

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Approval of Demand-Side Management Plan of Florida Power & Light Company.)	DOCKET NO. 941170-EG
)	
In Re: Approval of Demand-Side Management Plan of Florida Power Corporation.)	DOCKET NO. 941171-EG
)	
In Re: Approval of Demand-Side Management Plan of Gulf Power Company.)	DOCKET NO. 941172-EG
)	
In Re: Approval of Demand-Side Management Plan of Tampa Electric Company.)	DOCKET NO. 941173-EG
)	ORDER NO. PSC-95-0691-FOF-EG
)	ISSUED: June 9, 1995

The following Commissioners participated in the disposition of this matter:

SUSAN F. CLARK, Chairman
J. TERRY DEASON
JOE GARCIA
JULIA L. JOHNSON
DIANE K. KIESLING

NOTICE OF PROPOSED AGENCY ACTION ORDER
APPROVING DEMAND-SIDE MANAGEMENT PLANS

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 to reduce and control the growth rates of weather sensitive peak demand. In Order No. PSC-94-1313-FOF-EG issued October 25, 1994, we set numeric demand-side management (DSM) goals

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FPSC-RECORDS/REPORTING

for the four largest investor-owned electric utilities (IOU). Rule 25-17.0021(4), Florida Administrative Code, states that within 90 days of a final order establishing goals, each utility shall submit a DSM plan designed to meet the utility's goals. Each IOU filed its DSM plan following extensions granted by the prehearing officer.

DECISION

PLAN APPROVAL ISSUES:

In Order No. 22176, issued November 14, 1989, we 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 yield measurable results?
3. Is each component program cost-effective?

A. Florida Power and Light Company's Demand-Side Management plan:

FPL's proposed DSM plan contains 26 programs, including six residential programs; nine commercial/industrial programs; and nine research and development programs. FPL has also described its continuing cogeneration activities and a green pricing concept program.

We have reviewed FPL's plan and believe its conservation programs meet our three-pronged test.

We will decide at a later time whether FPL's C/I Load Control program meets our three-pronged test. At the time staff's recommendation was written in these dockets, interrogatory responses from FPL were still being received. This C/I program is still being analyzed and requires further consideration. Staff is instructed to bring a separate recommendation before us on the issue of whether this C/I program should be approved for cost recovery.

FPL's plan also contains research and development programs, a green pricing program, and a cogeneration program which, while not directly measurable, are specifically identified in FEECA. A

summary of each of these programs is contained in Attachment 1. The research and development programs are approved and the expenditures are capped at the level shown in Attachment 1.

FPL's proposed methodology for measuring actual kW and kWh savings achieved for each program is too general. The Company shall file a more detailed methodology for each approved program within six months of this Order. The methodology will contain a general time-frame for conducting the measurement of savings, and the estimated frequency of measurement (such as quarterly, yearly, every five years, etc.). Also, a detailed methodology of savings evaluation (such as pre- and post-billing analysis, enhanced metering, engineering studies, etc.) and an estimate of the costs shall be indicated for each program to insure that measurement costs do not reverse the program's cost-effectiveness.

Staff will review FPL's methodology and bring any deficiencies to our attention. Parties or interested persons, who believe deficiencies exist, can petition us to correct them.

GREEN PRICING

Based on the preliminary information submitted in response to Order No. PSC-1313-FOF-EG, issued 10/25/94, FPL's green pricing program appears to adequately address the development of alternate funding sources to promote the installation of renewable technologies. FPL will purchase photovoltaic modules to be located at powerplants or substations.

We approve the green pricing administrative program costs that are subject to ongoing review in the ECCR clause. These costs should be separately identified as a line item in FPL's ECCR filings. This program contributes toward the commercialization of renewable technologies; also, this program may stimulate economic and technological growth in the field of renewable technologies.

Solar water heating is not part of the green pricing program at this time. FPL's petition proposed to discontinue the residential solar water heating rebate program, and move the program over to the research and development area. This was done to identify technology improvements and market segments that could potentially help the program pass a RIM test. We agree with these proposed program modifications.

LOW INCOME

Based on the preliminary information submitted in response to Order No. PSC-1313-FOF-EG, FPL's analysis of DSM program availability, saturation, and benefits to residential low income customers appears to be adequate. Additionally, because all of the proposed programs in FPL's DSM plan pass the RIM test, they reduce rate impacts for all customers, including those with low income.

FPL originally petitioned to discontinue the HELP program in Docket No. 900091-EG on the basis that it was not projected to be cost effective. In Order No. 23560, issued 10/2/90, the Commission denied FPL's petition to discontinue the HELP program, and ordered the Company to "consider changes to the program to enhance its implementation and cost-effectiveness." FPL responded by filing a petition to combine the HELP program with the Duct Testing program which was subsequently approved by the Commission in Order No. 25258, issued 10/28/91.

FPL petitioned again to discontinue the HELP program, which is currently combined with the Duct Testing program. The HELP program includes the following low cost measures: water heater insulation wraps, hot water pipe insulation, faucet restrictors, low flow showerheads, door sweeps, caulking and weatherstripping. Approximately 22% of the customers participating in the HELP program are low income.

We approve FPL's request to discontinue the HELP program. Discontinuance may remove one program from consideration by those in the low income bracket, however, FPL structured its DSM programs in order to achieve its goals in a cost-effective manner.

To facilitate continuing low income participation, FPL will target public agencies and governmental housing authorities for program education and implementation of its residential DSM programs. FPL is investigating the potential for qualifying public agencies or housing authorities to install certain measures as participating contractors.

FPL also performed an analysis assessing the availability and saturation of its residential conservation programs to low income customers whose annual incomes are less than \$20,000. The Company found that significant numbers of low income customers are participating in most of its residential DSM programs. The low income sector comprises about 14% of FPL's customer base, while low income customers comprise about 20% of the participants in all of FPL's conservation programs.

Not all low income customers are low users of electricity. Many use a great deal more electricity due to lifestyle and behavioral choices, as well as old inefficient appliances and dwellings.

B. Florida Power Corporation's Demand-Side Management plan:

FPC's proposed DSM plan contains four residential programs, nine commercial and industrial (C/I) programs, and one research and development program. These DSM programs are designed to minimize free riders, minimize rate impacts, and meet our prescribed DSM goals. In addition, FPC has described its continuing cogeneration activities, the expenses of which are recovered through the Energy Conservation Cost Recovery Clause.

