



ORIGINAL

**Florida Power**  
CORPORATION

**JAMES A. MCGEE**  
SENIOR COUNSEL

October 5, 1998

Ms. Blanca Bayo, Director  
Division of Records & Reporting  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, Florida 32399-0850

98 OCT -5 AM 11:06  
MAIL ROOM

Re: Docket No. 980002-EG

Dear Ms. Bayo:

Enclosed for filing in the subject docket are an original and ten copies of the Direct Testimony and Exhibits of Michael F. Jacob filed on behalf of Florida Power Corporation.

Please acknowledge your receipt of the above filing on the enclosed copy of this letter and return to the undersigned. Also enclosed is a 3.5 inch diskette containing the above-referenced document in WordPerfect format. Thank you for your assistance in this matter.

- ACK \_\_\_\_\_
- AFA Handover
- APP \_\_\_\_\_
- CAF \_\_\_\_\_
- CMU \_\_\_\_\_
- GTR \_\_\_\_\_
- EAG Bullinger
- LEG \_\_\_\_\_
- LIN 3 to
- OPC \_\_\_\_\_
- RCH \_\_\_\_\_
- SEC 1
- WAS \_\_\_\_\_
- OTH \_\_\_\_\_

cc: Parties of Record

Very truly yours,  
  
James A. McGee

RECEIVED & FILED  
  
FPSC-BUREAU OF RECORDS

GENERAL OFFICE

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A Florida Progress Company

DOCUMENT NUMBER-DATE

10915 OCT-5 98

FPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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In re: Conservation Cost Recovery  
Clauses of Electric Companies.

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Docket No.980002-EG

Submitted for filing:  
October 5, 1998

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true copy of the Testimony and Exhibits of Michael F. Jacob submitted by Florida Power Corporation has been furnished to the following individuals by regular U.S. Mail this 5th day of October 1998:

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3395



Attorney

ORIGINAL



**Florida  
Power**  
CORPORATION

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**BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION**

**DOCKET No. 980002-EG**

**ECCR Projections  
January through December 1999**

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**DIRECT TESTIMONY  
AND EXHIBITS OF  
MICHAEL F. JACOB**

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**For Filing October 5, 1998**

DOCUMENT NUMBER-DATE

10915 OCT-5 88

FPSC-RECORDS/REPORTING

**FLORIDA POWER CORPORATION**

**DOCKET No. 980002-EG**

**DIRECT TESTIMONY OF  
MICHAEL F. JACOB**

1 **Q. State your name and business address.**

2 A. My name is Michael F. Jacob. My business address is Florida Power  
3 Corporation, 17757 U.S. Highway 19 North, Suite 660, Clearwater, Florida,  
4 33764.

5

6 **Q. By whom are you employed and in what capacity?**

7 A. I am employed by Florida Power Corporation (FPC) as Manager of  
8 Regulatory Evaluation and Planning.

9

10 **Q. Have your duties and responsibilities remained the same since you**  
11 **last testified in this proceeding.**

12 A. Yes.

13

14 **Q. What is the purpose of your testimony?**

15 A. The purpose of my testimony is to describe the components and costs of the  
16 Company's Demand-Side Management Plan as approved by the Florida Public  
17 Service Commission. I will detail the projected costs for implementing each  
18 program in that plan, explain how these costs are presented in the attached  
19 exhibit, and show the resulting conservation adjustment factors (in \$/1,000  
20 kWh).

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**Q. Do you have any Exhibits to your testimony?**

A. Yes, Exhibit No. \_\_\_ (MFJ-1) is entitled, "Summary of Cost Recovery Clause Calculations for the Period January 1999 through December 1999."

**Q. For what programs does FPC seek recovery?**

A. FPC is seeking to recover those costs allowed pursuant to Rule 25-17.015 of the Florida Administrative Code, as adopted by the Florida Public Service Commission, for each of the following programs as well as for Conservation Program Administration (those common administration expenses not specifically linked to an individual program).

- Home Energy Check
- Home Energy Improvement
- Residential New Construction
- Energy Management (Includes Residential and Commercial Energy Management and Load Management Switches.)
- Business Energy Check
- Better Business
- Commercial/Industrial New Construction
- Innovation Incentive
- Standby Generation
- Interruptible Service
- Curtailable Service
- Technology Development
- Gas Demonstration

- Qualifying Facility

**Q. Will you please explain Exhibit No. 1?**

A. Yes. Exhibit 1 consists of Schedules C-1 through C-5. Schedule C-1 provides a summary of cost recovery clause calculations and information by retail rate schedule. Schedule C-2 provides the monthly and total conservation program cost estimates during the projection period of January 1999 through December 1999 for each conservation program as well as for common administration expenses. Additionally, Schedule C-2 presents the program costs by specific category (i.e. payroll, materials, incentives, etc.) and includes a schedule of estimated capital investments, depreciation and return for the projection period.

Schedule C-3 contains a detailed breakdown of conservation program costs by specific category and by month for the actual/estimated period of April through August 1998 (actual) and September 1998 through December 1998 (estimated). In addition, Schedule C-3 presents a schedule of estimated capital investment, depreciation and return, an energy conservation adjustment calculation of true-up, and a calculation of interest provision for the actual/estimated period of April 1998 through December 1998. Schedule C-4 projects Energy Conservation Cost Recovery (ECCR) revenues during the January 1999 through December 1999 projection period. Schedule C-5 presents a brief description of each program, as well as a summary of progress and projected expenditures for each program for which FPC seeks cost recovery as part of the Energy Conservation Cost Recovery Clause.

1 Q. Would you please summarize the major results from your Exhibit?

2 A. Schedule C-2, Page 1 of 6, Line 22, shows total net program costs of  
3 \$78,210,482 for the January 1999 through December 1999 projection period.  
4

5 Based on the results contained in Schedule C-1, Page 1 of 4, Lines 18 - 20, the  
6 following table presents the projected conservation cost recovery charge in  
7 dollars per 1,000 kilowatt-hours by retail rate class for the time period January  
8 1999 through December 1999.  
9

10 **Conservation Adjustment Factors (\$/1,000 kWh)**

	Secondary	Primary	Transmission
<u>Retail Rate Schedule</u>	<u>Voltage</u>	<u>Voltage</u>	<u>Voltage</u>
13 Residential	\$3.21	N/A	N/A
14 General Service Non-Demand	\$2.18	\$2.16	\$2.14
15 General Service 100% Load Factor	\$1.59	N/A	N/A
16 General Service Demand	\$1.87	\$1.85	\$1.83
17 Curtailable	\$1.62	\$1.60	\$1.59
18 Interruptible	\$1.54	\$1.52	\$1.51
19 Lighting	\$0.78	N/A	N/A

20  
21 Q. Does this conclude your direct testimony?

22 A. Yes.



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**SCHEDULE C-1**  
**JANUARY 1999 THROUGH DECEMBER 1999**

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FLORIDA POWER CORPORATION  
 ENERGY COST RECOVERY ADJUSTMENT  
 SUMMARY OF COST RECOVERY CLAUSE CALCULATIONS  
 FOR THE PERIOD JANUARY 1999 THROUGH DECEMBER 1999

FPSC DOCKET NO. 880002-EG  
 FLORIDA POWER CORPORATION  
 MICHAEL F. JACOB  
 EXHIBIT NO. MFJ-1  
 SCHEDULE C-1  
 PAGE 1 OF 4 8/30/98 14:01

RETAIL RATE SCHEDULES

LINE NO.	RESIDENTIAL	GENERAL SER. NON DEMAND	GENERAL SER. 100% L.F. DEMAND	GENERAL SER. DEMAND	CURTailable INTERRUPTIBLE	LIGHTING	TOTAL
1	60.856%	3.587%	0.115%	30.047%	0.400%	4.826%	100.000%
2	\$40,498,492	\$2,387,079	\$16,530	\$19,995,898	\$266,192	\$3,211,810	\$66,548,067
3	(\$2,211,967)	(\$130,379)	(\$4,180)	(\$1,092,136)	(\$14,538)	(\$175,413)	(\$3,634,765)
4	\$38,286,525	\$2,256,700	\$12,350	\$18,903,663	\$251,653	\$3,036,197	\$62,913,312
5	49.942%	3.717%	0.175%	37.319%	0.685%	7.539%	100.000%
6	\$5,824,443	\$433,492	\$20,409	\$4,352,297	\$68,225	\$879,229	\$11,662,415
7	(\$318,083)	(\$23,674)	(\$1,111)	(\$237,687)	(\$3,720)	(\$48,016)	(\$636,906)
8	\$5,506,360	\$409,819	\$19,294	\$4,114,610	\$64,499	\$831,213	\$11,025,910
9	\$46,322,935	\$2,820,571	\$96,939	\$24,347,995	\$334,417	\$4,090,839	\$78,210,482
10	(\$2,530,050)	(\$154,053)	(\$5,295)	(\$1,329,822)	(\$18,266)	(\$223,429)	(\$4,271,060)
11	\$8,947,652	\$0	\$0	\$0	\$0	\$0	\$8,947,652
12	\$52,740,537	\$2,668,518	\$91,644	\$23,018,173	\$316,152	\$3,867,410	\$82,888,474
13	16,421,282	1,222,288	57,484	12,309,854	195,417	2,517,683	237,706
14	\$3,2117	\$2,1816	\$1,5943	\$1,8099	\$1,8178	\$1,5361	\$0,7828
15	1,000201	1,000201	1,000201	1,000201	1,000201	1,000201	1,000201
16	\$3,2124	\$2,1820	\$1,5946	\$1,8703	\$1,8182	\$1,5364	\$0,7828
17	\$3,21	\$2,18	\$1,59	\$1,87	\$1,82	\$1,54	\$0,78
18	N/A	\$2,16	N/A	\$1,85	\$1,60	\$1,52	N/A
20	N/A	\$2,14	N/A	\$1,83	\$1,59	\$1,51	N/A

NOTE: 1. THE TOTAL UNRECOVERED DECOUPLING REVENUE IS \$11,930,202 RECOVERY WAS APPROVED FOR THE PERIOD 4/1/99 TO 3/31/2000. DUE TO THE CHANGE TO A CALENDAR YEAR COLLECTION SCHEDULE ONLY 75% OF THIS AMOUNT WILL BE COLLECTED IN 1999 LEAVING THE REMAINING 25% TO BE COLLECTED IN THE YEAR 2000.

