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COMMISSION CLERK

December 10, 2010

**BY HAND DELIVERY**

Ms. Ann Cole, Director  
Commission Clerk and Administrative Services  
Room 110, Easley Building  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, FL 32399-0850

Re: Docket No. 100158-EG

Dear Ms. Cole:

Pursuant to Order No. PSC-10-06789-PAA-EG, enclosed for filing and administrative approval are the original and five (5) copies of the Program Standards for Florida Public Utilities Company's DSM programs and Additional Justification for the estimated savings for the Residential and Commercial Energy Survey Programs.

Please acknowledge receipt of this letter by stamping the extra copy of this letter "filed" and returning the same to me.

Thank you for your assistance with this filing.

Sincerely,

Norman H. Horton, Jr.

- COM  NHH/amb
- APA  Enclosure
- ECR  cc: Mr. Jason Van Hoffman
- GCL  Parties of Record
- RAD**  4
- SSC
- ADM
- OPC
- CLK

DOCUMENT NUMBER-DATE

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**Florida Public Utilities Company**  
**2010 Demand-Side Management Plan**  
**Program Standards**

DOCUMENT NUMBER / DATE

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FPSC-COMMISSION CLERK

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## ***PROGRAM STANDARDS***

### ***Residential Energy Survey***

#### ***Program Description***

The Residential Energy Survey program is provided at no cost to the customer and provides participating customers with information they need to determine which energy saving measures are best suited to their individual needs and requirements. During the survey, FPUC will provide the customer with up to 10 screw-in compact fluorescent bulbs which at the sole discretion of FPUC, will be installed by the FPUC auditor in locations that have the highest probability of the light being in use at the time of FPUC's peak demand. In addition where deemed appropriate by the auditor, the customer will be provided an energy saving kit containing weather stripping, chalking, hot water temperature gage, and insulation for wall sockets and light switches. The FPUC auditor will inspect accessible duct work and use forward looking infrared detectors. If leaks are obvious, the FPUC auditor will recommend repair. If a blower-door test is needed to identify and quantify duct leakage, the auditor will provide the customer with a list of contractors that can perform the test. The customer is responsible for the cost of the blower-door testing. The audit is conducted using Apogee's Energy Insights electronic audit forms. The results of the energy audit are summarized for the customer in an easy-to-read format to illustrate the potential energy efficiency and cost savings in the home.

#### ***Customer Eligibility Requirements***

The program is available to all of FPUC's residential customers and is provided at no cost to the customer. However, the customer is responsible for the cost of any blower-door testing.

#### ***Program Procedures***

Interested customers must request the energy audit either by filling out the Residential Energy Audit Request form online or by contacting FPUC by phone or in person at FPUC offices or FPUC conservation events. In addition, FPUC encourages all customers otherwise meeting the audit qualification requirements that contact FPUC with high bill complaints to request an audit. FPUC will contact customers to schedule appointments after the requests have been formally received. Customers can request an energy audit every 12 months, but can only receive the compact fluorescent bulbs once. FPUC will follow-up with the customer to answer questions or provide a list of contractors to perform recommended services if necessary.

#### ***Savings Verification***

FPUC auditors will follow up with the customer via telephone approximately 4 weeks after the energy audit to record the energy savings measures that the customer implemented.

***Residential Heating and Cooling Efficiency Upgrade Program***

***Program Description***

The Residential Heating and Cooling Efficiency Upgrade Program is directed at reducing the rate of growth in peak demand and energy throughout FPUC’s electric service territories. The program will do this by increasing the saturation of high-efficiency heat pumps and central air conditioning systems. There are four Rebate Types available for this program. A description of the types and associated incentives/rebates are:

- Type 1 - Heat pump replacing resistance heat
- Type 2 – Heat pump replacing a heat pump
- Type 3 – Air conditioner replacement
- Type 4 – New heat pump or air conditioner installation

<b>Residential Heating &amp; Cooling Efficiency Rebates</b>		
	<b>Customer Rebate</b>	<b>Dealer Incentive</b>
<b>Type 1</b>	\$100.00	\$75.00
<b>Type 2</b>	\$100.00	\$25.00
<b>Type 3</b>	\$100.00	\$25.00
<b>Type 4</b>	\$100.00	\$25.00

