

State of Florida



Public Service Commission
CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: November 25, 2014
TO: Carlotta S. Stauffer, Commission Clerk, Office of Commission Clerk
FROM: Thomas E. Ballinger, Director, Division of Engineering *DS*
RE: Document to be placed in docket file

Please place the attached table which was referenced at today's Commission conference into the docket file for Docket No. 130199-EI, Commission review of numeric conservation goals (Florida Power & Light Company). If you have any questions, please contact me.

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Numeric Goals (Issues 1-9)

Option	Pros	Cons
<p style="text-align: center;">Staff recommendation (RIM with 2 year payback)</p>	<ul style="list-style-type: none"> • Benefits participants and non-participants. • Minimizes rate impact to all customers. • Encourages conservation. • Consistent with least cost planning and past PSC decisions. 	<ul style="list-style-type: none"> • Reduced energy efficiency savings when compared to other cost-effectiveness tests.
<p style="text-align: center;">TRC</p>	<ul style="list-style-type: none"> • Record evidence from utilities available to establish goals. • Cost effective from a system basis. 	<ul style="list-style-type: none"> • Results in non-participants (i.e. low income, renters, etc.) subsidizing others. • Average rates increase compared to RIM goals.
<p style="text-align: center;">1% of retail sales goals</p>	<ul style="list-style-type: none"> • If achievable, results in large energy savings. 	<ul style="list-style-type: none"> • Results in non-participants (i.e. low income, renters, etc.) subsidizing others. • Incomplete data and non-conformance with rules and statute. • No cost-effectiveness evidence provided. • Rate impacts are large.
<p style="text-align: center;">Use RIM with a 1 year payback screen for free riders</p>	<ul style="list-style-type: none"> • Same as staff rec above. • More measures available for rebates/incentives. 	<ul style="list-style-type: none"> • Record evidence would have to be interpolated to reach goals. • Increase subsidy to free riders. • Variation from Commission practice of 2-year payback.
<p style="text-align: center;">Continue with existing programs</p>	<ul style="list-style-type: none"> • Programs have history of savings. • Customer familiarity. 	<ul style="list-style-type: none"> • Record evidence obtained for comparative purposes, not for goal setting purposes. • Many programs would need to be revised to account for appliance efficiency standards and cost-effectiveness.
<p style="text-align: center;">Continue with existing (2009) goals for 2015-2019</p>	<ul style="list-style-type: none"> • Established goals by prior Order. 	<ul style="list-style-type: none"> • Not based on current planning assumptions. • Many programs would need to be revised to account for appliance efficiency standards and cost-effectiveness. • Utilities likely to not meet goals.