BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re:	Petition of Tampa Electric to Modify the Efficiency)	DOCKET NO.	881575-EG
Ratings	Used in its Heating and	\(\)	ORDER NO.	20750
Coolings Program.		_;	ISSUED:	2-16-89

The following Commissioners participated in the disposition of this matter:

THOMAS M. BEARD BETTY EASLEY GERALD L. GUNTER JOHN T. HERNDON

NOTICE OF PROPOSED AGENCY ACTION

ORDER MODIFYING THE EFFICIENCY RATINGS USED BY TAMPA ELECTRIC COMPANY IN ITS HEATING AND COOLING PROGRAM

BY THE COMMISSION:

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

With this Commission's approval in 1980 Tampa Electric Company (TECO) initiated a Heating and Cooling Program, pursuant to the Federal Energy Efficiency and Conservation Act (FEECA), Sections 366.80-.85 and 403.519, Florida Statutes. This program was designed to reduce the rate of growth in peak demand and energy in its service area by increasing the saturation of high-efficiency heat pumps and/or central air conditioners (without oil or resistance heat) in existing residences. The program targeted primarily single-family homeowners who would replace existing central air/strip heat or heat pump systems with high-efficiency units.

In January 1987, the Commission approved an increase in qualifying equipment efficiencies, with a corresponding reduction in the amount of rebates paid to those participating customers who installed high-efficiency equipment. These revisions were necessary due to improvements in equipment efficiencies available in the marketplace. In September 1988, this Commission granted TECO's request to discontinue the customer rebate while modifying dealer incentives to salesmen by offering different bonuses for the sale of regular and super high efficiency units. In addition, the Commission approved a modification of equipment efficiency measurements applied by TECO in administering the program.

In the past, TECO used the semiannual directories of the Air Conditioning and Refrigeration Institute (ARI) in determining the efficiency ratings of heat pumps and air conditioning units that qualified for incentive payments. In particular, TECO has used the Coefficient of Performance (COP) ratings and the Seasonal Energy Efficiency Ratio (SEER)

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ratings. The COP measures the heat pump's heating cycle efficiency, a ratio of BTU heat output to the wattage input. The SEER measures the seasonal cooling efficiency of the respective units. The ARI has announced that it will no longer use the COP ratings but, instead, will substitute the Heating Seasonal Performance Factor (HSPF) in place of the COP ratings. The HSPF, like the COP, is a calculation of the unit's heating cycle efficiency (BTU heat output divided by wattage input); however, unlike the COP, the HSPF is measured over a varying range of temperatures. TECO states that it has been unable to find any correlation between the COP and HSPF ratings. However, TECO indicates it has found that the relationship between the COP and SEER ratings is relatively close. Therefore, TECO requests the modification of its heating and cooling program by using only the SEER ratings to determine the efficiency of its heat pumps and air conditioning units.

We have reviewed TECO's request and find it to be reasonable and in the public interest to grant the same.

Therefore, it is

ORDERED by the Florida Public Service Commission that the Petition of Tampa Electric Company foir Modification of its Heating and Cooling Program as described in the body of this Order is approved.

ORDERED that this Order shall become final unless a petition for a formal proceeding is received by the close of the business day, March 9, 1989.

By ORDER of the Florida Public Service Commission, this 16th day of FEBRUARY , 1989 .

STEVE TRIBBLE, Director Division of Records and Reporting

(SEAL)

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

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

The action proposed herein is preliminary in nature and will not become effective or final, except as provided by Rule

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25-22.029, Florida Administrative Code. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, as provided by Rule 25-22.029(4), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a) and (f), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting at his office at 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on March 9, 1989. In the absence of such a petition, this order shall become effective March 10, 1989, as provided by Rule 25-22.029(6), Florida Administrative Code, and as reflected in a subsequent order.

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

If this order becomes final and effective on March 10, 1989, any party adversely affected may request judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or by the First District Court of Appeal in the case of a water or sewer utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days of the effective date of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.