***Customer Eligibility Requirements***

Eligible residential customers must:

- Replace existing equipment with, or install new, straight air conditioners or heat pumps
- Install a heat pump (AHRI rating only) or central air conditioning system with a minimum rating of 14.0 SEER
- Must be the owner of the residence which must be located in FPUC’s electric service area
- Have a ducted HVAC system

Concerning the installation of heat pumps:

- When installing/replacing with a new heat pump, the maximum supplemental strip heating physically contained in the system shall not exceed 2 kW per nominal ton. On a system of less than 2.5 tons, a 5 kW heat strip will be allowed.
- For a heat pump using supplemental strip heating, a two-stage indoor thermostat is required.
- Customer and/or contractor must attest that the heat pump or air conditioner installation meets all required codes and standards. FPUC does not warrant that installation meets all required codes and standards and accepts no liability whatsoever for the installation.

Concerning the installation of straight cooling systems:

- The residence cannot have oil or electric resistance as the primary heat source.

**Other Requirements:**

- If the installation qualifies for another rebate (such as a gas company), Florida Public Utilities Company will not pay its rebate to avoid double payments. Note that this does not apply to Federal or State Tax Credits/Rebates.

***Program Procedures***

HVAC contractors will submit rebate request forms to FPUC within 30 days after the work is completed. The contractor, certifying that the equipment installed accords with the program standards and providing information on the replaced and new heat pump or air conditioner, will sign the form, and indicate which type of rebate is being requested. The customer will sign the form verifying that the equipment was installed and that the incentive recipient's name and mailing address are correct and submit the receipt for the installation. No payments will be made until FPUC verifies and approves the rebate request. Once FPUC approves the rebate request Parago, FPUC's contractor for issuing rebates, will issue an FPUC Visa gift card to the customer. Some businesses in FPUC's service area have begun offering a discount for goods and services paid for with FPUC Visa gift cards. The contractor will be paid by check for his rebate when the rebate request is approved.

***Savings Verification***

FPUC will randomly perform full field verifications. Field verification will be conducted for all installations not conducted by an FPUC partner contractor. FPUC will calculate the energy efficiency savings based on the type of rebate and the energy efficiency ratings of the replaced and/or installed equipment.

## ***Commercial Energy Survey Program***

### ***Program Description***

The Commercial Energy Survey provides participating customers with a free audit that provides customized information to meet to individual needs of small and large customers; therefore, it is an evolving program. The survey consists of an on-site review of the customer's facility operation, equipment, and energy usage pattern by an FPUC Conservation specialist. The specialist identifies areas of potential reduction in kW demand and kWh consumption as well as identifying end-use technology opportunities. A technical evaluation is then performed to determine the economic payback or life cycle cost for various improvements to the facility. Florida Public Utilities Company will subcontract the evaluation process to an independent engineering firm and/or contracting consultant, if necessary. For smaller commercial customers that are similar to residential customers, the residential audit procedures will be used.

During the survey, FPUC will provide the customer with up to 10 screw-in compact fluorescent bulbs which at the sole discretion of FPUC, will be installed by the FPUC auditor in locations that have the highest probability of the light being in use at the time of FPUC's peak demand. In addition for small commercial customers as appropriate, the customer will be provided an energy saving kit containing weather stripping, chalking, hot water temperature gage, and insulation for wall sockets and light switches.

### ***Customer Eligibility Requirements***

The Commercial Energy Survey Program is available to all commercial and industrial customers. The customer is responsible for any costs associated with implementation of the survey's recommendations.

### ***Program Procedures***

Interested customers must request the energy audit either by filling out the Commercial Energy Audit Request form online or by contacting FPUC by phone or in person at FPUC offices or FPUC conservation events. FPUC will contact customers to schedule appointments after the requests have been formally received. Commercial/Industrial customers can request an energy audit every 5 years, but can only receive the compact fluorescent bulbs once. FPUC will follow-up with the customer to answer questions or provide a list of contractors to perform recommended services if necessary.

