

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION

In the Matter of:

DOCKET NO. 20200057-EG

Petition for approval of  
demand-side management plan,  
by JEA.

\_\_\_\_\_ /

PROCEEDINGS: COMMISSION CONFERENCE AGENDA  
ITEM NO. 9

COMMISSIONERS  
PARTICIPATING: CHAIRMAN GARY F. CLARK  
COMMISSIONER ART GRAHAM  
COMMISSIONER JULIE I. BROWN  
COMMISSIONER DONALD J. POLMANN  
COMMISSIONER ANDREW GILES FAY

DATE: Tuesday, June 9, 2020

PLACE: Betty Easley Conference Center  
Room 148  
4075 Esplanade Way  
Tallahassee, Florida

REPORTED BY: DEBRA R. KRICK  
Court Reporter and  
Notary Public in and for  
the State of Florida at Large

PREMIER REPORTING  
114 W. 5TH AVENUE  
TALLAHASSEE, FLORIDA  
(850) 894-0828

## 1 P R O C E E D I N G S

2 CHAIRMAN CLARK: All right. Next up is Item  
3 No. 9, petition for approval of demand-side  
4 management plan by JEA, Mr. Futrell.

5 MR. FUTRELL: Mr. Chairman, Commissioners,  
6 Item 9 is staff's recommendation on JEA's 2020  
7 demand-side management plan. The plan consists of  
8 five programs, three for residential customers and  
9 two for commercial customers, and includes energy  
10 audits for each customer class. A majority of the  
11 programs are retained from the utility's 2015 DSM  
12 plan.

13 Staff has reviewed the plan and determined  
14 that it is projected to meet or exceed the annual  
15 goals established by the Commission.

16 Staff would note that while many of the  
17 programs continue to not be cost-effective, JEA is  
18 a municipal utility, with its own governing board  
19 which sets rates and determines cost recovery.  
20 This commission has traditionally referred to local  
21 governments regarding decisions on whether to offer  
22 customers non-cost-effective programs.

23 The Southern Alliance for Clean Energy has  
24 submitted comments that have been placed in the  
25 docket file. Bradley Marshall with SACE would like

1 to address the Commission. Gary Perko representing  
2 JEA may wish to respond, and staff is available for  
3 questions.

4 CHAIRMAN CLARK: Thank you, Mr. Futrell.  
5 Mr. Marshall, are you on the line?

6 MR. MARSHALL: I am.

7 CHAIRMAN CLARK: You are recognized.

8 MR. MARSHALL: Thank you, Mr. Chairman.  
9 Bradley Marshall on behalf of the Southern Alliance  
10 for Clean Energy.

11 The DSM plan that JEA has presented for your  
12 consideration is not consistent with the  
13 Commission's past orders, but there is an easy  
14 solution, for JEA to resubmit its DSM plans with  
15 the voluntary DSM programs that had already  
16 enacted.

17 The Commission has previously stated that DSM  
18 program plans should be measurable and verifiable,  
19 and that's why the Commission has not allowed  
20 behavioral changes resulting from the mandatory  
21 audit programs to count towards DSM goals.

22 JEA, in 2015, was given a special exception  
23 when JEA reached a settlement with all parties as  
24 part of the goal setting process, which included  
25 allowing estimated savings from audits count

1           towards the goal. Notably, OUC, another municipal  
2           utility, was not allowed to count savings from  
3           their audit program at that same time. JEA,  
4           however, continues to rely on behavioral changes  
5           from residential audits to meet its  
6           Commission-approved residential goals, despite  
7           there being no settlement this year.

8           We know that these audits are not measurable  
9           and verifiable. JEA predicts that each residential  
10          audit will result in exactly 200-kilowatt hours of  
11          reduction of energy use, 0.1 total watts of summer  
12          peak reduction and 0.1 total watts of winter peak  
13          reduction. Every year, JEA reports exactly these  
14          same savings for every audited residential customer  
15          no matter how many customers participate, what  
16          changes JEA makes through its audit program, or how  
17          behavioral changes as a result of audits may have  
18          changed over the years, including every single year  
19          going back to at least 2012.

20          This is the opposite of measurable and  
21          verifiable. This is making untested assumptions  
22          and carrying those for the record for years without  
23          any reevaluation. For those reasons, we believe  
24          the Commission must disapprove of JEA's program  
25          plan.

1           The good news is that JEA had, including  
2           what's year, implemented voluntary residential  
3           programs that have more than enough savings to  
4           reach their Commission-approved goals. They just  
5           need to include those programs in the DSM plan  
6           submitted to the Commission, that way JEA's  
7           customers can be ensured those programs will  
8           continue.