Calculation of Average 12 CP and Annual Average Demand  
 for the Period January 1998 through December 1998

Rate Class	(11) MWH SALES @ METER LEVEL	(12) 12 CP LOAD FACTOR	(13) 12 CP MW @ METER LEVEL (15/8760hrs)	(14) DELIVERY EFFICIENCY FACTOR	(15) AVERAGE CP MW @ SOURCE LEVEL (3)(14)	(16) MWH SALES @ METER LEVEL	(17) DELIVERY EFFICIENCY FACTOR	(18) SOURCE LEVEL MWH (8)(17)	(19) ANNUAL AVERAGE DEMAND (8)(17)(8760hrs)
<b>I. RESIDENTIAL SERVICE</b>	16,421,282	0.515	3,639.96	0.9428716	3,861.31	16,421,282	0.9428716	17,419,939	1,988.58
<b>II. GENERAL SERVICE - NON-DEMAND</b>									
TRANSMISSION	0	0.662	0.00	0.9776000	0.00	0	0.9776000	0	0.00
PRIMARY	7,408	0.662	1.28	0.9676000	1.32	7,408	0.9676000	7,656	0.87
SECONDARY	1,214,954	0.662	208.51	0.9428716	222.25	1,214,954	0.9428716	1,268,841	147.13
TOTAL	1,222,362		210.79		223.57	1,222,362		1,296,497	148.00
<b>III. GS - 100% L.F.</b>	57,484	1.000	6.56	0.9428716	6.96	57,484	0.9428716	60,980	6.96
<b>IV. GENERAL SERVICE DEMAND</b>									
GSD - 1 - TRANSMISSION	2,450	0.807	0.49	0.9776000					
SS-1 - TRANSMISSION	14,893	1.218	1.40	0.9776000					
SUBTOTAL - TRANSMISSION	18,343		1.89	0.9776000	1.93	18,343	0.9776000	18,763	2.14
GSD - PRIMARY	2,470,042	0.807	349.40	0.9676000					
SS-1 - PRIMARY	0	1.218	0.00	0.9676000					
SUBTOTAL - PRIMARY	2,470,042		349.40	0.9676000	361.10	2,470,042	0.9676000	2,552,751	291.41
GSD - SECONDARY	9,846,538	0.807	1,382.95	0.9428716	1,477.66	9,846,538	0.9428716	10,445,351	1,192.39
TOTAL	12,334,921		1,744.14		1,940.59	12,334,921		13,016,965	1,485.94
<b>V. CURTAILABLE SERVICE</b>									
CS - PRIMARY	191,756	0.868	22.66	0.9676000					
SS-3 - PRIMARY	4,824	1.039	0.53	0.9676000					
SUBTOTAL - PRIMARY	196,580		23.19	0.9676000	23.97	196,580	0.9676000	203,162	23.19
CS - SECONDARY	803	0.966	0.09	0.9428716	0.10	803	0.9428716	852	0.10
TOTAL	197,383		23.28		24.07	197,383		204,014	23.29
<b>VI. INTERRUPTIBLE SERVICE</b>									
IS - TRANSMISSION	379,878	1.044	41.54	0.9776000		379,878			
SS-2 - TRANSMISSION	122,142	1.044	13.36	0.9776000		122,142			
SUBTOTAL - TRANSMISSION	502,018		54.90	0.9776000	56.16	502,018	0.9776000	513,521	58.62
IS - PRIMARY	1,906,628	1.044	208.37	0.9676000		1,906,628			
SS-2 - PRIMARY	48,524	1.044	5.31	0.9676000		48,524			
SUBTOTAL - PRIMARY	1,954,152		213.68	0.9676000	220.84	1,954,152	0.9676000	2,019,587	230.55
SECONDARY	91,095	1.044	9.96	0.9428716	10.57	91,095	0.9428716	96,635	11.03
TOTAL	2,547,265		278.54		287.57	2,547,265		2,629,743	300.20
<b>VII. LIGHTING SERVICE</b>									
	237,706	3.779	7.18	0.9428716	7.62	237,706	0.9428716	252,162	28.79
<b>TOTAL RETAIL</b>	33,018,403		6,251.69			33,018,403		34,890,200	3,991.76

CALCULATION OF DEMAND AND ENERGY ALLOCATORS  
 FOR THE PERIOD JANUARY 1999 THROUGH DECEMBER 1999

RATE CLASS	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	AVERAGE 12 CP DEMAND MW	%	ANNUAL AVERAGE DEMAND MW	%	12/13 OF 12 CP 12/13*(2)	1/13 OF AVG. DEMAND 1/13*(4)	DEMAND ALLOCATOR (5)*(6)
<b>I. RESIDENTIAL SERVICE</b>	3,861.31	61.765%	1,988.58	49.942%	57.014%	3.842%	60,856%
<b>II. GENERAL SERVICE NON-DEMAND</b>							
TRANSMISSION	0.00	0.000%	0.00	0.000%	0.000%	0.000%	0.000%
PRIMARY	1.32	0.021%	0.87	0.022%	0.019%	0.002%	0.021%
SECONDARY	222.25	3.655%	147.13	3.695%	3.282%	0.284%	3.666%
TOTAL	223.57	3.676%	148.00	3.717%	3.301%	0.286%	3.687%
<b>III. GS - 100% L.F.</b>	6.96	0.111%	6.96	0.175%	0.102%	0.013%	0.115%
<b>IV. GENERAL SERVICE DEMAND</b>							
TRANSMISSION	1.93	0.031%	2.14	0.064%	0.029%	0.004%	0.033%
PRIMARY	361.10	5.776%	291.41	7.319%	5.332%	0.603%	6.895%
SECONDARY	1,477.55	23.035%	1,192.39	29.916%	21.817%	2.304%	24.121%
TOTAL	1,840.59	29.441%	1,486.94	37.311%	27.176%	2.871%	30.047%
<b>V. CURTAILABLE SERVICE</b>							
PRIMARY	23.97	0.383%	23.19	0.682%	0.354%	0.045%	0.399%
SECONDARY	0.10	0.002%	0.10	0.003%	0.002%	0.000%	0.002%
TOTAL	24.07	0.385%	23.29	0.685%	0.356%	0.045%	0.400%
<b>VI. INTERRUPTIBLE SERVICE</b>							
TRANSMISSION	66.16	0.896%	68.62	1.472%	0.829%	0.113%	0.942%
PRIMARY	220.84	3.632%	230.55	5.790%	3.260%	0.445%	3.705%
SECONDARY	10.57	0.169%	11.03	0.277%	0.156%	0.021%	0.177%
TOTAL	287.57	4.600%	300.20	7.539%	4.246%	0.580%	4.826%
<b>VII. LIGHTING SERVICE</b>	7.62	0.122%	28.79	0.723%	0.113%	0.056%	0.169%
<b>TOTAL RETAIL</b>	6,251.69	100.000%	3,981.76	100.000%	92.307%	7.693%	100.000%

PROJECTED MWH SALES  
AT EFFECTIVE VOLTAGE LEVEL  
FOR THE PERIOD JANUARY 1999 THROUGH DECEMBER 1999

RATE CLASS	(1) MWH SALES @ METER LEVEL	(2) VOLTAGE ADJUSTMENT	(3) MWH SALES @ EFFECTIVE LEVEL
I. RESIDENTIAL SERVICE	16,421,282	100%	16,421,282
II. GENERAL SERVICE NON DEMAND			
TRANSMISSION	0	98%	0
PRIMARY	7,408	99%	7,334
SECONDARY	1,214,954	100%	1,214,954
TOTAL	1,222,362		1,222,288
III. GS - 100% L.F.	57,484	100%	57,484
IV. GENERAL SERVICE DEMAND			
SS-1/GSD - TRANSMISSION	18,343	98%	17,976
GSD - PRIMARY	2,470,042	99%	2,445,342
SS-1 - PRIMARY	0	99%	0
SUBTOTAL - PRIMARY	2,470,042		2,445,342
GSD - SECONDARY	9,846,530	100%	9,846,530
TOTAL	12,334,921		12,309,864
V. CURTAILABLE SERVICE			
PRIMARY	196,680	99%	194,614
SECONDARY	803	100%	803
TOTAL	197,383		195,417
VI. INTERRUPTIBLE SERVICE			
IS - TRANSMISSION	379,878	98%	372,278
SS-2 - TRANSMISSION	122,142	98%	119,699
SUBTOTAL - TRANSMISSION	502,018		491,977
IS - PRIMARY	1,906,828	99%	1,896,572
SS-2 - PRIMARY	48,524	99%	48,038
SUBTOTAL - PRIMARY	1,954,162		1,934,611
IS-1 - SECONDARY	91,095	100%	91,095
TOTAL	2,547,265		2,517,683
VII. LIGHTING SERVICE	237,708	100%	237,708
TOTAL RETAIL	33,018,403		32,981,714

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**SCHEDULE C-2**  
**JANUARY 1999 THROUGH DECEMBER 1999**

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FLORIDA POWER CORPORATION.

