

1 **25-17.003 Energy Audits.**

2 (1) Purpose. This rule specifies the minimum requirements for performing energy audits by
3 every utility that falls under the definition of “utility” in Section 366.82(1), F.S.

4 (2) Definitions.

5 (a) “Building Energy-Efficiency Rating System (BERS) Audit” means an energy analysis of a
6 residence performed in compliance with Section 553.995, F.S. ~~subsections 9B-60.004(3) and~~
7 ~~(4) and Rule 9B-60.005, F.A.C.~~

8 (b) “Computer-Assisted Audit” means an energy analysis of a residence in which a qualified
9 auditor performs a comprehensive on-site evaluation of the residence in accordance with
10 subsection (6) and paragraphs (7)(c) and (7)(d), and, if applicable, provides installation
11 arrangements and inspections pursuant to this rule.

12 (c) “Commercial Audit” means an energy analysis of a commercial building and its associated
13 energy systems to determine its energy efficiency and to identify for the customer those
14 measures that may improve its energy efficiency.

15 (d) “Conservation Measures” refers to replacing, upgrading, or installing equipment which
16 reduces energy usage or peak demand contribution, such as the:

- 17 1. Installation of clock thermostat;
- 18 2. Replacement of furnace or boiler;
- 19 3. Replacement of resistance heat with heat pump or natural gas furnace;
- 20 4. Replacement of central air conditioning system;
- 21 5. Installation of duct or pipe insulation;
- 22 6. Sealing leaks in pipes and ducts;
- 23 7. Caulking of windows or doors;
- 24 8. Weatherstripping of windows or doors;
- 25 9. Installation of heat-reflective, heat-gain retardant, and heat-absorbing window or door

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- 1 materials;
- 2 10. Insertion of plastic window panels;
- 3 11. Installation of storm or thermal windows;
- 4 12. Installation of wall insulation;
- 5 13. Installation of ceiling insulation;
- 6 14. Installation of floor insulation;
- 7 15. Plugging leaks in attic, basement, and fireplace;
- 8 16. Installation of waste heat recovery water heating system;
- 9 17. Installation of heat pump or natural gas water heater;
- 10 18. Installation of solar water heating system;
- 11 19. Installation of water heater insulation;
- 12 20. Installation of water flow restrictors in showers and faucets;
- 13 21. Installation of solar swimming pool heating system; and
- 14 22. Installation of load management devices, where load management rates are offered.
- 15 (e) "Conservation Practices" refers to actions performed by a customer which reduce energy
- 16 usage or peak demand contribution, such as:
- 17 1. Furnace efficiency maintenance and adjustments;
- 18 2. Cooling system efficiency maintenance and adjustments;
- 19 3. Nighttime temperature setback;
- 20 4. Reduction of thermostat setting in winter;
- 21 5. Increase of thermostat setting in summer;
- 22 6. Reduction of hot water temperature;
- 23 7. Reduction of energy use when residence is unoccupied; and
- 24 8. Efficient use of shading.
- 25 (f) "Eligible Customer" means the owner or occupant of a residence that receives a bill for

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1 service from a utility.

2 (g) "Industrial Audit" means an energy analysis of an industrial facility and its associated
3 energy systems to determine its energy efficiency and to identify for the customer those
4 measures that may improve its energy efficiency.

5 (h) "Mail-in Audit" means an energy analysis of a residence or building in which the utility
6 supplies to the eligible customer a data collection form which is completed by the customer,
7 and, upon receipt of the completed form, the utility analyzes the data and submits to the
8 customer the results of its evaluation.

9 (i) "Walk-Through Audit" means an energy analysis of a residence in which a qualified
10 auditor walks through the residence making extensive observations as to the physical structure
11 and components, performs simplified heat gain and heat loss computations, and advises the
12 customer of feasible energy conservation practices and measures.

13 (3) Scope.

14 (a) All utilities are required to offer eligible residential customers BERS Audits which comply
15 with subsections (12), (13), and (14) below.