### ***Savings Verification***

FPUC auditors will follow up with the customer via telephone approximately 4 weeks after the energy audit to record the energy savings measures that the customer implemented.

### ***Commercial Indoor Efficient Lighting Rebate Program***

#### ***Program Description***

The Commercial Indoor Efficient Lighting Rebate Program is directed at reducing peak demand and energy consumption by decreasing the load presented by commercial lighting equipment. There are two tiers of rebates available to commercial customers:

- Tier 1 – Requires that commercial customers achieve at least 1,000 watts of lighting reduction by replacing ballasts and lamps and qualifies for an incentive of \$0.10 per watt reduced.
- Tier 2 – Requires that commercial customers achieve at least 1,000 watts of lighting reduction by replacing lamps only and qualifies for an incentive of \$0.025 per watt reduced (maximum of \$100 rebate).

#### ***Customer Eligibility Requirements***

All of FPUC's commercial/industrial customers on firm rates that have not already participated in the program are eligible. In order to receive the rebate:

- A minimum of 1,000 watts reduction must be achieved by either replacing ballasts and lamps (Tier 1) or lamps only (Tier 2)
- Only dedicated ballast and lamp systems are eligible
- Ballasts must have total harmonic distortion levels of less than 20 percent as tested by ETL Testing Laboratory
- Customer and/or contractor must attest that the installations meet all required codes and standards. FPUC does not warrant that the installations meet all codes and standards and accepts no liability whatsoever for the installation.

#### ***Tier 2 Rebate Specifications***

- Tier 2 rebates require customers to sign an agreement to maintain efficient lamps for a minimum of two years
- Tier 2 rebate is limited to \$100 maximum
- Only Tier 2 lamps that are deemed likely to be in use at the time of FPUC's system peak will be eligible for the Tier 2 rebate

#### ***Ineligible Installations***

- Reductions in lighting energy caused only by fixture/lamp removal, operational changes, or by "add-on" energy saving devices,
- Ballasts designed to operate multiple wattage lamp types.

#### ***Other Notes***

- Delamping installations will require that reflectors be incorporated unless high-output ballasts are used in the installations.
- All indoor lighting retrofits that are energy efficient and reduce overall wattage will qualify.

***Program Procedures***

Customers/Contractors must submit rebate request forms to FPUC with the invoices of their purchases of lighting systems. If submitting a request for a Tier 2 rebate, the customer must sign an agreement to maintain efficient lamps for a minimum of two years.

***Savings Verification***

FPUC will conduct full field verifications on all the participating businesses. FPUC will calculate the total energy and demand savings based on existing and replacement equipment ratings.

### ***Commercial Heating & Cooling Efficiency Upgrade Program***

#### ***Program Description***

The Commercial Heating & Cooling Efficiency Upgrade Program is directed at reducing the rate of growth in peak demand throughout FPUC's commercial sector. The program will do this by increasing the saturation of high-efficiency heat pumps and central air conditioning systems. There are four Rebate Types available for this program. A description of the types and associated incentives/rebates are:

- Type 1 - Heat pump replacing resistance heat
- Type 2 - Heat pump replacing a heat pump
- Type 3 - Air conditioner replacement
- Type 4 - New heat pump or air conditioner installation

<b>Residential Heating &amp; Cooling Efficiency Rebates</b>		
	<b>Customer Rebate</b>	<b>Dealer Incentive</b>
<b>Type 1</b>	\$100.00	\$75.00
<b>Type 2</b>	\$100.00	\$25.00
<b>Type 3</b>	\$100.00	\$25.00
<b>Type 4</b>	\$100.00	\$25.00

#### ***Customer Eligibility Requirements***

Eligible commercial customers must:

- Replace existing equipment with, or install new, straight air conditioners or heat pumps
- Install a heat pump (AHRI rating only) or central air conditioning system with a minimum rating of 14.0 SEER
- Must be the owner of the facility which must be located in FPUC's electric service area
- Have a ducted HVAC system

Concerning the installation of heat pumps:

- When installing/replacing with a new heat pump, the maximum supplemental strip heating physically contained in the system shall not exceed 2 kW per nominal ton. On a system of less than 2.5 tons, a 5 kW heat strip will be allowed.
- For a heat pump using supplemental strip heating, a two-stage indoor thermostat is required.
- Customer and/or contractor must attest that the heat pump or air conditioner installation meets all required codes and standards. FPUC does not warrant that installation meets all required codes and standards and accepts no liability whatsoever for the installation.

