

VOTE SHEET

August 31, 2010

Docket No. 100158-EG – Petition of approval of demand-side management plan of Florida Public Utilities Company.

Issue 1: Does Florida Public Utilities Company’s proposed Demand-Side Management Plan satisfy the Company’s numeric conservation goals set by the Commission in Order No. PSC-09-0855-FOF-EG?

Recommendation: Yes. The 2010 Demand-Side Management Plan submitted by FPUC shows estimated conservation achievements for both peak demand and energy reduction which exceed those approved by the Commission in Order No. PSC-09-0855-FOF-EG. However, as discussed further in Issue 2, the Ceiling Insulation Upgrade for both the residential and the commercial sectors and the Commercial Heating & Cooling Efficiency programs do not appear to be cost-effective, and without the savings attributed to these programs the Plan does not meet either the commercial summer peak demand or the commercial annual energy reduction goals set by the Commission in Order No. PSC-09-0855-FOF-EG.

Consistent with Section 366.82(7), F.S., FPUC should file specific program modifications or additions that are needed in order for the 2010 DSM Plan to be cost-effective and in full compliance with Order No. PSC-09-0855-FOF-EG within 30 days of the Commission’s Order in this docket.

DEFERRED

COMMISSIONERS ASSIGNED: All Commissioners

COMMISSIONERS’ SIGNATURES

MAJORITY

DISSENTING

Four horizontal lines for majority signatures.

Four horizontal lines for dissenting signatures.

REMARKS/DISSENTING COMMENTS: Deferred to the September 28, 2010 Commission Conference.

DOCUMENT NUMBER - DATE

07217 AUG 31 2

FPSC-COMMISSION CLERK

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(Continued from previous page)

**Issue 2:** Are the programs contained in FPUC's proposed DSM Plan cost-effective as this criterion is used in Commission Order No. PSC-09-0855-FOF-EG?

**Recommendation:** No. Three programs, the Residential and Commercial Ceiling Insulation Upgrade and the Commercial Heating & Cooling Efficiency programs, do not pass the E-TRC Test and should not be approved for cost recovery. All of the other programs proposed in FPUC's 2010 DSM Plan pass the E-TRC Test, and all of the programs pass the Participants Test. Audits, Pilot Programs, and Research & Development programs are not included in this evaluation because they are not required to pass cost-effectiveness testing. FPUC should be required to file program standards and a detailed verification methodology for its audit programs within 30 days of the Commission's Order in this docket.

The Commission should approve cost-effective programs to allow FPUC to file for cost recovery. However, FPUC must still demonstrate, during the cost recovery proceeding, that expenditures in executing its DSM Plan were reasonable and prudent. In addition, the Commission will evaluate FPUC's compliance filing and make a final determination at that time regarding the cost-effectiveness of any modified or new programs.

## DEFERRED

**Issue 3:** Does FPUC's proposed DSM Plan include pilot programs that encourage the development of solar water heating and solar PV technologies consistent with Commission Order No. PSC-09-0855-FOF-EG?

**Recommendation:** Yes. The cost of these proposed programs is within the annual expenditure cap of \$47,233 as specified by Commission Order No. PSC-09-0855-FOF-EG. However, the allocation of funds to: (1) solar thermal vs. solar PV, (2) private customers vs. public institutions, and (3) low-income residential varies widely among the investor-owned utilities. If the Commission desires to have more uniformity among the IOUs' programs, then the Commission should initiate public workshops to explore that issue further.

## DEFERRED

- Vote Sheet

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(Continued from previous page)

**Issue 4:** Do any of the programs in FPUC's proposed DSM Plan have an undue impact on the costs passed on to customers?

**Recommendation:** No. Based on the projections provided in FPUC's 2010 DSM Plan, it does not appear that any of the cost-effective programs would have an undue impact on customer's costs. However, three of the programs included in the DSM Plan are not cost-effective, and therefore could cause undue cost impacts to customers. The Commission should evaluate the Company's compliance filing and make a final determination at that time regarding any undue rate impacts to customers.

**DEFERRED**

**Issue 5:** Should this docket be closed?

**Recommendation:** No. This docket should remain open in order for FPUC to refile its demand-side management plan within 30 days from the date of this order. In addition, if the Commission approves any programs, the programs should become effective on the date of the Consummating Order. If a protest is filed within 21 days of the issuance of the order, the programs should not be implemented until after the resolution of the protest.

**DEFERRED**