

State of Florida



Public Service Commission

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TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: February 20, 2025

TO: Office of Commission Clerk (Teitzman)

FROM: Division of Engineering (Davis, Ellis, Ramos) *TB*
Division of Accounting and Finance (Higgins) *ALM*
Office of the General Counsel (Marquez, Farooqi) *ACH*

RE: Docket No. 20240170-EG – Petition for approval of proposed demand-side management plan, by Florida Public Utilities Company.

AGENDA: 03/04/25 – Regular Agenda – Proposed Agency Action - Interested Persons May Participate

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER: Clark

CRITICAL DATES: None

SPECIAL INSTRUCTIONS: Staff recommends the Commission simultaneously consider Docket Nos. 20240163-EG, 20240166-EG, 20240167-EG, 20240169-EG, and 20240170-EG.

Case Background

Sections 366.80 through 366.83, and 403.519, Florida Statutes (F.S.), known collectively as the Florida Energy Efficiency and Conservation Act (FEECA), require the Florida Public Service Commission (Commission) to adopt conservation goals to increase the efficiency of energy consumption. FEECA emphasizes reducing the growth rates of weather-sensitive peak demand, reducing and controlling the growth rates of electricity consumption, reducing the consumption of expensive resources such as petroleum fuels, and encouraging demand-side renewable energy resources. The Commission most recently established conservation goals for Florida Public Utilities Company (FPUC or Utility) by Order No. PSC-2024-0431-FOF-EG (2024 Goalsetting

Docket No. 20240170-EG

Date: February 20, 2025

Order), issued September 20, 2024, in Docket 20240015-EG.¹ On December 19, 2024, FPUC filed a petition requesting approval of its demand-side management (DSM) Plan and associated program standards. In addition, FPUC filed a request to add a supplement program to its DSM Plan with the addition of the Light Emitting Diode (LED) Lighting program, which would not count towards the DSM goals.

The Commission has jurisdiction over this matter pursuant to Sections 366.80 through 366.83 and 403.519, F.S.

¹ Order No. PSC-2024-0431-FOF-EG, issued September 20, 2024, in Docket No. 20240015-EG, *In re: Commission review of numeric conservation goals (Florida Public Utilities Company)*.

Discussion of Issues

Issue 1: Should the Commission approve Florida Public Utility Company’s proposed DSM Plan and program standards?

Recommendation: Yes. FPUC’s DSM Plan is consistent with the proposed programs used to establish its DSM goals and is projected to meet the annual numeric conservation goals approved by the Commission in the 2024 Goalsetting Order. In addition, staff has reviewed FPUC’s program participation standards and they appear to be consistent with FPUC’s DSM Plan. Therefore, staff recommends that the Commission should allow FPUC to file for cost recovery of the programs included in its proposed DSM Plan in the Energy Conservation Cost Recovery (ECCR) proceeding. However, FPUC must demonstrate that the expenditures to implement its DSM programs are reasonable and prudent in order to recover those expenditures. (Davis)

Staff Analysis: Section 366.82(7), F.S., requires that following the adoption of annual conservation goals, the Commission shall also require each utility subject to FEECA to develop a DSM plan to meet its conservation goals. Rule 25-17.0021(4), Florida Administrative Code (F.A.C.), requires each electric utility subject to FEECA to file its DSM plan, which consists of one or more DSM programs, and program participation standards for Commission approval. The Commission considers the appropriateness of DSM programs by evaluating the following criteria, first outlined in Order No. 22176: (1) whether the program advances the policy objectives of FEECA and its implementing rules (such as reducing demand and energy usage); (2) whether the program is directly monitorable and yields measurable results; and (3) whether the program is cost-effective.² Pursuant to 366.82(7), F.S., the Commission may then elect to approve, modify, or deny the utility’s DSM plan.

FPUC’s Proposed DSM Plan

Staff reviewed FPUC’s DSM Plan, including its demand and energy savings, cost-effectiveness, and rate impact. Overall, the programs within the proposed DSM Plan are consistent with the proposed DSM programs evaluated by the Commission in the 2024 DSM Goalsetting proceeding. A complete list of the programs and a brief description of each can be found in Attachment A. Staff has also reviewed FPUC’s program participation standards, which can be found in Attachment B, and they appear to be consistent with FPUC’s DSM Plan.

FPUC’s proposed DSM Plan consists of 7 programs in total, including 4 residential and 3 commercial/industrial programs. FPUC’s DSM plan includes retaining the Residential HVAC program and rebranding the Residential Energy Survey program as “Efficiency 1st” with a stronger emphasis on do-it-yourself energy-saving installations. These programs include updated rebate amounts, and a new weatherization and home energy kit. FPUC is addressing limited participation in commercial programs by adding an interior lighting option and increased rebate amounts for the Commercial HVAC program. In addition, FPUC is launching a new low income program called “Efficiency for All.” This program will assist low income families with energy efficiencies that will benefit all customers. Also, FPUC will be introducing a new web-based platform to enhance delivery of the Efficiency 1st survey program.

