

FLORIDA PUBLIC SERVICE COMMISSION

VOTE SHEET

July 21, 2015

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

Issue 1: Is DEF's Demand-Side Management (DSM) Plan projected to meet the annual numeric conservation goals established by the Commission in Order No. PSC-14-0696-FOF-EU?

Recommendation: Yes. DEF's DSM Plan is cost-effective based upon the Rate Impact Measure (RIM) test and results in a net decrease in ratepayers' monthly rates. Although the Commission has allowed savings from audit programs to be counted towards the achievement of DSM goals in previous proceedings, staff recommends that no behavioral savings associated with audit programs be counted towards goals in this proceeding because behavioral savings are not directly monitorable.

DEF's DSM Plan is projected to meet or exceed the goals established by the Commission in Order No. PSC-14-0696-EU on a cumulative 10 year basis. With the removal of projected behavioral savings from audits, however, DEF's DSM Plan does not meet the annual residential winter peak demand goals in two of the 10 years. DEF may choose to modify its DSM Plan to include additional measures or programs that will make up the difference in this category. DEF will be responsible for monitoring actual participation rates and seeking Commission action if necessary to modify, add, or remove programs. If DEF is unable to meet the Commission's goals, the company may be subject to appropriate action by the Commission, up to and including financial penalties.

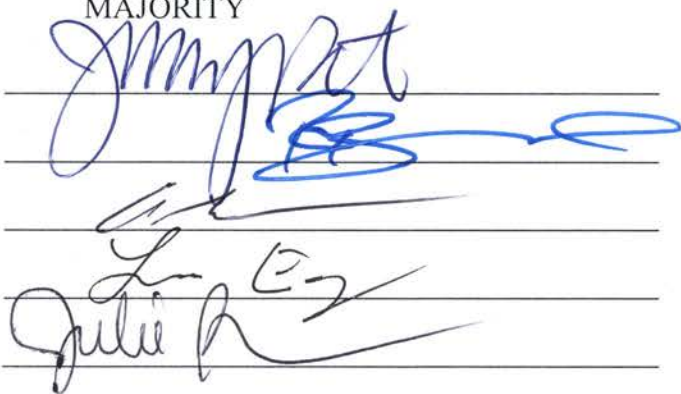
Staff recommends that DEF should have no annual total incentive cap on Florida Custom Incentive Program projects that pass the RIM test because staff does not anticipate a participation rate high enough to cause negative effects. Staff recommends that if DEF has concerns regarding the rate impact of the uncapped program in the future, DEF may petition the Commission to request a limit at that time. Staff does not object to DEF's proposal to cap the maximum incentive for a single project at \$500,000.

COMMISSIONERS ASSIGNED: All Commissioners

COMMISSIONERS' SIGNATURES

MAJORITY

DISSENTING



REMARKS/DISSENTING COMMENTS:

Oral Modification, assigned DN 04497-15, is attached.

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(Continued from previous page)

Staff recommends that the Commission approve the programs and associated tariffs contained in DEF's DSM Plan. In addition, the Commission should allow DEF to file for cost recovery of the programs in the Energy Conservation Cost Recovery (ECCR) clause proceeding. DEF, however, must demonstrate that its expenditures to implement these programs are reasonable and prudent in order to recover the expenditures through the ECCR clause. Staff recommends that DEF may not discontinue its DSM programs or change its programs' rebate levels without seeking formal Commission approval.

Finally, staff recommends that DEF file its administrative program standards for all programs within 30 days of the Consummating Order being issued in this docket and that the Commission grant staff administrative authority to review and approve these standards.

APPROVED* *with oral modification and additional discussion at Commission Conference this date, and giving staff administrative approval to modify tariff.*

Issue 2: Should this docket be closed?

Recommendation: No. If no person whose substantial interests are affected by the proposed agency action files a protest within 21 days of the issuance of the PAA Order, a Consummating Order should be issued. If the Commission approves any programs, the programs should become effective on the date of the Consummating Order. If a protest is filed within 21 days of the issuance of the PAA Order, the programs should not be implemented until after the resolution of the protest. However, the docket should remain open for staff's verification that the program standards have been filed by the utility and approved by staff. When the PAA issues become final and the program standards have been approved, this docket should be closed administratively.

