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E-PORTAL FILING

Mr. Adam Teitzman, Clerk Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850

Re: 20250000-OT – Undocketed Filings for 2025. Florida Public Utilities Company 2024 Demand-Side Management Report - Florida Public Utilities Company's Responses to Staff's First Data Request

Dear Mr. Teitzman:

Attached for filing on behalf of Florida Public Utilities Company, please find the Company's Responses to Staff's First Data Requests regarding the Company's 2024 DSM Report.

As always, please don't hesitate to let me know if you have any questions. Thank you for your assistance with this filing.

Kind regards,

Kelly

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cc:/ Michael Barrett

Florida Public Utilities Company's Responses to Staff's First Data Requests On 2024 DSM Annual Report

1. Please discuss any changes that Florida Public Utilities Company (FPUC or the utility) implemented in 2024, compared to practices used in 2023, for monitoring current federal energy efficiency standards and Florida Building Code requirements.

FPUC Response:

FPUC did not implement any changes in 2024 to its practices for monitoring current federal efficiency standards or Florida Building Code requirements. FPUC continues to account for federal minimum efficiency requirements as part of its ongoing program planning and evaluation process. Additionally, FPUC is closely monitoring the development of the Ninth Edition of the Florida Building Code, Energy Conservation, which is scheduled to take effect in 2027. While future changes may influence long-term planning, FPUC does not anticipate any impacts to its currently approved programs under the 2025 DSM Plan within the next five years.

2. What impact, if any, did changes in federal or state standards that occurred in 2024 have on the cost effectiveness of conservation programs? If applicable, discuss how the utility responded to these changes.

FPUC Response: There was no impact to the cost-effectiveness of conservation programs from changes to federal or state standards.

3. What changes in federal or state standards have occurred in 2025, or are projected to occur before the end of 2025, will (or could) impact the cost effectiveness of FPUC's conservation programs? Please explain.

FPUC Response:

No changes in federal or state standards implemented or projected in 2025 are expected to impact the cost-effectiveness of FPUC's conservation programs. While the development of the Ninth Edition of the Florida Building Code, Energy Conservation, is ongoing, its effective date is not until 2027. By December 2025, FPUC expects to have a clearer understanding of the final provisions to be included; however, at this time, no significant impacts to program cost-effectiveness are anticipated for the current planning cycle.

- 4. Page 9 of the Report addresses the results from FPUC's Residential Energy Survey program, which reported that fewer enrollments occurred in 2024 (120) compared with 2023 (154).
 - A. What does the utility believe were the principle drivers for this decline in enrollment that occurred in 2024?

FPUC Response:

The reduction in reported enrollment from 154 participants in 2023 to 120 in 2024 can be attributed to several factors. One principal driver was the intentional scaling back of promotional expenditures in 2024 in preparation for the planned launch of new DSM programs in July 2025. This strategic reduction in outreach was designed to align resources with the upcoming program rollout. Additionally, FPUC is coordinating with its current online energy survey provider, Brillion—formerly branded as Apogee, to leverage their enhanced promotional tools to support increased participation in the coming year. Most notably, FPUC is preparing to launch a new electric conservation landing page in 2025, which will include dedicated, streamlined pages for each individual conservation program. These updates will improve customer access to program information, simplify the application process, and feature an enhanced residential energy survey, all of which are expected to drive increased enrollment in 2025 and beyond.

B. Page 14 of the Report states that FPUC believes "sustaining or increasing participation [in the Residential Energy Survey program] will be key to long-term program success." Specifically describe the actions FPUC is taking in 2025 to enhance program participation in order to achieve long-term program success for this program.

FPUC Response:

In 2025, FPUC is taking significant steps to enhance residential energy survey program participation as part of a long-term strategy to drive sustained conservation engagement. Historically, the program has included in-person surveys supplemented by a basic online option. In 2025, FPUC is relaunching the program under a new brand—Efficiency First—with a completely redesigned structure built on educational engagement, merit-based incentives, and streamlined digital infrastructure.

Through a new partnership with Franklin Energy Services and collaboration with utility DSM program administrators, the Efficiency First program introduces an online energy survey as the required point of entry. Upon completing the survey, participants will receive a weatherization kit containing energy-saving devices. Franklin Energy Services will then maintain direct contact with participants to ensure the kit has been received and installed. Once confirmed, participants will receive a Smart Home Energy Kit, which includes a smart thermostat, smart LED bulbs, and a smart power strip.

This restructured, incentive-based approach is supported by a cohesive marketing and outreach campaign and a new electric conservation landing page, which will feature individual program pages, simplified application access, and improved educational resources. These enhancements are expected to significantly increase participation compared to 2024 levels and position the program for long-term success.

