

Jacob Veughn

From: Jacob Veughn on behalf of Records Clerk
Sent: Tuesday, June 29, 2021 2:34 PM
To: 'Ellen Zuckerman'
Cc: Consumer Contact
Subject: RE: Public Comment, Southeast Sustainability Directors Network, for Docket No. 20200181 (Proposed amendment of Rule 25-17.0021, F.A.C., Goals for Electric Utilities)

Good Morning,

We will be placing your comments below in consumer correspondence in Docket No. 202100181 and forwarding your comments to the Office of Consumer Assistance and Outreach.

Jacob Veughn

Commission Deputy Clerk I
Florida Public Service Commission
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Tallahassee, Florida 32399
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850.413.6656

From: Ellen Zuckerman <ezuckerman@gmail.com>
Sent: Monday, June 28, 2021 10:57 PM
To: Records Clerk <CLERK@PSC.STATE.FL.US>
Cc: Meg Jamison <meg@southeaststdn.org>
Subject: Public Comment, Southeast Sustainability Directors Network, for Docket No. 20200181 (Proposed amendment of Rule 25-17.0021, F.A.C., Goals for Electric Utilities)

Good evening,

Please place the attached letter in Docket No. 20200181 on behalf of the Southeast Sustainability Directors Network (SSDN).

Thank you in advance for confirming receipt of this email and the attachment.

Sincerely,
Ellen Zuckerman
On behalf of Meg Jamison, Director, Southeast Sustainability Directors Network



June 28, 2021

Chairman Gary F. Clark
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399

Re: Docket 20200181- Proposed amendment of Rule 25-17.0021, F.A.C., Goals for Electric Utilities

Dear Chairman and Members of the Florida Public Service Commission:

The Southeast Sustainability Directors Network (“SSDN”) appreciates the opportunity to submit these comments summarizing the recommendations of Florida local governments in this proceeding and providing suggested redline edits to the Commission’s Florida Energy Efficiency and Conservation Act (“FEECA”) Rules in the furtherance of those recommendations.

I. Background

SSDN is a network of local governments in the southeastern United States that works together to advance sustainability initiatives in the region. As part of this work, SSDN supports the efforts of more than 40 Florida local governments to:

- Mitigate the environmental, economic, and public health impacts of climate change;
- Build a healthy, sustainable future with more opportunities for economic growth;
- Reduce pollution and improve Florida’s air and water quality;
- Protect public health and safety, especially of Florida’s most vulnerable citizens; and
- Meet ambitious climate goals.

As summarized below, Florida local governments recognize the significant benefits of energy efficiency investment. For this reason, SSDN welcomed the opportunity to participate in recent discussions with Duke Energy Florida (“DEF”) and to sign the joint comments of DEF along with 22 other entities identifying key actions to improve future processes by which DEF will propose demand-side management goals and programs for the Commission’s review and approval.¹

SSDN believes these policy enhancements will lead to meaningful energy efficiency programs that save energy, reduce demand, create local jobs, reduce electricity costs for businesses and customers, strengthen Florida’s economy, ensure cleaner air to breathe and cleaner water to drink, and build healthier, more resilient communities.

¹See joint comments of DEF, Ameresco, Inc., A.O. Smith, Building Performance Association (“BPA”), Carrier Corporation, Ceres, Consumer Federation of America (“CFA”), Cree Lighting, EMS Energy, Franklin Energy, Johnson Controls, Lutron Electronics, National Association of Energy Service Companies (“NAESCO”), Oracle Corporation, Polyisocyanurate Insulation Manufacturers Association (“PIMA”), Proctor Engineering, Schneider Electric, Sealed, Siemens, Southeast Energy Efficiency Alliance (“SEEA”), Southeast Sustainability Directors Network (“SSDN”), Trane Technologies, Uplight, and Vote Solar at <https://www.floridapsc.com/library/filings/2021/07066-2021/07066-2021.pdf>

