



Southern Alliance for Clean Energy presentation on Florida Utilities' 2021 Ten Year Site Plans

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SACE MISSION

ABOUT SACE

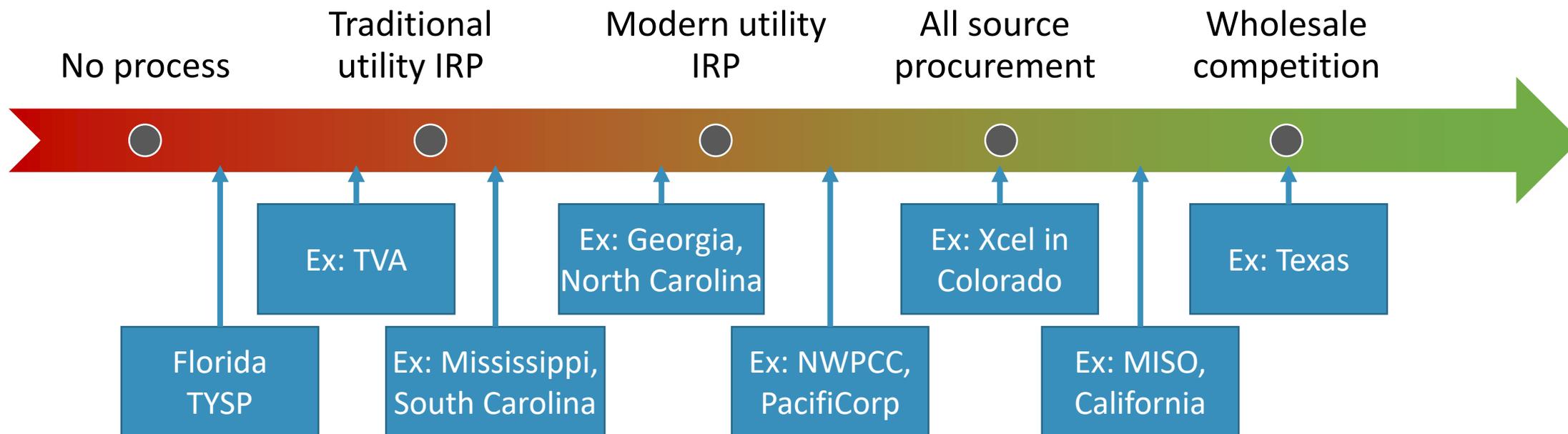
The Southern Alliance for Clean Energy (SACE) is a nonprofit organization that promotes responsible and equitable energy choices to ensure clean, safe, and healthy communities throughout the Southeast. As a leading voice for energy policy in our region, SACE is focused on transforming the way we produce and consume energy in the Southeast.

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FLORIDA TYSP PROCESS OUTLIER IN RESOURCE PLANNING



Features of some examples:

- TVA: IRP without regulatory oversight
- North Carolina: stakeholder feedback on draft IRP before completion of final IRP
- NWPCC: energy efficiency as a resource
- Xcel: all-source procurement best practices in practice
- MISO: wholesale competition with self-scheduling and capacity market
- Texas: no utility-owned generation, energy-only market

TYSP PROCESS OUTLIER

- No alternatives presented
- Most data, assumptions, scenarios not visible
- Stakeholders and commission can only react, cannot engage in development of plan itself

**Recommendation:
Commission should hold a
workshop on how Florida's
resource planning process
compares to others and
address blind spots**

CONCERNS WITH OVERRELIANCE ON GAS

Increases costs to ratepayers

- Fuel costs are passed on directly to customers, and gas prices are projected to continue to increase, putting burden of higher costs directly on customers
- Low-income and fixed-income customers will be hit the hardest