C. In 2024, did the company receive any requests for an energy survey from customers in the commercial/industrial customer class? If so, provide a detailed response describing how the company addressed such request(s).

FPUC Response:

Yes, which resulted in a total of 22 commercial consultations. These consultations consisted of one-on-one meetings between a utility representative and the customer to review all available Demand Side Management (DSM) programs, including eligibility criteria and applicable incentive structures.

In addition to the work done by FPUC's in-house team, Synergy Consulting Engineers provided a more in-depth assessment that targeted two office buildings associated with a hospital in Fernandina Beach. The Synergy team focused primarily on potential changes to the HVAC systems, but also assessed the lighting and a chiller in one of the buildings. The final report consisted of facility improvement measures, that included capital improvement suggestions, as well as changes to certain operation and maintenance procedures. Since FPUC does not have a Commercial Survey program, this type of

assessment by a third party helps both the customer determine whether savings may be achievable under existing programs and helps the Company with its future DSM planning.

D. Please populate the following table to provide a subcategorization of the 120 energy surveys conducted in 2024.

FPUC Response:

Utilit y	In-Person Virtual			
	Walk-Through, BERS, and Computer-Assisted	Online	Phone	Total
FPUC	108	12		120

Residential Energy Surveys by Type in 2024

E. The decline in enrollment in FPUC's Residential Energy Survey Program since 2015 appears to be correlated with the decline in FPUC's Residential Heating & Cooling Upgrade Program. Does FPUC believe there is a causative relationship in enrollment between its survey program enrollment and its heating and cooling upgrade program enrollment? Please explain.

FPUC Response:

We believe a loose causality between the observed trends and participation rates may exist. However, we largely attribute this to the intentional scaling back of marketing efforts in preparation for FPUC's new DSM campaign launch on July 7, 2025. This strategic pause has allowed us to focus on developing a robust online infrastructure dedicated to electric conservation.

We believe the upcoming coordinated marketing push, centered around a new landing page and supported by targeted messaging and communication strategies, will be the most impactful step we can take to boost participation and fully leverage the potential relationship between outreach and program engagement.

- 5. Page 10 of the Report addresses the results from FPUC's Residential Heating and Cooling Upgrade program, which reported the same number of enrollments occurred in 2024 (50) as did in 2023 (50).
 - A. What does the utility believe were the principle drivers for the 2024 performance?

FPUC Response:

The consistent enrollment of 50 participants in both 2023 and 2024 is largely due to FPUC's intentional scaling back of promotional efforts in 2024. This decision was made to align internal resources with the planned July 2025 launch of new DSM programs and to allow for a smoother transition to a more streamlined program structure.

To support increased participation moving forward, FPUC is preparing to launch a new electric conservation landing page with simplified access to program information and an enhanced residential energy survey. In addition, updated program designs will feature increased customer incentives, which are expected to further strengthen participation and drive higher enrollment beginning in 2025.

B. Page 14 of the Report states that FPUC believes there could be "potential barriers" for meeting the enrollment results achieved in recent years (which ranged from 92 in 2022 to 373 in 2015). Specifically describe these potential barriers and discuss the actions FPUC is taking in 2025 to mitigate them.

FPUC Response:

FPUC acknowledges that recent enrollment figures have been lower than historical highs, due in part to cost-related and messaging barriers. To address this, the 2025 DSM Plan includes increased incentive levels for high-efficiency HVAC systems and other eligible measures, making it more financially feasible for customers to participate. These enhancements are expected to significantly reduce cost barriers that have previously limited adoption of higher-efficiency equipment.

To overcome awareness and engagement challenges, FPUC is launching a targeted marketing campaign tied to the July 2025 rollout. This includes a new electric conservation landing page featuring program details, application links, and incentive levels—all designed to streamline access and participation. Additional tools, such as an online energy

survey and simplified application process, will make the program more accessible and userfriendly. Internal improvements, including better coordination with contractors and vendors, are also being implemented to support increased enrollment.

- 6. Page 11 of the Report addresses the results from FPUC's Commercial Heating and Cooling program:
 - A. In 2024, a total of 5 customers enrolled in this program, the most in any year since 2015. What does the utility believe were the principle drivers for the 2024 performance?

FPUC Response:

The increase in participation in 2024 is primarily attributed to natural fluctuations in enrollment rather than any programmatic or incentive changes. While promotional efforts were scaled back during the year, customer engagement still reached its highest level since 2015. FPUC aims to continue this positive momentum in 2025 through a concerted marketing campaign supported by new online tools for program education, participation, and application.