² PSC Order No. 22176, issued November 14, 1989, in Docket No. 890737-PU, *In re: Implementation of Section 366.80-.85, F.S., Conservation Activities of Electric and Natural Gas Utilities.*

The projected program demand and energy savings meet the goals established by the Commission in the 2024 Goalsetting Order, and the programs included in FPUC’s DSM Plan are directly monitorable and measurable. As required by Rule 25-17.008, F.A.C., FPUC provided a cost-effectiveness analysis for the programs included in its DSM plan using the Rate Impact Measure (RIM), Total Resource Cost (TRC), and the Participants tests. All of the DSM programs passed the Participants test, all but 2 passed the TRC test, and all failed the RIM test. Staff notes that the cost-effectiveness of the DSM programs is consistent with what was provided in the 2024 DSM Goalsetting proceeding. Overall, staff recommends that FPUC’s DSM plan and program standards be approved.

FPUC is responsible for continuing to monitor actual participation in its programs, and requesting modifications to its DSM plan and/or program standards as necessary to meet the annual conservation goals. If FPUC is unable to meet the annual conservation goals established by the Commission, the Utility may be subject to appropriate action by the Commission, up to and including financial penalties. Table 1-1 shows an estimate of the annual ECCR expenditures and monthly rate impact on a typical residential customer for FPUC’s DSM Plan.

**Table 1-1
 FPUC’s DSM Plan Annual ECCR Costs and Estimated Monthly Impact**

Year	Annual ECCR Costs (\$)	Residential Customer (\$/1,200 kWh-mo)
2025	\$731,191	\$1.45
2026	\$753,127	\$1.45
2027	\$775,721	\$1.45
2028	\$798,992	\$1.45
2029	\$822,962	\$1.45
2030	\$847,651	\$1.45
2031	\$873,080	\$1.45
2032	\$899,273	\$1.45
2033	\$926,251	\$1.45
2034	\$954,038	\$1.45
Total	\$8,382,285	-

Source: FPUC’s Response to Staff’s First Data Request.

Conclusion

FPUC’s DSM Plan is consistent with the proposed programs used to establish its DSM goals and is projected to meet the annual numeric conservation goals approved by the Commission in the 2024 Goalsetting Order. In addition, staff has reviewed FPUC’s program participation standards and they appear to be consistent with FPUC’s DSM Plan. Therefore, staff recommends that the Commission should allow FPUC to file for cost recovery of the programs included in its proposed DSM Plan in the ECCR proceeding. However, FPUC must demonstrate that the expenditures to implement its DSM programs are reasonable and prudent in order to recover those expenditures.

Issue 2: Should the Commission approve FPUC's LED Lighting program and associated program standards?

Recommendation: Staff recommends approval of FPUC's proposed LED Lighting program with three proposed modifications: (1) remove communication expenses, (2) remove net base rate items for new LEDs, and (3) adjust the amount to be recovered and the credit to reflect the remaining balance and number of fixtures as of the date of the Commission's approval. The Commission should approve FPUC's request to create a regulatory asset related to the unrecovered amount of the non-LED lighting as adjusted. Further, the Commission should find that the approval to record the regulatory asset for accounting purposes does not limit the Commission's ability to review the amounts and recovery period for reasonableness in a future proceeding in which the regulatory asset is included. The Commission should also grant staff administrative authority to approve the revised program standards. (Ellis, Higgins)

Staff Analysis: In addition to the DSM Plan described in Issue 1, FPUC is also separately proposing an additional new program. FPUC is not seeking to have the demand and energy savings associated with the additional program included in the calculation of the Utility's annual numeric conservation goals.

Utility's Proposed LED Lighting Program

The LED Lighting program is a program focused on the replacement of existing non-LED outside lighting, such as high pressure sodium (HPS) or metal halide (MH) lights, with LED lighting options that are more efficient. The proposed program is structured as a temporary, two-year conservation initiative (beginning the first quarter of 2025) aimed at recovering depreciation and investment-related expenses through the aforementioned targeted conservation measure. Specifically, the program focuses on offsetting costs associated with converting 7,122 streetlamps to high-efficiency LEDs. FPUC seeks to recover the unrecovered plant costs of the HPS and MH lights of the old non-LED lighting, incremental expenses for the new LED lighting, and additional marketing expenses associated with the program. Unlike traditional conservation programs, in which a participating customer receives a rebate or credit, the Utility would receive a credit for each non-LED light replaced, to be recovered through the ECCR Clause.

By Order No. PSC-2022-0132-TRF-EI, the Commission closed FPUC's Rate Schedule LS of non-LED offerings to new customers and included LED replacement options.³ However, the Utility has not yet replaced all the existing customers' lighting fixtures. The proposed LED Lighting program would expedite the remaining conversion process.

FPUC is seeking recovery of a regulatory asset over two years based upon the projected cost of (1) unrecovered plant costs of the HPS and MH lights, (2) net rate base expenses associated with the new LED lights, such as return on investment, depreciation, and property taxes, and (3) communication expenses for customers. For purposes of cost recovery, FPUC requests recovery

³ See Order No. PSC-2022-0132-TRF-EI, issued April 8, 2022, in Docket No. 20220011-EI, *In re: Petition to modify tariff to close existing lighting tariff to new business and introduce new LED lighting tariff by Florida Public Utilities Company*.

in the ECCR of the unamortized costs for HPS and MH lights removed both during the prior year and current year, or are expected to be removed through the projection year.