APPROVED*

Christopher Cooney

From: Kate Hamrick
Sent: Monday, July 20, 2015 4:19 PM
To: Braulio Baez; Apryl Lynn; Lisa Harvey; Charlie Beck; Mary Anne Helton; CLK - Agenda Staff; Cindy Muir; Commissioners & Staffs; Phillip Ellis; Tom Ballinger; Greg Shafer; Charlie Beck; Keino Young; Lee Eng Tan
Cc: Kate Hamrick; Jacqueline Moore; Terri Fleming
Subject: FW: Request to make oral modification to Items 6 and 8 of the July 21 Commission conference

Please see the approved oral modification for Items 6 and 8 of the July 21, 2015 Commission Conference.

Kate Hamrick
Executive Assistant to
Lisa Harvey, Deputy Executive Director - Technical
Florida Public Service Commission
850-413-6304

From: Braulio Baez
Sent: Monday, July 20, 2015 4:13 PM
To: Tom Ballinger
Cc: Lisa Harvey; Kate Hamrick; Keino Young; Charlie Beck; Carlotta Stauffer
Subject: RE: Request to make oral modification to Items 6 and 8 of the July 21 Commission conference

Approved. Thank you.

From: Tom Ballinger
Sent: Monday, July 20, 2015 4:12 PM
To: Braulio Baez
Cc: Lisa Harvey; Kate Hamrick; Keino Young; Charlie Beck; Carlotta Stauffer
Subject: Request to make oral modification to Items 6 and 8 of the July 21 Commission conference

Subsequent to the filing of the above mentioned recommendations, staff would request to make an oral modification to Items 6 and 8 of the July 21, 2015 Commission conference. The changes do not modify the overall staff recommendation and are described below in type/strike format.

ITEM #6

Page 3. The fourth paragraph of the staff recommendation should read “Staff recommends that the Commission approve the programs and associated tariffs contained in DEF’s DSM Plan. In addition, the Commission should allow DEF to file for cost recovery of the programs in the Energy Conservation Cost Recovery (ECCR) clause proceeding. DEF, however, must demonstrate that its expenditures to implement these programs are reasonable and prudent in order to recover the expenditures through the ECCR clause. Staff recommends that DEF may not discontinue its DSM programs or change its programs’ rebate levels without seeking formal Commission approval.”

Page 12. The next to last paragraph from the bottom should read “Staff recommends that the Commission approve the programs and associated tariffs contained in DEF’s DSM Plan. In addition, the Commission should allow DEF to file for cost recovery of the programs in the Energy Conservation Cost

Recovery (ECCR) clause proceeding. DEF, however, must demonstrate that its expenditures to implement these programs are reasonable and prudent in order to recover the expenditures through the ECCR clause. Staff recommends that DEF may not discontinue its DSM programs or change its programs' rebate levels without seeking formal Commission approval."

ITEM #8

Page 3. The third paragraph of the staff recommendation should read "The Commission should approve the programs and associated tariffs contained in Gulf's DSM Plan. In addition, the Commission should allow Gulf to file for cost recovery of the programs in the Energy Conservation Cost Recovery (ECCR) clause proceeding. Gulf, however, must demonstrate that its expenditures to implement these programs are reasonable and prudent in order to recover the expenditures through the ECCR clause. Staff recommends that Gulf may not discontinue its DSM programs or change its programs' rebate levels without seeking formal Commission approval."

Page 11. The next to last paragraph should read "The Commission should approve the programs and associated tariffs contained in Gulf's DSM Plan. In addition, the Commission should allow Gulf to file for cost recovery of the programs in the Energy Conservation Cost Recovery (ECCR) clause proceeding. Gulf, however, must demonstrate that its expenditures to implement these programs are reasonable and prudent in order to recover the expenditures through the ECCR clause. Staff recommends that Gulf may not discontinue its DSM programs or change its programs' rebate levels without seeking formal Commission approval."

Please let me know if you approve of this request.

Tom Ballinger
Director, Division of Engineering
Florida Public Service Commission
(850) 413-6680