We have reviewed FPC's plan and believe its conservation programs meet our three-pronged test. FPC's plan contains a research and development program with an \$800,000 annual cap, and a cogeneration program which, while not directly measurable, is specifically identified in FEECA. A summary of these programs is contained in Attachment 2. While FPC is the only utility with a residential decoupling mechanism, it still relies heavily on traditional load management to achieve its residential goal.

FPC's proposed methodology for measuring actual kW and Kwh savings achieved for each program is too general. FPC shall file a more detailed methodology for each approved program within six months of this Order. The methodology shall contain a general time-frame for conducting the measurement of savings, and the estimated frequency of measurement (such as quarterly, yearly, every five years, etc.). Also, a detailed methodology of savings evaluation (such as pre- and post-billing analysis, enhanced metering, engineering studies, etc.) and an estimate of the costs shall be indicated for each program to insure that measurement costs do not reverse the program's cost-effectiveness.

Staff will review FPC's methodology and bring any deficiencies to our attention. Parties or interested persons, who believe any deficiencies exist, can petition us to correct them.

INTERRUPTIBLE AND CURTAILABLE LOAD

In its petition, FPC states that the current IS and CS tariffs are no longer cost-effective DSM programs. FPC will not count any incremental additions to these programs towards achieving its C/I goal. However, FPC may continue to offer these rate schedules and collect the credits paid to customers on the IS and CS rates

through the ECCR clause. Staff recommended that the tariffs be closed to new customers and that FPC file cost-effective rate schedules if they choose to continue to offer these types of rates. Because of the complex interrelation between cost-effectiveness and cost of service, we instead directed staff to open a docket limited to the future treatment of these DSM programs. In the interim, FPC will be allowed to continue to offer these programs and collect any credits paid through the ECCR clause.

GREEN PRICING

FPC's plan includes an analysis of green pricing and also addresses other sources for renewable funding. FPC plans to perform a green fund survey of its customers during the third quarter of 1995 to determine the market's interest in the concept.

Additionally, FPC is currently investigating other funding sources for renewable measures. FPC proposes that the initial costs associated with green fund surveys and evaluation of the green pricing concept be recovered through the Energy Conservation Cost Recovery Clause. FPC is taking reasonable action on green pricing in response to the Commission's DSM Goals order; therefore, we approve FPC's proposal.

Green pricing administrative program costs will be subject to ongoing review in the ECCR clause. These costs will be separately identified as a line item in FPC's ECCR filings.

LOW INCOME

FPC's plan adequately addresses the needs of low-income ratepayers. FPC continues to investigate methods to assist low-income customers. Several of FPC's programs address the special needs of low-income customers. There is no income barrier for participation in the Home Energy Check program and Residential Energy management programs, as they are offered at no customer cost.

An additional benefit of the Home Energy Check is that it allows FPC to work with other relief agencies. The Home Energy Improvement program assists low-income customers with substantial up-front capital costs by offering zero-interest loans with installment billing. FPC continues to work with the Department of Community Affairs, the Florida Client Council, and the Legal Environmental Assistance Foundation (LEAF) to discuss ways to facilitate low-income participation in DSM programs. FPC worked with LEAF in the design of its DSM plan.

generation activities.
We have reviewed TECO's plan and believe its conservation programs meet our three-pronged test. In addition, TECO's plan contains a research and development program and a cogeneration program which, while not directly measurable, are specifically identified in FEECA. A summary of these programs is contained in Attachment 3.

TECO has provided a brief description of its monitoring and evaluation plans for each of the programs in its DSM plan. TECO's proposed methodology for measuring actual kW and kWh savings achieved for each program is much too general. TECO shall file a more detailed methodology within six months of this Order. TECO should provide a specific methodology for each approved program. A general time frame for conducting the measurement of savings should be identified, along with the estimated frequency of measurement (such as quarterly, yearly, every five years, etc.). Also, a detailed methodology of savings evaluation (such as pre- and post-billing analysis, enhanced metering, engineering studies, etc.), and an estimate of costs, shall be indicated for each program to insure that measurement costs do not reverse the program's cost-effectiveness.

Staff will review the methodology to be filed by TECO and bring any deficiencies to our attention. Parties and interested persons who believe deficiencies exist can petition us to correct them.

costs shall be separately --
filings.

LOW INCOME

Based on the preliminary information submitted in response to Order No. PSC-94-1313-FOF-EG, TECO's analysis of DSM program availability, saturation, and benefits to the residential low-income customers appears to be adequate.

TECO is making appropriate efforts to address the special needs of its low-income ratepayers. A Social Service Advisor was established in the company to directly assist low-income ratepayers and to interface with social service agencies in order to better coordinate efforts in assisting low-income customers.

COMMERCIAL MEASURES RESEARCH AND DEVELOPMENT PROGRAM

TECO proposes to conduct research on the potential of different DSM measures under this program. TECO estimates program costs at \$150,000 per year, and has requested a five year period with continuation based on annual review of results by the Commission. Traditionally, we have limited the time frame and placed spending limits on research programs. Utilities should conduct timely, focused research efforts in order to determine the feasibility of including a DSM measure in a utility program.

TECO's research program shall likewise be limited, in this case to three years with a total spending cap of \$450,000. TECO shall also provide a detailed report on the results of its research efforts at the end of the period.

GREEN PRICING

Based on the preliminary information submitted in response to Order No. PSC-94-1313-FOF-EG, TECO's green pricing program appears to adequately address the development of alternate funding sources to promote the installation of renewable technologies. TECO proposes to survey its ratepayers to help determine interest in Green Pricing and to identify specific areas of solar and renewable technologies that TECO's customers would most support. TECO plans to utilize data from a University of Florida Energy Extension Service survey on green pricing, in connection with its own planned survey.

We approve TECO's green pricing administrative program costs that shall be subject to ongoing review in the ECCR clause. These costs shall be separately identified as a line item in TECO's ECCR filings.

LOW INCOME

Based on the preliminary information submitted in response to Order No. PSC-94-1313-FOF-EG, TECO's analysis of DSM program availability, saturation, and benefits to the residential low-income customers appears to be adequate.

TECO is making appropriate efforts to address the special needs of its low-income ratepayers. A Social Service Advisor was established in the company to directly assist low-income ratepayers and to interface with social service agencies in order to better coordinate efforts in assisting low-income customers.

In addition, TECO has estimated DSM program participation by low-income customers using data from a recent appliance saturation survey. The correlation between energy use and household income for TECO's customers is similar to that of FPL.

