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Public Service Commission

September 24, 2010

John Burnett
Progress Energy Service Company, LLC
P.O. Box 14042
St. Petersburg, FL 33733-4042

STAFF'S SIXTH DATA REQUEST

Re: Docket No. 100160-EG - Petition of approval of demand-side management plan of Progress Energy Florida, Inc.

Dear Mr. Burnett:

By this letter, the Commission staff requests that Progress Energy Florida, Inc. (PEF or Company) provide responses to the following data requests.

1. Please explain or describe why PEF's goals are comparatively higher than the other FEECA utilities since goals for all investor-owned utilities were set based upon Itron's analysis plus the savings estimated to be achievable from the residential portion of the top ten measures having a payback period of two years or less.
2. As noted at the September 14, 2010, Agenda Conference, PEF's savings estimates based on the residential portion of the top ten measures with a payback of two years or less appear to be disproportionately higher than those of FPL, TECO and Gulf. Please explain or describe why this may be the case. (9/14/2010, Agenda transcript, pgs 91-92)
3. Please provide the average monthly rate impact of meeting the Commission-set conservation goals as a percent of an average residential (1200 kWh) customer bill for the years 2011-2019.
4. Please explain or describe why PEF included all the Technical Potential program measures into one program.
5. Please explain or describe whether it would be more cost-effective to include technical potential measures within other programs rather than in one stand-alone program as PEF proposed.

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6. Please explain the basis of the escalation factor PEF used in the development of its energy efficiency programs. Please explain the impact of the escalation factor used on customer rates. (9/14/2010, Agenda transcript, pg 20)
7. Please identify and explain what, if any, best industry practices or peer utility programs PEF reviewed or considered prior to submitting its proposed DSM 2010 Plan. (9/14/2010, Agenda transcript, pg 20) If none, please explain the reason for not doing so.
8. Please identify and explain what, if any, alternative program design strategies PEF reviewed or considered prior to submitting its proposed DSM 2010 Plan. (9/14/2010, Agenda transcript, pg 21) If none, please explain the reason for not doing so.
9. Please explain or describe what modifications, if any, PEF believes could be made to its Technical Potential program to make it more cost-effective and reduce the potential rate impact. For example, adding or removing certain measures, adjusting incentive/rebate levels or projected customer participation levels.
10. Please explain or describe whether PEF believes that the peer utilities SACE selected, in its comments filed August 3, 2010, are appropriate to use for making comparisons of effective program design and energy savings.
 - a. If the answer is no, please provide the names of at least five other utility companies that PEF believes are appropriate to use for making such comparisons. Please also explain why these utility companies would provide a more appropriate comparison than the companies selected by SACE.
11. Please refer to Attachment A, which is a list of certain programs and measures that staff has identified as having incentive/rebate levels that are greater than customer costs, based on PEF's Response to Staff's First Data Request, No. 9.
 - a. Please recalculate the "residential rate impact" when the incentive/rebate associated with each measure is capped at no greater than customer costs for the same measure and complete Table 1 on Attachment B.
 - b. Please recalculate the "percentage of total ECCR rate" of all programs when the incentive/rebate associated with each measure is capped at no greater than customer costs for the same measure and complete Table 2 on Attachment C.

12. Please complete the tables (Attachment D) for each of the incentive level scenarios listed below, for each measure within the Technical Potential Program. Please also indicate any changes to participation rates as a result of changes to incentive levels.
 - a. Incentive levels are as proposed in PEF's filings.
 - b. Incentive levels are limited to 100% of Measure Cost.
 - c. Incentive levels are limited to 75% of Measure Cost.
 - d. Incentive levels are limited to 50% of Measure Cost.

13. Please complete the tables (Attachment D) for each of the participation rate scenarios listed below, for each measure within the Technical Potential Program. Please also indicate the level of incentive necessary to reach the indicated participation rate.
 - a. Participation rates are as proposed in PEF's filings.
 - b. Participation rates are limited to 75% of eligible customers.
 - c. Participation rates are limited to 50% of eligible customers.
 - d. Participation rates are limited to 25% of eligible customers.