ESTIMATED CONSERVATION PROGRAM COSTS  
FOR THE PERIOD JANUARY 1999 THROUGH DECEMBER 1999

FPSC DOCKET NO. 980002-EG  
FLORIDA POWER CORPORATION  
WITNESS: M. F. JACOB  
EXHIBIT NO: \_  
MFJ - 1  
SCHEDULE C - 2  
PAGE 1 OF 6  
October 5,1998

LINE NO.	PROGRAM TITLE Demand (D) or Energy (E)	12 MONTH TOTAL		
1	BETTER BUSINESS (908.15) (E)	\$ 221,343		
2	GAS DEMONSTRATION (908.17) (E)	20,933		
3	RESIDENTIAL NEW CONSTRUCT (908.22) (E)	1,203,073		
4	HOME ENERGY IMPROVEMENT (908.23) (E)	3,965,270		
5	C/I NEW CONSTRUCTION (908.24) (E)	183,268		
6	HOME ENERGY CHECK (908.25) (E)	2,438,707		
7	BUSINESS ENERGY CHECK (908.28) (E)	391,682		
8	CONSERVATION PROGRAM ADMIN (908.35) (E)	2,528,912		
9	CONSERVATION PROGRAM ADMIN (908.35) (D)	245,868		
10	QUALIFYING FACILITY (908.42) (E)	298,535		
11	INNOVATION INCENTIVE (908.60) (E)	199,180		
12	TECHNOLOGY DEVELOPMENT (908.65) (E)	211,512		
13	STANDBY GENERATION (908.69) (D)	606,493		
14	INTERRUPTIBLE SERVICE (908.70 & .71) (D)	21,033,197		
15	CURTAILABLE SERVICE (908.72 & .73) (D)	720,000		
16	RES ENERGY MANGMNT-ADMIN (908.75 & .77) (D)	3,427,255		
17	RES ENERGY MANGMNT-EQUIP SVC (908.76) (D)	36,575,300		
18	LOAD MANAGEMENT SWITCHES (908.80) (D)	3,185,598		
19	COM ENERGY MANGMNT-ADMIN (908.85 & .87) (D)	5,273		
20	COM ENERGY MANGMNT-EQUIP SVC (908.86) (D)	749,083		
21				
22	NET PROGRAM COSTS	<u>\$ 78,210,482</u>		
23				
24	<u>SUMMARY OF DEMAND &amp; ENERGY</u>			
25		12 Months	Prior Period	Total Costs
26		Total	True - up	with True - up
27			Sch C-3 p 9	
28	ENERGY	\$ 11,662,415	\$ (636,905)	\$ 11,025,510
29				
30	DEMAND	66,548,067	(3,634,755)	62,913,312
31				
32	REVENUE DECOUPLING	-	TRUE UP	-
33				
34	TOTAL	<u>\$ 78,210,482</u>	<u>\$ (4,271,660)</u>	<u>\$ 73,938,822</u>





FLORIDA POWER CORPORATION  
ESTIMATED CONSERVATION PROGRAM COSTS  
FOR THE PERIOD JANUARY 1999 THROUGH DECEMBER 1, 1999

FPSC DOCKET NO. 980002-EG  
FLORIDA POWER CORPORATION  
WITNESS M. F. JACOB  
EXHIBIT NO. -  
MFJ - 1  
SCHEDULE C - 2  
PAGE 3 OF 6  
October 5, 1998

LINE NO	PROGRAM TITLE Demand (D) or Energy (E)	DEPRECIATION AMORTIZATION & RETURN	PAYROLL & BENEFITS	MATERIALS & SUPPLIES	OUTSIDE SERVICES	ADVERTISING	INCENTIVES	VEHICLES	OTHER	PROGRAM REVENUES (CREDITS)	TOTAL
1	BETTER BUSINESS (908 15) (E)	\$ -	\$ 23,258	\$ -	\$ -	\$ -	\$ 197,500	\$ 585	\$ -	\$ -	\$ 221,343
2	GAS DEMONSTRATION (908 17) (E)	-	7,635	5,250	7,350	-	-	68	630	-	20,933
3	RESIDENTIAL NEW CONSTRUCT (908 22) (E)	-	295,350	368	113,040	215,000	500,000	19,630	59,685	-	1,203,073
4	HOME ENERGY IMPROVEMENT (908 23) (E)	-	266,858	1,200	52,040	250,001	3,250,000	23,562	121,609	-	3,965,270
5	CI NEW CONSTRUCTION (908 24) (E)	-	1,271	-	-	-	181,997	-	-	-	183,268
6	HOME ENERGY CHECK (908 25) (E)	5,251	1,383,702	7,998	166,550	404,500	-	129,576	341,120	-	2,438,707
7	BUSINESS ENERGY CHECK (908 28) (E)	-	343,752	2,835	2,500	-	-	24,125	18,470	-	391,682
8	CONSERVATION PROGRAM ADMIN (908 35) (E)	315,959	632,740	26,275	712,496	5,676	4,256	8,568	822,942	-	2,528,912
9	CONSERVATION PROGRAM ADMIN (908 35) (D)	-	70,303	2,921	79,160	624	469	953	91,438	-	245,668
10	QUALIFYING FACILITY (908 42) (E)	3,285	253,093	-	-	-	-	1,235	40,922	-	298,535
11	INNOVATION INCENTIVE (908 60) (E)	-	22,180	-	-	-	175,000	2,000	-	-	199,180
12	TECHNOLOGY DEVELOPMENT (908 65) (E)	-	14,295	5,250	127,300	-	50,000	273	14,394	-	211,512
13	STANDBY GENERATION (908 69) (D)	-	3,197	11,800	23,200	-	568,296	-	-	-	606,493
14	INTERRUPTIBLE SERVICE (908 70 & 71) (D)	-	3,197	30,000	-	-	21,000,000	-	-	-	21,033,197
15	CURTAINABLE SERVICE (908 72 & 73) (D)	-	-	20,000	-	-	700,000	-	-	-	720,000
16	RES ENERGY MANGMNT-ADMIN (908 75 & 77) (D)	-	773,992	87,500	730,500	295,100	-	24,356	388,984	-	2,300,432
17	RES ENERGY MANGMNT-EQUIP SVC (908 76) (D)	1,126,823	824,893	1,238	1,439,930	-	34,077,008	80,734	151,497	-	37,702,123
18	LOAD MANAGEMENT SWITCHES (908 80) (D)	3,185,598	-	-	-	-	-	-	-	-	3,185,598
19	COM ENERGY MANGMNT-ADMIN (908 85 & 87) (D)	-	5,273	-	-	-	-	-	-	-	5,273
20	COM ENERGY MANGMNT-EQUIP SVC (908 86) (D)	-	8,916	-	15,000	-	725,167	-	-	-	749,083
21											
22	NET PROGRAM COSTS	\$ 4,636,926	\$ 4,933,905	\$ 202,635	\$ 3,469,066	\$ 1,170,901	\$ 61,429,693	\$ 315,665	\$ 2,051,691	\$ -	\$ 78,210,482
23											
24											
25	<u>SUMMARY OF DEMAND &amp; ENERGY</u>										
26											
27	ENERGY	\$ 324,505	\$ 3,244,134	\$ 49,176	\$ 1,181,276	\$ 875,177	\$ 4,358,753	\$ 209,622	\$ 1,419,772	\$ -	\$ 11,662,415
28											
29	DEMAND	4,312,421	1,689,771	153,459	2,287,790	295,724	57,070,940	106,043	631,919	-	66,548,067
30											
31	TOTAL	\$ 4,636,926	\$ 4,933,905	\$ 202,635	\$ 3,469,066	\$ 1,170,901	\$ 61,429,693	\$ 315,665	\$ 2,051,691	\$ -	\$ 78,210,482





FLORIDA POWER CORPORATION  
 SCHEDULE OF ESTIMATED INVESTMENT, AMORTIZATION & RETURN  
 ON LOAD CONTROL EQUIPMENT  
 FOR THE PERIOD JANUARY 1989 THROUGH DECEMBER 1989