16 (b) All utilities are required to offer eligible residential customers Computer-Assisted and
17 Walk-Through Audits which comply with subsections (4) through (14) below. Prior to
18 conducting Computer-Assisted and Walk-Through Audits, procedures for conducting these
19 audits must be approved by the Commission.

20 (c) Any utility may offer Mail-In Audits to eligible customers. Every utility that performs
21 Mail-In Audits shall comply with subsections (13) and (14) below.

22 (d) Any utility may offer a Commercial or Industrial Audit to commercial and industrial
23 customers. Every utility that performs Commercial or Industrial Audits shall comply with
24 subsections (13) and (14) below.

25 (4) Energy Audit Charges.

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1 (a) Every public utility shall charge an eligible customer for a BERS Audit. The amount of
2 this charge, which shall reflect actual cost, shall first be filed with the Commission as part of
3 the utility's tariff.

4 (b) Every utility may charge an eligible customer for a Computer-Assisted Audit. The amount
5 of this charge, which shall not exceed \$15, shall first be filed with the Commission as part of
6 the utility's tariff.

7 (c) Every utility may charge an eligible customer for a Walk-Through Audit. The amount of
8 this charge, which shall not exceed \$5, shall first be filed with the Commission as part of the
9 utility's tariff.

10 (d) Every utility may charge an eligible customer for a Commercial or Industrial Audit. The
11 amount of this charge shall not exceed the actual cost of providing the audit.

12 (5) Minimum Auditor Qualifications.

13 (a) Every utility shall certify that each of its residential energy auditors meets the minimum
14 qualifications in paragraph (5)(b). ~~The certification, along with a list of auditors performing~~
15 ~~energy audits, shall be filed annually with the Director, Division of Economic Regulation, by~~
16 ~~September 30 of each year.~~

17 (b) To be qualified to perform energy audits, a person must:

- 18 1. Have been trained in a program meeting the curriculum requirements of paragraph (5)(c);
19 and
20 2. Have demonstrated a proficiency in the areas listed in paragraph (5)(c) through a written
21 test or practical demonstration.

22 (c) At a minimum, the curriculum to be followed in training auditors shall include instruction
23 in the following areas:

- 24 1. The three types of heat transfer and the effects of temperature and humidity on heat transfer;
25 2. General mathematics, including powers of ten, decimals and fractions, simple equations,

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- 1 heat loss and heat gain computations utilizing British Thermal Units (BTUs), and pay back
2 calculations;
- 3 3. Utility billing procedures, meter reading, and identification of weather sensitive
4 consumption relationships based on a customer's billing history;
- 5 4. Residential construction terminology and components;
- 6 5. The operation of heating and cooling systems used in residential buildings; and
7 6. The application of energy conservation practices and measures including the advantages
8 and disadvantages of each.
- 9 (6) Pre-audit performance criteria for Computer-Assisted Audits.
- 10 (a) Every utility shall adopt procedures to assure that estimates of energy cost savings and
11 costs for conservation measures are based on:
- 12 1. Typical and recent local prices for materials and installation;
13 2. Typical local climate data for the audited residence; and
14 3. Typical local price of electricity.
- 15 (b) At least twice annually, each utility shall update the data collected pursuant to paragraph
16 (6)(a).
- 17 (7) Performance of the audit.
- 18 (a) Upon arrival at a residence, the auditor shall provide proper identification and confirm the
19 customer's understanding of the scope and cost of the audit.
- 20 1. The auditor shall discontinue or decline to perform the audit if the customer, at any time,
21 objects to its performance.
- 22 2. The auditor may discontinue or decline to perform the audit if the auditor determines that
23 continuation of the audit may be dangerous.
- 24 (b) The auditor shall determine and explain to the customer which conservation practices are
25 applicable and recommend that the customer apply them prior to or in conjunction with

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1 adopting any conservation measure.