Increases risk of stranded assets

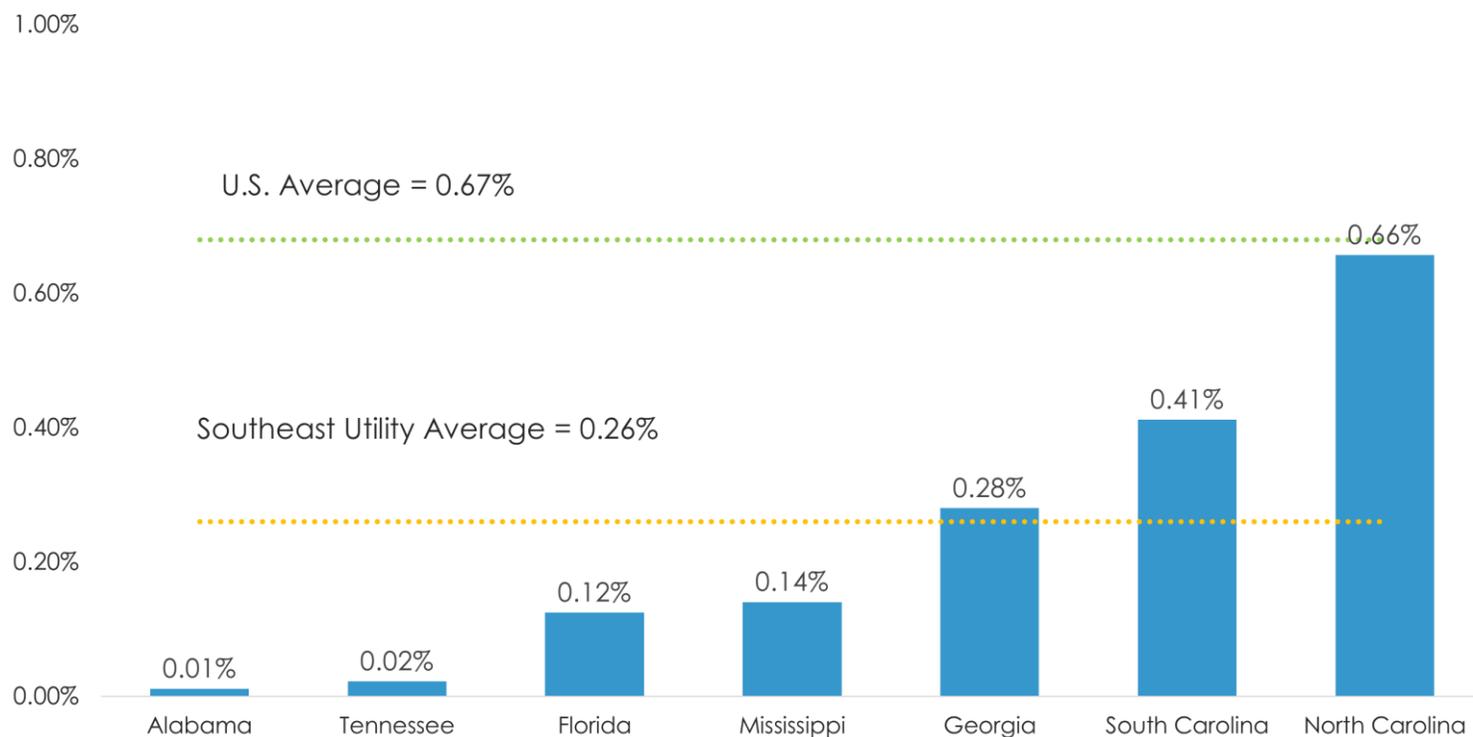
- Customers will be on the hook to pay off the construction costs of gas infrastructure that no longer provides value
- Important to consider potential federal regulations

Hampers decarbonization of sector

- Florida utilities are not on track to get to zero CO₂ by 2050
- Gas has less direct CO₂ per MWh from coal, but cannot get to zero, and does not consider upstream emissions

TYSP PROCESS IGNORES VAST POTENTIAL FOR ENERGY EFFICIENCY

2019 ENERGY SAVINGS AS % OF PRIOR YEAR RETAIL SALES



Energy efficiency is a win-win-win. It lowers utility costs, lowers customer bills, and reduces pollution. However, the utility business model does not align with customer interests on energy efficiency.

Current FEECA practices prevent Florida customers from benefiting from the most cost-effective and proven EE measures. FEECA rulemaking docket can help modernize how the Commission sets energy savings goals.

Utilities feed FEECA results directly into TYSPs without considering additional EE. Many states require energy efficiency be considered on an even playing with supply resources in resource planning.

CONCLUSION AND RECOMMENDATION

- Florida's TYSP process is an outlier and a bad deal for Floridians.
- The lack of transparency, stakeholder involvement, and resource competition has led to a future that increases Florida's reliance on gas instead of turning to clean, less risky, less expensive resources.
- To address these concerns, we recommend the Commission hold a workshop on resource planning methods and improve energy efficiency rules both within and in parallel to resource planning to allow utilities to take advantage of this least-cost resource for the benefit of all customers.

FURTHER READING

For more on these issues see SACE's [report library](#)

Clean Electricity in 4 Major Southeast Utilities: bit.ly/CEsinSEreport

Tracking Decarbonization in the Southeast: bit.ly/SEdecarb2021

Energy Efficiency in the Southeast: bit.ly/SEEEReport2021

Solar in the Southeast: bit.ly/SeSolarReport2021

Best Practices for All-Source Electric Generation Procurement:
bit.ly/AllSourceProcurementReport