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DIVISION OF APPEALS
DAVID E. SMITH
DIRECTOR
(850) 413-6245

Public Service Commission

January 20, 1998

Mr. Carroll Webb
Joint Administrative Procedures
Committee
120 Holland Building
Tallahassee, Florida 32399

Re: Docket No. ~~971026-EU~~ - Proposed Amendments to Rule 25-17.006, F.A.C., Electric Utility System Conservation End Use Data

Dear Mr. Webb:

Enclosed are an original and two copies of the following materials concerning the above referenced proposed rule:

1. A copy of the rule.
2. A copy of the F.A.W. notice.
3. A statement of facts and circumstances justifying the proposed rule.
4. A federal standards statement.
5. No statement of estimated regulatory costs was prepared.

If there are any questions with respect to this rule, please do not hesitate to call on me.

Sincerely,

Mary Anne Helton
Associate General Counsel

ADM17006.MRD

1 Enclosures

cc: Division of Records & Reporting

DOCUMENT NUMBER-DATE

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1 25 17.006 Electric Utility System Conservation End Use Data

2 (1) PURPOSE: The purpose of this rule is to provide for
3 the periodic submission of certain conservation information and
4 other related information to the Commission. Applications of
5 this rule include:

6 (a) Gathering information to review and revise conservation
7 goals pursuant to Rule 25-17.0021, F.A.C.;

8 (b) Gathering information to estimate the potential
9 kilowatt hour (KWH) and kilowatt demand (KW) savings achievable
10 through various conservation measures and conservation
11 technologies; and

12 (c) Gathering information to enable the Commission to
13 analyze conservation alternatives to mitigate the need to
14 construct new power plants in Florida.

15 (2) APPLICABILITY: This rule shall apply to all electric
16 utilities that fall under the definition of "utility" in Section
17 366.82(1), Florida Statutes.

18 (3) SURVEY YEAR: In order to accomplish the purpose of
19 this rule, starting with calendar year 1998 and every four years
20 thereafter, 1,350 residential customer accounts throughout
21 Florida shall be surveyed to collect information on appliance
22 stock, housing characteristics, household demographic
23 characteristics, and twelve months of kilowatt hour billing
24 history.

25 (4) METHODOLOGY: For the purposes of obtaining the data

CODING: Words underlined are additions; words in
~~struck through~~ type are deletions from existing law.

1 described in subsection (3), each utility shall interview its
2 proportionate share of residential customers to yield a total of
3 1,350 usable, complete observations for the state.

4 (a) By November 1st prior to the survey year each utility
5 shall provide to the Director of the Division of Electric and Gas
6 its total number of residential customers of record as of June
7 30th prior to the survey year.

8 (b) By January 15 of the survey year the Director of the
9 Division of Electric and Gas shall allocate the number of
10 customer accounts for which each utility must conduct a field
11 interview based on the information submitted pursuant to
12 paragraph (4) (a).

13 (5) By January 15th of the survey year, the Commission
14 shall prescribe the survey instrument each utility must use to
15 gather the information on appliance stocks, housing
16 characteristics, household demographic characteristics, and
17 twelve months of KWH billing history. Nothing in this paragraph
18 shall be construed to prohibit an electric utility from adding
19 additional questions to its own survey.

20 (6) Each utility shall draw a random sample of residential
21 customers who meet the following requirements:

22 (a) Customers must be customers of record as of July 1st of
23 the survey year.

24 (b) Customers must have been continuously billed during
25 each month of the 12-month period starting July 1st of the year

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1 prior to the survey year.

2 (c) Seasonal customers billed in accordance with paragraph
3 (6)(b) may be counted toward the required number of sample
4 customers.

5 (d) Each utility shall make at least four attempts to
6 arrange a survey interview with each customer drawn from its
7 random sample of customer accounts. Each utility must make
8 attempts to arrange survey interviews during evenings and
9 weekends. Evening and weekend field interviews shall be
10 conducted for those customers normally not available during
11 weekdays from 8:00 a.m. to 5:00 p.m. Only after four attempts to
12 arrange an interview have been made shall another customer be
13 drawn at random from the utility's list of customers.

14 (7) RESULTS: Each utility shall report the survey
15 information and billing history on each individual respondent to
16 the Commission on or before December 1st of the calendar year in
17 which the survey is conducted. This information shall be
18 reported such that no individual customer's identity can be
19 determined. The information reporting format shall be prescribed
20 by the Director of the Division of Electric and Gas prior to
21 April 1st of the survey year. The medium for reporting the
22 information shall be a three and one-half inch computer diskette
23 using an ASCII delimited database structure unless another medium
24 is approved in writing by the Director of the Division of
25 Electric and Gas.

