Antonia Hover	CORRESPONDENCE 8/6/2024 DOCUMENT NO. 08216-2024
From:	Antonia Hover on behalf of Records Clerk
Sent:	Tuesday, August 6, 2024 8:44 AM
To:	'Brenda.Krebs@miamidade.gov'
Cc:	Consumer Contact
Subject:	FW: Public Comment, Miami-Dade County, for Docket No. 20200181-EU (Proposed amendment of Rule 25-17.0021, F.A.C., Goals for Electric Utilities)
Attachments:	FEECA Letter 8-2-24.pdf

Good Morning, Patricia Gomez.

We will be placing your comments below in consumer correspondence in Docket No. 20240000, and forwarding them to the Office of Consumer Assistance and Outreach.

Thank you!

Toní Hover

Commission Deputy Clerk 1 Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399 Phone: (850) 413-6467

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From: Krebs, Brenda (RER) < Brenda.Krebs@miamidade.gov> On Behalf Of Gomez, Patricia (RER) Sent: Friday, August 2, 2024 6:35 PM To: Records Clerk <CLERK@PSC.STATE.FL.US> Cc: Dick, Julie (RER) <Julie.Dick@miamidade.gov>; Krebs, Brenda (RER) <Brenda.Krebs@miamidade.gov> Subject: Public Comment, Miami-Dade County, for Docket No. 20200181-EU (Proposed amendment of Rule 25-17.0021, F.A.C., Goals for Electric Utilities)

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Good Evening:

Please place the attached letter in Docket No. 20200181 on behalf of Miami-Dade County.

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

Sincerely,

Patricia Gomez, Ph.D., PE, CEM, GBE, LEED AP

Interim Chief Resilience Officer Miami-Dade County Office of Resilience 111 NW 1st Street, 12th Floor, Miami, FL 33128 www.miamidade.gov/resilience Office: 305-375-5593

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August 2, 2024

Chairman Mike La Rosa Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399 Sent via email to: <u>clerk@psc.state.fl.us</u>

Re: Public Comment, Miami-Dade County, for Docket No. 20240012 (Proposed amendment of Rule 25-17.0021, F.A.C., Goals for Electric Utilities)

Dear Chairman and Members of the Florida Public Service Commission,

Thank you for the opportunity to provide these comments on the Commission's proposed revisions to its Florida Energy and Conservation Act (FEECA) goals. I write today on behalf of Miami-Dade County to comment on FPL's proposed goals and programs.

Miami-Dade County has a long history of implementing policies to improve energy efficiency. Reducing energy use through increased efficiency is a core approach guiding Miami-Dade strategies such as the Climate Action Strategy, the Extreme Heat Action Plan, the Electricity Master Plan, and the HOMES Plan to tackle housing affordability. The County's Climate Action Strategy seeks to retrofit 167,500 homes to reduce energy costs by 28% by 2030, prioritizing low-to moderate-income homes. The Extreme Heat Action Plan aims to improve coordination and expand outreach on energy efficiency, advocate for heat safe housing policies, and increase support for efficiency and cooling upgrades. The County's Comprehensive Development Master Plan (CDMP) includes objectives and policies to encourage energy efficiency and weatherization programs. Energy efficiency and resilience in the County's housing stock is central to addressing housing affordability, which is a major stressor in the region. The County is committed to strengthening our regional economy through strong energy efficiency programs, which help our residents and businesses reduce energy use and save money. Adoption of strong programs and goals through FEECA will be a key component in tackling this challenge.

FPL, as the primary electricity utility serving Miami-Dade County, is best positioned to advance the programs and ambitious goals needed to solve for energy efficiency. This is particularly true given FPL's unique capacity to scale programs that serve all ratepayers. As such, we believe it's imperative that FPL's goal for energy efficiency should be increased to 1% of retail sales to support



the demand side management programs needed in the community to reduce energy costs for all ratepayers and improve the resilience of buildings and housing stock in the region.

Proposed New Programs for Renters and Low-Income Residents

We applaud FPL's inclusion of a program to provide energy efficiency and conservation to lowincome renters. Energy efficiency is directly linked to reduced energy burden, improving housing affordability which is one of Miami-Dade County's biggest challenges and our residents' top concerns. This is especially critical in the Miami metropolitan area where 57% of low-income households face a high energy burden (i.e., pay more than 6% of income on energy bills) and 31% of low-income households face a severe energy burden (i.e., pay more than 10% of income on energy bills).¹ Research suggests improving energy efficiency can reduce high energy burdens by as much as 30%.²

FPL proposes a program that will pay the incremental cost of a more efficient HVAC unit, up to \$1,000, limiting the landlord's expenditure and disincentive to invest in more energy-efficient equipment. The program is proposed as a three-year pilot with an annual cap of 500 participants. The proposed program fills a critical gap in energy efficiency programming. Expansion of the program beyond the cap of 500 annual participants will be important to have an impact at scale. We urge the Commission to require FPL to exponentially increase the cap on the number of annual participants in this program.

