

FLORIDA PUBLIC SERVICE COMMISSION

Fletcher Building
101 East Gaines Street
Tallahassee, Florida 32399-0850

MEMORANDUM

June 4, 1992

TO: DIRECTOR, DIVISION OF RECORDS AND REPORTING

FROM: DIVISION OF ELECTRIC AND GAS [SILVESTRI] *188* *AD*
DIVISION OF LEGAL SERVICES [CANZANO] *P* *JDJ*

RE: DOCKET NO.: 920136-EG, TAMPA ELECTRIC COMPANY, PETITION
FOR APPROVAL OF RESIDENTIAL AIR DISTRIBUTION SYSTEM
EFFICIENCY PROGRAM

AGENDA: 06/16/92 - PROPOSED AGENCY ACTION - PARTIES MAY
PARTICIPATE

CRITICAL DATES: NONE

CASE BACKGROUND

Tampa Electric Company (TECO) filed its conservation plan on February 12, 1990 as required by Order No. 22176 in Docket No. 890737-PU. TECO's conservation plan was approved by Order No. 23555 issued on October 2, 1990 in Docket No. 900104-EG. On February 14, 1992, TECO filed a petition for approval of its Residential Air Distribution System Efficiency (RADSE) Program to be included in its conservation plan. TECO is requesting that this program become effective July 1, 1992.

The Residential Air Distribution System Efficiency Program is designed to save demand and energy by decreasing the load on residential heating and air conditioning equipment (HVAC). If approved, the program will become part of TECO's free and comprehensive residential energy audits. At the time of the audit, the analyst will identify areas of HVAC air distribution losses by inspecting the air distribution system visually with a smoke generator while the HVAC air handler is operating. The customer will then receive information on any problems discovered during the inspection and an indication as to the magnitude of the problem. The customer will also receive a certificate that can be used as partial payment for repairs performed by an approved HVAC contractor. The value of the certificate is \$100 for repairs TECO defines as minor and \$175 for repairs TECO defines as major. Any residential customer is eligible for an audit and air distribution system inspection although residences under warranty will not be eligible for an incentive.

DOCUMENT NUMBER-DATE

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FPSC-RECORDS/REPORTING

DISCUSSION OF ISSUES

ISSUE 1: Should TECO's petition for approval of its Residential Air Distribution System Efficiency Program be granted?

RECOMMENDATION: Yes, the program meets Commission criteria for proposed conservation programs and should be approved.

STAFF ANALYSIS: The Commission uses three criteria to evaluate proposed conservation programs:

1. whether the program can be monitored and yields measurable results;
2. whether the program contributes towards the goals set forth in Rule 25-17.001, Florida Administrative Code, and the Florida Energy Efficiency and Conservation Act (FEECA); and
3. whether the program is cost-effective.

TECO's Residential Air Distribution System Efficiency Program meets these criteria.

The RADSE Program can be monitored through the Energy Conservation Cost Recovery (ECCR) Clause and TECO's annual and semi-annual FEECA reports. TECO will monitor the program by sampling customers who have had repairs done to their systems. TECO will evaluate the program by sample comparison of annual energy usage for 12 months before and after repairs are done. Thus, the results achieved should be measurable.

Current conservation goals stress reduction of weather sensitive peak demand, oil consumption, and kilowatt hour (energy) consumption to the extent cost-effective. TECO's proposed program contributes directly to the reduction of weather sensitive peak demand and energy consumption since it is directed at repairing leakages in heating and air conditioning systems.

The cost-effectiveness tests show the RADSE Program to be cost-effective using the Participants, Total Resource and Rate Impact Test. The program becomes cost-effective from a Total Resource and Participants perspective in the early years, and eventually becomes cost-effective from a Rate Impact perspective in later years. Staff believes this meets cost-effectiveness criteria.

DOCKET NO. 920136-EG
JUNE 4, 1992

ISSUE 2: Should TECO be required to file detailed Program Participation Standards for the Residential Air Distribution System Efficiency Program to be administratively approved by Staff?

RECOMMENDATION: Yes.

STAFF ANALYSIS: Tampa Electric Company should be required to file detailed Program Participation Standards to be administratively approved by Staff within 30 days of the issuance of the order in this docket. The company did file Program Participation Standards for this program with its petition. However, as submitted, these standards are not of sufficient detail to establish audit trails or to let the customer know the details of how the program works. Staff will work with the company to ensure that an adequate set of standards for the program is developed. The standards should clearly state the company requirements for participation in the program; eligibility requirements for the customers; details on incentive amounts; how incentives will be processed; precise definitions of "minor" and "major" repairs; monitoring, evaluation, and inspection methods; and other necessary reporting requirements.

ISSUE 3: Should this docket be closed?

RECOMMENDATION: Yes, if no protests to the Proposed Agency Action Order are timely filed.

STAFF ANALYSIS: Once the final order has taken effect, there is no further action necessary, and the docket may be closed if no protest is timely filed.