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1 Specific Authority: 366.05(1), 350.127(2), F.S.
2 Law Implemented: 366.05(1), 366.82(2), F.S.
3 History: New 6/14/82, formerly 25-17.06, Amended 2/21/85,
4 9/7/87, 5/10/93, 3/7/94, _____.

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FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 971626-EU

RULE TITLE:

RULE NO.:

Electric Utility System Conservation 25-17.006

End Use Data

PURPOSE AND EFFECT: To reduce the survey sample size, to eliminate requirements that addressed the Florida Model Energy Efficiency Code, to acknowledge the recent legislative change to Section 366.82(1), Florida Statutes, and to clarify the requirements of the rule.

SUMMARY:

Subsection (1): Sets out the purpose of the rule.

Subsection (2): Sets out the applicability of the rule.

Subsection (3): Describes the survey year.

Subsection (4): Sets out the survey methodology.

Subsection (5): Describes the survey and Commission responsibilities.

Subsection (6): Prescribes the random sample requirements.

Subsection (7): Sets out the requirements for reporting the survey results.

SUMMARY OF STATEMENT OF ESTIMATED REGULATORY COST: No statement of estimated regulatory costs was prepared.

Any person who wishes to provide information regarding the statement of estimated regulatory costs, or to provide a proposal for a lower cost regulatory alternative must do so in writing

within 21 days of this notice.

SPECIFIC AUTHORITY: 366.05(1), 350.127(2), F.S.

LAW IMPLEMENTED: 366.05(1), 366.82, F.S.

WRITTEN COMMENTS OR SUGGESTIONS ON THE PROPOSED RULE MAY BE SUBMITTED TO THE FPSC, DIVISION OF RECORDS AND REPORTING, WITHIN 21 DAYS OF THE DATE OF THIS NOTICE FOR INCLUSION IN THE RECORD OF THE PROCEEDING.

HEARING: IF REQUESTED WITHIN 21 DAYS OF THE DATE OF THIS NOTICE, A HEARING WILL BE HELD AT THE TIME, DATE, AND PLACE SHOWN BELOW:

TIME AND DATE: 9:30 A.M., Monday, February 23, 1998

PLACE: Room 152, Betty Easley Conference Center, 4075 Esplanade Way, Tallahassee, Florida.

THE PERSON TO BE CONTACTED REGARDING THE PROPOSED RULE IS:

Director of Appeals, Florida Public Service Commission, 2540 Shumard Oak Blvd., Tallahassee, Florida 32399-0862.

THE FULL TEXT OF THE PROPOSED RULE IS:

Text has been substantially reorganized and reworded:

25-17.006 Electric Utility System Conservation End Use Data

(1) PURPOSE: The purpose of this rule is to provide for the periodic submission of certain conservation information and other related information to the Commission. Applications of this rule include:

(a) Gathering information to review and revise conservation goals pursuant to Rule 25-17.0021, F.A.C.;

(b) Gathering information to estimate the potential

kilowatt hour (KWH) and kilowatt demand (KW) savings achievable through various conservation measures and conservation technologies; and

(c) Gathering information to enable the Commission to analyze conservation alternatives to mitigate the need to construct new power plants in Florida.

(2) APPLICABILITY: This rule shall apply to all electric utilities that fall under the definition of "utility" in Section 366.82(1), Florida Statutes.

(3) SURVEY YEAR: In order to accomplish the purpose of this rule, starting with calendar year 1998 and every four years thereafter, 1,350 residential customer accounts throughout Florida shall be surveyed to collect information on appliance stock, housing characteristics, household demographic characteristics, and twelve months of kilowatt hour billing history.

(4) METHODOLOGY: For the purposes of obtaining the data described in subsection (3), each utility shall interview its proportionate share of residential customers to yield a total of 1,350 usable, complete observations for the state.

(a) By November 1st prior to the survey year each utility shall provide to the Director of the Division of Electric and Gas its total number of residential customers of record as of June 30th prior to the survey year.

(b) By January 15 of the survey year the Director of the

Division of Electric and Gas shall allocate the number of customer accounts for which each utility must conduct a field interview based on the information submitted pursuant to paragraph (4)(a).

(5) By January 15th of the survey year, the Commission shall prescribe the survey instrument each utility must use to gather the information on appliance stocks, housing characteristics, household demographic characteristics, and twelve months of KWH billing history. Nothing in this paragraph shall be construed to prohibit an electric utility from adding additional questions to its own survey.

