

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

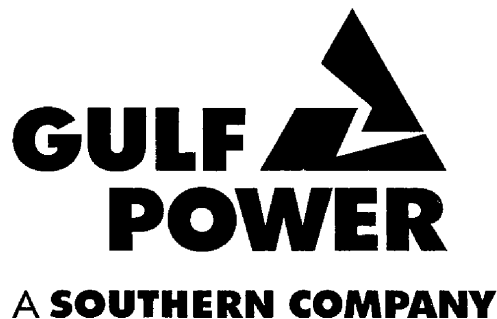
**ENERGY CONSERVATION COST  
RECOVERY CLAUSE**

**DOCKET NO. 030002-EG**

**PREPARED DIRECT TESTIMONY AND  
EXHIBIT OF  
ANGELA T. CARTER**

**Final True-up  
JANUARY - DECEMBER 2002**

**May 15, 2003**



FOR INFORMATION ONLY  
04343-03  
5.15.03

One Energy Place  
Pensacola, Florida 32520

Tel 950 444 6111



May 14, 2003

Ms. Blanca S. Bayo, Director  
Division of Records and Reporting  
Florida Public Service Commission  
101 East Gaines Street  
Tallahassee FL 32399-0870

Dear Ms. Bayo:

RE: Docket No. 020003-EG

Enclosed for official filing in the above docket are an original and ten (10) copies of Angela T. Carter's testimony.

Sincerely,

*Susan D. Ritenour (lw)*

Susan D. Ritenour  
Assistant Secretary and Assistant Treasurer

lw

Enclosures

cc: Beggs and Lane  
J. A. Stone, Esq.

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Conservation Cost Recovery )  
\_\_\_\_\_ )

Docket No. 030002-EG

Certificate of Service

I HEREBY CERTIFY that a true copy of the foregoing was furnished by hand delivery or the U. S. Mail this 14th day of May 2003 to the following:

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1 Gulf Power Company

2 Before the Florida Public Service Commission  
3 Prepared Direct Testimony and Exhibit of  
4 Angela T. Carter  
5 Docket No. 030002-EG  
6 May 15, 2003

7 Q. Will you please state your name, business address,  
8 employer and position?

9 A. My name is Angela T. Carter and my business address is  
10 One Energy Place, Pensacola, Florida 32520. I am  
11 employed by Gulf Power Company as the Economic  
12 Evaluation and Market Reporting Team Leader.

13 Q. Ms. Carter, please describe your educational background  
14 and business experience.

15 A. In 1983, I joined Gulf Power Company as a Customer  
16 Service Representative in the Customer Service  
17 Department. I graduated from Troy State University in  
18 Pensacola, Florida, in 1988 with a Bachelor of Science  
19 Degree having majored in Accounting and Business  
20 Administration. Since then, I have held various  
21 positions of increasing responsibility with Gulf Power  
22 in Tax Accounting, Auditing, Corporate Accounting and  
23 Customer Accounting. Currently, I am the Economic  
24 Evaluation and Market Reporting Team Leader.

25

1 Q. Ms. Carter, for what purpose are you appearing before  
2 this Commission today?

3 A. I am testifying before this Commission on behalf of Gulf  
4 Power Company regarding matters related to the Energy  
5 Conservation Cost Recovery Clause, specifically the  
6 approved programs and related expenses for  
7 January, 2002, through December, 2002.

8

9 Q. Are you familiar with the documents concerning the  
10 Energy Conservation Cost Recovery Clause and its related  
11 true-up and interest provisions?

12 A. Yes, I am.

13

14 Q. Have you verified, that to the best of your knowledge  
15 and belief, this information is correct?

16 A. Yes, I have.

17 Counsel: We ask that Ms. Carter's exhibit consisting of  
18 6 Schedules, CT-1 through CT-6, be marked for  
19 identification as:

20 Exhibit No. \_\_\_\_ (ATC-1)

21

22 Q. Would you summarize for this Commission the deviations  
23 resulting from the actual expenditures for this recovery  
24 period and the original estimates of expenses?

25 A. The estimated/actual true-up net expenses for the entire

1 recovery period January, 2002, through December, 2002,  
2 were \$5,392,222, while the actual costs were \$5,219,619  
3 resulting in a variance of \$172,603 or 3.2% under the  
4 estimated/actual true-up.

5

6 Q. Ms. Carter, would you explain the January, 2002, through  
7 December, 2002, variance?

8 A. Yes, the reasons for this variance are a decrease in  
9 expenses in Residential Energy Audits, under \$23,439;  
10 Gulf Express Loan Program, under \$4,000; Duct Leakage,  
11 under \$2,509; Geothermal Heat Pump Program, under  
12 \$89,640; GoodCents Commercial Buildings, under \$83,907;  
13 Commercial/Industrial Energy Audits and Technical  
14 Assistance Audits, under \$117,248; and Conservation  
15 Demonstration and Development, under \$127,482. These  
16 programs are off-set by Green Pricing being over \$6,522;  
17 **GoodCents Select**, over \$256,568; Commercial Mail-in  
18 Audit, over \$1,344; and Residential Mail-in Audit, over  
19 \$11,187 resulting in a net variance of \$172,603 under  
20 the estimated/actual program expenses reported in  
21 September, 2002. A more detailed description of the  
22 deviations is contained in Schedule CT-6.

23

24

25

1 Q. Ms. Carter, what was Gulf's adjusted net true-up for the  
2 period January, 2002 through December, 2002?

3 A. There was an over-recovery of \$351,971 as shown on  
4 Schedule CT-1, page 1.

5

6 Q. Would you describe the results of your programs during  
7 the recovery period?

8 A. A more detailed review of each of the programs is  
9 included in my Schedule CT-6. The following is a  
10 synopsis of the accomplishments during this recovery  
11 period.

12 (A) Residential Energy Audits - During this period, the  
13 Company projected to audit 1,350 structures. The  
14 Company actually completed 1,097.

15 (B) Residential Mail-In Audits - During this period,  
16 200 audits were projected and 244 audits were  
17 completed.

18 (C) Gulf Express Loan Program - No loans were completed  
19 during this period. The program stopped accepting  
20 new loans in June, 1997. This program will no  
21 longer be reported due to all the loans having  
22 matured and administrative services are no longer  
23 required.

24 (D) Duct Leakage Program - This program was available in  
25 2002 to any customer desiring it, but the company no

1 longer promotes it as a stand alone program. No units  
2 were completed during this recovery period.

3 (E) Geothermal Heat Pump - During this recovery period, a  
4 total of 256 geothermal heat pumps were installed  
5 compared to a projection of 50.

6 (F) **GoodCents Select** (Advanced Energy Management) - During  
7 this recovery period, 1,019 units were installed for a  
8 net total of 3,192 units program-to-date.