B. Page 14 of the Report states that FPUC believes there is a need for "targeted outreach" to sustain success for this program. Specifically describe the actions the company is taking in 2025 to reach eligible customers and promote the Commercial Heating and Cooling program.

FPUC Response:

In 2025, FPUC is launching a dedicated landing page to support the Commercial Heating and Cooling program. This page will streamline access to applications, showcase incentive levels, and provide educational resources as part of a concerted effort to launch the 2025 DSM Plan, which will feature the program.

- 7. Please answer the following regarding the Commercial Chiller program:
 - A. Describe the feedback the company has received in 2024 from eligible customers regarding their interest, or lack thereof, for enrolling in this program.

FPUC Response:

To address feedback that previous incentive levels were not significant enough to drive the selection of top-tier efficiency equipment, we have implemented a multi-tiered rebate structure specifically designed to target the economic concerns most commonly cited as barriers to program participation. This approach provides a more transparent and straightforward way for promoting programs and participation.

The revised system includes two tiers:

- Tier 1 supports projects that achieve up to 15,000 kWh in annual savings, offering a rebate of \$0.22 per kWh saved.
- Tier 2 rewards higher-performance systems that exceed 15,000 kWh in annual energy savings, offering a rebate of \$0.17 per kWh saved.
- B. Describe the specific actions the company is taking in 2025 to actively promote the Commercial Chiller program.

FPUC Response:

As part of the concerted launch of the 2025 DSM Plan, the Commercial Chiller program will remain a key component and benefit from enhanced visibility through newly developed online resources. These resources will include clear program information, simplified incentive structures, and streamlined application guidance.

This centralized approach is intended to boost participation by removing confusion around eligibility and incentive tiers, while also improving coordination and communication among vendors, contractors, and large commercial customers. The revised platform and structure are expected to support stronger engagement and smoother implementation across all stakeholder groups.

8. Page 13 of the Report addresses the results from FPUC's Commercial Reflective Roof program, which reported 1 participant in 2024, the first since 2020.

A. What does the utility believe were the principle drivers for the 2024 performance?

FPUC Response:

Participation in the Commercial Reflective Roof program in 2024, limited to a single participant, was consistent with the program's historically intermittent engagement. This level of participation aligns with observed trends across similar commercial offerings, where uptake has been sporadic and typically low, despite ongoing availability.

B. Describe the specific actions the company is taking in 2025 to actively promote the Commercial Reflective Roof program.

FPUC Response:

As part of the 2024 DSM goal-setting process and the associated technical potential analysis, the Commercial Reflective Roof program was evaluated for its economic and achievable energy savings potential. Based on that assessment, the program was found to deliver insufficient energy savings to justify its continuation. Consequently, it will not be included in the 2025 conservation program portfolio moving forward.

9. On Page 15 of the Report, Table 3-6 indicates the company incurred a cost of \$1,160 for the Commercial Consultation program. Please provide a detailed description of this cost and explain how the per-installation cost of \$52.72 was calculated.

FPUC Response:

The originally reported cost of \$1,160 for the Commercial Consultation program was inadvertently transposed and should have been \$1,610. However, upon further review, total program costs should have been \$1,300. This amount includes \$800 in program costs allocated as a percentage of broader expenses related to the 2024 DSM goals development process, specifically the avoided cost forecast conducted by the Christensen Group, along with \$500 in direct program advertising. Using the \$1,300 program costs, the revised per-installation cost is \$59.09 based on 22 participants. The remaining balance was inadvertently recorded to this account in error and will be corrected.

10. On Page 16 of the Report, the utility indicated that a Conservation Demonstration and Development program was "permanently paused" in 2024. Is an interim or final report on that effort available, or being prepared? Please explain.

FPUC Response:

The Conservation Demonstration and Development (CDD) initiative referenced on page 16 was permanently paused in 2024 due to differences between the participating customer and the equipment provider regarding the monitoring system's installation. As a result, the equipment was removed before the monitoring system could be fully configured or any meaningful data could be collected. Because the project did not reach an operational state, no interim or final report was developed.

FPUC had initially intended to identify an alternative host site to continue evaluating the Powerhouse commercial electric metering technology, which is designed to enhance electric system efficiency through real-time, circuit-level monitoring and analytics. However, a replacement customer has not yet been identified.

FPUC has since shifted its focus toward residential Conservation Demonstration and Development efforts for the 2025–2029 period, with particular emphasis on initiatives that benefit low- to moderate-income customers.

11. In 2024, what was FPUC's System Average Line Loss percentage?

FPUC Response:

As referenced in FERC Form 1, the 2024 line loss rate for FPUC is 1.25%