9           Therefore, the Commission should disapprove  
10          this plan and ask JEA to include in its plan the  
11          residential programs that reported carrying out in  
12          2019 and called it, quote, non-RIM program.  
13          Alternatively, JEA could increase the size of its  
14          low income program to meet its residential goals,  
15          or ideally, it could do both. But in this current  
16          form, we believe the Commission may not approve of  
17          this program plan.

18          Thank you.

19          CHAIRMAN CLARK: All right. Thank you, Mr.  
20          Marshall.

21          Mr. Perko.

22          MR. PERKO: Yes. Thank you, Mr. Chairman.  
23          This is Gary Perko of the Hopping, Green & Sams law  
24          firm on behalf of JEA. Also on the line is Mr.  
25          Donaldson Wucker, who heads up JEA's DSM planning

1           efforts, and will be able to respond to any  
2           questions the Commission may have.

3           With all due respect to my friends from SACE,  
4           the plan before you today is fully consistent with  
5           the plan that was approved in the 2015 order that  
6           was designed to achieve the goals that were  
7           established in 2014, in which this commission, of  
8           course, decided to carry forward in last year's  
9           goal setting.

10           At that time, those goals were expressly vague  
11           upon savings attributable to the energy audit  
12           program. That's the only evidence in the record  
13           to -- to support the 2014 goals that this plan is  
14           designed to achieve ultimately.

15           So I -- I have to take issue with SACE's  
16           comments to suggest that -- that it's somehow  
17           inconsistent with Commission prior precedence,  
18           because it's expressly consistent with that prior  
19           precedent.

20           And moreover, the plan before you today is  
21           consistent with a well-established Commission  
22           policy dating back to the start of the FEECA  
23           program almost 25 years ago, and reaffirmed just  
24           last month, and that is the Commission's  
25           recognition that as a municipality, JEA is in the

1 best position to determine its community's needs,  
2 and by extension, the extent to which JEA should  
3 offer non-cost-effective DSM programs. The record  
4 has shown time and again that this well-established  
5 policy works for JEA's customers.

6 As SACE recognizes on page 10 of its written  
7 comments, JEA has become, quote, one of the leading  
8 utilities in Florida when it comes to energy  
9 efficiency. Last year alone, JEA achieved over 40  
10 gigawatt hours of savings. And if you look at the  
11 10-year site plan that was just filed a month or so  
12 ago, JEA projects a similar level of savings well  
13 beyond this Commission established goals for the  
14 next decade. This shows JEA's commitment to energy  
15 efficiency without the need for the Commission to  
16 impose overly prescriptive goals or plans.

17 And as far as the low income program phase, I  
18 think that that is a clear example of why JEA  
19 should be left to the discretion to determine what  
20 DSM -- non-cost-effective DSM programs that it  
21 should provide.

22 As the Commission may recall back in last  
23 year's goal setting docket, Mr. Wucker testified at  
24 length about JEA's low income program, and he  
25 explained that JEA is somewhat unique as a

1           municipal utility by working with other local  
2           agencies to offer conservation programs and get  
3           them -- that target low income neighborhoods for  
4           those programs. And JEA's overall DSM program  
5           provides many benefits to low income customers that  
6           aren't reflected in the savings attributable to the  
7           low income program itself.

8           For example, JEA has -- or data indicates that  
9           JEA's prepaid program typically results in a  
10          five-percent reduction in -- in customer rates.  
11          And as part of our low income program, we try to  
12          make sure that low income customers are aware of  
13          that potential benefit.

14          So in closing, Commissioners, we respectfully  
15          urge you to carry forward with the policy that's  
16          shown to be effective for JEA's customers. As the  
17          old saying goes, if it ain't broke, don't fix it.

18          We thank you for your consideration. We are  
19          here to address any questions the Commission may  
20          have. And again, thank you for your consideration.

21                 CHAIRMAN CLARK: Thank you, Mr. Perko.

22                 All right. Commissioners, any questions or  
23                 comments?

24                 Commissioner Polmann.

25                 COMMISSIONER POLMANN: Commissioner Brown, you



1 want to go first?

