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# Public Service Commission

June 23, 2009

## STAFF DATA REQUEST

Norman H. Horton, Jr.  
Messer Caparello & Self, P.A.  
P.O. Box 15579  
Tallahassee, FL 32317

**Re: 090122-EG - Petition for approval of modifications to approved energy conservation programs, by Associated Gas Distributors of Florida.**

Dear Mr. Horton:

By this letter, the Commission staff requests that Associated Gas Distributors of Florida provide responses to the following data requests in hardcopy and electronic (PDF and Excel) format.

### Conservation Demonstration & Development Program

1. What will be the rate impact of the Conservation Demonstration and Development Program, in cents per therm and dollars per average residential monthly bill?
2. Please provide annual cost estimates, in dollars and % of total conservation expenses for the program and its components, including incentives, administrative, consumer education or marketing costs, research, development, and demonstration costs for the period 2009 through 2014.
3. Please explain or describe whether the members of the Associated Gas Distributors of Florida (AGDF) monitor their existing programs.
  - a. If the response is yes, how much are these costs?
  - b. Please explain or describe whether any costs are included in the cost-effective analysis of any program as an administrative or other cost.
  - c. If the response is yes, please explain or describe how are these costs recovered.

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4. Please explain or describe whether the members of the AGDF conduct any form of annual or semi-annual review, to reflect changes in building codes, energy efficiency standards, or other changes.
  - a. If the response is yes, how much are these costs?
  - b. Please explain or describe how these costs are recovered.
  - c. Please explain or describe whether any of these costs are included in the cost-effective analysis of any program as an administrative or other cost.
  - d. If the response to 4 is no, please explain or describe how existing programs reflect changes in building codes or energy efficiency standards.
  
5. Please explain or describe whether the members of the AGDF currently engage in literature searches, consumer behavior evaluations, market evaluations, and other activities to improve marketing.
  - a. If the response is yes, how much are these costs?
  - b. Please explain or describe whether any costs are included in the cost-effective analysis of any program as an administrative or other cost.
  - c. If the response is yes, please explain or describe how are these costs recovered.
  
6. Please explain or describe whether the members of the AGDF engage in research into marketing, customer participation strategies, consumer education, appliance selection, fuel selection, or research related to these topics.
  - a. If the response is yes, how much are these costs?
  - b. Please explain whether any costs are included in the cost-effective analysis of any program as an administrative or other cost.
  - c. If the response is yes, please explain or describe how are these costs recovered.
  
7. Please refer to the Conservation Demonstration and Development Program's research into marketing, customer participation strategies, consumer education, appliance selection, fuel selection, or research related to these topics, please provide a listing of the anticipated use of funds for these topics. As part of this response, please describe each project.
  - a. Please explain or identify the specific metrics that will be used to assess the effectiveness of any funds used.

8. Please explain or describe whether the marketing expenses made with the Conservation Demonstration and Development Program will be used to promote any other conservation programs, or natural gas in general. As part of this response, please include any anticipated amounts.
9. The petition describes in paragraph 18 that funds will be used to investigate consumer and homebuilder fuel type decision making. Please identify how much of these funds will focus on natural gas conservation.
10. In paragraph 18 of the petition, it states that research will be devoted to creating more effective incentive programs. Please explain or describe how this would be accomplished. Please identify the amount of funds that would be dedicated to creating more effective incentive programs.
11. In paragraph 18 of the petition, it states that research will be devoted to creating more effective consumer education programs. Please explain or describe how this would be accomplished. Please identify the amount of funds that would be dedicated to creating more effective consumer education programs.
12. Please explain or identify the demographics or targeted audience (residential, commercial, industrial, income brackets, etc.) of the proposed research. Also, please explain or describe whether the focus will be upon natural gas appliance users or electric appliance users.
13. Please explain or describe whether any existing programs from AGDF's members allow a ratepayer to qualify for a rebate or other incentive for installation of a gas tankless water heating system.
  - a. Please explain or describe whether a ratepayer could qualify under any of these programs if the gas tankless water heating system was installed as a backup to or in conjunction with a solar thermal water heating system.
  - b. If ratepayers do not qualify for incentives or rebates, could the utility modify any existing programs to allow incentives for these combinations?

14. Please explain or describe why AGDF is seeking approval of Solar Thermal / Gas Tankless water heating systems as a component of the Conservation Demonstration and Development Program instead of as a pilot program.
  - a. Please explain or describe how pilot programs would differ from the demonstration projects proposed in this petition.
  - b. Please explain or describe the type of information being gathered in these demonstrations.
  - c. The petition states in paragraph 18 that such systems are 'highly efficient.' Please explain or describe any previous research or development done for Solar thermal / gas backup water heaters.

**The following questions address compressed natural gas (CNG) vehicles.**

15. Please explain or describe whether any members of the AGDF have any previous experience with CNG vehicles.
16. Please explain or describe whether any members of the AGDF have any special rates or other programs relating to CNG vehicles.
17. Please explain or describe whether any members of the AGDF are investigating conversion of existing conventional vehicles.
18. Please explain or describe whether any members of the AGDF are providing service to dedicated CNG vehicles.
19. Please explain or describe whether any members of the AGDF provide natural gas to existing CNG vehicle fueling stations.
20. Please explain or describe whether any data exists comparing the efficiency of home fueling stations with dedicated / commercial-sized fueling stations.