FPUC seeks to create a regulatory asset for the unrecovered plant associated with the HPS and MH lights, which would be expensed for each light replaced with the intention of resulting in zero balance at the end of the program. FPUC plans to file a petition to address the net unrecovered cost of the new LED lights in a future tariff proceeding.

The Utility estimates the unamortized costs for the HPS and MH lighting to be \$1,224,541 for 7,122 lights, or \$171.94 per light, as of the end of December 2024. This value would be adjusted at the beginning of the program to reflect actual costs as of the date of the Commission’s decision. The net rate base expenses, an estimated \$206,638 over the two year period, and communication expenses of \$15,000, brings the total of program cost to \$1,446,179, or \$203.06 per light that would be recovered in the ECCR by FPUC. This results in an annual cost of the program of \$723,090, assuming approximately 300 fixtures are replaced monthly using a combination of utility staff and contractors. This results in a rate impact of \$1.44/mo. for 2025 and \$1.40/mo. for 2026 for a typical residential 1,200 kWh monthly bill. Table 2-1 summarizes the proposed costs to be recovered under the program.

Table 2-1
FPUC Proposed LED Lighting Program Expenses

Expense	2025 (\$)	2026 (\$)	Total (\$)	Unit Cost* (\$/Fixture)
<u>Non-LED Lighting Expenses</u>				
Unrecovered Depreciation	\$612,271	\$612,271	\$1,224,542	\$171.94
<u>New LED Lighting Expenses</u>				
Net Return on Investment	\$3,397	\$215,876	\$219,273	\$30.79
Net Depreciation Expense	(\$68,454)	\$5,496	(\$62,958)	(\$8.84)
Net Property Taxes	\$0	\$50,322	\$50,322	\$7.07
<u>Administrative Expenses</u>				
Marketing/Communications	\$7,500	\$7,500	\$15,000	\$2.11
Total	554,714	\$891,465	\$1,446,179	\$203.06

Source: FPUC’s Petition.

Review of Proposed Program

Staff agrees that approval of the LED Lighting program would result in net energy savings that advance the intent of FEECA. The amount of savings per light fixture and number of light fixtures covered are both monitorable and measurable factors. Overall, with the Utility’s requested expenses, the program has a cost-effectiveness ratio above 1.0 for both the RIM (1.075) and TRC (1.824) tests.

The proposed program is similar in structure to Tampa Electric Company’s (TECO’s) Street and Outdoor Lighting Conversion Program, which also featured recovery of unamortized cost of

non-LED lighting.⁴ In the TECO Order, the Commission allowed recovery of the unrecovered plant associated with the non-LED lighting but excluded recovery of advertising/communication expenses. TECO did not request recovery of incremental rate base costs associated with the new LED lighting.

Staff recommends that the Commission approve, for cost recovery in the ECCR, the unamortized portion of the HPS and MH lighting. This is appropriate for DSM because the lighting program serves a conservation purpose, is cost-effective, and furthers FEECA objectives. As such, the program is eligible for recovery in the ECCR. Moreover, staff recommends that the Commission approve the creation of a regulatory asset for the amount associated with the unrecovered plant (i.e., the non-LED lights to be converted). The establishment of a regulatory asset is appropriate, because it will allow for FPUC to recover the associated costs over a multi-year period as contemplated in the petition.

Staff recommends, however, that the following requested expenses associated with the LED program be denied. First, communication expenses should be removed. Communication expenses would not be appropriate as participation in the DSM program is non-voluntary and done at the Utility's discretion, not the lighting customer's. The removal of communication expenses is also consistent with the Commission's prior Order for TECO.

Second, net rate base expenses should be removed. Customers will be paying rates under FPUC's Rate Schedule LS for the new LED lights, which is the appropriate place for recovery of new assets. Rate base expense recovery is more appropriate in a base rate case, not a clause. Based on the values in Table 2-1, these two adjustments reduce FPUC's request by \$221,637.

Third, the amount of the regulatory asset and the credit per light should be adjusted to reflect the remaining balance and number of fixtures as of the date of program approval. This is because pursuant to Section 366.82(7), F.S., any incremental lighting replaced before the Commission's approval of the DSM program are not be eligible without the Commission's prior approval.

Furthermore, Commission approval of FPUC's regulatory asset in this case does not limit the Commission's ability to review the amounts and recovery period for reasonableness in a future proceeding in which the regulatory asset is included. In other words, any remaining balance in the regulatory asset at the end of the LED Lighting program should be evaluated in a future proceeding for recovery.

To reflect the changes, staff recommends FPUC be required to file the updated unrecovered balance as adjusted above and number of fixtures as of the Commission's decision, and revised program standards with a per-light credit value reflecting the updated values. Staff recommends that the Commission grant staff administrative authority to approve these revised program standards, provided they are consistent with the Commission's decision.

⁴ See Order No. PSC-2018-0110-PAA-EI, issued February 27, 2018, in Docket No. 20170199-EI, *In re: Petition for approval of conservation street and outdoor lighting conversion program, by Tampa Electric Company*.

