

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Energy conservation cost recovery  
clause.

DOCKET NO. 090002-EG  
ORDER NO. PSC-09-0794-FOF-EG  
ISSUED: December 1, 2009

The following Commissioners participated in the disposition of this matter:

MATTHEW M. CARTER II, Chairman  
LISA POLAK EDGAR  
NANCY ARGENZIANO  
NATHAN A. SKOP  
DAVID E. KLEMENT

APPEARANCES:

R. WADE LITCHFIELD, JOHN T. BUTLER, and KEN RUBIN, ESQUIRES,  
700 Universe Boulevard, Juno Beach, Florida 33408-0420  
On behalf of Florida Power & Light Company (FPL).

NORMAN H. HORTON, JR., ESQUIRE, Messer, Caparello & Self, P.A., Post  
Office Box 15579, Tallahassee, Florida 32317  
On behalf of Florida Public Utilities Company (FPUC).

JEFFREY A. STONE, RUSSELL A. BADDERS, and STEVEN R. GRIFFIN,  
ESQUIRES, Beggs & Lane, Post Office Box 12950, Pensacola, Florida 32591-  
2950  
On behalf of Gulf Power Company (Gulf).

JOHN T. BURNETT, ESQUIRE, Associate General Counsel, Progress Energy  
Service Co., LLC, Post Office Box 14042, St. Petersburg, Florida 33733-4042  
On behalf of Progress Energy Florida, Inc. (PEF).

LEE L. WILLIS, and JAMES D. BEASLEY, ESQUIRES, Ausley & McMullen,  
Post Office Box 391, Tallahassee, Florida 32302  
On behalf of Tampa Electric Company (TECO).

PATRICIA A. CHRISTENSEN, Associate Public Counsel, and CHARLES  
BECK, Deputy Public Counsel, Office of 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 (OPC).

DOCUMENT NUMBER-DATE

11677 DEC-18

FPSC-COMMISSION CLERK

JON MOYLE, JR, and VICKI GORDON KAUFMAN, ESQUIRES, 118 North Gadsden Street, Tallahassee, Florida 32312 and JOHN W. McWHIRTER, JR., ESQUIRE, McWhirter & Davidson, P.A., P.O. Box 3350, Tampa, Florida 33601-3350

On behalf of the Florida Industrial Power Users Group (FIPUG).

JAMES W. BREW and F. ALVIN TAYLOR, ESQUIRES, Brickfield, Burchette, Ritts and Stone, P.C., 1025 Thomas Jefferson St., N.W., Eighth Floor, West Tower, Washington, D.C. 20007

On behalf of White Springs Agricultural Chemicals, Inc. d/b/a PCS Phosphate – White Springs (PCS Phosphate or PCS).

KATHERINE E. FLEMING, ESQUIRE, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850

On behalf of the Florida Public Service Commission (Staff).

SAMANTHA CIBULA, Attorney Supervisor, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850  
Advisor to the Florida Public Service Commission.

FINAL ORDER APPROVING ENERGY CONSERVATION COST RECOVERY AMOUNTS  
AND ESTABLISHING ENERGY CONSERVATION COST RECOVERY FACTORS FOR  
THE PERIOD JANUARY 2010 THROUGH DECEMBER 2010

BY THE COMMISSION:

As part of our continuing energy conservation cost recovery proceedings, an administrative hearing was held November 2, 2009, in this docket. The parties submitted testimony and exhibits in support of their proposed final and estimated true-up amounts and their conservation cost recovery factors. The Office of Public Counsel (“OPC”), the Florida Industrial Power Users Group (“FIPUG”), and White Springs Agricultural Chemicals, Inc. d/b/a PCS Phosphate – White Springs (PCS Phosphate) also participated in this proceeding. Prior to hearing, the parties reached agreement concerning all issues identified for resolution at hearing. These issues were presented to us as a stipulation. We have jurisdiction over the subject matter by the provisions of Chapter 366, Florida Statutes (F.S.), including Sections 366.04, 366.05, 366.06 and 366.082, F.S.

The parties stipulated to the final and estimated true-up amounts and conservation cost recovery factors appropriate for each utility. We accept and approve the stipulations as reasonable and supported by competent, substantial evidence of record as set forth below.