D. Gulf Power Company's Demand-Side Management plan:

Gulf's proposed DSM Plan was filed on February 22, 1995, and contained: five Residential programs, three Commercial/Industrial programs, two Conservation Demonstration and Development Programs, in addition to Gulf's existing six conservation programs. The energy conservation achieved by the six existing programs will not be counted toward achievement of the conservation goals that were established by Order No. PSC-94-1313-FOF-EG.

We have reviewed Gulf's plan and find the conservation programs, including the six existing programs, meet our three-pronged test. In addition, Gulf's plan contains a research and development program which, while not directly measurable, is specifically identified in FEECA. A summary of each of these programs is contained in Attachment 4.

Gulf provided a brief description of its monitoring and evaluation plans for each of the programs in its DSM plan. Gulf's proposed methodology for measuring actual kW and kWh savings achieved for each program, however, is much too general. Gulf shall file a more detailed methodology within six months of this Order approving the programs. Gulf shall provide a specific methodology for each program, new and existing, that we approved. At least a general time frame for conducting the measurement of savings shall be stated along with the estimated frequency of measurement (such as quarterly, yearly, every five years, etc.). Also, a detailed methodology of savings evaluation (such as pre- and post-billing analysis, enhanced metering, engineering studies, etc.) and an estimate of the costs shall be indicated for each program to insure that measurement costs do not reverse the program's cost-effectiveness.

Staff will review the methodology to be filed by Gulf and bring any deficiencies to our attention as needed. Parties and interested persons who believe any deficiencies exist can petition the Commission to correct them.

ADVANCED ENERGY MANAGEMENT PROGRAM

Among the many assumptions needed to calculate a conservation program's costs and benefits are the kW savings per customer and the cost and timing of the utility's next avoidable electric generating unit. When costs equal benefits, the accuracy of the many assumptions become critical because cost overruns are borne by non-participating as well as participating customers.

The equipment now being used for the Advanced Energy Management program is manufactured by a company that is one-third owned by the Southern Company. Each Advanced Energy Management installation is expected to cost \$750. The participating Advanced Energy Management customer pays \$450, which is amortized over 20 years. Gulf proposes that the remaining \$300 be collected from all customers through the energy conservation cost recovery (ECCR) clause.

Gulf conducted a two year experiment with the Advanced Energy Management system in Gulf Breeze, Florida. This is a somewhat upscale community on Highway 98 across the bay from Pensacola. The community is surrounded by water. Customers were selected on a volunteer basis, which introduces some unknown bias in the experiment. The experiment consisted of three set cost periods, plus a fourth very high cost period based on system capacity shortfalls. Rates were below the average rate in the P1 and P2 off-peak periods and above the system average in the P3 shoulder load period and the P4 capacity shortfall period. With Advanced Energy Management, the customer can set major appliances, such as the water heater, air-conditioning, heating, or pool pump to be automatically curtailed as prices increase. The curtailment signal is sent through the house wiring relays controlling each appliance. Peak period P4 prices were in effect for 53 hours in 1992 and 64 hours in 1993, or about one percent of the year. Based on this experiment, Gulf assumed a 2.0 kW savings per participating customer that results in a benefit/cost ration of 1.03 to 1.0.

Gulf also filed an analysis of direct load control (DLC) in its program filing as required by Order No. PSC-94-1486-FOF-EG. Since Gulf had no experience in DLC, it modelled a DLC program after Tampa Electric Company's (TECO's) filing using the data and assumptions utilized by TECO in the conservation goals docket. The pertinent assumptions were the installation costs, \$396/customer, and peak load reduction, 1.22 kW. Gulf concluded that a DLC program was not cost effective for controlling summer loads. Since Advanced Energy Management and DLC control virtually the same appliances, staff questions why the per customer demand reductions

would not be similar for both Advanced Energy Management and a less costly DLC program. Staff believes Gulf may be able to achieve the same results in a less costly manner.

Despite staff's reservations, we believe that utilities should be given flexibility to determine what programs they wish to implement. Since the program is cost effective based on Gulf's assumptions and since Gulf is projecting Advanced Energy Management to account for approximately 75% of its summer and 103% of its winter residential demand goal, we approve Gulf's program. We instruct staff, however, to scrutinize this program in evaluating its cost effectiveness and the kW and kWh savings it achieves.

GREEN PRICING

Gulf's Project Share program generates approximately \$100,000 annually through a bill check-off system to pay the electric bill of needy families. Gulf stated that it can implement a similar check-off system for the Solar for Schools Pilot Program. For each installation Gulf will provide \$35,000 towards the program, which will supplement the dollars needed for the installation of the solar equipment at each participating school.

Gulf will also continue to work with the Florida Solar Energy Industries Association to promote solar energy in Gulf's service territory. In addition, Gulf has a memorandum of understanding with the Florida Department of Community Affairs (DCA) that establishes a collaborative effort with DCA to identify and pursue actions necessary to ensure sustainability of cost effective solar programs which meet Gulf's and DCA's common objectives.

We approve Gulf's green pricing administrative program costs that will be subject to ongoing review in the ECCR clause. These costs will be separately identified as a line item in Gulf's ECCR filings.

LOW INCOME

Gulf presently has in effect a check-off procedure on the customer's utility bill wherein the customer can donate money for needy families to pay their electric bills. Gulf acts as a conduit for the money and distributes all monies received directly to the Salvation Army. Approximately, \$100,000 per year is received through this program.

In addition Gulf plans to (1) offer targeted energy education programs and literature to assist low income customers in energy conservation, (2) strengthen the relationship between Gulf and low income service providers, (3) promote Gulf's free services (such as energy audits) through the low income service providers, (4) continue to be responsive to the individual needs of customers and (5) match participant lists with geodemographic database information. The correlation between energy use and household income for Gulf's customers is similar to that discussed in issue 1 for FPL.

GOAL ACHIEVEMENT ISSUES

A. Tampa Electric Company

FEECA mandates the Commission to adopt conservation goals, and requires each utility to develop plans and programs to meet the overall goals within its service area. Only savings from programs identified in a utility's DSM plan should count toward that utility's goals. In the description of its Commercial/Industrial Load Management program TECO states:

Incrementally, customers who qualify and select service under the IS interruptible rates over participation in the C/I Load Management program, will be counted toward the summer and winter commercial MW goals under this program.