2 COMMISSIONER BROWN: IT -- it doesn't matter.

3 I can if you want.

4 COMMISSIONER POLMANN: All right.

5 CHAIRMAN CLARK: Commissioner Brown.

6 COMMISSIONER BROWN: Thank you.

7 I do have a question that just arose as a  
8 result of SACE's comments, but I do want to note,  
9 as we have noted consistently in the past, it is  
10 appropriate to defer to munis here to determine the  
11 level of investment if measures are cost-effective.  
12 So again, that is a consistent Commission theme  
13 over the years. And also as Mr. Perko said, that  
14 the plan here is also expressly consistent with the  
15 Commission's prior precedent, so -- but I do have a  
16 question for Mr. Wucker regarding the audit savings  
17 attributed.

18 Mr. -- pardon me -- Marshall said that audits  
19 cannot count towards DSM goals. He said that they  
20 are not measurable. They are not verifiable.  
21 However, it is clear that they can be measurable,  
22 and they can be verifiable, because you can  
23 actually track the behavioral changes as a result  
24 of the audit and see that use -- energy usage. Can  
25 you kind of elaborate on that, Mr. Wucker?

1           MR. WUCKER: Sure. I can -- I can talk to my  
2           experience and being in some homes on the audits.  
3           I don't go on a lot, but I do go in and I help the  
4           team when they need it.

5           I can tell you that when you connect with the  
6           customer, when they get it -- and of course, this  
7           doesn't happen every time -- I think that that has  
8           much more impact than anything else because it  
9           makes them aware of energy. It makes them aware of  
10          how important it is, and the little things they can  
11          do. And if that can stay with them, to me, that's  
12          huge.

13          I can also tell you, we have been in homes,  
14          and we go above and beyond from what I have seen is  
15          typical, we probably go in two or three homes a  
16          month where electric heat is stuck on. And we will  
17          even go in, and in some cases we will even  
18          disconnect it for them. And that could have saved  
19          them, you know, hundreds of dollars a month when an  
20          electric heater is stuck on and runs consistently  
21          with the air conditioning system.

22          I was in a home in Mayport when that happened,  
23          and the air conditioner kicked on. And I told the  
24          man, I gave him the information that saved him  
25          money that allowed his contractor to bring up the

1 right kit on one trip, and told him, I said, look,  
2 your AC system is oversized. A properly sized  
3 home, you know, would not have been able to keep up  
4 with the heater running continuously.

5 So there is phenomenal savings in some cases,  
6 and in some cases there is less, but -- and we are  
7 very conservative with our numbers. If you look at  
8 our calculations that we submitted in the past to  
9 PSC, our savings are much higher than the numbers  
10 that we claim. So we go with a very conservative  
11 number, you know, just -- just because of, you  
12 know, the engineer minds. But we are very  
13 conservative in our savings on the audit, so we  
14 feel very comfortable in defending them.

15 COMMISSIONER BROWN: Well, I appreciate that.  
16 And I am a big believer in audit, irrespective of  
17 the fact that the statute requires them, I -- I  
18 personally had one, and we -- we have gone on an  
19 energy savings program, and we have reduced our  
20 energy usage as a result of that audit. So I am  
21 absolutely a believer, and think that it should be  
22 a component towards goals. So thank you for those  
23 comments.

24 CHAIRMAN CLARK: Thank you, Commissioner  
25 Brown.

1 Commissioner Polmann, do you have a comment?

2 COMMISSIONER POLMANN: Yes, sir. Thank you,  
3 Mr. Chairman.

4 Two comments combined here. While we look at  
5 customer behavior, and I think that's a very  
6 important component of the DSM, is that changing  
7 customer behavior with regard to energy usage it is  
8 important in -- in planning and -- and the plan  
9 implementation through an implementation program,  
10 and so forth, and, in fact, if the change in  
11 customer behavior, consumer behavior can be  
12 sustained, it becomes a -- a critical aspect of  
13 your DSM. The issue, then, is whether or not that  
14 can -- can be quantified.

15 So in the planning context in the  
16 implementation, it's important to include it,  
17 and -- and then the customer education -- the  
18 design of the implementation of that is -- is a, I  
19 guess an industry challenge, and -- and best  
20 practices for that, I think, is important for the  
21 utility to pursue. Whether or not that can -- that  
22 can be quantitative and quantified is always a  
23 challenge.

24 So the most important thing is to pursue it.

25 It's not worth arguing in -- in -- in my opinion at

1 the Commission level how well you quantify it. I  
2 will -- I will just -- I will just make that --  
3 (inaudible) -- so we need to see it. We need to  
4 understand you are doing it. I -- I think the  
5 utility's response is probably appropriate.