II. Summary of Local Government Comments on FEECA

Eighteen Florida local governments and local government entities have engaged in the Commission's FEECA Rulemaking thus far by submitting written comments and/or providing oral public comment at one or both Commission Staff-led workshops. In addition, 11 local governments engaged in the Commission's prior proceeding to review and approve FEECA goals. Collectively, these governments serve more than 11.6 million Floridians, or ~ 54%² of the state's population. These local governments include:

- City of Boca Raton
- Broward County
- City of Coconut Creek
- City of Coral Gables
- City of Coral Springs
- City of Dunedin
- East Central Florida Regional Planning Council, representing its thirty-seven formalized partners
- City of Hollywood
- City of Largo
- City of Miami Beach
- Miami-Dade County
- City of Miramar
- Monroe County
- Orange County
- Palm Beach County
- City of Sarasota
- City of St. Petersburg
- City of Tarpon Springs

In general, Florida local governments have made all or some of the following recommendations for the Commission's consideration:

1. The Commission should use the Utility Cost Test (UCT) or the Total Resource Cost Test (TRC) to evaluate the costs and benefits of energy efficiency instead of the Ratepayer Impact Measure (RIM) Test.³
2. The Commission should eliminate the "two-year payback screen" to evaluate energy efficiency investments.
3. The Commission should approve new and expanded energy-saving programs for limited-income Floridians guided by energy savings goals and minimum spending requirements for these programs. These programs should also be exempt from cost-effectiveness screening and/or the Commission should develop and implement cost-effectiveness regimes that reflect the additional benefits that low-income programs provide.

² Based on Census total population estimates for 2019, <https://www.census.gov/quickfacts/FL>

³ In general, no other state relies as heavily on the RIM test as Florida to set energy efficiency investment levels. While Virginia once did, it enacted a new law in 2018 to move away from the RIM test as the sole and primary screen for efficiency investment.

4. The Commission should incorporate “adders” as part of energy efficiency cost-effectiveness analyses to account for the many benefits that energy efficiency delivers but are difficult to quantify such as avoided utility environmental compliance costs, reduced air pollution, and participant health benefits – among other benefits.
5. The Commission should direct Florida’s utilities to convene a stakeholder collaborative/advisory board to coordinate and optimize energy efficiency offerings.

A complete listing of local government comments in the proceeding and the prior FEECA goal setting proceeding is attached herein as Appendix A.

III. Proposed Redline Edits to the Commission’s FEECA Rules in the Furtherance of the Recommendations of Florida Local Governments

Attached herein as Appendix B, SSDN is pleased to provide redlined language for the Commission’s consideration in the furtherance of the Florida local government recommendations outlined above.

IV. Conclusion

Thank you for your consideration of the comments of Florida’s local governments. Please do not hesitate to contact me at 423-416-0839 with any questions.

Respectfully,

Meg Jamison
Director
Southeast Sustainability Directors Network
meg@southeastcdn.org

Appendix A: Summary of Local Government Comments in the Commission’s FEECA Rulemaking and Prior FEECA Goal Setting Process

Proceeding	Local Government	Engagement Type	Link
2020 FEECA goal setting process	Broward County	Resolution	https://drive.google.com/file/d/0BzjW2qb4pPE4LVh6UDNvVGNCWWsyVlphVWliejdHUE53Q2tR/view
2020-2021 FEECA Rulemaking	Broward County	Gave oral public comment at the January 2021 workshop	
2020-2021 FEECA Rulemaking	Broward County	Letter from Southeast Florida Regional Climate Change Compact	https://www.floridapsc.com/library/filings/2021/02122-2021/02122-2021.pdf
2020-2021 FEECA Rulemaking	Broward County	Resolution	https://floridapsc.com/library/filings/2021/02927-2021/02927-2021.pdf
2020-2021 FEECA Rulemaking	Broward County	Gave oral public comment at the May 2021 workshop	
2020 FEECA goal setting process	City of Boca Raton	Resolution	https://www.floridapsc.com/library/filings/2019/08844-2019/08844-2019.pdf
2020-2021 FEECA Rulemaking	City of Coconut Creek	Letter from Commissioner	https://www.floridapsc.com/library/filings/2020/04564-2020/04564-2020.pdf
2020-2021 FEECA Rulemaking	City of Coral Springs	Letter from Mayor, Vice Mayor, and Commissioners	http://www.psc.state.fl.us/library/filings/2021/02269-2021/02269-2021.pdf
2020 FEECA goal setting process	City of Dunedin	Letter from City Manager	https://www.floridapsc.com/library/filings/2019/04799-2019/04799-2019.pdf
2020-2021 FEECA Rulemaking	City of Hollywood	Letter from Commissioner	https://www.floridapsc.com/library/filings/2020/10238-2020/10238-2020.pdf
2020 FEECA goal setting process	City of Largo	Letter from Mayor	https://www.floridapsc.com/library/filings/2019/04767-2019/04767-2019.pdf
2020-2021 FEECA Rulemaking	City of Largo	Letter from Mayor	https://www.floridapsc.com/library/filings/2021/01485-2021/01485-2021.pdf
2020 FEECA goal setting process	City of Miami Beach	Resolution	http://www.psc.state.fl.us/library/filings/2019/06690-2019/06690-2019.pdf
2020-2021 FEECA	City of Miami Beach	Gave oral public comment at the	