Pursuant to the stipulation in TECO's last rate case, recovery of TECO's IS rate credit was not allowed through the ECCR clause, and the IS rate is therefore not a program. In TECO's goal setting docket, (930551-EG) no potential savings from its interruptible rate customers was identified and included in its goals. Nonetheless, TECO has requested that savings from a non-DSM program be counted toward its C/I goal.

We deny TECO's request because only savings from programs identified in a utility's commission approved DSM plan will count toward that utility's goals.

B. Florida Power Corporation

FPC has requested approval to allow up to 15% of any excess savings in the residential market segment to be applied to the commercial/industrial market segment, or vice versa, to insure goal achievement in both market segments. A decision on this issue is

premature because FPC projects that it will achieve both its residential and commercial/industrial goals. Therefore, we decline to make a determination on this issue at this time.

OTHER ISSUES

A. Detailed program participation standards:

Florida Power and Light Company, Florida Power Corporation, Gulf Power Company, and Tampa Electric Company shall file program participation standards within 60 days of the issuance of this Order.

Each utility's program standards shall clearly state the Company's requirements for participation in the programs, customer eligibility requirements, details on how rebates or incentives will be processed, technical specifications on equipment eligibility, and necessary reporting requirements. Staff shall administratively approve these program participation standards if they conform to the description of the programs contained in each utility's DSM plan.

B. Effective date:

The tariff revisions corresponding to the DSM programs approved by this Order shall become effective the date the order becomes final.

C. Workshop:

Our staff has indicated its concerns over the competitive relationship between the electric and gas industry and the effect of commercial/industrial conservation programs on competition between the industries. Staff will conduct a workshop on September 5, 1995, with both the gas and electric industries participating, to gather information regarding staff's concerns.

Based on the foregoing, it is, therefore,

ORDERED by the Florida Public Service Commission that Florida Power and Light Company's Demand-Side Management plan is approved as discussed in the Order above with the exception of Florida Power and Light Company's C/I Load Control program which will be considered for approval at a later date. It is further

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ORDERED that Florida Power Corporation's Demand-Side Management plan is approved as discussed in the Order above. It is further

ORDERED that Tampa Electric Company's Demand-Side Management plan is approved as discussed in the Order above. It is further

ORDERED that Gulf Power Company's Demand-Side Management plan is approved as discussed in the Order above. It is further

ORDERED that Tampa Electric Company will not be permitted to count savings from incremental IS customers toward its C/I goals. It is further

ORDERED that no decision will be made at this time on whether Florida Power Corporation will be permitted to count demand and energy savings from one market segment towards the goals of another market segment. It is further

ORDERED that Florida Power and Light Company, Florida Power Corporation, Tampa Electric Company and Gulf Power Company shall file program participation standards within 60 days of the issuance of this Order and that these standards will be administratively approved. It is further

ORDERED that Florida Power and Light Company, Florida Power Corporation, Tampa Electric Company and Gulf Power Company shall each file an updated monitoring plan identifying the specific approaches implemented for each program within 180 days of the issuance of this Order. It is further

ORDERED that the tariff revisions associated with the DSM program discussed in this Order will become effective the date this Order becomes final. It is further

ORDERED that Docket Nos. 941171-EG, 941172-EG and 941173-EG shall be closed unless an appropriate petition for formal proceedings 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 Review. It is further

ORDERED that Docket No. 941170-EG shall remain open pending Commission vote on staff's recommendation on the issue of whether Florida Power and Light Company's Commercial/Industrial load control programs are approved for cost-recovery. It is further

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ORDERED that this Order shall become final and effective unless an appropriate petition for formal proceedings 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 Review.

By ORDER of the Florida Public Service Commission, this 9th day of June, 1995.

BLANCA S. BAYÓ, Director
Division of Records and Reporting

by: Kay Flynn
KAY FLYNN, Bureau Chief

(S E A L)

MAP

DISSENT: Commissioner Deason and Commissioner Garcia dissent from the Commission's decision to refrain from deciding whether Florida Power Corporation should be permitted to count demand and energy savings from one market segment towards the goals of another market segment.

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 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, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on June 30, 1995.

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 substantially 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.

ATTACHMENT 1 - FPL

NOTE: All programs in Attachment 1 contribute toward FPL's goals, and the costs are to be recovered through the ECCR clause. The Cogeneration & Small Power Production program, however, will not contribute toward FPL's goals.

RESIDENTIAL PROGRAMS - FPL

Conservation Service Audit: This program provides a free walk through energy audit, a computer generated Class A audit, and a customer assisted energy audit. Program serves as a vehicle to introduce customers to FPL's conservation incentive DSM programs.

Building Envelope Program: The objective of this program is to encourage the installation of: ceiling insulation up to R-30, window treatments such as solar film, and high efficiency replacement windows. Incentives range from \$346 to \$348 per kw.

Duct System Testing and Repair: The objective of this program is identification and repair of air leaks in air conditioning duct systems. FPL is petitioning to discontinue the HELP program which was previously combined with the duct program because it is not cost-effective. This program consists of low cost conservation measures such as weatherstripping and water heater tank wraps.

Air Conditioning Program: The objective of this program is to induce customers to purchase higher Seasonal Energy Efficiency Ratio (SEER) central heat pumps, central air conditioning equipment, and window/wall units. Incentives range from \$336 to \$384 per kw.

Load Management Program: The objective of this program is to install direct load control equipment on central air conditioners, central electric space heaters, electric water heaters, and swimming pool pumps. Monthly incentives are \$6.00 to \$9.00 for air conditioners, \$2.00 to \$4.00 for electric space heaters, \$3.50 for water heaters, and \$3.50 for swimming pool pumps.

Heat Recovery Water Heating: The objective of this program is to encourage customers to purchase heat recovery units. Solar water heaters are proposed to be phased out of this program and treated as a research and development project. Incentives will average \$509.00 per summer kW.

COMMERCIAL/INDUSTRIAL PROGRAMS - FPL

Business Energy Evaluation: The objective of this program is to identify opportunities for demand and energy reduction in commercial and industrial facilities. Program offers free walk-through evaluations, with cost sharing for more complex evaluations.

Building Envelope: The objective of this program is to encourage customers to increase the efficiency of buildings through the installation of cost-effective high-efficiency building envelope measures such as window treatments and roof/ceiling insulation. Incentives will be capped an average incentive of \$483.00 kw.

Efficient Lighting: The objective of this program is to encourage customers to install cost-effective replacement lighting measures. Incentives range from \$20.00 to \$250.00 per kw.

