

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Commission review of numeric conservation goals (Florida Power & Light Company).

DOCKET NO. 20240012-EG

In re: Commission review of numeric conservation goals (Duke Energy Florida, LLC).

DOCKET NO. 20240013-EG

In re: Commission review of numeric conservation goals (Tampa Electric Company).

DOCKET NO. 20240014-EG

In re: Commission review of numeric conservation goals (Florida Public Utilities Company).

DOCKET NO. 20240015-EG

In re: Commission review of numeric conservation goals (JEA).

DOCKET NO. 20240016-EG

In re: Commission review of numeric conservation goals (Orlando Utilities Commission).

DOCKET NO. 20240017-EG

FILED: July 9, 2024

Prehearing Statement

The Florida Department of Agriculture and Consumer Services, Office of Energy (FDACS), pursuant to the Order Consolidating Dockets and Establishing Procedure, Order No. PSC-2024-0022-PCO-EG (Order Establishing Procedure), issued on January 23, 2024, in these dockets, hereby submits its Prehearing Statement.

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BACKGROUND

Sections 366.80 through 366.83 and 403.519, Florida Statutes (F.S.), are known collectively as the Florida Energy Efficiency and Conservation Act (FEECA). The six utilities subject to FEECA, collectively known as the FEECA Utilities, are Florida Power & Light Company (FPL), Duke Energy Florida, LLC (DEF), Tampa Electric Company (TECO), Florida Public Utilities Company (FPUC), JEA, and Orlando Utilities Commission (OUC). Pursuant to Section 366.82(6), F.S., the Florida Public Service Commission (Commission) must review the conservation goals of each utility subject to FEECA at least every five years. The Commission last established goals for the FEECA Utilities in 2019.¹

Chapter 377, Florida Statutes, gives broad authority and responsibilities to the Department in administering renewable energy and energy efficiency grants, promoting energy efficiency and conservation programs, and providing educational outreach on energy issues. Pursuant to Section 377.703(2)(i), F.S., FDACS is charged with promoting energy conservation in all energy use sectors throughout the state. As part of its responsibility to promote energy efficiency and conservation, Section 366.82(5), F.S., specifically requires that FDACS be a party to these

¹ Order No. PSC-2019-0509-FOF-EG, Issued November 26, 2019, Approving Numeric Conservation Goals.

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conservation goal-setting proceedings and file comments with the Commission on the proposed goals, including, but not limited to:

- (a) An evaluation of utility load forecasts, including an assessment of alternative supply-side and demand-side resource options;
- (b) An analysis of various policy options that can be implemented to achieve a least-cost strategy, including nonutility programs targeted at reducing and controlling the per capita use of electricity in the state; and
- (c) An analysis of the impact of state and local building codes and appliance efficiency standards on the need for utility-sponsored conservation and energy efficiency measures and programs.

Pursuant to this statutory directive, FDACS filed its Notice of Intervention in these dockets on April 19, 2024, which was acknowledged by Commission Order No. PSC-2024-0128-PCO-EG, issued April 24, 2024.

As directed by the Legislature, FDACS will continue to evaluate and analyze load forecasts, policy options to achieve a least-cost strategy, and impacts of state and local building codes and appliance efficiency standards within the context of the identified issues. In addition, FDACS will file post-hearing comments based on the evidentiary record developed during this proceeding. The positions stated in this Prehearing Statement are preliminary in nature and are based on information currently available in this proceeding.

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1. WITNESSES:

The FDACS does not intend to call any witnesses.

2. EXHIBITS:

The FDACS has no direct exhibits. However, FDACS reserves the right to introduce exhibits into the record during cross-examination.

3. STATEMENT OF BASIC POSITION

Pursuant to Section 366.81, F.S., the Legislature finds and declares 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. Reduction in, and control of, the growth rates of electric consumption and weather-sensitive peak demand are of particular importance. The goal of Florida's energy policy should be to secure a stable, reliable and diverse supply of energy in order to meet the demands of Florida's growing

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population. An all-of-the-above approach must be employed in order to meet this objective and that includes energy efficiency and conservation measures.

In establishing and setting goals to meet these mandates, the Commission should consider various policy options to achieve a least-cost strategy, employ market-based technologies, and yield greater efficiencies of electric consumption. The effects of non-utility programs that are targeted at reducing and controlling the per capita use of electricity in Florida should be considered, as well as the impact of state and local building codes and appliance efficiency standards. These factors may increase energy efficiency and reduce or control the per capita use of electricity in the State, and thus reduce the level of appropriate goals and need for utility-sponsored programs. The Commission should balance the importance of pursuing energy efficiency and conservation programs against the cost of the programs and their impact on all ratepayers.

4. STATEMENT OF ISSUES AND POSITIONS

ISSUE 1: Are the utility's proposed goals based on an adequate assessment of the full technical potential of all available demand-side and supply-side conservation and efficiency measures, including demand-side renewable energy systems?

FDACS: The utilities' proposed goals appear to be an adequate assessment of the full technical potential of all available demand-side and supply-side conservation and efficiency measures. However, a thorough examination and analysis of this issue by the Commission is necessary.

ISSUE 2: Are the utility's proposed goals based on savings reasonably achievable through demand-side management programs over a ten-year period?