9  
10 When the original projection (2000 Demand Side  
11 Management Plan) was submitted for this period, Gulf  
12 expected 12,100 customers to be participating in this  
13 program by the end of 2002. However, the program-to-  
14 date projection for the year 2002 was revised in  
15 September, 2000, to be 7,500 units as a result of  
16 program delays. The details of this revision were  
17 submitted in Michael J. McCarthy's testimony, Docket  
18 No. 000002-EG, September 27, 2000.

19 Additional details of the issues related to the delay  
20 in the implementation of the program are found in  
21 M. D. Neyman testimony, Docket No. 980002-EG, January  
22 13, 1998. As development issues have been resolved,  
23 the rate of installations has increased and is  
24 expected to continue to increase to a rate of 3,000  
25 new installations per year.



1 (G) GoodCents Commercial Buildings - During this recovery  
2 period a total of 148 buildings were built or improved  
3 to GoodCents standards, compared to a projection of  
4 212.

5 (H) Commercial/Industrial Energy Audits and Technical  
6 Assistance Audits - During this recovery period, a  
7 total of 150 EA/TAA were completed compared to a  
8 projection of 127.

9 (I) Commercial Mail-in Audit - 1,050 mail-in audits were  
10 projected compared to 619 mail-in audits being  
11 completed.

12 (J) Green Pricing - This program is designed to  
13 encompass a variety of voluntary renewable and  
14 green energy programs. The current programs are  
15 Solar for Schools, Photovoltaic Optional Rate Rider  
16 (PV), Photovoltaic Solar Demonstration and  
17 Education Project (EarthCents), and GoodCents  
18 Environmental Home. A more detailed description of  
19 these programs is included in Schedule CT-6.

20 (K) Conservation Demonstration and Development - Twelve  
21 research or demonstration projects have been  
22 identified and are detailed in Schedule CT-6.

23  
24  
25

1 Q. Ms. Carter, are there any other programs on which you  
2 wish to report?

3 A. Yes. As part of the 2000 Demand Side Management Plan,  
4 Docket No. 991790-EG, Gulf was to offer as a pilot a  
5 low-income tailored GoodCents Energy Survey program.  
6 During the past two years, Gulf identified three  
7 agencies which qualified for governmental low-income  
8 weatherization funds. Each of the agencies was from a  
9 different district within Gulf's service area and each  
10 was asked to participate in the program. In 2001, none  
11 of the agencies was interested in participating in the  
12 pilot program giving economics as the reason. The same  
13 agencies were approached again in 2002 regarding their  
14 participation. Again, they declined to participate for  
15 economic reasons. This program will continue to be  
16 offered by Gulf and the Company will be receptive to  
17 agencies wishing to participate. However, due to the  
18 lack of interest from any agency, Gulf will no longer  
19 actively promote this pilot program.

20  
21 Q. Ms. Carter, does this conclude your testimony?

22 A. Yes, it does.

23

24

25

AFFIDAVIT

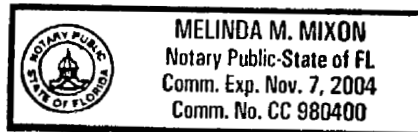
STATE OF FLORIDA     )  
  )  
COUNTY OF ESCAMBIA    )

Docket No. 030002-EG

Before me the undersigned authority, personally appeared Angela T. Carter, who being first duly sworn, deposes and says that she is the Economic Evaluation and Marketing Reporting Team Leader of Gulf Power Company, a Maine Corporation, that the foregoing is true and correct to the best of her knowledge, information and belief. She is personally known to me.

Angela Carter  
Angela T. Carter  
Economic Evaluation and Marketing  
Reporting Team Leader

Sworn to and subscribed before me this 13<sup>th</sup> day of May, 2003.



Melinda M. Mixon  
Notary Public, State of Florida at Large

INDEX

Schedule Number	Title	Pages
CT-1	Adjusted net True-Up, January, 2002, through December, 2002	1
CT-2	Analysis of Energy Conservation Program Costs	2
CT-3	Energy Conservation Adjustment	3 - 7
CT-4	Schedule of Capital Investments, Depreciation and Return	8
CT-5	Reconciliation and Explanation of Differences Between Filing and Audit	9
CT-6	Program Descriptions and Progress Reports	10 - 23

GULF POWER COMPANY  
ENERGY CONSERVATION COST RECOVERY  
ADJUSTED NET TRUE-UP  
For the Period: January, 2002 Through December, 2002

	\$	\$
Actual		
1. Principal	493,209	
2. Interest	372	
3. Actual Under Recovery Ending Balance		493,581
Estimated/Actual October 4, 2002		
4. Principal	142,439	
5. Interest	(829)	
6. Total Estimated/Actual Under Recovery		141,610
7. Adjusted Net True-up, Amount to be Refunded		351,971

GULF POWER COMPANY  
ENERGY CONSERVATION COST RECOVERY  
ANALYSIS OF ENERGY CONSERVATION PROGRAM COSTS  
ACTUAL compared to ESTIMATED/ACTUAL  
For the Period: January, 2002 Through December, 2002

	Actual	Est/Actual	Difference
	\$	\$	\$
1. Depreciation, Return & Property Tax	984,908.36	989,166.66	(4,258.30)
2. Payroll & Benefits	1,607,104.11	1,885,044.00	(277,939.89)
3. Materials & Supplies	2,245,347.25	2,131,061.00	114,286.25
5. Advertising	598,721.23	634,239.00	(35,517.77)
7. Adjustments	0.00	0.00	0.00
8. Other	0.00	0.00	0.00
9. SUBTOTAL	5,436,080.95	5,639,510.66	(203,429.71)
10. Program Revenues	216,462.19	247,288.90	(30,826.71)
11. TOTAL PROGRAM COSTS	5,219,618.76	5,392,222.10	(172,603.00)
12. Less: Payroll Adjustment	0.00	0.00	0.00
13. Amounts Inc. in Base Rate	0.00	0.00	0.00
14. Conservation Adjustment Revenues	6,392,146.62	6,213,979.56	178,167.06
15. Rounding Adjustment	6,392,147.00	6,213,980.00	178,167.00
16. True-up Before Adjustment	1,172,528	821,758	350,770
17. Interest Provision	372	(829)	1,201
18. Prior Period True-up	(679,319)	(679,319)	0
19. Other	0	0	0
20. End of Period True-up	493,581	141,610	351,971

GULF POWER COMPANY

CONSERVATION COSTS Per PROGRAM  
 VARIANCE ACTUAL Vs ESTIMATED/ACTUAL  
 For the Period: January, 2002 Through December, 2002