Concerning the installation of straight cooling systems:

- The business cannot have oil or electric resistance as the primary heat source.

**Other Requirements:**

- If the installation qualifies for another rebate (such as a gas company), Florida Public Utilities Company will not pay its rebate to avoid double payments. Note that this does not apply to Federal or State Tax Credits/Rebates.

***Program Procedures***

HVAC contractors will submit rebate request forms to FPUC within 30 days after the work is completed. The contractor, certifying that the equipment installed accords with the program standards and providing information on the replaced and new heat pump or air conditioner, will sign the form, and indicate which type of rebate is being requested. The customer will sign the form verifying that the equipment was installed and that the incentive recipient's name and mailing address are correct and submit the receipt for the installation. No payments will be made until FPUC verifies and approves the rebate request. Once FPUC approves the rebate, the customer and contractor will receive their rebates.

***Savings Verification***

FPUC will randomly perform full field verifications. Field verification will be conducted for all installations not conducted by an FPUC partner contractor. FPUC will calculate the energy efficiency savings based on the type of rebate and the energy efficiency ratings of the replaced and/or installed equipment.

## ***Commercial Window Film Installation Program***

### ***Program Description***

The Commercial Window Film Installation Program is directed at reducing peak demand and energy by decreasing the load on commercial air conditioning equipment. FPUC will provide rebates for eligible installations of \$0.50 per square foot of covered area at a maximum of \$100 per customer.

### ***Customer Eligibility Requirements***

All of FPUC's non-residential customers are eligible for this program. Eligible installations must:

- Use solar window film with a shading coefficient of 0.45 or less
- Be installed on windows facing east or west and cannot have greater than 50 percent direct solar exposure,
- Have an on-site inspection scheduled with FPUC prior to installation

### ***Program Procedures***

Customers must contact FPUC to schedule an on-site inspection prior to installation of the window film. After installation, the customer must submit a copy of the receipt and verification of the shading coefficient of the installed window film. An FPUC representative will perform an on-site post inspection to verify the eligibility and size of the installation.

### ***Savings Verification***

During the on-site post inspection, the FPUC representative will record the size and orientation of the windows that the window film was applied.

## ***Commercial Chiller Upgrade Program***

### ***Program Description***

The Commercial Chiller Upgrade Program is directed at reducing the rate of growth in peak demand and energy throughout FPUC's commercial sector. To serve this purpose, this program requires that commercial customers replace existing chillers with a more efficient system. By doing so, they will qualify for an incentive of up to \$100 per kW of additional savings above the minimum efficiency levels.

### ***Customer Eligibility Requirements***

All of FPUC's non-residential customers are eligible for this program. The program covers only three types of new chillers: water-cooled centrifugal, water-cooled scroll or screw, and air-cooled. Each type has minimum qualifications of efficiency listed below:

- Water-Cooled Centrifugal Chillers:
  1. Under 150 tons = 0.65 kW/ton with a 5.4 COP
  2. 150 – 300 tons = 0.60 kW/ton with a 5.9 COP
  3. Over 300 tons = 0.56 kW/ton with a 6.3 COP
  
- Water-Cooled Scroll or Screw Chillers:
  1. Under 150 tons = 0.72 kW/ton with a 4.9 COP
  2. 150 – 300 tons = 0.60 kW/ton with a 5.3 COP
  3. Over 300 tons = 0.59 kW/ton with a 5.9 COP
  
- Air-Cooled Electric Chillers (any size):
  1. Any size = 1.17 kW/ton with a 3.0 COP

### ***Program Procedures***

Interested customers must send project proposals to FPUC and a representative will schedule an on-site visit for inspection prior to installation. After the project is completed, an FPUC representative will conduct an on-site inspection. By following the guidelines, the customer will qualify for the rebate.