LINE NO.	PROGRAM TITLE	(\$ THOUSAND)												TOTAL				
		Jan-89	Feb-89	Mar-89	Apr-89	May-89	Jun-89	Jul-89	Aug-89	Sep-89	Oct-89	Nov-89	Dec-89					
1	LOAD MANAGEMENT SWITCHES (908 AND C)																	
2	LOAD CONTROL RECEIVERS, SWITCHES AND HARDWARE - INVESTMENT	\$ 42,567	\$ 42,567	\$ 42,567	\$ 42,567	\$ 42,567	\$ 42,567	\$ 42,567	\$ 42,567	\$ 42,567	\$ 42,567	\$ 42,567	\$ 42,567	\$ 42,567	\$ 42,567	\$ 42,567	\$ 42,567	\$ 42,567
3	RETIREMENTS	211,501	205,328	208,885	222,775	212,168	274,693	345,163	308,168	288,333	181,815	191,212	151,212	282,825	246,798	11,707,268	11,559,121	11,559,121
4	AMORTIZATION BASE	13,213,274	13,132,552	12,892,595	12,628,162	12,753,305	12,852,278	12,628,205	12,196,594	11,811,815	11,620,298	11,707,268	11,707,268	11,707,268	11,707,268	11,707,268	11,707,268	11,707,268
5	AMORTIZATION EXPENSE	271,845	219,882	219,882	212,881	212,882	211,847	207,384	203,277	191,173	191,173	191,173	191,173	191,173	191,173	191,173	191,173	191,173
6	CUMULATIVE INVESTMENT	13,194,805	13,072,144	12,848,048	12,606,078	12,758,539	12,567,213	12,308,287	11,862,798	11,586,622	11,781,894	11,822,480	11,822,480	11,822,480	11,822,480	11,822,480	11,822,480	11,822,480
7	LESS ACC AMORTIZATION	8,256,825	8,256,196	8,473,527	8,564,793	8,643,743	8,562,387	8,448,818	8,244,329	8,258,295	8,273,553	8,227,814	8,227,814	8,227,814	8,227,814	8,227,814	8,227,814	8,227,814
8	NET INVESTMENT	4,937,980	4,815,948	4,374,521	4,041,285	4,114,796	4,004,826	3,859,469	3,618,469	3,328,327	3,508,341	3,594,666	3,594,666	3,594,666	3,594,666	3,594,666	3,594,666	3,594,666
9	AVERAGE INVESTMENT	6,713,817	6,578,117	6,441,237	6,268,362	6,178,041	6,044,256	5,871,348	5,739,224	5,680,203	5,564,624	5,400,891	5,400,891	5,400,891	5,400,891	5,400,891	5,400,891	5,400,891
10	RETURN ON AVERAGE INVESTMENT	48,628	45,888	44,828	44,828	43,882	42,131	41,202	39,620	38,620	38,620	38,620	38,620	38,620	38,620	38,620	38,620	38,620
11	RETURN REQUIREMENTS	64,819	63,436	62,187	60,808	59,646	58,281	57,173	55,889	54,840	53,722	52,620	51,552	51,552	51,552	51,552	51,552	51,552
12	TOTAL AMORTIZATION AND RETURN	\$ 296,658	\$ 283,321	\$ 278,149	\$ 274,710	\$ 272,702	\$ 269,442	\$ 264,677	\$ 259,296	\$ 254,329	\$ 249,888	\$ 247,852	\$ 244,888	\$ 244,888	\$ 244,888	\$ 244,888	\$ 244,888	\$ 244,888
13	SUMMARY OF DEMAND & ENERGY																	
14	ENERGY	\$ 31,468	\$ 31,164	\$ 30,825	\$ 30,772	\$ 30,629	\$ 30,469	\$ 30,315	\$ 30,113	\$ 29,818	\$ 29,798	\$ 29,723	\$ 29,723	\$ 29,723	\$ 29,723	\$ 29,723	\$ 29,723	\$ 29,723
15	DEMAND	268,187	263,448	259,254	254,065	251,078	247,058	243,228	238,178	234,627	232,202	229,726	229,726	229,726	229,726	229,726	229,726	229,726
16	TOTAL DEPRECIATION AND RETURN	\$ 428,015	\$ 414,872	\$ 408,289	\$ 404,872	\$ 401,796	\$ 397,527	\$ 392,883	\$ 388,298	\$ 383,845	\$ 379,888	\$ 376,389	\$ 373,452	\$ 373,452	\$ 373,452	\$ 373,452	\$ 373,452	\$ 373,452

NOTE: DEPRECIATION EXPENSE IS CALCULATED USING A MONTHLY RATE OF 1.5% OR 20% ANNUALLY. RETURN ON AVERAGE INVESTMENT IS CALCULATED USING A MONTHLY RATE OF 1.5% OR 20% ANNUALLY. AUTHORIZED BY THE PPIC IN DOCKET NO. 18082-ED. RETURN REQUIREMENTS ARE CALCULATED USING A COMBINED STATUTORY TAX RATE OF 31.5%.

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**SCHEDULE C-3**  
**APRIL THROUGH AUGUST 1998 ACTUAL**  
**SEPTEMBER THROUGH DECEMBER 1998 ESTIMATED**

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FLORIDA POWER CORPORATION  
 CONSERVATION PROGRAM COSTS  
 APRIL through AUGUST, 1998 ACTUAL  
 SEPTEMBER through DECEMBER, 1998 ESTIMATED

FPSC DOCKET NO. 980002-EG  
 FLORIDA POWER CORPORATION  
 WITNESS: M. F. JACOB  
 EXHIBIT NO. \_\_\_\_\_  
 MFJ - 1  
 SCHEDULE C - 3  
 PAGE 1 OF 9  
 OCTOBER 5, 1998

LINE NO.	PROGRAM TITLE	OPERATING AND MAINTENANCE COSTS							PROGRAM REVENUES (CREDITS)	TOTAL	
		DEPRECIATION AMORTIZATION & RETURN	PAYROLL & BENEFITS	VEHICLES	OUTSIDE SERVICES	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES			OTHER
1	BETTER BUSINESS										
2	A. ACTUAL	\$ -	\$ 21,851	\$ 1,611	\$ -	\$ -	\$ -	\$ 185,551	\$ 1,129	\$ -	\$ 210,142
3	B. ESTIMATED	-	8,727	2,936	1,631	416	-	59,950	1,581	-	75,241
4											
5	C. TOTAL	-	30,578	4,547	1,631	416	-	245,501	2,710	-	285,383
6											
7	GAS DEMONSTRATION										
8	A. ACTUAL	-	-	-	-	-	-	-	-	-	-
9	B. ESTIMATED	-	18,061	2,181	10,328	1,288	27,499	93	3,471	-	62,921
10											
11	C. TOTAL	-	18,061	2,181	10,328	1,288	27,499	93	3,471	-	62,921
12											
13	RESIDENTIAL NEW CONSTRUCTION										
14	A. ACTUAL	-	95,493	6,331	23,240	172	136,582	45,800	8,175	-	315,793
15	B. ESTIMATED	-	84,996	8,396	24,190	138	82,509	253,813	22,460	-	478,502
16											
17	C. TOTAL	-	180,489	14,727	47,430	310	219,091	299,613	30,635	-	792,295
18											
19	HOME ENERGY IMPROVEMENT										
20	A. ACTUAL	-	136,774	5,227	19,193	496	59,990	1,154,775	4,042	(50)	1,362,447
21	B. ESTIMATED	-	105,205	6,371	7,747	131	-	781,650	35,760	-	916,864
22											
23	C. TOTAL	-	243,979	11,598	26,940	627	59,990	1,936,425	39,802	(50)	2,299,311
24											
25	COMM / IND NEW CONSTRUCTION										
26	A. ACTUAL	-	158	-	-	-	-	675	-	-	833
27	B. ESTIMATED	-	103,219	9,508	51,644	768	31,955	3,000	12,721	-	212,815
28											
29	C. TOTAL	-	103,377	9,508	51,644	768	31,955	3,675	12,721	-	213,648
30											
31	HOME ENERGY CHECK										
32	A. ACTUAL	2,420	587,012	40,683	86,908	20,621	139,604	-	92,131	-	969,379
33	B. ESTIMATED	1,870	344,673	31,849	169,037	3,127	97,029	4,166	49,231	-	700,962
34											
35	C. TOTAL	4,290	931,685	72,532	255,945	23,748	236,633	4,166	141,362	-	1,670,361

FLORIDA POWER CORPORATION  
 CONSERVATION PROGRAM COSTS  
 APRIL through AUGUST, 1998 ACTUAL  
 SEPTEMBER through DECEMBER, 1998 ESTIMATED

FPSC DOCKET NO. 980002-EG  
 FLORIDA POWER CORPORATION  
 WITNESS: M. F. JACOB  
 EXHIBIT NO. \_  
 MFJ - 1  
 SCHEDULE C - 3  
 PAGE 2 OF 9  
 OCTOBER 5, 1998

