

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request for Approval of)	DOCKET NO. 900086-EG
Energy Conservation Plan by)	ORDER NO. 23562
Kissimmee Utility Authority.)	ISSUED: 10-02-90
)	

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 KISSIMMEE UTILITY
AUTHORITY'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 the 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 No. 22186, adopting the goals stated in Rule 25-17.001, Florida Administrative Code, and required the affected 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:

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1. Does each component program advance the policy objectives set forth in Rule 25-17.001 and the FEECA statute?
2. Is each component program directly monitorable and yield measurable results?
3. Is each component program cost effective? (The Commission stated that municipal and cooperative utilities were free to implement non-cost effective 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 KUA's existing conservation programs listed below should be approved:

1. Residential Energy Audit

Kissimmee Utility Authority (KUA) offers residential energy audits to all residential customers within their service territory. KUA employs a full-time auditor to perform these audits. They estimate that these audits result in a demand reduction of 150 kW and an energy reduction of 80,000 kWh. This program is expected to cost \$40,000 annually.

2. Commercial/Industrial Energy Analysis

KUA offers energy audits to all Commercial/Industrial customers. They assume that, based on the participation of 20 customers, this program will result in a demand reduction of 16 kW and an energy reduction of 17,500 kWh.

3. Fix-up Program

All of KUA's residential customers are eligible for KUA's fix-up program where energy saving devices such as electric

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outlet gaskets, water heater jackets, solar screen/reflective film, water flow restrictors etc. are installed. KUA estimates that more than 200 homes will participate and that the energy savings per home will be 1200 kWh and the peak demand reduction per home will be 1 kW.

4. Mercury Vapor Lighting Conversion to High Pressure Sodium

KUA plans to convert 175 mercury vapor lights to sodium vapor lights annually to increase the efficiency of street lighting. Because these lights work in off-peak periods, there is little reduction in peak demand. KUA expects an energy savings from this program of 220,150 kWh annually.

5. Water Heater Conversion From Resistance Heating

This program informs customers of the benefits of heating water through methods other than resistance heating. Customers participate on a voluntary basis and no rebate is offered. Assuming that 500 homes per year convert, the demand savings would be 280 kW. This program is expected to cost less than \$1000 per year.

6. Elimination of Electric Resistance Space Heating

This program promotes the installation of high efficiency heat pumps. KUA offers an incentive to convert inefficient systems to efficient systems. KUA assumes that 500 installations will occur each year, resulting in a savings of 225,000 kWh and a peak reduction of 500 kW. This program is expected to cost \$6,500 per year.

7. Public Awareness Program

KUA provides information to all customers on energy conserving techniques through the use of bill-stuffers, literature, radio, newspaper, public meetings and school demonstrations. This program is expected to cost less than \$10,000 per year.

8. Load Management

KUA expects to offer a direct load control program to its residential customers. This program is not yet developed.

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9. Natural Gas

KUA encourages the use of natural gas wherever possible; however, natural gas is not available throughout most of KUA's service territory.

10. Cogeneration

KUA currently has no cogeneration projects in its service territory and they do not expect very much cogeneration to develop since there are no chemical processing plants of a significant size in their service territory. However, KUA plans to adopt a policy to encourage all potential customers to investigate the feasibility of cogeneration. Once a policy resolution is adopted by KUA's governing Board, KUA will develop an avoided capacity and energy cost as well as back up energy rates.

KUA does not have a standard offered contract for the purchase of capacity and energy from qualifying facilities. We agree with Staff's recommendation that KUA should be required to file with the Commission as soon as possible a standard offer contract. Since the existence of such a contract may influence a cogenerator's decision to locate in a utility's service territory. This filing requirement will in our opinion not cause an undue burden on the utility.

In consideration of the foregoing, it is

ORDERED by the Florida Public Service Commission that Kissimmee Utility Authority's conservation plan as described in the body of this Order is approved. It is further

ORDERED that KUA, or its designee file a standard offer contract for the purchase of capacity and energy from qualified facilities. It is further

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.

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



STEVE TRIBBLE Director
Division of Records and Reporting

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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.

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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.