Efficient Motors: The objective of this program is to encourage customers to install high efficiency three phase motors rather than standard efficiency motors. Incentives average \$250.00 per kw.

Off Peak Battery Charging Program: The objective of this program is to encourage the installation of control systems that will restrict a customer's battery charging of golf carts, electric vehicles, or material handling equipment to off-peak periods. Incentives will not exceed \$57 per kw.

Heating, Ventilating, and Air Conditioning: Program combines the following four previously approved programs; Water Cooler Chiller Retrofit, C/I Thermal Energy Storage, Air Cooled Chiller Enhancement, and High Efficiency DX HVAC. Program provides various levels of incentives to encourage the installation of high efficiency HVAC equipment.

Business Custom Incentive: Program encourages the implementation of unique energy conservation measures or projects not covered by other FPL programs to reduce or shift demand to off-peak periods. FPL proposes to eliminate the current incentive cap of \$250.00 per kw and determine rebates based on a case-by-case analysis using the RIM cost-effectiveness test

C/I Load Control: Program is designed to reduce peak demand by allowing FPL to directly control or switch load to the customer's standby generator for loads 200 kw or greater. Incentive is a discounted rate from the firm rate. This program has not been approved as staff is still analyzing the tariff sheets and evaluating program cost-effectiveness. A separate recommendation will be filed.

General Service Load Management: The objective of this program is to install load control equipment on Direct Expansion (DX) central air conditioners. Monthly incentives are \$2.00 per ton of air conditioning equipment controlled.

RESEARCH & DEVELOPMENT PROJECTS - FPL

The following are active research projects, including their original expenditure caps as previously approved by the Commission:

Hot Water Storage-evaluate kw and kwh impacts of heating water in off peak periods. (\$225,000)

Residential Thermal Energy Storage-determine technical feasibility of producing ice during off-peak which is used for air conditioning. (\$413,400)

Residential New Home Construction-identify and investigate cost-effective activities which exceed Florida's building code. (\$5,900,000)

C/I Dehumidification-evaluate the demand and energy impacts of recent federal standards increasing the outside air requirement for ventilation. (\$750,000)

The following are proposed research projects, including proposed expenditure caps:

Residential Heat Pump Water Heating-establish actual kw and kwh savings, and evaluate current reliability of the improved heat pump technology. (\$456,660)

Demand Load Control Trial Project-trial project applying to 120 middle to large commercial/industrial customers. Monthly incentives are \$1.00 kw for process control, and \$2.00 per ton of air conditioning load. (\$566,000)

Cool Communities-Dade county has been selected by American Forests and the DOE to evaluate the impact of strategic tree planting and surface color lightening on energy consumption. (\$550,000)

Residential Solar Water Heating-FPL will provide up to 100 installations to identify technology improvements and market segments which could potentially help the program pass a RIM test. If the results fail to meet any of FPL's criteria, the research project will be discontinued with no further ECCR funding. (\$789,200)

Conservation Research and Development Program: This program is intended to serve as an umbrella program to research developing technologies for possible inclusion in future DSM programs. If and when research on a particular technology progresses to the point that a trial project is warranted, the company will petition the Commission separately for approval of that trial project. FPL is requesting approval for a three year period with a cumulative spending cap of \$3,600,000.

Florida Coordinating Group (FCG) Research: DSM measures categorized by the Commission as R&D in the goals hearing are being evaluated by the FCG Energy Conservation Committee with participation and funding from other electric utilities. (\$50,000)

OTHER PROGRAMS - FPL

Green Pricing: Customers voluntary contribute to a fund used to purchase renewable generating technologies. FPL will purchase photovoltaic modules to be located at powerplants or substations.

Cogeneration & Small Power Production: The objective of this program is to identify and encourage cost-effective qualifying facility projects, and assist customers in the evaluation of potential cogeneration and self generation applications. (\$1,084,000 per year).

ATTACHMENT 2 - FPC

NOTE: All programs in Attachment 3 contribute toward FPC's goals, and the costs are to be recovered through the ECCR clause, except as follows. The C/I interruptible, curtailable service, and cogeneration programs do not count toward goals, however, costs for existing participants are recovered through ECCR.

RESIDENTIAL PROGRAMS - FPC

Home Energy Check: Energy audit program that serves as foundation for all other DSM programs for residential customers. Company auditor examines home and makes recommendations on low-cost or no-cost energy-saving practices and measures. Level 1 audit is a "do-it-yourself" mail-in audit performed by the customer. Level 2 audit is a free walk-through inspection performed by an auditor; Level 3 audit is a paid (\$15) walk-through energy analysis performed by an auditor. This program is a consolidation of the previous Home Energy Check and Home Energy Analysis programs.

Home Energy Improvement: Umbrella efficiency program for existing homes. Combines thermal envelope efficiency improvements with upgraded equipment and appliances. Promotes energy-efficiency measures described below:

Ceiling Insulation Upgrade: Encourages customers who have electric space heat to add ceiling insulation. FPC pays portion of the installed cost. Specific incentive amount based on increase in insulation amount above a maximum of R-12, with maximum incentive amount of \$100 per customer.

Duct Leakage Test and Repair: Promotes energy efficiency through improved duct system sealing. Program helps identify and reduce energy loss by measuring air leakage rate through the central duct system under controlled pressurization. Customer must have electric heating and centrally-ducted cooling system to participate; building must be capable of being pressurized. FPC pays incentive of up to \$25 per unit for duct leakage test; maximum of \$100 per unit is paid for duct repair.

High Efficiency Electric Heat Pumps: Pays financial incentive, not exceeding \$300 per unit, for purchase of high-efficiency electric heat pumps. Specific incentive based on minimum heating and/or cooling efficiency levels. Indoor air handler and outdoor condenser must both be replaced to qualify for this rebate.

High-Efficiency Alternate Electric Water Heating: Promotes installation of high-efficiency alternative electric water heating equipment. Provides incentive of up to \$100 for each heat recovery unit and up to \$200 per unit for each dedicated heat pump water heater unit.

FPC encourages the adoption of several energy-efficiency measures through a supplemental incentive bonus up to \$50. Incentive is paid to a participant in FPC's high efficiency electric heat pump program who also implements the ceiling insulation upgrade, duct leakage repair, or both, within 90 days.

Home Energy Improvement program offers two financing options in lieu of rebates mentioned above: interest-free installment billing over a 12 month period (amount not to exceed \$500), and financing assistance through participating financial institutions and/or Federal programs.

