

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, 2015

TO: Carlotta S. Stauffer, Commission Clerk, Office of Commission Clerk

FROM: T. Lee Eng Tan, Senior Attorney, Office of the General Counsel *KFC for LET*

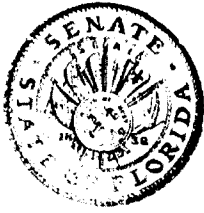
RE: **Docket No. 140226-EI** – Request to Opt-Out of Cost Recovery for Investor-Owned Electric Utility Energy Efficiency Programs by Wal-Mart Stores East, LP and Sam's East, Inc. and Florida Industrial Power Users Group

Attached please find a copy correspondence from the Honorable Jack Latvala to the Commission in regard the above-referenced docket. Please file the attached in the documents tab of above-referenced docket file.

Thank you for your assistance in this matter. Should you have any questions, please do not hesitate to contact me.

LET/kfc

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COMMISSION CLERK



THE FLORIDA SENATE

Tallahassee, Florida 32399-1100

COMMITTEES:
Appropriations Subcommittee on
Transportation, Tourism, and Economic
Development, *Chair*
Appropriations
Commerce and Tourism
Governmental Oversight and Accountability
Regulated Industries
Rules

SENATOR JACK LATVALA
20th District

November 25, 2015

Chairman Art Graham
Commissioner Lisa Polak Edgar
Commissioner Ronald A. Brisé
Commissioner Julie Imanuel Brown
Commissioner Jimmy Patronis

Re: PSC Docket No. 140226-El, Energy Efficiency Opt-Out By Certain Customers

Dear Chairman Graham and Commissioners,

I write to you in my continuing support of the Florida Legislature's policy of encouraging maximum efficiency of energy use in our State. I understand that, in your pending "Opt-Out Docket," you are considering whether to allow customers who satisfy certain eligibility criteria to "opt out" of participating in, and paying for, a utility's energy efficiency programs, provided that they achieve defined energy efficiency gains at their own expense. I further understand that one group of your Staff recommend rejecting this proposal outright, while another group recommends approving a pilot program to see how it will work.

This concept seems to have exception merit, in that eligible customers would have to satisfy PSC-determined efficiency gains at their own expense, in return for which those customers would not participate in the utility's energy efficiency programs and would not pay for those programs. It seems to me that such customers should be in the best position to implement maximum energy efficiency measures most cost-effectively, rather than being limited only to a utility's programs.

I further understand that your alternative Staff recommendation proposes a workshop process to define the eligibility criteria and other aspects of the pilot program. This seems like a worthy endeavor. However, I am troubled by the Staff's proposal that would limit participation to a relatively few very large customers. I am even more troubled by the apparent fact that the proposed limit would effectively exclude the State's large commercial customers, whose individual accounts use less than the Staff's proposed thresholds but who in the aggregate use many times more than the Staff's recommended threshold. The commercial sector in Florida uses more than one-third of all electricity consumed in the State, and it simply makes no sense to exclude effectively that entire sector from a pilot program, the purpose of which is to identify and develop additional cost-effective ways of saving energy in Florida.

REPLY TO:

26133 U.S. Highway 19 North, Suite 201, Clearwater, Florida 33763 (727) 793-2797 FAX: (727) 793-2799
 408 Senate Office Building, 404 South Monroe Street, Tallahassee, Florida 32399-1100 (850) 487-5020

Senate's Website: www.flsenate.gov

ANDY GARDINER
President of the Senate

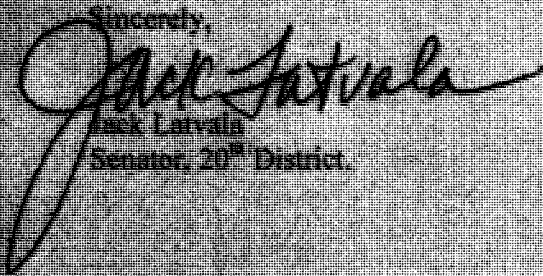
GARRETT RICHTER
President Pro Tempore

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Accordingly, I urge you to approve the development of a pilot Opt-Out program and further to direct your Staff, and the utilities and consumer groups who will participate in the workshop process, to ensure that substantial commercial electricity consumers are included in that pilot program.

Thank you very much for your consideration.

Sincerely,

A handwritten signature in cursive script that reads "Jack Latvala". The signature is written in dark ink and is positioned above the printed name and title.

Jack Latvala
Senator, 20th District