

Antonia Hover

From: Antonia Hover on behalf of Records Clerk
Sent: Monday, February 15, 2021 4:08 PM
To: 'janet_bowman@TNC.ORG'
Cc: Consumer Contact
Subject: FW: DOCKET NO. 20200181--In re: Proposed amendment of Rule 25- 17.0021 F.A.C., Goals for Electric Utilities.
Attachments: FEECARULEpsccomments.docx

Good Afternoon, Ms. Bowman.

We will be placing your comments below in consumer correspondence in Docket No. 20200181, and forwarding them to the Office of Consumer Assistance and Outreach.

Thank you!

Toni Hover

*Commission Deputy Clerk I
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399
Phone: (850) 413-6467*

From: Janet E. Bowman <janet_bowman@TNC.ORG>
Sent: Monday, February 15, 2021 3:38 PM
To: Records Clerk <CLERK@PSC.STATE.FL.US>; Margo DuVal <mduval@psc.state.fl.us>
Subject: DOCKET NO. 20200181--In re: Proposed amendment of Rule 25- 17.0021 F.A.C., Goals for Electric Utilities.

Good afternoon, attached for filing in Docket No. 20200181 are the comments of The Nature Conservancy regarding the proposed amendment to Rule 25-17.0021, F.A.C., Goals for Electric Utilities.

Thank you for your consideration.

Janet Bowman, Esq.
Janet_Bowman@tnc.org
Senior Policy Advisor
The Nature Conservancy
(850) 251-9406

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

**In re: Proposed amendment of Rule 25- 17.0021
F.A.C., Goals for Electric Utilities.**

DOCKET NO. 20200181
Filed: February 15, 2021

POST-WORKSHOP COMMENTS OF THE NATURE CONSERVANCY

The Nature Conservancy appreciates the opportunity to provide post-workshop comments to the Commission in the above captioned docket. The Nature Conservancy is a non-profit conservation organization whose mission is to preserve the land and water on which all life depends. The Nature Conservancy owns and operates preserves throughout Florida some of which are served by electric utilities subject to the jurisdiction of the Florida Public Service Commission. In addition, the Nature Conservancy is supporting the efforts of regional climate collaboratives to promote the reduction of greenhouse gas emissions within their respective regions.

Energy efficiency is the cheapest, quickest, and cleanest way to tackle the challenge of a changing climate by reducing greenhouse gas emissions. Several Florida cities and counties have already embraced 100% renewable energy and climate emissions reduction targets both within both the local government and the community. Energy efficiency improvements are a critical first step to achieving these goals. As these communities are served by utilities subject to FEECA, modernizing Rule 25-17.0021, F.A.C., to facilitate the adoption of meaningful utility energy efficiency programs is critical.

The proposed draft amendment of Rule 25-17.0021, Florida Administrative Code, (F.A.C.), while identifying changes to coordinating the goals setting and plan approval process, unfortunately fails to address the need to overhaul the rule to meet the legislative intent of promoting the adoption of meaningful demand-side energy efficiency and conservation measure. In adopting the Florida Energy Efficiency and Conservation Act (FEECA) in 1980, the Florida Legislature realized the economic

benefits of both reducing and controlling growth rates of electricity consumption and weather-sensitive peak demand. Section 366.81, Florida Statutes, states that: “it is critical to utilize the most efficient and cost-effective demand-side renewable energy systems and conservation systems in order to protect the health, prosperity, and general welfare of the state and its citizens.” Moreover, the Legislature further directs that the statute be liberally construed: “in order to meet the complex problems of reducing and controlling the growth rates of electric consumption and reducing the growth rates of weather-sensitive peak demand; increasing the overall efficiency and cost-effectiveness of electricity and natural gas production and use; encouraging further development of demand-side renewable energy systems; and conserving expensive resources, particularly petroleum fuels.”

However, Florida’s performance on conservation through utility sponsored energy efficiency programs has not lived up to the intent of the Legislature or expectation of Florida families and businesses. According to the recently published 2020 American Council for and Energy Efficiency Economy (ACEEE) *State Efficiency Scorecard*, Florida appears near the bottom of state rankings for utility energy efficiency programs.¹

The application of the current version of the rule, particularly the application of the RIM and 2-year payback period, impedes the adoption of meaningful energy efficiency goals. First, the Commission utilizes a 2-year payback to screen to eliminate measures that have a simple payback to customers of 2 years or less, on the assumption that all such measures would be implemented by customers without an efficiency program. This outdated practice eliminates measures that are commonly adopted in many other states, including low cost, high impact measures that are critically important to families and small businesses in reducing power bills, including low-income customers that may lack the resources to implement these measures without assistance.

¹ ACEEE, *State Efficiency Scorecard*, December 2020.

Second, the Commission has historically relied on the Rate Impact Measure (RIM) test when setting FEECA energy savings goals. Florida is the only state to rely primarily upon the RIM test, which measures energy efficiency's potential impact on utility rates and revenues, rather than evaluating its cost and benefits to the utility's system and customer bills.² No other Florida utility resource decision is subjected to this antiquated standard and more accurate methods of evaluating the costs and benefits of energy efficiency programs are being used in other states and should be considered in this rule-making process.

Third, the revised FEECA rules should clearly specify that a significant portion of utility energy efficiency programs must be directed to low income customers. Given the economic hardships posed by the Covid-19 crisis on the ability of low-income customers to afford energy efficiency improvements or higher bills caused by inefficiencies, FEECA programs should increase focus on these customers.

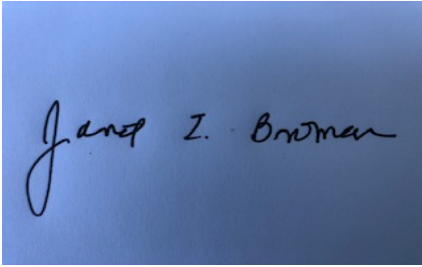
Finally, the Commission should consider performance incentive mechanisms that encourage utilities to invest in energy programs that deliver significant savings to customers. The Florida Legislature provided authority to the Commission to consider performance incentive mechanisms when it amended the FEECA statute in 2008, but the Commission has yet to implement it.³

Thank you for this opportunity to comment on the proposed rule. We respectfully request that a second workshop be held and that the Public Service Commission expand the scope of this rulemaking to include a comprehensive reevaluation of the FEECA goal-setting process.

² AEEE 2020 State Energy Scorecard, Florida Fact Sheet, December 2020

³ Sections 366.82(8), (9), F.S.

Sincerely,

A square image with a blue gradient background containing a handwritten signature in black ink that reads "Janet I. Bowman".

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