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**E-PORTAL FILING**

Mr. Adam Teitzman, Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

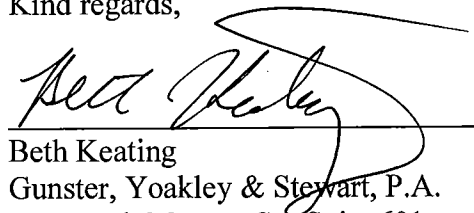
**Re: Docket No. 20200060-EG - Petition for approval of demand-side management plan, by Florida Public Utilities Company.**

Dear Mr. Teitzman:

Attached for filing in the referenced docket, please find the revised, supplemental responses of Florida Public Utilities Company to Commission Staff's First Data Requests in the referenced docket.

Thank you for your assistance with this filing. As always, please don't hesitate to let me know if you have any questions or concerns.

Kind regards,



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Enclosure

**Docket No. 20200060-EG - Petition for approval of demand-side management plan, by Florida Public Utilities Company. SUPPLEMENTAL RESPONSES**

Florida Public Utilities Company's ("FPUC") responses to Staff's First Data Requests are as follows:

1. Please refer to page 40 of the Company's Petition for Approval of Demand Side Management Plan (DSM Plan Petition), filed on Feb 25, 2020.
  - a. Section 4.5.1 states that the Company "will develop internal procedures and policies" related to the Low Income Energy Outreach program. Please identify what time frame is planned for executing this program.

**FPUC Response: The time frame for completing the development of internal procedures and policies for guiding how FPUC will systematically seek low-income resources and outreach from local, state, and national organizations is expected to be completed by the end of June, 2020.**

- b. Please identify an estimate of the costs the Company will incur to develop the procedures and policies referenced in Section 4.5.1. Please discuss in your response how such costs will be recovered.

**FPUC Response: The cost of developing the internal FPUC policies and procedures would be minimal, and would be consistent with the minimal costs associated with the internal development of past Conservation procedures in 2017 and 2018. The broader efforts to develop FPUC Division-specific Low-Income data on how energy costs burden Low Income households will incur costs, but are not expected to be significant (in excess of \$15k) and will be reported in the FPUC Annual Conservation Report.**

**REVISED SUPPLEMENTAL RESPONSE: The cost of developing the internal FPUC policies and procedures associated with Section 4.5.1 of proposed DSM plan are not expected to exceed \$3,000, and is expected to be incurred between April 2020 and June 2020. The costs are expected to be incurred as internal labor charges booked to Low-Income Outreach (CV617) through Conservation Representatives and Management.**

- c. Section 4.5.2 states that the Company "will develop a mechanism for quantifying baseline figures for Electricity Affordability" related to the Low Income Energy Outreach program. Please identify what time frame is planned for executing this.

**FPUC Response: The expected timeframe to develop the procedures is three (3) to five (5) months, while broader Low-Income outreach efforts that are dependent on third party organizations could however take approximate one (1) year, based on work plan feasibility.**

- d. Please identify an estimate of the costs the Company will incur to develop the mechanism referenced in Section 4.5.2. Please discuss in your response how such costs will be recovered.

**FPUC Response:** FPUC will rely on third party entities which have already made much progress in this area. Beginning in April 2020, FPUC will begin seeking partnerships with energy research organizations who specialize in developing low-income energy cost data. The data and assumptions developed through these partnerships are expected to produce a uniform cost metric that will be used to determine energy cost burdens for low-income customers. The energy cost burden data FPUC is seeking to measure will be used to create separate baselines and benchmarks for each of FPUC's two electric divisions (NW and NE). This effort is not expected to exceed \$15,000 in outside contractor costs. The status of this effort, along with the division specific economic metrics that are developed, will be reported in FPUC's annual DSM Report.

**REVISED SUPPLEMENTAL RESPONSE:** The estimated costs associated with developing the mechanism referenced in Section 4.5.2 are expected to be \$12,000 (or less), and are expected to be incurred by December 2020. The unique action items associated with this effort to establish a set of metrics for which FPUC could measure energy as function of total monthly cost burdens for each division, exceed the Company's internal capabilities and will require external contractors. These costs are expected to be incurred as Materials & Supplies and Outside Services and charged to Low-Income Outreach (CV617).

2. Please refer to page 41 of the Company's DSM Plan Petition. Section 4.6.1 states that the Company "will utilize the findings from the Nexant Technical Potential Study to better target individual commercial sectors with information focused on space conditioning and lighting."
  - a. Please identify what time frame is planned for executing this, and what specific actions the Company will take to better target certain commercial sectors, as referenced in Section 4.6.1.