2 (c) For Computer-Assisted Audits, to determine the appropriate conservation measures, the
3 auditor shall gather and record the following information where applicable:

4 1. Exterior opaque wall area, including present level of wall insulation;

5 2. Type and condition of exterior window and door areas;

6 3. Ceiling area, including present level of attic insulation;

7 4. Floor area, including present level of floor insulation, if any;

8 5. Water heater size, age, and type;

9 6. Air conditioning system type, size, age, fuel type, and duct condition;

10 7. Heating system type, size, age, and fuel type; and

11 8. Other items as appropriate.

12 (d) For Computer-Assisted Audits, using the data gathered pursuant to paragraph (7)(c), the
13 auditor shall provide the customer with a result sheet showing:

14 1. An estimate of the potential energy and cost savings of each applicable conservation
15 measure;

16 2. An estimate of the total installation cost for each applicable conservation measure, both by
17 the customer and by a contractor;

18 3. An estimate of the expected payback time for the customer's cost of purchasing and
19 installing each applicable conservation measure, calculated using the anticipated percentage
20 change in energy costs;

21 4. An example calculation which clearly indicates that total energy cost savings from the
22 installation of more than one conservation measure could be different from the sum of energy
23 cost savings of each individually installed conservation measure; and

24 5. An explanation of the availability of energy conservation and load management programs.

25 (8) Energy Audit Disclosures and Disclaimers.

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- 1 (a) Each Computer-Assisted Audit result sheet shall include the following or similar
2 statement: “The procedures used to make these installation cost and energy savings estimates
3 are consistent with Commission rules and good engineering practices. However, the actual
4 installation costs you incur and energy savings you realize from installing these measures may
5 be different from the estimates contained in this audit report. Although the estimates are based
6 on measurements of your house, they are also based on assumptions which may not be entirely
7 correct for your household due to differing energy use patterns.”
- 8 (b) The auditor shall provide the eligible customer with a written statement of any interest,
9 direct or indirect, which the auditor or the utility has in the sale or installation of any energy
10 conservation measure.
- 11 (c) Upon customer request, the auditor shall disclose the results of any prior audit of the
12 customer’s residence if such records are still available.
- 13 (d) The results of the energy audit shall contain the following or a similar disclaimer: “The
14 utility does not warrant or guarantee the audit findings or recommendations, nor is the utility
15 liable as a result of the audit for the acts or omissions of any person who implements or
16 attempts to implement those conservation measures recommended by the auditor.”
- 17 (9) Installation Arrangements.
- 18 (a) A utility may offer installation arrangement services such as providing a list of suppliers
19 and installers of conservation measures.
- 20 (b) If a utility provides these services, the availability of the services shall be noted on the
21 *written results of the energy audit.*
- 22 (c) When arranging installation services pursuant to this rule, a utility shall not:
- 23 1. Discriminate among eligible customers, suppliers, or contractors; or
24 2. Arrange for installation of any measure which is not included in the utility’s most recent
25 Demand Side Management Plan approved by the Commission.

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1 (10) Post-Audit Inspection.

2 (a) To ensure quality control, the utility performing the audit shall ensure that its
3 recommended installations conform to quality standards.

4 (b) The utility performing the audit shall be responsible for performing post-audit inspections
5 of 10 percent of each type of energy conservation measure installed as a result of the utility's
6 recommendation.

7 (c) The utility shall reinspect a residence if a violation of materials or installation standards is
8 found.

9 (11) Program announcement.

10 (a) Each utility shall send a program announcement to all eligible customers at least every six
11 months.

12 (b) The program announcement shall describe the BERS, Computer-Assisted, and Walk-
13 Through Audits, offer them to all eligible customers, and advise eligible customers of any fee
14 charged for the audits.

15 (c) A gas utility and an electric utility servicing the same geographical area are encouraged to
16 jointly issue a single Program Announcement.

17 (12) For every customer requesting either a BERS, Computer-Assisted, or Walk-Through
18 Audit, every utility shall:

19 (a) Advise the customer as to the scope and cost of the audit;

20 (b) Schedule the audit within 15 days of an eligible customer's request, as well as provide the
21 name, title, and phone number of the auditor; and

22 (c) Perform the audit within 21 days of scheduling it, unless the eligible customer requests a
23 later date.

24 (13) Program Record Keeping.