6 Just a side remark on the comments just made  
7 on oversizing the air conditioner. That becomes  
8 very inefficient. My own experience in speaking  
9 with technicians for my own home, we also had a  
10 review here in my home, we had some -- the bigger  
11 problem we have is with the ductwork distributing  
12 the air efficiently within the home. And my  
13 question was whether or not we had the  
14 appropriately sized ductwork, which it turns out we  
15 do. We just have problems with the air handling.  
16 And the comment was made to me that increasing the  
17 size of -- of the AC was not the right thing to do.  
18 In fact, it would just process more, and oversizing  
19 that would be inefficient, even if we had a high  
20 efficiency unit.

21 So again, customer education in that regard  
22 is -- is the most important thing. So a focus  
23 there, I think is good.

24 Thank you, Mr. Chairman.

25 CHAIRMAN CLARK: Thank you, Commissioner

1 Polmann.

2 Commissioner Graham, any comments or  
3 questions? I see you live.

4 COMMISSIONER GRAHAM: Thank you, Mr. Chairman.  
5 My question is actually for Mr. Marshall from SACE.

6 Mr. Marshall, have you been before the JEA  
7 board, either virtually or in person, to talk to  
8 them about your concern?

9 MR. MARSHALL: I have not personally, no.

10 COMMISSIONER GRAHAM: And is there a reason  
11 why you have not, or have you tried?

12 MR. MARSHALL: I do not know all the efforts  
13 that have been, but I have not been -- I have not  
14 been retained by SACE to address the JEA board in  
15 this matter.

16 COMMISSIONER GRAHAM: You have heard since  
17 this meeting so far that, for the most part, we  
18 allow the muni to make the decision?

19 MR. MARSHALL: Yes.

20 COMMISSIONER GRAHAM: Okay. Mr. Chairman,  
21 that's all I had.

22 CHAIRMAN CLARK: Thank you, Commissioner  
23 Graham.

24 I would add one final comment, as -- as a  
25 person who has completed probably at least a

1 thousand residential energy audits in my career. I  
2 find them to be one of the most valuable  
3 demand-side management tools that a utility has in  
4 its arsenal to work on helping consumers.

5 I appreciate the comments from Commissioner  
6 Brown and Commissioner Polmann about the things  
7 that you have done at your homes to reduce your  
8 energy consumption. All of that is extremely  
9 important.

10 I could sit here for the next 30 minute and  
11 tell you all of the things that I have found, and  
12 the results that we have seen, and the impact that  
13 that made on the customer. And you walk out of  
14 that customer's home and you have found that  
15 problem and you have resolved an energy issue in  
16 their home, you walk away with a very satisfied  
17 customer, and the benefits not only direct to that  
18 customer, but to the utility company as well.

19 Someone mentioned having the heat strips stuck  
20 on, I believe Mr. Perko or Mr. Wucker mentioned  
21 that. Not uncommon even to find heat strips  
22 getting stuck on during the middle of summer when  
23 air conditioners are running, a significant demand,  
24 15, 20 kW demand increase on the utility company.  
25 It's pretty easy to quantify those numbers. You

1           may have to extrapolate them over a year's time  
2           period, but it's certainly a justifiable and  
3           identifiable number for the utility company, so my  
4           hat is off to you for continuing in this program.

5           I will open up the floor to a motion from the  
6           Commissioners.

7           COMMISSIONER BROWN: Mr. Chairman, I would  
8           move the staff recommendation on all issues in this  
9           docket.

10          CHAIRMAN CLARK: Do I have a second?

11          COMMISSIONER FAY: Second.

12          CHAIRMAN CLARK: I have a motion and a second.  
13          Is there any discussion?

14          On the motion, all in favor, say aye.

15          (Chorus of ayes.)

16          CHAIRMAN CLARK: Opposed?

17          (No response.)

18          CHAIRMAN CLARK: Motion is approved.

19          (Agenda item concluded.)  
20  
21  
22  
23  
24  
25



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

CERTIFICATE OF REPORTER

STATE OF FLORIDA )  
COUNTY OF LEON )

I, DEBRA KRICK, Court Reporter, do hereby  
certify that the foregoing proceeding was heard at the  
time and place herein stated.

IT IS FURTHER CERTIFIED that I  
stenographically reported the said proceedings; that the  
same has been transcribed under my direct supervision;  
and that this transcript constitutes a true  
transcription of my notes of said proceedings.

I FURTHER CERTIFY that I am not a relative,  
employee, attorney or counsel of any of the parties, nor  
am I a relative or employee of any of the parties'  
attorney or counsel connected with the action, nor am I  
financially interested in the action.

DATED this 15th day of June, 2020.



DEBRA R. KRICK  
NOTARY PUBLIC  
COMMISSION #GG015952  
EXPIRES JULY 27, 2020