



FPL®

DSM and Renewables... A Combination of Using Energy Wisely for FPL's Customers

October 2006

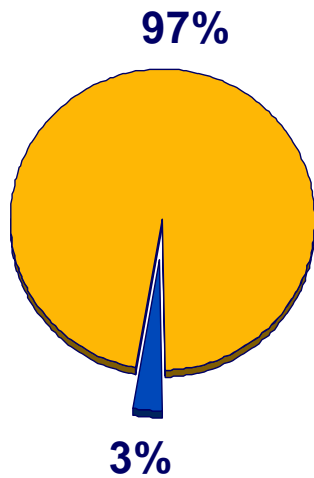
Working with Customers to Make the Right Decisions Regarding Energy Usage

- Demand-side Management (DSM)
 - Conservation
 - Load Management
- Renewables



FPL Is a Leader in Conservation & Load Management (DSM)

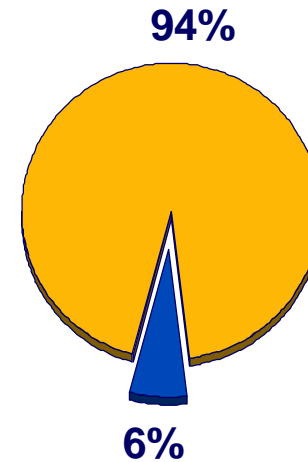
Percent US Consumers



Percent US Conservation

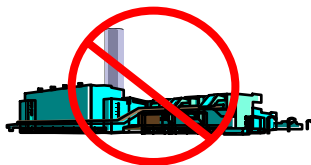


Percent US Load Management



■ Remaining US ■ FPL

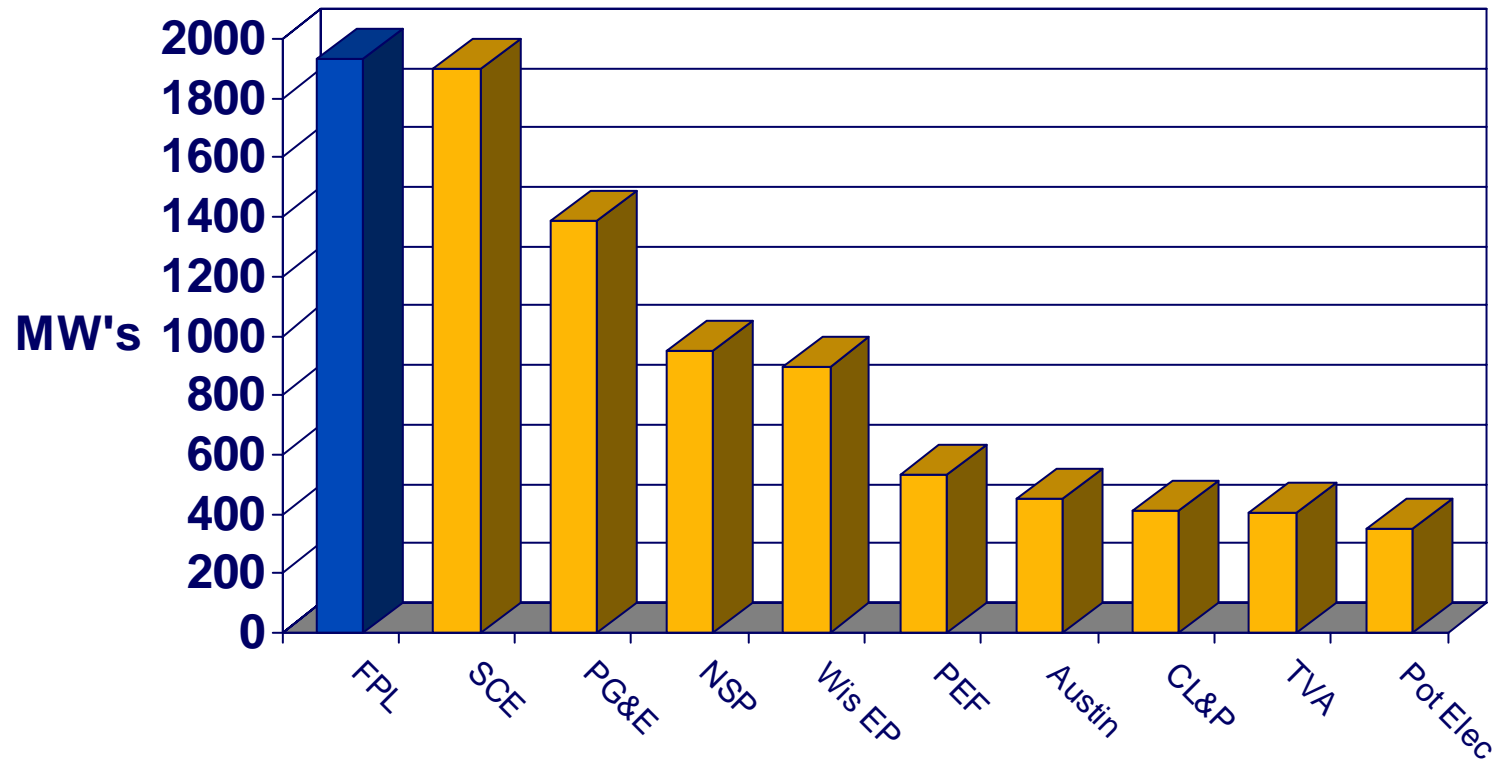
Source: DOE EIA 2004



DSM implemented by FPL's customers has avoided the need for 10 power plants



Top 10 utilities in Conservation

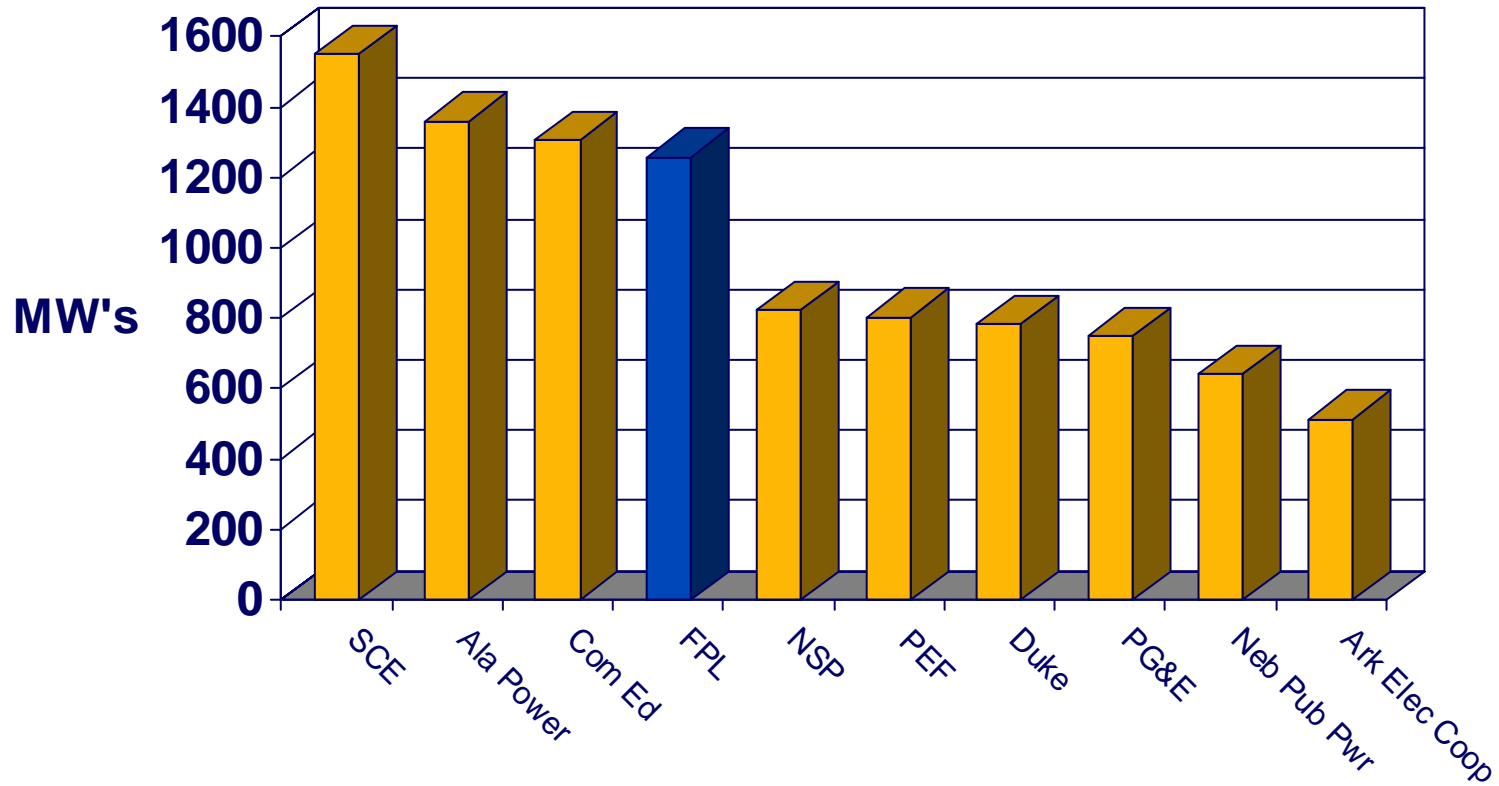


FPL is #1 in the US



Source: DOE EIA 2005

Top 10 utilities in Load Management



FPL is a leader in the US



Source: DOE EIA 2005

FPL Offers a Complete Portfolio of Products

Residential

- Home Energy Survey
- ❖ High Efficiency HVAC