25 (a) For every audit performed, every utility shall keep for 3 years from the audit performance a

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1 record that consists of the customer's energy use for 12 months prior and 12 months after the
2 date of the audit. The record shall list the amount of electricity or natural gas purchased for
3 every month of both 12 month periods.

4 (b) Every electric utility shall record the amount collected pursuant to subsection 25-
5 17.003(4), F.A.C., in subaccounts within Account 456. Every gas utility shall record the
6 amount collected pursuant to subsection 25-17.003(4), F.A.C., in subaccounts within Account
7 495.

8 (14) Contracts for Performing Audits. Any utility may contract with another entity to perform
9 the audits required by this rule.

10 *Specific Authority 366.05(1), 350.127(2) FS. Law Implemented 350.115, 366.04(2)(a), (f),*
11 *366.82(5), (7) FS. History—New 12-2-80, Amended 12-30-82, Formerly 25-17.03, Amended*
12 *11-24-86, 5-10-93, 7-14-96, _____.*

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State of Florida



Public Service Commission

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

DATE: October 15, 2013
TO: Cindy B. Miller, Senior Attorney, Office of the General Counsel
FROM: Stephen Garl, Public Utility Analyst II, Division of Economics 
RE: Statement of Estimated Regulatory Costs for Proposed Amendment of Rule 25-17.003, Florida Administrative Code (F.A.C.), Energy Audits

The purpose of existing Rule 25-17.003, F.A.C., is to provide the minimum requirements for performing energy audits by utilities subject to the Florida Energy Efficiency and Conservation Act. Paragraph (2) (a), proposed for amendment, defines "Building Energy-Efficiency Rating System (BERS) Audit" as an energy analysis of a residence performed in compliance with Section 553.995, F.S., Rule 9B-60.004(3) and (4), F.A.C., and Rule 9B-60.005, F.A.C. Paragraph (5) (a), also proposed for amendment, requires the electric utilities to certify that each of its residential energy auditors meets the minimum qualifications in paragraph (5) (b). In addition, paragraph (5) (a) requires that each utility annually file with the Commission the certifications and a list of auditors performing energy audits. The seven utilities subject to the rule are Florida Power & Light Company, Duke Energy Florida, Tampa Electric Company, Gulf Power Company, Florida Public Utilities Company, Orlando Utilities Commission, and JEA.

In the 2013 Legislative Session, HB 269, Section 26, repealed Section 553.992, F.S., effective July 1, 2013. This statute contained the rulemaking authority to adopt and maintain a statewide uniform building energy-efficiency rating system. Chapter 61-39, F.A.C., contains the rules adopted pursuant to Section 553.992, F.S. These rules were repealed as a result of lack of rulemaking authority due to the statutory amendment. The revised amendment of Rule 25-17.003, F.A.C., therefore, should delete the reference to Rules 9B-60.004(3) and (4), F.A.C., and 9B-005, F.A.C.

An amendment to Rule 25-17.003, F.A.C, paragraph (5) (a) is sought due to the fact that the required annual listing of residential energy auditors is not reviewed or used in any way by the Commission or Commission staff. The required listing, therefore, serves no purpose and creates an unnecessary filing burden on the utilities.

As a result of the amendment, the Commission and the seven affected utilities should achieve a cost savings by not having to file and store unnecessary information. A Statement of Estimated Regulatory Costs (SERC) is attached.

FLORIDA PUBLIC SERVICE COMMISSION
STATEMENT OF ESTIMATED REGULATORY COSTS
Chapter 25-17.003, F.A.C.

1. Will the proposed rule have an adverse impact on small business?
[120.541(1)(b), F.S.] (See Section E., below, for definition of small business.)

Yes

No

If the answer to Question 1 is "yes", see comments in Section E.

2. Is the proposed rule likely to directly or indirectly increase regulatory costs in excess of \$200,000 in aggregate in this state within 1 year after implementation of the rule? [120.541(1)(b), F.S.]

