

**Diamond Williams**

**From:** Keating, Beth [BKeating@gunster.com]  
**Sent:** Friday, June 03, 2011 12:10 PM  
**To:** Filings@psc.state.fl.us  
**Cc:** Larry Harris; Geoffroy, Tom  
**Subject:** Docket No. 110000-OT: Undocketed Filings  
**Attachments:** 20110603101908931.pdf

Attached for electronic filing, please find Florida Public Utilities Company's Responses to Staff's First Data Request regarding the 2012 FEECA Report. Please do not hesitate to contact me if you have any questions.

Beth Keating  
[bkeating@gunster.com](mailto:bkeating@gunster.com)  
 Direct Line: (850) 521-1706

a. Person responsible for this electronic filing:

Beth Keating  
**Gunster, Yoakley & Stewart, P.A.**  
 215 S. Monroe St., Suite 601  
 Tallahassee, FL 32301  
[bkeating@gunster.com](mailto:bkeating@gunster.com)  
 Direct Line: (850) 521-1706

b. Docket No. 110000-OT - Undocketed Filings – (2012 FEECA Report Data Collection)

c. On behalf of: Florida Public Utilities Company

d. There are a total of 7 pages.

e. Description: FPUC's responses to Staff's First Data Request (Nos. 1-6)



**GUNSTER**  
 FLORIDA'S LAW FIRM FOR BUSINESS

Beth Keating | Attorney  
 Governmental Affairs  
 215 S. Monroe Street, Suite 601  
 Tallahassee, FL 32301  
 P 850-521-1706 C 850-591-9228  
[gunster.com](http://gunster.com) | [View my bio](#)

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**GUNSTER**  
FLORIDA'S LAW FIRM FOR BUSINESS

Writer's Direct Dial Number: (850) 521-1706  
Writer's E-Mail Address: bkeating@gunster.com

June 3, 2011

**ELECTRONIC FILING  
FILINGS@PSC.STATE.FL.US**

Ms. Ann Cole  
Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

Re: Docket No. 110000-OT - Undocketed Filings - 2012 FEECA Report Data Collection

Dear Ms. Cole:

Attached for electronic filing, please find a copy of FPUC's Responses to Staff's First Data Request regarding data for the 2012 FEECA Report

Thank you for your assistance with this filing. If you have any questions, please do not hesitate to contact me.

Sincerely,

Beth Keating  
Gunster, Yoakley & Stewart, P.A.  
215 South Monroe St., Suite 601  
Tallahassee, FL 32301  
(850) 521-1706

MEK

cc:/ Mr. Larry Harris (Senior Staff Counsel)

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**FLORIDA PUBLIC UTILITIES COMPANY  
RESPONSES TO  
STAFF'S FIRST DATA REQUESTS (Nos. 1 - 6)**

**DOCKET NO. 110000-OT (2012 FEECA Report Data Collection)**

1. Please provide two tables comparing the cumulative demand and energy savings achieved against the cumulative goals for the six year period 2005 - 2010. All savings reported should be "at the generator."

a. For Table A, use the goals established in 2004 for all six years.

Table A  
Cumulative Savings Achieved vs. Cumulative Goals (2004 goals)

YEAR	WINTER PEAK MW REDUCTION			SUMMER PEAK MW REDUCTION			GWH ENERGY REDUCTION		
	TOTAL ACHIEVED	COMMISSION APPROVED GOAL	% VARIANCE	TOTAL ACHIEVED	COMMISSION APPROVED GOAL	% VARIANCE	TOTAL ACHIEVED	COMMISSION APPROVED GOAL	% VARIANCE
2005	0.342	0.200	70.98%	0.276	0.230	19.90%	0.642	0.560	14.64%
2006	0.675	0.390	72.98%	0.553	0.450	22.96%	1.235	1.120	10.31%
2007	1.104	0.600	83.93%	0.732	0.680	15.04%	1.839	1.690	8.81%
2008	1.599	0.840	90.41%	1.047	0.920	13.76%	2.569	2.290	12.19%
2009	2.047	1.090	87.84%	1.293	1.160	11.49%	3.267	2.920	11.87%
2010	2.644	1.400	88.82%	1.576	1.440	9.44%	4.062	3.640	11.59%

b. For Table B, use the goals established in 2004 for years 2005-2009 and the goals established in 2009 for year 2010.

Table B  
Cumulative Savings Achieved vs. Cumulative Goals (2004 goals, 2009 goals for year 2010)

YEAR	WINTER PEAK MW REDUCTION			SUMMER PEAK MW REDUCTION			GWH ENERGY REDUCTION		
	TOTAL ACHIEVED	COMMISSION APPROVED GOAL	% VARIANCE	TOTAL ACHIEVED	COMMISSION APPROVED GOAL	% VARIANCE	TOTAL ACHIEVED	COMMISSION APPROVED GOAL	% VARIANCE
2005	0.342	0.200	70.98%	0.276	0.230	19.90%	0.642	0.560	14.64%
2006	0.675	0.390	72.98%	0.553	0.450	22.96%	1.235	1.120	10.31%
2007	1.104	0.600	83.93%	0.782	0.680	15.04%	1.839	1.690	8.81%
2008	1.599	0.840	90.41%	1.047	0.920	13.76%	2.569	2.290	12.19%
2009	2.047	1.090	87.84%	1.293	1.160	11.49%	3.267	2.920	11.87%
2010	2.644	1.280	106.53%	1.576	1.590	-0.88%	4.062	4.210	-3.52%

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2. If your utility had any active solar renewable programs in 2010, please complete the following table for each program. Please add rows as necessary to provide other pertinent information that may be helpful to staff in determining whether these programs have been successful.