Conclusion

Staff recommends approval of FPUC's proposed LED Lighting program with three proposed modifications: (1) remove communication expenses, (2) remove net base rate items for new LEDs, and (3) adjust the amount to be recovered and the credit to reflect the remaining balance and number of fixtures as of the date of the Commission's approval. The Commission should approve FPUC's request to create a regulatory asset related to the unrecovered amount of the non-LED lighting as adjusted. Further, the Commission should find that the approval to record the regulatory asset for accounting purposes does not limit the Commission's ability to review the amounts and recovery period for reasonableness in a future proceeding in which the regulatory assets are included. The Commission should also grant staff administrative authority to approve the revised program standards.

Issue 3: Should this docket be closed?

Recommendation: Yes. If no person whose substantial interests are affected by the proposed agency action files a protest within 21 days of the issuance of the order, this docket should be closed upon the issuance of a consummating order. (Marquez, Farooqi)

Staff Analysis: If no person whose substantial interests are affected by the proposed agency action files a protest within 21 days of the issuance of the order, this docket should be closed upon the issuance of a consummating order.

Florida Public Utility Company 2025 – 2034 DSM Programs

Residential Programs:

Residential Energy Survey Program (Efficiency First)

The Efficiency First Program provides FPUC's residential customers with energy conservation advice that encourages the implementation of efficiency measures that result in energy savings. Once implemented, these measures also lower FPUC's energy requirements and improve operating efficiencies.

Residential Heating and Cooling Efficiency Upgrade Program

The Residential Heating and Cooling Upgrade Program incentivize customers operating inefficient heat pumps and air conditioners to replace them with more efficient units. This program provides incentives to install a new heat pump or replace older heat pumps or air conditioners with more efficient units.

Low-Income Energy Outreach (Efficiency for All)

The Efficiency for All Program is aimed at enhancing energy efficiency in low-income households and communities. Participants will complete online energy surveys and monitor their monthly energy consumption. Upon reaching specific milestones, the participants will receive tiered incentives such as weatherization kits, smart power strips, and programmable thermostats.

Residential Small Appliance Program

This program offers a \$25 rebate to residential customers who purchase an Energy-Star certified clothes washer. These washers use approximately 20% less energy and 30% less water than standard models, leading to significant utility savings over time and reduce environmental impacts.

Commercial Programs:

Commercial Heating and Cooling Efficiency Upgrade Program

The Commercial Heating and Cooling Efficiency Upgrade Program provides rebates to small commercial customers (customers with a maximum 5 ton units) if the customers install a high-efficiency central air conditioner or heat pump with a minimum 15 SEER.

Commercial Chiller Upgrade Program

This program aims to mitigate the growth of peak demand and energy consumption across FPUC's commercial and industrial sectors. To achieve this, the program requires customers to replace existing chillers with more efficient systems.

Commercial Indoor Lighting Program

The Commercial Exterior and Interior Lighting Program is a new addition to FPUC's energy conservation offerings. This program encourages non-residential customers to replace outdated, inefficient lighting systems with modern, energy-efficient alternatives. Incentives are based on projected annual energy savings and accommodates a wide range of end-use applications.

APPENDIX A

Florida Public Utilities Company 2025 Demand-Side Management Plan Program Standards

Residential Energy Survey

Program Description

Summary of the Efficiency 1st Program

The **Efficiency 1st Program** is a customer-focused energy efficiency initiative designed to promote energy conservation through an easy-to-use, reward-based system. By leveraging digital tools and vendor partnerships, the program simplifies participation and encourages residential customers to adopt energy-saving behaviors and technologies. This modern approach prioritizes convenience and engagement to drive meaningful energy savings.

Central to the program is its **online infrastructure**, which provides customers with an intuitive platform to complete energy surveys, track monthly energy consumption, and receive personalized recommendations. The platform integrates participation seamlessly with automated triggers, ensuring timely delivery of rewards and incentives. Customers earn rewards for reaching specific milestones, such as completing energy surveys and tracking consumption. Incentives include weatherization kits, smart power strips, and advanced options like smart thermostats, which foster ongoing engagement and further energy savings.

The program also relies on **vendor partnerships** to manage the fulfillment and direct shipping of rewards, ensuring efficient logistics and delivery of high-quality energy-saving products. To enhance customer engagement, the program provides educational materials and interactive tools that empower participants to make informed decisions about their energy usage. By understanding their consumption patterns, customers can better manage energy costs and implement efficiency measures effectively. The streamlined process minimizes barriers to entry, maximizing accessibility for all residential customers, including low-income households.

The **Efficiency 1st Program** aims to promote the adoption of energy-efficient technologies and practices, deliver measurable reductions in energy consumption, and serve as a foundational component for broader energy conservation initiatives, such as the "Efficiency for All" program. By combining innovative digital infrastructure, customer engagement, and vendor collaboration, the Efficiency 1st Program establishes a scalable model for utility-driven efficiency efforts while contributing to long-term energy savings for its participants.

Eligibility

Eligibility Criteria for the Efficiency 1st Program

The **Efficiency 1st Program** is open to all residential customers served by Florida Public Utilities Company (FPUC). Participation begins with the **Residential Energy Survey Program**, which provides a cost-free energy audit in accordance with Rule 25-17.003 of the Florida Administrative Code. These audits are designed to equip customers with tailored information to identify energy-saving measures that best meet their individual needs.