Further, the proposed program doesn't address renters' energy efficiency needs beyond the landlord agreeing to buy a more energy efficient HVAC unit subsidized by FPL. The split incentive distribution model should be replicated for a broader range of energy efficiency and weatherization upgrades, including building envelope retrofits like windows, doors, and roofs.

FPL's proposed HVAC pilot program for low-income renters establishes a model for solving the split incentive issue. Programs that incentivize landlords to make energy efficiency investments should be available across ratepayers, to include an option for all types of residential properties and not just low-income renters.

We urge the Commission to direct FPL to expand the proposed pilot program to include these measures to serve significantly more participants; support split incentivize investments between

¹ <u>https://ccmedia.fdacs.gov/content/download/96425/file/ACEEE_HouseholdEnergyBurdensStudy.pdf</u>.

² <u>https://www.aceee.org/research-report/u1602</u>.



landlords, renters, and the utility across a broader range of energy efficiency and building envelope retrofits; and make these programs available across a broader range of ratepayers.

On-Bill Financing Programming is Needed

We support FPL's proposal to provide an on-bill financing program. However, the scope of the proposed program is limited. There is a dearth of energy efficiency programming available to all ratepayers, commercial and residential. Additional programs should be required of FPL in order to offer programming across all classes of ratepayer.

On the commercial side on bill financing programs are needed to support investments in commercial buildings across the County. We urge FPL to consider developing a wide-reaching on bill financing program that offers options to commercial clients to support building envelop upgrades, HVAC, energy efficiency, renewable energy, energy storage and electric vehicle service equipment (EVSE)

Programs should include on-bill financing options for all residential ratepayers. On bill financing provides a mechanism to pay for certain measures over time in a manner that aligns with the reduced energy costs building occupants may experience. In the example of a rental property, the costs paid over time on a utility bill could pass with the benefit to future renters whose utility bills would be lower as a result of the investments.

There are 110 utility companies operating on-bill financing programs nationwide, allowing homeowners, renters, and businesses to pay for energy efficiency and clean energy upgrades over time through their monthly utility bills.³ On-bill financing has been shown to reduce energy burdens, expand access to capital for clean energy, energy efficiency, and building envelope upgrades.

FPL should be directed to establish programs that provide on-bill financing options for ratepayers to invest in energy efficiency, weatherization, building envelope retrofits, renewable energy, EVSE, and energy storage across all classes of ratepayers. Existing FPL programs should be available across all classes of ratepayers and on-bill financing options could help make that possible.

³ https://www.eesi.org/files/Report-On-Bill-Financing-For-Solar-Energy-Miguel-Yanez.pdf



Expansion of Low-Income Weatherization

We applaud the FPL's proposal to expand its low-income weatherization program beyond what was proposed in its original petition. Increasing the amount of energy saved through these program measures is low-hanging fruit. The amount of energy savings projected and connected energy cost is an important investment, but inadequate to meet the needs of the community. The established goals for megawatts avoided through this program and program cost estimate should be exponentially increased to greater match community needs for expanded weatherization options. The proposed increase will make a difference in serving more households. Nonetheless, we hope to see the numbers of participants FPL seeks to serve through this program continue to increase.

FPL's proposed weatherization program measures are limited to certain lower cost items, including weatherization (caulking/stripping), duct testing & repair, air conditioning unit maintenance, air conditioning outdoor coil cleaning, faucet aerators – kitchen and bathroom, low -flow showerhead, water heater pipe wrap, ceiling insulation, and light emitting diode (LED) light bulbs. More substantial weatherization measures, like windows, doors, and roofs, should be included in these programs. Such measures represent significant investments for many segments of the population and as such utility programs to incentivize the investment can be meaningful. Further, the multiple co-benefits of these larger resilience investments translate into reduced risk in the community, greater resilience to storms, improved cooling, and less burden on the cost of living for residents.

We urge the Commission to require a more expansive weatherization program that includes major building envelope weatherization and fortification measures and create options to make such programs available across classes of ratepayers.

While FPL has identified a model to address the split incentive through a proposed HVAC lowincome renter program, it failed to present a solution to serve the rental market with respect to weatherization program measures. FPL should be directed to develop similar programs that provide landlords with incentives to invest in a broader range of weatherization measures, including building envelop retrofits, like windows, doors, and roofs.