**FPUC Response:** Leveraging the findings from the first portion of the study conducted by Nexant (from the previous docket), the Company expects to develop a cohesive educational message targeting commercial sectors by the fourth quarter of 2020.

This process will include extrapolating the technical potential for energy savings found by Nexant for each of the commercial sectors examined, into a commercial energy conservation message and call to action. For the purposes of this program, educational messaging will ignore the economic analysis associated with Nexant findings.

We believe that there is a message woven into the findings from the technical potential study regarding the significant potential for energy savings for a wide range of FPUC's commercial customers, regardless of whether or not these same programs were found to have met Florida's cost-effectiveness requirements. These findings have prompted FPUC to improve on how we provide general recommendations for encouraging self-assessment efforts which narrowly focus on commercial lighting load and space cooling opportunity efficiency upgrades and improvements.

Providing the tools and instructions and by establishing some baseline targets for each commercial sector, customers will be better equipped to self-assess and to weigh the value of installing efficiency improvements.

- b. Please identify an estimate of the costs the Company will incur to better target certain commercial sectors, as referenced in Section 4.6.1. Please discuss in your response how such costs will be recovered.

**FPUC Response:** The cost to modify and sharpen the focus of the educational message behind this program will not require supplemental technical third-party analysis, as this analysis has already been conducted in the previous docket. The actions depicted FPUC's response to 2(a) are not expected to result in more than a 10% variation from traditional program cost allocations to this program.

**REVISED SUPPLEMENTAL RESPONSE:** There are several types of actions that will incur costs in 2020 as a result of refining the Commercial Consultation focus areas based on the empirical findings from the Nexant study associated with Docket 200190017-EG. These projected costs increases will mainly consist of internal labor costs, which will be aim to develop collateral materials with a focus on lighting and space cooling efficiency potential, outreach to local (divisional) lighting and spacing vendors for new product line availabilities, creating commercial sector-specific technical potential summaries of findings from Nexant's study, and working to capture best practices to encourage commercial customers to inform other customers on lighting and cooling upgrades and the corresponding results. These costs are projected to be spread across the programs where this information will be useful, including all Commercial Programs and a partial allocation to Common Cost expense. The 2019 Commercial Consultation programs costs incurred were \$6,196, and although the list of costs associated with this effort is expansive, the actual cost incursion is not expected to create year over year Commercial Consultation cost variance of more than 10-15% (\$500- \$1000) of the 2019 actual cost. However total costs are expected to be higher, estimated to be between \$3,000-\$5,000; allocated across all programs.

3. Please refer to FPUC's DSM Plan, filed March 16, 2015, in Docket No. 20150089-EG, at page 8. The Residential Energy Survey Program emphasizes the survey process for possible duct leakages. If a problem was identified, recommendations were made for further analysis and repairs.

- a. Does the 2020 Residential Energy Survey Program still place an emphasis on the survey process for possible duct leakages? Please explain your response in detail.

**FPUC Response: Yes, homes built prior to 2012 may have ductwork that is not sealed with mastic. This can be a relatively low-cost energy upgrade. Our in home auditors visit the attic space (if access is safely available) to verify insulation levels and also to see if the mastic is obvious on the ductwork. If a customer is concerned enough to mention their ductwork, the auditor may also view the ductwork using a thermal image camera to identify excessive duct leakage. We do not perform duct testing.**

- b. Do the participants of the residential on-line surveys receive the same duct leakage surveys as participants of the walk through energy survey? Please explain your response.

**FPUC Response: Duct sealing is a recommendation on the online survey report, but it isn't the same as the in-home survey that actually can determine whether the customer's ducts are sealed or not.**

4. Please identify whether the administrative costs for the residential walk through surveys are the same for the on-line surveys. If not, please identify the administrative cost for each.

**FPUC Response: The administrative costs are the same as the Company has established the program one, unified program with two parts or target groups. All the expenses are evenly spread across both programs.**

5. Please identify whether the demand and energy savings for the residential on-line surveys are the same as the walk through surveys. If not, please identify the demand and energy savings for each.