Yes

No

If the answer to either question above is "yes", a Statement of Estimated Regulatory Costs (SERC) must be prepared. The SERC shall include an economic analysis showing:

A. Whether the rule directly or indirectly:

- (1) Is likely to have an adverse impact on any of the following in excess of \$1 million in the aggregate within 5 years after implementation of the rule?
[120.541(2)(a)1, F.S.]

Economic growth Yes No

Private-sector job creation or employment Yes No

Private-sector investment Yes No

- (2) Is likely to have an adverse impact on any of the following in excess of \$1 million in the aggregate within 5 years after implementation of the rule?
[120.541(2)(a)2, F.S.]

Business competitiveness (including the ability of persons doing business in the state to compete with persons doing business in other states or domestic markets) Yes No

Productivity Yes No

Innovation Yes No

(3) Is likely to increase regulatory costs, including any transactional costs, in excess of \$1 million in the aggregate within 5 years after the implementation of the rule? [120.541(2)(a)3, F.S.]

Yes

No

Economic Analysis: Both the Commission and affected parties would benefit from amendment of the reporting requirements of the rule. Please refer to the memorandum to Counsel to which this form is attached.

B. A good faith estimate of: [120.541(2)(b), F.S.]

(1) The number of individuals and entities likely to be required to comply with the rule.

Seven

(2) A general description of the types of individuals likely to be affected by the rule.

The seven entities that would benefit from no longer having to comply with the reporting requirements of the rule are comprised of five investor-owned and two municipal electric utilities.

C. A good faith estimate of: [120.541(2)(c), F.S.]

(1) The cost to the Commission to implement and enforce the rule.

None. To be done with the current workload and existing staff.

Minimal. Provide a brief explanation.

Other. Provide an explanation for estimate and methodology used.

(2) The cost to any other state and local government entity to implement and enforce the rule.

- None. The rule will only affect the Commission.
- Minimal. Provide a brief explanation.
- Other. Provide an explanation for estimate and methodology used.

(3) Any anticipated effect on state or local revenues.

- None
- Minimal. Provide a brief explanation.
- Other. Provide an explanation for estimate and methodology used.

D. A good faith estimate of the transactional costs likely to be incurred by individuals and entities (including local government entities) required to comply with the requirements of the rule. "Transactional costs" include filing fees, the cost of obtaining a license, the cost of equipment required to be installed or used, procedures required to be employed in complying with the rule, additional operating costs incurred, the cost of monitoring or reporting, and any other costs necessary to comply with the rule.

[120.541(2)(d), F.S.]

- None. The rule will only affect the Commission
- Minimal. Provide a brief explanation.
- Other. Provide an explanation for estimate and methodology used.

E. An analysis of the impact on small businesses, and small counties and small cities:
[120.541(2)(e), F.S.]

(1) "Small business" is defined by Section 288.703, F.S., as an independently owned and operated business concern that employs 200 or fewer permanent full-time employees and that, together with its affiliates, has a net worth of not more than \$5 million or any firm based in this state which has a Small Business Administration 8(a) certification. As to sole proprietorships, the \$5 million net worth requirement shall include both personal and business investments.

- No adverse impact on small business.
- Minimal. Provide a brief explanation.
- Other. Provide an explanation for estimate and methodology used.

(2) A "Small City" is defined by Section 120.52, F.S., as any municipality that has an unincarcerated population of 10,000 or less according to the most recent decennial census. A "small county" is defined by Section 120.52, F.S., as any county that has an unincarcerated population of 75,000 or less according to the most recent decennial census.

- No impact on small cities or small counties
- Minimal. Provide a brief explanation.
- Other. Provide an explanation for estimate and methodology used.

F. Any additional information that the Commission determines may be useful.
[120.541(2)(f), F.S.]

- None.

Additional Information:

G. A description of any regulatory alternatives submitted and a statement adopting the alternative or a statement of the reasons for rejecting the alternative in favor of the proposed rule. [120.541(2)(g), F.S.]

No regulatory alternatives were submitted.

A regulatory alternative was received from

Adopted in its entirety.

Rejected. Describe what alternative was rejected and provide a statement of the reason for rejecting that alternative.