- ❖ Building Envelope
- ❖ Duct System Testing & Repair
- ❖ Low Income Weatherization
- ❖ Energy-efficient New Construction
- ❖ Load Management

Business

- Energy Audits
- ❖ High Efficiency HVAC
- ❖ Building Envelope
- ❖ High Efficiency Lighting
- ❖ Water Heating
- ❖ Refrigeration
- ❖ Custom Incentives
- ❖ Load Management

❖ Incentive Programs



Recently filed changes to DSM programs

- Residential HVAC (effective Sept 1)
 - Expanding the upper range of SEER levels that qualify to encourage customers to install higher efficiency units
 - Increasing incentives for A/C units
 - Adding new incentives for air-handler units with electronically commutated motors (ECM) and for A/C units properly sized using an FPL approved sizing software
- Business HVAC (effective Sept 1)
 - Increasing incentives for existing A/C technologies
 - Adding new incentives for air-handler units with electronically commutated motors (ECM), for demand control ventilation systems (DCV) and for A/C room units
- Residential Building Envelope (effective Nov 1)
 - Increasing incentives for ceiling insulation and reflective roofs
 - Adding incentives for light colored roof membranes & reflective roof coatings



Recently filed changes to DSM programs (cont'd)

- Residential Low Income Weatherization
(effective Nov 1)
 - Expanding program delivery channels beyond housing authorities and non-profits
 - Increasing incentives for HVAC maintenance and reduced air infiltration measures
 - Adding incentives for room air conditioning replacement
- Residential On Call and Business On Call
(effective Nov 1)
 - Modifying the cycling interruption schedule for both load management programs
- Business Building Envelope
(effective Nov 1)
 - Increasing incentives for existing measures (ie., ceiling insulation, roof insulation, reflective roofs)
 - Adding incentives for window related technologies



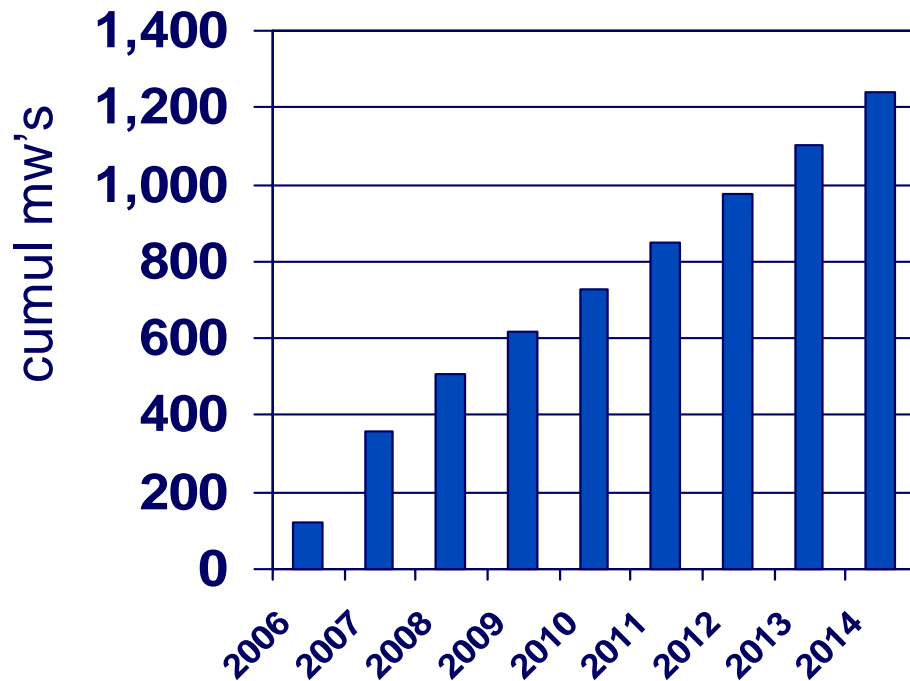
Recently filed changes to DSM programs (cont'd)

