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April 25, 2023

VIA E-PORTAL

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

**Re: Docket No. 20230000 [Undocketed] : FPUC's Responses to Data Requests Regarding
2022 DSM Report.**

Dear Mr. Teitzman:

Attached for filing, please find Florida Public Utilities Company's Responses to Staff's First Data Requests regarding FPUC's 2022 DMS Report.

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

Sincerely,



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FLORIDA PUBLIC UTILITIES COMPANY'S RESPONSE TO
STAFF'S FIRST DATA REQUESTS REGARDING 2022 DSM REPORT

1. Please provide an Excel file (spreadsheet), in electronic format with cell formulas, of the 2022 Report.

FPUC Response:

Please see the attached workbook titled 2022 FPUC Net Benefit Calculator + Annual Report Ref File 2-24-23 Final JE.

2. Please answer the following regarding federal energy efficiency standards and Florida Building Code requirements.
 - A. Please describe how Florida Public Utilities Company (FPU or company) has changed the way it monitors current federal energy efficiency standards and Florida Building Code requirements, compared to the methods it used in 2021, if applicable.

FPUC Response:

FPUC has not changed the way it monitors federal and state requirements. FPUC closely monitors changes in Florida's statewide energy code (*Florida Building Code, Energy Conservation, 7th edition*) through its participation and involvement with industry partners who provide multiple updates to FPUC leadership throughout the year. Any changes to federal energy efficiency standards would be incorporated into the Florida Building Code via the Florida Building Commission's Triennial code development process.

- B. What impact, if any, did changes in federal or state standards have on the cost effectiveness of conservation programs in 2022?

FPUC Response:

For the year 2022, no building codes or appliance energy efficiency standards affected the company's DSM programs cost-effectiveness.

- C. If applicable, what existing programs are under review for modification in 2023 to reflect changes to federal or state standards?

FPUC Response:

FPUC acknowledges the change that took place on January 1, 2023, which increased the energy efficiency requirement for residential HVAC units to 15 SEER (Seasonally Average Energy Efficiency Ratio). The company has increased

the Residential HVAC Program minimum requirement from a 15 SEER to a 16 SEER.

FPUC is working with the other Florida Energy Efficiency and Conservation Act (“FEECA”) utilities to develop the next Technical Potential Study (“TPS”), which, considers building code and appliance energy efficiency standards impacts for each of the measures included in the study.

3. Please answer the following regarding FPU’s conservation research and development (CRD) initiatives that evaluate emerging DSM opportunities:

- A. Identify and describe any new CRD initiatives that were launched in 2022.

FPUC Response:

FPUC did not initiate any new Conservation Research and Development (“CRD”) Initiatives in 2022.

- B. Provide updates on the status of all on-going CRD initiatives that began before 2022, and if applicable, attach interim and/or final reports on work completed in 2022.

FPUC Response:

The CRD effort titled, [The Powerhouse Project] is the only ongoing initiative underway currently. This project started in 2021 and was originally expected to be completed in 2022, but the participant has requested the study be extended thru 2023 to collect a broader range of data about the efficacy of the technology.

4. Please answer the following regarding marketing and outreach efforts in 2022:

- A. Describe the marketing and outreach methods and techniques the company used to promote participation in all C/I conservation programs in 2022. Address in your response what methods and techniques were the most and least successful in reaching that customer segment, and how such judgements were made.

FPUC Response:

FPUC relies on a combination of direct promotion and traditional advertising when promoting Commercial and Industrial (C&I) programs. Direct promotion includes outreach to contractor groups and meeting with C&I customers via FPUC’s Commercial Consultation program. Traditional advertising includes digital, website promotion, direct mailers, radio, and billboards. The low C&I participation rates experienced in 2022 have proven to be challenging, but other factors beyond marketing & communications contribute to limited participation. These factors include the limited C&I program participant pool associated with

FPUC’s small customer base, the long ramp-up time for C&I energy efficiency upgrades, and the limited C&I program offerings due to Rate Impact Measure (RIM) test cost effectiveness requirements.