Residential New Construction: Promotes energy-efficient new home construction. Provides more efficient cooling and heating consumption with improved comfort. Provides information, education, and advice to home builders and contractors on energy-related issues and efficiency measures. Promotes energy-efficient electric heat pumps and alternate electric water heating units with incentives that are identical to those offered in the Home Energy Improvement program for existing homes.

Residential Energy Management: Direct load control program that allows FPC to reduce peak demand. At its option, during peak periods, FPC can interrupt electric service to water heaters, central electric heating and/or cooling systems, or swimming pool pumps. Participation and incentives limited to customers who use at least 600 kWh per month. Customers receive monthly bill credit which is dependent on the interruption schedule and the devices subject to interruption. Maximum incentive is \$3 under Schedule A, \$13 under Schedule B, and \$6 under Schedule C.

COMMERCIAL/INDUSTRIAL PROGRAMS - FPC

Business Energy Check: Energy audit program that serves as foundation for all other DSM programs for existing C/I customers. Company auditor examines lighting, building envelope, HVAC system, and water heating system. Level 1 audit is a free walk-through inspection; Level 2 audit is a paid walk-through energy analysis whose cost is based on facility's average monthly energy use.

Better Business: Umbrella efficiency program for existing C/I buildings. Provides information, education, and advice on energy-related issues and efficiency measures. Promotes energy-efficiency measures described below:

Interior Lighting: Promotes installation of energy-efficient lighting fixtures. Utility conducts a lighting audit, provides information to the customer, and pays an incentive not exceeding \$50 per kW reduced. Baseline for calculating incentives premised on the minimum efficiency level allowable by federal EPCAct laws and the Florida Building Code.

HVAC Equipment: Pays financial incentive, not to exceed \$100 per kW reduced, for the purchase of high-efficiency HVAC equipment such as packaged terminal heat pumps, water-cooled and air-cooled chillers, and unitary heat pumps and air conditioners. Baseline for calculating incentives premised on ARI Standard Test Rating Conditions.

Motors: Promotes installation of high-efficiency poly-phase motors. Incentives paid according to motor size on a per-horsepower basis, with larger motors receiving up to \$2 per horsepower.

Heat Recovery Units: Promotes installation of heat recovery units for domestic water heating applications. Provides incentives based on peak kW demand, up to a maximum of \$100 per kW reduced.

Roof Insulation Upgrade: Encourages customers who have electric space heat to add roof insulation. FPC pays portion of the installed cost. Eligibility based on demonstration that additional insulation results in heating and/or cooling use reductions. Specific incentive amount based on increase in insulation amount above a maximum of R-12, with maximum incentive amount of \$100 per customer.

Duct Leakage Test and Repair: Promotes energy efficiency through improved duct system sealing. Program helps identify and reduce energy loss by measuring air leakage rate through the central duct system under controlled pressurization. Customer must have electric heating and centrally-ducted cooling system to participate; building must be capable of being pressurized. FPC pays incentive of up to \$25 per unit for duct leakage test; maximum of \$100 per unit is paid for duct repair.

Window Film: Provides incentive for a customer to install window film having a shading coefficient of 0.45 or less on an existing window with a shading coefficient of 0.84 or greater. Incentive paid on a per-square foot of installed film basis; maximum incentive is \$125 per customer. Facilities with multiple guest rooms (hotels, hospitals, etc.) are eligible for maximum incentive of \$50 per room.

The Better Business program also offers two financing options in lieu of incentives mentioned above: interest-free installment billing over a 12 month period (amount not to exceed \$500), and financing assistance through participating financial institutions and/or Federal programs.

C/I New Construction: Umbrella efficiency program for new C/I buildings. Provides information, education, and advice on energy-related issues and efficiency measures. Promotes energy-efficient HVAC equipment, motors, heat recovery units, and duct leakage test and repair. Incentive levels are nearly identical to those offered in the Better Business program (for existing buildings).

Energy Monitor: Provides consulting services to improve the O&M of building and process systems. FPC tailors its services to the needs of its C/I customer. No incentives are paid under this program. Rather, FPC charges a fee for four types of services: energy accounting, load monitoring, commissioning assistance, and energy project assistance. Program impacts will be site-specific.

Innovation Incentive: Catch-all program that subsidizes energy efficiency measures and equipment, resulting in substantial demand and energy savings. Encompasses measures not otherwise addressed by other DSM programs. To be eligible, projects must reduce or shift a minimum of 10 kW. Rebates based on the application's cost-effectiveness and will be limited to \$150 per kW reduced or shifted. Cost-effectiveness is evaluated on a case-by-case basis, and only those projects that are cost-effective (1.0 RIM) will be approved by FPC.

Commercial Energy Management: Direct load control program that reduces FPC's demand during peak or emergency conditions. Offered under the GSLM-2 tariff, energy management is available to all C/I customers with the GS-1, GST-1, GSD-1, and GSDD-1 tariffs. Program allows FPC to interrupt electric service to water heaters, central electric heating and/or cooling systems, or swimming pool pumps. Customers receive a monthly bill credit which is dependent on the interruption schedule and the devices subject to interruption. Maximum incentive is \$0.26/kW under Schedule A and \$0.56/kW under Schedule B.

Standby Generation: Demand control program that reduces FPC's demand based on indirect control of customer equipment. Different from the Energy Management program in that FPC will have no direct control of customer equipment. Offered under the GSLM-2 tariff, the program is available to all C/I and agricultural customers who have on-site generation and are willing to use this generation to reduce their demand on FPC's system at times when FPC deems it necessary. Monthly bill credit based on the customer's demonstrated ability to reduce its demand at FPC's request.

Interruptible Service: Direct load control program that reduces FPC's demand during peak or emergency conditions. Offered under the IS-1 and IST-1 tariffs, interruptible service is available to any non-residential customer willing to have their power interrupted. Monthly demand credit paid to customer based on level of billing demand.

Curtable Service: Direct load control program that reduces FPC's demand during peak or emergency conditions. Offered under the CS-1 and CST-1 tariffs, curtable service is available to any non-residential customer willing to have their power curtailed. The maximum demand curtailed will not exceed either 25 kW or 25% of the customer's average annual billing demand. Monthly demand credit paid to customer based on level of curtable demand.

OTHER PROGRAMS - FPC

Technology Development Program: Program under which FPC will undertake certain development and demonstration projects which have promise to become cost effective conservation programs. Examples of potential projects include amorphous core transmission and distribution transformers, indoor air quality measures, thermal energy storage technologies, innovative metering techniques, and measures identified as research and development in the Conservation Goals Docket. FPC will provide a final report on each demonstration project or file and offer a permanent conservation program for each program investigated. Program expenses will not exceed \$800,000 annually.