Program	Depr/Amort & Return	Payroll & Benefits	Materials & Expenses	Advertising	Other	Sub-Total	Program Revenues	Total
1. Residential Energy Audit	0.00	(21,960.04)	(26,588.18)	25,109.69	0.00	(23,438.53)	0.00	(23,438.53)
2. Gulf Express	0.00	0.00	(4,000.00)	0.00	0.00	(4,000.00)	0.00	(4,000.00)
3. Green Pricing								
a. GoodCents Environmental	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Solar for Schools	0.00	(1,224.49)	(590.56)	0.00	0.00	(1,815.05)	0.00	(1,815.05)
c. Earth Cents	0.00	(427.30)	(3,051.69)	(0.80)	0.00	(3,479.79)	0.00	(3,479.79)
d. Green Pricing	0.00	0.00	11,816.82	0.00	0.00	11,816.82	0.00	11,816.82
Total *	0.00	(1,651.79)	8,174.57	(0.80)	0.00	6,521.98	0.00	6,521.98
4. Duct Leakage	0.00	(472.46)	(2,036.44)	0.00	0.00	(2,508.90)	0.00	(2,508.90)
5. Geothermal Heat Pump	0.00	(49,909.26)	(25,977.90)	(13,752.92)	0.00	(89,640.08)	0.00	(89,640.08)
6. <b>GoodCents Select</b>	(4,258.30)	(16,416.83)	292,571.78	(46,155.26)	0.00	225,741.39	(30,826.71)	256,568.10
7. Comm/Ind GoodCents Building	0.00	(67,468.34)	(11,637.92)	(4,800.37)	0.00	(83,906.63)	0.00	(83,906.63)
8. Comm/Ind E.A. & T.A.A.	0.00	(115,154.02)	900.29	(2,994.34)	0.00	(117,248.07)	0.00	(117,248.07)
9. Commercial Mail In Audit	0.00	1,572.38	(228.75)	0.00	0.00	1,343.63	0.00	1,343.63
10. Research & Development	0.00	117.68	(127,599.60)	0.00	0.00	(127,481.92)	0.00	(127,481.92)
11. Residential Mail In Audit	0.00	(6,597.21)	10,708.40	7,076.23	0.00	11,187.42	0.00	11,187.42
12. Total	(4,258.30)	(277,939.89)	114,286.25	(35,517.77)	0.00	(203,429.71)	(30,826.71)	(172,603.00)

Florida Public Service Commission  
 Docket No. 030002-EG  
 GULF POWER COMPANY  
 Witness: A. T. Carter  
 Exhibit No. \_\_\_\_\_ (ATC-1)  
 Schedule CT-3  
 Page 1 of 5

GULF POWER COMPANY

CONSERVATION COSTS Per PROGRAM  
ACTUAL EXPENSES  
For the Period: January, 2002 Through December, 2002

Program	Depreciation Property Taxes & Return on Equity	Payroll & Benefits	Materials & Expenses	Advertising	Other	Sub-Total	Program Revenues	Total
1. Residential Energy Audit	0.00	242,242.96	32,964.82	125,309.69	0.00	400,517.47	0.00	400,517.47
2. Gulf Express	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3. Green Pricing								
a. GoodCents Environmental	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Solar for Schools	0.00	1,737.51	(290.56)	0.00	0.00	1,446.95	0.00	1,446.95
c. Earth Cents	0.00	10,416.70	3,110.31	3,805.20	0.00	17,332.21	0.00	17,332.21
d. Green Pricing	0.00	0.00	26,816.82	0.00	0.00	26,816.82	0.00	26,816.82
Total	0.00	12,154.21	29,636.57	3,805.20	0.00	45,595.98	0.00	45,595.98
4. Duct Leakage	0.00	727.54	363.56	0.00	0.00	1,091.10	0.00	1,091.10
5. Geothermal Heat Pump	0.00	91,341.74	11,744.10	56,454.08	0.00	159,539.92	0.00	159,539.92
6. GoodCents Select	984,908.36	524,015.17	2,019,821.78	353,844.74	0.00	3,882,590.05	216,462.19	3,666,127.86
7. Comm/Ind GoodCents Building	0.00	316,876.66	41,541.08	1,225.63	0.00	359,643.37	0.00	359,643.37
8. Comm/Ind E. A. & T. A. A.	0.00	378,057.98	46,921.29	1,005.66	0.00	425,984.93	0.00	425,984.93
9. Commercial/Industrial Mail In Audit	0.00	23,669.38	7,050.25	0.00	0.00	30,719.63	0.00	30,719.63
10. Research & Development								
a. Aquatic Pools	0.00	50.43	1,003.81	0.00	0.00	1,054.24	0.00	1,054.24
b. Mary Ester School	0.00	(84.06)	16,306.93	0.00	0.00	16,224.87	0.00	16,224.87
c. GCCC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d. Geothermal	0.00	0.00	15,200.11	0.00	0.00	15,200.11	0.00	15,200.11
e. Groovin Hwy 29	0.00	0.00	14.07	0.00	0.00	14.07	0.00	14.07
f. Hampton	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
g. OakRidge	0.00	0.00	702.92	0.00	0.00	702.92	0.00	702.92
h. Pine Forest	0.00	50.44	801.94	0.00	0.00	852.38	0.00	852.38
i. PJC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
j. Springhill Suites	0.00	0.00	6.48	0.00	0.00	6.48	0.00	6.48
k. Triggers	0.00	50.44	803.00	0.00	0.00	853.44	0.00	853.44
l. Water Furnace	0.00	50.43	838.68	0.00	0.00	889.11	0.00	889.11
m. Warner Solar	0.00	0.00	1,182.86	0.00	0.00	1,182.86	0.00	1,182.86
n. Other	0.00	0.00	1,337.60	0.00	0.00	1,337.60	0.00	1,337.60
o. Total	0.00	117.68	38,200.40	0.00	0.00	38,318.08	0.00	38,318.08
11. Residential Mail In Audit	0.00	17,900.79	17,103.40	57,076.23	0.00	92,080.42	0.00	92,080.42
12. Total	984,908.36	1,607,104.11	2,245,347.25	598,721.23	0.00	5,436,080.95	216,462.19	5,219,618.76

4

Florida Public Service  
Commission  
Docket No. 030002-EG  
GULF POWER COMPANY  
Witness: A. T. Carter  
Exhibit No. \_\_\_\_\_ (ATC-1)  
Schedule CT-3  
Page 2 of 5



GULF POWER COMPANY

CONSERVATION COSTS Per PROGRAM  
SUMMARY OF ACTUAL EXPENSES BY PROGRAM BY MONTH  
For the Period January, 2002 Through December, 2002