Rulemaking		January 2021 workshop	
2020-2021 FEECA Rulemaking	City of Miami Beach	Letter from Environment & Sustainability Director	https://www.floridapsc.com/library/filings/2021/0206-2021/02006-2021.pdf
2020-2021 FEECA Rulemaking	City of Miami Beach	Gave oral public comment at the May 2021 workshop	
2020 FEECA goal setting process	City of Miramar	Letter from City Manager	https://www.floridapsc.com/library/filings/2019/07590-2019/07590-2019.pdf
2020 FEECA goal setting process	City of Sarasota	Letter from City Manager	https://www.floridapsc.com/library/filings/2019/05144-2019/05144-2019.pdf
2020-2021 FEECA Rulemaking	City of Tarpon Springs	Letter from Mayor	https://floridapsc.com/library/filings/2021/02520-2021/02520-2021.pdf
2020 FEECA goal setting process	Coral Gables	Resolution	https://www.floridapsc.com/library/filings/2019/06181-2019/06181-2019.pdf
2020-2021 FEECA Rulemaking	Coral Gables	Resolution	https://floridapsc.com/library/filings/2021/04578-2021/04578-2021.pdf
2020-2021 FEECA Rulemaking	East Central Florida Regional Planning Council	Letter from East Central Florida Regional Planning Council	http://www.psc.state.fl.us/library/filings/2021/03555-2021/03555-2021.pdf
2020 FEECA goal setting process	Miami-Dade County	Resolution	https://www.floridapsc.com/library/filings/2019/04787-2019/04787-2019.pdf
2020-2021 FEECA Rulemaking	Miami-Dade County	Letter from the Southeast Florida Regional Climate Change Compact	https://www.floridapsc.com/library/filings/2021/02122-2021/02122-2021.pdf
2020-2021 FEECA Rulemaking	Monroe County	Letter from the Southeast Florida Regional Climate Change Compact	https://www.floridapsc.com/library/filings/2021/02122-2021/02122-2021.pdf
2020 FEECA goal setting process	Orange County	Letter from County Administrator	https://www.floridapsc.com/library/filings/2019/09098-2019/09098-2019.pdf
2020-2021 FEECA Rulemaking	Orange County	Letter from County Administrator	https://www.floridapsc.com/library/filings/2021/02198-2021/02198-2021.pdf
2020-2021 FEECA Rulemaking	Orange County	Gave oral public comment at the May 2021 workshop	
2020-2021 FEECA Rulemaking	Palm Beach County	Letter from Southeast Florida Regional Climate Change Compact	https://www.floridapsc.com/library/filings/2021/02122-2021/02122-2021.pdf

2020 FEECA goal setting process	St. Petersburg	Letter from Mayor	http://www.psc.state.fl.us/library/filings/2019/06952-2019/06952-2019.pdf
2020-2021 FEECA Rulemaking	St. Petersburg	Gave oral public comment at the January 2021 workshop	
2020-2021 FEECA Rulemaking	St. Petersburg	Letter from Mayor	https://floridapsc.com/library/filings/2021/02859-2021/02859-2021.pdf

Appendix B: Proposed Redline Edits to the Commission’s FEECA Rules in the Furtherance of the Recommendations of Florida Local Governments

Proposed edits are shown in red.

