

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: January 15, 2021

TO: Adam J. Teitzman, Commission Clerk, Office of Commission Clerk

FROM: Margo A. DuVal, Senior Attorney, Office of the General Counsel

RE: Docket No. 20200181-EU - Proposed amendment of Rule 25-17.0021, F.A.C.,
Goals for Electric Utilities.

Please place the following documents in the "Documents" section of Docket No. 20200181-EU.
Thank you.



FLORIDA DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES
COMMISSIONER NICOLE "NIKKI" FRIED

January 14, 2021

Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Re: Docket No. 20200181

Dear Chairman Clark and Commissioners Brown, Graham, Fay, and La Rosa:

As the Florida Public Service Commission (Commission) reviews the Rule governing how utility energy efficiency programs are made available under Florida Energy Efficiency and Conservation Act (FEECA), the Florida Department of Agriculture and Consumer Services (FDACS) looks forward to the Commission's potential revision of its historical process. The goal of Florida's energy policy remains to secure a stable, reliable, resilient, and diverse supply of energy to meet the demands of Florida's growing population. All ratepayers benefit when expensive peaking units are not required to be brought online, and new fossil fuel generation units do not need to be built due to the energy efficiency measures authorized by the Commission. Families and businesses throughout Florida would benefit from a predictable and dedicated offering of energy efficiency programs.

FDACS appreciates the opportunity to make comments here and welcomes continued collaboration with the Commission as it reviews and revises the FEECA process through this rulemaking.

There are several components to the proposed rule change in Docket No. 20200181 that should improve the efficiency of the FEECA proceedings, provide transparency upfront as to program administrative standards, allow the Commission to better plan using estimates of annual cost recovery for each year in the planning horizon, and perhaps add flexibility for the Commission to consider measures that otherwise were excluded from consideration. For example, the addition of residential lighting efficiencies to the list of categories that must be considered in goal setting reflects improvements in technology and accessibility, that will hopefully allow new programs to be developed. FDACS supports these proposed changes. Yet, other changes to the rule raise questions, such as the extent of and weight of technical potential studies.

During the 2019 FEECA goal proceeding, FDACS made several recommendations in our post hearing statement that remain applicable and should be considered for inclusion in your rule revisions. They were:

- (1) Development and implementation of low-income conservation programs requiring the FEECA Utilities to develop and offer programs targeted to low-income customers, not applying the two-year payback screen for low-income programs, and requiring FEECA Utilities to report the annual costs and energy savings of any programs targeted to low-income customers to the Commission;
- (2) Development and implementation of education programs requiring FEECA Utilities to continue their outreach efforts to educate customers, particularly low-income, K-12, and seniors on energy conservation measures and programs offered and requiring the FEECA Utilities to report to the Commission on the costs, savings, and Utility successes of these education programs; and
- (3) Demand Side Management (DSM) research and development programs requiring the FEECA Utilities to seek out innovative research and development programs in order to develop new measures and programs that assist customers with conserving their energy consumption while enabling the Utilities to shift peak energy demand.

The State of Florida should continue to identify ways to educate customers and provide them with the information and resources needed to pursue energy efficiency and conservation. The proposed rule changes will provide a much-needed uniform reporting standard across all the utilities, which will assist the state in the evaluation of the overall FEECA program. It does not appear that the proposed rule changes will encourage utilities to provide greater access to program participation, and meaningful savings, for the customers who need it most, such as Floridians that are low-income, non-English speaking, seniors on a fixed income, or from disadvantaged and minority populations.

The energy burden in these communities has been found to be disproportionately high. However, with enhanced energy efficiency programs these communities may have a better ability to save and prosper. In FDACS's interactions and participation with national and regional energy groups, the consensus has been that the success rates for programs targeting low-income and impacted communities are much higher when education and outreach efforts include the impacted communities in the program planning and development process. These communities should not just be told what the solution is, they should be a part of developing the solutions (energy burden goals). Therefore, FDACS also encourages your rule to require low-income communities and other impacted communities to be involved in the program development process.

The Commission should continue to balance the goals of energy efficiency and conservation with the impact of the associated costs on all customers, thereby ensuring that every customer benefits from utility-sponsored programs. A diverse, least-cost strategy should be employed to ensure that sound principles of energy efficiency and conservation measures are achieved without further burdening low-income and non-participating customers. The Commission should require the FEECA Utilities to continue to develop and offer programs targeted to low-income customers, not apply the two-year payback screen for low-income programs, and require FEECA

Utilities to report to the Commission the annual costs and energy savings of any programs targeted to low-income customers.

In this docket, and for subsequent proceedings, there is also a need to take the long-term view. Investing in energy efficiency in the home and workplace improves health conditions, lowers grid demand, and provides proven cost savings. The buildings that receive the benefit of utility efficiency programs will continue to be utility customers beyond five years' time. Availability of energy efficiency programs offered to customers in Florida need not be at cross purposes from increased energy efficiency requirements in building codes and appliances, and downward pressure on rates. Again, additional methods to achieve DSM savings, like the implementation of a public benefits charge, need to be considered to achieve the State's energy conservation goals.

As proposed, the Commission's Rule change efforts will streamline the FEECA proceedings, and improve planning and transparency earlier in the process, hopefully, it will also be a catalyst for further meaningful actions in the future.

Additional Comments

The revisions proposed here do help to address streamlining the process which will help reduce FEECA costs and provide a uniformity of analytical data until the time when the state considers eliminating FEECA and implements statewide DSM programs. It continues to be FDACS' position that the State should give serious consideration to eliminating the goal-setting and program implementation process requirements under FEECA. Rather than continuing with an outdated and ineffective process, the State should pursue other methods of reducing customer demand and increasing energy efficiency and conservation that have been proven to be effective, such as increased energy efficiency requirements in building codes and appliances and implementing a public benefits charge.

FDACS acknowledges that the Commission is not the proper forum to make such policy changes and determinations as those responsibilities lie with the Florida Legislature. Rather, the purpose of these additional comments is to assist in understanding FDACS' recommendations in this proceeding and open discussion for possible future changes.

Again, thank you for the opportunity to comment on this draft rule. We hope to continue our collaboration with the Commission as it reviews and revises the FEECA process through this rulemaking. If you have any questions or if additional information is needed, please do not hesitate to contact me at 850-617-7470.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Kelley Smith Burk', with a long horizontal flourish extending to the right.

Kelley Smith Burk
Director, Office of Energy

From: [Margo DuVal](#)
To: [Julie Phillips](#)
Subject: FW: Docket No. 20200181
Date: Friday, January 15, 2021 1:16:31 PM
Attachments: [FDACSComments_DocketNo.20200181_01142021.pdf](#)

From: Burk, Kelley [mailto:Kelley.SmithBurk@fdacs.gov]
Sent: Thursday, January 14, 2021 1:01 PM
To: Margo DuVal
Cc: Hall, Steven; Mark Futrell
Subject: Docket No. 20200181

Good afternoon, Margo!

Attached please find the Florida Department of Agriculture and Consumer Services' comments on the draft rule on Docket No. 20200181.

We appreciate the opportunity to participate in this process.

If you have any questions or if additional information is needed, please do not hesitate to contact me.

Thank you!
Kelley

Kelley Smith Burk
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Florida Department of Agriculture and Consumer Services

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