- B. Describe the marketing and outreach efforts in 2022 that were specifically targeted for low income customers.

FPUC Response:

In 2022, the Company continued to promote its energy conservation programs to low-income customers through several mechanisms, including

- 1. The corporate website,**
- 2. Customer service representatives fielding phone calls, and**
- 3. Working with low-income customers or weatherization assistance operators in Nassau and Jackson County.**

FPUC also provides a downloadable reference file that contains the contact information for all of the Special Assistance Programs and Agencies within its operating territory.

- C. Discuss in your response why the company believes the level of participation in residential audits declined in 2022 (63), compared to 2021 (108). Address in your response what the company is doing to increase participation in this program.

FPUC Response:

The decrease in residential audits was largely attributed to a drop in demand for in-person audits in the NorthWest division. FPUC feels that is a one-year outlier and expects participation in both divisions to be at or near historical participation levels once again in 2023. Historical approaches to promote residential audits will continue and program participation rates will be monitored throughout the year to determine if a change in promotional tactics is needed.

- 5. Identify FPU’s partnerships with government and non-profit agencies in 2022 designed to help identify low-income neighborhoods and educate customers on conservation opportunities. Address in your response whether any of these partnerships were new, changed, or modified in 2022, compared to prior years.

FPUC Response:

Many of Florida Public Utilities’ established partnerships with organizations that provide education and bill paying assistance can be found on the Company’s website, including, but not limited to, the following:

- the Low-Income Home Energy Assistance Program (LIHEAP),**
- OurFlorida,**
- the Barnabas Center,**

- **the Salvation Army,**
- **Catholic Charities, and**
- **Chipola Family Ministries**

All of the partnerships with the organizations mentioned on the corporate website have been in existence since before 2022, and none of these partnerships were modified during the past calendar year.

6. On Page 7 of the Report, Table 3-1 indicates the company conducted 63 audits in 2022. Please populate the following table to provide a break-down of this number, by type.

FPUC Response:

The actual number of audits performed in 2022 was 74. Due to an unforeseen error, FPUC misreported the actual number of audits in the annual report and a re-filing will take place to correct this error. These 74 audits are broken out as follows:

Residential Audits by Type in 2022

Utility	In-Person	Virtual		Total
	Walk-Through, BERS, and Computer-Assisted	Online	Phone	
FPUC	18	56	0	74

7. In 2022, what was the company’s System Average Line Loss percentage?

FPUC Response:

The Company’s System Average Line Loss percentage was 6.28% in 2022.

8. On Page 2 of the Report, Table 2-1 indicates the company was able to achieve all of its goals in the residential sector in 2022, although Table 2-2 (on Page 3) indicates that none of the goals in the Commercial/Industrial (C/I) sector were achieved. Please describe the company’s assessment for why the DSM programs in the residential sector achieved all goals compared to the shortfall experienced in the C/I sector. Address in your response what the company is doing to improve its performance in order to achieve its 2023 goals in the C/I customer class.

FPUC Response:

Although FPUC'S Residential program participation did exceed its Summer, Winter and Annual energy goals, participation was still relatively low compared to previous years. Since the inception of the Residential energy survey program in 2016, the program has averaged 167 participants per year. Participation in this program in 2022 fell to only

63 customers. Similarly, FPUC'S residential heating and cooling rebate program has averaged 178 participants since 2016, but only attained 92 participants in 2022. This lower participation is a direct result of FPUC'S smaller customer base and, in general, its commercial goals being weighted heavily towards Chiller and Reflective Roof program participation based on the types of commercial and industrial customers in our footprint. These were the primary attributing factors for Commercial conservation underperformance.

9. On Page 6 of the Report, FPU provides the names of five existing programs approved in FPU’s 2015 Demand-Side Management Plan, yet on Page 13, program costs are reported for six programs, including the Commercial Energy Consultation program. Please answer the following questions:

A. Please explain why \$1,153 in costs are recorded for the Commercial Energy Consultation program, although a program by that name is not identified on Page 6.