25-17.0021 Demand-Side Management Goals, Plans, and Programs for Electric

Utilities.

(1) The Commission will initiate a proceeding at least once every five years to ~~shall~~ establish ~~numerical~~ goals for each affected electric utility, as defined by Section 366.82(1)(a), F.S., ~~to reduce the growth rates of weather-sensitive peak demand, to reduce and control the growth rates of electric consumption, and to increase the conservation of expensive resources, such as petroleum fuels.~~ The Commission will set ~~Overall Residential~~ kilowatt (KW) and kilowatt-hour (KWH) goals, low-income residential KW and KWH goals, and overall Commercial/Industrial KW and KWH goals ~~shall be set by the Commission~~ for each year over a ten-year period. The Commission will establish goals shall be based on an assessment of the technical potential of available measures, and an estimate of the total cost-effective KW kilowatt and KWH kilowatt-hour savings reasonably achievable through demand-side management programs in each utility's service area over a ten-year period. The Utility Cost Test shall be the only test used to establish a utility's goals and shall incorporate a benefits adder of at least 15% applied to the sum of quantifiable benefits for each program. An affected utility's low-income customer programs shall be excluded from the evaluation of cost-effectiveness. Other cost-effectiveness tests may be reviewed for informational purposes only.

(2) Pursuant to an order establishing procedure in the proceeding to establish goals, each utility ~~The Commission must shall file set a technical potential study, proposed demand-side management goals, plans, and programs for Commission approval.~~ each utility at least once every five years. ~~The Commission on its own motion or petition by a substantially affected~~
CODING: Words underlined are additions; words in ~~struck through~~ type are deletions from existing law.

~~person or a utility may initiate a proceeding to review and, if appropriate, modify the goals. All modifications of the approved goals, plans and programs shall only be on a prospective basis. Each utility's filing must describe how the technical potential study was used to develop the utility's proposed goals and programs, including the identification of measures that were excluded from program consideration.~~ **The Utility Cost Test shall be the only test used to develop a utility's proposed goals and programs and shall incorporate a benefits adder of at least 15% applied to the sum of quantifiable benefits for each program. Other cost-effectiveness tests may be reviewed for informational purposes only. An affected utility's low-income customer programs shall be excluded from the evaluation of cost-effectiveness. In developing its proposed goals and programs, a utility shall allocate not less than 15% of DSM residential portfolio resources specifically to low-income customers. In developing its proposed goals and programs, an affected utility shall implement and maintain a collaborative DSM working group that meets at least quarterly to solicit and facilitate stakeholder input, advise it on program implementation, develop future DSM programs, and review DSM program performance.**

(3) In a proceeding to establish or modify demand-side management goals, each utility shall propose numerical goals for the ten-year period ~~and provide ten-year projections.~~ Such goal projections must be based upon the utility's most recent planning process, of the total, cost-effective, winter and summer peak demand (KW) and annual energy (KWH) savings reasonably achievable in the low-income residential, residential and commercial/industrial classes through the utility's proposed demand-side management programs **The Utility Cost Test shall be the only cost-effectiveness test upon which a utility bases its goals. The Utility**

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Cost Test shall incorporate a benefits adder of at least 15% applied to the sum of quantifiable benefits for each program. Other cost-effectiveness tests may be reviewed for informational purposes only. An affected utility's low-income customer programs shall be excluded from the evaluation of cost-effectiveness. In developing its proposed goals, a utility shall allocate not less than 15% of residential DSM portfolio resources specifically to low-income customers.

~~. Each utility's projection shall reflect consideration of overlapping measures, rebound effects, free riders, interactions with building codes and appliance efficiency standards, and the utility's latest monitoring and evaluation of conservation programs and measures.~~

(a) Each utility's goal projections must ~~shall~~ be based upon the full technical potential of all available demand-side conservation and energy efficiency measures associated with each of ~~an assessment of, at a minimum,~~ the following market segments and major end-use categories.

