BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition to further extend BuildSmart Pilot Program) ORDER NO. PSC-96-0404-FOF-EG by Florida Power & Light Company.

) DOCKET NO. 960255-EG) ISSUED: March 21, 1996

The following Commissioners participated in the disposition of this matter:

> SUSAN F. CLARK, Chairman J. TERRY DEASON JOE GARCIA JULIA L. JOHNSON DIANE K. KIESLING

NOTICE OF PROPOSED AGENCY ACTION ORDER ORDER GRANTING EXTENSION

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 substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

Florida Power & Light Company (FPL) introduced its BuildSmart pilot program in March of 1993. Through the Buildsmart program, FPL educates builders and customers about energy-efficient building practices and their benefits, performs new home inspections to verify installations, rates the homes for their energy-efficiency, and provides certificates for qualifying new homes. Homes that exceed Florida Energy Efficiency Code requirements by more than 10%, 20% and 30% are awarded Bronze, Silver and Gold Certificates, respectively. This program has been offered in Charlotte, Lee, Glades, Hendry, and Collier counties. Originally, the program was expected to end during the first quarter of 1995.

On March 31, 1995, FPL filed a petition to extend the BuildSmart program through December 31, 1995. FPL had not completed its analysis of BuildSmart and wished to incorporate the program into the analysis of its Integrated Resource Planning (IRP) process. By Order No. PSC-95-0611-FOF-EG, we approved an extension of the program through December 31, 1995.

On December 7, 1995, FPL filed a second petition to extend its BuildSmart Program. FPL requested that the BuildSmart portion of

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the New Home Construction R&D Project continue until the Commission takes final action in Docket No. 951536-EG. FPL stated that by continuing BuildSmart in Southwest Florida, the program would have the opportunity to increase its acceptance by customers and building contractors. By Order No. PSC-96-0116-FOF-EG, we approved another extension of the program through March 30, 1996.

In filing this Petition, FPL seeks our approval of a third extension of its BuildSmart program until either final action is taken in Docket No. 951536-EG or through December 31, 1996.

The schedule in Docket No. 951536-EG now calls for staff's recommendation to be filed on April 18, 1996. Currently, the BuildSmart expenses will be recovered under ECCR only through March 1996. In order to avoid a lapse in cost-recovery, FPL requests the continuation of the program and its recovery through ECCR of approximately \$620,000 from April 1, 1996 through December 31, 1996. We approved a spending cap of \$5.9 million for the New Home Construction R&D project which extended from March, 1993 to September, 1995. We increased the cap to \$6.28 million to allow FPL to extend its BuildSmart analysis through the last quarter of 1995. FPL spent only \$5,936,545 through December 31, 1995. FPL now projects it will need to spend an additional \$194,000 in the first guarter of 1996. FPL seeks the authority to increase the spending cap to \$6,750,000 in order to accommodate the extension of the BuildSmart program through December 31, 1996. This cap will include the \$5,936,545 that FPL has already spent through December 31, 1995, the \$194,000 that FPL projects to spend during the first quarter of 1996, and the \$620,000 that FPL projects it will spend during the last three quarters of 1996.

Based on the above, we approve the continued funding of the Buildsmart program through December 31, 1996. FPL must continue to submit the quarterly reports as it has been doing in the New Home Construction R&D Project. ORDER NO. PSC-96-0404-FOF-EG DOCKET NO. 960255-EG PAGE 3

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Florida Power & Light Company's Petition to Further Extend Its Buildsmart Pilot Program is approved. It is further

ORDERED that Florida Power & Light Company shall continue to file quarterly reports on the Buildsmart Pilot Program. It is further

ORDERED that the provisions of this Order, issued as proposed agency action, shall become final and effective unless an appropriate petition, in the form provided by Rule 25-22.036, Florida Administrative Code, is received by the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth in the "Notice of Further Proceedings or Judicial Review" attached hereto. It is further

ORDERED that in the event this Order becomes final, this Docket shall be closed.

By ORDER of the Florida Public Service Commission, this <u>21st</u> day of <u>March</u>, <u>1996</u>.

BLANCA S. BAYÓ, Director Division of Records and Reporting

Records

(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 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, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on <u>April 11, 1996</u>.

In the absence of such a petition, this order shall become effective on the day subsequent to the above date as provided by Rule 25-22.029(6), Florida Administrative Code.

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 the date described above, any party substantially 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 wastewater 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.