Key aspects of eligibility include:

1. **Residential Customer Status**
All FPUC residential customers are eligible to participate, ensuring broad access to energy-saving opportunities.
2. **Energy Survey Participation**
Customers must complete the Residential Energy Survey, which acts as a foundation for participation. This survey identifies energy inefficiencies and recommends customized solutions.
3. **Notification and Awareness**
Customers are notified about the availability of the cost-free energy audit every six months, as required by Rule 25-17.003, ensuring ongoing awareness of the program.

By aligning with Florida's regulatory requirements, the **Efficiency 1st Program** ensures equitable access to energy-saving measures while providing customers with actionable insights to reduce energy use and improve efficiency.

Re-eligibility

Applicants who have previously participated in the Efficiency 1st Program must wait five years from the fulfillment date of the kit they received to reapply. In case of a malfunction of any item, including a smart power strip or thermostat, customers should consult the item's specific warranty information and seek replacement through the warranty provider.

Program Procedures

The **Efficiency 1st Program** provides a streamlined and accessible process for FPUC residential customers to enroll, earn incentives, and adopt energy-saving measures. Customers can easily enroll online through the program's website by completing a simple registration form or over the phone with the assistance of a customer service representative. These options ensure broad accessibility and ease of entry into the program.

Upon enrollment, participants are encouraged to complete a **Residential Energy Survey**, which is available online or over the phone. This survey assesses energy usage patterns and offers tailored recommendations for energy efficiency improvements. As an incentive for completing the survey, customers receive a **Weatherization Kit**, which includes items such as weatherstripping, LED bulbs, and energy-saving tips. Once the kit is delivered, supplemental communication—via email, text messages, or follow-up calls—guides customers through the installation process, offering step-by-step instructions, video tutorials, and access to an interactive online portal to log their progress.

After installing the Weatherization Kit, customers confirm completion through a follow-up survey or by uploading photos of the installed measures to the program's portal. Verified participants are then eligible for the next incentive tier: a **Smart Home Energy Kit** that includes advanced tools such as a smart power strip or thermostat. Continued communication keeps participants engaged, providing energy-saving tips, progress tracking, and information about future rewards for ongoing participation. This structured approach ensures customers are supported and motivated throughout the program, fostering widespread adoption of energy-efficient practices and technologies.

Savings Verification

FPUC conducts follow-up surveys with customers after they implement the recommended energy-saving measures. The data collected from these surveys is used to more accurately assess the impact of the energy surveys on energy usage. Reporting for this program will comply with Rule 25-17.0021(5) of the Florida Administrative Code. Furthermore, program expenses will be detailed in the ECCR True-Up and Projection filings.

Residential Heating and Cooling Efficiency Upgrade Program

Program Description

Our incentive program aims to curb the growth of peak energy demand across Florida Public Utilities Company's (FPUC) service areas by promoting the adoption of high-efficiency heat pumps and central air conditioning systems. To qualify, customers must install one of the qualifying systems. The program offers two rebate tiers based on the system's Seasonal Energy Efficiency Ratio (SEER) or the updated SEER2 rating: Tier 1 provides a \$250 rebate for systems with a SEER ranging from the current doe minimum of 15 SEER (14.3 SEER2) to 17.7 (equivalent to SEER2 below 17), while Tier 2 offers a \$500 rebate for systems with a SEER of 17.7 or higher (SEER2 of 17 or above). This structure ensures that more efficient systems receive higher rebates, encouraging energy conservation and reducing utility costs. The Residential Heating & Cooling Efficiency Upgrade Program focuses on two key areas: encouraging customers with inefficient heat pumps and air conditioners to upgrade to more efficient units and motivating those replacing end-of-life systems to choose units exceeding current codes and standards. This incentive also applies to new construction residences. By promoting the installation of high-efficiency equipment, the program aims to enhance energy efficiency, reduce peak demand, and support environmental sustainability.

Customer Eligibility Requirements

- The program applies to straight air conditioners or heat pumps.
- The program applies to replacements as well as new installations.
- The residential dwelling must be an existing single-family structure in FPUC's electric service territory. Mobile homes are eligible if their wheels have been removed and they are set on a lot.
- For a new heat pump installed or a heat pump being replaced, the maximum supplemental strip heating physically contained in the system shall not exceed 2 kW per nominal ton. On a system of less than 2.5 tons, a 5 kW heat strip will be allowed.
- For a heat pump using supplemental strip heating, a two-stage indoor thermostat is required.
- If replacing a straight cooling system, the residence cannot have oil or electric resistance as the primary heat source.
- In the situation where a replacement heating and cooling system will qualify for two rebates (FPUC's and a gas company's), FPUC will not pay its rebate so that a double payment is avoided.
- HVAC contractors will submit rebate request forms to FPUC. The contractor, certifying that the equipment installed accords with the program standards, will sign the form. The customer will sign the form verifying that the equipment was installed and that the incentive recipient's name and mailing address are correct.

- The Heating and Cooling Rebate request form must be received within 30 days of the installation date of the unit to assure the payment of the dealer incentive.
- FPUC will randomly perform full field verifications on a minimum of 10 percent of the participating homes. Homes not selected for the field review will have a telephone or written verification to validate the rebate information.
- FPUC will inspect all mobile home applications to ensure that the wheels are removed and they are set on a lot.
- No payments will be made until FPUC verifies or validates rebate requests.