### ***Savings Verification***

The FPUC inspector will note the efficiency ratings of the existing and replacement equipment. Actual savings will be calculated and tracked.

## ***Solar Water Heating Program***

### ***Program Description***

The Solar Water Heating Program is directed at reducing the consumption of fossil fuels in FPUC's service territory. FPUC will provide a rebate of \$200 for eligible solar water heating installations.

### ***Customer Eligibility Requirements***

All of FPUC's customers are eligible to participate in the solar water heating program, but each customer can only receive one incentive payment of \$200, regardless of the amount of installations. Eligible installations must:

- Not have any natural gas or electric water heaters after the installation of the solar water heater
- Install an IAPMO (International Association of Plumbing and Mechanical Officials) approved system
- Have a UL approved controller
- Be installed in accordance with the NEC and the manufacturer's instructions
- Be approved by the local building department, to the extent required by code and/or ordinance or any substitute certifying laboratory, agency, or similar authority
- Applicant must be the owner of the premise.
- Participant must have a south, east or west-facing roof area that is not shaded. The same non-shaded restriction also applies to a ground-mounted system. Site selection is subject to FPUC approval.
- Installation must be new equipment and not used or relocated equipment.

### ***Other Limitations***

FPUC's incentive payments for Solar programs are limited to a cap of \$47,233 annually. Incentives will not be paid after this cap is reached.

### ***Program Procedures***

Interested customers must contact FPUC to schedule a pre-installation inspection. Once the FPUC inspector verifies that the proposed installation meets the requirements, a reservation will be made. Reservations will only be made up to the level of the cap. Once the cap is reached, reservations will be placed on a waiting list. Once the reservation is made, the customer will have 90 days to have the solar water heater installed and provide the documentation consisting of the rebate request form and invoices for the installation to FPUC. Once complete documentation is received, FPUC will either have Parago issue the rebate or schedule an inspection to verify installation. The rebate will be issued in the form of a FPUC Visa gift card. FPUC will inspect a minimum of 10 percent of the installations.

### ***Savings Verification***

FPUC will track installations including the size and type of facility served by the new solar water heater.

## ***Solar Photovoltaic Program***

### ***Program Description***

The primary purpose of the Solar Photovoltaic program is to encourage the installation of solar photovoltaic systems and reduce the consumption of fossil fuels. FPUC will provide an incentive of \$2.00 per watt of ac solar PV installed, up to a maximum of \$5,000. Excess generation from the solar PV installation will be purchased by Florida Public Utilities Company under the terms of Northwest Florida Division Rate Schedule REN-1 or Northeast Florida Division Rate Schedule REN-1.

### ***Customer Eligibility Requirements***

The solar PV program is open to all FPUC customers, but each customer is entitled to only one incentive for installing a solar photovoltaic system. Eligible installations must be:

- UL approved
- Installed in accordance with the NEC and manufacturer's instructions
- Approved by the local building department, to the extent required by code and/or ordinance or any substitute certifying laboratory, agency, or similar authority

### ***Other Limitations***

FPUC's incentive payments for Solar programs are limited to a cap of \$47,233 annually. Incentives will not be paid after this cap is reached.

### ***Program Procedures***

Interested customers must contact FPUC to schedule a pre-installation inspection. Once the FPUC inspector verifies that the proposed installation meets requirements, a reservation will be made. Reservations will only be made up to the level of the cap. Once the cap is reached, reservations will be placed on a waiting list. Once the reservation is made, the customer will have 90 days to have the photovoltaic system installed and provide the documentation consisting of the rebate request form and invoices for the installation to FPUC. Once complete documentation is received, FPUC will either issue the rebate or schedule an inspection to verify installation. FPUC will inspect a minimum of 10 percent of the installations.

### ***Savings Verification***

Based on the documentation provided, FPUC will estimate the annual generation and winter and summer capacity. Purchases of excess generation will be recorded.