



Florida Power & Light Company, 215 S. Monroe St., Suite 810, Tallahassee, FL 32301

RECEIVED-PPSC

10 JUL 15 PM 3: 16

Jessica Cano
Principal Attorney
Florida Power & Light Company
700 Universe Boulevard
Juno Beach, FL 33408-0420
(561) 304-5226
(561) 691-7135 (Facsimile)

COMMISSION
CLERK

July 15, 2010

100155 EG

VIA HAND DELIVERY

Ms. Ann Cole
Division of the Commission Clerk and
Administrative Services
Florida Public Service Commission
Betty Easley Conference Center
2540 Shumard Oak Boulevard, Room 110
Tallahassee, FL 32399-0850

Re: Petition for Approval of Florida Power & Light Company's Demand Side
Management Plan – Responses to Staff's Third Data Request

Dear Ms. Cole:

Enclosed for filing on behalf of Florida Power & Light Company ("FPL") are an
original and 5 copies of FPL's response to Staff's Third Data Request dated June 25, 2010.

Please contact me should you or your staff have any questions regarding this filing.

Sincerely,

Jessica Cano
for
Jessica Cano

Enclosures

CC: Katherine Fleming
Vicki Kaufman
George Cavros
Susanne Brownless
John McWhirter
Rick D. Chamberlain

COM _____
APA _____
ECR _____
GCL 1
RAD 4
SSC _____
ADM _____
OPC _____
CLK _____

an FPL Group company

DOCUMENT NUMBER-DATE

5821 JUL 15 e

FPSC-COMMISSION CLERK

Q.

Please refer to FPL's Response to Staff's First Data Request, No. 1. The response shows projections of seasonal and annual savings for existing programs that are above what FPL reported as achieved for the same programs in its Demand Side Management 2009 Annual Report, dated February 26, 2010. Of particular interest are those existing, unmodified programs for which FPL projects savings increasing but, at the same time, projects fewer participants as compared to the Annual Report. Please respond to the following:

- a. Please explain or describe FPL's process for determining the expected level of participation for the programs in its DSM Plan.
- b. Please explain or describe how FPL calculated the seasonal and annual savings projections shown in response to Staff's First Data Request, No 1.

A.

FPL is proposing to continue all of its previously-existing DSM programs. However, in order to meet the new Commission-approved goals, the majority have been enhanced or modified by either changing the included measures or changing incentive levels. The existing, unmodified programs for which there are also projected savings are:

- Residential On Call
- Business On Call
- Commercial/Industrial Demand Reduction (CDR)
- Business Custom Incentive (BCI)

Though FPL is projecting reduced participation levels for each of these programs relative to 2009, in no instance are the projected savings levels simultaneously increased. Please note that for this response FPL has used its revised response to Staff's First Data Request, No. 1 as reference.

- a. FPL's process for projecting participation was performed at the measure level and then aggregated up into the particular programs. FPL developed the projections with the assistance of ICF International (ICF) utilizing a proprietary ICF model modified specifically for FPL, along with a functionally similar FPL model for load management and solar programs. Data from the Technical Potential Study was used for estimation of eligible market size. Additionally, for existing measures, the modeling exercise incorporated factors such as planned incentive changes, historic measure-level performance, and FPL and ICF market experience. For new measures, the modeling relied upon ICF's algorithms and experience in other markets based on other utilities' performance adjusted for FPL's planned incentives.

DOCUMENT NUMBER-DATE

05821 JUL 15 e

FPSC-COMMISSION CLERK

b. FPL also performed the seasonal and annual savings projection calculations at the measure level and subsequently aggregated these to the program level. The calculation was to multiply projected participation levels by "per participant" savings values. In the case of existing measures, these savings values were derived from FPL's historic measurement and evaluation data. In the case of new measures, FPL used data from the Technical Potential Study.