LINE NO	PROGRAM TITLE	DEPRECIATION AMORTIZATION & RETURN	OPERATING AND MAINTENANCE COSTS						PROGRAM REVENUES (CREDITS)	TOTAL	
			PAYROLL & BENEFITS	VEHICLES	OUTSIDE SERVICES	MATERIALS & SUPPLIES	ADVERTISING	INCENTIVES			OTHER
1	BUSINESS ENERGY CHECK										
2	A. ACTUAL	-	43,371	4,392	409	285	-	-	2,452	-	50,909
3	B. ESTIMATED	-	131,156	13,804	33,498	2,832	3,384	12,506	102,647	-	299,827
4											
5	C. TOTAL	-	174,527	18,196	33,907	3,117	3,384	12,506	105,099	-	350,736
6											
7	QUALIFYING FACILITY										
8	A. ACTUAL	1,496	134,072	201	4,415	474	-	-	18,328	-	158,986
9	B. ESTIMATED	1,156	89,770	3,775	26,656	28	-	4,850	21,378	-	147,615
10											
11	C. TOTAL	2,654	223,842	3,976	31,071	502	-	4,850	39,706	-	308,601
12											
13	INNOVATION INCENTIVE										
14	A. ACTUAL	-	70	-	-	-	-	48,000	-	-	48,070
15	B. ESTIMATED	-	8,425	9,065	7,624	-	-	26,458	4,843	-	56,415
16											
17	C. TOTAL	-	8,495	9,065	7,624	-	-	74,458	4,843	-	104,485
18											
19	TECHNOLOGY DEVELOPMENT										
20	A. ACTUAL	-	6,004	182	-	6,194	-	4,940	60	-	17,380
21	B. ESTIMATED	-	6,812	408	10,942	2,237	-	55,556	3,223	-	79,178
22											
23	C. TOTAL	-	12,816	590	10,942	8,431	-	60,496	3,283	-	96,558
24											
25	STANDBY GENERATION										
26	A. ACTUAL	-	6,141	149	4,068	430	-	167,480	1,680	-	179,948
27	B. ESTIMATED	-	3,303	703	8,053	5,467	-	1,862,402	-	-	1,879,928
28											
29	C. TOTAL	-	9,444	852	12,121	5,897	-	2,029,882	1,680	-	2,059,876
30											
31	INTERRUPT LOAD MANAGEMENT										
32	A. ACTUAL	-	7,260	633	4,653	13,901	-	8,792,959	200	-	8,819,606
33	B. ESTIMATED	-	2,531	450	-	10,000	-	5,163,682	-	-	5,196,663
34											
35	C. TOTAL	-	9,791	1,083	4,653	23,901	-	13,976,641	200	-	14,016,269





FLORIDA POWER CORPORATION

SCHEDULE OF CAPITAL INVESTMENT DEPRECIATION & RETURN  
 APRIL THROUGH AUGUST, 1998 ACTUAL  
 SEPTEMBER THROUGH DECEMBER, 1998 ESTIMATE

LINE NO	DESCRIPTION	ACTUAL												ESTIMATE			TOTAL			
		APR 98	MAY 98	JUN 98	JUL 98	AUG 98	SEP 98	OCT 98	NOV 98	DEC 98	NOV 98	DEC 98	DEC 98							
1	QUALIFYING FACILITY																			
2	INVESTMENTS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	RETIREMENTS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4	DEPRECIATION BASE	12,657	12,657	12,657	12,657	12,657	12,657	12,657	12,657	12,657	12,657	12,657	12,657	12,657	12,657	12,657	12,657	12,657	12,657	12,657
5	DEPRECIATION EXPENSE	211	211	211	211	211	211	211	211	211	211	211	211	211	211	211	211	211	211	1,889
6	CUMM NET INVEST	12,657	12,657	12,657	12,657	12,657	12,657	12,657	12,657	12,657	12,657	12,657	12,657	12,657	12,657	12,657	12,657	12,657	12,657	12,657
9	LESS ACC NET DEPR	3,009	3,431	3,853	4,275	4,698	5,120	5,542	5,964	6,386	6,808	7,230	7,652	8,074	8,496	8,918	9,340	9,762	10,184	4,908
10	NET INVESTMENT	9,648	9,226	8,804	8,382	7,960	7,538	7,116	6,694	6,272	5,850	5,428	5,006	4,584	4,162	3,740	3,318	2,896	2,474	7,749
11	AVERAGE INVESTMENT	9,543	9,332	9,121	8,910	8,699	8,488	8,277	8,066	7,855	7,644	7,433	7,222	7,011	6,800	6,589	6,378	6,167	5,956	7,805
12	RETURN ON AVG INVEST	87	65	44	22	1	19	37	56	75	94	113	132	151	170	189	208	227	246	546
13	RETURN REQUIREMENTS	93	90	88	86	84	82	80	78	77	76	75	74	73	72	71	70	69	68	750
15	PROGRAM TOTAL	304	301	299	297	295	293	290	288	287	287	287	287	287	287	287	287	287	287	2,654
17	UNUSED	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19	INVESTMENTS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20	RETIREMENTS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
21	DEPRECIATION BASE	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
22	DEPRECIATION EXPENSE	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24	CUMM NET INVEST	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25	LESS ACC NET DEPR	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
26	NET INVESTMENT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
28	AVERAGE INVESTMENT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
29	RETURN ON AVG INVEST	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
30	RETURN REQUIREMENTS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
31	PROGRAM TOTAL	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
32		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
33		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
34		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
35	LOAD MANAGEMENT ASSETS																			
36	INVESTMENTS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	19,952
37	RETIREMENTS	0	237,963	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	76,254
38	DEPRECIATION BASE	5,853,847	5,744,656	5,635,464	5,526,272	5,417,080	5,307,888	5,198,696	5,089,504	4,980,312	4,871,120	4,761,928	4,652,736	4,543,544	4,434,352	4,325,160	4,215,968	4,106,776	4,000,000	5,957,709
39	DEPRECIATION EXPENSE	87,731	85,748	83,765	81,782	79,799	77,816	75,833	73,850	71,867	69,884	67,901	65,918	63,935	61,952	59,969	57,986	55,993	53,999	83,462
40	CUMM NET INVEST	5,853,847	5,625,854	5,405,861	5,195,868	5,005,875	4,825,882	4,655,889	4,495,896	4,345,903	4,205,910	4,075,917	3,955,924	3,845,931	3,745,938	3,655,945	3,575,952	3,505,959	3,445,966	5,645,836
41	LESS ACC NET DEPR	3,623,079	3,578,595	3,534,111	3,489,627	3,445,143	3,400,659	3,356,175	3,311,691	3,267,207	3,222,723	3,178,239	3,133,755	3,089,271	3,044,787	2,999,303	2,954,819	2,909,335	2,864,851	5,645,836
43	NET INVESTMENT	2,240,768	2,047,259	1,871,750	1,706,241	1,560,732	1,425,223	1,300,714	1,185,205	1,089,696	1,004,187	928,678	853,169	777,660	702,151	626,642	551,133	475,624	400,115	3,000,000
44	AVERAGE INVESTMENT	15,268	14,813	14,358	13,903	13,448	12,993	12,538	12,083	11,628	11,173	10,718	10,263	9,808	9,353	8,898	8,443	7,988	7,533	11,471
45	RETURN ON AVG INVEST	21,161	20,227	19,313	18,400	17,486	16,573	15,659	14,746	13,832	12,919	12,006	11,093	10,180	9,267	8,354	7,441	6,528	5,615	14,022
46	RETURN REQUIREMENTS	118,892	115,975	113,078	112,434	111,789	110,840	109,940	109,040	108,140	107,240	106,340	105,440	104,540	103,640	102,740	101,840	100,940	100,040	104,668
47	PROGRAM TOTAL	118,892	115,975	113,078	112,434	111,789	110,840	109,940	109,040	108,140	107,240	106,340	105,440	104,540	103,640	102,740	101,840	100,940	100,040	1,025,960

NOTE: DEPRECIATION EXPENSE IS CALCULATED USING A MONTHLY RATE OF 0.166667 OR 2% ANNUALLY. RETURN ON AVERAGE INVESTMENT IS CALCULATED USING A MONTHLY RATE OF 0.008875 (8.37% ANNUALLY) POINT AUTHORIZED BY THE FPSC IN DOCKET NO. 910890-E1. RETURN REQUIREMENTS ARE CALCULATED USING A COMBINED STATUTORY TAX RATE OF 38.575%.

FLORIDA POWER CORPORATION  
 SCHEDULE OF CAPITAL INVESTMENT DEPRECIATION & RETURN  
 APRIL THROUGH AUGUST 1998 ACTUAL  
 SEPTEMBER THROUGH DECEMBER 1998 ESTIMATED