Incentive/Rebate Levels Greater than Customer Costs Attachment A

BETTER BUSINESS PROGRAM	Incentive / Rebate	Customer Equip Cost
Component Measure Name	(\$)	(\$)
Centrifugal Chiller, 0.63 to .60 KW/ton	\$173	\$125
Chiller--rotary/screw .72 to .67 kw/ton	\$175	\$135
DX Packaged System, EER=10.6 (20 tons)	\$291	\$249
Hybrid Desiccant-DX EER 10.6 (Trane CDQ)	\$1,333	\$934
Geothermal Heat Pump EER/COP 14.1/3.3	\$2,134	\$1,453
SEER 13 AC to SEER 14 HP to 2014	\$690	\$380
SEER 13 AC to SEER 15 HP	\$2,825	\$1,818
SEER 13 AC to SEER 17 HP	\$4,048	\$2,595
SEER 13 HP to SEER 14 HP to 2014	\$512	\$252
SEER 13 HP to SEER 15HP	\$1,701	\$924
SEER 13 HP to SEER 17 HP	\$3,359	\$2,076
SPV HP EER/COP 8.6/2.7 - 9.46/2.97	\$563	\$415
Demand Control Ventilation (DCV)	\$271	\$208
Energy Recovery Ventilation (ERV)	\$2,202	\$1,310
DX RTU Re-commissioning	\$282	\$259
Thermal Energy Storage (TES) (Positive)	\$2,074	\$1,661
Ceiling Insulation <R11 to R19 to 2014	\$579	\$311
Ceiling insulation <R11 to R30	\$3,783	\$2,283
Roof Insulation <R11 to R19 to 2014	\$933	\$466
Cool Roof with Roof Insulation <R11 to R19	\$4,528	\$3,217
Cool Roof - Chiller	\$2,747	\$1,868
Cool Roof - DX	\$2,186	\$1,868
Green Roof	\$9,721	\$6,227
High Efficiency Motors > 200 HP (225HP) p/HP	\$59	\$42
Induction Lighting /Cold Cathode	\$1,159	\$882
Hotel AC control sensors	\$720	\$623
EMS - Chiller Optimization	\$227	\$208
13-14 SEER A/C	\$359	\$234
15 SEER A/C	\$370	\$275
16 SEER A/C	\$355	\$298
19+ SEER A/C	\$1,351	\$905
Exhaust Hood opt. (Ventilation)	\$3,096	\$2,646
Multiplex Compressor system	\$5,371	\$3,632

Incentive/Rebate Levels Greater than Customer Costs Attachment A

COMMERCIAL/INDUSTRIAL NEW CONSTRUCTION PROGRAM		
Component Measure Name	Incentive / Rebate (\$)	Customer Equip Cost (\$)
Centrifugal Chiller 0.60 KW/ton, (500 tons) 2010	22.00	21.00
DX Packaged System EER 10.4 - 11.1 (15 ton) 2013	137.00	128.00
Hybrid Desiccant-DX EER 11.1 (Trane CDQ) 2013	411.00	399.00
SEER 13 HP to SEER 14 HP 2010	149.00	125.00
SEER 14.5 HP to SEER 16 HP 2013	403.00	350.00
SEER 13 HP to SEER 15 HP 2010	278.00	231.00
SEER 14.5 HP to SEER 17 HP 2013	649.00	556.00
SEER 13 HP to SEER 17 HP 2010	406.00	342.00
SEER 14.5 HP to SEER 18 HP 2013	978.00	824.00
Energy Recovery Ventilation (ERV) 2010	347.00	291.00
Roof Insulation R-11 to R-19 2010	280.00	232.00
Roof Insulation R-13 to R-19 2013	499.00	453.00
Cool Roof with Insulation R11 to R19 2010	550.00	513.00
Cool Roof with Insulation R15 to R19 2013	1,395.00	1,236.00
Cool Roof - Chiller .60 kw/ton 2010	336.00	308.00
Cool Roof - Chiller .55 kw/ton 2013	772.00	742.00
Green Roof	4,104.00	3,497.00
Building Commissioning	1,101.00	645.00
15 SEER A/C	597.00	525.00
16 SEER A/C	615.00	569.00
19+ SEER A/C	2,058.00	1,729.00
Multiplex Compressor system	2,146.00	2,040.00
HOME ENERGY IMPROVEMENT PROGRAM		
Component Measure Name	Incentive / Rebate (\$)	Customer Equip Cost (\$)
Duct Repair	470.00	423.00
Duct Repair	353.00	211.00
Duct Test	71.00	70.00
HVAC Proper Sizing	176.00	70.00
HVAC Proper Sizing	176.00	70.00
HVAC QI Commission Plem Seal & Sizing	588.00	247.00
HVAC QI Commission Plem Seal & Sizing	588.00	247.00
RESIDENTIAL NEW CONSTRUCTION PROGRAM		
Component Measure Name	Incentive / Rebate (\$)	Customer Equip Cost (\$)
HVAC Commissioning	16.00	11.00
HVAC Commissioning	16.00	11.00
HVAC ACCA Quality Installation	471.00	122.00
HVAC ACCA Quality Installation	471.00	122.00

