BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for authority to implement Residential Mail-In Energy Survey Program by Gulf Power Company.

DOCKET NO. 970596-EG ORDER NO. PSC-97-1016-FOF-EG ISSUED: August 25, 1997

The following Commissioners participated in the disposition of this matter:

JULIA L. JOHNSON, Chairman J. TERRY DEASON SUSAN F. CLARK DIANE K. KIESLING JOE GARCIA

NOTICE OF PROPOSED AGENCY ACTION ORDER APPROVING MAIL-IN ENERGY SURVEY PROGRAM

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 substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

Section 366.82(5), Florida Statutes, states that "[t]he Commission shall require each utility to offer, or to contract to offer, energy audits to its residential customers." Gulf Power Company (Gulf) has had a residential walk-through energy audit program in place since the early 1980s. The residential walk-through audit program was not included in Gulf's DSM Plan and therefore does not count towards Gulf's DSM goals.

On May 16, 1997, Gulf filed a petition for authority to implement a residential mail-in energy audit program and to recover the reasonable and prudent expenses of the program through the Energy Conservation Cost Recovery clause. The Residential Mail-in Energy Survey program is a direct-mail energy auditing program. This program is an extension of Gulf's existing residential walk-through energy audit program. In both the walk-through and mail-in audit programs, the customer's energy use is analyzed to provide

DOCUMENT NUMBER-DATE

ORDER NO. PSC-97-1016-FOF-EG DOCKET NO. 970596-EG PAGE 2

the customer with energy management strategies designed to increase the energy efficiency of the home.

Gulf estimates that the mail-in audit will cost \$50 per participant, compared to \$161 per participant for the walk-through audit. These savings are primarily due to a reduction in labor expenses for the mail-in audit. Gulf estimates that at least half of residential audits will be performed as mail-in audits if the program is approved. Because the cost of the mail-in audit is substantially less than the walk-through audit, the total cost of the two programs will be less than the current cost of the walk-through audit program.

Gulf's current audit cost per residential participant is higher than that for Florida Power & Light Company (FPL), Florida Power Corporation (FPC), and Tampa Electric Company (TECO). FPL, FPC, and TECO each offer both a walk-through and mail-in option in their residential audit programs. Our approval of Gulf's mail-in audit program will bring Gulf's cost per participant more in line with that of the other three investor-owned utilities.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Gulf Power Company's Residential Mail-In Energy Survey Program is approved and Gulf Power Company may recover the reasonable and prudent expenses of this program through the Energy Conservation Cost Recovery clause.

ORDERED that the provisions of this Order, issued as proposed agency action, shall become final and effective unless an appropriate petition, in the form provided by Rule 25-22.036, Florida Administrative Code, is received by the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth in the "Notice of Further Proceedings or Judicial Review" attached hereto. It is further

ORDERED that in the event this Order becomes final, this Docket shall be closed.

ORDER NO. PSC-97-1016-FOF-EG DOCKET NO. 970596-EG PAGE 3

By ORDER of the Florida Public Service Commission this 25th day of August, 1997.

BLANCA S. BAYÓ, Director Division of Records and Reporting

(SEAL)

WCK

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), 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.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

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, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on September 15, 1997.

ORDER NO. PSC-97-1016-FOF-EG DOCKET NO. 970596-EG PAGE 4

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.

If this order becomes final and effective on the date described above, any party substantially 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.