Cogeneration: The objective of this program is to identify and encourage cost-effective qualifying facility projects and administer the power sales agreements between the utility and qualifying facilities.

ATTACHMENT 3 - TECO

NOTE: All programs in Attachment 5 contribute toward TECO's goals, and the costs are to be recovered through the ECCR clause. The Home Builder Awareness, Commercial Measures Research & Development, and Cogeneration programs, however, will not contribute towards TECO's goals.

RESIDENTIAL PROGRAMS - TECO

Alternate Audit (Free): Free walk-through audit offered to all residential customers. This program is designed to save demand and energy by increasing customer awareness of available conservation measures which can reduce their energy use.

Mail-In Energy Audit: Customers are supplied with an energy data collection form which the customer completes and returns for analysis. Energy conservation recommendations are made based on form responses. There is no charge to the customer.

Residential Conservation Service (RCS) Audit: Comprehensive energy audit where specific data on the structure of the residence and the customer's lifestyle is collected. The data is then entered into a computer program which calculates installation cost, investment payback period and estimated energy savings of available conservation programs. The charge for the audit is \$15.00.

Ceiling Insulation: Program to reduce demand and energy by decreasing the load on residential air conditioning and heating equipment. Customers must add a minimum of R-11 insulation in order to qualify for the incentive of \$100.00 in the form of a certificate which the customers may apply to the total cost of installing ceiling insulation.

Duct Repair: This program identifies demand and energy savings opportunities in HVAC equipment by inspecting air distribution system losses with a blower door test. The customer receives an assessment of any problems discovered during the inspection and, will receive a certificate equal to 75 percent of the total repair up to a maximum of \$200 to be used towards repairs performed by an approved HVAC contractor. The cost to the customer for the blower door test will be \$25.

Heating and Cooling: This targets reducing the rate of growth in peak demand (particularly winter) and energy in the company's service area by increasing the saturation of high efficiency heat pumps and/or central air conditioning (without oil or resistance heat) in single family dwellings. An incentive of \$75 per

qualifying unit is paid to participating dealers. The customer receives \$350 for a unit with an SEER of 11.0, and \$750 for a unit with an SEER of 13.0.

Prime Time Load Management: Prime Time is a residential load management program designed to control summer and winter peak demand loads. Certain selected appliances such as air conditioners, water heaters and pool pumps are controlled by a radio signal from TECO's system dispatchers. Except during emergencies, appliances are only interrupted during peak hours. Participants receive a monthly credit on their electric bill based on the appliances selected for load control and the type of interruption. The credit for central heating and cooling appliances is \$12.00 per month for a continuous 3-hour interruption and \$6.00 per month for summer cycle interruption. Hot water heaters and swimming pool pumps are \$4.00 and \$3.00 per month, respectively.

COMMERCIAL/INDUSTRIAL PROGRAMS (TECO)

C/I Audit-Free: A conservation program designed to reduce demand and energy consumption by increasing customer awareness of energy use in their facilities. Recommendations are based on the replacement of less efficient equipment and systems or modifications to operations to enhance the customer's overall efficiency. Recommendations are primarily standardized and encourage the customer to implement measures that, if cost-effective, move the customer beyond the efficiency level typically installed in the marketplace. C/I customers on firm rates are eligible.

Mail-In C/I Audit: The customer is supplied with a data collection form which the customer completes and returns to TECO or its agent for analysis. Results are then submitted to the customer for review and implementation. There is no charge to the customer.

Comprehensive C/I Audit-Paid: A more detailed audit which may involve monitoring of specific equipment within a customer's facility to determine its electric usage with respect to time of operation. Based on the results, recommended changes to save energy on equipment and/or operation are made. Charges to the customer range from \$15.00 to \$75.00 depending on rate class.

Commercial Indoor Lighting: This incentive program for existing facilities is designed to encourage investment in more efficient fluorescent lighting technology within conditioned space. The customer receives a \$.16 per watt incentive by achieving a minimum of 1 KW in lighting reduction from any lighting source retrofitted with more efficient fluorescent lighting system (ballast and lamps).

C/I Load Management: Monthly credits are paid based on duration of interruption, for control of specified end-use equipment. Large loads, such as walk-in freezers, are interrupted for up to three hours, and Commercial air conditioning equipment is cycled during summer control periods. The credit for large loads interrupted up to three continuous hours is \$3.00/kW/month. Cycled air conditioning equipment is given a \$1.00/kW/month credit.

Commercial Standby Generator: Program designed to utilize the on-site generation of C/I facilities in order to reduce weather sensitive peak demand. Participating customers are given an hour notice to start their generators and arrange for orderly transfer of load. The standby generators are metered to determine the average portion of customer load served by the generators when called on by TECO. Participants receive a monthly credit of \$3.00 per kW.

Conservation Value: An incentive program designed to encourage investment in C/I measures which will substantially reduce or shift demand but which have limited application within the C/I sector and are consequently not covered under other conservation programs. To be approved, the measure must have a minimum summer and winter demand savings of 5 kw. The maximum incentive is \$225 per kw for measures which reduce summer peak only, \$150 per kw for measures which reduce winter peak only and \$275/kw for measures which reduce both.

OTHER PROGRAMS (TECO)

Home Builder Awareness: The objective of this program is to improve construction techniques used on air distribution systems (ADS) in new residential structures. The program will involve field demonstrations at construction sites, classroom instruction, and the evaluation of new construction techniques applied to residences and their ADS. A \$100 incentive will be offered to contractors to perform a blower door test and repair any ADS leakage found in the builder's model homes. TECO is requesting approval for three years with costs estimated at \$22,000 per year, however total costs will not exceed \$66,000.

Commercial Measures Research & Development: This program will 1) Continue the field efficiency testing portion of the DSM R&D program which is scheduled to end May 1995. This program allowed TECO to collect and analyze data of commercial DSM measures; 2) Fund TECO participation in the Energy Technology Assessment Committee (ETAC) of the FCG; and 3) Fund the planned evaluation of the measures designated as R&D by the Commission in Docket No. 930551-EG. Program costs are estimated at \$150,000 per year. TECO has requested a five year period with continuation based on annual review of results by the Commission.