Incentive/Rebate Levels Greater than Customer Costs Attachment A

TECHNICAL POTENTIAL PROGRAM	Incentive / Rebate	Customer Equip Cost
Component Measure Name	(\$)	(\$)
Water heater blanket on old water heaters	30.00	20.00
Replace current HVAC system with high efficiency model with ECM (16+SEER)	2,000.00	90.00
Pool Pump (variable)	2,000.00	1,927.00
Freezer Recycling	100.00	0.00
Refrigerator Recycling	100.00	0.00
Air Filters	60.00	40.00

Table 1 – Recalculated Residential Rate Impact

Year		ECCR Revenue Requirement	Rate Impact (\$/Mo.)	% Increase
Current		\$86,501,449	\$3.24	-
Projected	2010			
	2011			
	2012			
	2013			
	2014			
	2015			
	2016			
	2017			
	2018			
	2019			
Current Rates refer to those established in Docket 090002				
Rate impact assumes a residential customer with 1,200 kWh/Mo. usage				

Table 2 – Recalculated Program Contributions

Program Name	Type	% Total Goal			Net Benefits		ECCR (%)
		Sum	Win	Ann	E-TRC	E-RIM	
		(%)	(%)	(%)	(\$000)	(\$000)	
Energy Management	RES						
Technical Potential	RES						
Home Energy Improvement	RES						
Interruptible Service	C/I						
Residential Education	RES						
Business Energy Response	C/I						
Better Business	C/I						
C/I New Construction	C/I						
New Construction	RES						
Neighborhood Energy Saver	RES						
Commercial Education	C/I						
Standby Generation	C/I						
Solar WH with Energy Management	RES						
Curtailable Service	C/I						
Low Income Weatherization	RES						
Commercial Green Building	C/I						
Commercial Solar Photovoltaic	C/I						
Residential Solar Photovoltaic	RES						
Business Energy Saver	C/I						
Photovoltaics for Schools	C/I						
Solar WH for Low Income Res Customers	RES						
Business Energy Check (Audit)	C/I						
Innovation Incentive	C/I						
Research and Demonstration	C/I						
Home Energy Check (Audit)	RES						
Technology Development	ALL						
Qualifying Facilities	ALL						
Sum of All Programs							

Measure Name			Scenario										
Total Measure Savings by Year (@ Meter)			Total Measure Expenses by Year						Participation Rates				
Year	Summer Peak Demand	Winter Peak Demand	Annual Energy	Administrative	Education & Marketing	Equipment, Install, O&M	Incentives, Rebates	Total	Total # of Customers	Total # of Eligible Customers	Annual Participation Rate	Cumulative Participation Rate	Cumulative Participation Rate
	(MW)	(MW)	(GWh)	(\$000)	(\$000)	(\$000)	(\$000)	(\$000)	(-)	(-)	(-)	(-)	(%)
2011													
2012													
2013													
2014													
2015													
2016													
2017													
2018													
2019													
Total													
Savings Per Participant by Year (@ Meter)			Measure Expenses Per Participant By Year						Measure Impacts				
Year	Summer Peak Demand	Winter Peak Demand	Annual Energy	Administrative	Education & Marketing	Equipment, Installation, O&M	Incentives, Rebates	Total Utility Costs	Incentive Rate	Pre-Rebate Customer's Costs	Post-Rebate Customer's Costs	Residential Rate Impact	Lost Revenues
	(kW)	(kW)	(kWh)	(\$/Customer)	(\$/Customer)	(\$/Customer)	(\$/Customer)	(\$/Customer)	(\$ / (List Unit))	(\$)	(\$)	(\$/1200 kWh)	(\$000)
2011													
2012													
2013													
2014													
2015													
2016													
2017													
2018													
2019													
Total													
Cost Effectiveness Tests													
Test	Benefits	Costs	Ratio	Net Benefits									
	(\$000)	(\$000)	(-)	(\$000)									
E-TRC													
E-RIM													
Participant's													

Please file the original and five copies of the requested information by October 1, 2010, with Ms. Ann Cole, Commission Clerk, Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida, 32399-0850. Please feel free to call me at (850) 413-6218 if you have any questions.

Sincerely,



Katherine E. Fleming
Senior Attorney
Office of the General Counsel

KEF/sh

cc: Office of Commission Clerk
Paul Lewis
Vicki Kaufman/Jon Moyle
John McWhirter
James Brew/Al Taylor
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