PROGRAMS	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1 Residential Energy Audits	22,603.31	23,979.56	23,394.41	22,921.41	25,970.38	40,689.92	38,135.30	46,066.67	55,512.76	40,476.98	30,275.08	30,491.69	400,517.47
2 Gulf Express	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3 Green Pricing													
a Good Cents Environmental	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b Solar for Schools	741.93	-139.46	104.95	83.17	109.80	116.67	187.71	191.46	148.75	154.15	78.70	-330.88	1,446.95
c Earth Cents	4,930.58	6,783.92	4,831.25	5,098.55	9,424.42	5,119.83	4,989.35	5,376.12	-32,934.11	1,269.72	1,028.68	1,413.90	17,332.21
d Green Pricing	0.00	0.00	0.00	0.00	0.00	216.05	863.88	0.00	0.00	0.00	467.44	25,269.45	26,816.82
Total	5,672.51	6,644.46	4,936.20	5,181.72	9,534.22	5,452.55	6,040.94	5,567.58	-32,785.36	1,423.87	1,574.82	26,352.47	45,585.98
4 Duct Leakage	17.80	101.44	-6.28	18.48	762.46	-62.50	27.24	252.10	-58.87	38.20	0.00	1.03	1,091.10
5 Geothermal Heat Pump	9,457.88	10,646.73	13,153.08	9,344.62	11,409.92	17,921.58	14,463.76	11,167.65	10,347.79	16,965.67	16,412.82	18,248.42	159,539.92
6 GoodCents Select													
Amortization & Return on Investment	125,165.56	57,166.04	388,638.08	343,547.71	149,203.09	299,554.09	322,295.24	185,003.01	240,281.61	318,844.50	113,804.14	354,178.62	2,897,681.69
Total	62,557.75	62,282.82	67,426.80	74,355.28	78,092.75	82,698.29	86,853.83	80,633.38	93,712.09	97,273.02	98,588.20	100,414.15	984,908.36
7 Comm/Ind Good Cents Bldg	26,048.53	27,144.56	28,320.27	35,095.33	26,173.90	27,880.50	30,691.09	34,104.27	27,672.89	32,623.26	30,627.15	33,261.62	359,643.37
8 Comm/Ind E.A. & T.A.A	36,080.00	31,340.99	36,409.63	36,823.77	35,664.71	36,357.51	34,552.05	36,655.60	34,946.05	38,003.34	32,532.71	36,617.89	425,984.93
9 Commercial Mail In Audit	2,561.45	2,273.28	2,416.48	2,337.32	2,439.97	2,851.79	2,562.47	2,432.56	2,703.00	2,573.66	2,715.27	2,852.38	30,719.63
10 Research & Development													
a Aquatic Pools	61.38	0.00	103.82	0.00	115.22	44.07	0.00	101.21	49.30	489.12	45.06	45.06	1,054.24
b Mary Ester School	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7,895.43	8,329.44	0.00	16,224.87
c GCCC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d Geothermal	0.00	0.00	0.00	0.00	0.00	0.00	43.80	0.00	14,983.70	0.00	0.00	172.61	15,200.11
e Groovin Hwy 29	-10.69	0.00	0.00	52.91	0.00	0.00	-12.88	-15.27	0.00	0.00	0.00	0.00	14.07
f Hampton	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
g OakRidge	61.05	158.90	95.75	105.44	105.11	103.69	35.66	36.32	0.00	0.00	0.00	0.00	702.32
h Pine Forest	0.00	77.57	48.06	52.91	27.68	0.00	-12.88	-15.27	197.52	444.03	32.76	0.00	852.38
i PJC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
j Springhill Suites	0.00	0.00	0.00	0.00	0.00	6.48	0.00	0.00	0.00	0.00	0.00	0.00	6.48
k Triggers	61.39	77.59	48.06	0.00	0.00	20.25	-12.88	-15.27	197.52	444.03	32.75	0.00	853.44
l Water Furnace	56.38	75.82	46.02	47.24	-0.18	128.06	56.16	31.50	197.53	155.96	46.81	46.81	889.11
m Warner Solar	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	158.13	0.00	217.43	807.30	1,182.86
n Other	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,337.60	0.00	0.00	0.00	1,337.60
Total	229.51	389.88	341.71	258.50	248.83	302.55	96.98	123.22	17,121.30	9,429.57	8,704.25	1,071.78	38,318.08
11 Residential Mail In Audit	1,040.53	3,280.73	3,350.27	2,361.72	4,929.69	7,572.66	8,375.07	14,386.84	25,303.33	15,103.33	2,825.65	3,550.60	92,080.42
12 Recoverable Conservation Expenses	291,435.51	225,260.49	568,380.65	532,245.86	344,429.92	521,218.94	544,093.97	416,392.88	474,756.59	572,755.40	338,070.09	607,040.65	5,436,080.95

Florida Public Service Commission  
 Docket No. 030002-EG  
 GULF POWER COMPANY  
 Witness: A. T. Carter  
 Exhibit No. \_\_\_\_\_ (ATC-1)  
 Schedule CT-3  
 Page 3 of 5

GULF POWER COMPANY  
 ENERGY CONSERVATION ADJUSTMENT  
 For the Period January, 2002 through December, 2002

Conservation Revenues	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1 GoodCents Select RSVP Fees	12,404 30	12,175 17	12,625 63	11,681 20	15,539 86	23,301 12	21,124 29	21,245 33	23,507 17	22,493 66	19,795 96	20,568 50	216,462 19
2 Conservation Adjustment Revenues	509,001 58	439,635 90	463,738 03	474,839 36	559,273 61	603,394 70	665,664 42	640,336 97	602,943 21	536,005 93	434,145 87	463,167 04	6,392,146 62
3 Total Revenues	521,405 88	451,811 07	476,363 66	486,520 56	574,813 47	626,695 82	686,788 71	661,582 30	626,450 38	558,499 59	453,941 83	483,735 54	6,608,608 81
4 Adjustment not Applicable to Period - Prior True Up	(87,076 17)	(87,076 17)	(87,076 17)	(87,076 17)	(87,076 17)	(87,076 17)	(87,076 17)	(87,076 17)	(87,076 17)	(87,076 17)	(87,076 17)	(87,076 13)	(1,044,914 00)
5 Conservation Revenues Applicable to Period	434,329 71	364,734 90	389,287 49	399,444 39	487,737 30	539,619 65	599,712 54	574,506 13	539,374 21	471,423 42	366,865 66	396,659 41	5,563,694 81
6 Conservation Expenses (Form CT-3 Page 8)	291,435 51	225,260 49	568,380 65	532,245 86	344,429 92	521,218 94	544,093 97	416,392 88	474,756 59	572,755 40	338,070 09	607,040 65	5,436,080 95
7 True Up this Period (Line 5 minus Line 6)	142,894 20	139,474 41	(179,093 16)	(132,801 47)	143,307 38	18,400 71	55,618 57	158,113 25	64,617 62	(101,331 98)	28,795 57	(210,381 24)	127,613 86
8 Interest Provision this Period (Page 10, Line 10)	(834 74)	(494 13)	(399 58)	(502 04)	(363 12)	(117 35)	63 74	384 33	631 52	719 14	685 46	598 54	371 77
9 True Up & Interest Provision Beginning of Month	(679,318 96)	(450,183 33)	(224,126 88)	(316,543 45)	(362,770 79)	(132,750 36)	(27,390 83)	115,367 65	360,941 40	513,266 71	499,730 05	616,287 25	(679,318 96)
10 Prior True Up Collected or Refunded	87,076 17	87,076 17	87,076 17	87,076 17	87,076 17	87,076 17	87,076 17	87,076 17	87,076 17	87,076 17	87,076 17	87,076 13	1,044,914 00
11 End of Period- Net True Up	(450,183 33)	(224,126 88)	(316,543 45)	(362,770 79)	(132,750 36)	(27,390 83)	115,367 65	360,941 40	513,266 71	499,730 05	616,287 25	493,580 68	493,580 68

