

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for
modification of Demand-Side
Management Plan by removal of
Good Cents Loan Program by
Florida Public Utilities
Company.

DOCKET NO. 020971-EG
ORDER NO. PSC-02-1726-PAA-EG
ISSUED: December 9, 2002

The following Commissioners participated in the disposition of
this matter:

LILA A. JABER, Chairman
J. TERRY DEASON
BRAULIO L. BAEZ
MICHAEL A. PALECKI
RUDOLPH "RUDY" BRADLEY

NOTICE OF PROPOSED AGENCY ACTION
ORDER APPROVING PETITION FOR MODIFICATION OF DEMAND-SIDE
MANAGEMENT PLAN BY REMOVAL OF GOOD CENTS LOAN PROGRAM BY
FLORIDA PUBLIC UTILITIES COMPANY

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.

BY THE COMMISSION:

Docket No. 990721-EG was opened to implement Rules 25-17.001-
003, Florida Administrative Code, for Florida Public Utilities
Company (FPUC). These rules require this Commission to establish
numeric demand side management (DSM) goals for electric utilities
subject to Section 366.82(1), Florida Statutes, at least once every
five years.

On December 8, 1999, FPUC filed testimony proposing new
conservation goals for the period of 2001-2010. We expressed
concern that the proposed goals may not be cost-effective. FPUC

DOCUMENT NUMBER DATE

13426 DEC-98

FPSC-COMMISSIONER CLERK

subsequently withdrew its original testimony and refiled new testimony and goals on April 11, 2000. These goals were approved by Order No. PSC-00-1029-PAA-EG issued May 24, 2000.

In the current Docket, FPUC seeks removal of the Good Cents Loan Program because of lack of participation and increased costs. This program is intended to encourage residential customers to install energy conservation features in their homes by providing financing for the installation. We have jurisdiction to consider this matter pursuant to Section 366.82(1), Florida Statutes.

As stated previously, by financing the installation, the Good Cents Loan Program is intended to encourage residential customers to install energy conservation features. Acting as a middleman, FPUC arranged unsecured loans with participating financial institutions for up to \$20,000 for a twelve year term.

FPUC provided documentation, as shown in Table A below, which clearly shows that participation has been steadily dropping since 1998 from a high of 40 customers to a low of 0 in 2002. During this entire time, the presentation of this program to the customers has been consistent. Even though the costs related to the Good Cents Program are relatively fixed, the decreasing participation makes it more costly per customer. Participation decreases, in part, may have been attributed to the financial institutions that are offering 4.75% home equity loans that could be used for energy efficient home improvements, while the Good Cents Program interest rate has been 9.0% for an unsecured loan.

TABLE A

YEAR	ANNUAL NUMBER OF PARTICIPANTS
1997	4
1998	40
1999	35
2000	7
2001	3
2002	0

ORDER NO. PSC-02-1726-PAA-EG
DOCKET NO. 020971-EG
PAGE 3

In consideration of the above, we find that FPC's request to eliminate the program is reasonable and shall be approved.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the petition by Florida Public Utilities Company for removal of its demand-side management plan by removal of the Good Cents Loan Program shall be approved. 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.

By ORDER of the Florida Public Service Commission this 9th day of December, 2002.

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

By: Kay Flynn
Kay Flynn, Chief
Bureau of Records and Hearing
Services

(S E A L)

LAH

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 December 30, 2002.

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/these docket(s) before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.