FPUC Response:

The Commercial Energy Consultation program is an educational program and not a DSM Program; however, a subledger is used track these educational expenses. The Commercial Energy Consultation educational program was created to allow for an on-site visit by a FPUC Energy Conservation Representative to identify opportunities for Commercial Energy Conservation Programs. This program was needed in 2016 as a replacement option for FPUC’s former Commercial Energy Survey Program, which was excluded in FPUC’s last two DSM Plans after failing to pass cost effectiveness criteria.

B. Please provide a breakdown of the \$1,153 program costs for the Commercial Energy Consultation program.

FPUC Response:

This year, these costs were predominantly advertising, and labor and time incurred by FPUC Representatives who conducted the Commercial Consultation activities. For a breakdown of the \$1,153 in annual program costs, please see the following table.

Category	Dollar Amount
<i>Advertising/Materials and Supplies</i>	<i>\$801</i>
<i>Labor and Payroll</i>	<i>323</i>
<i>Travel and Vehicle Cost</i>	<i>23</i>
<i>Memberships and Subscriptions</i>	<i>6</i>

Total	\$1,153
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10. On page 7 of the Report, data for the Residential Energy Survey is shown. In 2022, did the company receive any requests for an audit(s) from customers in the commercial/industrial customer class? If so, provide a detailed response describing how the company addressed such request(s).

FPUC Response:

Yes, the Company received five requests for commercial energy audits in 2022. However, the Company’s previous Commercial Energy Survey program was removed from its DSM plan in 2016 after failing to pass cost effective criteria. In its place, the Commercial Energy Consultation educational program was created to allow for an on-site visit by a FPUC Energy Conservation Representative to identify opportunities for Commercial Energy Conservation Programs. The Company addressed each request by informing the customer of the Commercial Energy Consultation program’s availability and by offering energy conservation and energy efficiency advice based on each customer’s circumstances.

11. On Page 9 of the Report, FPU reports that the Commercial Heating & Cooling program had 0 participants in 2022. Describe the specific actions the company is taking in 2023, if any, in order to actively promote this C/I program.

FPUC Response:

The Company has continued its efforts to reach these customers by leveraging its partnerships with contractors and builders as the primary approach for promoting and increasing Commercial Heating & Cooling program participation. These relationships do help to influence commercial customers to select more efficient HVAC equipment; however, the frequency at which this equipment is upgraded among the Company’s customer base has been historically low. With the advent of the federal government’s proposed IRA initiative, the Company believes that these efforts could be more fruitful in future years.

12. On Page 10 of the Report, FPU reports that the Commercial Chiller program has not a participant since 2016. Describe what enhanced and targeted marketing efforts, if any, are planned for 2023 in order to attract participants.

FPUC Response:

Like its Commercial Heating & Cooling program, the Company continues to leverage its partnerships and networks to promote its Commercial Chiller program. The demand for

this program continues to be the most intermittent of all the Company's energy conservation programs. Due to the fact that many of these types of customers are located outside of FPUC's service footprint, the fundamental reality is that the Company has a limited customer base that possesses boilers, and that is the primary attributing factor for the intermittent participation of this program.

13. On Page 11 of the Report, FPU reports that the Commercial Reflective Roof program had no participants in 2022, but has had participants in some previous years. Describe the specific actions the company is taking in 2023, if any, in order to attract participants again.

FPUC Response:

The Company's Commercial Reflective Roofing program had originally proven successful in 2015 when it first became part of the Company's DSM Plan. By continuing to utilize the Company's Energy Partners program, FPUC plans to work with commercial customers, roofing contractors, and construction-industry trade association groups to grow the Commercial Reflective Roofing program and promote its benefits.

14. On Page 13 of the Report, FPU provides information on Annual Net Benefits in 2022. Please answer the following questions:

- A. What actions are available, if any, to the company to increase the annual net benefits, especially for programs with negative net benefits in 2022? Of the actions available, please identify those the company is planning to implement in 2023.