Re-eligibility

Applicants who have previously participated must wait five years from the fulfillment date of the incentive they received to reapply.

Rebates and Incentives

Our incentive program offers two tiers of rebates to encourage the adoption of high-efficiency air-source heat pumps (ASHP) and ground-source heat pumps (GSHP) in residential settings. These incentives are structured to promote energy conservation and reduce utility costs by rewarding the installation of more efficient systems.

Tier 1: Eligible for a \$250 rebate, this tier includes:

- ASHPs with a minimum efficiency of 15 SEER (14.3 SEER2) when replacing electric resistance heating.
- ASHPs meeting the Consortium for Energy Efficiency (CEE) Tier 2 standards: 16.8 SEER (16 SEER2) and 9.0 HSPF.
- ASHPs that are ENERGY STAR certified or meet CEE Tier 1 criteria: 16 SEER (15.2 SEER2) and 9.0 HSPF.

Tier 2: Offering a \$500 rebate, this tier encompasses:

- ASHPs with an efficiency of 24 SEER (22.9 SEER2) when replacing electric resistance heating.
- ASHPs achieving a minimum of 24 SEER (22.9 SEER2) and 10.5 HSPF.
- ASHPs that comply with the CEE Advanced Tier: 17.8 SEER (17 SEER2) and 10.0 HSPF.
- ENERGY STAR certified ground-source heat pumps.

Program Procedures

HVAC contractors will submit rebate request forms to FPUC within 120 days after completion. The contractor, certifying that the equipment installed accords with the program standards and providing information on the replaced and new heat pump or air conditioner, will sign the form and indicate which type of rebate is being requested. The customer will sign the rebate form verifying that the equipment was installed and that the incentive recipient's name and mailing address are correct and submit the receipt for the installation. No payments will be made until FPUC verifies and approves the rebate request. Once FPUC approves the rebate request, FPUC's contractor for issuing rebates will issue an FPUC Visa gift card (or check when appropriate) via First-Class mail to the customer or contractor within 30 business days. The contractor will be paid by check within 30 business days for the dealer rebate when the rebate request is approved.

Savings Verification

FPUC performs follow-up surveys with customers after program participation. The data gathered from these surveys helps to more precisely evaluate the efficacy of the program. Reporting for this program will adhere to Rule 25-17.0021(5) of the Florida Administrative Code. Additionally, program expenses will be outlined in the ECCR True-Up and Projection filings.

Residential Small Appliance Program

Program Description

Our incentive program provides a \$25 rebate to residential customers who purchase an ENERGY STAR-certified clothes washer. These washers consume about 20% less energy and 30% less water compared to standard models, resulting in substantial utility savings over time.

By encouraging the adoption of high-efficiency appliances, this program seeks to lower household utility expenses and reduce environmental impact. Promoting the use of ENERGY STAR-certified clothes washers lays the groundwork for expanding similar incentives to other energy-efficient technologies in the future.

Customer Eligibility Requirements

To qualify for the \$25 rebate for ENERGY STAR-certified clothes washers, customers must be residential account holders with Florida Public Utilities Company (FPUC), purchase an eligible ENERGY STAR-certified clothes washer, provide a valid sales receipt or invoice detailing the purchase, and submit a completed rebate application with the necessary documentation within 90 days of purchase.

Re-eligibility

Applicants who have previously participated must wait five years from the fulfillment date of the incentive they received to reapply.

Rebates

Florida Public Utilities Company (FPUC) offers a \$25 rebate to residential customers who purchase an ENERGY STAR-certified clothes washer.

Program Procedures

FPUC residential customers can visit the FPUC website to access information about electric energy conservation rebates. The site provides clear instructions for submitting an online rebate application and includes contact details for customers who have additional questions or need further assistance. Customers will be required to show proof of purchase.

Savings Verification

FPUC conducts follow-up surveys with customers after their participation in the program. The data collected from these surveys is used to more accurately assess the program's effectiveness. Program reporting will comply with Rule 25-17.0021(5) of the Florida Administrative Code, and program expenses will be detailed in the ECCR True-Up and Projection filings.

Efficiency for All

Program Description

The Efficiency for All Program is an energy conservation initiative aimed at enhancing energy efficiency in low-income households and communities. Participants begin by completing online energy surveys and monitoring their monthly energy consumption. Upon reaching specific milestones, they receive tiered incentives such as weatherization kits, smart power strips, and programmable thermostats. The program emphasizes community-wide engagement and collaborates with vendors to facilitate the delivery and installation of energy-saving measures. Its primary objective is to alleviate participants' energy burdens while fostering sustainable conservation habits. This approach promotes inclusivity, aligns with regulatory goals, and provides measurable benefits to all stakeholders.

Customer Eligibility Requirements

In its first year (2025), the Efficiency for All Program will operate on a community-by-community basis to ensure targeted and effective implementation. Participation will be limited to low-income housing developments, multifamily buildings, and similar residential complexes, with administrative approval required to align with program goals. This approach prioritizes communities with the greatest need and readiness to participate.