(6) Each utility shall draw a random sample of residential customers who meet the following requirements:

(a) Customers must be customers of record as of July 1st of the survey year.

(b) Customers must have been continuously billed during each month of the 12-month period starting July 1st of the year prior to the survey year.

(c) Seasonal customers billed in accordance with paragraph (6)(b) may be counted toward the required number of sample customers.

(d) Each utility shall make at least four attempts to arrange a survey interview with each customer drawn from its random sample of customer accounts. Each utility must make attempts to arrange survey interviews during evenings and

weekends. Evening and weekend field interviews shall be conducted for those customers normally not available during weekdays from 8:00 a.m. to 5:00 p.m. Only after four attempts to arrange an interview have been made shall another customer be drawn at random from the utility's list of customers.

(7) RESULTS: Each utility shall report the survey information and billing history on each individual respondent to the Commission on or before December 1st of the calendar year in which the survey is conducted. This information shall be reported such that no individual customer's identity can be determined. The information reporting format shall be prescribed by the Director of the Division of Electric and Gas prior to April 1st of the survey year. The medium for reporting the information shall be a three and one-half inch computer diskette using an ASCII delimited database structure unless another medium is approved in writing by the Director of the Division of Electric and Gas.

Specific Authority: 366.05(1), 350.127(2), F.S.

Law Implemented: 366.05(1), 366.82~~(2)~~, F.S.

History: New 6/14/82, formerly 25-17.06, Amended 2/21/85, 9/7/87, 5/10/93, 3/7/94, _____.

NAME OF PERSON ORIGINATING PROPOSED RULE: Kenneth Dudley,
Division of Electric and Gas.

NAME OF SUPERVISOR OR PERSONS WHO APPROVED THE PROPOSED RULE:
Florida Public Service Commission.

DATE PROPOSED RULE APPROVED: January 6, 1998.

DATE NOTICE OF PROPOSED RULE DEVELOPMENT PUBLISHED IN FAW:

Volume 23, Number 44, October 31, 1997.

If any person decides to appeal any decision of the Commission with respect to any matter considered at the rulemaking hearing, if held, a record of the hearing is necessary. The appellant must ensure that a verbatim record, including testimony and evidence forming the basis of the appeal is made. The Commission usually makes a verbatim record of rulemaking hearings.

Any person requiring some accommodation at this hearing because of a physical impairment should call the Division of Records and Reporting at (850) 413-6770 at least five calendar days prior to the hearing. If you are hearing or speech impaired, please contact the Florida Public Service Commission using the Florida Relay Service, which can be reached at: 1-800-955-8771 (TDD).

**STATEMENT OF FACTS AND CIRCUMSTANCES
JUSTIFYING RULE**

The proposed amendments to Rule 25-17.006, Florida Administrative Code, substantially rewrite and reorganize the rule to make it easier to understand.

Rule 25-17.006, Florida Administrative Code, requires electric utilities to survey their customers to collect certain conservation information. Among the purposes of the existing version of the rule is "to monitor the effectiveness of the Florida Model Energy Efficiency Code, developed under s. 553.900, et seq., F.S. . . ." Rule 25-17.006(1)(c), Florida Administrative Code. Because the Commission does not monitor or enforce any building code standards, the proposed amendments remove this provision from the rule. The proposed amendments also strike subsection (3) from the current version of the rule, which was intended to measure the effectiveness of the thermal building code.

During the 1996 legislative session, the number of electric utilities required to comply with the "Florida Energy Efficiency and Conservation Act" (FEECA), Sections 366.80-366.85, Florida Statutes, was reduced. Accordingly, the applicability subsection of the rule must be modified to reflect this statutory change. The proposed amendments tie the applicability "to all electric utilities that fall under the definition of 'utility' in Section 366.82(1), Florida Statutes," instead of tying it to the amount of electric energy sales as in the current version of subsection (2) of the rule.

Under the current version of the rule, 1,350 customers in each of the four Florida climatic zones must be surveyed every four years. The proposed amendments reduce this number to 1,350 customers for the state as a whole. Due to the advent of personal computers and improved climatological data bases, a much smaller sample is necessary to achieve the same level of accuracy. Since the sample is substantially reduced by the proposed amendments, the length of the survey period is also reduced by four months. This will get the data to the Commission more quickly.

In addition, the proposed amendments specifically require a random sample be drawn from each utility's customer base. The proposed amendments also require utilities to make evening and weekend attempts to contact a selected customer to ensure a representative sample that includes customers who work full time during the week days.

STATEMENT ON FEDERAL STANDARDS

There is no federal standard on the same subject.