LINE NO	DESCRIPTION	APR 98	MAY 98	JUN 98	JUL 98	AUG 98	SEP 98	OCT 98	NOV 98	DEC 98	TOTAL
1	HOME ENERGY CHECK	0	0	0	0	0	0	0	0	0	0
2	INVESTMENTS	0	0	0	0	0	0	0	0	0	0
3	RETIREMENTS	0	0	0	0	0	0	0	0	0	0
4	DEPRECIATION BASE	22,815	22,815	22,815	22,815	22,815	22,815	22,815	22,815	22,815	228,150
5	DEPRECIATION EXPENSE	377	377	377	377	377	377	377	377	377	3,770
6	CUMM NET INVEST	22,815	22,815	22,815	22,815	22,815	22,815	22,815	22,815	22,815	228,150
7	LESS ACC NET DEPR	10,969	11,366	11,743	12,113	12,497	12,874	13,251	13,628	14,005	140,005
8	NET INVESTMENT	11,846	11,449	11,072	10,702	10,318	9,941	9,564	9,187	8,810	88,145
9	AVERAGE INVESTMENT	11,815	11,428	11,041	10,654	10,267	9,880	9,493	9,106	8,719	87,190
10	RETURN ON AVG INVEST	82	80	77	75	72	69	67	64	62	648
11	RETURN REQUIREMENTS	113	111	107	104	100	96	93	88	86	887
12	PROGRAM TOTAL	480	458	454	481	477	472	470	465	463	4,290
13	CONSERV PROGRAM ADMIN	8,822	24	0	781	54	0	0	0	0	8,781
14	INVESTMENTS	30,826	0	262,857	1,103,848	0	153,457	83,798	0	65,239	1,688,805
15	RETIREMENTS	3,338,030	3,327,060	3,200,659	2,522,862	1,971,135	1,694,434	1,775,851	1,733,887	1,701,478	17,000,000
16	DEPRECIATION BASE	55,634	55,452	53,344	42,044	31,852	31,574	28,586	26,800	26,268	387,756
17	DEPRECIATION EXPENSE	3,348,962	3,327,028	3,074,215	1,871,108	1,871,102	1,817,705	1,733,987	1,733,987	1,688,958	16,888,958
18	CUMM NET INVEST	2,698,548	2,728,306	2,579,305	1,517,461	1,500,313	1,428,430	1,374,320	1,403,220	1,368,538	13,888,538
19	LESS ACC NET DEPR	603,682	648,354	684,910	453,647	420,845	389,275	358,877	330,277	302,419	3,024,419
20	NET INVESTMENT	827,038	579,952	521,582	474,279	437,248	405,852	374,478	348,227	318,588	3,188,588
21	AVERAGE INVESTMENT	4,373	4,917	3,638	3,308	3,058	2,822	2,612	2,428	2,258	28,438
22	RETURN ON AVG INVEST	6,053	5,950	5,025	4,579	4,222	3,910	3,616	3,333	3,056	38,364
23	RETURN REQUIREMENTS	61,887	61,012	58,379	46,823	37,074	35,484	33,214	32,233	31,414	387,120
24	PROGRAM TOTAL	0	0	0	0	0	0	0	0	0	0
25	UNUSED	0	0	0	0	0	0	0	0	0	0
26	INVESTMENTS	0	0	0	0	0	0	0	0	0	0
27	RETIREMENTS	0	0	0	0	0	0	0	0	0	0
28	DEPRECIATION BASE	0	0	0	0	0	0	0	0	0	0
29	DEPRECIATION EXPENSE	0	0	0	0	0	0	0	0	0	0
30	CUMM NET INVEST	0	0	0	0	0	0	0	0	0	0
31	LESS ACC NET DEPR	0	0	0	0	0	0	0	0	0	0
32	NET INVESTMENT	0	0	0	0	0	0	0	0	0	0
33	AVERAGE INVESTMENT	0	0	0	0	0	0	0	0	0	0
34	RETURN ON AVG INVEST	0	0	0	0	0	0	0	0	0	0
35	RETURN REQUIREMENTS	0	0	0	0	0	0	0	0	0	0
36	PROGRAM TOTAL	181,373	177,178	172,240	159,835	149,635	147,129	143,314	140,782	137,020	1,409,124
37	UNUSED	153,953	151,788	147,697	136,563	127,537	126,259	123,646	122,315	119,720	1,199,720

NOTE: DEPR ONLY  
 DEPRECIATION EXPENSE IS CALCULATED USING A MONTHLY RATE OF 0.166667  
 OR 20% ANNUALLY. RETURN ON AVERAGE INVESTMENT IS CALCULATED USING  
 A MONTHLY RATE OF 0.08875 (8.17% ANNUALLY-MIDPOINT AUTHORIZED BY THE  
 FPSC IN DOCKET NO. 910680-EG). RETURN REQUIREMENTS ARE CALCULATED  
 USING A COMBINED STATUTORY TAX RATE OF 38.0179%.

FLORIDA POWER CORPORATION

SCHEDULE OF CAPITAL INVESTMENT DEPRECIATION & RETURN  
 APRIL through AUGUST, 1998 ACTUAL  
 SEPTEMBER through DECEMBER, 1998 ESTIMATED

LINE NO	BEGINNING BALANCE	ACTUAL						ESTIMATE			TOTAL
		APR 98	MAY 98	JUN 98	JUL 98	AUG 98	SEP 98	OCT 98	NOV 98	DEC 98	
1											
2											
3											
4		226,031	194,568	124,316	254,370	135,432	205,196	205,196	205,196	205,227	1,755,502
5		780,598	778,404	796,615	865,705	451,463	347,404	306,271	505,600	277,305	5,107,365
6		16,500,419	15,932,217	15,305,150	14,663,333	14,199,635	13,970,500	13,648,859	13,648,119	13,461,878	
7											
8		275,008	265,537	255,086	244,389	236,661	232,842	230,615	227,469	224,365	2,192,172
9											
10	16,777,702	16,223,135	15,641,299	14,969,001	14,357,666	14,041,604	13,899,396	13,798,321	13,497,917	13,425,839	13,425,839
11	9,557,479	9,051,889	8,541,022	7,999,493	7,378,177	7,163,375	7,048,813	6,973,357	6,695,226	6,642,266	6,642,266
12	7,220,223	7,171,248	7,100,277	6,969,508	6,979,489	6,878,229	6,850,583	6,824,964	6,802,691	6,783,553	6,783,553
13		7,195,735	7,135,762	7,034,693	6,974,498	6,928,859	6,864,406	6,837,774	6,813,828	6,793,122	
14		50,190	49,772	49,069	48,647	48,328	47,879	47,694	47,527	47,382	436,468
15											
16		69,471	68,892	67,919	67,335	66,894	66,272	66,016	65,785	65,584	604,168
17											
18		344,479	334,429	323,005	311,724	303,555	299,114	296,831	293,254	289,949	2,796,340

NOTE: DEPRECIATION EXPENSE IS CALCULATED USING A MONTHLY RATE OF .0166667 OR 20% ANNUALLY. RETURN ON AVERAGE INVESTMENT IS CALCULATED USING A MONTHLY RATE OF .006975 (8.37% ANNUALLY-MIDPOINT AUTHORIZED BY THE FPSC IN DOCKET NO. 910890-E1). RETURN REQUIREMENTS ARE CALCULATED USING A COMBINED STATUTORY TAX RATE OF 38.575%.

FLORIDA POWER CORPORATION

ACTUAL CONSERVATION PROGRAM COSTS BY MONTH  
 APRIL through AUGUST, 1998 ACTUAL  
 SEPTEMBER through DECEMBER, 1998 ESTIMATED

LINE NO	PROGRAM TITLE	ACTUAL					ESTIMATE				TOTAL
		APR 98	MAY 98	JUN 98	JUL 98	AUG 98	SEP 98	OCT 98	NOV 98	DEC 98	
1	BETTER BUSINESS	30,185	18,325	10,978	98,863	51,791	1,085	25,149	24,521	24,486	285,363
2	GAS DEMONSTRATION	0	0	0	0	0	56,381	4,368	1,079	1,095	62,921
3	RESIDENTIAL NEW CONSTRUCTION	89,270	55,922	51,977	48,445	70,179	302,101	61,833	56,255	56,313	792,295
4	HOME ENERGY IMPROVEMENT	261,554	309,285	311,070	245,608	254,980	2,170	310,661	301,840	302,193	2,296,361
5	COMM / IND NEW CONSTRUCTION	0	824	13	(4)	0	206,025	2,444	2,161	2,185	213,648
6	HOME ENERGY CHECK	168,419	227,926	260,120	155,606	157,308	43,505	246,740	205,622	205,115	1,670,361
7	BUSINESS ENERGY CHECK	11,053	10,211	9,881	8,590	11,174	165,564	46,418	42,861	42,984	350,736
8	QUALIFYING FACILITY	34,552	32,163	33,018	31,267	27,986	13,044	50,183	42,292	42,096	306,601
9	INNOVATION INCENTIVE	48,070	0	0	0	0	7,646	23,310	12,734	12,725	104,485
10	TECHNOLOGY DEVELOPMENT	4,502	2,002	5,318	5,297	261	54,425	9,515	7,634	7,604	96,558
11	STANDBY GENERATION	59,121	25,084	45,139	23,090	27,514	1,716,424	54,641	54,418	54,445	2,059,876
12	INTERRUPT LOAD MANAGEMENT	1,795,190	1,774,003	1,758,849	1,752,241	1,739,323	69,205	1,595,602	1,997,654	1,534,002	14,016,269
13	CURTAIL LOAD MANAGEMENT	55,323	65,274	57,682	54,439	-2,997	3,606,478	69,205	69,205	69,215	4,099,618
14	RESIDENTIAL LOAD MANAGEMENT	3,048,807	2,909,944	4,164,034	4,586,654	4,020,066	569,932	3,706,588	3,962,278	3,979,611	30,056,914
15	COMMERCIAL LOAD MANAGEMENT	64,435	56,913	65,702	51,569	73,896	4,625	29,247	29,028	29,023	404,438
16	CONSERVATION PROGRAM ADMIN	175,370	200,777	201,119	242,468	212,366	77,729	211,320	186,563	185,611	1,693,023
17	TOTAL ALL PROGRAMS	5,845,851	5,688,653	6,974,900	7,304,133	6,708,541	6,696,339	6,449,422	6,696,145	6,548,703	59,112,687
18											
19	LESS: BASE RATE RECOVERY	0	0	0	0	0	0	0	0	0	0
20											
21	NET RECOVERABLE (CT-3, PAGE 2)	5,845,851	5,688,653	6,974,900	7,304,133	6,708,541	6,696,339	6,449,422	6,696,145	6,548,703	59,112,687