Communities must submit an application for approval, demonstrating energy cost burdens, resident engagement resources, and commitment to the program. Eligible residents within these communities must meet income thresholds consistent with federal or state low-income assistance criteria. Participants will also need to attend an energy conservation workshop and agree to share energy usage data to evaluate program success and refine strategies.

The program will launch with limited availability in 2025 as a pilot initiative, focusing on select communities. Insights from this initial phase will guide improvements and expansion in 2026 to include additional eligible communities and housing developments, ensuring a scalable and sustainable impact.

Re-eligibility

Applicants who have previously participated must wait five years from the fulfillment date of the kit or kits they received to reapply.

Rebates

The Efficiency for All Program provides low-income participants with energy-saving incentives by partnering with contractors and vendors to handle installation. Unlike the self-installation model of

the Efficiency 1st Program, this initiative ensures qualifying participants receive professional installation of weatherization kits and smart energy devices at no cost.

Through these partnerships, FPUC removes barriers to participation, ensuring equitable access to energy efficiency upgrades while simplifying the process for residents. This approach allows participants to immediately benefit from reduced energy costs and improved home comfort, maximizing the program's impact on energy conservation and affordability.

Program Procedures

FPUC residential customers can visit the FPUC website to learn about electric energy conservation rebates and participate in the Efficiency for All Program. The website offers clear instructions for organizations and housing community administrators to submit requests for consideration in the 2025 pilot program.

Savings Verification

FPUC conducts follow-up surveys with customers after program participation to gather data that enables a more accurate assessment of the program's effectiveness. Reporting for the program will align with Rule 25-17.0021(5) of the Florida Administrative Code, and associated expenses will be detailed in the ECCR True-Up and Projection filings.

Commercial HVAC Program

Program Description

Florida Public Utilities Company (FPUC) aims to continue its Commercial Heating & Cooling Efficiency Upgrade Program, offering rebates to small commercial customers. The program is designed to reduce peak demand and limit energy consumption growth in FPUC's commercial sector by encouraging the adoption of high-efficiency heat pumps and air conditioning systems.

Eligibility Requirements

To qualify for Florida Public Utilities Company's (FPUC) Commercial Heating and Cooling Efficiency Upgrade Program, applicants must be non-residential customers within FPUC's electric service territory. Participants must submit a completed rebate application, including proof of purchase and installation, within one year of the installation date. Rebate amounts and efficiency criteria may change, so please refer to FPUC's official rebate guidelines for the most up-to-date information.

Re-eligibility

Applicants who have previously participated must wait five years from receiving the incentive before becoming eligible to participate again.

Rebates

Florida Public Utilities Company (FPUC) provides rebates to non-residential customers who upgrade to high-efficiency heating and cooling systems, supporting energy efficiency initiatives. Rebate amounts are determined by the type and capacity of the installed equipment, as outlined below:

Rebate Criteria:

- **High-Efficiency Direct Expansion (DX) Systems:**
 - *Capacity Less than 5.4 Tons:* \$100 customer rebate; \$25 dealer incentive.
 - *Capacity Between 5.4 and 11.25 Tons:* \$100 customer rebate; \$25 dealer incentive.
- **High-Efficiency Packaged Terminal Heat Pumps (PTHP):**
 - \$100 customer rebate; \$25 dealer incentive.

Program Procedures

HVAC contractors must submit rebate request forms to FPUC within 120 days of project completion. The contractor is responsible for certifying that the installed equipment complies with program standards and for providing details on both the replaced and new heat pump or air conditioning system. The form must include the contractor's signature, specifying the rebate type, and the customer's signature to confirm installation, verify the incentive recipient's name, and provide the correct mailing address. A receipt for the installation must also be submitted.

Rebate payments will only be issued after FPUC verifies and approves the request. Upon approval, FPUC's rebate processing contractor will mail an FPUC Visa gift card (or a check, if applicable) via First-Class mail to the customer or contractor within 30 business days. Dealer rebates will be paid by check within 30 business days following approval of the rebate request.

Savings Verification

FPUC conducts follow-up surveys with customers after program participation to collect data for a more precise evaluation of the program's effectiveness. Program reporting will comply with Rule 25-17.0021(5) of the Florida Administrative Code, and related expenses will be outlined in the ECCR True-Up and Projection filings.

Commercial Chiller Upgrade Program

Program Description

Florida Public Utilities Company (FPUC) seeks to continue its Commercial Chiller Upgrade Program with updated costs and savings projections. This program aims to mitigate the growth of peak demand and energy consumption across FPUC's commercial and industrial sectors. To achieve this, the program requires customers to replace existing chillers with more efficient systems.

Eligibility Requirements

The program includes water-cooled centrifugal chillers, water-cooled scroll or screw chillers, and air-cooled electric chillers. Minimum efficiency requirements for each chiller type, based on size, are outlined in the participation standards section. Customers must submit project proposals to FPUC, after which a pre-installation on-site inspection will be scheduled. Upon project completion, an FPUC representative will perform a final inspection. Compliance with these guidelines is required for rebate eligibility.

Re-eligibility

Applicants who have previously participated are eligible to reapply five years after the date they received their incentive.

