

STATE OF FLORIDA



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Public Service Commission

April 6, 2015

Dianne M. Triplett, Esquire
Associate General Counsel
Duke Energy Florida, Inc.
P.O. Box 14042
St. Petersburg, FL 33733
dianne.triplett@duke-energy.com

STAFF'S FIRST DATA REQUEST
via email

Re: Docket No. 150083-EG - Petition for approval of demand-side management plan of Duke Energy Florida, Inc.

Dear Ms. Triplett:

By this letter, the Commission staff requests that Duke Energy Florida, Inc. (DEF or utility) provide responses to the following data requests.

1. Please provide the estimated costs of each program's incentives, administrative & equipment costs, and total costs for the ten-year goals period (nominal and net present value). Also, please provide the percentage of total costs that are used for incentives by program. As part of this response, please provide an electronic version of the table below in Excel format with your response.

Program Costs (Nominal)				
Program Name	Incentives	Administrative & Equipment	Total	Percent Incentives
[Residential]				
Residential Subtotal				
[Comm/Industrial]				
Comm/Ind. Subtotal				
Common Expenses				
Total				

Program Costs (NPV)				
Program Name	Incentives	Administrative & Equipment	Total	Percent Incentives
[Residential]				
Residential Subtotal				
[Comm/Industrial]				
Comm/Ind. Subtotal				
Common Expenses				
Total				

- Please provide the estimated costs of each program's administrative & equipment costs, costs for the ten-year goals period (nominal and net present value), broken into the categories detailed in the table below. As part of this response, please provide an electronic version of the table below in Excel format with your response.

Program Administrative & Equipment Costs (Nominal)									
Program Name	Depreciation & Return	Payroll & Benefits	Materials & Supplies	Outside Services	Advertising	Vehicles & Travel	Other	Revenues (if any)	Total
[Residential]									
Residential Total									
[Comm/Ind.]									
Comm/Ind. Total									
Common Expenses									
Total									

Program Administrative & Equipment Costs (NPV)									
Program Name	Depreciation & Return	Payroll & Benefits	Materials & Supplies	Outside Services	Advertising	Vehicles & Travel	Other	Revenues (if any)	Total
[Residential]									
Residential Total									
[Comm/Ind.]									
Comm/Ind. Total									
Common Expenses									
Total									

- For each program that includes "Outside Services" costs in Data Request No. 2 above, please detail what those "Outside Services" include.
- For each program that includes "Other" costs in Data Request No. 2 above, please detail what those "Other" costs include.

7. Please provide for each program with demand and energy savings the net present value of the benefits and costs described in the Total Resource Cost Test and detailed in the table below. As part of this response, please provide an electronic version of the table below in Excel format with your response.

Program Name	Benefits					Costs				Net Benefit
	Gen	T&D	Fuel	Other	Total	Utility	Participant	Other	Total	
[Residential]										
Residential Subtotal										
[Comm/Industrial]										
Comm/Ind. Subtotal										
Total										

8. Please provide for each program with demand and energy savings the net present value of the benefits and costs described in the Participants Test and detailed in the table below. As part of this response, please provide an electronic version of the table below in Excel format with your response.

Program Name	Benefits					Costs				Net Benefit
	Bill Savings	Tax Credits	Incentive	Other	Total	Equipment	O&M	Other	Total	
[Residential]										
Residential Subtotal										
[Comm/Industrial]										
Comm/Ind. Subtotal										
Total										

9. Please provide the actual and projected Energy Conservation Cost Recovery (ECCR) annual funds in nominal dollars for the period 2010 through 2024. As part of this response, please provide an electronic version of the table below in Excel format with your response.

Year	ECCR Expenditures
2010	
2011	
2012	
2013	
2014	
2015	
2016	
2017	

2018	
2019	
2020	
2021	
2022	
2023	
2024	

10. Please provide the actual and projected monthly customer bill associated with the ECCR Clause for a residential and commercial/industrial customer with the usage described in the table below, in nominal dollars. Please also provide the actual and projected total monthly customer bill. As part of this response, please provide an electronic version of the table below in Excel format with your response.

Year	Residential Customer 1,200 kWh/mo		Commercial/Industrial Customer 400,000 kWh/mo & 1,000 kW Peak	
	ECCR Portion (\$)	Total Bill (\$)	ECCR Portion (\$)	Total Bill (\$)
2010				
2011				
2012				
2013				
2014				
2015				
2016				
2017				
2018				
2019				
2020				
2021				
2022				
2023				
2024				

11. Please explain and discuss the differences between the energy goals and projected or requisite impacts of those goals to customer bills in the current goal-setting cycle and those of the previous one. Specifically, please explain the reasons that, in the FPSC's 2015 FEECA report, the stated energy savings goal is 195 GWh with a \$2.70 cost on a 1,200 kWh bill; whereas the proposed DSM Plan has a stated energy savings goal of 21 GWh with a \$4.23 cost on the same customer bill.
12. For DEF's Home Energy Check and Business Energy Check programs, please provide a list of measures used to determine energy and demand savings. Please identify each measure and specify whether it is equipment provided by the company and installed by the auditor, equipment provided but installed by the home or business owner, or a behavioral measure savings. Also, please explain the circumstances or conditions which determine whether a customer will or will not receive the kits referenced in the program descriptions. As part of this response, please complete the table below for each measure.

