BEFORE THE PUBLIC SERVICE COMMISSION

In re: Petition for approval of tariffs offering DOCKET NO. 031100-EI energy profiler online service and remote access service by Progress Energy Florida, Inc. ISSUED: April 19, 2004

The following Commissioners participated in the disposition of this matter:

BRAULIO L. BAEZ, Chairman J. TERRY DEASON LILA A. JABER RUDOLPH "RUDY" BRADLEY CHARLES M. DAVIDSON

ORDER APPROVING TARIFFS

BY THE COMMISSION:

BACKGROUND

On December 10, 2003, Progress Energy Florida, Incorporated (PEF) petitioned the Commission for approval of two new services, Energy Profiler Online Service and Remote Access Service. The Energy Profiler Online Service allows business and industrial customers to review their energy usage information on a daily, weekly, or monthly basis on the Internet. The Remote Access Service allows business and industrial customers to access their energy usage data at any time and use that information to manage their peak demand through load management equipment and software. We suspended implementation of the proposed tariffs to review the proposals more thoroughly. Based on that review, for the reasons explained below, we approve the new tariffs. We have jurisdiction over this matter pursuant to Sections 366.04, and 366.05, Florida Statutes.

DECISION

The Energy Profiler Online Service

PEF will offer the new, optional Energy Profiler Online Service to small, medium-sized, and large commercial and industrial customers in PEF's service territory. Customers who choose the Energy Profiler Online service pay a one-time installation charge and a monthly charge to have their energy usage data monitored. The information is sent to PEF from meters at the customers' location at 15-minute intervals. Customers can then view the data at a secure

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online website, in a graph and chart format. Customers can view or receive their usage data, at monthly, weekly, or daily intervals, depending upon the level of service taken.

The installation and monthly charges vary with the size of the customer and with the frequency with which the data is provided. Small and medium-sized commercial and industrial customers, defined as those whose maximum demands range from 30-500 kilowatts a month, who wish to have their power usage data collected at monthly intervals, pay a \$50 one time-installation charge and a \$25 monthly charge for each electric meter. Customers who require power usage data on a weekly basis pay a \$138 one-time installation charge and a \$49.50 monthly charge per meter, which includes the cost of cellular phone service. Daily collection of power usage data is not available for small and medium-sized customers. Large commercial and industrial customers who wish to view power usage data collected on a monthly or weekly basis pay a \$50 one-time installation charge for each meter. If large customers choose to view power usage data collected on a daily basis, they pay a \$50 one-time installation charge and a \$45 monthly charge per meter.

The installation and monthly costs of collecting power usage data on a weekly basis for small and medium-sized customers are about twice what a large customer would pay. The reason for the difference is that the large customer's meter has internal circuit boards that enable it to store power usage data collected at 15-minute intervals for up to 60 days. The meters for small and medium-sized customers do not contain these data recording circuit boards, and must be upgraded to receive the service. The annualized cost of installing the circuit boards results in the higher installation and monthly charges for small and medium-sized customers. PEF expects to serve 100 meters under the Energy Profiler Online tariff in 2004 and it estimates that it will add 40 meters per year from 2005-2010. PEF estimates initial gross revenues to be \$35,000 in 2004, growing to \$50-70,000 a year by 2010.

We have reviewed the cost support data for the new service that PEF provided, and we believe that the data adequately supports the new service. We find that the service will benefit customers by enabling them to better understand their energy usage and take steps to control that usage.

The Remote Access Service

Like the Energy Profiler Online service, the new Remote Access Service will be offered to small, medium-sized, and large commercial and industrial customers in PEF's territory. Customers who choose the Remote Access Service pay a one-time installation charge and a monthly charge to review the energy usage data generated at their meters. The service requires a telephone line for each meter, since the customer can review their information at any time. Unlike the Energy Profiler Online service, the information generated is not presented in easy-tounderstand graph and chart formats on a website. Instead, the information is intended for use in load management software and equipment that is capable of using raw meter data. The one-time

installation charge is \$108 per meter for small, medium-sized and large customers. The monthly charge is \$9.70 per meter for small and medium-sized customers, who PEF defines as those whose maximum demands are between 30 and 500 Kw per month, and \$5.25 per meter for large customers whose maximum demands exceed 500 Kw.

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Like the Energy Profiler Online service, the monthly charge for large customers is lower than the monthly charge for small and medium-sized customers, because the meter for a large customer has internal circuit boards that enable it to store power usage data collected at 15minute intervals for up to 60 days. The meters for small and medium-sized customers do not contain the interval recording circuit boards, and must be upgraded to receive the service. The annualized cost of installing the circuit boards results in higher installation and monthly charges for small and medium-sized customers. PEF expects to provide service under the Remote Access Service tariff to 15 meters in 2004. It estimates that it will add 10 meters per year from 2005-2010. PEF estimates initial gross revenues of \$3,000 in 2004, growing to \$5-10,000 a year by 2010.

We have reviewed PEF's cost support data for the new service, and we believe that it adequately supports the new service. We find that the service will benefit customers by providing them with information that can be directly entered into their load management equipment and software.

It is therefore

ORDERED by the Florida Public Service Commission that Progress Energy Florida, Inc.'s Petition for approval of tariffs offering energy profiler online service and remote access service is approved. It is further

ORDERED that this Order approving new curtailable service rates shall become final upon the issuance of a Consummating Order unless an appropriate petition, in the form provided by Rule 28-106.201, Florida Administrative Code, is received by the Director, Division of the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth in the "Notice of Further Proceedings" attached hereto. It is further

ORDERED that this tariff shall be effective as of March 30, 2004. If a protest is filed within 21 days of the issuance of this Order, the tariff shall remain in effect, with any revenues held subject to refund, pending resolution of the protest. 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 19th day of April, 2004.

BLANCA S. BAYÓ, Director Division of the Commission Clerk and Administrative Services

By: <u>Kay Jup</u> Kay Flynn, Chief

Bureau of Records

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NOTICE OF FURTHER PROCEEDINGS

The Florida Public Service Commission is required by Section 120.569(1), 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.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

The Commission's decision on this tariff is interim in nature and will become final, unless a person whose substantial interests are affected by the proposed action files a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Director, Division of the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on May 10, 2004.

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In the absence of such a petition, this Order shall become final and effective upon the issuance of a Consummating 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.

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