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Cogeneration: Program to encourage cogeneration by providing assistance to commercial/industrial customers in the development of cost effective cogeneration alternatives to help meet and offset base load energy and peak load demands.

ATTACHMENT 4 - Gulf

NOTE: All programs in Attachment 7 contribute toward Gulf's goals, and the costs are to be recovered through the ECCR clause, except as follows. The C/I Real Time Pricing Pilot program will count toward goals, however, costs will not be recovered through ECCR pursuant to Commission order.

RESIDENTIAL PROGRAMS - Gulf

Advanced Energy Management Program: The AEM system allows the customer to control more precisely the amount of electricity purchased for various selected loads within the house whether it be heating, cooling water heating or other. The various components of the AEM system installed in the customer's home, as well as the components installed at Gulf, provide constant communication between customer and utility. The AEM is based upon three set cost periods, plus a fourth very high cost period based on system capacity shortfalls (P1, P2, P3 & P4). Rates are below the average rate in the P1 and P2 off-peak periods and above the system average in the P3 shoulder load period and the P4 capacity shortfall period. In times of extreme peak load conditions the AEM system allows a critical price signal communication from Gulf to the customer's premise at least a half hour before the highest rate goes into effect. The customer's thermostat and relay system can be programmed to react to these price signals.

In Concert With The Environment: The objective of this program is to make 8th and 9th grade science students, in Gulf's service area, aware of how everyday energy use impacts the environment and how using energy wisely increases environmental quality. Program materials include a video, an introductory presentation to launch student participation, complete lesson plans, an energy survey, and student handbooks. Participants in the program become energy experts in three easy steps. First, students become energy investigators, seeking real life data on their homes and family transportation and recycling habits. Next, they analyze the information through a sophisticated, "hands-on" software program that generates a personal plan using graphs to illustrate energy savings and environmental benefits on each student's research. Finally, students become energy experts by discussing the material in class and presenting their plans for saving energy and preserving natural resources to their families.

Duct Leakage Repair: The objective of the Duct Leakage Program is to provide Gulf's customers a means to identify house air duct leakage and recommend repairs that can reduce customer kWh energy usage and kW demand.

Good Cents Environmental Home Program: The objective of the Good Cents Environmental Home Program is to provide Gulf's customers with guidance concerning energy and environmental efficiency in new construction. The program promotes energy-efficient and environmentally sensitive home construction techniques by evaluating over 500 components in six categories of design and construction practices. The categories are: 1) Energy Efficiency, 2) Building Design, 3) Construction Practices, 4) Building Materials, 5) Water Efficiency, and 6) Ecological Planning. The Good Cents Environmental Home will need to meet standards that exceed the present building codes.

Residential Geothermal Heat Pump Program: The objective of the Geothermal Heat Pump Program is to reduce the demand and energy requirements of new and existing residential customers through the promotion and installation of advanced and emerging geothermal systems. Standard air source heat pumps utilize the outside air to provide the heat needed to make the system work while geothermal heat pumps utilize constant temperature water to provide the heat. The water is contained in a closed loop system of pipes that are buried beneath the earth in the yards of the customers homes.

COMMERCIAL/INDUSTRIAL PROGRAMS - Gulf

Real Time Pricing Pilot Program: This program was approved by the Commission in Order No. PSC-95-0256-FOF-EI, Docket No. 941102-EI dated February 23, 1995. Gulf's Real Time Pricing (RTP) Pilot Program provides large industrial/commercial customers with hourly kilowatt-hour energy prices. To be eligible for the RTP rate schedule, customers must have a maximum monthly demand of at least 2,000 kilowatts. Participation in the program is voluntary and is limited to a maximum of 12 customers.

RTP is a refinement of time-of-use (TOU) pricing, which has been in existence for many years. The purpose of TOU pricing is to encourage customers to shift usage from high cost on-peak hours to lower cost off-peak hours by setting prices that better reflect system cost during those periods. Under the RTP proposal, Gulf will transmit to customers by 4:00 P.M. a set of hourly prices that will be in effect for the following 24-hour period beginning at midnight. Customers then have an opportunity to take advantage of lower priced hours.

Good Cents Building: This program has been in effect for several years. What Gulf has done in this program filing is to modify the program to provide for increased standards for both HVAC efficiency and Thermal Envelope requirements above the Florida Energy Code. As in the past, the Good Cents standards for Gulf's average commercial building has been compared to the Florida Energy Code. One of the modifications to the present program is the addition of

a Prescriptive Envelope Option. In addition there are HVAC SEER specific efficiency requirements (A/C or Heat Pump) that exceed the Florida Building Code. Only incremental savings of the modified version of the Good Cents Building Program over the existing Good Cents Building Program are being included towards Gulf's goal achievements.

Energy Efficiency Services Program: This program is designed to offer advanced energy services to customers which would include comprehensive audits, design, construction and financing of energy conservation projects. The types of projects covered under this program would be demand reduction or efficiency improvement retrofits having a payback of no longer than ten years, such as lighting, HVAC retrofit and new technologies. The audit portion would be recovered through ECCR under Gulf's existing audit program. After that point the customer would be charged with the cost associated with the design and financing of the project. This program is limited to customers with a minimum of 500 kW demand. All costs associated with the energy efficiency project will be financed by Gulf and repayment of the loans will be based on the energy savings attained through the project. Gulf will bill the customer for the repayment monthly on the customer's electric bill.

OTHER PROGRAMS - Gulf

The Efficiency Store - Residential Energy Education: & Commercial Technology Demonstration: The objective of the Efficiency Store is to display and demonstrate those technologies that are designed to promote energy efficiency. The store will combine an Energy Education area with a Commercial Technology Demonstration area, customer bill-payment area, district marketing employee offices, an auditorium and a retail sales area. The design of the Energy Education area of the store allows display of full scale examples of actual wall sections, roof trusses and efficient HVAC equipment so that customers will be encouraged to repair their existing homes and to replace existing less energy efficient equipment. Gulf energy consultants will be on site to demonstrate energy saving technologies and equipment such as a leaking duct system along side a tight duct system will be available for a "hands-on" demonstration. Customers that are building new homes will be able to bring their plans in to have the energy consultants review and enter into a computer program which will let the customer know whether their new home meets the State of Florida's requirements for energy conservation.

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The Commercial Technology Demonstration portion of the Efficiency Store will be available to show both new technologies as well as technologies already available for energy conservation. Technologies for demonstrations will include, but are not limited to, lighting, space conditioning, ventilation, cooking, heat recovery, water heating and renewable energy sources.