**Solar Renewable Programs Active in 2010**

Name of Program	
Program Implementation Date	
Vendor Name (if applicable)	
Number of Installations	
kWh Savings Per Installation	
Summer kw Savings	
Winter kw Savings	
Cost of Equipment	
Incentive Amount Paid to Customer	
Other incentives/rebates customer received	
Total Expenditures (\$)	

**Response:**

FPUC's Consummating Order for FPUC's Demand-Side Management Plan was issued December 7, 2010, which marked the beginning of FPUC's conservation programs to meet the 2009 Goals. While FPUC's Solar Water Heating and Solar PV programs were officially in place beginning on December 7, 2010, the programs did not have any participants until 2011.

3. Tables 3-1 through 3-3 in FPUC's Annual DSM Report filed on March 1, 2011, compare achievements (at the generator) from existing programs with the 2004 goals for years 2005-2010. Please duplicate Tables 3-1 through 3-3 comparing the achievements in year 2010 to the goals established in Order No. PSC-09-0855-FOF-EG for year 2010.

Year	Winter Peak (MW) Reduction			Summer Peak (MW) Reduction			GWh Energy Reduction		
	Total Achieved	Commission Approved Goal	% Variance	Total Achieved	Commission Approved Goal	% Variance	Total Achieved	Commission Approved Goal	% Variance
2005	0.24	0.13	81.82%	0.14	0.09	50.00%	0.28	0.17	62.50%
2006	0.27	0.14	100.00%	0.12	0.10	25.00%	0.26	0.17	56.25%
2007	0.36	0.15	141.67%	0.13	0.09	50.00%	0.34	0.18	88.24%
2008	0.38	0.17	121.43%	0.14	0.09	62.50%	0.38	0.19	100.00%
2009	0.30	0.19	56.25%	0.13	0.10	33.33%	0.33	0.21	55.00%
2010	0.51	0.13	292.31%	0.20	0.20	0.00%	0.54	0.51	5.88%
Totals	2.06	0.91	126.48%	0.86	0.66	30.37%	2.13	1.43	48.72%

**Table 3-2**  
Commercial/Industrial Class Programs (At the Generator)

Year	Winter Peak (MW) Reduction			Summer Peak (MW) Reduction			GWh Energy Reduction		
	Total Achieved	Commission Approved Goal	% Variance	Total Achieved	Commission Approved Goal	% Variance	Total Achieved	Commission Approved Goal	% Variance
2005	0.10	0.11	-11.11%	0.13	0.18	-26.67%	0.37	0.42	-12.50%
2006	0.06	0.10	-37.50%	0.16	0.17	-7.14%	0.33	0.41	-20.00%
2007	0.07	0.11	-33.33%	0.10	0.19	-46.67%	0.26	0.42	-37.50%
2008	0.12	0.13	-10.00%	0.12	0.19	-37.50%	0.35	0.43	-19.05%
2009	0.13	0.11	22.22%	0.14	0.18	-20.00%	0.41	0.45	-9.30%
2010	0.08	0.06	33.33%	0.08	0.23	-65.22%	0.26	0.78	-66.67%
Totals	0.56	0.61	-8.68%	0.73	1.13	-35.64%	1.98	2.92	-32.09%

**Table 3-3**  
Total Savings Across All Programs and Classes (At the Generator)  
2005 - 2010

Year	Winter Peak (MW) Reduction			Summer Peak (MW) Reduction			GWh Energy Reduction		
	Total Achieved	Commission Approved Goal	% Variance	Total Achieved	Commission Approved Goal	% Variance	Total Achieved	Commission Approved Goal	% Variance
2005	0.34	0.24	40.00%	0.27	0.27	0.00%	0.65	0.60	8.93%
2006	0.33	0.23	42.11%	0.28	0.27	4.55%	0.59	0.58	1.79%
2007	0.43	0.26	66.67%	0.23	0.27	-13.04%	0.60	0.60	0.00%
2008	0.50	0.30	66.67%	0.26	0.27	-4.17%	0.73	0.63	16.67%
2009	0.43	0.30	44.00%	0.27	0.27	0.00%	0.74	0.67	11.11%
2010	0.59	0.19	210.53%	0.28	0.43	-34.88%	0.80	1.29	-37.98%
Totals	2.62	1.52	72.18%	1.59	1.77	-10.35%	4.11	4.36	-5.69%

4. As indicated on Table 2-2 of FPUC's Annual DSM Report filed on March 1, 2011, the summer demand MW reduction and the GWh energy reduction goals for 2010 were not met in the commercial sector. Please estimate how the difference between the goals and actual achievements for this sector has impacted your residential customers by completing the tables below.

