Brian Schultz

From:	Brian Schultz on behalf of Records Clerk
Sent:	Monday, June 28, 2021 5:07 PM
To:	'jwerleigh@naacpnet.org'
Cc:	Consumer Contact
Subject:	FW: NAACP Comments on Docket No_20200181
Attachments:	Comments of NAACP Florida State Conference.pdf

Good Afternoon,

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

Sincerely,

Brian Schultz
Commission Deputy Clerk II
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399
850.413.6770

PLEASE NOTE: Florida has a very broad public records law. Most written communications to or from state officials regarding state business are considered to be public records and will be made available to the public and the media upon request. Therefore, your e-mail message may be subject to public disclosure.

From: Werleigh, Jacques <jwerleigh@naacpnet.org>
Sent: Monday, June 28, 2021 4:28 PM
To: Records Clerk <CLERK@PSC.STATE.FL.US>; Margo DuVal <mduval@psc.state.fl.us>
Cc: Chiefj9@cox.net
Subject: NAACP Comments on Docket No_20200181

Please find attached the comments for docket no.: 20200181

Kind regards,

Jacques Werleigh
(he|him)
Florida ECJ Field Organizer
NAACP Environmental and Climate Justice Program

jwerleigh@naacpnet.org
O: 407-864-1491

https://calendly.com/jwerleigh

NAACP | Empowerment
Programs
National Headquarters • 4805
Mount Hope Drive • Baltimore MD
21215

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: June 28, 2021**

POST WORKSHOP COMMENTS
NAACP FLORIDA STATE CONFERENCE

The NAACP Florida State Conference thanks the Commission for the opportunity to provide post-workshop comments in the above captioned docket. As part of its Environmental and Climate Justice program, the NAACP Florida State Conference supports meaningful energy efficiency standards while simultaneously working to provide safer, more sustainable mechanisms for managing energy needs for our communities and beyond.[1]

It is well established nationally that energy efficiency is the lowest cost resource available to a utility in meeting electricity demand and for tackling climate change. The economic benefits of energy efficiency programs result in bill savings to all customers through system-wide cost savings, such as reduced fuel use and the deferral of costly new polluting fossil fuel power plants, but also to individual families by helping them to cut energy waste and drive down power bills.

Meaningful energy efficiency programs are particularly critical for lower-income families as they face the highest energy burden - the percentage of a given household's income dedicated to paying for energy, including heating, cooling, and household electricity. Energy burden rates exceeding 6% can lead to difficult trade-offs among essential household goods like food, rent, clothing, and medicine. In Miami, 23% of all Miami

[1] NAACP, Environmental and Climate Justice, at https://naacp.org/know-issues/environmental-climate-justice

households have a high-energy burden, while 21% of homes in Tampa are considered energy burdened. [2]

Yet, Florida is "leaving money on the table" both by not accessing a lower cost option like energy efficiency in meeting demand, while also failing to cost-effectively help reduce energy waste and lower bills for their most vulnerable customers. Those energy savings can stay in local communities to drive economic development. According to the 2020 American Council for an Energy Efficiency Economy ("ACEEE") 2020 *State Efficiency Scorecard*, Florida lands near the bottom of state rankings for capturing energy savings. During the most recent FEECA goal setting cycle, several of the state's largest utilities filed goals of zero or near zero. Zero is not a goal. This indicates that the practices utilized by the Commission in the FEECA goal setting process are no longer serving the interests of the Commission or hard working families. Florida's underperformance in energy savings is due to efficiency practices that are almost 30 years old and are not standard industry practice across the country. As a threshold matter, the Commission must modernize its past practices to meet the needs of Florida's electricity customers today – including hard working families.

Roadblocks to standard industry practice

The two roadblocks to meaningful energy savings are the state's reliance on the Rate Impact Measure (RIM) test and the 2-year screen in setting annual energy savings goals. Florida is the only state to rely primarily upon the RIM test, which purportedly measures energy efficiency's potential impact on consumer rates rather than accounting for complete cost and benefits in relation to customer bills and the benefits to the utility's system.[3] We should not penalize efficiency measures because they achieve their purpose – which is to reduce energy use and lower customer power bills.

---

[2] ACEEE, Unrealized Potential, Expanding Energy Efficiency Opportunities for Customers in Florida
[3] Id. at p. 7.

Secondly, the Commission utilizes a 2-year payback screen to eliminate measures that have a simple payback to customers of 2 years or less. This practice is not based on any real-life data that such measures are, in fact, being adopted. This practice eliminates high impact, low cost measures that are critically important to lowering power bills for energy burdened families. These outdated policies are unique to Florida and eliminate measures that are commonly adopted in many other states. This leads to programs that do not meaningfully help customers reduce energy usage and save money on bills.

Moreover, programs that are focused on low-income customers vary widely by utility in terms of scope and savings. Florida's underinvestment in energy efficiency imposes a real human cost on the people who live here. We can and must do better. The current rulemaking now underway provides a unique opportunity to change course and put practices in place that will benefit both the Commission and customers.

A need for low-income programs that are greater in scope and depth and more consistent across utilities.

The Commission should end the use of the RIM test and 2-year payback screen, but additionally **adopt a process that ensures meaningful low-income programs both in scale and depth and consistent across utilities.** Unfortunately, the FEECA rules provide no guidance for how the unique needs and considerations around low-income efficiency are to be handled in either goal setting or program planning proceedings. Low-income households are in the greatest need of energy efficiency programs to lower their monthly bills. They also pay into the efficiency programs like everybody else, yet they face numerous barriers to participation in efficiency programs.

1. Therefore, the Commission should establish by rule that energy efficiency measures bundled into low-income programs are exempt from cost-effectiveness tests and screening for so-called free-ridership. That said, the Commission could still consider whether utility investments for low-income programs are prudent – that is yielding a meaningful level of savings for the money spent. As stated earlier, the Commission should ensure program offerings for low-income customers target both broad participation and deep savings - with bill reductions

that meaningfully improve the financial condition of individual households with the greatest need.

2. Moreover, the Commission should set an energy savings goal for low-income customers. These goals can be a percentage of total demand side management (DSM) budget or a percentage of energy savings. For instance, Texas requires a that a percentage of the total DSM budget go to energy efficiency programs[4] – this investment should go to actual improvements in the home, not broader education. We recommend that at least 15% of total DSM be set as a goal. Alternatively, the Commission could set a low-income goal as a percentage of energy savings. We additionally propose that at minimum, one third of the funding or energy savings goal established for low-income programs be directed towards programs for low-income renters and multifamily housing.

Thank you again for the opportunity to provide comments on rule revisions for purposes of achieving more cost effective energy policy outcomes that tackle climate change, and meaningfully address the needs not only for the state's most vulnerable families but for all families.

Sincerely,

Lewis Jennings, Environmental and Climate Justice Chair
NAACP Florida State Conference

---

[4] ACEEE, Making A Difference, Strategies for Successful Low Income Energy Efficiency Programs, October 2017.
https://www.aceee.org/sites/default/files/publications/researchreports/u1713.pdf