



July 22, 2015

Chairman Art Graham  
Commissioner Lisa Polak Edgar  
Commissioner Ronald A. Brisé  
Commissioner Julie Imanuel Brown  
Commissioner Jimmy Patronis  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

RECEIVED FPSC  
15 JUL 22 PM 1:36  
COMMISSION  
CLERK

Re: Energy Efficiency Opt-Out Proposals, PSC Docket No. 140226-EI

Dear Chairman Graham and Commissioners:

On behalf of the Florida Retail Federation, I write to you in support of the proposals presented in Docket No. 140226-EI to allow commercial and industrial customers to “opt out” of paying the energy efficiency portion of the utilities’ Energy Conservation surcharges, so long as such customers implement, at their own expense, energy efficiency measures that provide energy conservation benefits to the State that are proportionately greater than or equal to the utilities’ conservation goals. The Retail Federation strongly supports energy conservation efforts because they improve the overall efficiency of the Florida economy while keeping more money in Floridians’ pockets, which in turn supports Florida jobs.

As I understand the “opt out” proposals, the underlying concept is that customers know their operations better than their utilities, which is only natural, and that by paying for their energy efficiency measures with their own funds, i.e., at no direct cost to the utilities’ customers, they will improve the energy conservation performance of Florida as a whole. I further understand that the opt-out proposals would only allow for participating customers to opt out of that portion of the utilities’ conservation programs that are directed at energy efficiency, and that the participating customers would remain as participants paying for demand response, or demand reduction, programs.

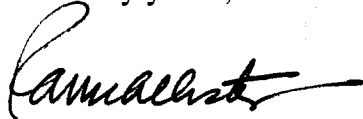
I further understand that the pending proposals offer additional protections to the utilities’ other customers in that they would require opt-out customers to certify to their serving utilities that they have implemented energy efficiency measures that have reduced the customer’s usage by a percentage at least as great as the utility’s overall energy efficiency reductions, or that they have performed an energy audit and committed to implement the recommended measures. I further understand that the proposals would require that, to be

eligible, a customer could not have taken benefits under the utility's energy efficiency programs during the preceding 2 years, and that, once having "opted out," the customer could not opt back in to the utility's programs for 2 years.

We believe that this type of creative incentive structure should be beneficial for all Floridians, because it will give larger customers – who are willing to expend their own funds to achieve energy savings at least as great as the utility's energy savings percentage – meaningful incentives to invest wisely and efficiently in energy conservation measures, with no direct costs to other customers. Accordingly, we urge you to approve these proposals.

If you have any questions, please call me at (850) 222-4082.

Sincerely yours,

A handwritten signature in black ink, appearing to read "R. McAllister", with a long horizontal flourish extending to the right.

Richard A. McAllister  
President/CEO

cc: Carlotta Stauffer, Commission Clerk  
Parties on Attached Service List

**SERVICE LIST FOR JULY 22, 2015 LETTER – DOCKET NO. 140226-EI**

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