- **Business Efficient Lighting**
(effective Nov 1)
 - Increasing incentives for efficient lighting measures
- **Business Water Heating**
(effective Feb 1)
 - New program to add incentives for the installation of qualifying heat recovery units (HRU) or heat pump water heater equipment (HPWH)
- **Business Refrigeration**
(effective Feb 1)
 - New program to add incentives for the installation of qualifying controls & equipment that reduce electric strip heater usage in refrigeration equipment
- **Curtable Rates**
(effective Aug 28)
 - Revisions to the Curtable Tariffs to change term of service from 1 year to 3 years



The Future of Energy Efficiency at FPL

2006 - 2014 Plan



FPL is committed to continue to offer cost-effective conservation & load management programs



Renewables at FPL

- In late 70's assisted the Florida Solar Energy Center with the first residential PV system in Florida
- In 1984 FPL installed a 10 kw PV system at a substation in Miami
- Between 1982 – 1987 FPL assisted 48,000 customers install solar water heaters
- In the mid-1980's FPL introduced the Passive Home Program – Received DOE award for innovation
- In early 1990's conducted an R&D effort to evaluate using PV's to power swimming pool pumps



Renewables at FPL

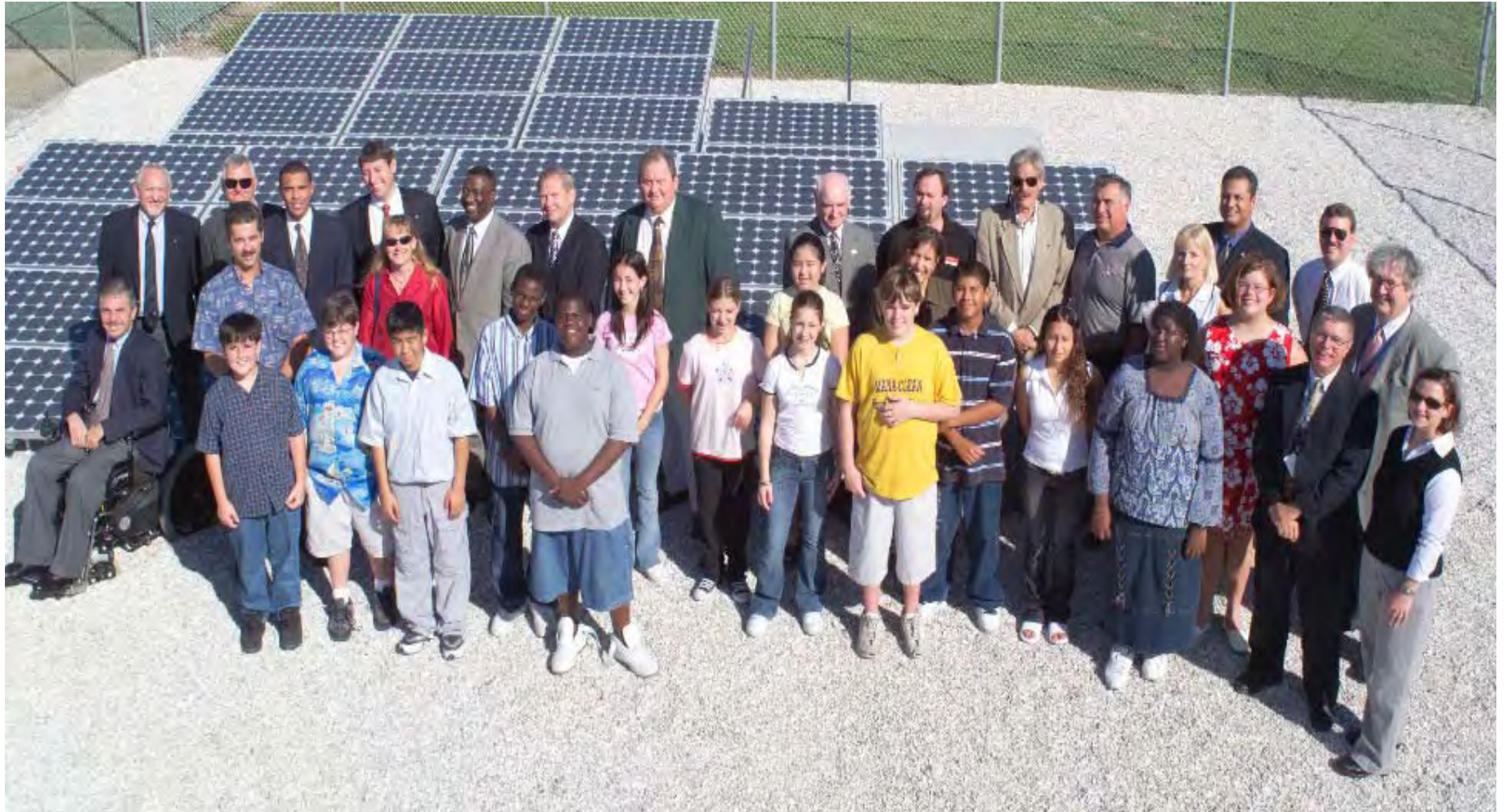
- In 1998 initiated Green Pricing R&D project which resulted in a 10 kw PV system at FPL's Martin power plant site
- In 2002 initiated PV R&D project
 - 5 PV sites were installed and monitored
 - The sites were located in Homestead, Rockledge, Merritt Island, Palm Coast and Miami
- In 2003 initiated PV for Schools
 - Florida Gulf Coast University - 4.8 kw, Ft. Myers
 - Harllee Middle School - 4.8 kw, Bradenton
 - A.D. Henderson School - 4.8 kw, Boca Raton