August Includes \$(11,001 87) of Audit Adjustment Expenses  
 and \$51 14 of Audit Adjustment Interest

6

Commission  
 Docket No. 030002-EG  
 GULF POWER COMPANY  
 Witness: A. T. Carter  
 Exhibit No. \_\_\_\_\_ (ATC-  
 1)  
 Schedule CT-3  
 Page 4 of 5

GULF POWER COMPANY  
 COMPUTATION OF INTEREST EXPENSE  
 ENERGY CONSERVATION ADJUSTMENT  
 For the Period: January, 2002 through December, 2002

Interest Provision	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1 Beginning True up Amount	(679,318.96)	(450,183.33)	(224,126.88)	(316,543.45)	(362,770.79)	(132,750.36)	(27,390.83)	115,367.65	360,941.40	513,266.71	499,730.05	616,287.25	
2 Ending True up before Interest	(449,348.59)	(223,632.75)	(316,143.87)	(362,268.75)	(132,387.24)	(27,273.48)	115,303.91	360,557.07	512,635.19	499,010.90	615,601.79	492,982.14	
3 Total beginning & ending	(1,128,667.55)	(673,816.08)	(540,270.75)	(678,812.20)	(495,158.03)	(160,023.84)	87,913.08	475,924.72	873,576.59	1,012,277.61	1,115,331.84	1,109,269.39	
4 Average True up Amount	(564,333.78)	(336,908.04)	(270,135.38)	(339,406.10)	(247,579.02)	(80,011.92)	43,956.54	237,962.36	436,788.30	506,138.81	557,665.92	554,634.70	
5 Interest Rate First Day Reporting Business Month	1.7800	1.7700	1.7500	1.8000	1.7500	1.7700	1.7500	1.7300	1.7100	1.7600	1.6500	1.3000	
6 Interest Rate First Day Subsequent Business Month	1.7700	1.7500	1.8000	1.7500	1.7700	1.7500	1.7300	1.7100	1.7600	1.6500	1.3000	1.2900	
7 Total of Lines 5 and 6	3.5500	3.5200	3.5500	3.5500	3.5200	3.5200	3.4800	3.4400	3.4700	3.4100	2.9500	2.5900	
8 Average Interest rate (50% of Line 7)	1.7750	1.7600	1.7750	1.7750	1.7600	1.7600	1.7400	1.7200	1.7350	1.7050	1.4750	1.2950	
9 Monthly Average Interest Rate Line 8 x 12	0.001479	0.001467	0.001479	0.001479	0.001467	0.001467	0.001450	0.001433	0.001446	0.001421	0.001229	0.001079	
10 Interest Provision (line 4 X 9)	(834.74)	(494.13)	(399.58)	(502.04)	(363.12)	(117.35)	63.74	384.33	631.52	719.14	685.46	598.54	371.77

August Includes \$51.14 Audit Adjustment Interest

GULF POWER COMPANY  
 SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION AND RETURN  
 GoodCents Select  
 For the Period January, 2002 Through December, 2002

Line No.	Description	Beginning of Period	January	February	March	April	May	June	July	August	September	October	November	Dec	Total
1	Investments (Net of Retirements)	1,577,575.79	-41,128.80	145.38	1,055,067.86	7,601.41	3,978.47	643.86	967.07	1,844.35	446.96	2,575.02	44.30	971,739.27	
2	Depreciable Base	1,636,447.99	1,636,593.37	2,691,661.23	2,699,262.64	2,703,241.11	2,703,884.97	2,704,852.04	2,706,696.39	2,707,143.35	2,709,718.37	2,709,762.67	3,681,501.94		
3	Depreciation Expense (A)		3,148.32	3,109.39	4,111.84	5,121.38	5,132.38	5,136.77	5,138.30	5,140.97	5,143.15	5,146.02	5,146.01	6,074.19	57,548.72
4	Cumulative Investment	1,677,576.79	1,636,447.99	1,636,593.37	2,691,661.23	2,699,262.64	2,703,241.11	2,703,884.97	2,704,852.04	2,706,696.39	2,707,143.35	2,709,718.37	2,709,762.67	3,681,501.94	
5	Less Accumulated Depreciation	84,935.06	86,083.38	91,192.77	95,304.60	100,425.97	105,558.35	110,695.12	115,833.42	120,974.39	126,117.54	131,263.56	136,409.56	142,483.75	
6	Net Investment	1,592,641.73	1,548,364.61	1,545,400.60	2,596,356.63	2,598,836.67	2,597,682.76	2,593,189.85	2,589,018.62	2,585,722.00	2,581,025.81	2,578,454.81	2,573,353.11	3,539,018.19	
7	Net Additions/Reductions to CWIP		0.00	0.00	-167,093.63	289,482.14	284,896.83	875.90	713,628.95	309,995.91	450,858.58	300,714.67	-6,433,099.81	-750,237.55	
8	CWIP Balance - Inventory	5,001,730.71	5,001,730.71	5,001,730.71	4,834,637.08	5,124,119.22	5,409,015.05	5,408,139.15	6,121,768.10	6,431,764.01	6,892,622.69	7,193,337.36	760,237.55	0.00	
9	Inventory												6,420,996.05	6,420,996.05	
10	Net Investment	6,594,372.44	6,560,085.32	6,547,131.31	7,430,933.71	7,722,955.89	8,006,697.81	8,001,929.00	8,710,786.72	9,017,486.01	9,473,648.50	9,771,792.17	9,754,586.71	9,960,014.24	
11	Average Net Investment	6,382,846.49	6,572,233.88	6,548,613.31	6,989,062.51	7,576,974.80	7,864,826.85	8,004,013.40	8,356,057.86	8,864,136.36	9,245,567.25	9,622,720.33	9,763,189.44	9,857,300.47	
12	Rate of Return / 12 (Including Income Taxes) (B)	0.008684	0.008684	0.008684	0.008751	0.008906	0.009328	0.009434	0.009434	0.009434	0.009434	0.009434	0.009434	0.009434	
13	Return Requirement on Average Net Investment	57,073.28	56,866.16	60,693.02	66,305.12	70,044.15	74,661.44	78,831.05	83,624.26	87,222.68	90,780.74	92,105.92	92,993.76	911,204.57	
14	Property Tax		1,346.26	1,346.26	1,346.26	1,346.26	1,346.26	1,346.26	1,346.26	1,346.26	1,346.26	1,346.26	1,346.26	1,346.20	16,155.06
15	Other														0.00
16	Total Amortization & Return (Line 3 + 9)		4,494.64	4,453.81	5,458.10	6,468.14	6,468.14	6,471.47	6,474.61	6,477.75	6,480.89	6,484.03	6,487.17	7,491.19	884,908.36