\* GROSS EXPENDITURES ONLY. AUDIT PROGRAM REVENUES ARE ACCOUNTED FOR IN CALCULATION OF TRUE-UP SCHEDULE CT-3, PAGE 2 OF 3

FLORIDA POWER CORPORATION

ENERGY CONSERVATION ADJUSTMENT  
 CALCULATION OF TRUE-UP  
 APRIL THROUGH AUGUST 1988 ACTUAL  
 SEPTEMBER THROUGH DECEMBER 1988 ESTIMATED

LINE NO.	ESTIMATE												TOTAL FOR THE PERIOD			
	APR 88	MAY 88	JUN 88	JUL 88	AUG 88	SEP 88	OCT 88	NOV 88	DEC 88							
1A BETTER BUSINESS	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1B HOME ENERGY IMPROVEMENT	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1C HOME ENERGY CHECK	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1D SUBTOTAL - FEES	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2 CONSERVATION CLAUSE REVENUES	5,879,629	5,873,787	7,974,723	8,478,481	8,661,738	8,169,261	7,205,203	5,846,202	5,919,747	5,846,202	5,919,747	5,846,202	5,919,747	5,846,202	5,919,747	64,108,333
2A CURRENT PERIOD CRT REFUND	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3 TOTAL REVENUES	5,879,629	5,873,787	7,974,723	8,478,481	8,661,738	8,169,261	7,205,203	5,846,202	5,919,747	5,846,202	5,919,747	5,846,202	5,919,747	5,846,202	5,919,747	64,108,333
4 PRIOR PERIOD ADJUSTED ECCR TRUE-UP OVER(UNDER)	434,068	112,603	112,603	112,603	112,603	112,603	112,603	112,603	112,603	112,603	112,603	112,603	112,603	112,603	112,603	1,334,892
5 CONSERVATION REVENUES APPLICABLE TO PERIOD	6,313,697	6,086,370	8,087,326	8,591,084	8,774,341	8,281,864	7,317,806	5,962,805	6,032,351	5,962,805	6,032,351	5,962,805	6,032,351	5,962,805	6,032,351	60,443,279
6 CONSERVATION EXPENSES (CT-3 PAGE 1, LINE 72)	5,845,851	5,688,683	6,874,800	7,304,133	6,708,541	6,898,339	6,449,422	6,098,145	6,548,703	6,098,145	6,548,703	6,098,145	6,548,703	6,098,145	6,548,703	59,117,687
7 TRUE-UP THIS PERIOD (OAU)	(467,846)	(387,717)	(1,112,428)	(1,286,931)	(2,068,805)	(1,385,325)	(668,184)	737,340	516,302	737,340	516,302	737,340	516,302	737,340	516,302	(6,330,588)
8 CURRENT PERIOD INTEREST	43,307	42,628	40,124	36,472	28,162	20,812	1,000	16,509	20,000	16,509	20,000	16,509	20,000	16,509	20,000	203,420
9 ADJUSTMENTS PER ALOUT 1 ROC OYAW	22,143,540	0	0	0	0	0	0	0	0	0	0	0	0	0	0	22,143,540
10 TRUE-UP & INTEREST PROVISIONS BEGINNING OF MONTH (OAU)	(12,736,283)	9,417,836	9,179,300	8,215,651	7,276,795	5,151,710	3,899,800	3,160,485	4,026,987	3,160,485	4,026,987	3,160,485	4,026,987	3,160,485	4,026,987	(12,736,283)
10A CURRENT PERIOD CRT REFUNDED	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11 PRIOR TRUE-UP REFUNDED (COLLECTED) Repr 494 1094	434,068	112,603	112,603	112,603	112,603	112,603	112,603	112,603	112,603	112,603	112,603	112,603	112,603	112,603	112,603	1,334,892
12 END OF PERIOD NET TRUE-UP over(under)	9,417,836	9,179,300	8,215,651	7,276,795	5,151,710	3,899,800	3,160,485	4,026,987	4,026,987	3,160,485	4,026,987	3,160,485	4,026,987	3,160,485	4,026,987	4,675,992

12 Month Period Ended

December 1989

FORECAST	RATIO	TRUE UP
\$ 11,882,415	14.91%	(\$ 636,900)
68,548,267	85.09%	(1,634,795)
<b>\$ 79,210,482</b>	<b>100.00%</b>	<b>\$ 8,947,602</b>

FLORIDA POWER CORPORATION  
 CALCULATION OF INTEREST PROVISION  
 APRIL through AUGUST 1998 ACTUAL  
 SEPTEMBER through DECEMBER 1998 ESTIMATED

LINE NO	ACTUAL					ESTIMATE				
	APR 98	MAY 98	JUN 98	JUL 98	AUG 98	SEP 98	OCT 98	NOV 98	DEC 98	
1 BEGINNING TRUE-UP AMOUNT (CT-3 PAGE 2, LINE 9 & 10)	9,408,257	9,417,836	9,175,350	8,215,951	7,076,795	5,151,710	3,899,800	3,160,485	4,026,987	
2 ENDING TRUE-UP AMOUNT BEFORE INTEREST	9,374,479	9,132,722	8,175,527	7,041,323	5,123,548	3,678,968	3,144,219	4,010,428	4,655,942	
3 TOTAL BEGINNING & ENDING TRUE-UP	18,782,736	18,550,558	17,350,877	15,256,914	12,200,342	9,030,697	7,044,018	7,170,912	8,682,928	
4 AVERAGE TRUE-UP AMOUNT (50% OF LINE 3)	9,391,368	9,275,279	8,675,438	7,628,487	6,100,171	4,515,349	3,522,009	3,585,456	4,341,464	
5 INTEREST RATE, FIRST DAY REPORTING BUSINESS MONTH	5.55%	5.53%	5.50%	5.60%	5.56%	5.52%	5.54%	5.54%	5.54%	
6 INTEREST RATE, FIRST DAY SUBSEQUENT BUSINESS MONTH	5.53%	5.50%	5.60%	5.56%	5.52%	5.54%	5.54%	5.54%	5.54%	
7 TOTAL (LINE 5 AND LINE 6)	11.08%	11.03%	11.10%	11.16%	11.08%	11.06%	11.08%	11.08%	11.08%	
8 AVERAGE INTEREST RATE (50% OF LINE 7)	5.540%	5.515%	5.550%	5.580%	5.540%	5.531%	5.542%	5.542%	5.542%	
9 INTEREST PROVISION (LINE 4 * LINE 8) / 12	43,357	42,628	40,124	35,472	28,162	20,812	16,296	16,559	20,050	263,430

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**SCHEDULE C-4**  
**JANUARY 1999 THROUGH DECEMBER 1999**

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CALCULATION OF ENERGY CONSERVATION COST RECOVERY (ECCR) REVENUES  
 FOR THE PERIOD: JANUARY 1999 THROUGH DECEMBER 1999

MONTH	JURISDICTIONAL MWH SALES	BASE REVENUES	CLAUSE REVENUE NET OF REVENUE TAXES
1999			
JANUARY	2,531,522	\$0	\$6,406,784
FEBRUARY	2,442,239	\$0	\$6,130,593
MARCH	2,363,854	\$0	\$5,867,070
APRIL	2,382,750	\$0	\$5,814,814
MAY	2,532,856	\$0	\$6,222,688
JUNE	3,003,998	\$0	\$7,557,291
JULY	3,205,015	\$0	\$8,186,830
AUGUST	3,289,363	\$0	\$8,436,123
SEPTEMBER	3,328,499	\$0	\$8,497,848
OCTOBER	2,973,382	\$0	\$7,498,655
NOVEMBER	2,485,240	\$0	\$6,085,126
DECEMBER	<u>2,479,681</u>	<u>\$0</u>	<u>\$6,150,538</u>
TOTAL	<u>33,018,399</u>	<u>\$0</u>	<u>\$82,854,361</u>



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**Schedule C-5**

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### Program Description and Progress

**Program Title:** Home Energy Check

**Program Description:** The Home Energy Check program is a comprehensive residential energy evaluation (audit) program. The program provides Florida Power Corporation's (FPC) residential customers with an analysis of energy consumption and recommendations on energy efficiency improvements. It acts as a motivational tool to identify, evaluate, and inform consumers on cost effective energy saving measures. It serves as the foundation of the residential Home Energy Improvement program and is a program requirement for participation. There are four versions of this audit: the free walk-thru, the paid walk-thru (\$15 charge), the energy rating (BERS) and the mail-in audit.

**Program Projections for January, 1999 through December, 1999:** It is estimated that 30,000 customers will participate in this program during the projection period.

**Program Fiscal Expenditures for January, 1999 through December, 1999:** Expenses for this program are projected to be \$2,433,446.

**Program Progress Summary:** The Home Energy Check Program will continue to inform and motivate consumers to implement cost effective energy efficiency improvements.

### Program Description and Progress

**Program Title:** Residential New Construction

**Program Description:** This program is designed to encourage builders to construct more energy efficient homes by choosing from a menu of energy saving measures such as duct sealing, duct layout, attic insulation, high efficiency heat pump, heat recovery water heating or dedicated heat pump. This is also an educational program which strives to teach builders, Realtors, HVAC dealers, and homebuyers the importance of energy efficiency. Incentives are awarded to the builder based on the level of efficiency they choose.