We find that the appropriate final conservation cost recovery true-up amounts for the period January 2008 through December 2008 are as follows:

Florida Power & Light (FPL)	\$4,994,170	Underrecovery
Florida Public Utilities (FPUC)	\$26,890	Underrecovery
Gulf Power Company (GPC)	\$2,911,666	Overrecovery
Progress Energy Florida (PEF)	\$3,276,149	Overrecovery
Tampa Electric Company (TECO)	\$389,627	Overrecovery

We find that the appropriate total conservation cost recovery amounts to be collected during the period January 2010 through December 2010 are as follows:

Florida Power & Light (FPL)	\$179,713,960
Florida Public Utilities (FPUC)	\$591,724
Gulf Power Company (GPC)	\$11,525,684
Progress Energy Florida (PEF)	\$86,501,449
Tampa Electric Company (TECO)	\$43,816,518

We find the appropriate conservation cost recovery factors for the period January 2010 through December 2010 are as follows:

<b>FPL</b>	<b>Rate Class</b>	<b>ECCR Factor</b>
	RS1/RST1	0.188 cents/Kwh
	GS1/GST1	0.186 cents/Kwh
	GSD1/GSDT1/HLTF (21-499kW)	0.170 cents/Kwh
	OS2	0.191 cents/Kwh
	GSLD1/GSLDT1/CS1/CST1/HLTF (500-1,999 kW)	0.166 cents/Kwh
	GSLD2/GSLDT2/CS2/CST2/HLTF (2,000+kW)	0.155 cents/Kwh
	GSLD3/GSLDT3/CS3/CST3	0.142 cents/Kwh
	ISST1D	0.143 cents/Kwh
	ISST1T	0.130 cents/Kwh
	SST1T	0.130 cents/Kwh
	SST1D1/SST1D2/SST1D3	0.143 cents/Kwh
	CILC D/CILC G	0.152 cents/Kwh
	CILC T	0.141 cents/Kwh
	MET	0.180 cents/Kwh
	OL1/SL1/PL1	0.093 cents/Kwh
	SL2, GSCU1	0.146 cents/Kwh
<b>FPUC</b>	<b>Rate Class</b> (Consolidated)	<b>ECCR Factor</b> 0.080 cents/Kwh
<b>GULF</b>	<b>Rate Class</b>	<b>ECCR Factor</b>

<b>GULF</b>	<b>Rate Class</b>	<b>ECCR Factor</b>
	RS, RSVP	0.108 cents/Kwh
	GS	0.105 cents/Kwh
	GSD, GSDT, GSTOU	0.100 cents/Kwh
	LP, LPT	0.095 cents/Kwh
	PX, PXT, RTP, SBS	0.091 cents/Kwh
	OSI, OSII	0.080 cents/Kwh
	OSIII	0.094 cents/Kwh

<b>PEF</b>	<b>Rate Class</b>	<b>ECCR Factor*</b>
	Residential	0.270 cents/Kwh
	General Svc. Non-Demand	0.223 cents/Kwh
	@ Primary Voltage	0.221 cents/Kwh
	@ Transmission Voltage	0.219 cents/Kwh
	General Svc. 100% Load Factor	0.188 cents/Kwh
	General Svc. Demand	0.210 cents/Kwh
	@ Primary Voltage	0.208 cents/Kwh
	@ Transmission Voltage	0.206 cents/Kwh
	Curtable	0.194 cents/Kwh
	@ Primary Voltage	0.192 cents/Kwh
	@ Transmission Voltage	0.190 cents/Kwh
	Interruptible	0.186 cents/Kwh
	@ Primary Voltage	0.184 cents/Kwh
	@ Transmission Voltage	0.182 cents/Kwh
	Lighting	0.124 cents/Kwh

\*The factors are subject to change pending the resolution of certain rate design modifications in PEF's base rate proceeding in Docket No. 090079-EI.

<b>TECO</b>	<b>Rate Class</b>	<b>ECCR Factor</b>
	Residential	0.254 cents/Kwh
	General Svc., TS	0.249 cents/Kwh
	General Svc. Demand Optional - Secondary	0.179 cents/Kwh
	@ Primary Voltage	0.177 cents/Kwh
	@ Subtransmission Voltage	0.175 cents/Kwh
	Lighting	0.113 cents/Kwh
	General Svc. Demand - Secondary	0.88 dollars/kW
	@ Primary Voltage	0.87 dollars/kW
	@ Subtransmission Voltage	0.86 dollars/kW
	Standby Firm - Secondary	0.88 dollars/kW
	@ Primary Voltage	0.87 dollars/kW
	@ Subtransmission Voltage	0.86 dollars/kW
	Interruptible – Secondary	0.79 dollars/kW
	@ Primary Voltage	0.78 dollars/kW

<b>TECO</b>	<b>Rate Class</b> @ Subtransmission Voltage	<b>ECCR Factor</b> 0.77 dollars/kW
-------------	--	---------------------------------------

We find that these factors shall be effective beginning with the specified conservation cost recovery cycle and thereafter for the period January 2010 through December 2010. Billing cycles may start before January 1, 2010, and the last cycle may be read after December 31, 2010, so that each customer is billed for twelve months regardless of when the adjustment factor became effective.