Florida Gulf Coast University - Ft. Myers



Harlee Middle School - Bradenton



A.D. Henderson School - Boca Raton



Renewables at FPL

- Fuel Cell Performance project – from 2002 through 2005
 - Field trials and demonstration projects of 5 kw Proton Exchange Membrane technology
 - Birch State Park – Ft. Lauderdale
 - St. Thomas University – Miami
 - North Port High School
 - WCI Communities – Venice
 - University of Miami
- Demonstration Wind Facility
 - 2005 and 2006 conducted regional wind analysis for regions within Florida
 - FPL is conducting more detailed assessment of outer Cape Canaveral area
 - Potential demonstration project of two 1.5 MW wind power generators
 - Target in-service date for demonstration project by end of 2007



Renewables at FPL

- Renewable QF Energy Purchases
 - Facilities fueled by biomass, waste heat and municipal solid waste
 - FPL currently purchases from 7 renewable facilities
 - Annual as-available purchases – 146 MW and 300,000 MWh
 - Annual firm purchases – 158 MW and 1.2 million MWh
 - Renewable Standard Offer contract – Effective July 1, 2006
 - On July 27, 2006 FPL filed two additional Standard Offer Contracts providing a broader range of options to renewable producers.
 - FPL is currently working to purchase 200 MW of additional renewable resources



Sunshine Energy

- Voluntary program offered to FPL residential customers which was launched as a pilot in January 2004
- Provides customers the opportunity to purchase a portion of their monthly energy supply from a renewable energy resource

The purchased power comes from various sources:

- Bio Energy
- Wind
- Solar Energy



- For \$9.75 / month a customer is purchasing 1,000 kwh of renewable benefits using Tradable Renewable Energy Credits (TRECS)

Sunshine Energy

- Every 10,000 participants = 150 kw new solar built in Florida
- In 2005 FPL was a recipient of the DOE's Green Power Leadership Award and Program was identified as the fastest growing in the Southeast US by the National Renewable Energy Laboratory
- As of September 2006, there were over 26,000 participants
- Two photovoltaic sites are under construction:
 - 250 kw at Rothenbach Park in Sarasota
 - Demonstration site at the Miami Museum of Science
- FPL has filed in September 2006 for a permanent program that includes business customers



FPL's Conservation Education

- Captain Conservation Saves the Day is a new educational assembly-styled program
- For elementary school children – Kindergarten through 3rd grades at public schools in FPL's service area
 - 45-minute presentation, incorporates fun activities with audience participation
 - unique approach to educate and highlights ideas on how students can take part in energy conservation by doing simple, effective tasks around their homes or school



FPL has demonstrated its commitment to conservation and renewables and will continue to do so

