

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition for approval of) DOCKET NO 920852-EG
modifications to conservation) ORDER NO. PSC-92-1445-FOF-EG
plan regarding Single & Multi-) ISSUED: 12/14/92
Family Residential Home Builder)
Program by Florida Division of)
Chesapeake Utilities Corporation.)

The following Commissioners participated in the disposition of this matter:

THOMAS M. BEARD, Chairman
SUSAN F. CLARK
J. TERRY DEASON
BETTY EASLEY
LUIS J. LAUREDO

NOTICE OF PROPOSED AGENCY ACTION

ORDER APPROVING MODIFICATION TO 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 adversely affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

On August 24, 1992, the Florida Division of Chesapeake Utilities Corporation (Chesapeake) filed its petition for modification of its Single-Family and Multi-Family Residential Home Builder Program (Home Builder Program). At Staff's request for additional information, justification, and clarification, Chesapeake submitted responses and modified schedules on October 15, 1992.

The Home Builder Program is part of Chesapeake's overall Energy Conservation Plan which we approved in Docket No. 820430-EG by Order No. 11451, issued December 27, 1982. We approved a modification to Chesapeake's Energy Conservation Plan in Docket No. 820430-EG-A by Order No. 14021, issued January 22, 1985.

The Home Builder Program provides incentives in the form of cash allowances to builders and developers to help defray the additional construction cost associated with gas piping and venting required for gas installation. Chesapeake's original incentive amounts for builders and developers were approved in 1982 in Order No. 11451, and modified in 1985 in Order No. 14021. No changes have been made to the incentive amounts since 1985.

DOCUMENT NUMBER-DATE

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PSC-RECORDS/REPORTS

ORDER NO. PSC-92-1445-FOF-EG
DOCKET NO. 920852-EG
PAGE 2

The Florida Energy Efficiency and Conservation Act (FEECA) requires Chesapeake to submit quarterly reports pursuant to Chapters 366.80 - 366.85, and 403.519, Florida Statutes. Chesapeake's quarterly reports filed with the Commission show that the level of participation in the Home Builder Program has declined substantially since 1991. Chesapeake believes that the decline is due to insufficient incentive amounts. In its petition, Chesapeake requested an increase in its current incentive amounts.

We have reviewed Chesapeake's petition and find that the requested incentive amounts are reasonable. We also find that the modification to the Home Builder Program as part of Chesapeake's Energy Conservation Plan is cost-effective, capable of being monitored, and advances the policy objectives set forth in Rule 17.001, Florida Administrative Code, and FEECA. Therefore, we approve Chesapeake's Home Builder Program modification based on its original filing and supplemental data.

As a result, Chesapeake shall be required to file its monitoring data, by March 31 of each year for the preceding calendar year, unless it is required to file more often by a subsequent sale or order. The monitoring data must be filed in a format agreed upon by staff and Chesapeake.

Also, Chesapeake must establish an accounting system for the modified Home Builder Program. The system of internal accounting controls for this conservation program shall be adequate to provide the company and the Commission with reasonable assurance the conservation program assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with the Commission's authorization and are recorded properly to permit the preparation of financial conservation cost recovery exhibits in accordance with generally accepted accounting principles. Further, Chesapeake shall obtain an opinion from a Florida CPA firm that the conservation system of internal controls meets the above objective for this program.

It is, therefore,

ORDERED by the Florida Public Service Commission that the petition by Chesapeake Utilities Corporation to modify its Energy Conservation Plan regarding the Single-Family and Multi-Family Residential Home Builder Program is hereby granted. It is further

ORDER NO. PSC-92-1445-FOF-EG
DOCKET NO. 920852-EG
PAGE 3

ORDERED that Chesapeake Utilities Corporation shall file its monitoring data with the Florida Public Service Commission by March 31 of each year for the preceding calendar year, in a format agreed to by the Commission staff and Chesapeake Utilities Corporation. It is further

ORDERED that Chesapeake Utilities Corporation shall establish an accounting system for the modified Single-Family and Multi-Family Residential Home Builder Program as set forth within the body of this Order. It is further

ORDERED that this Order shall become final and this docket shall be closed unless an appropriate petition for formal proceeding is received by the Division of Records and Reporting, 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on the date indicated in the Notice of Further Proceedings or Judicial Notice.

By Order of the Florida Public Service Commission this 14th day of December, 1992.



STEVE TRIBBLE, Director
Division of Records and Reporting

(S E A L)

NRF:bmi

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.

The action proposed herein is preliminary in nature and will not become effective or final, except as provided by Rule 25-22.029, Florida Administrative Code. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, as provided by Rule 25-22.029(4), Florida Administrative Code, in the form

ORDER NO. PSC-92-1445-FOF-EG
DOCKET NO. 920852-EG
PAGE 4

provided by Rule 25-22.036(7)(a) and (f), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting at his office at 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on January 4, 1993.

In the absence of such a petition, this order shall become effective on the day subsequent to the above date as provided by Rule 25-22.029(6), Florida Administrative Code.

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.

If this order becomes final and effective on the date described above, any party adversely affected may request judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or by the First District Court of Appeal in the case of a water or wastewater 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 of the effective date 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.