Notes  
 (A) GoodCents Select Property Additions Depreciated at 2.3% per year  
 (B) Revenue Requirement Return is 10.4209  
 A weighted average factor of .8751 was used for April  
 The May Rate of Return was based on 1990 rate order 8906  
 The June Rate of Return 9328 was based on 1990 rate order for June 1 through June 6 8906 and the new rate order for June 7 through June 30 9434  
 Retroactively Adjusted Depreciation Rate from 3.0% to 2.3% per year starting Jan 1 2002

AS ORIGINALLY BOOKED SHOWN BELOW

GULF POWER COMPANY  
 SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION AND RETURN  
 GoodCents Select  
 For the Period January 2002 Through August 2002

Line No.	2002 Jan	2002 Feb	2002 Mar	2002 Apr	2002 May	2002 June	2002 July	2002 Aug
1	Investments Added to Plant In Service (Net of Retirement)	(41,128.80)	145.38	1,055,067.86	7,601.41	3,978.47	643.86	967.07
2	Depreciable Base	1,636,447.99	1,636,593.37	2,691,661.23	2,699,262.64	2,703,241.11	2,703,884.97	2,704,852.04
3	Depreciation Expense (A)	3,148.32	3,109.39	4,111.84	5,121.38	5,132.38	5,136.77	5,138.30
4	Cumulative Plant In Service Additions	1,636,447.99	1,636,593.37	2,691,661.23	2,699,262.64	2,703,241.11	2,703,884.97	2,704,852.04
5	Less Accumulated Depreciation	89,077.59	93,188.89	98,579.21	105,317.86	112,070.99	118,829.90	125,590.82
6	Net Plant In Service	1,547,370.40	1,543,404.48	2,593,082.02	2,593,944.78	2,591,170.12	2,585,055.07	2,579,261.22
7	Net Additions/Reductions to CWIP			(167,093.63)	289,482.14	284,896.83	(875.90)	713,628.95
8	CWIP Balance	5,001,730.71	5,001,730.71	4,834,637.08	5,124,119.22	5,409,015.05	5,408,139.15	6,121,768.10
9	Net Investment	6,549,101.11	6,545,155.19	7,427,719.10	7,718,064.00	8,000,185.17	7,993,194.22	8,701,029.32
10	Average Net Investment	6,571,736.78	6,547,128.15	6,986,437.15	7,572,891.55	7,859,124.58	7,996,689.69	8,347,111.77
11	Rate of Return / 12 (Including Income Taxes) (B)	0.008684	0.008684	0.008684	0.008751	0.008906	0.009328	0.009434
12	Return Requirement on Average Net Investment	57,068.96	56,855.26	60,670.22	66,270.37	69,993.36	74,593.12	78,746.65
13	Property Tax	1,346.26	1,346.26	1,346.26	1,346.26	1,346.26	1,346.26	1,346.26
14	Total Depreciation & Return (Line 3 + 10 + 11)	62,557.75	62,292.82	67,426.80	74,355.28	78,092.75	82,698.29	86,853.83

Notes  
 (A) GoodCents Select Property Additions Depreciated at 3% per year  
 (B) Revenue Requirement Return is 10.4209  
 A weighted average factor of .8751 was used for April  
 The May Rate of Return was based on 1990 rate order 8906  
 The June Rate of Return 9328 was based on 1990 rate order for June 1 through June 6 8906 and the new rate order for June 7 through June 30 9434

Florida Public Service  
 Commission  
 Docket No. 030002-EG  
 GULF POWER COMPANY  
 Witness: A. T. Carter  
 Exhibit No. \_\_\_\_\_  
 Schedule CT-4  
 Page 1 of 1  
 (ATC-1)

GULF POWER COMPANY

Reconciliation and Explanation of  
Differences Between Filing and FPSC Audit  
Report for Months, January, 2001 through December, 2001

(If no differences exist, please state.)

NO DIFFERENCES

Program Description and Progress

Program Title: Residential Energy Audits

Program Description: This program consists of two types of audits: (1) Class A Energy Conservation Audits and (2) Centsable Energy Checks, a walk-through audit. Both of these audits are performed on-site and involve assisting the customer in upgrading the thermal and equipment efficiencies in their homes as well as lifestyle measures and low or no cost improvements.

Program Accomplishments: 1,350 residential energy audits were forecasted to be completed compared to 1,097 actual audits completed for a difference of 253 audits under projection.

Program Fiscal Expenditures: Forecasted expenses were \$423,956 compared to actual expenses of \$400,517 resulting in a deviation of \$23,439 under budget. The deviation is due to fewer audits being conducted than was anticipated. The lowered labor and material expenses were offset to some degree by additional advertising costs resulting in the deviation of \$23,439 under budget.

Program Progress Summary: Since the approval of this program, Gulf has performed 130,660 residential energy audits. This is a result of Gulf's promotional campaign to solicit energy audits as well as the overall rapport established with its customers as the "energy experts" in Northwest Florida.

Program Description and Progress

Program Title: Residential Mail-In Audits

Program Description: The Residential Mail-In Audit Program is a direct mail energy auditing program. This program is designed to supplement Gulf's existing Residential Energy Audit program and assists in the evaluation of the specific energy requirements of a residential dwelling. Homeowners complete an audit questionnaire on their own or may request the assistance of a Gulf Power representative. This questionnaire asks customers about their energy consuming equipment or appliances, square footage, and other details regarding their lifestyles. The audit results package is returned to the customer and includes targeted, timely information about energy conservation opportunities specific to that dwelling.