**Program Projections for January, 1999 through December, 1999:** It is estimated that 5,800 homes representing 145 builders will participate in this program during the projection period.

**Program Fiscal Expenditures for January, 1999 through December, 1999:** Expenses for this program are projected to be \$1,203,073.

**Program Progress Summary:** This program is tied to the building industry. Economic forces will dictate the number of homes built during this period. Participation has increased each year since its inception. Recent enhancements to the program are expected to continue this upward trend.

**Program Description and Progress**

**Program Title:** Home Energy Improvement

**Program Description:** This umbrella efficiency program provides existing residential customers incentives for energy efficient heating, air conditioning, water heating, ceiling insulation upgrade and duct leakage repair.

**Program Projections for January, 1999 through December, 1999:** It is estimated that 18,000 completions will be performed in this program during the projected period.

**Program Fiscal Expenditures for January, 1999 through December, 1999:** Expenses for this program are projected to be \$4,187,619.

**Program Progress Summary:** Ceiling insulation completions are stabilizing. Recent program enhancements including high efficiency heat pumps, heat recovery, water heating or dedicated heat pump, should increase participation during this period.

### Program Description and Progress

**Program Title:** Energy Management (Residential & Commercial)

**Program Description:** The Load Management Program incorporates direct radio control of selected customer equipment to reduce system demand during peak capacity periods and/or emergency conditions by temporarily interrupting selected customer appliances for specified periods of time. Customers have a choice of options and receive a credit on their monthly electric bills depending on the options selected and their monthly kWh usage.

**Program Projections for January, 1999 through December, 1999:** During this period we anticipate installing 4,600 new participants to the program.

**Program Fiscal Expenditures for January, 1999 through December, 1999:** Program expenditures during this period are projected to be \$39,630,088.

**Program Progress Summary:** As of August 1, 1998 there are 502,479 customers participating in the Load Management program.

### Program Description and Progress

**Program Title:** Business Energy Check

**Program Description:** The Business Energy Check is an audit for non-residential customers, and has two parts. The free audit provides a no-cost energy audit for non-residential facilities. The paid audit provides a more thorough energy analysis for non-residential facilities. For each, a qualified energy auditor determines which energy-reducing actions apply to a customer's facility and operation. The cost of implementing recommended measures and the resulting savings are estimated in writing based on industry averages. The auditor also explains other Florida Power programs and incentives available to encourage implementation of the conservation recommendations.

**Program Projections for January, 1999 through December, 1999:** It is estimated that 500 customers will participate in this program during the projection period.

**Program Fiscal Expenditures for January, 1999 through December, 1999:** Expenses for this program are projected to be \$391,682.

**Program Progress Summary:** The program is required for participation in most of the company's other DSM incentive programs.

### Program Description and Progress

**Program Title:** Commercial/Industrial New Construction

**Program Description:** This umbrella efficiency program provides incentives for the design and construction of energy efficient commercial and industrial facilities. Incentives are provided for energy efficient heating, air conditioning, motors, water heating, window film, insulation and leak free ducts.

**Program Projections for January, 1999 through December, 1999:** It is estimated that eight customers will participate in the program during the projection period.

**Program Fiscal Expenditures for January, 1999 through December, 1999:** Expenses for this program are projected to be \$183,268.

**Program Progress Summary:** There has been one new C/I New Construction program completion in year to date 1998.

**Program Description and Progress**

**Program Title:** Better Business

**Program Description:** This umbrella efficiency program provides incentives to existing commercial and industrial customers for heating, air conditioning, motors, water heating, roof insulation upgrade, duct leakage and repair, and window film.

**Program Projections for January, 1999 through December, 1999:** It is estimated that 100 customers will participate during the projection period.

**Program Fiscal Expenditures for January, 1999 through December, 1999:** Expenses for this program are projected to be \$221,343.

**Program Progress Summary:** The energy efficient lighting portion of this program was discontinued in mid-1998.



### Program Description and Progress

**Program Title:** Innovation Incentive

**Program Description:** Significant conservation efforts that are not supported by other Florida Power programs can be encouraged through Innovation Incentive. Major equipment replacement or other actions that substantially reduce FPC peak demand requirements are evaluated to determine their impact on Florida Power's system. If cost effective, these actions may qualify for an economic incentive in order to shorten the "payback" time of the project.

**Program Projections for January, 1999 through December, 1999:** It is estimated that 5 customers will participate in the program during the projection period.

**Program Fiscal Expenditures for January, 1999 through December, 1999:** Expenses for this program are projected to be \$199,180.

**Program Progress Summary:** Many of the measures previously completed as a result of this program were high efficiency equipment replacements that are now covered under the company's Better Business program.

**Program Description and Progress**

**Program Title:** Standby Generation

**Program Description:** Florida Power Corporation provides an incentive for customers to voluntarily operate their on-site generation during times of system peak.

**Program Projections for January, 1999 through December, 1999:** It is estimated that two new customer will participate in the program during the projection period.

**Program Fiscal Expenditures for January, 1999 through December, 1999:** Expenses for this program are projected to be \$606,493.

**Program Progress Summary:** To date the program has 29 participants.

### Program Description and Progress

**Program Title:** Interruptible Service Program

**Program Description:** The Interruptible program is a rate tariff which allows Florida Power to switch off electrical service to customers during times of capacity shortages. The signal to operate the automatic switch on the customer's service is activated by the Energy Control Center. In return for this, the customers receive a monthly rebate on their kW demand charge.

**Program Projections for January, 1999 through December, 1999:** No new participants are expected during the projection period.

**Program Fiscal Expenditures for January, 1999 through December, 1999:** Expenses for this program are projected to be \$21,033,197.

**Program Progress Summary:** To date the program has 132 participants. The original program filed as the IS-1 tariff was closed on April 16, 1996 and all existing participants were grandfathered into that tariff. New participants are placed on the newer IS-2 tariff.

Program Description and Progress

**Program Title:** Curtailable Service Program

**Program Description:** The Curtailable Service is a dispatchable DSM program in which customers contract to curtail or shut down a portion of their load during times of capacity shortages. The curtailment is done voluntarily by the customer when notified by FPC. In return for this cooperation, the customer receives a monthly rebate for the curtailable portion of their load.

**Program Projections for January, 1999 through December, 1999:** No new participants are expected during the projection period.

**Program Fiscal Expenditures for January, 1999 through December, 1999:** Expenses for this program are projected to be \$720,000.

**Program Progress Summary:** To date the program has 5 participants. The original program filed as the CS-1 tariff was closed on April 16, 1996 and all existing participants were grandfathered into that tariff. New participants will be placed on the newer CS-2 tariff.

### Program Description and Progress

**Program Title:** Technology Development

**Program Description:** Florida Power Corporation will undertake certain development and demonstration projects which have promise to become cost-effective conservation and energy efficiency programs. Currently, the Low Income Weatherization Pilot, Dual Source Heat Pump Project and the Full Condensing Heat Pump (with Water Heater) Project demonstration are in process.

**Program Projections for January, 1999 through December, 1999:** The Low Income Weatherization Pilot is expected to continue throughout this period, with about 50 new participants. Data collection for the Dual Source Heat Pump and Full Condensing Heat Pump projects is expected to be completed by the end of 1998, with data analysis and evaluation continuing into 1999.

**Program Fiscal Expenditures for January, 1999 through December, 1999:** Expenses for this program are projected to be \$211,512.

**Program Progress Summary:** FPC's Low Income Weatherization Pilot has been very successful at providing energy efficiency measures to the low income market. Data collection has been in progress for the Dual Source Heat Pump and Full Condensing Heat Pump Projects.

### Program Description and Progress

**Program Title:** Gas Demonstration

**Program Description:** The Gas Demonstration projects are designed to conduct Commission required natural gas research and demonstration projects in the functional areas of heating, cooling, dehumidification and water heating.

**Program Projections for January, 1999 through December, 1999:** Data collection for the Residential Gas Demonstration Project (Triathlon Gas Heat Pump) will end in 1998. Data collection for the Commercial Gas Dehumidification Demonstration Project will continue through most of the projection period.

**Program Fiscal Expenditures for January, 1999 through December, 1999:** Expenses for this program are projected to be \$20,933.

**Program Progress Summary:** A gas powered York Triathlon has been installed and remotely monitored since August 1996 for the residential demonstration project. Now that this project has reached the end of the planned two year monitoring period, FPC will begin data analysis and an evaluation of the technology. FPC has monitored a Gas Regenerated Desiccant Wheel at a commercial site since August 1997 to research gas dehumidification. Monitoring of this project will continue through August 1999 to support the planned two-year study period.

**Program Description and Progress**

**Program Title:** Qualifying Facility

**Program Description:** Power is purchased power from qualifying cogeneration and small power production facilities.

**Program Projections for January, 1999 through December, 1999:** Contracts for new facilities will continue to be negotiated when and if opportune. Renegotiation and litigation efforts of existing contracts will continue.

**Program Fiscal Expenditures for January, 1999 through December, 1999:** Expenses for this program are projected to be \$499,599.

**Program Progress Summary:** The total MW of qualifying facility capacity available at the end of 1997 was 1,050 MW. This includes Tiger Bay which is still being recovered through this clause.