in the form provided by Rule 28-106.201, Florida Administrative Code, is received by the Director, Division of the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth in the "Notice of Further Proceedings" attached hereto. It is further

ORDERED that in the event this Order becomes final, this docket shall be closed.

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By ORDER of the Florida Public Service Commission this 11th
day of October, 2001.



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

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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 that is available under Section 120.57, 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 will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

The action proposed herein is preliminary in nature. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Director, Division of the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on November 1, 2001.

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In the absence of such a petition, this order shall become final and effective upon the issuance of a Consummating Order.

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.

RESIDENTIAL PROGRAMS

- **Residential Geothermal Heat Pump:** This existing program promotes the installation of advanced and emerging geothermal systems. Participants in single-family dwellings are guaranteed heating and cooling costs for two years. If forecasted heating and cooling costs are exceeded, FPUC pays the difference. Multi-family installations receive a \$500 rebate.
- **GoodCents Home/Energy Star Program:** GoodCents is an existing program which encourages the design and construction of energy efficient homes. FPUC works with licensed contractors in evaluating current design and building practices compared to those which could receive certification under the program. Certification requires the installation of measures with efficiencies higher than is required by the current building code. Homes may also qualify to receive the nationally recognized Energy Star efficiency label.
- **GoodCents Energy Surveys:** This is an existing energy audit program which currently offers walk-through audits. FPUC intends to study the potential of expanding this program to include internet audits in the future. Customers are provided with specific whole-house recommendations, including the identification of potential duct leakage problems.
- **GoodCents Loan Program:** This program provides financing for up to \$20,000 for a period of up to 12 years to customers that choose to install specified conservation measures in existing homes. Potential energy efficiency measures are identified during GoodCents Energy Surveys.

COMMERCIAL/INDUSTRIAL

- **GoodCents Commercial Buildings:** Under this existing program, FPUC certifies commercial buildings which meet efficiency requirements higher than the Florida Model Energy Code standards. FPUC analyses the projected energy requirements of

building designs and provides builders with options to make the structure more energy efficient.

- **GoodCents Commercial Technical Assistance Audit:** FPUC provides walk-through inspections of existing C/I buildings and recommends energy efficiency measures to building owners and operators.

EDUCATION PROGRAMS

- **Low Income:** This program provides basic energy education and informs customers of other services provided by FPUC, including energy surveys. The program also identifies low cost or no cost energy conservation measures.
- **Affordable Housing Builders and Providers:** This program provides educational seminars to affordable housing contractors in FPUC's territory. FPUC works with the Florida Energy Extension Service and other seminar sponsors to offer a minimum of two seminars per year. Seminar topics include energy efficient construction, retrofit programs, and financing programs.