# Jacob Veaughn

From: Jacob Veaughn on behalf of Records Clerk
Sent: Wednesday, February 10, 2021 12:16 PM

To: 'tcollins@edf.org'
Cc: Consumer Contact

Subject:FW: FEECA Comment LetterAttachments:EDF\_FEECA Comment Ltr.pdf

### Good Morning, Torend Collins

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

### Jacob Veaughn

Commission Deputy Clerk I Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399 Jacob.Veaughn@psc.state.fl.us 850.413.6656

**From:** Torend Collins <a href="mailto:collins@edf.org">collins@edf.org</a> **Sent:** Wednesday, February 10, 2021 9:43 AM **To:** Records Clerk < CLERK@PSC.STATE.FL.US>

Subject: FEECA Comment Letter

#### Good morning,

On behalf of the Environmental Defense Fund (EDF), please accept the attached comment letter in response to the proposed amendment of Rule 25- 17.0021

F.A.C., Goals for Electric Utilities. Should you have any questions please do not hesitate to contact me. Thank you.

Best, Torend



# Torend L. Collins (She/Her/Hers)

Program Coordinator, Political Affairs

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February 10, 2021

Mr. Gary F. Clark, Chairman Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850

Dear Chairman Clark,

The Environmental Defense Fund (EDF) is pleased to offer comments to the Florida Public Service Commission (Commission) proposed action to amend Rule 25-17 .0021, F.A.C., which addresses the energy efficiency goal setting measures outlined in the Florida Energy Efficiency and Conservation Act (FEECA). EDF supports efforts in Florida to improve energy efficiency programs as well as efforts promoting the adoption of more energy efficient technologies to ensure our state's energy security and reduce carbon pollution.

Florida currently ranks near the bottom of states for capturing energy savings. This is particularly problematic because we are the fourth largest energy-consuming state in the US and uses nearly eight times more energy than we produce. EDF understands the impact and importance electric utilities play in implementing and delivering programs that will lower utility costs for Florida families and businesses. Thus, Florida must work to set aspirational goals and appropriate incentive structures that put efficiency on a more equal footing with electricity sales for generating profits.

The Florida Energy Efficiency and Conservation Act emphasizes four key areas: reducing the growth rates of weather-sensitive peak demand and electricity usage, increasing the efficiency of the production and use of electricity and natural gas, encouraging demand-side renewable energy systems, and conserving expensive resources, particularly petroleum fuels. FEECA strives to encourage energy efficiency and the adoption of practices that will improve Florida's energy efficiency goals. As an initial step, the Commission should update and strengthen the outdated economic screening practices utilities use to set energy efficiency goals and ensure that energy savings are not calculated as a cost.

FEECA currently uses the Ratepayer Impact Measure (RIM) test as the primary basis for setting annual utility efficiency savings goals. Under the RIM test, customer savings are treated as costs because the utility company receives less revenue. The RIMs test does not account for the advancement of new technologies that further encourage energy efficiency. And by using the 30-

<sup>&</sup>lt;sup>1</sup> American Council for Energy Efficiency Economy. *The 2020 State Efficiency Scorecard*. Retrieved from <a href="https://www.aceee.org/sites/default/files/pdfs/u2011.pdf">https://www.aceee.org/sites/default/files/pdfs/u2011.pdf</a>.

<sup>&</sup>lt;sup>2</sup> U.S. Energy Information Administration. Retrieved from <a href="https://www.eia.gov/state/?sid=FL">https://www.eia.gov/state/?sid=FL</a>.

<sup>&</sup>lt;sup>3</sup> Sections 366.82(2) and 366.82(6), Fla. Stat.

year old RIM test, Floridians continue to experience high utility bills that do not reflect the costeffective and affordable efficiency measures families and businesses desire.

Furthermore, the RIM test differs drastically from what other states currently use to determine energy efficiency goals. Many states have adopted methods that provide the most cost-effective, beneficial demand-side energy efficiency programs. Thus, amending the rule to establish newer methods and timelines for calculating return on investment can further energy efficiency and Florida's economy.

Specifically, EDF requests the Commission take the following actions:

- Expand scope of rulemaking to better address the changing landscape of energy efficiency programs.
- Encourage the most cost-effective measures by extending return on investment measuring beyond current two years.
- Evaluate compensation opportunities that improve utilities ability to prioritize efficiency.
- Eliminate use of the Ratepayer Impact Measure or RIM test.

EDF looks forward to continuing to provide support so the FPCS can ensure Florida families and businesses enjoy with lower utility bills and decrease energy waste across the state.

Sincerely,

Dawn Shirreffs Florida Director