Program Accomplishments: 244 audits were conducted using this process during the reporting period compared to a projection of 200. This program is over projection due to an increased request for the audits.

Program Fiscal Expenditures: The program had actual expenses of \$92,080 compared to a projection of \$80,893 for a difference of \$11,187 over budget. This deviation is due to more audits conducted and additional advertising for the period.

Program Progress Summary: This program was approved on August 5, 1997. There have been 1,100 mail-in audits completed program-to-date.

Program Description and Progress

Program Title: Gulf Express Loan Program

Program Description: The objective of this program has been to encourage and achieve energy conservation. The program provided below market interest rates by participating banks to customers as an incentive to install energy conservation features in their homes.

Program Accomplishments: New loans were discontinued as of second quarter, 1997.

Program Fiscal Expenditures: Forecasted expenses were \$4,000, however, no actual expenses were incurred. The program has been fully discontinued since all the outstanding loans have matured and administrative services are no longer required.

Program Progress Summary: Since the approval of the program, Gulf has completed 1,953 Gulf Express Loans.



Program Description and Progress

Program Title: Duct Leakage Repair

Program Description: The program provides the customer with a means to identify house air duct leakage and repairs are recommended that can reduce customer kWh energy usage and kW demand.

Program Accomplishments: During this recovery period, no Duct Leakage Repair units were completed. Gulf Power made the program available to its builders and customers and incurred minor expenses to answer customer inquires.

Program Fiscal Expenditures: Projected expenses for the period were \$3,600. Actual expenses of \$1,091 were incurred for administrative costs for customer inquires.

Program Progress Summary: Program-to-date, 32 Duct Leakage Repair units have been completed. Program activities have related to education, training, and program development.

Program Description and Progress

Program Title: Geothermal Heat Pump

Program Description: The objective of this 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.

Program Accomplishments: During this recovery period, 256 Geothermal Heat Pump units were installed compared to a goal of 50 units. This program is over projection due to a much greater than expected participation rate in the program.

Program Fiscal Expenditures: Projected expenses for the period were \$249,180 compared to actual expenses of \$159,540 for a deviation of \$89,640 under budget. These expenses are under budget due to less labor, materials and advertising needed per installation this recovery period.

Program Progress Summary: Education and training continue as vital components of this program. Since the inception, 1,844 geothermal systems have been installed.

Program Description and Progress

Program Title: **GoodCents Select** (Advanced Energy Management)

Program Description: This program was field tested through the Transtext Advanced Energy Management Pilot Program in Gulf Breeze, Florida. The program is designed to provide the customer with a means of conveniently and automatically controlling and monitoring his/her energy purchases in response to prices that vary during the day and by season in relation to the Company's cost of producing or purchasing energy.

Program Accomplishments: A total of 1,019 units have been installed during this period bringing the total installations to 3,192. Implementation of this program continues to progress. As development issues have been resolved, the rate of installations has increased and is expected to continue to increase to a rate of 3,000 new installations per year.

Program Fiscal Expenditures: Total recoverable costs for this program were projected to be \$3,409,560. However, actual costs of \$3,666,128 were incurred in 2002 for a deviation of \$256,568 over budget. This program includes capital expenditures as well as O&M expenses. This program is over budget due to installation and equipment delivery requirements being lower than actual installations anticipated.

Program Progress Summary: A total of 3,192 units have been installed program-to-date.

Program Description and Progress

Program Title: GoodCents Commercial Buildings

Program Description: This program is designed to educate non-residential customers on the most cost-effective methods of designing new and improving existing buildings. The program stresses efficient heating and cooling equipment, improved thermal envelope, operation and maintenance, lighting, cooking and water heating. Field representatives work with architects, engineers, consultants, contractors, equipment suppliers and building owners and occupants to encourage them to make the most efficient use of all energy sources and available technologies.

Program Accomplishments: The goal during the current period was 212 installations compared to actual installations of 148.

Program Fiscal Expenditures: Forecasted expenses were \$443,550 compared to actual expenses of \$359,643 for a deviation of \$83,907 under budget. The expenses are under budget due to fewer units being completed than originally projected.

Program Progress Summary: A total of 8,218 commercial/industrial buildings have qualified for the GoodCents designation since the program was developed in 1977.

Program Description and Progress

Program Title: Commercial/Industrial Energy Audits and Technical Assistance Audits

Program Description: This program is designed to provide professional advice to our existing commercial and industrial customers on how to reduce and make the most efficient use of energy. This program covers the smallest commercial customer, requiring only a walk-through survey, to the use of computer programs which will simulate several design options for very large energy intensive customers. The program is designed to include six month and annual follow-ups with the customer to verify any conservation measures installed and to reinforce the need to continue with more conservation efforts.

Program Accomplishments: During the period ending December, 2002, our goal was 127 audits while actual results were 150.

Program Fiscal Expenditures: Forecasted expenses were \$482,354 compared to actual expenses of \$425,985 for a deviation of \$117,248 under budget.

Program Progress Summary: A total of 11,414 EA/TAA's have been completed since the program started in January, 1981. These audits have ranged from basic walk-through type for some commercial customers to sophisticated technical assistance audits for other commercial and industrial customers.

Program Description and Progress

Program Title: Commercial Mail-In Audit Program

Program Description: The Commercial Mail-In Audit Program is a direct mail energy auditing program. This program is supplementing Gulf's existing Commercial/Industrial Energy Audit program and is assisting in the evaluation of the specific energy requirements of a given business type. Businesses complete an audit questionnaire on their own or may request the assistance of a Gulf Power representative. This questionnaire asks customers about their energy consuming equipment or appliances, square footage, hours of operation and other details regarding their business operations. The audit results package is returned to the customer and includes targeted, timely information about energy conservation opportunities specific to each business type and geographic area.

Program Accomplishments: In this period, 619 mail-in audits have been completed compared to a projection of 1,050 audits.

Program Fiscal Expenditures: Projected expenses for the period were \$32,064 compared to actual expenses of \$30,720 resulting in a deviation of \$1,344 under budget.

Program Progress Summary: To-date, 5,482 mail-in audits have been completed.

## Program Description and Progress

Program Title: Green Pricing Programs

Program Description: The Green Pricing Program is designed to encompass a variety of voluntary renewable and green energy programs under development by Gulf Power Company. The voluntary pricing options for customers include, but are not limited to Photovoltaic Rate Rider Tariff and Solar for Schools. Additionally, this program includes research and administrative costs to study the cost effectiveness of additional green pricing offerings utilizing wind or other renewable energy sources.

