

Florida Power Corporation

Residential Load Management

Florida Power Corporation (FPC) is one of the leading utilities in the United States in regard to load management. In fact, approximately 490,000 of the utility's residential customers participate in FPC's Residential Load Management program, making it the largest residential load management program in the United States. Given Florida's reputation for hot weather, it is ironic that FPC is a winter peaking utility, a function of electric resistance space heating. FPC has achieved total winter peak demand savings of over 1,035 MW, with over 700 MW of demand savings resulting from the Residential Load Management program, thanks to the cooperation of its residential customers whose average winter peak demand reduction is calculated to be 1.87 kW per customer.

FPC's Residential Load Management program began on a full-scale basis in 1982 and is currently offered to all of FPC's 1,030,000 residential customers who have either an electric centrally-ducted HVAC system, a swimming pool pump, or an electric water heater. FPC pays for the installation of radio controllers on customer appliances and during peak periods FPC automatically turns off the customer's appliance for specified periods. In return, customers receive a credit on their monthly bill with the amount determined by the appliances enrolled in the program and the interruption schedule chosen. (Between 1982 and 1991 FPC spent approximately \$280 million on the program, with 73% going directly to pay for customer credit payments.)

FPC's sophisticated marketing program is largely responsible for the program's widespread popularity and success. FPC typifies its customers by variables such as where they live, their income levels, marital status, number of children, etc., and then uses proven marketing strategies particular to that customer type to promote the program. This has resulted in tremendous program participation. Many customers have been enrolled for the entire 11 years that the program has been operating and less than 2% of all participants have dropped out of the program.

In addition to direct mail and bill inserts, FPC uses billboards, advertisements in television, radio, and print media, and telemarketing to market their program. FPC customer service representatives also market the program to customers during day-to-day transactions, such as while signing up a new account, or processing a request for an extension on an overdue bill. One customer service center signed up 6,000 customers in a single year! FPC has also used customer feedback and focus groups to refine the program over time and to modify its marketing strategies and has found that most customers have been attracted to saving money and contributing to environmental health. Thus FPC's marketing pieces emphasize these benefits with such slogans as "Get Credit for Being Naturally Resourceful," "I'm Happy Saving Money Today, and Energy for Tomorrow," and "Cash in on Energy Management and Save Some Green."

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FLORIDA POWER CORPORATION Residential Load Management

Sector: Residential

Measures: Radio control of swimming pool pumps, electric water heaters, and centrally ducted HVAC systems

Mechanism: Customers select the appliances that they want enrolled in the program. Appliances are controlled during peak periods with maximum control durations specified.

History: Started in 1982.

1991 PROGRAM DATA

Summer peak capacity savings: 62 MW
 Winter peak capacity savings: 116 MW
 Cost: \$50.5 million

CUMULATIVE DATA (1982 - 1991)

Summer peak capacity savings: 381 MW
 Winter peak capacity savings: 712 MW
 Cost: \$280 million
 Participation: 37%

The Results Center produced 126 profiles of the most successful energy efficiency and renewable energy programs in the United States and around the world in the early and mid 1990s. With the support of the John D. and Catherine T. MacArthur Foundation, Ted Flanigan directed a research team at Colorado-based IRT Environment to produce and distribute these exceptional examples. Thanks to strong demand for solid case studies, The Results Center was supported by dozens of major utilities and energy associations worldwide. Today, The Results Center is managed again by Ted Flanigan, now at California-based EcoMotion Incorporated, a firm focused on strategic consulting, information dissemination, program design, outreach services, and aggressive implementation. To nominate highly successful programs, contact: The Results Center, c/o EcoMotion, 15375 Barranca Parkway, F-104, Irvine, CA 92618, (949) 450-7155, or TFlanigan@EcoMotion.us