

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition for approval of) DOCKET NO. 930166-EG
commercial/industrial) ORDER NO. PSC-93-0782-FOF-EG
dehumidification research) ISSUED: May 24, 1993
project by Florida Power & Light)
Company.)
_____)

The following Commissioners participated in the disposition of this matter:

J. TERRY DEASON, Chairman
THOMAS M. BEARD
SUSAN F. CLARK
JULIA L. JOHNSON
LUIS J. LAUREDO

NOTICE OF PROPOSED AGENCY ACTION
ORDER APPROVING FPL'S COMMERCIAL/INDUSTRIAL
DEHUMIDIFICATION RESEARCH PROJECT

BY THE COMMISSION:

NOTICE IS HEREBY GIVEN by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are adversely affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

The American Society of Heating, Refrigerating, and Air Conditioning Engineers (ASHRAE) develops national safety standards for use in the design and installation of heating, ventilation, and air conditioning (HVAC) equipment. In response to public concerns over indoor air quality, ASHRAE adopted Standard 62-1989, "Ventilation for Acceptable Indoor Air Quality," in June 1989. Standard 62-1989 specifies minimum acceptable ventilation rates and indoor air quality for indoor or enclosed spaces. Standard 62-1989, which is currently being considered for adoption by the Florida Department of Community Affairs, increases the minimum outdoor air flow rate from 5 cubic feet per minute (cfm) per person to 20 cfm per person in new and substantially renovated commercial buildings. The higher ventilation rate will introduce larger amounts of hot and humid outside air into a building, causing an increase in the demand and energy consumption of the HVAC system in commercial buildings.

At present, the Florida Energy Office (FEO) is sponsoring a study by the Florida Solar Energy Center (FSEC) to assess the impact of ASHRAE Standard 62-1989 on Florida's air conditioning and

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dehumidification requirements. Florida Power and Light Company (FPL) has proposed a Commercial/Industrial Dehumidification Research Project which would expand the scope of the joint FEO/FSEC study to research the impact of Standard 62-1989 on FPL's load. The goal of the research project is to identify cost-effective, energy-efficient alternatives that will minimize the demand and energy impacts of Standard 62-1989.

FPL will perform computer simulations to determine the impact of various air conditioning and dehumidification technologies on different building types (hospitals, office buildings, retail stores, etc.) because the most efficient and cost-effective technology may differ by building type. FPL will also survey existing ventilation systems in commercial and industrial buildings to gather information on the current design and operation of such systems. This actual data will be used to verify the accuracy of computer simulations. In addition, several demonstration sites within FPL's service territory will be monitored. Extensive monitoring of HVAC system performance and indoor air conditions will allow FPL to determine whether selected technologies perform as predicted. FPL will be able to assess the impact of Standard 62-1989 on HVAC demand and energy consumption if selected technologies are used. The results of the research project will be provided to engineers, architects, and building owners to help them build, retrofit, and operate energy-efficient and cost-effective HVAC systems that comply with Standard 62-1989.

FPL anticipates project expenditures of approximately \$750,000 between mid-1993 and early 1996. Accordingly, FPL shall be limited to spending \$750,000 total over the three-year life of the research project. We understand that FPL will seek other project participants and sources of additional funding, such as the Electric Power Research Institute (EPRI), the U. S. Department of Energy (DOE), and other utilities, and that FPL's total expenditures may decrease if other funding sources are found. Furthermore, if a joint project with EPRI is established, FPL will be required to provide about \$300,000 at the beginning of the project; additionally, EPRI would take over management of the project.

When we review conservation programs, we consider three criteria: whether the program advances the policy objectives of Rule 25-17.001, Florida Administrative Code, and Sections 366.80-.85, Florida Statutes, also known as the "Florida Energy Efficiency and Conservation Act" (FEECA); whether the program can be directly

monitored and yield measurable results; and whether the program is cost-effective. Because FPL's project is a research program, however, it is difficult to monitor and determine its cost-effectiveness. We find, nonetheless, that the project meets the policy objectives of Rule 25-17.001 and FEECA because it should reduce the growth rate of weather-sensitive peak demand resulting from Standard 62-1989. Furthermore, Rule 25-17.001 directs utilities to "[a]ggressively pursue research, development and demonstration projects jointly with others as well as individual projects...."

Accordingly, we approve FPL's proposed Commercial/Industrial Dehumidification Research Project. Prudent expenditures associated with the research project shall be recovered through the Energy Conservation Cost Recovery (ECCR) Clause. The total amount FPL spends over the three year life of the project shall be capped at \$750,000. FPL shall submit a comprehensive report which details the results and recommendations of the research project within 90 days of the project's completion.

It is, therefore,

ORDERED by the Florida Public Service Commission that Florida Power and Light Company's Commercial/Industrial Dehumidification Research Project is hereby approved. It is further

ORDERED that Florida Power and Light Company shall spend no more than \$750,000 over the three-year life of the project. It is further

ORDERED that Florida Power and Light Company shall file a comprehensive report with the Florida Public Service Commission which details the results and recommendations of the research project within 90 days of the project's completion. It is further

ORDERED that this Order shall become final and this docket shall be closed unless an appropriate petition for a formal proceeding is received by the Division of Records and Reporting, 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on the date indicated in the Notice of Further Proceedings or Judicial Review.

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By ORDER of the Florida Public Service Commission this 24th
day of May, 1993.



STEVE TRIBBLE, Director
Division of Records and Reporting

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

The action proposed herein is preliminary in nature and will not become effective or final, except as provided by Rule 25-22.029, Florida Administrative Code. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, as provided by Rule 25-22.029(4), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a) and (f), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting at his office at 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on June 14, 1993.

In the absence of such a petition, this order shall become effective on the day subsequent to the above date as provided by Rule 25-22.029(6), Florida Administrative Code.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

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If this order becomes final and effective on the date described above, any party adversely affected may request judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or by the First District Court of Appeal in the case of a water or wastewater utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days of the effective date of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.