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FDACS: The utilities' proposed goals appear to be based on savings reasonably achievable through demand-side management programs over a ten-year period. However, a thorough examination and analysis of this issue by the Commission is necessary.

ISSUE 3: Do the utility's proposed goals adequately reflect the costs and benefits to customers participating?

FDACS: The utilities' proposed goals appear to adequately reflect the costs and benefits to customers participating in the measures. However, a thorough examination and analysis of this issue by the Commission is necessary. The Commission should consider policy options that can be implemented to achieve least-cost strategies that take into account the costs and benefits of the programs and their impact on all ratepayers.

ISSUE 4: Do the utility's proposed goals adequately reflect the costs and benefits to the general body of rate payers as a whole, including utility incentives and participant contributions?

FDACS: The utilities' proposed goals appear to adequately reflect the costs and benefits to the general body of rate payers as a whole, including utility incentives and participant contributions. However, a thorough examination and analysis of this issue by the Commission is necessary. The Commission should consider policy options that can be implemented to achieve least-cost strategies that take into account the costs and benefits of the programs and their impact on all ratepayers.

ISSUE 5: Do the utility's proposed goals adequately reflect the need for incentives to promote both customer-owned and utility-owned energy efficiency and demand-side renewable energy systems?

FDACS: In determining whether the proposed goals reflect the need for incentives to promote both customer-owned and utility-owned energy efficiency and demand-side renewable energy systems, the Commission should examine and consider the impact of state and local building codes and appliance efficiency standards on the need for utility-sponsored measures and programs. The Commission should consider policy options that can be implemented to achieve least-cost strategies that take into account the costs and benefits of the programs and their impact on all ratepayers.

ISSUE 6: Do the utility's proposed goals adequately reflect the costs imposed by state and federal regulations on the emissions of greenhouse gases?

FDACS: The utilities' proposed goals appear to adequately reflect the costs imposed by state and federal regulations currently in existence, on the emission of greenhouse gases over the past five years.

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ISSUE 7: Do the utility's proposed goals adequately reflect consideration of free riders?

FDACS: In considering whether the utilities' proposed goals appropriately reflect free riders, the Commission should consider policy options that take into account the payback period of the proposed program measures consistent with prior Commission practice.

ISSUE 8: Should demand credit rates for interruptible service, curtailable service, stand-by generation, or similar demand response programs be addressed in this proceeding or in the base rate proceedings for the rate regulated FEECA Utilities? If this proceeding, what are the appropriate demand credit rates?

FDACS: No position on this ratemaking issue.

FPL-Specific Issues

ISSUE 9: Should the savings associated with FPL's Residential Low Income Renter Pilot program be included in its conservation goals?

FDACS: No position on this utility-specific issue.

ISSUE 10: Is FPL's proposed HVAC On-Bill option for its existing Residential On-Call program with its associated HVAC Services Agreement (proposed Tariff sheets 9.858 through 9.866) a regulated activity within the jurisdiction of the Commission? If not, should the savings associated with FPL's HVAC On-Bill option and HVAC Services Agreement be removed from its conservation goals?

FDACS: No position on this utility-specific issue.

ISSUE 12: Should the Commission approve FPL's proposed plan to cap participation for non-RIM Test passing programs once sector-level goals are achieved?

FDACS: No position on this utility-specific issue.

All FEECA Electric Utilities Issues

ISSUE 13: What residential and commercial/industrial summer and winter megawatt (MW) and annual Gigawatt-hour (GWh) goals should be established for the period 2025-2034?

FDACS: FDACS has no specific position at this time, as to the appropriate commercial/industrial summer and winter MW and annual GWh goals that should

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be established for the 2025-2034 period. However, the Commission should balance the goal of energy efficiency and conservation with the impact of the costs and benefits of these programs on rates and overall customer bills.

ISSUE 14: What goals, if any, should be established for increasing the development of demand-side renewable energy systems?

FDACS: The Legislature has declared that it is critical to utilize the most efficient and cost-effective demand-side renewable energy systems. The Commission should consider policy options that can be implemented to achieve least-cost strategies that take into account the costs and benefits of the programs and their impact on all ratepayers.

5. STIPULATED ISSUES:

FDACS has not stipulated to any issues at this time.

6. PENDING MOTIONS OR OTHER MATTERS:

FDACS has no pending motions or other matters.

7. PENDING REQUESTS OR CLAIMS FOR CONFIDENTIALITY:

FDACS has no pending requests or claims for confidentiality.

8. OBJECTIONS TO QUALIFICATION OF WITNESSES AS AN EXPERT:

FDACS has no objections to the qualifications of the witnesses that have submitted pre-filed testimony in these dockets. FDACS, however, reserves the right to object to the qualifications of any expert witness not previously disclosed and reserves the right to *voir dire* the witness as to his or her expert qualifications.

9. REQUEST FOR SEQUESTRATION OF WITNESSES:

None.

10.COMPLIANCE WITH ORDER ESTABLISHING PROCEDURE:

FDACS has complied with all applicable requirements of the Order Establishing Procedure in these dockets and there are no requirements of the Order Establishing Procedure with which the FDACS cannot comply.

Respectfully submitted,

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CERTIFICATE OF SERVICE

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I HEREBY CERTIFY that a true and correct copy of the foregoing has been furnished by electronic mail on this 9th day of July 2024, to the following:

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