Program Accomplishments:

### Solar for Schools

The principle objective of the Solar for Schools program is to implement cost-effective solar education and demonstration projects at local educational facilities by means of voluntary contributions. The program also seeks to increase renewable energy and energy awareness among students, parents and contributors. Solar for Schools is a program that uses voluntary contributions to fund materials for energy education, permanent demonstration displays, rewards for science contests, and teacher education. Voluntary contributions are solicited from customers interested in renewable energy and/or helping to improve the quality of schools in the Gulf Power Company service area. Funds are collected through a "check-off" mechanism on the utility bill or through a direct contribution and accumulated in an interest bearing account. When contributions reach an adequate level, they are directed to an educational facility for implementation of various solar educational programs and for the installation of solar equipment. Contributions are not used for administrative costs, program research or for promotion costs.

### Photovoltaic Optional Rate Rider (EarthCents)

The PV Rate Rider is an optional rate for Gulf Power Company customers. Customers may purchase photovoltaic energy in 100-watt blocks. Multiple blocks may be purchased. Power purchased or produced from photovoltaic facilities may not be specifically delivered to the customer, but will displace power that would have otherwise been produced from traditional generating facilities. The construction of the photovoltaic facility or power purchased from photovoltaic facilities will begin upon the attainment of sufficient commitments from all participants across the Southern Company electric system where the option is available and,

as necessary, after obtaining FPSC approval. Customer billing will begin the second month following the date in which power is purchased from photovoltaic generating facilities or in which a photovoltaic generating facility of the Southern Company begins commercial operation.

Gulf Power Company has installed and is monitoring a 4 kW PV solar system at the Junior Museum of Bay County. This PV system operates computer equipment and other electrical items within the museum itself to demonstrate the capabilities of solar energy to the youth of Bay County and the surrounding counties.

#### GoodCents Environmental Home Program

This program provides residential 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 construction practices.

During the recovery period, no GoodCents Environmental Homes were constructed. Gulf Power has maintained the availability of this program to our builders and customers; however, we have not advertised and promoted this program in an active manner during this recovery period.

#### Other Green Initiatives

The other green initiatives will encompass a variety of voluntary renewable and green energy programs under development by Gulf Power Company. Additionally, this program includes research and administrative costs to study the cost effectiveness of additional green pricing offerings utilizing wind or other renewable energy sources.

Program Fiscal Expenditures: Projected expenses for the program this period were \$52,118. Actual expenses were: Solar for Schools, \$1,447; Photovoltaic Optional Rate Rider, \$533; and EarthCents, \$17,332; Green Pricing Program, \$26,817 for a deviation of \$6,522 over budget.



Program Description and Progress

Program Title: Conservation Demonstration and Development

Program Description: A package of conservation programs was approved by the FPSC in Order No. 23561 for Gulf Power Company to explore the development of a program to pursue research, development, and demonstration projects designed to promote energy efficiency and conservation. This program serves as an umbrella program for the identification, development, demonstration and evaluation of new or emerging end-use technologies.

Completed Program Accomplishments:

Aquatic Pool - The project involves the installation of an air source heat pump water heater/dehumidification system. The system capacity is 22.5 tons. The pool is 75 X 42 square feet, holding 116,550 gallons and heated by a 400,000 btuh natural gas pool heater.

Eglin Geothermal Heat Pump - This project will have one geothermal system in the family housing unit at Eglin AFB. The company will monitor the geothermal system at various points to determine actual field efficiency of the system. Also, the company will install monitoring on an identical type unit with a conventional A/C system with a gas furnace. The study will be for a one-year period to gather data in both the cooling and heating operations of the systems.

Groovin' Noovin' - Gulf Power Company will be monitoring two pieces of cooking equipment at two different store locations. Energy usage will be monitored over the next year and a comparison report will be prepared at that time.

Hampton Inn - The Hampton Inn is being used to study geothermal heat pump water heaters for their laundry and pool heating requirements. The laundry room is cooled and the water heated with geo-thermal heat pump water heaters. The hotel pool is heated with a geo-thermal heat pump water heater. This project has been completed and the report has been submitted.

Mary Ester - The projects is to product and install a triple-function heat pump unit, along with the necessary hot water storage, pumping, piping and controls at Mary Ester School, Mary Ester, FL, Okaloosa County School District. It will provide a completely operational commercial triple-function heat pump application. The unit will test the

appropriate air source, triple function heat pump design for commercial applications demonstrating the commercial viability and optimal functionality: Metering and monitoring equipment will be installed and a final report will be prepared.

Oak Ridge - This project is a real life application of a new product to overcome market barriers to heat pump water heaters such as ease of installation and cost and performance. This new product has the refrigeration system built-in and a plumber can install the system just like any other electric water heater. All parts are standard reliable components that are proven in the refrigeration market.

Pine Forest - Gulf Power Company will be monitoring several pieces of equipment at the culinary arts department of a local high school. Energy usage will be monitored over the next year and a comparison report will be prepared at that time.

Solar Light - Gulf Power Company has tested a solar Photovoltaic light at our Pine Forest facility. The solar light was monitored for energy consumption and demand savings as well as the actual lumen for the security light. A successful test would result in using this light in our Solar for Schools program. This particular light did not use funding from the Solar for Schools Program, however, we did use funds from the Conservation Demonstration and Development program. The project has been completed, and the final report is being prepared.

Springhill Suites - This project will monitor various energy and water flows for the Springhill Suites Hotel. This hotel is the first hybrid geothermal commercial project in Gulf Power Company's service area. Monitoring the energy and water flows will enable Gulf Power Company to demonstrate and document the energy savings and conservation benefits of geothermal applications to building owners, architects, and energy managers.

Triggers - Triggers is a research site designed to study the effectiveness of a heat pump water heater. This project will be monitored for the next year and a report will be prepared at that time.

Water Furnace - This research project is designed to study the experimental refrigerant R410A. A comparative study will be done between this new refrigerant and present

refrigerants that are due to be phased out of production due to EPA mandates.

Warner Solar - Gulf Power will be monitoring the electrical output of a 2.4 kW photovoltaic solar array. The study will measure the efficiency of the unit, and to ensure accurate and timely billing of this customer. The array will be monitored for two years and a report will be completed at that time.

Program Fiscal Expenditures: Program expenses were forecasted at \$165,800 compared to actual expenses of \$38,318.08 for a deviation of \$127,481.92 under budget. Project expenses were as follows: Aquatic Pools, \$1,054.24; Eglin Geothermal, \$15,200.11; Groovin' Noovin', \$14.07; Mary Ester School, \$16,224.87; Oak Ridge, \$702.92; Pine Forest, \$852.38; Springhill Suites, \$6.48; Triggers, \$853.44; Water Furnace, \$889.11; Warner Solar, \$1,182.86; Other, \$1,337.60.