[Measure Name]						
Year	Audit Measure Savings (Savings @ Generator)					
	Per Customer			Total Annual		
	kWh Reduction	Winter kW Reduction	Summer kW Reduction	kWh Reduction	Winter kW Reduction	Summer kW Reduction
2015						
2016						
2017						
2018						
2019						
2020						
2021						
2022						
2023						
2024						

13. For the Home Energy Check program, please explain in detail how the projected energy reduction of 668 kWh per year per participant was developed. If the Home Energy Check and Business Energy Check programs include savings achieved through behavioral modifications, please describe the empirical basis for asserting such savings (i.e. double blind experiments, transfer of findings from other utilities, engineering guesses) and how they are monitored and verified.
14. Please state the projected residential and commercial GWh annual energy savings without the projected behavioral savings from the Home Energy Check and Business Energy Check Programs. Will the resulting savings meet the FPSC goals?
15. DEF's proposed Home Energy Check includes online audits. In contrast, DEF's proposed Business Energy Check includes no online audits due to the lack of participation by commercial and industrial customers.
 - a. How has DEF promoted Business Energy Check online audits for commercial and industrial customers?
 - b. When it became clear that commercial and industrial customers were participating in online audits at low rates, what additional advertising methods did DEF explore in order to increase participation?

16. Please discuss and explain fully the rationale for including energy savings from the Home and Business Energy Check programs in the current DSM Plan when no such savings were included in the previously approved Plan. Also, please explain the rationale for and reasonability of projecting that more than half of the Residential energy savings will come from the Home Energy Check Program.
17. No cost-effectiveness analyses of the Home Energy Check and Business Energy Check Programs were provided. Please provide the RIM, Participant, and TRC analyses for these two audit-type programs.
18. Do any of the programs in the company's DSM Plan include savings associated with Compact Fluorescent Lightbulbs? If so, what baseline used?
19. Please identify each program in the company's DSM Plan that includes measures with an estimated 2 year or less payback period, and specify the measures included in each program.
20. For each program that includes measures with an estimated 2 year or less payback period, please provide the amount of savings (kWh, Win kW, and Sum kW) associated with these measures for each program and for the entire DSM Plan. As part of this response, please provide an electronic version of the table below in Excel format with your response.

[Program Name or DSM Plan Combined]						
Year	Program Savings from 2-Year Payback Measures (Savings @ Generator)					
	Per Customer			Total Annual		
	kWh Reduction	Winter kW Reduction	Summer kW Reduction	kWh Reduction	Winter kW Reduction	Summer kW Reduction
2015						
2016						
2017						
2018						
2019						
2020						
2021						
2022						
2023						
2024						

21. Please describe the avoided unit used in the company's cost-effectiveness evaluations of the programs in its DSM Plan. Is this avoided unit the same one that was used in the goalsetting docket? If not, please explain why and the differences in avoided costs resulting from the change.

22. Please discuss whether any measure's demand and energy savings used in the company's cost-effectiveness evaluations of the programs in its DSM Plan differed from the one used in the goalsetting docket. If so, please explain why and the differences in demand and energy savings resulting from the change.

23. Please provide the annual avoided cost savings associated with each of the following four scenarios for a measure that reduces energy or demand by: 1000 kWh, 1 kW Summer Demand, 1 kW Winter Demand, or 1 kW Summer and Winter Demand. Please provide the savings through the longest time period used to evaluate the programs in your DSM

Plan. As part of this response, please provide an electronic version of the table below in Excel format with your response.

Year	Savings by Measure Type							
	1000 kWh		1 kW Summer		1 kW Winter		1 kW Sum & Win	
	Nominal	Real	Nominal	Real	Nominal	Real	Nominal	Real
2015								
2016								
2017								
2018								
2019								
2020								
2021								
2022								
2023								
2024								

24. For each demand response program, use the table below to provide the information listed on an annual basis for customer participation. Please also provide a summary of all demand response programs using the chart below. As part of this response, please provide an electronic version of the table below in Excel format with your response.

[All Demand Response Programs Combined or By Demand Response Program Name]									
Year	Average Number of Participants	Available Capacity (MW)		New Participants	Added Capacity (MW)		Participants Lost	Lost Capacity (MW)	
		Sum	Win		Sum	Win		Sum	Win
2005									
2006									
2007									
2008									
2009									
2010									
2011									
2012									
2013									
2014									

25. For each demand response program, use the table below to provide the information listed on an annual basis in seasonal peak demand and number of participants. Please also provide a summary of all demand response programs using the chart below. As part of

this response, please provide an electronic version of the table below in Excel format with your response.