**Propane Distribution System Conversion Program**

21. Please provide a recalculation of the recently provided G-RIM and Participants Tests for the Propane Distribution System Conversion Program, using the attached tables with the following considerations, in hardcopy and electronic (Excel) format.
  - a. Give a G-RIM and Participants Test value for the conversion of each appliance, the replacement of each appliance, as well as a G-RIM value for the program as a whole.
  - b. For fuel costs such as natural gas or propane, use most recent fuel price projections (with transportation costs at the escalation rate).
  - c. At the end of the appliance's service life, assume the customer ceases use of the appliance and its fuel provider.
  - d. For "Other Benefits" and "Other Costs," please break these into individual categories (such as administrative, consumer education, advertising, etc.) as necessary to outline the specific usage of these funds.
  - e. For the customer charge and other expenses based upon % of total natural gas usage or similar ratio, assume that only the single appliance is converted or replaced and must pay the full cost.
  - f. Exclude the cost of residential appliance warranties.
22. What will be the rate impact of the Propane Distribution System Conversion Program, in cents per therm and dollars per average residential monthly bill?
23. Please provide the annual cost estimates, in dollars and percent of total conservation expenses for the program and its components, including incentives, administrative, consumer education or marketing costs for the period 2009-2014.
24. Please explain or describe whether there will there a cap to annual participation.
25. The petition states in paragraph 27 that AGDF has observed high participation rates in distributed propane services managed by FPUC and Chesapeake. The petition also states in paragraph 28 that "[o]ver the years there have been numerous Florida propane distribution systems that have lost significant numbers of customers to electricity conversions." Please reconcile these differences and provide discussion as to the reasons for the differences.
26. What would the costs be in a conversion-only program for each appliance?
27. Please identify the percentage of customers that use appliance warranties of the type described in the petition.

28. How many members of the AGDF have constructed a Propane Distribution System in the past five years? As part of this response, please provide the number of customers annually in the past five years within these systems.
29. How many members of the AGDF have purchased a Propane Distribution System in the past five years? As part of this response, please provide the number of customers annually in the past five years within these systems.
30. How many members of the AGDF currently own or run a Propane Distribution System? Please provide the number of customers annually in the past five years within these systems.
31. Please identify the number of conversions that have been conducted since 2000. As part of this response, please provide the number of customers converted annually since 2000.
32. Please identify the number of Propane Distribution System Conversions that are anticipated in the next five years. As part of this response, please provide the number of customers to be converted annually.
33. Please identify the number of Propane Distribution System purchases that are anticipated in the next five years. As part of this response, please provide the number of customers to be added annually.
34. Please explain or describe the typical time between the construction of a Propane Distribution System and its conversion to natural gas for those systems constructed or purchased by members of AGDF.
35. Please explain or describe the typical time between the construction of a Propane Distribution System and its conversion to natural gas for those systems planned to be constructed or purchased by members of AGDF within the next five years.
36. Please complete the following table regarding the typical annual fuel usage of each appliance.

Appliance	Annual Fuel Usage by Type		
	Propane (Gal/yr)	Natural Gas (Therm/yr)	Electricity (kwh/yr)
Tankless Water Heating			
Storage Tank Water Heating			
Space Heating			
Clothes Drying			
Cooking			

37. Please complete the following table regarding the typical annual fuel cost of each appliance.

Appliance	Annual Fuel Cost by Type		
	Propane	Natural Gas	Electricity
	(\$)	(\$)	(\$)
Tankless Water Heating			
Storage Tank Water Heating			
Space Heating			
Clothes Drying			
Cooking			

38. Please complete the following table for historic & projected natural gas prices. Please provide a hardcopy and a copy in electronic (Excel) from.

	Year	Natural Gas			
		Fuel Price	Escalation Rate	Transportation Price	Escalation Rate
		(\$/Therm)	(%)	(\$/Therm)	(%)
<b>Historic Data</b>	1999				
	2000				
	2001				
	2002				
	2003				
	2004				
	2005				
	2006				
	2007				
	2008				
<b>Forecasted Data</b>	2009				
	2010				
	2011				
	2012				
	2013				
	2014				
	2015				
	2016				
	2017				
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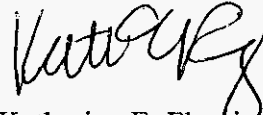
39. Please complete the following table for historic & projected propane prices. Please provide a hardcopy and a copy in electronic (Excel) form.

	Year	Propane			
		Fuel Price	Escalation Rate	Transportation Price	Escalation Rate
		(\$/Gal)	(%)	(\$/Gal)	(%)
<b>Historic Data</b>	1999				
	2000				
	2001				
	2002				
	2003				
	2004				
	2005				
	2006				
	2007				
	2008				
<b>Forecasted Data</b>	2009				
	2010				
	2011				
	2012				
	2013				
	2014				
	2015				
	2016				
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Please file the original and five copies of the requested information by Thursday, July 23, 2009, with Ms. Ann Cole, Commission Clerk, Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida, 32399-0850. If you have any questions, please do not hesitate to contact me at (850) 413-6218.

Sincerely,



Katherine E. Fleming  
Senior Attorney

KEF/amv

Attachments

cc: Office of Commission Clerk  
Associated Gas Distributors of Florida  
c/o St. Joe Natural Gas Company  
P.O. Box 549  
Port St. Joe, FL 32456