Year	Summer (MW)			Avoided Capacity (\$/kw/month)	Total Cost (\$)
	Goal	Achieved	Difference		
2010	0.23	0.07	0.16	6.81	13,075

Year	Energy (GWH)			Avg as Available Energy Rate	Total Cost (\$)
	Goal	Achieved	Difference		
2010	0.78	0.25	0.53	0.066	3,498

**Response:**

The goals shown in the above table are the 2009 goals, which FPUC believes is appropriate based upon the timing of the approval process for the programs. Specifically, FPUC's Demand-Side Management Plan for meeting the goals was approved by the Commission by Order No. PSC-10-0678-PAA-EG, issued November 12, 2010. The PAA decision was thereafter rendered Final Agency Action by issuance of the Consummating Order on December 7, 2010. As such, for most of 2010, FPUC's 2004 Demand-side Management Plan was in place, as opposed to the newer plan based upon 2009 goals.

FPUC respectfully suggests that the premise underlying this question is incorrect. Specifically, FPUC's residential customer costs did not increase as a result of FPUC's inability to meet 2009 commercial sector goals during 2010. Based upon the Company's analysis, the exact opposite happened. The 2009 goals were based on the eTRC test. Consequently, none of FPUC's 2010 Demand-Side Management Plan programs pass the RIM or eRIM test. Thus, implementation of FPUC's 2010 Demand-Side Management Plan programs could be viewed as imposing new costs on FPUC's ratepayers, at least when compared to the prior programs measured under the RIM and eRIM tests. As a result, FPUC's customers rates are theoretically lower by virtue of the simple fact that FPUC did not have enough participants to meet the 2009 goals.<sup>1</sup> The avoided costs in the above table are based on FPUC's actual 2010 purchased power costs and reflect the average for FPUC's two Divisions.

**5. Please also estimate how the difference between the goals and actual achievements has impacted the general body of FPUC ratepayers with regard to:**

- a. generation costs
- b. fuel costs
- c. transmission costs
- d. distribution costs
- e. greenhouse gas emissions
- f. jobs with the State of Florida

**Response:****A. Generation Costs**

This is not applicable to FPUC since FPUC purchases all its power, but purchased power costs were higher than they would have been if FPUC had met the goals. If FPUC would have met the goals, the lower purchase power costs would not be sufficient to offset the program costs which would have resulted in increased cost to the rate payers.

<sup>1</sup> Furthermore, because the eTRC test was used to develop the 2009 goals, FPUC's customers are now paying the additional costs associated with CO<sub>2</sub>, which has not been included in the calculations in the past.

**B. Fuel Costs**

This is not applicable to FPUC since FPUC purchases all its power, but purchased power costs were higher than they would have been if FPUC had met the goals. If FPUC would have met the goals, the lower purchase power costs would not be sufficient to offset the program costs which would have resulted in increased cost to the rate payers.

**C. Transmission Costs**

FPUC's transmission costs are part of their purchase power costs, but purchased power costs were higher than they would have been if FPUC had met the goals. If FPUC would have met the goals, the lower purchased power costs would not be sufficient to offset the program costs which would have resulted in increased cost to the rate payers.

**D. Distribution Costs**

The small difference between the goals and actual did not have an actual affect on FPUC's distribution costs other than if FPUC would have met the goals there would be slightly fewer losses.

**E. Greenhouse Gas Emissions**

Greenhouse gas emissions would have been slightly less if FPUC would have met the goals; however, the reduced greenhouse gas emissions reduction due to the reduced power generation to supply the purchased power would be offset by increased emissions to implement additional participation in the programs.

**F. Jobs with the State of Florida**

It is assumed that this means jobs in the State of Florida rather than with the State of Florida. It is unlikely that the higher rates that would have resulted if FPUC had met the goals would have resulted in any loss of jobs in the State of Florida.

**6. As indicated in FPUC's Annual DSM Report filed on March 1, 2011, the following programs did not achieve projected cumulative participation levels in 2010: Residential GoodCents Home/Energy Star Program and GoodCents Commercial Building. Please explain why the projected participation levels (2005-2010) were not achieved for each of these programs as described below.**

**The Residential GoodCents Home/Energy Star Program was 160 participants short of the cumulative number of participants FPUC projected this program would have in 2010. As of 2010, this program has only reached 14% of eligible customers, whereas FPCU projected it would have reached 51% of eligible customers by 2010.**

**The GoodCents Commercial Building Program was 40 participants short of the cumulative number of participants FPUC projected this program would have in 2010. As of 2010, this**

program has only reached 21% of eligible customers, whereas FPCU projected it would have reached 43% of eligible customers by 2010.

**Response:**

The cost and other requirements for these programs have resulted in very low participation by eligible customers. Since both of these programs are based on new construction and with the economy and especially the new building market still struggling to recover, it is not surprising the penetration levels are significantly below those predicted in the 2004 Demand-Side Management Plan. FPUC having applied the lessons learned will no longer offer these programs as part of the 2010 Demand-Side Management Plan.