

Jacob Veaughn

From: Jacob Veaughn on behalf of Records Clerk
Sent: Monday, February 15, 2021 4:21 PM
To: 'Beth.Alvi@audubon.org'
Cc: Consumer Contact
Subject: FW: Goals for Electric Utilities Rule Development Workshop; Docket #20200181
Attachments: AF FEECA Letter w sign ons.pdf

Good Morning, Beth Alvi

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
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From: Alvi, Beth <Beth.Alvi@audubon.org>
Sent: Monday, February 15, 2021 3:31 PM
To: Records Clerk <CLERK@PSC.STATE.FL.US>; Office of Chairman Clark <Commissioner.Clark@psc.state.fl.us>; Office of Commissioner Graham <Commissioner.Graham@PSC.STATE.FL.US>; Office of Commissioner Brown <Commissioner.Brown@psc.state.fl.us>; Office of Commissioner Fay <Commissioner.Fay@psc.state.fl.us>; Office of Commissioner La Rosa <Commissioner.LaRosa@psc.state.fl.us>
Cc: Wraithmell, Julie <Julie.Wraithmell@audubon.org>; David Glassner <davidmglassner@gmail.com>
Subject: Goals for Electric Utilities Rule Development Workshop; Docket #20200181

Dear Public Service Commission and Staff,
Please accept Audubon Florida's comments on the FEECA rulemaking workshop. Thank you for the opportunity to provide input. Please let us know if we can provide additional information.

Regards,
Beth Alvi

Elizabeth Alvi
Director of Policy
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February 15, 2021

Chairman Gary F. Clark
Commissioner Julie I. Brown
Commissioner Art Graham
Commissioner Andrew G. Fay
Commissioner Mike La Rosa

Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399

Re: Goals for Electric Utilities Rule Development Workshop; Docket #20200181

Dear Florida Public Service Commission and Staff,

Audubon Florida and the undersigned Audubon chapters appreciate the Commission and Staff's efforts to address the Florida Energy Efficiency and Conservation Act (FEECA) in the January 14, 2021 workshop.

Audubon Florida has a 120-year history of advocating for environmental protections and conservation policies based on sound science. Our dedicated advocates, including the undersigned chapter leaders, recognize that achieving our conservation goals is only possible if we mitigate the impacts of climate change and work towards more equitable communities. The opportunity to amend the FEECA rule is central to these issues.

We urge the Commission to direct staff to expand the rulemaking scope to include the entirety of FEECA. We ask that the Commission utilize 3rd parties for feasibility and market potential studies; employ alternate cost-effectiveness tests to assess DSM programs; develop an incentive structure for energy efficiency goals; and set energy efficiency goals at higher rates.

3rd Party Studies

Rather than instructing utilities to conduct their own potential studies, the Commission should order a statewide feasibility and market potential study conducted by a neutral 3rd party answerable to the commission to inform energy efficiency goals, which would ensure greater consistency across utilities. Additionally, the Commission should convene a transparent stakeholder process to establish baseline input assumptions for the study through a process of mutual agreement between staff, economists, academics, and regulatory professionals.

Adapt Economic Tests of Cost-Effectiveness of DSM Programs

Florida is the only state that relies on the Rate Impact Measure (RIM) test as the primary method for determining cost-effectiveness of demand-side management (DSM) programs. The RIM Test is deeply flawed. We recommend the Commission follow the lead of leading energy efficiency states in adopting the Total Resource Cost test as the primary cost-effectiveness test or at a minimum open a transparent

stakeholder process to review the established cost-effectiveness testing methods and determine the best path for Florida to achieve the goals of FEECA: to decrease consumption and improve efficiency.

Use of the Participant Cost Test (PCT) should also be reviewed to ensure achievement of energy efficiency. By limiting projects to those outside the 2-year payback window, customers are unable to implement rapid, proven measures that advance FEECA's intended goals and targets.

Align Incentives to Reach Energy Efficiency Goals

Amendments to the FEECA rule should seek to better align utility, consumer and conservation interests by following industry best practices including decoupling and establishing performance-based metrics and incentives for utilities' energy efficiency and conservation efforts. Utilities provide a necessary public service; their dedication to its improvement should be rewarded.

By adopting efficiency best practices that have been implemented in other states currently exceeding the national average in energy efficiency and conservation goals, the commission can establish mutually beneficial results for utility shareholders and ratepayers.

Set Energy Efficiency Goals at Higher Rates

Using the above recommendations, Audubon Florida asks that the Commission only approve utility energy efficiency goals at rates closer to 1% than 0%. While Florida sits at the bottom of the list in energy efficiency and conservation, other states are improving year-over-year. With support from the Commission and Staff in implementing the aforementioned amendments to the rule, Florida can rise through the ranks. By establishing meaningful savings targets, the Commission can help reduce energy and natural resource waste, lower system peak usage and costs, spur local job growth, save consumers money, and realize significant environmental benefits for all Floridians.

Conclusion

Utilities are tasked with simultaneously improving and expanding service to their customers and returning benefit to their shareholders. With the above recommendations, the Commission and the utilities will gain the capacity and security needed to set – and achieve – energy efficiency and conservation goals near 1%, while providing benefit to all stakeholders and ratepayers.

Energy efficiency efforts have lasting positive economic impacts, from reducing customers' bills to creating jobs. With the ongoing effects of the pandemic, Floridians need cost savings now more than ever. Additionally, robust energy efficiency programs are integral to emissions mitigation. Energy conservation decreases the peak demand that utilities must provide; reducing consumption lessens emissions from both traditional and renewable energy generation and protects our natural resources.

A modernized FEECA rule can provide jobs, clean air and water, and economic and natural resilience. Thank you for ensuring Florida can be a leader in this essential work.

Sincerely,

A handwritten signature in blue ink that reads "Julie Wraithmell". The signature is fluid and cursive, with a large loop at the end of the name.

Julie Wraithmell
Executive Director

Bev Hansen,
President,
Hernando Audubon Society

Anne Casella
Conservation Chair
Alachua Audubon

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