Company Specific Conservation Cost Recovery Issues

PEF and FPL

We approve the following stipulation regarding whether FPL's and PEF's conservation program costs should be recovered on a demand basis:

Yes, demand-metered classes should be billed for ECCR charges on a demand basis. Due to the need to design, test and implement the required billing system changes, billing ECCR charges on a demand basis will commence on the first billing cycle day of April 2010. Demand-metered customers will be informed via bill insert of this change in billing prior to its implementation. The demand-based ECCR charges will be submitted to Staff for review and approval by November 9, 2009.

Tampa Electric Company

We find that Tampa Electric Company's Contracted Credit Value for the GSLM-2 and GSLM-3 rate riders for the period January 2010 through December 2010 are as follows:

In accordance with the program requirement and methodology established by Order No. PSC-99-1778-FOF-EI, issued September 10, 1999, in Docket No. 990037-EI, the Contracted Credit Value for the GSLM-2 and GSLM-3 rate riders will be \$9.72 per KW for the period January 2010 through December 2010.

We find that Tampa Electric Company's residential Price Responsive Load Management (RSVP-1) rate tiers for the period January 2010 through December 2010 are as follows:

In accordance with the program requirement and methodology established by Order No. PSC-07-0740-TRF-EG, issued September 17, 2007, in Docket No. 070056-EG, the rate tiers for RSVP-1 will be as follows:

<b>Rate Tier</b>	<b>Cents/kWh</b>
P4	29.254
P3	3.705
P2	(0.406)

P1

(0.573)

Progress Energy Florida, Inc.

We approve the following stipulation regarding the appropriate Demand Credit for PEF for the period January 2010 through December 2010:

The non-fuel energy, demand, and customer charges are appropriately reviewed as part of a utility's base rate proceeding. The credits applied to an interruptible customer's bills are appropriately reviewed as part of the Commission's review of any utility filed demand-side management (DSM) program modifications. The Commission is currently scheduled to review utility DSM program modifications subsequent to establishing new DSM goals in Docket Nos. 080407-EG through 080413-EG. The current credits to interruptible customers will remain in effect until the Commission reviews and approves a utility's DSM program modifications. However, in the event the Commission determines to eliminate the IS-1, IST-1 rate schedules in Docket 090079-EI, to maintain the status quo the parties agree that the appropriate credit for the IS-2, IST-2 shall be \$5.65 (subject to load factor adjustments) until such time as a final decision is rendered in Docket 080408-EG. (OPC does not affirmatively stipulate this issue but take no position on the issue.)

We find that PEF's customers shall have the option to lock in PEF's IS credits for at least 3 years.

Florida Power & Light Company

We approve the following stipulation regarding whether FPL appropriately reflected the cost of its CILC program, the appropriate value for FPL's Commercial Industrial Demand Reduction Rider (CDR), whether the value of interruptible power should be reflected in the credits applicable to FPL's stand-by customers, and whether FPL's customers should have the option to lock in the CDR credits for at least 3 years:

The non-fuel energy, demand, and customer charges are appropriately reviewed as part of a utility's base rate proceeding. The credits applied to an interruptible customer's bills are appropriately reviewed as part of the Commission's review of any utility filed demand-side management (DSM) program modifications. The Commission is currently scheduled to review utility DSM program modifications subsequent to establishing new DSM goals in Docket Nos. 080407-EG through 080413-EG. The current credits to interruptible customers will remain in effect until the Commission reviews and approves a utility's DSM program modifications.

Based on the foregoing, it is

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

ORDERED that each utility that was a party to this docket shall abide by the stipulations, findings, and rulings herein which are applicable to it. It is further

ORDERED that the utilities named herein 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 2010 through December 2010. Billing cycles may start before January 1, 2010, and the last cycle may be read after December 31, 2010, so that each customer is billed for twelve months regardless of when the adjustment factor became effective.

By ORDER of the Florida Public Service Commission this 1st day of December, 2009.



ANN COLE  
Commission Clerk

(SEAL)

KEF

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 Office of Commission Clerk, 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 Office of Commission Clerk, 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.