Residential Market **and Residential Low-income Market** Segment:

(Existing Homes and New Construction should be separately evaluated) Major End-Use

Category

- ~~1.(a)~~ 1. Building-Envelope Efficiencies.
- ~~2.(b)~~ 2. Cooling and Heating Efficiencies.
- ~~3.(c)~~ 3. Water Heating Systems.
4. Lighting Efficiencies.
- ~~5.(d)~~ 5. Appliance Efficiencies.
- ~~6.(e)~~ 6. Peak Load Shaving.
- ~~7.(f)~~ 7. Solar Energy and Renewable Energy Sources.
- ~~8.(g)~~ 8. Renewable/Natural gas substitutes for electricity.

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~~9.(h)~~ Other.

Commercial/Industrial Market Segment:

(Existing Facilities and New Construction should be separately evaluated) Major End-Use

Category

~~10.(i)~~ Building Envelope Efficiencies.

~~11.(j)~~ HVAC Systems.

~~12.(k)~~ Lighting Efficiencies.

~~13.(l)~~ Appliance Efficiencies.

~~14.(m)~~ Power Equipment/Motor Efficiency.

~~15.(n)~~ Peak Load Shaving.

~~16.(o)~~ Water Heating.

~~17.(p)~~ Refrigeration Equipment.

~~18.(q)~~ Freezing Equipment.

~~19.(r)~~ Solar Energy and Renewable Energy Sources.

~~20.(s)~~ Renewable/Natural Gas substitutes for electricity.

~~21.(t)~~ High Thermal Efficient Self Service Cogeneration.

~~22.(u)~~ Other.

(b) Each utility's goal projections must reflect the savings from proposed demand-side management programs with consideration of overlapping measures, rebound effects, free riders, interactions with building codes and appliance efficiency standards, and the utility's latest monitoring and evaluation of conservation programs and measures. An affected utility should engage in independent, third-party monitoring and evaluation of each DSM program

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for the determination of free ridership. The following information must be filed for each proposed demand-side management program included in the utility's goal projections for a ten-year projected horizon period:

1. The program name;

2. The program start date;

3. The total number of customers or appropriate unit of measure in each class of customer (i.e., residential, commercial, industrial, etc.) for each year in the planning horizon;

4. The total number of eligible customers or appropriate unit of measure in each class of customers (i.e., residential, commercial, industrial, etc.) for each year in the planning horizon;

5. An estimate of the annual number of customers or appropriate unit of measure in each class projected to participate in the program, including a description of how the estimate was derived;

6. The cumulative penetration levels of the program by year calculated as the percentage of projected cumulative participating customers or appropriate unit of measure by year to the total customers eligible to participate in the program;

7. Estimates on an appropriate unit of measure basis of the per customer and program total annual KWH reduction, winter KW reduction, and summer KW reduction, both at the customer meter and the generation level, attributable to the program. A summary of all assumptions used in the estimates must be included, including a list of measures within the program;

8. A methodology for measuring actual KW and KWH savings achieved from each program, including a description of research design, instrumentation, use of control groups,

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and other details sufficient to ensure that the results are valid;

9. With the exception of low-income programs which are excluded from the evaluation of cost-effectiveness, a~~An estimate of the cost-effectiveness of the program using the cost-effectiveness tests required pursuant to Rule 25-17.008, F.A.C.;~~ the Utility Cost Test and a benefits adder of at least 15% applied to the sum of quantifiable benefits for each program;

10. An estimate of the annual amount to be recovered through the energy conservation cost recovery clause for each year in the planning horizon;

11. Any other relevant information the utility wants the Commission to consider.

~~(4) Within 90 days of a final order establishing or modifying goals, each utility must file its finalized demand-side management plan that includes the proposed programs used to develop the goals, along with program administrative standards that include a statement of the policies and procedures detailing the operation and administration of each program. The filing must include the information required in subparagraphs (3)(b)1. through (3)(b)11. of this Rule for each program in the plan. or such longer period as approved by the Commission, each utility shall submit for Commission approval a demand side management plan designed to meet the utility's approved goals. The following information shall be submitted for each program in the plan for a ten-year projected horizon period:~~

