BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request for Approval of)	DOCKET NO.	900112-EG
Energy Conservation Plan by)	ORDER NO.	23553
Clay Electric Cooperative, Inc.)	ISSUED:	10-02-90
	1		

The following Commissioners participated in the disposition of this matter:

MICHAEL McK. WILSON, Chairman THOMAS M. BEARD BETTY EASLEY FRANK S. MESSERSMITH

NOTICE OF PROPOSED AGENCY ACTION ORDER APPROVING CLAY ELECTRIC COOPERATIVE, INC.'S CONSERVATION PLAN

BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are adversely affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

CASE BACKGROUND

During the 1989 regular session, the Legislature of the State of Florida amended Section 366.82, Florida Statutes, requiring this Commission to adopt goals for increasing the efficiency of energy consumption and increasing development of cogeneration. Section 366.82, Florida Statutes also directed the Commission to require affected electric and natural gas utilities to submit updated energy conservation programs. On November 14, 1989 the Commission issued Order 22186, adopting the goals stated in Rule 25-17.001, No. Administrative Code, and required the affected Florida utilities to submit new and revised plans and programs to meet the goals within 90 days of the issuance of the Order. Also in the Order, the Commission stated that the conservation programs will be judged by the following criteria:

> DOCUMENT NUMBER-DATE 08827 OCT -2 1990 PSC-RECORDS/REPORTING.

254

ORDER NO. 23553 DOCKET NO. 900112-EG PAGE 2

- Does each component program advance the policy objectives set forth in Rule 25-17.001 and the FEECA statute?
- Is each component program directly monitorable and yield measurable results?
- Is each component program cost effective? (The Commission stated that municipal and cooperative utilities were free to implement non-cost effective programs if they so desired).

The utilities were directed to file programs in four areas: (1) demand side management programs; (2) natural gas programs where cost effective; (3) residential energy audits; and (4) a program for attracting qualifying facilities (cogeneration) into its service area.

Subsequently the Commission deleted that part of Order No. 22176 requiring the electric utilities promotion of gas programs.

Conservation Plan

We agree with our Staff's recommendation that Clay's conservation programs listed below should be approved:

Residential Energy Audits/Detailed Residential Energy Audits (both offered free of charge): Clay offers and performs free Class A (computer-assisted) and Class B (walk-through) energy audits. Clay notifies all existing members a minimum of twice annually, and all new members at the time they apply for service, of the availability of energy audits.

Load Management (Residential): Clay presently offers a load management program with monthly credits for customers who volunteer to participate. Clay's load management program affects three types of appliances: water heaters, air conditioners, and heaters. Demand savings attributed to this program average 1.444 KW/customer in the winter and 1.276 KW/customer in the summer.

Cogeneration (through Seminole Electric Cooperative's standard offer tariff): Seminole and its Members have adopted an integrated approach to implementing Seminole's

255

ORDER NO. 23553 DOCKET NO. 900112-EG PAGE 3

> and the Members' obligation under PURPA and FERC rules, in which Seminole would purchase energy and capacity from qualifying facilities and the Members would provide retail service to qualifying facilities.

> Voltage Control: The objective of Clay's voltage control program is to reduce the growth rate of peak demand. Demand reduction is accomplished by lowering the buss voltage at distribution substations such that end-of-line voltage does not go below the minimum allowed. Assuming a 1:1 relationship between percent of voltage reduced and percent of demand reduced on-peak, Clay believes that a 2% reduction in voltage (2.5 volts) represents a "low-case" average for its system. Clay estimates that voltage control will result in an annual demand savings of 0.817 KW/customer over the next 20 years.

In consideration of the foregoing, it is

ORDERED by the Florida Public Service Commission that Clay Electric Cooperative, Inc.'s conservation plan as described in the body of this Order is approved.

ORDERED that if a protest is filed within 20 days of the date of this Order it will be resolved by the appropriate Commission panel pursuant to Rule 25-22.006(3)(d), Florida Administrative Code.

By ORDER of the Florida Public Service Commission, this <u>2nd</u> day of <u>OCTOBER</u>, <u>1990</u>.

STEVE TRIBBLE Director Division of Records and Reporting

(SEAL)

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256

ORDER NO. 23553 DOCKET NO. 900112-EG PAGE 4

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

The action proposed herein is preliminary in nature and will not become effective or final, except as provided by Rule 25-22.029, Florida Administrative Code. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, as provided by Rule 25-22.029(4), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a) and (f), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting at his office at 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on October 23, 1990

In the absence of such a petition, this order shall become effective on the day subsequent to the above date as provided by Rule 25-22.029(6), Florida Administrative Code, and as reflected in a subsequent order.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

If this order becomes final and effective on the date described above, any party adversely affected may request judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or by the First District Court of Appeal in the case of a water or sewer utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days of the effective date of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.