

**Matilda Sanders**

**From:** Rob Brinkman [RobBrinkman@cox.net]  
**Sent:** Wednesday, June 07, 2006 12:43 AM  
**To:** Filings@psc.state.fl.us  
**Subject:** docket number 060220 determination of need for SGS 3  
**Attachments:** Testimony before FPSC re.doc; Alliance to Save Energy Comments Docket E-100 SUB 103 - Integrated ResourcePlanning.pdf

The attached documents are submitted by Robert W. Brinkman, 915 NE 20th Avenue, Gainesville, Florida 32609-3850. Telephone numbers are 352-337-1757 (home) or 352-318-4934 (cell), reply to [RobBrinkman@cox.net](mailto:RobBrinkman@cox.net). The pdf document is 89 pages. This document was provided by the Alliance to Save Energy of Washington, D.C. It is provided to explain the request I will make personally for the continuation of the determination of need matter before the PSC and the creation of a working group to provide recommendations on DSM integration into the IRP process. The document was originally filed before the North Carolina Utilities Commission (NCUC) to explain the process that the Georgia PSC used to expand the economic screening tests for DSM measures thereby increasing energy and financial savings for consumers. Also included on the attached file are several documents that were attached to the original filing with the NCUC, including two orders of the Georgia PSC and the report of the working group that was created pursuant to the first of these orders.

I am also attaching a signed copy of my personal testimony as a MS Word document to be given before the FPSC on June 7, 2006. In it I reference the above document and respectfully request that both attachments be made part of the record for the determination of need for SGS 3 docket # 060220. Thank you for your attention to this matter.  
 Sincerely,

Robert W. Brinkman

- CMP \_\_\_\_\_
- COM \_\_\_\_\_
- CTR \_\_\_\_\_
- ECR 5
- GCL 1
- OPC \_\_\_\_\_
- RCA \_\_\_\_\_
- SCR \_\_\_\_\_
- SGA \_\_\_\_\_
- SEC 1
- OTH \_\_\_\_\_

*Testimony*  
 DOCUMENT NUMBER-DATE  
 04876 JUN-7 06  
 FPSC-COMMISSION CLERK

*Attachment*  
 DOCUMENT NUMBER-DATE  
 04877 JUN-7 06  
 FPSC-COMMISSION CLERK

6/7/2006

**ORIGINAL**

Testimony before FPSC re: docket # 060220 determination of need for SGS 3

My name is Robert W. Brinkman and I am currently serving as the chair of the Suwannee St. Johns group of the Sierra Club which comprises 14 counties of North Central Florida, all of which are part of the service area of Seminole member cooperatives. I also chair the Alachua County Environmental Protection Advisory committee, appointed by the Alachua County Commission to advise it on environmental matters. I serve on the Gainesville Energy Advisory Committee which is appointed by the Gainesville City Commission to advise it on matters related to energy policy. Finally I am vice chair of the Citizens Advisory Committee to the Gainesville Metropolitan Transportation Planning organization. I am speaking only on my own behalf.

Governor Jeb Bush in August of 2001 stated that "The cheapest, easiest and fastest kilowatt we generate is the one we save through efficiencies. There is a consensus on conservation and efficiency, so let us start there." Indeed not only is saving energy more cost effective than generation, it has less negative environmental and health impacts. Further the public is finally realizing that even if coal and other fossil fuels could meet our energy needs, continuing to increase the atmospheric concentrations of greenhouse gases released by burning fossil fuels will have catastrophic consequences for the climate. These will disproportionately impact those peoples living in coastal community's world wide. Yet this is a needs determination hearing, and Seminole Electric Cooperative (SEC) represents that their customer's need more electrical energy. But can they or the rest of Floridians afford it? I refer not only to the direct economic costs, which are naturally of concern to the Florida Public Service Commission, but to the costs of more intense hurricanes, of rising sea levels and the disruption of economic activity that result from both of these and other adverse consequences of climate change.

But since the Commission may not consider these issues relevant I return to the strict sense of need determination in terms of future electrical demand. Will the state continue to grow at forecasted rates? One often quoted statistic is that 1,000 people move to Florida daily, yet according to an article in the Orlando Sentinel of June 5, 2006, 400 people a day also move out of Florida. They leave seeking less traffic and congestion and in part to avoid hurricanes and other extreme weather that Florida is uniquely vulnerable to.

SEC represents that a 750 MW coal plant is the best choice for additional base load capacity. However, will coal continue to be the cheapest fuel? The supply, while substantial, is nevertheless a dwindling non-renewable resource, which has lead to the higher prices evident in the last few years. Transportation of coal by rail has become increasingly congested in the last few years, causing delays in supplying some plants and clearly demonstrating that the rail system is extremely vulnerable to disruption.

DOCUMENT NUMBER-DATE

04876 JUN-7 8

FPSC-COMMISSION CI FRK

Florida has an abundant supply of renewable fuels such as biomass, solar and perhaps wind. Biomass particularly is becoming cost competitive with coal, being a renewable resource, biomass will exhibit long term price stability, furthermore biomass and other renewable sources keep capital in Florida rather than exporting billions of dollars a year to other states or countries. Recently Progress Energy signed a purchase power agreement for 135 MW of capacity for a biomass plant to be situated amidst a 15,000 acre plantation that will supply all of the fuel for the plant.

On page 11 of the direct testimony filed by William T. Lawton, in lines 7 through 13 he states that SEC member co-ops have no plans to increase their DSM capabilities over the forecast period. Yet later on the same page, lines 21 through 23, he states that "it does not appear reasonable that enough cost-effective reductions from DSM or conservation programs could be achieved by 2012 to eliminate the need for SGS Unit 3." How can it appear reasonable to state that DSM or conservation programs can not meet the need if no attempt is even being made?

I assume that the member co-ops that do have some form of conservation or DSM programs are using the Rate Impact Measure (RIM) test, and not the Total Resource Cost (TRC) test or the Participant test. According to previous testimony before the FPSC in July of 2004 [page45] prepared by GDS Associate for the Alliance to Save Energy and the Southern Alliance to Save Energy: "Unlike the Rate Impact Measure ("RIM") Test, the TRC Test places demand-side and supply-side options on a level playing field. If it is less expensive to save a kilowatt-hour ("kWh") with DSM than to generate a kWh on the supply-side, then the DSM option is the least cost option and should be selected. Using the TRC Test allows us to compare the cost of DSM options with the costs of planned supply side options such as generation, transmission and distribution facilities. The TRC Test allows DSM resources to be part of integrated planning, while the RIM Test does not allow DSM resources to be adequately integrated into the planning process." It appears based on the testimony of Mr. Lawton that DSM resources have not been integrated into the planning process. Therefore I respectfully submit that neither SEC, the Sierra Club, nor even the FPSC can state categorically that the forecasted need can not be met without additional generation.

I have also submitted electronically to the FPSC a filing before the North Carolina Utilities Commission [NCUC DOCKET NO. E-100, SUB 103] by the Alliance to Save Energy. It describes how the Georgia PSC ordered the creation of a DSM working group to cooperatively provide recommendations on DSM integration into the IRP process. If Florida is to meet the energy challenges it now faces, all electric utilities in Florida must work together with affected stakeholders to develop similar policy recommendations to ensure that all cost effective and economically achievable energy efficiency, DSM and conservation programs are compared on an equal basis to supply side options. I respectfully request that the FPSC continue the matter before it and order the creation of a working group to provide an agreed basis for screening and implementing DSM

programs employing the RIM, TRC and Participant tests in order to balance economic efficiency, fairness and equity. Thank you for your attention to my concerns.

s/ Robert W. Brinkman