Consider establishing whole building and whole home retrofit programs

FPL is well situated to offer more comprehensive demand side management (DSM) programs that support implementation of the range of energy efficiency, load management, electric panel, weatherization, building envelope, renewable energy, and EVSE measures ratepayers could implement. A more comprehensive approach that could meet the full range of DSM programs



across all ratepayers would fill a significant gap in existing offerings. More comprehensive program options are needed to make more meaningful progress towards addressing energy efficiency. The County's Home Rehabilitation Program that offers low-income homeowners a forgivable loan to make building envelope repairs currently has a waiting list of over 1,000 homeowners. More programs and resources are needed to meet the demand.

Electric Panels

Miami-Dade County supports the weatherization of housing that includes both low-cost caulking type measures; appliance, water heat, and HVAC upgrades; and larger building envelope projects. One of the biggest roadblocks for residents seeking to take advantage of our programs that subsidize purchases of energy efficient appliances and fixtures is that outdated electric panels prevent the installation of this equipment or central air conditioning. These residents are often unable to take advantage of these resources because they are unable to afford to upgrade their electric panels. We urge the Commission to direct FPL to develop a program that supports ratepayers to upgrade electric panels, particularly in low- and moderate-income households.

Goals

While we acknowledge that these proposed goals show progress compared to past years, we believe they fall short of what is necessary to address Florida's lagging energy efficiency record. Florida should strive to be a leader in national energy efficiency rankings. Florida faces unique challenges that contribute to a projected rise in energy demand, and we need a more comprehensive state-wide strategy to ensure that a reliable and affordable energy supply is accessible to residents.

Miami-Dade County urges the Commission to require FPL to set annual DSM savings goals of at least 1% of retail sales. This increased investment is vital to bring Florida in line with its national peers. This higher goal would better align with the needs of the community and will scale programs to meet those needs while addressing a gap in the deployment of energy efficiency programming.

Florida has been a laggard in energy efficiency. For example, in 2021, Florida investor-owned utilities subject to FEECA saved on average about 0.08% of retail sales compared to a national average of 0.68% and an increasingly adopted 1% goal. Additionally, only several other states saved less electricity than Florida.⁴

⁴ 2022 State Energy Efficiency Scorecard, ACEEE. (2022, December 6). https://www.aceee.org/sites/default/files/pdfs/u2206.pdf.



Supporting the deployment of energy efficiency upgrades to existing buildings is a priority for Miami-Dade County⁵. Energy efficiency buildings save money and protect human health and safety. Many energy efficiency upgrades also have the co-benefit of making buildings more resilient to extreme weather events. Greater utility side investment in DSM programs is central to minimizing the energy burden on cost of living, public health, and overall resilience in the County. An annual DSM savings goal of at least 1% of retail sales is a reasonable and necessary measure to keep the County and the region on track with the demand side investments needed to meet the needs of the ratepayers and reduce unnecessary demands on the grid.

Scale is needed

Higher goals will ensure the investments needed to serve more ratepayers. FPL claims their weatherization programs have served 33,947 low-income customers with direct installation of weatherization and energy saving measures since 2019. For example, even with the increased number of households served by FPL's weatherization and energy saving program, the scale of FPL's proposal does not match up with the County's goals to retrofit 167,500 homes by 2030. The County relies on FPL as a partner in meeting its energy-related targets and goals. In addition, these proposed programs align with the goals of FPL's Real Zero Plan and need to be tailored to serve broad classifications of ratepayers, including renters. Without a major expansion of the proposed programs and goals proposed, investments in energy efficiency will not be made at the scale needed.

Conclusion

Miami-Dade County urges the Commission to set more ambitious energy efficiency goals and to direct FPL to expand its programming as recommended herein. This would help lower energy consumption for Miami-Dade County residents, help reduce demand on the power grid during extreme weather events and foster a more sustainable economic future for our County.

The regulatory framework established through this rulemaking will affect the extent to which residents and businesses in Miami-Dade County will have access to the benefits and programs developed through FEECA. We urge you to amend the proposed rule in a manner that will help Florida pave the way to greater energy efficiency standards. Thank you for your time and

⁵ The County's CDMP sets policies to incentivize energy efficiency; implement programs to encourage large-scale facilities to track electricity consumption and provide efficiency improvements; and encourage new legislation that promotes energy efficiency... in the construction and rehabilitation of new and existing buildings. CDMP LU10-E, LU10-F, and HO-8D.



consideration of our comments. Should you wish to reach us, please contact julie.dick@miamidade.gov.

Sincerely,

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Patricia Gomez, Ph.D., PE, CEM, GBE, LEED AP Interim Chief Resilience Officer Miami-Dade County Office of Resilience