FPUC Response:

FPUC's actions to increase annual net benefits for programs with negative net benefits include focusing on increasing DSM program participation rates, especially among Commercial & Industrial (C&I) customers. Low participation rates among C&I customers are the primary driving factor for the negative net benefits reported in the Annual DSM Report. FPUC is expecting to have a broader range of C&I program offerings following the 2024 DSM Goal Setting process (and subsequent DSM Plan), as the limited C&I program offerings continue to hamper program participation efforts.

- B. In the 2022 Report, the Annual Net Benefits amount for the Commercial Reflective Roof program is reported as (\$9,754), whereas in the 2021 Report, the Annual Net Benefits amount for this program is (\$55,791). Please show the breakdown of the calculations for each figure, and discuss the principle reasons for the difference in these amounts.

FPUC Response:

This is the result of a reclassification of expenses. The majority of the 2021 Commercial Reflective Roof program expenses were the Company’s payments to Apogee Interactive, which is a provider of web-based services related to the Company’s virtual energy auditing efforts. For increased accuracy and clarity in 2022, these expenses have been reclassified as part of the Residential Energy Survey program (CV613) and the Common expenses as most of this Apogee Interactive’s applications apply to residential energy audits.

15. On Page 14 of the Report, FPU references the company’s Conservation Demonstration & Development (CDD) initiatives. The company states “Another CDD effort that targets commercial customers commenced in 2021 and is expected to end in 2023.” Please state the name of this CDD project and the month in 2023 when completion is expected.

FPUC Response:

The Powerhouse project consists of an engineered apparatus that reduces the amount of energy used by reducing the reactive power ultimately delivered to the customer. The apparatus has been installed with one industrial customer and all three parties involved (the creator of the device, the utility, and the customer) are analyzing the device’s effects. Although there may be the opportunity for a long-term partnership with the manufacturer of the device, the current effort is currently expected to end in December of 2023.

16. On Page 14 of the Report, FPU references community engagement. Please answer the following:

- A. Within each of its divisional service territories, list the community events FPU sponsored, co-sponsored, or directly participated in during 2022?

FPUC Response:

The following table represents the community events sponsored by FPUC’s Energy Conservation department during 2022.

Sponsored Entity	Description Of Sponsorship	Posted Date
Liberty County School Board	Sponsorship For Ladies Softball-Field Banne	1/10/2022
Take Stock in Children of Nassau County	Light Up A Life GALA 2022	1/21/2022

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Nassau County Chamber of Commerce	2022 Annual Dinner & Awards GALA	2/02/2022
Marianna K8 School	Sponsorship 2022 Baseball Program	3/04/2022
Shores Painting & Maintenance LLC	Buggies on the Beach Awards Sponsorship	8/09/2022
Mighty Marching Pirate Boosters	2022-2023 Headline Sponsorship Band Program	9/09/2022

B. As of the date this response is provided, list the community events FPU sponsored, co-sponsored, or directly participated in during the first quarter of 2023. In addition, list the community events FPU plans to sponsor, co-sponsor, or directly participate in during the balance of 2023.

FPUC Response:

The following table represents the community events sponsored by FPUC’s Energy Conservation department during the first quarter of 2023.

Sponsored Entity	Description Of Sponsorship	Posted Date
Calhoun County Chamber of Commerce	Calhoun County Chamber Banquet 2023	3/29/2022

As the effects of the COVID pandemic continue to subside, Florida Public Utilities continues to evaluate opportunities to sponsor and co-sponsor events that would, ultimately, help to educate its customers on the benefits of energy conservation. Florida Public Utilities Corporation plans to sponsor the same events during the remainder of 2023 that were sponsored during the final nine months of 2022. In addition, among the events that the Company is considering, FPUC is in discussions to host a Nassau County Chamber of Commerce event known as “Coffee and Connections.”