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Public Service Commission

May 8, 2020

Mr. Russell A. Badders
Gulf Power Company
One Energy Place
Pensacola, FL 32520
Russell.Badders@nexteraenergy.com

**STAFF'S THIRD DATA REQUEST
VIA EMAIL**

Re: Docket No. 20200055-EG - Petition for approval of proposed demand-side management plan, by Gulf Power Company.

Dear Mr. Badders:

Please provide a response to the following questions by May 22, 2020.

1. Please refer to Gulf's response to Staff's First Data Request, Question No. 9, in which Gulf states it anticipates it would implement program caps "if all three goals (Summer KW, Winter KW, and Annual GWh) were achieved for one or both sectors in a given year."
 - a. Please describe the relationship between program caps and administrative costs for the programs that are eligible for caps.
 - b. For each year in the 2020-2024 projected period, what is the administrative cost to implement program caps?
 - c. Please describe the effect of program caps on the program managers and other administrative employees (i.e., how will Gulf distribute the workload of an employee whose program has been capped?). Please detail how the payroll-related costs of reassigned employees would be reflected (reallocated) in Gulf's ECCR schedules.
 - d. Aside from payroll-related costs, please describe how Gulf would reallocate administrative costs if a program is capped. Discuss in your response how reallocated administrative costs would be reflected in cost effectiveness evaluations in the 2020-2024 review period.
 - e. Once a program is capped in a given period, will administrative costs for the program and/or the sector cease, or continue for the balance of the period? Discuss in your response what other types of costs will either cease or continue for the balance of the period.
2. In its petition at page 6, Gulf states, "Gulf continues to believe that the RIM test is an important criterion for utility-sponsored DSM programs." Assuming that all three goals were achieved in a given year for one or both sectors, will Gulf use the RIM test to determine what programs are cost-effective and will continue to be offered? Please explain your response.

3. In page 6 of Schedule 1 attached to Gulf's Petition, the company states that cost effectiveness screenings were not performed for the Residential and Business Energy Survey programs or the Business Custom Incentive program. Assuming that all three goals were achieved in a given year for one or both sectors, please answer the following questions:
 - a. Is it correct that the Residential Energy Survey program would not be subject to program caps on participation, and would continue to be offered? Discuss why or why not.
 - b. Is it correct that the Business Energy Survey program would not be subject to program caps on participation, and would continue to be offered? Discuss why or why not.
 - c. Is it correct that the Business Custom Incentive program would not be subject to program caps on participation, and would continue to be offered? Discuss why or why not.
4. In page 6 of Schedule 1 attached to Gulf's Petition, Table 3 provides the test results of the cost-effectiveness screening that was used for Gulf's goal-setting docket (Docket Number 20190016-EG). Assuming the residential Energy Select program or any program identified on Table 3 met all three of the goals in a given year for the residential sector, would Gulf impose a cap on participation for all residential programs identified on Table 3? Discuss why or why not.
5. In page 6 of Schedule 1 attached to Gulf's Petition, Table 3 provides the test results of the cost-effectiveness screening that was used for Gulf's goal-setting docket (DN 20190016-EG). Please refer to Table 3 to answer the following questions:
 - a. The RIM test result for the Curtailable Load program is 1.0, which is an indication that this is a cost-effective program. Is it correct that this program would not be subject to program caps and would continue to be offered? Discuss why or why not.
 - b. Is Gulf proposing to cap both cost-effective and non-cost-effective programs for a sector once it meets all three goals for that sector in a given year? Discuss why or why not.
6. Is it correct that Gulf did not meet all 3 goals in the residential sector in 2018-2019? By year, please explain the reason(s) why.
7. Please identify the month in 2017 when all 3 goals were achieved for the residential sector.
8. Is it correct that Gulf did not meet all 3 goals in the commercial/industrial sector in 2016-2019? By year, please explain the reason(s) why.

Mr. Russell A. Badders

Page 3

May 8, 2020

Please contact me by phone at (850) 413-6682 or by email at dwright@psc.state.fl.us if you have any questions.

Sincerely,



Douglas Wright
Engineering Specialist

DW:jp

Attachment

cc: Office of Commission Clerk (Docket No. 20200055-EG)