**FPUC Response: The energy savings for residential online surveys and walk through surveys are anticipated to be the same because they both rely on the same determining factor for yielding energy savings. That key factor being that both types of surveys depend entirely on the customer's willingness, motivation, education and economic means to implement the recommended measures. Both surveys produce similar recommendations, but the implementation of those recommendations is what dictates the effectiveness of each program.**

6. Please identify how long the Company keeps the records of the residential surveys performed on file.

**FPUC Response:** The records for our surveys are kept for a minimum of three years.

7. Please refer to pages 12 and 14 of the Company's DSM Plan Petition. In 2017, FPUC changed its conservation kit; however, there is no change in the table metrics on page 14. Please explain why.

**FPUC Response:** There was an error in stating the change was made in 2017. In fact, the change was made in a filing dated April 21, 2015, in Docket No. 20150089-EG. The verbiage from that filing on page 9 is as follows, "Estimates for benefits were adopted from DEF's Home Energy Check program. In addition to the estimated savings of DEF's Home Energy Check program, the savings include the savings resulting from the installation of the two LED bulbs included in the conservation kit. This program estimates a reduction in demand of 0.143 kW per customer with a 522 kWh annual energy reduction." The adjustment in the table metrics was made at that time.

8. For each program listed in the Company's DSM Plan, please identify the annual total cost (\$) and the estimated ratio impact (\$/mo-1200 kWh residential bill) for the 2020-2024 period.

**FPUC Response:** The estimated program cost for each program listed in the company's DSM plan were calculated utilizing a methodology that factored in historical program cost plus a portion of common cost allocated to each program. This methodology projects the total.

Monthly ECCR impact and then assigns a ratio of how each program contributed to the total monthly ECCR impact. The table below includes cost estimates through 2024.

Total ECCR Impacts (2020-2024)			Residential Program Cost (\$/Mo-1200) Impact Ratio <sup>2</sup>				
Year <sup>1</sup>	Residential Total Annual ECCR Cost <sup>1</sup>	Residential Total Monthly Cost	Residential Energy Survey Program (64%)	Residential Heating and Cooling Upgrade (15%)	Commercial Heating and Cooling Upgrade (8%)	Commercial Reflective Roof Program (7%)	Commercial Chiller Program (7%)
2020	7.8336	0.65279708	0.4243181	0.09791956	0.052223766	0.0456958	0.0456958
2021	7.8615	0.655126368	0.42583214	0.09826896	0.052410109	0.04585885	0.04585885
2022	7.8882	0.657351379	0.4272784	0.09860271	0.05258811	0.0460146	0.0460146
2023	7.7989	0.649911828	0.42244269	0.09748677	0.051992946	0.04549383	0.04549383
2024	7.7083	0.642356358	0.41753163	0.09635345	0.051388509	0.04496495	0.04496495

<sup>1</sup> Annual ECCR Projection data sourced from FPUC's response to ROG 21 in Docket 20190017-EG.

<sup>2</sup> Program Cost Ratio Impacts data sourced from Net Benefit Calculation reported in FPUC Annual DSM Report

9. Please identify the Company’s projected year-to-year participation level for the Low Income Weatherization Assistance Program for each year from 2020 to 2029.

**FPUC Response:** FPUC's projected year-to-year participation levels are expected to be driven by two factors. First, traditional annual participation rates and the number of event should continue at the historical pace as experienced from 2017 and 2019 as many of these types of events and outreach will continue through 2024. During these last three years the annual number of such events has been two (2), and the participant levels has ranged from 50-65 participants. In total, between 2020 through 2024, total participation levels are expected to be between 250 and 300 individuals attending 10 low-income and weatherization events. No such projections have been made for years 2025-2029, as new DSM Plan will guide these future low-income and weatherization efforts

The second factor impacting projected participation levels for the low-income weatherization assistance program is attributed to any new types of low-income weatherization outreach events and activities. As FPUC pursues guidance and strategic relationships with low-income organizations specializing in innovative new ways to reach low income customers, FPUC will create new types of events, workshops, and engagements for low-income customers. The data and assumptions for projecting the number of these new types of low income and weatherization events, and the corresponding levels of participation is yet to be determined, and will be the focus of FPUC's second and third quarter 2020 work plan. All low-income and weatherization outreach efforts, both traditional efforts and the new types of initiatives that FPUC is working to cultivate, will be reported in FPUC's 2020 DSM Annual Report and annually thereafter.

10. Please identify the data and assumptions that the Company relied upon to estimate the number of program participants for this review period.

**FPUC Response:** The data used for projecting participation levels includes the event tracking workbooks and other internal FPUC files that are used to tally and participation levels for all of the Conservation activity reported in FPUC's Annual DSM Report.