[All Demand Response Programs Combined or By Demand Response Program Name]										
Year	Summer					Winter				
	Number of Events	Average Event Size		Maximum Event Size		Number of Events	Average Event Size		Maximum Event Size	
	(MW)	(MW)	(Part.)	(MW)	(Part.)	(MW)	(MW)	(Part.)	(MW)	(Part.)
2005										
2006										
2007										
2008										
2009										
2010										
2011										
2012										
2013										
2014										

26. For each demand response program, use the table below to provide the information listed on an annual basis for seasonal peak activations. Please also provide a summary of all demand response programs using the chart below. As part of this response, please provide an electronic version of the table below in Excel format with your response.

[All Demand Response Programs Combined or By Demand Response Program Name]							
Year	Average Number of Participants	Summer Peak			Winter Peak		
		Activated During Peak?	# of Participants Activated	Capacity Activated	Activated During Peak?	# of Participants Activated	Capacity Activated
		(Y/N)	(MW)	(MW)	(Y/N)	(MW)	(MW)
2005							
2006							
2007							
2008							
2009							
2010							
2011							
2012							
2013							
2014							

27. For each demand response program, please describe whether the current credit is based upon the company's most recent avoided unit. If not, please explain why and provide how the credit was derived.

28. For each demand response program, please provide the credit amount that would reduce the value of the program's RIM Test to 1.0.
29. For each demand response program, please discuss whether the company considered reducing the credit provided to customers. As part of this response, please discuss the expected impacts a lower credit would have on existing participation levels.
30. Please discuss the methodology used to estimate expected participation for each program proposed by your company. In addition, provide comparisons of the projected participation rates of continuing programs with the actual participation rates for the previous ten years (or less, depending upon the start date of the program) and provide a discussion of the comparisons.
31. Please fully explain the engineering simulation and statistical billing analysis methods for estimating demand and energy impacts referenced in the "Impact Evaluation Plan" for several programs.
32. DEF's projected annual number of program measure participants for the first 5 years of its low-income focused Neighborhood Energy Saver Program is 19,500 per year. In contrast, DEF projects 500 annual program participants per year for the Low Income Weatherization Assistance Program.
 - a. How did DEF estimate participation in these two programs?

- b. Why is DEF's estimated participation rate for the Low Income Weatherization Assistance Program substantially lower than DEF's estimated participation rate for the Neighborhood Energy Saver Program when both programs offer energy efficiency and conservation measures for low income residents?
 - c. Why does DEF's projected participation in the Neighborhood Energy Saver Program drop from 19,500 per year in 2015 to 4,500 per year beginning in 2020?
33. The annual number of projected program measure participants in DEF's Better Business Program declines from 2,089 in 2015 to 86 in 2024. Please discuss why DEF is projecting such a high rate of decline in program participation.
34. DEF states that the Better Business measures of Green Roof, Efficient Indoor Lighting, Occupancy Sensors, Efficient Compressed Air Systems, Efficient Motors, and Window Film and Window Screen are not cost-effective under RIM. Please provide the cost-effectiveness analysis for these measures.
35. On page 43 of its DSM plan, DEF discusses the Florida Custom Incentive Program.
 - a. How did DEF estimate the participation for this program?
 - b. How did DEF derive the proposed expenditure cap of \$2.5 million annually when all projects must pass RIM in order to be eligible for incentives?
36. Please provide the projected annual expenditures for the Research and Demonstration Pilot Program.

37. Please provide the following information regarding the Company's current and proposed Technology Development Program:
- a. Provide any information/documentation regarding any planned areas of research under the proposed program.
 - b. Provide any information/documentation regarding how the Company plans to implement any proposed or future projects.
38. What projects are currently being evaluated under the DEF's Technology Development Program? As part of your response, please provide the following: name and description of the project, initial startup date of the project, and year-to-date dollars spent on each project. Additionally, please provide a discussion on whether or not DEF believes said project(s) could result in a potential conservation program. If DEF perceives a program is imminent, please provide expected startup date.

Technology Development Program			
Project Name	Description	Implementation Date	Expenditures

39. What current programs has the company offered to its customers as a result of the Technology Development Program? In addition to the name of the program, please provide the description, startup date and year-to-date expenditures for each program.
40. Please provide the amount spent on Technology Development Program programs for each of the past five years. Please provide the corresponding project name, implementation date, and dollar amount for each project.

41. Please complete the following chart using Excel format to illustrate the Company's expected projects in the Technology Development Program:

[R&D Program Name] – Project Name			
Year	Project Name	Description	Expected Expenditures
2015			
2016			
2017			
2018			
2019			
2020			
2021			
2022			
2023			
2024			

Please file the original and five (5) copies of the requested information by **Monday, April 27, 2015**, with Carlotta Stauffer, Commission Clerk, Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida, 32399-0850. Please feel free to call me at (850) 413-6175 if you have any questions.

Sincerely,

s/ Adam Teitzman
Adam Teitzman
Attorney Supervisor

AJT

cc: Office of Commission Clerk