~~(a) The program name;~~

~~(b) The program start date;~~

~~(c) A statement of the policies and procedures detailing the operation and administration of the program;~~

~~(d) The total number of customers or appropriate unit of measure in each class of customer~~

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~~(i.e. residential, commercial, industrial, etc.) for each year in the planning horizon;~~

~~(e) The total number of eligible customers or appropriate unit of measure in each class of customers (i.e., residential, commercial, industrial, etc.) for each year in the planning horizon;~~

~~(f) An estimate of the annual number of customers or appropriate unit of measure in each class projected to participate in the program, including a description of how the estimate was derived;~~

~~(g) The cumulative penetration levels of the program by year calculated as the percentage of projected cumulative participating customers or appropriate unit of measure by year to the total customers eligible to participate in the program;~~

~~(h) Estimates on an appropriate unit of measure basis of the per customer and program total annual KWH reduction, winter KW reduction, and summer KW reduction, both at the customer meter and the generation level, attributable to the program. A summary of all assumptions used in the estimates will be included;~~

~~(i) A methodology for measuring actual kilowatt and kilowatt-hour savings achieved from each program, including a description of research design, instrumentation, use of control groups, and other details sufficient to ensure that results are valid;~~

~~(j) An estimate of the cost effectiveness of the program using the cost effectiveness tests required pursuant to Rule 25-17.008, F.A.C. If the Commission finds that a utility's conservation plan has not met or will not meet its goals, the Commission may require the utility to modify its proposed programs or adopt additional programs and submit its plans for approval.~~

(5) The Commission on its own motion or petition by a substantially affected person or a

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utility may initiate a proceeding to review and, if appropriate, modify the goals. All

modifications of the approved goals, plans, and programs must be on a prospective basis.

(6) ~~(5)~~ Each utility shall submit an annual report no later than March 1 ~~of each year~~ summarizing its demand-side management plan and the total actual achieved results for its approved demand-side management plan in the preceding calendar year. The report shall contain, ~~at a minimum,~~ a comparison of the achieved KW and KWH reductions with the established Residential and Commercial/Industrial goals, and the following information for each approved program:

(a) The name of the utility;

(b) The name of the program and program start date;

(c) The calendar year the report covers;

(d) The total number of customers or other appropriate units ~~unit~~ of measure by customer class for each calendar year of the planning horizon;

(e) The total number of customers or appropriate unit of measure eligible to participate in the program for each calendar year of the planning horizon;

(f) The total number of customers or appropriate unit of measure projected to participate in the program for each calendar year of the planning horizon;

(g) The potential cumulative penetration level of the program to date calculated as the percentage of projected participating customers to date to the total eligible customers in the class;

(h) The actual number of program participants and the current cumulative number of program participants;

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(i) The actual cumulative penetration level of the program calculated as the percentage of actual cumulative participating customers to the number of eligible customers in the class;

(j) A comparison of the actual cumulative penetration level of the program to the potential cumulative penetration level of the program;

(k) A justification for variances larger than 15% from ~~for~~ the annual goals established by the Commission;

(l) Using on-going measurement and evaluation results the annual KWH reduction, the winter KW reduction, and the summer KW reduction, both at the meter and the generation level, per installation and program total, based on the utility's approved measurement/evaluation plan;

(m) The per installation cost and the total program cost of the utility;

(n) The net benefits for measures installed during the reporting period, annualized over the life of the program, as calculated by the following formula:

$$\text{annual benefits} = B_{\text{npv}} \times d/[1 - (1+d)^{-n}]$$

where

B_{npv} = cumulative present value of the net benefits over the life of the program for measures installed during the reporting period.

d = discount rate (utility's after tax cost of capital).

n = life of the program.

(o) Any other relevant information the utility wants the Commission to consider.

Rulemaking Authority 366.05(1), 366.82(1)-(4) FS. Law Implemented 366.82(1)-(4) FS.

History—New 4-30-93, Amended_____.

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