Rebates

Florida Public Utilities Company (FPUC) offers two fixed-cost rebate tiers to incentivize non-residential customers to upgrade to high-efficiency water-cooled chillers, promoting significant energy savings:

Rebate Tiers:

1. **Tier 1:** For annual energy savings up to 15,000 kWh, customers receive a rebate of \$0.22 per kWh saved.
2. **Tier 2:** For annual energy savings exceeding 15,000 kWh, the rebate is \$0.17 per kWh saved.

Application Examples:

- A 200-ton centrifugal compressor chiller achieving 15,741 kWh in annual savings qualifies for Tier 2, resulting in a rebate of approximately \$2,676.
- A 500-ton centrifugal compressor chiller with 34,220 kWh in annual savings also falls under Tier 2, leading to a rebate of about \$5,817.
- A 175-ton rotary or screw compressor chiller saving 11,977 kWh annually is eligible for Tier 1, amounting to a rebate of approximately \$2,635.

These rebate tiers are designed to encourage the adoption of energy-efficient chillers, thereby reducing operational costs and promoting environmental sustainability.

Note: Rebate amounts are subject to change. For the most current information, please refer to FPUC's official rebate guidelines.

Program Procedures

HVAC contractors must submit rebate request forms to FPUC within 120 days of project completion. Contractors are responsible for certifying that the installed equipment meets program standards and providing details of both the replaced and new heat pump or air conditioning system. The form must include the contractor's signature to specify the rebate type, the customer's signature to confirm installation, and verification of the incentive recipient's name and correct mailing address. A receipt for the installation must also accompany the submission.

Rebate payments will be processed only after FPUC verifies and approves the request. Once approved, FPUC's rebate processing contractor will issue an FPUC Visa gift card (or a check, if applicable) via First-Class mail to the customer or contractor within 30 business days. Dealer rebates will be issued by check within 30 business days following approval of the rebate request.

Savings Verification

FPUC conducts follow-up surveys with customers following program participation to gather data for accurately evaluating the program's effectiveness. Reporting will adhere to Rule 25-17.0021(5) of the Florida Administrative Code, with associated expenses detailed in the ECCR True-Up and Projection filings.

Commercial Exterior & Interior Lighting Program Program

Program Description

The Commercial Exterior and Interior Lighting Program is a recent addition to Florida Public Utilities Company's (FPUC) energy conservation initiatives. It is designed to encourage non-residential customers to upgrade outdated, inefficient lighting systems to modern, energy-efficient alternatives. Incentives are offered based on anticipated annual energy savings, covering a broad range of end-use applications.

Eligibility Requirements

To participate in Florida Public Utilities Company's (FPUC) Commercial Exterior and Interior Lighting Program, non-residential customers must be located within FPUC's electric service area and ensure the installed lighting systems meet or exceed FPUC's efficiency criteria, in alignment with industry standards such as ASHRAE 90.1.

Prior to installation, customers must submit a Lighting Rebate Certificate to FPUC for pre-qualification. After installation, a completed Lighting Rebate Certificate, along with required documentation—such as proof of purchase and installation details—must be submitted. Customers must also allow FPUC representatives to perform on-site inspections to verify compliance with program standards.

All rebate applications and supporting documents must be submitted within one year of the installation date. For the latest information and detailed program guidelines, please refer to FPUC's official rebate documentation.

Re-eligibility

Applicants who have previously participated may reapply five years from the date their incentive was received.

Rebates

Proposed Rebate Structure

Lighting Upgrade Type	Rebate per kWh Saved
LED Display Lighting (Interior)	\$0.30
LED Linear Fixture Replacement	\$0.16
LED Canopy Lighting (Exterior)	\$0.15
LED Parking Lighting	\$0.13
Indoor Agriculture LED Grow Lights	\$0.12
Refrigerated Display Case LED Lighting	\$0.08
LED Exterior Wall Packs	\$0.04
LED High Bay Lighting	\$0.04
Ceiling Mounted Occupancy Sensors	\$0.02

Application Examples

- **LED Display Lighting (Interior):** A system saving 3,448 kWh annually would qualify for a rebate of approximately \$1,034.
- **LED Linear Fixture Replacement:** A system saving 202 kWh annually would be eligible for a rebate of about \$32.
- **LED Canopy Lighting (Exterior):** A system saving 529 kWh annually would receive a rebate of approximately \$79.

Program Procedures

Commercial lighting contractors must submit rebate request forms to FPUC within 120 days of project completion. Contractors are responsible for certifying that the installed equipment complies with program standards and providing details of both the replaced and new lighting systems. The form must include the contractor's signature to specify the rebate type, the customer's signature to confirm installation and verify the incentive recipient's name and correct mailing address. A receipt for the installation must also be included with the submission.

Rebate payments will be issued only after FPUC reviews and approves the request. Once approved, FPUC's rebate processing contractor will mail an FPUC Visa gift card (or a check, if applicable) via First-Class mail to the customer or contractor within 30 business days. Dealer rebates will be paid by check within 30 business days of rebate approval.

Savings Verification

FPUC conducts follow-up surveys with customers after program participation to collect data for a thorough evaluation of the program's effectiveness. Reporting will comply with Rule 25-17.0021(5) of the Florida Administrative Code, and associated expenses will be included in the ECCR True-Up and Projection filings.